
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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, 2021
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 814-01299

Blackstone Secured Lending Fund

(Exact name of Registrant as specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

82-7020632
(I.R.S. Employer
Identification No.)

**345 Park Avenue, 31st Floor
New York, New York**
(Address of principal executive offices)

10154
(Zip Code)

Registrant's telephone number, including area code: (212) 503-2100

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	None	None

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 such files). YES ☐ NO ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
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. ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO ☒

The number of shares of Registrant's Common Stock, \$0.001 par value per share, outstanding as of May 10, 2021 was 130,105,225.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that involve substantial risks and uncertainties. Such statements involve known and unknown risks, uncertainties and other factors and undue reliance should not be placed thereon. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about Blackstone Secured Lending Fund (together, with its consolidated subsidiaries, the “**Company**,” “**we**,” “**us**” or “**our**”), our current and prospective portfolio investments, our industry, our beliefs and opinions, and our assumptions. Words such as “anticipates,” “expects,” “intends,” “plans,” “will,” “may,” “continue,” “believes,” “seeks,” “estimates,” “would,” “could,” “should,” “targets,” “projects,” “outlook,” “potential,” “predicts” and variations of these words and similar expressions are intended to identify forward-looking statements. 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 difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements, including without limitation:

- our future operating results;
- our business prospects and the prospects of the companies in which we may invest;
- the impact of the investments that we expect to make;
- our ability to raise sufficient capital to execute our investment strategy;
- general economic and political trends and other external factors, including the current novel coronavirus (“**COVID-19**”) pandemic;
- the ability of our portfolio companies to achieve their objectives;
- our current and expected financing arrangements and investments;
- changes in the general interest rate environment;
- the adequacy of our cash resources, financing sources and working capital;
- the timing and amount of cash flows, distributions and dividends, if any, from our portfolio companies;
- our contractual arrangements and relationships with third parties;
- actual and potential conflicts of interest with Blackstone Credit BDC Advisors LLC (the “**Adviser**”) or any of its affiliates;
- the dependence of our future success on the general economy and its effect on the industries in which we may invest;
- our use of financial leverage;
- our business prospects and the prospects of our portfolio companies, including our and their ability to achieve our respective objectives as a result of the current COVID-19 pandemic;
- the ability of the Adviser to source suitable investments for us and to monitor and administer our investments;
- the ability of the Adviser or its affiliates to attract and retain highly talented professionals;
- our ability to qualify for and maintain our qualification as a regulated investment company and as a business development company (“**BDC**”);
- the impact on our business of U.S. and international financial reform legislation, rules and regulations;
- the effect of changes to tax legislation and our tax position; and
- the tax status of the enterprises in which we may invest.

Although we believe that the assumptions on which these forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, and as a result, the forward-looking statements based on those assumptions also could be inaccurate. In light of these and other uncertainties, the inclusion of any 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. These risks and uncertainties include those described or identified in the section entitled “*Risk Factors*” in Part I, Item 1A of our annual report on Form 10-K for the year ended December 31, 2020 and Part II, Item 1A of this Form 10-Q. These projections and forward-looking statements apply only as of the date of this report. Moreover, we assume no duty and do not undertake to update the forward-looking statements, except as required by applicable law. Because we are an investment company, the forward-looking statements and projections contained in this report are excluded from the safe harbor protection provided by Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the “**1934 Act**”).

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

Blackstone Secured Lending Fund Consolidated Statements of Assets and Liabilities (in thousands, except share and per share amounts)

	March 31, 2021	December 31, 2020
	(Unaudited)	
ASSETS		
Investments at fair value		
Non-controlled/non-affiliated investments (cost of \$6,037,571 and \$5,575,482 at March 31, 2021 and December 31, 2020, respectively)	\$ 6,081,065	\$ 5,585,942
Non-controlled/affiliated investments (cost of \$25,645 and \$0 at March 31, 2021 and December 31, 2020, respectively)	24,299	—
Total investments at fair value (cost of \$6,063,216 and \$5,575,482 at March 31, 2021 and December 31, 2020, respectively)	6,105,364	5,585,942
Cash and cash equivalents	291,724	217,993
Interest receivable from non-controlled/non-affiliated investments	23,927	21,456
Deferred financing costs	6,523	6,933
Receivable for investments sold	76,462	114,537
Subscription receivable	24	3,427
Other assets	365	578
Total assets	\$ 6,504,389	\$ 5,950,866
LIABILITIES		
Debt (net of unamortized debt issuance costs of \$22,553 and \$14,170 at March 31, 2021 and December 31, 2020, respectively)	\$ 2,946,162	\$ 2,500,393
Payable for investments purchased	112,234	48,582
Due to affiliates	3,714	5,546
Management fees payable	11,677	10,277
Income based incentive fee payable	14,347	15,262
Capital gains incentive fee payable	6,454	1,077
Interest payable	18,894	14,715
Distribution payable (Note 8)	65,052	86,638
Accrued expenses and other liabilities	152	567
Total liabilities	3,178,686	2,683,057
Commitments and contingencies (Note 7)		
NET ASSETS		
Common shares, \$0.001 par value (unlimited shares authorized; 130,105,225 and 129,661,586 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively)	130	130
Additional paid in capital	3,243,741	3,232,562
Distributable earnings (loss)	81,832	35,117
Total net assets	3,325,703	3,267,809
Total liabilities and net assets	\$ 6,504,389	\$ 5,950,866
NET ASSET VALUE PER SHARE	\$ 25.56	\$ 25.20

The accompanying notes are an integral part of these consolidated financial statements.

Blackstone Secured Lending Fund
Consolidated Statements of Operations
(in thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended March 31,	
	2021	2020
Investment income:		
From non-controlled/non-affiliated investments:		
Interest income	\$ 127,950	\$ 77,591
Payment-in-kind interest income	1,917	2,602
Fee income	843	2
Total investment income	130,710	80,195
Expenses:		
Interest expense	21,146	16,071
Management fees	11,677	6,537
Income based incentive fee	14,347	8,268
Capital gains incentive fee	5,377	(4,218)
Professional fees	586	526
Board of Trustees' fees	131	115
Administrative service expenses (Note 3)	492	583
Other general and administrative	1,317	830
Amortization of offering costs	—	307
Total expenses	55,073	29,019
Recoupment of expense support (Note 3)	—	400
Net expenses	55,073	29,419
Net investment income before excise tax	75,637	50,776
Excise tax expense	(282)	104
Net investment income after excise tax	75,919	50,672
Realized and unrealized gain (loss):		
Net change in unrealized appreciation (depreciation):		
Non-controlled/non-affiliated investments	34,112	(358,814)
Non-controlled/affiliated investments	(1,346)	—
Translation of assets and liabilities in foreign currencies	(714)	(13)
Net unrealized appreciation (depreciation)	32,052	(358,827)
Realized gain (loss):		
Non-controlled/non-affiliated investments	4,634	699
Foreign currency transactions	(838)	(4)
Net realized gain (loss)	3,796	695
Net realized and unrealized gain (loss)	35,848	(358,132)
Net increase (decrease) in net assets resulting from operations	\$ 111,767	\$ (307,460)
Net investment income per share (basic and diluted)	\$ 0.58	\$ 0.67
Earnings (loss) per share (basic and diluted)	\$ 0.86	\$ (4.05)
Weighted average shares outstanding (basic and diluted)	129,967,204	75,856,683
Distributions declared per share	\$ 0.50	\$ 0.50

The accompanying notes are an integral part of these consolidated financial statements.

Blackstone Secured Lending Fund
Consolidated Statements of Changes in Net Assets
(in thousands)
(Unaudited)

	Par Amount	Additional Paid in Capital	Distributable Earnings (Loss)	Total Net Assets
Balance, December 31, 2020	\$ 130	\$ 3,232,562	\$ 35,117	\$ 3,267,809
Issuance of common shares	—	—	—	—
Reinvestment of dividends	—	11,179	—	11,179
Net investment income	—	—	75,919	75,919
Net realized gain (loss) on investments	—	—	3,796	3,796
Net change in unrealized appreciation (depreciation) on investments	—	—	32,052	32,052
Dividends declared from net investment income	—	—	(65,052)	(65,052)
Balance, March 31, 2021	<u>\$ 130</u>	<u>\$ 3,243,741</u>	<u>\$ 81,832</u>	<u>\$ 3,325,703</u>

	Par Amount	Additional Paid in Capital	Distributable Earnings (Loss)	Total Net Assets
Balance, December 31, 2019	\$ 64	\$ 1,635,915	\$ 37,138	\$ 1,673,117
Issuance of common shares	17	440,834	—	440,851
Reinvestment of dividends	—	2,882	—	2,882
Net investment income	—	—	50,672	50,672
Subscribed but unissued shares	15	324,031	—	324,046
Subscriptions receivable	(15)	(324,031)	—	(324,046)
Net realized gain (loss) on investments	—	—	695	695
Net change in unrealized appreciation (depreciation) on investments	—	—	(358,827)	(358,827)
Dividends declared from net investment income	—	—	(37,929)	(37,929)
Balance, March 31, 2020	<u>\$ 81</u>	<u>\$ 2,079,631</u>	<u>\$ (308,251)</u>	<u>\$ 1,771,461</u>

The accompanying notes are an integral part of these consolidated financial statements.

Blackstone Secured Lending Fund
Consolidated Statements of Cash Flows
(in thousands)
(Unaudited)

	Three Months Ended March 31,	
	2021	2020
Cash flows from operating activities:		
Net increase (decrease) in net assets resulting from operations	\$ 111,767	\$ (307,460)
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Net unrealized (appreciation) depreciation on investments	(32,766)	358,814
Net unrealized (appreciation) depreciation on translation of assets and liabilities in foreign currencies	714	13
Net realized (gain) loss on investments	(4,634)	(699)
Payment-in-kind interest capitalized	(1,883)	(2,647)
Net accretion of discount and amortization of premium	(21,143)	(6,188)
Amortization of deferred financing costs	514	543
Amortization of debt issuance costs	1,053	—
Amortization of offering costs	—	306
Purchases of investments	(1,097,111)	(1,022,892)
Proceeds from sale of investments and principal repayments	637,037	130,149
Changes in operating assets and liabilities:		
Interest receivable	(2,471)	1,915
Receivable for investments sold	38,075	(17,899)
Other assets	213	213
Payable for investments purchased	63,652	145,840
Due to affiliates	(1,960)	103
Management fee payable	1,400	1,492
Income based incentive fee payable	(916)	1,923
Capital gains incentive fee payable	5,377	(4,218)
Interest payable	4,179	(291)
Accrued expenses and other liabilities	(415)	(861)
Net cash provided by (used in) operating activities	(299,318)	(721,844)
Cash flows from financing activities:		
Borrowings on debt	1,013,526	581,711
Repayments on debt	(567,590)	(241,205)
Deferred financing costs paid	(169)	—
Debt issuance costs paid	(409)	—
Deferred offering costs paid	—	—
Dividends paid in cash	(75,458)	(24,937)
Proceeds from issuance of common shares	3,403	446,793
Net cash provided by (used in) financing activities	373,303	762,362
Net increase (decrease) in cash and cash equivalents	73,985	40,518
Effect of foreign exchange rate changes on cash and cash equivalents	(254)	(14)
Cash and cash equivalents, beginning of period	217,993	65,495
Cash and cash equivalents, end of period	\$ 291,724	\$ 105,999

Supplemental information and non-cash activities:

Interest paid during the period	\$	15,190	\$	15,723
Subscription receivable	\$	24	\$	—
Distribution payable	\$	65,052	\$	37,929
Reinvestment of distributions during the period	\$	11,179	\$	2,882
Non-cash deferred financing costs activity	\$	(64)	\$	—
Accrued but unpaid debt issuance costs	\$	192	\$	—
Excise taxes paid	\$	131	\$	—

The accompanying notes are an integral part of these consolidated financial statements.

Blackstone Secured Lending Fund
Consolidated Schedule of Investments
March 31, 2021
(in thousands)
(Unaudited)

Investments (1)(5)	Reference Rate and Spread	Interest Rate (2)	Maturity Date	Par Amount/ Units	Cost (3)	Fair Value	Percentage of Net Assets
Investments - non-controlled/non-affiliated							
First Lien Debt							
Aerospace & Defense							
Corfin Holdings, Inc. (4)(10)	L + 6.00%	7.00%	2/5/2026	\$ 202,950	\$ 199,670	\$ 202,443	6.09 %
MAG DS Corp. (4)(10)	L + 5.50%	6.50%	4/1/2027	87,387	79,726	85,858	2.58
TCFI AEVEX, LLC (4)(7)(10)	L + 6.00%	7.00%	3/18/2026	101,763	99,928	100,614	3.03
					379,324	388,915	11.70
Air Freight & Logistics							
Livingston International, Inc. (4)(6)(10)	L + 5.75%	6.75%	4/30/2026	121,828	118,315	121,218	3.64
Mode Purchaser, Inc. (4)(10)	L + 6.25%	7.25%	12/9/2026	176,542	173,672	170,804	5.14
Omni Intermediate Holdings, LLC - Revolving Term Loan (4)(5)(7)(11)	L + 6.00%	7.25%	12/30/2025	35	22	34	—
Omni Intermediate Holdings, LLC (4)(5)(7)(10)	L + 5.00%	6.00%	12/30/2026	5,000	4,880	4,938	0.15
R1 Holdings, LLC (4)(10)	L + 6.00%	7.06%	1/2/2026	57,523	56,837	57,523	1.73
SEKO Global Logistics Network, LLC (4)(5)(7)(10)	L + 5.00%	6.00%	12/30/2026	4,688	4,601	4,599	0.14
					358,327	359,116	10.80
Building Products							
Fencing Supply Group Acquisition, LLC (4)(5)(7)(10)	L + 6.00%	7.00%	2/26/2027	53,924	52,671	52,669	1.58
Jacuzzi Brands, LLC (4)(10)	L + 6.50%	7.50%	2/25/2025	94,817	93,640	93,632	2.82
Latham Pool Products, Inc. (8)	L + 6.00%	6.11%	6/18/2025	78,062	76,353	78,197	2.35
Lindstrom, LLC (4)(10)	L + 6.25%	7.25%	4/7/2025	129,404	127,750	129,404	3.89
The Wolf Organization, LLC (4)(10)	L + 6.50%	7.50%	9/3/2026	95,499	94,025	95,499	2.87
Windows Acquisition Holdings, Inc. (4)(5)(10)	L + 6.50%	7.50%	12/29/2026	62,838	61,635	61,581	1.85
					506,073	510,983	15.36
Chemicals							
DCG Acquisition Corp. (4)(5)(8)	L + 4.50%	4.61%	9/30/2026	34,911	34,650	34,868	1.05
DCG Acquisition Corp. (4)(7)(10)	L + 7.50%	8.50%	9/30/2026	39,700	38,827	43,273	1.30
NIC Acquisition Corp. (9)	L + 3.75%	4.50%	12/29/2027	735	732	737	0.02
Polymer Additives, Inc. (8)	L + 6.00%	6.21%	7/31/2025	29,377	28,385	26,903	0.81
USALCO, LLC (4)(7)(11)	L + 7.25%	8.50%	6/1/2026	166,333	162,508	168,130	5.07
USALCO, LLC (4)(11)	L + 6.50%	7.75%	6/1/2026	35,604	34,924	34,891	1.05
VDM Buyer, Inc. (4)(8)	L + 6.00%	6.22%	4/22/2025	€ 23,962	26,607	27,318	0.82
VDM Buyer, Inc. (4)(8)	L + 6.75%	6.98%	4/22/2025	62,929	62,078	61,041	1.84
					388,710	397,161	11.95

Blackstone Secured Lending Fund
Consolidated Schedule of Investments
March 31, 2021
(in thousands)
(Unaudited)

Investments (1)(5)	Reference Rate and Spread	Interest Rate (2)	Maturity Date	Par Amount/ Units	Cost (3)	Fair Value	Percentage of Net Assets
First Lien Debt (continued)							
Commercial Services & Supplies							
JSS Holdings, Inc. (4)(10)	L + 6.25% (incl. 2.00% PIK)	7.25%	12/17/2027	327,992	323,298	323,072	9.71
The Action Environmental Group, Inc. (4)(7)(11)	L + 6.00%	7.25%	1/16/2026	117,976	115,914	113,257	3.41
Veregy Consolidated, Inc. (10)	L + 6.00%	7.00%	11/2/2027	21,259	20,703	21,392	0.64
					459,914	457,721	13.76
Construction & Engineering							
COP Home Services TopCo IV, Inc. (4)(5)(7)(10)	L + 5.00%	6.00%	12/31/2027	17,049	16,390	16,498	0.50
IEA Energy Services, LLC (8)	L + 6.75%	6.95%	9/25/2024	30,517	29,485	30,612	0.92
					45,875	47,110	1.42
Distributors							
Bution Holdco 2, Inc. (4)(10)	L + 6.25%	7.25%	10/17/2025	102,802	101,245	100,746	3.03
Dana Kepner Company, LLC (4)(7)(10)	L + 6.25%	7.25%	12/29/2026	71,488	70,119	70,058	2.11
EIS Buyer, LLC (4)(12)	L + 6.25%	7.75%	9/30/2025	81,617	80,394	79,169	2.38
Fastlane Parent Company, Inc. (8)	L + 4.50%	4.61%	2/4/2026	7,462	7,359	7,471	0.22
NDC Acquisition Corp. (4)(10)	L + 5.75%	6.75%	3/9/2027	22,500	21,888	21,881	0.66
NDC Acquisition Corp. - Revolving Term Loan (4)(5)(7)(10)	L + 5.75%	6.75%	3/9/2027	514	421	420	0.01
PSS Industrial Group Corp. (4)(12)	L + 8.00% (incl. 2.00% PIK)	9.50%	4/10/2025	55,952	53,149	44,762	1.35
Tailwind Colony Holding Corporation (4)(10)	L + 7.50%	8.50%	11/13/2024	32,964	32,640	31,975	0.96
Unified Door & Hardware Group, LLC (4)(10)	L + 6.25%	7.25%	6/30/2025	90,832	89,282	90,832	2.73
					456,496	447,314	13.45
Diversified Financial Services							
SelectQuote, Inc. (4)(9)	L + 5.00%	5.75%	11/5/2024	59,714	58,253	59,714	1.80
Electric Utilities							
Qualus Power Services Corp. (4)(7)(10)	L + 5.50%	6.50%	3/26/2027	42,750	41,490	41,487	1.25
Electrical Equipment							
Shoals Holdings, LLC (4)(10)	L + 3.25%	4.25%	11/25/2026	85,161	83,120	85,587	2.57
Electronic Equipment, Instruments & Components							
Albireo Energy, LLC (4)(5)(7)(10)	L + 6.00%	7.00%	12/23/2026	116,833	114,153	115,124	3.46
Convergeone Holdings, Inc. (8)	L + 5.00%	5.11%	1/4/2026	14,580	14,172	14,122	0.42
					128,325	129,246	3.89
Energy Equipment & Services							
Abaco Energy Technologies, LLC (4)(12)	L + 7.00%	8.50%	10/4/2024	50,381	49,321	46,603	1.40
Tetra Technologies, Inc. (4)(6)(10)	L + 6.25%	7.25%	9/10/2025	20,098	19,998	19,043	0.57
					69,319	65,646	1.97

Blackstone Secured Lending Fund
Consolidated Schedule of Investments
March 31, 2021
(in thousands)
(Unaudited)

