

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **2019-05-09** | Period of Report: **2019-03-31**

SEC Accession No. [0001193125-19-143085](#)

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FILER

**Goldman Sachs Middle Market Lending Corp.**

CIK: [1683074](#) | IRS No.: **000000000** | State of Incorporation: **DE** | Fiscal Year End: **1231**  
Type: **10-Q** | Act: **34** | File No.: [000-55746](#) | Film No.: **19811384**

Mailing Address

*200 WEST STREET  
NEW YORK NY 10282-2198*

Business Address

*200 WEST STREET  
NEW YORK NY 10282-2198  
212-902-1000*

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 10-Q**

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☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2019

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 000-55746

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**Goldman Sachs Middle Market Lending Corp.**

(Exact Name of Registrant as Specified in Its Charter)

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Delaware  
(State or Other Jurisdiction of  
Incorporation or Organization)  
  
200 West Street, New York, New York  
(Address of Principal Executive Offices)

81-2506508  
(I.R.S. Employer  
Identification No.)

10282  
(Zip Code)

Registrant's Telephone Number, Including Area Code: (212) 902-0300

Not Applicable

Former Name, Former Address and Former Fiscal Year, If Changed Since Last Report.

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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, a smaller reporting company, or an emerging growth company. See the definitions 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. X

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

**Securities registered pursuant to Section 12(b) of the Act: None**

The number of shares of the registrant's common stock, \$0.001 par value per share, outstanding as of May 9, 2019 was 47,291,062.

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**GOLDMAN SACHS MIDDLE MARKET LENDING CORP.**

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## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that involve substantial risks and uncertainties. You can identify these statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “target,” “estimate,” “intend,” “continue” or “believe” or the negatives thereof or other variations thereon or comparable terminology. You should read statements that contain these words carefully because they discuss our plans, strategies, prospects and expectations concerning our business, operating results, financial condition and other similar matters. We believe that it is important to communicate our future expectations to our investors. Our forward-looking statements include information in this report regarding general domestic and global economic conditions, our future financing plans, our ability to operate as a business development company (“BDC”) and the expected performance of, and the yield on, our portfolio companies. There may be events in the future, however, that we are not able to predict accurately or control. The factors listed under “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2018, as well as any cautionary language in this report, provide examples of risks, uncertainties and events that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. The occurrence of the events described in these risk factors and elsewhere in this report could have a material adverse effect on our business, results of operations and financial position. Any forward-looking statement made by us in this report speaks only as of the date of this report. Factors or events that could cause our actual results to differ from our forward-looking statements may emerge from time to time, and it is not possible for us to predict all of them. You are advised to consult any additional disclosures that we may make directly to you or through reports that we in the future may file with the U.S. Securities and Exchange Commission (the “SEC”), including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. Under Section 21E(b)(2)(B) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 do not apply to statements made in periodic reports we file under the Exchange Act, such as this quarterly report on Form 10-Q.

The following factors are among those that may cause actual results to differ materially from our forward-looking statements:

- our future operating results;
- changes in political, economic or industry conditions, the interest rate environment or conditions affecting the financial and capital markets;
- uncertainty surrounding the financial and political stability of the United States, the United Kingdom, the European Union and China;
- our business prospects and the prospects of our portfolio companies;
- the impact of investments that we expect to make;
- the impact of increased competition;
- our contractual arrangements and relationships with third parties;
- the dependence of our future success on the general economy and its impact on the industries in which we invest;
- the ability of our current and prospective portfolio companies to achieve their objectives;
- the relative and absolute performance of our investment adviser;
- our expected financings and investments;
- the use of borrowed money to finance a portion of our investments;
- our ability to make distributions;
- the adequacy of our cash resources and working capital;
- the timing of cash flows, if any, from the operations of our portfolio companies;
- the impact of future acquisitions and divestitures;
- the effect of changes in tax laws and regulations and interpretations thereof;
- our ability to maintain our status as a BDC and a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”);
- actual and potential conflicts of interest with Goldman Sachs Asset Management, L.P. and its affiliates;
- the ability of our investment adviser to attract and retain highly talented professionals;
- the impact on our business from new or amended legislation or regulations;
- the availability of credit and/or our ability to access the equity and capital markets; and
- currency fluctuations, particularly to the extent that we receive payments denominated in foreign currency rather than U.S. dollars.

## PART I. FINANCIAL INFORMATION

### ITEM 1. FINANCIAL STATEMENTS

#### Goldman Sachs Middle Market Lending Corp. Consolidated Statements of Assets and Liabilities (in thousands, except share and per share amounts)

|   | March 31, 2019<br>(unaudited) | December 31, 2018   |
|---|-------------------------------|---------------------|
| <b>Assets</b>   |                               |                     |
| Investments, at fair value  |                               |                     |
| Non-controlled/non-affiliated investments (cost of \$1,224,674 and \$1,076,982, respectively)   | \$ 1,207,918                  | \$ 1,069,946        |
| Non-controlled affiliated investments (cost of \$36,094 and \$36,072, respectively)   | 37,675                        | 37,239              |
| Cash  | 11,358                        | 15,010              |
| Unrealized appreciation on foreign currency forward contracts   | 230                           | 122                 |
| Interest and dividends receivable from non-controlled/affiliated investments and non-controlled/non-affiliated investments  | 6,679                         | 5,977               |
| Deferred financing costs  | 2,939                         | 3,233               |
| Receivable for investments sold   | 18                            | 66                  |
| Other assets  | 274                           | 355                 |
| <b>Total assets</b>   | <u>\$ 1,267,091</u>           | <u>\$ 1,131,948</u> |
| <b>Liabilities</b>  |                               |                     |
| Debt  | \$ 344,188                    | \$ 286,189          |
| Interest and other debt expenses payable  | 624                           | 727                 |
| Management fees payable   | 3,226                         | 2,899               |
| Incentive fees payable  | 5,968                         | 3,512               |
| Distribution payable  | 18,492                        | 16,190              |
| Directors' fees payable   | 105                           | -                   |
| Accrued expenses and other liabilities  | 2,563                         | 2,277               |
| <b>Total liabilities</b>  | <u>\$ 375,166</u>             | <u>\$ 311,794</u>   |
| <b>Commitments and Contingencies (Note 8)</b>   |                               |                     |
| <b>Net Assets</b>   |                               |                     |
| Preferred stock, par value \$0.001 per share (1,000,000 shares authorized, no shares issued and outstanding)  | \$ -                          | \$ -                |
| Common stock, par value \$0.001 per share (200,000,000 shares authorized, 47,291,062 and 43,004,880 shares issued and outstanding as of March 31, 2019 and December 31, 2018, respectively) | 47                            | 43                  |
| Paid-in capital in excess of par  | 910,089                       | 827,483             |
| Distributable earnings  | (18,211 )                     | (7,372 )            |
| <b>TOTAL NET ASSETS</b>   | <u>\$ 891,925</u>             | <u>\$ 820,154</u>   |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>   | <u>\$ 1,267,091</u>           | <u>\$ 1,131,948</u> |
| Net asset value per share   | \$ 18.86                      | \$ 19.07            |

*The accompanying notes are part of these unaudited consolidated financial statements.*

**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Statements of Operations**  
(in thousands, except share and per share amounts)  
(Unaudited)

|  | <b>For the Three Months Ended</b> |                           |
|--|-----------------------------------|---------------------------|
|  | <b>March 31,<br/>2019</b>         | <b>March 31,<br/>2018</b> |
| <b>Investment Income:</b>  |                                   |                           |
| From non-controlled/non-affiliated investments:                                      |                                   |                           |
| Interest income  | \$29,375                          | \$15,025                  |
| Other income   | 422                               | 191                       |
| Total investment income from non-controlled/non-affiliated investments               | 29,797                            | 15,216                    |
| From non-controlled affiliated investments:  |                                   |                           |
| Interest income  | 667                               | 3                         |
| Dividend income  | 36                                | 11                        |
| Other income   | 7                                 | -                         |
| Total investment income from non-controlled affiliated investments                   | 710                               | 14                        |
| <b>Total investment income</b>   | <b>\$30,507</b>                   | <b>\$15,230</b>           |
| <b>Expenses:</b>   |                                   |                           |
| Interest and other debt expenses   | \$4,411                           | \$1,271                   |
| Management fees  | 3,226                             | 1,821                     |
| Incentive fees   | 5,968                             | 244                       |
| Offering costs   | -                                 | 41                        |
| Professional fees  | 283                               | 313                       |
| Administration, custodian and transfer agent fees                                    | 518                               | 300                       |
| Directors' fees  | 105                               | 105                       |
| Other expenses   | 205                               | 165                       |
| <b>Total expenses</b>  | <b>\$14,716</b>                   | <b>\$4,260</b>            |
| <b>NET INVESTMENT INCOME BEFORE TAXES</b>  | <b>\$15,791</b>                   | <b>\$10,970</b>           |
| Income tax expense (benefit), including excise tax                                   | \$(7)                             | \$-                       |
| <b>NET INVESTMENT INCOME AFTER TAXES</b>   | <b>\$15,798</b>                   | <b>\$10,970</b>           |
| <b>Net realized and unrealized gains (losses):</b>                                   |                                   |                           |
| Net realized gain (loss) from:   |                                   |                           |
| Non-controlled/non-affiliated investments  | \$(2)                             | \$1,285                   |
| Foreign currency forward contracts   | 12                                | -                         |
| Foreign currency transactions  | 3                                 | -                         |
| Net change in unrealized appreciation (depreciation) from:                           |                                   |                           |
| Non-controlled/non-affiliated investments  | (9,720)                           | 466                       |
| Non-controlled affiliated investments  | 414                               | (127)                     |
| Foreign currency forward contracts   | 108                               | -                         |
| Foreign currency translations  | 1,143                             | -                         |
| <b>Net realized and unrealized gains (losses)</b>                                    | <b>\$(8,042)</b>                  | <b>\$1,624</b>            |
| (Provision) benefit for taxes on realized gain/loss on investments                   | \$-                               | \$(373)                   |
| (Provision) benefit for taxes on unrealized appreciation/depreciation on investments | (103)                             | -                         |
| <b>NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b>               | <b>\$7,653</b>                    | <b>\$12,221</b>           |
| Net investment income (loss) per share (basic and diluted)                           | \$0.36                            | \$0.45                    |
| Earnings (loss) per share (basic and diluted)  | \$0.18                            | \$0.50                    |
| Weighted average shares outstanding  | 43,338,250                        | 24,428,499                |

*The accompanying notes are part of these unaudited consolidated financial statements.*

**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Statements of Changes in Net Assets**  
(in thousands, except share and per share amounts)  
(Unaudited)

|  | <b>For the Three Months Ended</b> |                     |
|--|-----------------------------------|---------------------|
|  | <b>March 31,</b>                  | <b>March 31,</b>    |
|  | <b>2019</b>                       | <b>2018</b>         |
| <b>Increase (decrease) in net assets resulting from operations:</b>                  |                                   |                     |
| Net investment income after taxes  | \$ 15,798                         | \$ 10,970           |
| Net realized gain (loss)   | 13                                | 1,285               |
| Net change in unrealized appreciation (depreciation)                                 | (8,055 )                          | 339                 |
| (Provision) benefit for taxes on realized gain/loss on investments                   | -                                 | (373 )              |
| (Provision) benefit for taxes on unrealized appreciation/depreciation on investments | (103 )                            | -                   |
| <b>Net increase (decrease) in net assets resulting from operations</b>               | <b>\$ 7,653</b>                   | <b>\$ 12,221</b>    |
| <b>Distributions to stockholders from:</b>   |                                   |                     |
| Distributable earnings   | \$ (18,492 )                      | \$ (10,427 )        |
| <b>Total distributions to stockholders</b>   | <b>\$ (18,492 )</b>               | <b>\$ (10,427 )</b> |
| <b>Capital transactions:</b>   |                                   |                     |
| Issuance of common shares (4,286,182 and 2,700,602 shares, respectively)             | \$ 82,610                         | \$ 51,856           |
| <b>Net increase (decrease) in net assets resulting from capital transactions</b>     | <b>\$ 82,610</b>                  | <b>\$ 51,856</b>    |
| <b>TOTAL INCREASE (DECREASE) IN NET ASSETS</b>                                       | <b>\$ 71,771</b>                  | <b>\$ 53,650</b>    |
| Net assets at beginning of period  | \$ 820,154                        | \$ 458,128          |
| <b>Net assets at end of period</b>   | <b>\$ 891,925</b>                 | <b>\$ 511,778</b>   |
| Distributions declared per share   | \$ 0.43                           | \$ 0.43             |

*The accompanying notes are part of these unaudited consolidated financial statements.*



**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Statements of Cash Flows**  
(in thousands, except share and per share amounts)  
(Unaudited)

|   | <b>For the Three Months Ended</b> |                           |
|---|-----------------------------------|---------------------------|
|   | <b>March 31,<br/>2019</b>         | <b>March 31,<br/>2018</b> |
| <b>Cash flows from operating activities:</b>  |                                   |                           |
| Net increase (decrease) in net assets resulting from operations:  | \$ 7,653                          | \$ 12,221                 |
| Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used for) operating activities: |                                   |                           |
| Purchases of investments  | (167,977 )                        | (117,067 )                |
| Payment-in-kind interest capitalized  | (289 )                            | -                         |
| Investments in affiliated money market fund, net  | -                                 | (2,952 )                  |
| Proceeds from sales of investments and principal repayments   | 21,590                            | 35,872                    |
| Net realized (gain) loss on investments   | 2                                 | (1,285 )                  |
| Net change in unrealized (appreciation) depreciation on investments   | 9,306                             | (339 )                    |
| Net change in unrealized (appreciation) depreciation on foreign currency forward contracts and transactions                                       | (99 )                             | -                         |
| Amortization of premium and accretion of discount, net  | (1,040 )                          | (992 )                    |
| Amortization of deferred financing costs  | 294                               | 194                       |
| Amortization of deferred offering costs   | -                                 | 41                        |
| Increase (decrease) in operating assets and liabilities:  |                                   |                           |
| (Increase) decrease in interest and dividends receivable  | (702 )                            | 109                       |
| (Increase) decrease in receivable for investments sold  | 48                                | -                         |
| (Increase) decrease in other assets   | 81                                | (252 )                    |
| Increase (decrease) in interest and other debt expenses payable   | (103 )                            | (19 )                     |
| Increase (decrease) in management fees payable  | 327                               | 269                       |
| Increase (decrease) in incentive fees payable   | 2,456                             | 244                       |
| Increase (decrease) in payable for investments purchased  | -                                 | 127                       |
| Increase (decrease) in directors' fees payable  | 105                               | 105                       |
| Increase (decrease) in accrued expenses and other liabilities   | 286                               | 734                       |
| <b>Net cash provided by (used for) operating activities</b>   | <b>\$ (128,062 )</b>              | <b>\$ (72,990 )</b>       |
| <b>Cash flows from financing activities:</b>  |                                   |                           |
| Proceeds from issuance of common stock  | \$ 82,610                         | \$ 51,856                 |
| Distributions paid  | (16,190 )                         | (9,272 )                  |
| Borrowings on debt  | 169,499                           | 69,000                    |
| Repayments of debt  | (111,500 )                        | (37,000 )                 |
| <b>Net cash provided by (used for) financing activities</b>   | <b>\$ 124,419</b>                 | <b>\$ 74,584</b>          |
| Net increase (decrease) in cash   | \$ (3,643 )                       | \$ 1,594                  |
| Effect of foreign exchange rate changes on cash and cash equivalents  | (9 )                              | -                         |
| Cash, beginning of period   | 15,010                            | 3,537                     |
| Cash, end of period   | <u>\$ 11,358</u>                  | <u>\$ 5,131</u>           |
| <b>Supplemental and non-cash financing activities</b>   |                                   |                           |
| Interest expense paid   | \$ 3,963                          | \$ 854                    |
| Accrued but unpaid offering costs   | \$ -                              | \$ 20                     |
| Accrued but unpaid distributions  | \$ 18,492                         | \$ 10,427                 |
| Accrued but unpaid deferred financing costs   | \$ -                              | \$ 13                     |
| Accrued but unpaid excise tax expense   | \$ 8                              | \$ -                      |

*The accompanying notes are part of these unaudited consolidated financial statements.*

**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Schedule of Investments as of March 31, 2019**  
(in thousands, except share and per share amounts)  
(Unaudited)

| Portfolio Company   | Industry                             | Interest Rate (+) | Reference Rate and Spread (+)            | Maturity   | Par Amount (++) | Cost     | Fair Value |
|---|--------------------------------------|-------------------|--|------------|-----------------|----------|------------|
| <b>Investments at Fair Value - 139.65% #</b>              |                                      |                   |  |            |                 |          |            |
| <b>Corporate Debt (1) - 137.48%</b>                       |                                      |                   |  |            |                 |          |            |
| <b>1st Lien/Senior Secured Debt - 86.23%</b>              |                                      |                   |  |            |                 |          |            |
| Accuity Delivery Systems, LLC <sup>(2) (3)</sup>          | Health Care Providers & Services     | 9.61%             | L + 7.00%; 1.00% Floor                   | 06/13/2023 | \$ 14,480       | \$14,101 | \$ 14,190  |
| Apptio, Inc. <sup>(2) (3)</sup>                           | IT Services                          | 9.74%             | L + 7.25%; 1.00% Floor                   | 01/10/2025 | 37,920          | 37,182   | 37,161     |
| Apptio, Inc. <sup>(2) (3) (4) (5)</sup>                   | IT Services                          |                   | L + 7.25%; 1.00% Floor                   | 01/10/2025 | 3,160           | (61 )    | (63 )      |
| Associations, Inc. <sup>(2) (3)</sup>                     | Real Estate Management & Development | 9.80%             | L + 7.00% (incl. 3.00% PIK); 1.00% Floor | 07/30/2024 | 16,925          | 16,734   | 16,755     |
| Associations, Inc. <sup>(2) (3) (4)</sup>                 | Real Estate Management & Development | 9.75%             | L + 7.00% (incl. 3.00% PIK); 1.00% Floor | 07/30/2024 | 4,197           | 1,994    | 1,999      |
| Associations, Inc. <sup>(2) (3) (4) (5)</sup>             | Real Estate Management & Development |                   | L + 4.00%; 1.00% Floor                   | 07/30/2024 | 836             | (9 )     | (8 )       |
| Brillio, LLC <sup>(2)</sup>                               | IT Services                          | 7.23%             | L + 4.75%; 1.00% Floor                   | 02/06/2025 | 6,600           | 6,535    | 6,534      |
| Brillio, LLC <sup>(2) (4) (5)</sup>                       | IT Services                          |                   | L + 4.75%; 1.00% Floor                   | 02/06/2025 | 2,200           | (22 )    | (22 )      |
| Bullhorn, Inc. <sup>(2) (3)</sup>                         | Internet Software & Services         | 9.40%             | L + 6.75%; 1.00% Floor                   | 11/21/2022 | 17,165          | 17,028   | 17,036     |
| Bullhorn, Inc. <sup>(2) (3)</sup>                         | Internet Software & Services         | 9.40%             | L + 6.75%; 1.00% Floor                   | 11/21/2022 | 4,542           | 4,506    | 4,508      |
| Bullhorn, Inc. <sup>(2) (3)</sup>                         | Internet Software & Services         | 9.39%             | L + 6.75%; 1.00% Floor                   | 11/21/2022 | 899             | 885      | 892        |
| Businessolver.com, Inc. <sup>(2) (3)</sup>                | Health Care Technology               | 10.18%            | L + 7.50%; 1.00% Floor                   | 05/15/2023 | 30,076          | 29,560   | 29,474     |
| Businessolver.com, Inc. <sup>(2) (3) (4)</sup>            | Health Care Technology               | 10.18%            | L + 7.50%; 1.00% Floor                   | 05/15/2023 | 4,511           | 1,676    | 1,639      |
| Businessolver.com, Inc. <sup>(2) (3) (4)</sup>            | Health Care Technology               | 10.41%            | L + 7.50%; 1.00% Floor                   | 05/15/2023 | 3,760           | 690      | 677        |
| Collaborative Imaging, LLC <sup>^(2) (3)</sup>            | Health Care Providers & Services     | 9.25%             | L + 6.50%; 1.00% Floor                   | 03/28/2025 | 12,700          | 12,530   | 12,446     |
| Continuum Managed Services LLC <sup>(2) (3)</sup>         | IT Services                          | 8.50%             | L + 6.00%; 1.00% Floor                   | 06/08/2023 | 19,149          | 18,751   | 18,862     |
| Continuum Managed Services LLC <sup>(2) (3)</sup>         | IT Services                          | 8.50%             | L + 6.00%; 1.00% Floor                   | 06/08/2023 | 5,506           | 5,402    | 5,424      |
| Continuum Managed Services LLC <sup>(2) (3)</sup>         | IT Services                          | 8.50%             | L + 6.00%; 1.00% Floor                   | 06/08/2023 | 1,622           | 1,590    | 1,597      |
| Continuum Managed Services LLC <sup>(2) (3) (4) (5)</sup> | IT Services                          |                   | L + 6.00%; 1.00% Floor                   | 06/08/2022 | 2,000           | (35 )    | (30 )      |
| Dade Paper & Bag, LLC <sup>(2) (3)</sup>                  | Distributors                         | 10.00%            | L + 7.50%; 1.00% Floor                   | 06/10/2024 | 9,825           | 9,668    | 9,702      |
| Dade Paper & Bag, LLC <sup>(2) (3)</sup>                  | Distributors                         | 9.50%             | L + 7.00%; 1.00% Floor                   | 06/10/2024 | 1,253           | 1,242    | 1,209      |
| Datto, Inc. <sup>(2) (3)</sup>                            | IT Services                          | 10.49%            | L + 8.00%; 1.00% Floor                   | 12/07/2022 | 52,418          | 51,615   | 52,418     |
| Datto, Inc. <sup>(2) (3) (4) (5)</sup>                    | IT Services                          |                   | L + 8.00%; 1.00% Floor                   | 12/07/2022 | 3,529           | (51 )    | -          |
| DDS USA Holding, Inc. <sup>(2) (3)</sup>                  | Health Care Equipment & Supplies     | 8.35%             | L + 5.75%; 1.00% Floor                   | 06/30/2022 | 5,627           | 5,602    | 5,585      |
| DDS USA Holding, Inc. <sup>(2) (3)</sup>                  | Health Care Equipment & Supplies     | 8.35%             | L + 5.75%; 1.00% Floor                   | 06/30/2022 | 5,446           | 5,421    | 5,405      |

|   |  |       |                        |            |        |        |        |
|---|--|-------|------------------------|------------|--------|--------|--------|
| DDS USA Holding, Inc.(2) (3) (4) (5)        | Health Care Equipment & Supplies       |       | L + 5.75%; 1.00% Floor | 06/30/2022 | 1,533  | (7 )   | (11 )  |
| Diligent Corporation(2) (3)                 | Professional Services                  | 8.31% | L + 5.50%; 1.00% Floor | 04/14/2022 | 22,996 | 26,313 | 25,474 |
| Diligent Corporation(2) (3)                 | Professional Services                  | 8.35% | L + 5.50%; 1.00% Floor | 04/14/2022 | 2,119  | 2,094  | 2,092  |
| Diligent Corporation(2) (3) (4)             | Professional Services                  | 8.23% | L + 5.50%; 1.00% Floor | 04/14/2022 | 1,800  | 1,547  | 1,562  |
| Diligent Corporation(2) (3)                 | Professional Services                  | 8.19% | L + 5.50%; 1.00% Floor | 04/14/2022 | 732    | 723    | 723    |
| Diligent Corporation(2) (3)                 | Professional Services                  | 8.35% | L + 5.50%; 1.00% Floor | 04/14/2022 | 354    | 350    | 350    |
| Diligent Corporation(2) (3) (4) (5)         | Professional Services                  |       | L + 5.50%; 1.00% Floor | 04/14/2022 | 11,551 | (133 ) | (144 ) |
| DiscoverOrg, LLC(2)                         | Software                               | 7.24% | L + 4.50%              | 02/02/2026 | 23,700 | 23,466 | 23,345 |
| DocuTAP, Inc.(2) (4)                        | Health Care Technology                 |       | L + 5.50%; 1.00% Floor | 05/09/2025 | 45,700 | –      | –      |
| DocuTAP, Inc.(2) (4)                        | Health Care Technology                 |       | L + 5.50%; 1.00% Floor | 05/09/2025 | 7,000  | –      | –      |
| Empirix, Inc.(2) (3)                        | Diversified Telecommunication Services | 8.86% | L + 6.25%; 1.00% Floor | 09/25/2024 | 31,723 | 31,205 | 31,168 |
| Empirix, Inc.(2) (3) (4) (5)                | Diversified Telecommunication Services |       | L + 6.25%; 1.00% Floor | 09/25/2023 | 1,800  | (28 )  | (31 )  |
| Fenergo Finance 3 Limited(2) (3) (6)        | Diversified Financial Services         | 9.13% | L + 6.25%; 1.00% Floor | 09/05/2024 | 25,300 | 28,932 | 27,813 |
| Fenergo Finance 3 Limited(2) (3) (4)(5)(6)  | Diversified Financial Services         |       | L + 6.25%; 1.00% Floor | 09/05/2024 | 1,683  | (27 )  | (34 )  |
| Fenergo Finance 3 Limited(2) (3) (4) (5)(6) | Diversified Financial Services         |       | L + 6.25%; 1.00% Floor | 09/05/2024 | 2,200  | (41 )  | (139 ) |
| FWR Holding Corporation                     | Hotels, Restaurants & Leisure          | 8.00% | L + 5.50%; 1.00% Floor | 08/21/2023 | 11,495 | 11,272 | 11,380 |
| FWR Holding Corporation                     | Hotels, Restaurants & Leisure          | 7.99% | L + 5.50%; 1.00% Floor | 08/21/2023 | 3,040  | 3,010  | 3,009  |
| FWR Holding Corporation                     | Hotels, Restaurants & Leisure          | 8.00% | L + 5.50%; 1.00% Floor | 08/21/2023 | 2,296  | 2,253  | 2,273  |

*The accompanying notes are part of these unaudited consolidated financial statements.*

