

PORTMAN
RIDGE

Investor Presentation

March 2022

NASDAQ: PTMN

Cautionary Statement Regarding Forward-Looking Statements

This presentation contains forward-looking statements. The matters discussed in this presentation, as well as in future oral and written statements by management of Portman Ridge Finance Corporation ("PTMN", "Portman Ridge" or the "Company"), that are forward-looking statements are based on current management expectations that involve substantial risks and uncertainties which could cause actual results to differ materially from the results expressed in, or implied by, these forward-looking statements.

Forward-looking statements relate to future events or our future financial performance and include, but are not limited to, projected financial performance, expected development of the business, plans and expectations about future investments, our contractual arrangements and relationships with third parties, the ability of our portfolio companies to achieve their objectives, the ability of the Company's investment adviser to attract and retain highly talented professionals, our ability to maintain our qualification as a regulated investment company and as a business development company, our compliance with covenants under our borrowing arrangements, and the future liquidity of the Company. We generally identify forward-looking statements by terminology such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "outlook", "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these terms or other similar words. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove to be incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements.

Forward-looking statements are subject to change at any time based upon economic, market or other conditions, including with respect to the impact of the COVID-19 pandemic and its effects on the Company and its portfolio companies' results of operations and financial condition. More information on these risks and other potential factors that could affect the Company's financial results, including important factors that could cause actual results to differ materially from plans, estimates or expectations included herein, is included in the Company's filings with the Securities and Exchange Commission (the "SEC"), including in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's most recently filed quarterly report on Form 10-Q and annual report on Form 10-K, as well as in subsequent filings. In addition, there is no assurance that the Company will purchase additional shares of its common stock under its announced \$10 million stock repurchase plan at any specific discount levels or in any specific amounts. There is no assurance that the market price of the Company's shares, either absolutely or relative to net asset value, will increase as a result of any share repurchases, or that any repurchase plan will enhance stockholder value over the long term. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this presentation should not be regarded as a representation by us that our plans and objectives will be achieved. We do not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required to be reported under the rules and regulations of the SEC.

Portman Ridge Finance Corporation

Exchange:	NASDAQ
Ticker:	PTMN
Investment Manager:	Sierra Crest Investment Management LLC
Affiliation:	BC Partners / BCP Credit

As of March 25, 2022

Market Cap	\$227m
Share Price	\$23.43
52-week Range	\$21.30-\$25.97
Common Shares Outstanding	9.7m
Total Dividend Payout TTM	\$2.43
Latest Quarterly Dividend	\$0.63
Analyst Coverage	KBW Ladenburg Thalmann

Portman Ridge (NASDAQ: PTMN)

- Focus on direct origination of senior secured debt investments to the middle market
- Experienced, strategic management team centered on execution and delivering NII growth
- Three strategic transactions closed since 2019 with portfolio repositioning continuing successfully
- Strong shareholder alignment with top priority being to generate shareholder value

Affiliation with BC Partners and BCP Credit

- Externally managed by Sierra Crest Investment Management LLC, an affiliate of BC Partners Advisors L.P. ("BC Partners") and its Credit Platform ("BCP Credit")
- Part of BC Partners' \$4.0bn platform in private equity, private credit and real estate strategies
 - BCP Credit is a \$7.3bn full credit cycle investment platform¹
- Exemptive relief allows for co-investments across the BC Partners platform

Investment Portfolio (at 12/31/21)

- \$648.3 million of total assets and \$280.1 million of net asset value
- 80% of debt securities portfolio in first lien investments; weighted average yield on debt investments at par value of 8.1%²
- 113 debt + equity portfolio investee companies³
- Investments on non-accrual status were 0.5% and 2.8% of the investment portfolio at fair value and amortized cost, respectively

1. Reflects commitments to commingled funds, IMAs, and commercially approved commitments. Figures are subject to completion of certain agreements.

2. Excluding non-accrual and partial non-accrual investments and CLO holdings and Joint Ventures.

3. CLO holdings and Joint Ventures are excluded from investment count.

Portman Ridge Executive Management

TED GOLDTHORPE

Chief Executive Officer

- Joined BCP Credit in New York in 2017 to lead BCP Credit and is Head of BC Partners Credit.
- Previously, Ted was President at Apollo Investment Corporation and the Chief Investment Officer of Apollo Investment Management where he was the head of its US Opportunistic Platform and also oversaw the Private Origination business, serving as a member of the Senior Management Committee.
- Prior to Apollo, Ted worked at Goldman Sachs for 13 years where he most recently ran the bank loan distressed investing desk. He was previously the head of Principal Capital Investing for the Special Situations Group.

JASON ROOS

Chief Financial Officer

- Joined BC Partners in New York in 2020.
- Previously, Jason was at Wells Fargo within Controllershship in financial roles focused on technical accounting, controls, and data implementation.
- Prior to that, provided audit and advisory services to financial institutions at PricewaterhouseCoopers LLP.

PATRICK SCHAFER

Chief Investment Officer

- Joined in May 2018 and is Managing Director, Credit.
- Previously Patrick worked at Apollo Global Management in the Opportunistic Credit group, most recently as a Managing Director in Direct Originations.
- Prior to Apollo, worked at Deutsche Bank Securities in the Investment Banking Division.

BCP Credit Investment team consists of 19 investment professionals supported by BC Partners' operational teams

Investment Objectives and Strategy

Investment Objectives

- ❑ Focus on direct origination of senior secured debt investments to the middle market; target portfolio company EBITDA between \$10-50 million
- ❑ Deliver strong and sustainable risk-adjusted returns to stockholders
- ❑ Reduce CLO exposure over time and opportunistically

Investment Strategy and Philosophy

- ❑ Utilize entire BC Partners platform to directly originate loans and investments which allows for greater sourcing capabilities, ability to invest across the liquidity spectrum and participation in larger deals
- ❑ Seek to generate alpha through market dislocations, structural documentation, relationship advantages and regional expertise; target opportunities where other capital is retrenching due to limited duration and regulatory restrictions
- ❑ Focus on capital preservation; maximize margin of safety through financial and structural protection
- ❑ Leverage sector expertise and knowledge base across consumer & retail, business & financial services, healthcare, industrials, and TMT
- ❑ Apply the same private equity style investment process employed for over 30 years at BC Partners with a long-term focused investment philosophy

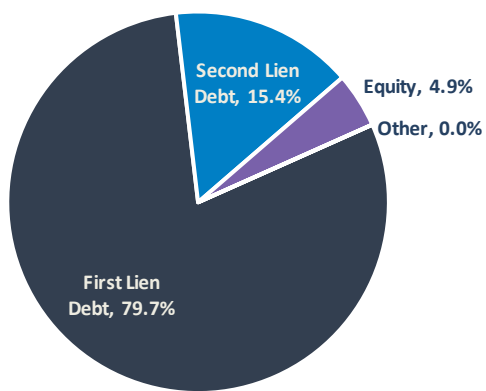
- ❑ **Small-cap BDC backed by BC Partners, a global multi-asset investment manager**
 - Benefits from being part of a larger platform compared to other standalone, similar-sized BDCs
- ❑ **Experienced, strategic management team with a track record of execution and focused on delivering EPS growth**
 - Announced and closed 4 M&A transactions in two years
- ❑ **Solid recent investment performance and steady dividend history**
 - Recently increased dividend per share to \$0.63 per share (from \$0.62 and \$0.60 in 2021)
 - Dividend as a percentage of NAV is well within peers and supported by strong dividend coverage, among the leaders in the industry
- ❑ **Strong stockholder alignment and stockholder friendly actions**
 - Incentive fee waivers and use of incentive fees to repurchase shares at NAV under certain circumstances
- ❑ **At an inflection point following recent transactions – scale achieved, portfolio repositioning, and combined company synergies continuing to drive value to stockholders**
 - Scale has resulted in public market enhancements including increased share liquidity, improved float and greater institutional awareness
 - Spreading of public company and other fixed costs across a larger asset base
 - Ability to speak for larger deals and increased capacity for higher yielding, non-eligible assets

