

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

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 9, 2022 (November 8, 2022)**

**Portman Ridge Finance Corporation**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**814-00735**  
(Commission  
File Number)

**20-5951150**  
(IRS Employer  
Identification No.)

**650 Madison Avenue, 23rd Floor**  
**New York, New York**  
(Address of principal executive offices)

**10022**  
(Zip Code)

**(Registrant's telephone number, including area code): (212) 891-2880**

**Not Applicable**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Securities registered pursuant to Section 12(b) of the Exchange Act:**

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	PTMN	The NASDAQ Global Select Market

**Item 2.02 Results of Operations and Financial Condition.**

On November 8, 2022, Portman Ridge Finance Corporation (the "Company") issued a press release announcing its financial results for the fiscal quarter ended September 30, 2022. A copy of the press release is being furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference. Additionally, on November 9, 2022, the Company made available on its website, <http://www.portmanridge.com/home>, a supplemental investor presentation with respect to the third quarter 2022 earnings release. A copy of the investor presentation is being furnished as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

The information disclosed under this Item 2.02, including Exhibits 99.1 and 99.2 hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, except as expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits:

<u>Exhibit Number</u>	<u>Description</u>
99.1	<a href="#">Press Release, dated November 8, 2022</a>
99.2	<a href="#">Investor Presentation, dated November 9, 2022</a>
104	Cover Page Interactive Data File embedded within the Inline XBRL document

**SIGNATURES**

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

PORTMAN RIDGE FINANCE CORPORATION

By: /s/ Jason T. Roos

Name: Jason T. Roos

Title: Chief Financial Officer

Date: November 9, 2022



**FOR IMMEDIATE RELEASE**

**Portman Ridge Finance Corporation**

**Announces Third Quarter 2022 Financial Results**

***Reports Strong Performance with Elevated Total Investment Income, Core Investment Income and Net Investment Income Quarter-over-Quarter***

***Increases Quarterly Distribution to \$0.67 per Share***

**NEW YORK, NOVEMBER 8, 2022** – Portman Ridge Finance Corporation (Nasdaq: PTMN) (the “Company” or “Portman Ridge”) announced today its financial results for the third quarter ended September 30, 2022.

**Third Quarter 2022 Highlights**

- **Total investment income** for the third quarter of 2022 was \$19.0 million, of which \$15.4 million was attributable to interest income from the debt securities portfolio. This compares to total investment income for the second quarter of 2022 of \$15.0 million, of which \$11.9 million was attributable to interest income from the debt securities portfolio.
- **Core investment income**<sup>1</sup> for the third quarter of 2022, excluding the impact of purchase price accounting, was \$17.6 million as compared to \$13.7 million in the second quarter of 2022.
- **Net investment income (“NII”)** for the third quarter of 2022 was \$8.4 million (\$0.87 per share) as compared to \$5.5 million (\$0.57 per share) in the second quarter of 2022.
- **Net asset value (“NAV”)** for the third quarter of 2022 was \$251.6 million (\$26.18 per share<sup>2</sup>) as compared to \$261.7 million (\$27.26 per share<sup>2</sup>) in the second quarter of 2022; the decline was driven by mark-to-market movements.
- **Non-accruals on debt investments**, as of September 30, 2022, were held constant at three debt investments in comparison to the same number of investments on non-accrual status as of June 30, 2022. As of both September 30, 2022 and June 30, 2022, debt investments on non-accrual status represented 0.0% and 0.3% of the Company’s investment portfolio at fair value and amortized cost.
- **Total investments at fair value**, as of September 30, 2022, was \$571.7 million; when excluding CLO Funds, Joint Ventures and short-term investments, these investments are spread across 32 different industries and 117 entities with an average par balance per entity of approximately \$3.4 million.

<sup>1</sup> 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.

<sup>2</sup> NAV per share as determined in accordance with U.S. generally accepted accounting principles, or U.S. GAAP, was decreased 6 cents and 1 cent per share for the quarters ended September 30, 2022 and June 30, 2022, respectively, due to the impact of quarterly tax provisions.

- **Par value of outstanding borrowings**, as of September 30, 2022, was \$368.9 million with an asset coverage ratio of total assets to total borrowings of 167%. On a net basis, leverage as of September 30, 2022 was 1.3x<sup>3</sup> compared to 1.2x<sup>3</sup> as of June 30, 2022.

#### Subsequent Events

- Increased stockholder distribution to \$0.67 per share for the fourth quarter of 2022, payable on December 13, 2022 to stockholders of record at the close of business on November 24, 2022.