**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Schedule of Investments as of March 31, 2019 (continued)**  
(in thousands, except share and per share amounts)  
**(Unaudited)**

| Portfolio Company                         | Industry                         | Interest Rate (+) | Reference Rate and Spread (+)            | Maturity   | Par Amount (++) | Cost    | Fair Value |
|---|----------------------------------|-------------------|--|------------|-----------------|---------|------------|
| FWR Holding Corporation                   | Hotels, Restaurants & Leisure    | 8.00%             | L + 5.50%; 1.00% Floor                   | 08/21/2023 | \$ 1,452        | \$1,424 | \$1,438    |
| FWR Holding Corporation(4)                | Hotels, Restaurants & Leisure    | 8.00%             | L + 5.50%; 1.00% Floor                   | 08/21/2023 | 1,506           | 348     | 361        |
| FWR Holding Corporation(4) (5)            | Hotels, Restaurants & Leisure    |                   | L + 5.50%; 1.00% Floor                   | 08/21/2023 | 7,093           | (70 )   | (71 )      |
| Gastro Health Holdco, LLC(2) (3)          | Health Care Providers & Services | 7.99%             | L + 5.50%; 1.00% Floor                   | 09/04/2024 | 14,500          | 14,232  | 14,210     |
| Gastro Health Holdco, LLC(2) (3) (4) (5)  | Health Care Providers & Services |                   | L + 5.50%; 1.00% Floor                   | 09/04/2023 | 2,900           | (51 )   | (58 )      |
| Gastro Health Holdco, LLC(2) (3) (4) (5)  | Health Care Providers & Services |                   | L + 5.50%; 1.00% Floor                   | 09/04/2024 | 7,200           | (82 )   | (144 )     |
| Granicus, Inc.(2)                         | Software                         | 7.35%             | L + 4.75%; 1.00% Floor                   | 09/07/2022 | 12,269          | 12,149  | 12,146     |
| Hygiena Borrower LLC                      | Life Sciences Tools & Services   | 6.60%             | L + 4.00%; 1.00% Floor                   | 08/26/2022 | 5,355           | 5,287   | 5,248      |
| Hygiena Borrower LLC(4) (5)               | Life Sciences Tools & Services   |                   | L + 4.00%; 1.00% Floor                   | 08/26/2022 | 550             | (7 )    | (11 )      |
| Hygiena Borrower LLC(4) (5)               | Life Sciences Tools & Services   |                   | L + 4.00%; 1.00% Floor                   | 08/26/2022 | 814             | (5 )    | (16 )      |
| iCIMS, Inc.(2) (3)                        | Software                         | 8.99%             | L + 6.50%; 1.00% Floor                   | 09/12/2024 | 42,594          | 41,803  | 41,742     |
| iCIMS, Inc.(2) (3) (4) (5)                | Software                         |                   | L + 6.50%; 1.00% Floor                   | 09/12/2024 | 2,662           | (48 )   | (53 )      |
| Integral Ad Science, Inc.(2) (3)          | Media                            | 9.75%             | L + 7.25% (incl. 1.25% PIK); 1.00% Floor | 07/19/2024 | 33,921          | 33,310  | 33,242     |
| Integral Ad Science, Inc.(2) (3) (4) (5)  | Media                            |                   | L + 6.00%; 1.00% Floor                   | 07/19/2023 | 2,586           | (45 )   | (52 )      |
| Internet Truckstop Group, LLC(2) (4)      | Transportation Infrastructure    |                   | L + 5.50%; 1.00% Floor                   | 04/02/2025 | 32,540          | –       | –          |
| Internet Truckstop Group, LLC(2) (4)      | Transportation Infrastructure    |                   | L + 5.50%; 1.00% Floor                   | 04/02/2025 | 2,600           | –       | –          |
| Lithium Technologies, Inc.(2) (3)         | Internet Software & Services     | 10.49%            | L + 8.00%; 1.00% Floor                   | 10/03/2022 | 50,047          | 49,109  | 49,046     |
| Lithium Technologies, Inc.(2) (3) (4) (5) | Internet Software & Services     |                   | L + 8.00%; 1.00% Floor                   | 10/03/2022 | 3,448           | (61 )   | (69 )      |
| Mailgun Technologies, Inc.(2)             | Internet Software & Services     | 8.61%             | L + 6.00%; 1.00% Floor                   | 03/26/2025 | 19,220          | 18,836  | 18,836     |
| Mailgun Technologies, Inc.(2) (4) (5)     | Internet Software & Services     |                   | L + 6.00%; 1.00% Floor                   | 03/26/2025 | 2,230           | (44 )   | (45 )      |
| Midwest Transport, Inc.(2) (3)            | Road & Rail                      | 9.65%             | L + 7.00%; 1.00% Floor                   | 10/02/2023 | 17,648          | 17,485  | 17,471     |
| MMIT Holdings, LLC(2) (3)                 | Health Care Technology           | 8.00%             | L + 5.50%; 1.00% Floor                   | 11/15/2024 | 23,541          | 23,087  | 23,070     |
| MMIT Holdings, LLC(2) (3) (4) (5)         | Health Care Technology           |                   | L + 5.50%; 1.00% Floor                   | 11/15/2024 | 4,525           | (86 )   | (90 )      |
| Netvoyage Corporation(2) (3)              | Software                         | 11.50%            | L + 9.00%; 1.00% Floor                   | 03/24/2024 | 7,998           | 7,890   | 7,858      |
| Netvoyage Corporation(2) (3) (4) (5)      | Software                         |                   | L + 9.00%; 1.00% Floor                   | 03/24/2022 | 610             | (7 )    | (11 )      |
| Pathway Vet Alliance LLC(2)               | Health Care Providers & Services | 7.00%             | L + 4.50%                                | 12/20/2024 | 7,009           | 6,940   | 6,939      |
| Pathway Vet Alliance LLC(2) (4)           | Health Care Providers & Services | 7.00%             | L + 4.50%                                | 12/21/2024 | 2,472           | 208     | 209        |

|   |                                |        |                        |                |        |                |                |
|---|--------------------------------|--------|------------------------|----------------|--------|----------------|----------------|
| Picture Head Midco LLC(2) (3)             | Media                          | 9.25%  | L + 6.75%; 1.00% Floor | 08/31/<br>2023 | 32,950 | 32,354         | 32,373         |
| Picture Head Midco LLC(2) (3) (4)         | Media                          | 9.25%  | L + 6.75%; 1.00% Floor | 08/31/<br>2023 | 3,620  | 1,019          | 1,023          |
| Power Stop, LLC(2)                        | Auto Components                | 7.35%  | L + 4.75%              | 10/19/<br>2025 | 10,873 | 10,847         | 10,764         |
| SF Home Décor, LLC(2) (3)                 | Household Products             | 12.11% | L + 9.50%; 1.00% Floor | 07/13/<br>2022 | 24,975 | 24,433         | 24,288         |
| Shopatron, LLC(2)                         | Internet Catalog & Retail      | 11.61% | L + 9.00%; 1.00% Floor | 12/18/<br>2020 | 6,384  | 6,262          | 6,256          |
| SPay, Inc.(2) (3)                         | Internet Software & Services   | 8.24%  | L + 5.75%; 1.00% Floor | 06/17/<br>2024 | 14,745 | 14,482         | 14,229         |
| SPay, Inc.(2) (3) (4)                     | Internet Software & Services   | 8.38%  | L + 5.75%; 1.00% Floor | 06/17/<br>2024 | 1,630  | 623            | 595            |
| SPay, Inc.(2) (3) (4)                     | Internet Software & Services   | 8.55%  | L + 5.75%; 1.00% Floor | 06/17/<br>2024 | 8,150  | 472            | 258            |
| VRC Companies, LLC(3)                     | Commercial Services & Supplies | 9.00%  | L + 6.50%; 1.00% Floor | 03/31/<br>2023 | 7,879  | 7,810          | 7,801          |
| VRC Companies, LLC(3) (4)                 | Commercial Services & Supplies | 9.00%  | L + 6.50%; 1.00% Floor | 03/31/<br>2023 | 2,191  | 621            | 620            |
| VRC Companies, LLC(3) (4)                 | Commercial Services & Supplies | 9.31%  | L + 6.50%; 1.00% Floor | 03/31/<br>2022 | 249    | 156            | 155            |
| Wine.com, LLC(2) (3)                      | Beverages                      | 9.86%  | L + 7.00%; 1.00% Floor | 11/14/<br>2024 | 9,000  | 8,829          | 8,820          |
| Wrike, Inc.(2) (3)                        | Professional Services          | 9.25%  | L + 6.75%; 1.00% Floor | 12/31/<br>2024 | 23,044 | 22,598         | 22,583         |
| Wrike, Inc.(2) (3) (4) (5)                | Professional Services          |        | L + 6.75%; 1.00% Floor | 12/31/<br>2024 | 2,300  | (44 )          | (46 )          |
| Xactly Corporation(2) (3)                 | Internet Software & Services   | 9.75%  | L + 7.25%; 1.00% Floor | 07/29/<br>2022 | 29,320 | 28,890         | 28,880         |
| Xactly Corporation(2) (3) (4) (5)         | Internet Software & Services   |        | L + 7.25%; 1.00% Floor | 07/29/<br>2022 | 2,177  | (29 )          | (33 )          |
| Yasso, Inc.(2) (3)                        | Food Products                  | 10.25% | L + 7.75%; 1.00% Floor | 03/23/<br>2022 | 7,474  | 7,376          | 7,156          |
| <b>Total 1st Lien/Senior Secured Debt</b> |                                |        |                        |                |        | <b>771,764</b> | <b>769,138</b> |

*The accompanying notes are part of these unaudited consolidated financial statements.*

**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Schedule of Investments as of March 31, 2019 (continued)**  
(in thousands, except share and per share amounts)  
**(Unaudited)**

| Portfolio Company                                | Industry                         | Interest Rate (+) | Reference Rate and Spread (+) | Maturity   | Par Amount (++) | Cost          | Fair Value    |
|--|----------------------------------|-------------------|-------------------------------|------------|-----------------|---------------|---------------|
| <b>1st Lien/Last-Out Unitranche (7) – 10.58%</b> |                                  |                   |                               |            |                 |               |               |
| Intelligent Document Solutions, Inc.(2) (3)      | Diversified Financial Services   | 8.60%             | L + 6.00%; 1.00% Floor        | 02/28/2024 | \$ 27,300       | \$26,538      | \$26,481      |
| Intelligent Document Solutions, Inc.(2) (3) (4)  | Diversified Financial Services   | 8.61%             | L + 6.00%; 1.00% Floor        | 02/28/2024 | 19,900          | 15,416        | 15,363        |
| RugsUSA, LLC(2) (3)                              | Household Products               | 8.61%             | L + 6.00%; 1.00% Floor        | 04/30/2023 | 8,330           | 8,260         | 8,247         |
| Smarsh, Inc.(2) (3)                              | Software                         | 10.38%            | L + 7.88%; 1.00% Floor        | 03/31/2021 | 44,768          | 44,213        | 44,320        |
| <b>Total 1st Lien/Last-Out Unitranche</b>        |                                  |                   |                               |            |                 | <b>94,427</b> | <b>94,411</b> |
| <b>2nd Lien/Senior Secured Debt – 40.67%</b>     |                                  |                   |                               |            |                 |               |               |
| American Dental Partners, Inc.(2) (3)            | Health Care Providers & Services | 11.10%            | L + 8.50%; 1.00% Floor        | 09/25/2023 | 5,333           | 5,232         | 5,226         |
| Chase Industries, Inc.(2) (3)                    | Building Products                | 10.69%            | L + 8.00%; 1.00% Floor        | 05/11/2026 | 24,300          | 23,625        | 23,510        |
| Chase Industries, Inc.(2) (3) (4) (5)            | Building Products                |                   | L + 8.00%; 1.00% Floor        | 05/11/2026 | 6,100           | (164 )        | (198 )        |
| Country Fresh Holdings, LLC(2) (3) (8)           | Food Products                    |                   | L + 8.75%; 1.00% Floor        | 10/02/2023 | 11,800          | 11,606        | 1,180         |
| DiscoverOrg, LLC(2)                              | Software                         | 11.24%            | L + 8.50%                     | 02/01/2027 | 14,600          | 14,383        | 14,563        |
| DuBois Chemicals, Inc.(2)                        | Chemicals                        | 10.50%            | L + 8.00%; 1.00% Floor        | 03/15/2025 | 24,450          | 24,047        | 23,716        |
| ERC Finance, LLC(2) (3)                          | Health Care Providers & Services | 10.72%            | L + 8.22%; 1.00% Floor        | 09/22/2025 | 25,400          | 24,905        | 24,892        |
| Genesis Acquisition Co.(2) (3)                   | Diversified Financial Services   | 10.24%            | L + 7.50%                     | 07/31/2025 | 10,000          | 9,767         | 9,725         |
| Genesis Acquisition Co.(2) (3) (4) (5)           | Diversified Financial Services   |                   | L + 7.50%                     | 07/31/2025 | 2,500           | (28 )         | (69 )         |
| Hygiena Borrower LLC(3)                          | Life Sciences Tools & Services   | 10.35%            | L + 7.75%; 1.00% Floor        | 08/26/2023 | 2,650           | 2,603         | 2,604         |
| Hygiena Borrower LLC(3) (4)                      | Life Sciences Tools & Services   | 10.35%            | L + 7.75%; 1.00% Floor        | 08/26/2023 | 970             | 129           | 122           |
| ICP Industrial, Inc.(2) (3)                      | Chemicals                        | 10.74%            | L + 8.25%; 1.00% Floor        | 05/03/2024 | 28,900          | 28,298        | 28,322        |
| Intelligent Medical Objects, Inc.(2) (3)         | Health Care Technology           | 11.30%            | L + 8.50%; 1.00% Floor        | 12/22/2024 | 21,900          | 21,412        | 21,352        |
| Market Track, LLC(2) (3)                         | Internet Catalog & Retail        | 10.49%            | L + 7.75%; 1.00% Floor        | 06/05/2025 | 20,000          | 19,498        | 19,000        |
| National Spine and Pain Centers, LLC(2) (3)      | Health Care Providers & Services | 10.75%            | L + 8.25%; 1.00% Floor        | 12/02/2024 | 17,400          | 16,971        | 16,965        |
| Odyssey Logistics & Technology Corporation(2)    | Road & Rail                      | 10.50%            | L + 8.00%; 1.00% Floor        | 10/12/2025 | 26,626          | 26,096        | 26,005        |
| RSC Acquisition, Inc.(2) (3)                     | Insurance                        | 10.50%            | L + 8.00%; 1.00% Floor        | 11/30/2023 | 12,100          | 11,997        | 11,979        |
| RSC Acquisition, Inc.(2) (3)                     | Insurance                        | 10.50%            | L + 8.00%; 1.00% Floor        | 11/30/2023 | 7,840           | 7,770         | 7,762         |
| RSC Acquisition, Inc.(2) (3)                     | Insurance                        | 10.68%            | L + 8.00%; 1.00% Floor        | 11/30/2023 | 6,760           | 6,627         | 6,692         |
| RSC Acquisition, Inc.(2) (3) (4) (5)             | Insurance                        |                   | L + 8.00%; 1.00% Floor        | 11/30/2023 | 6,100           | (50 )         | (61 )         |
| SMB Shipping Logistics, LLC(2) (3)               | Air Freight & Logistics          | 10.86%            | L + 8.00%; 1.00% Floor        | 02/03/2025 | 25,000          | 24,627        | 24,500        |
| Spectrum Plastics Group, Inc.(2)                 | Containers & Packaging           | 9.50%             | L + 7.00%; 1.00% Floor        | 01/31/2026 | 6,278           | 6,250         | 6,003         |
| USRP Holdings, Inc.(2) (3)                       | Insurance                        | 11.35%            | L + 8.75%; 1.00% Floor        | 09/29/2025 | 9,700           | 9,590         | 9,579         |
| USRP Holdings, Inc.(2) (3) (4)                   | Insurance                        | 11.36%            | L + 8.75%; 1.00% Floor        | 09/29/2025 | 2,400           | 1,558         | 1,554         |
| Viant Medical Holdings, Inc.(2)                  | Health Care Equipment & Supplies | 10.35%            | L + 7.75%                     | 07/02/2026 | 11,770          | 11,659        | 11,770        |
| Xcellence, Inc.(2) (3)                           | IT Services                      | 11.24%            | L + 8.75%; 1.00% Floor        | 06/22/2024 | 18,400          | 17,999        | 18,078        |
| YI, LLC(2) (3)                                   | Health Care Equipment & Supplies | 10.35%            | L + 7.75%; 1.00% Floor        | 11/07/2025 | 21,700          | 21,129        | 21,103        |

| Zep Inc.(2)   | Chemicals                        | 10.85% | L + 8.25%; 1.00% Floor | 08/11/2025 | 30,500  | 29,843      | 26,840       |
|---|----------------------------------|--------|------------------------|------------|---------|-------------|--------------|
| Total 2nd Lien/Senior Secured Debt                                |                                  |        |                        |            |         | 377,379     | 362,714      |
| Total Corporate Debt  |                                  |        |                        |            |         | 1,243,570   | 1,226,263    |
| Portfolio Company   | Industry                         | Coupon |                        | Shares     | Cost    | Fair Value  |              |
| Preferred Stock (1) - 0.97%                                       |                                  |        |                        |            |         |             |              |
| Accuity Delivery Systems, LLC^ (2) (3) (9) (10)                   | Health Care Providers & Services |        |                        | 136,589    | \$4,500 | \$5,850     |              |
| Wine.com, LLC(2) (3) (9) (10)                                     | Beverages                        |        |                        | 314,154    | 2,700   | 2,780       |              |
| Total Preferred Stock   |                                  |        |                        |            |         | 7,200       | 8,630        |
| Portfolio Company   | Industry                         |        |                        | Shares     | Cost    | Fair Value  |              |
| Common Stock (1) - 1.20%  |                                  |        |                        |            |         |             |              |
| Collaborative Imaging Holdco, LLC - Class B^ (2) (3) (10)         | Health Care Providers & Services |        |                        | 11,719     | \$1,580 | \$1,780     |              |
| Collaborative Imaging Holdco, LLC - Class C^ (2) (3) (6) (9) (10) | Health Care Providers & Services |        |                        | 11,060     | 220     | 246         |              |
| Continuum Managed Services LLC - Class A(2) (3) (9) (10)          | IT Services                      |        |                        | 663        | 663     | 779         |              |
| Continuum Managed Services LLC - Class B(2) (3) (9) (10)          | IT Services                      |        |                        | 449,713    | 7       | 765         |              |
| Elah Holdings, Inc.^ (2) (3) (9) (10)                             | Capital Markets                  |        |                        | 65,436     | 3,163   | 3,163       |              |
| National Spine and Pain Centers, LLC(2) (3) (9) (10)              | Health Care Providers & Services |        |                        | 500        | 500     | 232         |              |
| Wrike, Inc.(2) (3) (9) (10)                                       | Professional Services            |        |                        | 494,952    | 3,075   | 3,559       |              |
| Yasso, Inc.(2) (3) (9) (10)                                       | Food Products                    |        |                        | 790        | 790     | 176         |              |
| Total Common Stock  |                                  |        |                        |            |         | 9,998       | 10,700       |
| TOTAL INVESTMENTS - 139.65%                                       |                                  |        |                        |            |         | \$1,260,768 | \$1,245,593  |
| LIABILITIES IN EXCESS OF OTHER ASSETS - (39.65%)                  |                                  |        |                        |            |         |             | \$(353,668 ) |
| NET ASSETS - 100.00%  |                                  |        |                        |            |         |             | \$891,925    |

*The accompanying notes are part of these unaudited consolidated financial statements.*

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**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Schedule of Investments as of March 31, 2019 (continued)**  
**(in thousands, except share and per share amounts)**  
**(Unaudited)**

# Percentages are based on net assets.

(+) The Consolidated Schedule of Investments discloses the actual interest rate for partially or fully funded debt in effect as of the reporting date. Variable rate loans bear interest at a rate that may be determined by reference to either LIBOR ("L") or alternate base rate (commonly based on the Prime Rate ("P")), at the borrower's option, which reset periodically based on the terms of the credit agreement. L loans are typically indexed to 12 month, 6 month, 3 month, 2 month, 1 month or 1 week L rates. As of March 31, 2019, rates for the 12 month, 6 month, 3 month, 2 month, 1 month and 1 week L are 2.71%, 2.66%, 2.60%, 2.56%, 2.49% and 2.42%, respectively. As of March 31, 2019, P was 5.50%. For investments with multiple reference rates or alternate base rates, the interest rate shown is the weighted average interest rate in effect at March 31, 2019.

(++) Par amount is denominated in U.S. Dollars ("\$\$") unless noted as denominated in Euro ("€").

^ As defined in the Investment Company Act of 1940, the portfolio company is deemed to be an "affiliated person" of the Company because the Company owns, either directly or indirectly, 5% or more of the portfolio company's outstanding voting securities. See Note 3 "Significant Agreements and Related Party Transactions".

^^ The portfolio company is otherwise deemed to be an "affiliated person" of the Company under the Investment Company Act of 1940. See Note 3 "Significant Agreements and Related Party Transactions".

(1) Assets are pledged as collateral for the SunTrust Revolving Credit Facility. See Note 6 "Debt".

(2) Represent co-investments made with certain funds managed by the Investment Adviser in accordance with the terms of the exemptive relief that the Company received from the U.S. Securities and Exchange Commission. See Note 3 "Significant Agreements and Related Party Transactions".

(3) The fair value of the investment was determined using significant unobservable inputs. See Note 5 "Fair Value Measurement".

(4) Position or portion thereof is an unfunded loan commitment, and no interest is being earned on the unfunded portion. The unfunded loan commitment may be subject to a commitment termination date that may expire prior to the maturity date stated. See Note 8 "Commitments and Contingencies".

(5) The negative cost is the result of the capitalized discount being greater than the principal amount outstanding on the loan. The negative fair value is the result of the capitalized discount on the loan.

(6) The investment is not a qualifying asset under Section 55(a) of the Investment Company Act of 1940. 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, 2019 the aggregate fair value of these securities is \$27,886 or 2.20% of the Company's total assets.

(7) In exchange for the greater risk of loss, the "last-out" portion of the Company's unitranche loan investment generally earns a higher interest rate than the "first-out" portions. The "first-out" portion of the loan would generally receive priority with respect to payment of principal, interest and any other amounts due thereunder over the "last-out" portion that the Company would continue to hold.

(8) The investment is on non-accrual status as of March 31, 2019. See Note 2 "Significant Accounting Policies".

(9) Non-income producing security.

(10) Securities exempt from registration under the Securities Act of 1933 (the "Securities Act"), and may be deemed to be "restricted securities" under the Securities Act. As of March 31, 2019, the aggregate fair value of these securities is \$19,330 or 2.17% of the Company's net assets. The acquisition dates of the restricted securities are as follows:

*The accompanying notes are part of these unaudited consolidated financial statements.*



**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Schedule of Investments as of March 31, 2019 (continued)**  
**(in thousands, except share and per share amounts)**  
**(Unaudited)**

| <b>Investment</b>  | <b>Acquisition Date</b> |
|--|-------------------------|
| Accuity Delivery Systems, LLC - Preferred Stock            | 06/13/2018              |
| Collaborative Imaging Holdco, LLC - Class B - Common Stock | 03/30/2018              |
| Collaborative Imaging Holdco, LLC - Class C - Common Stock | 03/30/2018              |
| Continuum Managed Services LLC - Class A - Common Stock    | 06/08/2017              |
| Continuum Managed Services LLC - Class B - Common Stock    | 06/08/2017              |
| Elah Holdings, Inc. - Common Stock                         | 05/09/2018              |
| National Spine and Pain Centers, LLC - Common Stock        | 06/02/2017              |
| Wine.com, LLC - Preferred Stock                            | 11/14/2018              |
| Wrike, Inc. - Common Stock                                 | 12/31/2018              |
| Yasso, Inc. - Common Stock                                 | 03/23/2017              |

PIK - Payment-In-Kind

**ADDITIONAL INFORMATION**

**Foreign currency forward contracts**

| <b>Counterparty</b>  | <b>Currency Purchased</b> | <b>Currency Sold</b> | <b>Settlement</b> | <b>Unrealized Appreciation (Depreciation)</b> |
|----------------------|---------------------------|----------------------|-------------------|---|
| Bank of America, N.A | USD 486                   | EUR 412              | 04/03/2019        | \$ 24   |
| Bank of America, N.A | USD 423                   | EUR 357              | 05/06/2019        | 21  |
| Bank of America, N.A | USD 514                   | EUR 432              | 07/03/2019        | 26  |
| Bank of America, N.A | USD 426                   | EUR 357              | 08/05/2019        | 22  |
| Bank of America, N.A | USD 541                   | EUR 451              | 10/04/2019        | 27  |
| Bank of America, N.A | USD 444                   | EUR 369              | 11/05/2019        | 23  |
| Bank of America, N.A | USD 540                   | EUR 446              | 01/06/2020        | 28  |
| Bank of America, N.A | USD 547                   | EUR 448              | 04/06/2020        | 29  |
| Bank of America, N.A | USD 549                   | EUR 446              | 07/06/2020        | 30  |
|                      |                           |                      |                   | <u>\$ 230</u>                                 |

**Currency Abbreviations:**

EUR - Euro

USD - U.S. Dollar

*The accompanying notes are part of these unaudited consolidated financial statements.*

**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Schedule of Investments as of December 31, 2018**  
(in thousands, except share and per share amounts)

| Portfolio Company   | Industry                             | Interest Rate (+) | Reference Rate and Spread (+)            | Maturity   | Par Amount (++) | Cost     | Fair Value |
|---|--------------------------------------|-------------------|--|------------|-----------------|----------|------------|
| <b>Investments at Fair Value - 135.00% #</b>              |                                      |                   |  |            |                 |          |            |
| <b>Corporate Debt (1) - 132.81%</b>                       |                                      |                   |  |            |                 |          |            |
| <b>1st Lien/Senior Secured Debt - 78.63%</b>              |                                      |                   |  |            |                 |          |            |
| Accuity Delivery Systems, LLC <sup>(2) (3)</sup>          | Health Care Providers & Services     | 9.78%             | L + 7.00%; 1.00% Floor                   | 06/13/2023 | \$ 14,480       | \$14,084 | \$ 14,082  |
| Apptio, Inc. <sup>(2) (4)</sup>                           | IT Services                          |                   | L + 7.25%; 1.00% Floor                   | 1/10/2025  | 37,920          | —        | —          |
| Apptio, Inc. <sup>(2) (4)</sup>                           | IT Services                          |                   | L + 7.25%; 1.00% Floor                   | 1/10/2025  | 3,160           | —        | —          |
| Associations, Inc. <sup>(2) (3)</sup>                     | Real Estate Management & Development | 9.40%             | L + 7.00% (incl. 3.00% PIK); 1.00% Floor | 07/30/2024 | 16,796          | 16,598   | 16,628     |
| Associations, Inc. <sup>(2) (3) (4)</sup>                 | Real Estate Management & Development | 9.40%             | L + 7.00% (incl. 3.00% PIK); 1.00% Floor | 07/30/2024 | 4,186           | 1,441    | 1,448      |
| Associations, Inc. <sup>(2) (3) (4) (5)</sup>             | Real Estate Management & Development |                   | L + 4.00%; 1.00% Floor                   | 07/30/2024 | 836             | (10 )    | (8 )       |
| Bullhorn, Inc. <sup>(2) (3)</sup>                         | Internet Software & Services         | 9.40%             | L + 6.75%; 1.00% Floor                   | 11/21/2022 | 17,208          | 17,064   | 17,079     |
| Bullhorn, Inc. <sup>(2) (3)</sup>                         | Internet Software & Services         | 9.40%             | L + 6.75%; 1.00% Floor                   | 11/21/2022 | 4,553           | 4,516    | 4,519      |
| Bullhorn, Inc. <sup>(2) (3)</sup>                         | Internet Software & Services         | 9.33%             | L + 6.75%; 1.00% Floor                   | 11/21/2022 | 899             | 885      | 892        |
| Businessolver.com, Inc. <sup>(2) (3)</sup>                | Health Care Technology               | 10.12%            | L + 7.50%; 1.00% Floor                   | 05/15/2023 | 30,076          | 29,535   | 29,474     |
| Businessolver.com, Inc. <sup>(2) (3) (4)</sup>            | Health Care Technology               | 12.00%            | P + 6.50%; 2.00% Floor                   | 05/15/2023 | 3,760           | 1,438    | 1,429      |
| Businessolver.com, Inc. <sup>(2) (3) (4)</sup>            | Health Care Technology               | 10.12%            | L + 7.50%; 1.00% Floor                   | 05/15/2023 | 4,511           | 1,078    | 1,038      |
| Collaborative Imaging, LLC <sup>^(2) (3)</sup>            | Health Care Providers & Services     | 9.03%             | L + 6.50%; 1.00% Floor                   | 03/28/2025 | 12,700          | 12,525   | 12,446     |
| Continuum Managed Services LLC <sup>(2) (3)</sup>         | IT Services                          | 8.53%             | L + 6.00%; 1.00% Floor                   | 06/08/2023 | 19,198          | 18,779   | 18,814     |
| Continuum Managed Services LLC <sup>(2) (3)</sup>         | IT Services                          | 8.53%             | L + 6.00%; 1.00% Floor                   | 06/08/2023 | 5,520           | 5,410    | 5,410      |
| Continuum Managed Services LLC <sup>(2) (3)</sup>         | IT Services                          | 8.53%             | L + 6.00%; 1.00% Floor                   | 06/08/2023 | 1,626           | 1,593    | 1,593      |
| Continuum Managed Services LLC <sup>(2) (3) (4) (5)</sup> | IT Services                          |                   | L + 6.00%; 1.00% Floor                   | 06/08/2022 | 2,000           | (38 )    | (40 )      |
| Dade Paper & Bag, LLC <sup>(2) (3)</sup>                  | Distributors                         | 10.02%            | L + 7.50%; 1.00% Floor                   | 06/10/2024 | 9,850           | 9,687    | 9,702      |
| Dade Paper & Bag, LLC <sup>(2) (3)</sup>                  | Distributors                         | 9.52%             | L + 7.00%; 1.00% Floor                   | 06/10/2024 | 1,256           | 1,245    | 1,209      |
| Datto, Inc. <sup>(2)</sup>                                | IT Services                          | 10.46%            | L + 8.00%; 1.00% Floor                   | 12/07/2022 | 52,418          | 51,572   | 52,024     |
| Datto, Inc. <sup>(2) (4) (5)</sup>                        | IT Services                          |                   | L + 8.00%; 1.00% Floor                   | 12/07/2022 | 3,529           | (55 )    | (26 )      |
| DDS USA Holding, Inc. <sup>(2)</sup>                      | Health Care Equipment & Supplies     | 8.57%             | L + 5.75%; 1.00% Floor                   | 06/30/2022 | 5,641           | 5,614    | 5,599      |
| DDS USA Holding, Inc. <sup>(2)</sup>                      | Health Care Equipment & Supplies     | 8.57%             | L + 5.75%; 1.00% Floor                   | 06/30/2022 | 5,459           | 5,433    | 5,418      |
| DDS USA Holding, Inc. <sup>(2) (4) (5)</sup>              | Health Care Equipment & Supplies     |                   | L + 5.75%; 1.00% Floor                   | 06/30/2022 | 1,533           | (7 )     | (12 )      |
| Diligent Corporation <sup>(2) (3)</sup>                   | Professional Services                | 8.03%             | L + 5.50%; 1.00% Floor                   | 04/14/2022 | 23,054          | 26,356   | 26,084     |
| Diligent Corporation <sup>(2) (3)</sup>                   | Professional Services                | 8.03%             | L + 5.50%; 1.00% Floor                   | 04/14/2022 | 734             | 724      | 725        |
| Diligent Corporation <sup>(2) (3) (4)</sup>               | Professional Services                | 8.28%             | L + 5.50%; 1.00% Floor                   | 04/14/2022 | 1,800           | 680      | 697        |
| Diligent Corporation <sup>(2) (3) (4) (5)</sup>           | Professional Services                |                   | L + 5.50%; 1.00% Floor                   | 04/14/2022 | 354             | (5 )     | (4 )       |
| Diligent Corporation <sup>(2) (3) (4) (5)</sup>           | Professional Services                |                   | L + 5.50%; 1.00% Floor                   | 04/14/2022 | 13,670          | (171 )   | (171 )     |

|  |  |        |                        |            |        |        |        |
|--|--|--------|------------------------|------------|--------|--------|--------|
| Empirix, Inc.(2) (3)                         | Diversified Telecommunication Services | 8.93%  | L + 6.25%; 1.00% Floor | 09/25/2024 | 31,800 | 31,263 | 31,243 |
| Empirix, Inc.(2) (3) (4) (5)                 | Diversified Telecommunication Services |        | L + 6.25%; 1.00% Floor | 09/25/2023 | 1,800  | (30 )  | (32 )  |
| Fenergo Finance 3 Limited(2) (3) (6)         | Diversified Financial Services         | 9.13%  | L + 6.25%; 1.00% Floor | 09/05/2024 | 25,300 | 28,916 | 28,408 |
| Fenergo Finance 3 Limited(2) (3) (4) (5) (6) | Diversified Financial Services         |        | L + 6.25%; 1.00% Floor | 09/05/2024 | 1,683  | (28 )  | (34 )  |
| Fenergo Finance 3 Limited(2) (3) (4) (5) (6) | Diversified Financial Services         |        | L + 6.25%; 1.00% Floor | 09/05/2024 | 2,200  | (42 )  | (87 )  |
| FWR Holding Corporation(3)                   | Hotels, Restaurants & Leisure          | 8.26%  | L + 5.75%; 1.00% Floor | 08/21/2023 | 11,525 | 11,290 | 11,294 |
| FWR Holding Corporation(3)                   | Hotels, Restaurants & Leisure          | 8.26%  | L + 5.75%; 1.00% Floor | 08/21/2023 | 2,296  | 2,251  | 2,251  |
| FWR Holding Corporation(3)                   | Hotels, Restaurants & Leisure          | 8.26%  | L + 5.75%; 1.00% Floor | 08/21/2023 | 1,456  | 1,427  | 1,427  |
| FWR Holding Corporation(3) (4)               | Hotels, Restaurants & Leisure          | 10.25% | P + 4.75%; 2.00% Floor | 08/21/2023 | 1,506  | 535    | 535    |
| Gastro Health Holdco, LLC(2) (3)             | Health Care Providers & Services       | 8.74%  | L + 6.00%; 1.00% Floor | 09/04/2024 | 14,500 | 14,222 | 14,210 |
| Gastro Health Holdco, LLC(2) (3) (4) (5)     | Health Care Providers & Services       |        | L + 6.00%; 1.00% Floor | 09/04/2023 | 2,900  | (54 )  | (58 )  |