Current Portfolio Profile⁽¹⁾

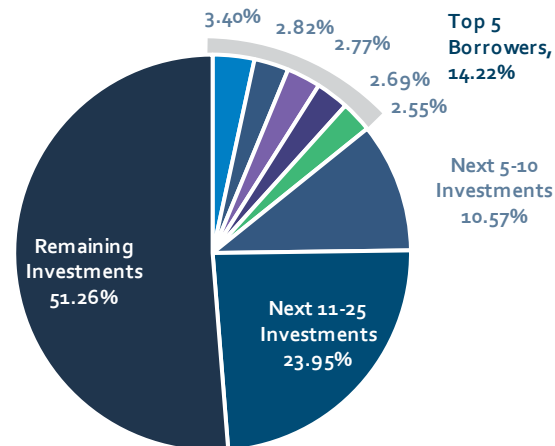
Diversified Portfolio of Assets

- 113 Debt + Equity Portfolio Investee Companies
- \$3.1mm / 1% Average Debt Position Size
- U.S Centric Investments: Nearly 100% US-Based Companies
- Focus on Non-Cyclical Industries with High FCF Generation
- Credit quality has been stable to improving during the rotation period

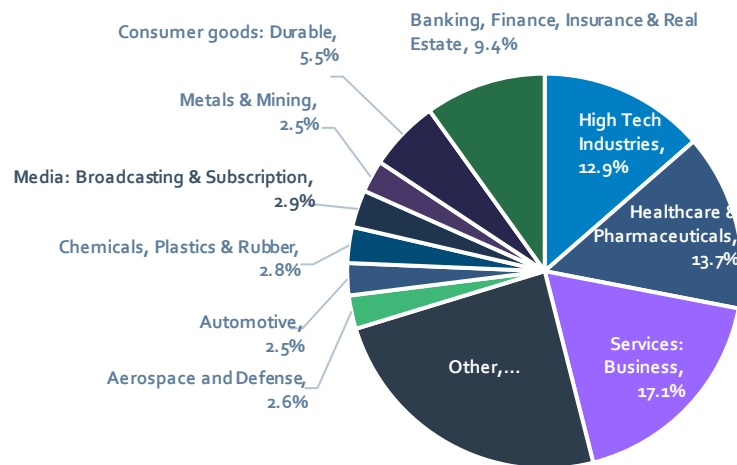
Asset Mix⁽²⁾



Diversification by Borrower⁽²⁾



Industry Diversification⁽²⁾



⁽¹⁾ As of December 31, 2021. Figures shown do not include short term investments, CLO holdings, F3C JV or Great Lakes JV portfolio companies, and derivatives.

⁽²⁾ Shown as % of debt and equity investments at fair market value.

Joint Venture with Freedom 3 Capital (“KCAP Freedom 3 JV”)

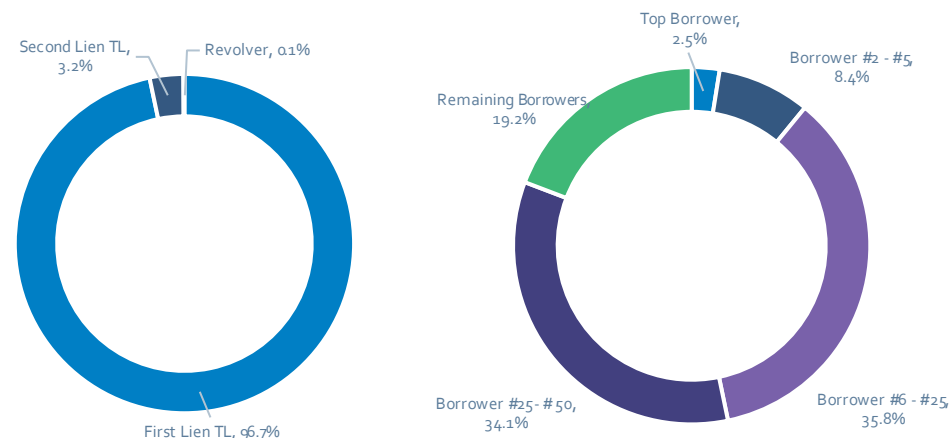
Primarily invests in senior loans of middle-market companies
Equity ownership: 62.83% PTMN
Board/Voting: 50% PTMN
PTMN provides day-to-day administrative oversight

JV Portfolio Characteristics

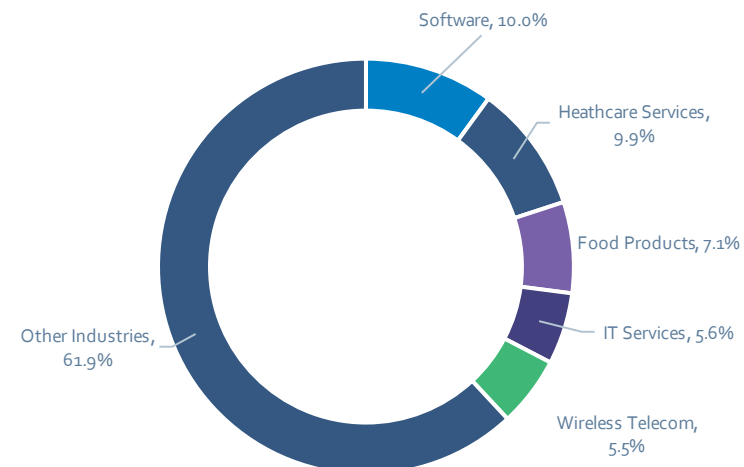
	Q4 2020 ⁽¹⁾	Q4 2021 ⁽²⁾
Total Investments and Commitments	\$297.0m	\$299.2m
Unfunded Commitments	\$9.6m	\$9.8m
Weighted Average Investment Spread	L+552	L+558
Number of Portfolio Companies	79	68
Floating / Fixed (%)	100% / 0%	100% / 0%
Defaulted Assets ⁽³⁾	\$1.9m	\$3.2m
Junior OC Test	Passed	Passed

1. Shown as % of principal balance and as of 1/5/21.
2. Shown as % of principal balance and as of 1/4/22.
3. Defaulted assets shown at recovery value, per the JV agreement

Asset Mix and Diversification ⁽²⁾



Industry ⁽²⁾

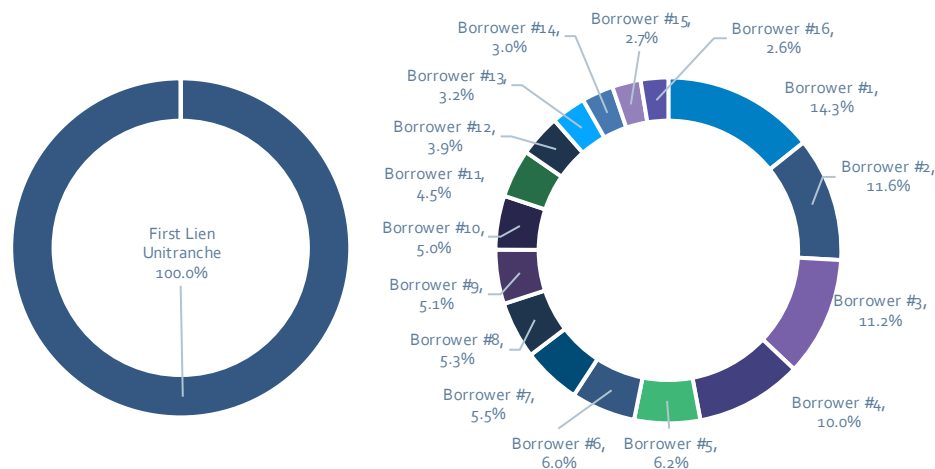


Joint Venture – Great Lakes

BCP Great Lakes Holdings LP Joint Venture ("Great Lakes JV")

