

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 March 31, 2020

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 814-01132

Crescent Capital BDC, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Maryland
(State or Other Jurisdiction of
Incorporation or Organization)

47-3162282
(I.R.S. Employer
Identification No.)

11100 Santa Monica Blvd., Suite 2000, Los Angeles, CA
(Address of Principal Executive Offices)

90025
(Zip Code)

Registrant's Telephone Number, Including Area Code: (310) 235-5900

Not applicable

Former Name, Former Address and Former Fiscal Year, If Changed Since Last Report.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	CCAP	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, par value \$0.001 per share
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit files). Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting 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 checked="" 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 Securities Exchange Act of 1934). Yes No

The number of shares of the Registrant's common stock, \$.001 par value per share, outstanding at May 12, 2020 was 28,167,360.

CRESCENT CAPITAL BDC, INC.

FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 2020

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that involve substantial risks and uncertainties. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about us, our current or prospective portfolio investments, our industry, our beliefs, and our assumptions. We believe that it is important to communicate our future expectations to our investors. Words such as “anticipates,” “expects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “would,” “will,” “should,” “targets,” “projects,” and variations of these words and similar expressions identify forward-looking statements, although not all forward-looking statements include these words. These statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and are difficult to predict, that could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements.

The following factors and factors listed under “Risk Factors” in this report and other documents Crescent Capital BDC, Inc. has filed with the Securities and Exchange Commission, or SEC, provide examples of risks, uncertainties and events that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. The occurrence of the events described in these risk factors and elsewhere in this report could have a material adverse effect on our business, results of operation and financial position. The following factors are among those that may cause actual results to differ materially from our forward-looking statements:

- uncertainty surrounding the financial stability of the United States, Europe and China;
- the ability of our investment adviser to locate suitable investments for us and to monitor and administer our investments;
- potential fluctuation in quarterly operating results;
- potential impact of economic recessions or downturns;
- adverse developments in the credit markets;
- regulations governing our operation as a business development company;
- operation in a highly competitive market for investment opportunities;
- changes in interest rates may affect our cost of capital and net investment income;
- financing investments with borrowed money;
- potential adverse effects of price declines and illiquidity in the corporate debt markets;
- the impact of COVID-19 on our portfolio companies and the markets in which they operate, interest rates and the economy in general;
- lack of liquidity in investments;
- the outcome and impact of any litigation;
- the timing, form and amount of any dividend distributions;
- risks regarding distributions;
- potential adverse effects of new or modified laws and regulations;
- the social, geopolitical, financial, trade and legal implications of Brexit;
- potential resignation of the Advisor and or the Administrator;
- uncertainty as to the value of certain portfolio investments;
- defaults by portfolio companies;
- our ability to successfully complete and integrate any acquisitions;
- risks associated with original issue discount (“OID”) and payment-in-kind (“PIK”) interest income; and
- the market price of our common stock may fluctuate significantly.

Although we believe that the assumptions on which these forward-looking statements are based upon are reasonable, some of those assumptions are based on the work of third parties and any of those assumptions could prove to be inaccurate; as a result, forward-looking statements based on those assumptions also could prove to be inaccurate. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this report should not be regarded as a representation by us that our plans and objectives will be achieved. You should not place undue reliance on these forward-looking statements, which apply only as of the date of this report. We do not undertake any obligation to update or revise any forward-looking statements or any other information contained herein, except as required by applicable law. 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. The safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which preclude civil liability for certain forward-looking statements, do not apply to the forward-looking statements in this report because we are an investment company.

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(in thousands except share and per share data)**

	As of March 31, 2020 (Unaudited)	As of December 31, 2019
Assets		
Investments, at fair value		
Non-controlled non-affiliated (cost of \$898,233 and \$675,329, respectively)	\$ 830,024	\$ 671,582
Non-controlled affiliated (cost of \$33,363 and \$19,766, respectively)	30,593	20,507
Controlled (cost of \$39,000 and \$34,000, respectively)	22,599	34,442
Cash and cash equivalents	3,708	4,576
Restricted cash and cash equivalents	7,820	8,851
Receivable for investments sold	6,933	160
Interest receivable	3,748	2,832
Unrealized appreciation on foreign currency forward contracts	2,882	758
Deferred tax asset	803	421
Other assets	752	3,046
Total assets	\$ 909,862	\$ 747,175
Liabilities		
Debt (net of deferred financing costs of \$4,787 and \$3,431, respectively)	\$ 422,123	\$ 322,010
Distributions payable	11,570	8,554
Interest and other debt financing costs payable	4,260	3,545
Accrued expenses and other liabilities	3,747	3,788
Management fees payable	1,494	1,343
Deferred tax liability	807	879
Directors' fees payable	106	74
Unrealized depreciation on foreign currency forward contracts	—	65
Total liabilities	\$ 444,107	\$ 340,258
Commitments and Contingencies (Note 8)		
Net Assets		
Preferred stock, par value \$0.001 per share (10,000 shares authorized, zero outstanding, respectively)	\$ —	\$ —
Common stock, par value \$0.001 per share (200,000,000 shares authorized, 28,200,547 and 20,862,314 shares issued and outstanding, respectively)	28	21
Paid-in capital in excess of par value	559,239	414,293
Accumulated loss	(93,512)	(7,397)
Total Net Assets	\$ 465,755	\$ 406,917
Total Liabilities and Net Assets	\$ 909,862	\$ 747,175
Net asset value per share	\$ 16.52	\$ 19.50

See accompanying notes

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Crescent Capital BDC, Inc.

Consolidated Statements of Operations
(in thousands except share and per share data)
(Unaudited)

	For the three months ended March 31, 2020	For the three months ended March 31, 2019
Investment Income:		
From non-controlled non-affiliated investments:		
Interest income	\$ 16,603	\$ 10,352
Paid-in-kind interest	549	165
Dividend income	892	423
Other income	440	244
From non-controlled affiliated investments:		
Interest income	343	272
Paid-in-kind interest	4	—
Total investment income	18,831	11,456
Expenses:		
Interest and other debt financing costs	4,349	2,809
Management fees	2,651	1,890
Incentive fees	1,932	1,024
Professional fees	342	192
Directors' fees	129	73
Organization expenses	—	42
Other general and administrative expenses	726	521
Total expenses	10,129	6,551
Management fee waiver	(1,157)	(903)
Incentive fee waiver	(1,932)	(1,024)
Net expenses	7,040	4,624
Net investment income before taxes	11,791	6,832
Income and excise taxes	238	3
Net investment income	11,553	6,829
Net realized and unrealized gains (losses) on investments:		
Net realized gain (loss) on:		
Non-controlled non-affiliated investments	113	(261)
Foreign currency transactions	(237)	13
Net change in unrealized appreciation (depreciation) on:		
Non-controlled non-affiliated investments and foreign currency translation	(64,440)	2,460
Non-controlled affiliated investments	(3,511)	536
Controlled investments	(16,843)	(241)
Foreign currency forward contracts	2,190	(27)
Net realized and unrealized gains (losses) on investments	(82,728)	2,480
Realized loss on asset acquisition	(3,825)	—
Net realized and unrealized gains (losses) on investments and asset acquisition	(86,553)	2,480
Benefit (provision) for taxes on unrealized appreciation (depreciation) on investments	455	(449)
Net increase (decrease) in net assets resulting from operations	\$ (74,545)	\$ 8,860
Per Common Share Data:		
Net increase (decrease) in net assets resulting from operations per share (basic and diluted):	\$ (2.84)	\$ 0.61
Net investment income per share (basic and diluted):	\$ 0.44	\$ 0.47
Weighted average shares outstanding (basic and diluted):	26,212,991	14,464,405

See accompanying notes

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Crescent Capital BDC, Inc.

Consolidated Statements of Changes in Net Assets
(in thousands except share and per share data)
(Unaudited)

	<u>Common Stock</u>		<u>Paid in Capital in Excess of Par Value</u>	<u>Accumulated Loss</u>	<u>Total Net Assets</u>
	<u>Shares</u>	<u>Par Amount</u>			
Balance at December 31, 2019	20,862,314	\$ 21	\$ 414,293	\$ (7,397)	\$ 406,917
Net increase (decrease) in net assets resulting from operations:					
Net investment income	—	—	—	11,553	11,553
Net realized gain (loss) on investments and foreign currency transactions	—	—	—	(124)	(124)
Net change in unrealized appreciation (depreciation) on investments, foreign currency forward contracts and foreign currency translation	—	—	—	(82,604)	(82,604)
Realized loss on asset acquisition	—	—	—	(3,825)	(3,825)
Benefit/(Provision) for taxes on unrealized appreciation/(depreciation) on investments	—	—	—	455	455
Stockholder distributions:					
Issuance of common stock	2,265,021	2	44,295	—	44,297
Issuance in connection with asset acquisition (Note 13)	5,202,312	5	101,944	—	101,949
Issuance of common shares pursuant to dividend reinvestment plan	30,128	—	589	—	589
Repurchase of common stock	(159,228)	—	(1,882)	—	(1,882)
Distributions to stockholders	—	—	—	(11,570)	(11,570)
Total increase (decrease) for the three months ended March 31, 2020	7,338,233	7	144,946	(86,115)	58,838
Balance at March 31, 2020	<u>28,200,547</u>	<u>\$ 28</u>	<u>\$ 559,239</u>	<u>\$ (93,512)</u>	<u>\$ 465,755</u>
Distributions declared					\$ 0.41

See accompanying notes

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Crescent Capital BDC, Inc.

Consolidated Statements of Changes in Net Assets
(in thousands except share and per share data)
(Unaudited)

	<u>Common Stock</u>		<u>Paid in Capital in Excess of Par Value</u>	<u>Accumulated Loss</u>	<u>Total Net Assets</u>
	<u>Shares</u>	<u>Par Amount</u>			
Balance at December 31, 2018	13,358,289	\$ 13	\$ 266,024	\$ (6,458)	\$ 259,579
Net increase (decrease) in net assets resulting from operations:					
Net investment income	—	—	—	6,829	6,829
Net realized gain (loss) on investments and foreign currency transactions	—	—	—	(248)	(248)
Net change in unrealized appreciation (depreciation) on investments, foreign currency forward contracts and foreign currency translation	—	—	—	2,728	2,728
Benefit/(Provision) for taxes on unrealized appreciation/(depreciation) on investments	—	—	—	(449)	(449)
Stockholder distributions:					
Issuance of common stock	1,330,128	1	25,999	—	26,000
Issuance of common shares pursuant to dividend reinvestment plan	15,149	—	296	—	296
Equity offering costs	—	—	(59)	—	(59)
Distributions to stockholders	—	—	—	(6,028)	(6,028)
Total increase (decrease) for the three months ended March 31, 2019	<u>1,345,277</u>	<u>1</u>	<u>26,236</u>	<u>2,832</u>	<u>29,069</u>
Balance at March 31, 2019	<u>14,703,566</u>	<u>\$ 14</u>	<u>\$ 292,260</u>	<u>\$ (3,626)</u>	<u>\$ 288,648</u>
Distributions declared					\$ 0.41

See accompanying notes

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Crescent Capital BDC, Inc.

Consolidated Statements of Cash Flows
(in thousands except share and per share data)
(Unaudited)

	For the three months ended March 31, 2020	For the three months ended March 31, 2019
Cash flows from operating activities:		
Net increase (decrease) in net assets resulting from operations	\$ (74,545)	\$ 8,860
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used for) operating activities:		
Purchases of investments	(117,424)	(63,382)
Paid-in-kind interest income	(553)	(165)
Proceeds from sales of investments and principal repayments	73,751	39,935
Net realized (gain) loss on investments and foreign currency transactions	197	261
Realized loss from asset acquisition	3,825	—
Acquisition of Alcentra Capital Corporation, net of cash acquired ⁽²⁾	(12,884)	—
Net change in unrealized (appreciation) depreciation on investments and foreign currency translation	84,794	(2,755)
Net change in unrealized (appreciation) depreciation on foreign currency forward contracts	(2,190)	27
Amortization of premium and accretion of discount, net	(1,804)	(772)
Amortization of deferred financing costs	332	177
Change in operating assets and liabilities:		
(Increase) decrease in receivable for investments and fund shares sold	(6,378)	(728)
(Increase) decrease in interest receivable	86	(640)
(Increase) decrease in deferred tax asset	(331)	—
(Increase) decrease in other assets	2,245	(106)
Increase (decrease) in payable for investments purchased	—	1,707
Increase (decrease) in management fees payable	151	24
Increase (decrease) in directors' fees payable	32	72
Increase (decrease) in interest and credit facility fees and expenses payable	(119)	175
Increase (decrease) in deferred tax liability	(72)	449
Increase (decrease) in accrued expenses and other liabilities	(436)	3
Net cash provided by (used for) operating activities	<u>(51,323)</u>	<u>(16,858)</u>
Cash flows from financing activities:		
Issuance of common stock	44,297	26,000
Repurchase of common stock	(1,882)	—
Financing costs paid related to revolving credit facilities	(1,688)	—
Distributions paid	(7,965)	(5,047)
Equity offering costs	—	(59)
Borrowings on debt	132,843	34,584
Repayments on debt	(99,350)	(37,000)
Repayments on InterNotes [®]	(16,853)	—
Net cash provided by (used for) financing activities	<u>49,402</u>	<u>18,478</u>
Effect of exchange rate changes on cash denominated in foreign currency	22	5
Net increase (decrease) in cash, cash equivalents, restricted cash and foreign currency	(1,899)	1,625
Cash, cash equivalents, restricted cash and foreign currency, beginning of period	13,427	10,369
Cash, cash equivalents, restricted cash and foreign currency, end of period⁽¹⁾	<u><u>\$ 11,528</u></u>	<u><u>\$ 11,994</u></u>
Supplemental and non-cash financing activities:		
Cash paid during the period for interest	\$ 4,063	\$ 2,458
Issuance of common stock pursuant to dividend reinvestment plan	\$ 589	\$ 296
Accrued but unpaid equity offering costs	\$ —	\$ 59
Accrued but unpaid distributions	\$ 11,570	\$ 6,028
Issuance of shares in connection with asset acquisition (see Note 13) ⁽²⁾	\$ 101,949	\$ —

(1) As of March 31, 2020, the balance includes cash and cash equivalents of \$3,314, cash denominated in foreign currency of \$394 and restricted cash and cash equivalents of \$7,820, respectively. As of December 31, 2019, the balance includes cash and cash equivalents of \$3,867, cash denominated in foreign currency of \$709, and restricted cash and cash equivalents of \$8,851, respectively.

(2) After the close of business on January 31, 2020, in connection with the Alcentra Acquisition (as defined in Note 1 and further discussed in Note 13), the Company acquired net assets of \$114,431 which included \$195,682 investment portfolio, \$3,409 cash and cash equivalents and \$1,398 other assets, net of \$86,058 of assumed liabilities for the total cash and stock consideration of \$118,256, inclusive of \$7,250 of asset acquisition costs.

See accompanying notes

CRESCENT CAPITAL BDC, INC.
Consolidated Schedule of Investments (Unaudited)
March 31, 2020
(in thousands except share and per share data)

Company/Security/Country †‡	Investment Type	Spread Above Index *	Interest Rate	Maturity / Dissolution Date	Principal Amount, Par Value or Shares	Cost	Percentage of Net Assets **	Fair Value
United States								
Debt Investments								
Automobiles & Components								
Auto-Vehicle Parts, LLC(1)	Senior Secured First Lien	L + 450(2)	5.50%	01/2023	\$ 4,708	\$ 4,665	1.0%	\$ 4,561
Auto-Vehicle Parts, LLC(1) (3) (4)	Senior Secured First Lien			01/2023	—	(5)	—	(19)
Continental Battery Company(1)	Senior Secured First Lien	L + 525(2)	6.25%	12/2022	3,963	3,922	0.8	3,874
Continental Battery Company(1) (3) (4)	Senior Secured First Lien			12/2022	—	(8)	—	(19)
Continental Battery Company(1)	Senior Secured First Lien	L + 525(2)	6.25%	12/2022	6,629	6,550	1.4	6,481
Continental Battery Company(1)	Senior Secured First Lien	L + 525(2)	6.25%	12/2022	3,491	3,462	0.7	3,413
Empire Auto Parts, LLC(1)	Unitranche First Lien	L + 550(5)	6.50%	09/2024	2,462	2,424	0.5	2,415
Empire Auto Parts, LLC(1) (3) (4)	Unitranche First Lien			09/2024	—	(6)	—	(8)
Empire Auto Parts, LLC(1)	Unitranche First Lien	L + 550(5)	6.81%	09/2024	2,388	2,345	0.5	2,342
POC Investors, LLC(1)	Senior Secured First Lien	L + 550(5)	6.95%	11/2021	13,626	13,519	2.9	13,394
POC Investors, LLC(1) (3) (4)	Senior Secured First Lien			11/2021	—	(6)	—	(17)
					<u>37,267</u>	<u>36,862</u>	<u>7.8</u>	<u>36,417</u>
Capital Goods								
Alion Science and Technology Corporation	Senior Secured First Lien	L + 450(2)	5.50%	08/2021	2,794	2,794	0.6	2,500
Alion Science and Technology Corporation(1) (6)	Unsecured Debt		11.00%	08/2022	6,543	6,448	1.4	6,543
Envocore Holding, LLC(1)	Senior Secured First Lien	L + 600(5)	7.45%	06/2022	17,918	15,211	3.0	14,098
Potter Electric Signal Company(1) (3)	Senior Secured First Lien	L + 425(5)	5.30%	12/2021	475	453	0.1	415
Potter Electric Signal Company(1) (3)	Senior Secured First Lien	P + 325(7)	6.50%	12/2024	545	540	0.1	525
Potter Electric Signal Company(1)	Senior Secured First Lien	L + 425(8)	6.54%	12/2025	2,499	2,478	0.5	2,405
					<u>30,774</u>	<u>27,924</u>	<u>5.7</u>	<u>26,486</u>
Commercial & Professional Services								
ASP MCS Acquisition Corp.	Senior Secured First Lien	L + 475(9)	5.75%	05/2024	5,227	5,210	0.4	1,895
Battery Solutions, Inc.(1) (10)	Unsecured Debt	1200 + 200 PIK(6)	14.00%	11/2021	1,244	1,218	0.3	1,203
BFC Solmetex LLC & Bonded Filter Co. LLC(1)	Unitranche First Lien	L + 650(5)	7.96%	09/2023	5,966	5,876	1.2	5,779
BFC Solmetex LLC & Bonded Filter Co. LLC(1)	Unitranche First Lien	L + 650(5)	7.96%	09/2023	750	740	0.2	727
BFC Solmetex LLC & Bonded Filter Co. LLC(1)	Unitranche First Lien	L + 650(5)	7.96%	09/2023	622	613	0.1	603
BFC Solmetex LLC & Bonded Filter Co. LLC(1)	Unitranche First Lien	L + 650(5)	7.74%	09/2023	300	294	0.1	291
BFC Solmetex LLC & Bonded Filter Co. LLC(1) (3) (4)	Unitranche First Lien			09/2023	—	(6)	—	(27)
CHA Holdings, Inc.(1)	Senior Secured First Lien	L + 450(5)	5.57%	04/2025	4,842	4,824	1.0	4,479
CHA Holdings, Inc.(1)	Senior Secured First Lien	L + 450(5)	5.57%	04/2025	1,021	1,017	0.2	944
DFS Intermediate Holdings, LLC(1)	Senior Secured First Lien	L + 525(2)	6.25%	03/2022	8,770	8,694	1.8	8,617
DFS Intermediate Holdings, LLC(1) (3)	Senior Secured First Lien	L + 525(2)	6.25%	03/2022	1,644	1,622	0.3	1,609
DFS Intermediate Holdings, LLC(1) (3)	Senior Secured First Lien	L + 525(2)	6.77%	03/2022	3,464	3,427	0.7	3,397
Digital Room Holdings, Inc.	Senior Secured First Lien	L + 500(9)	6.07%	05/2026	6,947	6,619	1.3	6,062

See accompanying notes

CRESCENT CAPITAL BDC, INC.
Consolidated Schedule of Investments (Unaudited)
March 31, 2020
(in thousands except share and per share data)

<u>Company/Security/Country †‡</u>	<u>Investment Type</u>	<u>Spread Above Index *</u>	<u>Interest Rate</u>	<u>Maturity / Dissolution Date</u>	<u>Principal Amount, Par Value or Shares</u>	<u>Cost</u>	<u>Percentage of Net Assets **</u>	<u>Fair Value</u>
GH Holding Company(1)	Senior Secured First Lien	L + 450(2)	5.49%	02/2023	\$ 1,470	\$ 1,466	0.3%	\$ 1,420
GI Revelation Acquisition, LLC	Senior Secured First Lien	L + 500(2)	5.99%	04/2025	7,377	7,348	1.3	5,872
Hepaco, LLC(1) (3)	Senior Secured First Lien	L + 475(2)	5.75%	08/2023	321	319	0.1	283
Hepaco, LLC(1)	Senior Secured First Lien	L + 475(2)	5.75%	08/2024	5,138	5,101	1.1	4,926
Hepaco, LLC(1) (3)	Senior Secured First Lien	L + 475(2)	5.75%	08/2024	4,188	4,156	0.9	4,010
Hsid Acquisition, LLC(1)	Senior Secured First Lien	L + 450(11)	6.26%	01/2026	4,350	4,265	0.9	4,164
Hsid Acquisition, LLC(1)	Senior Secured First Lien	L + 450(2)	5.50%	01/2026	750	735	0.2	718
Hsid Acquisition, LLC(1) (3) (4)	Senior Secured First Lien			01/2026	—	(56)	—	(124)
Impact Group, LLC(1)	Senior Secured First Lien	L + 650(2)	8.44%	06/2023	7,097	5,499	1.2	5,372
Impact Group, LLC(1)	Senior Secured First Lien	L + 650(2)	8.11%	06/2023	6,698	5,191	1.1	5,071
Institutional Shareholder Services, Inc.(1)	Senior Secured First Lien	L + 450(5)	5.57%	03/2026	2,970	2,927	0.6	2,871
Institutional Shareholder Services, Inc.(1)	Senior Secured Second Lien	L + 850(5)	9.57%	03/2027	2,000	1,921	0.4	1,920
ISS Compressors Industries, Inc.(1)	Senior Secured First Lien	L + 550(11)	7.22%	02/2026	9,167	9,077	1.9	8,813
ISS Compressors Industries, Inc.(1) (3)	Senior Secured First Lien	L + 550(11)	7.22%	02/2026	812	804	0.2	780
Jordan Healthcare, Inc.(1)	Senior Secured First Lien	L + 600(5)	7.45%	07/2022	4,011	3,990	0.8	3,918
Jordan Healthcare, Inc.(1)	Senior Secured First Lien	L + 600(5)	7.45%	07/2022	696	692	0.1	680
Jordan Healthcare, Inc.(1)	Senior Secured First Lien	L + 600(5)	7.45%	07/2022	450	448	0.1	440
MHS Acquisition Holdings, LLC(1)	Senior Secured Second Lien	L + 875(5)	9.82%	03/2025	8,102	7,935	1.5	6,981
MHS Acquisition Holdings, LLC(1)	Senior Secured Second Lien	L + 875(5)	9.82%	03/2025	467	460	0.1	402
MHS Acquisition Holdings, LLC(1)	Unsecured Debt	1350 PIK(6)	13.50%	03/2026	739	731	0.1	631
MHS Acquisition Holdings, LLC(1)	Unsecured Debt	1350 PIK(6)	13.50%	03/2026	246	244	—	210
Miraclon Corporation(1) (12)	Unitranche First Lien	L + 600(9)	7.96%	04/2026	4,161	4,050	0.8	3,870
Pinstripe Holdings, LLC(1)	Unitranche First Lien	L + 600(2)	7.77%	01/2025	9,900	9,659	2.0	9,492
Pye-Barker Fire & Safety, LLC(1)	Unitranche First Lien	L + 575(5)	7.20%	11/2025	10,100	9,835	2.0	9,234
Pye-Barker Fire & Safety, LLC(1) (3)	Unitranche First Lien	P + 475(7)	8.00%	11/2025	1,500	1,451	0.3	1,179
Receivable Solutions, Inc.(1)	Senior Secured First Lien	L + 500(2)	6.07%	10/2024	2,189	2,154	0.5	2,132
Receivable Solutions, Inc.(1) (3)	Senior Secured First Lien	L + 500(11)	6.00%	10/2024	180	175	—	172
SavATree, LLC(1)	Senior Secured First Lien	L + 500(5)	6.45%	06/2022	3,946	3,910	0.8	3,862
SavATree, LLC(1) (3)	Senior Secured First Lien	L + 500(5)	6.45%	06/2022	425	421	0.1	414
SavATree, LLC(1) (3)	Senior Secured First Lien	P + 400(7)	7.25%	06/2022	438	430	0.1	419
Spear Education(1)	Senior Secured First Lien	L + 525(5)	6.90%	02/2025	6,875	6,807	1.4	6,690
Spear Education(1) (3) (4)	Senior Secured First Lien			02/2025	—	(31)	—	(84)
TecoStar Holdings, Inc.(1)	Senior Secured Second Lien	P + 750(7)	10.75%	11/2024	5,000	4,913	0.9	4,356
UP Acquisition Corp.(1)	Unitranche First Lien	L + 625(2)	7.25%	05/2024	4,367	4,293	0.9	4,254
UP Acquisition Corp.(1) (3)	Unitranche First Lien	L + 625(5)	7.70%	05/2024	573	552	0.1	540
UP Acquisition Corp.(1)	Unitranche First Lien	L + 625(2)	7.25%	05/2024	1,197	1,174	0.3	1,166
Valet Waste Holdings, Inc.	Senior Secured First Lien	L + 375(2)	4.74%	09/2025	14,775	14,745	2.6	12,116

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Xcentric Mold and Engineering Acquisition Company, LLC(1)	Senior Secured First Lien	L + 700 (including 100 PIK)(2)	8.36%	01/2022	\$ 4,932	\$ 4,894	0.9%	\$ 4,362
Xcentric Mold and Engineering Acquisition Company, LLC(1)	Senior Secured First Lien	L + 700 (including 100 PIK)(2)	8.36%	01/2022	705	700	0.1	623
					179,109	173,533	34.3	159,734
Consumer Durables & Apparel								
EiKo Global, LLC(1)	Senior Secured First Lien	L + 600(5)	7.45%	06/2023	3,248	3,202	0.7	3,182
EiKo Global, LLC(1) (3)	Senior Secured First Lien	L + 600(5)	7.45%	06/2023	675	665	0.1	660
					3,923	3,867	0.8	3,842
Consumer Services								
BJH Holdings III Corp.(1)	Unitranche First Lien	L + 575(2)	7.20%	08/2025	13,681	13,493	2.5	11,492
Cambium Learning Group, Inc.	Senior Secured First Lien	L + 450(5)	5.95%	12/2025	1,970	1,960	0.4	1,625
Cambium Learning Group, Inc.(1)	Senior Secured Second Lien	L + 850(2)	9.44%	12/2026	5,000	4,852	0.9	4,050
Colibri Group LLC(1)	Unitranche First Lien	L + 575(5)	7.21%	05/2025	8,188	8,008	1.7	7,779
Colibri Group LLC(1)	Unitranche First Lien	L + 575(2)	6.75%	05/2025	1,000	979	0.2	950
Colibri Group LLC(1)	Unitranche First Lien	L + 575(5)	7.21%	05/2025	1,347	1,318	0.3	1,279
COP Home Services Holdings, Inc.(1)	Senior Secured First Lien	L + 450(5)	6.21%	05/2025	697	684	0.1	674
COP Home Services Holdings, Inc.(1) (3)	Senior Secured First Lien	L + 450(5)	5.50%	05/2025	232	224	—	217
COP Home Services Holdings, Inc.(1)	Senior Secured First Lien	L + 450(11)	6.18%	05/2025	3,465	3,405	0.7	3,353
HGH Purchaser, Inc.(1) (3) (4)	Unitranche First Lien			11/2025	—	(39)	—	(135)
HGH Purchaser, Inc.(1)	Unitranche First Lien	L + 600(2)	7.52%	11/2025	8,088	7,897	1.7	7,765
HGH Purchaser, Inc.(1) (3)	Unitranche First Lien	L + 600(2)	7.00%	11/2025	709	686	0.1	669
JLL XDD, Inc.(1)	Senior Secured First Lien	L + 475(9)	5.82%	12/2023	2,129	2,083	0.4	2,084
Learn-It Systems, LLC(1)	Senior Secured First Lien	L + 450(5)	5.39%	03/2025	4,356	4,254	0.9	4,210
Learn-It Systems, LLC(1) (3)	Senior Secured First Lien	P + 350(7)	6.75%	03/2025	492	478	0.1	472
Learn-It Systems, LLC(1) (3)	Senior Secured First Lien	L + 450(5)	6.33%	03/2025	389	328	0.1	302
	Senior Secured First Lien	L + 800 (including 200 PIK)(5)	9.45%	03/2024	301	300	—	225
New Mountain Learning(1) (3)	Senior Secured First Lien	L + 800 (including 200 PIK)(5)	9.45%	03/2024	1,793	1,768	0.3	1,494
	Senior Secured First Lien	L + 800 (including 200 PIK)(5)	9.45%	03/2024	75	67	—	(25)
New Mountain Learning(1)	Senior Secured First Lien	L + 800 (including 200 PIK)(5)	9.45%	03/2024	363	359	0.1	303
Pre-Paid Legal Services, Inc.	Senior Secured Second Lien	L + 750(2)	8.49%	05/2026	9,333	9,252	1.8	8,416
Southern Technical Institute, Inc.(1) (10) (13)	Senior Secured Second Lien			12/2021	3,529	—	—	—
Teaching Strategies LLC(1)	Unitranche First Lien	L + 600(5)	7.45%	05/2024	9,211	9,041	1.9	8,926
Teaching Strategies LLC(1) (3)	Unitranche First Lien	L + 600(5)	7.45%	05/2024	182	172	—	163
United Language Group, Inc.(1)	Senior Secured First Lien	L + 675(2)	7.74%	12/2021	4,677	4,632	0.9	4,243
United Language Group, Inc.(1)	Senior Secured First Lien	L + 675(2)	7.74%	12/2021	400	396	0.1	363
Vistage Worldwide, Inc.(1)	Senior Secured First Lien	L + 400(2)	5.00%	02/2025	6,457	6,467	1.1	5,262
WeddingWire, Inc.(1)	Senior Secured Second Lien	L + 825(5)	9.70%	12/2026	5,000	4,951	1.0	4,625

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Wrench Group LLC(1)	Senior Secured Second Lien	L + 788(9)	8.95%	04/2027	\$ 2,500	\$ 2,431	0.5%	\$ 2,212
					95,564	90,446	17.8	82,993
Diversified Financials								
CC SAG Acquisition Corp.(1)	Unitranche First Lien	L + 500(5)	6.00%	09/2025	7,164	7,010	1.5	7,032
CC SAG Acquisition Corp.(1) (3)	Unitranche First Lien	L + 500(2)	6.00%	09/2025	172	143	—	130
CC SAG Acquisition Corp.(1) (3) (4)	Unitranche First Lien			09/2025	—	(22)	—	(19)
GGC Aperio Holdings, L.P.(1)	Unitranche First Lien	L + 500(5)	6.45%	10/2024	8,405	8,391	1.6	7,305
Goldentree Loan Management US CLO 2, Ltd.(1) (12)	CLO, Series 2017-2A, Class E	L + 470	6.52%	11/2030	2,000	1,894	0.3	1,207
					17,741	17,416	3.4	15,655
Energy								
BJ Services, LLC(1)	Unitranche First Lien	L + 700(5)	8.91%	01/2023	4,750	4,715	1.0	4,498
BJ Services, LLC(1) (14)	Unitranche First Lien - Last Out	L + 1033(5)	12.24%	01/2023	8,075	8,014	1.6	7,693
Black Diamond Oilfield Rentals, LLC(1) (13)	Senior Secured First Lien			12/2020	10,386	10,088	1.0	4,471
					23,211	22,817	3.6	16,662
Food & Staples Retailing								
Isagenix International, LLC	Senior Secured First Lien	L + 575(5)	7.02%	06/2025	6,381	6,354	0.5	2,377
PetiQ, LLC(1) (12)	Senior Secured First Lien	L + 450(2)	6.10%	07/2025	14,962	14,836	3.1	14,254
					21,343	21,190	3.6	16,631
Food, Beverage & Tobacco								
Mann Lake Ltd.(1)	Senior Secured First Lien	L + 600(5)	7.37%	10/2024	3,856	3,793	0.7	3,448
Mann Lake Ltd.(1) (3)	Senior Secured First Lien	L + 600(5)	7.45%	10/2024	840	826	0.2	745
Manna Pro Products, LLC(1) (3)	Unitranche First Lien	L + 600(2)	7.00%	12/2023	1,019	1,014	0.2	944
Manna Pro Products, LLC(1)	Unitranche First Lien	L + 600(2)	6.99%	12/2023	2,449	2,422	0.5	2,389
Manna Pro Products, LLC(1)	Unitranche First Lien	L + 600(2)	7.00%	12/2023	4,403	4,354	0.9	4,295
					12,567	12,409	2.5	11,821
Health Care Equipment & Services								
Abode Healthcare, Inc.(1)	Senior Secured First Lien	L + 425(5)	5.86%	08/2025	4,776	4,688	1.0	4,734
Abode Healthcare, Inc.(1) (3)	Senior Secured First Lien	L + 425(5)	6.08%	08/2025	863	842	0.2	852
Aegis Sciences Corporation	Senior Secured First Lien	L + 550(5)	7.23%	05/2025	7,385	6,990	1.3	6,180
Ameda, Inc.(1)	Senior Secured First Lien	L + 700(2)	7.99%	09/2022	2,272	2,250	0.4	2,083
Ameda, Inc.(1) (3)	Senior Secured First Lien	L + 700(2)	7.99%	09/2022	188	185	—	162
Avalign Technologies, Inc.(1)	Senior Secured First Lien	L + 450(2)	5.57%	12/2025	16,966	16,820	3.1	14,421
BAART Programs, Inc.(1) (3)	Senior Secured Second Lien	L + 800(9)	9.96%	03/2025	1,000	957	0.1	679
BAART Programs, Inc.(1)	Senior Secured Second Lien	L + 825(9)	10.21%	03/2025	7,000	6,700	1.4	6,551
Centria Subsidiary Holdings, LLC(1)	Unitranche First Lien	P + 500(7)	8.25%	12/2025	1,974	1,918	0.4	1,889
Centria Subsidiary Holdings, LLC(1)	Unitranche First Lien	L + 600(5)	7.00%	12/2025	11,842	11,501	2.4	11,336
CRA MSO, LLC(1)	Senior Secured First Lien	L + 475(2)	5.75%	12/2023	1,234	1,216	0.3	1,197
CRA MSO, LLC(1) (3) (4)	Senior Secured First Lien			12/2023	—	(6)	—	(30)
CRA MSO, LLC(1) (3)	Senior Secured First Lien	L + 475(15)	5.75%	12/2023	60	57	—	54