*The accompanying notes are part of these unaudited consolidated financial statements.*

**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Schedule of Investments as of December 31, 2018 (continued)**  
(in thousands, except share and per share amounts)

| Portfolio Company                         | Industry                         | Interest Rate (+) | Reference Rate and Spread (+)           | Maturity   | Par Amount (++) | Cost           | Fair Value     |
|---|----------------------------------|-------------------|---|------------|-----------------|----------------|----------------|
| Gastro Health Holdco, LLC(2) (3) (4) (5)  | Health Care Providers & Services |                   | L + 6.00%; 1.00% Floor                  | 09/04/2024 | \$ 7,200        | \$(85 )        | \$(144 )       |
| Hygiena Borrower LLC                      | Life Sciences Tools & Services   | 6.80%             | L + 4.00%; 1.00% Floor                  | 08/26/2022 | 5,369           | 5,297          | 5,261          |
| Hygiena Borrower LLC (4) (5)              | Life Sciences Tools & Services   |                   | L + 4.00%; 1.00% Floor                  | 08/26/2022 | 550             | (7 )           | (11 )          |
| Hygiena Borrower LLC (4) (5)              | Life Sciences Tools & Services   |                   | L + 4.00%; 1.00% Floor                  | 08/26/2022 | 814             | (5 )           | (16 )          |
| iCIMS, Inc.(2) (3)                        | Software                         | 8.94%             | L + 6.50%; 1.00% Floor                  | 09/12/2024 | 42,594          | 41,776         | 41,742         |
| iCIMS, Inc.(2) (3) (4) (5)                | Software                         |                   | L + 6.50%; 1.00% Floor                  | 09/12/2024 | 2,662           | (51 )          | (53 )          |
| Integral Ad Science, Inc.(2) (3)          | Media                            | 9.78%             | L + 7.25% (incl.1.25% PIK); 1.00% Floor | 07/19/2024 | 33,817          | 33,185         | 33,141         |
| Integral Ad Science, Inc.(2) (3) (4) (5)  | Media                            |                   | L + 6.00%; 1.00% Floor                  | 07/19/2023 | 2,586           | (47 )          | (52 )          |
| Lithium Technologies, Inc.(2) (3)         | Internet Software & Services     | 10.39%            | L + 8.00%; 1.00% Floor                  | 10/03/2022 | 50,047          | 49,056         | 49,046         |
| Lithium Technologies, Inc.(2) (3) (4) (5) | Internet Software & Services     |                   | L + 8.00%; 1.00% Floor                  | 10/03/2022 | 3,448           | (65 )          | (69 )          |
| Midwest Transport, Inc.(2)                | Road & Rail                      | 9.80%             | L + 7.00%; 1.00% Floor                  | 10/02/2023 | 17,874          | 17,702         | 17,695         |
| MMIT Holdings, LLC(2)                     | Health Care Technology           | 8.02%             | L + 5.50%; 1.00% Floor                  | 11/15/2024 | 12,700          | 12,450         | 12,446         |
| MMIT Holdings, LLC(2) (4) (5)             | Health Care Technology           |                   | L + 5.50%; 1.00% Floor                  | 11/15/2024 | 3,620           | (71 )          | (72 )          |
| Netvoyage Corporation(2) (3)              | Software                         | 11.53%            | L + 9.00%; 1.00% Floor                  | 03/24/2022 | 8,018           | 7,903          | 7,918          |
| Netvoyage Corporation(2) (3) (4) (5)      | Software                         |                   | L + 9.00%; 1.00% Floor                  | 03/24/2022 | 610             | (8 )           | (8 )           |
| Picture Head Midco LLC(2) (3)             | Media                            | 9.27%             | L + 6.75%; 1.00% Floor                  | 08/31/2023 | 32,950          | 32,327         | 32,291         |
| Picture Head Midco LLC(2) (3) (4)         | Media                            | 9.27%             | L + 6.75%; 1.00% Floor                  | 08/31/2023 | 3,620           | 1,052          | 1,014          |
| Picture Head Midco LLC(2) (3) (4) (5)     | Media                            |                   | L + 6.75%; 1.00% Floor                  | 08/31/2023 | 3,620           | (68 )          | (72 )          |
| Power Stop, LLC(2)                        | Auto Components                  | 7.55%             | L + 4.75%                               | 10/19/2025 | 10,900          | 10,873         | 10,845         |
| SF Home Décor, LLC(2) (3)                 | Household Products               | 12.31%            | L + 9.50%; 1.00% Floor                  | 07/13/2022 | 25,313          | 24,730         | 24,616         |
| SPay, Inc.(2) (3)                         | Internet Software & Services     | 8.22%             | L + 5.75%; 1.00% Floor                  | 06/17/2024 | 14,700          | 14,428         | 14,332         |
| SPay, Inc.(2) (3) (4)                     | Internet Software & Services     | 8.34%             | L + 5.75%; 1.00% Floor                  | 06/17/2024 | 1,630           | 1,165          | 1,155          |
| SPay, Inc.(2) (3) (4) (5)                 | Internet Software & Services     |                   | L + 5.75%; 1.00% Floor                  | 06/17/2024 | 8,150           | (74 )          | (204 )         |
| VRC Companies, LLC(3)(4)                  | Commercial Services & Supplies   | 9.03%             | L + 6.50%; 1.00% Floor                  | 03/31/2023 | 5,231           | 3,943          | 3,941          |
| VRC Companies, LLC(3)                     | Commercial Services & Supplies   | 9.02%             | L + 6.50%; 1.00% Floor                  | 03/31/2023 | 2,667           | 2,644          | 2,640          |
| VRC Companies, LLC(3)(4)                  | Commercial Services & Supplies   | 9.45%             | L + 6.50%; 1.00% Floor                  | 03/31/2022 | 249             | 125            | 125            |
| Wine.com, LLC(2)                          | Beverages                        | 9.86%             | L + 7.00%; 1.00% Floor                  | 11/14/2024 | 9,000           | 8,823          | 8,820          |
| Wrike, Inc.(2)                            | Professional Services            | 9.28%             | L + 6.75%; 1.00% Floor                  | 12/31/2024 | 28,000          | 27,440         | 27,440         |
| Wrike, Inc.(2) (4) (5)                    | Professional Services            |                   | L + 6.75%; 1.00% Floor                  | 12/31/2024 | 2,300           | (46 )          | (46 )          |
| Xactly Corporation(2) (3)                 | Internet Software & Services     | 9.78%             | L + 7.25%; 1.00% Floor                  | 07/29/2022 | 29,320          | 28,863         | 28,880         |
| Xactly Corporation(2) (3) (4) (5)         | Internet Software & Services     |                   | L + 7.25%; 1.00% Floor                  | 07/29/2022 | 2,177           | (32 )          | (33 )          |
| Yasso, Inc.(2) (3)                        | Food Products                    | 10.27%            | L + 7.75%; 1.00% Floor                  | 03/23/2022 | 7,495           | 7,390          | 7,139          |
| <b>Total 1st Lien/Senior Secured Debt</b> |                                  |                   |   |            |                 | <b>646,334</b> | <b>644,913</b> |

**1st Lien/Last-Out Unitranche (7) - 11.05%**

|   |                                |        |                        |            |        |               |               |
|---|--------------------------------|--------|------------------------|------------|--------|---------------|---------------|
| Intelligent Document Solutions, Inc.(2) (3)     | Diversified Financial Services | 8.80%  | L + 6.00%; 1.00% Floor | 02/28/2024 | 27,300 | 26,508        | 26,481        |
| Intelligent Document Solutions, Inc.(2) (3) (4) | Diversified Financial Services | 8.79%  | L + 6.00%; 1.00% Floor | 02/28/2024 | 19,900 | 11,454        | 11,422        |
| RugsUSA, LLC(2) (3)                             | Household Products             | 9.31%  | L + 6.50%; 1.00% Floor | 04/30/2023 | 8,330  | 8,256         | 8,247         |
| Smarsh, Inc.(2) (3)                             | Software                       | 10.41% | L + 7.88%; 1.00% Floor | 03/31/2021 | 44,881 | 44,265        | 44,432        |
| <b>Total 1st Lien/Last-Out Unitranche</b>       |                                |        |                        |            |        | <b>90,483</b> | <b>90,582</b> |

**2nd Lien/Senior Secured Debt - 43.13%**

|                                       |                                  |        |                        |            |        |        |        |
|---------------------------------------|----------------------------------|--------|------------------------|------------|--------|--------|--------|
| American Dental Partners, Inc.(2) (3) | Health Care Providers & Services | 11.30% | L + 8.50%; 1.00% Floor | 09/25/2023 | 5,333  | 5,228  | 5,226  |
| Chase Industries, Inc.(2) (3)         | Building Products                | 10.61% | L + 8.00%; 1.00% Floor | 05/11/2026 | 24,300 | 23,610 | 23,510 |
| Chase Industries, Inc.(2) (3) (4) (5) | Building Products                |        | L + 8.00%; 1.00% Floor | 05/11/2026 | 6,100  | (169 ) | (198 ) |
| Country Fresh Holdings, LLC(2) (3)    | Food Products                    | 11.20% | L + 8.75%; 1.00% Floor | 10/02/2023 | 11,800 | 11,606 | 9,794  |
| DuBois Chemicals, Inc.(2)             | Chemicals                        | 10.52% | L + 8.00%; 1.00% Floor | 03/15/2025 | 24,450 | 24,035 | 23,961 |

*The accompanying notes are part of these unaudited consolidated financial statements.*

**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Schedule of Investments as of December 31, 2018 (continued)**  
(in thousands, except share and per share amounts)

| Portfolio Company                             | Industry                         | Reference Rate and |                        | Maturity   | Par Amount (++) | Cost     | Fair Value |
|---|----------------------------------|--------------------|------------------------|------------|-----------------|----------|------------|
|   |                                  | Interest Rate (+)  | Spread (+)             |            |                 |          |            |
| ERC Finance, LLC(2) (3)                       | Health Care Providers & Services | 10.74%             | L + 8.22%; 1.00% Floor | 09/22/2025 | \$ 25,400       | \$24,892 | \$24,892   |
| Genesis Acquisition Co.(2) (3)                | Diversified Financial Services   | 10.02%             | L + 7.50%              | 07/31/2025 | 10,000          | 9,760    | 9,725      |
| Genesis Acquisition Co.(2) (3) (4) (5)        | Diversified Financial Services   |                    | L + 7.50%              | 07/31/2025 | 2,500           | (30 )    | (69 )      |
| Hygiena Borrower LLC(3)                       | Life Sciences Tools & Services   | 10.55%             | L + 7.75%; 1.00% Floor | 08/26/2023 | 2,650           | 2,601    | 2,604      |
| Hygiena Borrower LLC(3) (4)                   | Life Sciences Tools & Services   | 10.55%             | L + 7.75%; 1.00% Floor | 08/26/2023 | 970             | 128      | 121        |
| ICP Industrial, Inc.(2) (3)                   | Chemicals                        | 10.68%             | L + 8.25%; 1.00% Floor | 05/03/2024 | 28,900          | 28,276   | 28,250     |
| Institutional Shareholder Services Inc.(2)    | Diversified Financial Services   | 10.55%             | L + 7.75%; 1.00% Floor | 10/16/2025 | 7,200           | 7,168    | 7,056      |
| Intelligent Medical Objects, Inc.(2) (3)      | Health Care Technology           | 11.27%             | L + 8.50%; 1.00% Floor | 12/22/2024 | 17,500          | 17,109   | 17,325     |
| Market Track, LLC(2) (3)                      | Internet Catalog & Retail        | 10.18%             | L + 7.75%; 1.00% Floor | 06/05/2025 | 20,000          | 19,484   | 19,000     |
| National Spine and Pain Centers, LLC(2) (3)   | Health Care Providers & Services | 10.77%             | L + 8.25%; 1.00% Floor | 12/02/2024 | 17,400          | 16,958   | 16,965     |
| Odyssey Logistics & Technology Corporation(2) | Road & Rail                      | 10.52%             | L + 8.00%; 1.00% Floor | 10/12/2025 | 26,626          | 26,082   | 25,894     |
| RSC Acquisition, Inc.(2) (3)                  | Insurance                        | 10.53%             | L + 8.00%; 1.00% Floor | 11/30/2023 | 12,100          | 11,993   | 11,979     |
| RSC Acquisition, Inc.(2) (3)                  | Insurance                        | 10.80%             | L + 8.00%; 1.00% Floor | 11/30/2023 | 7,840           | 7,767    | 7,762      |
| RSC Acquisition, Inc.(2) (3) (4) (5)          | Insurance                        |                    | L + 8.00%; 1.00% Floor | 11/30/2023 | 6,100           | (52 )    | (61 )      |
| SMB Shipping Logistics, LLC(2)                | Air Freight & Logistics          | 10.86%             | L + 8.00%; 1.00% Floor | 02/03/2025 | 25,000          | 24,616   | 24,500     |
| Spectrum Plastics Group, Inc.(2)              | Containers & Packaging           | 9.52%              | L + 7.00%; 1.00% Floor | 01/31/2026 | 6,278           | 6,249    | 6,089      |
| USRP Holdings, Inc.(2) (3)                    | Insurance                        | 11.55%             | L + 8.75%; 1.00% Floor | 09/29/2025 | 9,700           | 9,587    | 9,579      |
| USRP Holdings, Inc.(2) (3) (4)                | Insurance                        | 11.43%             | L + 8.75%; 1.00% Floor | 09/29/2025 | 2,400           | 1,557    | 1,554      |
| Viant Medical Holdings, Inc.(2)               | Health Care Equipment & Supplies | 10.55%             | L + 7.75%              | 07/02/2026 | 11,770          | 11,657   | 11,417     |
| Xcellence, Inc.(2) (3)                        | IT Services                      | 11.57%             | L + 8.75%; 1.00% Floor | 06/22/2024 | 18,400          | 17,986   | 18,032     |
| YI, LLC(2) (3)                                | Health Care Equipment & Supplies | 10.55%             | L + 7.75%; 1.00% Floor | 11/07/2025 | 21,700          | 21,115   | 21,103     |
| Zep Inc.(2)                                   | Chemicals                        | 11.05%             | L + 8.25%; 1.00% Floor | 08/11/2025 | 30,500          | 29,826   | 27,755     |

**Total 2nd Lien/Senior Secured Debt**

**359,039 353,765**

**Total Corporate Debt**

**1,095,856 1,089,260**

| Portfolio Company  | Industry                         | Coupon | Shares  | Cost         | Fair Value   |
|--|----------------------------------|--------|---------|--------------|--------------|
| <b>Preferred Stock (1) - 0.99%</b>                                 |                                  |        |         |              |              |
| Accuity Delivery Systems, LLC^ (2) (3) (8) (9)                     | Health Care Providers & Services |        | 136,589 | \$4,500      | \$5,400      |
| Wine.com, LLC(2) (8) (9)   | Beverages                        |        | 314,154 | 2,700        | 2,700        |
| <b>Total Preferred Stock</b>                                       |                                  |        |         | <b>7,200</b> | <b>8,100</b> |
| <b>Common Stock (1) - 1.20%</b>                                    |                                  |        |         |              |              |
| Collaborative Imaging Holdco, LLC - Class B^^^ (2) (3) (8)         | Health Care Providers & Services |        | 11,719  | 1,580        | 1,842        |
| Collaborative Imaging Holdco, LLC - Class C^^^ (2) (3) (6) (8) (9) | Health Care Providers & Services |        | 11,060  | 220          | 306          |
| Continuum Managed Services LLC - Class A(2) (3) (8) (9)            | IT Services                      |        | 663     | 663          | 762          |
| Continuum Managed Services LLC - Class B (2) (3) (8) (9)           | IT Services                      |        | 449,713 | 7            | 243          |
| Elah Holdings, Inc.^ (2) (3) (8) (9)                               | Capital Markets                  |        | 65,436  | 3,163        | 3,163        |
| National Spine and Pain Centers, LLC(2) (3) (8) (9)                | Health Care Providers & Services |        | 500     | 500          | 265          |

|   |                       |         |                    |                     |
|---|-----------------------|---------|--------------------|---------------------|
| Wrike, Inc.(2) (8) (9)                                  | Professional Services | 494,952 | 3,075              | 3,075               |
| Yasso, Inc.(2) (3) (8) (9)                              | Food Products         | 790     | 790                | 169                 |
| <b>Total Common Stock</b>                               |                       |         | <b>9,998</b>       | <b>9,825</b>        |
| <b>TOTAL INVESTMENTS - 135.00%</b>                      |                       |         | <b>\$1,113,054</b> | <b>\$1,107,185</b>  |
| <b>LIABILITIES IN EXCESS OF OTHER ASSETS - (35.00%)</b> |                       |         |                    | <b>\$(287,031 )</b> |
| <b>NET ASSETS - 100.00%</b>                             |                       |         |                    | <b>\$820,154</b>    |

# Percentages are based on net assets.

(+) The Consolidated Schedule of Investments discloses the actual interest rate for partially or fully funded debt in effect as of the reporting date. Variable rate loans bear interest at a rate that may be determined by reference to either LIBOR ("L") or alternate base rate (commonly based on the Prime Rate ("P")), at the borrower's option, which reset periodically based on the terms of the credit agreement. L loans are typically indexed to 12 month, 6 month, 3 month, 2 month, 1 month or 1 week L rates. As of December 31, 2018, rates for the 12 month, 6 month, 3 month, 2 month, 1 month and 1 week L are 3.01%, 2.88%, 2.81%, 2.61%, 2.50% and 2.41%, respectively. As of December 31, 2018, P was 5.50%. For investments with multiple reference rates or alternate base rates, the interest rate shown is the weighted average interest rate in effect at December 31, 2018.

(++) Par amount is denominated in U.S. Dollars ("\$\$") unless noted as denominated in Euro ("€").

^ As defined in the Investment Company Act of 1940, the portfolio company is deemed to be an "affiliated person" of the Company because the Company owns, either directly or indirectly, 5% or more of the portfolio company's outstanding voting securities. See Note 3 "Significant Agreements and Related Party Transactions".

^^^ The portfolio company is otherwise deemed to be an "affiliated person" of the Company under the Investment Company Act of 1940. See Note 3 "Significant Agreements and Related Party Transactions".

(1) Assets are pledged as collateral for the SunTrust Revolving Credit Facility. See Note 6 "Debt".

(2) Represent co-investments made with certain funds managed by the Investment Adviser in accordance with the terms of the exemptive relief that the Company received from the U.S. Securities and Exchange Commission. See Note 3 "Significant Agreements and Related Party Transactions".

(3) The fair value of the investment was determined using significant unobservable inputs. See Note 5 "Fair Value Measurement".

(4) Position or portion thereof is an unfunded loan commitment, and no interest is being earned on the unfunded portion. The unfunded loan commitment may be subject to a commitment termination date that may expire prior to the maturity date stated. See Note 8 "Commitments and Contingencies".

(5) The negative cost is the result of the capitalized discount being greater than the principal amount outstanding on the loan. The negative fair value is the result of the capitalized discount on the loan.

*The accompanying notes are part of these unaudited consolidated financial statements.*

**Goldman Sachs Middle Market Lending Corp.**  
**Consolidated Schedule of Investments as of December 31, 2018 (continued)**  
(in thousands, except share and per share amounts)

- (6) The investment is not a qualifying asset under Section 55(a) of the Investment Company Act of 1940. 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, 2018 the aggregate fair value of these securities is \$28,593 or 2.53% of the Company's total assets.
- (7) In exchange for the greater risk of loss, the "last-out" portion of the Company's unitranche loan investment generally earns a higher interest rate than the "first-out" portions. The "first-out" portion of the loan would generally receive priority with respect to payment of principal, interest and any other amounts due thereunder over the "last-out" portion that the Company would continue to hold.
- (8) Securities exempt from registration under the Securities Act, and may be deemed to be "restricted securities" under the Securities Act. As of December 31, 2018, the aggregate fair value of these securities is \$17,925 or 2.19% of the Company's net assets. The acquisition dates of the restricted securities are as follows:

| Investment   | Acquisition Date |
|--|------------------|
| Accuity Delivery Systems, LLC - Preferred Stock            | 6/13/2018        |
| Collaborative Imaging Holdco, LLC - Class B - Common Stock | 3/30/2018        |
| Collaborative Imaging Holdco, LLC - Class C - Common Stock | 3/30/2018        |
| Continuum Managed Services LLC - Class A - Common Stock    | 6/8/2017         |
| Continuum Managed Services LLC - Class B - Common Stock    | 6/8/2017         |
| Elah Holdings, Inc. - Common Stock                         | 5/9/2018         |
| National Spine and Pain Centers, LLC - Common Stock        | 6/2/2017         |
| Wine.com, LLC - Preferred Stock                            | 11/14/2018       |
| Wrike, Inc. - Common Stock                                 | 12/31/2018       |
| Yasso, Inc. - Common Stock                                 | 3/23/2017        |

- (9) Non-income producing security.  
PIK - Payment-In-Kind

**ADDITIONAL INFORMATION**

**Foreign currency forward contracts**

| Counterparty         | Currency Purchased | Currency Sold | Settlement | Unrealized Appreciation (Depreciation) |
|----------------------|--------------------|---------------|------------|--|
| Bank of America, N.A | USD 481            | EUR 411       | 01/04/2019 | \$ 10                                  |
| Bank of America, N.A | USD 394            | EUR 335       | 02/05/2019 | 9                                      |
| Bank of America, N.A | USD 486            | EUR 412       | 04/03/2019 | 11                                     |
| Bank of America, N.A | USD 423            | EUR 357       | 05/06/2019 | 10                                     |
| Bank of America, N.A | USD 514            | EUR 432       | 07/03/2019 | 11                                     |
| Bank of America, N.A | USD 426            | EUR 357       | 08/05/2019 | 10                                     |
| Bank of America, N.A | USD 541            | EUR 451       | 10/04/2019 | 12                                     |
| Bank of America, N.A | USD 444            | EUR 369       | 11/05/2019 | 10                                     |
| Bank of America, N.A | USD 540            | EUR 446       | 01/06/2020 | 12                                     |
| Bank of America, N.A | USD 547            | EUR 448       | 04/06/2020 | 13                                     |
| Bank of America, N.A | USD 549            | EUR 446       | 07/06/2020 | 14                                     |
|                      |                    |               |            | <u>\$ 122</u>                          |

**Currency Abbreviations:**

EUR - Euro  
USD - U.S. Dollar

*The accompanying notes are part of these unaudited consolidated financial statements.*



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**Goldman Sachs Middle Market Lending Corp.**  
**Notes to the Consolidated Financial Statements**  
**(in thousands, except share and per share amounts)**  
**(Unaudited)**

## **1. ORGANIZATION**

Goldman Sachs Middle Market Lending LLC (“MMLC LLC”) was formed on June 13, 2016. Effective January 30, 2017, MMLC LLC converted from a Delaware limited liability company to a Delaware corporation named Goldman Sachs Middle Market Lending Corp. (the “Company”), which, by operation of law, is deemed for purposes of Delaware law the same entity as MMLC LLC. The Company commenced operations on January 11, 2017. On January 30, 2017, the Company’s initial investors (other than the Initial Member (as defined below)) funded the initial portion of their capital commitment to purchase shares of common stock, at which time the Initial Member’s initial capital contribution to MMLC LLC was canceled. The Company has elected to be treated as a business development company (“BDC”) under the Investment Company Act of 1940, as amended (the “Investment Company Act”). In addition, the Company has elected to be treated as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”), commencing with its taxable year ended December 31, 2017.

The Company’s investment objective is to generate current income and, to a lesser extent, capital appreciation. The Company will seek to achieve this objective, primarily through direct originations of secured debt, including first lien, unitranche, including last out portions of such loans, and second lien debt, and unsecured debt, including mezzanine debt, as well as through select equity investments.

Goldman Sachs Asset Management, L.P. (“GSAM”), a Delaware limited partnership and an affiliate of Goldman Sachs & Co. LLC (including its predecessors, “GS & Co.”), is the investment adviser (the “Investment Adviser”) of the Company. The term “Goldman Sachs” refers to The Goldman Sachs Group, Inc. (“Group Inc.”), together with GS & Co., GSAM and its other subsidiaries.

From December 29, 2016 through September 29, 2017 (the “Final Closing Date”) the Company conducted an offering pursuant to which investors made capital commitments (each, a “Commitment”) to purchase shares of the Company’s common stock pursuant to subscription agreements (“Subscription Agreements”) entered into with the Company pursuant to which each investor agreed to purchase common stock for an aggregate purchase price equal to its Commitment. Each investor is required to purchase shares of the Company’s common stock each time the Company delivers a drawdown notice at least five business days prior to the required funding date (the “Drawdown Date”). The offering and sale of common stock is exempt from registration pursuant to Regulation D and Regulation S promulgated under the U.S. Securities Act of 1933, as amended, for offers and sales of securities that do not involve a public offering and for offers and sale of securities outside of the United States.

GS & Co. and Goldman Sachs International assisted the Company in conducting its private placement offering pursuant to agreements between the Company and each of GS & Co. and Goldman Sachs International.

The investment period commenced on December 29, 2016 (the “Initial Closing Date”) and will continue until September 29, 2019, provided that it may be extended by the Board of Directors (the “Board of Directors”), in its discretion, for one additional six-month period, and, with the approval of a majority-in-interest of the stockholders, for up to one additional year thereafter (such period, including any extensions, the “Investment Period”). In addition, the Board of Directors may terminate the Investment Period at any time in its discretion.

The Company will continue to operate as a private BDC reporting company, until the earlier of the following events, each referred to as an “Exit Event”: (i) any listing of the Company’s shares of common stock on a national securities exchange (a “listing”), including in connection with an initial public offering (“IPO”), (ii) merger with another entity, including an affiliated company, subject to any limitations under the Investment Company Act or (iii) the sale of all or substantially all of the assets of the Company. If the Company has not consummated an Exit Event by the sixth anniversary of the Final Closing Date, the Board of Directors (to the extent consistent with its fiduciary duties and subject to any necessary stockholder approvals and applicable requirements of the Investment Company Act and the Code) will meet to consider the Company’s potential wind down and/or liquidation and dissolution.

An affiliate of the Investment Adviser, (the “Initial Member”), made a capital contribution to the Company of one hundred dollars on January 13, 2017 and served as the sole initial member of the Company. The Company cancelled the Initial Member’s interest in the Company on January 30, 2017, the first date on which investors (other than the Initial Member) made their initial capital contribution to purchase stock (the “Initial Drawdown Date”).

The Company has formed wholly owned subsidiaries, which are structured as Delaware limited liability companies, to hold certain equity or equity-like investments in portfolio companies.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Presentation**

The Company's functional currency is U.S. dollars ("USD") and these consolidated financial statements have been prepared in that currency. The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and pursuant to Regulation S-X. This requires the Company to make certain estimates and assumptions that may affect the amounts reported in the consolidated financial statements and accompanying notes. These consolidated financial statements reflect normal and recurring adjustments that in the opinion of the Company are necessary for the fair statement of the results for the periods presented. Actual results may differ from the estimates and assumptions included in the consolidated financial statements.

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Certain financial information that is included in annual consolidated financial statements, including certain financial statement disclosures, prepared in accordance with GAAP, is not required for interim reporting purposes and has been condensed or omitted herein. These consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes related thereto for the year ended December 31, 2018, included in the Company's Annual Report on Form 10-K, which was filed with the SEC on March 1, 2019. The results for the three months ended March 31, 2019 are not necessarily indicative of the results to be expected for the full fiscal year, any other interim period or any future year or period.

