

PORTMAN
—RIDGE

Investor Presentation

June 2023

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 May 26, 2023

Market Cap	\$183.125 m
Share Price	\$19.17
52-week Range	\$18.00 - \$24.49
Common Shares Outstanding	9.55m
Total Dividend Payout TTM	\$2.67
Latest Quarterly Dividend	\$0.69
Analyst Coverage	KBW Ladenburg Thalmann Oppenheimer

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
- 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' \$40bn¹ platform in private equity, private credit and real estate strategies
- Exemptive relief allows for co-investments across the BC Partners platform

Investment Portfolio (at 3/31/23)

- \$593.6 million of total assets and \$225.1 million of net asset value
- 89.2% of our Debt Securities Portfolio at par value were either floating rate with a spread to an interest rate index such as LIBOR or the prime rate. 77.4% of these floating rate loans contain LIBOR floors ranging between 0.50% and 2.00%.
- 106 debt + equity portfolio investee companies²
- Debt investments on non-accrual status were 0.3% and 1.5% of the investment portfolio at fair value and amortized cost.

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

2. 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.

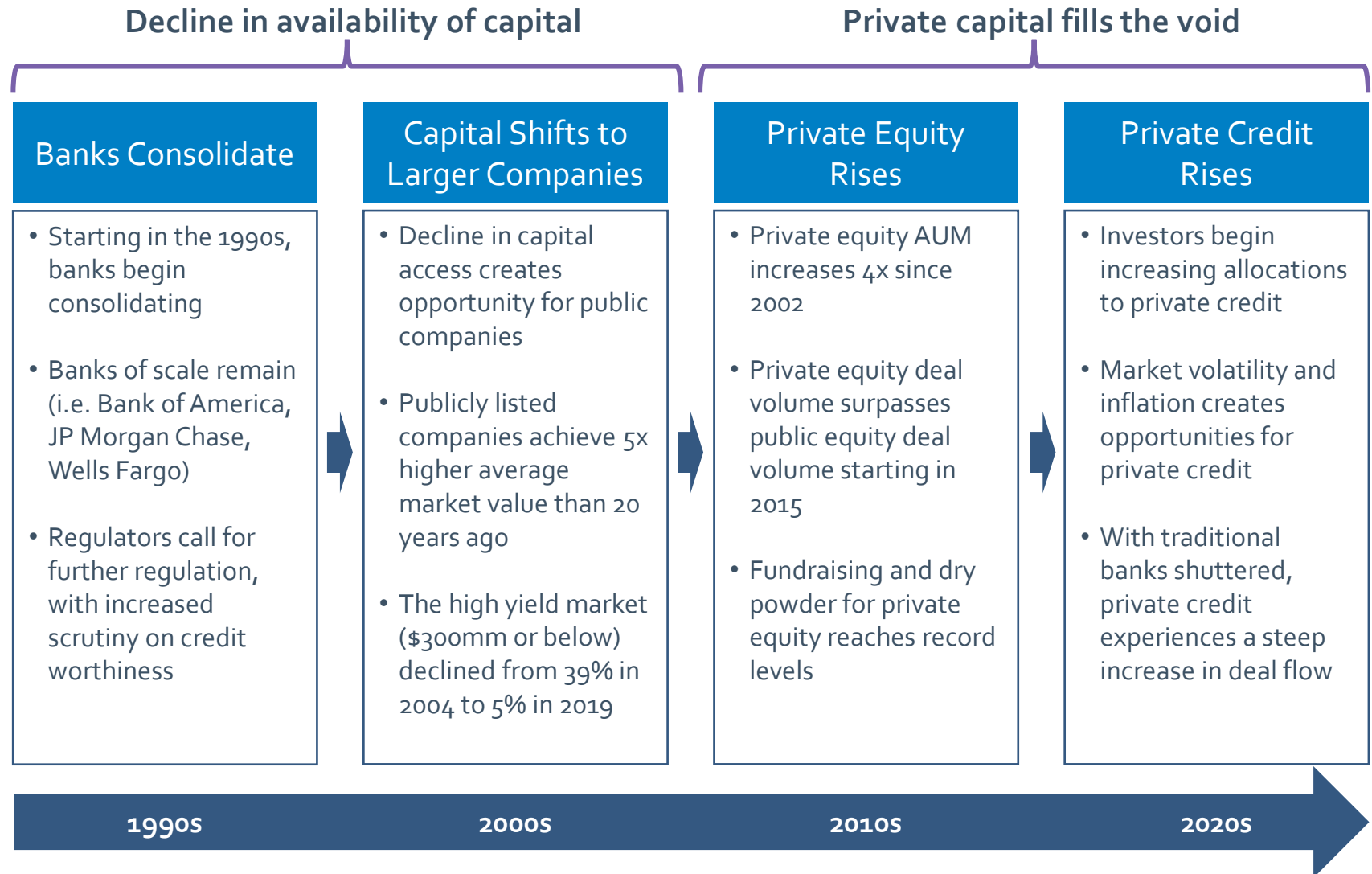
PATRICK SCHAFFER

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.

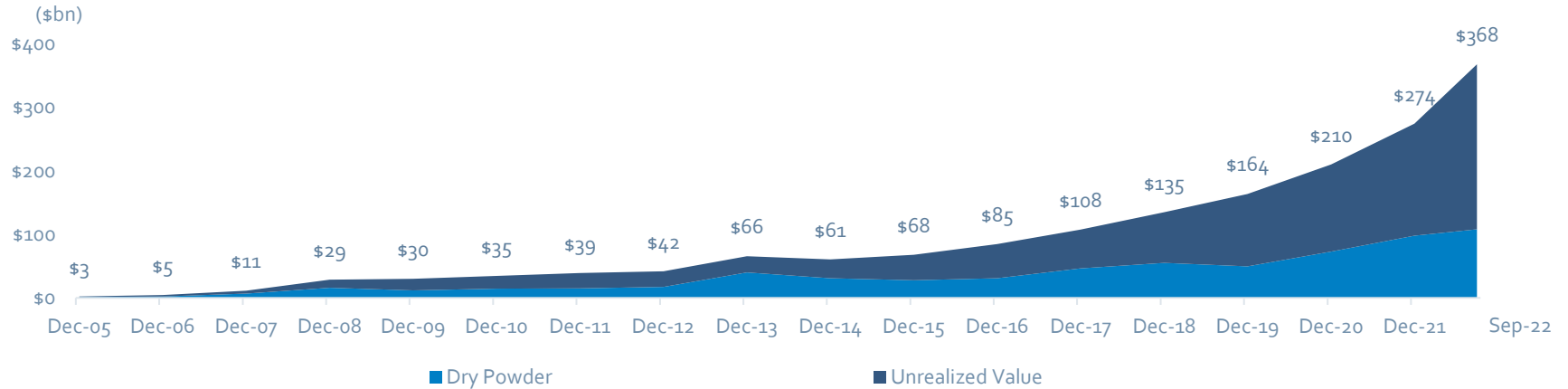
BCP Credit Investment team consists of 23 investment professionals supported by BC Partners' operational teams