Investments (1)(5)	Reference Rate and Spread	Interest Rate (2)	Maturity Date	Par Amount/ Units	Cost (3)	Fair Value	Percentage of Net Assets
First Lien Debt (continued)							
Health Care Providers & Services							
DCA Investment Holdings, LLC (4)(7)(9)	L + 6.25%	7.00%	3/12/2028	22,090	21,714	21,711	0.65
Epoch Acquisition, Inc. (4)(10)	L + 6.75%	7.75%	10/4/2024	24,750	24,550	24,750	0.74
Healthcomp Holding Company, LLC (4)(5)(7)(10)	L + 6.00%	7.00%	10/27/2026	87,082	84,789	85,702	2.58
Jayhawk Buyer, LLC (4)(7)(10)	L + 5.75%	6.75%	10/15/2026	116,114	113,375	114,658	3.45
Monroe Capital Holdings, LLC (4)(7)(10)	L + 6.75%	7.75%	9/8/2026	107,665	105,724	106,588	3.20
Odyssey Holding Company, LLC (4)(10)	L + 5.75%	6.75%	11/16/2025	18,898	18,690	18,898	0.57
The GI Alliance Management, LLC (4)(10)	L + 6.25%	7.25%	11/4/2024	274,248	268,368	267,392	8.04
					637,210	639,699	19.24
Health Care Technology							
Edifecs, Inc. (4)(10)	L + 7.50%	8.50%	9/21/2026	223,074	217,986	221,959	6.67
NMC Crimson Holdings, Inc. (4)(7)(9)	L + 6.00%	6.75%	3/1/2028	71,173	68,599	68,567	2.06
Project Ruby Ultimate Parent Corp. (9)	L + 3.25%	4.00%	3/3/2028	8,612	8,569	8,590	0.26
					295,154	299,116	8.99
Hotels, Restaurants & Leisure							
Excel Fitness Holdings, Inc. (10)	L + 5.25%	6.25%	10/7/2025	35,909	34,688	34,394	1.03
Industrial Conglomerates							
Tailwind Smith Cooper Intermediate Corporation (8)	L + 5.00%	5.11%	5/28/2026	30,605	29,714	30,004	0.90
Insurance							
Integrity Marketing Acquisition, LLC (4)(5)(7)(10)	L + 6.25%	7.25%	8/27/2025	35,396	34,454	34,598	1.04
Jones Deslauriers Insurance Management, Inc. (4)(5)(6)(7)(8)	L + 4.25%	4.25%	3/28/2028	C\$ 54,541	42,701	43,979	1.32
SG Acquisition, Inc. (4)(8)	L + 5.75%	5.86%	1/27/2027	99,704	98,046	98,208	2.95
Westland Insurance Group LTD (4)(5)(6)(7)(10)	L + 7.00%	8.00%	1/5/2027	C\$ 68,432	49,043	51,536	1.55
Westland Insurance Group LTD (4)(5)(6)(10)	L + 7.00%	8.00%	1/5/2027	42,483	38,773	39,617	1.19
					263,017	267,938	8.06
Interactive Media & Services							
Bungie, Inc. (4)(10)	L + 6.25%	7.25%	8/28/2024	47,200	46,718	47,200	1.42
Internet & Direct Marketing Retail							
Donuts, Inc. (4)(10)	L + 6.00%	7.00%	12/29/2026	368,228	361,176	360,863	10.85
Shutterfly, LLC (10)	L + 6.00%	7.00%	9/25/2026	26,457	24,580	26,592	0.80
Shutterfly, LLC (10)	L + 6.50%	7.50%	9/25/2026	13,550	13,649	13,584	0.41
					399,405	401,039	12.06
IT Services							
Park Place Technologies, LLC (10)	L + 5.00%	6.00%	11/10/2027	45,000	43,296	45,000	1.35
Leisure Products							
Lew's Intermediate Holdings, LLC (4)(8)	L + 5.00%	5.21%	1/26/2028	6,600	6,535	6,633	0.20
Machinery							
Apex Tool Group, LLC (11)	L + 5.25%	6.50%	8/1/2024	28,117	27,370	28,150	0.85

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First Lien Debt (continued)							
Oil, Gas & Consumable Fuels							
Eagle Midstream Canada Finance, Inc. (4)(6)(12)	L + 6.25%	7.75%	11/26/2024	150,862	149,209	148,599	4.47
Paper & Forest Products							
Pixelle Specialty Solutions, LLC (10)	L + 6.50%	7.50%	10/31/2024	6,929	6,824	6,944	0.21
Personal Products							
Paula's Choice Holdings, Inc. (4)(10)	L + 6.25%	7.25%	11/17/2025	54,656	53,263	54,520	1.64
Professional Services							
ALKU, LLC (4)(7)(9)	L + 5.25%	6.00%	3/1/2028	112,485	111,395	111,273	3.35
APFS Staffing Holdings, Inc. (8)	L + 4.75%	4.86%	4/15/2026	18,155	17,892	18,104	0.54
BPPH2 Limited (4)(5)(6)(8)	L + 6.75%	6.82%	3/2/2028	£ 25,500	34,283	34,039	1.02
GI Revelation Acquisition, LLC (8)	L + 5.00%	5.11%	4/16/2025	32,081	30,068	32,188	0.97
Titan Investment Company, Inc. (4)(5)(8)	L + 5.75%	5.94%	3/20/2027	42,784	40,792	42,784	1.29
VT Topco, Inc. (8)	L + 3.50%	3.61%	8/1/2025	4,853	4,568	4,803	0.14
					238,998	243,191	7.31
Real Estate Management & Development							
Progress Residential PM Holdings, LLC (4)(7)(9)	L + 6.25%	7.00%	2/16/2028	55,898	54,525	54,501	1.64
Software							
Diligent Corporation (4)(10)	L + 5.75%	6.75%	8/4/2025	60,000	59,160	59,149	1.78
LD Lower Holdings, Inc. (4)(7)(10)	L + 6.50%	7.50%	2/8/2026	119,875	117,546	117,478	3.53
MRI Software, LLC (4)(5)(7)(10)	L + 5.50%	6.50%	2/10/2026	24,350	24,120	24,324	0.73
PaySimple, Inc. (8)	L + 5.50%	5.50%	8/23/2025	61,555	59,946	61,401	1.85
Spitfire Parent, Inc. (4)(7)(10)	L + 5.50%	6.50%	3/11/2027	44,000	42,982	42,972	1.29
					303,754	305,324	9.18
Specialty Retail							
CustomInk, LLC (4)(10)	L + 6.21%	7.21%	5/3/2026	133,125	131,231	130,463	3.92
Party City Holdings, Inc. (6)(8)	L + 8.75%	8.75%	2/15/2026	1,416	1,416	1,461	0.04
Spencer Spirit Holdings, Inc. (8)	L + 6.00%	6.11%	6/19/2026	45,037	43,035	44,924	1.35
					175,682	176,848	5.32
Technology Hardware, Storage & Peripherals							
Deliver Buyer, Inc. (10)	L + 6.25%	7.25%	5/1/2024	49,750	48,539	50,154	1.51
Electronics For Imaging, Inc. (8)	L + 5.00%	5.11%	7/23/2026	24,963	23,637	23,572	0.71
Lytix, Inc. (4)(7)(10)	L + 6.00%	7.00%	2/28/2026	69,139	68,228	68,280	2.05
					140,404	142,006	4.27
Trading Companies & Distributors							
The Cook & Boardman Group, LLC (10)	L + 5.75%	6.75%	10/17/2025	50,104	49,747	48,934	1.45

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First Lien Debt (continued)							
Transportation Infrastructure							
Capstone Logistics, LLC (5)(7)(10)	L + 4.75%	5.75%	11/12/2027	3,045	3,014	3,064	0.09
Spireon, Inc. (4)(10)	L + 6.50%	7.50%	10/4/2024	22,904	22,735	22,904	0.69
					25,749	25,968	0.78
Total First Lien Debt					\$ 5,956,489	\$ 5,996,005	180.29 %
Second Lien Debt							
Chemicals							
NIC Acquisition Corp. (5)(9)	L + 7.75%	8.50%	12/29/2028	\$ 3,500	\$ 3,448	\$ 3,553	0.11 %
Construction & Engineering							
COP Home Services TopCo IV, Inc. (4)(5)(10)	L + 8.75%	9.75%	12/31/2028	6,061	5,929	5,970	0.18
Insurance							
Jones Deslauriers Insurance Management, Inc. (4)(5)(6)(7)(8)	L + 7.50%	7.50%	3/26/2029	C\$ 25,495	19,859	20,617	0.62
Software							
Epicor Software Corp. (5)(10)	L + 7.75%	8.75%	7/31/2028	11,186	11,032	11,592	0.35
Total Second Lien Debt					\$ 40,268	\$ 41,732	1.26 %
Unsecured Debt							
Communications Equipment							
Plantronics, Inc. (5)(6)	4.75%	4.75%	3/1/2029	\$ 4,748	\$ 4,748	\$ 4,677	0.14 %
IT Services							
Endure Digital, Inc. (5)	6.00%	6.00%	2/15/2029	3,125	3,125	3,058	0.09
Total Unsecured Debt					\$ 7,873	\$ 7,735	0.23 %
Warrants							
Software							
Mermaid EquityCo L.P. - Class B Units (4)				4,550,697	\$ 865	\$ 1,320	0.04 %
Total Warrants					\$ 865	\$ 1,320	0.04 %

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Equity							
Aerospace & Defense							
Corfin Holdeo, Inc. - Common Stock (4)				2,137,866	\$ 4,767	\$ 5,131	0.15 %
Air Freight & Logistics							
Mode Holdings, L.P. - Class A-2 Common Units (4)				5,486,923	5,487	5,487	0.16
Distributors							
EIS Acquisition Holdings, LP - Class A Common Units (4)				7,519	1,773	1,873	0.06
Software							
Mermaid Equity Co. L.P. - Class A-2 Common Units (4)				14,849,355	14,849	16,780	0.50
Specialty Retail							
CustomInk, LLC - Series A Preferred Units (4)				384,520	5,200	5,003	0.15
Total Equity Investments					\$ 32,077	\$ 34,273	1.03 %
Total Investments - non-controlled/non-affiliated					\$ 6,037,571	\$ 6,081,065	182.85 %
Investments - non-controlled/affiliated							
Equity							
Insurance							
Blackstone Donegal Holdings LP - LP Interests (Westland Insurance Group LTD) (4)(5)(6)(13)					\$ 25,645	\$ 24,299	0.73 %
Total Equity					\$ 25,645	\$ 24,299	0.73 %
Total Investments - non-controlled/affiliated					\$ 25,645	\$ 24,299	0.73 %
Total Investment Portfolio					\$ 6,063,216	\$ 6,105,364	183.58 %
Cash and Cash Equivalents							
State Street Institutional U.S. Government Money Market Fund					\$ 85,090	\$ 85,090	2.56 %
Other Cash and Cash Equivalents					206,634	206,634	6.21
Total Cash and Cash Equivalents					\$ 291,724	\$ 291,724	8.77 %
Total Portfolio Investments, Cash and Cash Equivalents					\$ 6,354,940	\$ 6,397,088	192.35 %

- (1) Unless otherwise indicated, issuers of debt and equity investments held by the Company (which such term "Company" shall include the Company's consolidated subsidiaries for purposes of this Consolidated Schedule of Investments) are denominated in dollars. All debt investments are income producing unless otherwise indicated. All equity investments are non-income producing unless otherwise noted. Certain portfolio company investments are subject to contractual restrictions on sales. The total par amount is presented for debt investments, while the number of shares or units owned is presented for equity investments. Each of the Company's investments is pledged as collateral, under one or more of its credit facilities unless otherwise indicated.
- (2) Variable rate loans to the portfolio companies bear interest at a rate that is determined by reference to either LIBOR ("L") or an alternate base rate (commonly based on the Federal Funds Rate ("F") or the U.S. Prime Rate ("P")), which generally resets periodically. For each loan, the Company has indicated the reference rate used and provided the spread and the interest rate in effect as of March 31, 2021. As of March 31, 2021, the reference rates for our variable rate loans were the 30-day L at 0.11%, the 90-day L at 0.19% and the 180-day L at 0.21% and P at 3.25%. Variable rate loans typically include an interest reference rate floor feature, which is generally 1.00%. As of March 31, 2021, 88.2% of the portfolio at fair value had a base rate floor above zero.
- (3) The cost represents the original cost adjusted for the amortization of discounts and premiums, as applicable, on debt investments using the effective interest method in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").
- (4) These investments were valued using unobservable inputs and are considered Level 3 investments. Fair value was determined in good faith by or under the direction of the Board of Trustees (the "Board") (see Note 2 and Note 5), pursuant to the Company's valuation policy.
- (5) These debt investments are not pledged as collateral under any of the Company's credit facilities. For other debt investments that are pledged to the Company's credit facilities, a single investment may be divided into parts that are individually pledged as collateral to separate credit facilities.

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- (6) The investment is not a qualifying asset under Section 55(a) of the 1940 Act. The Company may not acquire any non-qualifying asset unless, at the time of acquisition, qualifying assets represent at least 70% of the Company's total assets. As of March 31, 2021, non-qualifying assets represented 10.4% of total assets as calculated in accordance with regulatory requirements.
- (7) Position or portion thereof is an unfunded loan commitment, and no interest is being earned on the unfunded portion, although the investment may be subject to unused commitment fees. Negative cost and fair value results from unamortized fees, which are capitalized to the investment cost. The unfunded loan commitment may be subject to a commitment termination date that may expire prior to the maturity date stated. See below for more information on the Company's unfunded commitments (all commitments are first lien, unless otherwise noted):

Investments—non-controlled/non-affiliated	Commitment Type	Commitment Expiration Date	Unfunded Commitment	Fair Value
First and Second Lien Debt				
Albireo Energy, LLC	Delayed Draw Term Loan	6/23/2022	\$ 45,043	\$ (450)
Albireo Energy, LLC	Revolver	12/23/2026	9,009	(90)
ALKU, LLC	Revolver	3/1/2027	8,658	—
Capstone Logistics, LLC	Delayed Draw Term Loan	11/12/2027	547	—
COP Home Services TopCo IV, Inc.	Delayed Draw Term Loan	12/31/2022	2,440	(92)
COP Home Services TopCo IV, Inc.	Revolver	12/31/2025	1,941	(62)
Dana Kepner Company, LLC	Delayed Draw Term Loan	12/29/2021	29,861	—
DCA Investment Holding, LLC	Delayed Draw Term Loan	3/12/2023	6,391	(48)
DCG Acquisition Corporation	Delayed Draw Term Loan	6/22/2021	50,000	—
Fencing Supply Group Acquisition, LLC	Delayed Draw Term Loan	2/26/2023	17,649	(176)
Healthcomp Holding Company, LLC	Delayed Draw Term Loan	4/27/2022	23,280	(291)
Integrity Marketing Acquisition, LLC	Delayed Draw Term Loan	8/27/2025	20,000	(300)
Integrity Marketing Acquisition, LLC	Delayed Draw Term Loan	2/7/2022	14,433	—
Jayhawk Buyer, LLC	Delayed Draw Term Loan	10/15/2021	6,652	—
Jones Deslauriers Insurance Management, Inc.	Delayed Draw Term Loan	3/26/2022	10,832	—
Jones Deslauriers Insurance Management, Inc. (2nd lien)	Delayed Draw Term Loan	3/26/2022	2,318	—
LD Lower Holdings, Inc.	Delayed Draw Term Loan	2/8/2023	19,979	—
Lytix, Inc.	Delayed Draw Term Loan	2/28/2022	16,761	(168)
Monroe Capital Holdings, LLC	Delayed Draw Term Loan	6/8/2022	11,963	—
MRI Software, LLC	Revolver	2/10/2026	1,440	—
MRI Software, LLC	Delayed Draw Term Loan	1/31/2022	4,048	—
NDC Acquisition Corp	Revolver	3/9/2027	2,911	—
NMC Crimson Holdings, Inc.	Delayed Draw Term Loan	3/1/2023	31,400	(471)
Omni Intermediate Holdings, LLC	Delayed Draw Term Loan	12/30/2021	3,250	—
Omni Intermediate Holdings, LLC	Revolver	12/30/2025	521	—
Progress Residential PM Holdings, LLC	Delayed Draw Term Loan	2/16/2022	16,623	—
Qualus Power Services Corp	Delayed Draw Term Loan	3/26/2023	15,545	(194)
SEKO Global Logistics Network, LLC	Delayed Draw Term Loan	12/30/2022	800	(11)
SEKO Global Logistics Network, LLC	Revolver	12/30/2026	600	(8)
Spitfire Parent, Inc.	Delayed Draw Term Loan	3/11/2027	14,755	(148)
TCFI AEVEX, LLC	Delayed Draw Term Loan	12/31/2021	13,158	(132)
The Action Environmental Group, Inc.	Delayed Draw Term Loan	4/16/2021	7,992	—
USALCO, LLC	Delayed Draw Term Loan	6/1/2022	11,295	(282)
Westland Insurance Group LTD	Delayed Draw Term Loan	7/5/2022	32,536	—
Total Unfunded Commitments			<u>\$ 454,631</u>	<u>\$ (2,923)</u>

- (8) There are no interest rate floors on these investments.
- (9) The interest rate floor on these investments as of March 31, 2021 was 0.75%.
- (10) The interest rate floor on these investments as of March 31, 2021 was 1.00%.
- (11) The interest rate floor on these investments as of March 31, 2021 was 1.25%.
- (12) The interest rate floor on these investments as of March 31, 2021 was 1.50%.

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- (13) Under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the “1940 Act”), the Company would be deemed to “control” a portfolio company if the Company owned more than 25% of its outstanding voting securities and/or held the power to exercise control over the management or policies of the portfolio company. As of March 31, 2021, the Company does not “control” any of these portfolio companies. Under the 1940 Act, the Company would be deemed an “affiliated person” of a portfolio company if the Company owns 5% or more of the portfolio company’s outstanding voting securities. As of March 31, 2021, the Company’s non-controlled/affiliated investments were as follows:

	Fair value as of December 31, 2020	Gross Additions	Gross Reductions	Change in Unrealized Gains (Losses)	Fair value as of March 31, 2021	Dividend and Interest Income
Non-controlled/Affiliated Investments						
Blackstone Donegal Holdings LP	\$ —	\$ 25,645	\$ —	\$ (1,346)	\$ 24,299	\$ —
Total	\$ —	\$ 25,645	\$ —	\$ (1,346)	\$ 24,299	\$ —

The accompanying notes are an integral part of these consolidated financial statements.

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Investments—non-controlled/non-affiliated (1)(5)	Reference Rate and Spread	Interest Rate (2)	Maturity Date	Par Amount/ Units	Cost (3)	Fair Value	Percentage of Net Assets
First Lien Debt							
Aerospace & Defense							
Corfin Holdings, Inc. (4)(9)	L + 6.00%	7.00%	2/5/2026	\$ 203,463	\$ 200,008	\$ 202,954	6.21 %
MAG DS Corp (9)	L + 5.50%	6.50%	4/1/2027	87,607	79,610	83,884	2.57
TCFI AEVEX, LLC (4)(7)(9)	L + 6.00%	7.00%	3/18/2026	102,020	100,089	100,868	3.09
					379,707	387,706	11.87
Air Freight & Logistics							
Livingston International Inc. (4)(6)(9)	L + 5.75%	6.75%	4/30/2026	122,138	118,447	121,527	3.72
Mode Purchaser, Inc. (4)(9)	L + 6.25%	7.25%	12/9/2026	176,988	173,986	171,235	5.24
Omni Intermediate Holdings, LLC (4)(5)(7)(9)	L + 5.00%	6.00%	12/30/2026	5,000	4,875	4,875	0.15
Omni Intermediate Holdings, LLC - Revolving Term Loan (4)(5)(7)(9)	L + 5.00%	6.00%	12/30/2025	42	28	28	—
R1 Holdings, LLC (4)(7)(9)	L + 6.00%	7.06%	1/2/2026	57,669	56,856	57,093	1.75
					354,192	354,758	10.86
Building Products							
Jacuzzi Brands, LLC (4)(9)	L + 6.50%	7.50%	2/25/2025	99,228	97,922	95,755	2.93
Latham Pool Products, Inc. (8)	L + 6.00%	6.15%	6/18/2025	49,193	47,888	49,117	1.50
Lindstrom, LLC (4)(9)	L + 6.25%	7.25%	4/7/2025	129,650	127,891	127,057	3.89
The Wolf Organization, LLC (4)(9)	L + 6.50%	7.50%	9/3/2026	95,750	94,204	96,707	2.96
Windows Acquisition Holdings, Inc. (4)(5)(9)	L + 6.50%	7.50%	12/29/2026	62,996	61,737	61,736	1.89
Windows Acquisition Holdings, Inc. - Revolving Term Loan (4)(5)(7)(9)	L + 6.50%	7.50%	12/29/2025	4,620	4,620	4,620	0.14
					434,262	434,992	13.31
Capital Markets							
Advisor Group Holdings, Inc. (8)	L + 5.00%	5.15%	7/31/2026	6,430	5,981	6,390	0.20
Chemicals							
DCG Acquisition Corp. (4)(7)(9)	L + 7.50%	8.50%	9/30/2026	39,800	38,886	39,402	1.21
LSF11 Skyscraper US Bidco 2, LLC (4)(6)(9)	L + 5.50%	6.50%	9/29/2027	106,878	101,786	106,344	3.25
LSF11 Skyscraper Holdco S.à r.l, LLC (4)(6)(9)	L + 5.50%	6.50%	9/29/2027	335	319	334	0.01
Polymer Additives, Inc. (8)	L + 6.00%	6.21%	7/31/2025	29,452	28,400	24,726	0.76
USALCO, LLC (4)(7)(10)	L + 7.25%	8.50%	6/1/2026	166,751	162,734	168,553	5.16
USALCO, LLC (4)(9)	L + 6.50%	7.50%	6/1/2026	35,693	34,979	34,979	1.07
VDM Buyer, Inc. (4)(8)	L + 6.75%	6.97%	4/22/2025	€ 24,023	26,651	28,512	0.87
VDM Buyer, Inc. (4)(8)	L + 6.75%	6.97%	4/22/2025	63,089	62,184	61,197	1.87
					455,939	464,046	14.20