Certain prior period information has been reclassified to conform to the current period presentation. The reclassification has no effect on the Company's consolidated financial position or the consolidated results of operations as previously reported.

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").

### **Basis of 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 financial position and results of operations of its wholly owned subsidiaries, MMLC Blocker I, LLC (formerly known as My-On MMLC Blocker, LLC), MMLC Blocker II, LLC, and MMLC Wine I, LLC. All significant intercompany transactions and balances have been eliminated in consolidation.

### **Revenue Recognition**

The Company records its investment transactions on a trade date basis, which is the date when the Company assumes the risks for gains and losses related to that investment. Realized gains and losses are based on the specific identification method.

Interest income, adjusted for amortization of premium and accretion of discount, is recorded on an accrual basis. Discounts and premiums to par value on investments purchased are accreted and amortized, respectively, into interest income over the life of the respective investment using the effective interest method. Loan origination fees, original issue discount ("OID") and market discounts or premiums are capitalized and amortized into interest income using the effective interest method or straight-line method, as applicable. Exit fees that are receivable upon repayment of a loan or debt security are amortized into interest income over the life of the respective investment. Upon prepayment of a loan or debt security, any prepayment premiums, unamortized upfront loan origination fees and unamortized discounts are recorded as interest income. For the three months ended March 31, 2019 and 2018, the Company earned \$72 and \$537 in prepayment premiums, respectively, and \$114 and \$550 in accelerated accretion of upfront loan origination fees and unamortized discounts, respectively.

Fees received from portfolio companies (directors' fees, consulting fees, administrative fees, tax advisory fees and other similar compensation) are paid to the Company, unless, to the extent required by applicable law or exemptive relief, if any, therefrom, the Company only receives its allocable portion of such fees when invested in the same portfolio company as another account managed by the Investment Adviser.

Dividend income on preferred equity investments is recorded on an 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 investments is recorded on the record date for private portfolio companies and on the ex-dividend date for publicly traded portfolio companies. Interest and dividend income are presented net of withholding tax, if any.

Certain investments may have contractual payment-in-kind ("PIK") interest or dividends. PIK represents accrued interest or accumulated dividends that are added to the principal amount or shares (if equity) of the investment on the respective interest or dividend payment dates rather than being paid in cash and generally becomes due at maturity or upon the investment being called by the issuer. PIK is recorded as interest or dividend income, as applicable. 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 or dividends are generally reversed through interest or dividend income, respectively.

Certain structuring fees, amendment fees and syndication fees are recorded as other income when earned. Administrative agent fees received by the Company are recorded as other income when the services are rendered over time.

### **Non-Accrual Investments**

Investments are placed on non-accrual status when it is probable that principal, interest, or dividends will not be collected according to contractual terms. Accrued interest or dividends generally are reversed when an investment is placed on non-accrual status. Interest or dividend payments received on non-accrual investments may be recognized as income or applied to principal depending upon

management' s judgment. Non-accrual investments are restored to accrual status when past due principal and interest or dividends are paid and, in management' s judgment, principal and interest or dividend payments are likely to remain current. The Company may make exceptions to this treatment if an investment has sufficient collateral value and is in the process of collection. As of March 31, 2019, the Company had one investment on non-accrual status, which represented 0.9% and 0.1% of the total investments at amortized cost and at fair value, respectively. As of December 31, 2018, the Company did not have any investments on non-accrual status.

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## Investments

The Company carries its investments in accordance with ASC Topic 820, *Fair Value Measurements and Disclosures* (“ASC 820”), issued by the FASB, which defines fair value, establishes a framework for measuring fair value and requires disclosures about fair value measurements. Fair value is generally based on quoted market prices provided by independent pricing services, broker or dealer quotations or alternative price sources. In the absence of quoted market prices, broker or dealer quotations or alternative price sources, investments are measured at fair value as determined by the Company’s Board of Directors within the meaning of the Investment Company Act.

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 Measurement”.

The Company generally invests in illiquid securities, including debt and equity investments, of middle-market companies. The Board of Directors has delegated to the Investment Adviser day-to-day responsibility for implementing and maintaining internal controls and procedures related to the valuation of the Company’s portfolio investments. Under valuation procedures adopted by the Board of Directors, market quotations are generally used to assess the value of the investments for which market quotations are readily available. The Investment Adviser obtains these market quotations from independent pricing services or at the bid prices obtained from at least two brokers or dealers, if available; otherwise from a principal market maker or a primary market dealer. To assess the continuing appropriateness of pricing sources and methodologies, the Investment 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. If the Board of Directors or Investment Adviser has a bona fide reason to believe any such market quotation does not reflect the fair value of an investment, it may independently value such investment in accordance with valuation procedures for investments for which market quotations are not readily available.

With respect to investments for which market quotations are not readily available, or for which market quotations are deemed not reflective of the fair value, the valuation procedures adopted by the Board of Directors contemplate a multi-step valuation process each quarter, as described below:

- (1) The quarterly valuation process begins with each portfolio company or investment being initially valued by the investment professionals of the Investment Adviser responsible for the portfolio investment;
- (2) The Board of Directors also engages independent valuation firms (the “Independent Valuation Advisors”) to provide independent valuations of the investments for which market quotations are not readily available, or are readily available but deemed not reflective of the fair value of an investment. The Independent Valuation Advisors independently value such investments using quantitative and qualitative information provided by the investment professionals of the Investment Adviser and the portfolio companies as well as any market quotations obtained from independent pricing services, brokers, dealers or market dealers. The Independent Valuation Advisors also provide analyses to support their valuation methodology and calculations. The Independent Valuation Advisors provide an opinion on a final range of values on such investments to the Board of Directors or the Audit Committee. The Independent Valuation Advisors define fair value in accordance with ASC 820 and utilize valuation approaches including the market approach, the income approach or both. A portion of the portfolio is reviewed on a quarterly basis, and all investments in the portfolio for which market quotations are not readily available, or are readily available, but deemed not reflective of the fair value of an investment, are reviewed at least annually by an Independent Valuation Advisor;
- (3) The Independent Valuation Advisors’ preliminary valuations are reviewed by the Investment Adviser and the Valuation Oversight Group (“VOG”), a team that is part of the Controllers Department within the Finance Division of Goldman Sachs. The Independent Valuation Advisors’ valuation ranges are compared to the Investment Adviser’s valuations to ensure the Investment Adviser’s valuations are reasonable. VOG presents the valuations to the Private Investment Valuation and Side Pocket Working Group of the Investment Management Division Valuation Committee, which is comprised of representatives from GSAM who are independent of the investment decision making process;
- (4) The Investment Management Division Valuation Committee ratifies fair valuations and makes recommendations to the Audit Committee of the Board of Directors;
- (5) The Audit Committee of the Board of Directors reviews valuation information provided by the Investment Management Division Valuation Committee, the Investment Adviser and the Independent Valuation Advisors. The Audit Committee then assesses such valuation recommendations; and

- (6) The Board of Directors discusses the valuations and, within the meaning of the Investment Company Act, determines the fair value of the investments in good faith, based on the inputs of the Investment Adviser, the Independent Valuation Advisors and the Audit Committee.

### **Money Market Funds**

Investments in money market funds are valued at net asset value ("NAV") per share. See Note 3 "Significant Agreements and Related Party Transactions".

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## Cash

Cash consists of deposits held at a custodian bank. As of March 31, 2019 and December 31, 2018, the Company held an aggregate cash balance of \$11,358 and \$15,010, respectively. Foreign currency of \$414 (acquisition cost of \$422) and \$252 (acquisition cost of \$250) is included in cash as of March 31, 2019 and December 31, 2018, respectively.

## Foreign Currency Translation

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 does not isolate the portion of the results of operations resulting from changes in foreign exchange rates on investments from fluctuations arising from changes in market prices of securities held. Such fluctuations are included within the net realized and unrealized gains or losses on investments. Fluctuations arising from the translation of non-investment assets and liabilities are included with the net change in unrealized gains (losses) on foreign currency translations on the Consolidated Statements of Operations.

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.

## Derivatives

### *Foreign currency forward contracts*

The Company may enter into foreign currency forward contracts to reduce the Company's exposure to foreign currency exchange rate fluctuations in the value of foreign currencies. In a foreign currency forward contract, the Company agrees to receive or deliver a fixed quantity of one currency for another, at a pre-determined price at a future date. Forward foreign currency contracts are marked-to-market at the applicable forward rate. Unrealized appreciation (depreciation) on foreign currency forward contracts are recorded on the Consolidated Statements of Assets and Liabilities by counterparty on a net basis, not taking into account collateral posted which is recorded separately, if applicable. Notional amounts of foreign currency forward contract assets and liabilities are presented separately on the Consolidated Schedules of Investments. Purchases and settlements of foreign currency forward contracts having the same settlement date and counterparty are generally settled net and any realized gains or losses are recognized on the settlement date.

The Company does not utilize hedge accounting and as such, the Company recognizes its derivatives at fair value with changes in the net unrealized appreciation (depreciation) on foreign currency forward contracts recorded on the Consolidated Statements of Operations.

## Income Taxes

The Company recognizes tax positions in its consolidated financial statements only when it is more likely than not that the position will be sustained upon examination by the relevant taxing authority based on the technical merits of the position. A position that meets this standard is measured at the largest amount of benefit that will more likely than not be realized upon settlement. The Company reports any interest expense related to income tax matters in income tax expense, and any income tax penalties under expenses in the Consolidated Statements of Operations.

The Company's tax positions have been reviewed based on applicable statutes of limitation for tax assessments, which may vary by jurisdiction, and based on such review, the Company has concluded that no additional provision for income tax is required in the consolidated financial statements. The Company is subject to potential examination by certain taxing authorities in various jurisdictions. The Company's tax positions are subject to ongoing interpretation of laws and regulations by taxing authorities.

The Company has elected to be treated as a RIC commencing with its taxable year ended December 31, 2017. So long as the Company maintains its status as a RIC, it will generally not be required to pay corporate-level U.S. federal income tax on any ordinary income or capital gains that it distributes at least annually to its stockholders as dividends. As a result, any U.S. federal income tax liability related to income earned and distributed by the Company represents obligations of the Company's stockholders and will not be reflected in the consolidated financial statements of the Company.

To maintain our tax treatment as a RIC, the Company must meet specified source-of-income and asset diversification requirements and timely distribute to its stockholders for each taxable year at least 90% of its investment company taxable income (generally, its net ordinary income plus the excess of its realized net short-term capital gains over realized net long-term capital losses, determined without

regard to the dividends paid deduction). In order for the Company not to be subject to U.S. federal excise taxes, it must distribute annually an amount at least equal to the sum of (i) 98% of its net ordinary income (taking into account certain deferrals and elections) for the calendar year, (ii) 98.2% of its capital gains in excess of capital losses for the one-year period ending on October 31 of the calendar year and (iii) any net ordinary income and capital gains in excess of capital losses for preceding years that were not distributed during such years. The Company, at its discretion, may carry forward taxable income in excess of calendar year dividends and pay a 4% nondeductible U.S. federal excise tax on this income. If the Company chooses to do so, this generally would increase expenses and reduce the amount available to be distributed to stockholders. The Company will accrue excise tax on estimated undistributed taxable income as required. For the three months ended March 31, 2019 and 2018, the Company accrued excise tax of \$0 and \$0, respectively. As of March 31, 2019, \$8 of accrued excise taxes remained payable.



Certain of the Company's consolidated subsidiaries are subject to U.S. federal and state corporate-level income taxes. Income tax expense, if any, is included under the income category for which it applies in the Consolidated Statements of Operations. For the three months ended March 31, 2019 and 2018, the Company accrued provision for taxes on realized gains on investments of \$0 and \$373, respectively. For the three months ended March 31, 2019 and 2018, the Company accrued provision for taxes on unrealized gains on investments of \$103 and \$0, respectively. As of March 31, 2019, \$862 of income taxes remained payable.

## Distributions

Distributions from net investment income and net realized capital gains are determined in accordance with U.S. federal income tax regulations, which may differ from those amounts determined in accordance with GAAP. The Company may pay distributions in excess of its taxable net investment income. This excess would be a tax-free return of capital in the period and reduce a stockholder's tax basis in its shares. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent they are charged or credited to paid-in capital in excess of par, accumulated undistributed net investment income or accumulated net realized gain (loss), as appropriate, in the period that the differences arise. Temporary and permanent differences are primarily attributable to differences in the tax treatment of certain loans and the tax characterization of income and non-deductible expenses. These differences are generally determined in conjunction with the preparation of the Company's annual RIC tax return. Distributions to common stockholders are recorded on the ex-dividend date. The amount to be paid out as a distribution is determined by the Board of Directors each quarter and is generally based upon the earnings estimated by the Investment Adviser. The Company may pay distributions to its stockholders in a year in excess of its net ordinary income and capital gains for that year and, accordingly, a portion of such distributions may constitute a return of capital for U.S. federal income tax purposes. The Company intends to timely distribute to its stockholders substantially all of its annual taxable income for each year, except that the Company may retain certain net capital gains for reinvestment and carry forward taxable income for distribution in the following year and pay any applicable tax. The specific tax characteristics of the Company's distributions will be reported to stockholders after the end of the calendar year. All distributions will be subject to available funds, and no assurance can be given that the Company will be able to declare such distributions in future periods.

## Deferred Financing Costs

Deferred financing costs consist of fees and expenses paid in connection with the closing of and amendments to the revolving credit facility between the Company and SunTrust Bank (the "SunTrust Revolving Credit Facility"). These costs are amortized using the straight-line method over the term of the SunTrust Revolving Credit Facility. Deferred financing costs related to the SunTrust Revolving Credit Facility are presented separately as an asset on the Company's Consolidated Statements of Assets and Liabilities.

## Offering Costs

Offering costs consist primarily of fees and expenses incurred in connection with the continuous offering of shares, including legal, printing and other costs, as well as costs associated with the preparation and filing of the Company's registration statement on Form 10. Offering costs are recognized as a deferred charge and are amortized on a straight line basis over 12 months beginning on the date of commencement of operations. All costs have been fully amortized through January 11, 2018.

## New Accounting Pronouncements

In October 2018, the SEC adopted the final rule under SEC release No. 33-10532, Disclosure Update and Simplification, amending certain disclosure requirements that were redundant, duplicative, overlapping, outdated or superseded. The Company is no longer required to present components of distributable earnings on the Consolidated Statements of Assets and Liabilities or the sources of distributable earnings and the amount of undistributed net investment income on the Consolidated Statements of Changes in Net Assets. Prior period information has been reclassified to conform to the current period presentation and this had no effect on the Company's consolidated financial position or the consolidated results of operations as previously reported. The following provides the prior period reclassifications.

*Consolidated Statements of Changes in Net Assets* - The table below provides a reconciliation for previously disclosed distributions from net investment income and realized gain for the three months ended March 31, 2018 to distributions from distributable earnings as disclosed in the current filing.

|  | For the Three Months<br>Ended<br>March 31, 2018 |
|--|---|
| <b>Distributions to stockholders from:</b> |   |
| Net investment income                      | \$ (10,427 )                                    |
| <b>Total distributions to stockholders</b> | <b>\$ (10,427 )</b>                             |

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### 3. SIGNIFICANT AGREEMENTS AND RELATED PARTY TRANSACTIONS

#### Investment Management Agreement

The Company entered into an investment management agreement effective as of January 13, 2017 (the “Investment Management Agreement”) with the Investment Adviser, pursuant to which the Investment Adviser manages the Company’s investment program and related activities.

##### *Management Fee*

The Company pays the Investment Adviser a management fee (the “Management Fee”), payable quarterly in arrears, equal to 0.375% (i.e., an annual rate of 1.50%) of the average NAV of the Company (including un-invested cash and cash equivalents) at the end of the then-current quarter and the prior calendar quarter (and, in the case of the Company’s first quarter, the NAV as of such quarter-end). The Management Fee for any partial quarter will be appropriately prorated. Following the occurrence (if any) of a listing, average gross assets (excluding cash or cash equivalents but including assets purchased with borrowed amounts) at the end of the then-current quarter and the prior calendar quarter (and, in the case of the Company’s first quarter-end following such event, the Company’s gross assets as of such quarter-end) will be used instead of average NAV to calculate the Management Fee.

For the three months ended March 31, 2019 and 2018, Management Fees amounted to \$3,226 and \$1,821, respectively. As of March 31, 2019, net Management Fees payable amounted to \$3,226.

##### *Incentive Fee*

Pursuant to the Investment Management Agreement, the Company pays to the Investment Adviser an incentive fee (the “Incentive Fee”) as follows:

The Incentive Fee will consist 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. A portion of the Incentive Fee will be based on the Company’s income and a portion will be based on the Company’s capital gains, each as described below.

##### *i. Quarterly Incentive Fee Based on Income.*

For the portion of the Incentive Fee based on income, the Company’s Investment Adviser is entitled to receive the Incentive Fee based on income from the Company if the Company’s Ordinary Income (as defined below) exceeds a quarterly “hurdle rate” (as defined below) of 1.75%. For this purpose, the hurdle is computed by reference to the Company’s NAV and does not take into account changes in the market price of the Company’s common stock (if any). The Incentive Fee based on income will be determined and paid quarterly in arrears at the end of each calendar quarter by reference to the Company’s aggregate net investment income, as adjusted as described below, from the calendar quarter then ending and the eleven preceding calendar quarters (or if shorter, the number of quarters that have occurred since the Initial Drawdown Date) (in either case, the “Trailing Twelve Quarters”). However, following the occurrence (if any) of a listing, the Trailing Twelve Quarters will be “reset” so as to include, as of the end of any quarter, the calendar quarter then ending and the eleven preceding calendar quarters (or if shorter, the number of quarters that have occurred since the listing, rather than the number of quarters that have occurred since the Initial Drawdown Date).

The “hurdle amount” for the Incentive Fee based on income is determined on a quarterly basis, and is equal to 1.75% multiplied by the Company’s NAV at the beginning of each applicable calendar quarter comprising the relevant Trailing Twelve Quarters. The hurdle amount is calculated after making appropriate adjustments for subscriptions (which shall include all issuances by the Company of shares of its common stock) and distributions that occurred during the relevant Trailing Twelve Quarters. The Incentive Fee for any partial period will be appropriately prorated. For the portion of the Incentive Fee based on income, the Company pays the Investment Adviser a quarterly Incentive Fee based on the amount by which (A) Ordinary Income in respect of the relevant Trailing Twelve Quarters exceeds (B) the hurdle amount for such Trailing Twelve Quarters. The amount of the excess of (A) over (B) described in this paragraph for such Trailing Twelve Quarters is referred to as the “Excess Income Amount.”

The Incentive Fee based on income for each quarter is determined as follows:

No Incentive Fee based on income is payable to the Investment Adviser for any calendar quarter for which there is no Excess Income Amount;

100% of the Ordinary Income (as defined below), if any, that exceeds the hurdle amount, but is less than or equal to an amount, which we refer to as the “Catch-up Amount,” determined as the sum of 2.0588% (or 2.1875% in the event of a listing) multiplied by the Company’s NAV at the beginning of each applicable calendar quarter included in the relevant Trailing Twelve Quarters is included in the calculation of the Incentive Fee based on income; and

15% (which will be increased to 20% in the event of a listing, from the date of such listing) of the Ordinary Income that exceeds the Catch-up Amount is included in the calculation of the Incentive Fee based on income.

The amount of the Incentive Fee based on income that will be paid to the Investment Adviser for a particular quarter will equal the excess of the Incentive Fee so calculated minus the aggregate Incentive Fees based on income that were paid in respect of the first eleven calendar quarters (or the portion thereof) included in the relevant Trailing Twelve Quarters but will not exceed the Incentive Fee Cap (as described below, and will be subject to the limitations set forth in Section 205(b)(3) of the Advisers Act).

The Incentive Fee based on income that is paid to the Investment Adviser for a particular quarter is subject to a cap (the “Incentive Fee Cap”). The Incentive Fee Cap for any quarter is an amount equal to (a) 15% (which will be increased to 20% in the event of a listing, from the date of such listing) of the Cumulative Net Return (as defined below) during the relevant Trailing Twelve Quarters minus (b) the aggregate Incentive Fees based on income that were paid in respect of the first eleven calendar quarters (or the portion thereof) included in the relevant Trailing Twelve Quarters.

“Ordinary Income” means interest income, dividend income and any other income (including any accrued income that we have not yet received in cash and any other fees such as commitment, origination, structuring, diligence and consulting fees or other fees that we receive from portfolio companies) accrued during the calendar quarter minus our operating expenses accrued during the calendar quarter (including the Management Fee, administrative expenses and any interest expense and dividends paid on issued and outstanding preferred stock, but excluding the Incentive Fee).

“Cumulative Net Return” means (x) the Ordinary Income in respect of the relevant Trailing Twelve Quarters minus (y) any Net Capital Loss (as defined below), if any, in respect of the relevant Trailing Twelve Quarters.

If, in any quarter, the Incentive Fee Cap is zero or a negative value, the Company will pay no Incentive Fee based on income to the Investment Adviser for such quarter. If, in any quarter, the Incentive Fee Cap is a positive value but is less than the Incentive Fee based on income that is payable to the Investment Adviser for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, the Company will pay an Incentive Fee based on income to the Investment Adviser equal to the Incentive Fee Cap for such quarter. If, in any quarter, the Incentive Fee Cap for such quarter is equal to or greater than the Incentive Fee based on income that is payable to the Investment Adviser for such quarter (before giving effect to the Incentive Fee Cap) calculated as described above, the Company will pay an Incentive Fee based on income to the Investment Adviser equal to the Incentive Fee calculated as described above for such quarter without regard to the Incentive Fee Cap. In certain limited circumstances, an Incentive Fee based on income will be payable to the Investment Adviser although the net income for such quarter did not exceed the hurdle rate or the Incentive Fee will be higher than it would have been if calculated based on the Company’s performance for the applicable quarter without taking into account the Trailing Twelve Quarters.

“Net Capital Loss” in respect of a particular period means the difference, if positive, between (i) aggregate capital losses, whether realized or unrealized, in such period and (ii) aggregate capital gains, whether realized or unrealized, in such period.

*ii. Annual Incentive Fee Based on Capital Gains.*

The portion of Incentive Fee based on capital gains is determined and paid annually in arrears at the end of each calendar year or, in the event of a listing, the date on which such event occurs. At the end of each calendar year (or the occurrence of a listing), the Company will pay the Investment Adviser an Incentive Fee equal to (A) 15% (which will be increased to 20% in the event of a listing, from the date of such listing) of the difference, if positive, of the sum of the Company’s aggregate realized capital gains, if any, computed net of the Company’s aggregate realized capital losses, if any, and the Company’s aggregate unrealized capital depreciation, in each case from the Initial Drawdown Date (or, following the occurrence (if any) of a listing, from the date on which such event occurs) until the end of such calendar year or listing, as applicable, minus (B) the cumulative amount of Incentive Fees based on capital gains previously paid to the Investment Adviser from the Initial Drawdown Date (or, following the occurrence (if any) of a listing, from the date on which such event occurs) through the end of such calendar year or listing, as applicable. For the avoidance of doubt, unrealized capital appreciation is excluded from the calculation in clause (A), above.

The Company accrues, but does not pay, a portion of the Incentive Fee based on capital gains with respect to net unrealized appreciation. Under GAAP, the Company is required to accrue an Incentive Fee based on capital gains that includes net realized capital gains and losses and net unrealized capital appreciation and depreciation on investments held at the end of each period. In calculating the accrual for the Incentive Fee based on capital gains, the Company considers the cumulative aggregate unrealized capital appreciation in the calculation, since an Incentive Fee based on capital gains would be payable if such unrealized capital appreciation were realized, even though such unrealized capital appreciation is not permitted to be considered in calculating the fee actually payable under the Investment Management Agreement. This accrual is calculated using the aggregate cumulative realized capital gains and losses and aggregate cumulative unrealized capital appreciation or depreciation. If such amount is positive at the end of a period, then the Company records a capital gains incentive fee equal to 15% (which will be increased to 20% in the event of a listing, from the date of such listing) of such amount, minus the aggregate amount of actual Incentive Fees based on capital gains paid in all prior periods (or, following the occurrence (if any) of a listing, in all prior periods beginning with the date on which such event occurs). If such amount is negative, then there is no accrual for such period. There can be no assurance that such unrealized capital appreciation will be realized in the future.

For the three months ended March 31, 2019 and 2018, the Company accrued an Incentive Fee based on income of \$5,968 and \$0, respectively. As of March 31, 2019, \$5,968 remained payable.

For the three months ended March 31, 2019 and 2018, the Company accrued an Incentive Fee based on capital gains under GAAP of \$0 and \$244, respectively, for which none were realized.

#### **Administration and Custodian Fees**

The Company has entered into an administration agreement with State Street Bank and Trust Company (the “Administrator”) under which the Administrator provides various accounting and administrative services to the Company. The Company pays the Administrator fees for its services as it determines are commercially reasonable in its sole discretion. The Company also reimburses the Administrator for all reasonable expenses. To the extent that the Administrator outsources any of its functions, the Administrator pays any compensation associated with such functions. The Administrator also serves as the Company’s custodian (the “Custodian”).

For the three months ended March 31, 2019 and 2018, the Company incurred expenses for services provided by the Administrator and the Custodian of \$260 and \$154, respectively. As of March 31, 2019, \$168 remained payable.

### Transfer Agent Fees

The Company has entered into a transfer agency agreement (the “Transfer Agency Agreement”), with GS & Co. pursuant to which GS & Co. serves as the Company’s transfer agent (“Transfer Agent”), registrar and disbursing agent. The Company pays the Transfer Agent fees at an annual rate of 0.12% of the average NAV of the Company at the end of the then-current quarter and the prior calendar quarter (and, in the case of the Company’s first quarter, the Company’s NAV as of such quarter-end).

For the three months ended March 31, 2019 and 2018, the Company incurred expenses for services provided by the Transfer Agent of \$258 and \$146, respectively. As of March 31, 2019, \$258 remained payable.

### Affiliates

The Company’s investments in affiliates for the three months ended March 31, 2019 were as follows:

|  | Fair Value as of<br>December 31,<br>2018 | Gross<br>Additions(2) | Gross<br>Reductions(3) | Net Realized<br>Gains/(Losses) | Change in<br>Unrealized<br>Gains/(Losses) | Fair Value as of<br>March 31,<br>2019 | Dividend,<br>Interest<br>and<br>Other<br>Income |
|--|--|-----------------------|------------------------|--------------------------------|---|---------------------------------------|---|
| <b>Non-Controlled Affiliates</b>                   |  |                       |                        |                                |   |                                       |   |
| Goldman Sachs Financial Square Government Fund (1) | \$ -                                     | \$ 56,814             | \$ (56,814 )           | \$ -                           | \$ -                                      | \$ -                                  | \$ 17   |
| Accuity Delivery Systems, LLC                      | 19,482                                   | 17                    | -                      | -                              | 541                                       | 20,040                                | 375   |
| Collaborative Imaging, LLC                         | 14,594                                   | 5                     | -                      | -                              | (127 )                                    | 14,472                                | 318   |
| Elah Holdings, Inc.                                | 3,163                                    | -                     | -                      | -                              | -   | 3,163                                 | -   |
| <b>Total Non-Controlled Affiliates</b>             | <b>\$ 37,239</b>                         | <b>\$ 56,836</b>      | <b>\$ (56,814 )</b>    | <b>\$ -</b>                    | <b>\$ 414</b>                             | <b>\$ 37,675</b>                      | <b>\$ 710</b>                                   |

(1) Fund advised by an affiliate of Goldman Sachs.

(2) Gross additions may include increases in the cost basis of investments resulting from new portfolio investments, PIK interest or dividends, the accretion of discounts, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company into this category from a different category.

(3) Gross reductions may include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company out of this category into a different category.

The Company’s investments in affiliates for the year ended December 31, 2018 were as follows:

|   | Fair Value as of<br>December 31,<br>2017 | Gross<br>Additions(2) | Gross<br>Reductions(3) | Net Realized<br>Gains/(Losses) | Change in<br>Unrealized<br>Gains/(Losses) | Fair Value as of<br>December 31,<br>2018 | Dividend,<br>Interest<br>and<br>Other<br>Income |
|---|--|-----------------------|------------------------|--------------------------------|---|--|---|
| <b>Non-Controlled Affiliates</b>                  |  |                       |                        |                                |   |  |   |
| Goldman Sachs Financial Square Government Fund(1) | \$ - (4)                                 | \$ 212,620            | \$ (212,620 )          | \$ -                           | \$ -                                      | \$ -                                     | \$ 55   |
| Accuity Delivery Systems, LLC                     | -  | 18,584                | -                      | -                              | 898                                       | 19,482                                   | 810   |
| Collaborative Imaging, LLC                        | -  | 14,325                | -                      | -                              | 269                                       | 14,594                                   | 999   |
| Elah Holdings, Inc.                               | -  | 3,163                 | -                      | -                              | -   | 3,163                                    | -   |
| <b>Total Non-Controlled Affiliates</b>            | <b>\$ - (4)</b>                          | <b>\$ 248,692</b>     | <b>\$ (212,620 )</b>   | <b>\$ -</b>                    | <b>\$ 1,167</b>                           | <b>\$ 37,239</b>                         | <b>\$ 1,864</b>                                 |

(1) Fund advised by an affiliate of Goldman Sachs.

