



# 2023 Q3 Earnings Presentation

November 9, 2023

## **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 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.

## Third Quarter 2023 Highlights

- **Total investment income** for the third quarter of 2023 was \$18.6 million, a decrease of \$0.4 million as compared to \$19.0 million for the third quarter of 2022 and a decrease of \$1.0 million as compared to \$19.6 million for the second quarter of 2023.
- **Core investment income<sup>(1)</sup>**, excluding the impact of purchase price accounting, for the third quarter of 2023 was \$18.3 million, an increase of \$0.7 million as compared to \$17.6 million for the third quarter of 2022 and a decrease of \$0.9 million as compared to \$19.2 million for the second quarter of 2023.
- **Net investment income ("NII")** for the third quarter of 2023 was \$7.2 million (\$0.75 per share), a decrease of \$1.2 million as compared to \$8.4 million (\$0.87 per share) for the third quarter of 2022 and a decrease of \$0.7 million as compared to \$7.9 million (\$0.83 per share) for the second quarter of 2023.
- **Total shares repurchased** in open market transactions under the Renewed Stock Repurchase Program during the quarter ended September 30, 2023 were 60,559 shares at an aggregate cost of approximately \$1.2 million.
- **Total investments at fair value** as of September 30, 2023 was \$500.4 million; when excluding CLO funds, Joint Ventures, and short-term investments, these investments are spread across 26 different industries and 101 different entities with an average par balance per entity of approximately \$3.3 million.
- **Weighted average contractual interest rate** on our interest earning Debt Securities Portfolio as of September 30, 2023 was approximately 12.3%.
- **Non-accruals on debt investments**, as of September 30, 2023, were eight debt investments representing 1.6% and 3.6% of the Company's investment portfolio at fair value and amortized cost, respectively.
- **Net asset value ("NAV")** for the third quarter of 2023 was \$214.8 million (\$22.65 per share), an increase of \$0.11 per share as compared to \$215.0 million (\$22.54 per share) for the second quarter of 2023. The increase in NAV per share, despite net asset value decreasing slightly, was predominately driven by the repurchase of 60,559 shares during the third quarter.
- **Par value of outstanding borrowings**, as of September 30, 2023, was \$321.5 million with an asset coverage ratio of total assets to total borrowings of 166%. On a net basis, leverage as of September 30, 2023 was 1.34x<sup>(2)</sup> compared to net leverage of 1.39x<sup>(2)</sup> as of June 30, 2023.
- **Increased Stockholder distribution** from \$0.67 in the fourth quarter of 2022 to \$0.69 in the fourth quarter of 2023. Including the distribution subsequent to the announcement of full year 2022 earnings results, total stockholder distributions for 2023 amount to \$2.75 per share.

(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.