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First Lien Debt (continued)							
Commercial Services & Supplies							
Veregy Consolidated, Inc. (9)	L + 6.00%	7.00%	11/3/2027	20,000	19,413	19,850	0.61
JSS Holdings, Inc. (4)(9)	L + 6.25%	7.25%	12/17/2027	327,174	322,295	322,266	9.86
The Action Environmental Group, Inc. (4)(7)(10)	L + 6.00%	7.25%	1/16/2026	118,275	116,101	113,544	3.47
					457,809	455,660	13.94
Construction & Engineering							
Brand Industrial Services, Inc. (9)	L + 4.25%	5.25%	6/21/2024	7,884	7,317	7,706	0.24
COP Home Services TopCo IV, Inc. (4)(5)(7)(9)	L + 5.00%	6.00%	12/31/2027	16,162	15,482	15,482	0.47
IEA Energy Services, LLC (8)	L + 6.75%	7.00%	9/25/2024	30,517	29,556	30,466	0.93
					52,355	53,654	1.64
Distributors							
Bution Holdco 2, Inc. (4)(9)	L + 6.25%	7.25%	10/17/2025	123,438	121,467	120,969	3.70
Dana Kepner Company, LLC (4)(7)(9)	L + 6.25%	7.25%	12/29/2026	71,667	70,236	70,234	2.15
EIS Buyer, LLC (4)(11)	L + 6.25%	7.75%	9/30/2025	81,984	80,687	79,524	2.43
Fastlane Parent Company, Inc. (8)	L + 4.50%	4.65%	2/4/2026	12,481	12,285	12,450	0.38
PSS Industrial Group Corp. (11)	L + 6.00%	7.50%	4/10/2025	56,162	53,161	39,875	1.22
SEKO Global Logistics Network, LLC (4)(5)(7)(9)	L + 5.00%	6.00%	12/30/2026	4,700	4,609	4,608	0.14
Tailwind Colony Holding Corporation (4)(9)	L + 7.50%	8.50%	11/13/2024	33,045	32,698	31,971	0.98
Unified Door & Hardware Group, LLC (4)(9)	L + 6.25%	7.25%	6/30/2025	91,063	89,440	91,063	2.79
					464,583	450,695	13.79
Diversified Financial Services							
SelectQuote, Inc. (4)(9)	L + 6.00%	7.00%	11/5/2024	59,714	58,153	60,311	1.85
Electrical Equipment							
Shoals Holdings, LLC (4)(9)	L + 3.25%	4.25%	11/25/2026	149,687	145,982	145,944	4.47
Electronic Equipment, Instruments & Components							
Albireo Energy, LLC (4)(5)(7)(9)	L + 6.00%	7.00%	12/23/2026	111,978	108,911	108,899	3.34
Convergeone Holdings, Inc. (8)	L + 5.00%	5.15%	1/4/2026	14,617	14,187	13,849	0.42
					123,098	122,748	3.76
Energy Equipment & Services							
Abaco Energy Technologies, LLC (4)(11)	L + 7.00%	8.50%	10/4/2024	58,246	56,934	53,877	1.65
Tetra Technologies, Inc. (4)(6)(9)	L + 6.25%	7.25%	9/10/2025	23,296	23,174	21,666	0.66
					80,108	75,543	2.31
Health Care Equipment & Supplies							
Lifescan Global Corporation (8)	L + 6.00%	6.23%	10/1/2024	5,797	5,633	5,537	0.17
Surgical Specialties Corp (US) Inc. (4)(6)(8)	L + 5.00%	5.25%	5/7/2025	32,998	32,036	32,997	1.01
					37,669	38,535	1.18

Blackstone Secured Lending Fund
Consolidated Schedule of Investments
December 31, 2020
(in thousands)

Investments—non-controlled/non-affiliated (1)(5)	Reference Rate and Spread	Interest Rate (2)	Maturity Date	Par Amount/ Units	Cost (3)	Fair Value	Percentage of Net Assets
First Lien Debt (continued)							
Health Care Providers & Services							
Epoch Acquisition, Inc. (4)(9)	L + 6.75%	7.75%	10/4/2024	24,813	24,598	24,689	0.76
Healthcomp Holding Company, LLC (4)(5)(7)(9)	L + 6.00%	7.00%	10/27/2026	87,300	84,901	84,827	2.60
Jayhawk Buyer, LLC (4)(7)(9)	L + 5.75%	6.75%	10/15/2026	107,884	105,283	105,187	3.22
Monroe Capital Holdings, LLC (4)(7)(9)	L + 6.75%	7.75%	9/8/2026	107,359	105,317	106,286	3.25
Odyssey Holding Company, LLC (4)(9)	L + 5.75%	6.75%	11/16/2025	18,898	18,680	18,898	0.58
The GI Alliance Management, LLC (4)(7)(9)	L + 6.25%	7.25%	11/4/2024	189,409	184,953	180,127	5.51
					523,732	520,014	15.92
Health Care Technology							
Edifecs, Inc. (4)(9)	L + 7.50%	8.50%	9/21/2026	263,008	256,739	259,063	7.93
Project Ruby Ultimate Parent Corp (4)(9)	L + 4.25%	5.25%	2/9/2024	30,000	29,550	30,075	0.92
					286,289	289,138	8.85
Hotels, Restaurants & Leisure							
Excel Fitness Holdings, Inc (9)	L + 5.25%	6.25%	10/7/2025	46,588	44,918	42,939	1.31
Industrial Conglomerates							
Tailwind Smith Cooper Intermediate Corporation (8)	L + 5.00%	5.15%	5/28/2026	30,682	29,746	29,190	0.89
Insurance							
Integrity Marketing Acquisition, LLC (4)(5)(7)(9)	L + 6.25%	7.25%	8/27/2025	32,651	31,962	31,902	0.98
SG Acquisition, Inc. (4)(8)	L + 5.75%	5.90%	1/27/2027	102,895	101,111	101,352	3.10
					133,073	133,254	4.08
Interactive Media & Services							
Bungie, Inc. (4)(9)	L + 6.25%	7.25%	8/28/2024	47,200	46,683	47,200	1.44
Internet & Direct Marketing Retail							
Shutterfly, Inc. (9)	L + 6.00%	7.00%	9/25/2026	26,457	24,488	26,386	0.81
Donuts, Inc. (4)(7)(9)	L + 6.00%	7.00%	12/29/2026	381,538	373,918	373,908	11.44
					398,405	400,294	12.25
IT Services							
Ahead Data Blue, LLC (9)	L + 5.00%	6.00%	10/13/2027	13,207	12,180	13,025	0.40
Park Place Technologies, LLC (9)	L + 5.00%	6.00%	11/10/2027	45,000	43,232	43,350	1.33
					55,412	56,375	1.73
Machinery							
Apex Tool Group, LLC (10)	L + 5.25%	6.50%	8/1/2024	53,301	52,194	52,845	1.62
Oil, Gas & Consumable Fuels							
Eagle Midstream Canada Finance, Inc (4)(6)(11)	L + 6.25%	7.75%	11/26/2024	150,862	149,099	148,599	4.55
Paper & Forest Products							
Pixelle Specialty Solutions, LLC (9)	L + 6.50%	7.50%	10/31/2024	14,380	14,146	14,373	0.44
Personal Products							
Paula's Choice Holdings, Inc. (4)(9)	L + 6.25%	7.25%	11/17/2025	55,000	53,523	53,488	1.64

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(in thousands)

Investments—non-controlled/non-affiliated (1)(5)	Reference Rate and Spread	Interest Rate (2)	Maturity Date	Par Amount/ Units	Cost (3)	Fair Value	Percentage of Net Assets
First Lien Debt (continued)							
Professional Services							
APFS Staffing Holdings, Inc. (8)	L + 4.75%	4.90%	4/15/2026	18,201	17,922	17,916	0.55
GI Revelation Acquisition LLC (8)	L + 5.00%	5.15%	4/16/2025	32,163	29,987	31,681	0.97
Minotaur Acquisition, Inc. (8)	L + 5.00%	5.15%	3/27/2026	33,180	31,782	32,641	1.00
Titan Investment Company, Inc. (4)(5)(8)	L + 5.75%	5.99%	3/20/2027	42,892	40,812	42,356	1.30
VT Topco, Inc. (8)	L + 3.50%	3.65%	8/1/2025	4,866	4,562	4,811	0.15
					125,065	129,405	3.97
Software							
LD Intermediate Holdings, Inc. (4)(9)	L + 5.88%	6.88%	12/9/2022	17,105	16,633	17,041	0.52
MRI Software, LLC (4)(5)(7)(9)	L + 5.50%	6.50%	2/10/2026	22,329	22,081	22,220	0.68
PaySimple, Inc. (4)(7)(8)	L + 5.50%	5.65%	8/23/2025	53,058	51,710	51,824	1.58
Vero Parent, Inc. (9)	L + 6.00%	7.00%	8/16/2024	45,528	41,661	45,598	1.40
					132,085	136,683	4.18
Specialty Retail							
CustomInk, LLC (4)(9)	L + 6.21%	7.21%	5/3/2026	133,125	131,139	130,130	3.98
Spencer Spirit Holdings, Inc. (8)	L + 6.00%	6.15%	6/19/2026	45,037	42,941	44,896	1.38
					174,080	175,026	5.36
Technology Hardware, Storage & Peripherals							
Deliver Buyer, Inc. (4)(9)	L + 6.25%	7.25%	5/1/2024	49,875	48,564	50,187	1.54
Electronics For Imaging, Inc. (8)	L + 5.00%	5.15%	7/23/2026	34,650	32,723	29,788	0.90
Lytx, Inc. (4)(7)(9)	L + 6.00%	7.00%	2/28/2026	69,313	68,327	69,146	2.12
					149,614	149,121	4.56
Trading Companies & Distributors							
The Cook & Boardman Group, LLC (9)	L + 5.75%	6.75%	10/17/2025	50,233	49,859	48,035	1.47
Transportation Infrastructure							
Capstone Logistics, LLC (5)(7)(9)	L + 4.75%	5.75%	11/12/2027	3,053	3,020	3,094	0.09
Spireon, Inc. (4)(9)	L + 6.50%	7.50%	10/4/2024	22,961	22,780	22,847	0.70
					25,800	25,941	0.79
Total First Lien Debt					\$ 5,493,561	\$ 5,502,899	168.40 %
Second Lien Debt							
Construction & Engineering							
COP Home Services TopCo IV, Inc. (4)(5)(9)	L + 8.75%	9.75%	12/31/2028	\$ 6,061	\$ 5,925	\$ 5,925	0.18 %
Health Care Technology							
Project Ruby Ultimate Parent Corp (4)(5)(9)	L + 8.25%	9.25%	2/10/2025	17,900	17,542	18,079	0.55
IT Services							
WEB.COM Group, Inc. (8)	L + 7.75%	7.90%	10/9/2026	15,098	14,485	14,488	0.45
Software							
Epicor Software Corp. (5)(9)	L + 7.75%	8.75%	7/31/2028	11,186	11,027	11,707	0.36
Total Second Lien Debt					\$ 48,979	\$ 50,199	1.54 %

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(in thousands)

Investments—non-controlled/non-affiliated (1)(5)	Reference Rate and Spread	Interest Rate (2)	Maturity Date	Par Amount/ Units	Cost (3)	Fair Value	Percentage of Net Assets
Warrants							
Software							
Mermaid EquityCo L.P. - Class B Units (4)				4,550,697	\$ 865	\$ 865	0.03 %
Total Warrants					\$ 865	\$ 865	0.03 %
Equity							
Aerospace & Defense							
Corfin Holdco, Inc. - Common Stock (4)				2,137,866	\$ 4,767	\$ 4,767	0.15 %
Air Freight & Logistics							
Mode Holdings, L.P. - Class A-2 Common Units (4)				5,486,923	5,487	5,487	0.17
Distributor							
EIS Acquisition Holdings, LP - Class A Common Units (4)				7,519	1,773	1,873	0.06
Software							
Mermaid EquityCo L.P. - Class A-2 Common Units (4)				14,849,355	14,850	14,849	0.45
Specialty Retail							
CustomInk, LLC - Series A Preferred Units (4)				384,520	5,200	5,003	0.15
Total Equity Investments					\$ 32,077	\$ 31,979	0.98 %
Total Investment Portfolio					\$ 5,575,482	\$ 5,585,942	170.94 %
Cash and Cash Equivalents							
State Street Institutional U.S. Government Money Market Fund					\$ 29,427	\$ 29,427	0.90 %
Other Cash and Cash Equivalents					188,566	188,566	5.77
Total Cash and Cash Equivalents					\$ 217,993	\$ 217,993	6.67 %
Total Portfolio Investments, Cash and Cash Equivalents					\$ 5,793,475	\$ 5,803,935	177.61 %

- (1) Unless otherwise indicated, issuers of debt and equity investments held by the Company (which such term “Company” shall include the Company’s consolidated subsidiaries for purposes of this Consolidated Schedule of Investments) are denominated in dollars. All debt investments are income producing unless otherwise indicated. All equity investments are non-income producing unless otherwise noted. Certain portfolio company investments are subject to contractual restrictions on sales. Under the Investment Company Act of 1940, as amended (together with the rules and regulations promulgated thereunder, the “1940 Act”), the Company would be deemed to “control” a portfolio company if the Company owned more than 25% of its outstanding voting securities and/or held the power to exercise control over the management or policies of the portfolio company. As of December 31, 2020, the Company does not “control” any of these portfolio companies. Under the 1940 Act, the Company would be deemed an “affiliated person” of a portfolio company if the Company owns 5% or more of the portfolio company’s outstanding voting securities. As of December 31, 2020, the Company is not an “affiliated person” of any of its portfolio companies. The total par amount is presented for debt investments, while the number of shares or units owned is presented for equity investments. Each of the Company’s investments is pledged as collateral, under one or more of its credit facilities unless otherwise indicated.
- (2) Variable rate loans to the portfolio companies bear interest at a rate that is determined by reference to either LIBOR (“L”) or an alternate base rate (commonly based on the Federal Funds Rate (“F”) or the U.S. Prime Rate (“P”)), which generally resets periodically. For each loan, the Company has indicated the reference rate used and provided the spread and the interest rate in effect as of December 31, 2020. As of December 31, 2020, the reference rates for our variable rate loans were the 30-day L at 0.14%, the 90-day L at 0.24% and the 180-day L at 0.26% and P at 3.25%. Variable rate loans typically include an interest reference rate floor feature, which is generally 1.00%. As of December 31, 2020, 88.0% of the debt portfolio at fair value had an interest rate floor above zero.
- (3) The cost represents the original cost adjusted for the amortization of discounts and premiums, as applicable, on debt investments using the effective interest method in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).
- (4) These investments were valued using unobservable inputs and are considered Level 3 investments. Fair value was determined in good faith by or under the direction of the Board (see Note 2 and Note 5), pursuant to the Company’s valuation policy.
- (5) These debt investments are not pledged as collateral under any of the Company’s credit facilities. For other debt investments that are pledged to the Company’s credit facilities, a single investment may be divided into parts that are individually pledged as collateral to separate credit facilities.
- (6) The investment is not a qualifying asset under Section 55(a) of the 1940 Act. The Company may not acquire any non-qualifying asset unless, at the time of acquisition, qualifying assets represent at least 70% of the Company’s total assets. As of December 31, 2020, non-qualifying assets represented 9.7% of total assets as calculated in accordance with regulatory requirements.
- (7) Position or portion thereof is an unfunded loan commitment, and no interest is being earned on the unfunded portion, although the investment may be subject to unused commitment fees. Negative cost and fair value results from unamortized fees, which are capitalized to the investment cost. The

Blackstone Secured Lending Fund
Consolidated Schedule of Investments
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(in thousands)

unfunded loan commitment may be subject to a commitment termination date that may expire prior to the maturity date stated. See below for more information on the Company's unfunded commitments:

Investments—non-controlled/non-affiliated	Commitment Type	Commitment Expiration Date	Unfunded Commitment	Fair Value
First Lien Debt				
Albireo Energy, LLC - Delayed Draw A	Delayed Draw Term Loan	2/21/2021	\$ 25,404	\$ (254)
Albireo Energy, LLC - Delayed Draw B	Delayed Draw Term Loan	6/23/2022	45,043	(450)
Albireo Energy, LLC	Revolver	12/23/2026	9,009	(135)
Capstone Logistics, LLC	Delayed Draw Term Loan	11/12/2027	547	—
COP Home Services TopCo IV, Inc.	Delayed Draw Term Loan	12/31/2022	3,328	(92)
COP Home Services TopCo IV, Inc.	Revolver	12/31/2025	1,941	(63)
Dana Kepner Company, LLC	Delayed Draw Term Loan	12/29/2021	29,861	—
DCG Acquisition Corporation	Delayed Draw Term Loan	6/30/2021	50,000	—
Donuts, Inc.	Revolver	12/29/2026	10,598	—
Healthcomp Holding Company, LLC	Delayed Draw Term Loan	4/27/2022	23,280	(291)
Integrity Marketing Acquisition, LLC	Delayed Draw Term Loan	2/7/2022	17,267	—
Jayhawk Buyer, LLC	Delayed Draw Term Loan	10/15/2021	25,173	—
Lytix, Inc.	Delayed Draw Term Loan	2/28/2022	16,761	(168)
Monroe Capital Holdings, LLC	Delayed Draw Term Loan	6/8/2022	22,269	—
MRI Software, LLC	Delayed Draw Term Loan	1/31/2022	6,055	(15)
MRI Software, LLC	Revolver	2/10/2026	1,516	(38)
Omni Intermediate Holdings, LLC	Delayed Draw Term Loan	12/30/2021	3,250	—
Omni Intermediate Holdings, LLC	Revolver	12/30/2025	514	—
PaySimple, Inc.	Delayed Draw Term Loan	8/23/2025	8,652	—
R1 Holdings, LLC	Delayed Draw Term Loan	1/2/2021	6,851	—
SEKO Global Logistics Network, LLC	Delayed Draw Term Loan	12/30/2022	800	(12)
SEKO Global Logistics Network, LLC	Revolver	12/30/2026	600	(9)
TCFI AEVEX, LLC	Delayed Draw Term Loan	12/31/2021	13,158	(132)
The Action Environmental Group, Inc.	Delayed Draw Term Loan	4/16/2021	7,992	—
The GI Alliance Management, LLC	Delayed Draw Term Loan	5/3/2022	85,236	(852)
USALCO, LLC	Delayed Draw Term Loan	6/1/2022	11,295	(282)
Windows Acquisition Holdings, Inc.	Revolver	12/29/2025	5,880	—
Total First Lien Debt Unfunded Commitments			\$ 432,280	\$ (2,793)

- (8) There are no interest rate floors on these investments.
(9) The interest rate floor on these investments as of December 31, 2020 was 1.00%.
(10) The interest rate floor on these investments as of December 31, 2020 was 1.25%.
(11) The interest rate floor on these investments as of December 31, 2020 was 1.50%.

The accompanying notes are an integral part of these consolidated financial statements.

Blackstone Secured Lending Fund
Notes to Consolidated Financial Statements
(Unaudited)

(in thousands, unless otherwise indicated, except per share data, percentages and as otherwise noted)

Note 1. Organization

Blackstone Secured Lending Fund (together with its consolidated subsidiaries, the “**Company**”), is a Delaware statutory trust formed on March 26, 2018, and structured as an externally managed, non-diversified closed-end investment company. On October 26, 2018, the Company elected to be regulated as a business development company (“**BDC**”) under the Investment Company Act of 1940, as amended (the “**1940 Act**”). In addition, the Company elected to be treated for U.S. federal income tax purposes, as a regulated investment company (“**RIC**”), as defined under Subchapter M of the Internal Revenue Code of 1986, as amended (the “**Code**”). The Company also intends to continue to comply with the requirements prescribed by the Code in order to maintain tax treatment as a RIC.

The Company’s investment objectives are to generate current income and, to a lesser extent, long-term capital appreciation. The Company seeks to achieve its investment objective primarily through originated loans and other securities, including syndicated loans, of private U.S. companies, specifically small and middle market companies, typically in the form of first lien senior secured and unitranche loans (including first out/last out loans), and to a lesser extent, second lien, third lien, unsecured and subordinated loans and other debt and equity securities.

The Company is externally managed by Blackstone Credit BDC Advisors LLC (the “**Adviser**”). Blackstone Alternative Credit Advisors LP (the “**Administrator**” and, collectively with its affiliates in the credit-focused business of The Blackstone Group Inc. (“**Blackstone**”), “**Blackstone Credit**,” which, for the avoidance of doubt, excludes Harvest Fund Advisors LLC and Blackstone Insurance Solutions) provides certain administrative and other services necessary for the Company to operate pursuant to an administration agreement (the “**Administration Agreement**”). Blackstone Credit is part of the credit-focused platform of Blackstone and is the primary part of its credit reporting segment.

The Company is conducting a private offering (the “**Private Offering**”) of its common shares of beneficial interest (i) to accredited investors, as defined in Regulation D under the Securities Act of 1933, as amended (the “**1933 Act**”), and (ii) in the case of shares sold outside the United States, to persons that are not “U.S. persons,” as defined in Regulation S under the 1933 Act, in reliance on exemptions from the registration requirements of the 1933 Act. At each closing of the Private Offering, each investor makes a capital commitment (“**Capital Commitment**”) to purchase shares of the beneficial interest of the Company pursuant to a subscription agreement entered into with the Company. Investors are required to fund drawdowns to purchase the Company’s shares up to the amount of their Capital Commitments on an as-needed basis each time the Company delivers a notice to investors.