Leverage Dynamics Shift From Banks to Private Credit

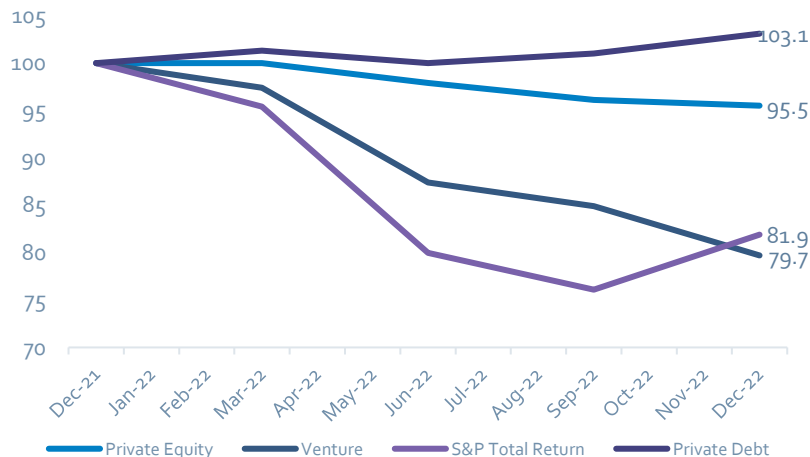


Private Credit Increases Market Share

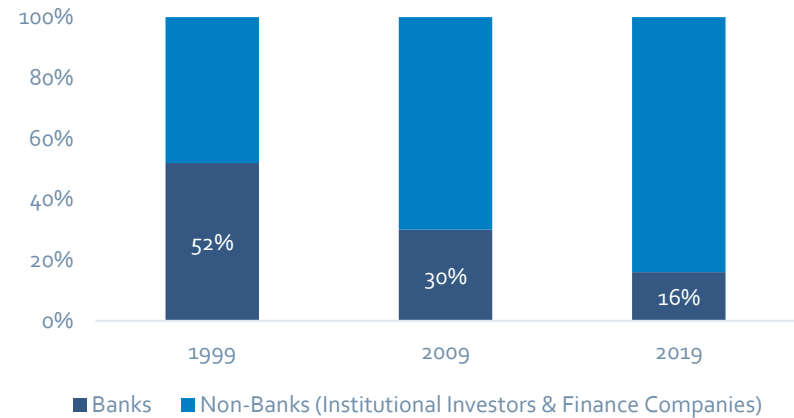
Private Credit Historical AUM since 2000



Historical Performance LTM Across Asset Classes



Private Credit Historical AUM since 2000



Why Private Credit

Privately Negotiated Terms and Structure

- Private transactions have an extensive focus on due diligence and downside protection
- Credit deal flow remains robust:
 - Borrowers seek certainty of terms
 - Flexibility in structuring

Preservation of Capital

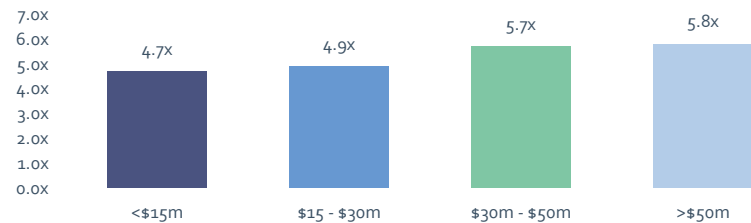
• Strong covenants:

- | | |
|------------------|---------------------------------------|
| ◦ Minimum EBITDA | ◦ Max. Gross / Net Leverage |
| ◦ FCCR | ◦ Industry-Specific KPIs |
| ◦ Maximum CapEx | ◦ Negative Covenants / Consent Rights |
| ◦ Minimum Cash | |

• Structural protections:

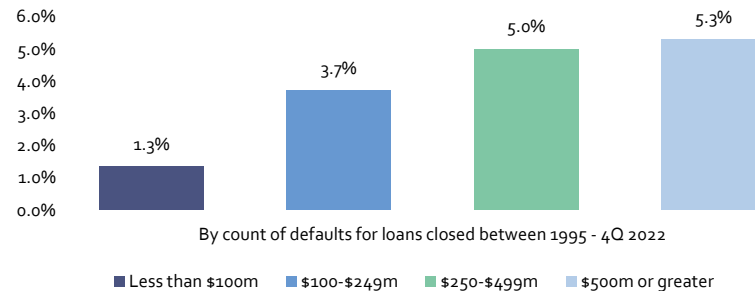
- | | |
|--------------------------|--------------------------|
| ◦ Asset Liens | ◦ Call Protection |
| ◦ Parent Guarantee | ◦ Structured Return |
| ◦ Liquidation Preference | ◦ Excess Cash flow Sweep |
| ◦ Change of Control | ◦ Scheduled Amortization |

Leverage by Company



Source: Proskauder 2021 Private Credit Insights

Cumulative Default Rate for Issuance Size

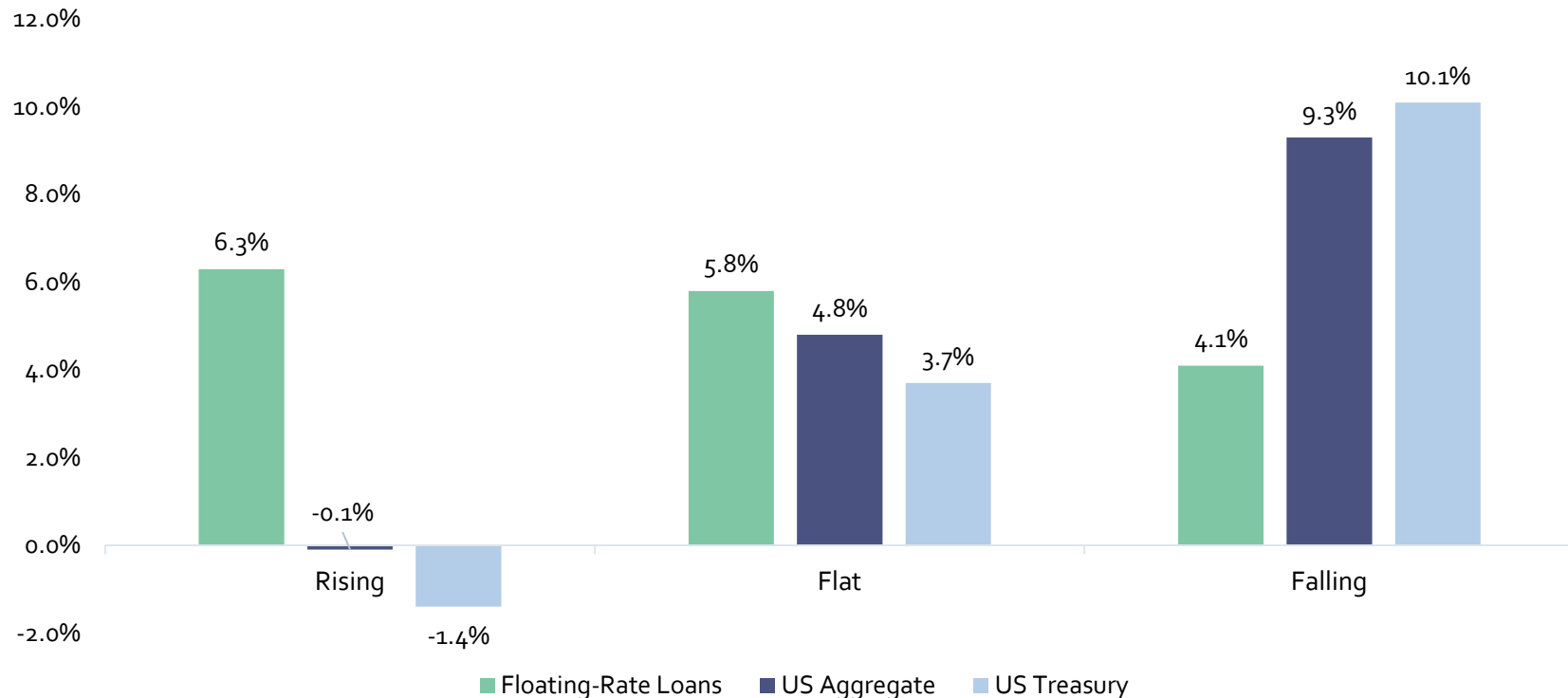


Source: S&P Global Market Intelligence as of Q4 2022

Why Private Credit (continued)

Floating Rate Loans may Benefit from Rising Rates

- Rising rates cause fixed income investors to struggle
- Floating rates are highly attractive, as income can increase with rising interest rates



Source: Credit Suisse and Bloomberg Indices. "Rising" indicated by an increase of more than 50bps. "Falling" indicated by a decrease of more than 50bps. Data reflects rolling 12-month periods from 01/31/1993 through 12/21/2022.

