

# BlackRock TCP Capital Corp.

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Investor presentation

June 30, 2024

**BlackRock**<sup>®</sup>



# Second Quarter 2024 Financial Highlights and Portfolio Overview

## Continued strong financial performance

- Adjusted NII<sup>1</sup> of \$0.38 per share, exceeded the second quarter dividend per share of \$0.34 paid on June 28; Annualized adjusted NII ROE of 14% for the second quarter
- Declared a third quarter dividend of \$0.34 per share, payable on September 30, to shareholders of record as of the close of business on September 16
- Continuous coverage of the dividend with net investment income each quarter as a public company; adjusted dividend coverage ratio of 112% in Q2 2024

## Diversified portfolio with an emphasis on less-cyclical businesses

- Total portfolio fair value of \$2.0 billion diversified across 158 portfolio companies
- 91% invested in senior secured debt; 81% of the total portfolio is 1st lien
- Weighted average yield of the performing debt portfolio is 13.7%<sup>2</sup>
- Q2 2024 total acquisitions of \$130 million; dispositions of \$185 million
- Weighted average internal portfolio risk rating of 1.50, as of June 30, 2024, vs 1.56 as of March 31, 2024<sup>3</sup>

## Flexible capital with available liquidity

- Diverse leverage program totaling \$1.9 billion, with well laddered maturities
- 74% of outstanding leverage as of June 30 is unsecured
- \$780 million of available liquidity, including \$585 million of available borrowing capacity
- Net regulatory leverage ratio of 1.13x, well within our 2:1 regulatory leverage limitation and internal target of 0.9x -1.20x

<sup>1</sup> Amount excludes the impact of amortization of purchase discount recorded in connection the closing of the merger ("Merger") with BlackRock Capital Investment Corporation ("BCIC") on March 18, 2024. See slide 20 for further description of non-GAAP financial measures.

<sup>2</sup> Weighted average annual effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes market discount, any prepayment and make-whole fee income, and non-accrual and non-income producing loans. Weighted average effective yield on the total portfolio (including non-accrual and non-income producing loans and equity investments) was 12.4% as of 6/30/2024.

<sup>3</sup> For detail on the internal rating system, please see the slide 21.

Past performance does not guarantee future returns.

# Overview of BCIC Merger Transaction

## Merger Structure

- On March 18, 2024, TCPC acquired 100% of BCIC assets and liabilities in a stock-for-stock transaction
- Shares of BCIC common stock were exchanged for shares of TCPC common stock on a NAV-for-NAV basis resulting in issuance of 0.3834 shares of TCPC common stock for each share of BCIC common stock
- Combined company continues to trade on the Nasdaq Global Select Market under the ticker symbol “TCPC”

## Investment Team

- TCPC investment team continues to manage the combined Company’s portfolio and investments
- The Advisor has more than 23 years’ experience in direct lending across multiple market cycles

## Additional Transaction Benefits Agreed to by the Advisor

- **Fee Reduction:**
  - A **management fee reduction from 1.50% to 1.25%** for assets equal to or below 200% of the net asset value of TCPC<sup>1</sup>
  - TCPC’s incentive fee structure to remain unchanged at 17.5% over a 7% cumulative total return hurdle
- **NII Coverage:** A waiver of all or a portion of advisory fees to the extent the adjusted net investment income of TCPC on a per share basis<sup>2</sup> is less than \$0.32 per share in any of the first 4 fiscal quarters ending after the closing of the transaction<sup>3</sup>
- **Transaction Costs: Advisor covered 50% of merger transaction costs** for both TCPC and BCIC

## Combined Portfolio

- \$2.0 billion combined portfolio with 91% in senior secured debt and 81% in first lien assets<sup>4</sup>
- Diversified portfolio of 158 portfolio companies with significant overlap<sup>4</sup>

<sup>1</sup> Management fee on assets that exceed 200% of the net asset value of TCPC will remain 1.00%.

<sup>2</sup> Determined by dividing the adjusted net investment income of TCPC by the weighted average outstanding shares of TCPC during the relevant quarter.

<sup>3</sup> Beginning March 31, 2024, which is the quarter in which the Merger closing occurred.

<sup>4</sup> As of June 30, 2024.

# Middle market lending — an enduring opportunity

## Market size

~200,000 U.S. Middle Market businesses representing one-third of private sector GDP.<sup>1</sup>

## Continued growth

Through the first half of 2024, year-over-year revenue growth for Middle Market companies reached 12.9%.<sup>1</sup>

## Strong credit performance

Middle Market loans have historically experienced lower loss rates than broadly syndicated loans.<sup>2</sup>

**Middle market lending remains an attractive alternative to the broadly syndicated loan market for companies seeking capital for business expansion or acquisition.**

- Ability for borrowers to obtain customized solutions.
- Ease, speed and certainty of execution.
- Increase in dedicated capital to the sector.
- Ability to fill void created by banks' pullback in lending.
- Value in establishing long-term relationships between borrowers, lenders and private equity sponsors.

<sup>1</sup> Source: National Center for The Middle Market as of June 30, 2024.

<sup>2</sup> S&P, Fitch U.S. Leveraged Loan Default Insights.

# Diversified portfolio: emphasis on less-cyclical businesses

## **Robust downside analysis**

performed at underwriting, with an emphasis on companies and industries that can withstand periods of economic stress.

## **Portfolio emphasis on less-cyclical companies**

with strong covenants; investments in cyclical companies typically structured with significant collateral protections.

