
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 12, 2022

CION Investment Corporation
(Exact Name of Registrant as Specified in Charter)

Maryland

(State or Other Jurisdiction of Incorporation)

000-54755

(Commission File Number)

45-3058280

(I.R.S. Employer Identification No.)

**3 Park Avenue, 36th Floor
New York, New York 10016**

(Address of Principal Executive Offices)

(212) 418-4700

(Registrant's telephone number, including area code)

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.001 per share	CION	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

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. ☐

Item 2.02. Results of Operations and Financial Condition.

On May 12, 2022, CION Investment Corporation (“CION”) issued a press release announcing its financial results for the first quarter ended March 31, 2022. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated by reference herein.

In connection with its conference call to be held on May 12, 2022 to discuss its financial results for the first quarter ended March 31, 2022, CION has provided an accompanying slide presentation in the Investor Resources – Events and Presentations section of its website at www.cionbdc.com. A copy of the presentation is also attached hereto as Exhibit 99.2 and incorporated by reference herein.

The information disclosed under this Item 2.02, including Exhibits 99.1 and 99.2 hereto, is being “furnished” and shall not be deemed “filed” by CION for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 7.01. Regulation FD Disclosure.

The information in Item 2.02 of this Current Report on Form 8-K is incorporated by reference into this Item 7.01.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 [Press Release dated May 12, 2022.](#)

99.2 [CION Investment Corporation First Quarter 2022 Earnings Presentation.](#)

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 hereunto duly authorized.

CION Investment Corporation

Date: May 12, 2022

By: /s/ Michael A. Reisner
Co-Chief Executive Officer

EXHIBIT LIST

EXHIBIT NUMBER	DESCRIPTION
99.1	Press Release dated May 12, 2022
99.2	CÍON Investment Corporation First Quarter 2022 Earnings Presentation.



CION INVESTMENT CORPORATION REPORTS MARCH 31, 2022 FINANCIAL RESULTS

For Immediate Release

NEW YORK, May 12, 2022 — CION Investment Corporation (NYSE: CION) (“CION” or the “Company”) today reported financial results for the first quarter ended March 31, 2022 and filed its Form 10-Q with the U.S. Securities and Exchange Commission.

QUARTERLY AND OTHER HIGHLIGHTS

- Net investment income and earnings per share for the quarter ended March 31, 2022 were \$0.34 per share and \$0.14 per share, respectively;
- Net asset value per share was \$16.20 as of March 31, 2022 compared to \$16.34 as of December 31, 2021. The decrease was primarily due to mark-to-market adjustments caused by wider credit spreads and price declines on our liquid portfolio during the quarter;
- As of March 31, 2022, the Company had \$875 million of total principal amount of debt outstanding, of which 82% was comprised of senior secured bank debt and 18% was comprised of unsecured debt. The Company’s debt-to-equity ratio was 0.95x as of March 31, 2022 compared to 0.89x as of December 31, 2021;
- As of March 31, 2022, the Company had total investments at fair value of \$1,740 million in 115 portfolio companies across 22 industries. The investment portfolio was comprised of 93.9% senior secured loans, including 91.8% in first lien investments;¹
- During the quarter, the Company had new investment commitments of \$155 million, funded new investment commitments of \$123 million, funded previously unfunded commitments of \$15 million, and had sales and repayments totaling \$61 million, resulting in a net funded portfolio change of \$77 million;
- The Company did not place any new investments on non-accrual status during the quarter. As of March 31, 2022, investments on non-accrual status amounted to 0.6% and 2.3% of the total investment portfolio at fair value and amortized cost, respectively;
- On March 28, 2022, the Company, through its wholly-owned special purpose financing subsidiary, increased the aggregate principal amount available for borrowing from JPMorgan Chase Bank, National Association, by \$100 million, from \$575 million to \$675 million; and
- Subsequent to quarter end, on April 27, 2022, the Company entered into a 5-year floating rate unsecured term loan agreement with More Provident Funds and Pension Ltd. under which the Company borrowed \$50 million.

DISTRIBUTIONS

- For the quarter ended March 31, 2022, the Company paid a regular quarterly distribution totaling \$15.9 million, or \$0.28 per share; and
- As previously announced, the Company's co-chief executive officers declared a second quarter 2022 regular distribution of \$0.28 per share payable on June 8, 2022 to shareholders of record as of June 1, 2022.

“Our first quarter results reflect continued momentum from the fourth quarter, as we generated net investment income of \$0.34 per share. We experienced greater operational efficiency as the result of measured portfolio growth during the quarter. Accordingly, investment activity was solid during the quarter as we generated \$77 million in net funded portfolio activity. Finally, while we continue to closely monitor market and economic conditions that could impact our portfolio companies, overall credit quality of the portfolio remained healthy for the quarter,” said Mark Gatto, co-Chief Executive Officer of CION.

“We expanded our senior secured credit facility with JPMorgan by \$100 million to \$675 million in total committed amount and subsequent to quarter end, we closed a \$50 million unsecured term loan from an existing lender. With this added flexibility and leverage capacity, we are well positioned to continue to become more fully invested over time,” added Michael A. Reisner, co-Chief Executive Officer of CION.