#### Management Commentary

Ted Goldthorpe, Chief Executive Officer of Portman Ridge, stated, “We were pleased to report a strong [third] quarter of financial performance, despite operating under difficult market conditions, a challenging economic environment, rising interest rates, and market volatility. Our total investment income, core investment income and net investment income for the third quarter of 2022 all increased in comparison to the second quarter of 2022, as we started to see the impact that rising rates had in generating incremental revenue from our investments. Between the reduced cost of capital from our amended and extended credit facility with JPMorgan Chase and the continued benefit of rising rates, we expect this quarter’s strong performance will continue going forward in future quarters, allowing us to increase our quarterly dividend to \$0.67 per share.”

Mr. Goldthorpe added, “As we continue to execute our investment strategy, we are well-positioned to take advantage of opportunities that arise from the current market environment by continuing to be selective and resourceful in our investment decisions. We will continue to be prudent with underwriting new investments given the current economic uncertainty.”

<sup>3</sup> 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 \$39.1 million and \$44.0 million of cash and cash equivalents and restricted cash for the quarters ended September 30, 2022 and June 30, 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.

## Select Financial Highlights

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
Total investment income	19,009	22,911	50,997	62,761
Total expenses	10,617	9,193	29,175	29,120
<b>Net Investment Income</b>	<b>8,392</b>	<b>13,718</b>	<b>21,822</b>	<b>33,641</b>
Net realized gain (loss) on investments	(9,087)	(3,931)	(28,631)	(11,373)
Net unrealized gain (loss) on investments	(2,968)	(642)	(712)	7,593
Tax (provision) benefit on realized and unrealized gains (losses) on investments	(542)	—	(1,059)	—
Net realized and unrealized appreciation (depreciation) on investments, net of taxes	(12,597)	(4,573)	(30,402)	(3,780)
Realized gains (losses) on extinguishments of debt	—	—	—	(1,835)
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>\$ (4,205)</b>	<b>\$ 9,145</b>	<b>\$ (8,580)</b>	<b>\$ 28,026</b>
Net Increase (Decrease) In Net Assets Resulting from Operations per Common Share <sup>(4)</sup> :				
Basic and Diluted:	\$ (0.44)	\$ 1.00	\$ (0.89)	\$ 3.41
Net Investment Income Per Common Share <sup>(4)</sup> :				
Basic and Diluted:	\$ 0.87	\$ 1.50	\$ 2.26	\$ 4.10
Weighted Average Shares of Common Stock Outstanding—				
Basic and Diluted <sup>(4)</sup>	9,602,712	9,131,456	9,644,870	8,213,661

<sup>4</sup> 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.

(\$ in thousands)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
Interest from investments in debt excluding accretion	\$ 12,232	\$ 14,602	\$ 31,320	\$ 36,750
Purchase discount accounting	1,404	2,790	4,518	11,987
PIK Investment Income	1,740	1,296	4,414	3,173
CLO Income	914	748	3,476	2,211
JV Income	2,182	2,443	6,361	7,012
Service Fees	537	1,032	908	1,628
<b>Investment Income</b>	<b>19,009</b>	<b>22,911</b>	<b>50,997</b>	<b>62,761</b>
Less: Purchase discount accounting	(1,404)	(2,790)	(4,518)	(11,987)
<b>Core Investment Income</b>	<b>17,605</b>	<b>20,121</b>	<b>46,479</b>	<b>50,774</b>

Total investment income for the three months ended September 30, 2022 was \$19.0 million. This compares to \$15.0 million for the quarter ended June 30, 2022, and \$16.9 million for the quarter ended March 31, 2022.

As of September 30, 2022, the weighted average contractual interest rate on our interest earning debt securities portfolio was approximately 10.0%. As of June 30, 2022, March 31, 2022, and December 31, 2021, the weighted average contractual interest rate on our debt securities portfolio was approximately 8.7%, 8.1% and 8.1%, respectively.

## Investment Portfolio Activity

The composition of our investment portfolio as of September 30, 2022 and December 31, 2021, at cost and fair value, were as follows:

(\$ in thousands)	September 30, 2022 (Unaudited)			December 31, 2021		
	Cost/Amortized Cost	Fair Value	% <sup>(5)</sup>	Cost/Amortized Cost	Fair Value	% <sup>(5)</sup>
Senior Secured Loan	\$ 426,052	\$415,819	73	\$ 361,556	\$364,701	66
Junior Secured Loan	65,672	61,535	11	82,996	70,549	13
Senior Unsecured Bond	416	43	0	416	43	0
Equity Securities	27,679	24,487	4	26,680	22,586	4
CLO Fund Securities	37,411	24,623	4	51,561	31,632	6
Asset Manager Affiliates <sup>(6)</sup>	17,791	—	—	17,791	—	—
Joint Ventures	55,139	45,141	8	64,365	60,474	11
Derivatives	31	8	0	31	(2,412)	—
Total	\$ 630,191	\$571,656	100%	\$ 605,396	\$547,573	100%

<sup>5</sup> Represents percentage of total portfolio at fair value.