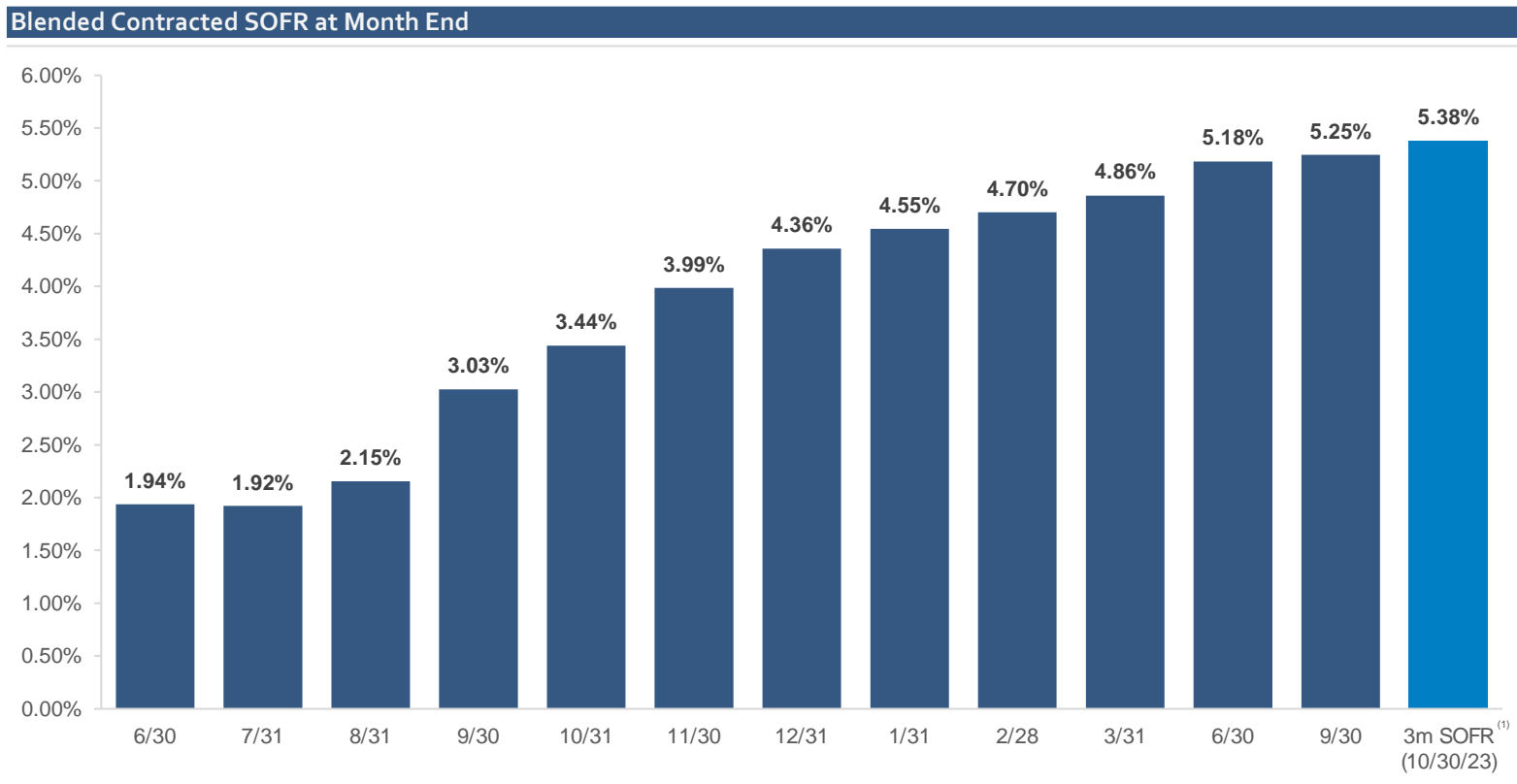
(2) Net leverage is calculated as the ratio between (A) debt, excluding unamortized debt issuance costs, less available cash and cash equivalents, and restricted cash and (B) NAV. Portman Ridge believes presenting a net leverage ratio is useful and appropriate supplemental disclosure because it reflects the Company's financial condition net of \$33.7 million and \$35.4 million of cash and cash equivalents and restricted cash for the quarters ended September 30, 2023 and June 30, 2023, 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.

(\$ in thousands)	Q1 2023	Q2 2023	Q3 2023
Interest from investments in debt excluding accretion	\$14,105	\$14,156	\$13,174
Purchase discount accounting	1042	427	238
PIK Investment Income	1,600	966	2,421
CLO Income	548	829	502
JV Income	2,459	2,329	2,073
Service Fees	573	919	166
<b>Investment Income</b>	<b>\$ 20,327</b>	<b>\$ 19,626</b>	<b>\$ 18,574</b>
Less: Purchase discount accounting	(\$1,042)	(\$427)	(\$238)
<b>Core investment income<sup>(1)</sup></b>	<b>\$19,285</b>	<b>\$ 19,199</b>	<b>\$18,336</b>
<b>Expenses:</b>			
Management fees	1,953	1,869	1,844
Performance-based incentive fees	1,808	1,680	1,519
Interest and amortization of debt issuance costs	6,332	6,372	6,343
Professional fees	603	699	640
Administrative services expense	671	659	617
Other general and administrative expenses	431	432	445
<b>Total expenses</b>	<b>\$11,798</b>	<b>\$11,711</b>	<b>\$11,408</b>
<b>Core net investment income<sup>(2)</sup></b>	<b>\$7,669</b>	<b>\$ 7,563</b>	<b>\$6,928</b>
Net realized gain (loss) on investments	(3,085)	(6,471)	(1,636)
Net unrealized gain (loss) on investments	(5,960)	(4,176)	1,708
Tax (provision) benefit on realized and unrealized gains (losses) on investments	571	(164)	264
Realized gains (losses) on extinguishment of debt	-	(218)	(57)
<b>Net increase/(decrease) in Core net assets resulting from operations</b>	<b>(\$805)</b>	<b>\$ (3,466)</b>	<b>\$7,207</b>
<b>Per Share</b>	<b>Q1 2023</b>	<b>Q2 2023</b>	<b>Q3 2023</b>
Core Net Investment Income	\$0.80	\$0.79	\$0.73
Net Realized and Unrealized Gain / (Loss)	(\$0.95)	(\$1.12)	\$0.01
Net Core Earnings	(\$0.08)	(\$0.36)	\$0.76
Distributions declared	\$0.69	\$0.69	\$0.69
Net Asset Value	\$23.56	\$22.54	\$22.65

(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 GARS and 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.