Co-investment vehicle that primarily invests in first lien unitranche loans
Equity ownership: 17.2% PTMN
Board/Voting: 50% BC Partners

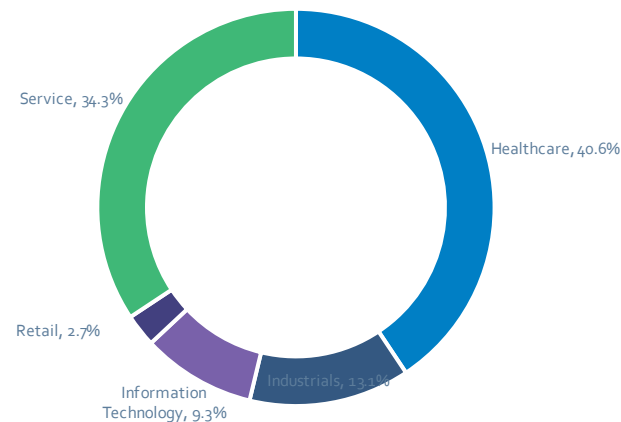
Asset Mix and Diversification ⁽²⁾



JV Portfolio Characteristics

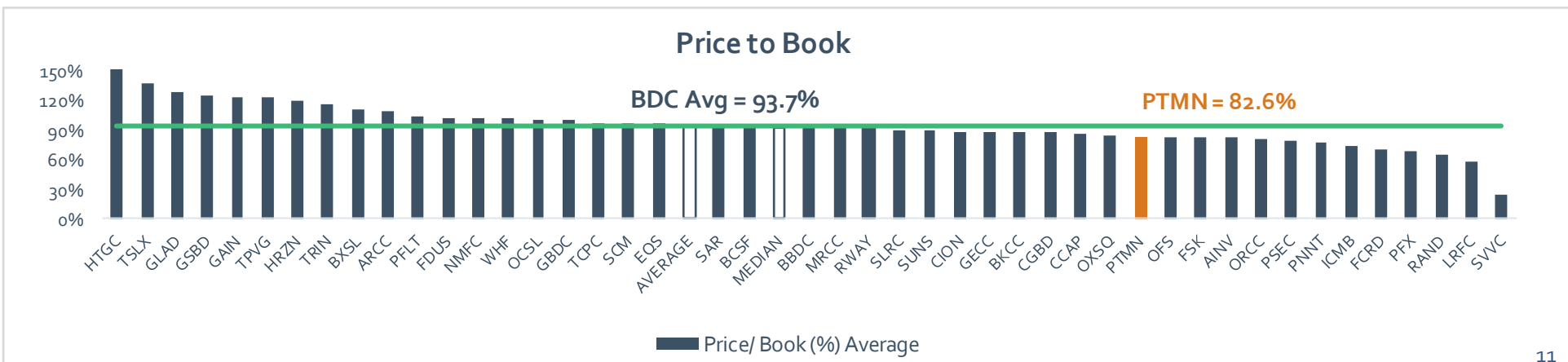
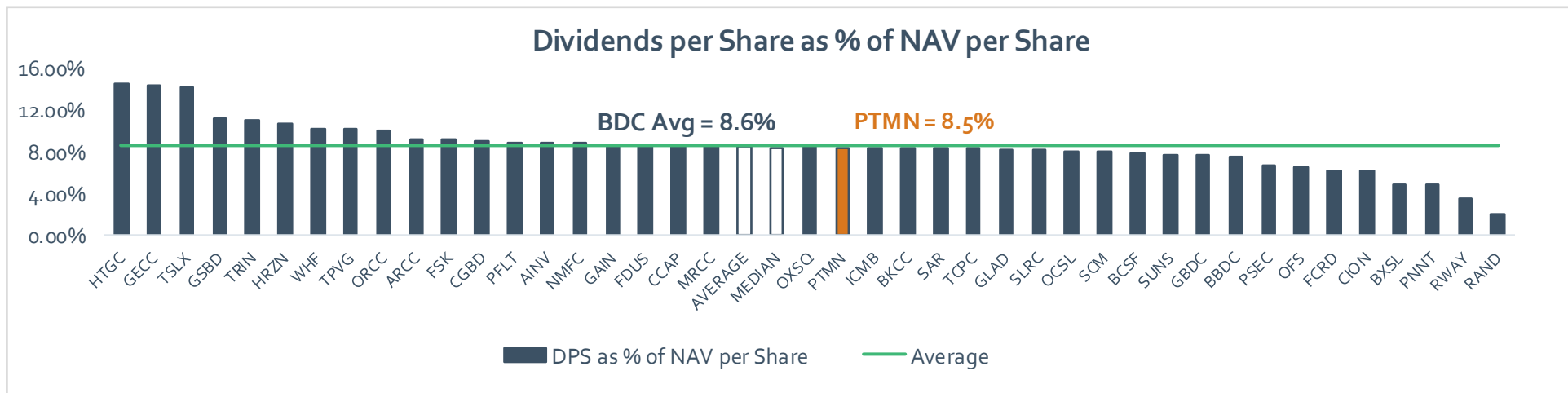
	Q4 2020 ⁽¹⁾	Q4 2021 ⁽²⁾
Total Investments and Commitments	\$493.6m	\$750.2m
Unfunded Commitments	\$33.3m	\$116.6m
Weighted Average Investment Spread	L+598	L+597
Number of Portfolio Companies	12	16
Floating / Fixed (%)	100% / 0%	100% / 0%
Non-accruals	0%	0%