<sup>6</sup> Represents the equity investment in the Asset Manager Affiliates.

As of September 30, 2022, three of the Company's debt investments were on non-accrual status, unchanged as compared to June 30, 2022 (this compares to six at March 31, 2022, and seven at December 31, 2021). Investments on non-accrual status as of September 30, 2022 and June 30, 2022 represented 0.0% and 0.3% of the Company's investment portfolio at fair value and amortized cost, respectively. This compares to investments on non-accrual status as of December 31, 2022 of 0.5% and 2.8% of the Company's investment portfolio at fair value and amortized cost, respectively.

### Liquidity and Capital Resources

As of September 30, 2022, there was \$368.9 million (par value) of borrowings outstanding with a weighted average interest rate of 5.0%, of which \$108.0 million par value has a fixed rate and \$260.9 million par value has a floating rate.

As of September 30, 2022, the Company had unrestricted cash of \$16.9 million and restricted cash of \$22.2 million. This compares to unrestricted cash of \$28.9 million and restricted cash of \$39.4 million as of December 31, 2021. As of September 30, 2022, we had \$17.9 million of available borrowing capacity under the Senior Secured Revolving Credit Facility, and \$25.0 million of borrowing capacity under the 2018-2 Revolving Credit Facility.

Total assets and shareholder's equity as of September 30, 2022 were \$629.5 million and \$251.6 million, respectively, as compared to \$648.3 million and \$280.1 million, respectively, as of December 31, 2021.

As of September 30, 2022, and December 31, 2021, the fair value of investments and cash were as follows:

(\$ in thousands) Security Type	September 30, 2022	December 31, 2021
Cash and cash equivalents	\$ 16,871	\$ 28,919
Restricted Cash	22,183	39,421
Senior Secured Loan	415,819	364,701
Junior Secured Loan	61,535	70,549
Senior Unsecured Bond	43	43
Equity Securities	24,487	22,586
CLO Fund Securities	24,623	31,632
Asset Manager Affiliates	—	—
Joint Ventures	45,141	60,474
Derivatives	8	(2,412)
<b>Total</b>	<b>\$ 610,710</b>	<b>\$ 615,913</b>

### Interest Rate Volatility

The Company's investment income is affected by fluctuations in various interest rates, including LIBOR and prime rates.

As of September 30, 2022, approximately 89.3% of our Debt Securities Portfolio were either floating rate with a spread to an interest rate index such as LIBOR or the prime rate. 74.8% of these floating rate loans contain LIBOR floors ranging between 0.50% and 2.00%. We generally expect that future portfolio investments will predominately be floating rate investments.

In periods of rising or lowering interest rates, the cost of the portion of debt associated with the 4.875% Notes Due 2026 would remain the same, given that this debt is at a fixed rate, while the interest rate on borrowings under the Revolving Credit Facility would fluctuate with changes in interest rates.

Generally, an increase in the base rate index for floating rate investment assets would increase gross investment income and a decrease in the base rate index for such assets would decrease gross investment income (in either case, such increase/decrease may be limited by interest rate floors/minimums for certain investment assets).

(\$ in thousands)	Impact on net investment income from a change in interest rates at:		
	1%	2%	3%
Increase in interest rate	\$ 2,100	\$ 4,029	\$ 5,957
Decrease in interest rate	\$ 1,340	\$ (561)	\$ (2,493)



Net investment income assuming a 1% increase in interest rates would increase by approximately \$2.1 million on an annualized basis. If the increase in rates was more significant, such as 2% or 3%, the net effect on net investment income would be an increase of approximately \$4.0 million and \$6.0 million, respectively.

On an annualized basis, a decrease in interest rates of 1% would result in an increase in net investment income of approximately \$1.3 million. A decrease in interest rates of 2% and 3% would result in a decrease in net investment income of approximately \$0.6 million and \$2.5 million, respectively. The effect on net investment income from declines in interest rates impacted by interest rate floors on certain of our floating rate investments, as there is no floor on our floating rate debt facility and the 2018-2 Secured Notes.