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

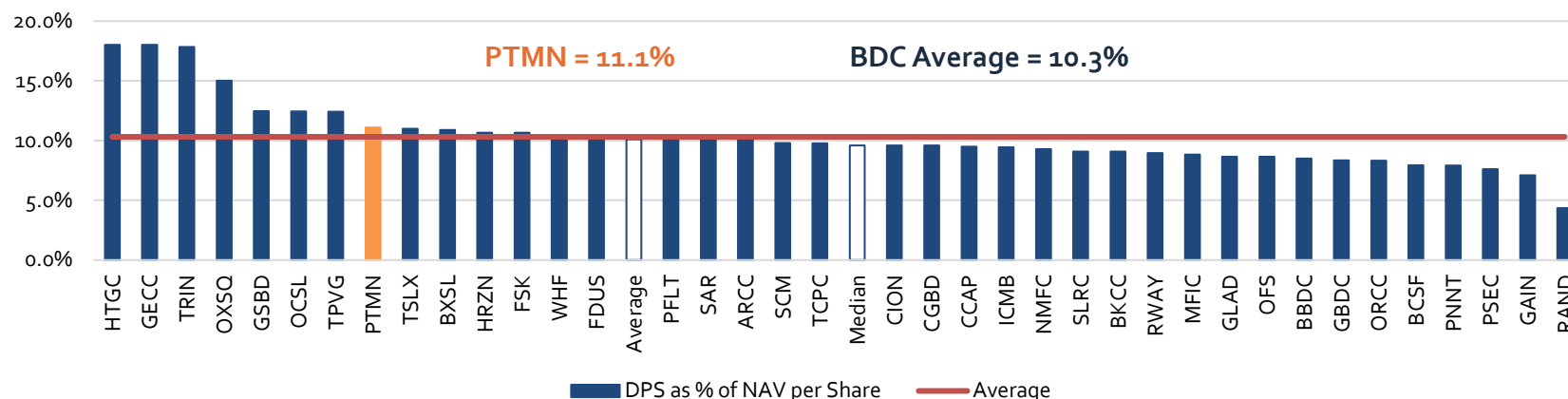
- ❑ Utilize entire BC Partners platform to directly originate loans and investments which allows for greater sourcing capabilities, ability to invest across the liquidity spectrum and participation in larger deals
- ❑ Seek to generate alpha through market dislocations, structural documentation, relationship 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

Investment Takeaways

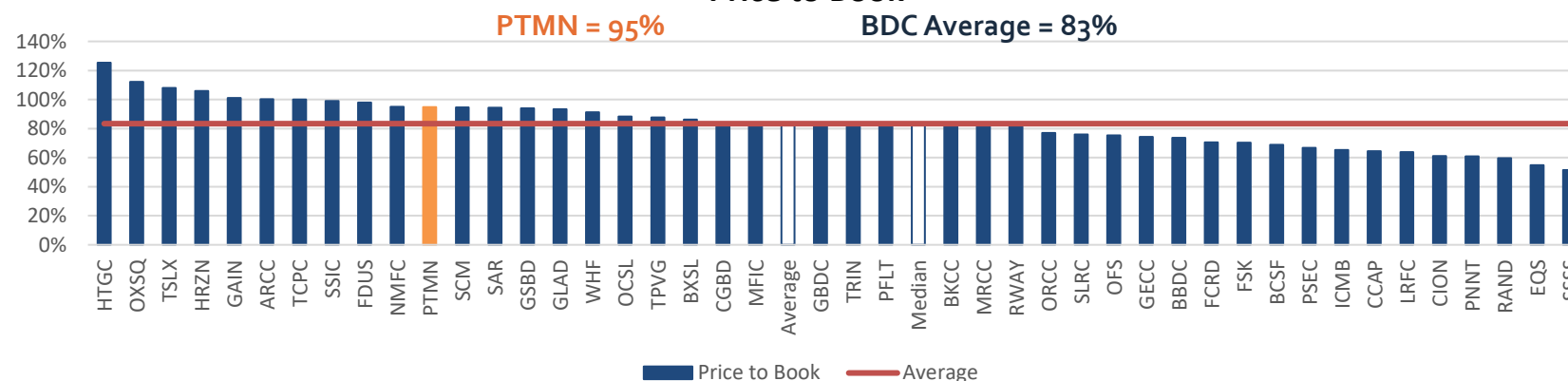
- ❑ **Small-cap BDC backed by BC Partners, a global multi-asset investment manager**
 - Benefits from being part of a larger platform compared to other standalone, similar-sized BDCs
- ❑ **Experienced, strategic management team with a track record of execution and focused on delivering EPS growth**
 - Announced and closed 4 M&A transactions in two years
- ❑ **Solid recent investment performance and steady dividend history**
 - Recently increased dividend per share to \$0.69 per share (from \$0.68 the previous quarter, \$0.67 in the third quarter of 2022, and \$0.63 in March 2022)
 - Dividend as a percentage of NAV is well within peers and supported by strong dividend coverage, among the leaders in the industry
 - Significant exposure to floating rate assets in a period of rising interest rates
- ❑ **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