## **Each portfolio company investment subject to rigorous quarterly review**

process to identify and address new risks if they arise, including future capital needs or potential covenant breaches.

**Substantially all investments subject to independent 3rd party valuation process every quarter.**

# Diversified portfolio: emphasis on less-cyclical businesses

## Industry diversification<sup>1</sup>



■ 13.8% Internet Software and Services  
■ 7.9% Diversified Consumer Services  
■ 3.4% Hotels, Restaurants and Leisure

■ 12.6% Software  
■ 6.5% Professional Services  
■ 3.1% IT Services

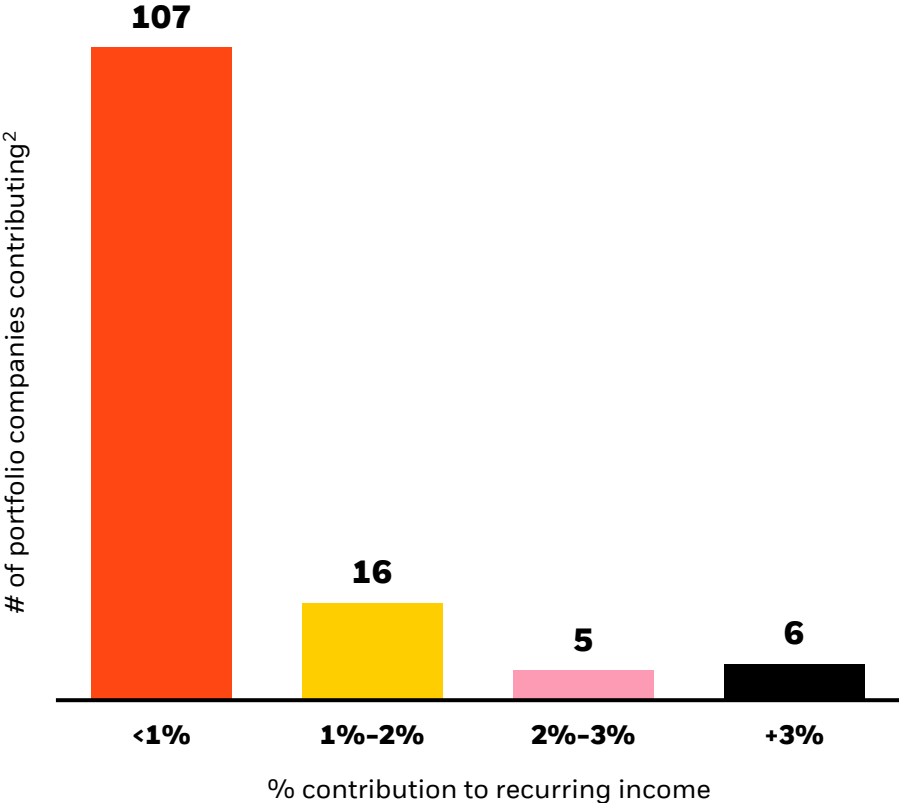
■ 12.0% Diversified Financial Services  
■ 3.7% Health Care Technology  
■ 37.0% Other

<sup>1</sup> Industry classification system generally categorizes portfolio companies based on the primary end market served, rather than the product or service directed to those end markets. Data as of June 30, 2024. "Other" category includes industries less than 3% of total investments.

**Past performance does not guarantee future returns.**

# Diversified portfolio: conservatively positioned

## Diversified income contribution



**\$2.0 billion**

portfolio fair value

**91%**

of portfolio is senior secured debt

**13.7%**

weighted average effective yield on debt portfolio<sup>1</sup>

**More than 75%**

of our portfolio companies contribute <1% to recurring income

<sup>1</sup> Weighted average annual effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes market discount, any prepayment and make-whole fee income, and non-accrual and non-income producing loans. Weighted average effective yield on the total portfolio (including non-accrual and non-income producing loans and equity investments) was 12.4% as of 6/30/2024.

<sup>2</sup> Excludes non-accrual debt investments and non-income producing equity investments.

Past performance does not guarantee future returns.

# Strategically positioned balance sheet

## Predominantly first lien, floating rate asset portfolio:

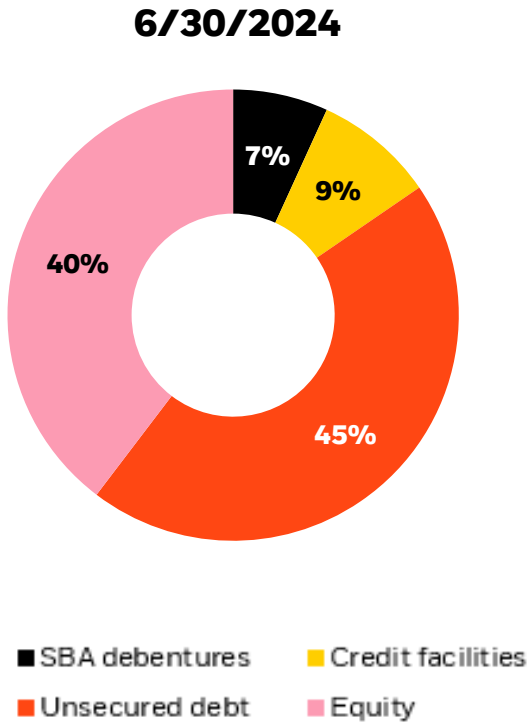
	6/30/2024 <sup>1</sup>
First lien	81%
Second lien	10%
Junior	1%
Equity	8%

	6/30/2024 <sup>2</sup>
Floating rate	93%
Fixed rate	7%

## Loans on non-accrual:

	6/30/2024
% of FV	4.9%
% of Cost	10.5%

## Diverse capital structure<sup>3</sup>



<sup>1</sup> As a percent of total investments at fair value as of June 30, 2024.