Industry ⁽²⁾



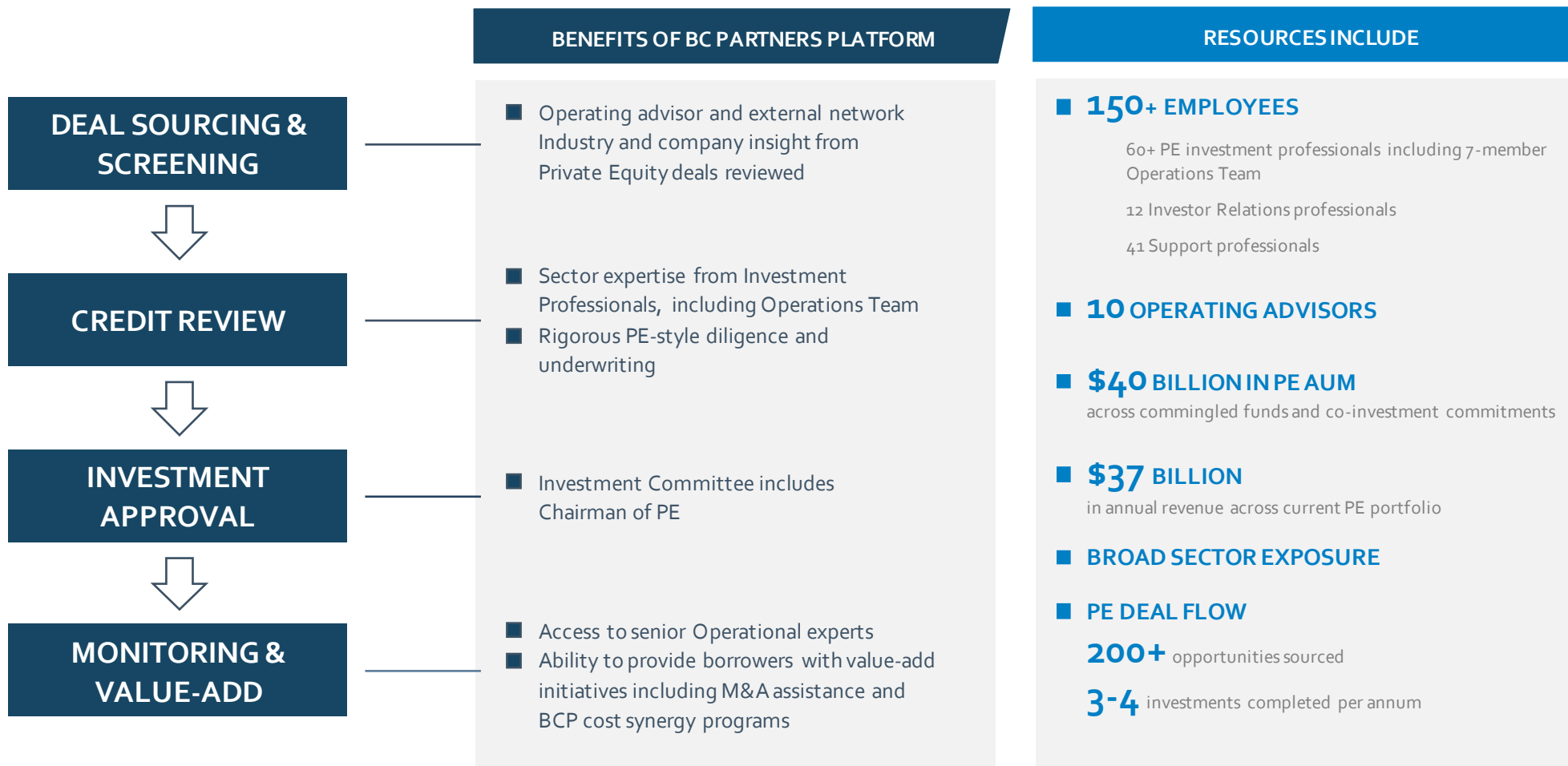
1. Shown as % of funded parvalue and as of 12/31/20.
 2. Shown as % of funded parvalue and as of 12/31/21.

While PTMN's distributions relative to NAV per share represents an attractive investment, the company's discount to NAV is significantly greater than the BDC average



Integration with BC Partners Platform

Full integration with the BC Partners platform provides an edge at every stage of the investment process



BC Partners Credit has built a diversified platform with long duration capital across its key strategies

BC PARTNERS CREDIT: A FULL CREDIT CYCLE INVESTMENT PLATFORM

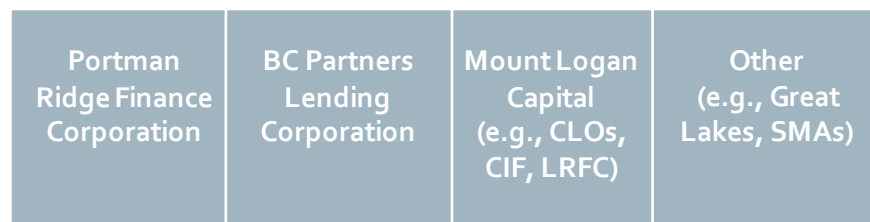


Yield: \$4.5bn in AUM

- Direct lending focused on less competitive segments of the U.S. middle-market
- Balanced portfolio of sponsor-backed and non-sponsor companies
- Proprietary sourcing channels
- High current income generation

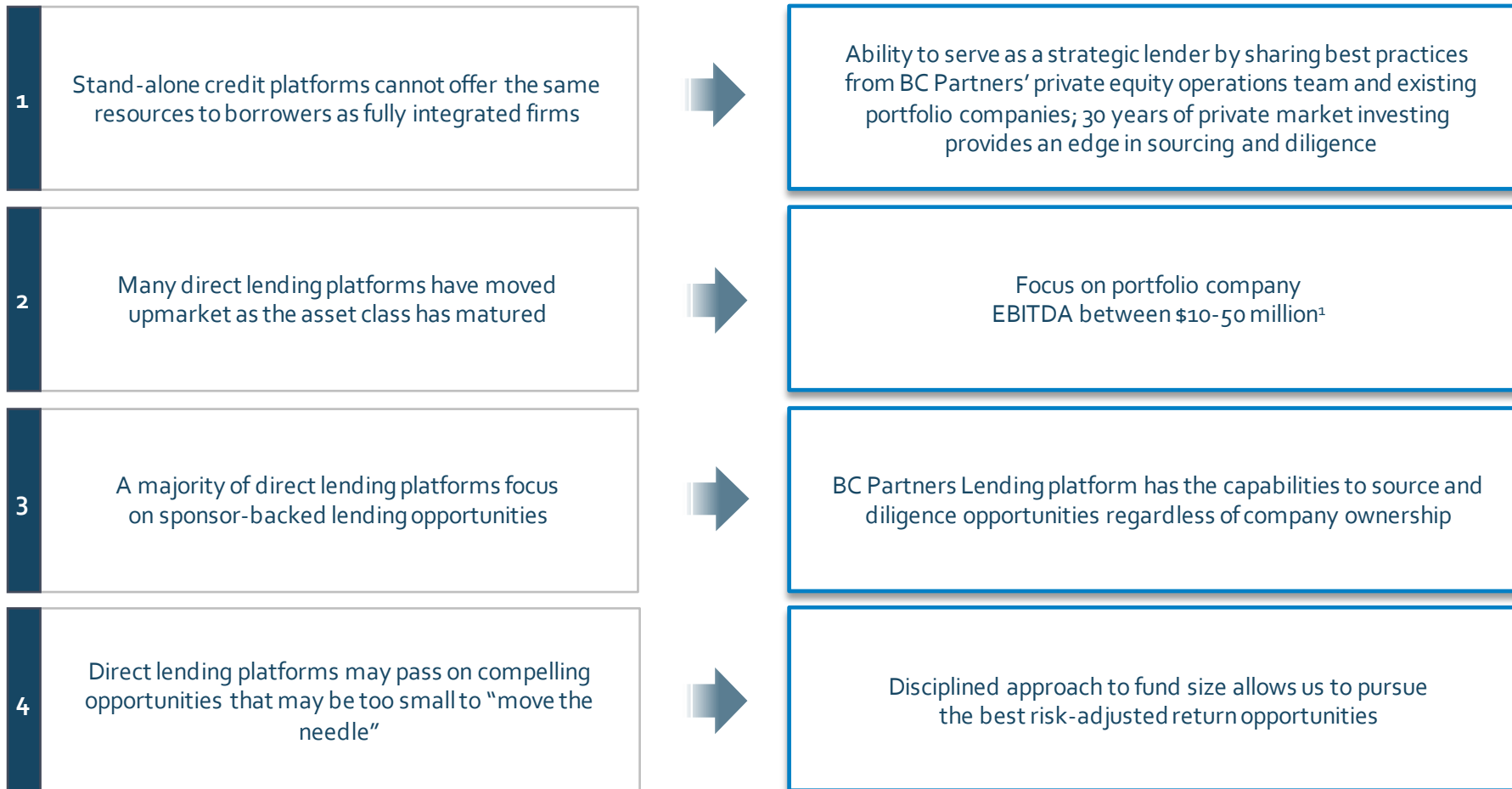
Opportunistic: \$2.8bn in AUM

- Mandate to invest where other capital is retrenching due to limited duration and regulatory restrictions
- Ability to invest across the capital structure
- Price opportunities with adequate compensation for risk and illiquidity
- Mix of current income and price appreciation