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

Dividends per Share as % of NAV per Share

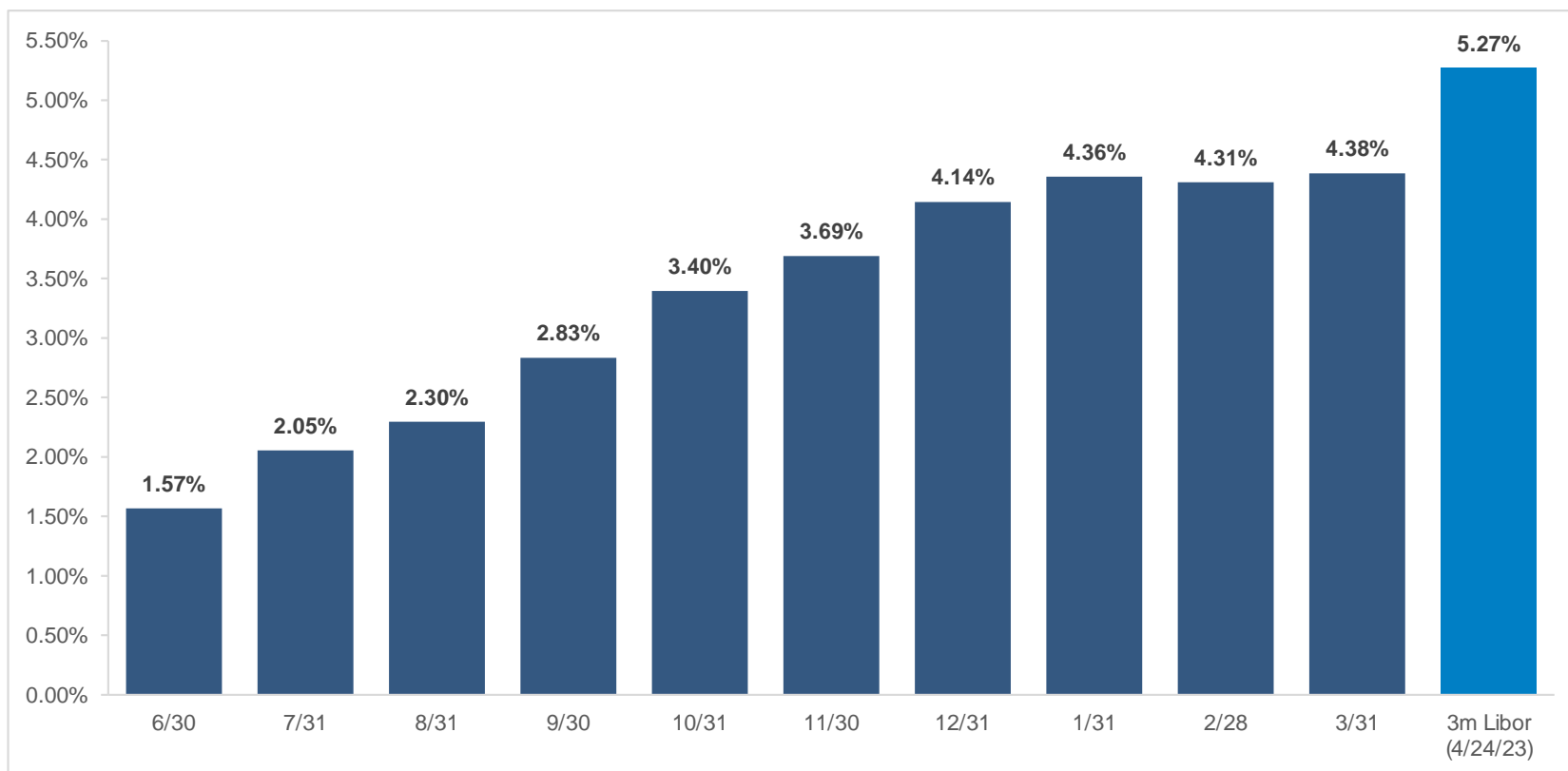


Price to Book



- As of March 31, 2023, approximately 52% of our floating rate assets were on LIBOR contract.
- If all floating rate assets as of 12/31 were reset to current 3-month benchmark rates (5.364% for LIBOR and 5.079% for SOFR), we would expect to generate an incremental ~\$690k of quarterly income.

Blended Contracted LIBOR at Month End



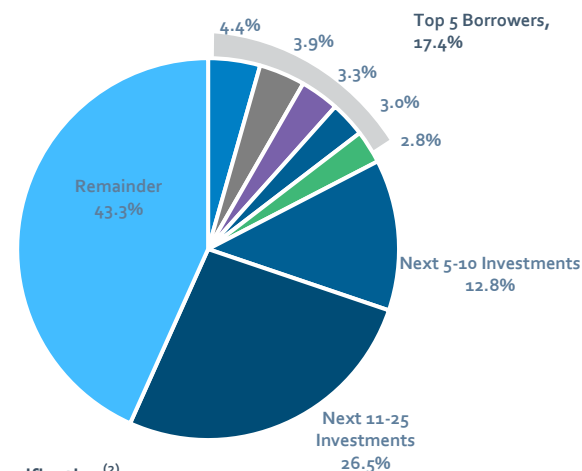
(1) 3-month LIBOR per Bloomberg as of April 24, 2023.

Current Portfolio Profile⁽¹⁾

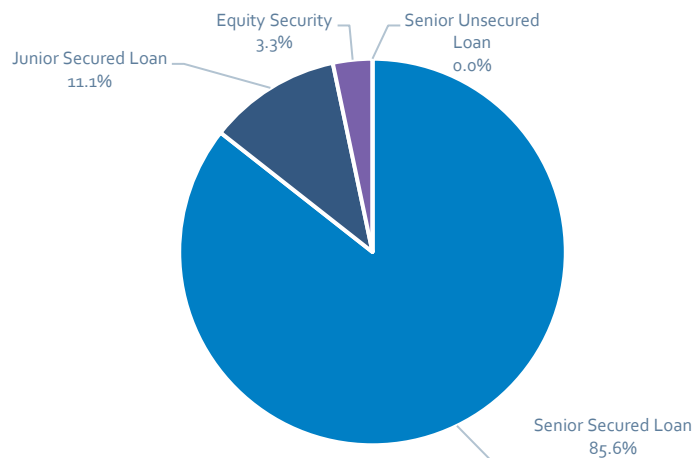
Diversified Portfolio of Assets

106 Debt + Equity Portfolio Investee Companies
\$3.3mm / 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

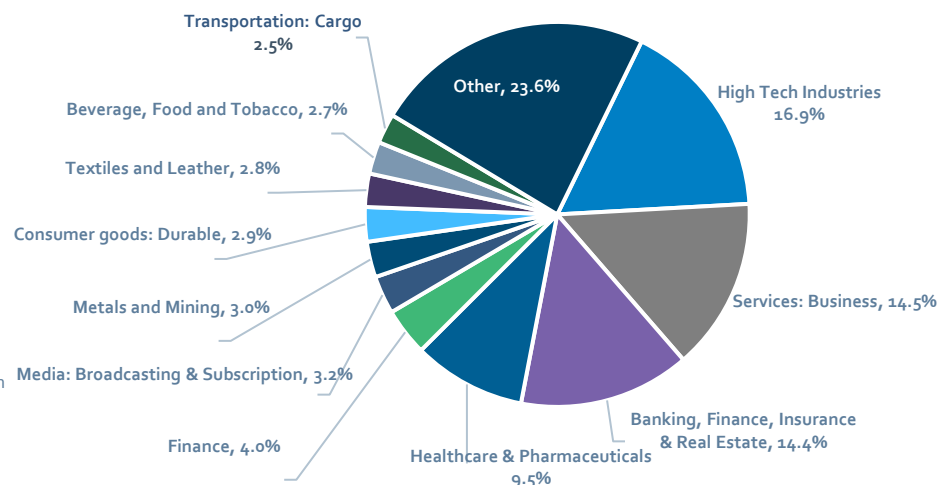
Diversification by Borrower⁽²⁾



Asset Mix⁽²⁾



Industry Diversification⁽²⁾



(1) As of March 31, 2023. 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.

Broad and Deep Sourcing Capabilities

- Access to networks in Europe built over 35+ years and in North America over nearly 15 years.
- 62 PE deal professionals evaluate close to 200 deals annually.
- Greatly augments information on primary deal flow and secondary debt purchases.

Sector Expertise

- PE deal team focuses on 4 core sectors – TMT, Healthcare, Business Services & Industrial, Consumer/Retail.
- Advantaged insights and technical know-how via consultation with PE team and proprietary market research enhances BC Partners Credit's diligence.



BC Partners – A Synergistic Platform

Portfolio Operations Team

- Eight operating partners with expertise across industries and functions.
- Middle market borrowers attracted to value-add not typically available to companies their size.
- Downside protection in recovery situations.

BC Partners' Broader Institutional Platform

- Infrastructure of a c.€40 bn asset manager
- Central Functions (Legal, HR, IT, Group Finance, Admin)
- Investor Relations
- Capital Markets

BC Partners Differentiators

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

1

Stand-alone credit platforms cannot offer the same resources to borrowers as fully integrated firms



Ability to serve as a strategic lender by sharing best practices from BC Partners' private equity operations team and existing portfolio companies; 30 years of private market investing provides an edge in sourcing and diligence

2

Many direct lending platforms have moved upmarket as the asset class has matured



Focus on portfolio company EBITDA between \$10-50 million¹

3

A majority of direct lending platforms focus on sponsor-backed lending opportunities



BC Partners Lending platform has the capabilities to source and diligence opportunities regardless of company ownership