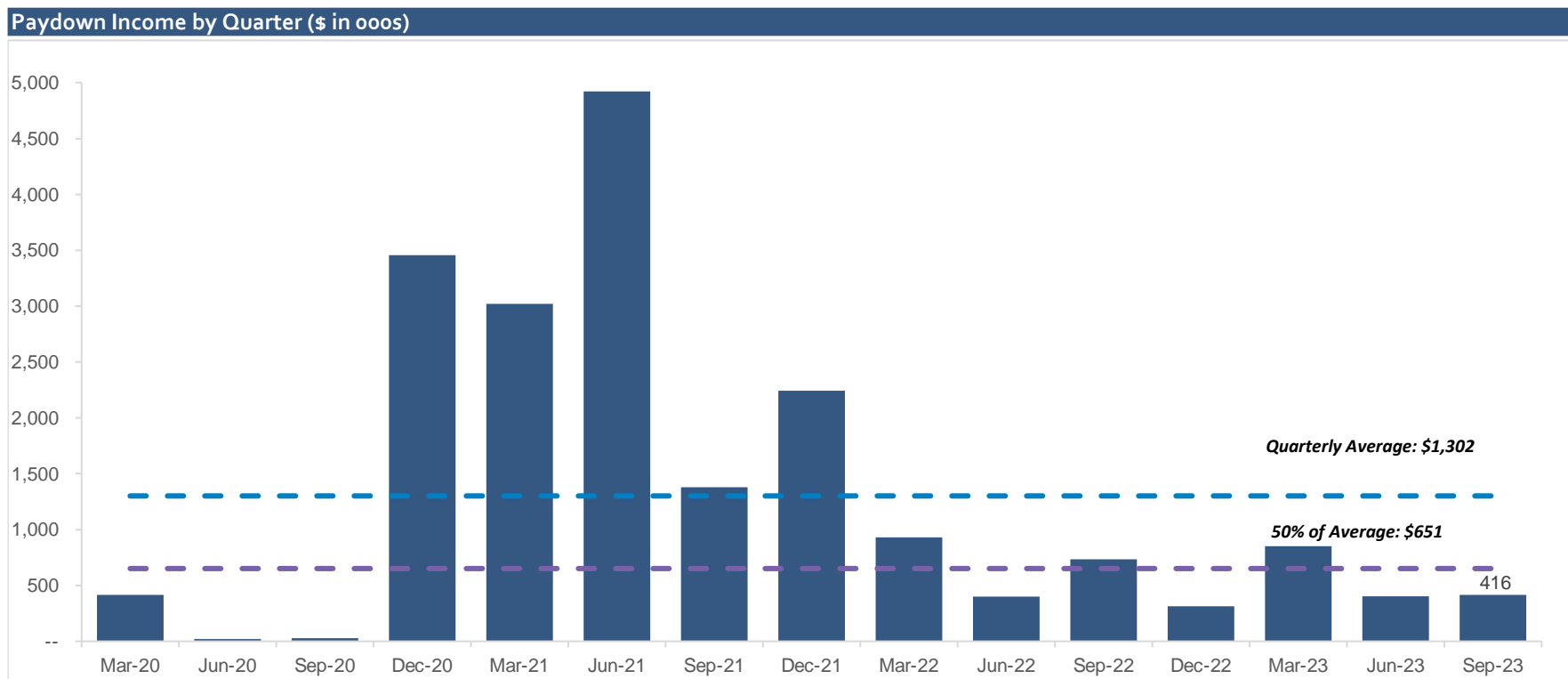
(2) Core net investment income represents reported total net investment income as determined in accordance with U.S. generally accepted accounting principles, or U.S. GAAP, less the impact of purchase price discount accounting in connection with the GARS and HCAP mergers, while also considering the impact of accretion from these mergers on expenses, such as incentive fees. 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. See slide 8 for a presentation of Reported net investment income in comparison to Core net investment income and a reconciliation thereof.

- As of September 30, 2023, approximately 98% of our floating rate assets were on SOFR contract.
- If all floating rate assets as of 9/30 were reset to current 3 month benchmark rates (5.64% for LIBOR and 5.38% for SOFR), we would expect to generate an incremental ~\$75k of quarterly income.