On October 31, 2018, the Company began its initial period of closing of capital commitments (“**Initial Closing Period**”) which ended on October 31, 2020. The Company commenced its loan origination and investment activities on November 20, 2018, the date of receipt of the initial drawdown from investors in the Private Offering (the “**Initial Drawdown Date**”).

Effective on December 10, 2020, the Company changed its name from “Blackstone / GSO Secured Lending Fund” to “Blackstone Secured Lending Fund”.

Note 2. Significant Accounting Policies

Basis of Presentation

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with U.S. GAAP. As an investment company, the Company applies the accounting and reporting guidance in Accounting Standards Codification (“**ASC**”) Topic 946, *Financial Services – Investment Companies* (“**ASC 946**”) issued by the Financial Accounting Standards Board (“**FASB**”). U.S. GAAP for an investment company requires investments to be recorded at fair value.

The interim consolidated financial statements have been prepared in accordance with U.S. GAAP for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Article 6 of Regulation S-X. Accordingly, certain disclosures accompanying the annual consolidated financial statements prepared in accordance with U.S. GAAP are omitted. In the opinion of management, all adjustments, consisting solely of normal recurring accruals considered necessary for

the fair presentation of the consolidated financial statements for the interim period presented, have been included. The current period's results of operations will not necessarily be indicative of results that ultimately may be achieved for the fiscal year ending December 31, 2021. All intercompany balances and transactions have been eliminated.

Certain prior period information has been reclassified to conform to the current period presentation.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Such amounts could differ from those estimates and such differences could be material. Assumptions and estimates regarding the valuation of investments involve a higher degree of judgment and complexity and these assumptions and estimates may be significant to the consolidated financial statements.

Consolidation

As provided under ASC 946, the Company will not consolidate its investment in a company other than an investment company subsidiary or a controlled operating company whose business consists of providing services to the Company. Accordingly, the Company consolidated the results of the Company's wholly-owned subsidiaries.

As of March 31, 2021, the Company's consolidated subsidiaries were BGSL Jackson Hole Funding LLC ("**Jackson Hole Funding**"), BGSL Breckenridge Funding LLC ("**Breckenridge Funding**"), BGSL Big Sky Funding LLC ("**Big Sky Funding**") and BGSL Investments LLC ("**BGSL Investments**").

Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits and highly liquid investments, such as money market funds, with original maturities of three months or less. Cash and cash equivalents are carried at cost, which approximates fair value. The Company deposits its cash and cash equivalents with financial institutions and, at times, may exceed the Federal Deposit Insurance Corporation insured limit.

Investments

Investment transactions are recorded on the trade date. Realized gains or losses are measured by the difference between the net proceeds received (excluding prepayment fees, if any) and the amortized cost basis of the investment using the specific identification method without regard to unrealized gains or losses previously recognized, and include investments charged off during the period, net of recoveries. The net change in unrealized gains or losses primarily reflects the change in investment values, including the reversal of previously recorded unrealized gains or losses with respect to investments realized during the period.

The Company is required to report its investments for which current market values are not readily available at fair value. The Company values its investments in accordance with FASB ASC 820, *Fair Value Measurements* ("**ASC 820**"), which defines fair value as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the applicable measurement date. ASC 820 prioritizes the use of observable market prices derived from such prices over entity-specific inputs. Due to the inherent uncertainties of valuation, certain estimated fair values may differ significantly from the values that would have been realized had a ready market for these investments existed, and these differences could be material. See "*Note 5. Fair Value Measurements.*"

Where available, fair value is based on observable market prices or parameters or derived from such prices or parameters. The Company utilizes mid-market pricing (i.e., mid-point of average bid and ask prices) to value these investments. These market quotations are obtained from independent pricing services, if available; otherwise from at least two principal market makers or primary market dealers. To assess the continuing appropriateness of pricing sources and methodologies, the Adviser regularly performs price verification procedures and issues challenges as necessary to independent pricing services or brokers, and any differences are reviewed in accordance with the valuation procedures. The Adviser does not adjust the prices unless it has a reason to believe market quotations are not reflective of the fair value of an investment. Examples of events that would cause market quotations to not reflect fair value could include cases when a security trades infrequently or not at all, causing a quoted purchase or sale price to become stale, or in the event of a "fire sale" by a distressed seller. All price overrides require approval from the Board.

Where prices or inputs are not available or, in the judgment of the Board, not reliable, valuation techniques based on the facts and circumstances of the particular investment will be utilized. Securities that are not publicly traded or for which 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 Adviser, the Audit Committee of the Board (the “**Audit Committee**”) and independent valuation firms engaged on the recommendation of the Adviser and at the direction of the Board. These valuation approaches involve some level of management estimation and judgment, the degree of which is dependent on the price transparency for the investments or market and the investments’ complexity.

The Company’s Board undertakes a multi-step valuation process each quarter in connection with determining the fair value of the Company’s investments for which reliable market quotations are not readily available, or are available but deemed not reflective of the fair value of an investment, which includes, among other procedures, the following:

- The valuation process begins with each investment being preliminarily valued by the Adviser’s valuation team in conjunction with the Adviser’s investment professionals responsible for each portfolio investment;
- In addition, independent valuation firms engaged by the Board prepare valuations of all the Company’s investments over a de minimis threshold. The independent valuation firms provide a final range of values on such investments to the Board and the Adviser. The independent valuation firms also provide analyses to support their valuation methodology and calculations;
- The Adviser’s Valuation Committee reviews each valuation recommendation to confirm they have been calculated in accordance with the valuation policy and compares such valuations to the independent valuation firms’ valuation ranges to ensure the Adviser’s valuations are reasonable;
- The Valuation Committee makes valuation recommendations to the Audit Committee;
- The Audit Committee reviews the valuation recommendations made by the Adviser’s Valuation Committee, including the independent valuation firms’ valuations, and once approved, recommends them for approval by the Board; and
- The Board reviews the valuation recommendations of the Audit Committee and determines the fair value of each investment in the portfolio in good faith based on the input of the Audit Committee, the Adviser’s Valuation Committee and, where applicable, the independent valuation firms and other external service providers.

Valuation of each of our investments will generally be made as described above as of the end of each fiscal quarter. In cases where we determine our net asset value (“NAV”) at times other than a quarter end, we intend to update the value of securities with market quotations to the most recent market quotation. For securities without market quotations, non-quarterly valuations will generally be the most recent quarterly valuation unless a material event has occurred since the most recent quarter end with respect to the investment. Independent valuation firms are generally not used for non-quarterly valuations.

As part of the valuation process, the Board takes into account relevant factors in determining the fair value of its investments, many of which are loans, including and in combination, as relevant, of: (i) the estimated enterprise value of a portfolio company, (ii) the nature and realizable value of any collateral, (iii) the portfolio company’s ability to make payments based on its earnings and cash flow, (iv) the markets in which the portfolio company does business, (v) a comparison of the portfolio company’s securities to any similar publicly traded securities, and (vi) overall changes in the interest rate environment and the credit markets that may affect the price at which similar investments may be made in the future. When an external event such as a purchase transaction, public offering or subsequent equity or debt sale occurs, the Board considers whether the pricing indicated by the external event corroborates its valuation. See “—Note 5. Fair Value Measurements.”

The Board has and will continue to engage independent valuation firms to provide assistance regarding the determination of the fair value of the Company’s portfolio securities for which market quotations are not readily available or are readily available but deemed not reflective of the fair value of the investment each quarter, and the Board may reasonably rely on that assistance. However, the Board is responsible for the ultimate valuation of the portfolio investments at fair value as determined in good faith pursuant to the Company’s valuation policy and a consistently applied valuation process.

Receivables/Payables From Investments Sold/Purchased

Receivables/payables from investments sold/purchased consist of amounts receivable to or payable by the Company for transactions that have not settled at the reporting date. As of March 31, 2021 and December 31, 2020, the Company had \$76.5 million and \$114.5 million, respectively, of receivables for investments sold. As of March 31, 2021 and December 31, 2020, the Company had \$112.2 million and \$48.6 million, respectively, of payables for investments purchased.

Derivative Instruments

The Company recognizes all derivative instruments as assets or liabilities at fair value in its consolidated financial statements. Derivative contracts entered into by the Company are not designated as hedging instruments, and as a result the Company presents changes in fair value through current period gains or losses.

In the normal course of business, the Company has commitments and risks resulting from its investment transactions, which may include those involving derivative instruments. Derivative instruments are measured in terms of the notional contract amount and derive their value based upon one or more underlying instruments. While the notional amount gives some indication of the Company's derivative activity, it generally is not exchanged, but is only used as the basis on which interest and other payments are exchanged. Derivative instruments are subject to various risks similar to non-derivative instruments including market, credit, liquidity, and operational risks. The Company manages these risks on an aggregate basis as part of its risk management process.

Foreign Currency Transactions

Amounts denominated in foreign currencies are translated into U.S. dollars on the following basis: (i) investments and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based upon currency exchange rates effective on the last business day of the period; and (ii) purchases and sales of investments, borrowings and repayments of such borrowings, income, and expenses denominated in foreign currencies are translated into U.S. dollars based upon currency exchange rates prevailing on the transaction dates.

The Company includes net changes in fair values on investments held resulting from foreign exchange rate fluctuations in translation of assets and liabilities in foreign currencies on the Consolidated Statements of Operations, if any. Foreign security and currency translations may involve certain considerations and risks not typically associated with investing in U.S. companies and U.S. government securities. These risks include, but are not limited to, currency fluctuations and revaluations and future adverse political, social and economic developments, which could cause investments in foreign markets to be less liquid and prices more volatile than those of comparable U.S. companies or U.S. government securities.

Revenue Recognition

Interest Income

Interest income is recorded on an accrual basis and includes the accretion of discounts and amortizations of premiums. Discounts from and premiums to par value on debt investments purchased are accreted/amortized into interest income over the life of the respective security using the effective interest method. The amortized cost of debt investments represents the original cost, including loan origination fees and upfront fees received that are deemed to be an adjustment to yield, adjusted for the accretion of discounts and amortization of 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 in the current period. For the three months ended March 31, 2021 and 2020, the Company recorded \$18.4 million and \$3.1 million, respectively, in non-recurring income (e.g. prepayment premiums, accelerated accretion of upfront loan origination fees and unamortized discounts and ticking fees).

PIK Income

The Company has loans in its portfolio that contain payment-in-kind (“**PIK**”) provisions. PIK represents interest that is accrued and recorded as interest income at the contractual rates, increases the loan principal on the respective capitalization dates, and is generally due at maturity. Such income is included in interest income in the Consolidated Statements of Operations. 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. When a PIK investment is placed on non-accrual status, the accrued, uncanceled interest is generally reversed through interest income. To maintain the Company's status as a RIC, this non-cash source of income must be paid out to shareholders in the form of dividends, even though the Company has not yet collected cash. For the three months ended March 31, 2021 and 2020, the Company recorded PIK income of \$1.9 million and \$2.6 million, respectively.

Dividend Income

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

Fee Income

The Company may receive various fees in the ordinary course of business such as structuring, consent, waiver, amendment, syndication fees as well as fees for managerial assistance rendered by the Company to the portfolio companies. Such fees are recognized as income when earned or the services are rendered.

Non-Accrual Income

Loans are generally placed on non-accrual status when there is reasonable doubt that principal or interest will be collected in full. Accrued interest is generally reversed when a loan is placed on non-accrual status. Additionally, any original issue discount and market discount are no longer accreted to interest income as of the date the 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 make exceptions to this treatment and determine to not place a loan on non-accrual status if the loan has sufficient collateral value and is in the process of collection.

Organization Expenses and Offering Expenses

Costs associated with the organization of the Company were expensed as incurred, subject to the limitations discussed below. These expenses consist primarily of legal fees and other costs of organizing the Company.

Costs associated with the offering of the Company's shares are capitalized as "deferred offering costs" on the Consolidated Statements of Assets and Liabilities and amortized over a twelve-month period from incurrence, subject to the limitation below. These expenses consist primarily of legal fees and other costs incurred in connection with the Company's continuous Private Offering of its shares. Upon the expiration of the Initial Closing Period, the Company expensed the remaining deferred offering costs.

The Company will not bear more than an amount equal to 0.10% of the aggregate Capital Commitments of the Company for organization and offering expenses in connection with the offering of shares. If actual organization and offering costs incurred exceed 0.10% of the Company's total Capital Commitments, the Adviser or its affiliate will bear the excess costs. To the extent the Company's Capital Commitments later increase, the Adviser or its affiliates may be reimbursed for past payments of excess organization and offering costs made on the Company's behalf provided that the total organization and offering costs borne by the Company do not exceed 0.10% of total Capital Commitments and provided further that the Adviser of its affiliates may not be reimbursed for payment of excess organization and offering expenses that were incurred more than three years prior to the proposed reimbursement. For the three months ended March 31, 2021 and 2020, the Company did not accrue any organization costs. For the three months ended March 31, 2021 and 2020, the Company accrued offering costs of \$0.0 million and \$0.3 million, respectively.

Deferred Financing Costs and Debt Issuance Costs

Deferred financing and debt issuance costs represent fees and other direct incremental costs incurred in connection with the Company's borrowings. These expenses are deferred and amortized into interest expense over the life of the related debt instrument using the straight-line method. Deferred financing costs related to revolving credit facilities are presented separately as an asset on the Company's Statements of Assets and Liabilities. Debt issuance costs related to any issuance of installment debt or notes are presented net against the outstanding debt balance of the related security.

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 Code. So long as the Company maintains its status as a RIC, it generally will not pay corporate-level U.S. federal income taxes on any ordinary income or capital gains that it distributes at least annually to its shareholders as dividends. Rather, any tax liability related to income earned and distributed by the Company would represent obligations of the Company's investors and would 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 reserved 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.

To qualify for and maintain qualification as a RIC, the Company must, among other things, meet certain source-of-income and asset diversification requirements. In addition, to qualify for RIC tax treatment, the Company must distribute to its shareholders, for each taxable year, at least 90% of the sum of (i) its “investment company taxable income” for that year (without regard to the deduction for dividends paid), which is generally its ordinary income plus the excess, if any, of its realized net short-term capital gains over its realized net long-term capital losses and (ii) its net tax-exempt income.

In addition, based on the excise tax distribution requirements, the Company is subject to a 4% nondeductible federal excise tax on undistributed income unless the Company distributes in a timely manner in each taxable year an amount at least equal to the sum of (i) 98% of its ordinary income for the calendar year, (ii) 98.2% of capital gain net income (both long-term and short-term) for the one-year period ending October 31 in that calendar year and (iii) any income realized, but not distributed, in prior years. For this purpose, however, any ordinary income or capital gain net income retained by the Company that is subject to corporate income tax is considered to have been distributed.

For the three months ended March 31, 2021 and 2020, the Company incurred \$(0.3) million and \$0.1 million, respectively, of U.S. federal excise tax.

Distributions

To the extent that the Company has taxable income available, the Company intends to make quarterly distributions to its shareholders. Distributions to shareholders are recorded on the record date. All distributions will be paid at the discretion of the Board and will depend on the Company's earnings, financial condition, maintenance of the Company's tax treatment as a RIC, compliance with applicable BDC regulations and such other factors as the Board may deem relevant from time to time.

Recent Accounting Pronouncements

In March 2020, the FASB issued ASU No. 2020-04, “Reference Rate Reform (Topic 848),” which provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments apply only to contracts, hedging relationships, and other transactions that reference London Interbank Offered Rate (“LIBOR”) or another reference rate expected to be discontinued because of reference rate reform. In January 2021, the FASB issued ASU No. 2021-01, Reference Rate Reform (Topic 848), which expanded the scope of Topic 848 to include derivative instruments impacted by discounting transition. ASU 2020-04 and ASU 2021-01 are effective for all entities through December 31, 2022. The expedients and exceptions provided by the amendments do not apply to contract modifications and hedging relationships entered into or evaluated after December 31, 2022, except for hedging transactions as of December 31, 2022, that an entity has elected certain optional expedients for and that are retained through the end of the hedging relationship. The Company is currently evaluating the impact of the adoption of ASU 2020-04 and 2021-01 on its consolidated financial statements.

Note 3. Agreements and Related Party Transactions

Investment Advisory Agreement

On October 1, 2018, the Company entered into an investment advisory agreement with the Adviser (the “**Investment Advisory Agreement**”), pursuant to which the Adviser manages the Company on a day-to-day basis. The Adviser is responsible for originating prospective investments, conducting research and due diligence investigations on potential investments, analyzing investment opportunities, negotiating and structuring the Company’s investments and monitoring its investments and portfolio companies on an ongoing basis.

The Company pays the Adviser a fee for its services under the Investment Advisory Agreement consisting of two components: a management fee and an incentive fee. The cost of both the management fee and the incentive fee will ultimately be borne by the shareholders. The initial term of the Investment Advisory Agreement was two years from October 1, 2018, and on May 6, 2020, it was renewed and approved by the Board, including a majority of trustees who are not parties to the Investment Advisory Agreement or “interested persons” (as such term is defined in Section 2(a)(19) of the 1940 Act) (the “**Independent Trustees**”), for a one-year period. Unless earlier terminated, the Investment Advisory Agreement will renew automatically for successive annual periods, provided that such continuance is specifically approved at least annually by the vote of the Board and by the vote of a majority of the Independent Trustees.

Base Management Fee

The management fee is payable quarterly in arrears at an annual rate of (i) prior to a quotation or listing of the Company's securities on a national securities exchange (including through an initial public offering) or a sale of all or substantially all of its assets to, or a merger or other liquidity transaction with, an entity in which the Company's shareholders receive shares of a publicly-traded company which continues to be managed by the Adviser or an affiliate thereof ("**Exchange Listing**"), 0.75%, and (ii) following an Exchange Listing, 1.0%, in each case of the average value of the Company's gross assets at the end of the two most recently completed calendar quarters. For purposes of the Investment Advisory Agreement, gross assets means the Company's total assets determined on a consolidated basis in accordance with U.S. GAAP, excluding undrawn commitments but including assets purchased with borrowed amounts. For the first calendar quarter in which the Company had operations, gross assets were measured as the average of gross assets at the Initial Drawdown Date and at the end of such first calendar quarter. If an Exchange Listing occurs on a date other than the first day of a calendar quarter, the management fee will be calculated for such calendar quarter at a weighted rate calculated based on the fee rates applicable before and after the Exchange Listing based on the number of days in such calendar quarter before and after the Exchange Listing.

For the three months ended March 31, 2021 and 2020, base management fees were \$11.7 million and \$6.5 million, respectively. As of March 31, 2021 and December 31, 2020, \$11.7 million and \$10.3 million, respectively, was payable to the Adviser relating to management fees.

Incentive Fees

The incentive fee consists of two components that are determined independently of each other, with the result that one component may be payable even if the other is not. One component is based on income and the other component is based on capital gains, each as described below:

(i) Income based incentive fee:

The first part of the incentive fee, an income based incentive fee, is calculated and payable quarterly in arrears based on the Company's pre-incentive fee net investment income as defined in the Investment Advisory Agreement. Pre-incentive fee net investment income means, as the context requires, either the dollar value of, or percentage rate of return on the value of the Company's net assets at the end of the immediately preceding quarter from, 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 the calendar quarter, minus the Company's operating expenses accrued for the quarter (including the management fee, expenses payable under the Administration Agreement, and any interest expense or fees on any credit facilities or outstanding debt and dividends paid on any issued and outstanding preferred shares, but excluding the incentive fee. Pre-incentive fee net investment income includes, in the case of investments with a deferred interest feature (such as original issue discount, debt instruments with PIK interest and zero coupon securities)), accrued income that the Company has not yet received in cash. Pre-incentive fee net investment income excludes any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation. The Company excludes the impact of expense support payments and recoupments from pre-incentive fee net investment income.

The Company pays its Adviser an income based incentive fee with respect to the Company's pre-incentive fee net investment income in each calendar quarter as follows:

- No income based incentive fee if the Company's pre-incentive fee net investment income, expressed as a return on the value of our net assets at the end of the immediately preceding calendar quarter, does not exceed the hurdle rate of 1.5%;
- 100% of the Company's pre-incentive fee net investment income, if any, that exceeds the hurdle rate but is less than or equal to 1.76% (7.06% annualized) prior to an Exchange Listing, or 1.82% (7.27% annualized) following an Exchange Listing, of the value of the Company's net assets. This "catch-up" portion is meant to provide the Adviser with approximately 15% prior to an Exchange Listing, or 17.5% following an Exchange Listing, of the Company's pre-incentive fee net investment income as if a hurdle rate did not apply if the "catch up" is achieved; and
- 15% prior to an Exchange Listing, or 17.5% following an Exchange Listing, of the Company's pre-incentive fee net investment income, if any, that exceeds the rate of return of 1.76% (7.06% annualized) prior to an Exchange Listing, or 1.82% (7.27% annualized) following an Exchange Listing.