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ExamWorks Group, Inc.(1)	Senior Secured Second Lien	L + 725(2)	8.19%	07/2024	\$ 5,735	\$ 5,626	1.1%	\$ 5,186
GrapeTree Medical Staffing, LLC(1)	Senior Secured First Lien	L + 525(2)	6.25%	10/2022	1,658	1,642	0.4	1,635
GrapeTree Medical Staffing, LLC(1)	Senior Secured First Lien	L + 525(2)	6.25%	10/2022	450	446	0.1	444
GrapeTree Medical Staffing, LLC(1)	Senior Secured First Lien	L + 525(2)	6.25%	10/2022	1,393	1,371	0.3	1,374
	Unitranche First Lien	L + 825						
HCAT Acquisition, Inc.(1)		(including 525 PIK)(5)	9.70%	11/2022	2,326	2,212	0.5	2,185
	Unitranche First Lien	L + 825						
HCAT Acquisition, Inc.(1)		(including 525 PIK)(5)	9.70%	11/2022	3,805	3,617	0.8	3,574
	Unitranche First Lien	L + 825						
HCAT Acquisition, Inc.(1)		(including 525 PIK)(5)	9.70%	11/2022	14,786	14,057	3.0	13,887
Lightspeed Buyer, Inc.(1) (3) (4)	Unitranche First Lien			02/2026	—	(18)	—	(83)
Lightspeed Buyer, Inc.(1)	Unitranche First Lien	L + 575(2)	6.75%	02/2026	1,050	1,030	0.2	1,001
Lightspeed Buyer, Inc.(1)	Unitranche First Lien	L + 575(2)	6.75%	02/2026	10,000	9,804	2.0	9,537
MDVIP, Inc.(1)	Senior Secured First Lien	L + 425(2)	5.25%	11/2024	9,635	9,634	1.8	8,237
Medsurant Holdings, LLC(1)	Senior Secured Second Lien	1300(6)	13.00%	06/2020	8,729	8,534	1.8	8,404
NMN Holdings III Corp.(1)	Senior Secured Second Lien	L + 775(2)	8.36%	11/2026	7,222	7,032	1.4	6,348
NMN Holdings III Corp.(1) (3) (4)	Senior Secured Second Lien			11/2026	—	(21)	—	(202)
NMSC Holdings, Inc.(1)	Senior Secured Second Lien	L + 1000(11)	11.62%	10/2023	4,308	4,207	0.6	3,008
Omni Ophthalmic Management Consultants, LLC(1)	Senior Secured First Lien	L + 550(2)	6.50%	05/2023	850	841	0.2	821
Omni Ophthalmic Management Consultants, LLC(1) (3) (4)	Senior Secured First Lien			05/2023	—	(8)	—	(39)
Omni Ophthalmic Management Consultants, LLC(1)	Senior Secured First Lien	L + 550(2)	6.50%	05/2023	6,930	6,856	1.4	6,692
Pinnacle Treatment Centers, Inc.(1)	Unitranche First Lien	L + 625(2)	8.03%	12/2022	8,286	8,208	1.7	8,121
Pinnacle Treatment Centers, Inc.(1) (3) (4)	Unitranche First Lien			12/2022	—	(8)	—	(23)
Pinnacle Treatment Centers, Inc.(1)	Unitranche First Lien	P + 500(7)	8.25%	12/2022	571	566	0.1	560
	Senior Secured First Lien	L + 675 PIK (including 75 PIK)(5)	8.33%	12/2022	8,903	8,599	1.4	6,630
Professional Physical Therapy(1)	Senior Secured First Lien			11/2023	—	(1)	—	(18)
PT Network, LLC(1) (3) (4)	Senior Secured First Lien							
	Senior Secured First Lien	L + 750 PIK (including 200 PIK)(5)	9.44%	11/2023	4,751	4,743	1.0	4,535
PT Network, LLC(1)	Unitranche First Lien	L + 500(5)	6.12%	06/2025	4,484	4,414	0.9	4,342
Safco Dental Supply, LLC(1)	Unitranche First Lien	L + 500(5)	6.21%	06/2025	300	291	0.1	281
Safco Dental Supply, LLC(1) (3)	Senior Secured First Lien	P + 350(7)	6.75%	10/2023	265	263	0.1	255
Smile Brands, Inc.(1) (3)	Senior Secured First Lien	L + 450(9)	6.28%	10/2024	606	600	0.1	579
Smile Brands, Inc.(1)	Senior Secured First Lien	L + 450(9)	6.28%	10/2024	2,074	2,057	0.4	2,004
Smile Doctors LLC(1)	Senior Secured First Lien	L + 625(5)	7.25%	10/2022	1,208	1,208	0.3	1,177
Smile Doctors LLC(1)	Senior Secured First Lien	L + 625(2)	7.25%	10/2022	3,514	3,490	0.7	3,423
Smile Doctors LLC(1) (3)	Senior Secured First Lien	L + 625(11)	7.26%	10/2022	1,842	1,840	0.3	1,504

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Unifeye Vision Partners(1)	Senior Secured First Lien	L + 475(5)	5.75%	09/2025	\$ 5,387	\$ 5,287	1.1%	\$ 5,221
Unifeye Vision Partners(1)	Senior Secured First Lien	P + 400(7)	7.25%	09/2025	1,700	1,669	0.4	1,648
Unifeye Vision Partners(1) (3) (4)	Senior Secured First Lien			09/2025	—	(28)	—	(94)
Zest Acquisition Corp.	Senior Secured First Lien	L + 350(2)	4.30%	03/2025	8,807	8,808	1.7	7,772
					187,135	182,986	36.5	170,034
Household & Personal Products								
Tranzonic(1)	Senior Secured First Lien	L + 475(2)	6.35%	03/2023	3,844	3,818	0.8	3,754
Tranzonic(1) (3)	Senior Secured First Lien	P + 375(7)	7.00%	03/2023	205	202	—	193
					4,049	4,020	0.8	3,947
Insurance								
Comet Acquisition, Inc.(1)	Senior Secured Second Lien	L + 750(5)	9.11%	10/2026	4,632	4,622	0.8	3,706
Integrity Marketing Acquisition, LLC(1)	Unitranche First Lien	L + 575(5)	7.39%	08/2025	12,977	12,678	2.7	12,440
Integrity Marketing Acquisition, LLC(1)	Unitranche First Lien	L + 575(5)	6.97%	08/2025	1,410	1,364	0.3	1,351
Integrity Marketing Acquisition, LLC(1)	Unitranche First Lien	L + 575(5)	7.65%	08/2025	5,106	4,980	1.1	4,895
Integrity Marketing Acquisition, LLC(1)	Unitranche First Lien	L + 575(5)	7.49%	08/2025	3,088	3,009	0.6	2,960
Integro Parent, Inc.(1) (12)	Senior Secured First Lien	L + 575(2)	6.75%	10/2022	476	472	0.1	469
Integro Parent, Inc.(1) (12)	Senior Secured Second Lien	L + 925(2)	10.25%	10/2023	380	377	0.1	380
Integro Parent, Inc.(1) (12)	Senior Secured Second Lien	L + 925(2)	10.25%	10/2023	2,915	2,883	0.6	2,915
The Hilb Group, LLC(1) (3)	Unitranche First Lien	L + 575(5)	6.87%	12/2025	231	223	—	229
The Hilb Group, LLC(1)	Unitranche First Lien	L + 575(5)	7.20%	12/2026	3,630	3,543	0.8	3,603
The Hilb Group, LLC(1) (3)	Unitranche First Lien	L + 575(5)	7.51%	12/2026	179	164	—	171
					35,024	34,315	7.1	33,119
Materials								
Kestrel Parent, LLC(1) (3) (4)	Unitranche First Lien			11/2023	—	(16)	—	(30)
Kestrel Parent, LLC(1)	Unitranche First Lien	L + 600(2)	7.00%	11/2025	6,723	6,581	1.4	6,492
Maroon Group, LLC (1)	Unitranche First Lien	L + 600(5)	7.38%	08/2022	2,705	2,688	0.6	2,627
Maroon Group, LLC (1) (3)	Unitranche First Lien	L + 600(2)	7.00%	08/2022	349	347	0.1	339
Maroon Group, LLC (1)	Unitranche First Lien	L + 600(5)	7.38%	08/2022	1,250	1,243	0.2	1,214
					11,027	10,843	2.3	10,642
Pharmaceuticals, Biotechnology & Life Sciences								
Pharmalogic Holdings Corp.(1)	Senior Secured Second Lien	L + 800(2)	8.99%	12/2023	5,460	5,421	1.1	5,270
Pharmalogic Holdings Corp.(1)	Senior Secured Second Lien	L + 800(2)	8.99%	12/2023	5,880	5,837	1.2	5,676
Pharmalogic Holdings Corp.(1)	Senior Secured Second Lien	L + 800(2)	8.99%	12/2023	4,760	4,726	1.0	4,595
Trinity Partners, LLC(1)	Senior Secured First Lien	L + 500(2)	6.00%	02/2023	3,734	3,699	0.8	3,619
Trinity Partners, LLC(1) (3)	Senior Secured First Lien	P + 400(7)	7.25%	02/2023	434	429	0.1	420
					20,268	20,112	4.2	19,580
Retailing								
Palmetto Moon LLC,(1)	Senior Secured First Lien	1150 + 250 PIK(6)	14.00%	10/2021	4,343	3,535	0.7	3,524
Slickdeals Holdings, LLC(1) (3) (4) (10)	Unitranche First Lien			06/2023	—	(13)	—	(41)
Slickdeals Holdings, LLC(1) (10)	Unitranche First Lien	L + 625(5)	7.91%	06/2024	14,688	14,323	3.0	13,850
Strategic Partners, Inc.(1)	Senior Secured First Lien	L + 375(2)	4.75%	06/2023	6,307	6,297	1.2	5,455
					25,338	24,142	4.9	22,788

See accompanying notes

CRESCENT CAPITAL BDC, INC.
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(in thousands except share and per share data)

Company/Security/Country ††	Investment Type	Spread Above Index *	Interest Rate	Maturity / Dissolution Date	Principal Amount, Par Value or Shares	Cost	Percentage of Net Assets **	Fair Value
Software & Services								
Affinitiv, Inc.(1)	Unitranche First Lien	L + 525(5)	6.86%	08/2024	\$ 6,484	\$ 6,382	1.3%	\$ 6,202
Affinitiv, Inc.(1) (3)	Unitranche First Lien	L + 525(5)	6.25%	08/2024	113	100	—	76
Ansira Partners, Inc.(1) (13)	Unitranche First Lien			12/2022	6,849	6,814	0.9	4,089
Ansira Partners, Inc.(1) (3) (13)	Unitranche First Lien			12/2022	625	621	0.1	243
Avaap USA LLC(1)	Senior Secured First Lien	L + 525(2)	6.24%	03/2023	3,798	3,743	0.8	3,731
Avaap USA LLC(1)	Senior Secured First Lien	L + 525(2)	6.24%	03/2023	347	342	0.1	340
Avaap USA LLC(1)	Senior Secured First Lien	L + 525(5)	6.70%	03/2023	650	641	0.1	639
Benesys, Inc.(1)	Senior Secured First Lien	L + 425(2)	5.24%	10/2024	1,428	1,412	0.3	1,351
Benesys, Inc.(1) (3)	Senior Secured First Lien	L + 425(2)	4.86%	10/2024	90	88	—	82
C-4 Analytics, LLC(1)	Senior Secured First Lien	L + 475(2)	5.75%	08/2023	10,286	10,176	2.1	10,001
C-4 Analytics, LLC(1) (3) (4)	Senior Secured First Lien			08/2023	—	(6)	—	(17)
CAT Buyer, LLC(1)	Unitranche First Lien	L + 525(2)	6.25%	04/2024	6,287	6,184	1.3	6,114
CAT Buyer, LLC(1) (3)	Unitranche First Lien	L + 525(2)	6.25%	04/2024	344	333	0.1	329
Claritas, LLC(1)	Senior Secured First Lien	L + 650(2)	7.95%	12/2023	1,114	1,105	0.2	1,082
Claritas, LLC(1) (3)	Senior Secured First Lien	L + 650(2)	7.50%	12/2023	218	215	—	209
List Partners, Inc.(1)	Senior Secured First Lien	L + 500(2)	5.99%	01/2023	4,530	4,476	0.9	4,431
List Partners, Inc.(1) (3) (4)	Senior Secured First Lien			01/2023	—	(5)	—	(10)
MRI Software LLC(1) (3)	Unitranche First Lien	L + 550(9)	6.57%	02/2026	706	669	0.1	407
MRI Software LLC(1) (3)	Unitranche First Lien	L + 550(5)	6.57%	02/2026	633	614	0.1	524
MRI Software LLC(1)	Unitranche First Lien	L + 550(5)	6.57%	02/2026	15,253	15,029	3.0	13,940
Ontario Systems, LLC(1)	Unitranche First Lien	L + 550(2)	6.50%	08/2025	3,234	3,204	0.7	3,098
Ontario Systems, LLC(1) (3) (4)	Unitranche First Lien			08/2025	—	(5)	—	(21)
Ontario Systems, LLC(1) (3) (4)	Unitranche First Lien			08/2025	—	(5)	—	(46)
Perforce Software, Inc.	Senior Secured First Lien	L + 375(2)	4.74%	07/2026	12,438	12,381	2.3	10,779
Perforce Software, Inc.(1)	Senior Secured Second Lien	L + 800(2)	8.99%	07/2027	5,000	4,975	1.0	4,750
Right Networks, LLC(1)	Unitranche First Lien	L + 600(2)	7.02%	11/2024	9,719	9,515	2.0	9,426
Right Networks, LLC(1) (3) (4)	Unitranche First Lien			11/2024	—	(5)	—	(7)
Ruffalo Noel Levitz, LLC(1)	Unitranche First Lien	L + 600(5)	7.45%	05/2022	2,524	2,499	0.5	2,464
Ruffalo Noel Levitz, LLC(1)	Unitranche First Lien	L + 600(5)	7.23%	05/2022	300	297	0.1	293
SMS Systems Maintenance Services, Inc.(1) (13)	Senior Secured Second Lien			10/2024	7,746	5,619	0.6	2,604
SMS Systems Maintenance Services, Inc.(1) (13)	Senior Secured Second Lien			10/2024	5,919	4,287	0.4	1,989
SMS Systems Maintenance Services, Inc.(1) (13)	Senior Secured Second Lien			10/2024	2,859	2,679	0.5	2,116
Transportation Insight, LLC(1) (3)	Senior Secured First Lien	L + 450(15)	6.10%	12/2024	745	739	0.2	718
Transportation Insight, LLC(1)	Senior Secured First Lien	L + 450(5)	5.95%	12/2024	5,181	5,140	1.1	4,995
Transportation Insight, LLC(1)	Senior Secured First Lien	L + 450(5)	5.95%	12/2024	1,287	1,277	0.3	1,241
Trident Technologies, LLC(1)	Senior Secured First Lien	L + 600(5)	7.50%	12/2025	14,962	14,746	3.2	14,813
Winxnet Holdings LLC(1) (3)	Unitranche First Lien	L + 550(2)	6.49%	06/2023	646	632	0.1	614
Winxnet Holdings LLC(1)	Unitranche First Lien	L + 550(2)	6.50%	06/2023	1,965	1,938	0.4	1,905
Winxnet Holdings LLC(1) (3)	Unitranche First Lien	L + 550(2)	6.50%	06/2023	240	235	—	228
					<u>134,520</u>	<u>129,081</u>	<u>24.8</u>	<u>115,722</u>
Technology Hardware & Equipment								
Onvoy, LLC(1)	Senior Secured Second Lien	L + 1050(2)	11.50%	02/2025	2,635	2,545	0.5	2,187
Transportation								
Pilot Air Freight, LLC(1)	Senior Secured First Lien	L + 525(2)	6.25%	07/2024	5,404	5,380	1.1	5,242

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Pilot Air Freight, LLC(1)	Senior Secured First Lien	L + 525(5)	6.70%	07/2024	\$ 1,205	\$ 1,205	0.3%	\$ 1,169
Pilot Air Freight, LLC(1) (3) (4)	Senior Secured First Lien			07/2024	—	(4)	—	(36)
Pilot Air Freight, LLC(1) (3)	Senior Secured First Lien	L + 525(2)	6.25%	07/2024	98	98	—	95
					6,707	6,679	1.4	6,470
Total Debt Investments					\$ 848,202	\$821,187	162.0%	\$754,730
United States								
Equity Investments								
Automobiles & Components								
APC Auto Tech Holdings, LLC(1) (10) (16)	Common Stock				2,427	1,090	—	—
APC Auto Technology Intermediate, LLC(1) (10) (16)	Preferred Stock				757	757	—	—
					3,184	1,847	—	—
Capital Goods								
Alion Science and Technology Corporation(1) (16)	Common Stock				745,504	766	0.3	1,226
Envocore Holding, LLC(1) (16)	Preferred Stock				60,360	—	—	—
LRI Holding LLC(1) (16)	Preferred Stock				1,079,365	—	—	—
METAL Powder Products LLC(1) (16)	Common Stock				500,000	—	—	—
					2,385,229	766	0.3	1,226
Commercial & Professional Services								
Allied Universal holdings, LLC(1) (16)	Common Stock, Class A				2,240,375	1,011	0.4	1,743
Battery Solutions, Inc.(1) (10) (16)	Preferred Stock, Class A				5,000,000	—	—	—
Battery Solutions, Inc.(1) (10) (16)		800						
	Preferred Stock, Class E	PIK	8.00%		4,963,844	3,669	0.6	2,919
Battery Solutions, Inc.(1) (10) (16)	Preferred Stock, Class F				3,333,333	—	—	—
IGT Holding LLC(1) (16)	Common Stock				44,000	—	—	—
MHS Acquisition Holdings, LLC(1) (16)	Common Stock				9	10	—	—
MHS Acquisition Holdings, LLC(1) (16)	Preferred Stock				923	923	0.1	576
MY Alarm Ce ,LLC(1) (16)	Preferred Stock				2,420	—	—	—
MY Alarm Ce ALARM, LLC(1) (16)	Common Stock				129,582	—	—	—
MY Alarm Ce SENIOR, LLC(1) (16)	Preferred Stock				2,999	—	—	—
PB Parent, LP(1) (16)	Common Stock				1,125,000	1,125	0.2	791
RSI Acquisition, LLC(1) (16)	Preferred Stock, Class A				137,000	137	—	137
TecoStar Holdings, Inc.(1) (16)	Common Stock				500,000	500	0.3	1,112
					17,479,485	7,375	1.6	7,278
Consumer Services								
Green Wrench Acquisition, LLC(1) (16)	Common Stock				3,906	391	0.1	359
HGH Investment, LP(1) (16)	Common Stock, Class A				4,171	417	0.1	383
Legalsield(1) (16)	Common Stock				372	372	0.1	569
Southern Technical Institute, Inc.(1) (10) (16)	Preferred Stock, Class A				3,164,063	—	—	—
Southern Technical Institute, Inc.(1) (10) (16)	Preferred Stock, Class A1				6,000,000	—	—	—
Wrench Group Holdings, LLC(1) (16)	Common Stock, Class A				1,094	109	—	100
					9,173,606	1,289	0.3	1,411
Diversified Financials								
CBDC Senior Loan Fund LLC(3) (12) (17) (18)	Partnership Interest				39,000,000	39,000	4.8	22,599

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GACP II LP(12) (18) (23)	Partnership Interest				20,532,236	\$ 20,532	4.6%	\$ 21,284
					<u>59,532,236</u>	<u>59,532</u>	<u>9.4</u>	<u>43,883</u>
Health Care Equipment & Services								
ExamWorks Group, Inc.(1) (16)	Common Stock				7,500	750	0.3	1,415
MDVIP, Inc.(1) (16)	Common Stock				46,807	667	0.2	861
NMN Holdings LP(1) (16)	Common Stock				11,111	1,111	0.2	1,005
PT Network, LLC(1) (16)	Common Stock, Class C				1	—	—	—
Spartan Healthcare Holdings, LLC(1) (16)	Common Stock				11,843	1,184	0.3	1,211
					<u>77,262</u>	<u>3,712</u>	<u>1.0</u>	<u>4,492</u>
Insurance								
Integrity Marketing Acquisition, LLC(1) (16)	Common Stock				619,562	648	0.1	679
Integrity Marketing Acquisition, LLC(1) (16)	Preferred Stock				1,247	1,216	0.3	1,352
Integro Parent, Inc.(1) (12) (16)	Common Stock				4,468	454	0.2	982
					<u>625,277</u>	<u>2,318</u>	<u>0.6</u>	<u>3,013</u>
Materials								
Kestrel Upperco, LLC(1) (16)	Common Stock, Class A				41,791	209	—	194
Media								
Conisus, LLC.(1) (10) (16)	Preferred Stock, Series B				12,677,834	8,728	1.7	7,904
Conisus, LLC.(1) (10) (16)	Common Stock				4,914,556	—	—	—
Vivid Seats Ltd.(1) (10) (16)	Common Stock				608,108	608	0.2	934
Vivid Seats Ltd.(1) (10) (16)	Preferred Stock				1,891,892	1,892	0.6	2,643
					<u>20,092,390</u>	<u>11,228</u>	<u>2.5</u>	<u>11,481</u>
Retailing								
Palmetto Moon, LLC(1) (16)	Common Stock				61	—	—	—
Slickdeals Holdings, LLC(1) (10) (16)	Common Stock				109	1,091	0.3	1,181
					<u>170</u>	<u>1,091</u>	<u>0.3</u>	<u>1,181</u>
Software & Services								
SMS Systems Maintenance Services, Inc.(1) (16)	Common Stock				1,142,789	1,144	—	—
Technology Hardware & Equipment								
Onvoy, LLC(1) (16)	Common Stock, Class A				3,649	365	—	210
Onvoy, LLC(1) (16)	Common Stock, Class B				2,536	—	—	—
					<u>6,185</u>	<u>365</u>	<u>—</u>	<u>210</u>
Transportation								
Xpress Global Systems, LLC(1) (10) (16)	Common Stock				12,544	—	—	—
Total Equity Investments					<u>\$110,572,148</u>	<u>\$ 90,876</u>	<u>16.0%</u>	<u>\$ 74,369</u>
United States					<u>\$110,572,148</u>	<u>\$912,063</u>	<u>178.0%</u>	<u>\$829,099</u>
Canada								
Debt Investments								
Software & Services								
Corel Corporation(12)	Senior Secured First Lien	L + 500(5)	6.61%	07/2026	\$ 12,422	11,849	2.4	11,024
Telecommunication Services								
Sandvine Corporation(1) (12)	Senior Secured Second Lien	L + 800(2)	9.00%	11/2026	4,500	4,345	0.8	3,825
Total Debt Investments								
Canada					<u>\$ 16,922</u>	<u>\$ 16,194</u>	<u>3.2%</u>	<u>\$ 14,849</u>
Total Canada						<u>\$ 16,194</u>	<u>3.2%</u>	<u>\$ 14,849</u>

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France								
Debt Investments								
Technology Hardware & Equipment								
Parkeon, Inc.(1) (12)	Senior Secured First Lien	E + 525(19)	5.25%	04/2023	€ 1,994	\$ 2,144	0.4%	\$ 1,978
					1,994	2,144	0.4	1,978
Total Debt Investments								
France								
					€ 1,994	\$ 2,144	0.4%	\$ 1,978
Total France								
						\$ 2,144	0.4%	\$ 1,978
United Kingdom								
Debt Investments								
Commercial & Professional Services								
Crusoe Bidco Limited(1) (12)	Unitranche First Lien	L + 625(20)	6.98%	12/2025	£ 6,068	7,409	1.5	6,956
Crusoe Bidco Limited(1) (3) (4) (12)	Unitranche First Lien			12/2025	—	—	—	(37)
Crusoe Bidco Limited(1) (3) (4) (12)	Unitranche First Lien			12/2025	—	—	—	(40)
					6,068	7,409	1.5	6,879
Consumer Services								
Auction Technology Group(1) (12)	Unitranche First Lien	L + 650(9)	8.22%	02/2027	10,687	10,371	2.2	10,056
Auction Technology Group(1) (12)	Unitranche First Lien	L + 650(21)	7.31%	02/2027	3,339	4,230	0.8	3,896
Auction Technology Group(1) (3) (4) (12)	Unitranche First Lien			08/2026	—	—	—	(27)
					14,026	14,601	3.0	13,925
Total Debt Investments								
United Kingdom								
					£ 20,094	\$ 22,010	4.5%	\$ 20,804
Total United Kingdom								
						\$ 22,010	4.5%	\$ 20,804
Netherlands								
Debt Investments								
Pharmaceuticals, Biotechnology & Life Sciences								
PharComp Parent B.V.(1) (3) (4) (12)	Unitranche First Lien			02/2026	€ —	—	(0.1)	(188)
PharComp Parent B.V.(1) (12) (14)	Unitranche First Lien - Last Out	E + 650(19)	6.50%	02/2026	6,910	7,632	1.5	6,886
					6,910	7,632	1.4	6,698
Total Debt Investments								
Netherlands								
					€ 6,910	\$ 7,632	1.4%	\$ 6,698
Total Netherlands								
						\$ 7,632	1.4%	\$ 6,698
Belgium								
Debt Investments								
Commercial & Professional Services								
MIR Bidco SA(1) (12)	Unitranche First Lien	E + 600(22)	6.00%	04/2026	€ 9,507	10,460	2.1	9,701
Total Debt Investments								
Belgium								
					€ 9,507	\$ 10,460	2.1%	\$ 9,701
Equity Investments								
Commercial & Professional Services								
MIR Bidco SA(1) (12) (16)	Common Stock				921	1	—	—
MIR Bidco SA(1) (12) (16)	Preferred Stock				81,384	92	—	87
					82,305	93	—	87
Total Equity Investments								
Belgium								
					82,305	\$ 93	—%	\$ 87
Total Belgium								
						\$ 10,553	2.1%	\$ 9,788
Total Investments								
						\$ 970,596	189.6%	\$ 883,216

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- * The majority of the investments bear interest at a rate that may be determined by reference to London Interbank Offered Rate (“LIBOR” or “L”), Prime (“P”) or EURIBOR (“E”) and which reset monthly, bi-monthly, quarterly, semiannually or annually. For each, the Company has provided the spread over LIBOR or Prime and the weighted average current interest rate in effect at March 31, 2020. Certain investments are subject to a LIBOR or Prime interest rate floor. For fixed rate loans, a spread above a reference rate is not applicable.
- ** Percentage is based on net assets of \$465,755 as of March 31, 2020.
- † All positions held are non-controlled/non-affiliated investments, unless otherwise noted, as defined by the Investment Company Act of 1940, as amended (“1940 Act”). Non-controlled/non-affiliated investments are investments that are neither controlled investments nor affiliated investments.
- ‡ All debt investments are income-producing, unless otherwise noted. Equity and member interests are non-income-producing unless otherwise noted. The Company generally acquires its investments in private transactions exempt from registration under the Securities Act of 1933, as amended, or the Securities Act. Its investments are therefore generally subject to certain limitations on resale, and may be deemed to be “restricted securities” under the Securities Act.
- (1) The fair value of the investment was determined using significant unobservable inputs. See Note 2 “Summary of Significant Accounting Policies”.
- (2) The interest rate on these loans is subject to the greater of a LIBOR floor or 1 month LIBOR plus a base rate. The 1 month LIBOR as of March 31, 2020 was 0.99%.
- (3) Position or portion thereof is an unfunded loan commitment. A nominal unused fee may be earned on the unfunded portion. See Note 8 “Commitments and Contingencies”.
- (4) The negative cost, if applicable, is the result of the capitalized discount or unfunded commitment being greater than the principal amount outstanding on the loan. The negative fair value, if applicable, is the result of the capitalized discount or unfunded commitment on the loan.
- (5) The interest rate on these loans is subject to the greater of a LIBOR floor or 3 month LIBOR plus a base rate. The 3 month LIBOR as of March 31, 2020 was 1.45%.
- (6) Fixed rate investment.
- (7) The interest rate on these loans is subject to the U.S. Prime rate, which as of March 31, 2020 was 3.25%.
- (8) The interest rate on these loans is subject to the greater of a LIBOR floor or 12 month LIBOR plus a base rate. The 12 month LIBOR as of March 31, 2020 was 1.00%.
- (9) The interest rate on these loans is subject to the greater of a LIBOR floor or 6 month LIBOR plus a base rate. The 6 month LIBOR as of March 31, 2020 was 1.18%.
- (10) As defined in the 1940 Act, the portfolio company is deemed to be a “non-controlled affiliated person” of the Company because the Company owns, either directly or indirectly, 5% or more of the portfolio company’s outstanding voting securities. See Note 3 “Agreements and Related Party Transactions”.
- (11) The interest rate on these loans is subject to the greater of a LIBOR floor or 2 month LIBOR plus a base rate. The 2 month LIBOR as of March 31, 2020 was 1.26%.
- (12) Investment is not a qualifying investment as defined under section 55 (a) of the Investment Company Act of 1940. Qualifying assets must represent at least 70% of total assets at the time of acquisition. The Company’s percentage of non-qualifying assets based on fair value was 13.34% as of March 31, 2020.
- (13) The investment is on non-accrual status as of March 31, 2020.
- (14) These loans are unitranche first lien/last-out term loans. In addition to the interest earned based on the effective interest rate of this loan, which is the amount reflected in this schedule, the Company is entitled to receive additional interest as a result of an agreement among lenders whereby the loan has been allocated to “first-out” and “last-out” tranches, whereby the “first-out” tranche will have priority as to the “last-out” tranche with respect to payments of principal, interest and any amounts due thereunder. The Company holds the “last-out” tranche.
- (15) The interest rate on these loans is subject to the greater of a LIBOR floor or 1 week LIBOR plus a base rate. The 1 week LIBOR as of March 31, 2020 was 0.50%.
- (16) Non-income producing security.
- (17) As defined in the Investment Company Act of 1940, the portfolio company is deemed to be a “controlled affiliated person” of the Company because the Company owns, either directly or indirectly, 25% or more of the portfolio company’s outstanding voting securities or has the power to exercise control over management or policies of such portfolio company. See Note 3 “Agreements and Related Party Transactions”.
- (18) This investment was valued using net asset value as a practical expedient for fair value. Consistent with FASB guidance under ASC 820, these investments are excluded from the hierarchical levels.
- (19) The interest rate on these loans is subject to the greater of a EURIBOR floor or 3 month EURIBOR plus a base rate. The 3 month EURIBOR as of March 31, 2020 was (0.36)%.
- (20) The interest rate on these loans is subject to the greater of a GBP LIBOR floor or 3 month GBP LIBOR plus a base rate. The 3 month GBP LIBOR as of March 31, 2020 was 0.60%.
- (21) The interest rate on these loans is subject to the greater of a GBP LIBOR floor or 6 month GBP LIBOR plus a base rate. The 6 month GBP LIBOR as of March 31, 2020 was 0.73%.
- (22) The interest rate on these loans is subject to the greater of a EURIBOR floor or 6 month EURIBOR plus a base rate. The 6 month EURIBOR as of March 31, 2020 was (0.29)%.
- (23) Investment is not redeemable.

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**Foreign Currency Exchange
Contracts**

<u>Counterparty</u>	<u>Currency Purchased</u>	<u>Currency Sold</u>	<u>Settlement</u>	<u>Unrealized Appreciation (Depreciation)</u>
Wells Fargo Bank, N.A.	USD 7,975	GBP 5,885	12/01/2023	\$ 628
Wells Fargo Bank, N.A.	USD 11,682	EUR 9,222	04/10/2024	1,081
Wells Fargo Bank, N.A.	USD 8,603	EUR 6,703	02/20/2024	908
Wells Fargo Bank, N.A.	USD 4,317	GBP 3,239	02/13/2025	265
				\$ 2,882

EUR Euro
GBP Great British Pound
PIK Payment In-Kind
USD United States Dollar

See accompanying notes

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Company/Security/Country †‡	Investment Type	Spread Above Index *	Interest Rate	Maturity / Dissolution Date	Principal Amount, Par Value or Shares	Cost	Percentage of Net Assets **	Fair Value
United States								
Debt Investments								
Automobiles & Components								
Auto-Vehicle Parts, LLC(1)	Senior Secured First Lien	L + 450(2)	6.30%	01/2023	\$ 4,720	\$ 4,674	1.2%	\$ 4,702
Auto-Vehicle Parts, LLC(1) (3) (4)	Senior Secured First Lien			01/2023	—	(5)	—	(2)
Continental Battery Company(1) (3)	Senior Secured First Lien	L + 525(2)	7.05%	01/2020	1,689	1,683	0.4	1,689
Continental Battery Company(1)	Senior Secured First Lien	L + 525(2)	7.05%	12/2022	3,973	3,928	1.0	3,973
Continental Battery Company(1) (3)	Senior Secured First Lien	L + 525(2)	7.05%	12/2022	680	671	0.2	680
Continental Battery Company(1)	Senior Secured First Lien	L + 525(2)	7.05%	12/2022	6,645	6,559	1.6	6,645
Empire Auto Parts, LLC(1)	Unitranche First Lien	L + 550(5)	7.39%	09/2024	2,469	2,429	0.6	2,493
Empire Auto Parts, LLC(1) (3) (4)	Unitranche First Lien			09/2024	—	(6)	—	4
Empire Auto Parts, LLC(1)	Unitranche First Lien	L + 550(5)	7.39%	09/2024	2,394	2,349	0.6	2,418
POC Investors, LLC(1)	Senior Secured First Lien	L + 550(5)	7.44%	11/2021	9,448	9,371	2.3	9,448
POC Investors, LLC(1) (3) (4)	Senior Secured First Lien			11/2021	—	(7)	—	—
					<u>32,018</u>	<u>31,646</u>	<u>7.9</u>	<u>32,050</u>
Capital Goods								
Alion Science and Technology Corporation	Senior Secured First Lien	L + 450(2)	6.30%	08/2021	2,968	2,968	0.7	2,977
Alion Science and Technology Corporation(1) (6)	Unsecured Debt		11.00%	08/2022	6,543	6,440	1.6	6,543
Midwest Industrial Rubber(1)	Senior Secured First Lien	L + 550(2)	7.05%	12/2021	7,180	7,123	1.8	7,180
Midwest Industrial Rubber(1) (3) (4)	Senior Secured First Lien			12/2021	—	(4)	—	—
Potter Electric Signal Company(1) (3)	Senior Secured First Lien	L + 425(5)	6.13%	12/2021	476	453	0.1	468
Potter Electric Signal Company(1) (3)	Senior Secured First Lien	P + 325(7)	8.00%	12/2024	31	26	—	28
Potter Electric Signal Company(1)	Senior Secured First Lien	L + 425(8)	6.54%	12/2025	2,506	2,483	0.6	2,493
					<u>19,704</u>	<u>19,489</u>	<u>4.8</u>	<u>19,689</u>
Commercial & Professional Services								
ASP MCS Acquisition Corp.	Senior Secured First Lien	L + 475(5)	6.64%	05/2024	5,241	5,223	0.6	2,495
BFC Solmetex LLC & Bonded Filter Co. LLC(1) (3)	Unitranche First Lien	L + 650(5)	8.45%	09/2023	60	54	—	60
BFC Solmetex LLC & Bonded Filter Co. LLC(1)	Unitranche First Lien	L + 650(5)	8.45%	09/2023	750	739	0.2	750
BFC Solmetex LLC & Bonded Filter Co. LLC(1)	Unitranche First Lien	L + 650(5)	8.45%	09/2023	5,981	5,885	1.5	5,981
BFC Solmetex LLC & Bonded Filter Co. LLC(1)	Unitranche First Lien	L + 650(5)	8.45%	09/2023	624	614	0.1	624
BFC Solmetex LLC & Bonded Filter Co. LLC(1) (3) (4)	Unitranche First Lien			09/2023	—	(6)	—	—
CHA Holdings, Inc.(1)	Senior Secured First Lien	L + 450(5)	6.44%	04/2025	4,855	4,835	1.2	4,849
CHA Holdings, Inc.(1)	Senior Secured First Lien	L + 450(5)	6.44%	04/2025	1,023	1,020	0.2	1,022
DFS Intermediate Holdings, LLC(1)	Senior Secured First Lien	L + 525(2)	7.02%	03/2022	8,793	8,707	2.2	8,793
DFS Intermediate Holdings, LLC(1) (3)	Senior Secured First Lien	L + 525(2)	7.02%	03/2022	1,644	1,620	0.4	1,644
DFS Intermediate Holdings, LLC(1) (3)	Senior Secured First Lien	L + 525(2)	6.95%	03/2022	3,473	3,431	0.8	3,473