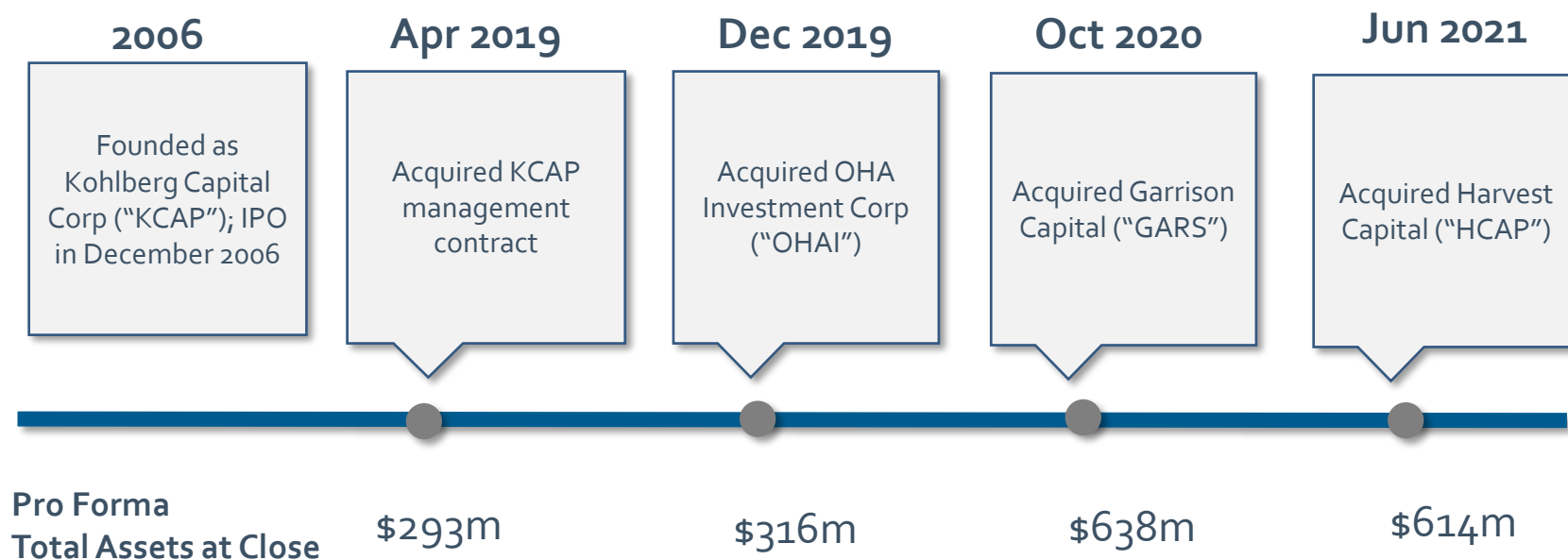
4

Direct lending platforms may pass on compelling opportunities that may be too small to "move the needle"

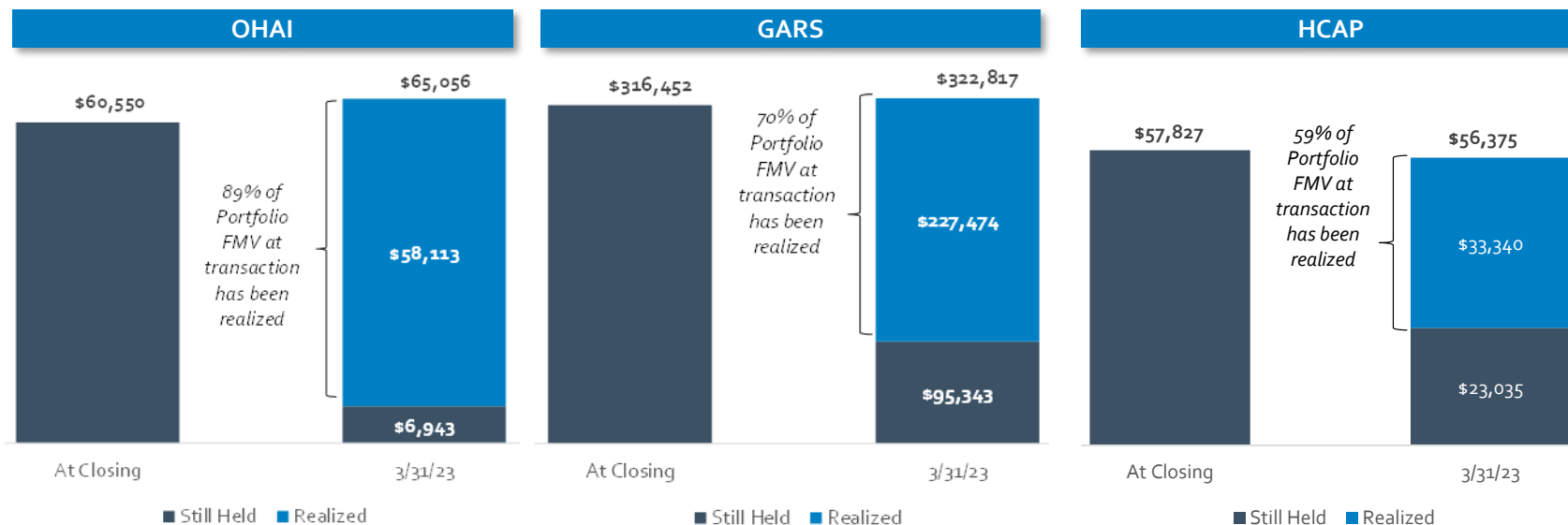


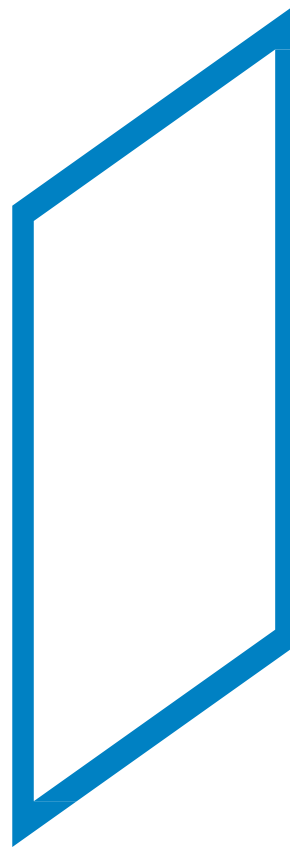
Disciplined approach to fund size allows us to pursue the best risk-adjusted return opportunities

Increasing Scale Through M&A



- 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





First Quarter 2023

First Quarter 2023 Highlights

- Total investment income for the first quarter of 2023 was \$20.3 million, an increase of \$1.7 million as compared to \$18.6 million for the fourth quarter of 2022 and an increase of \$3.4 million as compared to \$16.9 million for the first quarter of 2022.
- Core total investment income⁽¹⁾, excluding the impact of purchase price accounting, for the first quarter of 2023 was \$19.3 million, an increase of \$1.6 million as compared to \$17.7 million for the fourth quarter of 2022 and an increase of \$4.2 million as compared to \$15.1 million for the first quarter of 2022.
- Net investment income ("NII") for the first quarter of 2023 was \$8.5 million (\$0.89 per share), an increase of \$1.4 million as compared to \$7.1 million (\$0.74 per share) for the fourth quarter of 2022 and an increase of \$0.6 million as compared to \$7.9 million (\$0.82 per share) for the first quarter of 2022.
- Total shares repurchased in open market transactions under the Renewed Stock Repurchase Program during the quarter ended March 31, 2023 were 35,613 at an aggregate cost of approximately \$0.8 million.
- Total investments at fair value as of March 31, 2023 was \$539.1 million; when excluding CLO funds, Joint Ventures, and short-term investments, these investments are spread across 28 different industries and 106 different entities with an average par balance per entity of approximately \$3.3 million. This compares to \$576.5 million of total investments at fair value (excluding derivatives) as of December 31, 2022, comprised of investments in 119 different entities (excluding CLO funds, Joint Ventures, and short-term investments).
- Weighted average contractual interest rate on our interest earning Debt Securities Portfolio as of March 31, 2023 and December 31, 2022 was approximately 11.7% and 11.1%, respectively.
- Non-accruals on debt investments, as of March 31, 2023, were five debt investments, which compares to four debt investments on non-accrual status as of December 31, 2022 and six debt investments on non-accrual status as of March 31, 2022. As of March 31, 2023, debt investments on non-accrual status represented 0.3% and 1.5% of the Company's investment portfolio at fair value and amortized cost, respectively. This compares to debt investments on non-accrual status representing 0.0% and 0.6% of the Company's investment portfolio at fair value and amortized cost, respectively, as of December 31, 2022 and 0.2% and 1.9% of the Company's investment portfolio at fair value and amortized cost, respectively, as of March 31, 2022.
- Net asset value ("NAV") for the first quarter of 2023 was \$225.1 million (\$23.56 per share) as compared to \$232.1 (\$24.23 per share) for the fourth quarter of 2022.
- Par value of outstanding borrowings, as of March 31, 2023, was \$358.3 million with an asset coverage ratio of total assets to total borrowings of 162%. On a net basis, leverage as of March 31, 2023 was 1.39x⁽²⁾ compared to net leverage of 1.49x⁽²⁾ as of December 31, 2022.
- Increased Stockholder distribution from \$0.63 in the second quarter of 2022 to \$0.69 in the second quarter of 2023. The latest increase to \$0.69 represents three consecutive quarters of stockholder distribution increases and the fifth stockholder distribution increase over the last seven quarters.