<sup>2</sup> As a percent of debt investments at fair value as of June 30, 2024.

<sup>3</sup> SBA Debentures structured as long-term facilities and not subject to regulatory minimum asset coverage.



# Well-covered dividend

**Adjusted net investment income of \$0.38 per share in Q2 2024<sup>1</sup>.**

Out-earned quarterly dividend of \$0.34 per share paid on June 28, 2024.

**Declared Q3 2024 dividend of \$0.34 per share**

Payable on September 30, 2024, to shareholders of record as of September 16, 2024.

## Consistent coverage of the regular dividend every quarter since IPO in 2012

	2012 <sup>2,3</sup>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Q1 2024 <sup>4</sup>	Q2 2024 <sup>4</sup>
(Per share)														
<b>Regular dividend</b>	\$1.04	\$1.43	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.32	\$1.20	\$1.22	\$1.34	\$0.34	\$0.34
<b>Net investment income</b>	\$1.42	\$1.65	\$1.55	\$1.64	\$1.51	\$1.59	\$1.59	\$1.61	\$1.44	\$1.26	\$1.53	\$1.85	\$0.45	\$0.38
<b>Regular dividend coverage</b>	137%	115%	108%	114%	105%	110%	110%	112%	109%	105%	125%	138%	132%	112%
<b>Special dividend</b>	\$0.05	\$0.10	\$0.10								\$0.05	\$0.35		

<sup>1</sup> Amounts shown reflect the impact of the purchase discount recorded in connection with the Merger and were computed based on the actual amounts earned or incurred by the Company divided by the actual shares outstanding in the respective accounting periods before and after the closing of the Merger on March 18, 2024. See slide 20 for further description of non-GAAP financial measures.

<sup>2</sup> Incentive compensation was waived from the date of the IPO to January 1, 2013.

<sup>3</sup> Dividends and net investment income in 2012 reflect the 3 quarters post-IPO (Q2, Q3 and Q4).

<sup>4</sup> Net investment income and regular dividend coverage ratio reflect are based on adjusted net investment income. See slide 20 for further description of non-GAAP financial measures.

**There is no guarantee that quarterly distributions will continue to be made at historical levels.**

# Competitive advantages of BlackRock

**BlackRock's investment platform creates substantial scale and scope that provides insight, access and expertise in sourcing, underwriting and managing differentiated investments.**

## Global credit expertise

\$86 billion in AUM across private debt classes globally.<sup>1</sup>

416 private debt employees.<sup>2</sup>

## Information edge

Broad access to management teams.

Expertise across asset classes, investment styles, products and industries.

## One stop shop

Full range of strategies and risk profiles.

Global presence: North America, Europe and Asia.

## Dedicated team with experience

Cycle-tested team organized along 19 industry verticals with an emphasis on less competitive situations.

Over two decades managing global credit strategies.

## Differentiated sourcing

One of the largest credit counterparties globally.

Strong market access and corporate relationships.

## Strong risk management

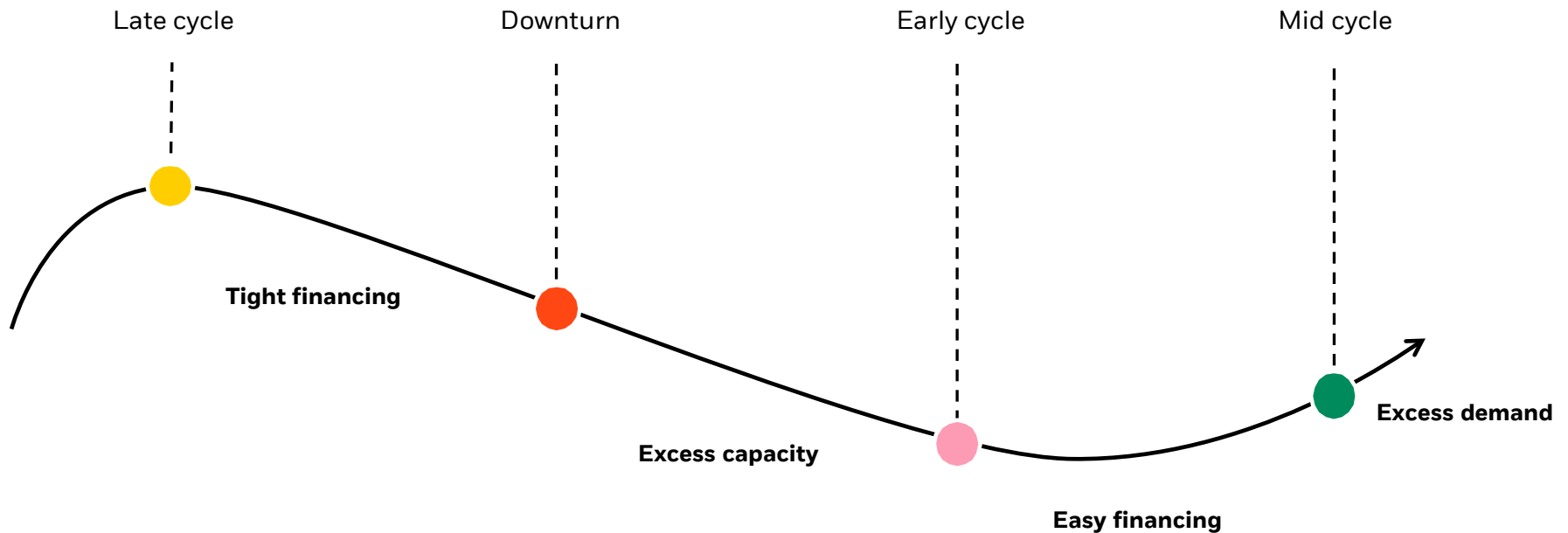
Firm-wide culture of risk management.