(2) Gross additions may include increases in the cost basis of investments resulting from new portfolio investments, PIK interest or dividends, the accretion of discounts, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company into this category from a different category.

(3) Gross reductions may include decreases in the cost basis of investments resulting from principal collections related to investment repayments or sales, the exchange of one or more existing securities for one or more new securities and the movement of an existing portfolio company out of this category into a different category.

(4) Amount rounds to less than \$1.

## Due to Affiliates

The Investment Adviser paid certain general and administrative expenses, including legal expenses, on behalf of the Company in the ordinary course of business. As of March 31, 2019 and December 31, 2018, there were \$544 and \$475, respectively, included within accrued expenses and other liabilities paid by the Investment Adviser and its affiliates on behalf of the Company.

## Co-investment Activity

In certain circumstances, negotiated co-investments by the Company and other funds managed by the Investment Adviser may be made only pursuant to an order from the SEC permitting the Company to do so. On January 4, 2017, the Company and GSAM, Goldman Sachs BDC, Inc. ("GS BDC") and Goldman Sachs Private Middle Market Credit LLC ("GS PMMC") received exemptive relief ("Exemptive Relief") that permits the Company to co-invest with GS BDC, GS PMMC and certain other funds that may be managed by GSAM, including the GSAM Credit Alternatives Team, after the date of the exemptive order, subject to certain conditions including that co-investments are made in a manner consistent with the Company's investment objectives, positions, policies, strategies and restrictions, as well as regulatory requirements and pursuant to the conditions required by the Exemptive Relief, and are allocated fairly among participants. The GSAM Credit Alternatives Team is comprised of investment professionals dedicated to the Company's investment strategy and other funds that share a similar investment strategy with the Company, who are responsible for identifying investment opportunities, conducting research and due diligence on prospective investments, negotiating and structuring the Company's investments and monitoring and servicing the Company's investments, together with investment professionals who are primarily focused on investment strategies in syndicated, liquid credit. Under the terms of the Exemptive Relief, a "required majority" (as defined in Section 57(o) of the Investment Company Act) of the Company's independent directors must make certain conclusions in connection with a co-investment transaction, including that (1) the terms of the proposed transaction are reasonable and fair to the Company and the Company's stockholders and do not involve overreaching in respect of the Company or its stockholders on the part of any person concerned, and (2) the transaction is consistent with the interests of the Company's stockholders and is consistent with the then-current investment objectives and strategies of the Company. As a result of the Exemptive Relief, there could be significant overlap in the Company's investment portfolio and the investment portfolios of GS BDC, GS PMMC and/or other funds established by the GSAM Credit Alternatives Team that could avail themselves of the Exemptive Relief.

## 4. INVESTMENTS

As of the dates indicated, the Company's investments consisted of the following:

| Investment Type              | March 31, 2019     |                    | December 31, 2018  |                    |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
|                              | Cost               | Fair Value         | Cost               | Fair Value         |
| 1st Lien/Senior Secured Debt | \$771,764          | \$769,138          | \$646,334          | \$644,913          |
| 1st Lien/Last-Out Unitranche | 94,427             | 94,411             | 90,483             | 90,582             |
| 2nd Lien/Senior Secured Debt | 377,379            | 362,714            | 359,039            | 353,765            |
| Preferred Stock              | 7,200              | 8,630              | 7,200              | 8,100              |
| Common Stock                 | 9,998              | 10,700             | 9,998              | 9,825              |
| <b>Total Investments</b>     | <b>\$1,260,768</b> | <b>\$1,245,593</b> | <b>\$1,113,054</b> | <b>\$1,107,185</b> |



As of the dates indicated, the industry composition of the Company' s portfolio at fair value and net assets was as follows:

| Industry                                     | March 31, 2019 |          |              |          | December 31, 2018 |          |              |          |
|--|----------------|----------|--------------|----------|-------------------|----------|--------------|----------|
|  | Fair Value     |          | Net Assets   |          | Fair Value        |          | Net Assets   |          |
| Software                                     | 11.5           | %        | 16.1         | %        | 8.5               | %        | 11.5         | %        |
| IT Services                                  | 11.4           |          | 15.9         |          | 8.8               |          | 11.8         |          |
| Internet Software & Services                 | 10.8           |          | 15.0         |          | 10.4              |          | 14.1         |          |
| Health Care Providers & Services             | 8.3            |          | 11.5         |          | 8.6               |          | 11.6         |          |
| Diversified Financial Services               | 6.3            |          | 8.9          |          | 7.5               |          | 10.1         |          |
| Chemicals                                    | 6.3            |          | 8.8          |          | 7.2               |          | 9.8          |          |
| Health Care Technology                       | 6.1            |          | 8.5          |          | 5.6               |          | 7.5          |          |
| Media  | 5.3            |          | 7.5          |          | 6.0               |          | 8.1          |          |
| Professional Services                        | 4.5            |          | 6.3          |          | 5.2               |          | 7.1          |          |
| Health Care Equipment & Supplies             | 3.5            |          | 4.9          |          | 3.9               |          | 5.3          |          |
| Road & Rail                                  | 3.5            |          | 4.9          |          | 3.9               |          | 5.3          |          |
| Insurance                                    | 3.0            |          | 4.2          |          | 2.8               |          | 3.8          |          |
| Household Products                           | 2.6            |          | 3.7          |          | 3.0               |          | 4.0          |          |
| Diversified Telecommunication Services       | 2.5            |          | 3.5          |          | 2.8               |          | 3.8          |          |
| Internet Catalog & Retail                    | 2.0            |          | 2.8          |          | 1.7               |          | 2.3          |          |
| Air Freight & Logistics                      | 2.0            |          | 2.7          |          | 2.2               |          | 3.0          |          |
| Building Products                            | 1.9            |          | 2.6          |          | 2.1               |          | 2.8          |          |
| Real Estate Management & Development         | 1.5            |          | 2.1          |          | 1.6               |          | 2.2          |          |
| Hotels, Restaurants & Leisure                | 1.5            |          | 2.1          |          | 1.4               |          | 1.9          |          |
| Beverages                                    | 0.9            |          | 1.3          |          | 1.0               |          | 1.4          |          |
| Distributors                                 | 0.9            |          | 1.2          |          | 1.0               |          | 1.3          |          |
| Auto Components                              | 0.9            |          | 1.2          |          | 1.0               |          | 1.3          |          |
| Commercial Services & Supplies               | 0.7            |          | 1.0          |          | 0.6               |          | 0.8          |          |
| Food Products                                | 0.7            |          | 1.0          |          | 1.6               |          | 2.1          |          |
| Life Sciences Tools & Services               | 0.6            |          | 0.9          |          | 0.7               |          | 1.0          |          |
| Containers & Packaging                       | 0.5            |          | 0.7          |          | 0.6               |          | 0.7          |          |
| Capital Markets                              | 0.3            |          | 0.4          |          | 0.3               |          | 0.4          |          |
| Transportation Infrastructure <sup>(1)</sup> | 0.0            |          | 0.0          |          | -                 |          | -            |          |
| <b>Total</b>                                 | <b>100.0</b>   | <b>%</b> | <b>139.7</b> | <b>%</b> | <b>100.0</b>      | <b>%</b> | <b>135.0</b> | <b>%</b> |

(1) Position is an unfunded loan commitment

As of the dates indicated, the geographic composition of the Company' s portfolio at fair value was as follows:

| Geographic    | March 31, 2019 |          | December 31, 2018 |          |
|---------------|----------------|----------|-------------------|----------|
| United States | 97.8           | %        | 97.4              | %        |
| Ireland       | 2.2            |          | 2.6               |          |
| <b>Total</b>  | <b>100.0</b>   | <b>%</b> | <b>100.0</b>      | <b>%</b> |

## 5. FAIR VALUE MEASUREMENT

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

The fair value hierarchy under ASC 820 prioritizes the inputs to valuation techniques 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:

### Basis of Fair Value Measurement

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 investments in privately held entities and certain over-the-counter derivatives where the fair value is based on unobservable inputs.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Note 2 "Significant Accounting Policies" should be read in conjunction with the information outlined below.

The table below presents the valuation techniques and the nature of significant inputs generally used in determining the fair value of Level 2 Instruments.

| Level 2 Instruments            | Valuation Techniques and Significant Inputs  |
|--------------------------------|--|
| <b>Equity and Fixed Income</b> | <p>The types of instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency include commercial paper, most government agency obligations, most corporate debt securities, certain mortgage-backed securities, certain bank loans, less liquid publicly listed equities, certain state and municipal obligations, certain money market instruments and certain loan commitments.</p> <p>Valuations of Level 2 Equity and Fixed Income instruments can be verified to quoted prices, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g. indicative or firm) and the relationship of recent market activity to the prices provided from alternative pricing sources.</p>  |
| <b>Derivative Contracts</b>    | <p>OTC derivatives (both centrally cleared and bilateral) are valued using market transactions and other market evidence whenever possible, including market-based inputs to models, calibration to market-clearing transactions, broker or dealer quotations, or other alternative pricing sources with reasonable levels of price transparency. Where models are used, the selection of a particular model to value an OTC derivative depends upon the contractual terms of, and specific risks inherent in, the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices, yield curves, credit curves, measures of volatility, voluntary and involuntary prepayment rates, loss severity rates and correlations of such inputs. For OTC derivatives that trade in liquid markets, model inputs can generally be verified and model selection does not involve significant management judgment. OTC derivatives are classified within Level 2 of the fair value hierarchy when significant inputs are corroborated by market evidence.</p> |

The table below presents the valuation techniques and the nature of significant inputs generally used in determining the fair value of Level 3 Instruments.

| Level 3 Instruments   | Valuation Techniques and Significant Inputs   |
|---|---|
| <b>Bank Loans, Corporate Debt, and Other Debt Obligations</b> | Valuations are generally based on discounted cash flow techniques, for which the significant inputs are the amount and timing of expected future cash flows, market yields and recovery assumptions. The significant inputs are generally determined based on relative value analyses, which incorporate comparisons both to credit default swaps that reference the same underlying credit risk and to other debt instruments for the same issuer for which observable prices or broker quotes are available. Other valuation methodologies are used as appropriate including market comparables, transactions in similar instruments and recovery/liquidation analysis.   |
| <b>Equity</b>   | Recent third-party investments or pending transactions are considered to be the best evidence for any change in fair value. When these are not available, the following valuation methodologies are used, as appropriate and available: <ul style="list-style-type: none"> <li>Transactions in similar instruments;</li> <li>Discounted cash flow techniques;</li> <li>Third party appraisals; and</li> <li>Industry multiples and public comparables.</li> </ul> Evidence includes recent or pending reorganizations (for example, merger proposals, tender offers and debt restructurings) and significant changes in financial metrics, including: <ul style="list-style-type: none"> <li>Current financial performance as compared to projected performance;</li> <li>Capitalization rates and multiples; and</li> <li>Market yields implied by transactions of similar or related assets.</li> </ul> |

The tables below present the ranges of significant unobservable inputs used to value the Company's Level 3 assets and liabilities as of March 31, 2019 and December 31, 2018. These ranges represent the significant unobservable inputs that were used in the valuation of each type of instrument, but they do not represent a range of values for any one instrument. For example, the lowest yield in 1st Lien/Senior Secured Debt is appropriate for valuing that specific debt investment, but may not be appropriate for valuing any other debt investments in this asset class. Accordingly, the ranges of inputs presented below do not represent uncertainty in, or possible ranges of, fair value measurements of the Company's Level 3 assets and liabilities.

| Level 3 Instruments                                    | Level 3 Assets as of March 31, 2019 <sup>(1)</sup> | Significant Unobservable Inputs by Valuation Techniques <sup>(2)</sup> | Range <sup>(3)</sup> of Significant Unobservable Inputs (Weighted Average <sup>(4)</sup> ) as of March 31, 2019 |
|--|--|--|---|
| Bank Loans, Corporate Debt, and Other Debt Obligations | 1st Lien/Senior Secured Debt<br>\$660,565          | Discounted cash flows:<br>Discount Rate                                | 7.9% - 13.0% (9.6%)   |
|  | 1st Lien/Last-Out Unitranche<br>\$94,411           | Discounted cash flows:<br>Discount Rate                                | 8.7% - 10.8% (10.5%)  |
|  | 2nd Lien/Senior Secured Debt<br>\$253,817          | Discounted cash flows:<br>Discount Rate                                | 10.6% - 11.7% (11.2%)   |
|  |  | Collateral analysis<br>Recovery Rate                                   | 10.0%   |
| Equity   | Preferred Stock<br>\$8,630                         | Comparable multiples:<br>EV/EBITDA <sup>(5)</sup>                      | 3.7x - 26.9x (15.8x)  |
|  |  | Comparable multiples:<br>EV/Revenue                                    | 1.4x - 3.3x (1.1x)  |
|  | Common Stock<br>\$10,700                           | Discounted cash flows:<br>Discount Rate                                | 15.0% - 30.8% (25.0%)   |
|  |  | Comparable multiples:<br>EV/EBITDA <sup>(5)</sup>                      | 8.4x - 12.7x (12.1x)  |
|  |  | Comparable multiples:<br>EV/Revenue                                    | 5.0x - 19.2x (8.5x)   |

(1) Included within Level 3 Assets of \$1,163,400 is an amount of \$135,277 for which the Investment Adviser did not develop the unobservable inputs (examples include single source broker quotations, third party pricing, and prior transactions).

(2) The fair value of any one instrument may be determined using multiple valuation techniques. For example, market comparable and discounted cash flows may be used together to determine fair value. Therefore, the Level 3 balance encompasses both of these techniques.

(3) The range for an asset category consisting of a single investment represents the relevant market data considered in determining the fair value of the investment.

- (4) Weighted average for an asset category consisting of multiple investments is calculated by weighting the significant unobservable input by the relative fair value of the investment. Weighted average for an asset category consisting of a single investment represents the significant unobservable input used in the fair value of the investment.
- (5) Enterprise value of portfolio company as a multiple of earnings before interest, taxes, depreciation and amortization (“EBITDA”).

| Level 3 Instruments                                    | Level 3 Assets as of December 31, 2018 <sup>(1)</sup> | Significant Unobservable Inputs by Valuation Techniques <sup>(2)</sup> | Range <sup>(3)</sup> of Significant Unobservable Inputs (Weighted Average <sup>(4)</sup> ) as of December 31, 2018 |
|--|---|--|--|
| Bank Loans, Corporate Debt, and Other Debt Obligations | 1st Lien/Senior Secured Debt \$499,548                | Discounted cash flows:<br>Discount Rate                                | 8.4% - 13.0% (9.9%)  |
|  | 1st Lien/Last-Out Unitranche \$90,582                 | Discounted cash flows:<br>Discount Rate                                | 9.3% - 10.9% (10.6%)   |
|  | 2nd Lien/Senior Secured Debt \$227,093                | Discounted cash flows:<br>Discount Rate                                | 10.8% - 16.5% (11.5%)  |

| Level 3 Instruments | Level 3 Assets as of December 31, 2018 <sup>(1)</sup> | Significant Unobservable Inputs by Valuation Techniques <sup>(2)</sup> | Range <sup>(3)</sup> of Significant Unobservable Inputs (Weighted Average <sup>(4)</sup> ) as of December 31, 2018 |
|---------------------|---|--|--|
| Equity              | Preferred Stock<br>\$5,400                            | Comparable multiples:<br>EV/EBITDA <sup>(5)</sup>                      | 4.0x - 27.6x (18.9x)   |
|                     | Common Stock<br>\$6,750                               | Discounted cash flows:<br>Discount Rate                                | 14.6% - 31.0% (24.5%)  |
|                     |   | Comparable multiples:<br>EV/EBITDA <sup>(5)</sup>                      | 8.4x - 13.0x (11.7x)   |

- (1) Included within Level 3 Assets of \$1,053,536 is an amount of \$224,163 for which the Investment Adviser did not develop the unobservable inputs (examples include single source broker quotations, third party pricing, and prior transactions).
- (2) The fair value of any one instrument may be determined using multiple valuation techniques. For example, market comparable and discounted cash flows may be used together to determine fair value. Therefore, the Level 3 balance encompasses both of these techniques.
- (3) The range for an asset category consisting of a single investment represents the relevant market data considered in determining the fair value of the investment.
- (4) Weighted average for an asset category consisting of multiple investments is calculated by weighting the significant unobservable input by the relative fair value of the investment. Weighted average for an asset category consisting of a single investment represents the significant unobservable input used in the fair value of the investment.
- (5) Enterprise value of portfolio company as a multiple of EBITDA.

As noted above, the income and market approaches were used in the determination of fair value of certain Level 3 assets as of March 31, 2019 and December 31, 2018. The significant unobservable inputs used in the income approach are the discount rate or market yield used to discount the estimated future cash flows expected to be received from the underlying investment, which include both future principal and interest payments. An increase in the discount rate or market yield would result in a decrease in the fair value. Included in the consideration and selection of discount rates is risk of default, rating of the investment, call provisions and comparable company investments. The significant unobservable inputs used in the market approach are based on market comparable transactions and market multiples of publicly traded comparable companies. Increases or decreases in market comparable transactions or market multiples would result in an increase or decrease, respectively, in the fair value.

The following is a summary of the Company's assets categorized within the fair value hierarchy as of March 31, 2019:

| Investments - Assets         | Level 1     | Level 2         | Level 3            | Total              |
|------------------------------|-------------|-----------------|--------------------|--------------------|
| 1st Lien/Senior Secured Debt | \$ -        | \$23,345        | \$745,793          | \$769,138          |
| 1st Lien/Last-Out Unitranche | -           | -               | 94,411             | 94,411             |
| 2nd Lien/Senior Secured Debt | -           | 58,848          | 303,866            | 362,714            |
| Preferred Stock              | -           | -               | 8,630              | 8,630              |
| Common Stock                 | -           | -               | 10,700             | 10,700             |
| <b>Total</b>                 | <b>\$ -</b> | <b>\$82,193</b> | <b>\$1,163,400</b> | <b>\$1,245,593</b> |

  

| Derivatives   | Level 1     | Level 2      | Level 3    | Total        |
|---|-------------|--------------|------------|--------------|
| Foreign currency forward contracts (asset) <sup>(1)</sup> | \$ -        | \$230        | \$-        | \$230        |
| <b>Total</b>  | <b>\$ -</b> | <b>\$230</b> | <b>\$-</b> | <b>\$230</b> |

- (1) Amounts disclosed represent the unrealized appreciation on the foreign currency forward contracts.

The following is a summary of the Company's assets categorized within the fair value hierarchy as of December 31, 2018:

| <b>Investments - Assets</b>  | <b>Level 1</b> | <b>Level 2</b>  | <b>Level 3</b>     | <b>Total</b>       |
|------------------------------|----------------|-----------------|--------------------|--------------------|
| 1st Lien/Senior Secured Debt | \$ -           | \$-             | \$644,913          | \$644,913          |
| 1st Lien/Last-Out Unitranche | -              | -               | 90,582             | 90,582             |
| 2nd Lien/Senior Secured Debt | -              | 53,649          | 300,116            | 353,765            |
| Preferred Stock              | -              | -               | 8,100              | 8,100              |
| Common Stock                 | -              | -               | 9,825              | 9,825              |
| <b>Total</b>                 | <b>\$ -</b>    | <b>\$53,649</b> | <b>\$1,053,536</b> | <b>\$1,107,185</b> |

  

| <b>Derivatives</b>                            | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b> |
|---|----------------|----------------|----------------|--------------|
| Foreign currency forward contracts (asset)(1) | \$ -           | \$122          | \$-            | \$122        |
| <b>Total</b>                                  | <b>\$ -</b>    | <b>\$122</b>   | <b>\$-</b>     | <b>\$122</b> |

(1) Amounts disclosed represent the unrealized appreciation on the foreign currency forward contracts.

The following is a reconciliation of Level 3 assets for the three months ended March 31, 2019:

| <b>Level 3</b>               | <b>Beginning Balance as of January 1, 2019</b> | <b>Purchases(1)</b> | <b>Net Realized Gain (Loss)</b> | <b>Net Change in Unrealized Appreciation (Depreciation)(2)</b> | <b>Sales and Settlements(1)</b> | <b>Net Amortization of Premium/Discount</b> | <b>Transfers In</b> | <b>Transfers Out</b> | <b>Ending Balance as of March 31, 2019</b> |
|------------------------------|--|---------------------|---------------------------------|--|---------------------------------|---|---------------------|----------------------|--|
| 1st Lien/Senior Secured Debt | \$644,913                                      | \$ 115,567          | \$ (4 )                         | \$ (1,084 )  | \$ (14,277 )                    | \$ 678                                      | \$ -                | \$-                  | \$745,793                                  |
| 1st Lien/Last-Out Unitranche | 90,582   | 3,940               | -                               | (115 )   | (113 )                          | 117   | -                   | -                    | 94,411                                     |
| 2nd Lien/Senior Secured Debt | 300,116  | 25,296              | -                               | (8,469 )   | (7,200 )                        | 212   | -                   | (6,089 )             | 303,866                                    |
| Preferred Stock              | 8,100  | -                   | -                               | 530  | -                               | -   | -                   | -                    | 8,630                                      |
| Common Stock                 | 9,825  | -                   | -                               | 875  | -                               | -   | -                   | -                    | 10,700                                     |
| <b>Total assets</b>          | <b>\$1,053,536</b>                             | <b>\$ 144,803</b>   | <b>\$ (4 )</b>                  | <b>\$ (8,263 )</b>   | <b>\$ (21,590 )</b>             | <b>\$ 1,007</b>                             | <b>\$ -</b>         | <b>\$ (6,089 )</b>   | <b>\$1,163,400</b>                         |

(1) Purchases may include PIK and securities received in corporate actions and restructurings. Sales and Settlements may include securities delivered in corporate actions and restructuring of investments.

(2) Change in unrealized appreciation (depreciation) relating to assets still held at March 31, 2019 totaled \$(8,380) consisting of the following: 1st Lien/Senior Secured Debt \$(1,089), 1st Lien/Last-Out Unitranche \$(115), 2nd Lien/Senior Secured Debt \$(8,581), Preferred Stock \$530 and Common Stock \$875.

The following is a reconciliation of Level 3 assets for the three months ended March 31, 2018:

| <b>Level 3</b>               | <b>Beginning Balance as of January 1, 2018</b> | <b>Purchases(1)</b> | <b>Net Realized Gain (Loss)</b> | <b>Net Change in Unrealized Appreciation (Depreciation)(2)</b> | <b>Sales and Settlements(1)</b> | <b>Net Amortization of Premium/Discount</b> | <b>Transfers In</b> | <b>Transfers Out</b> | <b>Ending Balance as of March 31, 2018</b> |
|------------------------------|--|---------------------|---------------------------------|--|---------------------------------|---|---------------------|----------------------|--|
| 1st Lien/Senior Secured Debt | \$199,464                                      | \$27,681            | \$(6 )                          | \$ 18  | \$(3,911 )                      | \$218                                       | \$-                 | \$-                  | \$223,464                                  |
| 1st Lien/Last-Out Unitranche | 37,138   | 54,473              | -                               | (29 )  | (21,800 )                       | 526   | -                   | -                    | 70,308                                     |
| 2nd Lien/Senior Secured Debt | 226,781  | 33,113              | -                               | (81 )  | (8,370 )                        | 219   | -                   | -                    | 251,662                                    |
| Common Stock                 | 2,070  | 1,800               | 1,291                           | 222  | (1,791 )                        | -   | -                   | -                    | 3,592                                      |
| <b>Total assets</b>          | <b>\$465,453</b>                               | <b>\$117,067</b>    | <b>\$1,285</b>                  | <b>\$ 130</b>  | <b>\$(35,872 )</b>              | <b>\$963</b>                                | <b>\$-</b>          | <b>\$-</b>           | <b>\$549,026</b>                           |

(1) Purchases may include PIK and securities received in corporate actions and restructurings. Sales and Settlements may include securities delivered in corporate actions and restructuring of investments.

(2) Change in unrealized appreciation (depreciation) relating to assets still held at March 31, 2018 totaled \$187, consisting of the following: 1st Lien/Senior Secured Debt \$18, 1st Lien/Last-Out Unitranche \$(30), 2nd Lien/Senior Secured Debt \$(23) and Common Stock \$222.

Transfers between levels of the fair value hierarchy are reported at the beginning of the reporting period in which they occur. For the three months ended March 31, 2019, transfers from Level 3 to Level 2 were primarily due to increased price transparency. For the three months ended March 31, 2018, there were no transfers between levels.

### Debt Not Carried at Fair Value

The fair value of the Company's debt, which would have been categorized as Level 3 within the fair value hierarchy as of March 31, 2019 and December 31, 2018, approximates its carrying value.

## 6. DEBT

In accordance with the Investment Company Act, with certain exceptions, the Company is currently allowed to borrow amounts such that its asset coverage ratio, as defined in the Investment Company Act, is at least 200% after such borrowing (or 150% if certain requirements are met). As of March 31, 2019 and December 31, 2018, the Company's asset coverage ratio based on the aggregate amount outstanding of senior securities was 356% and 381%, respectively.

The Company's outstanding debt as of March 31, 2019 and December 31, 2018 was as follows:

|   | As of   |                     |                      |   |                     |                      |
|---|---|---------------------|----------------------|---|---------------------|----------------------|
|   | March 31, 2019                                |                     |                      | December 31, 2018                             |                     |                      |
|   | Aggregate<br>Borrowing<br>Amount<br>Committed | Amount<br>Available | Carrying<br>Value(3) | Aggregate<br>Borrowing<br>Amount<br>Committed | Amount<br>Available | Carrying<br>Value(3) |
| SunTrust Revolving Credit Facility (1)(2) | \$ 600,000                                    | \$255,699           | \$344,188            | \$ 600,000                                    | \$314,401           | \$286,189            |
| <b>Total Debt</b>                         | <b>\$ 600,000</b>                             | <b>\$255,699</b>    | <b>\$344,188</b>     | <b>\$ 600,000</b>                             | <b>\$314,401</b>    | <b>\$286,189</b>     |

(1) The Company may borrow amounts in USD or certain other permitted currencies. As of March 31, 2019, the Company had outstanding borrowings denominated in USD of \$290,400 and in Euros (EUR) of EUR 47,950. As of December 31, 2018, the Company had outstanding borrowings denominated in USD of \$231,250 and in Euros (EUR) of EUR 47,950.

(2) Provides, under certain circumstances, a total borrowing capacity of \$800,000.

(3) Debt outstanding denominated in currencies other than USD have been converted to USD using the applicable foreign currency exchange rate as of March 31, 2019 and December 31, 2018.

The combined weighted average interest rate of the aggregate borrowings outstanding for the three months ended March 31, 2019 and for the year ended December 31, 2018 were 4.43% and 4.20%, respectively.

### SunTrust Revolving Credit Facility

On September 11, 2017, the Company entered into the SunTrust Revolving Credit Facility with various lenders. SunTrust Bank serves as administrative agent and Bank of America, N.A. serves as syndication agent. The Company amended the SunTrust Revolving Credit Facility on September 17, 2018.

The SunTrust Revolving Credit Facility is a multicurrency facility, and as of March 31, 2019, total commitments under the SunTrust Revolving Credit Facility were \$600,000. The accordion feature of the SunTrust Revolving Credit Facility allows the Company, subject to the satisfaction of various conditions, to bring total commitments under the SunTrust Revolving Credit Facility to \$800,000.

Borrowings under the SunTrust Revolving Credit Facility, including amounts drawn in respect of letters of credit, bear interest (at the Company's election) of either the Adjusted LIBO Rate (as defined in the SunTrust Revolving Credit Facility) plus the Applicable Margin (as defined in the SunTrust Revolving Credit Facility) or the Applicable Margin plus the higher of the Prime Rate (as defined in the SunTrust Revolving Credit Facility), Federal Funds Effective Rate (as defined in the SunTrust Revolving Credit Facility) plus 0.5% or overnight LIBOR plus 1.0%. Interest is payable quarterly in arrears or as defined in the SunTrust Revolving Credit Facility. The Company pays a fee of 0.375% per annum on committed but undrawn amounts under the SunTrust Revolving Credit Facility, payable quarterly in arrears. Any amounts borrowed under the Revolving Credit Facility will mature, and all accrued and unpaid interest will be due and payable, on September 13, 2021.

The SunTrust Revolving Credit Facility may be guaranteed by certain of the Company's subsidiaries that are formed or acquired by the Company in the future (collectively, the "Guarantors"). Proceeds from borrowings may be used for general corporate purposes, including the funding of portfolio investments.

The Company's obligations to the lenders under the SunTrust Revolving Credit Facility are secured by a first priority security interest in substantially all of the Company's portfolio of investments and cash, with certain exceptions. The SunTrust Revolving Credit Facility contains certain customary covenants, including: (i) maintaining a minimum shareholder's equity, (ii) maintaining an asset coverage ratio of at least 2 to 1, (iii) maintaining a minimum liquidity test of at least 15% of the "covered debt amount" during any period when the "adjusted covered debt balance" is greater than 85% of the "adjusted borrowing base," as such quoted terms are defined in the SunTrust Revolving Credit Facility and (iv) restrictions on industry concentrations in the Company's investment portfolio.

The SunTrust Revolving Credit Facility also includes customary representations and warranties, conditions precedent to funding of draws and events of default (including a change in control event of default trigger).

Costs of \$4,451 were incurred in connection with obtaining and amending the SunTrust Revolving Credit Facility and exercising its right under the accordion feature, which have been recorded as deferred financing costs on the Consolidated Statements of Assets and

Liabilities and are being amortized over the life of the SunTrust Revolving Credit Facility using the straight-line method. As of March 31, 2019 and December 31, 2018, deferred financing costs were \$2,939 and \$3,233, respectively.