⁽¹⁾ 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 ("HCCP") 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.

⁽²⁾ 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 \$46.1 million of cash and cash equivalents and restricted cash. 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.

Financial Highlights

(\$ in thousands)	Q1 2023
Interest from investments in debt excluding accretion	\$14,105
Purchase discount accounting	1,042
PIK Investment Income	1,600
CLO Income	548
JV Income	2,459
Service Fees	573
Investment Income	\$20,327
Less: Purchase discount accounting	(1,042)
Core investment income⁽¹⁾	\$19,285
Expenses:	
Management fees	1,953
Performance-based incentive fees	1,808
Interest and amortization of debt issuance costs	6,332
Professional fees	603
Administrative services expense	671
Other general and administrative expenses	431
Total expenses	\$11,798
Core net investment income⁽²⁾	\$7,669
Net realized gain (loss) on investments	(3,085)
Net unrealized gain (loss) on investments	(5,960)
Tax (provision) benefit on realized and unrealized gains (losses) on investments	571
Net increase/(decrease) in Core net assets resulting from operations	(\$805)
Per Share	Q1 2023
Core Net Investment Income	\$0.80
Net Realized and Unrealized Gain / (Loss)	(\$0.95)
Net Core Earnings	(\$0.08)
Distributions declared	\$0.69
Net Asset Value	\$23.56

- (1) 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.
- (2) Core net investment income represents reported total net 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, while also considering the impact of accretion from these mergers on expenses. Portman Ridge believes presenting core net 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 net investment income is a non-U.S. GAAP measure and should not be considered as a replacement for total net investment income and other earnings measures presented in accordance with U.S. GAAP. Instead, core net investment income should be reviewed only in connection with such U.S. GAAP measures in analyzing Portman Ridge's financial performance.

Core Earning Analysis

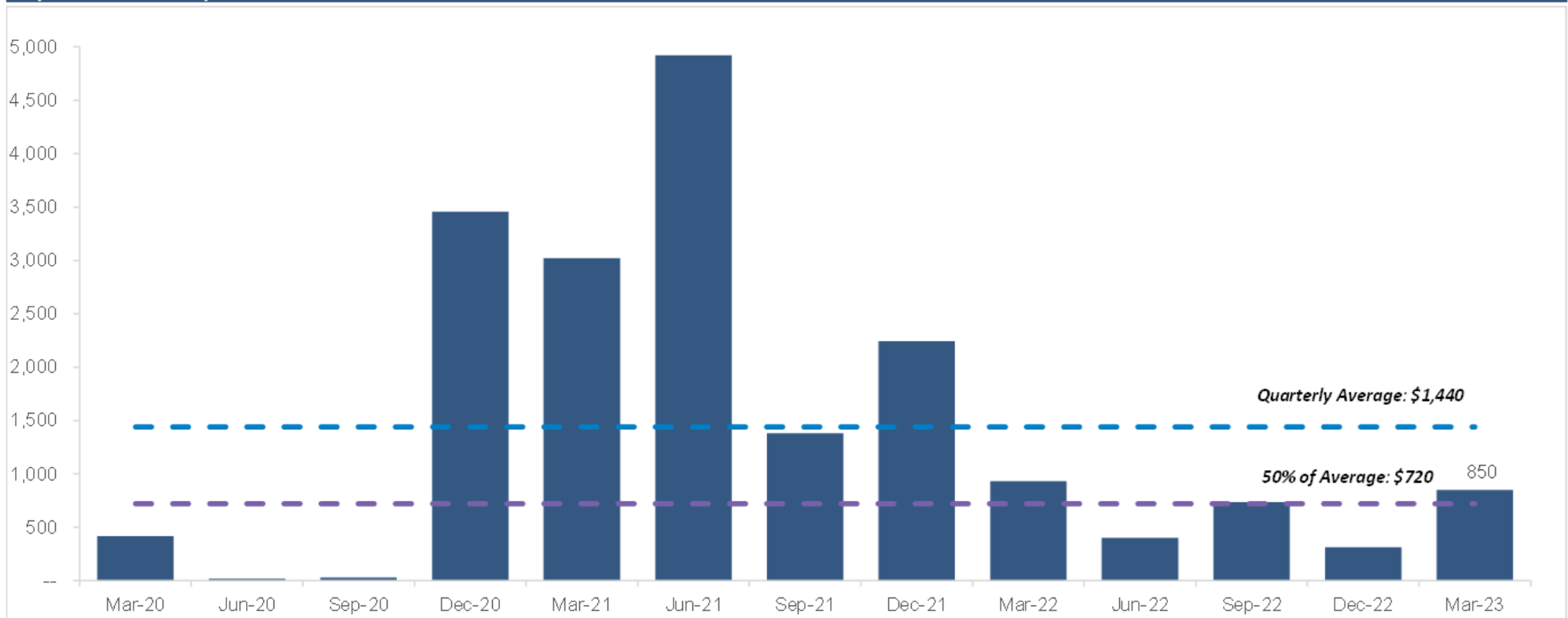
(\$ in '000s except per share)	Q1 2023
Interest Income:	
Non-controlled/non-affiliated investments	14,846
Non-controlled affiliated investments	849
Total interest income	15,695
Payment-in-kind income:	
Non-controlled/non-affiliated investments	1,527
Non-controlled affiliated investments	73
Total payment-in-kind income	1,600
Dividend income:	
Non-controlled affiliated investments	1,384
Controlled affiliated investments	1,075
Total dividend income	2,459
Fees and other income:	
Non-controlled/non-affiliated investments	573
Total fees and other income	573
Reported Investment Income	\$20,327
Less: Purchase discount accounting	(1,042)
Core Investment Income	\$19,285
Reported	
Net Investment Income	\$8,529
NII Per Share	\$0.89
Core	
Net Investment Income ⁽¹⁾	\$7,669
NII Per Share	\$0.80

(1) Core net investment income represents reported total net 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, while also considering the impact of accretion from these mergers on expenses. Portman Ridge believes presenting core net 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 net investment income is a non-U.S. GAAP measure and should not be considered as a replacement for total net investment income and other earnings measures presented in accordance with U.S. GAAP. Instead, core net investment income should be reviewed only in connection with such U.S. GAAP measures in analyzing Portman Ridge's financial performance.