Dedicated risk professionals with independent reporting lines.

<sup>1</sup> AUM as of March 31, 2024. Please note that AUM is inclusive of internal BlackRock allocations where applicable. The AUM figures are presented in US dollars. AUM balances for funds denominated in currencies other than US dollars have been converted to US dollars at the rate prevailing at the reporting date.

<sup>2</sup> Private debt employees reflects Private Debt investment professionals and supporting functions as of March 31, 2024.

# Well-positioned to manage through the cycle



## Strategy attributes are well-positioned to withstand a downturn.

- ✓ Senior secured, top of the capital structure.
- ✓ Significant cushion below investment (generally, 40-60%).
- ✓ Financial and maintenance covenants.
- ✓ Diverse portfolio by issuer, industry and sector.
- ✓ Investment segment governed by consistent and predictable bankruptcy laws.
- ✓ Cycle-tested team with proven track record.
- ✓ Depth of workout and restructuring expertise.
- ✓ Repeat borrowers are an important source of originations, accounting for more than half of assets invested over the last twelve months.

Source: BlackRock. As of June 30, 2024.

# Net asset value (“NAV”) bridge — second quarter 2024

Quarter over quarter NAV decreased, primarily driven by net realized loss and unrealized mark to market on the portfolio.



<sup>1</sup> Amounts are adjusted to remove the impact of purchase discount amortization for the period. See slide 20 for further description of non-GAAP financial measures.

**Past performance does not guarantee future returns.**

# Strong track record

## Book value per share and dividends paid

Annualized return on invested assets:<sup>1</sup>

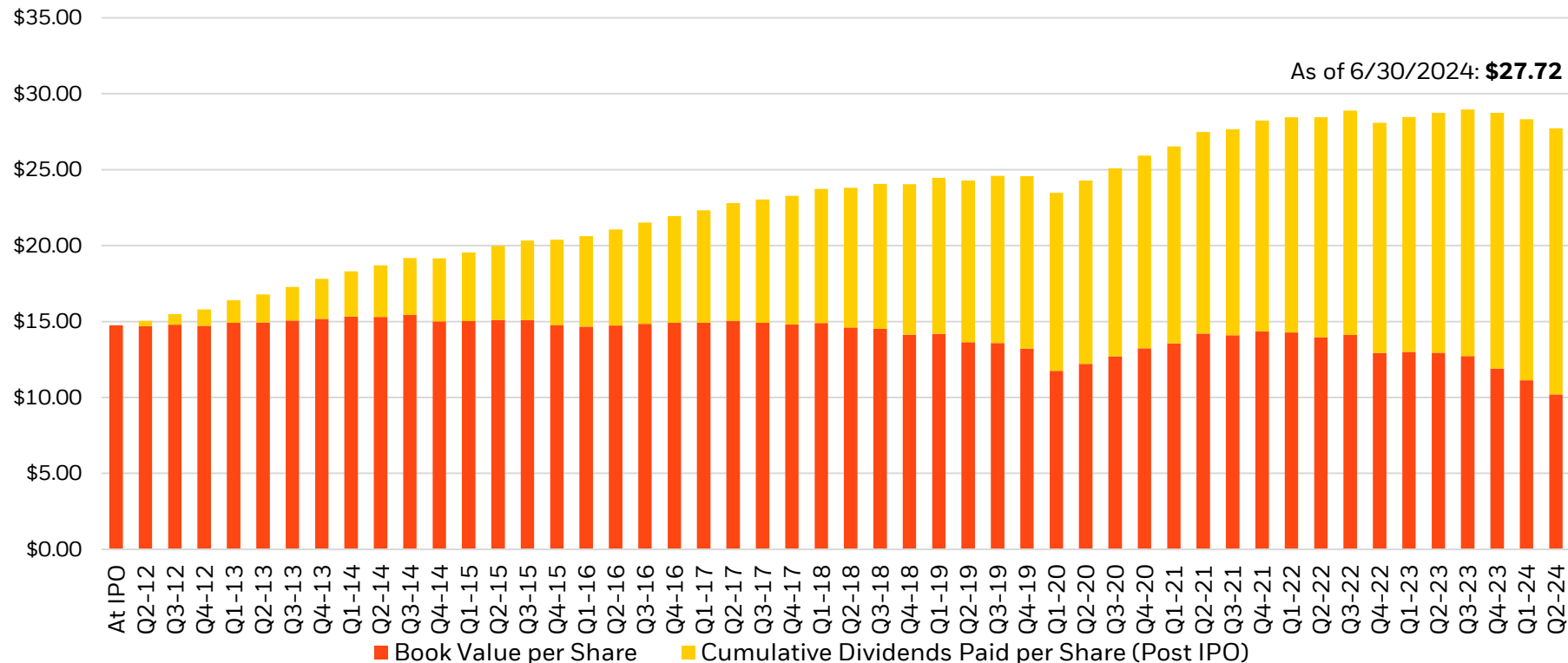
**9.7%**

Annualized cash return:<sup>2</sup>

**9.7%**

Annualized total return on equity:<sup>3</sup>

**7.2%**



<sup>1</sup> Annualized return on assets calculated as total investment income (gross of expenses) plus realized and unrealized gains and losses divided by average total investments between April 6, 2012 and June 30, 2024.