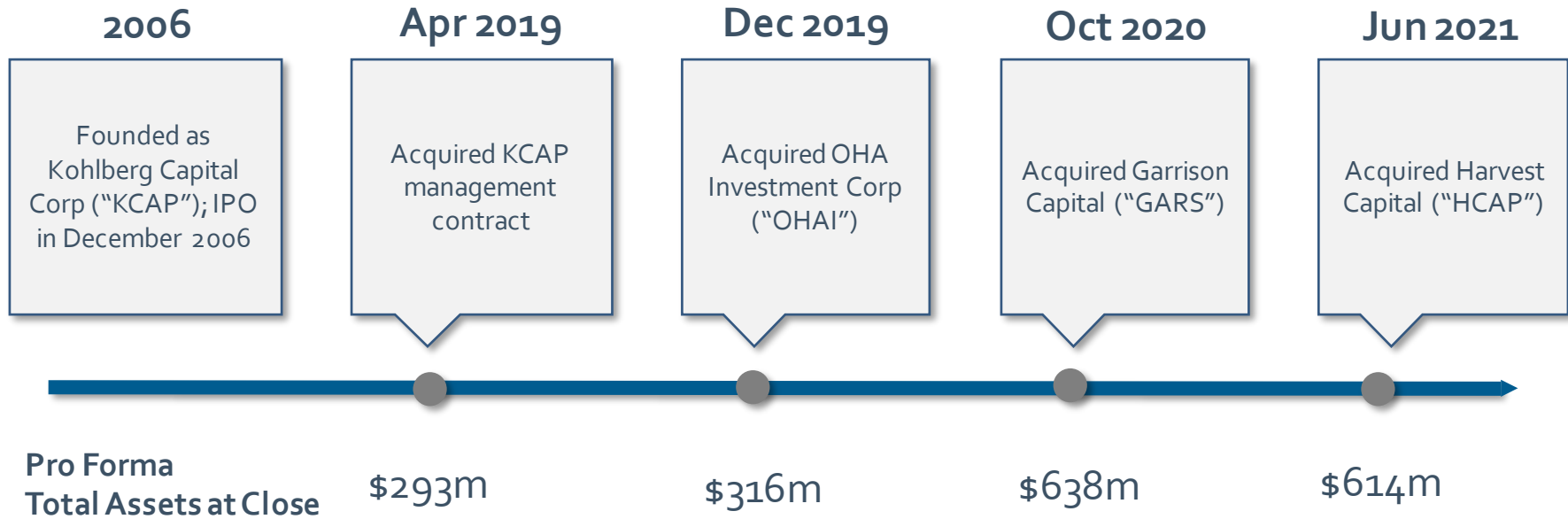
1. Reflects commitments to commingled funds, IMAs, and commercially approved commitments. Figures are subject to completion of certain agreements.

While the increasing popularity of direct lending has gathered many headlines as of late, we believe the BC Partners Credit platform is differentiated on four key aspects

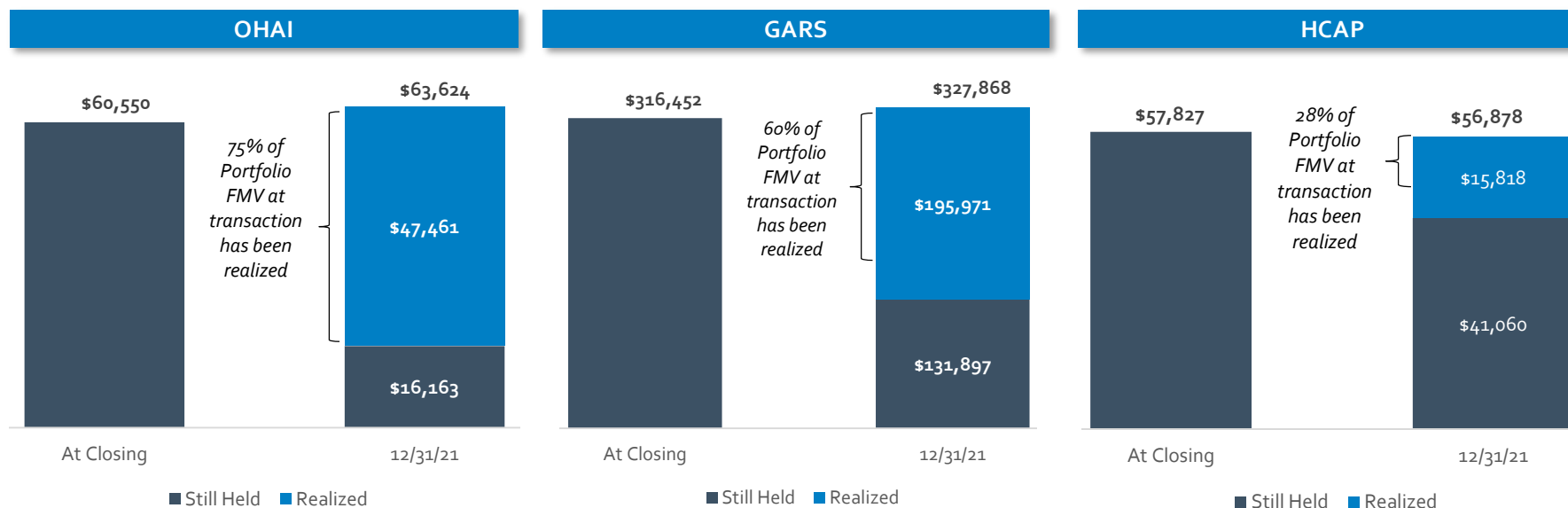


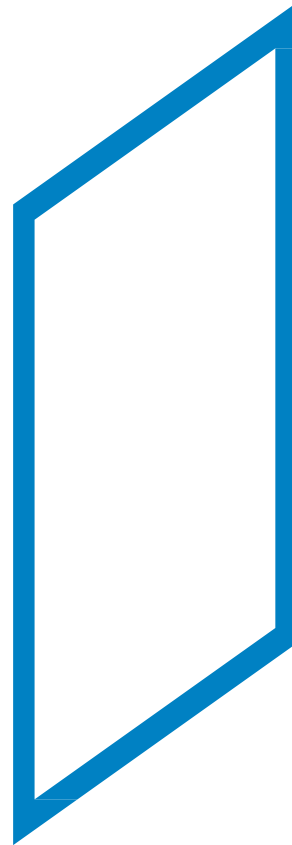
Views expressed are those of BCP Credit.

1. Anticipated portfolio construction provided for illustrative purposes only.



- Our track record demonstrates BC Partners' ability to efficiently realize the value of legacy portfolios acquired while rotating into BC Partners' sourced assets
- We are in the early stages of implementing the same strategy with the acquired and fully redeemed HCAP assets but were successful in several monetizations during the quarter