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GH Holding Company(1)	Senior Secured First Lien	L + 450(2)	6.30%	02/2023	\$ 1,474	\$ 1,469	0.3%	\$ 1,463
GI Revelation Acquisition LLC	Senior Secured First Lien	L + 500(2)	6.80%	04/2025	7,396	7,366	1.7	6,999
Hepaco, LLC(1) (3)	Senior Secured First Lien	L + 475(2)	6.54%	08/2023	660	658	0.2	660
Hepaco, LLC(1)	Senior Secured First Lien	L + 475(2)	6.55%	08/2024	5,151	5,112	1.3	5,151
Hepaco, LLC(1) (3)	Senior Secured First Lien	L + 475(2)	6.55%	08/2024	3,978	3,945	1.0	3,978
Jordan Healthcare, Inc.(1)	Senior Secured First Lien	L + 600(5)	7.94%	07/2022	4,021	3,998	1.0	4,036
Jordan Healthcare, Inc.(1)	Senior Secured First Lien	L + 600(5)	7.94%	07/2022	698	694	0.2	701
Jordan Healthcare, Inc.(1) (3)	Senior Secured First Lien	L + 600(5)	7.94%	07/2022	294	292	0.1	296
MHS Acquisition Holdings, LLC(1)	Senior Secured Second Lien	L + 875(5)	10.69%	03/2025	8,102	7,929	1.9	7,818
MHS Acquisition Holdings, LLC(1)	Senior Secured Second Lien	L + 875(5)	10.69%	03/2025	467	460	0.1	450
MHS Acquisition Holdings, LLC(1)	Unsecured Debt	L + 1350 PIK(5)	13.50%	03/2026	714	706	0.2	653
MHS Acquisition Holdings, LLC(1)	Unsecured Debt	L + 1350 PIK(5)	13.50%	03/2026	238	236	0.1	218
Miraclon Corporation(1) (9)	Unitranche First Lien	L + 600(10)	7.96%	04/2026	4,161	4,046	1.0	4,161
Pye-Barker Fire & Safety, LLC(1)	Unitranche First Lien	L + 575(5)	7.67%	11/2025	10,125	9,850	2.5	10,125
Pye-Barker Fire & Safety, LLC(1) (3) (4)	Unitranche First Lien			11/2025	—	(51)	—	—
Receivable Solutions, Inc.(1)	Senior Secured First Lien	L + 500(5)	6.94%	10/2024	2,194	2,158	0.5	2,194
Receivable Solutions, Inc.(1) (3)	Senior Secured First Lien	L + 500(2)	6.80%	10/2024	30	25	—	30
SavATree, LLC(1)	Senior Secured First Lien	L + 500(5)	6.94%	06/2022	3,956	3,916	1.0	3,956
SavATree, LLC(1) (3) (4)	Senior Secured First Lien			06/2022	—	(5)	—	—
SavATree, LLC(1) (3)	Senior Secured First Lien	L + 500(5)	6.89%	06/2022	154	147	—	154
TecoStar Holdings, Inc.(1)	Senior Secured Second Lien	L + 850(5)	10.24%	11/2024	5,000	4,909	1.2	5,000
UP Acquisition Corp(1)	Unitranche First Lien	L + 575(2)	7.55%	05/2024	4,378	4,299	1.1	4,378
UP Acquisition Corp(1) (3)	Unitranche First Lien	L + 575(5)	7.55%	05/2024	73	51	—	73
UP Acquisition Corp(1) (3)	Unitranche First Lien	L + 575(2)	7.55%	05/2024	276	271	0.1	276
Valet Waste Holdings, Inc.	Senior Secured First Lien	L + 375(2)	5.54%	09/2025	14,812	14,781	3.6	14,683
Xcentric Mold and Engineering Acquisition Company, LLC(1)	Senior Secured First Lien	L + 700 (including 100 PIK)(2)	8.69%	01/2022	4,933	4,889	1.1	4,587
Xcentric Mold and Engineering Acquisition Company, LLC(1)	Senior Secured First Lien	L + 700 (including 100 PIK)(2)	8.69%	01/2022	703	697	0.2	654
					<u>116,432</u>	<u>114,970</u>	<u>27.6</u>	<u>112,385</u>
Consumer Durables & Apparel								
EiKo Global, LLC(1)	Senior Secured First Lien	L + 600(5)	7.94%	06/2023	3,256	3,207	0.8	3,256
EiKo Global, LLC(1) (3) (4)	Senior Secured First Lien			06/2023	—	(11)	—	—
					<u>3,256</u>	<u>3,196</u>	<u>0.8</u>	<u>3,256</u>
Consumer Services								
Colibri Group LLC(1)	Unitranche First Lien	L + 575(5)	7.70%	05/2025	8,209	8,021	2.0	8,200
Colibri Group LLC(1)	Unitranche First Lien	L + 575(5)	7.68%	05/2025	1,350	1,320	0.3	1,348
Colibri Group LLC(1) (3)	Unitranche First Lien	L + 575(2)	7.55%	05/2025	267	244	0.1	266
COP Home Services Holdings, Inc.(1) (3) (4)	Senior Secured First Lien			05/2025	—	(8)	—	(2)
COP Home Services Holdings, Inc.(1)	Senior Secured First Lien	L + 450(5)	6.40%	05/2025	3,474	3,411	0.8	3,457

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COP Home Services Holdings, Inc.(1) (3) (4)	Senior Secured First Lien			05/2025	\$ —	\$ (9)	—%	\$ (4)
HGH Purchaser, Inc.(1)	Unitranche First Lien	L + 600(2)	7.69%	11/2025	8,108	7,910	2.0	8,108
HGH Purchaser, Inc.(1) (3) (4)	Unitranche First Lien			11/2025	—	(41)	—	—
HGH Purchaser, Inc.(1) (3)	Unitranche First Lien	P + 500(7)	9.75%	11/2025	186	161	—	186
JLL XDD, Inc.(1)	Senior Secured First Lien	L + 475(5)	6.69%	12/2023	2,134	2,086	0.5	2,134
Learn-It Systems, LLC(1)	Senior Secured First Lien	L + 450(5)	6.40%	03/2025	4,367	4,265	1.1	4,367
Learn-It Systems, LLC(1) (3)	Senior Secured First Lien	P + 350(7)	8.25%	03/2025	492	478	0.1	492
Learn-It Systems, LLC(1) (3)	Senior Secured First Lien	L + 450(5)	6.50%	03/2025	311	251	0.1	311
New Mountain Learning(1)	Senior Secured First Lien	L + 600(5)	7.94%	03/2024	1,825	1,798	0.4	1,579
New Mountain Learning(1) (3)	Senior Secured First Lien	L + 600(5)	7.94%	03/2024	475	467	0.1	394
New Mountain Learning(1)	Senior Secured First Lien	L + 600(5)	7.94%	03/2024	370	365	0.1	320
Pre-Paid Legal Services, Inc.	Senior Secured Second Lien	L + 750(2)	9.30%	05/2026	9,333	9,249	2.3	9,318
Teaching Strategies LLC(1)	Unitranche First Lien	L + 600(5)	7.94%	05/2024	9,234	9,055	2.3	9,327
Teaching Strategies LLC(1) (3)	Unitranche First Lien	L + 600(5)	7.94%	05/2024	183	171	—	189
United Language Group, Inc.(1)	Senior Secured First Lien	L + 600(2)	7.88%	12/2021	4,689	4,638	1.1	4,344
United Language Group, Inc.(1)	Senior Secured First Lien	L + 600(2)	7.88%	12/2021	400	395	0.1	370
Vistage Worldwide, Inc.	Senior Secured First Lien	L + 400(2)	5.80%	02/2025	6,473	6,483	1.6	6,441
Wrench Group LLC(1)	Senior Secured First Lien	L + 425(5)	6.19%	04/2026	3,089	3,060	0.8	3,097
Wrench Group LLC(1) (3)	Senior Secured First Lien			04/2026	—	—	—	2
Wrench Group LLC(1)	Senior Secured Second Lien	L + 788(10)	9.82%	04/2027	2,500	2,429	0.6	2,500
					<u>67,469</u>	<u>66,199</u>	<u>16.4</u>	<u>66,744</u>
Diversified Financials								
CC SAG Acquisition Corp.(1)	Unitranche First Lien	L + 500(5)	6.89%	09/2025	7,182	7,021	1.8	7,132
CC SAG Acquisition Corp.(1) (3)	Unitranche First Lien	L + 500(2)	6.76%	09/2025	172	142	—	157
CC SAG Acquisition Corp.(1) (3) (4)	Unitranche First Lien			09/2025	—	(23)	—	(7)
					<u>7,354</u>	<u>7,140</u>	<u>1.8</u>	<u>7,282</u>
Energy								
BJ Services, LLC(1) (11)	Unitranche First Lien - Last Out	L + 1033(5)	12.43%	01/2023	8,287	8,220	2.0	8,287
BJ Services, LLC(1)	Unitranche First Lien	L + 700(5)	9.10%	01/2023	4,875	4,836	1.2	4,875
					<u>13,162</u>	<u>13,056</u>	<u>3.2</u>	<u>13,162</u>
Food & Staples Retailing								
BJH Holdings III Corp.(1)	Unitranche First Lien	L + 575(2)	7.55%	08/2025	13,715	13,520	3.4	13,647
Isagenix International, LLC	Senior Secured First Lien	L + 575(5)	7.70%	06/2025	6,471	6,442	1.1	4,652
PetIQ, LLC(1) (9)	Senior Secured First Lien	L + 450(2)	6.30%	07/2025	15,000	14,868	3.7	15,000
					<u>35,186</u>	<u>34,830</u>	<u>8.2</u>	<u>33,299</u>
Food, Beverage & Tobacco								
Mann Lake Ltd.(1)	Senior Secured First Lien	L + 500(5)	6.91%	10/2024	3,865	3,800	1.0	3,826
Mann Lake Ltd.(1) (3)	Senior Secured First Lien	L + 500(5)	6.91%	10/2024	444	430	0.1	435
					<u>4,309</u>	<u>4,230</u>	<u>1.1</u>	<u>4,261</u>
Health Care Equipment & Services								
Abode Healthcare, Inc.(1)	Senior Secured First Lien	L + 425(5)	6.16%	08/2025	4,788	4,697	1.2	4,716

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Abode Healthcare, Inc.(1) (3)	Senior Secured First Lien	L + 425(5)	6.16%	08/2025	\$ 288	\$ 266	0.1%	\$ 270
Ameda, Inc.(1)	Senior Secured First Lien	L + 700(2)	8.77%	09/2022	2,279	2,254	0.6	2,244
Ameda, Inc.(1) (3)	Senior Secured First Lien	L + 700(2)	8.77%	09/2022	188	184	—	183
Avalign Technologies, Inc.(1)	Senior Secured First Lien	L + 450(2)	6.30%	12/2025	17,009	16,858	4.2	16,881
Centauri Health Solutions, Inc.(1)	Senior Secured First Lien	L + 475(2)	6.55%	01/2023	891	881	0.2	900
Centauri Health Solutions, Inc.(1)	Senior Secured First Lien	L + 475(2)	6.55%	01/2023	14,546	14,387	3.6	14,692
Centauri Health Solutions, Inc.(1) (3) (4)	Senior Secured First Lien			01/2023	—	(9)	—	16
Centria Subsidiary Holdings, LLC(1) (3) (4)	Unitranche First Lien			12/2025	—	(59)	—	—
Centria Subsidiary Holdings, LLC(1)	Unitranche First Lien	L + 600(5)	7.89%	12/2025	11,842	11,490	2.9	11,842
Clarkson Eyecare, LLC(1)	Unitranche First Lien	L + 625(2)	8.05%	04/2021	9,013	8,869	2.2	8,877
Clarkson Eyecare, LLC(1)	Unitranche First Lien	L + 625(2)	8.05%	04/2021	5,950	5,853	1.4	5,861
CRA MSO, LLC(1)	Senior Secured First Lien	L + 475(2)	6.55%	12/2023	1,237	1,218	0.3	1,237
CRA MSO, LLC(1) (3) (4)	Senior Secured First Lien			12/2023	—	(6)	—	—
CRA MSO, LLC(1) (3) (4)	Senior Secured First Lien			12/2023	—	(3)	—	—
ExamWorks Group, Inc.(1)	Senior Secured Second Lien	L + 725(2)	9.05%	07/2024	5,735	5,621	1.4	5,745
GrapeTree Medical Staffing, LLC(1)	Senior Secured First Lien	L + 525(2)	7.05%	10/2022	1,662	1,644	0.4	1,662
GrapeTree Medical Staffing, LLC(1) (3) (4)	Senior Secured First Lien			10/2022	—	(4)	—	—
GrapeTree Medical Staffing, LLC(1)	Senior Secured First Lien	L + 525(2)	7.05%	10/2022	1,396	1,373	0.3	1,396
MDVIP, Inc.	Senior Secured First Lien	L + 425(2)	6.05%	11/2024	9,659	9,659	2.4	9,611
NMN Holdings III Corp.(1)	Senior Secured Second Lien	L + 775(2)	9.49%	11/2026	7,222	7,027	1.8	7,182
NMN Holdings III Corp.(1) (3) (4)	Senior Secured Second Lien			11/2026	—	(21)	—	(9)
NMSC Holdings, Inc.(1)	Senior Secured Second Lien	L + 1000(2)	11.80%	10/2023	4,307	4,202	1.1	4,286
Omni Ophthalmic Management Consultants, LLC(1) (3) (4)	Senior Secured First Lien			05/2023	—	(10)	—	(3)
Omni Ophthalmic Management Consultants, LLC(1) (3) (4)	Senior Secured First Lien			05/2023	—	(9)	—	(4)
Omni Ophthalmic Management Consultants, LLC(1)	Senior Secured First Lien	L + 525(2)	7.05%	05/2023	6,947	6,868	1.7	6,924
Professional Physical Therapy(1)	Senior Secured First Lien	L + 675 PIK (including 75 PIK)(5)	8.44%	12/2022	8,906	8,574	1.8	7,488
PT Network, LLC(1) (3) (4)	Senior Secured First Lien			11/2023	—	(1)	—	(8)
PT Network, LLC(1)	Senior Secured First Lien	L + 750 PIK (including 200 PIK)(10)	9.44%	11/2023	4,727	4,718	1.1	4,627
Safco Dental Supply, LLC(1)	Unitranche First Lien	L + 550(5)	7.25%	06/2025	4,549	4,475	1.1	4,549
Safco Dental Supply, LLC(1) (3) (4)	Unitranche First Lien			06/2025	—	(10)	—	—
Smile Brands, Inc.(1) (3)	Senior Secured First Lien	P + 350(7)	8.25%	10/2023	40	38	—	38
Smile Brands, Inc.(1) (3)	Senior Secured First Lien	L + 450(5)	6.43%	10/2024	378	372	0.1	374
Smile Brands, Inc.(1)	Senior Secured First Lien	L + 450(10)	6.70%	10/2024	2,079	2,062	0.5	2,069

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Smile Doctors LLC(1) (3)	Senior Secured First Lien	L + 600(5)	7.94%	10/2022	\$ 139	\$ 138	—%	\$ 139
Smile Doctors LLC(1)	Senior Secured First Lien	L + 600(5)	7.94%	10/2022	3,173	3,146	0.8	3,173
Smile Doctors LLC(1) (3)	Senior Secured First Lien	L + 600(5)	7.94%	10/2022	1,685	1,683	0.4	1,685
Unifeye Vision Partners(1)	Senior Secured First Lien	L + 500(5)	6.89%	09/2025	5,400	5,296	1.3	5,400
Unifeye Vision Partners(1) (3)	Senior Secured First Lien	L + 500(5)	6.89%	09/2025	227	194	0.1	227
Unifeye Vision Partners(1) (3) (4)	Senior Secured First Lien			09/2025	—	(29)	—	—
Zest Acquisition Corp.	Senior Secured First Lien	L + 350(2)	5.25%	03/2025	8,830	8,831	2.1	8,432
					145,092	142,717	35.1	142,702
Household & Personal Products								
Tranzonic(1)	Senior Secured First Lien	L + 475(2)	6.55%	03/2023	3,854	3,826	0.9	3,854
Tranzonic(1) (3) (4)	Senior Secured First Lien			03/2023	—	(3)	—	—
					3,854	3,823	0.9	3,854
Insurance								
Comet Acquisition, Inc.(1)	Senior Secured Second Lien	L + 750(5)	9.41%	10/2026	4,632	4,622	1.1	4,411
Integrity Marketing Acquisition, LLC(1) (3)	Unitranche First Lien	L + 575(5)	7.81%	02/2020	3,543	3,433	0.8	3,517
Integrity Marketing Acquisition, LLC(1) (3) (4)	Unitranche First Lien			07/2021	—	(37)	—	(15)
Integrity Marketing Acquisition, LLC(1)	Unitranche First Lien	L + 575(5)	7.67%	08/2025	13,009	12,699	3.2	12,944
Integrity Marketing Acquisition, LLC(1) (3) (4)	Unitranche First Lien			08/2025	—	(48)	—	(7)
Integro Parent, Inc.(1) (9)	Senior Secured First Lien	L + 575(2)	7.55%	10/2022	477	473	0.1	470
Integro Parent, Inc.(1) (9)	Senior Secured Second Lien	L + 925(2)	11.05%	10/2023	2,916	2,882	0.7	2,916
Integro Parent, Inc.(1) (9)	Senior Secured Second Lien	L + 925(2)	10.99%	10/2023	380	377	0.1	380
The Hilb Group, LLC(1) (3) (4)	Unitranche First Lien			12/2025	—	(8)	—	(2)
The Hilb Group, LLC(1)	Unitranche First Lien	L + 575(2)	7.69%	12/2026	3,640	3,549	0.9	3,612
The Hilb Group, LLC(1) (3) (4)	Unitranche First Lien			12/2026	—	(13)	—	(8)
					28,597	27,929	6.9	28,218
Materials								
Kestrel Parent, LLC(1) (3) (4)	Unitranche First Lien			11/2023	—	(17)	—	13
Kestrel Parent, LLC(1)	Unitranche First Lien	L + 600(2)	7.78%	11/2025	6,740	6,593	1.7	6,841
Maroon Group, LLC (1)	Unitranche First Lien	L + 675(5)	8.72%	08/2022	2,712	2,693	0.7	2,712
Maroon Group, LLC (1) (3)	Unitranche First Lien	L + 675(2)	8.56%	08/2022	98	96	—	98
Maroon Group, LLC (1)	Unitranche First Lien	L + 675(5)	8.72%	08/2022	1,250	1,242	0.3	1,250
					10,800	10,607	2.7	10,914
Pharmaceuticals, Biotechnology & Life Sciences								
Trinity Partners, LLC(1)	Senior Secured First Lien	L + 500(2)	6.80%	02/2023	3,744	3,706	0.9	3,744
Trinity Partners, LLC(1) (3) (4)	Senior Secured First Lien			02/2023	—	(6)	—	—
					3,744	3,700	0.9	3,744
Retailing								
Slickdeals Holdings, LLC(1) (3) (4) (19)	Unitranche First Lien			06/2023	—	(14)	—	—
Slickdeals Holdings, LLC(1) (19)	Unitranche First Lien	L + 625(2)	7.99%	06/2024	14,726	14,342	3.6	14,726
Strategic Partners, Inc.(1)	Senior Secured First Lien	L + 375(2)	5.55%	06/2023	6,322	6,313	1.6	6,338
					21,048	20,641	5.2	21,064
Software & Services								
Affinitiv, Inc.(1)	Unitranche First Lien	L + 525(5)	7.17%	08/2024	6,500	6,393	1.6	6,500
Affinitiv, Inc.(1) (3) (4)	Unitranche First Lien			08/2024	—	(14)	—	—

See accompanying notes

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<u>Company/Security/Country †‡</u>	<u>Investment Type</u>	<u>Spread Above Index *</u>	<u>Interest Rate</u>	<u>Maturity / Dissolution Date</u>	<u>Principal Amount, Par Value or Shares</u>	<u>Cost</u>	<u>Percentage of Net Assets **</u>	<u>Fair Value</u>
Ansira Partners, Inc.(1)	Unitranche First Lien	L + 575(2)	7.55%	12/2022	\$ 6,867	\$ 6,829	1.6%	\$ 6,477
Ansira Partners, Inc.(1) (3)	Unitranche First Lien	L + 575(2)	7.49%	12/2022	626	622	0.1	572
Avaap USA LLC(1)	Senior Secured First Lien	L + 525(2)	7.05%	03/2023	3,808	3,748	1.0	3,846
Avaap USA LLC(1)	Senior Secured First Lien	L + 525(2)	7.02%	03/2023	347	342	0.1	351
Avaap USA LLC(1) (3) (4)	Senior Secured First Lien			03/2023	—	(10)	—	7
Benesys, Inc.(1)	Senior Secured First Lien	L + 425(2)	6.05%	10/2024	1,432	1,414	0.4	1,411
Benesys, Inc.(1) (3)	Senior Secured First Lien	L + 425(2)	6.05%	10/2024	48	46	—	46
C-4 Analytics, LLC(1)	Senior Secured First Lien	L + 475(2)	6.55%	08/2023	10,313	10,195	2.5	10,313
C-4 Analytics, LLC(1) (3) (4)	Senior Secured First Lien			08/2023	—	(6)	—	—
CAT Buyer, LLC(1)	Unitranche First Lien	L + 550(2)	7.30%	04/2024	6,302	6,194	1.5	6,272
CAT Buyer, LLC(1) (3)	Unitranche First Lien	L + 550(2)	7.30%	04/2024	151	140	—	149
Claritas, LLC(1)	Senior Secured First Lien	L + 600(5)	7.94%	12/2023	1,121	1,112	0.3	1,121
Claritas, LLC(1) (3)	Senior Secured First Lien	L + 600(2)	7.80%	12/2023	120	118	—	120
List Partners, Inc.(1)	Senior Secured First Lien	L + 500(2)	6.77%	01/2023	4,623	4,563	1.1	4,649
List Partners, Inc.(1) (3) (4)	Senior Secured First Lien			01/2023	—	(5)	—	3
Ontario Systems, LLC(1)	Unitranche First Lien	L + 550(2)	7.30%	08/2025	3,242	3,211	0.8	3,242
Ontario Systems, LLC(1) (3) (4)	Unitranche First Lien			08/2025	—	(5)	—	—
Ontario Systems, LLC(1) (3) (4)	Unitranche First Lien			08/2025	—	(5)	—	—
Perforce Software, Inc.	Senior Secured First Lien	L + 450(2)	6.30%	07/2026	12,469	12,410	3.1	12,492
Right Networks, LLC(1)	Unitranche First Lien	L + 600(2)	7.70%	11/2024	9,743	9,530	2.4	9,743
Right Networks, LLC(1) (3) (4)	Unitranche First Lien			11/2024	—	(5)	—	—
Ruffalo Noel Levitz, LLC(1)	Unitranche First Lien	L + 600(5)	7.94%	05/2022	2,531	2,503	0.6	2,518
Ruffalo Noel Levitz, LLC(1) (3) (4)	Unitranche First Lien			05/2022	—	(3)	—	(2)
SMS Systems Maintenance Services, Inc.(1) (12)	Senior Secured Second Lien			10/2024	6,156	5,619	0.6	2,471
SMS Systems Maintenance Services, Inc.(1) (12)	Senior Secured Second Lien			10/2024	4,704	4,287	0.5	1,888
SMS Systems Maintenance Services, Inc.(1) (12)	Senior Secured Second Lien			10/2024	2,859	2,670	0.5	2,193
Transportation Insight, LLC(1) (3) (4)	Senior Secured First Lien			12/2024	—	(6)	—	(4)
Transportation Insight, LLC(1)	Senior Secured First Lien	L + 450(2)	6.30%	12/2024	5,194	5,151	1.3	5,168
Transportation Insight, LLC(1) (3)	Senior Secured First Lien	L + 450(5)	6.20%	12/2024	713	702	0.2	706
Trident Technologies, LLC(1)	Senior Secured First Lien	L + 600(2)	7.62%	12/2025	15,000	14,775	3.6	14,775
Winxnet Holdings LLC(1) (3)	Unitranche First Lien	L + 600(2)	7.76%	06/2023	647	632	0.2	634
Winxnet Holdings LLC(1)	Unitranche First Lien	L + 600(2)	7.76%	06/2023	1,970	1,941	0.5	1,945
Winxnet Holdings LLC(1) (3)	Unitranche First Lien	L + 600(2)	7.76%	06/2023	80	74	—	75
					<u>107,566</u>	<u>105,162</u>	<u>24.5</u>	<u>99,681</u>
Technology Hardware & Equipment								
Onvoy, LLC(1)	Senior Secured Second Lien	L + 1050(2)	12.30%	02/2025	2,635	2,541	0.6	2,339
Transportation								
Pilot Air Freight, LLC(1)	Senior Secured First Lien	L + 525(2)	7.05%	07/2024	5,417	5,393	1.3	5,417
Pilot Air Freight, LLC(1)	Senior Secured First Lien	L + 525(2)	7.05%	07/2024	1,209	1,209	0.3	1,209
Pilot Air Freight, LLC(1) (3) (4)	Senior Secured First Lien			07/2024	—	(5)	—	—

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Pilot Air Freight, LLC(1) (3) (4)	Senior Secured First Lien			07/2024	\$ —	\$ (1)	—%	\$ —
					6,626	6,596	1.6	6,626
Total Debt Investments United States					<u>\$ 628,852</u>	<u>\$618,472</u>	<u>150.2%</u>	<u>\$611,270</u>
Equity Investments								
Automobiles & Components								
APC Auto Tech Holdings, LLC(1) (13) (19)	Common Stock				2,427	1,090	—	162
APC Auto Technology Intermediate, LLC(1) (13) (19)	Preferred Stock				757	757	0.2	767
					<u>3,184</u>	<u>1,847</u>	<u>0.2</u>	<u>929</u>
Capital Goods								
Alion Science and Technology Corporation(1) (13)	Common Stock				745,504	766	0.3	1,207
Commercial & Professional Services								
Allied Universal holdings, LLC(1) (13)	Common Stock, Class A				2,240,375	1,011	0.5	2,199
MHS Acquisition Holdings, LLC(1) (13)	Common Stock				912	913	0.2	586
MHS Acquisition Holdings, LLC(1) (13)	Preferred Stock				20	20	—	—
PB Parent, LP(1) (13)	Common Stock				1,125,000	1,125	0.3	1,125
RSI Acquisition, LLC(1) (13)	Preferred Stock, Class A				137,000	137	—	137
TecoStar Holdings, Inc.(1) (13)	Common Stock				500,000	500	0.2	973
					<u>4,003,307</u>	<u>3,706</u>	<u>1.2</u>	<u>5,020</u>
Consumer Services								
Green Wrench Acquisition, LLC(1) (13)	Common Stock				3,906	391	0.1	391
HGH Investment, LP(1) (13)	Common Stock, Class A				4,171	417	0.1	416
Legalshield(1) (13)	Common Stock				372	372	0.2	719
Wrench Group Holdings, LLC(1) (13)	Common Stock, Class A				1,094	109	—	109
					<u>9,543</u>	<u>1,289</u>	<u>0.4</u>	<u>1,635</u>
Diversified Financials								
CBDC Senior Loan Fund LLC(9) (14) (15)	Partnership Interest				34,000,000	34,000	8.5	34,442
GACP II LP(9) (15) (20)	Partnership Interest				18,067,282	18,067	4.5	18,564
					<u>52,067,282</u>	<u>52,067</u>	<u>13.0</u>	<u>53,006</u>
Health Care Equipment & Services								
ExamWorks Group, Inc.(1) (13)	Common Stock				7,500	750	0.3	1,344
MDVIP, Inc.(1) (13)	Common Stock				46,807	667	0.2	922
NMN Holdings LP(1) (13)	Common Stock				11,111	1,111	0.3	1,009
PT Network, LLC(1) (13)	Common Stock, Class C				1	—	—	—
Spartan Healthcare Holdings, LLC(1) (13)	Common Stock				11,843	1,184	0.3	1,185
					<u>77,262</u>	<u>3,712</u>	<u>1.1</u>	<u>4,460</u>
Insurance								
Integrity Marketing Acquisition, LLC(1) (13)	Common Stock				619,562	648	0.2	648
Integrity Marketing Acquisition, LLC(1) (13)	Preferred Stock				1,247	1,213	0.3	1,247
Integro Parent, Inc.(1) (9) (13)	Common Stock				4,468	454	0.2	878
					<u>625,277</u>	<u>2,315</u>	<u>0.7</u>	<u>2,773</u>
Materials								
Kestrel Upperco, LLC(1) (13)	Common Stock, Class A				41,791	209	0.1	223

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Media								
Vivid Seats Ltd.(1) (13) (19)	Common Stock				608,108	\$ 608	0.3%	\$ 1,083
Vivid Seats Ltd.(1) (13) (19)	Preferred Stock				1,891,892	1,892	0.6	2,563
					<u>2,500,000</u>	<u>2,500</u>	<u>0.9</u>	<u>3,646</u>
Retailing								
Slickdeals Holdings, LLC(1) (13) (19)	Common Stock				109	1,091	0.3	1,207
Software & Services								
SMS Systems Maintenance Services, Inc.(1) (13)	Common Stock				1,142,789	1,144	—	—
Technology Hardware & Equipment								
Onvoy, LLC(1) (13)	Common Stock, Class A				3,649	365	0.1	228
Onvoy, LLC(1) (13)	Common Stock, Class B				2,536	—	—	—
					<u>6,185</u>	<u>365</u>	<u>0.1</u>	<u>228</u>
Total Equity Investments								
United States								
					<u>61,222,233</u>	<u>\$ 71,011</u>	<u>18.3%</u>	<u>\$ 74,334</u>
Total United States								
						<u>\$ 689,483</u>	<u>168.5%</u>	<u>\$ 685,604</u>
Canada								
Debt Investments								
Software & Services								
Corel Corporation(9)	Senior Secured First Lien	L + 500(12)	6.91%	07/2026	\$ 12,500	11,905	3.0	12,109
Total Debt Investments								
Canada								
					<u>\$ 12,500</u>	<u>\$ 11,905</u>	<u>3.0%</u>	<u>\$ 12,109</u>
Total Canada								
						<u>\$ 11,905</u>	<u>3.0%</u>	<u>\$ 12,109</u>
France								
Debt Investments								
Technology Hardware & Equipment								
Parkeon, Inc.(9)	Senior Secured First Lien	E + 525(17)	5.25%	04/2023	€ 1,995	2,136	0.5	2,248
					<u>1,995</u>	<u>2,136</u>	<u>0.5</u>	<u>2,248</u>
Total Debt Investments								
France								
					<u>€ 1,995</u>	<u>\$ 2,136</u>	<u>0.5%</u>	<u>\$ 2,248</u>
Total France								
						<u>\$ 2,136</u>	<u>0.5%</u>	<u>\$ 2,248</u>
United Kingdom								
Debt Investments								
Commercial & Professional Services								
Crusoe Bidco Limited(1) (3) (9)	Unitranche First Lien			12/2025	£ —	—	—	—
Crusoe Bidco Limited(1) (3) (9)	Unitranche First Lien			12/2025	—	—	—	—
Crusoe Bidco Limited(1) (9)	Unitranche First Lien	L + 625(18)	7.04%	12/2025	6,067	7,402	2.0	8,038
					<u>6,067</u>	<u>7,402</u>	<u>2.0</u>	<u>8,038</u>
Total Debt Investments								
United Kingdom								
					<u>£ 6,067</u>	<u>\$ 7,402</u>	<u>2.0%</u>	<u>\$ 8,038</u>
Total United Kingdom								
						<u>\$ 7,402</u>	<u>2.0%</u>	<u>\$ 8,038</u>
Netherlands								
Debt Investments								
Pharmaceuticals, Biotechnology & Life Sciences								
PharComp Parent B.V.(1) (9) (11)	Unitranche First Lien - Last Out	E + 650(17)	6.50%	02/2026	€ 6,910	7,625	1.9	7,756
PharComp Parent B.V.(1) (3) (9)	Unitranche First Lien			02/2026	—	—	—	—
					<u>6,910</u>	<u>7,625</u>	<u>1.9</u>	<u>7,756</u>
Total Debt Investments								
Netherlands								
					<u>€ 6,910</u>	<u>\$ 7,625</u>	<u>1.9%</u>	<u>\$ 7,756</u>
Total Netherlands								
						<u>\$ 7,625</u>	<u>1.9%</u>	<u>\$ 7,756</u>

See accompanying notes

CRESCENT CAPITAL BDC, INC.
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Company/Security/Country† ‡	Investment Type	Spread Above Index *	Interest Rate	Maturity / Dissolution Date	Principal Amount, Par Value or Shares	Cost	Percentage of Net Assets **	Fair Value
Belgium								
Debt Investments								
Commercial & Professional Services								
MIR Bidco SA(1) (9)	Unitranche First Lien	E + 600(17)	6.00%	04/2026	€ \$9,507	\$ 10,451	2.6%	\$ 10,672
Total Debt Investments Belgium					€ 9,507	\$ 10,451	2.6%	\$ 10,672
Equity Investments								
Commercial & Professional Services								
MIR Bidco SA(1) (9) (13)	Common Stock				921	1	—	1
MIR Bidco SA(1) (9) (13)	Preferred Stock				81,384	92	—	103
					82,305	93	—	104
Total Equity Investments Belgium					82,305	\$ 93	—%	\$ 104
Total Belgium						\$ 10,544	2.6%	\$ 10,776
Total Investments						\$ 729,095	178.5%	\$ 726,531

* The majority of the investments bear interest at a rate that may be determined by reference to London Interbank Offered Rate (“LIBOR” or “L”), Prime (“P”) or EURIBOR (“E”) and which reset monthly, bi-monthly, quarterly, semiannually or annually. For each, the Company has provided the spread over LIBOR or Prime and the weighted average current interest rate in effect at December 31, 2019. Certain investments are subject to a LIBOR or Prime interest rate floor. For fixed rate loans, a spread above a reference rate is not applicable.

** Percentage is based on net assets of \$406,917 as of December 31, 2019.

† All positions held are non-controlled/non-affiliated investments, unless otherwise noted, as defined by the Investment Company Act of 1940, as amended (“1940 Act”). Non-controlled/non-affiliated investments are investments that are neither controlled investments nor affiliated investments.

‡ All debt investments are income-producing, unless otherwise noted. Equity and member interests are non-income-producing unless otherwise noted. The Company generally acquires its investments in private transactions exempt from registration under the Securities Act of 1933, as amended, or the Securities Act. Its investments are therefore generally subject to certain limitations on resale, and may be deemed to be “restricted securities” under the Securities Act.

- (1) The fair value of the investment was determined using significant unobservable inputs. See Note 2 “Summary of Significant Accounting Policies”.
- (2) The interest rate on these loans is subject to the greater of a LIBOR floor or 1 month LIBOR plus a base rate. The 1 month LIBOR as of December 31, 2019 was 1.76%.
- (3) Position or portion thereof is an unfunded loan commitment. A nominal unused fee may be earned on the unfunded portion. See Note 8 “Commitments and Contingencies”.
- (4) The negative cost, if applicable, is the result of the capitalized discount or unfunded commitment being greater than the principal amount outstanding on the loan. The negative fair value, if applicable, is the result of the capitalized discount or unfunded commitment on the loan.
- (5) The interest rate on these loans is subject to the greater of a LIBOR floor or 3 month LIBOR plus a base rate. The 3 month LIBOR as of December 31, 2019 was 1.91%.
- (6) Fixed rate investment.
- (7) The interest rate on these loans is subject to the U.S. Prime rate, which as of December 31, 2019 was 4.75%.
- (8) The interest rate on these loans is subject to the greater of a LIBOR floor or 12 month LIBOR plus a base rate. The 12 month LIBOR as of December 31, 2019 was 2.00%.
- (9) Investment is not a qualifying investment as defined under section 55 (a) of the Investment Company Act of 1940. Qualifying assets must represent at least 70% of total assets at the time of acquisition. The Company’s percentage of non-qualifying assets based on fair value was 16.21% as of December 31, 2019.
- (10) The interest rate on these loans is subject to the greater of a LIBOR floor or 6 month LIBOR plus a base rate. The 6 month LIBOR as of December 31, 2019 was 1.91%.
- (11) These loans are unitranche first lien/last-out term loans. In addition to the interest earned based on the effective interest rate of this loan, which is the amount reflected in this schedule, the Company is entitled to receive additional interest as a result of an agreement among lenders whereby the loan has been allocated to “first-out” and “last-out” tranches, whereby the “first-out” tranche will have priority as to the “last-out” tranche with respect to payments of principal, interest and any amounts due thereunder. The Company holds the “last-out” tranche.
- (12) The investment is on non-accrual status as of December 31, 2019.
- (13) Non-income producing security.

See accompanying notes

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- (14) As defined in the Investment Company Act of 1940, the portfolio company is deemed to be a “controlled affiliated person” of the Company because the Company owns, either directly or indirectly, 25% or more of the portfolio company’s outstanding voting securities or has the power to exercise control over management or policies of such portfolio company. See Note 3 “Agreements and Related Party Transactions”.
- (15) This investment was valued using net asset value as a practical expedient for fair value. Consistent with FASB guidance under ASC 820, these investments are excluded from the hierarchical levels.
- (16) The interest rate on these loans is subject to the greater of a LIBOR floor or 2 month LIBOR plus a base rate. The 2 month LIBOR as of December 31, 2019 was 1.83%.
- (17) The interest rate on these loans is subject to the greater of a EURIBOR floor or 3 month EURIBOR plus a base rate. The 3 month EURIBOR as of December 31, 2019 was (0.38)%.
- (18) The interest rate on these loans is subject to the greater of a GBP LIBOR floor or 3 month GBP LIBOR plus a base rate. The 3 month GBP LIBOR as of December 31, 2019 was 0.79%.
- (19) As defined in the 1940 Act, the portfolio company is deemed to be a “non-controlled affiliated person” of the Company because the Company owns, either directly or indirectly, 5% or more of the portfolio company’s outstanding voting securities. See Note 3 “Agreements and Related Party Transactions”.
- (20) Investment is not redeemable.

**Foreign Currency Exchange
Contracts**

<u>Counterparty</u>	<u>Currency Purchased</u>	<u>Currency Sold</u>	<u>Settlement</u>	<u>Unrealized Appreciation (Depreciation)</u>
Wells Fargo Bank, N.A.	USD 7,974,709	GBP 5,885,394	12/01/2023	\$ (65)
Wells Fargo Bank, N.A.	USD 11,682,415	EUR 9,221,988	04/10/2024	366
Wells Fargo Bank, N.A.	USD 8,602,672	EUR 6,702,510	02/20/2024	392
				\$ 693

EUR Euro
GBP Great British Pound
PIK Payment In-Kind
USD United States Dollar

See accompanying notes

CRESCENT CAPITAL BDC, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(in thousands, except share and per share amounts)

March 31, 2020 (Unaudited)

Note 1. Organization and Basis of Presentation

Crescent Capital BDC, Inc. (the “Company”) was formed on February 5, 2015 (“Inception”) as a Delaware corporation structured as an externally managed, closed-end, non-diversified management investment company. On January 30, 2020, the Company changed its state of incorporation from the State of Delaware to the State of Maryland. The Company commenced investment operations on June 26, 2015. The Company has elected to be treated as a business development company (“BDC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). In addition, the Company has elected to be treated for U.S. federal income tax purposes as a regulated investment company (a “RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). As a RIC, the Company will not be taxed on its income to the extent that it distributes such income each year and satisfies other applicable income tax requirements.