Limited Repayment Activity

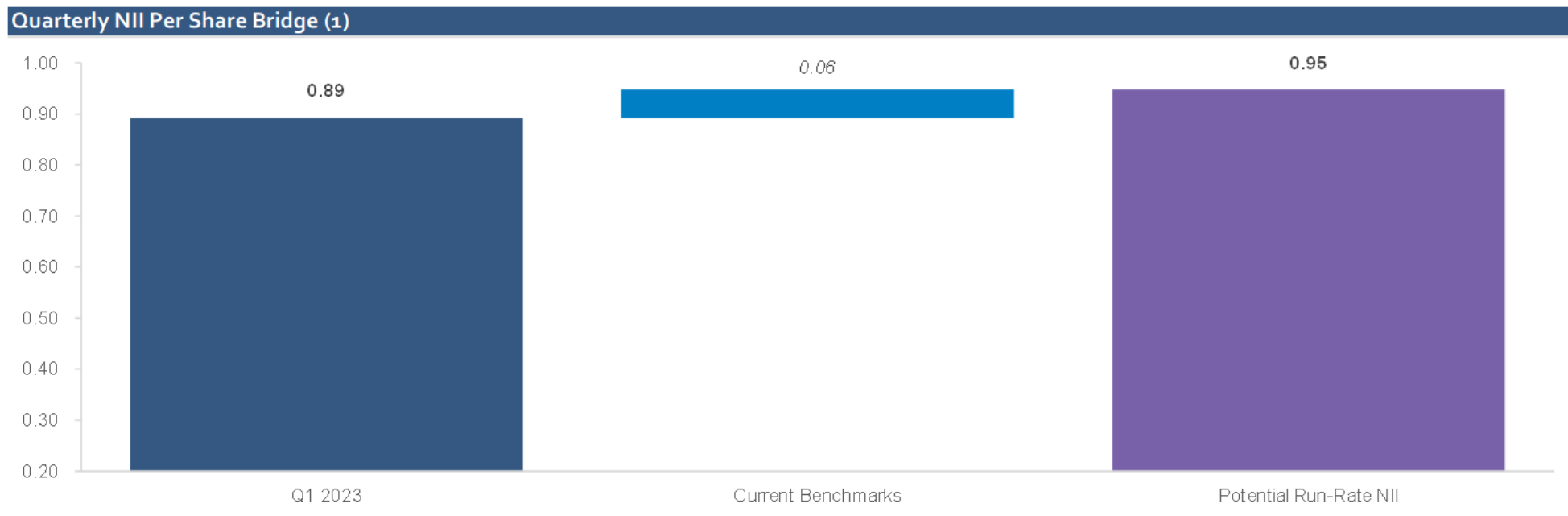
- Over the last three years, Portman has experienced an average of \$1.4mm in income related to repayment / prepayment activity as compared to the current quarter of \$0.85mm.

Paydown Income by Quarter (\$ in ooos)



NII Per Share Bridge

- The below analysis begins with Q1 2023 net investment income and assumes no other changes to the portfolio (including accrual status of each portfolio company), investment income, professional expenses or administrative expenses other than the following:
 - Current benchmarks assumes that all assets and liabilities that have LIBOR based contracts are reset at 5.27% plus applicable spreads and all assets and liabilities that have SOFR based contracts are reset at 5.079% plus applicable spreads beginning on April 1, 2023.



(1) All per share information assumes the ending 3/31/2023 share count, including Q1 2023.

Net Asset Value Rollforward

(\$ in '000s)	Q1 2023
NAV, Beginning of Period	\$232,123
Net realized gains (losses) from investment transactions	(3,085)
Net change in unrealized appreciation (depreciation) on investments	(5,960)
Net Investment Income	8,529
Net decrease in net assets resulting from stockholder distributions	(6,495)
Tax (provision) benefit on realized and unrealized gains (losses) on investments	571
Stock repurchases	(792)
Distribution reinvestment plan	215
NAV, End of Period	\$225,106

Leverage and Asset Coverage	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Gross Leverage	1.3x	1.4x	1.5x	1.6x	1.6x
Net Leverage ⁽¹⁾	1.0x	1.2x	1.3x	1.5x	1.4x
Asset Coverage	180%	170%	167%	160%	162%

(1) 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 \$46.1 million and \$33.1 million of cash and cash equivalents and restricted cash for the quarters ended March 31, 2023 and December 31, 2022, respectively. 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.

Portfolio Composition ⁽¹⁾

Investment Portfolio (\$ in '000s)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Senior Secured Loan	\$395,062	\$414,920	\$415,819	\$418,722	\$392,022
Junior Secured Loan	60,976	59,147	61,535	56,400	50,795
Senior Unsecured Bond	43	43	43	43	43
Equity Securities	22,633	24,805	24,487	21,905	15,320
CLO Fund Securities	29,057	24,271	24,623	20,453	19,241
Joint Ventures	60,217	58,273	45,141	58,955	61,701
Ending Balance	\$567,988	\$581,459	\$571,648	\$576,478	\$539,122

Investment Portfolio (% of total)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Senior Secured Loan	69.6%	71.4%	72.7%	72.6%	72.7%
Junior Secured Loan	10.7%	10.2%	10.8%	9.8%	9.4%
Senior Secured Bond	0.0%	0.0%	0.0%	0.0%	0.0%
Equity Securities	4.0%	4.3%	4.3%	3.8%	2.8%
CLO Fund Securities	5.1%	4.2%	4.3%	3.5%	3.6%
Joint Ventures	10.6%	10.0%	7.9%	10.2%	11.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

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

Portfolio Trends⁽¹⁾⁽²⁾

(\$ in '000s)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
<u>Portfolio Sourcing (at Fair Value):</u>					
BC Partners	\$ 303,378	\$ 336,689	\$ 351,940	\$ 367,771	\$ 360,061
LegacyKCAP	\$ 68,378	\$ 59,646	\$ 53,156	\$ 52,847	\$ 44,061
LegacyOHAI	\$ 9,894	\$ 10,315	\$ 9,447	\$ 9,179	\$ 6,943
LegacyGARS	\$ 124,048	\$ 120,799	\$ 101,948	\$ 106,494	\$ 95,343
LegacyHCAP ⁽³⁾	\$ 62,289	\$ 54,011	\$ 55,157	\$ 40,187	\$ 32,714
<u>Portfolio Summary:</u>					
Total portfolio, at fair value	\$ 567,988	\$ 581,459	\$ 571,648	\$ 576,478	\$ 539,122
Total number of debt portfolio companies / Total number of investments ⁽⁴⁾	95 / 186	95 / 180	93 / 197	96 / 188	87 / 184
Weighted Avg EBITDA of debt portfolio companies	\$95,546	\$76,678	\$85,460	\$98,260	\$98,349
Average size of debt portfolio company investment, at fair value	\$3,082	\$3,292	\$3,204	\$3,046	\$3,033
Weighted avg first lien / total leverage ratio (net) of debt portfolio	4.8x / 5.3x	4.7x / 5.3x	4.7x / 5.3x	4.9x / 5.4x	5.0x / 5.5x
<u>Portfolio Yields and Spreads:</u>					
Weighted average yield on debt investments at par value ⁽⁵⁾	8.0%	8.6%	10.0%	11.1%	11.9%
Average Spread to LIBOR	727 bps	725 bps	725 bps	708 bps	759 bps
<u>Portfolio Activity:</u>					
Beginning balance	\$ 549,985	\$ 567,988	\$ 581,459	\$ 571,648	\$ 576,478
Purchases / draws	63,964	70,081	54,635	43,094	14,878
Exits / repayments / amortization	(47,346)	(46,066)	(56,496)	(21,052)	(46,158)
Gains / (losses) / accretion	1385	(10,544)	(7,950)	(17,212)	(6,076)
Ending Balance	\$ 567,988	\$ 581,459	\$ 571,648	\$ 576,478	\$ 539,122

- (1) For comparability purposes, portfolio trends metrics exclude short-term investments and derivatives.
(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 March 31, 2023, five of the Company's debt investments were on non-accrual status and represented 0.3% and 1.5% of the Company's investment portfolio at fair value and amortized cost, respectively

(\$ in '000s)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Investments Credit Quality – Internal Rating ⁽¹⁾					
Performing	94.5%	95.3%	95.7%	94.3%	95.1%
Underperforming	5.5%	4.7%	4.3%	5.7%	4.9%
Investments on Non-Accrual Status					
Number of Non-Accrual Investments	6	3	3	4	5
Non-Accrual Investments at Cost	\$11,730	\$1,693	\$1,735	\$3,708	\$9,317
Non-Accrual Investments as a % of Total Cost	1.9%	0.3%	0.3%	0.6%	1.5%
Non-Accrual Investments at Fair Value	\$1,039	\$244	\$238	\$236	\$1,682
Non-Accrual Investments as a % of Total Fair Value	0.2%	0.0%	0.0%	0.0%	0.3%

(1) Based on FMV.