These calculations are prorated for any period of less than three months and adjusted for any share issuances or repurchases during the relevant quarter. If an Exchange Listing occurs on a date other than the first day of a calendar quarter, the income based incentive fee with respect to the Company's pre-incentive fee net investment income shall be calculated for such calendar quarter at a weighted rate calculated based on the fee rates applicable before and after the Exchange Listing based on the number of days in such calendar quarter before and after the Exchange Listing.

(ii) Capital gains based incentive fee:

The second part of the incentive fee, a capital gains incentive fee, will be determined and payable in arrears as of the end of each calendar year in an amount equal to 15% prior to an Exchange Listing, or 17.5% following an Exchange Listing, of realized capital gains, if any, on a cumulative basis from inception through the end of each calendar 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 as calculated in accordance with U.S. GAAP. The Company will accrue, but will not pay, a capital gains incentive fee with respect to unrealized appreciation because a capital gains incentive fee would be owed to the Adviser if the Company were to sell the relevant investment and realize a capital gain.

For the three months ended March 31, 2021 and 2020, the Company accrued income based incentive fees of \$14.3 million and \$8.3 million, respectively. As of March 31, 2021 and December 31, 2020, \$14.3 million and \$15.3 million, respectively, was payable to the Adviser for income based incentive fees.

For the three months ended March 31, 2021 and 2020, the Company accrued capital gains incentive fees of \$5.4 million and \$(4.2) million, respectively. As of March 31, 2021 and December 31, 2020, the Company had accrued capital gains incentive fees of \$6.5 million and \$1.1 million, respectively, none of which was payable on such date under the Investment Advisory Agreement.

Administration Agreement

On October 1, 2018, the Company entered into an Administration Agreement with the Administrator. Under the terms of the Administration Agreement, the Administrator provides, or oversees the performance of, administrative and compliance services, including, but not limited to, maintaining financial records, overseeing the calculation of NAV, compliance monitoring (including diligence and oversight of the Company's other service providers), preparing reports to shareholders and reports filed with the United States Securities and Exchange Commission ("SEC"), preparing materials and coordinating meetings of the Company's Board, managing the payment of expenses and the performance of administrative and professional services rendered by others and providing office space, equipment and office services. The Administrator may also offer to provide, on the Company's behalf, managerial assistance to the Company's portfolio companies. The initial term of the agreement was two years from October 1, 2018, and on May 6, 2020, it was renewed and approved by the Board and a majority of the Independent Trustees for a one-year period. Unless earlier terminated, the Administration Agreement will renew automatically for successive annual periods, provided that such continuance is approved at least annually by (i) the vote of the Board or by a majority vote of the outstanding voting securities of the Company and (ii) the vote of a majority of the Independent Trustees.

For providing these services, the Company will reimburse the Administrator for its costs, expenses and allocable portion of overhead (including rent, office equipment and utilities) and other expenses incurred by the Administrator in performing its administrative obligations under the Administration Agreement, including but not limited to: (i) the Company's chief compliance officer, chief financial officer and their respective staffs; (ii) investor relations, legal, information technology, operations and other non-investment professionals at the Administrator that perform duties for the Company; and (iii) any internal audit group personnel of Blackstone or any of its affiliates. The Administrator has elected to forgo any reimbursement for rent and other occupancy costs for the three months ended March 31, 2021 and 2020.

For the three months ended March 31, 2021 and 2020, the Company incurred \$0.5 million and \$0.6 million, respectively, in expenses under the Administration Agreement, which were recorded in administrative service expenses in the Company's Consolidated Statements of Operations. As of March 31, 2021 and December 31, 2020, \$0.5 million and \$1.1 million, respectively, was unpaid and included in "due to affiliates" in the Consolidated Statements of Assets and Liabilities.

Sub-Administration and Custody Agreement

On October 1, 2018, the Administrator entered into a sub-administration agreement (the "**Sub-Administration Agreement**") with State Street Bank and Trust Company (the "**Sub-Administrator**") under which the Sub-Administrator provides various accounting and administrative services to the Company. The Sub-Administrator also serves as the Company's

custodian (the “**Custodian**”). The initial term of the Sub-Administration Agreement is two years from the effective date and after expiration of the initial term and the Sub-Administration Agreement shall automatically renew for successive one-year periods, unless a written notice of non-renewal is delivered prior to 120 days prior to the expiration of the initial term or renewal term.

Expense Support and Conditional Reimbursement Agreement

On December 12, 2018, the Company entered into an Expense Support and Conditional Reimbursement Agreement (the “**Expense Support Agreement**”) with the Adviser. The Adviser may elect to pay certain expenses of the Company on the Company’s behalf (each, an “**Expense Payment**”), provided that no portion of the payment will be used to pay any interest of the Company. Any Expense Payment that the Adviser has committed to pay must be paid by the Adviser to the Company in any combination of cash or other immediately available funds no later than forty-five days after such commitment was made in writing, and/or offset against amounts due from the Company to the Adviser or its affiliates.

Following any calendar quarter in which Available Operating Funds (as defined below) exceed the cumulative distributions accrued to the Company’s shareholders based on distributions declared with respect to record dates occurring in such calendar quarter (the amount of such excess being hereinafter referred to as “**Excess Operating Funds**”), the Company shall pay such Excess Operating Funds, or a portion thereof, to the Adviser until such time as all Expense Payments made by the Adviser to the Company within three years prior to the last business day of such calendar quarter have been reimbursed. Any payments required to be made by the Company shall be referred to herein as a “**Reimbursement Payment**.” Available Operating Funds means the sum of (i) the Company’s net investment company taxable income (including net short-term capital gains reduced by net long-term capital losses), (ii) the Company’s net capital gains (including the excess of net long-term capital gains over net short-term capital losses) and (iii) dividends and other distributions paid to the Company on account of investments in portfolio companies (to the extent such amounts listed in clause (iii) are not included under clauses (i) and (ii) above).

No Reimbursement Payment for any calendar quarter shall be made if the annualized rate of regular cash distributions declared by the Company on record dates in the applicable calendar quarter of such Reimbursement Payment is less than the annualized rate of regular cash distributions declared by the Company on record dates in the calendar quarter in which the Expense Payment was committed to which such Reimbursement Payment relates. The Company’s obligation to make a Reimbursement Payment shall automatically become a liability of the Company on the last business day of the applicable calendar quarter.

The following table presents a summary of Expense Payments and the related Reimbursement Payments since the Company’s commencement of operations:

For the Quarters Ended	Expense Payments by Adviser	Reimbursement Payments to Adviser	Unreimbursed Expense Payments
December 31, 2018	\$ 1,696	\$ (1,696)	\$ —
March 31, 2019	570	(570)	—
Total	\$ 2,266	\$ (2,266)	\$ —

As of March 31, 2021 there was no unreimbursed Expense Payments remaining. For the three months ended March 31, 2020, the Company made Reimbursement Payments related to Expense Payments by the Adviser of \$0.4 million.

Note 4. Investments

The composition of the Company’s investment portfolio at cost and fair value was as follows:

	March 31, 2021			December 31, 2020		
	Cost	Fair Value	% of Total Investments at Fair Value	Cost	Fair Value	% of Total Investments at Fair Value
First lien debt	\$ 5,956,489	\$ 5,996,005	98.21 %	\$ 5,493,561	\$ 5,502,899	98.51 %
Second lien debt	40,268	41,732	0.68	48,979	50,199	0.90
Unsecured debt	7,873	7,735	0.13	—	—	—
Equity investments	58,586	59,892	0.98	32,942	32,844	0.59
Total	\$ 6,063,216	\$ 6,105,364	100.00 %	\$ 5,575,482	\$ 5,585,942	100.00 %

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

	March 31, 2021	December 31, 2020
Aerospace & Defense	6.45 %	7.03 %
Air Freight & Logistics	5.97	6.44
Building Products	8.37	7.79
Capital Markets	—	0.11
Chemicals	6.56	8.31
Commercial Services & Supplies	7.50	8.16
Communications Equipment	0.08	—
Construction & Engineering	0.87	1.07
Distributors	7.36	8.10
Diversified Financial Services	0.98	1.08
Electrical Equipment	1.40	2.61
Electronic Equipment, Instruments & Components	2.12	2.19
Electric Utilities	0.68	—
Energy Equipment & Services	1.08	1.35
Health Care Equipment & Supplies	—	0.69
Health Care Providers & Services	10.48	9.31
Health Care Technology	4.90	5.50
Hotels, Restaurants & Leisure	0.56	0.77
Industrial Conglomerates	0.49	0.52
Insurance	5.12	2.39
Interactive Media & Services	0.77	0.84
Internet & Direct Marketing Retail	6.57	7.17
IT Services	0.79	1.27
Leisure Products	0.11	—
Machinery	0.46	0.95
Oil, Gas & Consumable Fuels	2.43	2.66
Paper & Forest Products	0.11	0.26
Personal Products	0.89	0.96
Professional Services	3.98	2.32
Real Estate Management & Development	0.89	—
Software	5.49	2.94
Specialty Retail	2.98	3.22
Technology Hardware, Storage & Peripherals	2.33	2.67
Trading Companies & Distributors	0.80	0.86
Transportation Infrastructure	0.43	0.46
Total	100.00 %	100.00 %

The geographic composition of investments at cost and fair value was as follows:

March 31, 2021				
	Cost	Fair Value	% of Total Investments at Fair Value	Fair Value as % of Net Assets
United States	\$ 5,624,161	\$ 5,661,076	92.72 %	170.22 %
Canada	404,772	410,249	6.72	12.34
United Kingdom	34,283	34,039	0.56	1.02
Total	\$ 6,063,216	\$ 6,105,364	100.00 %	183.58 %

December 31, 2020				
	Cost	Fair Value	% of Total Investments at Fair Value	Fair Value as % of Net Assets
United States	\$ 5,205,832	\$ 5,209,138	93.25 %	159.41 %
Canada	267,544	270,126	4.84	8.27
Germany	102,106	106,678	1.91	3.26
Total	\$ 5,575,482	\$ 5,585,942	100.00 %	170.94 %

As of March 31, 2021 and December 31, 2020, no loans in the portfolio were on non-accrual status.

As of March 31, 2021 and December 31, 2020, on a fair value basis, approximately 99.9% and 100.0%, respectively, of our performing debt investments bore interest at a floating rate and approximately 0.1% and 0.0%, respectively, of our performing debt investments bore interest at a fixed rate.

Note 5. Fair Value Measurements

The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the applicable measurement date.

The fair value hierarchy under ASC 820 prioritizes the inputs to valuation methodology used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The levels used for classifying investments are not necessarily an indication of the risk associated with investing in these securities. The three levels of the fair value hierarchy are as follows:

- Level 1: Inputs to the valuation methodology are quoted prices available in active markets for identical instruments as of the reporting date. The types of financial instruments included in Level 1 include unrestricted securities, including equities and derivatives, listed in active markets.
- Level 2: Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date. The types of financial instruments in this category include less liquid and restricted securities listed in active markets, securities traded in other than active markets, government and agency securities and certain over-the-counter derivatives where the fair value is based on observable inputs.
- Level 3: Inputs to the valuation methodology are unobservable and significant to overall fair value measurement. The inputs into the determination of fair value require significant management judgment or estimation. Financial instruments that are included in this category include debt and equity investments in privately held entities, collateralized loan obligations (“CLOs”) and certain over-the-counter derivatives where the fair value is based on unobservable inputs.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment’s level within the fair value hierarchy is based on the lowest level of input that is significant to the overall fair value measurement. The Adviser’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. Transfers between levels, if any, are recognized at the beginning of the quarter in which the transfer occurs.

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 the 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 an investment 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 treatment as a Level 2 or Level 3 investment.

In the absence of independent, reliable market quotes, an enterprise value analysis is typically performed to determine the value of equity investments, control debt investments and non-control debt investments that are credit-impaired, and to determine if debt investments are credit impaired. Enterprise value (“EV”) means the entire value of the portfolio company to a market participant, including the sum of the values of debt and equity securities used to capitalize the enterprise at a point in time. When an investment is valued using an EV analysis, the EV of a portfolio company is first determined and allocated over the portfolio company’s securities in order of their preference relative to one another (i.e. “waterfall” allocation).

If debt investments are credit-impaired, which occurs when there is insufficient coverage under the EV analysis through the respective investment’s position in the capital structure, the Adviser uses the enterprise value “waterfall” approach or a recovery method (if a liquidation or restructuring is deemed likely) to determine fair value. For debt investments that are not determined to be credit-impaired, the Adviser uses a market interest rate yield analysis (discussed below) to determine fair value.

The Adviser will generally utilize approaches including the market approach, the income approach or both approaches, as appropriate, when calculating EV. The primary method for determining EV for non-control investments, and control investments without reliable projections, uses a multiple analysis whereby appropriate multiples are applied to the portfolio company’s earnings before interest, taxes, depreciation and amortization (“EBITDA”) or another key financial metric (e.g. such as revenues, cash flows or net income) (“**Performance Multiple**”). Performance Multiples are typically determined based upon a review of publicly traded comparable companies and market comparable transactions, if any. The second method for determining EV (and primary method for control investments with reliable projections) uses a discounted cash flow analysis whereby future expected cash flows and the anticipated terminal value of the portfolio company are discounted to determine a present value using estimated discount rates. The income approach is generally used when the Adviser has visibility into the long term projected cash flows of a portfolio company, which is more common with control investments.

Subsequently, for non-control debt investments that are not credit-impaired, and where there is an absence of available market quotations, fair value is determined using a yield analysis. To determine fair value using a yield analysis, the expected cash flows are projected based on the contractual terms of the debt security and discounted back to the measurement date based on a market yield. A market yield is determined based upon an assessment of current and expected market yields for similar investments and risk profiles. The Company considers the current contractual interest rate, the maturity and other terms of the investment relative to risk of the company and the specific investment. A key determinant of risk, among other things, is the leverage through the investment relative to the enterprise value of the portfolio company. As debt investments held by the Company are substantially illiquid with no active transaction market, the Company depends on primary market data, including newly funded transactions, as well as secondary market data with respect to high yield debt instruments and syndicated loans, as inputs in determining the appropriate market yield, as applicable. The fair value of loans with call protection is generally capped at par plus applicable prepayment premium in effect at the measurement date.

The following table presents the fair value hierarchy of financial instruments:

March 31, 2021				
	Level 1	Level 2	Level 3	Total
First lien debt	\$ —	\$ 661,298	\$ 5,334,707	\$ 5,996,005
Second lien debt	—	15,144	26,588	41,732
Unsecured debt	—	7,735	—	7,735
Equity investments	—	—	59,892	59,892
Total	\$ —	\$ 684,177	\$ 5,421,187	\$ 6,105,364

	December 31, 2020			
	Level 1	Level 2	Level 3	Total
First lien debt	\$ —	\$ 774,421	\$ 4,728,478	\$ 5,502,899
Second lien debt	—	26,196	24,003	50,199
Equity investments	—	—	32,844	32,844
Total	\$ —	\$ 800,617	\$ 4,785,325	\$ 5,585,942

The following table presents changes in the fair value of financial instruments for which Level 3 inputs were used to determine the fair value:

	Three Months Ended March 31, 2021			
	First Lien Debt	Second Lien Debt	Equity Investments	Total Investments
Fair value, beginning of period	\$ 4,728,478	\$ 24,003	\$ 32,844	\$ 4,785,325
Purchases of investments	925,693	19,859	25,644	971,196
Proceeds from principal repayments and sales of investments	(379,750)	(17,900)	—	(397,650)
Accretion of discount/amortization of premium	14,916	363	—	15,279
Net realized gain (loss)	623	—	—	623
Net change in unrealized appreciation (depreciation)	22,999	263	1,404	24,666
Transfers into Level 3 ⁽¹⁾	123,759	—	—	123,759
Transfers out of Level 3 ⁽¹⁾	(102,011)	—	—	(102,011)
Fair value, end of period	\$ 5,334,707	\$ 26,588	\$ 59,892	\$ 5,421,187
Net change in unrealized appreciation (depreciation) included in earnings related to financial instruments still held as of March 31, 2021 included in net unrealized appreciation (depreciation) on the Consolidated Statements of Operations	\$ 29,466	\$ 800	\$ 1,403	\$ 31,669

	Three Months Ended March 31, 2020			
	First Lien Debt	Second Lien Debt	Equity Investments	Total Investments
Fair value, beginning of period	\$ 2,241,393	\$ —	\$ 13,920	\$ 2,255,313
Purchases of investments	747,842	—	4,456	752,298
Proceeds from principal repayments and sales of investments	(80,671)	—	—	(80,671)
Accretion of discount/amortization of premium	4,143	—	—	4,143
Net realized gain (loss)	286	—	—	286
Net change in unrealized appreciation (depreciation)	(233,447)	—	(2,622)	(236,069)
Transfers into Level 3 ⁽¹⁾	221,845	—	—	221,845
Transfers out of Level 3 ⁽¹⁾	(58,725)	—	—	(58,725)
Fair value, end of period	\$ 2,842,666	\$ —	\$ 15,754	\$ 2,858,420
Net change in unrealized appreciation (depreciation) included in earnings related to financial instruments still held as of March 31, 2020 included in net unrealized appreciation (depreciation) on the Consolidated Statements of Operations	\$ (233,460)	\$ —	\$ (2,622)	\$ (236,082)

(1) For the three months ended March 31, 2021 and 2020, transfers into or out of Level 3 were primarily due to decreased or increased price transparency, respectively.

The following table presents quantitative information about the significant unobservable inputs of the Company's Level 3 financial instruments. The table is not intended to be all-inclusive but instead captures the significant unobservable inputs relevant to the Company's determination of fair value.

March 31, 2021						
	Fair Value	Valuation Technique	Unobservable Input	Range		Weighted Average ⁽¹⁾
				Low	High	
Investments in first lien debt	\$ 4,832,343	Yield analysis	Discount rate	4.28 %	11.07 %	7.96 %
	502,364	Market quotations	Broker quoted price	80.00	100.75	97.51
	5,334,707					
Investments in second lien debt	5,970	Yield analysis	Discount rate	10.66 %	10.66 %	10.66 %
	20,618	Market quotations	Broker quoted price	101.25	101.25	101.25
	26,588					
Investments in warrant	1,320	Option pricing model	Expected volatility	25.00 %	25.00 %	25.00 %
Investments in equity	58,572	Market approach	Performance multiple	8.50x	13.25x	12.19x
Total	\$ 5,421,187					

December 31, 2020						
	Fair Value	Valuation Technique	Unobservable Input	Range		Weighted Average ⁽¹⁾
				Low	High	
Investments in first lien debt	\$ 4,255,348	Yield analysis	Discount rate	5.85 %	10.98 %	7.79 %
	468,483	Market quotations	Broker quoted price	98.00	100.63	99.05
	4,647	Recent transaction	Recent transaction	97.50	100.00	99.99
	4,728,478					
Investments in second lien debt	5,924	Yield analysis	Discount rate	10.26 %	10.26 %	10.26 %
	18,079	Market quotations	Broker quoted price	101.00	101.00	101.00
	24,003					
Investments in warrant	865	Option pricing model	Expected volatility	25.00 %	25.00 %	25.00 %
Investments in equity	31,979	Market approach	Performance multiple	9.17x	13.25x	10.60x
Total	\$ 4,785,325					

(1) Weighted averages are calculated based on fair value of investments.

The significant unobservable input used in the yield analysis is the discount rate based on comparable market yields. The significant unobservable input used for market quotations are broker quoted prices provided by independent pricing services. The significant unobservable input used under the market approach is the performance multiple. Significant increases in discount rates would result in a significantly lower fair value measurement. Significant decreases in quoted prices or performance multiples would result in a significantly lower fair value measurement.

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 the Company's 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 the Company may ultimately realize. Further, such investments are

generally subject to legal and other restrictions on resale or otherwise are less liquid than publicly traded securities. If the Company was required to liquidate a portfolio investment in a forced or liquidation sale, it could realize significantly less than the value at which the Company has recorded it. 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 in the valuations currently assigned.

Financial Instruments Not Carried at Fair Value

Debt

The fair value of the Company's credit facilities, which would be categorized as Level 3 within the fair value hierarchy, as of March 31, 2021 and December 31, 2020, approximates their carrying value as the credit facilities have variable interest based on selected short term rates.

The fair value of the Company's 2023 Notes, 2026 Notes and New 2026 Notes (as defined in Note 6), which would be categorized as Level 2 within the fair value hierarchy, as of March 31, 2021 was \$417.3 million, \$827.8 million and \$397.9 million, respectively, based on vendor pricing received by the Company. As of December 31, 2020, the fair value of the Company's 2023 Notes and 2026 Notes was \$416.2 million and \$823.2 million, respectively.

Other

The carrying amounts of the Company's assets and liabilities, other than investments at fair value and the 2023 Notes, the 2026 Notes and the New 2026 Notes (as defined in Note 6), approximate fair value. These financial instruments are categorized as Level 3 within the hierarchy.

Note 6. Borrowings

In accordance with the 1940 Act, with certain limitations, the Company is allowed to borrow amounts such that its asset coverage, as defined in the 1940 Act, is at least 150% after such borrowing. As of March 31, 2021 and December 31, 2020, the Company's asset coverage was 212.0% and 230.0%, respectively.