Full Year 2021

Full Year 2021 Highlights⁽¹⁾

- Net asset value ("NAV") for full year 2021 increased to \$280.1 million (\$28.88 per share) from \$216.3 million (\$28.77 per share) year-over-year, reflecting broad-based improvements in the debt portfolio investments and joint ventures.
- Total investment income for full year 2021 increased to \$80.1 million, of which \$63.8 million was attributable to interest income from the debt securities portfolio. This compares to total investment income of \$42.8 million in 2020, of which \$31.4 million was attributable to interest income from the debt securities portfolio.
- Excluding the impact of purchase price accounting, core investment income⁽²⁾ for the full year 2021 was \$63.4 million, an increase of \$24.3 million as compared to core investment income of \$39.1 million in 2020.
- Net investment income ("NII") for full year 2021 increased to \$42.0 million (\$4.92 per share) as compared to \$17.0 million (\$3.40 per share) a year ago.
- Core NII⁽³⁾ for full year 2021 increased to \$25.4 million (\$2.97 per share) as compared to \$13.3 million (\$2.67 per share)⁽⁴⁾ a year ago.
- Total investments at fair value (excluding derivatives) at December 31, 2021 was \$550.0 million; when excluding CLO funds and Joint Ventures, these investments are spread across 30 different industries and 113 different entities, with an average par balance per investment of approximately \$3.3 million. This compares to \$487.7 million as of December 31, 2020, comprised of investments in 121 entities.
- As of December 31, 2021, par value of outstanding borrowings was \$352.4 million with an asset coverage ratio of total assets to total borrowings of 178%. On a net basis, leverage as of December 31, 2021 was 1.01x.
- During the year, the Company redeemed in full the aggregate \$77.4 million in principal outstanding of the 6.125% Notes due 2022 on May 30, 2021; the aggregate principal amount outstanding of \$28.75 million of HCAP's 6.125% Notes due 2022 were redeemed in full on July 23, 2021.
- In the fourth quarter of 2021, the Company's previously announced purchase of \$18.1 million of portfolio of CLO assets in exchange for \$1.4 million in cash and 556,852 shares of common stock issued at NAV closed in the fourth quarter of 2021.
- During the year, the Company repurchased 75,377 shares, under its \$10 million Stock Repurchase Program in open market transactions at an aggregate cost of approximately \$1.8 million. On March 8, 2022, the Board voted to renew the Stock Repurchase Program for one year ending March 2023.
- A 1-for-10 reverse stock split of the Company's common stock was completed effective August 26, 2021.

⁽¹⁾ The Company completed a Reverse Stock Split of 10 to 1 effective August 26, 2021. As a result, the share and per share amounts have been adjusted retroactively to reflect the split for all periods prior to August 26, 2021.

⁽²⁾ Core investment income represents reported total investment income as determined in accordance with U.S. generally accepted accounting principles, or U.S. GAAP, less the impact of purchase price discount accounting in connection with the Garrison Capital Inc. ("GARS") and Harvest Capital Credit Corporation ("HCAP") mergers. Portman Ridge believes presenting core investment income and the related per share amount is useful and appropriate supplemental disclosure for analyzing its financial performance due to the unique circumstance giving rise to the purchase accounting adjustment. However, core investment income is a non-U.S. GAAP measure and should not be considered as a replacement for total investment income and other earnings measures presented in accordance with U.S. GAAP. Instead, core investment income should be reviewed only in connection with such U.S. GAAP measures in analyzing Portman Ridge's financial performance.

⁽³⁾ Core NII, or core net investment income, represents reported net investment income in accordance with U.S. GAAP, less the impact of purchase price discount accounting in connection with the GARS and HCAP mergers. Portman Ridge believes presenting Core NII and the related per share amount is useful and appropriate supplemental disclosure for analyzing its financial performance due to the unique circumstance giving rise to the purchase accounting adjustment. However, Core NII is a non-U.S. GAAP measure and should not be considered as a replacement for net investment income and other earnings measures presented in accordance with U.S. GAAP. Instead, Core NII should be reviewed only in connection with such U.S. GAAP measures in analyzing Portman Ridge's financial performance.

⁽⁴⁾ Net leverage is calculated as the ratio between (A) debt, excluding unamortized debt issuance costs, less available cash and cash equivalents, and restricted cash and (B) NAV. Portman Ridge believes presenting a net leverage ratio is useful and appropriate supplemental disclosure because it reflects the Company's financial condition net of \$8.3 million of cash and cash equivalents. However, the net leverage ratio is a non-U.S. GAAP measure and should not be considered as a replacement for the regulatory asset coverage ratio and other similar information presented in accordance with U.S. GAAP. Instead, the net leverage ratio should be reviewed only in connection with such U.S. GAAP measures in analyzing Portman Ridge's financial condition.

(\$ in '000s)	2019	2020	2021
Core investment income	\$26,495	\$39,107	\$63,442
Expenses:			
Management fees	3,129	4,579	7,916
Performance-based incentive fees ⁽¹⁾	—	4,858	7,075
Interest and amortization of debt issuance costs	8,261	10,284	13,644
Operating expenses	12,031	6,043	9,447
Total expenses	23,421	25,764	38,082
Core net investment income	\$3,074	\$13,343	\$25,360
Net realized gain/(loss) on investments	(15,619)	7,605	(4,258)
Net change in unrealized (loss)/gain on investments	1,121	6,813	(8,443)
Realized loss on debt extinguishment	(1,076)	155	(1,835)
Tax (provision) benefit on realized and unrealized (gains) losses on investments	—	—	(1,442)
Net (decrease)/increase in net assets resulting from operations	\$(12,500)	\$27,916	\$9,382

Per Share ⁽²⁾	2019	2020	2021
Core Net Investment Income	\$0.82	\$2.67	\$2.97
Net Realized and Unrealized Gain / (Loss)	▲ \$(3.85)	▲ \$2.88	▲ \$(1.49)
Net Core Earnings	▲ \$(3.32)	▲ \$5.58	▲ \$1.10
Distributions declared	\$1.20	\$2.40	\$2.42
Net Asset Value	\$33.95	\$28.77	\$28.88

(1) All incentive fees earned through March 31, 2021 were re-invested in newly issued stock at NAV.

(2) The Company completed a Reverse Stock Split of 10 to 1 effective August 26, 2021; all per share values have been adjusted retroactively to reflect the split for all periods presented.

Core Earning Analysis

(\$ in '000s except per share)	2019	2020	2021
Income from non-controlled/non-affiliated investments	12,205	27,554	63,591
Income from non-controlled affiliated investments	10,324	10,064	8,947
Income from controlled affiliated investments	3,750	4,263	5,170
Capital structuring service fees	216	883	2,378
Reported Investment Income	\$26,495	\$42,764	\$80,086
Less: Purchase discount accounting ⁽¹⁾	n/a	(3,657)	(16,644)
Core Investment Income	\$26,495	\$39,107	\$63,442
<u>Reported</u>			
Net Investment Income	\$3,074	\$17,000	\$42,004
NII Per Share	\$0.82	\$3.40	\$4.92
<i>Implied Quarterly Per Share⁽²⁾</i>	<i>\$0.20</i>	<i>\$0.85</i>	<i>\$1.23</i>
<u>Core</u>			
Net Investment Income	\$3,074	\$13,343	\$25,360
NII Per Share	\$0.82	\$2.67	\$2.97
<i>Implied Quarterly Per Share</i>	<i>\$0.27</i>	<i>\$0.67</i>	<i>\$0.74</i>

(1) 2020 Purchase discount accounting for Q4 2020 only, reflective of the Garrison merger closing during that quarter.

(2) 2019 Financials include one quarter of internal management and transaction expenses associated with the Externalization.

Net Asset Value Rollforward

(\$ in '000s)	2020	2021
NAV, Beginning of Period	\$152,199	\$216,264
Realized Gains (Losses) from Investments	7,605 ⁽¹⁾	(4,258)
Unrealized Gains (Losses)	6,813 ⁽¹⁾	(8,443)
Net Investment Income	17,000	42,004
Net Decrease in Assets Resulting from Distributions	(10,694)	(20,575)
Realized Gains (Losses) from Extinguishment of Debt	155	(1,835)
Tax (provision) benefit on realized and unrealized (gains) losses on investments	--	(1,442)
Day One Impact of Mergers ⁽²⁾	43,332	38,695
Private Placement ⁽³⁾	572	20,612
Share Repurchase	(863)	(1,827)
Distribution Reinvestment Plan	145	927
NAV, End of Period	\$216,264	\$280,122

Leverage and Asset Coverage	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Debt / Equity	1.7x	1.4x	1.4x	1.3x	1.3x
Asset Coverage	156%	170%	171%	178%	178%

(1) Excluding gains from merger activity.