The Company’s primary investment objective is to maximize the total return to the Company’s stockholders in the form of current income and capital appreciation through debt and related equity investments. The Company will seek to achieve its investment objectives by investing primarily in secured debt (including senior secured, unitranche and second lien debt) and unsecured debt (including senior unsecured, mezzanine and subordinated debt), as well as related equity securities of private U.S. middle-market companies. The Company may make multiple investments in the same portfolio company. The Company may purchase interests in loans or make debt investments, either (i) directly from its target companies as primary market or private credit investments, or (ii) primary or secondary market bank loan or high yield transactions in the broadly syndicated “over-the-counter” market. Although the Company’s focus is to invest in private credit transactions, in certain circumstances it will also invest in broadly syndicated loans and bonds.

The Company is managed by Crescent Cap Advisors, LLC (the “Advisor” and formerly, CBDC Advisors, LLC), an investment adviser that is registered with the Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940, as amended. CCAP Administration LLC (the “Administrator” and formerly, CBDC Administration, LLC) provides the administrative services necessary for the Company to operate. Company management consists of investment and administrative professionals from the Advisor and Administrator along with the Company’s Board of Directors (the “Board”). The Advisor directs and executes the investment operations and capital raising activities of the Company subject to oversight from the Board, which sets the broad policies of the Company. The Board has delegated investment management of the Company’s investment assets to the Advisor. The Board consists of six directors, four of whom are independent.

The Company has formed or acquired wholly owned subsidiaries that are structured as tax blockers, to hold equity or equity-like investments in portfolio companies organized as limited liability companies or other forms of pass-through entities. These corporate subsidiaries are not consolidated for income tax purposes and may incur income tax expense as a result of their ownership of portfolio companies.

On January 31, 2020, the Company completed a transaction to acquire Alcentra Capital Corporation in a cash and stock transaction (the “Alcentra Acquisition”). The Company was listed and began trading on the NASDAQ stock exchange on February 3, 2020. See “Note 13. Alcentra Acquisition” for more information.

Basis of Presentation

The Company’s functional currency is the United States dollar and these consolidated financial statements have been prepared in that currency. The Company’s consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and pursuant to Regulation S-X.

Additionally, the accompanying consolidated financial statements of the Company and related financial information have been prepared pursuant to the requirements for reporting on Form 10-Q and Article 10 of Regulation S-X. Accordingly, certain disclosures accompanying annual consolidated financial statements prepared in accordance with GAAP are omitted. In the opinion of management, the unaudited interim financial results included herein contain all adjustments and reclassifications that are necessary for the fair presentation of consolidated financial statements for the periods included herein. The current period’s results of operations will not necessarily be indicative of results that ultimately may be achieved for the year ending December 31, 2020.

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*.

Note 2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make certain estimates and assumptions that may affect the amounts reported in the consolidated financial statements and accompanying notes. These consolidated financial statements reflect adjustments that in the opinion of management are necessary for the fair statement of the results for the periods presented. Although management believes that the estimates and assumptions are reasonable, changes in the economic environment, financial markets and any other parameters used in determining these estimates could cause actual results to differ materially.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and highly liquid investments (e.g., money market funds, U.S. Treasury notes, and similar type instruments) with original maturities of three months or less. Cash and cash equivalents other than money market mutual funds, are carried at cost plus accrued interest, which approximates fair value. Money market mutual funds are carried at their net asset value, which approximates fair value. Restricted cash and cash equivalents consists of deposits held at Wells Fargo Bank N.A. related to the Company's credit facility. The Company holds cash and cash equivalents denominated in foreign currencies. The Company deposits its cash, cash equivalents and restricted cash with highly-rated banking corporations and, at times, cash deposits may exceed the insured limits under applicable law.

Investment Transactions

Investments purchased on a secondary market are recorded on the trade date. Loan originations are recorded on the date of the binding commitment. Realized gains or losses are recorded using the specific identification method as the difference between the net proceeds received (excluding prepayment fees, if any) and the amortized cost basis of the investment without regard to unrealized gains or losses previously recognized, and include investments written off during the period, net of recoveries. The net change in unrealized gains or losses primarily reflects the change in investment fair values as of the last business day of the reporting period and also includes the reversal of previously recorded unrealized gains or losses with respect to investments realized during the period.

Investment Valuation

Investments for which market quotations are readily available are typically valued at those market quotations. To validate market quotations, the Company utilizes a number of factors to determine if the quotations are representative of fair value, including the source and number of the quotations. Debt and equity securities that are not publicly traded or whose market prices are not readily available are valued at fair value as determined in good faith by the Board, based on, among other things, the input of the Advisor, the Company's Audit Committee and, with certain de minimis exceptions, independent third-party valuation firms engaged at the direction of the Board.

The Board oversees and supervises a multi-step valuation process, which includes, among other procedures, the following:

- The valuation process begins with each investment being initially valued by the investment professionals responsible for the portfolio investment in conjunction with the portfolio management team.
- The Advisor's management reviews the preliminary valuations with the investment professionals. Agreed upon valuation recommendations are presented to the Audit Committee.
- The Audit Committee reviews the valuations presented and recommends values for each investment to the Board.
- The Board reviews the recommended valuations and determines the fair value of each investment.

The Company applies Financial Accounting Standards Board ASC 820, *Fair Value Measurement* (ASC 820), as amended, which establishes a framework for measuring fair value in accordance with GAAP and required disclosures of fair value measurements. ASC 820 determines fair value to be the price that would be received for an investment in a current sale, which assumes an orderly transaction between market participants on the measurement date. Market participants are defined as buyers and sellers in the principal or most advantageous market (which may be a hypothetical market) that are independent, knowledgeable, and willing and able to transact. In accordance with ASC 820, the Company considers its principal market to be the market that has the greatest volume and level of activity. ASC 820 specifies a fair value hierarchy that prioritizes and ranks the level of observability of inputs used in the determination of fair value. In accordance with ASC 820, these levels are summarized below:

Level 1—Valuations based on quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Level 2—Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

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Investments in investment companies are valued at fair value. Fair values are generally determined utilizing the net asset value (“NAV”) supplied by, or on behalf of, management of each investment company, which is net of management and incentive fees or allocations charged by the investment company and is in accordance with the “practical expedient”, as defined by ASC 820. NAVs received by, or on behalf of, management of each investment company are based on the fair value of the investment company’s underlying investments in accordance with policies established by management of each investment company, as described in each of their financial statements and offering memorandum. Investments which are valued using NAV as a practical expedient are excluded from the above hierarchy.

In addition to using the above inputs in investment valuations, the Company applies the valuation policy approved by its Board that is consistent with ASC 820. Consistent with the valuation policy, the Company evaluates the source of inputs, including any markets in which its investments are trading (or any markets in which securities with similar attributes are trading), in determining fair value. When a security is valued based on prices provided by reputable dealers or pricing services (that is, broker quotes), the Company subjects those prices to various criteria in making the determination as to whether a particular investment would qualify for classification as a Level 2 or Level 3 investment. For example, the Company reviews pricing methodologies provided by dealers or pricing services in order to determine if observable market information is being used, versus unobservable inputs. Some additional factors considered include the number of prices obtained as well as an assessment as to their quality. Transfers between levels, if any, are recognized at the beginning of the period in which the transfers occur.

Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the Company’s investments may fluctuate from period to period. Additionally, the fair value of such investments may differ significantly from the values that would have been used had a ready market existed for such investments and may differ materially from the values that may ultimately be realized. Further, such investments are generally less liquid than publicly traded securities and may be subject to contractual and other restrictions on resale. If the Company were required to liquidate a portfolio investment in a forced or liquidation sale, it could realize amounts that are different from the amounts presented and such differences could be material.

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 unrealized gains or losses reflected herein.

Foreign Currency

Foreign currency amounts are translated into U.S. dollars on the following basis:

- cash and cash equivalents, fair value of investments, outstanding debt on revolving credit facilities, other assets and liabilities: at the spot exchange rate on the last business day of the period; and
- purchases and sales of investments, borrowings and repayments of such borrowings, income and expenses: at the rates of exchange prevailing on the respective dates of such transactions.

Although net assets and fair values are presented based on the applicable foreign exchange rates described above, the Company does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in fair values of investments held. Gains or losses on foreign currency transactions are included with net realized gain (loss) on foreign currency transactions on the Consolidated Statements of Operations. Fluctuations arising from the translation of foreign currency on cash, investments and borrowings are included with net change in unrealized appreciation (depreciation) on investments and foreign currency translation on the Consolidated Statements of Operations.

The Company’s approach to hedging the foreign currency exposure in its non-U.S. dollar denominated investments is to borrow local currency under the Company’s credit facilities or by entering into foreign currency forward contracts.

Foreign currency forward contracts

The Company may enter into foreign currency forward contracts to reduce the Company’s exposure to foreign currency exchange rate fluctuations in the value of foreign currencies. In a foreign currency forward contract, the Company agrees to receive or deliver a fixed quantity of one currency for another, at a pre-determined price at a future date. Forward foreign currency contracts are marked-to-market at the applicable forward rate. Unrealized appreciation (depreciation) on foreign currency forward contracts are recorded on the Consolidated Statements of Assets and Liabilities by counterparty on a net basis, not taking into account collateral posted which is recorded separately, if applicable. Notional amounts and the gross fair value of foreign currency forward contract assets and liabilities are presented separately on the Consolidated Schedules of Investments. Purchases and sales of foreign currency forward contracts having the same notional value, settlement date and counterparty are generally settled net (which results in a net foreign currency position of zero with the counterparty) and any realized gains or losses are recognized on the settlement date.

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The Company does not utilize hedge accounting and as such, the Company recognizes its derivatives at fair value with changes in the net unrealized appreciation (depreciation) on foreign currency forward contracts recorded on the Consolidated Statements of Operations.

Equity Offering and Organization Expenses

The Company had agreed to repay the Advisor for initial organization costs and equity offering costs incurred prior to the commencement of its operations up to a maximum of \$1,500 on a pro rata basis over the first \$350,000 of invested capital not to exceed 3 years from the initial capital commitment on June 26, 2015. The initial 3 year term was later extended to June 30, 2019 with shareholder approval. To the extent such costs relate to equity offerings, these costs are charged as a reduction of capital upon the issuance of common shares. To the extent such costs relate to organization costs, these costs are expensed in the Consolidated Statements of Operations upon the issuance of common shares. The Advisor is responsible for organization and private equity offerings costs in excess of \$1,500. During the reimbursement period which began on June 26, 2015 and expired on June 30, 2019, the Advisor had allocated to the Company \$794 of equity offering costs and \$568 of organization costs.

Debt Issuance Costs

The Company records costs related to issuance of debt obligations as deferred financing costs. These costs are deferred and amortized using the effective yield method for revolving credit facilities, over the stated maturity life of the obligation. As of March 31, 2020 and December 31, 2019, there were \$4,787 and \$3,431, respectively, of deferred financing costs netted against debt balances on the Company's Consolidated Statements of Assets and Liabilities.

Interest and Dividend Income Recognition

Interest income is recorded on an accrual basis and includes the amortization of purchase discounts and premiums. Discounts and premiums to par value on securities purchased are accreted or amortized into interest income over the contractual life of the respective security using the effective yield method. The amortized cost of investments represents the original cost adjusted for the accretion and amortization of discounts and premiums, if any. Upon prepayment of a loan or debt security, any prepayment premiums, unamortized upfront loan origination fees and unamortized discounts are recorded as interest income.

Dividend income from preferred equity securities is recorded on an accrual basis to the extent that such amounts are payable by the portfolio company and are expected to be collected. Dividend income from common equity securities is recorded on the record date for private portfolio companies or on the ex-dividend date for publicly-traded portfolio companies. Each distribution received from an equity investment is evaluated to determine if the distribution should be recorded as dividend income or a return of capital. Generally, the Company will not record distributions from equity investments as dividend income unless there is sufficient current or accumulated earnings prior to the distribution. Distributions that are classified as a return of capital are recorded as a reduction in the cost basis of the investment.

Certain investments have contractual payment-in-kind ("PIK") interest or dividends. PIK represents accrued interest or accumulated dividends that are added to the loan principal or cost basis of the investment on the respective interest or dividend payment dates rather than being paid in cash and generally becomes due at maturity or upon being called by the issuer. PIK is recorded as interest or dividend income, as applicable. If at any point the Company believes PIK is not expected to be realized, the investment generating PIK will be placed on non-accrual status. Accrued PIK interest or dividends are generally reversed through interest or dividend income, respectively, when an investment is placed on non-accrual status.

Loans are generally placed on non-accrual status when principal or interest payments are past due 30 days or more or when there is reasonable doubt that principal or interest will be collected in full. Accrued and unpaid interest is generally reversed when a loan is placed on non-accrual status. Interest payments received on non-accrual loans may be recognized as income or applied to principal depending upon management's judgment regarding collectability. Non-accrual loans are restored to accrual status when past due principal and interest is paid current and, in management's judgment, are likely to remain current. Management may determine to not place a loan on non-accrual status if the loan has sufficient collateral value and is in the process of collection. As of March 31, 2020, the Company had four portfolio companies with seven investment positions on non-accrual status, which represented 3.4% and 1.9% of the total debt investments at cost and fair value, respectively. As of December 31, 2019, the Company had one portfolio company with three investment positions on non-accrual status, which represented 1.9% and 1.0% of the total debt investments at cost and fair value, respectively.

Other Income

Other income may include income such as consent, waiver, amendment, unused, underwriting, arranger and prepayment fees associated with the Company's investment activities as well as any fees for managerial assistance services rendered by the Company to the portfolio companies. Such fees are recognized as income when earned or the services are rendered.

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Income Taxes

The Company has elected to be treated as a BDC under the 1940 Act. The Company also has elected to be treated as a RIC under the Internal Revenue Code. So long as the Company maintains its status as a RIC, it will generally not pay corporate-level U.S. federal income or excise taxes on any ordinary income or capital gains that it distributes at least annually to its stockholders as dividends. As a result, any tax liability related to income earned and distributed by the Company represents obligations of the Company's stockholders and will not be reflected in the consolidated financial statements of the Company.

The Company evaluates tax positions taken or expected to be taken in the course of preparing its consolidated financial statements to determine whether the tax positions are "more-likely-than-not" to be sustained by the applicable tax authority. Tax positions not deemed to meet the "more-likely-than-not" threshold are reversed and recorded as a tax benefit or expense in the current year. All penalties and interest associated with income taxes are included in income tax expense. Conclusions regarding tax positions are subject to review and may be adjusted at a later date based on factors including, but not limited to, on-going analyses of tax laws, regulations and interpretations thereof. The Company accounts for income taxes in conformity with ASC Topic 740 — *Income Taxes* ("ASC Topic 740"). ASC Topic 740 provides guidelines for how uncertain tax positions should be recognized, measured, presented and disclosed in financial statements.

The Company intends to comply with the applicable provisions of the Code, pertaining to regulated investment companies and to make distributions of taxable income sufficient to relieve it from substantially all federal income taxes. As of March 31, 2020, the Company is subject to examination by U.S. federal tax authorities for returns filed for the three most recent calendar years and by state tax authorities for returns filed for the four most recent calendar years.

In order for the Company not to be subject to federal excise taxes, it must distribute annually an amount at least equal to the sum of (i) 98% of its ordinary income (taking into account certain deferrals and elections), (ii) 98.2% of its net capital gains from the current year and (iii) any undistributed ordinary income and net capital gains from preceding years. The Company, at its discretion, may carry forward taxable income in excess of calendar year dividends and pay a 4% excise tax on this income. If the Company chooses to do so, this generally would increase expenses and reduce the amount available to be distributed to stockholders. The Company accrues excise tax on estimated undistributed taxable income as required on a quarterly basis. For the three months ended March 31, 2020, the Company expensed an excise tax of \$238, of which \$94 remained payable. For the three months ended March 31, 2019 the Company expensed an excise tax of \$0, of which \$23 remained payable.

CBDC Universal Equity, Inc. and Alcentra BDC Equity Holdings, LLC are taxable entities ("Taxable Subsidiaries"). The Taxable Subsidiaries permit the Company to hold equity investments in portfolio companies which are "pass through" entities for tax purposes and continue to comply with the "source income" requirements contained in RIC tax provisions of the Code. The Taxable Subsidiaries are not consolidated with the Company for income tax purposes and may generate income tax expense, benefit, and the related tax assets and liabilities, as a result of its ownership of certain portfolio investments. The income tax expense, or benefit, if any, and related tax assets and liabilities are reflected in the Company's consolidated financial statements.

For the three months ended March 31, 2020 and 2019, the Company recognized a benefit/(provision) for taxes of \$455 and \$(449), respectively, on unrealized appreciation/(depreciation) on investments and net operating losses and federal tax credits related to the Taxable Subsidiaries. As of March 31, 2020 and December 31, 2019, \$807 and \$879, respectively, was included in deferred tax liability on the Consolidated Statements of Assets and Liabilities primarily relating to deferred taxes on unrealized gains on investments held in our corporate subsidiaries and other temporary book to tax differences of the corporate subsidiaries. As of March 31, 2020 and December 31, 2019, \$803 and \$421, respectively, was included in deferred tax assets on the Consolidated Statements of Assets and Liabilities relating to net operating loss carryforwards and unrealized losses on investments and other temporary book to tax differences that are expected to be used in future periods.

For the three months ended March 31, 2020, and 2019 there was no realized gains on investments requiring a recognition of a tax provision.

Dividends and Distributions

Dividends and distributions to common stockholders are recorded on the record date. The amount to be paid out as a dividend is determined by the Board each quarter. Net realized capital gains, if any, are distributed at least annually, although the Company may decide to retain such capital gains for investment.

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The Company adopted a dividend reinvestment plan that provides for reinvestment of the Company's dividends and other distributions on behalf of the stockholders, unless a stockholder elects to receive cash. As a result, if the Company's Board authorizes, and the Company declares, a cash dividend or other distribution, then stockholders who are participating in the dividend reinvestment plan will have their cash dividends and distributions automatically reinvested in additional shares of common stock, rather than receiving cash dividends and distributions.

Prior to February 3, 2020, which is the date of our listing on NASDAQ, only stockholders who "opted in" to the dividend reinvestment plan had their cash dividends and distributions automatically reinvested in additional shares of common stock. After February 3, 2020, stockholders who do not "opt out" of the dividend reinvestment plan will have their cash dividends and distributions automatically reinvested in additional shares of the Company's common stock. The elections of stockholders that made an election prior to February 3, 2020 remain effective.

Note 3. Agreements and Related Party Transactions

Administration Agreement

On June 2, 2015, the Company entered into the Administration Agreement with the Administrator, as amended and restated on February 1, 2020. Under the terms of the Administration Agreement, the Administrator provides administrative services to the Company. These services include providing office space, equipment and office services, maintaining financial records, preparing reports to stockholders and reports filed with the SEC, and managing the payment of expenses and the performance of administrative and professional services rendered by others. Certain of these services are reimbursable to the Administrator under the terms of the Administration Agreement. In addition, the Administrator is permitted to delegate its duties under the Administration Agreement to affiliates or third parties. To the extent the Administrator outsources any of its functions, the Company will pay the fees associated with such functions on a direct basis, without incremental profit to the Administrator. The Administration Agreement may be terminated by either party without penalty on 60 days' written notice to the other party.

For the three months ended March 31, 2020 and 2019, the Company incurred administrative services expenses of \$204 and \$179, respectively, which are included in other general and administrative expenses on the Consolidated Statements of Operations, under the terms of the Administration Agreement. As of March 31, 2020 and December 31, 2019, \$442 and \$175, respectively, were included in accrued expenses and other liabilities on the Consolidated Statements of Assets and Liabilities. These amounts included other expenses paid by the Administrator on behalf of the Company.

No person who is an officer, director or employee of the Administrator or its affiliates and who serves as a director of the Company receives any compensation from the Company for his or her services as a director. However, the Company reimburses the Administrator (or its affiliates) for an allocable portion of the compensation paid by the Administrator or its affiliates to the Company's Chief Compliance Officer, legal counsel, and other professionals who spend time on such related activities (based on the percentage of time those individuals devote, on an estimated basis, to the business and affairs of the Company). The allocable portion of the compensation for these officers and other professionals are included in the administration expenses paid to Administrator. Directors who are not affiliated with the Administrator or its affiliates receive compensation for their services and reimbursement of expenses incurred to attend meetings, which are included as directors' fees on the Consolidated Statements of Operations.

On June 5, 2015, the Company entered into sub-administration, accounting, transfer agent, and custodian agreements with State Street Bank and Trust Company ("SSB") to perform certain administrative, custodian, transfer agent and other services on behalf of the Company. The sub-administration agreements with SSB had an initial term of three years ending June 5, 2018 and shall automatically renew for 1-year terms unless a written notice of non-renewal is delivered by the Company or SSB. The Company does not reimburse the Administrator for any services for which it pays a separate sub-administrator and custodian fee to SSB. For the three months ended March 31, 2020 and 2019, the Company incurred expenses of \$313 and \$219, respectively, which are included in other general and administrative expenses on the Consolidated Statements of Operations, under the terms of the sub-administration agreements, of which \$576 and \$263, respectively, were payable at March 31, 2020 and December 31, 2019.

Investment Advisory Agreement

On June 2, 2015, the Company entered into an investment advisory agreement with the Advisor (the "Investment Advisory Agreement"), which was subsequently replaced by the Amended and Restated Investment Advisory Agreement (together with the Investment Advisory Agreement, the "Advisory Agreements"), which was approved by the Company's stockholders on January 29, 2020 in connection with the Alcentra Acquisition. Under the terms of the Amended and Restated Investment Advisory Agreement, the Advisor will provide investment advisory services to the Company and its portfolio investments. The Advisor's services under the Amended and Restated Investment Advisory Agreement are not exclusive, and the Advisor is free to furnish similar or other services to others so long as its services to the Company are not impaired. Under the terms of the Advisory Agreements, the Advisor is entitled to receive a base management fee and may receive certain incentive fees, as discussed below.

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Base Management Fee (prior to February 1, 2020)

Prior to February 1, 2020, pursuant to the Investment Advisory Agreement, the base management fee was calculated and payable quarterly in arrears at an annual rate of 1.50% of the Company's gross assets, including assets acquired through the incurrence of debt but excluding any cash and cash equivalents. The base management fee was calculated based on the average value of gross assets at the end of the two most recently completed calendar quarters, and appropriately adjusted for share issuances or repurchases during the current calendar quarter.

Under the Investment Advisory Agreement, the Advisor agreed to waive its right to receive management fees in excess of the sum of (i) 0.25% of the aggregate committed but undrawn capital and (ii) 0.75% of the aggregate gross assets excluding cash and cash equivalents (including capital drawn to pay the Company's expenses) during the period prior to February 3, 2020, the date of the Company's qualified initial public offering, as defined by the Investment Advisory Agreement ("Qualified IPO"). The listing of the Company's Common Stock on NASDAQ on February 3, 2020 qualified as a Qualified IPO. The Advisor is not permitted to recoup any waived amounts at any time.

New Base Management Fee (effective February 1, 2020)

Effective February 1, 2020, pursuant to the Amended and Restated Investment Advisory Agreement, the base management fee is calculated and payable quarterly in arrears at an annual rate of 1.25% of the Company's gross assets, including assets acquired through the incurrence of debt but excluding any cash and cash equivalents. The base management fee is calculated based on the average value of gross assets at the end of the two most recently completed calendar quarters, and appropriately adjusted for any share issuances or repurchases during the current calendar quarter.

In addition, under the terms of the Amended and Restated Advisory Agreement, the Advisor agreed to waive a portion of the management fee from February 1, 2020 through July 31, 2021 after the closing of the Alcentra Acquisition so that only 0.75% shall be charged for such time period. The Advisor is not permitted to recoup any waived amounts at any time.

For the three months ended March 31, 2020 and 2019, the Company incurred management fees of \$1,494 and \$987, respectively, which are net of waived amounts, of \$1,157 and \$903, respectively, of which \$1,494 and \$1,343, respectively, were payable at March 31, 2020 and December 31, 2019.

The Advisor has voluntarily waived its right to receive management fees on the Company's investment in GACP II LP for any period in which GACP II LP remains in the investment portfolio. For the three months ended March 31, 2020 and 2019, management fees of \$37 and \$32, respectively, were waived attributable to the Company's investment in GACP II LP. These amounts are excluded from the management fee waived amounts above.

Incentive Fee (prior to February 1, 2020)

Under the Investment Advisory Agreement, the Incentive Fee consisted of two parts. The first part, the income incentive fee, was calculated and payable quarterly in arrears and equaled (a) 100% of the excess of the pre-incentive fee net investment income for the immediately preceding calendar quarter, over a preferred return of 1.5% per quarter (6.0% annualized) (the "Hurdle"), and a catch-up feature until the Advisor received 15% of the pre-incentive fee net investment income for the current quarter up to 1.7647% (the "Catch-up"), and (b) 15% of all remaining pre-incentive fee net investment income above the "Catch-up."

The second part, the capital gains incentive fee, is determined and payable in arrears as of the end of each fiscal year at a rate of 15.0% of the Company's realized capital gains, if any, on a cumulative basis from Inception through the end of the fiscal year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid capital gain incentive fees.

At the 2018 Annual Meeting of Stockholders, in connection with the extension of the deadline to consummate a Qualified IPO, the Advisor agreed to waive its rights under the Investment Advisory Agreement to (i) the income incentive fee and (ii) the capital gain incentive fee for the period from April 1, 2018 through February 1, 2020.

Incentive Fee (effective February 1, 2020)

Under the Amended and Restated Investment Advisory Agreement, the Incentive Fee consists of two parts. The first part, the income incentive fee, is calculated and payable quarterly in arrears and (a) equals 100% of the excess of the pre-incentive fee net investment income for the immediately preceding calendar quarter, over a preferred return of 1.75% per quarter (7.0% annualized) (the "Hurdle"), and a catch-up feature until the Advisor has received 17.5%, of the pre-incentive fee net investment income for the current quarter up to 2.1212% (the "Catch-up"), and (b) 17.5% of all remaining pre-incentive fee net investment income above the "Catch-up."

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In addition, under the terms of the Amended and Restated Investment Advisory Agreement, the Advisor agreed to waive the income based portion of the incentive fee from February 1, 2020 through July 31, 2021. Once the Advisor begins to earn income incentive fees, the Advisor will voluntarily waive the income incentive fees attributable to the investment income accrued by the Company as a result of its investment in GACP II. The second part, the capital gains incentive fee, is determined and payable in arrears as of the end of each fiscal year at a rate of 17.5% of the Company's realized capital gains, if any, on a cumulative basis from Inception through the end of the fiscal year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid capital gain incentive fees. Since the Qualified IPO occurred on a date other than the first day of a calendar quarter, the income incentive fee shall be calculated for such calendar quarter at a weighted rate calculated based on the fee rates applicable before and after a Qualified IPO based on the number of days in such calendar quarter before and after the Qualified IPO. For the avoidance of doubt, such capital gains incentive fee shall be equal to 15.0% of the Company's realized capital gains on a cumulative basis from Inception through the day before the Qualified IPO, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid capital gains incentive fees. Following the Qualified IPO, solely for the purposes of calculating the capital gains incentive fee, the Company will be deemed to have previously paid capital gains incentive fees prior to a Qualified IPO equal to the product obtained by multiplying (a) the actual aggregate amount of previously paid capital gains incentive fees for all periods prior to the Qualified IPO by (b) the percentage obtained by dividing (x) 17.5% by (y) 15.0%. In the event that the Amended and Restated Investment Advisory Agreement shall terminate as of a date that is not a fiscal year end, the termination date shall be treated as though it were a fiscal year end for purposes of calculating and paying a capital gains incentive fee.

Pre-incentive fee net investment income means interest income, dividend income and any other income (including any other fees (other than fees for providing managerial assistance), such as commitment, origination, structuring, diligence and consulting fees or other fees that the Company receives from portfolio companies) accrued during each calendar quarter, minus operating expenses for such quarter (including the base management fee, expenses payable under the Administration Agreement and any interest expense and distributions paid on any issued and outstanding debt or preferred stock, but excluding the incentive fee). Pre-incentive fee net investment income includes, in the case of investments with a deferred interest feature (such as market discount, original issue discount, debt instruments with PIK interest, preferred stock with PIK dividends and zero coupon securities), accrued income that the Company has not yet received in cash. Pre-incentive fee net investment income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation. Pre-incentive fee net investment income will be compared to a "Hurdle Amount" equal to the product of (i) the Hurdle rate of 1.50% or 1.75% per quarter, 6.00% or 7.00% annualized, prior to and effective February 1, 2020, respectively, and (ii) our net assets (defined as total assets less indebtedness, before taking into account any incentive fees payable during the period), at the end of the immediately preceding calendar quarter, subject to a "catch-up" provision incurred at the end of each calendar quarter.

For the three months ended March 31, 2020, the Company incurred income incentive fees of \$0, which are net of waived amounts, of \$1,932, of which \$0 was payable at March 31, 2020. For the three months ended March 31, 2019, the Company incurred income incentive fees of \$0, which are net of waived amounts, of \$1,024, of which \$0 was payable at March 31, 2019.

GAAP Incentive Fee on Cumulative Unrealized Capital Appreciation

The Company accrues, but does not pay, a portion of the Incentive Fee based on capital gains with respect to net unrealized appreciation. Under GAAP, the Company is required to accrue an Incentive Fee based on capital gains that includes net realized capital gains and losses and net unrealized capital appreciation and depreciation on investments held at the end of each period. In calculating the accrual for the Incentive Fee based on capital gains, the Company considers the cumulative aggregate unrealized capital appreciation in the calculation, since an Incentive Fee based on capital gains would be payable if such unrealized capital appreciation were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee payable under the Amended and Restated Investment Advisory Agreement. This accrual is calculated using the aggregate cumulative realized capital gains and losses and aggregate cumulative unrealized capital appreciation or depreciation. If such amount is positive at the end of a period, then the Company records a capital gains incentive fee equal to 15% (prior to February 3, 2020) or 17.5% (effective February 3, 2020) of such amount, minus the aggregate amount of actual Incentive Fees based on capital gains paid in all prior periods. If such amount is negative, then there is no accrual for such period. There can be no assurance that such unrealized capital appreciation will be realized in the future.

For the three months ended March 31, 2020, and 2019, the Company incurred no capital gains incentive fees.

Other Related Party Transactions

From time to time, the Advisor may pay amounts owed by the Company to third-party providers of goods or services, including the Board, and the Company will subsequently reimburse the Advisor for such amounts paid on its behalf. Amounts payable to the Advisor are settled in the normal course of business without formal payment terms. See Note 8. Commitments, Contingencies and Indemnifications for additional discussion of certain related party transactions with the Advisor.

In conjunction with the closing of Alcentra Capital merger, the Company and the Advisor executed a Transaction Support Agreement, as described in Note 13.

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A portion of the outstanding shares of the Company's common stock are owned by Crescent Capital Group LP ("CCG LP"). CCG LP is also the majority member of the Advisor and sole member of the Administrator. The Company has entered into a license agreement with CCG LP under which CCG LP granted the Company a non-exclusive, royalty-free license to use the name "Crescent Capital". The Advisor has entered into a resource sharing agreement with CCG LP. CCG LP will provide the Advisor with the resources necessary for the Advisor to fulfill its obligations under the Investment Advisory Agreement.

Investments in and Advances to Affiliates

The Company's investments in non-controlled affiliates for the three months ended March 31, 2020 were as follows:

	Fair Value as of December 31, 2019	Gross Additions ⁽²⁾	Gross Reductions ⁽³⁾	Net Realized Gains/ (Losses)	Change in Unrealized Gains/ (Losses)	Fair Value as of March 31, 2020	Dividend, Interest, PIK and Other Income
Non-Controlled Affiliates							
APC Auto Technology Intermediate, LLC	\$ 928	\$ —	\$ —	\$ —	\$ (928)	\$ —	\$ —
Battery Solutions, Inc.	—	4,887	—	—	(765)	4,122	31
Conisus, LLC	—	8,728	—	—	(824)	7,904	—
Slickdeals Holdings, LLC	15,933	19	(37)	—	(925)	14,990	316
Southern Technical Institute, Inc.	—	—	—	—	—	—	—
Vivid Seats Ltd.	3,646	—	—	—	(69)	3,577	—
Xpress Global Systems, LLC	—	—	—	—	—	—	—
Total Non-Controlled Affiliates	\$ 20,507	\$ 13,634	\$ (37)	\$ —	\$ (3,511)	\$ 30,593	\$ 347

The Company's investments in non-controlled affiliates for the three months ended March 31, 2019 were as follows:

	Fair Value as of December 31, 2018	Gross Additions ⁽²⁾	Gross Reductions ⁽³⁾	Net Realized Gains/ (Losses)	Change in Unrealized Gains/ (Losses)	Fair Value as of March 31, 2019	Dividend, Interest, PIK and Other Income
Non-Controlled Affiliates							
Slickdeals Holdings, LLC	\$ 12,096	\$ 11	\$ (27)	\$ —	\$ 239	\$ 12,319	\$ 256
Vivid Seats Ltd.	3,389	1	—	—	297	3,687	16
Total Non-Controlled Affiliates	\$ 15,485	\$ 12	\$ (27)	\$ —	\$ 536	\$ 16,006	\$ 272

The Company's investments in controlled affiliates for the three months ended March 31, 2020 were as follows:

	Fair Value as of December 31, 2019	Gross Additions ⁽²⁾	Gross Reductions ⁽³⁾	Net Realized Gains/ (Losses)	Change in Unrealized Gains/ (Losses)	Fair Value as of March 31, 2020	Dividend, Interest, PIK and Other Income
Controlled Affiliates							
CBDC Senior Loan Fund LLC ⁽¹⁾	\$ 34,442	\$ 6,000	\$ (1,000)	\$ —	\$ (16,843)	\$ 22,599	\$ —
Total Controlled Affiliates	\$ 34,442	\$ 6,000	\$ (1,000)	\$ —	\$ (16,843)	\$ 22,599	\$ —

The Company's investments in controlled affiliates for the three months ended March 31, 2019 were as follows:

	Fair Value as of December 31, 2018	Gross Additions ⁽²⁾	Gross Reductions ⁽³⁾	Net Realized Gains/ (Losses)	Change in Unrealized Gains/ (Losses)	Fair Value as of March 31, 2019	Dividend, Interest, PIK and Other Income
Controlled Affiliates							
CBDC Senior Loan Fund LLC ⁽¹⁾	\$ —	\$ 17,500	\$ —	\$ —	\$ (241)	\$ 17,259	\$ —
Total Controlled Affiliates	\$ —	\$ 17,500	\$ —	\$ —	\$ (241)	\$ 17,259	\$ —

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(1) Together with Masterland Enterprise Holdings, Ltd. (“Masterland”, and collectively with the Company, the “Members”), the Company invests through the Senior Loan Fund. Although the Company owns more than 25% of the voting securities of the Senior Loan Fund, the Company does not have control over the Senior Loan Fund (other than for purposes of the Investment Company Act). See Note 4 “Investments”.

(2) Gross additions may include increases in the cost basis of investments resulting from new portfolio investments, PIK interest or dividends, the accretion of discounts, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company into this category from a different category.

(3) Gross reductions may include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company out of this category into a different category.

Note 4. Investments

The Company’s investments at any time may include securities and other financial instruments or other assets of any sort, including, without limitation, corporate and government bonds, convertible securities, collateralized loan obligations, term loans, trade claims, equity securities, privately negotiated securities, direct placements, working interests, warrants and investment derivatives (including, but not limited to credit default swaps, recovery swaps, total return swaps, options, forward contracts, and futures) (all of the foregoing collectively referred to in these consolidated financial statements as “investments”).

A “first lien” loan is typically senior on a lien basis to other liabilities in the issuer’s capital structure and has the benefit of a first-priority security interest in assets of the issuer. The security interest ranks above the security interest of any second-lien lenders in those assets.

“Unitranche” loans are first lien loans that may extend deeper in a company’s capital structure than traditional first lien debt and may provide for a waterfall of cash flow priority among different lenders in the unitranche loan. In certain instances, the Company may find another lender to provide the “first out” portion of such loan and retain the “last out” portion of such loan, in which case, the “first out” portion of the loan would generally receive priority with respect to payment of principal, interest and any other amounts due thereunder over the “last out” portion that the Company would continue to hold. In exchange for the greater risk of loss, the “last out” portion earns a higher interest rate.

“Second lien” investments are loans with a second priority lien on the assets of the portfolio company. The Company obtains security interests in the assets of the portfolio company that serve as collateral in support of the repayment of such loans. This collateral serves as collateral in support of the repayment of these loans.