SELECTED FINANCIAL HIGHLIGHTS

<i>(in thousands, except per share data)</i>	As of	
	March 31, 2022	December 31, 2021
Investment portfolio, at fair value ¹	\$ 1,739,534	\$ 1,666,122
Total debt outstanding ²	\$ 875,000	\$ 830,000
Net assets	\$ 922,453	\$ 930,512
Net asset value per share	\$ 16.20	\$ 16.34
Debt-to-equity	0.95x	0.89x

<i>(in thousands, except share and per share data)</i>	Three Months Ended	
	March 31, 2022	December 31, 2021
Total investment income	\$ 41,683	\$ 40,404
Total operating expenses and income tax expense	\$ 22,200	\$ 21,994
Net investment income after taxes	\$ 19,483	\$ 18,410
Net realized losses	\$ (69)	\$ (15,209)
Net unrealized (losses) gains	\$ (11,525)	\$ 12,772
Net increase in net assets resulting from operations	\$ 7,889	\$ 15,973
Net investment income per share	\$ 0.34	\$ 0.32
Net realized and unrealized losses per share	\$ (0.20)	\$ (0.04)
Earnings per share	\$ 0.14	\$ 0.28
Weighted average shares outstanding	56,958,440	56,958,440
Distributions declared per share	\$ 0.28	\$ 0.46*

* Includes a special distribution of \$0.20 per share during the quarter ended December 31, 2021.

Total investment income for the three months ended March 31, 2022 and December 31, 2021 was \$41.7 million and \$40.4 million, respectively. The increase in investment income was primarily driven by an increase in the size of the Company's investment portfolio.

Operating expenses for the three months ended March 31, 2022 and December 31, 2021 were \$22.2 million and \$22.0 million, respectively. There were no significant changes to the Company's operating expenses from the three months ended December 31, 2021 to the three months ended March 31, 2022.

PORTFOLIO AND INVESTMENT ACTIVITY¹

A summary of the Company's investment activity for the three months ended March 31, 2022 is as follows:

Investment Type	New Investment Commitments		Sales and Repayments	
	\$ in Thousands	% of Total	\$ in Thousands	% of Total
Senior secured first lien debt	\$ 154,148	99%	\$ 60,842	100%
Collateralized securities and structured products - equity	—	—	190	—
Equity	1,125	1%	—	—
Total	\$ 155,273	100%	\$ 61,032	100%

During the three months ended March 31, 2022, new investment commitments were made across 8 new portfolio companies and 7 existing portfolio companies. Sales and repayments were primarily driven by the full sale or repayment of investments in 6 portfolio companies. As a result, the number of portfolio companies increased from 113 as of December 31, 2021 to 115 as of March 31, 2022.

PORTFOLIO SUMMARY¹

As of March 31, 2022, the Company's investments consisted of the following:

Investment Type	Investments at Fair Value	
	\$ in Thousands	% of Total
Senior secured first lien debt	\$ 1,597,364	91.8%
Senior secured second lien debt	36,875	2.1%
Collateralized securities and structured products - equity	2,632	0.2%
Unsecured debt	27,280	1.6%
Equity	75,383	4.3%
Total	\$ 1,739,534	100.0%

The following table presents certain selected information regarding the Company's investments:

	As of	
	March 31, 2022	December 31, 2021
Number of portfolio companies	115	113
Percentage of performing loans bearing a floating rate ³	90.1%	88.8%
Percentage of performing loans bearing a fixed rate ³	9.9%	11.2%
Yield on debt and other income producing investments at amortized cost ⁴	8.90%	8.89%
Yield on performing loans at amortized cost ⁴	9.12%	9.16%
Yield on total investments at amortized cost	8.64%	8.62%
Weighted average leverage (net debt/EBITDA) ⁵	4.74x	4.52x
Weighted average interest coverage ⁵	3.73x	3.39x
Median EBITDA ⁶	\$32.8 million	\$36.3 million

As of March 31, 2022, investments on non-accrual status represented 0.6% and 2.3% of the total investment portfolio at fair value and amortized cost, respectively.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2022, the Company had \$875 million of total principal amount of debt outstanding, comprised of \$720 million of outstanding borrowings under its senior secured credit facilities, \$125 million of senior unsecured notes due 2026, and a \$30 million unsecured term loan due 2024. The combined weighted average interest rate on debt outstanding was 3.72% for the quarter ended March 31, 2022. As of March 31, 2022, the Company had \$33 million in cash and short-term investments and \$105 million available under its financing arrangements.²

EARNING CONFERENCE CALL

CION will host an earnings conference call on Thursday, May 12, 2022 at 11:00 am Eastern Time to discuss its financial results for the first quarter ended March 31, 2022. Please visit the Investor Resources - Events and Presentations section of the Company's website at www.cionbdc.com for a slide presentation that complements the earnings conference call.

All interested parties are invited to participate via telephone or listen via the live webcast, which can be accessed by clicking the following link: [CION Investment Corporation First Quarter 2022 Financial Results Webcast](#). Domestic callers can access the conference call by dialing (877) 445-9755. International callers can access the conference call by dialing +1 (201) 493-6744. All callers are asked to dial in approximately 10 minutes prior to the call. An archived replay will be available on a webcast link located in the Investor Resources - Events and Presentations section of CION's website.