The following wholly-owned subsidiaries of the Company have entered into secured financing facilities, as described below: Jackson Hole Funding, Breckenridge Funding and Big Sky Funding which are collectively referred to as the "**SPVs**", and the secured financing facilities described below are collectively referred to as the "**SPV Financing Facilities**".

The obligations of each SPV to the lenders under the applicable SPV Financing Facility are secured by a first priority security interest in all of the applicable SPV's portfolio investments and cash. The obligations of each SPV under the applicable SPV Financing Facility are non-recourse to the Company, and the Company's exposure to the credit facility is limited to the value of its investment in the applicable SPV.

In connection with the SPV Financing Facilities, the applicable SPV has made certain customary representations and warranties and is required to comply with various covenants, reporting requirements and other customary requirements for similar facilities. Each SPV Financing Facility contains customary events of default for similar financing transactions, including if a change of control of the applicable SPV occurs. Upon the occurrence and during the continuation of an event of default, the lenders under the applicable SPV Financing Facility may declare the outstanding advances and all other obligations under the applicable SPV Financing Facility immediately due and payable. The occurrence of an event of default (as described above) triggers a requirement that the applicable SPV obtain the consent of the lenders under the applicable SPV Financing Facility prior to entering into any sale or disposition with respect to portfolio investments.

As of March 31, 2021 and December 31, 2020, the Company was in compliance with all covenants and other requirements of the SPV Financing Facilities.

Jackson Hole Funding Facility

On November 16, 2018, Jackson Hole Funding, the Company's wholly-owned subsidiary that holds primarily originated loan investments, entered into a senior secured revolving credit facility (which was subsequently amended on February 6, 2019, September 20, 2019 and July 28, 2020 and as further amended from time to time, the "**Jackson Hole Funding Facility**") with JPMorgan Chase Bank, National Association ("**JPM**"). JPM serves as administrative agent, Citibank,

N.A., serves as collateral agent and securities intermediary, Virtus Group, LP serves as collateral administrator and the Company serves as portfolio manager under the Jackson Hole Funding Facility.

Advances under the Jackson Hole Funding Facility bear interest at a per annum rate equal to the three-month LIBOR in effect, plus the applicable margin of 2.375% per annum. Effective January 16, 2019, Jackson Hole Funding pays a commitment fee of 0.60% per annum (or 0.375% per annum until March 20, 2020) on the average daily unused amount of the financing commitments until the third anniversary of the Jackson Hole Funding Facility.

The initial maximum commitment amount of the Jackson Hole Funding Facility was \$300 million. Effective September 20, 2019, the maximum commitment amount of the Jackson Hole Funding Facility was increased to \$600 million and effective July 28, 2020, the maximum commitment amount of the Jackson Hole Funding Facility was reduced to \$400 million. The Jackson Hole Funding Facility has an accordion feature, subject to the satisfaction of various conditions, which could bring total commitments under the Jackson Hole Funding Facility to up to \$900 million. Proceeds from borrowings under the Jackson Hole Funding Facility may be used to fund portfolio investments by Jackson Hole Funding and to make advances under delayed draw term loans where Jackson Hole Funding is a lender. The period during which Jackson Hole Funding may make borrowings under the Jackson Hole Funding Facility expires on November 16, 2021 and the Jackson Hole Funding Facility is scheduled to mature on May 16, 2023.

Breckenridge Funding Facility

On December 21, 2018, Breckenridge Funding, the Company's wholly owned subsidiary that holds primarily syndicated loan investments, entered into a senior secured revolving credit facility (which was subsequently amended on June 11, 2019, August 2, 2019, September 27, 2019 and April 13, 2020, and as further amended from time to time, the "**Breckenridge Funding Facility**") with BNP Paribas ("**BNP**"). BNP serves as administrative agent, Wells Fargo Bank, National Association serves as collateral agent and the Company serves as servicer under the Breckenridge Funding Facility.

Advances under the Breckenridge Funding Facility bear interest at a per annum rate equal to the three-month LIBOR (or other Base Rate) in effect, plus an applicable margin of 1.75%, 2.00% or 2.22% per annum, as applicable, depending on the nature of the advances being requested under the facility. Breckenridge Funding will pay a commitment fee of 0.70% per annum if the unused facility amount is greater than 50% or 0.35% per annum if the unused facility amount is less than or equal to 50% and greater than 25%, based on the average daily unused amount of the financing commitments until December 21, 2022, in addition to certain other fees as agreed between Breckenridge Funding and BNP.

The initial maximum commitment amount of the BNP SPV Facility was \$400 million. Effective June 11, 2019, the maximum commitment amount of the BNP SPV Facility was increased to \$575 million; effective September 27, 2019, the maximum commitment amount of the BNP SPV Facility was increased to \$875 million and on April 13, 2020, the maximum commitment amount of the BNP Facility was increased to \$1,125 million. Proceeds from borrowings under the BNP SPV Facility may be used to fund portfolio investments by Breckenridge Funding and to make advances under delayed draw and revolving loans where Breckenridge Funding is a lender. The period during which Breckenridge Funding may make borrowings under the BNP SPV Facility for the remaining commitment amounts expires on December 21, 2021 (or such later date as may be agreed by Breckenridge Funding, BNP, as administrative agent, and the lenders under the BNP SPV Facility), except for \$300 million of outstanding principal which expired on September 27, 2020. The BNP SPV Facility is scheduled to mature on December 21, 2023.

Big Sky Funding Facility

On December 10, 2019, Big Sky Funding, the Company's wholly-owned subsidiary, entered into a senior secured revolving credit facility (which was subsequently amended on December 30, 2020, and as further amended from time to time, the ("**Big Sky Funding Facility**") with Bank of America, N.A. ("**Bank of America**"). Bank of America serves as administrative agent, Wells Fargo Bank, N.A. serves as collateral administrator and the Company serves as manager under the Big Sky Funding Facility.

Advances under the Big Sky Funding Facility bear interest at a per annum rate equal to the one-month or three-month London Interbank Offered Rate in effect, plus the applicable margin of 1.60% per annum. Big Sky Funding is required to utilize a minimum percentage of the financing commitments (the "**Minimum Utilization Amount**"), which amount increases in three-month intervals from 20% six months after the closing date of the Big Sky Funding Facility to 80% 15 months after the closing date of the Revolving Credit Facility and thereafter. Unused amounts below the Minimum Utilization Amount accrue a fee at a rate of 1.60% per annum. In addition, Big Sky Funding will pay an unused fee of 0.45% per annum on the daily unused amount of the financing commitments in excess of the Minimum Utilization Amount, commencing three months after the closing date of the Big Sky Funding Facility.

The initial maximum commitment amount of the Big Sky Funding Facility is \$400 million. Effective May 14, 2020, Big Sky Funding exercised its accordion feature under the Big Sky Funding Facility, which increased the maximum commitment amount to \$500 million. Effective December 30, 2020, the maximum commitment amount of the Big Sky Funding Facility was reduced to \$400 million. Proceeds from borrowings under the Big Sky Funding Facility may be used to fund portfolio investments by Big Sky Funding and to make advances under revolving loans or delayed draw term loans where Big Sky Funding is a lender. All amounts outstanding under the Big Sky Funding Facility must be repaid by December 10, 2022.

Revolving Credit Facility

On June 15, 2020, the Company entered into a senior secured revolving credit facility (which was subsequently amended on June 29, 2020 and as further amended from time to time, the “**Revolving Credit Facility**”) with Citibank, N.A. (“**Citi**”). Citi serves as administrative agent and collateral agent.

The Revolving Credit Facility provides for borrowings in U.S. dollars and certain agreed upon foreign currencies in an initial aggregate amount of up to \$550 million. Effective June 29, 2020, the maximum commitment amount of the Revolving Credit Facility increased to \$650 million. Effective November 3, 2020, the maximum commitment amount of the Revolving Credit Facility increased to \$745 million. Borrowings under the Revolving Credit Facility are subject to compliance with a borrowing base. The Revolving Credit Facility has an accordion feature, subject to the satisfaction of various conditions, which could bring total commitments under the Revolving Credit Facility to up to \$1.2 billion. The Revolving Credit Facility provides for the issuance of letters of credit on behalf of the Company in an aggregate face amount not to exceed \$100 million. Proceeds from the borrowings under the Revolving Credit Facility may be used for general corporate purposes of the Company and its subsidiaries in the ordinary course of business. Availability of the revolver under the Revolving Credit Facility will terminate on June 15, 2024 and all amounts outstanding under the Revolving Credit Facility must be repaid by June 15, 2025 pursuant to an amortization schedule.

Loans under the Revolving Credit Facility bear interest at a per annum rate equal to, (x) for loans for which the Company elects the base rate option, the “alternate base rate” (which is the greatest of (a) the prime rate as publicly announced by Citi, (b) the sum of (i) the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System plus (ii) 0.5%, and (c) one month LIBOR plus 1% per annum) plus (A) if the gross borrowing base is equal to or greater than 1.6 times the combined revolving debt amount, 0.75%, or (B) if the gross borrowing base is less than 1.6 times the combined revolving debt amount, 0.875%, and (y) for loans for which the Company elects the Eurocurrency option, the applicable LIBO Rate for the related Interest Period for such Borrowing plus (A) if the gross borrowing base is equal to or greater than 1.6 times the combined revolving debt amount, 1.75%, or (B) if the gross borrowing base is less than 1.6 times the combined revolving debt amount, 1.875%. The Company will pay an unused fee of 0.375% per annum on the daily unused amount of the revolver commitments. The Company will pay letter of credit participation fees and a fronting fee on the average daily amount of any lender’s exposure with respect to any letters of credit issued under the Revolving Credit Facility.

The Company’s obligations to the lenders under the Revolving Credit Facility are secured by a first priority security interest in substantially all of the Company’s assets.

In connection with the Revolving Credit Facility, the Company has made certain customary representations and warranties and is required to comply with various covenants, reporting requirements and other customary requirements for similar facilities. In addition, the Company must comply with the following financial covenants: (a) the Company must maintain a minimum shareholders’ equity, measured as of each fiscal quarter end; and (b) the Company must maintain at all times a 150% asset coverage ratio.

The Revolving Credit Facility contains customary events of default for similar financing transactions. Upon the occurrence and during the continuation of an event of default, Citi may terminate the commitments and declare the outstanding advances and all other obligations under the Revolving Credit Facility immediately due and payable.

As of March 31, 2021, the Company was in compliance with all covenants and other requirements of the Revolving Credit Facility.

2023 Notes

On July 15, 2020, the Company issued \$400 million aggregate principal amount of 3.650% notes due 2023 (the “**2023 Notes**”) pursuant to an indenture (the “**Base Indenture**”) and a supplemental indenture, each dated as of July 15, 2020 (and together with the Base Indenture, the “**2023 Notes Indenture**”), between the Company and U.S. Bank National Association (the “**Trustee**”).

The 2023 Notes will mature on July 14, 2023 and may be redeemed in whole or in part at the Company's option at any time or from time to time at the redemption prices set forth in the 2023 Notes Indenture. The 2023 Notes bear interest at a rate of 3.650% per year payable semi-annually on January 14 and July 14 of each year, commencing on January 14, 2021. The 2023 Notes are general unsecured obligations of the Company that rank senior in right of payment to all of the Company's existing and future indebtedness that is expressly subordinated in right of payment to the 2023 Notes, rank pari passu with all existing and future unsecured unsubordinated indebtedness issued by the Company, rank effectively junior to any of the Company's secured indebtedness (including unsecured indebtedness that the Company later secures) to the extent of the value of the assets securing such indebtedness, and rank structurally junior to all existing and future indebtedness (including trade payables) incurred by the Company's subsidiaries, financing vehicles or similar facilities.

The 2023 Notes Indenture contains certain covenants, including covenants requiring the Company to comply with the asset coverage requirements of Section 18(a)(1)(A) as modified by Section 61(a)(1) and (2) of the 1940 Act, whether or not it is subject to those requirements, and to provide financial information to the holders of the 2023 Notes and the Trustee if the Company is no longer subject to the reporting requirements under the Exchange Act. These covenants are subject to important limitations and exceptions that are described in the 2023 Notes Indenture.

In addition, on the occurrence of a "change of control repurchase event," as defined in the 2023 Notes Indenture, the Company will generally be required to make an offer to purchase the outstanding 2023 Notes at a price equal to 100% of the principal amount of such 2023 Notes plus accrued and unpaid interest to the repurchase date.

As of March 31, 2021, the Company was in compliance with all covenants and other requirements of the 2023 Notes.

2026 Notes

On each of October 23, 2020 and December 1, 2020, the Company issued \$500 million aggregate principal amount and \$300 million aggregate principal amount, respectively, of 3.625% notes due 2026 (the "**2026 Notes**") pursuant to a supplemental indenture, dated as of October 23, 2020 (and together with the Base Indenture, the "**2026 Notes Indenture**"), to the Base Indenture between the Company and the Trustee.

The 2026 Notes will mature on January 15, 2026 and may be redeemed in whole or in part at the Company's option at any time or from time to time at the redemption prices set forth in the 2026 Notes Indenture. The 2026 Notes bear interest at a rate of 3.625% per year payable semi-annually on January 15 and July 15 of each year, commencing on July 15, 2021. The 2026 Notes are general unsecured obligations of the Company that rank senior in right of payment to all of the Company's existing and future indebtedness that is expressly subordinated in right of payment to the 2026 Notes, rank pari passu with all existing and future unsecured unsubordinated indebtedness issued by the Company, rank effectively junior to any of the Company's secured indebtedness (including unsecured indebtedness that the Company secures) to the extent of the value of the assets securing such indebtedness, and rank structurally junior to all existing and future indebtedness (including trade payables) incurred by the Company's subsidiaries, financing vehicles or similar facilities.

The 2026 Notes Indenture contains certain covenants, including covenants requiring the Company to comply with the asset coverage requirements of Section 18(a)(1)(A) as modified by Section 61(a)(1) and (2) of the 1940 Act, whether or not it is subject to those requirements, and to provide financial information to the holders of the Notes and the Trustee if the Company is no longer subject to the reporting requirements under the Exchange Act. These covenants are subject to important limitations and exceptions that are described in the 2026 Notes Indenture.

In addition, on the occurrence of a "change of control repurchase event," as defined in the 2026 Notes Indenture, the Company will generally be required to make an offer to purchase the outstanding Notes at a price equal to 100% of the principal amount of such Notes plus accrued and unpaid interest to the repurchase date.

As of March 31, 2021, the Company was in compliance with all covenants and other requirements of the 2026 Notes.

New 2026 Notes

On March 16, 2021, the Company issued \$400 million aggregate principal amount of 2.750% notes due 2026 (the "**New 2026 Notes**") pursuant to a supplemental indenture, dated as of July 15, 2020 (and together with the Base Indenture, the "**New 2026 Notes Indenture**"), to the Base Indenture between the Company and the Trustee.

The New 2026 Notes will mature on September 16, 2026 and may be redeemed in whole or in part at the Company's option at any time or from time to time at the redemption prices set forth in the Indenture. The New 2026 Notes bear interest at

a rate of 2.750% per year payable semi-annually on March 16 and September 16 of each year, commencing on September 16, 2021. The New 2026 Notes are general unsecured obligations of the Company that rank senior in right of payment to all of the Company's existing and future indebtedness that is expressly subordinated in right of payment to the New 2026 Notes, rank pari passu with all existing and future unsecured unsubordinated indebtedness issued by the Company, rank effectively junior to any of the Company's secured indebtedness (including unsecured indebtedness that the Company later secures) to the extent of the value of the assets securing such indebtedness, and rank structurally junior to all existing and future indebtedness (including trade payables) incurred by the Company's subsidiaries, financing vehicles or similar facilities.

The Indenture contains certain covenants, including covenants requiring the Company to comply with the asset coverage requirements of Section 18(a)(1)(A) as modified by Section 61(a)(1) and (2) of the 1940 Act, whether or not it is subject to those requirements, and to provide financial information to the holders of the New 2026 Notes and the New 2026 Notes Trustee if the Company is no longer subject to the reporting requirements under the Exchange Act. These covenants are subject to important limitations and exceptions that are described in the Indenture.

In addition, on the occurrence of a "change of control repurchase event," as defined in the Indenture, the Company will generally be required to make an offer to purchase the outstanding New 2026 Notes at a price equal to 100% of the principal amount of such New 2026 Notes plus accrued and unpaid interest to the repurchase date.

As of March 31, 2021, the Company was in compliance with all covenants and other requirements of the New 2026 Notes.

The Company's outstanding debt obligations were as follows:

	March 31, 2021				
	Aggregate Principal Committed	Outstanding Principal	Carrying Value	Unused Portion ⁽¹⁾	Amount Available ⁽²⁾
Jackson Hole Funding Facility ⁽³⁾	\$ 400,000	\$ 377,609	\$ 377,609	\$ 22,391	\$ 22,391
Breckenridge Funding Facility	825,000	453,280	453,280	371,720	371,720
Big Sky Funding Facility	400,000	243,706	243,706	156,294	106,316
Revolving Credit Facility ⁽⁴⁾	745,000	294,120	294,120	450,880	450,880
2023 Notes ⁽⁵⁾	400,000	400,000	395,077	—	—
2026 Notes ⁽⁵⁾	800,000	800,000	791,414	—	—
New 2026 Notes ⁽⁵⁾	400,000	400,000	390,956	—	—
Total	\$ 3,970,000	\$ 2,968,715	\$ 2,946,162	\$ 1,001,285	\$ 951,307

	December 31, 2020				
	Aggregate Principal Committed	Outstanding Principal	Carrying Value	Unused Portion ⁽¹⁾	Amount Available ⁽²⁾
Jackson Hole Funding Facility ⁽³⁾	\$ 400,000	\$ 362,316	\$ 362,316	\$ 37,684	\$ 37,684
Breckenridge Funding Facility	825,000	569,000	569,000	256,000	256,000
Big Sky Funding Facility	400,000	200,346	200,346	199,654	117,599
Revolving Credit Facility ⁽⁴⁾	745,000	182,901	182,901	562,099	562,099
2023 Notes ⁽⁵⁾	400,000	400,000	394,549	—	—
2026 Notes ⁽⁵⁾	800,000	800,000	791,281	—	—
Total	\$ 3,570,000	\$ 2,514,563	\$ 2,500,393	\$ 1,055,437	\$ 973,382

(1) The unused portion is the amount upon which commitment fees, if any, are based.

(2) The amount available reflects any limitations related to each respective credit facility's borrowing base.

(3) Under the Jackson Hole Funding Facility, the Company may borrow in U.S. dollars or certain other permitted currencies. As of March 31, 2021 and December 31, 2020, the Company had borrowings denominated in Euros (EUR) of 23.5 million and 23.5 million, respectively.

(4) Under the Revolving Credit Facility, the Company may borrow in U.S. dollars or certain other permitted currencies. As of March 31, 2021, the Company had borrowings denominated in Canadian Dollars (CAD) and British Pounds (GBP) of 173.5 million and 24.7 million, respectively. As of December 31, 2020, the Company had borrowings denominated in Canadian Dollars (CAD) of 138.1 million.

(5) The carrying value of the Company's 2023 Notes, 2026 Notes, and New 2026 Notes is presented net of unamortized debt issuance costs of \$4.9 million, \$8.6 million, and \$9.0 million, respectively, as of March 31, 2021. The carrying value of the Company's 2023 Notes and 2026 Notes is presented net of unamortized debt issuance costs of \$5.5 million and \$8.7 million, respectively, as of December 31, 2020.

As of March 31, 2021 and December 31, 2020, \$18.0 million and \$14.1 million, respectively, of interest expense and \$0.9 million and \$0.6 million, respectively, of unused commitment fees were included in interest payable. For the three months ended March 31, 2021 and 2020, the weighted average interest rate on all borrowings outstanding was 3.05% and 3.82% (including unused fees and accretion of net discounts on unsecured debt), respectively, and the average principal debt outstanding was \$2,680.7 million and \$1,623.8 million, respectively.

The components of interest expense were as follows:

	Three Months Ended March 31,	
	2021	2020
Borrowing interest expense	\$ 18,763	\$ 15,245
Facility unused fees	811	282
Amortization of financing costs and debt issuance costs	677	544
Accretion of original issue discount	895	—
Total Interest Expense	\$ 21,146	\$ 16,071
Cash paid for interest expense	\$ 15,190	\$ 15,723

Note 7. Commitments and Contingencies

Portfolio Company Commitments

The Company's investment portfolio may contain debt investments which are in the form of lines of credit or delayed draw commitments, which require us to provide funding when requested by portfolio companies in accordance with underlying loan agreements. As of March 31, 2021 and December 31, 2020, the Company had unfunded delayed draw term loans and revolvers in the aggregate principal amount of \$454.6 million and \$432.3 million, respectively.

Additionally, from time to time, the Adviser and its affiliates may commit to an investment on behalf of the funds it manages. Certain terms of these investments are not finalized at the time of the commitment and each respective fund's allocation may change prior to the date of funding. In this regard, as of March 31, 2021 and December 31, 2020, the Company estimates that \$1,035.9 million and \$0.0 million, respectively, of investments that were committed but not yet funded.