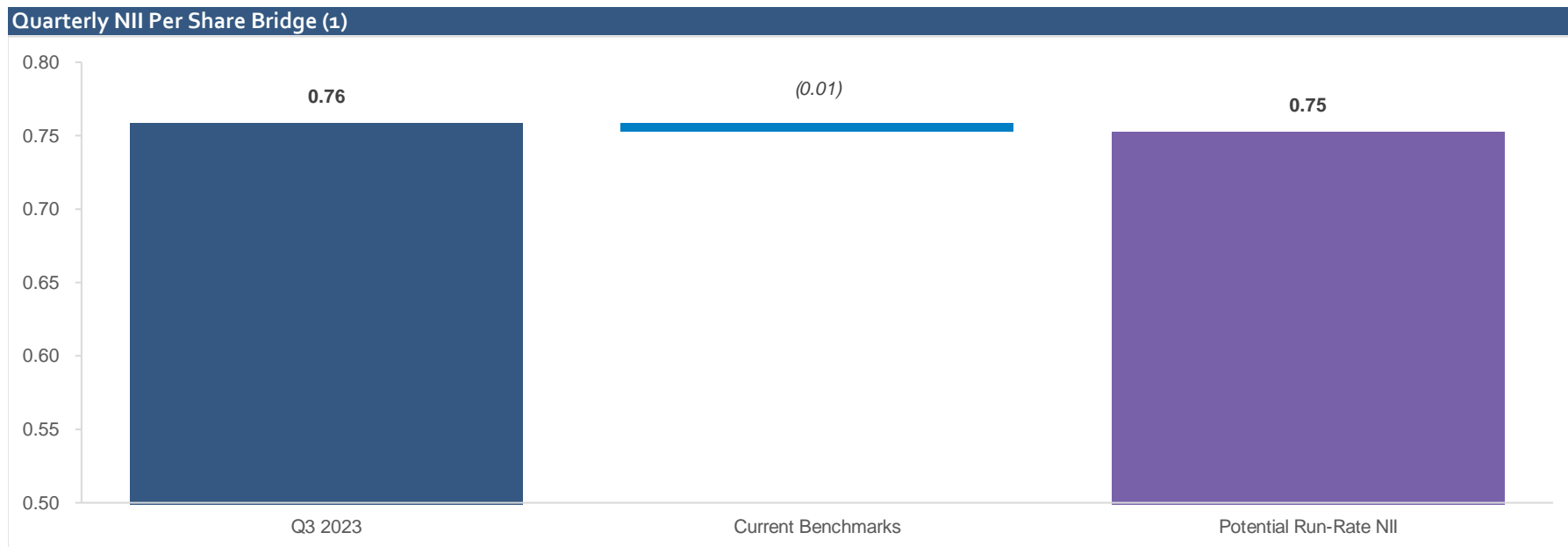


(1) 3 month SOFR per Bloomberg as of October 30, 2023.

- Over the last three years, Portman has experienced an average of \$1.3 million in income related to repayment / prepayment activity as compared to the current quarter of \$0.4 million.



- The below analysis begins with Q3 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 5.64% plus applicable spreads and all assets and liabilities that have SOFR based contracts are reset at 5.38% plus applicable spreads beginning on October 1, 2023.



(1) All per share information assumes the ending 9/30/2023 share count, including Q3 2023.

(\$ in '000s except per share)	Q1 2023	Q2 2023	Q3 2023
<b>Interest Income:</b>			
Non-controlled/non-affiliated investments	14,846	14,786	13,283
Non-controlled affiliated investments	849	626	631
<b>Total interest income</b>	<b>15,695</b>	<b>15,412</b>	<b>13,914</b>
<b>Payment-in-kind income:</b>			
Non-controlled/non-affiliated investments	1,527	859	2,308
Non-controlled affiliated investments	73	107	113
<b>Total payment-in-kind income</b>	<b>1,600</b>	<b>966</b>	<b>2,421</b>
<b>Dividend income:</b>			
Non-controlled affiliated investments	1,384	1,864	1,429
Controlled affiliated investments	1,075	465	644
<b>Total dividend income</b>	<b>2,459</b>	<b>2,329</b>	<b>2,073</b>
<b>Fees and other income:</b>			
Non-controlled/non-affiliated investments	573	905	166
Non-controlled affiliated investments	-	14	-
<b>Total fees and other income</b>	<b>573</b>	<b>919</b>	<b>166</b>
<b>Reported Investment Income</b>	<b>\$19,754</b>	<b>\$19,626</b>	<b>\$18,574</b>
Less: Purchase discount accounting	(1,042)	(427)	(238)
<b>Core Investment Income</b>	<b>\$19,285</b>	<b>\$19,199</b>	<b>\$18,336</b>
<b>Reported</b>			
Net Investment Income	\$8,529	\$7,915	\$7,166
<i>NII Per Share</i>	<i>\$0.89</i>	<i>\$0.83</i>	<i>\$0.75</i>
<b>Core</b>			
Net Investment Income <sup>(1)</sup>	\$7,669	\$7,563	\$6,928
<i>NII Per Share</i>	<i>\$0.80</i>	<i>\$0.79</i>	<i>\$0.73</i>

(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 GARS and 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.