The terms “mezzanine” or “unsecured debt” refers to an investment in a company that, among other factors, includes debt that generally ranks senior to a borrower’s equity securities and junior in right of payment to such borrower’s other indebtedness.

Under the 1940 Act, the Company is required to separately identify non-controlled investments where it owns 5% or more of a portfolio company’s outstanding voting securities and/or has the power to exercise control over the management or policies of such portfolio company as investments in “affiliated” companies. In addition, under the 1940 Act, the Company is required to separately identify investments where it owns more than 25% of a portfolio company’s outstanding voting securities and/or has the power to exercise control over the management or policies of such portfolio company as investments in “controlled” companies. Detailed information with respect to the Company’s non-controlled, non-affiliated; non-controlled, affiliated; and controlled affiliated investments is contained in the accompanying consolidated financial statements, including the Consolidated Schedule of Investments. The information in the tables below is presented on an aggregate portfolio basis, without regard to whether they are non-controlled non-affiliated, non-controlled affiliated or controlled affiliated investments.

Certain Risk Factors

In the ordinary course of business, the Company manages a variety of risks including market risk and liquidity risk. The Company identifies, measures and monitors risk through various control mechanisms, including trading limits and diversifying exposures and activities across a variety of instruments, markets and counterparties.

Market risk is the risk of potential adverse changes to the value of financial instruments because of changes in market conditions, including as a result of changes in the credit quality of a particular issuer, credit spreads, interest rates, and other movements and volatility in security prices or commodities. In particular, the Company may invest in issuers that are experiencing or have experienced financial or business difficulties (including difficulties resulting from the initiation or prospect of significant litigation or bankruptcy proceedings), which involves significant risks. The Company manages its exposure to market risk through the use of risk management strategies and various analytical monitoring techniques.

The Company’s investments may, at any time, include securities and other financial instruments or obligations that are illiquid or thinly traded, making purchase or sale of such securities and financial instruments at desired prices or in desired quantities difficult. Furthermore, the sale of any such investments may be possible only at substantial discounts, and it may be extremely difficult to value any such investments accurately.

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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.

Investments at fair value consisted of the following:

Investment Type	March 31, 2020			December 31, 2019		
	Cost	Fair Value	Unrealized Appreciation/ (Depreciation)	Cost	Fair Value	Unrealized Appreciation/ (Depreciation)
Senior Secured First Lien	\$ 426,277	\$ 387,217	\$ (39,060)	\$ 356,080	\$ 351,332	\$ (4,748)
Unitranche First Lien	309,103	294,221	(14,882)	213,884	218,416	4,532
Unitranche First Lien - Last Out	15,646	14,579	(1,067)	15,845	16,044	199
Senior Secured Second Lien	118,066	102,949	(15,117)	64,801	58,887	(5,914)
Unsecured Debt	8,641	8,587	(54)	7,381	7,414	33
Equity & Other	33,331	31,780	(1,551)	19,037	21,432	2,395
LLC/LP Equity Interests	59,532	43,883	(15,649)	52,067	53,006	939
Total Investments	<u>\$ 970,596</u>	<u>\$ 883,216</u>	<u>\$ (87,380)</u>	<u>\$ 729,095</u>	<u>\$ 726,531</u>	<u>\$ (2,564)</u>

The industry composition of investments at fair value is as follows:

Industry	Fair Value March 31, 2020	Percentage of Fair Value	Fair Value December 31, 2019	Percentage of Fair Value
Automobiles & Components	\$ 36,417	4.12%	\$ 32,978	4.54%
Capital Goods	27,712	3.14	20,896	2.88
Commercial & Professional Services	183,679	20.80	136,218	18.75
Consumer Durables & Apparel	3,842	0.43	3,256	0.45
Consumer Services	98,329	11.13	68,380	9.41
Diversified Financials	59,538	6.74	60,288	8.30
Energy	16,662	1.89	13,162	1.81
Food & Staples Retailing	16,631	1.88	33,300	4.58
Food, Beverage & Tobacco	11,821	1.34	4,261	0.59
Health Care Equipment & Services	174,526	19.76	147,162	20.26
Household & Personal Products	3,947	0.45	3,854	0.53
Insurance	36,132	4.09	30,991	4.27
Materials	10,836	1.23	11,137	1.53
Media	11,481	1.30	3,646	0.50
Pharmaceuticals, Biotechnology & Life Sciences	26,278	2.98	11,500	1.58
Retailing	23,969	2.71	22,271	3.06
Software & Services	126,746	14.35	111,790	15.39
Technology Hardware & Equipment	4,375	0.50	4,815	0.66
Telecommunication Services	3,825	0.43	—	—
Transportation	6,470	0.73	6,626	0.91
Total Investments	<u>\$ 883,216</u>	<u>100.00%</u>	<u>\$ 726,531</u>	<u>100.00%</u>

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The geographic composition of investments at fair value is as follows:

<u>Geographic Region</u>	<u>Fair Value March 31, 2020</u>	<u>Percentage of Fair Value</u>	<u>Fair Value December 31, 2019</u>	<u>Percentage of Fair Value</u>
United States	\$ 829,099	93.87%	\$ 685,604	94.36%
United Kingdom	20,804	2.36	12,109	1.67
Canada	14,849	1.68	10,776	1.48
Belgium	9,788	1.11	8,038	1.11
Netherlands	6,698	0.76	7,756	1.07
France	1,978	0.22	2,248	0.31
Total Investments	\$ 883,216	100.00%	\$ 726,531	100.00%

Senior Loan Fund

The Senior Loan Fund, an unconsolidated limited liability company, was formed on September 26, 2018 and commenced operations in February 2019. The Company invests together with Masterland through the Senior Loan Fund. Masterland is a wholly owned subsidiary of China Orient Asset Management (International) Holding Limited (HK). The Senior Loan Fund's principal purpose is to make investments in broadly syndicated bank loans, either directly or indirectly through its wholly owned subsidiary, CBDC Senior Loan Sub LLC. The Company and Masterland have each subscribed to fund \$40,000. Except under certain circumstances, contributions to the Senior Loan Fund cannot be redeemed. The Senior Loan Fund is managed by a four member board of managers, on which we and Masterland have equal representation. Investment decisions generally must be unanimously approved by a quorum of the board of managers. Since the Company does not have a controlling financial interest in the Senior Loan Fund, it is not consolidated. The Senior Loan Fund is an investment company and measured using the net asset value per share as a practical expedient for fair value.

The Company and Masterland had subscribed to fund and contributed the following to the Senior Loan Fund:

<u>Member</u>	<u>March 31, 2020</u>			<u>December 31, 2019</u>		
	<u>Subscribed to fund</u>	<u>Contributed</u>	<u>Unfunded Commitment</u>	<u>Subscribed to fund</u>	<u>Contributed</u>	<u>Unfunded Commitment</u>
Company	\$ 40,000	\$ 39,000	\$ 1,000	\$ 40,000	\$ 34,000	\$ 6,000
Masterland	40,000	39,000	1,000	40,000	34,000	6,000
Total	\$ 80,000	\$ 78,000	\$ 2,000	\$ 80,000	\$ 68,000	\$ 12,000

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The Senior Loan Fund is capitalized pro rata with LLC equity interest as transactions are completed. The Senior Loan Fund has a revolving credit facility with Royal Bank of Canada (the "RBC Facility"), as amended, which permitted up to \$300,000 of borrowings as of March 31, 2020. Borrowings under the RBC Facility are secured by all assets of CBDC Senior Loan Sub LLC. The interest rate on the credit facility is London Interbank Offered Rate ("LIBOR"), with no LIBOR floor, plus margin, which ranges between 1.25% and 1.45% based on pricing of the pledged collateral.

As of March 31, 2020, and December 31, 2019, the Senior Loan Fund had total investments in senior secured debt at fair value of \$249,955 and \$275,069.

Below is a summary of the Senior Loan Fund's portfolio, followed by a listing of the individual loans in the Senior Loan Fund's portfolio as of March 31, 2020 and December 31, 2019:

	As of March 31, 2020	As of December 31, 2019
Total senior secured debt ⁽¹⁾	\$ 285,811	\$ 275,624
Weighted average current interest rate on senior secured debt ⁽²⁾	4.2%	4.9%
Number of borrowers in the Senior Loan Fund's portfolio	178	169
Largest loan to a single borrower	\$ 3,500	\$ 3,500
Senior Secured First Lien investments as % of total investments, at fair value	100.0%	100.0%
United States based investments as % of total investments, at fair value	89.0%	89.7%
Non-accrual investments as % of total investments, at cost	0.2%	0.0%

(1) At par amount, including unfunded commitments.

(2) Computed as (a) the annual stated interest rate on accruing senior secured debt, divided by (b) total senior secured debt at par amount, excluding fully unfunded commitments.

Below is selected balance sheet information for the Senior Loan Fund as of March 31, 2020 and December 31, 2019:

	As of March 31, 2020	As of December 31, 2019
Selected Balance Sheet Information:		
Total investments, at fair value	\$ 249,955	\$ 275,069
Cash and cash equivalents	20,860	7,958
Other assets	1,217	6,688
Total assets	\$ 272,032	\$ 289,715
Debt (net of deferred financing costs of \$299 and \$211, respectively)	\$ 212,701	\$ 205,789
Other liabilities	14,133	15,043
Total liabilities	\$ 226,834	\$ 220,832
Members' Capital	45,198	68,883
Total liabilities and members' capital	\$ 272,032	\$ 289,715

Below is selected statements of operations information for the Senior Loan Fund for the three months ended March 31, 2020 and March 31, 2019:

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	For the three months ended March 31, 2020	For the three months ended March 31, 2019
Selected Statements of Operations Information:		
Total investment income	\$ 3,443	\$ 97
Expenses		
Interest and other debt financing costs	1,607	7
Professional fees	8	90
Other general and administrative expenses	75	22
Total expenses	1,690	119
Net investment income (loss)	1,753	(22)
Net realized gain (loss) on investments	(134)	1
Net change in unrealized appreciation (depreciation) on investments	(35,304)	(460)
Net increase (decrease) in members' capital	\$ (33,685)	\$ (481)

Note 5. Fair Value of Financial Instruments

Investments

The following table presents fair value measurements of investments as of March 31, 2020:

	Fair Value Hierarchy			
	Level 1	Level 2	Level 3	Total
Equity & Other	\$ —	\$ —	\$ 31,780	\$ 31,780
Senior Secured First Lien	—	68,202	319,015	387,217
Unitranche First Lien	—	—	294,221	294,221
Unitranche First Lien - Last Out	—	—	14,579	14,579
Senior Secured Second Lien	—	8,416	94,533	102,949
Unsecured Debt	—	—	8,587	8,587
Subtotal	\$ —	\$ 76,618	\$ 762,715	\$ 839,333
Investments Measured at NAV(1)				43,883
Total Investments				\$ 883,216

(1) In accordance with ASC 820-10, certain investments that are measured using the net asset value per shares (or its equivalent) as a practical expedient for fair value have not been classified in the fair value hierarchy. These investments are generally not redeemable. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Consolidated Statements of Assets and Liabilities.

The following table presents fair value measurements of investments as of December 31, 2019:

	Fair Value Hierarchy			
	Level 1	Level 2	Level 3	Total
Senior Secured First Lien	\$ —	\$ 83,139	\$ 268,193	\$ 351,332
Unitranche First Lien	—	—	218,416	218,416
Unitranche First Lien – Last Out	—	—	16,044	16,044
Senior Secured Second Lien	—	9,318	49,569	58,887
Unsecured Debt	—	—	7,414	7,414
Equity & Other	—	—	21,432	21,432
Subtotal	\$ —	\$ 92,457	\$ 581,068	\$ 673,525
Investments Measured at NAV (1)				53,006
Total Investments				\$ 726,531

(1) In accordance with ASC 820-10, certain investments that are measured using the net asset value per shares (or its equivalent) as a practical expedient for fair value have not been classified in the fair value hierarchy. These investments are generally not redeemable. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Consolidated Statements of Assets and Liabilities.

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The following table provides a reconciliation of the beginning and ending balances for total investments that use Level 3 inputs for the three months ended March 31, 2020, based off of the fair value hierarchy at March 31, 2020:

	Senior Secured First Lien	Unitranche First Lien	Unitranche First - Last Out	Senior Secured Second Lien	Unsecured Debt	Equity & Other	Total
Balance as of January 1, 2020	\$ 268,193	\$ 218,416	\$ 16,044	\$ 49,569	\$ 7,414	\$21,432	\$581,068
Amortized discounts/premiums	478	481	13	189	11	3	1,175
Paid in-kind interest	332	184	-	-	37	-	553
Net realized gain (loss)	-	-	-	-	-	-	-
Net change in unrealized appreciation (depreciation)	(22,542)	(19,415)	(1,265)	(8,300)	(86)	(3,946)	(55,554)
Purchases	84,490	111,615	-	53,075	1,211	14,291	264,682
Sales/return of capital/principal repayments/paydowns	(30,236)	(17,060)	(213)	-	-	-	(47,509)
Transfers in	18,300	-	-	-	-	-	18,300
Transfers out	-	-	-	-	-	-	-
Balance as of March 31, 2020	<u>\$ 319,015</u>	<u>\$ 294,221</u>	<u>\$ 14,579</u>	<u>\$ 94,533</u>	<u>\$ 8,587</u>	<u>\$31,780</u>	<u>\$762,715</u>
Net change in unrealized appreciation (depreciation) from investments still held as of March 31, 2020	<u>\$ (22,012)</u>	<u>\$ (19,030)</u>	<u>\$ (1,265)</u>	<u>\$ (8,300)</u>	<u>\$ (86)</u>	<u>\$ (4,269)</u>	<u>\$ (54,962)</u>

During the three months ended March 31, 2020, the Company recorded \$18,300 in transfers from Level 2 to Level 3 due to a decrease in observable inputs in market data.

The following table provides a reconciliation of the beginning and ending balances for total investments that use Level 3 inputs for the three months ended March 31, 2019, based off of the fair value hierarchy at March 31, 2019:

	Senior Secured First Lien	Unitranche First Lien	Unitranche First Lien - Last Out	Senior Secured Second Lien	Unsecured Debt	Equity & Other	Total
Balance as of January 1, 2019	\$ 232,214	\$ 84,891	\$ -	\$ 53,857	\$ 7,263	\$13,806	\$392,031
Amortized discounts/premiums	176	71	6	40	8	-	301
Paid in-kind interest	137	-	-	-	28	-	165
Net realized gain (loss)	130	335	-	-	-	-	465
Net change in unrealized appreciation (depreciation)	765	(138)	(2)	166	(14)	2,117	2,894
Purchases	21,910	7,814	15,022	-	(1)	20	44,765
Sales/return of capital/principal repayments/paydowns	(21,913)	(16,976)	-	(78)	-	-	(38,967)
Transfers in	7,369	-	-	154	-	-	7,523
Transfers out	(8,426)	-	-	-	-	-	(8,426)
Balance as of March 31, 2019	<u>\$ 232,362</u>	<u>\$ 75,997</u>	<u>\$ 15,026</u>	<u>\$ 54,139</u>	<u>\$ 7,284</u>	<u>\$15,943</u>	<u>\$400,751</u>
Net change in unrealized appreciation (depreciation) from investments still held as of March 31, 2019	<u>\$ 789</u>	<u>\$ 370</u>	<u>\$ (2)</u>	<u>\$ (1,051)</u>	<u>\$ (14)</u>	<u>\$ 2,116</u>	<u>\$ 2,208</u>

During the three months ended March 31, 2019, the Company recorded \$8,426 in transfers from Level 3 to Level 2 and \$7,523 in transfers from Level 2 to Level 3 due to an increase and a decrease in observable inputs in market data.

The following tables present the fair value of Level 3 investments and the ranges of significant unobservable inputs used to value the Company's Level 3 investments as of March 31, 2020 and December 31, 2019. These ranges represent the significant unobservable inputs that were used in the valuation of each type of investment. These inputs are not representative of the inputs that could have been used in the valuation of any one investment. For example, the highest market yield presented in the table for senior secured first lien investments is appropriate for valuing a specific investment but may not be appropriate for valuing any other investment. Accordingly, the ranges of inputs presented below do not represent uncertainty in, or possible ranges of, fair value measurements of the Company's Level 3 investments.

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Quantitative information about Level 3 Fair Value Measurements

	<u>Fair value as of March 31, 2020</u>	<u>Valuation Techniques</u>	<u>Unobservable Input</u>	<u>Range (Weighted Average)</u>
Senior Secured First Lien	\$ 237,757	Discounted Cash Flows	Discount Rate	5.9%-29.3%(8.7%)
	20,728	Enterprise Value	Comparable EBITDA Multiple	8.5x-12.4x(9.7x)
	4,471	Collateral Analysis	Collateral Analysis	43.0%
	56,059	Broker Quoted	Broker Quote	N/A
Subtotal:	<u>\$ 319,015</u>			
Unitranche First Lien	\$ 274,622	Discounted Cash Flows	Discount Rate	6.9%-12.5%(8.8%)
	4,333	Enterprise Value	Comparable EBITDA Multiple	5.1x
	15,266	Broker Quoted	Broker Quote	N/A
Subtotal	<u>\$ 294,221</u>			
Unitranche First Lien - Last Out	\$ 14,579	Discounted Cash Flows	Discount Rate	8.5%-13.9%(11.3%)
Senior Secured Second Lien	\$ 64,949	Discounted Cash Flows	Discount Rate	10.6%-29.0%(14.7%)
	6,709	Enterprise Value	Comparable EBITDA Multiple	11.4x
	22,875	Broker Quoted	Broker Quote	N/A
Subtotal:	<u>\$ 94,533</u>			
Unsecured Debt	\$ 8,587	Discounted Cash Flows	Discount Rate	11.0%-17.5%(12.4%)
Equity & Other	\$ 30,572	Enterprise Value	Comparable EBITDA Multiple	4.0x-16.6x(11.4x)
	1,208	Broker Quoted	Broker Quote	N/A
Subtotal:	<u>\$ 31,780</u>			

Quantitative information about Level 3 Fair Value Measurements

	<u>Fair value as of December 31, 2019</u>	<u>Valuation Techniques</u>	<u>Unobservable Input</u>	<u>Range (Weighted Average)</u>
Senior Secured First Lien	\$ 213,314	Discounted Cash Flows	Discount Rate	6.3%-12.9%(7.4%)
	7,488	Enterprise Value	Comparable EBITDA Multiple	11.7x
	47,391	Broker Quoted	Broker Quote	N/A
Subtotal:	<u>\$ 268,193</u>			
Unitranche First Lien	\$ 199,952	Discounted Cash Flows	Discount Rate	6.5%-12.2% (8.1%)
	34,508	Broker Quoted	Broker Quote	N/A
Subtotal	<u>\$ 234,460</u>			
Senior Secured Second Lien	\$ 43,018	Discounted Cash Flows	Discount Rate	9.1%-15.6%(10.8%)
	6,551	Enterprise Value	Comparable EBITDA Multiple	11.4x
Subtotal:	<u>\$ 49,569</u>			
Unsecured Debt	\$ 7,414	Discounted Cash Flows	Discount Rate	11.0%-15.7%(11.5%)
Preferred Stock	\$ 4,817	Enterprise Value	Comparable EBITDA Multiple	10.2x-17.9x(16.0x)
Common Stock	\$ 16,615	Enterprise Value	Comparable EBITDA Multiple	7.3x-17.9x(14.0x)

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As noted above, the discounted cash flows and market multiple approaches were used in the determination of fair value of certain Level 3 assets as of March 31, 2020 and December 31, 2019. The significant unobservable inputs used in the discounted cash flow approach is the discount rate used to discount the estimated future cash flows expected to be received from the underlying investment, which include both future principal and interest payments. An increase in the discount rate would result in a decrease in the fair value. Included in the consideration and selection of discount rates is risk of default, rating of the investment, call provisions and comparable company investments. The significant unobservable inputs used in the market multiple approach are the multiples of similar companies' earnings before income taxes, depreciation and amortization ("EBITDA") and comparable market transactions. Increases or decreases in market EBITDA multiples would result in an increase or decrease in the fair value.

Note 6. Debt

Debt consisted of the following as of March 31, 2020 and December 31, 2019:

	March 31, 2020					
	Aggregate Principal Amount Committed	Drawn Amount	Amount Available (1)	Carrying Value	Weighted Average Debt Outstanding	Weighted Average Interest Rate
SPV Asset Facility	\$ 350,000	\$ 228,238	\$ 121,763	\$ 228,238	\$ 209,906	3.73%
Corporate Revolving Facility	200,000	165,254	34,746	165,254	149,227	3.91%
InterNotes [®]	33,418	33,418	—	33,418	29,809	6.40%
Total Debt	\$ 583,418	\$ 426,910	\$ 156,509	\$ 426,910	\$ 388,942	4.00%
	December 31, 2019					
	Aggregate Principal Amount Committed	Drawn Amount	Amount Available (1)	Carrying Value	Weighted Average Debt Outstanding	Weighted Average Interest Rate
SPV Asset Facility	\$ 250,000	\$ 220,687	\$ 29,313	\$ 220,687	\$ 200,975	4.40%
Corporate Revolving Facility	200,000	104,754	95,246	104,754	74,930	4.07%
Total Debt	\$ 450,000	\$ 325,441	\$ 124,559	\$ 325,441	\$ 275,905	4.37%

- (1) The amount available is subject to any limitations related to the respective debt facilities' borrowing bases and foreign currency translation adjustments.

As of March 31, 2020 and December 31, 2019, the carrying amount of the Company's outstanding debt approximated fair value. The fair values of the Company's debt are determined in accordance with ASC 820, which defines fair value in terms of the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. The fair value of the Company's debt is estimated based upon market interest rates and entities with similar credit risk. As of March 31, 2020 and December 31, 2019, the debt would be deemed to be Level 3 of the fair value hierarchy.

As of March 31, 2020 and December 31, 2019, the Company was in compliance with the terms and covenants of its debt arrangements.

SPV Asset Facility

On March 28, 2016, Crescent Capital BDC Funding, LLC ("CCAP SPV"), a wholly owned subsidiary of CCAP, entered into a loan and security agreement, as amended (the "SPV Asset Facility"), with the Company as the collateral manager, seller and equityholder, CCAP SPV as the borrower, the banks and other financial institutions from time to time party thereto as lenders, and Wells Fargo Bank, National Association ("Wells Fargo"), as administrative agent, collateral agent, and lender. Between February 8, 2017 and March 10, 2020, the Company has entered into multiple amendments to the SPV Asset Facility, among other things, to increase facility limit from \$75,000 to \$350,000.

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The maximum commitment amount under the SPV Asset Facility is \$350,000, and may be increased with the consent of Wells Fargo or reduced upon request of the Company. Proceeds of the advances under the SPV Asset Facility may be used to acquire portfolio investments, to make distributions to the Company in accordance with the SPV Asset Facility, and to pay related expenses. The maturity date is the earlier of: (a) the date the Borrower voluntarily reduces the commitments to zero, (b) March 10, 2025 (the Facility Maturity Date) and (c) the date upon which Wells Fargo declares the obligations due and payable after the occurrence of an Event of Default. Borrowings under the SPV Asset Facility bear interest at LIBOR plus a margin with no LIBOR floor. The margin is between 1.65% and 2.20% as determined by the proportion of liquid and illiquid loans pledged to the SPV Asset Facility. The Company pays unused facility fees of 0.50% per annum on committed but undrawn amounts under the SPV Asset Facility. The SPV Asset Facility includes customary covenants, including certain limitations on the incurrence of additional indebtedness and liens, as well as usual and customary events of default for revolving credit facilities of this nature.

Also on March 28, 2016, the Company, as Seller, and CCAP SPV, as Purchaser, entered into a loan sale agreement whereby the Company will sell certain assets to CCAP SPV. CCAP SPV will be consolidated into the Company's financial statements and no gain or loss is expected to result from the sale of assets to CCAP SPV. The Company retains a residual interest in assets contributed to or acquired by CCAP SPV through its 100% ownership of CCAP SPV. The facility size is subject to availability under the borrowing base, which is based on the amount of CCAP SPV's assets from time to time, and satisfaction of certain conditions, including certain concentration limits.

Costs incurred in connection with obtaining the SPV Asset Facility and subsequent amendments have been recorded as deferred financing costs and are being amortized over the life of the SPV Asset Facility on an effective yield basis. As of March 31, 2020 and December 31, 2019, deferred financing costs related to the SPV Asset Facility were \$2,996 and \$1,508, respectively, and were included in debt on the Consolidated Statements of Assets and Liabilities.

Corporate Revolving Facility

On August 20, 2019, the Company entered into the "Corporate Revolving Facility" with Ally Bank ("Ally"), as Administrative Agent and Arranger. Proceeds of the advances under the Revolving Credit Agreement may be used to acquire portfolio investments, to make distributions to the Company in accordance with the Revolving Credit Agreement and to pay related expenses. The maximum principal amount of the Corporate Revolving Facility is \$200,000, subject to availability under the borrowing base.

Borrowings under the Corporate Revolving Facility bear interest at LIBOR plus a 2.30% margin. The Company pays unused facility fees of 0.50% per annum on committed but undrawn amounts under the Corporate Revolving Facility. Interest is payable monthly in arrears. Any amounts borrowed under the Corporate Revolving Facility, and all accrued and unpaid interest, will be due and payable, on August 20, 2024.

Costs incurred in connection with obtaining the Corporate Revolving Facility have been recorded as deferred financing costs and are being amortized over the life of the Corporate Revolving Facility on an effective yield basis. As of March 31, 2020 and December 31, 2019, deferred financing costs related to the Corporate Revolving Facility were \$1,791 and \$1,923, respectively, and were included in debt on the Consolidated Statements of Assets and Liabilities.

The Corporate Revolving Facility replaced the prior corporate revolving facility with Capital One, National Association, as Administrative Agent, Lead Arranger, Managing Agent and Committed Lender. The maximum principal amount of the prior corporate revolving facility was \$85,000, subject to availability under the borrowing base.

Borrowings under the prior corporate revolving facility bore interest at the plus a margin with no LIBOR floor. The Company paid unused facility fees of 0.20% per annum on committed but undrawn amounts under the prior corporate revolving facility. Interest was payable monthly in arrears. The Company paid down in full and terminated the prior corporate revolving facility on August 20, 2019.

InterNotes®

On January 31, 2020, in connection with the Alcentra Acquisition, the Company assumed \$50,271 of direct unsecured fixed interest rate obligations ("InterNotes"). The majority of InterNotes® were issued by Alcentra Corporation between January 2015 and January 2016. On March 11, 2020, the Company redeemed \$16,853 of InterNotes® at par plus \$444 of accrued interest.

These notes are direct unsecured obligations and each series of notes has been issued by a separate trust (administered by U.S. Bank).

The notes bear interest at fixed interest rates ranging between 6.25% and 6.75% and offer a variety of maturities ranging between April 15, 2020 and April 15, 2022.

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Summary of Interest and Credit Facility Expenses

The summary information regarding the SPV Asset Facility, Corporate Revolving Facility, Internotes[®], Revolving Credit Facility, and the Revolving Credit Facility II for the three months ended March 31, 2020 and 2019 were as follows:

	For the three months ended March 31, 2020	For the three months ended March 31, 2019
Borrowing interest expense	\$ 3,872	\$ 2,606
Unused facility fees	145	26
Amortization of financing costs	332	177
Total interest and credit facility expenses	<u>\$ 4,349</u>	<u>\$ 2,809</u>
Weighted average interest rate	4.00%	4.56%
Weighted average outstanding balance	\$ 388,942	\$ 231,745

Note 7. Derivatives

The Company enters into foreign currency forward contracts from time to time to help mitigate the impact that an adverse change in foreign exchange rates would have on the value of the Company's investments denominated in foreign currencies.

In order to better define its contractual rights and to secure rights that will help the Company mitigate its counterparty risk, the Company may enter into an International Swaps and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or a similar agreement with its derivative counterparties. An ISDA Master Agreement is a bilateral agreement between the Company and a counterparty that governs OTC derivatives, including foreign currency forward contracts, and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. The provisions of the ISDA Master Agreement typically permit a single net payment in the event of a default (close-out netting) or similar event, including the bankruptcy or insolvency of the counterparty.

For financial reporting purposes, cash collateral that has been pledged to cover obligations of the Company and cash collateral received from the counterparty, if any, is included in the Consolidated Statement of Assets and Liabilities as due to/due from broker. There has been no cash collateral received or paid from the counterparty. The Company minimizes counterparty credit risk by only entering into agreements with counterparties that they believe to be of good standing and by monitoring the financial stability of those counterparties. All of our forward contracts qualify as Level 2 financial instruments.

For the three months ended March 31, 2020, and 2019, the Company's average USD notional exposure to foreign currency forward contracts was \$30,418 and \$10,842, respectively.

The following table sets forth the Company's net exposure to foreign currency forward contracts that are subject to ISDA Master Agreements or similar agreements as of March 31, 2020 and December 31, 2019.

As of March 31, 2020:

Counterparty	Gross Amount of Assets on the Consolidated Statements of Assets and Liabilities	Gross Amount of (Liabilities) on the Consolidated Statements of Assets and Liabilities	Net Amount of Assets or (Liabilities) Presented on the Consolidated Statements of Assets and Liabilities	Collateral (Received) Pledged (1)	Net Amounts (2)
Wells Fargo Bank, N.A.	\$ 2,882	\$ —	\$ 2,882	\$ —	\$ 2,882
Total	<u>\$ 2,882</u>	<u>\$ —</u>	<u>\$ 2,882</u>	<u>\$ —</u>	<u>\$ 2,882</u>

As of December 31, 2019:

Counterparty	Gross Amount of Assets on the Consolidated Statements of Assets and Liabilities	Gross Amount of (Liabilities) on the Consolidated Statements of Assets and Liabilities	Net Amount of Assets or (Liabilities) Presented on the Consolidated Statements of Assets and Liabilities	Collateral (Received) Pledged (1)	Net Amounts (2)
Wells Fargo Bank, N.A.	\$ 758	\$ (65)	\$ 693	\$ —	\$ 693
Total	<u>\$ 758</u>	<u>\$ (65)</u>	<u>\$ 693</u>	<u>\$ —</u>	<u>\$ 693</u>

(1) Amount excludes excess cash collateral paid.

(2) Net amount represents the net amount due (to) from counterparty in the event of a default based on the contractual setoff rights under the agreement. Net amount excludes any over-collateralized amounts.

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The effect of transactions in derivative instruments to the Consolidated Statements of Operations for the three months ended March 31, 2020 and March 31, 2019 was as follows:

	For the three months ended March 31, 2020	For the three months ended March 31, 2019
Net realized gain (loss) on foreign currency forward contracts	\$ —	\$ —
Net change in unrealized appreciation (depreciation) on foreign currency forward contracts	2,190	(27)
Total net realized and unrealized gains (losses) on foreign currency forward contracts	\$ 2,190	\$ (27)

Note 8. Commitments, Contingencies and Indemnifications

The Company's investment portfolio may contain debt investments that are in the form of lines of credit and unfunded delayed draw commitments, which require the Company to provide funding when requested by portfolio companies in accordance with the terms of the underlying loan agreements. Unfunded commitments to provide funds to portfolio companies are not reflected on the Company's Consolidated Statements of Assets and Liabilities. The Company's unfunded commitments may be significant from time to time. These commitments will be subject to the same underwriting and ongoing portfolio maintenance as are the on-balance sheet financial instruments that the Company holds. Since these commitments may expire without being drawn upon, the total commitment amount does not necessarily represent future cash requirements. As of March 31, 2020 and December 31, 2019, the Company had aggregated unfunded commitments totaling \$71,952 and \$82,745 including foreign denominated commitments converted to USD at the balance sheet date, respectively, under loan and financing agreements.

As of March 31, 2020 and December 31, 2019, the Company has the following unfunded commitments to portfolio companies:

	March 31, 2020			December 31, 2019		
	Commitment Expiration Date (1)	Unfunded Commitment (2)	Fair Value (3)	Commitment Expiration Date (1)	Unfunded Commitment (2)	Fair Value (3)
1st Lien/Senior Secured Debt/Unitranche First Lien						
Abode Healthcare, Inc.	8/28/2015	\$ 288	\$ (3)	8/28/2015	\$ 862	\$ (13)
Affinitiv, Inc.	8/26/2024	737	(32)	8/26/2024	850	—
Ameda, Inc.	9/29/2022	112	(9)	9/29/2022	113	(2)
Ansira Partners, Inc.	4/16/2020	322	(130)	4/16/2020	322	(18)
Auto-Vehicle Parts, LLC	1/3/2023	600	(19)	1/3/2023	600	(2)
Avaap USA LLC	—	—	—	3/22/2023	650	7
Benesys, Inc.	10/5/2024	60	(3)	10/5/2024	102	(2)
BFC Solmetex LLC & Bonded Filter Co. LLC	11/16/2020	850	(27)	11/16/2020	850	—
BFC Solmetex LLC & Bonded Filter Co. LLC	—	—	—	9/26/2023	240	—
C-4 Analytics, LLC	8/22/2023	600	(17)	8/22/2023	600	—
CAT Buyer, LLC	4/11/2024	206	(6)	4/11/2024	399	(2)
CC SAG Acquisition Corp.	9/9/2021	2,127	(39)	9/9/2021	2,128	(15)
CC SAG Acquisition Corp.	9/9/2025	1,050	(19)	9/9/2025	1,050	(7)
Centauri Health Solutions, Inc.	—	—	—	1/31/2022	1,575	16
Centria Subsidiary Holdings, LLC	—	—	—	12/9/2025	1,974	—
Claritas, LLC	12/21/2023	82	(2)	12/21/2023	180	—
Colibri Group LLC	—	—	—	5/1/2025	733	(1)
Continental Battery Company	—	—	—	1/15/2020	1,811	—
Continental Battery Company	12/14/2022	850	(19)	12/14/2022	170	—
COP Home Services Holdings, Inc.	5/13/2025	232	(7)	5/13/2025	464	(2)
CRA MSO, LLC	8/31/2020	1,000	(30)	8/31/2020	1,000	—
CRA MSO, LLC	12/17/2023	140	(4)	12/17/2023	200	—
CRA MSO, LLC	—	—	—	5/13/2021	697	(3)
Crusoe Bidco Limited	—	—	—	12/2/2025	340	(3)
DFS Intermediate Holdings, LLC	9/18/2020	328	(6)	9/18/2020	328	—
DFS Intermediate Holdings, LLC	3/31/2022	336	(6)	3/31/2022	336	—

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	March 31, 2020			December 31, 2019		
	Commitment Expiration Date (1)	Unfunded Commitment (2)	Fair Value (3)	Commitment Expiration Date (1)	Unfunded Commitment (2)	Fair Value (3)
EiKo Global, LLC	6/1/2023	75	(1)	6/1/2023	750	—
Empire Auto Parts, LLC	9/5/2023	400	(8)	9/5/2023	400	4
GrapeTree Medical Staffing, LLC	—	—	—	10/19/2022	450	—
Hepaco, LLC	8/31/2023	596	(25)	8/31/2023	257	—
Hepaco, LLC	10/15/2020	111	(5)	—	—	—
HGH Purchaser, Inc.	11/1/2021	3,378	(135)	11/1/2021	3,378	—
HGH Purchaser, Inc.	11/1/2025	304	(12)	11/1/2025	828	—
Hsid Acquisition, LLC	1/31/2022	2,900	(124)	—	—	—
ISS Compressors Industries, Inc.	2/05/2026	21	(1)	—	—	—
Integrity Marketing Acquisition, LLC	—	—	—	10/15/2020	333	—
Integrity Marketing Acquisition, LLC	—	—	—	2/29/2020	1,576	(8)
Integrity Marketing Acquisition, LLC	—	—	—	2/27/2021	3,095	(15)
Integrity Marketing Acquisition, LLC	—	—	—	8/27/2025	1,409	(7)
Kestrel Parent, LLC	11/13/2023	871	(30)	11/13/2023	871	13
Learn-It Systems, LLC	3/18/2022	2,210	(74)	3/18/2022	2,288	—
Learn-It Systems, LLC	3/18/2025	108	(4)	3/18/2025	108	—
List Partners, Inc.	—	—	—	7/6/2022	156	1
List Partners, Inc.	1/5/2023	450	(10)	1/5/2023	450	3
Lightspeed Buyer, Inc.	8/03/2021	1,800	(83)	—	—	—
Mann Lake Ltd.	10/4/2024	60	(6)	10/4/2024	456	(5)
Maroon Group, LLC	8/31/2022	1	—	8/31/2022	252	—
Midwest Industrial Rubber	—	—	—	12/2/2021	525	—
Manna Pro Products, LLC	12/08/2023	2,067	(51)	—	—	—
MRI Software LLC	2/10/2022	2,775	(239)	—	—	—
MRI Software LLC	2/10/2026	633	(54)	—	—	—
New Mountain Learning	3/16/2024	525	(88)	3/16/2024	125	(17)
New Mountain Learning	6/30/2020	150	(25)	—	—	—
Omni Ophthalmic Management Consultants, LLC	7/10/2019	1,150	(39)	7/10/2019	1,150	(4)
Omni Ophthalmic Management Consultants, LLC	—	—	—	9/22/2021	850	(3)
Ontario Systems, LLC	9/5/2021	1,100	(46)	9/5/2021	1,100	—
Ontario Systems, LLC	8/30/2025	500	(21)	8/30/2025	500	—
Pilot Air Freight, LLC	7/25/2020	1,200	(36)	7/25/2020	1,200	—
Pilot Air Freight, LLC	7/25/2024	2	—	7/25/2024	100	—
Pinnacle Treatment Centers, Inc.	1/17/2022	1,143	(23)	—	—	—
POC Investors, LLC	11/10/2021	1,000	(17)	11/10/2021	1,000	—
Potter Electric Signal Company	12/19/2021	1,113	(42)	12/19/2021	1,113	(6)
Potter Electric Signal Company	—	—	—	12/19/2022	519	(3)
Potter Electric Signal Company	12/19/2024	4	—	—	—	—
PT Network, LLC	11/30/2021	400	(18)	11/30/2021	400	(8)
Pye-Barker Fire & Safety, LLC	11/26/2021	2,250	(193)	11/26/2021	3,750	—
Receivable Solutions, Inc.	10/1/2024	120	(3)	10/1/2024	270	—
Right Networks, LLC	11/4/2024	232	(7)	11/4/2024	233	—
Ruffalo Noel Levitz, LLC	—	—	—	5/29/2022	300	(2)
Safco Dental Supply, LLC	6/14/2025	300	(10)	6/14/2025	600	—
SavATree, LLC	6/2/2020	461	(10)	6/2/2020	745	—
SavATree, LLC	6/2/2022	125	(3)	6/2/2022	550	—
Slickdeals Holdings, LLC	6/12/2023	727	(41)	6/12/2023	727	—
Smile Brands, Inc.	10/12/2020	191	(6)	10/12/2020	419	(2)
Smile Brands, Inc.	10/12/2023	35	(1)	10/12/2023	260	(1)
Smile Doctors LLC	4/6/2020	11,186	(290)	4/6/2020	198	—
Smile Doctors LLC	—	—	—	10/6/2022	170	—
Spear Education	2/03/2026	3,125	(84)	—	—	—
The Hilb Group, LLC	12/2/2021	842	(6)	12/2/2021	1,020	(8)
The Hilb Group, LLC	12/02/2025	109	(1)	—	—	—
Teaching Strategies LLC	5/14/2024	447	(14)	5/14/2024	447	4
Transportation Insight, LLC	—	—	—	12/18/2020	576	(3)
Transportation Insight, LLC	12/3/2024	5	—	12/3/2024	750	(4)
Tranzonic	3/27/2023	345	(8)	3/27/2023	550	—
Trinity Partners, LLC	2/21/2023	16	—	2/21/2023	450	—
Unifeye Vision Partners	9/13/2021	3,050	(94)	9/13/2021	3,050	—
Unifeye Vision Partners	—	—	—	9/13/2025	1,473	—
UP Acquisition Corp	1/31/2020	—	—	1/31/2020	1,624	—

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	March 31, 2020			December 31, 2019		
	Commitment Expiration Date (1)	Unfunded Commitment (2)	Fair Value (3)	Commitment Expiration Date (1)	Unfunded Commitment (2)	Fair Value (3)
UP Acquisition Corp	5/23/2024	677	(18)	5/23/2024	1,177	—
Winxnet Holdings LLC	6/29/2020	400	(12)	6/29/2020	400	(5)
Winxnet Holdings LLC	6/29/2023	160	(5)	6/29/2023	320	(4)
Wrench Group LLC	—	—	—	4/30/2021	1,035	3
Auction Technology Group	8/12/2026	449	60	—	—	—
Crusoe Bidco Limited	12/5/2020	488	58	12/5/2020	2,977	730
Crusoe Bidco Limited	12/5/2022	529	63	12/5/2022	2,233	547
PharComp Parent B.V.	2/18/2023	2,049	(6)	2/18/2023	2,096	229
Total 1st Lien/Senior Secured Debt/Unitranche First Lien		65,285	(2,226)		72,613	1,382
2nd Lien/Senior Secured Debt						
BAART Programs, Inc.	3/01/2025	4,000	(257)	—	—	—
NMN Holdings III Corp.	11/13/2020	1,667	(201)	11/13/2020	1,667	(9)
Total 2nd Lien/Senior Secured Debt		5,667	(458)		1,667	(9)
LLC/LP Equity Interests						
CBDC Senior Loan Fund LLC	—	\$ 1,000	\$ (421)	—	\$ 6,000	\$ 66
GACP II LP	—	—	—	—	2,465	49
Total LLC/LP Equity Interests		1,000	(421)		8,465	115
Total		\$ 71,952	\$ (3,105)		\$ 82,745	\$ 1,488

- Commitments are generally subject to borrowers meeting certain criteria such as compliance with covenants and certain operational metrics. These amounts may remain outstanding until the commitment period of an applicable loan expires, which may be shorter than its maturity.
- Unfunded commitments denominated in currencies other than USD have been converted to USD using the applicable foreign currency exchange rate as of March 31, 2020 and December 31, 2019.
- The fair value is reflected as investments, at fair value in the Consolidated Statements of Assets and Liabilities.