Other Commitments and Contingencies

From time to time, the Company may become a party to certain legal proceedings incidental to the normal course of its business. At March 31, 2021 and December 31, 2020, management is not aware of any pending or threatened material litigation.

Note 8. Net Assets

Subscriptions and Drawdowns

In connection with its formation, the Company has the authority to issue an unlimited number of shares at \$0.001 per share par value.

Since commencement of operations on November 20, 2018, the Company entered into additional subscription agreements (the "**Subscription Agreements**") with investors providing for the private placement of the Company's shares. Under the terms of the Subscription Agreements, investors are required to fund drawdowns to purchase the Company's shares up to the amount of their respective Capital Commitment on an as-needed basis each time the Company delivers a drawdown notice to its investors. As of March 31, 2021 and December 31, 2020, the Company had received Capital Commitments totaling \$3,926.3 million (\$713.3 million remaining undrawn), of which \$80.0 million (\$8.0 million remaining undrawn) were from affiliates of the Adviser.

There were no shares issued and proceeds received related to the Company's capital drawdowns delivered pursuant to the Subscription Agreements for the three months ended March 31, 2021.

The following table summarizes the total shares issued and proceeds received related to the Company's capital drawdowns delivered pursuant to the Subscription Agreements for the three months ended March 31, 2020 (dollars in millions except share amounts):

Common Share Issuance Date	Number of Common Shares Issued	Aggregate Offering Proceeds
January 30, 2020	16,864,983	\$ 440.9
Total	16,864,983	\$ 440.9

Distributions

The following table summarizes the Company's distributions declared and payable for the three months ended March 31, 2021 (dollars in thousands except per share amounts):

Date Declared	Record Date	Payment Date	Per Share Amount	Total Amount
February 24, 2021	March 31, 2021	May 14, 2021	\$ 0.5000	\$ 65,052
Total distributions			\$ 0.5000	\$ 65,052

The following table summarizes the Company's distributions declared and payable for the three months ended March 31, 2020 (dollars in thousands except per share amounts):

Date Declared	Record Date	Payment Date	Per Share Amount	Total Amount
January 29, 2020	January 29, 2020	May 15, 2020	\$ 0.1593	\$ 10,241
February 26, 2020	March 31, 2020	May 15, 2020	0.3407	27,688
Total distributions			\$ 0.5000	\$ 37,929

Dividend Reinvestment

The Company has adopted a dividend reinvestment plan ("**DRIP**"), pursuant to which it reinvests all cash dividends declared by the Board on behalf of its shareholders who do not elect to receive their dividends in cash. As a result, if the Board and the Company declares, a cash dividend or other distribution, then the Company's shareholders who have not opted out of its dividend reinvestment plan will have their cash distributions automatically reinvested in additional shares as described below, rather than receiving the cash dividend or other distribution. Distributions on fractional shares will be credited to each participating shareholder's account to three decimal places. A participating shareholder will receive an amount of shares equal to the amount of the distribution on that participant's shares divided by the most recent quarter-end NAV per share that is available on the date such distribution was paid (unless the Board determines to use the NAV per share as of another time). Shareholders who receive distributions in the form of shares will generally be subject to the same U.S. federal, state and local tax consequences as if they received cash distributions; however, since their cash distributions will be reinvested, those shareholders will not receive cash with which to pay any applicable taxes. The Company intends to use newly issued shares to implement the plan. Shares issued under the dividend reinvestment plan will not reduce outstanding Capital Commitments.

The following table summarizes the amounts received and shares issued to shareholders who have not opted out of the Company's DRIP during the three months ended March 31, 2021 (dollars in thousands except share amounts):

Payment Date	DRIP Shares Value	DRIP Shares Issued
January 29, 2021	\$ 11,179	443,639
Total distributions	\$ 11,179	443,639

The following table summarizes the amounts received and shares issued to shareholders who have not opted out of the Company's DRIP during the three months ended March 31, 2020 (dollars in thousands except share amounts):

Payment Date	DRIP Shares Value	DRIP Shares Issued
January 30, 2020	\$ 2,882	112,302
Total distributions	\$ 2,882	112,302

Note 9. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share:

	Three Months Ended March 31,	
	2021	2020
Net increase (decrease) in net assets resulting from operations	\$ 111,767	\$ (307,460)
Weighted average shares outstanding (basic and diluted)	129,967,204	75,856,683
Earnings (loss) per common share (basic and diluted)	\$ 0.86	\$ (4.05)

Note 10. Financial Highlights

The following are the financial highlights for the three months ended March 31, 2021 and 2020:

	Three Months Ended March 31,	
	2021	2020
Per Share Data:		
Net asset value, beginning of period	\$ 25.20	\$ 26.02
Net investment income ⁽¹⁾	0.58	0.67
Net unrealized and realized gain (loss) ⁽²⁾	0.28	(4.39)
Net increase (decrease) in net assets resulting from operations	0.86	(3.72)
Distributions declared ⁽³⁾	(0.50)	(0.50)
Total increase (decrease) in net assets	0.36	(4.22)
Net asset value, end of period	\$ 25.56	\$ 21.80
Shares outstanding, end of period	130,105,225	81,267,027
Total return based on NAV ⁽⁴⁾	3.41 %	(14.32) %
Ratios:		
Ratio of net expenses to average net assets ⁽⁵⁾	6.58 %	6.52 %
Ratio of net investment income to average net assets ⁽⁵⁾	9.12 %	11.18 %
Portfolio turnover rate	10.90 %	3.87 %
Supplemental Data:		
Net assets, end of period	\$ 3,325,703	\$ 1,771,461
Total capital commitments, end of period	\$ 3,926,295	\$ 3,240,465
Ratios of total contributed capital to total committed capital, end of period	81.83 %	64.00 %
Asset coverage ratio	212.0 %	198.7 %

- (1) The per share data was derived by using the weighted average shares outstanding during the period.
- (2) For the three months ended March 31, 2021 and 2020, the amount shown does not correspond with the aggregate amount for the period as it includes a \$0.00 and \$0.33 impact, respectively, from the effect of the timing of capital transactions.
- (3) The per share data for distributions was derived by using the actual shares outstanding at the date of the relevant transactions (refer to Note 8).
- (4) Total return (not annualized) is calculated as the change in NAV per share during the period, plus distributions per share (assuming dividends and distributions are reinvested in accordance with the Company's dividend reinvestment plan) divided by the beginning NAV per share. Total return does not include sales load.
- (5) Amounts are annualized except for expense support amounts relating to organizational costs. For the three months ended March 31, 2021 and 2020 the ratio of total operating expenses to average net assets was 6.58% and 6.43%, respectively, on an annualized basis, excluding the effect of expense support/(recoupment) by the Adviser which represented 0.00% and (0.09%), respectively, of average net assets.

Note 11. Subsequent Events

The Company's management evaluated subsequent events through the date of issuance of the consolidated financial statements. There have been no subsequent events that occurred during such period that would require disclosure in, or would be required to be recognized in, the consolidated financial statements as of March 31, 2021, except as discussed below.

On April 27, 2021, the Company issued \$300 million aggregate principal amount of 2.750% Notes due 2026 ("**New 2026 Notes Upsize**") under the Company's Base Indenture and New 2026 Notes Indenture. The New 2026 Notes Upsize were issued as "Additional Notes" under the Indenture and have identical terms to the Company's \$400 million New 2026 Notes that were issued on March 16, 2021, other than the issue date and the issue price. The New 2026 Notes Upsize will be treated as a single class of notes with the New 2026 Notes for all purposes under the Indenture.

On May 6, 2021, the Board of Trustees and the Independent Trustees, voting separately, approved the continuance of the Company's Investment Advisory Agreement and Administration Agreement for a one-year period through May 31, 2022.

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 "Item 1. Financial Statements." This discussion contains forward-looking statements, which relate to future events our future performance or financial condition and involves numerous risks and uncertainties, including, but not limited to, those set forth in "Risk Factors" in Part I, Item 1A of our annual report on Form 10-K for the year ended December 31, 2020 and Part II, Item 1A of and elsewhere in this Form 10-Q.

Overview and Investment Framework

We are a Delaware statutory trust structured as a non-diversified, closed-end management investment company that has elected to be regulated as a BDC under the 1940 Act. In addition, for U.S. federal income tax purposes, we elected to be treated as a RIC under the Code. We are managed by our Adviser. The Administrator will provide the administrative services necessary for us to operate.

Our investment objectives are to generate current income and, to a lesser extent, long-term capital appreciation.

Under normal market conditions, we generally invest at least 80% of our total assets (net assets plus borrowings for investment purposes) in secured debt investments (including investments that are secured by equity interests) and our portfolio is composed primarily of first lien senior secured and unitranche loans (including first out/last out loans), generally with total investment sizes less than \$300 million, which criteria may change from time to time. To a lesser extent, we have and may continue to also invest in second lien, third lien, unsecured or subordinated loans, generally with total investment sizes less than \$100 million, which criteria may change from time to time, and other debt and equity securities. We do not currently focus on investments in issuers that are distressed or in need of rescue financing.

We commenced our loan origination and investment activities contemporaneously with the Initial Drawdown on November 20, 2018. The proceeds from the Initial Drawdown and availability under our credit facilities provided us with the necessary seed capital to commence operations. See *"—Financial Condition, Liquidity and Capital Resources—Borrowings."*

Key Components of Our Results of Operations

Investments

We focus primarily on loans and securities, including syndicated loans, of private U.S. companies, specifically small and middle market companies, which we define as companies with annual revenue of \$50 million to \$2.5 billion, at the time of investment. Specifically, for our originated investments, we target companies with \$25 million to \$75 million of EBITDA. In many market environments, we believe such a focus offers an opportunity for superior risk-adjusted returns.

Our level of investment activity (both the number of investments and the size of each investment) can and will vary substantially from period to period depending on many factors, including the amount of debt and equity capital available to middle market companies, the level of merger and acquisition activity for such companies, the general economic environment, trading prices of loans and other securities and the competitive environment for the types of investments we make.

Revenues

We generate revenues in the form of interest income from the debt securities we hold and dividends and capital appreciation on either direct equity investments or equity interests obtained in connection with originating loans, such as options, warrants or conversion rights. Our debt investments typically have a term of five to eight years and bear interest at floating rates on the basis of a benchmark such as LIBOR. In some instances, we receive payments on our debt investments based on scheduled amortization of the outstanding balances. In addition, we may receive repayments of some of our debt investments prior to their scheduled maturity date. The frequency or volume of these repayments fluctuates significantly from period to period. Our portfolio activity also reflects the proceeds of sales of securities. In some cases, our investments may provide for deferred interest payments or PIK interest. The principal amount of loans and any accrued but unpaid interest generally become due at the maturity date.

In addition, we generate revenue in the form of commitment, loan origination, structuring or diligence fees, fees for providing managerial assistance to our portfolio companies, and possibly consulting fees.

Expenses

Except as specifically provided below, all investment professionals and staff of the Adviser, when and to the extent engaged in providing investment advisory services to us, and the base compensation, bonus and benefits, and the routine overhead expenses, of such personnel allocable to such services, will be provided and paid for by the Adviser. We bear all other costs and expenses of our operations, administration and transactions, including, but not limited to (a) investment advisory fees, including management fees and incentive fees, to the Adviser, pursuant to the Investment Advisory Agreement; (b) our allocable portion of compensation, overhead (including rent, office equipment and utilities) and other expenses incurred by the Administrator in performing its administrative obligations under the Administration Agreement, including but not limited to: (i) our chief compliance officer, chief financial officer and their respective staffs; (ii) investor relations, legal, operations and other non-investment professionals at the Administrator that perform duties for us; and (iii) any internal audit group personnel of Blackstone or any of its affiliates; and (c) all other expenses of our operations and transactions.

With respect to costs incurred in connection with the Company's organization and offering costs, if actual organization and offering costs incurred exceed 0.10% of our total Capital Commitments, the Adviser or its affiliates will bear the excess costs. To the extent our Capital Commitments later increase, the Adviser or its affiliates may be reimbursed for past payments of excess organization and offering costs made on our behalf provided that the total organization and offering costs borne by us do not exceed 0.10% of total Capital Commitments and provided further that the Adviser or its affiliates may not be reimbursed for payment of excess organization and offering expenses that were incurred more than three years prior to the proposed reimbursement. Any sales load, platform fees, servicing fees or similar fees or expenses charged directly to an investor in our Private Offering by a placement agent or similar party will not be considered organization or offering expenses of the Company for purposes of our cap on organization and offering expenses.

From time to time, the Adviser, the Administrator or their affiliates may pay third-party providers of goods or services. We will reimburse the Adviser, Administrator or such affiliates thereof for any such amounts paid on our behalf. From time to time, the Adviser or the Administrator may defer or waive fees and/or rights to be reimbursed for expenses. In this regard, the Administrator has waived the right to be reimbursed for rent and related occupancy costs. However, the Administrator may seek reimbursement for such costs in future periods. All of the foregoing expenses will ultimately be borne by our shareholders, subject to the cap on organization and offering expenses described above.

Costs and expenses of the Administrator and the Adviser that are eligible for reimbursement by us will be reasonably allocated to the Company on the basis of time spent, assets under management, usage rates, proportionate holdings, a combination thereof or other reasonable methods determined by the Administrator in accordance with policies adopted by the Board.

On December 12, 2018, we entered into an Expense Support Agreement with the Adviser. The Expense Support Agreement provides that, at such times as the Adviser determines, the Adviser may pay certain Expense Payments of the Company, provided that no portion of the payment will be used to pay any of our interest expense. Such Expense Payment must be made in any combination of cash or other immediately available funds no later than forty-five days after a written commitment from the Adviser to pay such expense, and/or by an offset against amounts due from us to the Adviser or its affiliates. Following any calendar quarter in which Available Operating Funds (as defined in the Expense Support Agreement) exceed Excess Operating Funds, we shall pay Reimbursement Payments to the Adviser until such time as all Expense Payments made by the Adviser to us within three years prior to the last business day of such calendar quarter have been reimbursed. The amount of the Reimbursement Payment for any calendar quarter shall equal the lesser of (i) the Excess Operating Funds in such quarter and (ii) the aggregate amount of all Expense Payments made by the Adviser to us within three years prior to the last business day of such calendar quarter that have not been previously reimbursed by us to the Adviser. The Expense Support Agreement provides additional restrictions on the amount of each Reimbursement Payment for any calendar quarter. The Adviser may waive its right to receive all or a portion of any Reimbursement Payment in any particular calendar quarter, so that such Reimbursement Payment may be reimbursable in a future calendar quarter. As of March 31, 2021 there were no unreimbursed Expense Payments remaining.

Portfolio and Investment Activity

For the three months ended March 31, 2021, we acquired \$1,220.4 million aggregate principal amount of investments (including \$231.2 million of unfunded commitments), \$1,136.3 million of which was first lien debt, \$31.3 million of which was second lien debt, \$20.9 million of which was unsecured debt and \$31.9 million of which was equity.

For the three months ended March 31, 2020, we acquired \$1,070.6 million aggregate principal amount (including equity amounts which are aggregate cost) of investments (including \$89.8 million of unfunded commitments), \$1,068.5 million of which was first lien debt and \$2.1 million of which was equity.

Our investment activity is presented below (information presented herein is at amortized cost unless otherwise indicated) (dollar amounts in thousands):

	As of and for the three months ended March 31,	
	2021	2020
Investments:		
Total investments, beginning of period	\$ 5,575,482	\$ 3,067,767
New investments purchased	1,098,994	1,025,539
Net accretion of discount on investments	21,143	6,188
Net realized gain (loss) on investments	4,634	699
Investments sold or repaid	(637,037)	(130,149)
Total investments, end of period	\$ 6,063,216	\$ 3,970,044
Amount of investments funded at principal:		
First lien debt investments	\$ 1,070,714	\$ 1,059,701
Second lien debt investments	28,995	—
Unsecured debt	20,942	—
Equity investments	31,870	2,138
Total	\$ 1,152,521	\$ 1,061,839
Proceeds from investments sold or repaid:		
First lien debt investments	\$ (590,883)	\$ (129,244)
Second lien debt investments	(32,998)	(905)
Unsecured debt	(13,156)	—
Equity investments	—	—
Total	\$ (637,037)	\$ (130,149)
Number of portfolio companies	89	80
Weighted average yield on debt and income producing investments, at cost ⁽¹⁾	7.65 %	8.04 %
Weighted average yield on debt and income producing investments, at fair value ⁽¹⁾	7.60 %	8.78 %
Percentage of debt investments bearing a floating rate	99.9 %	100.0 %
Percentage of debt investments bearing a fixed rate	0.1 %	— %

(1) Computed as (a) the annual stated interest rate or yield plus the annual accretion of discounts or less the annual amortization of premiums, as applicable, on accruing debt included in such securities, divided by (b) total debt investments (at fair value or cost, as applicable) included in such securities. Actual yields earned over the life of each investment could differ materially from the yields presented above.

(2) As of March 31, 2021 and 2020, the weighted average total portfolio yield at cost was 7.57% and 8.01%, respectively. The weighted average total portfolio yield at fair value was 7.52% and 8.74%, respectively.

Our investments consisted of the following (dollar amounts in thousands):

	March 31, 2021			December 31, 2020		
	Cost	Fair Value	% of Total Investments at Fair Value	Cost	Fair Value	% of Total Investments at Fair Value
First lien debt	\$ 5,956,489	\$ 5,996,005	98.21 %	\$ 5,493,561	\$ 5,502,899	98.51 %
Second lien debt	40,268	41,732	0.68	48,979	50,199	0.90
Unsecured debt	7,873	7,735	0.13	—	—	—
Equity investments	58,586	59,892	0.98	32,942	32,844	0.59
Total	\$ 6,063,216	\$ 6,105,364	100.00 %	\$ 5,575,482	\$ 5,585,942	100.00 %

As of March 31, 2021 and December 31, 2020, no loans in the portfolio were on non-accrual status.

As of March 31, 2021 and December 31, 2020, on a fair value basis, approximately 99.9% and 100.0%, respectively, of our performing debt investments bore interest at a floating rate and approximately 0.1% and 0.0%, respectively, of our performing debt investments bore interest at a fixed rate.

Results of Operations

The following table represents the operating results (dollar amounts in thousands):

	Three Months Ended March 31,	
	2021	2020
Total investment income	\$ 130,710	\$ 80,195
Net expenses	55,073	29,419
Net investment income before excise tax	75,637	50,776
Excise tax expense	(282)	104
Net investment income after excise tax	75,919	50,672
Net unrealized appreciation (depreciation)	32,052	(358,827)
Net realized gain (loss)	3,796	695
Net increase (decrease) in net assets resulting from operations	\$ 111,767	\$ (307,460)

Net increase (decrease) in net assets resulting from operations can vary from period to period as a result of various factors, including acquisitions, the level of new investment commitments, the recognition of realized gains and losses and changes in unrealized appreciation and depreciation on the investment portfolio. As a result, comparisons may not be meaningful.

Investment Income

Investment income was as follows (dollar amounts in thousands):

	Three Months Ended March 31,	
	2021	2020
Interest income	\$ 127,950	\$ 77,591
Payment-in-kind interest income	1,917	2,602
Fee income	843	2
Total investment income	\$ 130,710	\$ 80,195

Total investment income increased to \$130.7 million for the three months ended March 31, 2021 from \$80.2 million for the same period in the prior year primarily driven by our deployment of capital and the increased balance of our investments partially offset by lower weighted average yield on our investments. The size of our investment portfolio at fair value increased to \$6,105.4 million at March 31, 2021 from \$3,635.3 million at March 31, 2020. Additionally, for the three months ended March 31, 2021, we accrued \$18.4 million of non-recurring income (e.g. prepayment premiums, accelerated accretion of upfront loan origination fees and unamortized discounts and ticking fees) as compared to \$3.1 million for the same period in the prior year.

If the COVID-19 pandemic continues, it could cause operational and/or liquidity issues at our portfolio companies which could restrict their ability to make cash interest payments. Additionally, we may experience full or partial losses on our investments which may ultimately reduce our investment income in future periods.

Expenses

Expenses were as follows (dollar amounts in thousands):

	Three Months Ended March 31,	
	2021	2020
Interest expense	\$ 21,146	\$ 16,071
Management fees	11,677	6,537
Income based incentive fee	14,347	8,268
Capital gains incentive fee	5,377	(4,218)
Professional fees	586	526
Board of Trustees' fees	131	115
Administrative service expenses	492	583
Other general and administrative	1,317	830
Amortization of offering costs	—	307
Excise tax expense	(282)	104
Total expenses (including excise tax expense)	54,791	29,123
Recoupment of expense support	—	400
Net expenses (including excise tax expense)	\$ 54,791	\$ 29,523

Interest Expense

Total interest expense (including unused fees and other debt financing expenses), increased to \$21.1 million for the three months ended March 31, 2021 from \$16.1 million for the same period in the prior year primarily driven by increased borrowings under our credit facilities and our unsecured bond issuances. The average principal debt outstanding increased to \$2,680.7 million for the three months ended March 31, 2021 from \$1,623.8 million for the same period in the prior year, partially offset by a decrease in our weighted average interest rate to 3.05% for the three months ended March 31, 2021 from 3.82% for the same period in the prior year.