(\$ in '000s)	Q1 2023	Q2 2023	Q3 2023
NAV, Beginning of Period	\$232,123	\$225,106	\$215,013
Net Investment Income	8,529	7,915	7,166
Net realized gains (losses) from investment transactions	(3,085)	(6,471)	(1,636)
Net change in unrealized appreciation (depreciation) on investments	(5,960)	(4,176)	1,708
Tax (provision) benefit on realized and unrealized gains (losses) on investments	571	(164)	264
Realized gains (losses) from extinguishments of debt	-	(218)	(57)
Net decrease in net assets resulting from stockholder distributions	(6,495)	(6,579)	(6,554)
Stock repurchases	(792)	(553)	(1,222)
Distribution reinvestment plan	215	153	73
<b>NAV, End of Period</b>	<b>\$225,106</b>	<b>\$215,013</b>	<b>\$214,755</b>

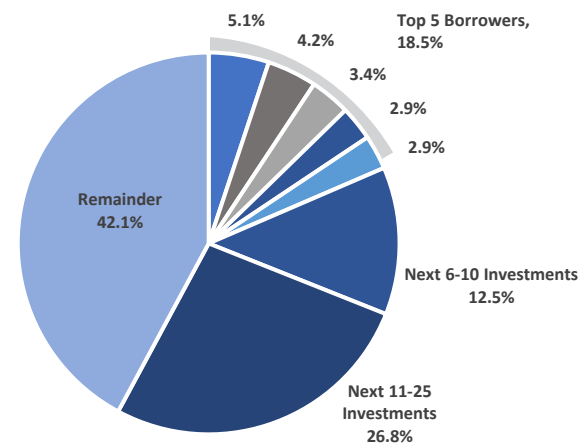
Leverage and Asset Coverage	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Gross Leverage	1.5x	1.6x	1.6x	1.6x	1.5x
Net Leverage <sup>(1)</sup>	1.3x	1.5x	1.4x	1.4x	1.3x
Asset Coverage	167%	160%	162%	163%	166%

(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 \$33.7 million, \$35.4 million, and \$46.1 million of cash and cash equivalents and restricted cash for the quarters ended September 30, 2023, June 30, 2023, and March 31, 2023, 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.

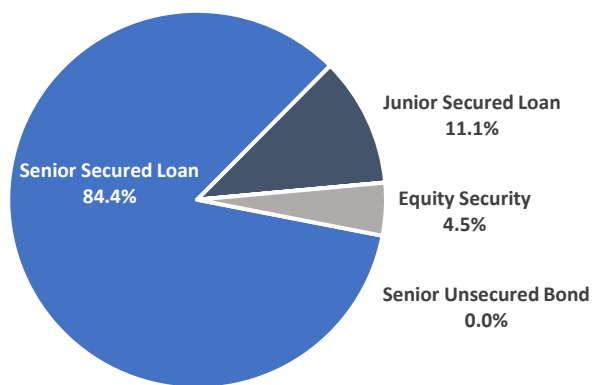
## Diversified Portfolio of Assets

- 101 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

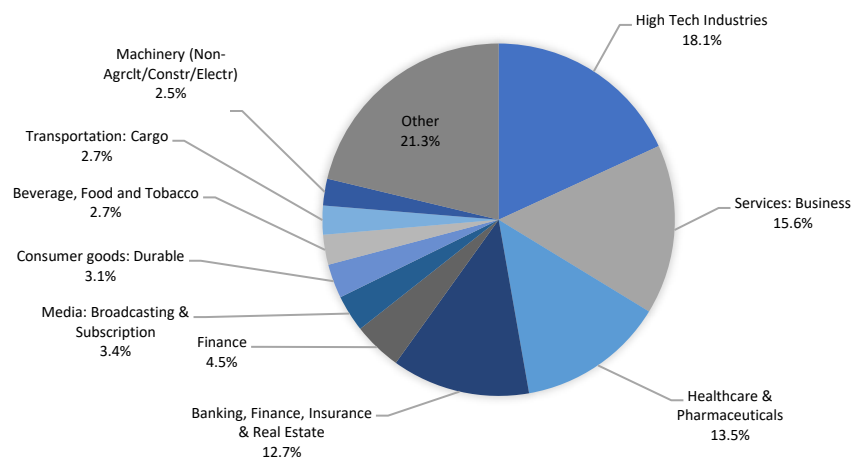
## Diversification by Borrower<sup>(2)</sup>



## Asset Mix<sup>(2)</sup>



## Industry Diversification<sup>(2)</sup>



(1) As of September 30, 2023. Figures shown do not include short term investments, CLO holdings, F3C JV or Series A-Great Lakes Funding II LLC, and derivatives.