<sup>2</sup> Cash return calculated as total distributions from April 6, 2012 through June 30, 2024, divided by opening NAV of \$14.76 on April 6, 2012.

<sup>3</sup> Total return calculated as the change in net asset value plus dividends distributed between April 6, 2012 and June 30, 2024.

**Past performance does not guarantee future returns.**

# Diversified sources of funding

## TCPC is investment grade rated by Fitch and Moody's

Source	Capacity (in millions)	Drawn Amount (in millions)	Available (in millions)	Pricing (%)	Maturity
Operating Facility	\$300.0 <sup>1</sup>	\$7.9	\$292.1	S+2.00% <sup>2</sup>	May-26
Funding Facility II	\$200.0 <sup>3</sup>	-	\$200.0	S+2.05% <sup>4</sup>	August-27
Merger Sub Facility	\$265.0 <sup>5</sup>	\$182.0	\$83.0	S+2.00% <sup>6</sup>	September-28
SBA Debentures	\$160.0	\$150.0	\$10.0	2.52% <sup>7</sup>	2024-2031
2024 Notes	\$249.9 <sup>8</sup>	\$249.9	-	3.90%	August-24
2025 Notes <sup>12</sup>	\$92.0	\$92.0	-	Fixed/Variable <sup>9</sup>	December-25
2026 Notes	\$325.6 <sup>10</sup>	\$325.6	-	2.85%	February-26
2029 Notes	\$321.4 <sup>10</sup>	\$321.4	-	6.95%	May-29
<b>Total leverage</b>	<b>\$1,913.9</b>	<b>\$1,328.9</b>	<b>\$585.1</b>	<b>5.00%<sup>11</sup></b>	
Cash			\$194.7		
Net settlements			-		
Unamortized debt issuance costs		\$(8.6)			
<b>Net</b>		<b>\$ 1,320.3</b>	<b>\$779.8</b>		

<sup>1</sup> Operating Facility has a \$100.0 million accordion which allows for expansion of the facility to up to \$400.0 million subject to consent from the lender and other customary conditions.

<sup>2</sup> As of June 30, 2024, \$8.0 million of the outstanding amount bore interest at a rate of EURIBOR +2.00%

<sup>3</sup> Funding Facility II has a \$50.0 million accordion which allows for expansion of the facility to up to \$250.0 million subject to consent from the lender and other customary conditions.

<sup>4</sup> Subject to certain funding requirements and a SOFR credit adjustment of 0.15%.

<sup>5</sup> Merger Sub Facility includes a \$60.0 million accordion which allows for expansion of the facility to up to \$325.0 million subject to consent from the lender and other customary conditions.

<sup>6</sup> The applicable margin for SOFR-based borrowings could be either 1.75% or 2.00% depending on a ratio of the borrowing base to certain committed indebtedness, and is also subject to a credit spread adjustment of 0.10%. If Merger Sub elects to borrow based on the alternate base rate, the applicable margin could be either 0.75% or 1.00% depending on a ratio of the borrowing base to certain committed indebtedness.

<sup>7</sup> Weighted average interest rate, excluding fees of 0.35% or 0.36%.

<sup>8</sup> \$250 million par. Carrying value shown.

<sup>9</sup> The 2025 Notes consist of two tranches: \$35.0 million aggregate principal amount with a fixed interest rate of 6.85%; and \$57.0 million aggregate principal amount bearing interest at a rate equal to SOFR plus 3.14%.

<sup>10</sup> \$325 million par. Carrying value shown.

<sup>11</sup> Combined weighted-average interest rate on amounts outstanding as of June 30, 2024.

<sup>12</sup> Debt assumed as a result of the BCIC Merger on March 18, 2024.

# Investor friendly advisory fee structure

## BlackRock TCP Capital Corp.

## Typical externally managed BDC<sup>1</sup>

### Base management fee

**1.25%** on assets up to 200% of the net asset value of TCPC; **1.0%** on assets that exceed 200% of the net asset value of TCPC debt to equity. Based on gross assets (less cash and cash equivalents).

**1.00%–1.75%** on gross assets (up to 1.0x debt to equity; 1.0% above 1.0x debt to equity for those BDCs that have adopted a reduced minimum asset coverage ratio).

### Incentive fee hurdle

**7%** annualized **total return** on NAV, with **cumulative lookback**.

**6–8%** annualized **NII return** on NAV, with either no lookback or rolling 3-year lookback.

### Incentive compensation

Income: **17.5%** subject to a **cumulative**, annualized 7% **total return** hurdle calculated quarterly.  
Capital Gains: **17.5%** of cumulative net realized gains less net unrealized depreciation, subject to a **cumulative**, annualized 7% hurdle calculated quarterly.

Income: **17.5–20%** (based on **NII only**, excluding realized and unrealized losses) calculated quarterly with **either no lookback or rolling 3-year lookback**.  
Capital Gains: **17.5–20%** of cumulative net realized gains less net unrealized depreciation, with **either no lookback or rolling 3-year lookback**.