The summary information of the SunTrust Revolving Credit Facility for the three months ended March 31, 2019 and 2018 is as follows:

|                                 | For the Three Months<br>Ended<br>March 31, 2019 | For the Three Months<br>Ended<br>March 31, 2018 |
|---------------------------------|---|---|
| Borrowing interest expense      | \$ 3,874  | \$ 894  |
| Facility fees                   | 242   | 183   |
| Amortization of financing costs | 295   | 194   |
| Total                           | \$ 4,411  | \$ 1,271  |
| Weighted average interest rate  | 4.43%   | 3.92%   |
| Average outstanding balance     | \$ 355,006                                      | \$ 92,511                                       |

## 7. DERIVATIVES

The Company enters into foreign currency forward contracts from time to time to help mitigate the impact that an adverse change in foreign exchange rates would have on the value of the Company's investments denominated in foreign currencies.

In order to better define its contractual rights and to secure rights that will help the Company mitigate its counterparty risk, the Company may enter into an International Swaps and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or a similar agreement with its derivative counterparties. An ISDA Master Agreement is a bilateral agreement between the Company and a counterparty that governs OTC derivatives, including foreign currency forward contracts, and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. The provisions of the ISDA Master Agreement typically permit a single net payment in the event of a default (close-out netting) or similar event, including the bankruptcy or insolvency of the counterparty.

For financial reporting purposes, cash collateral that has been pledged to cover obligations of the Company and cash collateral received from the counterparty, if any, is included in the Consolidated Statements of Assets and Liabilities as due to/due from a broker. The Company minimizes counterparty credit risk by only entering into agreements with counterparties that they believe to be in good standing and by monitoring the financial stability of those counterparties.

For the three months ended March 31, 2019, the Company's average U.S. dollars notional exposure to foreign currency forward contracts was \$4,788. The Company did not hold any derivative instruments prior to August 8, 2018.

The following table sets forth the Company's net exposure to foreign currency forward contracts that are subject to ISDA Master Agreements or similar agreements as of March 31, 2019.

| Counterparty          | Gross Amount of<br>Assets on the<br>Consolidated<br>Statements of<br>Assets and Liabilities | Gross Amount of<br>(Liabilities) on the<br>Consolidated<br>Statements of<br>Assets and Liabilities | Net Amount of Assets or<br>(Liabilities) Presented on<br>the Consolidated<br>Statements of<br>Assets and Liabilities | Collateral (Received)<br>Pledged (1) | Net Amounts (2) |
|-----------------------|---|--|--|--------------------------------------|-----------------|
| Bank of America, N.A. | \$ 230  | \$ -   | \$ 230   | \$ -                                 | \$ 230          |
| <b>Total</b>          | <b>\$ 230</b>   | <b>\$ -</b>  | <b>\$ 230</b>  | <b>\$ -</b>                          | <b>\$ 230</b>   |

(1) Amount excludes excess cash collateral paid.

(2) Net amount represents the net amount due (to) from counterparty in the event of a default based on the contractual setoff rights under the agreement. Net amount excludes any over-collateralized amounts.

The following table sets forth the Company's net exposure to foreign currency forward contracts that are subject to ISDA Master Agreements or similar agreements as of December 31, 2018.

| Counterparty          | Gross Amount of<br>Assets on the<br>Consolidated<br>Statements of<br>Assets and Liabilities | Gross Amount of<br>(Liabilities) on the<br>Consolidated<br>Statements of<br>Assets and Liabilities | Net Amount of Assets or<br>(Liabilities) Presented on<br>the Consolidated<br>Statements of<br>Assets and Liabilities | Collateral (Received)<br>Pledged (1) | Net Amounts (2) |
|-----------------------|---|--|--|--------------------------------------|-----------------|
| Bank of America, N.A. | \$ 122  | \$ -   | \$ 122   | \$ -                                 | \$ 122          |
| <b>Total</b>          | <b>\$ 122</b>   | <b>\$ -</b>  | <b>\$ 122</b>  | <b>\$ -</b>                          | <b>\$ 122</b>   |

(1) Amount excludes excess cash collateral paid.

(2) Net amount represents the net amount due (to) from counterparty in the event of a default based on the contractual setoff rights under the agreement. Net amount excludes any over-collateralized amounts.



The effect of transactions in derivative instruments to the Consolidated Statements of Operations during the three months ended March 31, 2019 and 2018 was as follows:

|   | March 31,<br>2019 | March 31,<br>2018 |
|---|-------------------|-------------------|
| Net realized gain (loss) on foreign currency forward contracts                                | \$ 12             | \$ -              |
| Net change in unrealized appreciation (depreciation) on foreign currency forward contracts    | 108               | -                 |
| <b>Total net realized and unrealized gains (losses) on foreign currency forward contracts</b> | <b>\$ 120</b>     | <b>\$ -</b>       |

## 8. COMMITMENTS AND CONTINGENCIES

### Capital Commitments

The Company had aggregate capital commitments and undrawn capital commitments from investors as follows as of the dates indicated:

|              | March 31, 2019         |                                    |                                       |   | December 31, 2018      |                                    |                                       |
|--------------|------------------------|------------------------------------|---------------------------------------|---|------------------------|------------------------------------|---------------------------------------|
|              | Capital<br>Commitments | Unfunded<br>Capital<br>Commitments | % of Capital<br>Commitments<br>Funded |   | Capital<br>Commitments | Unfunded<br>Capital<br>Commitments | % of Capital<br>Commitments<br>Funded |
| Common Stock | \$ 1,035,013           | \$ 124,438                         | 88                                    | % | \$ 1,035,043           | \$ 207,078                         | 80                                    |

## Portfolio Company Commitments

The Company may enter into investment commitments either verbally or through signed commitment letters which in certain circumstances may be disclosed by the Company. In many circumstances, borrower acceptance and final terms are subject to transaction-related contingencies. These are disclosed as commitments upon execution of a final agreement to fund investments. As of March 31, 2019, the Company believed that it had adequate financial resources to satisfy its unfunded commitments. The Company had the following unfunded commitments by investment types as of the dates indicated:

|   | March 31, 2019                      |                        |                   | December 31, 2018                   |                        |                   |
|---|-------------------------------------|------------------------|-------------------|-------------------------------------|------------------------|-------------------|
|   | Commitment<br>Expiration<br>Date(1) | Unfunded<br>Commitment | Fair<br>Value(2)  | Commitment<br>Expiration<br>Date(1) | Unfunded<br>Commitment | Fair<br>Value(2)  |
| <b>1st Lien/Senior Secured Debt</b>       |                                     |                        |                   |                                     |                        |                   |
| Picture Head Midco LLC                    | -                                   | \$ -                   | \$-               | 3/31/2019                           | \$ 3,620               | \$(72 )           |
| VRC Companies, LLC                        | -                                   | -                      | -                 | 9/27/2019                           | 1,238                  | (12 )             |
| DocuTAP, Inc.                             | 9/5/2019                            | 6,825                  | -                 | -                                   | -                      | -                 |
| DocuTAP, Inc.                             | 9/5/2019                            | 44,558                 | -                 | -                                   | -                      | -                 |
| VRC Companies, LLC                        | 1/28/2020                           | 1,549                  | (15 )             | -                                   | -                      | -                 |
| Businessolver.com, Inc.                   | 5/15/2020                           | 2,754                  | (56 )             | 5/15/2020                           | 3,350                  | (68 )             |
| SPay, Inc.                                | 6/15/2020                           | 7,531                  | (266 )            | 6/15/2020                           | 8,069                  | (204 )            |
| Hygiena Borrower LLC                      | 6/29/2020                           | 808                    | (16 )             | 6/29/2020                           | 808                    | (16 )             |
| Diligent Corporation                      | -                                   | -                      | -                 | 8/3/2020                            | 354                    | (4 )              |
| Gastro Health Holdco, LLC                 | 9/4/2020                            | 7,146                  | (144 )            | 9/4/2020                            | 7,146                  | (144 )            |
| Diligent Corporation                      | 12/19/2020                          | 11,551                 | (144 )            | 12/19/2020                          | 13,670                 | (171 )            |
| Pathway Vet Alliance LLC                  | 12/21/2020                          | 2,250                  | (11 )             | -                                   | -                      | -                 |
| Brillio, LLC                              | 2/6/2021                            | 2,200                  | (22 )             | -                                   | -                      | -                 |
| FWR Holding Corporation                   | 2/28/2021                           | 7,093                  | (71 )             | -                                   | -                      | -                 |
| Associations, Inc.                        | 7/30/2021                           | 2,156                  | (22 )             | 7/30/2021                           | 2,696                  | (27 )             |
| Netvoyage Corporation                     | 3/24/2022                           | 610                    | (11 )             | 3/24/2022                           | 610                    | (8 )              |
| VRC Companies, LLC                        | 3/31/2022                           | 91                     | (1 )              | 3/31/2022                           | 122                    | (1 )              |
| Diligent Corporation                      | 4/14/2022                           | 216                    | (3 )              | 4/14/2022                           | 1,080                  | (14 )             |
| Continuum Managed Services LLC            | 6/8/2022                            | 2,000                  | (30 )             | 6/8/2022                            | 2,000                  | (40 )             |
| DDS USA Holding, Inc.                     | 6/30/2022                           | 1,533                  | (11 )             | 6/30/2022                           | 1,533                  | (12 )             |
| Xactly Corporation                        | 7/29/2022                           | 2,177                  | (33 )             | 7/29/2022                           | 2,177                  | (33 )             |
| Hygiena Borrower LLC                      | 8/26/2022                           | 550                    | (11 )             | 8/26/2022                           | 550                    | (11 )             |
| Lithium Technologies, Inc.                | 10/3/2022                           | 3,448                  | (69 )             | 10/3/2022                           | 3,448                  | (69 )             |
| Datto, Inc.                               | 12/7/2022                           | 3,529                  | -                 | 12/7/2022                           | 3,529                  | (26 )             |
| Businessolver.com, Inc.                   | 5/15/2023                           | 3,008                  | (60 )             | 5/15/2023                           | 2,256                  | (45 )             |
| Integral Ad Science, Inc.                 | 7/19/2023                           | 2,586                  | (52 )             | 7/19/2023                           | 2,586                  | (52 )             |
| FWR Holding Corporation                   | 8/21/2023                           | 1,129                  | (11 )             | 8/21/2023                           | 941                    | (19 )             |
| Picture Head Midco LLC                    | 8/31/2023                           | 2,509                  | (44 )             | 8/31/2023                           | 2,509                  | (51 )             |
| Gastro Health Holdco, LLC                 | 9/4/2023                            | 2,900                  | (58 )             | 9/4/2023                            | 2,900                  | (58 )             |
| Empirix, Inc.                             | 9/25/2023                           | 1,800                  | (31 )             | 9/25/2023                           | 1,800                  | (32 )             |
| SPay, Inc.                                | 6/17/2024                           | 978                    | (34 )             | 6/17/2024                           | 435                    | (11 )             |
| Associations, Inc.                        | 7/30/2024                           | 836                    | (8 )              | 7/30/2024                           | 836                    | (8 )              |
| Fenergo Finance 3 Limited(3)              | 9/5/2024                            | 2,468                  | (139 )            | 9/5/2024                            | 2,521                  | (87 )             |
| Fenergo Finance 3 Limited                 | 9/5/2024                            | 1,683                  | (34 )             | 9/5/2024                            | 1,683                  | (34 )             |
| iCIMS, Inc.                               | 9/12/2024                           | 2,662                  | (53 )             | 9/12/2024                           | 2,662                  | (53 )             |
| MMIT Holdings, LLC                        | 11/15/2024                          | 4,525                  | (90 )             | 11/15/2024                          | 3,620                  | (72 )             |
| Wrike, Inc.                               | 12/31/2024                          | 2,300                  | (46 )             | 12/31/2024                          | 2,300                  | (46 )             |
| Apptio, Inc.                              | 1/10/2025                           | 3,160                  | (63 )             | 1/10/2025                           | 3,097                  | -                 |
| Apptio, Inc.                              | -                                   | -                      | -                 | 1/10/2025                           | 37,161                 | -                 |
| Mailgun Technologies, Inc.                | 3/26/2025                           | 2,230                  | (45 )             | -                                   | -                      | -                 |
| Internet Truckstop Group, LLC             | 4/2/2025                            | 31,727                 | -                 | -                                   | -                      | -                 |
| Internet Truckstop Group, LLC             | 4/2/2025                            | 2,535                  | -                 | -                                   | -                      | -                 |
| <b>Total 1st Lien/Senior Secured Debt</b> |                                     | <b>\$ 179,611</b>      | <b>\$(1,704 )</b> |                                     | <b>\$ 123,307</b>      | <b>\$(1,500 )</b> |
| <b>1st Lien/Last-Out Unitranche</b>       |                                     |                        |                   |                                     |                        |                   |
| Intelligent Document Solutions, Inc.      | 2/28/2020                           | \$ 3,940               | \$(118 )          | 2/28/2020                           | \$ 7,880               | \$(236 )          |
| <b>Total 1st Lien/Last-Out Unitranche</b> |                                     | <b>\$ 3,940</b>        | <b>\$(118 )</b>   |                                     | <b>\$ 7,880</b>        | <b>\$(236 )</b>   |
| <b>2nd Lien/Senior Secured Debt</b>       |                                     |                        |                   |                                     |                        |                   |
| RSC Acquisition, Inc.                     | 3/5/2020                            | \$ 6,100               | \$(61 )           | 3/5/2020                            | \$ 6,100               | \$(61 )           |
| USRP Holdings, Inc.                       | 3/29/2020                           | 816                    | (10 )             | 3/29/2020                           | 816                    | (10 )             |
| Chase Industries, Inc.                    | 5/11/2020                           | 6,100                  | (198 )            | 5/11/2020                           | 6,100                  | (198 )            |
| Hygiena Borrower LLC                      | 6/29/2020                           | 823                    | (15 )             | 6/29/2020                           | 823                    | (15 )             |
| Genesis Acquisition Co.                   | 7/31/2020                           | 2,469                  | (69 )             | 7/31/2020                           | 2,469                  | (69 )             |
| <b>Total 2nd Lien/Senior Secured Debt</b> |                                     | <b>\$ 16,308</b>       | <b>\$(353 )</b>   |                                     | <b>\$ 16,308</b>       | <b>\$(353 )</b>   |
| <b>Total</b>                              |                                     | <b>\$ 199,859</b>      | <b>\$(2,175 )</b> |                                     | <b>\$ 147,495</b>      | <b>\$(2,089 )</b> |

(1) Commitments are generally subject to borrowers meeting certain criteria such as compliance with covenants and certain operational metrics. These amounts may remain outstanding until the commitment period of an applicable loan expires, which may be shorter than its maturity.

- (2) A negative fair value was reflected as investments, at fair value in the Consolidated Statements of Assets and Liabilities. The negative fair value is the result of the capitalized discount on the loan.
- (3) Unfunded commitments denominated in currencies other than U.S. dollars have been converted to U.S. dollars using the applicable foreign currency exchange rate as of March 31, 2019 and December 31, 2018.

## Contingencies

In the normal course of business, the Company enters into contracts that provide a variety of general indemnifications. Any exposure to the Company under these arrangements could involve future claims that may be made against the Company. Currently, no such claims exist or are expected to arise and, accordingly, the Company has not accrued any liability in connection with such indemnifications.

## 9. NET ASSETS

### Capital Drawdowns

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, 2019:

| Share Issue Date               | Shares Issued    | Proceeds Received |
|--------------------------------|------------------|-------------------|
| March 25, 2019                 | 4,286,182        | \$ 82,610         |
| <b>Total capital drawdowns</b> | <b>4,286,182</b> | <b>\$ 82,610</b>  |

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, 2018:

| Share Issue Date               | Shares Issued    | Proceeds Received |
|--------------------------------|------------------|-------------------|
| March 26, 2018                 | 2,700,602        | \$ 51,856         |
| <b>Total capital drawdowns</b> | <b>2,700,602</b> | <b>\$ 51,856</b>  |

### Distributions

The following table reflects the distributions declared on shares of the Company's common stock for the three months ended March 31, 2019:

| Date Declared     | Record Date    | Payment Date   | Amount Per Share |
|-------------------|----------------|----------------|------------------|
| February 28, 2019 | March 15, 2019 | April 30, 2019 | \$0.43           |

The following table reflects the distributions declared on shares of the Company's common stock for the three months ended March 31, 2018:

| Date Declared | Record Date    | Payment Date   | Amount Per Share |
|---------------|----------------|----------------|------------------|
| March 1, 2018 | March 15, 2018 | April 30, 2018 | \$0.43           |

## 10. EARNINGS PER SHARE

The following information sets forth the computation of basic and diluted earnings per share for the three months ended March 31, 2019 and 2018:

|   | For the Three Months Ended |                   |
|---|----------------------------|-------------------|
|   | March 31,<br>2019          | March 31,<br>2018 |
| Numerator for basic and diluted earnings per share - increase in net assets resulting from operations | \$7,653                    | \$12,221          |
| Denominator for basic and diluted earnings per share - weighted average shares outstanding            | 43,338,250                 | 24,428,499        |
| Basic and diluted earnings per share  | \$0.18                     | \$0.50            |

Diluted earnings per share equal basic earnings per share because there were no common share equivalents outstanding during the period presented.

## 11. FINANCIAL HIGHLIGHTS

Below is the schedule of financial highlights of the Company for the three months ended March 31, 2019 and 2018:

|  | For the Three Months<br>Ended<br>March 31, 2019 | For the Three Months<br>Ended<br>March 31, 2018 |
|--|---|---|
| <b>Per Share Data:(1)</b>  |   |   |
| NAV, beginning of period   | \$ 19.07  | \$ 18.89  |
| Net investment income (loss)   | 0.36  | 0.45  |
| Net realized and unrealized gains (losses)(2)  | (0.14 )   | 0.10  |
| Income tax provision, realized and unrealized gains  | (0.00 )(7)                                      | (0.02 )   |
| Net increase (decrease) in net assets resulting from operations(2)                                       | 0.22  | 0.53  |
| Distributions declared from net investment income(3)   | (0.43 )   | (0.43 )   |
| Total increase (decrease) in net assets  | (0.21 )   | 0.10  |
| NAV, end of period   | \$ 18.86  | \$ 18.99  |
| Shares outstanding, end of period  | 47,291,062                                      | 26,949,061                                      |
| Weighted average shares outstanding  | 43,338,250                                      | 24,428,499                                      |
| Total return based on NAV(4)   | 1.15%   | 2.81%   |
| <b>Ratio/Supplemental Data (all amounts in thousands except ratios):</b>                                 |   |   |
| Net assets, end of period  | \$ 891,925                                      | \$ 511,778                                      |
| Ratio of net expenses to average net assets(5)   | 7.25%   | 3.43%   |
| Ratio of expenses (without incentive fees and interest and other debt expenses) to average net assets(5) | 2.12%   | 2.27%   |
| Ratio of interest and other debt expenses to average net assets(5)                                       | 2.18%   | 1.11%   |
| Ratio of incentive fees to average net assets(5)   | 2.95%   | 0.05%   |
| Ratio of total expenses to average net assets(5)   | 7.25%   | 3.43%   |
| Ratio of net investment income (loss) to average net assets(5)   | 7.80%   | 9.92%   |
| Average debt outstanding   | \$ 355,006                                      | \$ 92,511                                       |
| Average debt per share(6)  | \$ 8.19   | \$ 3.79   |
| Portfolio turnover   | 2%  | 6%  |

- (1) The per share data was derived by using the weighted average shares outstanding during the applicable period.
- (2) For the three months ended March 31, 2019 and 2018, the amount shown may not correspond with the aggregate amount for the period as it includes the effect of the timing of the distribution.
- (3) The per share data for distributions declared reflects the actual amount of distributions declared per share for the applicable period.
- (4) Total return based on NAV is calculated as the change in NAV per share during the period plus dividends declared per share, divided by the beginning NAV per share.
- (5) Annualized, except for, as applicable, unvested Incentive Fees and certain operating expenses.
- (6) Average debt per share is calculated as average debt outstanding divided by the weighted average shares outstanding during the applicable period.
- (7) Amount rounds to \$(0.00).

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## 12. SUBSEQUENT EVENTS

Subsequent events after the Consolidated Statements of Assets and Liabilities date have been evaluated through the date the unaudited consolidated financial statements were issued. Other than the items discussed below, the Company has concluded that there is no impact requiring adjustment or disclosure in the consolidated financial statements.

On May 9, 2019, the Board of Directors declared a distribution of \$0.43 per share payable on July 31, 2019 to stockholders of record as of June 14, 2019.

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## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and other parts of this report contain forward-looking information that involves risks and uncertainties. References to "we," "us," "our," and the "Company," mean Goldman Sachs Middle Market Lending Corp., unless otherwise specified. The terms "GSAM," our "Adviser" or our "Investment Adviser" refer to Goldman Sachs Asset Management, L.P., a Delaware limited partnership. The term "Group Inc." refers to The Goldman Sachs Group, Inc. The term "Goldman Sachs" refers to Group Inc., together with Goldman Sachs & Co. LLC (including its predecessors, "GS & Co."), GSAM and its other subsidiaries and affiliates. The discussion and analysis contained in this section refers to our financial condition, results of operations and cash flows. The information contained in this section should be read in conjunction with the consolidated financial statements and notes thereto appearing elsewhere in this report. Please see "Cautionary Statement Regarding Forward-Looking Statements" for a discussion of the uncertainties, risks and assumptions associated with this discussion and analysis. Our actual results could differ materially from those anticipated by such forward-looking information due to factors discussed under "Cautionary Statement Regarding Forward-Looking Statements" appearing elsewhere in this report.*

### OVERVIEW

We are a specialty finance company focused on lending to middle-market companies. We are a closed-end management investment company that has elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "Investment Company Act"). In addition, we have elected to be treated, and expect to qualify annually, as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"), commencing with our taxable year ended December 31, 2017. From our commencement of operations on January 11, 2017 through March 31, 2019, we originated \$1.58 billion in aggregate principal amount of debt and equity investments prior to any subsequent exits and repayments. We seek to generate current income and, to a lesser extent, capital appreciation primarily through direct originations of secured debt, including first lien, unitranche, including last out portions of such loans, and second lien debt, and unsecured debt, including mezzanine debt, as well as through select equity investments. "Unitranche" loans are first lien loans that may extend deeper in a company's capital structure than traditional first lien debt and may provide for a waterfall of cash flow priority between different lenders in the unitranche loan. In a number of instances, we may find another lender to provide the "first out" portion of such loan and retain the "last out" portion of such loan, in which case, the "first out" portion of the loan would generally receive priority with respect to payment of principal, interest and any other amounts due thereunder over the "last out" portion that we would continue to hold. In exchange for the greater risk of loss, the "last out" portion generally earns a higher interest rate than the "first-out" portion. We use the term "mezzanine" to refer to debt that ranks senior only to a borrower's equity securities and ranks junior in right of payment to all of such borrower's other indebtedness. We may make multiple investments in the same portfolio company.

We expect to invest, under normal circumstances, at least 80% of our net assets (plus any borrowings for investment purposes), directly or indirectly in middle-market corporate credit obligations and related instruments; including other income-producing assets. We define "credit obligations and related instruments" for this purpose as any fixed-income instrument, including loans to, and bonds and preferred stock of, portfolio companies and other instruments that provide exposure to such fixed-income instruments. "Middle market" is used to refer to companies with between \$5 million and \$125 million of annual earnings before interest expense, income tax expense, depreciation and amortization ("EBITDA") excluding certain one-time and non-recurring items that are outside the operations of these companies. We expect to invest primarily in U.S. middle-market companies, which we believe are underserved by traditional providers of capital such as banks and the public debt markets. However, we may from time to time invest opportunistically in large U.S. companies, non-U.S. companies, stressed or distressed debt, structured products, private equity or other opportunities, subject to limits imposed by the Investment Company Act. In addition, as a result of fluctuations in the value of one asset relative to another asset, middle-market credit obligations and related instruments may represent less than 80% of our net assets (plus any borrowings for investment purposes) at any time. Investors will be notified at least 60 days prior to any change to our 80% investment policy described above.

We expect to directly or indirectly invest at least 70% of our total assets in middle-market companies domiciled in the United States. However, we may from time to time invest opportunistically in large U.S. companies, non-U.S. companies, stressed or distressed debt, structured products, private equity or other opportunities, subject to limits imposed by the Investment Company Act.

While our investment program is expected to focus primarily on debt investments, our investments may include equity features, such as a direct investment in the equity or convertible securities of a portfolio company or warrants or options to buy a minority interest in a portfolio company. Any warrants we may receive with debt securities will generally require only a nominal cost to exercise, so as a portfolio company appreciates in value, we may achieve additional investment return from these equity investments. We may structure the warrants to provide provisions protecting our rights as a minority-interest holder, as well as puts, or rights to sell such securities back to the portfolio company, upon the occurrence of specified events. In many cases, we may also obtain registration rights in connection with these equity investments, which may include demand and "piggyback" registration rights.

The investment period commenced on December 29, 2016 (the “Initial Closing Date”) and will continue until September 29, 2019, provided that it may be extended by the board of directors (the “Board of Directors”), in its discretion, for one additional six-month period, and, with the approval of a majority-in-interest of the stockholders, for up to one additional year thereafter (such period, including any extensions, the “Investment Period”). In addition, the Board of Directors may terminate the Investment Period at any time in its discretion.

We will continue to operate as a private BDC reporting company, until the earlier of the following events, each referred to as an “Exit Event”: (i) any listing of our shares of common stock on a national securities exchange (a “listing”), including in connection with an initial public offering (“IPO”), (ii) merger with another entity, including an affiliated company, subject to any limitations under the Investment Company Act or (iii) the sale of all or substantially all of our assets. If we have not consummated an Exit Event by the sixth anniversary of the Final Closing Date, the Board of Directors (to the extent consistent with its fiduciary duties and subject to any necessary stockholder approvals and applicable requirements of the Investment Company Act and the Code) will meet to consider our potential wind down and/or liquidation and dissolution.



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For a discussion of the competitive landscape we face, please see “Item 1A. Risk Factors–Risks Relating to Our Business and Structure– We operate in a highly competitive market for investment opportunities” and “Item 1. Business–Competitive Advantages” in our annual report on Form 10-K for the year ended December 31, 2018.

## **KEY COMPONENTS OF OPERATIONS**

### ***Investments***

Our level of investment activity can and does 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, the amount of capital we have available to us and the competitive environment for the type of investments we make.

As a BDC, we may not acquire any assets other than “qualifying assets” specified in the Investment Company Act, unless, at the time the acquisition is made, at least 70% of our total assets are qualifying assets (with certain limited exceptions). Qualifying assets include investments in “eligible portfolio companies.” Pursuant to rules adopted by the U.S. Securities and Exchange Commission (the “SEC”), “eligible portfolio companies” include certain companies that do not have any securities listed on a national securities exchange and public companies whose securities are listed on a national securities exchange but whose market capitalization is less than \$250 million.

### ***Revenues***

We generate revenues in the form of interest income on debt investments and, to a lesser extent, capital gains and distributions, if any, on equity securities that we may acquire in portfolio companies. Some of our investments may provide for deferred interest payments or payment-in-kind (“PIK”) interest. The principal amount of the debt investments and any accrued but unpaid interest generally becomes due at the maturity date.

We generate revenues primarily through receipt of interest income from the investments we hold. In addition, we may generate revenue in the form of commitment, origination, structuring, syndication, exit fees or diligence fees, fees for providing managerial assistance and consulting fees. Portfolio company fees (directors’ fees, consulting fees, administrative fees, tax advisory fees and other similar compensation) will be paid to us, unless, to the extent required by applicable law or exemptive relief, if any, therefrom, we receive our allocable portion of such fees when invested in the same portfolio company as other client accounts managed by our Investment Adviser (including Goldman Sachs BDC, Inc. (“GS BDC”), Goldman Sachs Private Middle Market Credit LLC (“GS PMMC”), and Goldman Sachs Private Middle Market Credit II LLC (“GS PMMC II”), collectively with other client accounts managed by our Investment Adviser, the “Accounts”), which other Accounts could receive their allocable portion of such fee. We do not expect to receive material fee income as it is not our principal investment strategy. We record contractual prepayment premiums on loans and debt securities as interest income.

Dividend income on preferred equity investments is recorded on an 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 investments is recorded on the record date for private portfolio companies and on the ex-dividend date for publicly traded portfolio companies. Interest and dividend income are presented net of withholding tax, if any.

