

**BlackRock TCP
Capital Corp.**

INVEST/STAY CONNECTED

INITIAL REPORT NOV 23, 2025

LAST UPDATED FRB 21, 2026

\$4.61 / Hold, target \$5.00

BLACKROCK TCP CAPITAL CORP.

We are updating our analysis since Blackrock TCP sprinted past our 2026 and 2027 portfolio loss estimates by over 50% in just the 4th quarter of 2025. The company pre-announced around \$140 million in losses for the quarter This increases 2025 portfolio loss estimates to \$200 million compared to our recent estimate of \$66 million. \$200 million is an astounding 13% of the portfolio and is way below the industry average. For 2025, the average middle market loan portfolio is experiencing defaults between 1.5 and 2.5%. ARCC and OBDC, two large BDCs, have reported 2025 portfolio losses of less than 1% and 2% respectively.

Although new management had more than a year to get the portfolio in order and signaled stability in the 3rd quarter, the fourth quarter demonstrated that management has little sense of their portfolio companies and is not capable of knowledgeably pricing private securities. This is evidenced by the fact that some loans that were carried at par on September 30th, became worthless by November 6th of the same year, a nearly impossible feat. There may be more information on the upcoming conference call but at this time we are adjusting our outlook and would advise investors to avoid TCPC.

From 2022 through the third quarter of 2024, TCPC experienced nearly \$300 million in portfolio losses, which resulted in a \$4 per-share decline in book value. New management took over TCPC in November 2024. In November 2025, we felt that the new management had time to organize and stabilize the portfolio and put most losses behind the company. Due to the severity of the losses, the recent pre-announcement brings into question TCP management's ability to manage income portfolios.

We predict that the dividend will drop from 96 cents to 57 cents through 2027 and book value will decline from \$7.07 per share to \$5.45 by 2027. At this point we rate the shares as a hold due to the 34% discount to book value but advise against entering new positions.

Company Stats & Estimates in \$ or MM	
2025 Book Value	7.07
Share Price	\$4.61
Discount to BV	34.8%
2026 Adj. NI Yield	20.54%
2027 Adj. NI Yield	18.87%
Total Liquidity	\$511.00
2025 EPS	-1.11
2026 EPS	-0.15
2027 EPS	-0.22
PE Ratio 2025	-4.15
PE Ratio 2026	-31.3
PE Ratio 2027	-20.6

[TCPC INVESTOR RELATIONS](#)

[THIRD QUARTER TCPC PRESENTATION](#)

TCPC Monthly Chart Since 2020



BROXTON CAPITAL ADVISORS TCPC as of 9/30/2025

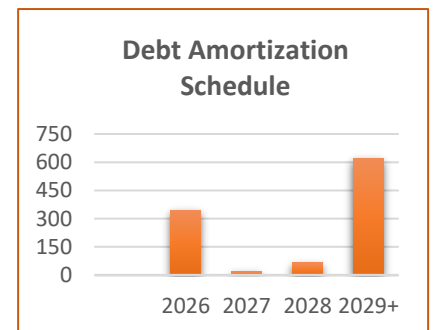
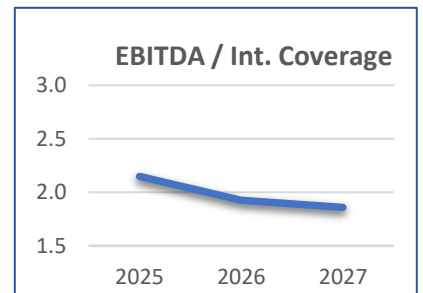
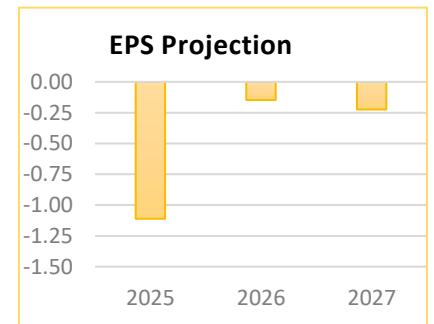
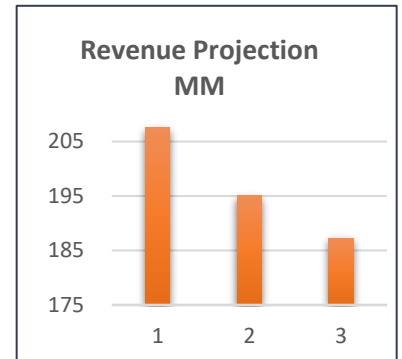
Saturday, February 21, 2026

share price \$4.61

PROJECTIONS IN MM fiscal yr	2025	2026	2027
Income Statement			
Total Investment Income	208	195	187
Revenue growth	-20%	-6%	-4%
Interest expense	64	60	57
Management Fees	18	37	38
Total Operating Expenses	102	108	106
Net Investment Income	101	87	81
Net Investment Income / Share	1.24	1.03	0.95
Net NAV Increase / Share (EPS)	-1.11	-0.15	-0.22
Portfolio Gains or Losses Gross	-200.00	-100.00	-100.00
Dividend / Share	1.12	0.96	0.96
Book Value / Share	7.07	6.27	5.45
Adjusted NI / share	1.16	0.95	0.87
Adjusted NI / share less PIK	0.87	0.65	0.58
Projected Dividend / share	1.12	0.64	0.57
Adjusted NI / share Yield	25.15%	20.54%	18.87%
Dividend Yield	24.30%	13.88%	12.49%
EBITDA	138	115	106
Valuations			
Total Assets	1,811		
Total Liabilities	1,071		
Ratio	169%		
Book Value (indicated)	600		
Book Value /Share (Indicated)	7.07		
EV/EBITDA	10.1	12.0	13.0
PE Price to Earnings	-4.1	-31.3	-20.6
Enterprise Value	1,383		
Net Total Debt	991		
Equity Market Cap	392	392	392
Debt Ratios			
EBITDA / Interest Coverage ratio	2.1	1.9	1.9
Debt / EBITDA	7.2	8.6	9.3
Liquidity			
Cash	61		
Borrowing Availability est.	450+		
Debt			
Borrowings	1,052		

NOTES:

Figures based on 9/30/2025 financials Net NAV Increase / Share (EPS) = basic GAAP EPS except indicated book values. Portfolio Gains or Losses Gross = projected realized and unrealized portfolio gains or losses Adjusted NI / share= a TCPC measure that deducts accounting amortization from NII (from the BCIC merger) Adjusted NI / share less PIK a Broxton measure that also deducts PIK income



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