<sup>1</sup> KBW BDC Research as of June 30, 2024. Represents typical range of fee structures for publicly traded, externally managed BDCs with a market capitalization of more than \$200 million. Ranges exclude certain outliers.

# Quarterly operating results

Unaudited (\$ in thousands, except per share amounts)	2023			2024	
	Q2	Q3	Q4	Q1	Q2
<b>Investment income</b>					
Interest and PIK interest income	\$ 53,031	\$ 53,254	\$ 49,843	\$ 54,702	\$ 69,032
Dividend income	909	936	1,005	1,026	2,491
Other income	21	21	1	1	3
Total investment income	53,961	54,211	50,849	55,729	71,526
<b>Expenses</b>					
Interest and other debt expenses	12,288	12,134	11,840	13,230	19,727
Management fees	6,096	6,093	5,954	5,820	6,563
Incentive fee	5,855	6,010	5,348	5,880	6,816
Other expenses	2,117	1,641	2,249	2,538	2,595
Total expenses	26,356	25,878	25,391	27,468	35,701
Excise tax expense	-	13	199	-	-
<b>Net investment income</b>	27,605	28,320	25,259	28,261	35,826
Less: Purchase accounting discount amortization <sup>2</sup>	-	-	-	539	3,695
<b>Adjusted net investment income<sup>2</sup></b>	27,605	28,320	25,259	27,722	32,131
Net realized and unrealized gain (loss)	(11,354)	(15,497)	(38,572)	(23,204)	(87,102)
Less: Net unrealized gains due to the allocation of purchase discount <sup>2</sup>	-	-	-	21,347	5,188
Less: Net change in unrealized appreciation (depreciation) due to the allocation of purchase discount <sup>2</sup>	-	-	-	-	(8,882)
<b>Adjusted net realized and unrealized gain (loss)<sup>2</sup></b>	27,605	28,320	25,259	(44,551)	(83,408)
<b>Net increase (decrease) in net assets resulting from operations</b>	\$ 16,251	\$ 12,823	\$ (13,313)	\$ 5,057	\$ (51,277)
<b>Adjusted net increase (decrease) in net assets resulting from operations<sup>2</sup></b>	16,251	12,823	(13,313)	(16,830)	(51,277)
<b>Net investment income per share<sup>1</sup></b>	\$ 0.48	\$ 0.49	\$ 0.44	\$ 0.46	\$ 0.42
<b>Adjusted net investment income per share<sup>2</sup></b>	\$ 0.48	\$ 0.49	\$ 0.44	\$ 0.45	\$ 0.38
<b>Earnings (loss) per share</b>	\$ 0.28	\$ 0.22	\$ (0.23)	\$ 0.08	\$ (0.60)
<b>Adjusted earnings (loss) per share<sup>2</sup></b>	\$ 0.28	\$ 0.22	\$ (0.23)	\$ (0.27)	\$ (0.60)
<b>Regular dividend per share</b>	\$ 0.34	\$ 0.34	\$ 0.34	\$ 0.34	\$ 0.34
<b>Special dividend per share</b>	\$ -	\$ 0.10	\$ 0.25	\$ -	\$ -
Weighted average common shares outstanding <sup>3</sup>	57,767,264	57,767,264	57,767,264	62,047,859	85,591,134
Ending common shares outstanding <sup>3</sup>	57,767,264	57,767,264	57,767,264	85,591,134	85,591,134

1. After incentive compensation.

2 See slide 20 for further description of non-GAAP financial measures.

3. Reflects impact of shares issued in connection with the Merger during the quarter ended March 31, 2024.



# Financial highlights

	2023			2024	
	Unaudited			Unaudited	
	Q2	Q3	Q4	Q1	Q2
(\$ per share)					
Net investment income	0.48	0.49	0.44	0.46	0.42
Adjusted net investment income <sup>1</sup>	0.48	0.49	0.44	0.45	0.38
Net realized and unrealized gain (loss)	(0.20)	(0.27)	(0.67)	(0.37)	(1.02)
Adjusted net realized and unrealized gain (loss) <sup>1</sup>	(0.20)	(0.27)	(0.67)	(0.71)	(0.98)
Net increase (decrease) in net assets resulting from operations	0.28	0.22	(0.23)	0.08	(0.60)
Adjusted net increase (decrease) in net assets resulting from operations <sup>1</sup>	0.28	0.22	(0.23)	(0.27)	(0.60)
Dividend paid	(0.34)	(0.44)	(0.59)	(0.34)	(0.34)
Net asset value	12.94	12.72	11.90	11.14	10.20

	2023			2024	
	Q2	Q3	Q4	Q1	Q2
	Total fair value of investments	\$1,640,558	\$1,593,321	\$1,665,730	\$2,116,419
Number of portfolio companies	143	143	142	157	158
Average investment size	\$11,472	\$11,142	\$11,648	\$13,480	\$12,537
Debt/equity ratio <sup>2</sup>	1.17x	1.12x	1.22x	1.21x	1.35x
Debt/equity ratio, net of cash <sup>2,3</sup>	1.01x	1.00x	1.07x	1.08x	1.13x