### ***Expenses***

Our primary operating expenses include the payment of the management fee (the “Management Fee”) and the incentive fee (the “Incentive Fee”) to our Investment Adviser, legal and professional fees, interest and other debt expenses and other operating and overhead related expenses. The Management Fee and Incentive Fee compensate our Investment Adviser for its work in identifying, evaluating, negotiating, closing and monitoring our investments. We bear all other costs and expenses of our operations and transactions in accordance with our investment management agreement (the “Investment Management Agreement”) and administration agreement (the “Administration Agreement”), including those relating to:

- our operational and organizational expenses;

- fees and expenses, including travel expenses, incurred by our Investment Adviser or payable to third parties related to our investments, including, among others, professional fees (including the fees and expenses of consultants and experts) and fees and expenses from evaluating, monitoring, researching and performing due diligence on investments and prospective investments;

- interest, fees and other expenses payable on indebtedness for borrowed money (including through the issuance of notes and other evidence of indebtedness), other indebtedness, financings or extensions of credit, if any, incurred by us;

- fees and expenses incurred by us in connection with membership in investment company organizations;

brokers' commissions;

fees and expenses associated with calculating our net asset value ("NAV") (including the costs and expenses of any independent valuation firm);

legal, auditing or accounting expenses;

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taxes or governmental fees;

the fees and expenses of our administrator, transfer agent, or sub-transfer agent;

the cost of preparing stock certificates or any other expenses, including clerical expenses of issue, redemption or repurchase of the shares;

the expenses of, and fees for, registering or qualifying common stock for sale, maintaining our registration and qualifying and registering us as a broker or a dealer;

the fees and expenses of our independent directors;

the cost of preparing and distributing reports, proxy statements and notices to holders of our equity interests, the SEC and other regulatory authorities;

costs of holding stockholders meetings;

listing fees, if any;

the fees or disbursements of custodians of our assets, including expenses incurred in the performance of any obligations enumerated by our organizational documents insofar as they govern agreements with any such custodian;

insurance premiums; and

costs incurred in connection with any claim, litigation, arbitration, mediation, government investigation or dispute in connection with our business and the amount of any judgment or settlement paid in connection therewith, or the enforcement of our rights against any person and indemnification or contribution expenses payable by us to any person and other extraordinary expenses not incurred in the ordinary course of our business.

We expect our general and administrative expenses to be relatively stable or decline as a percentage of total assets during periods of asset growth and to increase during periods of asset declines.

### ***Leverage***

We expect from time to time to borrow funds for a variety of purposes, subject to the limitations of the Investment Company Act, including to bridge fundings for investments in advance of drawdowns, as part of our investment strategy, to meet other short-term liquidity needs, including to pay the Management Fee, and to facilitate our hedging activities. Sources of leverage include the issuance of senior securities (including preferred stock) and other credit facilities (secured by Investments and/or pledges of Undrawn Commitments). We have entered into a revolving credit facility with SunTrust Bank, as administrative agent (the "SunTrust Revolving Credit Facility"), which allows us to borrow money and lever our investment portfolio, subject to the limitations of the Investment Company Act, with the objective of increasing our yield. This is known as "leverage" and could increase or decrease returns to our stockholders. The use of leverage involves significant risks.

As a BDC, with certain limited exceptions, we are only permitted to borrow amounts such that our asset coverage ratio, as defined in the Investment Company Act, equals at least 200% after such borrowing (or 150% if certain requirements are met). As of March 31, 2019 and December 31, 2018, our asset coverage ratio based on the aggregate amount outstanding of our senior securities was 356% and 381%, respectively. The Small Business Credit Availability Act modified the applicable provisions of the Investment Company Act to reduce the required asset coverage ratio applicable to BDCs to 150%, subject to certain approval and disclosure requirements and, in the case of BDCs without common equity listed on a national securities exchange, such as us, an offer to repurchase shares held by the BDC's stockholders as of the date the requisite approval is obtained. Under the legislation, BDCs are able to increase their leverage capacity if shareholders approve a proposal to do so. If a BDC receives shareholder approval, it would be allowed to increase its leverage capacity on the first day after such approval. Alternatively, the legislation allows the majority of the directors who are not "interested persons," as defined in the Investment Company Act, of the BDC to approve an increase in its leverage capacity, and such approval would become effective after one year.

Certain trading practices and investments, such as reverse repurchase agreements, may be considered borrowings or involve leverage and thus may be subject to Investment Company Act restrictions. In accordance with applicable SEC staff guidance and interpretations, when we engage in such transactions, instead of maintaining an asset coverage ratio of at least 200% (or 150% if the above referenced requirements are met), we may segregate or earmark liquid assets, or enter into an offsetting position, in an amount at least equal to our exposure, on a mark-to-market basis, to such transactions (as calculated pursuant to requirements of the SEC). Short-term credits necessary for the settlement of securities transactions and arrangements with respect to securities lending will not be considered borrowings for these purposes. Practices and investments that may involve leverage but are not considered borrowings are not subject to the Investment Company Act's asset coverage requirement and we will not otherwise segregate or earmark liquid assets or enter into

offsetting positions for such transactions. The amount of leverage that we employ will depend on our Investment Adviser' s and our Board of Directors' assessment of market conditions and other factors at the time of any proposed borrowing.

## PORTFOLIO AND INVESTMENT ACTIVITY

As of March 31, 2019 and December 31, 2018, our portfolio consisted of the following:

|                                 | As of             |                   |   |                   |                   |   |
|---------------------------------|-------------------|-------------------|---|-------------------|-------------------|---|
|                                 | March 31, 2019    |                   |   | December 31, 2018 |                   |   |
|                                 | Amortized Cost    | Fair Value        | Percentage of Total Portfolio at Fair Value | Amortized Cost    | Fair Value        | Percentage of Total Portfolio at Fair Value |
|                                 | (\$ in millions)  |                   |   | (\$ in millions)  |                   |   |
| First Lien/Senior Secured Debt  | \$771.76          | \$769.14          | 61.7 %                                      | \$646.33          | \$644.91          | 58.2 %                                      |
| First Lien/Last-Out Unitranche  | 94.43             | 94.41             | 7.6   | 90.48             | 90.58             | 8.2   |
| Second Lien/Senior Secured Debt | 377.38            | 362.71            | 29.1  | 359.04            | 353.77            | 32.0  |
| Preferred Stock                 | 7.20              | 8.63              | 0.7   | 7.20              | 8.10              | 0.7   |
| Common Stock                    | 10.00             | 10.70             | 0.9   | 10.00             | 9.83              | 0.9   |
| <b>Total Investments</b>        | <b>\$1,260.77</b> | <b>\$1,245.59</b> | <b>100.0 %</b>                              | <b>\$1,113.05</b> | <b>\$1,107.19</b> | <b>100.0 %</b>                              |

As of March 31, 2019 and December 31, 2018, the weighted average yield on our portfolio by asset type, at amortized cost and fair value, was as follows:

|  | As of          |              |                   |              |
|--|----------------|--------------|-------------------|--------------|
|  | March 31, 2019 |              | December 31, 2018 |              |
|  | Amortized Cost | Fair Value   | Amortized Cost    | Fair Value   |
| <b>Weighted Average Yield<sup>(1)</sup></b>      |                |              |                   |              |
| First Lien/Senior Secured Debt <sup>(2)</sup>    | 9.7%           | 9.8%         | 9.9%              | 10.0%        |
| First Lien/Last-Out Unitranche <sup>(2)(4)</sup> | 10.8           | 10.8         | 11.0              | 10.9         |
| Second Lien/Senior Secured Debt <sup>(2)</sup>   | 10.8           | 11.4         | 11.2              | 11.5         |
| Preferred Stock <sup>(3)</sup>                   | -              | -            | -                 | -            |
| Common Stock <sup>(3)</sup>                      | -              | -            | -                 | -            |
| <b>Total Portfolio</b>                           | <b>10.0%</b>   | <b>10.2%</b> | <b>10.3%</b>      | <b>10.4%</b> |

- (1) The weighted average yield of our portfolio does not represent the total return to our stockholders.
- (2) Computed based on (a) the annual actual interest rate or yield earned plus amortization of fees and discounts on the performing debt and other income producing investments as of the reporting date, divided by (b) the total investments (including investments on non-accrual and non-income producing investments) at amortized cost or fair value, respectively.
- (3) Computed based on the (a) stated coupon rate, if any, for each income-producing investment, divided by (b) the total investments (including investments on non-accrual and non-income producing investments) at amortized cost or fair value, respectively.
- (4) The calculation includes incremental yield earned on the “last-out” portion of the unitranche loan investments.

The following table presents certain selected information regarding our investment portfolio as of March 31, 2019 and December 31, 2018:

|  | As of           |                   |
|--|-----------------|-------------------|
|  | March 31, 2019  | December 31, 2018 |
| Number of portfolio companies  | 62              | 55                |
| Percentage of performing debt bearing a floating rate <sup>(1)</sup> | 100.0%          | 100.0%            |
| Percentage of performing debt bearing a fixed rate <sup>(1)(2)</sup> | 0.0%            | 0.0%              |
| Weighted average leverage (net debt/EBITDA) <sup>(3)</sup>           | 5.7x            | 5.7x              |
| Weighted average interest coverage <sup>(3)</sup>                    | 2.1x            | 2.1x              |
| Median EBITDA <sup>(3)</sup>   | \$38.41 million | \$45.11 million   |

- (1) Measured on a fair value basis. Excludes investments, if any, placed on non-accrual.
- (2) Includes income producing preferred stock investments, if applicable.

- (3) For a particular portfolio company, we calculate the level of contractual indebtedness net of cash (“net debt”) owed by the portfolio company and compare that amount to measures of cash flow available to service the net debt. To calculate net debt, we include debt that is both senior and pari passu to the tranche of debt owned by us but exclude debt that is legally and contractually subordinated in ranking to the debt owned by us. We believe this calculation method assists in describing the risk of our portfolio investments, as it takes into consideration contractual rights of repayment of the tranche of debt owned by us relative to other senior and junior creditors of a portfolio company. We typically calculate cash flow available for debt service at a portfolio company by taking EBITDA for the trailing twelve month period. Weighted average net debt to EBITDA is weighted based on the fair value of our debt investments, excluding investments where net debt to EBITDA may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

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

Median EBITDA is based on our debt investments, excluding investments where net debt to EBITDA may not be the appropriate measure of credit risk, such as cash collateralized loans and investments that are underwritten and covenanted based on recurring revenue.

Portfolio company statistics are derived from the most recently available financial statements of each portfolio company as of the reported end date. Statistics of the portfolio companies have not been independently verified by us and may reflect a normalized or adjusted amount. As of March 31, 2019 and December 31, 2018, investments where net debt to EBITDA may not be the appropriate measure of credit risk represented 31.5% and 32.5%, respectively, of total debt investments at fair value. Portfolio company statistics are derived from the most recently available financial statements of each portfolio company as of the respective reported end date. Portfolio company statistics have not been independently verified by us and may reflect a normalized or adjusted amount.

Floating rates are primarily London InterBank Offered Rate (“LIBOR”) plus a spread.

Our Investment Adviser monitors our portfolio companies on an ongoing basis. It monitors the financial trends of each portfolio company to determine if it is meeting its respective business plan and to assess the appropriate course of action for each company. Our Investment Adviser has several methods of evaluating and monitoring the performance and fair value of our investments, which may include the following:

- assessment of success in adhering to the portfolio company’s business plan and compliance with covenants;
- periodic or regular contact with portfolio company management and, if appropriate, the financial or strategic sponsor to discuss financial position, requirements and accomplishments;
- comparisons to our other portfolio companies in the industry, if any;
- attendance at and participation in board meetings or presentations by portfolio companies; and
- review of monthly and quarterly financial statements and financial projections of portfolio companies.

As part of the monitoring process, our Investment Adviser also employs an investment rating system to categorize our investments. In addition to various risk management and monitoring tools, our Investment Adviser grades the credit risk of all investments on a scale of 1 to 4 no less frequently than quarterly. This system is intended primarily to reflect the underlying risk of a portfolio investment relative to our initial cost basis in respect of such portfolio investment (e.g. at the time of origination or acquisition), although it may also take into account in certain circumstances the performance of the portfolio company’s business, the collateral coverage of the investment and other relevant factors. The grading system is as follows:

- investments with a grade of 1 involve the least amount of risk to our initial cost basis. The trends and risk factors for this investment since origination or acquisition are generally favorable, which may include the performance of the portfolio company or a potential exit;
- investments with a grade of 2 involve a level of risk to our initial cost basis that is similar to the risk to our initial cost basis at the time of origination or acquisition. This portfolio company is generally performing as expected and the risk factors to our ability to ultimately recoup the cost of our investment are neutral to favorable. All investments or acquired investments in new portfolio companies are initially assessed a grade of 2;
- investments with a grade of 3 indicate that the risk to our ability to recoup the initial cost basis of such investment has increased materially since origination or acquisition, including as a result of factors such as declining performance and non-compliance with debt covenants; however, payments are generally not more than 120 days past due; and
- investments with a grade of 4 indicate that the risk to our ability to recoup the initial cost basis of such investment has substantially increased since origination or acquisition, and the portfolio company likely has materially declining performance. For debt investments with an investment grade of 4, in most cases, most or all of the debt covenants are out of compliance and payments are substantially delinquent. For investments graded 4, it is anticipated that we will not recoup our initial cost basis and may realize a substantial loss of our initial cost basis upon exit.

Our Investment Adviser grades the investments in our portfolio at least quarterly and it is possible that the grade of a portfolio investment may be reduced or increased over time. For investments graded 3 or 4, our Investment Adviser enhances its level of scrutiny over the monitoring of such portfolio company. The following table shows the composition of our portfolio on the 1 to 4 grading scale as of March 31, 2019 and December 31, 2018:

| Investment<br>Performance Rating | As of                          |   |                                |   |
|----------------------------------|--------------------------------|---|--------------------------------|---|
|                                  | March 31, 2019                 |   | December 31, 2018              |   |
|                                  | Fair Value<br>(in<br>millions) | Percentage<br>of Total<br>Portfolio<br>at Fair<br>Value | Fair Value<br>(in<br>millions) | Percentage<br>of Total<br>Portfolio<br>at Fair<br>Value |
| Grade 1                          | \$52.42                        | 4.2 %   | \$-                            | - %   |
| Grade 2                          | 1,191.58                       | 95.7  | 1,097.23                       | 99.1  |
| Grade 3                          | 0.41                           | 0.0   | 9.96                           | 0.9   |
| Grade 4                          | 1.18                           | 0.1   | -                              | -   |
| <b>Total Investments</b>         | <b>\$1,245.59</b>              | <b>100.0 %</b>  | <b>\$1,107.19</b>              | <b>100.0 %</b>  |

The increase in investments with a grade 1 investment performance rating as of March 31, 2019 compared to December 31, 2018 was driven by one portfolio company with an aggregate fair value of \$52.42 million being upgraded due to a potential exit. The increase in investments with a grade 2 investment performance rating as of March 31, 2019 compared to December 31, 2018 was primarily driven by an increase in net investment activity. The decrease in investments with a grade 3 investment performance rating as of March 31, 2019 compared to December 31, 2018 was driven by one investment with a fair value of \$1.18 million being downgraded to grade 4 investment performance rating due to its placement on non-accrual status, partially offset by one investment with a fair value of \$0.23 million being downgraded to grade 3 investment performance rating due to financial underperformance. The increase in investments with a grade 4 investment performance rating as of March 31, 2019 compared to December 31, 2018 was driven by one investment with a fair value of \$1.18 million being placed on non-accrual status due to financial underperformance.

The following table shows the amortized cost of our performing and non-accrual investments as of March 31, 2019 and December 31, 2018:

|                          | As of                                 |  |                                       |  |
|--------------------------|---------------------------------------|--|---------------------------------------|--|
|                          | March 31, 2019                        |  | December 31, 2018                     |  |
|                          | Amortized<br>Cost<br>(in<br>millions) | Percentage<br>of Total<br>Portfolio<br>at<br>Amortized<br>Cost | Amortized<br>Cost<br>(in<br>millions) | Percentage<br>of Total<br>Portfolio<br>at<br>Amortized<br>Cost |
| Performing               | \$1,249.16                            | 99.1 %   | \$1,113.05                            | 100.0 %  |
| Non-accrual              | 11.61                                 | 0.9  | -                                     | -  |
| <b>Total Investments</b> | <b>\$1,260.77</b>                     | <b>100.0 %</b>   | <b>\$1,113.05</b>                     | <b>100.0 %</b>   |

Investments are placed on non-accrual status when it is probable that principal, interest or dividends will not be collected according to the contractual terms. Accrued interest or dividends generally are reversed when an investment is placed on non-accrual status. Interest or dividend payments received on non-accrual investments may be recognized as income or applied to principal depending upon management's judgment. Non-accrual investments are restored to accrual status when past due principal and interest or dividends are paid and, in management's judgment, principal and interest or dividend payments are likely to remain current. We may make exceptions to this treatment if the loan has sufficient collateral value and is in the process of collection.

The following table shows our investment activity for the three months ended March 31, 2019 and 2018 by investment type:

|   | For the Three<br>Months Ended<br>March 31, 2019 | For the Three<br>Months Ended<br>March 31, 2018 |
|---|---|---|
|   | (\$ in millions)                                |   |
| <b>New investment commitments at cost:</b>  |   |   |
| Gross originations  | \$ 219.88                                       | \$ 137.67                                       |
| Less: Syndications <sup>(1)</sup>   | -   | -   |
| Net amount of new investments committed at cost:  | \$ 219.88                                       | \$ 137.67                                       |
| Amount of investments committed at cost <sup>(2)</sup>  |   |   |
| First Lien/Senior Secured Debt  | \$ 194.58                                       | \$ 25.28  |
| First Lien/Last-Out Unitranche  | -   | 74.38   |
| Second Lien/Senior Secured Debt   | 25.30   | 36.21   |
| Preferred Stock   | -   | -   |
| Common Stock  | -   | 1.80  |
| <b>Total</b>  | <b>\$ 219.88</b>                                | <b>\$ 137.67</b>                                |
| <b>Proceeds from investments sold or repaid<sup>(9)</sup>:</b>  |   |   |
| First Lien/Senior Secured Debt  | \$ 10.12  | \$ 3.80   |
| First Lien/Last-Out Unitranche  | 0.11  | 21.80   |
| Second Lien/Senior Secured Debt   | 7.20  | 8.37  |
| Preferred Stock   | -   | -   |
| Common Stock  | -   | 1.79  |
| <b>Total</b>  | <b>\$ 17.43</b>                                 | <b>\$ 35.76</b>                                 |
| <b>Net increase (decrease) in portfolio</b>   | <b>\$ 202.45</b>                                | <b>\$ 101.91</b>                                |
| <b>Number of new portfolio companies with new investment commitments<sup>(3)</sup></b>                    | <b>8</b>  | <b>5</b>  |
| <b>Total new investment commitment amount in new portfolio companies<sup>(3)</sup></b>                    | <b>\$ 185.20</b>                                | <b>\$ 47.88</b>                                 |
| <b>Average new investment commitment amount in new portfolio companies<sup>(3)</sup></b>                  | <b>\$ 23.15</b>                                 | <b>\$ 9.58</b>                                  |
| <b>Number of existing portfolio companies with new investment commitments<sup>(3)</sup></b>               | <b>5</b>  | <b>6</b>  |
| <b>Total new investment commitment amount in existing portfolio companies<sup>(3)</sup></b>               | <b>\$ 34.68</b>                                 | <b>\$ 89.78</b>                                 |
| <b>Weighted average remaining term for new investment commitments (in years)<sup>(3)(4)</sup></b>         | <b>5.7</b>                                      | <b>5.6</b>                                      |
| <b>Percentage of new debt investment commitments at floating interest rates<sup>(3)(10)</sup></b>         | <b>100.0%</b>                                   | <b>99.3%</b>                                    |
| <b>Percentage of new debt investment commitments at fixed interest rates<sup>(3)(10)</sup></b>            | <b>- %</b>                                      | <b>0.7%</b>                                     |
| <b>Weighted average yield on new debt and income producing investment commitments<sup>(2)(3)(5)</sup></b> | <b>8.9%</b>                                     | <b>10.4%</b>                                    |
| <b>Weighted average yield on new investment commitments<sup>(2)(3)(6)</sup></b>                           | <b>8.9%</b>                                     | <b>10.2%</b>                                    |
| <b>Weighted average yield on debt and income producing investments sold or paid down<sup>(7)(9)</sup></b> | <b>10.8%</b>                                    | <b>9.8%</b>                                     |
| <b>Weighted average yield on investments sold or paid down<sup>(8)(9)</sup></b>                           | <b>10.8%</b>                                    | <b>9.3%</b>                                     |

(1) Only includes syndications, if any, that occurred at the initial close of the investment.

(2) Net of capitalized fees, expenses and original issue discount ("OID") that occurred at the initial close of the investment.

(3) May include positions originated during the period but not held at the reporting date.

(4) Calculated as of the end of the relevant period and the maturity date of the individual investments.

(5) Computed based on (a) the annual actual interest rate on new debt and income producing investment commitments, divided by (b) the total new debt and income producing investment commitments. The calculation includes incremental yield earned on the "last-out" portion of the unitranche loan investments and excludes investments that are non-accrual. The annual actual interest rate used is as of the respective quarter end date when the investment activity occurred.

(6) Computed based on (a) the annual actual interest rate on new investment commitments, divided by (b) the total new investment commitments (including investments on non-accrual and non-income producing investments). The calculation includes incremental yield earned on the "last-out" portion of the unitranche loan investments. The annual actual interest rate used is as of the respective quarter end date when the investment activity occurred.

(7) Computed based on (a) the annual actual interest rate on debt and income producing investments sold or paid down, divided by (b) the total debt and income producing investments sold or paid down. The calculation includes incremental yield earned on the "last-out" portion of the unitranche loan investments and excludes prepayment premiums earned on exited investments and investments that are non-accrual.

(8) Computed based on (a) the annual actual interest rate on investments sold or paid down, divided by (b) the total investments sold or paid down (including investments on non-accrual and non-income producing investments). The calculation includes incremental yield earned on the "last-out" portion of the unitranche loan investments and excludes prepayment premiums earned on exited investments.

(9) Excludes unfunded commitments that may have expired or otherwise been terminated without receipt of cash proceeds or other consideration.

(10) Computed based on amount of investments committed at cost.



## RESULTS OF OPERATIONS

Our operating results for the three months ended March 31, 2019 and 2018 were as follows:

|   | For the Three Months Ended |                   |
|---|----------------------------|-------------------|
|   | March 31,<br>2019          | March 31,<br>2018 |
|   | (\$ in millions)           |                   |
| Total investment income   | \$ 30.51                   | \$ 15.23          |
| Net expenses  | (14.72 )                   | (4.26 )           |
| Net investment income before taxes  | 15.79                      | 10.97             |
| Income tax expense (benefit), including excise tax  | (0.01 )                    | -                 |
| Net investment income after taxes   | 15.80                      | 10.97             |
| Net realized gain (loss) on investments   | -                          | 1.28              |
| Net realized gain (loss) on foreign currency transactions   | 0.02                       | -                 |
| Net unrealized appreciation (depreciation) on investments   | (9.31 )                    | 0.34              |
| Net unrealized appreciation (depreciation) on foreign currency forward contracts and translations | 1.25                       | -                 |
| Income tax provision, realized and unrealized gain  | (0.11 )                    | (0.37 )           |
| <b>Net increase in net assets resulting from operations</b>                                       | <b>\$ 7.65</b>             | <b>\$ 12.22</b>   |

Net increase 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

|                                | For the Three Months Ended |                   |
|--------------------------------|----------------------------|-------------------|
|                                | March 31,<br>2019          | March 31,<br>2018 |
|                                | (\$ in millions)           |                   |
| Interest                       | \$ 30.04                   | \$ 15.03          |
| Dividend income                | 0.04                       | 0.01              |
| Other income                   | 0.43                       | 0.19              |
| <b>Total investment income</b> | <b>\$ 30.51</b>            | <b>\$ 15.23</b>   |

Interest from investments, which includes prepayment premiums and accelerated accretion of upfront loan origination fees and unamortized discounts, increased from \$15.03 million for the three months ended March 31, 2018 to \$30.04 million for the three months ended March 31, 2019, primarily due to an increase in recurring interest income, which resulted primarily from an increase in the size of our portfolio. The amortized cost of the portfolio increased from \$605.00 million as of March 31, 2018 to \$1,260.77 million as of March 31, 2019. The increase was partially offset by the placement of one investment on non-accrual status. Included in interest for the three months ended March 31, 2019 and for the three months ended March 31, 2018 is \$0.07 million and \$0.54 million, respectively, in prepayment premiums and \$0.11 million and \$0.55 million, respectively, in accelerated accretion of upfront loan origination fees and unamortized discounts.

Dividend income for the three months ended March 31, 2019 remained relatively consistent as compared to the three months ended March 31, 2018.

Other income increased from \$0.19 million for the three months ended March 31, 2018 to \$0.43 million for the three months ended March 31, 2019, which resulted primarily from an increase in the size of our portfolio.

## Expenses

|   | For the Three Months Ended |                   |
|---|----------------------------|-------------------|
|   | March 31,<br>2019          | March 31,<br>2018 |
|   | (\$ in millions)           |                   |
| Interest and other debt expenses                  | \$ 4.41                    | \$ 1.27           |
| Management fees                                   | 3.23                       | 1.82              |
| Incentive fees                                    | 5.97                       | 0.24              |
| Offering costs                                    | -                          | 0.04              |
| Professional fees                                 | 0.28                       | 0.31              |
| Administration, custodian and transfer agent fees | 0.52                       | 0.30              |
| Directors' fees                                   | 0.11                       | 0.11              |
| Other expenses                                    | 0.20                       | 0.17              |
| <b>Total expenses</b>                             | <b>\$ 14.72</b>            | <b>\$ 4.26</b>    |

### Interest and other debt expenses

Interest and other debt expense increased from \$1.27 million for the three months ended March 31, 2018 to \$4.41 million for the three months ended March 31, 2019 primarily due to the increase in the weighted average interest rate for the SunTrust Revolving Credit Facility from 3.92% to 4.43% and the increase in average aggregate daily borrowings from \$92.51 million to \$355.01 million.

### Management Fees and Incentive Fees

Management Fees increased from \$1.82 million for the three months ended March 31, 2018 to \$3.23 million for the three months ended March 31, 2019 as a result of capital drawdowns, which led to an increase in net assets. The accrual for Incentive Fees based on income increased from \$0.00 million for the three months ended March 31, 2018 to \$5.97 million for the three months ended March 31, 2019, as a result of Ordinary Income exceeding the hurdle amount, which was primarily driven by an increase in the size of our portfolio. The accrual for Incentive Fees based on capital gains under accounting principles generally accepted in the United States of America ("GAAP") decreased from \$0.24 million for the three months ended March 31, 2018 to \$0.00 million for the three months ended March 31, 2019, for which none were realized, as a result of a decrease in net unrealized appreciation (depreciation) on investments.

### Offering costs

Offering costs decreased from \$0.04 million for the three months ended March 31, 2018 to \$0.00 million for the three months ended March 31, 2019, as all costs were fully amortized as of January 11, 2018.

### Professional fees and other general and administrative expenses

Professional fees for the three months ended March 31, 2019 remained relatively consistent as compared to the three months ended March 31, 2018. Other general and administrative expenses increased from \$0.58 million for the three months ended March 31, 2018 to \$0.83 million for the three months ended March 31, 2019 primary related to administration, custodian and transfer agent fees due to an increase in the size of the portfolio and an increase in costs associated with servicing a larger investment portfolio.

### Net Realized Gains (Losses) and Net Change in Unrealized Appreciation (Depreciation) on Investments

The realized gains and losses on fully exited and partially exited portfolio companies during the three months ended March 31, 2019 and 2018 consisted of the following:

|  | For the Three Months Ended |                   |
|--|----------------------------|-------------------|
|  | March 31,<br>2019          | March 31,<br>2018 |
|  | (\$ in millions)           |                   |
| myON, LLC                                      | \$ -                       | \$ 1.29           |
| Other, net                                     | - (1)                      | (0.01)            |
| <b>Net realized gain (loss) on investments</b> | <b>\$ - (1)</b>            | <b>\$ 1.28</b>    |

(1) Amount rounds to less than \$(0.00) million.

In connection with the proceeds received from the exit of our equity investment in myON, LLC, we recorded an income tax provision on realized gains of \$0.37 million for the three months ended March 31, 2018.

Any changes in fair value are recorded as a change in unrealized appreciation (depreciation) on investments. For further details on the valuation process, refer to “Critical Accounting Policies – Valuation of Portfolio Investments.” Net unrealized appreciation (depreciation) on investments for the three months ended March 31, 2019 and for the three months ended March 31, 2018 was as follows:

|  | <b>For the Three Months Ended</b> |                           |
|--|-----------------------------------|---------------------------|
|  | <b>March 31,<br/>2019</b>         | <b>March 31,<br/>2018</b> |
|  | <i>(\$ in millions)</i>           |                           |
| Unrealized appreciation  | \$ 3.17                           | \$ 1.07                   |
| Unrealized depreciation  | (12.48 )                          | (0.73 )                   |
| <b>Net change in unrealized appreciation (depreciation) on investments</b> | <b>\$ (9.31 )</b>                 | <b>\$ 0.34</b>            |

The change in unrealized appreciation (depreciation) on investments for the three months ended March 31, 2019 and for the three months ended March 31, 2018 consisted of the following:

|  | <b>For the Three Months Ended</b> |                           |
|--|-----------------------------------|---------------------------|
|  | <b>March 31,<br/>2019</b>         | <b>March 31,<br/>2018</b> |
|  | <i>(\$ in millions)</i>           |                           |
| <b>Portfolio Company:</b>                  |                                   |                           |
| Accuity Delivery Systems, LLC              | \$ 0.54                           | \$ -                      |
| Continuum Managed Services LLC – Class B   | 0.52                              | 0.21                      |
| Country Fresh Holdings, LLC                | (8.61 )                           | (0.13 )                   |
| Diligent Corporation                       | (0.59 )                           | -                         |
| Fenergo Finance 3 Limited                  | (0.67 )                           | -                         |
| Odyssey Logistics & Technology Corporation | 0.10                              | 0.14                      |
| Wrike, Inc.                                | 0.47                              | -                         |
| Yasso, Inc.                                | 0.04                              | (0.13 )                   |
| Zep Inc.                                   | (0.93 )                           | 0.06                      |
| Other, net <sup>(1)</sup>                  | (0.18 )                           | 0.19                      |
| <b>Total</b>                               | <b>\$ (9.31 )</b>                 | <b>\$ 0.34</b>            |

(1) For the three months ended March 31, 2019 and for the three months ended March 31, 2018, Other, net includes gross unrealized appreciation of \$1.51 million and \$0.67 million, respectively, and gross unrealized depreciation of \$(1.69) million and \$(0.48) million, respectively.