As of March 31, 2020, the Company believes that there is sufficient assets and liquidity to adequately cover future obligations under unfunded commitments. The cash and restricted cash balances, availability under the credit facilities and ongoing investment realizations are expected to provide sufficient liquidity. In addition, broadly syndicated loans in the portfolio could be sold over a relatively short period to generate cash.

Other Commitments and Contingencies

In the normal course of business, the Company enters into contracts which provide a variety of representations and warranties, and that provide general indemnifications. Such contracts include those with certain service providers, brokers and trading counterparties. Any exposure to the Company under these arrangements is unknown as it would involve future claims that may be made against the Company; however, based on the Company's experience, the risk of loss is remote and no such claims are expected to occur. As such, the Company has not accrued any liability in connection with such indemnifications.

Note 9. Stockholders' Equity

The Company has authorized 200,000,000 shares of its common stock with a par value of \$0.001 per share. The Company has authorized 10,000 shares of its preferred stock with a par value of \$0.001 per share. Shares of preferred stock have not been issued.

Between June 26, 2015, commencement of operations, and January 31, 2020, the date of Alcentra Acquisition, we entered into subscription agreements (collectively, the "Subscription Agreements") with several investors, including CCG LP, providing for the private placement of our common shares. Under the terms of the Subscription Agreements, investors are required to fund drawdowns to purchase our common shares up to the amount of their respective capital commitments on an as-needed basis with a minimum of 10 business days' prior notice. Through January 31, 2020, the date of Alcentra Acquisition, we had received all capital commitments totaling \$456,297, of which \$10,000 was from CCG LP. Upon closing of the Alcentra Acquisition, all unfunded commitments of stockholders subscribing in private offering were terminated.

Between June 26, 2015 and February 3, 2020, pursuant to the Subscription Agreements, we issued 23,127,335 of common shares for aggregate proceeds of \$456,297. Proceeds from the issuance were used to fund our investing activities and for other general corporate purposes.

The remaining unfunded capital commitments related to these Subscription Agreements were \$44,297 as of December 31, 2019. As of January 31, 2020, the date the private placement commitments expired, all unfunded commitments have been drawn.

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The following table summarizes the total shares issued and amount received related to capital drawdowns delivered pursuant to the Subscription Agreements during the three months ended March 31, 2020 and 2019:

Quarter Ended	Shares	Amount
March 31, 2020	\$ 2,265,021	\$ 44,297
March 31, 2019	1,330,128	26,000

Prior to February 3, 2020, which is the date of our listing on NASDAQ, only stockholders who “opted in” to the dividend reinvestment plan had their cash dividends and distributions automatically reinvested in additional shares of common stock. After February 3, 2020, stockholders who do not “opt out” of the dividend reinvestment plan will have their cash dividends and distributions automatically reinvested in additional shares of the Company’s common stock. The elections of stockholders that made an election prior to February 3, 2020 remain effective. For the three months ended March 31, 2020 and 2019, the Company issued 30,128 and 15,149 new common shares, respectively, in connection with its dividend reinvestment plan.

The following table summarizes the Company’s recent distributions declared and paid or to be paid on all shares, including distributions reinvested, if any:

Date Declared	Record Date	Payment Date	Amount Per Share
March 3, 2020	March 31, 2020	April 15, 2020	\$ 0.41
November 8, 2019	December 30, 2019	January 17, 2020	\$ 0.41
September 27, 2019	September 27, 2019	October 18, 2019	\$ 0.41
June 28, 2019	June 28, 2019	July 18, 2019	\$ 0.41
March 29, 2019	March 29, 2019	April 12, 2019	\$ 0.41

At March 31, 2020 and December 31, 2019, CCG LP and its affiliates owned 1.79% and 2.23%, respectively, of the outstanding common shares of the Company.

Note 10. Earnings Per Share

In accordance with the provisions of ASC Topic 260 – *Earnings per Share* (“ASC 260”), basic earnings per share is computed by dividing earnings available to common stockholders by the weighted average number of shares outstanding during the period. Other potentially dilutive common shares, and the related impact to earnings, are considered when calculating earnings per share on a diluted basis. As of March 31, 2020 and December 31, 2019, there are no dilutive shares.

The following table sets forth the computation of the weighted average basic and diluted net increase in net assets per share from operations for the following periods:

	For the three months ended March 31, 2020	For the three months ended March 31, 2019
Net increase (decrease) in net assets resulting from operations	\$ (74,545)	\$ 8,860
Weighted average common shares outstanding	26,212,991	14,464,405
Net increase (decrease) in net assets resulting from operations per common share-basic and diluted	\$ (2.84)	\$ 0.61

Note 11. Income Taxes

As of March 31, 2020, the Company’s aggregate investment unrealized appreciation and depreciation for federal income tax purposes was:

Tax cost	\$ 999,892
Gross unrealized appreciation	\$ 5,856
Gross unrealized depreciation	(122,952)
Net unrealized investment depreciation	\$ (117,096)

As of December 31, 2019, the Company’s aggregate investment unrealized appreciation and depreciation for federal income tax purposes was:

Tax cost	\$ 730,999
Gross unrealized appreciation	\$ 14,809
Gross unrealized depreciation	(19,277)
Net unrealized investment depreciation	\$ (4,468)

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Note 12. Financial Highlights

Below is the schedule of financial highlights of the Company for the three months ended March 31, 2020 and 2019, relating to the common shares issued through March 31, 2020 pursuant to the Subscription Agreements:

	For the three months ended March 31, 2020 (unaudited)	For the three months ended March 31, 2019 (unaudited)
Per Share Data:(1)		
Net asset value, beginning of period	\$ 19.50	\$ 19.43
Net investment income after tax	0.44	0.47
Net realized and unrealized gains (losses) on investments, asset acquisition and forward contracts, net of taxes(2)	(3.28)	0.14
Net increase (decrease) in net assets resulting from operations	(2.84)	0.61
Effect of equity issuances, net of share repurchases	0.27	0.01
Distributions declared from net investment income(3)	(0.41)	(0.41)
Offering costs	—	(0.01)
Total increase (decrease) in net assets	(2.98)	0.20
Net asset value, end of period	\$ 16.52	\$ 19.63
Market value, end of period	\$ 9.65	\$ n/a
Shares outstanding, end of period	28,200,547	14,703,566
Weighted average shares outstanding	26,212,991	14,464,405
Total return(4)(5)	(3.28)%	12.76%
Ratio/Supplemental Data:		
Net assets, end of period	\$ 465,755	\$ 288,648
Ratio of total net expenses to average net assets(6)(7)	6.49%	6.79%
Ratio of net expenses (without incentive fees and interest and other debt expenses) to average net assets(7)	2.48%	2.64%
Ratio of net investment income before taxes to average net assets(7)	10.87%	10.15%
Ratio of interest and credit facility expenses to average net assets(5)	4.01%	4.16%
Ratio of net incentive fees to average net assets(5)	—%	—%
Ratio of portfolio turnover to average investments at fair value(8)	8.40%	7.89%
Asset coverage ratio	2.08	2.23

(1) Based on actual number of shares outstanding at the end of the corresponding period or the weighted average shares outstanding for the period, unless otherwise noted, as appropriate.

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- (2) The amount shown does not correspond with the aggregate realized and unrealized gains (losses) on investment transactions for the period as it includes the effect of the timing of equity issuances.
- (3) The per share data for distributions per share reflects the actual amount of distributions declared per share for the applicable periods.
- (4) Total return based on net asset value is calculated as the change in net asset value per share during the period plus declared dividends per share during the period, divided by the beginning net asset value per share.
- (5) Annualized.
- (6) The ratio of total expenses to average net assets in the table above reflects the Advisor's voluntary waivers of its right to receive a portion of the management fees and income incentive fees with respect to the Company's ownership in GACP II. Excluding the effects of waivers, the ratio of total expenses to average net assets would have been 6.52% and 6.84% for the three months ended March 31, 2020 and March 31, 2019, respectively.
- (7) Annualized except for organization expenses.
- (8) Not annualized.

Note 13. Alcentra Acquisition

On August 12, 2019, the Company entered into an Agreement and Plan of Merger (as amended on September 27, 2019, the "Merger Agreement") to acquire Alcentra Capital Corporation ("Alcentra Capital") in a cash and stock transaction (the "Alcentra Acquisition").

In connection with the Alcentra Acquisition, which was completed on January 31, 2020, each share of Alcentra Capital common stock issued and outstanding immediately prior to the effective time of the Alcentra Acquisition was converted into the right to receive from the Company, in accordance with the Merger Agreement, (a) approximately \$1.50 per share in cash consideration less \$0.80 per share spillover dividend declared by Alcentra Capital, and (b) stock consideration at the fixed exchange ratio of 0.4041 shares, par value \$0.001 per share, of the Company's common stock (the "Exchange Ratio") (and, if applicable, cash in lieu of fractional shares of the Company's common stock). The Exchange Ratio was fixed on the date of the Merger Agreement, and was not subject to adjustment based on changes in the trading price of Alcentra Capital's common stock before the closing of the Alcentra Acquisition. Based on the number of shares of Alcentra Capital common stock outstanding on the date of the merger, approximately 5,203,016 of the Company's shares of common stock were exchanged for approximately 12,875,566 outstanding shares of Alcentra Capital common stock, subject to adjustment in certain limited circumstances. Upon closing of the Alcentra Acquisition, all unfunded commitments of stockholders subscribing in private offering were terminated.

Additionally, on August 12, 2019, the Company entered into an agreement with the Advisor in connection with the Alcentra Acquisition. Under the terms of the Transaction Support Agreement, in connection with the consummation of the Alcentra Acquisition the Advisor (a) provided cash consideration of approximately \$1.68 per share of Alcentra Capital common stock, payable to Alcentra Capital stockholders in accordance with the terms and conditions set forth in the Merger Agreement at closing, (b) entered into an amendment to the Investment Advisory Agreement to (i) permanently reduce the management fee from 1.5% to 1.25%, (ii) increase the incentive fee hurdle from 6% to 7% annualized, (iii) waive a portion of the management fee from February 1, 2020 through July 31, 2021 after the transaction so that only 0.75% shall be charged for such time period, and (iv) waive the income based portion of the incentive fee from February 1, 2020 through July 31, 2021 after the transaction and (c) fund up to \$1,419 of expenses that the Company incurs in connection with completing the Alcentra Acquisition.

The merger of Alcentra Capital with and into Crescent Capital BDC was accounted for as an asset acquisition in accordance with ASC 805-50, Business Combinations-Related Issues. Accordingly, transaction expenses of \$7,250, net of Advisor transaction support of \$1,419, were included in total consideration paid, and no goodwill was recognized.

In evaluating whether the merger was an asset acquisition or business combination, the Company considered (i) whether substantially all of the fair value of the gross assets acquired was concentrated in a single identifiable asset or group of similar identifiable assets; and (ii) whether the set of acquired assets included at least one substantive process. Since the acquired assets consisted of similar classes of financial assets, and since the Company did not acquire an organized workforce or other substantive processes in the transaction, it was deemed to be an asset acquisition.

Total consideration paid by the Company, including transaction costs related to the merger, of \$118,256 was allocated to the acquired assets and assumed liabilities based upon their relative fair values as of the closing date, subject to the limitation that certain "non-qualifying" assets, including financial instruments, could not be assigned an amount greater than their fair values. As a result of this limitation, total consideration paid by the Company exceeded the fair value of the net assets acquired by \$3,825, which has been presented as a realized loss in the Company's Consolidated Statement of Operations for the three months ended March 31, 2020. The Company estimated the fair value of the assets acquired and liabilities assumed in accordance with ASC 820; the methodologies utilized to make these estimates were consistent with those used by the Company in estimating the fair value of its own assets and liabilities.

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

Consideration Paid by the Company	
Common stock issued by the Company ⁽¹⁾	\$101,963
Cash Consideration paid by the Company	9,043
Transaction costs	7,250
Total Purchase Price	\$ 118,256
Assets (Liabilities) Acquired	
Investment portfolio ⁽²⁾	\$195,682
Cash	3,409
Portfolio receivables	1,003
Other receivable	395
InterNotes [®]	(50,271)
Secured credit facility	(34,558)
Borrowing expense payable	(834)
Other payables	(395)
Net Assets Acquired	\$ 114,431
Realized loss on asset acquisition	\$ 3,825

- (1) Common stock consideration was issued at the Company's Net Asset Value of \$19.60 at the date of the Alcentra Acquisition.
(2) Investments acquired were recorded at fair value at the date of the acquisition, which is also the Company's initial cost basis.

Note 14. Stock Repurchase Program

On January 31, 2020, the Company entered into a repurchase plan, pursuant to which it agreed to repurchase in open market transactions, subject to compliance with any of the Company's liquidity, covenant, leverage and regulatory requirements and the approval and continuation of such program by the Board in light of its duties under applicable law, shares of the Company's common stock in an aggregate amount of up to \$20,000 at market prices at any time the shares of the Company's common stock trade below ninety percent (90%) of its then-most recently disclosed net asset value per share. The \$20,000 maximum repurchase amount will be reduced by any amounts provided for under Rule 10b5-1 plans entered into by certain of the Company's affiliates with respect to its common stock for a similar time period at the same price. Pursuant to the terms of the repurchase plan, repurchases began on March 2, 2020, subject to the trading price of the Company's common stock on that date, and the repurchase plan will be in effect through January 31, 2021.

The following table summarizes our share repurchases under the Company's stock repurchase program for the three months ended March 31, 2020. There were no share repurchases for the three months ended March 31, 2019.

	For the three months ended	
	March 31,	
	2020	2019
Dollar amount repurchased	\$ 1,882	\$ —
Shares repurchased	159,228	—
Average price per share (including commission)	\$ 11.82	\$ —
Weighted average discount to net asset value ⁽¹⁾	39.12%	—

- (1) Weighted average discount is calculated using the December 31, 2019 proforma combined NAV of \$19.42 per share assuming the effect of the Alcentra Acquisition.

Note 15. Subsequent Events

The Company's management evaluated subsequent events through the date of issuance of the consolidated financial statements included herein. Other than the items below, there have been no subsequent events that occurred during such period that would require disclosure in this Form 10-Q or would be required to be recognized in the consolidated financial statements as of March 31, 2020 and for the three months ended March 31, 2020.

On April 9, 2020, our Board of Directors unanimously approved the termination of the Company's stock repurchase program in order to preserve our financial flexibility and liquidity given the potential prolonged impact of the coronavirus pandemic ("COVID-19").

On April 15, 2020, the Company repaid \$17,000 of 6.25% InterNotes® at par plus accrued interest.

At the Annual Meeting of Stockholders on May 4, 2020, stockholders approved a proposal to reduce the asset coverage ratio to 150%. Such asset coverage ratio became effective on May 5, 2020.

On May 11, 2020, the Company's Board of Directors declared a regular cash dividend of \$0.41 per share, which will be paid on or about July 15, 2020 to stockholders of record as of June 30, 2020.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information contained in this section should be read in conjunction with the financial statements and notes thereto appearing elsewhere in this report. This discussion also should be read in conjunction with the “Cautionary Statement Regarding Forward Looking Statements” set forth on page 1 of this Quarterly Report on Form 10-Q. In this report, “we,” “us,” “our” and “Company” refer to Crescent Capital BDC, Inc. and its consolidated subsidiaries.

OVERVIEW

We are a specialty finance company focused on lending to middle-market companies and were incorporated under the laws of the State of Delaware on February 5, 2015 (“Inception”). On January 30, 2020, we changed our state of incorporation from the State of Delaware to the State of Maryland. We have elected to be treated as a BDC under the 1940 Act. In addition, we have elected to be treated for U.S. federal income tax purposes as a RIC under Subchapter M of the Code. As such, we are required to comply with various regulatory requirements, such as the requirement to invest at least 70% of our assets in “qualifying assets,” source of income limitations, asset diversification requirements, and the requirement to distribute annually at least 90% of our taxable income and tax-exempt interest.

We are managed by our Advisor, Crescent Cap Advisors, LLC (and formerly, CBDC Advisors, LLC), an investment adviser that is registered with the SEC under the 1940 Act. Our Administrator, CCAP Administration LLC (and formerly, CBDC Administration, LLC) provides the administrative services necessary for us to operate. Company management consists of investment and administrative professionals from the Advisor and Administrator along with our Board. The Advisor directs and executes our investment operations and capital raising activities subject to oversight from the Board, which sets our broad policies. The Board has delegated investment management of our investment assets to the Advisor. The Board consists of six directors, four of whom are independent.

Our primary investment objective is to maximize the total return to our stockholders in the form of current income and capital appreciation through debt and related equity investments. We seek to achieve our investment objectives by investing primarily in secured debt (including senior secured first lien, unitranche and senior secured second-lien debt) and unsecured debt (including senior unsecured, mezzanine and subordinated debt), as well as related equity securities of private U.S. middle-market companies. We may purchase interests in loans or make debt investments, either (i) directly from our target companies as primary market or private credit investments (*i.e.*, private credit transactions), or (ii) primary or secondary market bank loan or high yield transactions in the broadly syndicated “over-the-counter” market (*i.e.*, broadly syndicated loans and bonds). Although our focus is to invest in less liquid private credit transactions, broadly syndicated loans and bonds are generally more liquid than and complement our private credit transactions.

A “first lien” loan is typically senior on a lien basis to other liabilities in the issuer’s capital structure and has the benefit of a first-priority security interest in assets of the issuer. The security interest ranks above the security interest of any second-lien lenders in those assets.

“Unitranche” loans are first lien loans that may extend deeper in a company’s capital structure than traditional first lien debt and may provide for a waterfall of cash flow priority among different lenders in the unitranche loan. In certain instances, we may find another lender to provide the “first out” portion of such loan and retain the “last out” portion of such loan, in which case, the “first out” portion of the loan would generally receive priority with respect to payment of principal, interest and any other amounts due thereunder over the “last out” portion that we would continue to hold. In exchange for the greater risk of loss, the “last out” portion earns a higher interest rate.

“Second lien” investments are loans with a second priority lien on the assets of the portfolio company. We obtain security interests in the assets of the portfolio company that serve as collateral in support of the repayment of such loans. This collateral serves as collateral in support of the repayment of these loans.

The term “mezzanine” or “unsecured debt” refers to an investment in a company that, among other factors, includes debt that generally ranks senior to a borrower’s equity securities and junior in right of payment to such borrower’s other indebtedness. We may make multiple investments in the same portfolio company.

From Inception through June 25, 2015, we devoted substantially all of our efforts to establishing the business and raising capital commitments from private investors. Between June 26, 2015 and January 31, 2020, we entered into subscription agreements with several investors, including Crescent Capital Group LP and its affiliates (“CCG LP”), providing for the private placement of our common stock. We commenced investment operations on June 26, 2015. We were listed and began trading on the NASDAQ stock exchange on February 3, 2020.

Alcentra Acquisition

On August 12, 2019, we entered into the Merger Agreement to acquire Alcentra Capital, in a cash and stock transaction. The board of directors of both companies each unanimously approved the Alcentra Acquisition and on January 29, 2020, Alcentra Capital's stockholders approved the merger and our stockholders approved the issuance of shares of our common stock to Alcentra Capital's stockholders.

On January 31, 2020, we completed the Alcentra Acquisition, pursuant to the terms and conditions of the Merger Agreement. To effect the acquisition, Acquisition Sub merged with and into Alcentra Capital, with Alcentra Capital surviving the merger as our wholly owned subsidiary. Immediately thereafter and as a single integrated transaction, Alcentra Capital consummated the Second Merger, whereby it merged with and into us, with Crescent Capital BDC surviving the merger. Pursuant to the Merger Agreement, Alcentra Capital stockholders received the right to the following merger consideration in exchange for each share of Alcentra Capital common stock outstanding immediately prior to January 31, 2020, (a) \$3.1784 per share in cash consideration (less the \$0.80 final dividend declared by Alcentra Capital) and (b) stock consideration at the fixed exchange ratio of 0.4041 shares of Common Stock. This resulted in our then-existing stockholders owning approximately 82% of us and Alcentra Capital's then-existing stockholders owning approximately 18% of us.

The aggregate cash consideration was comprised of (i) \$19.3 million in cash, or \$1.5023 per share, from us (less \$10.3 million or \$0.8000 per share in final dividends paid by Alcentra Capital on January 31, 2020) and (ii) \$21.6 million in cash, or \$1.6761 per share, in transaction support provided by the Advisor.

KEY COMPONENTS OF OPERATIONS

Investments

We expect our investment activity to vary substantially from period to period depending on many factors, the general economic environment, the amount of capital we have available to us, the level of merger and acquisition activity for middle-market companies, including the amount of debt and equity capital available to such companies and the competitive environment for the type of investments we make. In addition, as part of our risk strategy on investments, we may reduce certain levels of investments through partial sales or syndication to additional investors.

We must not invest in any assets other than "qualifying assets" specified in the 1940 Act, unless, at the time the investments are made, at least 70% of our total assets are qualifying assets (with certain limited exceptions). Qualifying assets include investments in "eligible portfolio companies." Pursuant to rules adopted by the SEC, "eligible portfolio companies" include certain companies that do not have any securities listed on a national securities exchange and public companies whose securities are listed on a national securities exchange but whose market capitalization is less than \$250 million.

The Investment Advisor

Our investment activities are managed by the Advisor, which is responsible for originating prospective investments, conducting research and due diligence investigations on potential investments, analyzing investment opportunities, negotiating and structuring our investments and monitoring our investments and portfolio companies on an ongoing basis. The Advisor has entered into a resource sharing agreement with Crescent Capital Group LP ("CCG LP"), pursuant to which CCG LP provides the Advisor with experienced investment professionals (including the members of the Advisor's investment committee) and access to the resources of CCG LP so as to enable the Advisor to fulfill its obligations under the Investment Advisory Agreement. Through the resource sharing agreement, the Advisor intends to capitalize on the deal origination, credit underwriting, due diligence, investment structuring, execution, portfolio management and monitoring experience of CCG LP's investment professionals.

Revenues

We generate revenue primarily in the form of interest income on debt investments and, to a lesser extent, capital gains and distributions, if any, on equity securities that we may acquire in portfolio companies. Certain investments may have contractual PIK interest or dividends. PIK represents accrued interest or accumulated dividends that are added to the loan principal of the investment on the respective interest or dividend payment dates rather than being paid in cash and generally becomes due at maturity or upon being called by the issuer. PIK is recorded as interest or dividend income, as applicable.

Dividend income from preferred equity securities is recorded on an accrual basis to the extent that such amounts are payable by the portfolio company and are expected to be collected. Dividend income from common equity securities is recorded on the record date for private portfolio companies or on the ex-dividend date for publicly-traded portfolio companies.

In addition, we may receive other income, which may include income such as consent, waiver, amendment, unused, underwriting, arranger and prepayment fees associated with the Company's investment activities as well as any fees for managerial assistance services rendered by the Company to the portfolio companies. Such fees are recognized as income when earned or the services are rendered.

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We also generate revenue in the form of commitment or origination fees. Loan origination fees, original issue discount and market discount or premium are capitalized, and we accrete or amortize such amounts into income over the life of the loan using the effective yield method.

Expenses

Our primary operating expenses include the payment of management fees and incentive fees to the Advisor under the Investment Advisory Agreement, as amended, our allocable portion of overhead expenses under the administration agreement with our Administrator (the “Initial Administration Agreement”), operating costs associated with our sub-administration, custodian and transfer agent agreements with State Street Bank and Trust Company and other operating costs described below. The management and incentive fees compensate the Advisor for its work in identifying, evaluating, negotiating, closing and monitoring our investments. We bear all other out-of-pocket costs and expenses of our operations and transactions, including:

- the cost of calculating our net asset value, including the cost of any third-party valuation services;
- fidelity bond, directors’ and officers’ liability insurance and other insurance premiums;
- direct costs, such as printing, mailing, long distance telephone and staff;
- fees and expenses associated with independent audits and outside legal costs;
- independent directors’ fees and expenses;
- administration fees and expenses, if any, payable under the Initial Administration Agreement (including payments based upon our allocable portion of the Administrator’s overhead in performing its obligations under the Initial Administration Agreement, rent and the allocable portion of the cost of certain professional services provided to us, including but not limited to, our Chief Compliance Officer, Chief Financial Officer and their respective staffs);
- U.S. federal, state and local taxes;
- the cost of effecting sales and repurchases of shares of our common stock and other securities;
- fees payable to third parties relating to making investments, including out-of-pocket fees and expenses associated with performing due diligence and reviews of prospective investments;
- out-of-pocket fees and expenses associated with marketing efforts;
- federal and state registration fees and any stock exchange listing fees;
- brokerage commissions;
- costs associated with our reporting and compliance obligations under the 1940 Act and other applicable U.S. federal and state securities laws;
- debt service and other costs of borrowings or other financing arrangements; and
- all other expenses reasonably incurred by us in connection with making investments and administering our business.

We expect our general and administrative expenses to be relatively stable or decline as a percentage of total assets during periods of asset growth and to increase during periods of asset declines. Incentive fees and costs relating to future offerings of securities would be incremental.

Leverage

Our financing facilities allow us to borrow money and lever our investment portfolio, subject to the limitations of the 1940 Act, with the objective of increasing our yield. This is known as “leverage” and could increase or decrease returns to our stockholders. The use of leverage involves significant risks. As a BDC, with certain limited exceptions, we will only be permitted to borrow amounts such that our asset coverage ratio, as defined in the 1940 Act, equals at least 2 to 1 after such borrowing. Short-term credits necessary for the settlement of securities transactions and arrangements with respect to securities lending will not be considered borrowings for these purposes. The amount of leverage that we employ will depend on our Advisor’s and our Board’s assessment of market conditions and other factors at the time of any proposed borrowing.

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The Small Business Credit Availability Act (the “SBCAA”), which was signed into law on March 23, 2018, among other things, amended Section 61(a) of the 1940 Act to add a new Section 61(a)(2) that reduces the asset coverage requirement applicable to a BDC from 200% to 150% so long as the BDC meets certain disclosure requirements and obtains certain approvals. The reduced asset coverage requirement would permit a BDC to have a ratio of total consolidated assets to outstanding indebtedness of 2:1 as compared to a maximum of 1:1 under the 200% asset coverage requirement. On March 3, 2020, the Board, including a “required majority” (as such term is defined in Section 57(o) of the 1940 Act) of the Board, approved the application of the modified asset coverage requirement set forth in Section 61(a)(2) of the 1940 Act, as amended by the SBCAA. As a result, our asset coverage requirements for senior securities will be changed from 200% to 150%, effective March 3, 2021. If the stockholder proposal is passed at the Annual Meeting on May 4, 2020, the lower asset coverage requirements will be effective the day after the Annual Meeting.

PORTFOLIO INVESTMENT ACTIVITY

We seek to create a broad and varied portfolio that generally includes senior secured first lien, unitranche, senior secured second lien and subordinated loans and minority equity securities of U.S. middle market companies. The size of our individual investments will vary proportionately with the size of our capital base. We generally invest in securities that have been rated below investment grade by independent rating agencies or that would be rated below investment grade if they were rated. These securities have speculative characteristics with respect to the issuer’s capacity to pay interest and repay principal. In addition, many of our debt investments have floating interest rates that reset on a periodic basis and typically do not fully pay down principal prior to maturity.

As of March 31, 2020 and December 31, 2019, our portfolio at fair value was comprised of the following:

Investment Type	March 31, 2020		December 31, 2019	
	Fair Value	Percentage	Fair Value	Percentage
Senior Secured First Lien	\$ 387.2	43.8%	\$ 351.3	48.3%
Unitranche First Lien	294.2	33.3	218.3	30.1
Unitranche First Lien – Last Out	14.6	1.6	16.2	2.2
Senior Secured Second Lien	102.9	11.7	58.9	8.1
Unsecured Debt	8.6	1.0	7.4	1.0
Equity & Other	31.8	3.6	21.4	3.0
LLC/LP Equity Interests	43.9	5.0	53.0	7.3
Total investments	\$ 883.2	100.0%	\$ 726.5	100.0%

The following table shows the asset mix of investments made at cost, inclusive of revolver and delayed draw fundings, during the three months ended March 31, 2020 and March 31, 2019:

Investment Type	Three Months Ended March 31, 2020 (1)		Three Months Ended March 31, 2019	
	Cost	Percentage	Cost	Percentage
Senior Secured First Lien	\$ 42.2	36.0%	\$ 17.2	27.0%
Unitranche First Lien	66.7	56.8	8.6	13.6
Unitranche First Lien – Last Out	—	—	15.0	23.7
Senior Secured Second Lien	—	—	2.0	3.2
Unsecured Debt	—	—	—	—
Equity & Other	—	—	0.0	0.0
LLC/LP Equity Interests	8.5	7.2	20.6	32.5
Total investments	\$ 117.4	100.0%	\$ 63.4	100.0%

(1) Excludes \$195.7 million of assets at cost acquired in connection with the Alcentra Acquisition. The asset acquired, at cost, were comprised of \$82.2 million of senior secured first lien, \$45.0 million of unitranche first lien, \$53.0 million of senior secured second lien, \$1.2 million of unsecured debt and \$14.3 million of equity investments.

For the three months ended March 31, 2020, we had principal repayments and sales of \$73.8 million. For the three months ended March 31, 2020, we had a portfolio increase, excluding assets acquired in the Alcentra Acquisition, of \$43.6 million based on amortized cost.

For the three months ended March 31, 2019, we had principal repayments and sales of \$39.8 million. For the three months ended March 31, 2019, we had a portfolio increase of \$23.6 million based on amortized cost.

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The following table presents certain selected information regarding our investment portfolio as of March 31, 2020 and December 31, 2019:

	March 31, 2020	December 31, 2019
Weighted average yield on income producing debt securities (at cost) (1)	7.8%	8.2%
Percentage of debt bearing a floating rate (at fair value)	96.0%	97.9%
Percentage of debt bearing a fixed rate (at fair value)	4.0%	2.1%
Number of portfolio companies	127	98

(1) Yield excludes investments on non-accrual status.

The following table shows the amortized cost of our performing and non-accrual debt and income producing debt securities as of March 31, 2020 and December 31, 2019.

	March 31, 2020		December 31, 2019	
	Amortized Cost	Percentage	Amortized Cost	Percentage
Performing	\$ 849.5	96.6%	\$ 645.4	98.1%
Non-accrual	30.1	3.4	12.6	1.9
Total income producing debt securities	\$ 879.6	100.0%	\$ 658.0	100.0%

Loans are generally placed on non-accrual status when there is reasonable doubt that principal or interest will be collected in full. Non-accrual loans are restored to accrual status when past due principal and interest is paid current and, in management's judgment, are likely to remain current. Management may determine to not place a loan on non-accrual status if the loan has sufficient collateral value and is in the process of collection.

As of March 31, 2020, we had investments in four portfolio companies with seven investment positions on non-accrual status, which represented 3.4% and 1.9% of the total debt investments at cost and fair value, respectively. As of December 31, 2019, we had investments in one portfolio company with three investment positions on non-accrual status, which represented 1.9% and 1.0% of total debt investments at cost and fair value, respectively. The remaining debt investments were performing and current on their interest payments as of March 31, 2020 and December 31, 2019.

The Advisor monitors our portfolio companies on an ongoing basis. The Advisor monitors the financial trends of each portfolio company to determine if it is meeting its business plans and to assess the appropriate course of action for each company. The Advisor has a number of methods of evaluating and monitoring the performance and fair value of our investments, which may include the following:

- assessment of success of the portfolio company in adhering to its business plan and compliance with covenants;
- review of monthly and quarterly financial statements and financial projections for portfolio companies.
- contact with portfolio company management and, if appropriate, the financial or strategic sponsor, to discuss financial position, requirements and accomplishments;
- comparisons to other companies in the industry; and
- possible attendance at, and participation in, board meetings.