(2) Impact includes merger transaction costs.

(3) Includes the transaction purchase of portfolio assets from JMP Group LLC on October 26, 2021.

Investment Portfolio (\$ in '000s)	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Senior Secured Loan	\$328,845	\$322,363	\$351,699	\$380,961	\$364,701
Junior Secured Loan	75,807	64,640	67,905	74,076	70,549
Senior Unsecured Bond	208	42	43	43	43
Equity Securities	13,945	14,651	22,387	22,299	22,586
CLO Fund Securities	19,583	16,021	17,064	17,174	31,632
Joint Ventures	49,349	56,731	61,070	67,629	60,474
Ending Balance	\$487,737	\$474,447	\$520,168	\$562,181	\$549,985

Investment Portfolio (% of total)	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Senior Secured Loan	67.4%	67.9%	67.6%	67.8%	66.0%
Junior Secured Loan	15.5%	13.6%	13.1%	13.2%	13.0%
Senior Secured Bond	0.0%	0.0%	0.0%	0.0%	0.0%
Equity Securities	2.9%	3.1%	4.3%	4.0%	4.0%
CLO Fund Securities	4.0%	3.4%	3.3%	3.1%	6.0%
Joint Ventures	10.1%	12.0%	11.7%	12.0%	11.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

(1) At Fair Value. Does not include activity in short-term investments.

(\$ in '000s)	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Portfolio Sourcing (at Fair Value):					
BC Partners	\$ 151,522	\$ 160,533	\$ 184,525	\$ 245,112	\$ 264,642
Legacy KCAP	\$ 102,993	\$ 100,867	\$ 92,795	\$ 92,746	\$ 78,221
Legacy OHA1	\$ 23,513	\$ 21,889	\$ 17,040	\$ 16,980	\$ 16,163
Legacy GARS	\$ 209,710	\$ 191,159	\$ 172,234	\$ 159,699	\$ 131,897
Legacy HCAP ⁽³⁾	n/a	n/a	\$ 53,573	\$ 47,644	\$ 59,062
Portfolio Summary:					
Total portfolio, at fair value	\$ 487,737	\$ 474,447	\$ 520,168	\$ 562,181	\$ 549,985
Total number of debt portfolio companies / Total number of investments ⁽⁴⁾	109 / 171	103 / 166	105 / 182	101 / 184	92 / 181
Weighted Avg EBITDA of debt portfolio companies	\$ 78,150	\$ 84,250	\$ 69,300	\$ 92,600	\$ 74,500
Average size of debt portfolio company investment, at fair value	\$ 2,829	\$ 2,765	\$ 2,914	\$ 3,138	\$ 3,065
Weighted avg first lien / total leverage ratio (net) of debt portfolio	4.1x / 4.9x	4.1x / 4.9x	4.2x / 4.9x	4.5x / 5.3x	5.1x / 5.7x
Portfolio Yields and Spreads:					
Weighted average yield on debt investments at par value ⁽⁵⁾	7.6%	7.4%	8.2%	8.1%	8.3%
Average Spread to LIBOR	679 bps	658 bps	744 bps	725 bps	748 bps
Portfolio Activity:					
Beginning balance	\$ 278,860	\$ 487,737	\$ 474,447	\$ 520,168	\$ 562,181
Purchases / draws	311,070	57,470	115,828	98,362	99,141
Exits / repayments / amortization	(154,185)	(80,334)	(78,963)	(64,793)	(109,351)
Gains / (losses) / accretion	51,992	9,575	8,637	8,444	1,986
Ending Balance	\$ 487,737	\$ 474,447	\$ 520,168	\$ 562,181	\$ 549,985

(1) For comparability purposes, portfolio trends metrics exclude short-term investments and derivatives. For the quarter ended December 31, 2020, derivatives are included in the Portfolio Activity metrics.

(2) Excludes select investments where the metric is not applicable, appropriate, data is unavailable for the underlying statistic analyzed

(3) Includes assets purchased from affiliate of HCAP's former manager in a separate transaction.

(4) CLO holdings and Joint Ventures are excluded from investment count.

(5) Excluding non-accrual and partial non-accrual investments and excluding CLO holdings and Joint Ventures.

- As of December 31, 2021, 7 of the Company's debt investments were on non-accrual status and represented 0.5% and 2.8% of the Company's investment portfolio at fair value and amortized cost

(\$ in '000s)	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Investments Credit Quality – Internal Rating ⁽¹⁾					
Performing	94.5%	95.1%	95.0%	94.2%	95.0%
Underperforming	5.5%	4.9%	5.0%	5.8%	5.0%
Investments on Non-Accrual Status					
Number of Non-Accrual Investments	8	7	8	6	7
Non-Accrual Investments at Cost	\$12,860	\$11,918	\$17,015	\$15,284	\$16,730
Non-Accrual Investments as a % of Total Cost	2.4%	2.3%	3.3%	2.5%	2.8%
Non-Accrual Investments at Fair Value	\$3,843	\$3,263	\$7,601	\$4,980	\$2,900
Non-Accrual Investments as a % of Total Fair Value	0.8%	0.7%	1.5%	0.9%	0.5%

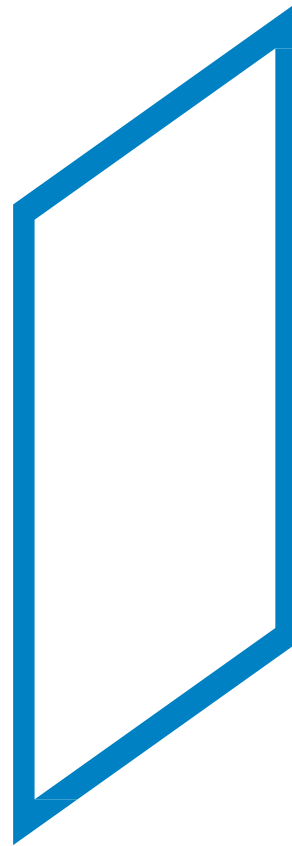
(1) Based on FMV.

Cash and Cash Equivalents

- Unrestricted cash and cash equivalents totaled \$28.9 million at December 31, 2021
- Restricted cash of \$39.4 million at December 31, 2021

Debt Summary

- On February 22, 2021, the Company repaid \$88.0 million of the 2018-2 Secured Notes due 2029
- During the second quarter, the Company issued \$108.0 million in aggregate principal of the unsecured 4.875% Notes due 2026 in two private placement offerings. On April 30, the Company issued \$80.0 million of the 4.875% Notes due 2026 and on June 23, the Company issued an additional \$28.0 million of the 4.875% Notes due 2026 under identical terms.
- During the year, the Company redeemed in full the aggregate \$77.4 million in principal outstanding of the 6.125% Notes due 2022 on May 30, 2021; the aggregate principal amount outstanding of \$28.75 million of HCAP's 6.125% Notes due 2022 were redeemed in full on July 23, 2021.
- The company filed with the SEC a registration statement relating to an offer to exchange the 4.875% Notes due 2026 ("Restricted Notes") for new notes ("Exchange Notes") issued by the Company; this was made effective December 2, 2021. The form and terms of the Exchange Notes are substantially identical to those of the Restricted Notes, except that the transfer restrictions and registration rights relating to the Exchange Notes do not apply to the Exchange Notes and the Exchange Notes do not provide for the payment of additional interest in the event of a registration default.