ENDNOTES

- 1) The discussion of the investment portfolio excludes short-term investments.
- 2) Total debt outstanding excludes netting of debt issuance costs of \$7.6 million as of March 31, 2022 and December 31, 2021.
- 3) The fixed versus floating composition has been calculated as a percentage of performing debt investments measured on a fair value basis, including income producing preferred stock investments and excludes investments, if any, on non-accrual status.
- 4) Computed based on the (a) annual actual interest rate or yield earned plus amortization of fees and discounts on the performing debt and other income producing investments as of the reporting date, divided by (b) the total performing debt and other income producing investments (excluding investments on non-accrual status) at amortized cost. This calculation excludes exit fees that are receivable upon repayment of the investment.
- 5) For a particular portfolio company, we calculate the level of contractual indebtedness net of cash ("net debt") owed by the portfolio company and compare that amount to measures of cash flow available to service the net debt. To calculate net debt, we include debt that is both senior and pari passu to the tranche of debt owned by us but exclude debt that is legally and contractually subordinated in ranking to the debt owned by us. We believe this calculation method assists in describing the risk of our portfolio investments, as it takes into consideration contractual rights of repayment of the tranche of debt owned by us relative to other senior and junior creditors of a portfolio company. We typically calculate cash flow available for debt service at a portfolio company by taking EBITDA for the trailing twelve-month period. Weighted average net debt to EBITDA is weighted based on the fair value of our performing debt investments and excluding investments where net debt to EBITDA may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

For a particular portfolio company, we also calculate the level of contractual interest expense owed by the portfolio company, and compare that amount to EBITDA ("interest coverage ratio"). We believe this calculation method assists in describing the risk of our portfolio investments, as it takes into consideration contractual interest obligations of the portfolio company. Weighted average interest coverage is weighted based on the fair value of our performing debt investments, excluding investments where interest coverage may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

Portfolio company statistics, including EBITDA, are derived from the financial statements most recently provided to us for each portfolio company as of the reported end date. Statistics of the portfolio companies have not been independently verified by us and may reflect a normalized or adjusted amount.

- 6) Median EBITDA is calculated based on the portfolio company's EBITDA as of our initial investment.
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CION Investment Corporation
Consolidated Balance Sheets
(in thousands, except share and per share amounts)

	March 31, 2022 (unaudited)	December 31, 2021
Assets		
Investments, at fair value:		
Non-controlled, non-affiliated investments (amortized cost of \$1,576,679 and \$1,617,126, respectively)	\$ 1,533,188	\$ 1,581,124
Non-controlled, affiliated investments (amortized cost of \$144,704 and \$91,476, respectively)	130,934	81,490
Controlled investments (amortized cost of \$83,702 and \$83,702, respectively)	91,175	91,425
Total investments, at fair value (amortized cost of \$1,805,085 and \$1,792,304, respectively)	1,755,297	1,754,039
Cash	17,500	3,774
Interest receivable on investments	21,298	21,549
Receivable due on investments sold and repaid	7,303	2,854
Prepaid expenses and other assets	3,618	466
Total assets	<u>\$ 1,805,016</u>	<u>\$ 1,782,682</u>
Liabilities and Shareholders' Equity		
Liabilities		
Financing arrangements (net of unamortized debt issuance costs of \$7,636 and \$7,628, respectively)	\$ 867,364	\$ 822,372
Payable for investments purchased	—	11,327
Accounts payable and accrued expenses	862	1,922
Interest payable	3,173	4,339
Accrued management fees	6,655	6,673
Accrued subordinated incentive fee on income	4,133	3,942
Accrued administrative services expense	376	1,595
Total liabilities	<u>882,563</u>	<u>852,170</u>
Commitments and contingencies		
Shareholders' Equity		
Common stock, \$0.001 par value; 500,000,000 shares authorized; 56,958,440 shares issued and outstanding for both periods	57	57
Capital in excess of par value	1,059,989	1,059,989
Accumulated distributable losses	(137,593)	(129,534)
Total shareholders' equity	922,453	930,512
Total liabilities and shareholders' equity	<u>\$ 1,805,016</u>	<u>\$ 1,782,682</u>
Net asset value per share of common stock at end of period	<u>\$ 16.20</u>	<u>\$ 16.34</u>

CION Investment Corporation
Consolidated Statements of Operations
(in thousands, except share and per share amounts)