As part of the monitoring process, the Advisor regularly assesses the risk profile of each of our investments and, on a quarterly basis, grades each investment on a risk scale of 1 to 5. Risk assessment is not standardized in our industry and our risk assessment may not be comparable to ones used by our competitors. Our assessment is based on the following categories:

- 1 Involves the least amount of risk in our portfolio. The investment/borrower is performing above expectations since investment, and the trends and risk factors are generally favorable, which may include the financial performance of the borrower or a potential exit.
- 2 Involves an acceptable level of risk that is similar to the risk at the time of investment. The investment/borrower is generally performing as expected, and the risk factors are neutral to favorable.
- 3 Involves an investment/borrower performing below expectations and indicates that the investment's risk has increased somewhat since investment. The borrower's loan payments are generally not past due and more likely than not the borrower will remain in compliance with debt covenants. An investment rating of 3 requires closer monitoring.
- 4 Involves an investment/borrower performing materially below expectations and indicates that the loan's risk has increased materially since investment. In addition to the borrower being generally out of compliance with debt covenants, loan payments may be past due (but generally not more than 180 days past due). Placing loans on non-accrual status should be considered for investments rated 4.

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- 5 Involves an investment/borrower performing substantially below expectations and indicates that the loan's risk has substantially increased since investment. Most or all of the debt covenants are out of compliance and payments are substantially delinquent. Loans rated 5 are not anticipated to be repaid in full and the fair market value of the loan should be reduced to the anticipated recovery amount. Loans with an investment rating of 5 should be placed on non-accrual status.

The following table shows the distribution of our investments on the 1 to 5 investment performance rating scale at fair value as of March 31, 2020 and December 31, 2019. Investment performance ratings are accurate only as of those dates and may change due to subsequent developments relating to a portfolio company's business or financial condition, market conditions or developments, and other factors.

Investment Performance Rating	March 31, 2020		December 31, 2019	
	Investments at Fair Value	Percentage of Total Portfolio	Investments at Fair Value	Percentage of Total Portfolio
1	\$ 10.3	1.2%	\$ 19.1	2.6%
2	691.8	78.3	653.1	89.9
3	165.6	18.7	47.8	6.6
4	15.5	1.8	6.5	0.9
5	—	—	—	—
Total	\$ 883.2	100.0%	\$ 726.5	100.0%

RESULTS OF OPERATIONS

Operating results for the three months ended March 31, 2020 and 2019 were as follows:

	For the three months ended	
	March 30, 2020	March 31, 2019
Total investment income	\$ 18.8	\$ 11.4
Less: Total net expenses	7.0	4.6
Net investment income before taxes	11.8	6.8
Income and excise taxes	0.2	0.0
Net investment income	11.6	6.8
Net realized gain (loss) on investments (1)	(0.2)	(0.3)
Net unrealized appreciation (depreciation) on investments (1)	(84.8)	2.8
Net unrealized appreciation (depreciation) on foreign currency forward contracts	2.2	(0.0)
Net realized and unrealized gains (losses) on investments	\$ (82.8)	\$ 2.5
Realized loss on asset acquisition	(3.8)	—
Net realized and unrealized gains (losses) on investments and asset acquisition	\$ (86.6)	\$ 2.5
Benefit/(Provision) for taxes on unrealized appreciation (depreciation) on investments	0.5	(0.4)
Net increase (decrease) in net assets resulting from operations	\$ (74.5)	\$ 8.9

(1) Includes foreign currency transactions and translation.

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Investment Income

	For the three months ended	
	March 31, 2020	March 31, 2019
Interest income	\$ 17.5	\$ 10.8
Dividend income	0.9	0.4
Other investment income	0.4	0.3
Total investment income	\$ 18.8	\$ 11.5

Interest income, which includes amortization of upfront fees, increased from \$10.8 million for the three months ended March 31, 2019 to \$17.5 million for the three months ended March 31, 2020, due to an increase in the size of our portfolio largely related to the Alcentra Acquisition and organic net deployment. Included in interest from investments for the three months ended March 31, 2020 and March 31, 2019 are \$1.1 million and \$0.5 million in accelerated accretion of OID, respectively.

Dividend income increased from \$0.4 million for the three months ended March 31, 2019 to \$0.9 million for the three months ended March 31, 2020 due to GACP II LP and higher dividend payments from equity co-investments. Other investment income which includes prepayment fees, amortization of loan administration fees earned as the administration agent, and other miscellaneous fee income, remained relatively unchanged.

Expenses

	For the three months ended	
	March 31, 2020	March 31, 2019
Interest and debt financing costs	\$ 4.4	\$ 2.8
Management fees	2.7	1.9
Incentive fees	1.9	1.0
Professional fees	0.3	0.2
Directors' fees	0.1	0.1
Other general and administrative expenses	0.7	0.5
Total expenses	\$ 10.1	6.5
Management fee waiver	(1.2)	(0.9)
Incentive fee waiver	(1.9)	(1.0)
Net expenses	\$ 7.0	\$ 4.6
Income and excise taxes	0.2	0.0
Total	\$ 7.2	\$ 4.6

Interest and Credit Facility Expenses

Interest and debt financing costs include interest, amortization of deferred financing costs, upfront commitment fees and unused fees on our credit facilities. Interest and debt financing costs increased from \$2.8 million for the three months ended March 31, 2019 to \$4.4 million for the three months ended March 31, 2020. This increase was primarily due to an increase in the weighted average debt outstanding largely due to the Alcentra Acquisition from \$231.7 million for the three months ended March 31, 2019 to \$388.9 million for the three months ended March 31, 2020. Average interest rate (excluding deferred upfront financing costs and unused fees) on the weighted average debt outstanding decreased from 4.6% for the three months ended March 31, 2019 to 4.0% for the three months ended March 31, 2020, primarily driven by decreasing benchmark rates.

Investment Advisory Agreements

On June 2, 2015, we entered into an investment advisory agreement with the Advisor (the "Investment Advisory Agreement"), which was subsequently replaced by the Amended and Restated Investment Advisory Agreement (together with the Investment Advisory Agreement, the "Advisory Agreements"), which was approved by our stockholders on January 29, 2020 in connection with the Alcentra Acquisition. Under the terms of the Amended and Restated Investment Advisory Agreement, the Advisor will provide investment advisory services to us and our portfolio investments. The Advisor's services under the Amended and Restated Investment Advisory Agreement are not exclusive, and the Advisor is free to furnish similar or other services to others so long as its services to us are not impaired. Under the terms of the Advisory Agreements, the Advisor is entitled to receive a base management fee and may receive certain incentive fees, as discussed below.

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Base Management Fee (prior to February 1, 2020)

Prior to February 1, 2020, pursuant to the Investment Advisory Agreement, the base management fee was calculated and payable quarterly in arrears at an annual rate of 1.50% of our gross assets, including assets acquired through the incurrence of debt but excluding any cash and cash equivalents. The base management fee was calculated based on the average value of gross assets at the end of the two most recently completed calendar quarters, and appropriately adjusted for share issuances or repurchases during the current calendar quarter.

Under the Investment Advisory Agreement, the Advisor agreed to waive its right to receive management fees in excess of the sum of (i) 0.25% of the aggregate committed but undrawn capital and (ii) 0.75% of the aggregate gross assets excluding cash and cash equivalents (including capital drawn to pay our expenses) during the period prior to February 3, 2020, the date of our qualified initial public offering, as defined by the Investment Advisory Agreement (“Qualified IPO”). The listing of our Common Stock on NASDAQ on February 3, 2020 qualified as a Qualified IPO. The Advisor is not permitted to recoup any waived amounts at any time.

New Base Management Fee (effective February 1, 2020)

Effective February 1, 2020, pursuant to the Amended and Restated Investment Advisory Agreement, the base management fee is calculated and payable quarterly in arrears at an annual rate of 1.25% of our gross assets, including assets acquired through the incurrence of debt but excluding any cash and cash equivalents. The base management fee is calculated based on the average value of gross assets at the end of the two most recently completed calendar quarters, and appropriately adjusted for any share issuances or repurchases during the current calendar quarter.

In addition, under the terms of the Amended and Restated Advisory Agreement, the Advisor agreed to waive a portion of the management fee from February 1, 2020 through July 31, 2021 after the closing of the Alcentra Acquisition so that only 0.75% shall be charged for such time period. The Advisor is not permitted to recoup any waived amounts at any time.

For the three months ended March 31, 2020 and 2019, we incurred management fees of \$2.7 million and \$1.9 million, respectively, of which \$1.2 million and \$0.9 million, respectively, were waived. \$1.5 million and \$1.0 million, which are net of the aforementioned waived amounts, were payable at March 31, 2020 and December 31, 2019, respectively.

The Advisor has voluntarily waived its right to receive management fees on our investment in GACP II LP for any period in which GACP II LP remains in the investment portfolio. For the three months ended March 31, 2020 and 2019, management fees were waived attributable to our investment in GACP II LP. These amounts are nominal and excluded from the management fee waived amounts above.

Incentive Fee (prior to February 1, 2020)

Under the Investment Advisory Agreement, the Incentive Fee consisted of two parts. The first part, the income incentive fee, was calculated and payable quarterly in arrears and equaled (a) 100% of the excess of the pre-incentive fee net investment income for the immediately preceding calendar quarter, over a preferred return of 1.5% per quarter (6.0% annualized) (the “Hurdle”), and a catch-up feature until the Advisor received 15% of the pre-incentive fee net investment income for the current quarter up to 1.7647% (the “Catch-up”), and (b) 15% of all remaining pre-incentive fee net investment income above the “Catch-up.”

The second part, the capital gains incentive fee, is determined and payable in arrears as of the end of each fiscal year at a rate of 15.0% of our realized capital gains, if any, on a cumulative basis from Inception through the end of the fiscal year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid capital gain incentive fees.

At the 2018 Annual Meeting of Stockholders, in connection with the extension of the deadline to consummate a Qualified IPO, the Advisor agreed to waive its rights under the Investment Advisory Agreement to (i) the income incentive fee and (ii) the capital gain incentive fee for the period from April 1, 2018 through February 1, 2020.

Incentive Fee (effective February 1, 2020)

Under the Amended and Restated Investment Advisory Agreement, the Incentive Fee consists of two parts. The first part, the income incentive fee, is calculated and payable quarterly in arrears and (a) equals 100% of the excess of the pre-incentive fee net investment income for the immediately preceding calendar quarter, over a preferred return of 1.75% per quarter (7.0% annualized) (the “Hurdle”), and a catch-up feature until the Advisor has received 17.5% of the pre-incentive fee net investment income for the current quarter up to 2.1212% (the “Catch-up”), and (b) 17.5% of all remaining pre-incentive fee net investment income above the “Catch-up.”

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In addition, under the terms of the Amended and Restated Investment Advisory Agreement, the Advisor agreed to waive the income based portion of the incentive fee from February 1, 2020 through July 31, 2021. Once the Advisor begins to earn income incentive fees, the Advisor will voluntarily waive the income incentive fees attributable to the investment income accrued by us as a result of its investment in GACP II.

The second part, the capital gains incentive fee, is determined and payable in arrears as of the end of each fiscal year at a rate of 17.5% of our realized capital gains, if any, on a cumulative basis from Inception through the end of the fiscal year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid capital gain incentive fees. Since the Qualified IPO occurred on a date other than the first day of a calendar quarter, the income incentive fee shall be calculated for such calendar quarter at a weighted rate calculated based on the fee rates applicable before and after a Qualified IPO based on the number of days in such calendar quarter before and after the Qualified IPO. For the avoidance of doubt, such capital gains incentive fee shall be equal to 15.0% of our realized capital gains on a cumulative basis from Inception through the day before the Qualified IPO, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid capital gains incentive fees. Following the Qualified IPO, solely for the purposes of calculating the capital gains incentive fee, we will be deemed to have previously paid capital gains incentive fees prior to a Qualified IPO equal to the product obtained by multiplying (a) the actual aggregate amount of previously paid capital gains incentive fees for all periods prior to the Qualified IPO by (b) the percentage obtained by dividing (x) 17.5% by (y) 15.0%. In the event that the Amended and Restated Investment Advisory Agreement shall terminate as of a date that is not a fiscal year end, the termination date shall be treated as though it were a fiscal year end for purposes of calculating and paying a capital gains incentive fee.

Pre-incentive fee net investment income means interest income, dividend income and any other income (including any other fees (other than fees for providing managerial assistance), such as commitment, origination, structuring, diligence and consulting fees or other fees that we receive from portfolio companies) accrued during each calendar quarter, minus operating expenses for such quarter (including the base management fee, expenses payable under the Administration Agreement and any interest expense and distributions paid on any issued and outstanding debt or preferred stock, but excluding the incentive fee). Pre-incentive fee net investment income includes, in the case of investments with a deferred interest feature (such as market discount, original issue discount, debt instruments with PIK interest, preferred stock with PIK dividends and zero coupon securities), accrued income that we have not yet received in cash. Pre-incentive fee net investment income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation. Pre-incentive fee net investment income will be compared to a "Hurdle Amount" equal to the product of (i) the Hurdle rate of 1.50% or 1.75% per quarter, 6.00% or 7.00% annualized, prior to and effective February 1, 2020, respectively, and (ii) our net assets (defined as total assets less indebtedness, before taking into account any incentive fees payable during the period), at the end of the immediately preceding calendar quarter, subject to a "catch-up" provision incurred at the end of each calendar quarter.

For the three months ended March 31, 2020, we incurred income incentive fees of \$1.9 million, of which \$1.9 million was waived. \$0 was payable at March 31, 2020. For the three months ended March 31, 2019, we incurred income incentive fees of \$1.0 million, of which \$1.0 million was waived. \$0 was payable at March 31, 2019.

GAAP Incentive Fee on Cumulative Unrealized Capital Appreciation

We accrue, but do not pay, a portion of the Incentive Fee based on capital gains with respect to net unrealized appreciation. Under GAAP, we are required to accrue an Incentive Fee based on capital gains that includes net realized capital gains and losses and net unrealized capital appreciation and depreciation on investments held at the end of each period. In calculating the accrual for the Incentive Fee based on capital gains, we consider the cumulative aggregate unrealized capital appreciation in the calculation, since an Incentive Fee based on capital gains would be payable if such unrealized capital appreciation were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee payable under the Amended and Restated Investment Advisory Agreement. This accrual is calculated using the aggregate cumulative realized capital gains and losses and aggregate cumulative unrealized capital appreciation or depreciation. If such amount is positive at the end of a period, then we record a capital gains incentive fee equal to 15% (pre February 3, 2020) or 17.5% (effective February 3, 2020) of such amount, minus the aggregate amount of actual Incentive Fees based on capital gains paid in all prior periods. If such amount is negative, then there is no accrual for such period. There can be no assurance that such unrealized capital appreciation will be realized in the future.

For the three months ended March 31, 2020 and 2019, we incurred no capital gains incentive fees.

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Professional Fees and Other General and Administrative Expenses

Professional fees generally include expenses from independent auditors, tax advisors, legal counsel and third party valuation agents. Other general and administrative expenses generally include expenses from the Sub-Administration Agreements, insurance premiums, overhead and staffing costs allocated from the Administrator and other miscellaneous general and administrative costs associated with our operations and investment activity. Professional fees increased from \$0.2 million for the three months ended March 31, 2019 to \$0.3 million for the three months ended March 31, 2020, while other general and administrative expenses increased from \$0.5 million for the three months ended March 31, 2019 to \$0.7 million for the three months ended March 31, 2020. The net increase in expenses was due to an increase in costs associated with servicing a growing investment portfolio.

Organization expenses

We had agreed to repay the Advisor for initial organization costs and equity offering costs incurred prior to the commencement of its operations up to a maximum of \$1.5 million on a pro rata basis over the first \$350.0 million of invested capital not to exceed 3 years from the initial capital commitment on June 26, 2015. The initial 3 year term was later extended to June 30, 2019, with shareholder approval. To the extent such costs relate to equity offerings, these costs are charged as a reduction of capital upon the issuance of common shares. To the extent such costs relate to organization costs, these costs are expensed in the Consolidated Statements of Operations upon the issuance of common shares. The Advisor is responsible for organization and private equity offerings costs in excess of \$1.5 million.

During the reimbursement period which began on June 26, 2015 and expired on June 30, 2019, the Advisor had allocated to the Company \$0.8 million of equity offering costs and \$0.6 million of organization costs.

Income Tax Expense, Including Excise Tax

We have elected to be treated as a RIC under the Code and operate in a manner so as to qualify for the tax treatment applicable to RICs. To qualify as a RIC, we must generally (among other requirements) timely distribute to our stockholders at least 90% of our investment company taxable income, as defined by the Code, for each year. In order to maintain our RIC status, we intend to make the requisite distributions to our stockholders which will generally relieve us from corporate-level income taxes.

In order to not to be subject to federal excise taxes, we must distribute annually an amount at least equal to the sum of (i) 98% of our ordinary income (taking into account certain deferrals and elections), (ii) 98.2% of our net capital gains from the current year and (iii) any undistributed ordinary income and net capital gains from preceding years. Depending on the level of taxable income earned in a tax year, we may choose to carry forward such taxable income in excess of current year dividend distributions into the next tax year and pay a 4% excise tax on such income, as required. If we determine that our estimated current year taxable income will be in excess of estimated dividend distributions for the current year from such income, we accrue excise tax on estimated excess taxable income as such taxable income is earned. For the three months ended March 31, 2020 and March 31, 2019, we expensed an excise tax of \$0.2 million and \$0.0 million, respectively, of which \$0.1 million and \$0.0 million remained payable, respectively.

Net Realized and Unrealized Gains and Losses

We value our portfolio investments quarterly and any changes in fair value are recorded as unrealized appreciation (depreciation) on investments. For the three months ended March 31, 2020 and March 31, 2019, net realized gains (losses) and net unrealized appreciation (depreciation) on our investment portfolio were comprised of the following:

	For the three months ended	
	March 31, 2020	March 31, 2019
Realized losses on investments	\$ (0.0)	\$ (0.2)
Realized gains on investments	0.0	—
Realized gains on foreign currency transactions	0.1	0.0
Realized losses on foreign currency transactions	(0.3)	(0.1)
Net realized gains (losses) on investments	<u>\$ (0.2)</u>	<u>\$ (0.3)</u>
Change in unrealized depreciation on non-controlled and non-affiliated investments	\$ (55.6)	\$ 0.4
Change in unrealized appreciation on non-controlled and non-affiliated investments	(7.3)	2.4
Change in unrealized depreciation on non-controlled and affiliated investments	(3.0)	—

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	For the three months ended	
	March 31, 2020	March 31, 2019
Change in unrealized appreciation on non-controlled and affiliated investments	(0.5)	—
Change in unrealized depreciation on foreign currency translation	(1.6)	0.2
Change in unrealized appreciation on foreign currency translation	0.0	0.0
Change in unrealized depreciation on controlled and affiliated investments	(16.4)	(0.2)
Change in unrealized appreciation on controlled and affiliated investments	(0.4)	—
Change in unrealized appreciation on foreign currency forwards	2.2	0.1
Change in unrealized depreciation on foreign currency forwards	—	(0.1)
Net unrealized appreciation (depreciation) on investments	\$ (82.6)	\$ 2.8
Realized loss on asset acquisition	(3.8)	—
Net realized and unrealized gains (losses) on investments and asset acquisition	\$ (86.6)	\$ 2.5

For the three months ended March 31, 2020, the unrealized depreciation on debt and equity investments was largely due to increased market volatility and wider credit spreads resulting from the COVID-19 pandemic in March.

Hedging

We may, but are not required to, enter into interest rate, foreign exchange or other derivative agreements to hedge interest rate, currency, credit or other risks. Generally, we do not intend to enter into any such derivative agreements for speculative purposes. Any derivative agreements entered into for speculative purposes are not expected to be material to our business or results of operations. These hedging activities, which are in compliance with applicable legal and regulatory requirements, may include the use of various instruments, including futures, options and forward contracts. We bear the costs incurred in connection with entering into, administering and settling any such derivative contracts. There can be no assurance any hedging strategy we employ will be successful.

During the three months ended March 31, 2020 and March 31, 2019, our average U.S. Dollar notional exposure to foreign currency forward contracts were \$30.4 million and \$10.8 million, respectively.

Senior Loan Fund

The Senior Loan Fund, an unconsolidated limited liability company, was formed on September 26, 2018 and commenced operations in February 2019. We invest together with Masterland through the Senior Loan Fund. Masterland is a wholly owned subsidiary of China Orient Asset Management (International) Holding Limited (HK). The Senior Loan Fund's principal purpose is to make investments in broadly syndicated bank loans, either directly or indirectly through its wholly owned subsidiary, CBDC Senior Loan Sub LLC. We along with Masterland, have each subscribed to fund \$40.0 million. Except under certain circumstances, contributions to the Senior Loan Fund cannot be redeemed. The Senior Loan Fund is managed by a four member board of managers, on which we and Masterland have equal representation. Investment decisions generally must be unanimously approved by a quorum of the board of managers. Since we do not have a controlling financial interest in the Senior Loan Fund, it is not consolidated. The Senior Loan Fund is an investment company and measured using the net asset value per share as a practical expedient for fair value.

We along with Masterland had subscribed to fund and contributed the following to the Senior Loan Fund:

Member	March 31, 2020		
	Subscribed to fund	Contributed	Unfunded Commitment
Company	\$ 40.0	\$ 39.0	\$ 1.0
Masterland	40.0	39.0	1.0
Total	\$ 80.0	\$ 78.0	\$ 2.0

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Member	December 31, 2019		
	Subscribed to fund	Contributed	Unfunded Commitment
Company	\$ 40.0	\$ 34.0	\$ 6.0
Masterland	40.0	34.0	6.0
Total	\$ 80.0	\$ 68.0	\$ 12.0

The Senior Loan Fund is capitalized pro rata with LLC equity interest as transactions are completed. The Senior Loan Fund has a revolving credit facility with Royal Bank of Canada (the "RBC Facility"), as amended, which permitted up to \$300.0 million of borrowings as of March 31, 2020. Borrowings under the RBC Facility are secured by all assets of CBDC Senior Loan Sub LLC. The interest rate on the credit facility is London Interbank Offered Rate ("LIBOR"), with no LIBOR floor, plus margin, which ranges between 1.25% and 1.45% based on pricing of the pledged collateral.

As of March 31, 2020, and December 31, 2019, the Senior Loan Fund had total investments in senior secured debt at fair value of \$250.0 million and \$275.1 million.

Below is a summary of the Senior Loan Fund's portfolio, followed by a listing of the individual loans in the Senior Loan Fund's portfolio as of March 31, 2020 and December 31, 2019:

	As of March 31, 2020	As of December 31, 2019
Total senior secured debt ⁽¹⁾	\$ 285,811	\$ 275,624
Weighted average current interest rate on senior secured debt ⁽²⁾	4.2%	4.9%
Number of borrowers in the Senior Loan Fund's portfolio	178	169
Largest loan to a single borrower	\$ 3,500	\$ 3,500
Senior Secured First Lien investments as % of total investments, at fair value	100.0%	100.0%
United States based investments as % of total investments, at fair value	89.0%	89.7%
Non-accrual investments as % of total investments, at cost	0.2%	0.0%

(1) At par amount, including unfunded commitments.

(2) Computed as (a) the annual stated interest rate on accruing senior secured debt, divided by (b) total senior secured debt at par amount, excluding fully unfunded commitments.

Below is selected balance sheet information for the Senior Loan Fund as of March 31, 2020 and December 31, 2019:

	As of March 31, 2020 (Unaudited)	As of December 31, 2019
Selected Balance Sheet Information:		
Total investments, at fair value	\$ 250.0	\$ 275.1
Cash and cash equivalents	20.8	7.9
Other assets	1.2	6.7
Total assets	\$ 272.0	\$ 289.7
Debt (net of deferred financing costs of \$0.3 and \$0.2 million, respectively)	\$ 212.7	\$ 205.8
Other liabilities	14.1	15.0
Total liabilities	\$ 226.8	\$ 220.8
Members' Capital	45.2	68.9
Total liabilities and members' capital	\$ 272.0	\$ 289.7

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Below is selected statements of operations information for the Senior Loan Fund for the three months ended March 31, 2020 and March 31, 2019:

	For the three months ended March 31, 2020	For the three months ended March 31, 2019
Selected Statements of Operations Information:		
Total investment income	\$ 3.5	\$ 0.1
Expenses		
Interest and other debt financing costs	1.6	0.0
Professional fees	0.0	0.1
Other general and administrative expenses	0.1	0.0
Total expenses	<u>1.7</u>	<u>0.1</u>
Net investment income (loss)	<u>1.8</u>	<u>0.0</u>
Net realized gain (loss) on investments	(0.2)	0.0
Net change in unrealized appreciation (depreciation) on investments	<u>(35.3)</u>	<u>(0.5)</u>
Net increase (decrease) in members' capital	\$ (33.7)	\$ (0.5)

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2020, we had \$11.5 million in cash on hand. The primary uses of our cash and cash equivalents are for (1) investments in portfolio companies and other investments; (2) the cost of operations (including paying the Advisor); (3) debt service, repayment, and other financing costs; and, (4) cash distributions to the holders of our common stock.

We expect to generate additional cash from (1) borrowings from our SPV Asset Facility and Corporate Revolving Facility and from other banks, lenders, or future issuances of debt securities; and, (2) cash flows from operations.

As of March 31, 2020, we had \$11.5 million in cash and cash equivalents and restricted cash and cash equivalents and \$156.5 million of undrawn capacity on its revolving credit and special purpose vehicle asset facilities, subject to borrowing base and other limitations.

We expect that the market and business disruption created by the COVID-19 pandemic will impact certain aspects of our liquidity, and we are therefore continuously and critically monitoring our operating results, liquidity and anticipated capital requirements. For example, we saw an unprecedented level of calls for revolver fundings and a slowing in our expected repayments in March. High market spreads and other economic volatility resulted in significant depreciation in the valuations of our investments, which may adversely impact collateral eligibility, which would reduce the availability under our credit facilities. However, the undrawn capacity under our facilities as of March 31, 2020 is well in excess of our unfunded commitments.

As of March 31, 2020, the Company was in compliance with its asset coverage requirements under the 1940 Act. In addition, the Company was in compliance with all the financial covenant requirements of its credit facilities as of March 31, 2020. However, any continued increase in realized or unrealized depreciation of our investment portfolio or further significant reductions in our net asset value as a result of the effects of the COVID-19 pandemic, or otherwise, increase the risk of breaching the relevant covenants requirements. Any breach of these requirements may adversely affect the Company's access to sufficient debt and equity capital.

It is impossible at this time to determine the full scope of this outbreak, or any future outbreaks, how long any such outbreak, market disruption or uncertainties may last, the effect any governmental actions will have or the full potential impact on the Company.

Capital Share Activity

Between June 26, 2015, commencement of operations, and January 31, 2020, the date of the Alcentra Acquisition, we entered into subscription agreements (collectively, the "Subscription Agreements") with several investors, including CCG LP, providing for the private placement of our common shares. Under the terms of the Subscription Agreements, investors were required to fund drawdowns to purchase our common shares up to the amount of their respective capital commitments on an as-needed basis. The remaining unfunded commitments related to these Subscription Agreements were \$44.3 million as of December 31, 2019. As of January 31, 2020, the date the private placement commitments expired, all unfunded commitments were drawn.

Between June 26, 2015, commencement of operations, and January 31, 2020, pursuant to the Subscription Agreements, we issued 23,127,335 of common shares for aggregate proceeds of \$456.3 million. Proceeds from the issuance were used to fund our investing activities and for other general corporate purposes. We have received all amounts relating to the issued capital drawdown notices.

In connection with the Alcentra Acquisition, we issued 5,203,016 shares as part of the consideration paid for net assets acquired.

During the three months ended March 31, 2020, we issued 30,128 shares of our common stock to investors who have opted into our dividend reinvestment plan for proceeds of \$0.6 million. During the three months ended March 31, 2019, we issued 15,149 shares of our common stock to investors who have opted into our dividend reinvestment plan for proceeds of \$0.3 million.

Debt

Debt consisted of the following as of March 31, 2020 and December 31, 2019:

	March 31, 2020				Weighted Average Debt Outstanding	Weighted Average Interest Rate
	Aggregate Principal Amount Committed	Drawn Amount	Amount Available (1)	Carrying Value		
SPV Asset Facility	\$ 350.0	\$ 228.2	\$ 121.8	\$ 228.2	\$ 209.9	3.73%
Corporate Revolving Facility	200.0	165.3	34.7	165.3	149.2	3.91%
Internotes [®]	33.4	33.4	—	33.4	29.8	6.40%
Total Debt	<u>\$ 583.4</u>	<u>\$ 426.9</u>	<u>\$ 156.5</u>	<u>\$ 426.9</u>	<u>\$ 388.9</u>	<u>4.00%</u>

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	December 31, 2019					
	Aggregate Principal Amount Committed	Drawn Amount	Amount Available (1)	Carrying Value	Weighted Average Debt Outstanding	Weighted Average Interest Rate
SPV Asset Facility	\$ 250.0	\$ 220.7	\$ 29.3	\$ 220.7	\$ 201.0	4.40%
Corporate Revolving Facility	200.0	104.7	95.3	104.7	\$ 74.9	4.07%
Total Debt	\$ 450.0	\$ 325.4	\$ 124.6	\$ 325.4	\$ 275.9	4.37%

- (1) The amount available is subject to any limitations related to the respective debt facilities' borrowing bases and foreign currency translation adjustments.

The carrying value of our debt as of March 31, 2020 and December 31, 2019 approximates our fair value as the debt, issued at market terms, includes variable interest rates.

SPV Asset Facility

On March 28, 2016, Crescent Capital BDC Funding, LLC ("CCAP SPV"), a wholly owned subsidiary of CCAP, entered into a loan and security agreement, as amended (the "SPV Asset Facility") with us as the collateral manager, seller and equity holder, CCAP SPV as the borrower, the banks and other financial institutions from time to time party thereto as lenders, and Wells Fargo Bank, National Association ("Wells Fargo"), as administrative agent, collateral agent, and lender. Between February 8, 2017 and March 10, 2020, we entered into multiple amendments to the SPV Asset Facility to increase the facility limit from \$75 million to \$350 million, among other things.

The maximum commitment amount under the SPV Asset Facility is \$350 million, and may be increased with the consent of Wells Fargo or reduced upon our request. Proceeds of the Advances under the SPV Asset Facility may be used to acquire portfolio investments, to make distributions to us in accordance with the SPV Asset Facility, and to pay related expenses. The maturity date is the earlier of: (a) the date the borrower voluntarily reduces the commitments to zero, (b) March 10, 2025 (the Facility Maturity Date) and (c) the date upon which Wells Fargo declares the obligations due and payable after the occurrence of an Event of Default. Borrowings under the SPV Asset Facility bear interest at LIBOR plus a margin with no LIBOR floor. The margin is between 1.65% and 2.20% as determined by the proportion of liquid and illiquid loans pledged to the SPV Asset Facility. We pay unused facility fees of 0.50% per annum on committed but undrawn amounts under the SPV Asset Facility. The SPV Asset Facility includes customary covenants, including certain limitations on the incurrence of additional indebtedness and liens, as well as usual and customary events of default for revolving credit facilities of this nature.

Also on March 28, 2016, we, as seller, and CCAP SPV, as purchaser, entered into a loan sale agreement whereby we will sell certain assets to CCAP SPV. We consolidate CCAP SPV in our consolidated financial statements and no gain or loss is expected to result from the sale of assets to CCAP SPV. We retain a residual interest in assets contributed to or acquired by CCAP SPV through our 100% ownership of CCAP SPV. The facility size is subject to availability under the borrowing base, which is based on the amount of CCAP SPV's assets from time to time, and satisfaction of certain conditions, including an asset coverage test and certain concentration limits.

Corporate Revolving Facility

On August 20, 2019, we entered into the "Corporate Revolving Facility" with Ally Bank ("Ally"), as Administrative Agent and Arranger. Proceeds of the advances under the Revolving Credit Agreement may be used to acquire portfolio investments, to make distributions to us in accordance with the Revolving Credit Agreement and to pay related expenses. The maximum principal amount of the Corporate Revolving Facility is \$200 million, subject to availability under the borrowing base.

Borrowings under the Corporate Revolving Facility bear interest at LIBOR plus a 2.30% margin. We pay unused facility fees of 0.50% per annum on committed but undrawn amounts under the Corporate Revolving Facility. Interest is payable monthly in arrears. Any amounts borrowed under the Corporate Revolving Facility, and all accrued and unpaid interest, will be due and payable, on August 20, 2024.

The Corporate Revolving Facility replaced the prior corporate revolving facility with Capital One, National Association, as Administrative Agent, Lead Arranger, Managing Agent and Committed Lender. The maximum principal amount of the prior corporate revolving facility was \$85 million, subject to availability under the borrowing base.

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Borrowings under the prior corporate revolving facility bore interest at LIBOR plus a margin with no LIBOR floor. We paid unused facility fees of 0.20% per annum on committed but undrawn amounts under the prior corporate revolving facility. Interest was payable monthly in arrears. We paid down in full and terminated the prior corporate revolving facility on August 20, 2019.

InterNotes[®]

On January 31, 2020, in connection with the Alcentra Acquisition, we assumed \$50.3 million of direct unsecured fixed interest rate obligations (“InterNotes[®]”). The majority of InterNotes[®] were issued by Alcentra Corporation between January 2015 and January 2016. On March 11, 2020, we redeemed \$16.9 million of Internotes[®] at par plus \$0.4 million of accrued interest.

These notes are direct unsecured obligations and each series of notes has been issued by a separate trust (administered by U.S. Bank). The notes bear interest at fixed interest rates and offer a variety of maturities no less than twelve months from the original date of issuance.

The summary information regarding the SPV Asset Facility, Corporate Revolving Facility, and InterNotes[®] for the three months ended March 31, 2020 and March 31, 2019, were as follows:

	For the three months ended	
	March 31, 2020	March 31, 2019
Borrowing interest expense	\$ 3.9	\$ 2.6
Unused facility fees	0.2	0.0
Amortization of financing costs	0.3	0.2
Total interest and credit facility expenses	\$ 4.4	\$ 2.8
Weighted average interest rate	4.00%	4.56%
Weighted average outstanding balance	\$ 388.9	\$ 231.7

To the extent we determine that additional capital would allow us to take advantage of additional investment opportunities, if the market for debt financing presents attractively priced debt financing opportunities, or if our Board otherwise determines that leveraging our portfolio would be in our best interest and the best interests of our stockholders, we may enter into credit facilities in addition to our SPV Asset Facility and Corporate Revolving Facility. We would expect any such credit facilities may be secured by certain of our assets and may contain advance rates based upon pledged collateral. The pricing and other terms of any such facilities would depend upon market conditions when we enter into any such facilities as well as the performance of our business, among other factors. In accordance with applicable SEC staff guidance and interpretations, as a BDC, with certain limited exceptions, we are only permitted to borrow amounts such that our asset coverage ratio, as defined in the 1940 Act, is at least 2 to 1 after such borrowing.

The SBCAA, which was signed into law on March 23, 2018, among other things, amended Section 61(a) of the 1940 Act to add a new Section 61(a)(2) that reduces the asset coverage requirement applicable to a BDC from 200% to 150% so long as the BDC meets certain disclosure requirements and obtains certain approvals. The reduced asset coverage requirement would permit a BDC to have a ratio of total consolidated assets to outstanding indebtedness of 2:1 as compared to a maximum of 1:1 under the 200% asset coverage requirement. On March 3, 2020, the Board, including a “required majority” (as such term is defined in Section 57(o) of the 1940 Act) of the Board, approved the application of the modified asset coverage requirement set forth in Section 61(a)(2) of the 1940 Act, as amended by the SBCAA. As a result, our asset coverage requirements for senior securities will be changed from 200% to 150%, effective March 3, 2021. If the stockholder proposal is passed at the Annual Meeting on May 4, 2020, the lower asset coverage requirements will be effective the day after the Annual Meeting.

As of March 31, 2020 and December 31, 2019, our asset coverage ratio was 2.08 to 1 and 2.25 to 1, respectively. We may also refinance or repay any of our indebtedness at any time based on our financial condition and market conditions. See Note 6. Debt to our consolidated financial statements for more detail on the debt facilities.

STOCK REPURCHASE PROGRAM

We entered into a repurchase plan, pursuant to which we agreed to repurchase in open market transactions, subject to compliance with any of the liquidity, covenant, leverage and regulatory requirements and the approval and continuation of such program by the Board in light of its duties under applicable law, shares of our common stock in an aggregate amount of up to \$20.0 million at market prices at any time our common stock trades below ninety percent (90%) of its then-most recently disclosed net asset value per share. The \$20.0 million maximum repurchase amount will be reduced by any amounts provided for under Rule 10b5-1 plans entered into by certain affiliates with respect to its common stock for a similar time period at the same price. Pursuant to the terms of the repurchase plan, repurchases began on March 2, 2020, subject to the trading price of our common stock on that date, and the repurchase plan will be in effect through January 31, 2021.