Appendix

December 31, 2021 December 31, 2020

(\$ in '000s, except per share data)

ASSETS

Investments at fair value:

Non-controlled/non-affiliated investments (amortized cost: 2021 - \$479,153; 2020 - \$445,902)	\$ 452,482	\$ 427,277
Non-controlled affiliated investments (amortized cost: 2021 - \$74,082; 2020 - \$40,726)	74,142	40,503
Controlled affiliated investments (cost: 2021 - \$52,130; 2020 - \$49,350)	23,361	19,957
Total Investments at Fair Value, excluding derivatives (cost: 2021 - \$605,365; 2020 - \$535,978)	549,985	487,737
Cash and cash equivalents	28,919	6,990
Restricted cash	39,421	75,913
Interest receivable	5,514	2,973
Receivable for unsettled trades	20,193	25,108
Due from affiliates	507	357
Other assets	3,762	1,100
Total Assets	\$ 648,301	\$ 600,178

LIABILITIES

2018-2 Secured Notes (net of discount of: 2021 - \$1,403; 2020 - \$2,445)	\$ 162,460	\$ 249,418
4.875% Notes Due 2026 (net of discount of: 2021 - \$2,157; net of deferred financing costs of: 2021 - \$951)	104,892	—
Great Lakes Portman Ridge Funding LLC Revolving Credit Facility (net of deferred financing costs of: 2021 - \$732; 2020 - \$1,098)	79,839	48,223
6.125% Notes Due 2022 (net of deferred financing costs of: 2020 - \$1,058)	—	75,668
Derivative liabilities (cost: 2021 - \$31; 2020 - \$31)	2,412	1,109
Payable for unsettled trades	5,397	—
Accounts payable, accrued expenses and other liabilities	4,819	1,789
Accrued interest payable	2,020	1,089
Due to affiliates	1,799	1,375
Management and incentive fees payable	4,541	5,244
Total Liabilities	368,179	383,915

COMMITMENTS AND CONTINGENCIES

NET ASSETS

Common stock, par value \$0.01 per share, 20,000,000 common shares authorized; 9,867,998 issued, and 9,699,695 outstanding at December 31, 2021, and 7,609,349 issued, and 7,516,423 outstanding at December 31, 2020	97	75
Capital in excess of par value	733,095	639,136
Total distributable (loss) earnings	(453,070)	(422,947)
Total Net Assets	280,122	216,264
Total Liabilities and Stockholders' Equity	\$ 648,301	\$ 600,178
Net Asset Value Per Common Share ⁽¹⁾	\$ 28.88	\$ 28.77

(1) The Company completed a Reverse Stock Split of 1.0 to 1 effective August 26, 2021, the common shares and net asset value per common share have been adjusted retroactively to reflect the split for all periods presented.

(\$ in '000s, except per share data)	December 31, 2021	December 31, 2020	December 31, 2019
Investment income:			
Income from non-controlled/non-affiliated investments	\$ 63,591	\$ 27,553	\$ 12,205
Income from non-controlled affiliated investments	8,947	10,065	10,324
Income from controlled affiliated investments	5,170	4,263	3,750
Interest from cash and time deposits	—	15	79
Fees and other income	2,378	868	137
Total investment income	80,086	42,764	26,495
Expenses:			
Management fees	7,916	4,579	3,129
Performance-based incentive fees	7,075	4,858	—
Interest and amortization of debt issuance costs	13,644	10,284	8,261
Compensation	—	—	3,689
Professional fees	3,660	2,836	3,467
Administrative services expense	3,219	1,941	1,244
Other general and administrative expenses	2,568	1,823	2,201
Lease termination costs	—	—	1,431
Total expenses	38,082	26,321	23,421
Management and performance-based incentive fees waived	—	(557)	—
Net Expenses	38,082	25,764	23,421
Net Investment Income	42,004	17,000	3,074
Realized And Unrealized Gains (Losses) On Investments:			
Net realized gains (losses) from investment transactions			
Non-controlled/non-affiliated investments	(4,397)	7,120	(10,972)
Non-Controlled affiliated investments	139	485	(12)
Controlled affiliated investments	—	—	(4,635)
Net realized gain (loss) on investments	(4,258)	7,605	(15,619)
Net change in unrealized appreciation (depreciation) on:			
Non-controlled/non-affiliated investments	(8,047)	21,366	9,756
Non-Controlled affiliated investments	282	(11,723)	(6,208)
Controlled affiliated investments	625	(1,755)	(2,363)
Derivatives	(1,303)	(1,075)	(64)
Net unrealized gain (loss) on investments	(8,443)	6,813	1,121
Tax (provision) benefit on realized and unrealized (gains) losses on investments	(1,442)	—	—
Net realized and unrealized appreciation (depreciation) on investments, net of taxes	(14,143)	14,418	(14,498)
Realized gains (losses) on extinguishments of Debt	(1,835)	155	(1,076)
Net Increase (Decrease) In Net Assets Resulting From Operations	\$ 26,026	\$ 31,573	\$ (12,500)
Net Increase (Decrease) In Stockholders' Equity Resulting from Operations per Common Share ⁽¹⁾ :			
Basic:	\$ 3.05	\$ 6.32	\$ (3.32)
Diluted:	\$ 3.05	\$ 6.32	\$ (3.32)
Net Investment Income Per Common Share ⁽¹⁾ :			
Basic:	\$ 4.92	\$ 3.40	\$ 0.82
Diluted:	\$ 4.92	\$ 3.40	\$ 0.82
Weighted Average Shares of Common Stock Outstanding—Basic and Diluted ⁽¹⁾	8,536,079	4,998,759	3,764,165

(1) The Company completed a Reverse Stock Split of 10 to 1 effective August 26, 2021, the weighted average shares outstanding and per share values have been adjusted retroactively to reflect the split for all periods presented.

Regular Distribution Information ⁽¹⁾

Date Declared	Record Date	Payment Date	Distribution per Share
3/10/2022	3/21/2022	3/30/2022	\$0.63
11/3/2021	11/15/2021	11/30/2021	\$0.62
8/4/2021	1 for 10 Reverse Stock Split effective 8/26/21		
8/4/2021	8/17/2021	8/31/2021	\$0.60
5/6/2021	5/19/2021	6/1/2021	\$0.60
2/12/2021	2/22/2021	3/2/2021	\$0.60
10/16/2020	10/26/2020	11/27/2020	\$0.60
8/5/2020	8/17/2020	8/28/2020	\$0.60
3/17/2020	5/7/2020	5/27/2020	\$0.60
2/5/2020	2/18/2020	2/28/2020	\$0.60
11/5/2019	11/15/2019	11/29/2019	\$0.60
8/5/2019	8/12/2019	8/29/2019	\$0.60

⁽¹⁾ The Company completed a Reverse Stock Split of 10 to 1 effective August 26, 2021, the distribution per share amounts have been adjusted retroactively to reflect the split for all periods presented.

Board of Directors

Ted Goldthorpe
Chairman of the Board

Robert Warshauer
Independent Director

Alex Duka
Independent Director

George Grunebaum
Independent Director

Christopher Lacovara
Independent Director

Dean Kehler
Independent Director

Matthew Westwood
Independent Director

Joseph Morea
Independent Director

Senior Management

Ted Goldthorpe
Chief Executive Officer

Jason Roos
Chief Financial Officer

Patrick Schafer
Chief Investment Officer

David Held
Chief Compliance Officer

Common Stock
Nasdaq: PTMN

Corporate Headquarters

650 Madison Avenue - 23rd Floor
New York, NY 10022 USA

Research Coverage

Ryan Lynch
Keefe Bruyette & Woods

Chris Nolan
Ladenburg Thalmann

Transfer Agent

American Stock Transfer & Trust
Company, LLC

Independent Audit Firm

Deloitte & Touche LLP

Investor Relations

The Equity Group, Inc.

Lena Cati

(212) 836-9611

Lcати@equityny.com

Serena Liegey

(212) 836-9630

sliegey@equityny.com