#### **Conference Call and Webcast**

We will hold a conference call on Wednesday, November 9, 2022, at 9:00 am Eastern Time to discuss our third quarter 2022 financial results. To access the call, please dial (646) 307-1963 approximately 10 minutes prior to the start of the conference call and use the conference ID 8666889.

A live audio webcast of the conference call can be accessed via the Internet, on a listen-only basis on the Company's website [www.portmanridge.com](http://www.portmanridge.com) in the Investor Relations section under Events and Presentations. The webcast can also be accessed by clicking the following link: [Portman Ridge Third Quarter 2022 Conference Call](#). The online archive of the webcast will be available on the Company's website shortly after the call.

#### **About Portman Ridge Finance Corporation**

Portman Ridge Finance Corporation (Nasdaq: PTMN) is a publicly traded, externally managed investment company that has elected to be regulated as a business development company under the Investment Company Act of 1940. Portman Ridge's middle market investment business originates, structures, finances and manages a portfolio of term loans, mezzanine investments and selected equity securities in middle market companies. Portman Ridge's investment activities are managed by its investment adviser, Sierra Crest Investment Management LLC, an affiliate of BC Partners Advisors, LP.

Portman Ridge's filings with the Securities and Exchange Commission (the "SEC"), earnings releases, press releases and other financial, operational and governance information are available on the Company's website at [www.portmanridge.com](http://www.portmanridge.com).

#### **About BC Partners Advisors L.P. and BC Partners Credit**

BC Partners is a leading international investment firm with over \$40 billion of assets under management in private equity, private credit and real estate strategies. Established in 1986, BC Partners has played an active role in developing the European buyout market for three decades. Today, BC Partners executives operate across markets as an integrated team through the firm's offices in North America and Europe. Since inception, BC Partners has completed 117 private equity investments in companies with a total enterprise value of €149 billion and is currently investing its eleventh private equity fund. For more information, please visit [www.bcpartners.com](http://www.bcpartners.com).

BC Partners Credit was launched in February 2017 and has pursued a strategy focused on identifying attractive credit opportunities in any market environment and across sectors, leveraging the deal sourcing and infrastructure made available from BC Partners.

#### **Cautionary Statement Regarding Forward-Looking Statements**

This press release contains forward-looking statements. The matters discussed in this press release, as well as in future oral and written statements by management of Portman Ridge Finance Corporation, 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 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.

Important assumptions include our ability to originate new investments, and achieve certain margins and levels of profitability, the availability of additional capital, and the ability to maintain certain debt to asset ratios. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this press release should not be regarded as a representation that such plans, estimates, expectations or objectives will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) uncertainty of the expected financial performance of the Company; (2) expected synergies and savings associated with merger transactions effectuated by the Company; (3) the ability of the Company and/or its adviser to implement its business strategy; (4) evolving legal, regulatory and tax regimes; (5) changes in general economic and/or industry specific conditions; (6) the impact of increased competition; (7) business prospects and the prospects of the Company’s portfolio companies; (8) contractual arrangements with third parties; (9) any future financings by the Company; (10) the ability of Sierra Crest Investment Management LLC to attract and retain highly talented professionals; (11) the Company’s ability to fund any unfunded commitments; (12) any future distributions by the Company; (13) changes in regional or national economic conditions, including but not limited to the impact of the COVID-19 pandemic, and their impact on the industries in which we invest; and (14) other changes in the conditions of the industries in which we invest and other factors enumerated in our filings with the SEC. The forward-looking statements should be read in conjunction with the risks and uncertainties discussed in the Company’s filings with the SEC, including the Company’s most recent Form 10-K and other SEC filings. 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.

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**PORTMAN RIDGE FINANCE CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands, except share and per share amounts)

