CARLYLE
SECURED LENDING

INVEST/STAY CONNECTED
INITIAL REPORT JUL 27, 2026
LAST UPDATED JUL 27, 2026
$10.21 / Buy, target $13.00

CARLYLE SECURED LENDING, INC.

FAST FACTS

- Carlyle Secured Lending (CGBD) is a publicly traded loan fund that focuses on first lien senior secured loans
- Portfolio size of $2.3 billion as of Mar 31
- 100% floating rate on debt
- Portfolio composition: 171 companies, 83% first lien senior secured loans

Although CGBD has stable net asset value per share (NAV) and a good portfolio, the share price has been dipping along with the BDC sector. BDC indexes have fallen around 27% from their 2025 February highs. The sector derives earnings and income from floating rate loans and earnings decline when interest rates go down. Management underperformance at a few of the companies may be adding concern. BDCs such as PSEC, FSK and TCPC have seen NAV per share drops, which have led to above average share declines of 40-60%. Investors may be mostly concerned about the income declines. However, all bond funds pay less interest as rates decline and BDCs are essentially bond funds. Since the 2024 highs, the ten year treasury has seen a decline of around 20%. The BDC sector continues to provide attractive returns although gross asset yields have declined. With a current dividend yield of around 12.96%, CGBD shares yield around 180% above ten year treasuries and 100% over high yield indexes. So, it is normal for income to decline with interest rates in the BDC sector, and we see the current pullback as a buying opportunity in certain shares.

On the recent conference call, CGBD management indicated that their second quarter loan originations had an average spread, over SOFR, of approximately 450-475 basis points. CGBD originated investments of $217.5 million during Q1'26, with a weighted average yield of 9.0%. The CGBD borrowings are 100% floating rate. CGBD also repurchased $18.5 million of shares during the quarter.

Management commented on the most recent conference call: "Given the strong visible pipeline and fewer expected repayments, we do expect to see portfolio growth in the second quarter and as we mentioned in prior earnings calls, we expect earnings to trough in the second quarter, and we anticipate an increase in earnings thereafter as we ramp the portfolio."

We rate the shares of CGBD as a buy with a price target $13.00. CGBD has a stable history, a 12.96% current yield and a 35% discount to net asset value (as of this report).

2026 Estimates in $ or MM	
Current Yield	**12.96%**
Dividend coverage	**105%**
2027 div coverage	**122%**
Share Price	$10.03
NAV / Share	$15.72
Discount to Book	35%
Shares Outstanding	69.497
Equity Market Cap	697
Total Assets	2,558
Total Liabilities	1,441
Share Equity	1,117
2025 EPS	0.97
2026 EPS	0.76
2027 EPS	1.05
PE Ratio 2025	10.29

CGBD INVESTOR RELATIONS

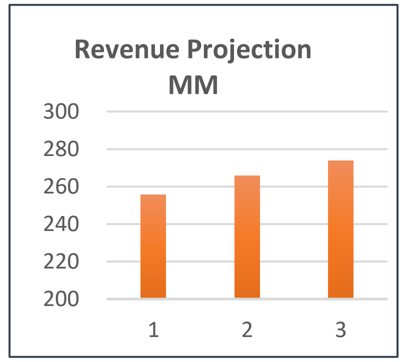
FIRST QUARTER CGBD PRESENTATION

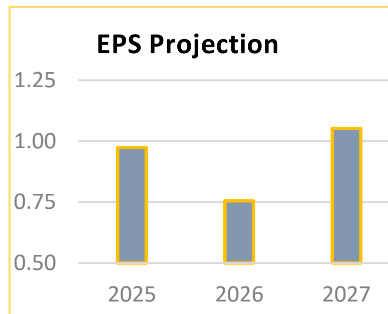
CGBD Chart Since 2020

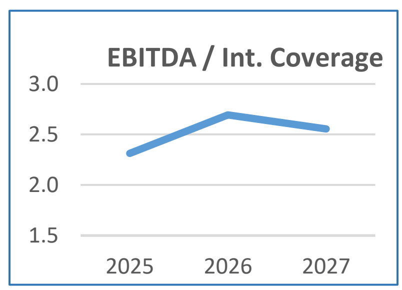
BROXTON CAPITAL ADVISORS **CGBD as of 3/31/2026**

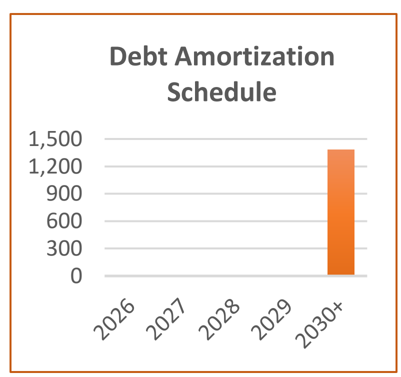
Monday, July 27, 2026

share price	$10.03		
PROJECTIONS IN MM fiscal yr	2025	2026	2027
Income Statement			
Total Investment Income	256	266	274
Revenue growth	10%	4%	3%
Interest expense	88	89	91
management fees	56	56	58
Book Value per Share	16.26	15.72	15.57
Net NAV Increase MM	70	51	70
Distributable NI	85	93	97
Distributable NI / Share - PIK	1.18	1.36	1.47
Distributable NI / Share	1.50	1.72	1.83
GAAP EPS	0.97	0.76	1.05
Dividend	1.70	1.30	1.20
Dividend Yield	na	12.96%	11.96%
EBITDA in MM	204	240	232
Valuations			
Total Assets	2,558		
Total Liabilities	1,441		
Ratio	177%		
Booke Value	1,117		
Book Value /Share	16.26		
EV/EBITDA	9.7	8.3	8.5
PE Price to Earnings	10.3	13.3	9.5
Enterprise Value	1,979		
Net Total Debt	1,282		
Equity Market Cap	697	697	697
Debt Ratios			
EBITDA/Interest Coverage ratio	2.3	2.7	2.6
Debt/EBITDA	**6.3**	**5.3**	**5.5**
Liquidity			
Cash	97		
Borrowing Availability est.	500mm+		
Debt			
Borrowings	1,380		









NOTES:

For this analysis we primarily project the Net Investment Income. Net Gains or Losses in the investment portfolio can be significantly different than our projections and will cause GAAP EPS to be significantly different than net investment income

Disclosures 02022025

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