	Three Months Ended March 31,	
	2022 (unaudited)	2021 (unaudited)
Investment income		
Non-controlled, non-affiliated investments		
Interest income	\$ 30,994	\$ 26,102
Paid-in-kind interest income	4,606	6,135
Fee income	949	933
Dividend income	46	82
Non-controlled, affiliated investments		
Interest income	1,023	1,401
Paid-in-kind interest income	1,445	823
Fee income	493	—
Dividend income	—	827
Controlled investments		
Interest income	2,127	—
Total investment income	41,683	36,303
Operating expenses		
Management fees	6,655	7,783
Administrative services expense	720	684
Subordinated incentive fee on income	4,133	—
General and administrative	2,222	2,678
Interest expense	8,459	7,548
Total operating expenses	22,189	18,693
Net investment income before taxes	19,494	17,610
Income tax expense, including excise tax	11	11
Net investment income after taxes	19,483	17,599
Realized and unrealized (losses) gains		
Net realized (losses) gains on:		
Non-controlled, non-affiliated investments	28	26
Non-controlled, affiliated investments	(97)	(1,080)
Controlled investments	—	(3,067)
Foreign currency	—	(7)
Net realized losses	(69)	(4,128)
Net change in unrealized (depreciation) appreciation on:		
Non-controlled, non-affiliated investments	(7,495)	19,238
Non-controlled, affiliated investments	(3,780)	13,938
Controlled investments	(250)	3,067
Net change in unrealized (depreciation) appreciation	(11,525)	36,243
Net realized and unrealized (losses) gains	(11,594)	32,115
Net increase in net assets resulting from operations	\$ 7,889	\$ 49,714
Per share information—basic and diluted(1)		
Net increase in net assets per share resulting from operations	\$ 0.14	\$ 0.88
Net investment income per share	\$ 0.34	\$ 0.31
Weighted average shares of common stock outstanding	56,958,440	56,753,521

(1) The Company completed a two-to-one reverse stock split, effective as of September 21, 2021. The weighted average shares used in the computation of the net increase in net assets per share resulting from operations and net investment income per share reflect the reverse stock split on a retroactive basis.

ABOUT CION INVESTMENT CORPORATION

CION Investment Corporation is a leading publicly listed business development company that had approximately \$1.8 billion in assets as of March 31, 2022. CION seeks to generate current income and, to a lesser extent, capital appreciation for investors by focusing primarily on senior secured loans to U.S. middle-market companies. CION is advised by CION Investment Management, LLC, a registered investment adviser and an affiliate of CION. For more information, please visit www.cionbdc.com.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements that involve substantial risks and uncertainties. You can identify these statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “target,” “estimate,” “intend,” “continue,” or “believe” or the negatives thereof or other variations thereon or comparable terminology. You should read statements that contain these words carefully because they discuss CION’s plans, strategies, prospects and expectations concerning its business, operating results, financial condition and other similar matters. These statements represent CION’s belief regarding future events that, by their nature, are uncertain and outside of CION’s control. There are likely to be events in the future, however, that CION is not able to predict accurately or control. Any forward-looking statement made by CION in this press release speaks only as of the date on which it is made. Factors or events that could cause CION’s actual results to differ, possibly materially from its expectations, include, but are not limited to, the risks, uncertainties and other factors CION identifies in the sections entitled “Risk Factors” and “Forward-Looking Statements” in filings CION makes with the SEC, and it is not possible for CION to predict or identify all of them. CION undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

OTHER INFORMATION

The information in this press release is summary information only and should be read in conjunction with CION’s Quarterly Report on Form 10-Q, which CION filed with the SEC on May 12, 2022, as well as CION’s other reports filed with the SEC. A copy of CION’s Quarterly Report on Form 10-Q and CION’s other reports filed with the SEC can be found on CION’s website at www.cionbdc.com and the SEC’s website at www.sec.gov.

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CION Investment Corporation

First Quarter 2022
Earnings Presentation



Disclosures and Forward-Looking Statements

The information contained in this earnings presentation should be viewed in conjunction with the earnings conference call of CION Investment Corporation (NYSE: CION) ("CION" or the "Company") held on May 12, 2022 as well as the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2022 that was filed with the Securities and Exchange Commission (the "SEC") on May 12, 2022. The information contained herein may not be used, reproduced or distributed to others, in whole or in part, for any other purpose without the prior written consent of the Company.

This earnings presentation may contain forward-looking statements that involve substantial risks and uncertainties, including the impact of COVID-19 on the business, future operating results, access to capital and liquidity of the Company and its portfolio companies. You can identify these statements by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "project," "target," "estimate," "intend," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology, including references to assumptions, forecasts of future results, shareholder diversification, institutional research coverage and availability and access to capital. You should read statements that contain these words carefully because they discuss the Company's plans, strategies, prospects and expectations concerning its business, operating results, financial condition and other similar matters. These statements represent the Company's belief regarding future events that, by their nature, are uncertain and outside of the Company's control, such as the price at which the Company's shares of common stock will trade on the NYSE. Any forward-looking statement made by the Company in this earnings presentation speaks only as of the date on which the Company makes it. Factors or events that could cause the Company's actual results to differ, possibly materially from its expectations, include, but are not limited to, the risks, uncertainties and other factors the Company identifies in the sections entitled "Risk Factors" and "Forward-Looking Statements" in filings the Company makes with the SEC, and it is not possible for the Company to predict or identify all of them. The Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

This earnings presentation does not constitute a prospectus and should under no circumstances be understood as an offer to sell or the solicitation of an offer to buy the Company's common stock or any other securities nor will there be any sale of common stock or any other securities referred to in this earnings presentation in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction.

Nothing in these materials should be construed as a recommendation to invest in any securities that may be issued by the Company or as legal, accounting or tax advice. An investment in securities of the type described herein presents certain risks. The Company is managed by CION Investment Management, LLC, an affiliate of the Company. Nothing contained herein shall be relied upon as a promise or representation whether as to past or future performance.