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For the three months ended March 31, 2020, we repurchased 159,228 shares at an average price per share, including commissions, of \$11.82.

OFF BALANCE SHEET ARRANGEMENTS

Our investment portfolio may contain debt investments that are in the form of lines of credit and unfunded delayed draw commitments, which require us to provide funding when requested by portfolio companies in accordance with the terms of the underlying loan agreements. Unfunded commitments to provide funds to portfolio companies are not reflected on our Consolidated Statements of Assets and Liabilities. Our unfunded commitments may be significant from time to time. These commitments will be subject to the same underwriting and ongoing portfolio maintenance as are the on-balance sheet financial instruments that we hold. Since these commitments may expire without being drawn upon, the total commitment amount does not necessarily represent future cash requirements. As of March 31, 2020 and December 31, 2019, we had aggregate unfunded commitments totaling \$72.0 million and \$82.7 million including foreign denominated commitments converted to USD at the balance sheet date, respectively, under loan and financing agreements.

CRITICAL ACCOUNTING POLICIES

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Changes in the economic environment, financial markets and any other parameters used in determining such estimates could cause actual results to differ materially. The critical accounting policies should be read in connection with our risk factors as disclosed herein.

In addition to the discussion below, our critical accounting policies are further described in Note 2. Summary of Significant Accounting Policies to our consolidated financial statements.

Investment Valuation

We apply Financial Accounting Standards Board ASC 820, *Fair Value Measurement* (ASC 820), as amended, which establishes a framework for measuring fair value in accordance with GAAP and required disclosures of fair value measurements. ASC 820 determines fair value to be the price that would be received for an investment in a current sale, which assumes an orderly transaction between market participants on the measurement date. Market participants are defined as buyers and sellers in the principal or most advantageous market (which may be a hypothetical market) that are independent, knowledgeable, and willing and able to transact. In accordance with ASC 820, we consider our principal market to be the market that has the greatest volume and level of activity. ASC 820 specifies a fair value hierarchy that prioritizes and ranks the level of observability of inputs used in the determination of fair value. In accordance with ASC 820, these levels are summarized below:

Level 1—Valuations based on quoted prices in active markets for identical assets or liabilities that we have the ability to access.

Level 2—Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

In addition to using the above inputs in investment valuations, we apply the valuation policy approved by our Board that is consistent with ASC 820. Consistent with the valuation policy, we evaluate the source of inputs, including any markets in which its investments are trading (or any markets in which securities with similar attributes are trading), in determining fair value. When a security is valued based on prices provided by reputable dealers or pricing services (that is, broker quotes), we subject those prices to various criteria in making the determination as to whether a particular investment would qualify for classification as a Level 2 or Level 3 investment. For example, we review pricing methodologies provided by dealers or pricing services in order to determine if observable market information is being used, versus unobservable inputs. Some additional factors considered include the number of prices obtained as well as an assessment as to their quality.

Transfers between levels, if any, are recognized at the beginning of the period in which the transfers occur. During the three months ended March 31, 2020, the Company recorded \$18.3 million in transfers from Level 2 to Level 3 due to a decrease in observable inputs in market data. During the three months ended March 31, 2019, the Company recorded \$8.4 million in transfers from Level 3 to Level 2 and \$7.5 million in transfers from Level 2 to Level 3 due to an increase and a decrease in observable inputs in market data.

Investments in investment companies are valued at fair value. Fair values are generally determined utilizing the net asset value (“NAV”) supplied by, or on behalf of, management of each investment company, which is net of management and incentive fees or allocations charged by the investment company and is in accordance with the “practical expedient”, as defined by ASC 820. NAVs received by, or on behalf of, management of each investment company are based on the fair value of the investment company’s underlying investments in accordance with policies established by management of each investment company, as described in each of their financial statements and offering memorandum. Investments which are valued using NAV as a practical expedient are excluded from the above hierarchy.

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Investments for which market quotations are readily available are typically valued at those market quotations. To validate market quotations, we utilize a number of factors to determine if the quotations are representative of fair value, including the source and number of the quotations. Debt and equity securities that are not publicly traded or whose market prices are not readily available are valued at fair value as determined in good faith by the Board, based on, among other things, the input of the Advisor, our Audit Committee and independent third-party valuation firms engaged at the direction of the Board.

The Board oversees and supervises a multi-step valuation process, which includes, among other procedures, the following:

- The valuation process begins with each investment being initially valued by the investment professionals responsible for the portfolio investment in conjunction with the portfolio management team.
- The Advisor's management reviews the preliminary valuations with the investment professionals. Agreed upon valuation recommendations are presented to the Audit Committee.
- The Audit Committee reviews the valuations presented and recommends values for each investment to the Board.
- The Board reviews the recommended valuations and determines the fair value of each investment.

We currently conduct this valuation process on a quarterly basis.

In connection with debt and equity securities that are valued at fair value in good faith by the Board, the Board will periodically engage independent third-party valuation firms to estimate a range of fair values for a sample of investments, which are used to corroborate management's fair value estimates.

Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of our investments may fluctuate from period to period. Additionally, the fair value of such investments may differ significantly from the values that would have been used had a ready market existed for such investments and may differ materially from the values that may ultimately be realized. Further, such investments are generally less liquid than publicly traded securities and may be subject to contractual and other restrictions on resale. If we were required to liquidate a portfolio investment in a forced or liquidation sale, we could realize amounts that are different from the amounts presented and such differences could be material.

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 unrealized gains or losses reflected herein. See Note 4. Investments and Note 5. Fair Value of Financial Instruments for additional information on our investment portfolio.

Interest and Dividend Income Recognition

Interest income is recorded on an accrual basis and includes the amortization of purchase discounts and premiums. Discounts and premiums to par value on securities purchased are accreted or amortized into interest income over the contractual life of the respective security using the effective yield method. The amortized cost of investments represents the original cost adjusted for the accretion and amortization of discounts and premiums, if any. Upon prepayment of a loan or debt security, any prepayment premiums, unamortized upfront loan origination fees and unamortized discounts are recorded as interest income.

Dividend income from preferred equity securities is recorded on an accrual basis to the extent that such amounts are payable by the portfolio company and are expected to be collected. Dividend income from common equity securities is recorded on the record date for private portfolio companies or on the ex-dividend date for publicly-traded portfolio companies. Each distribution received from an equity investment is evaluated to determine if the distribution should be recorded as dividend income or a return of capital. Generally, we will not record distributions from equity investments as dividend income unless there is sufficient current or accumulated earnings prior to the distribution. Distributions that are classified as a return of capital are recorded as a reduction of capital are recorded as a reduction in the cost basis of the investment.

Certain investments have contractual payment-in-kind ("PIK") interest or dividends. PIK represents accrued interest or accumulated dividends that are added to the loan principal or cost basis of the investment on the respective interest or dividend payment dates rather than being paid in cash and generally becomes due at maturity or upon being called by the issuer. PIK is recorded as interest or dividend income, as applicable. If at any point we believe PIK is not expected to be realized, the investment generating PIK will be placed on non-accrual status. Accrued PIK interest or dividends are generally reversed through interest or dividend income, respectively, when an investment is placed on non-accrual status.

Loans are generally placed on non-accrual status when principal or interest payments are past due 30 days or more or when there is reasonable doubt that principal or interest will be collected in full. Accrued and unpaid interest is generally reversed when a loan is placed on non-accrual status. Interest payments received on non-accrual loans may be recognized as income or applied to principal depending upon management's judgment regarding collectability. Non-accrual loans are restored to accrual status when past due principal and interest is paid current and, in management's judgment, are likely to remain current. Management may determine to not place a loan on non-accrual status if the loan has sufficient collateral value and is in the process of collection.

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As of March 31, 2020, we had four portfolio company with seven investment positions on non-accrual status, which represented 3.4% and 1.9% of the total debt investments at cost and fair value, respectively. As of December 31, 2019, we had one portfolio company with three investment positions on non-accrual status, which represented 1.9% and 1.0% of the total debt investments at cost and fair value, respectively.

Income Taxes

We have elected to be treated as a BDC under the 1940 Act. We also have elected to be treated as a RIC under the Internal Revenue Code. So long as we maintain our status as a RIC, we will generally not pay corporate-level U.S. federal income or excise taxes on any ordinary income or capital gains that we distribute at least annually to our stockholders as dividends. As a result, any tax liability related to income earned and distributed by us represents obligations of our stockholders and will not be reflected in our consolidated financial statements.

We evaluate tax positions taken or expected to be taken in the course of preparing our consolidated financial statements to determine whether the tax positions are “more-likely-than-not” to be sustained by the applicable tax authority. Tax positions not deemed to meet the “more-likely-than-not” threshold are reversed and recorded as a tax benefit or expense in the current year. All penalties and interest associated with income taxes are included in income tax expense. Conclusions regarding tax positions are subject to review and may be adjusted at a later date based on factors including, but not limited to, on-going analyses of tax laws, regulations and interpretations thereof. We account for income taxes in conformity with ASC Topic 740 — *Income Taxes* (“ASC Topic 740”). ASC Topic 740 provides guidelines for how uncertain tax positions should be recognized, measured, presented and disclosed in financial statements.

In order for us not to be subject to federal excise taxes, we must distribute annually an amount at least equal to the sum of (i) 98% of its ordinary income (taking into account certain deferrals and elections), (ii) 98.2% of its net capital gains from the current year and (iii) any undistributed ordinary income and net capital gains from preceding years. We, at our discretion, may carry forward taxable income in excess of calendar year dividends and pay a 4% excise tax on this income. If we choose to do so, this generally would increase expenses and reduce the amount available to be distributed to stockholders. We accrue excise tax on estimated undistributed taxable income as required on a quarterly basis. For the three months ended March 31, 2020, we expensed an excise tax of \$0.2 million, of which \$0.1 million remained payable. For the three months ended March 31, 2019 we expensed an excise tax of \$0.0 million, of which \$0.0 million remained payable.

CBDC Universal Equity, Inc. and Alcentra BDC Equity Holdings, LLC are taxable entities (“Taxable Subsidiaries”). The Taxable Subsidiaries permit us to hold equity investments in portfolio companies which are “pass through” entities for tax purposes and continue to comply with the “source income” requirements contained in RIC tax provisions of the Code. The Taxable Subsidiaries are not consolidated with us for income tax purposes and may generate income tax expense, benefit, and the related tax assets and liabilities, as a result of their ownership of certain portfolio investments. The income tax expense, or benefit, if any, and related tax assets and liabilities are reflected in our consolidated financial statements.

For the three months ended March 31, 2020 and 2019, we recognized a benefit/(provision) for taxes of \$0.5 million and \$(0.4) million, respectively, on unrealized appreciation/(depreciation) on investments and net operating losses and federal tax credits related to the Taxable Subsidiaries. As of March 31, 2020 and December 31, 2019, \$0.8 million and \$0.9 million, respectively, was included in deferred tax liability on the Consolidated Statements of Assets and Liabilities primarily relating to deferred taxes on unrealized gains on investments held in our corporate subsidiaries and other temporary book to tax differences of the corporate subsidiaries. As of March 31, 2020 and December 31, 2019, \$0.8 million and \$0.4 million, respectively, was included in deferred tax assets on the Consolidated Statements of Assets and Liabilities relating to net operating loss carryforwards and unrealized losses on investments and other temporary book to tax differences that are expected to be used in future periods.

For the three months ended March 31, 2020 and March 31, 2019, there were no realized gains on investments requiring a recognition of a tax provision.

We intend to comply with the applicable provisions of the Code, pertaining to regulated investment companies and to make distributions of taxable income sufficient to relieve it from substantially all federal income taxes. As of March 31, 2020, we are subject to examination by U.S. federal tax authorities for returns filed for the three most recent calendar years and by state tax authorities for returns filed for the four most recent calendar years.

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Recent Developments

On April 9, 2020, our Board of Directors unanimously approved the termination of our stock repurchase program in order to preserve our financial flexibility and liquidity given the potential prolonged impact of COVID-19.

On April 15, 2020, we repaid \$17.0 million of 6.25% InterNotes® at par plus accrued interest.

At the Annual Meeting of Stockholders on May 4, 2020, stockholders approved a proposal to reduce the asset coverage ratio to 150%. Such asset coverage ratio became effective on May 5, 2020.

On May 11, 2020, our Board of Directors declared a regular cash dividend of \$0.41 per share, which will be paid on or about July 15, 2020 to stockholders of record as of June 30, 2020.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are subject to financial market risks, including valuation risk, interest rate risk and currency risk.

Valuation Risk

We have invested, and plan to continue to invest, in illiquid debt and equity securities of private companies. These investments will generally not have a readily available market price, and we will value these investments at fair value as determined in good faith by our Board in accordance with our valuation policy. There is no single standard for determining fair value in good faith. As a result, determining fair value requires that judgment be applied to the specific facts and circumstances of each portfolio investment while employing a consistently applied valuation process for the types of investments we make. If we were required to liquidate a portfolio investment in a forced or liquidation sale, we may realize amounts that are different from the amounts presented and such differences could be material. See Note 2. Summary of Significant Account Policies to our consolidated financial statements for more details on estimates and judgments made by us in connection with the valuation of our investments.

Interest Rate Risk

Interest rate sensitivity refers to the change in earnings that may result from changes in the level of interest rates. We also fund a portion of our investments with borrowings and our net investment income will be affected by the difference between the rate at which we invest and the rate at which we borrow. Accordingly, there can be no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income.

We regularly measure our exposure to interest rate risk. We assess interest rate risk and manage our interest rate exposure on an ongoing basis by comparing our interest rate-sensitive assets to our interest rate-sensitive liabilities. Based on that review, we determine whether or not any hedging transactions are necessary to mitigate exposure to changes in interest rates.

As of March 31, 2020, 96.0% of the investments at fair value in our portfolio were at variable rates, subject to interest rate floors. The SPV Asset Facility and Corporate Revolving Facility also bear interest at variable rates.

Assuming that our Consolidated Statements of Assets and Liabilities as of March 31, 2020 were to remain constant and that we took no actions to alter our existing interest rate sensitivity, the following table shows the annualized impact of hypothetical base rate changes in interest rates (considering interest rate floors for floating rate instruments):

Basis Point Change	Interest Income	Interest Expense	Increase (decrease) in net assets resulting from operations
Up 300 basis points	\$ 25.2	\$ 11.8	\$ 13.4
Up 200 basis points	\$ 16.7	\$ 7.9	\$ 8.8
Up 100 basis points	\$ 8.3	\$ 3.9	\$ 4.4
Down 25 basis points	\$ (2.0)	\$ (1.0)	\$ (1.0)
Down 100 basis points	\$ (4.8)	\$ (3.9)	\$ (0.9)

Although we believe that this analysis is indicative of our existing sensitivity to interest rate changes, it does not adjust for changes in the credit market, credit quality, the size and composition of the assets in our portfolio and other business developments that could affect our net income. Accordingly, we cannot assure you that actual results would not differ materially from the analysis above.

We may in the future hedge against interest rate fluctuations by using hedging instruments such as interest rate swaps, futures, options and forward contracts. While hedging activities may mitigate our exposure to adverse fluctuations in interest rates, certain hedging transactions that we may enter into in the future, such as interest rate swap agreements, may also limit our ability to participate in the benefits of lower interest rates with respect to our portfolio investments.

Currency Risk

From time to time, we may make investments that are denominated in a foreign currency. These investments are converted into U.S. dollars at the balance sheet date, exposing us to movements in foreign exchange rates. We may employ hedging techniques to minimize these risks, but we cannot assure you that such strategies will be effective or without risk to us. We may seek to utilize instruments such as, but not limited to, forward contracts to seek to hedge against fluctuations in the relative values of our portfolio positions from changes in currency exchange rates. To the extent the loan or investment is based on a floating rate, we may seek to utilize interest rate derivatives to hedge our exposure to changes in the associated rate. As of March 31, 2020, we had £9.1 million and €15.9 million notional exposure to foreign currency forward contracts related to investments totaling £9.4 million and €16.5.

ITEM 4. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in our reports 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 principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2020. Based upon that evaluation and subject to the foregoing, our principal executive officer and principal financial officer concluded that, as of March 31, 2020, the design and operation of our disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

(b) Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our consolidated financial statements; providing reasonable assurance that receipts and expenditures of company assets are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect on our consolidated financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a material misstatement of our consolidated financial statements would be prevented or detected.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the Company's internal control over financial reporting was effective as of March 31, 2020.

(c) Changes in Internal Control over Financial Reporting.

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 2020, that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are party to certain lawsuits in the normal course of business, including proceedings relating to the enforcement of our rights under loans to or other contracts with our portfolio companies. In addition, Alcentra Capital was involved in various legal proceedings that we assumed in connection with the Alcentra Acquisition. Furthermore, third parties may try to seek to impose liability on us in connection with our activities or the activities of our portfolio companies. While the outcome of any such legal proceedings cannot at this time be predicted with certainty, we do not expect that these legal proceedings will materially affect our business, financial condition or results of operations.

On or about December 23, 2019, stockholders of Alcentra Capital filed two virtually identical stockholder class action complaints purportedly on behalf of holders of the common stock of Alcentra Capital against the members of Alcentra Capital's board of directors and certain former Alcentra Capital officers, in the Circuit Court for Baltimore City, Maryland alleging that the defendants breached their fiduciary duties to the public stockholders of Alcentra Capital by commencing a sales process allegedly in response to certain actions by Stilwell Value Partners VII, Stilwell Activist Fund, Stilwell Activist Investments, and Stilwell Associates, and by omitting allegedly material information concerning the transaction, the resignation of certain directors of Alcentra, and the financial analysis and fairness opinion of Houlihan Lokey from the joint proxy statement filed with the SEC on December 11, 2019 as part of the registration statement relating to the Alcentra Acquisition. The complaints seek to recover compensatory damages for all losses resulting from the alleged breaches of fiduciary duty. We assumed indemnification responsibilities owed by Alcentra to its former directors and officers with respect to this proceeding in connection with the Alcentra Acquisition. We believe that these claims are without merit.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, which could materially affect our business, financial condition and/or operating results. These risks are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition and/or operating results.

Events outside of our control, including public health crises such as COVID-19, may negatively affect the results of our operations.

An outbreak of infectious respiratory illness caused by a novel coronavirus known as “COVID-19” was first detected in China in December 2019 and has now been detected globally. On March 11, 2020, the World Health Organization announced that it had made the assessment that COVID-19 can be characterized as a pandemic. COVID-19, and concern about its spread has resulted in severe disruptions to global financial markets, restrictions on travel and gatherings of any measurable amount of people, including quarantines, expedited and enhanced health screenings, business and school closings, disruptions to employment and supply chains and reduced productivity, all of which have severely impacted business activity in virtually all economies, markets and sectors and negatively impacted the value of many financial and other assets.

The current economic situation and the unprecedented measures taken by state, local and national governments around the world to combat the spread of COVID-19 and its economic impacts, as well as various social, political and psychological tensions in the United States and around the world, may continue to contribute to severe market disruptions and volatility and reduced economic activity, may have long-term negative effects on the U.S. and worldwide financial markets and economy and may cause further economic uncertainties in the United States and worldwide. It is difficult to predict how long the financial markets and economic activity will continue to be impacted by these events and we cannot predict the effects of these or similar events in the future on the U.S. economy and securities markets. Potential consequences of the current unprecedented measures taken in response to the spread of COVID-19, and current market disruptions and volatility in regards to us include, but are not limited to:

- sudden, unexpected and/or severe declines in the market price of our securities or net asset value;
- inability of us to accurately or reliably value its portfolio;
- inability of us to comply with certain asset coverage ratios that would prevent us from paying dividends to our common stockholders and that could result breaches of covenants or events of default under our credit agreement or debt indentures;
- inability of us to pay any dividends and distributions or service its debt;
- inability of us to maintain our status as a regulated investment company under the Code;
- potentially severe, sudden and unexpected declines in the value of our investments;
- increased risk of default or bankruptcy by the companies in which we invest;
- increased risk of companies in which we invest being unable to weather an extended cessation of normal economic activity and thereby impairing their ability to continue functioning as a going concern;
- reduced economic demand resulting from mass employee layoffs or furloughs in response to governmental action taken to slow the spread of COVID-19, which could impact the continued viability of the companies in which we invest;
- companies in which we invest being disproportionately impacted by governmental action aimed at slowing the spread of COVID-19 or mitigating its economic effects;
- limited availability of new investment opportunities;
- inability of us to replace our existing leverage when it becomes due or to replace it on terms as favorable as our existing leverage;
- a reduction in interest rates, including interest rates based on LIBOR and similar benchmarks, which may adversely impact our ability to lend money at attractive rates; and
- general threats to our ability to continue investment operations and to operate successfully as a business development company.

It is virtually impossible to determine the ultimate impact of COVID-19 at this time. Accordingly, an investment in us is subject to an elevated degree of risk as compared to other market environments.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**Stock Repurchase Program**

In connection with the closing of the Alcentra Acquisition, we entered into a repurchase plan, pursuant to which we agreed to repurchase in open market transactions, subject to compliance with any of the liquidity, covenant, leverage and regulatory requirements and the approval and continuation of such program by the Board in light of its duties under applicable law, shares of our common stock in an aggregate amount of up to \$20.0 million at market prices at any time our common stock trades below ninety percent (90%) of its then-most recently disclosed net asset value per share. The \$20.0 million maximum repurchase amount will be reduced by any amounts provided for under Rule 10b5-1 plans entered into by certain affiliates with respect to its common stock for a similar time period at the same price. Pursuant to the terms of the repurchase plan, repurchases began on March 2, 2020, subject to the trading price of our common stock on that date, and the repurchase plan will be in effect through January 31, 2021.

We have provided our stockholders with notice of our ability to repurchase shares of our common stock in accordance with 1940 Act requirements. We will retire immediately all such shares of common stock that we purchase in connection with the stock repurchase program.

On April 9, 2020, our Board of Directors unanimously approved the suspension of our stock repurchase program.

The following table presents information with respect to our stock repurchase program during the three months ended March 31, 2020.

	For the three months ended	
	March 31,	
	2020	2019
Dollar amount repurchased	\$ 1.9	\$ —
Share repurchased	159,228	—
Average price per share (including commission)	\$ 11.82	\$ —
Weighted average discount to net asset value(1)	39.12%	—

- (1) Weighted average discount is calculated using the December 31, 2019 proforma combined NAV of \$19.42 per share assuming the effect of the Alcentra Acquisition.

Issuer purchases of equity securities

The following table provides information regarding purchases of our common shares in connection with the stock repurchase plan for each month in the three month period ended March 31, 2020:

Period	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
January 2020	\$ —	—	\$ —
February 2020	—	—	—
March 2020	11.82	159,228	18.1
Total	\$ 11.82	159,228	\$ 18.1

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. OTHER INFORMATION

None.

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ITEM 5. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this Quarterly Report:

1. Financial Statements—Financial statements are included in Item 1. See the Index to the Consolidated Financial Statements on page F-1 of this quarterly report on Form 10-Q.
2. Financial Statement Schedules—None. We have omitted financial statements schedules because they are not required or are not applicable, or the required information is shown in the consolidated financial statements or notes to the consolidated financial statements included in this quarterly report on Form 10-Q.
3. Exhibits—The following is a list of all exhibits filed as a part of this quarterly report on Form 10-Q, including those incorporated by reference.
 - 2.1 [Agreement and Plan of Merger, dated August 12, 2019, by and among the Company, Atlantis Acquisition Sub, Inc., Alcentra Capital Corporation and Crescent Cap Advisors, LLC \(formerly CBDC Advisors, LLC\) \(incorporated by reference to Exhibit 2.1 to the Company's current report on Form 8-K filed on August 13, 2019\).](#)
 - 2.2 [Amendment No. 1, dated September 27, 2019, to Agreement and Plan of Merger by and among the Company, Atlantis Acquisition Sub, Inc., Alcentra Capital Corporation and Crescent Cap Advisors, LLC \(incorporated by reference to Annex B to the Company's Preliminary Proxy Statement filed on October 3, 2019\).](#)
 - 2.3 [Agreement and Plan of Merger, dated September 27, 2019, by and between the Company and Crescent Reincorporation Sub, Inc. \(incorporated by reference to Exhibit 2.3 to the Company's quarterly report on Form 10-Q filed on November 7, 2019\).](#)
 - 3.1 [Articles of Amendment and Restatement \(incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed on January 30, 2020\).](#)
 - 3.2 [Amended and Restated Bylaws \(incorporated by reference to Exhibit 3.2 to the Company's Form 8-K filed on January 30, 2020\).](#)
 - 4.1 [Amended and Restated Dividend Reinvestment Plan \(incorporated by reference to Exhibit 4.1 to the Company's current report on Form 10-K filed on March 4, 2020\).](#)
 - 4.2 [Form of Base Indenture \(incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed on February 3, 2020\).](#)
 - 4.3 [Form of Supplemental Indenture \(incorporated by reference to Exhibit 4.2 to the Company's Form 8-K filed on February 3, 2020\).](#)
 - 4.4 [Form of First Supplemental Indenture relating to the Alcentra Capital InterNotes® 6.500% Notes due 2022 \(incorporated by reference to Exhibit 4.3 to the Company's Form 8-K filed on February 3, 2020\).](#)
 - 4.5 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.500% Notes due 2022 \(included as Exhibit A to the Form of First Supplemental Indenture\) \(incorporated by reference to Exhibit 4.4 to the Company's Form 8-K filed on February 3, 2020\).](#)
 - 4.6 [Form of Seventh Supplemental Indenture relating to the Alcentra Capital InterNotes® 6.750% Notes due 2022 \(incorporated by reference to Exhibit 4.5 to the Company's Form 8-K filed on February 3, 2020\).](#)
 - 4.7 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.750% Notes due 2022 \(included as Exhibit A to the Form of Seventh Supplemental Indenture\) \(incorporated by reference to Exhibit 4.6 to the Company's Form 8-K filed on February 3, 2020\).](#)
 - 4.8 [Form of Eighth Supplemental Indenture relating to the Alcentra Capital InterNotes® 6.25% Notes due 2020 \(incorporated by reference to Exhibit 4.77 to the Company's Form 8-K filed on February 3, 2020\).](#)
 - 4.9 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.25% Notes due 2020 \(included as Exhibit A to the Form of Eighth Supplemental Indenture\) \(incorporated by reference to Exhibit 4.8 to the Company's Form 8-K filed on February 3, 2020\).](#)
 - 4.10 [Form of Ninth Supplemental Indenture relating to the Alcentra Capital InterNotes® 6.50% Notes due 2020 \(incorporated by reference to Exhibit 4.9 to the Company's Form 8-K filed on February 3, 2020\).](#)

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- 4.11 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.50% Notes due 2020 \(included as Exhibit A to the Form of Ninth Supplemental Indenture\) \(incorporated by reference to Exhibit 4.10 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.12 [Form of Tenth Supplemental Indenture relating to the Alcentra Capital InterNotes® 6.50% Notes due 2021 \(incorporated by reference to Exhibit 4.11 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.13 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.50% Notes due 2021 \(included as Exhibit A to the Form of Tenth Supplemental Indenture\) \(incorporated by reference to Exhibit 4.12 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.14 [Form of Eleventh Supplemental Indenture relating to the Alcentra Capital InterNotes® 6.50% Notes due 2021 \(incorporated by reference to Exhibit 4.13 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.15 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.50% Notes due 2021 \(included as Exhibit A to the Form of Eleventh Supplemental Indenture\) \(incorporated by reference to Exhibit 4.14 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.16 [Form of Twelfth Supplemental Indenture relating to the Alcentra Capital InterNotes® 6.50% Notes due 2021 \(incorporated by reference to Exhibit 4.15 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.17 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.50% Notes due 2021 \(included as Exhibit A to the Form of Twelfth Supplemental Indenture\) \(incorporated by reference to Exhibit 4.16 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.18 [Form of Thirteenth Supplemental Indenture relating to the Alcentra Capital InterNotes® 6.375% Notes due 2021 \(incorporated by reference to Exhibit 4.17 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.19 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.375% Notes due 2021 \(included as Exhibit A to the Form of Thirteenth Supplemental Indenture\) \(incorporated by reference to Exhibit 4.18 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.20 [Form of Fourteenth Supplemental Indenture relating to the Alcentra Capital InterNotes® 6.375% Notes due 2021 \(incorporated by reference to Exhibit 4.19 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.21 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.375% Notes due 2021 \(included as Exhibit A to the Form of Fourteenth Supplemental Indenture\) \(incorporated by reference to Exhibit 4.20 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.22 [Form of Fifteenth Supplemental Indenture relating to the Alcentra Capital InterNotes® 6.375% Notes due 2021 \(incorporated by reference to Exhibit 4.21 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.23 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.375% Notes due 2021 \(included as Exhibit A to the Form of Fifteenth Supplemental Indenture\) \(incorporated by reference to Exhibit 4.22 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.24 [Form of Sixteenth Supplemental Indenture relating to the Alcentra Capital® Internotes 6.375% Notes due 2021 \(incorporated by reference to Exhibit 4.23 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.25 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.375% Notes due 2021 \(included as Exhibit A to the Form of Sixteenth Supplemental Indenture\) \(incorporated by reference to Exhibit 4.24 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.26 [Form of Seventeenth Supplemental Indenture relating to the Alcentra Capital® Internotes 6.25% Notes due 2021 \(incorporated by reference to Exhibit 4.25 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.27 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.25% Notes due 2021 \(included as Exhibit A to the Form of Seventeenth Supplemental Indenture\) \(incorporated by reference to Exhibit 4.26 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.28 [Form of Eighteenth Supplemental Indenture relating to the Alcentra Capital® Internotes 6.25% Notes due 2021 \(incorporated by reference to Exhibit 4.27 to the Company's Form 8-K filed on February 3, 2020\).](#)

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- 4.29 [Form of Global Note relating to the Alcentra Capital InterNotes® 6.25% Notes due 2021 \(included as Exhibit A to the Form of Eighteenth Supplemental Indenture\) \(incorporated by reference to Exhibit 4.28 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.30 [Form of Nineteenth Supplemental Indenture by and among Alcentra Capital Corporation, the Company and U.S. Bank National Association relating to the assumption of the Alcentra Capital InterNotes® \(incorporated by reference to Exhibit 4.29 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 4.31 [Description of Securities \(incorporated by reference to Exhibit 4.31 to the Company's current report on Form 10-K filed on March 4, 2020\).](#)
- 10.1 [Amended and Restated Investment Advisory Agreement by and between the Company and Crescent Cap Advisors, LLC \(incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 10.2 [Loan and Security Agreement, dated August 20, 2019, by and among the Company, as the Borrower, and certain banks and other financial intuitions party thereto from time to time as lenders and Ally Bank, as administrative agent, arranger and lender \(incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on August 20, 2019\).](#)
- 10.3 [Amended and Restated Administration Agreement by and between the Company and CCAP Administration LLC \(incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed on February 3, 2020\).](#)
- 10.4 [Trademark License Agreement, dated April 30, 2015, by and between the Company and CCG LP \(incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form 10 \(File No. 000-55380\) filed on June 5, 2015\).](#)
- 10.5 [Form of Indemnification Agreement \(incorporated by reference to Exhibit 10.3 to the Company's Form 8-K filed on January 31, 2020\).](#)
- 10.6 [Form of Advisory Fee Waiver Agreement by and between the Company and the Advisor \(incorporated by reference to Exhibit 10.4 to the Company's Registration Statement on Form 10 \(File No. 000-55380\) filed on June 5, 2015\).](#)
- 10.7 [Amended and Restated Advisory Fee Waiver Agreement, dated August 7, 2018, by and between the Company and the Advisor \(incorporated by reference to Exhibit 10.11 to the Company's current report on Form 10-Q filed on August 10, 2018\).](#)
- 10.8 [Form of Subscription Agreement \(incorporated by reference to Exhibit 10.5 to the Company's Registration Statement on Form 10 \(File No. 000-55380\) filed on June 5, 2015\).](#)
- 10.9 [Custodian Agreement by and between the Company and State Street Bank and Trust Company \(incorporated by reference to Exhibit 10.7 to the Company's Registration Statement on Form 10 \(File No. 000-55380\) filed on June 5, 2015\).](#)
- 10.10 [Revolving Credit Agreement, dated June 29, 2015, among the Company, as Borrower, Natixis, New York Branch, as Administrative Agent and Lender \(incorporated by reference to Exhibit 3.2 to the Company's Registration Statement on Form 8-K filed on July 2, 2015\).](#)
- 10.11 [Loan and Security Agreement, dated March 28, 2016, among the Company as the Collateral Manager, Seller and Equityholder, Crescent Capital BDC Funding, LLC as the Borrower, the banks and other financial institutions from time to time party thereto as Lenders, and Wells Fargo Bank, National Association, as Administrative Agent, Collateral Agent, and Lender \(incorporated by reference to Exhibit 10.1 to the Company's copy of the Loan and Security Agreement on Form 8-K filed on March 28, 2016\).](#)
- 10.12 [Second Amendment to Loan and Security Agreement, dated September 28, 2018, among the Company as the Collateral Manager, Seller and Equityholder, Crescent Capital BDC Funding, LLC as the Borrower, the banks and other financial institutions from time to time party thereto as Lenders, and Wells Fargo Bank, National Association, as Administrative Agent, Collateral Agent, and Lender \(incorporated by reference to Exhibit 10.12 to the Company's current report on Form 10-Q filed on November 9, 2018\).](#)
- 10.13 [Third Amendment to Loan and Security Agreement, dated April 9, 2019, among Crescent Capital BDC, Inc., as the collateral manager, seller and equityholder, Crescent Capital BDC Funding, LLC, as the borrower, the banks and other financial institutions from time to time party thereto as lenders, and Wells Fargo Bank, National Association, as administrative agent, collateral agent, and lender \(incorporated by reference to Exhibit 10.13 to the Company's Current Report on Form 10-Q, filed on May 10, 2019\).](#)
- 10.14 [Revolving Credit Agreement, dated June 29, 2017, among the Company, as Borrower, Capital One, National Association, as Administrative Agent, Lead Arranger, Managing Agent and Committed Lender \(incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form 8-K filed on June 30, 2017\).](#)

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- 10.15 [First Amendment to Revolving Credit Agreement, dated June 29, 2018, among the Company, as Borrower, Capital One, National Association, as Administrative Agent, Lead Arranger, Managing Agent and Committed Lender \(incorporated by reference to Exhibit 10.10 to the Company's current report on Form 10-Q filed on August 10, 2018\).](#)
- 10.16 [Second Amendment to Revolving Credit Agreement, dated June 13, 2019, among the Company, as Borrower, Capital One, National Association, as Administrative Agent, Lead Arranger, Managing Agent and Committed Lender \(incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 10-Q, filed on August 13, 2019\).](#)
- 10.17 [Transaction Support Agreement, dated August 12, 2019, between Crescent Capital BDC, Inc. and Crescent Cap Advisors, LLC \(f/k/a CBDC Advisors, LLC\), \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K \(File No. 814-01132\), filed on August 13, 2019\).](#)
- 10.18 [Conformed Loan and Security Agreement \(conformed through Amendment No. 4\) \(incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on March 17, 2020\)](#)
- 14.1 [Code of Ethics \(incorporated by reference to Exhibit 14.1 to the Company's current report on Form 10-K filed on March 4, 2020\).](#)
- 21.1 [Subsidiaries of Crescent Capital BDC Inc. \(incorporated by reference to Exhibit 21.1 to the Company's current report on Form 10-K filed on March 4, 2020\).](#)
- 31.1 [Certification of Chief Executive Officer, Pursuant to Rule 13a-14\(a\), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 \(filed herewith\).](#)
- 31.2 [Certification of Chief Financial Officer, Pursuant to Rule 13a-14\(a\), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 \(filed herewith\).](#)
- 32 [Certification of Chief Executive Officer and Chief Financial Officer, Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 \(filed herewith\).](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Crescent Capital BDC, Inc.

Date: May 12, 2020

By: /s/ Jason A. Breaux
Jason A. Breaux
Chief Executive Officer

Date: May 12, 2020

By: /s/ Gerhard Lombard
Gerhard Lombard
Chief Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Jason A. Breaux, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q of Crescent Capital 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 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)) 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 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 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.

Date: May 12, 2020

By: /s/ Jason A. Breaux
Jason A. Breaux
Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Gerhard Lombard, certify that:

- (1) I have reviewed this Quarterly Report on Form 10-Q of Crescent Capital 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 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)) 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 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 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.

Date: May 12, 2020

By: /s/ Gerhard Lombard
Gerhard Lombard
Chief Financial Officer

**Certifications of Chief Executive Officer and Chief Financial Officer 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 on Form 10-Q of Crescent Capital BDC, Inc. (the "Company") for the quarter ended March 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company, does hereby certify, to the best of such officer's knowledge and belief, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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/ Jason A. Breaux

Name: Jason A. Breaux
Title: Chief Executive Officer
Date: May 12, 2020

/s/ Gerhard Lombard

Name: Gerhard Lombard
Title: Chief Financial Officer
Date: May 12, 2020