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

(\$ in '000s)	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
<b>Portfolio Sourcing (at Fair Value):</b>					
BC Partners	\$35,194	\$36,771	\$36,061	\$35,971	\$36,509
Legacy KCAP	\$5,156	\$5,847	\$4,061	\$3,718	\$2,719
Legacy OHAI	\$9,447	\$9,179	\$6,943	\$6,715	\$6,289
Legacy GARS	\$10,194	\$10,494	\$9,343	\$9,184	\$8,738
Legacy HCAP <sup>(3)</sup>	\$5,157	\$4,187	\$3,714	\$2,854	\$2,166
<b>Portfolio Summary:</b>					
Total portfolio, at fair value	\$571,648	\$576,478	\$539,122	\$510,100	\$500,419
Total number of debt portfolio companies / Total number of investments <sup>(4)</sup>	93 / 197	96 / 198	87 / 184	85 / 183	83 / 175
Weighted Avg EBITDA of debt portfolio companies	\$85,460	\$98,260	\$98,349	\$99,545	\$107,118
Average size of debt portfolio company investment, at fair value	\$3,204	\$3,046	\$3,033	\$2,879	\$3,294
Weighted avg first lien / total leverage ratio (net) of debt portfolio	5.3x / 5.9x	4.9x / 5.4x	5.0x / 5.5x	4.9x / 5.5x	5.0x / 5.8x
<b>Portfolio Yields and Spreads:</b>					
Weighted average yield on debt investments at par value <sup>(5)</sup>	10.0%	11.1%	11.9%	11.3%	12.2%
Average Spread	725 bps	708 bps	759 bps	675 bps	744 bps
<b>Portfolio Activity:</b>					
Beginning balance	\$581,459	\$571,648	\$576,478	\$539,122	\$510,100
Purchases / draws	54,622	43,094	14,878	15,257	18,301
Exits / repayments / amortization	(56,495)	(21,052)	(46,158)	(36,296)	(29,912)
Gains / (losses) / accretion	(7,938)	(17,212)	(6,076)	(7,983)	1,930
<b>Ending Balance</b>	<b>\$571,648</b>	<b>\$576,478</b>	<b>\$539,122</b>	<b>\$510,100</b>	<b>\$500,419</b>

(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 September 30, 2023, eight of the Company's debt investments were on non-accrual status and represented 1.6% and 3.6% of the Company's investment portfolio at fair value and amortized cost, respectively

(\$ in '000s)	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
<b>Investments Credit Quality – Internal Rating <sup>(1)</sup></b>					
Performing	95.7%	94.3%	95.1%	95.1%	93.5%
Underperforming	4.3%	5.7%	4.9%	4.9%	6.5%
<b>Investments on Non-Accrual Status</b>					
Number of Non-Accrual Investments	3	4	5	7	8
Non-Accrual Investments at Cost	\$1,735	\$3,708	\$9,317	\$15,618	\$21,318
Non-Accrual Investments as a % of Total Cost	0.3%	0.6%	1.5%	2.6%	3.6%
Non-Accrual Investments at Fair Value	\$238	\$236	\$1,682	\$3,904	\$8,212
Non-Accrual Investments as a % of Total Fair Value	0.0%	0.0%	0.3%	0.8%	1.6%

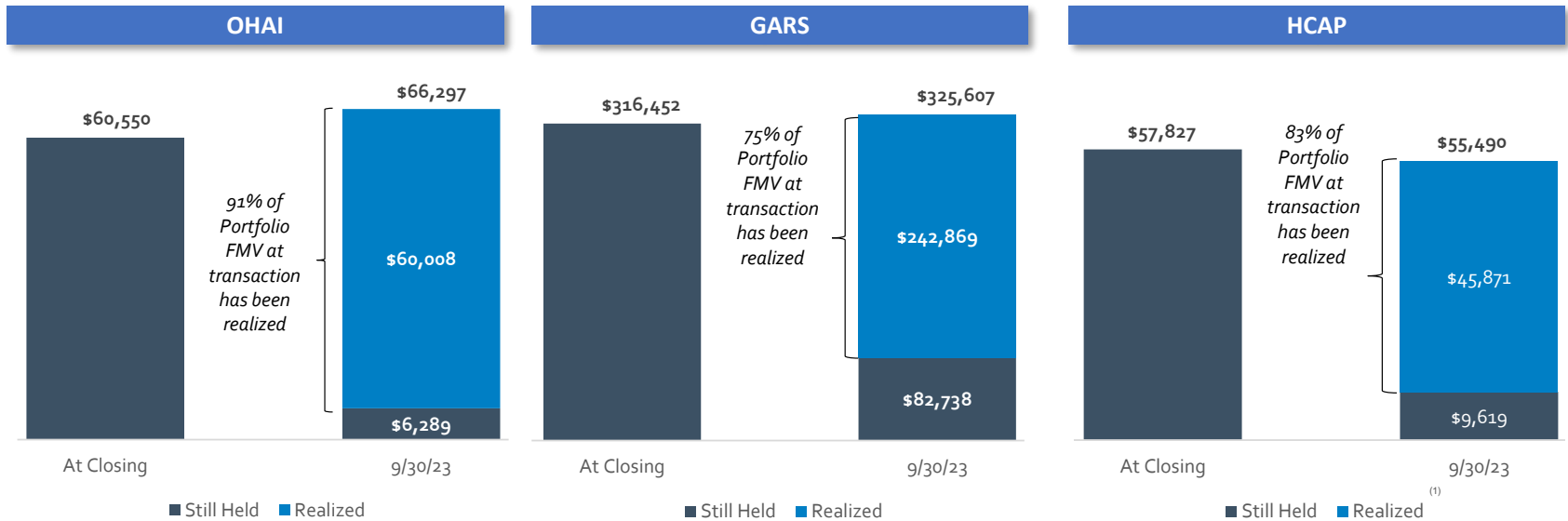
(1) Based on FMV.