The information contained in this earnings presentation is summary information that is intended to be considered in the context of other public announcements that the Company may make, by press release or otherwise, from time to time. The Company undertakes no duty or obligation to publicly update or revise the information contained in this earnings presentation, except as required by law. These materials contain information about the Company, certain of its personnel and affiliates and its historical performance. You should not view information related to past performance of the Company as indicative of its future results, the achievement of which cannot be assured.

Past performance does not guarantee future results, which may vary. The value of investments and the income derived from investments will fluctuate and can go down as well as up. A loss of principal may occur.

Quarterly and Other Highlights - Quarter Ended March 31, 2022

The Company completed a 2-to-1 reverse stock split effective September 21, 2021. Accordingly, share and per share amounts in this presentation have been retroactively adjusted to reflect the 2-to-1 reverse stock split.

- Net investment income and earnings per share for the quarter ended March 31, 2022 were \$0.34 per share and \$0.14 per share, respectively;
- Net asset value per share was \$16.20 as of March 31, 2022 compared to \$16.34 as of December 31, 2021. The decrease was primarily due to mark-to-market adjustments caused by wider credit spreads and price declines on our liquid portfolio during the quarter;
- As of March 31, 2022, the Company had \$875 million of total principal amount of debt outstanding, of which 82% was comprised of senior secured bank debt and 18% was comprised of unsecured debt. The Company's debt-to-equity ratio was 0.95x as of March 31, 2022 compared to 0.89x as of December 31, 2021;
- As of March 31, 2022, the Company had total investments at fair value of \$1,740 million in 115 portfolio companies across 22 industries. The investment portfolio was comprised of 93.9% senior secured loans, including 91.8% in first lien investments;¹
- During the quarter, the Company had new investment commitments of \$155 million, funded new investment commitments of \$123 million, funded previously unfunded commitments of \$15 million, and had sales and repayments totaling \$61 million, resulting in a net funded portfolio change of \$77 million;
- The Company did not place any new investments on non-accrual status during the quarter. As of March 31, 2022, investments on non-accrual status amounted to 0.6% and 2.3% of the total investment portfolio at fair value and amortized cost, respectively;
- On March 28, 2022, the Company, through its wholly-owned special purpose financing subsidiary, increased the aggregate principal amount available for borrowing from JPMorgan Chase Bank, National Association, by \$100 million, from \$575 million to \$675 million; and
- Subsequent to quarter end, on April 27, 2022, the Company entered into a 5-year floating rate unsecured term loan agreement with More Provident Funds and Pension Ltd. under which the Company borrowed \$50 million.

DISTRIBUTIONS

- As previously announced, the Company's co-chief executive officers declared a second quarter 2022 regular distribution of \$0.28 per share payable on June 8, 2022 to shareholders of record as of June 1, 2022; and
- For the quarter ended March 31, 2022, the Company paid a regular quarterly distribution totaling \$15.9 million, or \$0.28 per share.

Selected Financial Highlights

(\$ in millions)	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Investment portfolio, at fair value ¹	\$1,740	\$1,666	\$1,630	\$1,676	\$1,534
Total debt outstanding ²	\$875	\$830	\$805	\$805	\$725
Net assets	\$922	\$931	\$941	\$926	\$913
Ending debt-to-equity	0.95x	0.89x	0.86x	0.87x	0.79x
Total investment income	\$41.7	\$40.4	\$42.6	\$38.0	\$36.3
Net investment income	\$19.5	\$18.4	\$19.6	\$18.7	\$17.6
Net realized and unrealized (losses) gains	(\$11.6)	(\$2.4)	\$5.5	\$9.3	\$32.1
Net increase in net assets resulting from operations	\$7.9	\$16.0	\$25.1	\$28.0	\$49.7
Per Share Data					
Net asset value per share	\$16.20	\$16.34	\$16.52	\$16.34	\$16.12
Net investment income per share	\$0.34	\$0.32	\$0.35	\$0.33	\$0.31
Net realized and unrealized (losses) gains per share	(\$0.20)	(\$0.04)	\$0.09	\$0.16	\$0.57
Earnings per share	\$0.14	\$0.28	\$0.44	\$0.49	\$0.88
Distributions declared per share ⁽³⁾	\$0.28	\$0.46	\$0.26	\$0.26	\$0.26

(1) The discussion of the investment portfolio excludes short term investments.

(2) Total debt outstanding excludes netting of debt issuance costs. Please refer to page 10 for debt net of issuance costs.

(3) Includes a special distribution of \$0.20 per share during the quarter ended December 31, 2021.

Investment Activity

- New investment commitments for the quarter were \$155 million, of which \$123 million were funded and \$32 million were unfunded.
- New investment commitments were made across 8 new portfolio companies and 7 existing portfolio companies.
- Fundings of previously unfunded commitments for the quarter were \$15 million.
- Sales and repayments totaled \$61 million for the quarter primarily driven by the full sale or repayment of investments in 6 portfolio companies.