Net change in unrealized appreciation (depreciation) in our investments for the three months ended March 31, 2019 was primarily driven by the unrealized depreciation in Country Fresh Holdings, LLC, which was placed on non-accrual status due to financial underperformance.

## FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

The primary use of existing funds and any funds raised in the future is expected to be for our investments in portfolio companies, cash distributions to our stockholders or for other general corporate purposes, including paying for operating expenses or debt service to the extent we borrow or issue senior securities.

We expect to generate cash primarily from the net proceeds of any future offerings of securities, drawdowns of capital commitments, future borrowings and cash flows from operations. To the extent we determine that additional capital would allow us to take advantage of additional investment opportunities, if the market for debt financing presents attractively priced debt financing opportunities, or if our Board of Directors otherwise determines that leveraging our portfolio would be in our best interest and the best interests of our stockholders, we may enter into credit facilities in addition to our existing credit facility, or issue other senior securities. We would expect any such credit facilities may be secured by certain of our assets and may contain advance rates based upon pledged collateral. The pricing and other terms of any such facilities would depend upon market conditions when we enter into any such facilities as well as the performance of our business, among other factors.

As a BDC, with certain limited exceptions, we are only permitted to borrow amounts such that our asset coverage ratio, as defined in the Investment Company Act, is at least 200% after such borrowing (or 150% if certain requirements are met). See “–Key Components of Operations–Leverage.” As of March 31, 2019 and December 31, 2018, our asset coverage ratio based on the aggregate amount outstanding of our senior securities was 356% and 381%, respectively. We may also refinance or repay any of our indebtedness at any time based on our financial condition and market conditions.

We may enter into commitments either verbally or through signed commitment letters which may ultimately become investment transactions in the future. We regularly evaluate and carefully consider our unfunded commitments using GSAM proprietary risk management framework for the purpose of planning our capital resources and ongoing liquidity, including our financial leverage.

As of March 31, 2019, we had cash of approximately \$11.36 million. Cash used by operating activities for the three months ended March 31, 2019 was approximately \$128.06 million, primarily driven by net purchases of investments of \$146.39 million, an increase in net assets resulting from operations of \$7.65 million and proceeds from other operating activities of \$10.68 million. Cash provided by financing activities for the three months ended March 31, 2019 was approximately \$124.42 million, primarily driven by proceeds from the issuance of common stock of \$82.61 million and net borrowings on debt of \$58.00 million, partially offset by distributions paid of \$16.19 million.

As of March 31, 2018, we had cash of approximately \$5.13 million. In addition, as of March 31, 2018, we had an investment in a money market fund managed by an affiliate of Group Inc. of \$2.95 million. Cash used by operating activities for the three months ended March 31, 2018 was approximately \$72.99 million, primarily driven by net purchases of investments of \$81.20 million, net purchase of investments in the affiliated money market fund of \$2.95 million and an increase in net assets resulting from operations of \$12.22 million, partially offset by cash used for other operating activities of \$1.06 million. Cash provided by financing activities for the three months ended March 31, 2018 was approximately \$74.59 million, primarily driven by proceeds from the issuance of common stock of \$51.86 million and net borrowings on debt of \$32.00 million, partially offset by distributions paid of \$9.27 million.

To the extent permissible under the risk retention rules and applicable provisions of the Investment Company Act, we may raise capital by securitizing certain of our investments, including through the formation of one or more collateralized loan obligations or asset based facilities, while retaining all or most of the exposure to the performance of these investments. This would involve contributing a pool of assets to a special purpose entity, and selling debt interests in such entity on a non-recourse or limited-recourse basis to purchasers. We may also pursue other forms of debt financing, including potentially from the Small Business Administration through a future small business investment company ("SBIC") subsidiary (subject to regulatory approvals).

As of March 31, 2019 and December 31, 2018, we had aggregate capital commitments and undrawn capital commitments from investors as follows:

|              | March 31, 2019                          |  |                                    |  | December 31, 2018                       |  |                                    |
|--------------|---|--|------------------------------------|--|---|--|------------------------------------|
|              | Capital Commitments<br>(\$ in millions) | Unfunded Capital Commitments<br>(\$ in millions) | % of Capital Commitments<br>Funded |  | Capital Commitments<br>(\$ in millions) | Unfunded Capital Commitments<br>(\$ in millions) | % of Capital Commitments<br>Funded |
| Common Stock | \$ 1,035.01                             | \$ 124.44  | 88 %                               |  | \$ 1,035.04                             | \$ 207.08  | 80 %                               |

The following table summarizes the total common shares issued and proceeds received related to capital drawdowns delivered pursuant to the subscription agreements from investors acquiring shares of our common stock in our private offering during the three months ended March 31, 2019:

| Share Issue Date               | Shares Issued    | Proceeds Received<br>(\$ in millions) |
|--------------------------------|------------------|---------------------------------------|
| March 25, 2019                 | 4,286,182        | \$ 82.61                              |
| <b>Total capital drawdowns</b> | <b>4,286,182</b> | <b>\$ 82.61</b>                       |

The following table summarizes the total common shares issued and proceeds received related to capital drawdowns delivered pursuant to the subscription agreements from investors acquiring shares of our common stock in our private offering for the three months ended March 31, 2018:

| Share Issue Date               | Shares Issued    | Proceeds Received<br>(\$ in millions) |
|--------------------------------|------------------|---------------------------------------|
| March 26, 2018                 | 2,700,602        | \$ 51.86                              |
| <b>Total capital drawdowns</b> | <b>2,700,602</b> | <b>\$ 51.86</b>                       |

### Contractual Obligations

We have entered into certain contracts under which we have future commitments. Payments under the Investment Management Agreement, pursuant to which GSAM has agreed to serve as our Investment Adviser, are equal to (1) a percentage of our average NAV and (2) an Incentive Fee based on investment performance. Under the Administration Agreement, pursuant to which State Street Bank and Trust Company has agreed to furnish us with the administrative services necessary to conduct our day-to-day operations, we pay our administrator such fees as may be agreed between us and our administrator that we determine are commercially reasonable in our sole discretion. Either party may terminate the Investment Management Agreement without penalty on at least 60 days' written notice to the

other party. Generally, either party may terminate the Administration Agreement without penalty upon at least 90 days' written notice to the other party.

The following table shows our contractual obligations as of March 31, 2019:

|                                    | Payments Due by Period (\$ in millions) |                     |             |             |                      |
|------------------------------------|---|---------------------|-------------|-------------|----------------------|
|                                    | Total                                   | Less Than<br>1 Year | 1 - 3 Years | 3 - 5 Years | More Than<br>5 Years |
| SunTrust Revolving Credit Facility | \$290.40                                | \$ -                | \$ 290.40   | \$ -        | \$ -                 |
| SunTrust Revolving Credit Facility | 47.95                                   | -                   | 47.95       | -           | -                    |

### SunTrust Revolving Credit Facility

On September 11, 2017, we entered into the SunTrust Revolving Credit Facility with various lenders. SunTrust Bank serves as administrative agent and Bank of America, N.A. serves as syndication agent. We amended the SunTrust Revolving Credit Facility on September 17, 2018.

The SunTrust Revolving Credit Facility is a multicurrency facility, and as of March 31, 2019, total commitments under the SunTrust Revolving Credit Facility were \$600.00 million. The accordion feature of the SunTrust Revolving Credit Facility allows us, subject to the satisfaction of various conditions, to bring total commitments under the SunTrust Revolving Credit Facility to \$800.00 million.

Borrowings under the SunTrust Revolving Credit Facility, including amounts drawn in respect of letters of credit, bear interest (at our election) of either the Adjusted LIBO Rate (as defined in the SunTrust Revolving Credit Facility) plus the Applicable Margin (as defined in the SunTrust Revolving Credit Facility) or the Applicable Margin plus the higher of the Prime Rate (as defined in the SunTrust Revolving Credit Facility), Federal Funds Effective Rate (as provided for in the SunTrust Revolving Credit Facility) plus 0.5% or overnight LIBOR plus 1.0%. Interest is payable quarterly in arrears or as defined in the SunTrust Revolving Credit Facility. We pay a fee of 0.375% per annum on committed but undrawn amounts under the SunTrust Revolving Credit Facility, payable quarterly in arrears. Any amounts borrowed under the Revolving Credit Facility will mature, and all accrued and unpaid interest will be due and payable, on September 13, 2021.

The SunTrust Revolving Credit Facility may be guaranteed by certain of our subsidiaries that are formed or acquired by us in the future (collectively, the “Guarantors”). Proceeds from borrowings may be used for general corporate purposes, including the funding of portfolio investments.

Our obligations to the lenders under the SunTrust Revolving Credit Facility are secured by a first priority security interest in substantially all of our portfolio of investments and cash, with certain exceptions. The SunTrust Revolving Credit Facility contains certain customary covenants, including: (i) maintaining a minimum shareholder’s equity, (ii) maintaining an asset coverage ratio of at least 2 to 1, (iii) maintaining a minimum liquidity test of at least 15% of the “covered debt amount” during any period when the “adjusted covered debt balance” is greater than 85% of the “adjusted borrowing base,” as such quoted terms are defined in the SunTrust Revolving Credit Facility and (iv) restrictions on industry concentrations in our investment portfolio. We are in compliance with these covenants.

The SunTrust Revolving Credit Facility also includes customary representations and warranties, conditions precedent to funding of draws and events of default (including a change in control event of default trigger).

### HEDGING

Subject to applicable provisions of the Investment Company Act and applicable Commodity Futures Trading Commission (“CFTC”) regulations, we may enter into hedging transactions in a manner consistent with SEC guidance. To the extent that any of our loans are denominated in a currency other than U.S. dollars, we may enter into currency hedging contracts to reduce our exposure to fluctuations in currency exchange rates. We may also enter into interest rate hedging agreements. Such hedging activities, which will be subject to compliance with applicable legal requirements, may include the use of futures, options, swaps and forward contracts. Costs incurred in entering into such contracts or in settling them, if any, will be borne by us. Our Investment Adviser has claimed no-action relief from CFTC registration and regulation as a commodity pool operator pursuant to a CFTC staff no-action letter (the “BDC CFTC No-Action Letter”) with respect to our operations, with the result that we will be limited in our ability to use futures contracts or options on futures contracts or engage in swap transactions. Specifically, the BDC CFTC No-Action Letter imposes strict limitations on using such derivatives other than for hedging purposes, whereby the use of derivatives not used solely for hedging purposes is generally limited to situations where (i) the aggregate initial margin and premiums required to establish such positions does not exceed five percent of the liquidation value of our portfolio, after taking into account unrealized profits and unrealized losses on any such contracts it has entered into; or (ii) the aggregate net notional value of such derivatives does not exceed 100% of the liquidation value of our portfolio. Moreover, we anticipate entering into transactions involving such derivatives to a very limited extent solely for hedging purposes or otherwise within the limitations of the BDC CFTC No-Action Letter.

## OFF-BALANCE SHEET ARRANGEMENTS

We may become a party to investment commitments and to financial instruments with off-balance sheet risk in the normal course of our business to fund investments and to meet the financial needs of our portfolio companies. These instruments may include commitments to extend credit and involve, to varying degrees, elements of liquidity and credit risk in excess of the amount recognized in the balance sheet.

As of March 31, 2019, we believed that we had adequate financial resources to satisfy our unfunded commitments. As of March 31, 2019 and December 31, 2018, our unfunded commitments to provide funds to portfolio companies were as follows:

|                                 | As of<br>March 31,<br>2019 | As of<br>December 31,<br>2018 |
|---------------------------------|----------------------------|-------------------------------|
|                                 | (in millions)              |                               |
| <b>Unfunded Commitments</b>     |                            |                               |
| First Lien/Senior Secured Debt  | \$ 179.61                  | \$ 123.31                     |
| First Lien/Last-Out Unitranche  | 3.94                       | 7.88                          |
| Second Lien/Senior Secured Debt | 16.31                      | 16.31                         |
| <b>Total</b>                    | <b>\$ 199.86</b>           | <b>\$ 147.50</b>              |

As of March 31, 2019, we had aggregate Commitments and undrawn Commitments from investors as follows:

|              | March 31, 2019                             |  |                                       |
|--------------|--|--|---------------------------------------|
|              | Capital<br>Commitments<br>(\$ in millions) | Unfunded<br>Capital<br>Commitments<br>(\$ in millions) | % of Capital<br>Commitments<br>Funded |
| Common Stock | \$ 1,035.01                                | \$ 124.44  | 88 %                                  |

## RECENT DEVELOPMENTS

On May 9, 2019, our Board of Directors declared a distribution of \$0.43 per share payable on July 31, 2019 to stockholders of record as of June 14, 2019.

## CRITICAL ACCOUNTING POLICIES

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these consolidated financial statements requires management 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 materially. In addition to the discussion below, our critical accounting policies are further described in the notes to the consolidated financial statements.

### *Valuation of Portfolio Investments*

As a BDC, we conduct the valuation of our assets, pursuant to which our NAV is determined, consistent with GAAP and the Investment Company Act. Our Board of Directors, with the assistance of our Audit Committee, determines the fair value of our assets within the meaning of the Investment Company Act, on at least a quarterly basis, in accordance with the terms of Financial Accounting Standards Board Accounting Standards Codification Topic 820, *Fair Value Measurement and Disclosures* ("ASC 820").

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same – to estimate the price when an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date under current market conditions (that is, an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

ASC 820 establishes a hierarchal disclosure framework which ranks the observability of inputs used in measuring financial instruments at fair value. The observability of inputs is impacted by a number of factors, including the type of financial instruments and their specific characteristics. Financial instruments with readily available quoted prices, or for which fair value can be measured from quoted prices in active markets, generally will have a higher degree of market price observability and a lesser degree of judgment applied in determining fair value. The levels used for classifying investments are not necessarily an indication of the risk associated with investing in these securities.





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The three-level hierarchy for fair value measurement is defined 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 type of financial instruments in this category includes 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 investments in privately held entities 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, the determination of which category within the fair value hierarchy is appropriate for any given financial instrument is based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment and considers factors specific to the financial instrument.

Currently, the majority of our investments fall within Level 3 of the fair value hierarchy. We do not expect that there will be readily available market values for most of the investments which are in our portfolio, and we value such investments at fair value as determined in good faith by or under the direction of our Board of Directors using a documented valuation policy, described below, and a consistently applied valuation process. The factors that may be taken into account in pricing our investments at fair value include, as relevant, the nature and realizable value of any collateral, the portfolio company's ability to make payments and its earnings and discounted cash flow, and the markets in which the portfolio company does business, comparison to publicly traded securities and other relevant factors. Available current market data are considered such as applicable market yields and multiples of publicly traded securities, comparison of financial ratios of peer companies, and changes in the interest rate environment and the credit markets that may affect the price at which similar investments would trade in their principal market, and other relevant factors. When an external event such as a purchase transaction, public offering or subsequent equity sale occurs, we consider the pricing indicated by the external event to corroborate or revise our valuation.

With respect to investments for which market quotations are not readily available, or for which market quotations are deemed not reflective of the fair value, the valuation procedures adopted by our Board of Directors contemplates a multi-step valuation process each quarter, as described below:

- (1) Our quarterly valuation process begins with each portfolio company or investment being initially valued by the investment professionals of our Investment Adviser responsible for the portfolio investment;
- (2) Our Board of Directors also engages independent valuation firms (the "Independent Valuation Advisors") to provide independent valuations of the investments for which market quotations are not readily available, or are readily available but deemed not reflective of the fair value of an investment. The Independent Valuation Advisors independently value such investments using quantitative and qualitative information provided by the investment professionals of our Investment Adviser as well as any market quotations obtained from independent pricing services, brokers, dealers or market dealers. The Independent Valuation Advisors also provide analyses to support their valuation methodology and calculations. The Independent Valuation Advisors provide an opinion on a final range of values on such investments to our Board of Directors or the Audit Committee. The Independent Valuation Advisors define fair value in accordance with ASC 820 and utilize valuation approaches including the market approach, the income approach or both. A portion of the portfolio is reviewed on a quarterly basis, and all investments in the portfolio for which market quotations are not readily available, or are readily available, but deemed not reflective of the fair value of an investment, are reviewed at least annually by an Independent Valuation Advisor;
- (3) The Independent Valuation Advisors' preliminary valuations are reviewed by our Investment Adviser and the Valuation Oversight Group ("VOG"), a team that is part of the Controllers Department within the Finance Division of Goldman Sachs. The Independent Valuation Advisors' ranges are compared to our Investment Adviser's valuations to ensure our Investment Adviser's valuations are reasonable. VOG presents the valuations to the Private Investment Valuation and Side Pocket Working Group of the Investment Management Division Valuation Committee, which is comprised of representatives from GSAM who are independent of the investment making decision process;

- (4) The Investment Management Division Valuation Committee ratifies fair valuations and makes recommendations to the Audit Committee of the Board of Directors;
- (5) The Audit Committee of our Board of Directors reviews valuation information provided by the Investment Management Division Valuation Committee, our Investment Adviser and the Independent Valuation Advisors. The Audit Committee then assesses such valuation recommendations; and
- (6) Our Board of Directors discusses the valuations and, within the meaning of the Investment Company Act, determines the fair value of our investments in good faith, based on the input of our Investment Adviser, the Independent Valuation Advisors and the Audit Committee.

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When our NAV is determined other than on a quarter-end (such as in connection with issuances of shares on dates occurring mid-quarter), it is determined by our Investment Adviser, acting under delegated authority from, and subject to the supervision of, our Board of Directors and in accordance with procedures adopted by our Board of Directors.

### ***Investment Transactions and Related Investment Income***

We record our investment transactions on a trade date basis, which is the date when we assume the risks for gains and losses related to that instrument. Realized gains and losses are based on the specific identification method. Dividend income on common equity investments is recorded on the record date for private portfolio companies or on the ex-dividend date for publicly traded portfolio companies. Interest income and dividend income are presented net of withholding tax, if any. Accretion of discounts and amortization of premiums, which are included in interest income and expense, are recorded over the life of the underlying instrument using the effective interest method.

Fair value generally is based on quoted market prices, broker or dealer quotations, or alternative price sources. In the absence of quoted market prices, broker or dealer quotations, or alternative price sources, investments in securities are measured at fair value as determined by our Investment Adviser and/or by one or more independent third parties.

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. For additional information, see Note 2 “Significant Accounting Policies” to our consolidated financial statements included in this report.

### ***Non-Accrual Status***

Investments are placed on non-accrual status when it is probable that principal, interest or dividends will not be collected according to contractual terms. Accrued interest or dividends generally are reversed when an investment is placed on non-accrual status. Interest or dividend payments received on non-accrual investments may be recognized as income or applied to principal depending upon management’s judgment. Non-accrual investments are restored to accrual status when past due principal and interest or dividends are paid and, in management’s judgment, principal and interest or dividend payments are likely to remain current. We may make exceptions to this treatment if the investment has sufficient collateral value and is in the process of collection. As of March 31, 2019, we had one investment on non-accrual status, which represented 0.9% and 0.1% of the total investments at amortized cost and at fair value, respectively. As of December 31, 2018, we had no investments on non-accrual status.

### ***Distribution Policy***

We intend to pay quarterly distributions to our stockholders out of assets legally available for distribution. Future quarterly distributions, if any, will be determined by our Board of Directors. All distributions will be subject to lawfully available funds therefor, and no assurance can be given that we will be able to declare distributions in future periods.

We have elected to be treated, and expect to qualify annually, as a RIC under Subchapter M of the Code, commencing with our taxable year ended December 31, 2017. To maintain our tax treatment as a RIC, we must, among other things, timely distribute to our stockholders at least 90% of our investment company taxable income for each taxable year. We intend to timely distribute to our stockholders substantially all of our annual taxable income for each year, except that we may retain certain net capital gains for reinvestment and carry forward taxable income for distribution in the following year and pay any applicable tax. The distributions we pay to our stockholders in a year may exceed our net ordinary income and capital gains for that year and, accordingly, a portion of such distributions may constitute a return of capital for U.S. federal income tax purposes. The specific tax characteristics of our distributions will be reported to stockholders after the end of the calendar year. Stockholders should read carefully any written disclosure regarding a distribution from us and should not assume that the source of any distribution is our net ordinary income or capital gains.

We intend to pay quarterly distributions to our stockholders out of assets legally available for distribution. All distributions will be paid at the discretion of our Board and will depend on our earnings, financial condition, maintenance of our tax treatment as a RIC, compliance with applicable BDC regulations and such other factors as our Board may deem relevant from time to time.

To the extent our current taxable earnings for a year fall below the total amount of our distributions for that year, a portion of those distributions may be deemed a return of capital to our shareholders for U.S. federal income tax purposes. Thus, the source of a distribution to our shareholders may be the original capital invested by the shareholder rather than our income or gains. Stockholders should read written disclosure carefully and should not assume that the source of any distribution is our ordinary income or gains.

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## ***Federal Income Taxes***

As a RIC, we generally will not be required to pay corporate-level U.S. federal income taxes on any net ordinary income or capital gains that we timely distribute to our stockholders as dividends. To maintain our RIC status, we must meet specified source-of-income and asset diversification requirements and timely distribute to our stockholders at least 90% of our investment company taxable income for each year. Depending upon the level of taxable income earned in a year, we may choose to carry forward taxable income for distribution in the following year and pay any applicable tax. We generally will be required to pay a U.S. federal excise tax if our distributions during a calendar year do not exceed the sum of (1) 98% of our net ordinary income (taking into account certain deferrals and elections) for the calendar year, (2) 98.2% of our capital gains in excess of capital losses for the one-year period ending on October 31 of the calendar year and (3) any net ordinary income and capital gains in excess of capital losses for preceding years that were not distributed during such years.

Because federal income tax regulations differ from GAAP, distributions in accordance with tax regulations may differ from net investment income and realized gains recognized for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the consolidated financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain or loss are recognized at some time in the future. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes.

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### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are subject to financial market risks, most significantly changes in interest rates. Interest rate sensitivity refers to the change in our earnings that may result from changes in the level of interest rates. Because we expect to fund a portion of our investments with borrowings, our net investment income is expected to be affected by the difference between the rate at which we invest and the rate at which we borrow. As a result, we can offer no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income.

As of March 31, 2019 and December 31, 2018, on a fair value basis, 100.0% of our performing debt investments bore interest at a floating rate. Our borrowings under the SunTrust Revolving Credit Facility bear interest at a floating rate.

We regularly measure our exposure to interest rate risk. We assess interest rate risk and manage our interest rate exposure on an ongoing basis by comparing our interest rate sensitive assets to our interest rate sensitive liabilities.

Based on our March 31, 2019 balance sheet, the following table shows the annual impact on net income of base rate changes in interest rates (considering interest rate floors for variable rate instruments) assuming no changes in our investment and borrowing structure:

| <b>As of March 31, 2019</b> |                 |                 |               |
|-----------------------------|-----------------|-----------------|---------------|
| <b>Basis Point Change</b>   | <b>Interest</b> | <b>Interest</b> | <b>Net</b>    |
| <b>( in millions)</b>       | <b>Income</b>   | <b>Expense</b>  | <b>Income</b> |
| Up 300 basis points         | \$33.41         | \$ (9.67 )      | \$23.74       |
| Up 200 basis points         | 22.28           | (6.44 )         | 15.84         |
| Up 100 basis points         | 11.14           | (3.22 )         | 7.92          |
| Up 75 basis points          | 8.35            | (2.42 )         | 5.93          |
| Up 50 basis points          | 5.57            | (1.61 )         | 3.96          |
| Up 25 basis points          | 2.78            | (0.81 )         | 1.97          |
| Down 25 basis points        | (2.78 )         | 0.81            | (1.97 )       |
| Down 50 basis points        | (5.57 )         | 1.61            | (3.96 )       |
| Down 75 basis points        | (8.35 )         | 2.42            | (5.93 )       |
| Down 100 basis points       | (11.14 )        | 3.22            | (7.92 )       |
| Down 200 basis points       | (17.48 )        | 6.44            | (11.04 )      |
| Down 300 basis points       | (18.00 )        | 8.04            | (9.96 )       |

We may, in the future, hedge against interest rate fluctuations by using standard hedging instruments such as futures, options and forward contracts subject to the requirements of the Investment Company Act, applicable CFTC regulations and in a manner consistent with SEC guidance. While hedging activities may insulate us against adverse changes in interest rates, they may also limit our ability to participate in benefits of lower interest rates with respect to our portfolio of investments with fixed interest rates.

## ITEM 4. CONTROLS AND PROCEDURES

*Evaluation of Disclosure Controls and Procedures.* As of the end of the period covered by this report, our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of March 31, 2019. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

*Changes in Internal Control over Financial Reporting.* There have been no changes in our internal control over financial reporting that occurred during our most recently completed fiscal quarter ended March 31, 2019 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.

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 loans to or other contracts with our portfolio companies. We are not currently subject to any material legal proceedings, nor, to our knowledge, is any material legal proceeding threatened against us.

### Item 1A. Risk Factors.

An investment in our securities involves a high degree of risk. Except as set forth below, there have been no material changes to the risk factors previously reported under Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2018, which was filed with the SEC on March 1, 2019. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may materially affect our business, financial condition and/or operating results.

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

The following table summarizes the total common stock issued and proceeds received related to capital drawdowns delivered pursuant to the Subscription Agreements for the three months ended March 31, 2019:

| Share Issue Date               | Shares Issued    | Proceeds Received<br>(\$ in millions) |
|--------------------------------|------------------|---------------------------------------|
| March 25, 2019                 | 4,286,182        | \$ 82.61                              |
| <b>Total capital drawdowns</b> | <b>4,286,182</b> | <b>\$ 82.61</b>                       |

Each of the above issuances and sales of the common stock was exempt from the registration requirements of the Securities Act pursuant to Section 4(a)(2) of the Securities Act and Regulation D or Regulation S under the Securities Act. Each purchaser of common stock was required to represent that it is (i) either an "accredited investor" as defined in Rule 501 of Regulation D under the Securities Act or, in the case of stock sold outside the United States, not a "U.S. person" in accordance with Regulation S of the Securities Act and (ii) was acquiring the common stock for investment and not with a view to resell or distribute. We did not engage in general solicitation or advertising, and did not offer securities to the public, in connection with such issuance and sale.

### Item 3. Defaults Upon Senior Securities.

Not applicable.

### Item 4. Mine Safety Disclosures.

Not applicable.

### Item 5. Other Information.

None.

### Item 6. Exhibits.

The exhibits filed as part of this Quarterly Report on Form 10-Q are set forth on the Index to Exhibits, which is incorporated herein by reference.



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## INDEX TO EXHIBITS

| EXHIBIT<br>NO. | EXHIBIT  |
|----------------|--|
| 3.1            | <a href="#"><u>Form of Articles of Incorporation (incorporated by reference to Exhibit 3.1 to the Company' s Registration Statement on Form 10 (File No. 000-55746), filed on January 27, 2017).</u></a> |
| 3.2            | <a href="#"><u>Form of Bylaws (incorporated by reference to Exhibit 3.2 to the Company' s Registration Statement on Form 10 (File No. 000-55746), filed on January 27, 2017).</u></a>                    |
| 31.1*          | <a href="#"><u>Certification of Chief Executive Officer pursuant to Securities Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>                |
| 31.2*          | <a href="#"><u>Certification of Chief Financial Officer pursuant to Securities Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>                |
| 32.1*          | <a href="#"><u>Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u></a>    |

\* Filed herewith.



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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GOLDMAN SACHS MIDDLE MARKET LENDING CORP.

Date: May 9, 2019

/s/ Brendan McGovern

Brendan McGovern  
Chief Executive Officer and President  
(Principal Executive Officer)

Date: May 9, 2019

/s/ Jonathan Lamm

Jonathan Lamm  
Chief Financial Officer and Treasurer  
(Principal Financial Officer)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
UNDER SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brendan McGovern, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Goldman Sachs Middle Market Lending Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2019

/s/ Brendan McGovern

Brendan McGovern  
Chief Executive Officer  
(Principal Executive Officer)



CERTIFICATION OF CHIEF FINANCIAL OFFICER  
UNDER SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jonathan Lamm, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Goldman Sachs Middle Market Lending Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2019

/s/ Jonathan Lamm

Jonathan Lamm  
Chief Financial Officer and Treasurer  
(Principal Financial Officer)



**Certification of Chief Executive Officer and Chief Financial Officer**  
**Pursuant to**  
**18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of Goldman Sachs Middle Market Lending Corp. (the “Company”) for the quarter ended March 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Brendan McGovern, as Chief Executive Officer of the Company, and Jonathan Lamm, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 9, 2019

/s/ Brendan McGovern  
Brendan McGovern  
Chief Executive Officer  
(Principal Executive Officer)

Date: May 9, 2019

/s/ Jonathan Lamm  
Jonathan Lamm  
Chief Financial Officer and Treasurer  
(Principal Financial Officer)