Management Fees

Management fees increased to \$11.7 million for the three months ended March 31, 2021 from \$6.5 million for the same period in the prior year primarily due to an increase in gross assets. Our total gross assets increased to \$6,504.4 million at March 31, 2021 from \$3,782.5 million at March 31, 2020.

Income Based Incentive Fees

Income based incentive fees increased to \$14.3 million for the three months ended March 31, 2021 from \$8.3 million for the same period in the prior year primarily due to our deployment of capital. Pre-incentive fee net investment income increased to \$95.6 million for the three months ended March 31, 2021 from \$55.1 million for the same period in the prior year.

Capital Gains Based Incentive Fees

We accrued capital gains incentive fees of \$5.4 million for the three months ended March 31, 2021 compared to \$(4.2) million for the same period in the prior year, primarily due to net realized and unrealized gains in the current year contrasted by a reversal of previously accrued incentive fees due to net realized and unrealized losses during the three months ended March 31, 2020. The accrual for any capital gains incentive fee under U.S. GAAP in a given period may result in an additional expense if such cumulative amount is greater than in the prior period or a reduction of previously recorded expense if such cumulative amount is less in the prior period. If such cumulative amount is negative, then there is no accrual.

Other Expenses

Organization costs and offering costs include expenses incurred in our initial formation and our Private Offering. Professional fees include legal, rating agencies, audit, tax, valuation, technology and other professional fees incurred related to the management of us. Administrative service fees represent fees paid to the Administrator for our allocable portion of overhead and other expenses incurred by the Administrator in performing its obligations under the administration agreement, including our allocable portion of the cost of certain of our executive officers, their respective staff and other non-investment professionals that perform duties for us. Other general and administrative expenses include insurance, filing, research, our sub-administrator, subscriptions and other costs.

Total other expenses decreased to \$2.2 million for the three months ended March 31, 2021 from \$2.5 million for the same period in the prior year primarily driven by the decrease in the amortization of deferred offering costs (as we expensed the remaining deferred offering costs after the close of the Initial Closing Period), partially offset by larger other general and administrative costs, including expense associated with our Sub-Administrator.

The Adviser may elect to make Expense Payments on our behalf, subject to future Reimbursement Payments pursuant to the Expense Support Agreement described above in “—Key Components of Our Results of Operations—Expenses.”

Income Taxes, Including Excise Taxes

We elected to be treated as a RIC under Subchapter M of the Code, and we intend to operate in a manner so as to continue to qualify for the tax treatment applicable to RICs. To qualify for tax treatment as a RIC, we must, among other things, distribute to our shareholders in each taxable year generally at least 90% of the sum of our investment company taxable income, as defined by the Code (without regard to the deduction for dividends paid), and net tax-exempt income for that taxable year. To maintain our tax treatment as a RIC, we, among other things, intend to make the requisite distributions to our shareholders, which generally relieve us from corporate-level U.S. federal income taxes.

Depending on the level of taxable income earned in a tax year, we may carry forward taxable income (including net capital gains, if any) in excess of current year dividend distributions from the current tax year into the next tax year and pay a nondeductible 4% U.S. federal excise tax on such taxable income, as required. To the extent that we determine that our estimated current year annual taxable income will be in excess of estimated current year dividend distributions from such income, we will accrue excise tax on estimated excess taxable income.

For the three months ended March 31, 2021 and 2020, we incurred (0.3) million and \$0.1 million, respectively, of U.S. federal excise tax.

Net Unrealized Gain (Loss)

Net unrealized gain (loss) was comprised of the following (dollar amounts in thousands):

	Three Months Ended March 31,	
	2021	2020
Net unrealized gain (loss) on investments	\$ 32,766	\$ (358,814)
Net unrealized gain (loss) on translation of assets and liabilities in foreign currencies	(714)	(13)
Net unrealized gain (loss)	\$ 32,052	\$ (358,827)

For the three months ended March 31, 2021, the net unrealized gain was primarily driven by an increase in the fair value of our debt investments during the period. The fair value of our debt investments as a percentage of principal increased by 0.3% as compared to a 9.2% decrease in fair value of our debt investments for the same period in prior year. The unrealized gains in the current period were partially driven by a continued recovery from the COVID-19 pandemic as credit spreads tightened and the private and syndicated leverage loan markets have significantly rebounded from the March 2020 lows. The unrealized losses during the three months ended March 31, 2020 were driven by market volatility resulting from the onset of the COVID-19 pandemic.

Net Realized Gain (Loss)

The realized gains and losses on fully exited and partially exited investments comprised of the following (dollar amounts in thousands):

	Three Months Ended March 31,	
	2021	2020
Net realized gain (loss) on investments	\$ 4,634	\$ 699
Net realized gain (loss) on translation of assets and liabilities in foreign currencies	(838)	(4)
Net realized gain (loss)	\$ 3,796	\$ 695

For the three months ended March 31, 2021 and 2020, we generated realized gains of \$5.0 million and \$0.9 million, respectively, partially offset by realized losses of \$0.4 million and \$0.2 million respectively, primarily from full or partial sales of our debt investments.

If the COVID-19 pandemic continues, it may cause us to experience full or partial losses on our investments upon the exit or restructuring of our investments.

Financial Condition, Liquidity and Capital Resources

We generate cash from the net proceeds from the drawdown of Capital Commitments, issuances of unsecured debt, proceeds from net borrowings on our credit facilities and income earned on our debt investments. The primary uses of our cash and cash equivalents are for (i) originating loans and purchasing senior secured debt investments, (ii) funding the costs of our operations (including fees paid to our Adviser and expense reimbursements paid to our Administrator), (iii) debt service, repayment and other financing costs of our borrowings and (iv) cash distributions to the holders of our shares.

As of March 31, 2021 and December 31, 2020, we had four and four credit facilities outstanding and we conducted three and two issuances of unsecured bonds, respectively. We may from time to time enter into additional credit facilities, increase the size of our existing credit facilities or issue further debt securities. Any such incurrence or issuance would be subject to prevailing market conditions, our liquidity requirements, contractual and regulatory restrictions and other factors. In accordance with the 1940 Act, with certain limited exceptions, we are only allowed to incur borrowings, issue debt securities or issue preferred stock, if immediately after the borrowing or issuance, the ratio of total assets (less total liabilities other than indebtedness) to total indebtedness plus preferred stock, is at least 150%. As of March 31, 2021 and December 31, 2020, we had an aggregate amount of \$2,968.7 million and \$2,514.6 million of senior securities outstanding and our asset coverage ratio was 212.0% and 230.0%, respectively. We seek to carefully consider our unfunded commitments for the purpose of planning our ongoing financial leverage. Further, we maintain sufficient borrowing capacity within the 150% asset coverage limitation to cover any outstanding unfunded commitments we are required to fund.

Cash and cash equivalents as of March 31, 2021, taken together with our \$1,001.3 million of available capacity under our credit facilities (subject to borrowing base availability) and our \$713.3 million of uncalled Capital Commitments is expected to be sufficient for our investing activities and to conduct our operations in the near term. Although we were able to issue unsecured debt during the period ended March 31, 2021, disruption in the financial markets caused by the COVID-19 outbreak or any other negative economic development could restrict our access to financing in the future. We may not be able to find new financing for future investments or liquidity needs and, even if we are able to obtain such financing, such financing may not be on as favorable terms as we have recently obtained. These factors may limit our ability to make new investments and adversely impact our results of operations.

As of March 31, 2021, we had \$291.7 million in cash and cash equivalents. During the three months ended March 31, 2021, cash used in operating activities was \$299.3 million, primarily as a result of funding portfolio investments of \$1,097.1 million; partially offset by proceeds from sale of investments of \$637.0 million and an increase in payables for investments purchased of \$63.7 million. Cash provided by financing activities was \$373.3 million during the period, which was primarily as a result of net borrowings on our credit facilities and our unsecured debt issuances of \$445.9 million; partially offset by dividends paid in cash of \$75.5 million.

As of March 31, 2020, we had \$106.0 million in cash and cash equivalents. During the three months ended March 31, 2020, cash used in operating activities was \$721.8 million, primarily as a result of funding portfolio investments of \$1,022.9 million; partially offset by proceeds from sale of investments of \$130.1 million and an increase in payables for investments purchased of \$145.8 million. Cash provided by financing activities was \$762.3 million during the period, which was primarily the result of proceeds from the issuance of shares of \$446.8 million, net borrowings on our credit facilities of \$340.5 million; partially offset by dividends paid in cash of \$24.9 million.

Equity

There were no shares issued and proceeds received related to the Company's capital drawdowns delivered pursuant to the Subscription Agreements for the three months ended March 31, 2021.

The following table summarizes the total shares issued and proceeds received related to capital drawdowns delivered pursuant to the Subscription Agreements for the three months ended March 31, 2020 (dollar amounts in millions, except share amounts):

Common Share Issuance Date	Number of Common Shares Issued	Aggregate Offering Proceeds
January 30, 2020	16,864,983	\$ 440.9
Total	16,864,983	\$ 440.9

Distributions and Dividend Reinvestment

The following table summarizes our distributions declared and payable for the three months ended March 31, 2021 (dollar amounts in thousands, except share amounts):

Date Declared	Record Date	Payment Date	Per Share Amount	Total Amount
February 24, 2021	March 31, 2021	May 14, 2021	\$ 0.5000	\$ 65,052
Total distributions			<u>\$ 0.5000</u>	<u>\$ 65,052</u>

The following table summarizes our distributions declared and payable for the three months ended March 31, 2020 (dollar amounts in thousands, except share amounts):

Date Declared	Record Date	Payment Date	Per Share Amount	Total Amount
January 29, 2020	January 29, 2020	May 15, 2020	\$ 0.1593	\$ 10,241
February 26, 2020	March 31, 2020	May 15, 2020	0.3407	27,688
Total distributions			<u>\$ 0.5000</u>	<u>\$ 37,929</u>

With respect to distributions, we have adopted an “opt out” dividend reinvestment plan for shareholders. As a result, in the event of a declared cash distribution or other distribution, each shareholder that has not “opted out” of the dividend reinvestment plan will have their dividends or distributions automatically reinvested in additional shares rather than receiving cash distributions. Shareholders who receive distributions in the form of shares will be subject to the same U.S. federal, state and local tax consequences as if they received cash distributions.

The following table summarizes the amounts received and shares issued to shareholders who have not opted out of our dividend reinvestment plan during the three months ended March 31, 2021 (dollars in thousands except share amounts):

Payment Date	DRIP Shares Value	DRIP Shares Issued
January 29, 2021	\$ 11,179	443,639
Total distributions	<u>\$ 11,179</u>	<u>443,639</u>

The following table summarizes the amounts received and shares issued to shareholders who have not opted out of our dividend reinvestment plan during the three months ended March 31, 2020 (dollars in thousands except share amounts):

Payment Date	DRIP Shares Value	DRIP Shares Issued
January 30, 2020	\$ 2,882	112,302
Total distributions	<u>\$ 2,882</u>	<u>112,302</u>

Borrowings

Our outstanding debt obligations were as follows (dollar amounts in thousands):

March 31, 2021					
	Aggregate Principal Committed	Outstanding Principal	Carrying Value	Unused Portion ⁽¹⁾	Amount Available ⁽²⁾
Jackson Hole Funding Facility ⁽³⁾	\$ 400,000	\$ 377,609	\$ 377,609	\$ 22,391	\$ 22,391
Breckenridge Funding Facility	825,000	453,280	453,280	371,720	371,720
Big Sky Funding Facility	400,000	243,706	243,706	156,294	106,316
Revolving Credit Facility ⁽⁴⁾	745,000	294,120	294,120	450,880	450,880
2023 Notes ⁽⁵⁾	400,000	400,000	395,077	—	—
2026 Notes ⁽⁵⁾	800,000	800,000	791,414	—	—
New 2026 Notes ⁽⁵⁾	400,000	400,000	390,956	—	—
Total	\$ 3,970,000	\$ 2,968,715	\$ 2,946,162	\$ 1,001,285	\$ 951,307

December 31, 2020					
	Aggregate Principal Committed	Outstanding Principal	Carrying Value	Unused Portion ⁽¹⁾	Amount Available ⁽²⁾
Jackson Hole Funding Facility ⁽³⁾	\$ 400,000	\$ 362,316	\$ 362,316	\$ 37,684	\$ 37,684
Breckenridge Funding Facility	825,000	569,000	569,000	256,000	256,000
Big Sky Funding Facility	400,000	200,346	200,346	199,654	117,599
Revolving Credit Facility ⁽⁴⁾	745,000	182,901	182,901	562,099	562,099
2023 Notes ⁽⁵⁾	400,000	400,000	394,549	—	—
2026 Notes ⁽⁵⁾	800,000	800,000	791,281	—	—
Total	\$ 3,570,000	\$ 2,514,563	\$ 2,500,393	\$ 1,055,437	\$ 973,382

(1) The unused portion is the amount upon which commitment fees, if any, are based.

(2) The amount available reflects any limitations related to each respective credit facility's borrowing base.

(3) Under the Jackson Hole Funding Facility, the Company may borrow in U.S. dollars or certain other permitted currencies. As of March 31, 2021 and December 31, 2020, the Company had borrowings denominated in Euros (EUR) of 23.5 million and \$23.5 million, respectively.

(4) Under the Revolving Credit Facility, the Company may borrow in U.S. dollars or certain other permitted currencies. As of March 31, 2021, the Company had borrowings denominated in Canadian Dollars (CAD) of 173.5 million and in British Pounds (GBP) of 24.7 million. As of December 31, 2020, the Company had borrowings denominated in Canadian Dollars (CAD) of 138.1 million.

(5) The carrying value of the Company's 2023 Notes, 2026 Notes, and New 2026 Notes are presented net of unamortized debt issuance costs of \$4.9 million, \$8.6 million, and \$9.0 million, respectively, as of March 31, 2021. The carrying value of the Company's 2023 Notes and 2026 Notes is presented net of unamortized debt issuance costs of \$5.5 million and \$8.7 million, respectively, as of December 31, 2020.

For additional information on our debt obligations see "Item 1. Consolidated Financial Statements—Notes to Consolidated Financial Statements—Note 6. Borrowings."

Off-Balance Sheet Arrangements

Portfolio Company Commitments

Our investment portfolio contains and is expected to continue to contain debt investments which are in the form of lines of credit or delayed draw commitments, which require us to provide funding when requested by portfolio companies in accordance with underlying loan agreements. As of March 31, 2021 and December 31, 2020, we had unfunded delayed draw term loans and revolvers with an aggregate principal amount of \$454.6 million and \$432.3 million, respectively.

Other Commitments and Contingencies

From time to time, we may become a party to certain legal proceedings incidental to the normal course of its business. At March 31, 2021, management is not aware of any pending or threatened litigation.

Contractual Obligations

Our contractual obligations consisted of the following as of March 31, 2021 (dollar amounts in thousands):

	Payments Due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	After 5 years
Jackson Hole Funding Facility	\$ 377,609	\$ —	\$ 377,609	\$ —	\$ —
Breckenridge Funding Facility	453,280	—	453,280	—	—
Big Sky Funding Facility	243,706	—	243,706	—	—
Revolving Credit Facility	294,120	—	—	294,120	—
2023 Notes	400,000	—	400,000	—	—
2026 Notes	800,000	—	—	800,000	—
New 2026 Notes	400,000	—	—	—	400,000
Total Contractual Obligations	\$ 2,968,715	\$ —	\$ 1,474,595	\$ 1,094,120	\$ 400,000

Related-Party Transactions

We have entered into a number of business relationships with affiliated or related parties, including the following:

- the Investment Advisory Agreement;
- the Administration Agreement; and
- Expense Support and Conditional Reimbursement Agreement.

In addition to the aforementioned agreements, we, our Adviser and certain of our Adviser's affiliates have been granted exemptive relief by the SEC to co-invest with other funds managed by our Adviser or its affiliates in a manner consistent with our investment objective, positions, policies, strategies and restrictions as well as regulatory requirements and other pertinent factors. See "Item 1. Consolidated Financial Statements—Notes to Consolidated Financial Statements—Note 3. Agreements and Related Party Transactions."

COVID-19 Update

There is an ongoing global outbreak of COVID-19, which has spread to over 200 countries and territories, including the United States, and has spread to every state in the United States. The global impact of the outbreak has been rapidly evolving, and as cases of COVID-19, including new variants, have continued to be identified in additional countries, many countries have reacted by instituting quarantines and restrictions on travel, closing financial markets and/or restricting trading, and limiting operations of non-essential businesses. Such actions have created disruption in global supply chains, and adversely impacted many industries. The outbreak has had a continued adverse impact on economic and market conditions and has triggered a period of global economic slowdown.

The COVID-19 pandemic (including the restrictive measures taken in response thereto) has to date (i) created significant business disruption issues for certain of our portfolio companies, and (ii) materially and adversely impacted the value and performance of certain of our portfolio companies. Although vaccines have been widely distributed in the U.S., certain U.S. states are planning on reopening and we believe the economy is beginning to rebound in certain respects, the uncertainty surrounding the COVID-19 pandemic, including uncertainty regarding new variants of COVID-19 that have emerged in the United Kingdom, South Africa, and Brazil, and other factors have and may continue to contribute to significant volatility in the global markets. COVID-19 and the current financial, economic and capital markets environment, and future developments in these and other areas present uncertainty and risk with respect to our performance, financial condition, results of operations and ability to pay distributions.

Critical Accounting Policies

The preparation of the consolidated financial statements requires us 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. Our critical accounting policies, including those relating to the valuation of our investment portfolio, are described in our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on March 4, 2021, and elsewhere in our filings with the SEC. There have been no significant changes in our critical accounting policies and practices.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Uncertainty with respect to the economic effects of the COVID-19 outbreak has introduced significant volatility in the financial markets, and the effect of the volatility could materially impact our market risks, including those listed below. We are subject to financial market risks, including valuation risk and interest rate risk.

Valuation Risk

We have invested, and plan to continue to invest, primarily in illiquid debt and equity securities of private companies. Most of our investments will not have a readily available market price, and we value these investments at fair value as determined in good faith by the Board, based on, among other things, the input of the Adviser, our Audit Committee and independent third-party valuation firms engaged at the direction of the Board, and in accordance with our valuation policy. There is no single standard for determining fair value. 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.

Interest Rate Risk

Interest rate sensitivity refers to the change in earnings that may result from changes in the level of interest rates. We intend to fund portions of our investments with borrowings, and at such time, 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, we cannot assure shareholders that a significant change in market interest rates will not have a material adverse effect on our net investment income.

As of March 31, 2021, 99.9% of our debt investments at fair value were at floating rates. Based on our Consolidated Statements of Assets and Liabilities as of March 31, 2021, the following table shows the annualized impact on net income of hypothetical base rate changes in interest rates (considering base rate floors and ceilings for floating rate instruments assuming no changes in our investment and borrowing structure) (dollar amounts in thousands):

	Interest Income	Interest Expense	Net Income
Up 300 basis points	\$ 139,374	\$ (41,061)	\$ 98,313
Up 200 basis points	77,776	(27,374)	50,402
Up 100 basis points	17,368	(13,687)	3,681
Down 100 basis points	(1,417)	2,659	1,242
Down 200 basis points	(1,417)	2,659	1,242

Item 4. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures

In accordance with Rules 13a-15(b) and 15d-15(b) of the Securities Exchange Act of 1934, as amended, we, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q and determined that our disclosure controls and procedures are effective as of the end of the period covered by the Quarterly Report on Form 10-Q.

(b) Changes in Internal Controls Over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the quarter ended March 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

We are not currently subject to any material legal proceedings, nor, to our knowledge, are any material legal proceeding threatened against us. From time to time, we may be a party to certain legal proceedings in the ordinary course of business, including proceedings relating to the enforcement of our rights under contracts with our portfolio companies. Our business is also subject to extensive regulation, which may result in regulatory proceedings against us. While the outcome of any such future legal or regulatory proceedings cannot be predicted with certainty, we do not expect that any such future proceedings will have a material effect upon our financial condition or results of operations.

Item 1A. Risk Factors.

There have been no material changes to the risk factors previously disclosed under Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2020.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Refer to "*Item 1. Financial Statements—Notes to Consolidated Financial Statements—Note 8. Net Assets*" in this Form 10-Q for issuances of our shares during the quarter. Such issuances were part of our Private Offering pursuant to Section 4(a)(2) of the 1933 Act and Regulation D thereunder.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Description of Exhibits
<u>31.1</u>	<u>Certification of Principal Executive Officer Pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*</u>
<u>31.2</u>	<u>Certification of Principal Financial Officer Pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*</u>
<u>32.1</u>	<u>Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*</u>
<u>32.2</u>	<u>Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*</u>

* 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.

Blackstone Secured Lending Fund

Date: May 11, 2021

/s/ Brad Marshall

Brad Marshall

Chief Executive Officer

Date: May 11, 2021

/s/ Stephan Kuppenheimer

Stephan Kuppenheimer

Chief Financial Officer