Investment Portfolio (\$ in '000s)	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Senior Secured Loan	\$415,819	\$418,722	\$392,022	\$376,539	\$360,994
Junior Secured Loan	61,535	56,400	50,795	37,962	47,537
Senior Unsecured Bond	43	43	43	43	43
Equity Securities	24,487	21,905	15,320	20,013	19,189
CLO Fund Securities	24,623	20,453	19,241	12,996	10,425
Joint Ventures	45,141	58,955	61,701	62,547	62,231
<b>Ending Balance</b>	<b>\$571,648</b>	<b>\$576,478</b>	<b>\$539,122</b>	<b>\$510,100</b>	<b>\$500,419</b>

Investment Portfolio (% of total)	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Senior Secured Loan	72.7%	72.6%	72.7%	73.8%	72.1%
Junior Secured Loan	10.8%	9.8%	9.4%	7.4%	9.5%
Senior Secured Bond	0.0%	0.0%	0.0%	0.0%	0.0%
Equity Securities	4.3%	3.8%	2.8%	3.9%	3.8%
CLO Fund Securities	4.3%	3.5%	3.6%	2.5%	2.1%
Joint Ventures	7.9%	10.2%	11.4%	12.3%	12.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

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

- Our track record demonstrates BC Partners' ability to efficiently realize the value of legacy portfolios acquired while rotating into BC Partners' sourced assets



1. Includes the full realization of Surge Hippodrome on October 4, 2023.

# Appendix

	September 30, 2023 (Unaudited)	December 31, 2022
(in thousands, except share and per share amounts)		
<b>ASSETS</b>		
Investments at fair value:		
Non-controlled/non-affiliated investments (amortized cost: 2023 - \$454,095; 2022 - \$518,699)	\$ 414,778	\$ 483,698
Non-controlled affiliated investments (amortized cost: 2023 - \$72,449; 2022 - \$75,196)	70,418	73,827
Controlled affiliated investments (cost: 2023 - \$58,042; 2022 - \$58,322)	15,223	18,953
Total Investments at Fair Value (cost: 2023 - \$584,586; 2022 - \$652,217)	500,419	576,478
Cash and cash equivalents	14,896	5,148
Restricted cash	18,813	27,983
Interest receivable	6,066	4,828
Receivable for unsettled trades	1,361	1,395
Due from affiliates	1,460	930
Other assets	2,696	2,724
<b>Total Assets</b>	<b>\$ 545,711</b>	<b>\$ 619,486</b>
<b>LIABILITIES</b>		
2018-2 Secured Notes (net of discount of: 2023 - \$855; 2022 - \$1,226)	138,638	176,937
4.875% Notes Due 2026 (net of discount of: 2023 - \$1,346; 2022 - \$1,704; net of deferred financing costs of: 2023 - \$628; 2022 - \$818)	106,026	105,478
Great Lakes Portman Ridge Funding LLC Revolving Credit Facility (net of deferred financing costs of: 2023 - \$858; 2022 - \$1,107)	73,142	90,893
Payable for unsettled trades	-	1,276
Accounts payable, accrued expenses and other liabilities	3,817	4,614
Accrued interest payable	4,949	3,722
Due to affiliates	1,021	900
Management and incentive fees payable	3,363	3,543
<b>Total Liabilities</b>	<b>330,956</b>	<b>387,363</b>
<b>NET ASSETS</b>		
Common stock, par value \$0.01 per share, 20,000,000 common shares authorized; 9,938,935 issued, and 9,480,362 outstanding at September 30, 2023, and 9,916,856 issued, and 9,581,536 outstanding at December 31, 2022	\$ 95	\$ 96
Capital in excess of par value	734,659	736,784
Total distributable (loss) earnings	(519,999)	(504,757)
<b>Total Net Assets</b>	<b>214,755</b>	<b>232,123</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 545,711</b>	<b>\$ 619,486</b>
Net Asset Value Per Common Share	\$ 22.65	\$ 24.23