(\$ in millions)	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
New investment commitments	\$155	\$353	\$179	\$231	\$186
Funded	\$123	\$339	\$157	\$220	\$183
Unfunded	\$32	\$14	\$22	\$11	\$3
Fundings of previously unfunded commitments	\$15	\$10	\$8	\$2	\$1
Repayments	(\$59)	(\$107)	(\$197)	(\$92)	(\$174)
Sales	(\$2)	(\$212)	(\$27)	(\$5)	(\$15)
Net funded investment activity	\$77	\$30	(\$58)	\$125	(\$6)

The discussion of the investment portfolio excludes short term investments. Unfunded 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 the loan's maturity date.

Portfolio Asset Composition



* Less than 1%.

The discussion of the investment portfolio is at fair value and excludes short term investments.

Credit Quality of Investments

INTERNAL INVESTMENT RISK RATINGS¹

(% of Total Portfolio, Fair Value)

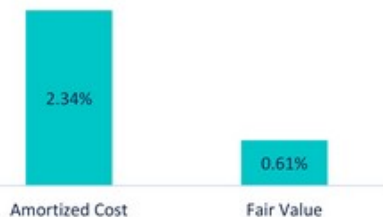
Higher Credit Quality

Lower Credit Quality

Rating	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
1	2.6%	2.8%	5.3%	7.3%	3.5%
2	86.2%	82.5%	79.7%	75.5%	77.1%
3	10.6%	14.0%	14.1%	16.7%	18.8%
4	0.4%	0.5%	0.9%	0.4%	0.5%
5	0.2%	0.2%	0.0%*	0.1%	0.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* - Less than 1%.

Q1 2022 NON-ACCRUAL %¹



Internal Investment Risk Rating Definitions

Rating Definition

- 1 Indicates the least amount of risk to our initial cost basis. The trends and risk factors for this investment since origination or acquisition are generally favorable, which may include the performance of the portfolio company or a potential exit.
- 2 Indicates a level of risk to our initial cost basis that is similar to the risk to our initial cost basis at the time of origination or acquisition. This portfolio company is generally performing in accordance with our analysis of its business and the full return of principal and interest or dividend is expected.
- 3 Indicates that the risk to our ability to recoup the cost of such investment has increased since origination or acquisition, but full return of principal and interest or dividend is expected. **A portfolio company with an investment rating of 3 requires closer monitoring.**
- 4 Indicates that the risk to our ability to recoup the cost of such investment has increased significantly since origination or acquisition, including as a result of factors such as declining performance and noncompliance with debt covenants. We expect some loss of interest, dividend or capital appreciation, but still expect an overall positive internal rate of return on the investment.
- 5 Indicates that the risk to our ability to recoup the cost of such investment has increased materially since origination or acquisition and the portfolio company likely has materially declining performance. Loss of interest or dividend and some loss of principal investment is expected, which would result in an overall negative internal rate of return on the investment.

(1) The discussion of the investment portfolio excludes short term investments.

Portfolio Summary

Portfolio Characteristics (as of March 31, 2022)

Investment Portfolio

Total investments and unfunded commitments	\$1,835.5 million
Unfunded commitments	\$96.0 million
Investments at fair value	\$1,739.5 million
Yield on debt and other income producing investments at amortized cost ¹	8.90%
Yield on performing loans at amortized cost ²	9.12%
Yield on total investments at amortized cost ³	8.64%

Portfolio Companies

Number of portfolio companies	115
Weighted average leverage (net debt/EBITDA) ²	4.74x
Weighted average interest coverage ²	3.73x
Median EBITDA ⁴	\$32.8 million

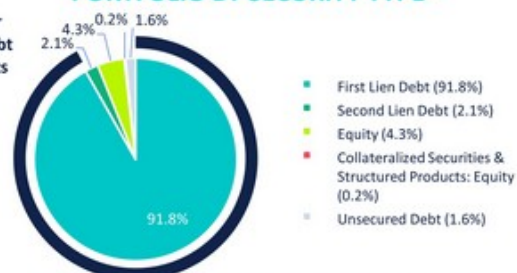
Industry Diversification⁴

Industry	% of Investment Portfolio
Services: Business	18.4%
Healthcare & Pharmaceuticals	14.1%
Media: Diversified & Production	7.7%
Services: Consumer	7.0%
Chemicals, Plastics & Rubber	6.2%
Other (≤ 5.9% each)	46.6%

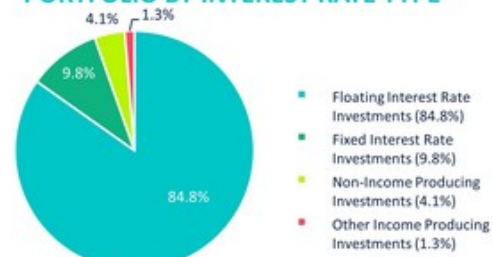
(1) See endnote 4 in our press release filed with the SEC on May 12, 2022. (2) See endnote 5 in our press release filed with the SEC on May 12, 2022. (3) See endnote 6 in our press release filed with the SEC on May 12, 2022. (4) The discussion of the investment portfolio excludes short term investments.