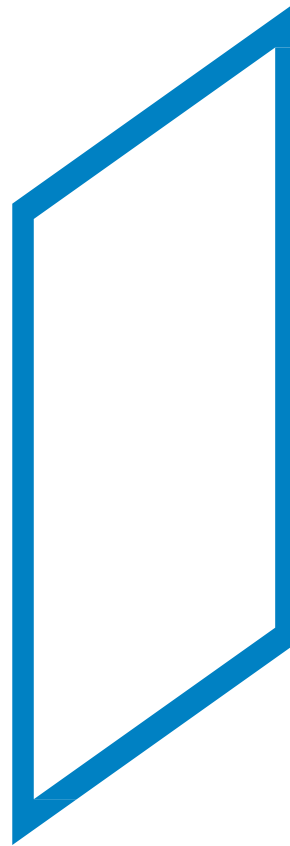
Corporate Leverage & Liquidity

Cash and Cash Equivalents

- Unrestricted cash and cash equivalents totaled \$11.9 million as of March 31, 2023
- Restricted cash of \$34.2 million as of March 31, 2023

Debt Summary

- As of March 31, 2023, par value of outstanding borrowings was \$358.2 million; there was \$36.0 million of available borrowing capacity under the Senior Secured Revolving Credit Facility and no available borrowing capacity under the 2018-2 Secured Notes.



Appendix

(in thousands, except share and per share amounts)

Balance Sheet

	March 31, 2023 (Unaudited)	December 31, 2022
ASSETS		
Investments at fair value:		
Non-controlled/non-affiliated investments (amortized cost: 2023 - \$485,106; 2022 - \$518,699)	\$ 447,048	\$ 483,698
Non-controlled affiliated investments (amortized cost: 2023 - \$77,393; 2022 - \$75,196)	75,713	73,827
Controlled affiliated investments (cost: 2023 - \$58,322; 2022 - \$58,322)	16,361	18,953
Total Investments at Fair Value (cost: 2023 - \$620,821; 2022 - \$652,217)	\$ 539,122	\$ 576,478
Cash and cash equivalents	11,865	5,148
Restricted cash	34,241	27,983
Interest receivable	3,777	4,828
Receivable for unsettled trades	690	1,395
Due from affiliates	1,376	930
Other assets	2,558	2,724
Total Assets	\$ 593,629	\$ 619,486
LIABILITIES		
2018-2 Secured Notes (net of discount of: 2023 - \$1,181; 2022 - \$1,226)	\$ 170,107	\$ 176,937
4.875% Notes Due 2026 (net of discount of: 2023 - \$1,585; 2022 - \$1,704; net of deferred financing costs of: 2023 - \$756; 2022 - \$818)	105,659	105,478
Great Lakes Portman Ridge Funding LLC Revolving Credit Facility (net of deferred financing costs of: 2023 - \$1,024; 2022 - \$1,107)	77,976	90,893
Payable for unsettled trades	845	1,276
Accounts payable, accrued expenses and other liabilities	3,937	4,614
Accrued interest payable	4,937	3,722
Due to affiliates	1,301	900
Management and incentive fees payable	3,761	3,543
Total Liabilities	\$ 368,523	\$ 387,363
NET ASSETS		
Common stock, par value \$0.01 per share, 20,000,000 common shares authorized; 9,927,289 issued, and 9,556,356 outstanding at March 31, 2023, and 9,916,856 issued, and 9,581,536 outstanding at December 31, 2022	\$ 96	\$ 96
Capital in excess of par value	736,207	736,784
Total distributable (loss) earnings	(511,197)	(504,757)
Total Net Assets	\$ 225,106	\$ 232,123
Total Liabilities and Net Assets	\$ 593,629	\$ 619,486
Net Asset Value Per Common Share	\$ 23.56	\$ 24.23

(1) The Company completed a Reverse Stock Split of 10 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.

Income Statement

(In thousands, except share and per share amounts)

For the Three Months Ended March 31,

	2023	2022
INVESTMENT INCOME		
Interest income:		
Non-controlled/non-affiliated investments	\$ 14,846	\$ 12,667
Non-controlled affiliated investments	849	591
Total interest income	\$ 15,695	\$ 13,258
Payment-in-kind income:		
Non-controlled/non-affiliated investments ⁽¹⁾	\$ 1,527	\$ 1,126
Non-controlled affiliated investments	73	256
Total payment-in-kind income	\$ 1,600	\$ 1,382
Dividend income:		
Non-controlled affiliated investments	\$ 1,384	\$ 945
Controlled affiliated investments	1,075	1,163
Total dividend income	\$ 2,459	\$ 2,108
Fees and other income:		
Non-controlled/non-affiliated investments	\$ 573	\$ 196
Total fees and other income	\$ 573	\$ 196
Total investment income	\$ 20,327	\$ 16,944
EXPENSES		
Management fees	\$ 1,953	\$ 2,135
Performance-based incentive fees	1,808	1,678
Interest and amortization of debt issuance costs	6,332	3,344
Professional fees	603	845
Administrative services expense	671	847
Other general and administrative expenses	431	187
Total expenses	\$ 11,798	\$ 9,036
NET INVESTMENT INCOME	\$ 8,529	\$ 7,908
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS		
Net realized gains (losses) from investment transactions:		
Non-controlled/non-affiliated investments	\$ (3,085)	\$ (3,670)
Non-controlled affiliated investments	-	212
Derivatives	-	(2,095)
Net realized gain (loss) on investments	\$ (3,085)	\$ (5,553)
Net change in unrealized appreciation (depreciation) on:		
Non-controlled/non-affiliated investments	\$ (3,057)	\$ 829
Non-controlled affiliated investments	(311)	117
Controlled affiliated investments	(2,592)	(1,245)
Derivatives	-	2,442
Net unrealized gain (loss) on investments	\$ (5,960)	\$ 2,143
Tax (provision) benefit on realized and unrealized gains (losses) on investments	\$ 571	\$ (440)
Net realized and unrealized appreciation (depreciation) on investments, net of taxes	\$ (8,474)	\$ (3,850)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ 55	\$ 4,058
Net increase (decrease) in Net Assets Resulting from Operations per Common Share:		
Basic and Diluted:	\$ 0.01	\$ 0.42
Net investment income per Common Share:		
Basic and Diluted:	\$ 0.89	\$ 0.82
Weighted Average Shares of Common Stock Outstanding—Basic and Diluted	9,555,125	9,698,099

(1) The Company completed a Reverse Stock Split of 10 to 1 effective August 26, 2023, 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
5/10/2023	5/22/2023	5/31/2023	\$0.69
3/9/2023	3/20/2023	3/31/2023	\$0.68
11/8/2022	11/24/2022	12/13/2022	\$0.67
8/9/2022	8/16/2022	9/2/2022	\$0.63
5/10/2022	5/24/2022	6/7/2022	\$0.63
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

Tricia Hazelwood
Independent Director

Jennifer Kwon Chou
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

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Ladenburg Thalmann

Mitchel Penn
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