1. See slide 20 for further description of non-GAAP financial measures.

2. Excludes SBIC debt, which is exempt from regulatory asset coverage requirements.

3. Net of trades pending settlement.

# Portfolio highlights

Asset mix of the investment portfolio (in thousands)	2023			2024	
	Q2	Q3	Q4	Q1	Q2
Senior secured debt	\$1,450,244	\$1,413,070	\$1,389,190	\$1,935,144	\$1,804,749
Junior debt	-	-	-	19,223	13,918
Equity <sup>1</sup>	190,314	180,251	165,751	162,052	162,243
<b>Total investments</b>	<b>\$1,640,558</b>	<b>\$1,593,321</b>	<b>\$1,554,941</b>	<b>\$2,116,419</b>	<b>\$1,980,909</b>

Portfolio activity (in thousands)	2023			2024	
	Q2	Q3	Q4	Q1 <sup>2</sup>	Q2
Gross acquisitions	\$17,092	\$92,393	\$40,587	\$20,011	\$129,691
Exits (includes repayments)	31,559	125,593	42,228	24,319	184,970
Net acquisitions (exits)	(\$14,467)	(\$33,200)	\$(1,641)	\$(4,308)	(\$55,279)

<sup>1</sup> Includes equity interests in diversified portfolios of debt and lease assets.

<sup>2</sup> Excludes \$586.9 million of investments acquired in connection with the closing of the BCIC Merger.

# Quarterly balance sheets

	2023			2024	
(in thousands, except per share data)	Unaudited		Audited	Unaudited	
<b>Assets</b>	Q2	Q3	Q4	Q1	Q2
Investments at fair value	\$1,640,558	\$1,593,321	\$1,554,941	\$2,116,419	\$1,980,909
Cash and cash equivalents	123,129	91,653	112,242	120,573	194,669
Accrued interest income	24,068	26,660	25,651	35,011	33,557
Receivable for investments sold	-	-	-	2,073	-
Other assets	4,984	7,531	5,939	9,456	9,546
<b>Total assets</b>	<b>\$1,792,739</b>	<b>\$1,719,165</b>	<b>\$1,698,773</b>	<b>\$2,283,532</b>	<b>\$2,218,681</b>
<b>Liabilities</b>	Q2	Q3	Q4	Q1	Q2
Debt, net of unamortized issuance costs	\$1,021,132	\$970,374	\$985,201	\$1,302,813	\$1,320,313
Interest payable	9,938	3,777	10,408	4,973	12,453
Incentive compensation payable	5,855	6,010	5,348	5,880	6,816
Payable for investments purchased	-	-	960	-	-
Other liabilities	8,222	4,007	9,254	16,384	5,995
<b>Total liabilities</b>	<b>\$1,045,147</b>	<b>\$984,168</b>	<b>\$1,011,171</b>	<b>\$1,330,050</b>	<b>\$1,345,577</b>
<b>Net assets</b>	<b>\$747,592</b>	<b>\$734,997</b>	<b>\$687,602</b>	<b>\$953,482</b>	<b>\$873,105</b>
<b>Net assets per share</b>	<b>\$12.94</b>	<b>\$12.72</b>	<b>\$11.90</b>	<b>\$11.14</b>	<b>\$10.20</b>

# Endnotes – Non-GAAP Financial Measures

On March 18, 2024, BlackRock TCP Capital Corp. (“the Company”) completed its previously announced Merger with BlackRock Capital Investment Corporation (“BCIC”). The Merger has been accounted for as an asset acquisition of BCIC by the Company in accordance with the asset acquisition method of accounting as detailed in ASC 805-50 (“ASC 805”), *Business Combinations-Related Issues*. The Company determined the fair value of the shares of the Company’s common stock that were issued to former BCIC shareholders pursuant to the Merger Agreement plus transaction costs to be the consideration paid in connection with the Merger under ASC 805. The consideration paid to BCIC shareholders was less than the aggregate fair values of the BCIC assets acquired and liabilities assumed, which resulted in a purchase discount (the “purchase discount”). The consideration paid was allocated to the individual BCIC assets acquired and liabilities assumed based on the relative fair values of net identifiable assets acquired other than “non-qualifying” assets and liabilities (for example, cash) and did not give rise to goodwill. As a result, the purchase discount was allocated to the cost basis of the BCIC investments acquired by the Company on a pro-rata basis based on their relative fair values as of the effective time of the Merger. Immediately following the Merger, the investments were marked to their respective fair values in accordance with ASC 820 which resulted in immediate recognition of net unrealized appreciation in the Consolidated Statement of Operations as a result of the Merger. The purchase discount allocated to the BCIC debt investments acquired will amortize over the remaining life of each respective debt investment through interest income, with a corresponding adjustment recorded to unrealized appreciation or depreciation on such investment acquired through its ultimate disposition. The purchase discount allocated to BCIC equity investments acquired will not amortize over the life of such investments through interest income and, assuming no subsequent change to the fair value of the equity investments acquired and disposition of such equity investments at fair value, the Company may recognize a realized gain or loss with a corresponding reversal of the unrealized appreciation on disposition of such equity investments acquired.

As a supplement to the Company’s reported GAAP financial measures, we have provided the following non-GAAP financial measures that we believe are useful:

- **“Adjusted net investment income”** – excludes the amortization of purchase accounting discount from net investment income calculated in accordance with GAAP;
- **“Adjusted net realized and unrealized gain (loss)”** – excludes the unrealized appreciation resulting from the purchase discount and the corresponding reversal of the unrealized appreciation from the amortization of the purchase discount from the determination of net realized and unrealized gain (loss) determined in accordance with GAAP; and
- **“Adjusted net increase (decrease) in net assets resulting from operations”** – calculates net increase (decrease) in net assets resulting from operations based on Adjusted net investment income and Adjusted net realized and unrealized gain (loss).