PORTFOLIO BY SECURITY TYPE¹

94% Senior Secured Debt Investments



PORTFOLIO BY INTEREST RATE TYPE¹



Quarterly Operating Results

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Investment income					
Interest income ¹	\$ 40,195	\$ 37,695	\$ 37,206	\$ 36,117	\$ 34,461
Dividend income	46	138	3,871	1,024	909
Fee income	1,442	2,571	1,543	880	933
Total investment income	\$ 41,683	\$ 40,404	\$ 42,620	\$ 38,021	\$ 36,303
Expenses					
Management fees	\$ 6,655	\$ 6,674	\$ 8,443	\$ 8,243	\$ 7,783
Interest and other debt expenses	8,459	8,256	8,175	7,828	7,548
Incentive fees	4,133	3,942	2,933	-	-
Other operating expenses	2,942	2,821	3,431	3,260	3,362
Total expenses before taxes	\$ 22,189	\$ 21,693	\$ 22,982	\$ 19,331	\$ 18,693
Income tax expense, including excise tax	11	301	26	4	11
Net investment income after taxes	\$ 19,483	\$ 18,410	\$ 19,612	\$ 18,686	\$ 17,599
Net realized and unrealized (losses) gains					
Net realized (loss) gain	\$ (69)	\$ (15,209)	\$ 19,736	\$ 441	\$ (4,128)
Net change in unrealized (depreciation) appreciation	(11,525)	12,772	(14,240)	8,842	36,243
Net realized and unrealized (losses) gains	\$ (11,594)	\$ (2,437)	\$ 5,496	\$ 9,283	\$ 32,115
Net increase in net assets resulting from operations	\$ 7,889	\$ 15,973	\$ 25,108	\$ 27,969	\$ 49,714
Per share data					
Net investment income	\$ 0.34	\$ 0.32	\$ 0.35	\$ 0.33	\$ 0.31
Net realized (loss) gain and unrealized (depreciation) appreciation on investments	\$ (0.20)	\$ (0.04)	\$ 0.10	\$ 0.16	\$ 0.57
Earnings per share	\$ 0.14	\$ 0.28	\$ 0.44	\$ 0.49	\$ 0.88
Distributions declared per share	\$ 0.28	\$ 0.46	\$ 0.26	\$ 0.26	\$ 0.26
Weighted average shares outstanding	56,958,440	56,958,440	56,774,323	56,748,789	56,753,521
Shares outstanding, end of period	56,958,440	56,958,440	56,958,440	56,648,595	56,649,901

Quarterly Balance Sheet

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Assets					
Investments, at fair value	\$1,755,297	\$1,754,039	\$1,746,298	\$1,724,038	\$1,621,641
Cash	17,500	3,774	2,159	1,496	1,641
Interest receivable on investments	21,298	21,549	21,283	20,279	17,101
Receivable due on investments sold	7,303	2,854	19,559	8,888	39,915
Dividend receivable on investments	-	-	135	187	315
Prepaid expenses and other assets	3,618	466	474	426	667
Total Assets	\$1,805,016	\$1,782,682	\$1,789,908	\$1,755,314	\$1,681,280
Liabilities & Net Assets					
Financing arrangements (net of debt issuance costs) ¹	\$867,364	\$822,372	\$796,673	\$796,003	\$716,311
Payable for investments purchased	-	11,327	33,360	17,938	40,217
Accounts payable and accrued expenses	862	1,922	3,509	2,160	921
Interest payable	3,173	4,339	2,838	4,185	2,717
Accrued management fees	6,655	6,673	8,443	8,243	7,783
Accrued subordinated incentive fee on income	4,133	3,942	2,933	-	-
Accrued administrative services expense	376	1,595	1,139	905	389
Total Liabilities	\$882,563	\$852,170	\$848,895	\$829,434	\$768,338
Total Net Assets	\$922,453	\$930,512	\$941,013	\$925,880	\$912,942
Total Liabilities and Net Assets	\$1,805,016	\$1,782,682	\$1,789,908	\$1,755,314	\$1,681,280
Net Asset Value per share	\$16.20	\$16.34	\$16.52	\$16.34	\$16.12
Asset coverage ratio²	2.05	2.12	2.17	2.15	2.26