(in thousands, except share and per share amounts)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>INVESTMENT INCOME</b>				
Interest income:				
Non-controlled/non-affiliated investments	\$ 13,283	\$ 13,727	\$ 42,915	\$ 37,043
Non-controlled affiliated investments	631	823	2,106	2,271
Total interest income	\$ 13,914	\$ 14,550	\$ 45,021	\$ 39,314
Payment-in-kind income:				
Non-controlled/non-affiliated investments(1)	\$ 2,308	\$ 1,505	\$ 4,694	\$ 3,830
Non-controlled affiliated investments	113	74	293	403
Controlled affiliated investments	-	161	-	181
Total payment-in-kind income	\$ 2,421	\$ 1,740	\$ 4,987	\$ 4,414
Dividend income:				
Non-controlled affiliated investments	\$ 1,429	\$ 1,149	\$ 4,677	\$ 3,099
Controlled affiliated investments	644	1,033	2,184	3,262
Total dividend income	\$ 2,073	\$ 2,182	\$ 6,861	\$ 6,361
Fees and other income				
Non-controlled/non-affiliated investments	\$ 166	\$ 537	\$ 1,644	\$ 908
Non-controlled affiliated investments	-	-	14	-
Total fees and other income	\$ 166	\$ 537	\$ 1,658	\$ 908
Total investment income	\$ 18,574	\$ 19,009	\$ 58,527	\$ 50,997
<b>EXPENSES</b>				
Management fees	\$ 1,844	\$ 2,082	\$ 5,666	\$ 6,305
Performance-based incentive fees	1,519	1,780	5,007	4,627
Interest and amortization of debt issuance costs	6,343	4,673	19,047	11,906
Professional fees	640	759	1,942	2,483
Administrative services expense	617	862	1,947	2,531
Other general and administrative expenses	445	461	1,308	1,323
Total expenses	\$ 11,408	\$ 10,617	\$ 34,917	\$ 29,175
<b>NET INVESTMENT INCOME</b>	\$ 7,166	\$ 8,392	\$ 23,610	\$ 21,822
<b>REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS</b>				
Net realized gains (losses) from investment transactions:				
Non-controlled/non-affiliated investments	\$ (2,361)	\$ (8,560)	\$ (10,713)	\$ (26,339)
Non-controlled affiliated investments	725	(527)	(399)	(197)
Controlled affiliated investments	-	-	(80)	-
Derivatives	-	-	-	(2,095)
Net realized gain (loss) on investments	\$ (1,636)	\$ (9,087)	\$ (11,192)	\$ (28,631)
Net change in unrealized appreciation (depreciation) on:				
Non-controlled/non-affiliated investments	\$ 4,219	\$ (318)	\$ (4,316)	\$ 5,381
Non-controlled affiliated investments	(1,117)	338	(662)	(874)
Controlled affiliated investments	(1,394)	(2,988)	(3,450)	(7,661)
Derivatives	-	-	-	2,442
Net unrealized gain (loss) on investments	\$ 1,708	\$ (2,968)	\$ (8,428)	\$ (712)
Tax (provision) benefit on realized and unrealized gains (losses) on investments	\$ 264	\$ (542)	\$ 671	\$ (1,059)
Net realized and unrealized appreciation (depreciation) on investments, net of taxes	\$ 336	\$ (12,597)	\$ (18,949)	\$ (30,402)
Realized gains (losses) on extinguishments of debt	\$ (57)	\$ -	\$ (275)	\$ -
<b>NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b>	\$ 7,445	\$ (4,205)	\$ 4,386	\$ (8,580)
Net Increase (Decrease) In Net Assets Resulting from Operations per Common Share:				
Basic and Diluted:	\$ 0.78	\$ (0.44)	\$ 0.46	\$ (0.89)
Net Investment Income Per Common Share:				
Basic and Diluted:	\$ 0.75	\$ 0.87	\$ 2.48	\$ 2.26
Weighted Average Shares of Common Stock Outstanding—Basic and Diluted	9,505,172	9,602,712	9,533,835	9,644,870

(1) During the three and nine months ended September 30, 2023, the Company received \$117.8 thousand and \$610.2 thousand, respectively of non-recurring fee income that was paid in-kind and included in this financial statement line item.

## **Cash and Cash Equivalents**

- Unrestricted cash and cash equivalents totaled \$14.9 million as of September 30, 2023
- Restricted cash of \$18.8 million as of September 30, 2023

## **Debt Summary**

- As of September 30, 2023, par value of outstanding borrowings was \$321.5 million; there was \$41 million of available borrowing capacity under the Senior Secured Revolving Credit Facility and no available borrowing capacity under the 2018-2 Secured Notes.

Date Declared	Record Date	Payment Date	Distribution per Share
11/8/2023	11/20/2023	11/30/2023	\$0.69
8/9/2023	8/22/2023	8/31/2023	\$0.69
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
8/10/2022	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.