We believe that the adjustment to exclude the full effect of purchase discount accounting under ASC 805 from these financial measures is meaningful because of the potential impact on the comparability of these financial measures that we and investors use to assess the Company’s financial condition and results of operations period over period. Although these non-GAAP financial measures are intended to enhance investors’ understanding of our business and performance, these non-GAAP financial measures should not be considered an alternative to GAAP. The aforementioned non-GAAP financial measures may not be comparable to similar non-GAAP financial measures used by other companies.

# Endnotes – Internal Investment Rating System Overview

TCPC's Advisor employs a grading system for its entire portfolio in which all loans are rated on a scale of 1 to 4. This system is intended to reflect the performance of the borrower's business, the collateral coverage of the loans and other factors considered relevant. The following is a description of the conditions associated with each investment rating:

**Grade 1:** Investments in portfolio companies whose performance is substantially within or above the Advisor's original base case expectations and whose risk factors are neutral to favorable to those at the time of the original investment or subsequent restructuring;

**Grade 2:** Investments in portfolio companies whose performance is materially below the Advisor's original base case expectations or risk factors have increased since the time of original investment or subsequent restructuring. No loss of investment return or principal (or invested capital) is expected.;

**Grade 3:** Investments in portfolio companies whose performance is materially below the Advisor's original base case expectations or risk factors have increased materially since the time of original investment or subsequent restructuring. Some loss of investment return is expected, but no loss of principal (or invested capital) is expected.

**Grade 4:** Investments in portfolio companies whose performance is materially below the Advisor's original base case expectations or risk factors have increased substantially since the time of original investment or subsequent restructuring. Some loss of principal (or invested capital) is expected.

# Corporate information

## Securities listing

NASDAQ: TCPC

## Research coverage

- JMP Securities
- Keefe, Bruyette & Woods
- Ladenburg Thalmann
- Oppenheimer
- Raymond James
- Wells Fargo

## Transfer agent

Computershare Inc.  
(866) 333-6433 (from U.S.)  
(201) 680-6578 (from outside U.S.)  
[www.computershare.com/investor](http://www.computershare.com/investor)

## Corporate headquarters

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## Investor relations

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# Important notes

Prospective investors considering an investment in BlackRock TCP Capital Corp. (“we”, “us”, “our”, “TCPC” or the “Company”) should consider the investment objectives, risks and expenses of the Company carefully before investing. This information and other information about the Company are available in the Company’s filings with the Securities and Exchange Commission (“SEC”). Copies are available on the SEC’s website at [www.sec.gov](http://www.sec.gov) and the Company’s website at [www.tcpcapital.com](http://www.tcpcapital.com). Prospective investors should read these materials carefully before investing. This presentation (the “Presentation”) is solely for information and discussion purposes and must not be relied upon for any other purpose. This Presentation includes the slides that follow, the oral presentation of the slides by members of TCPC, BlackRock or any person on their behalf, the question-and-answer session that follows that oral presentation, copies of this Presentation and any materials distributed at, or in connection with, this Presentation. By participating in the meeting, or by reading the Presentation slides, you will be deemed to have (i) agreed to the following limitations and notifications and made the following undertakings and (ii) acknowledged that you understand the legal and regulatory sanctions attached to the misuse, disclosure or improper circulation of this Presentation.

## Forward-looking statements

Some of the statements in this Presentation constitute forward-looking statements because they relate to future events, future performance or financial condition or the merger of BCIC with and into a subsidiary of the Company (the “Merger”). The forward-looking statements may include statements as to: future operating results of TCPC and distribution projections; business prospects of TCPC and the prospects of its portfolio companies; and the impact of the investments that TCPC expect to make. In addition, words such as “anticipate,” “believe,” “expect,” “seek,” “plan,” “should,” “estimate,” “project” and “intend” indicate forward-looking statements, although not all forward-looking statements include these words. The forward-looking statements contained in this Presentation involve risks and uncertainties. Certain factors could cause actual results and conditions to differ materially from those projected, including the uncertainties associated with (i) the ability to realize the anticipated benefits of the Merger, including the expected accretion to net investment income and the elimination or reduction of certain expenses and costs due to the Merger; (ii) risks related to diverting management’s attention from ongoing business operations; (iii) changes in the economy, financial markets and political environment, including the impacts of inflation and rising interest rates; (iv) risks associated with possible disruption in the operations of TCPC or the economy generally due to terrorism, war or other geopolitical conflict (including the current conflict between Russia and Ukraine), natural disasters or public health crises and epidemics; (v) future changes in laws or regulations (including the interpretation of these laws and regulations by regulatory authorities); (vi) conditions in TCPC’s operating areas, particularly with respect to business development companies or regulated investment companies; and (vii) other considerations that may be disclosed from time to time TCPC’s publicly disseminated documents and filings. TCPC has based the forward-looking statements included in this Presentation on information available to it on the date of this Presentation, and TCPC assumes no obligation to update any such forward-looking statements. Although TCPC undertakes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that it may make directly to you or through reports that TCPC in the future may file with the Securities and Exchange Commission, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

## No offer or solicitation

This Presentation is not, and under no circumstances is it to be construed as, a prospectus or an advertisement and this Presentation is not, and under no circumstances is it to be construed as, an offer to sell or a solicitation of an offer to purchase any securities in TCPC or in any fund or other investment vehicle managed by BlackRock or any of its affiliates.

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