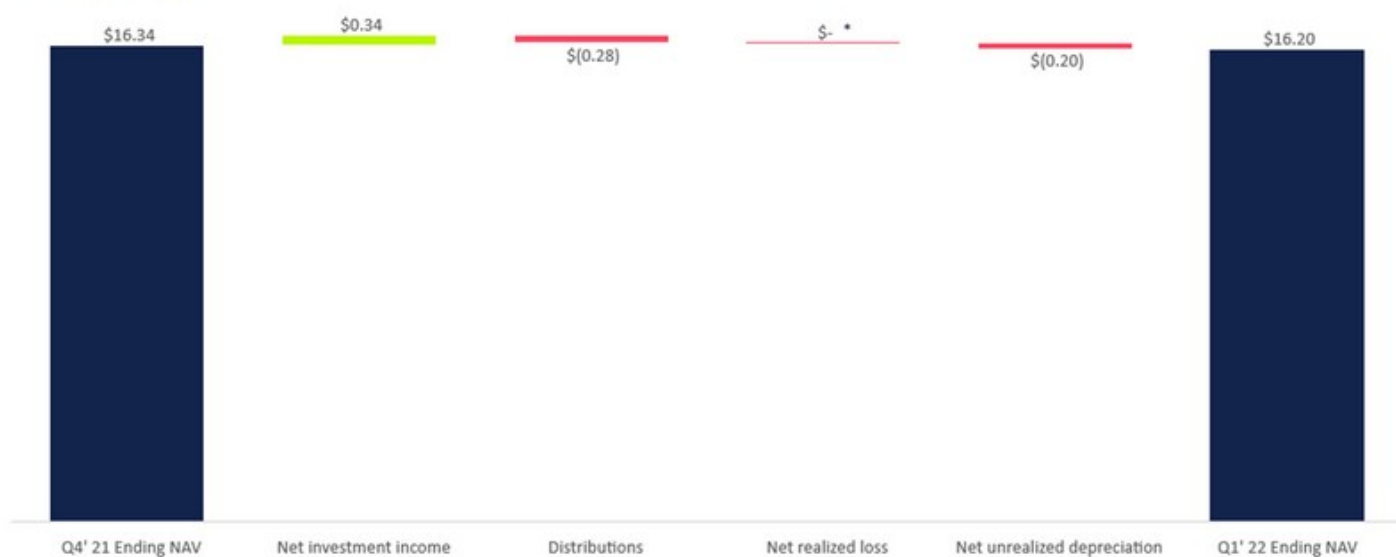
All figures in thousands, except per share data.

¹ The Company had debt issuance costs of \$7,636 as of March 31, 2022, \$7,628 as of December 31, 2021, \$8,327 as of September 30, 2021, \$8,997 as of June 30, 2021 and \$8,689 as of March 31, 2021.

² Asset coverage ratio is equal to (i) the sum of (a) net assets at the end of the period and (b) total senior securities outstanding at the end of the period (excluding unfunded commitments), divided by (ii) total senior securities outstanding at the end of the period.

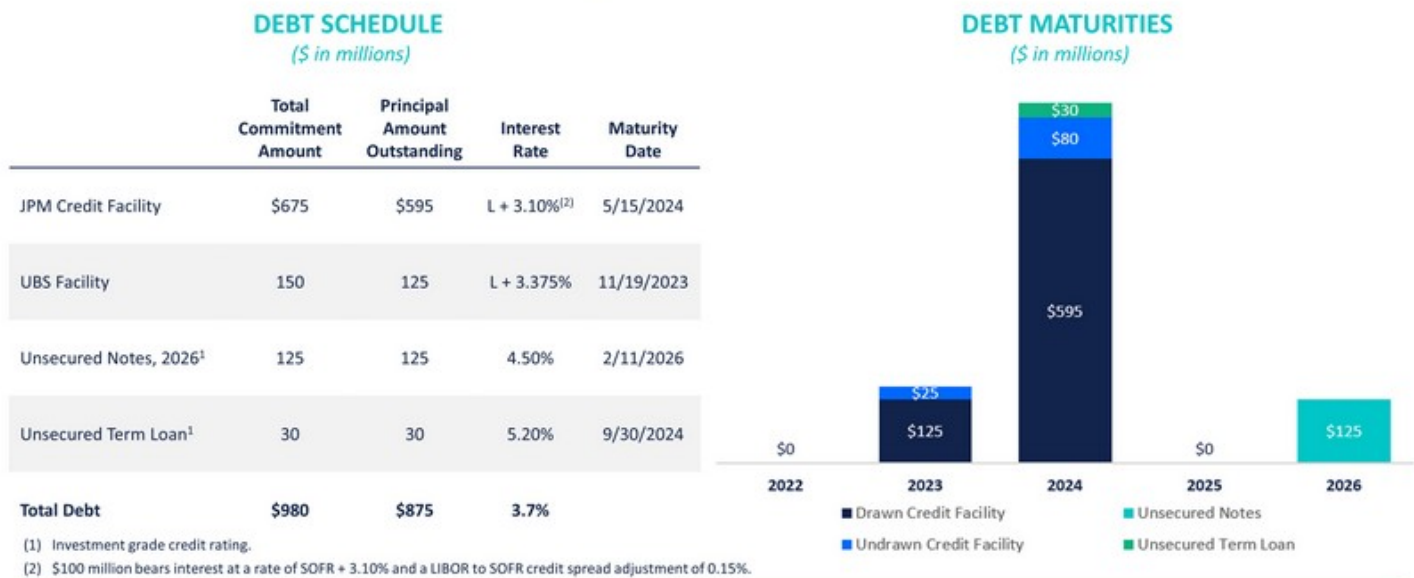
Q1 2022 Net Asset Value Bridge

Per Share Data



Debt Summary

\$105 million in available capacity within existing senior secured facilities



Distribution Per Share and Distribution Coverage

	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Net Investment Income (per share)	\$0.25	\$0.38	\$0.38	\$0.31	\$0.33	\$0.35	\$0.32	\$0.34
Distribution (per share)	\$0.00 ¹	\$0.18 ¹	\$0.57	\$0.26	\$0.26	\$0.26	\$0.46	\$0.28
Distribution coverage	NA ¹	2.14x	0.67x	1.17x	1.24x	1.32x	0.70x	1.21x