	September 30, 2022 (Unaudited)	December 31, 2021
<b>ASSETS</b>		
Investments at fair value:		
Non-controlled/non-affiliated investments (amortized cost: 2022 - \$510,533; 2021 - \$479,153)	\$ 489,242	\$ 452,482
Non-controlled affiliated investments (amortized cost: 2022 - \$61,336; 2021 - \$74,082)	60,522	74,142
Controlled affiliated investments (cost: 2022 - \$58,322; 2021 - \$52,130)	21,892	23,361
Total Investments at Fair Value (cost: 2022 - \$630,191; 2021 - \$605,365)	\$ 571,656	\$ 549,985
Cash and cash equivalents	16,871	28,919
Restricted cash	22,183	39,421
Interest receivable	3,166	5,514
Receivable for unsettled trades	12,250	20,193
Due from affiliates	591	507
Other assets	2,808	3,762
<b>Total Assets</b>	<b>\$ 629,525</b>	<b>\$ 648,301</b>
<b>LIABILITIES</b>		
2018-2 Secured Notes (net of discount of: 2022 - \$1,270; 2021 - \$1,403)	\$ 162,593	\$ 162,460
4.875% Notes Due 2026 (net of discount of: 2022 - \$1,819; 2021 - \$2,157; net of deferred financing costs of: 2022 - \$880; 2021 - \$951)	105,301	104,892
Great Lakes Portman Ridge Funding LLC Revolving Credit Facility (net of deferred financing costs of: 2022 - \$1,163; 2021 - \$732)	95,908	79,839
Derivative liabilities (cost: 2021 - \$31)	—	2,412
Payable for unsettled trades	—	5,397
Accounts payable, accrued expenses and other liabilities	4,689	4,819
Accrued interest payable	4,330	2,020
Due to affiliates	1,261	1,799
Management and incentive fees payable	3,861	4,541
<b>Total Liabilities</b>	<b>\$ 377,943</b>	<b>\$ 368,179</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>NET ASSETS</b>		
Common stock, par value \$0.01 per share, 20,000,000 common shares authorized; 9,906,833 issued, and 9,608,913 outstanding at September 30, 2022, and 9,867,998 issued, and 9,699,695 outstanding at December 31, 2021	\$ 97	\$ 97
Capital in excess of par value	731,358	733,095
Total distributable (loss) earnings	(479,873)	(453,070)
<b>Total Net Assets</b>	<b>\$ 251,582</b>	<b>\$ 280,122</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 629,525</b>	<b>\$ 648,301</b>
NET ASSET VALUE PER COMMON SHARE <sup>(4)</sup>	<u>\$ 26.18</u>	<u>\$ 28.88</u>

(4) 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.

**PORTMAN RIDGE FINANCE CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except share and per share amounts)  
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>INVESTMENT INCOME</b>				
Interest income:				
Non-controlled/non-affiliated investments	\$ 13,727	\$ 16,370	\$ 37,043	\$ 48,283
Non-controlled affiliated investments	823	1,775	2,271	2,670
Controlled affiliated investments	—	(5)	—	(5)
Total interest income	\$ 14,550	\$ 18,140	\$ 39,314	\$ 50,948
Payment-in-kind income:				
Non-controlled/non-affiliated investments	\$ 1,505	\$ 1,225	\$ 3,830	\$ 3,078
Non-controlled affiliated investments	74	71	403	95
Controlled affiliated investments	161	—	181	—
Total payment-in-kind income	\$ 1,740	\$ 1,296	\$ 4,414	\$ 3,173
Dividend income:				
Non-controlled affiliated investments	\$ 1,149	\$ 2,070	\$ 3,099	\$ 3,997
Controlled affiliated investments	1,033	373	3,262	3,015
Total dividend income	\$ 2,182	\$ 2,443	\$ 6,361	\$ 7,012
Fees and other income	\$ 537	\$ 1,032	\$ 908	\$ 1,628
Total investment income	\$ 19,009	\$ 22,911	\$ 50,997	\$ 62,761
<b>EXPENSES</b>				
Management fees	\$ 2,082	\$ 2,065	\$ 6,305	\$ 5,772
Performance-based incentive fees	1,780	1,939	4,627	6,333
Interest and amortization of debt issuance costs	4,673	3,408	11,906	10,315
Professional fees	759	490	2,483	2,680
Administrative services expense	862	760	2,531	2,092
Other general and administrative expenses	461	531	1,323	1,928
Total expenses	\$ 10,617	\$ 9,193	\$ 29,175	\$ 29,120
<b>NET INVESTMENT INCOME</b>	<b>\$ 8,392</b>	<b>\$ 13,718</b>	<b>\$ 21,822</b>	<b>\$ 33,641</b>
<b>REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS</b>				
Net realized gains (losses) from investment transactions:				
Non-controlled/non-affiliated investments	\$ (8,560)	\$ (2,970)	\$ (26,339)	\$ (10,193)
Non-controlled affiliated investments	(527)	(961)	(197)	(1,180)
Derivatives	—	—	(2,095)	—
Net realized gain (loss) on investments	\$ (9,087)	\$ (3,931)	\$ (28,631)	\$ (11,373)
Net change in unrealized appreciation (depreciation) on:				
Non-controlled/non-affiliated investments	\$ (318)	\$ 310	\$ 5,381	\$ 5,143
Non-controlled affiliated investments	338	182	(874)	1,770
Controlled affiliated investments	(2,988)	(955)	(7,661)	1,553
Derivatives	—	(179)	2,442	(873)
Net unrealized gain (loss) on investments	\$ (2,968)	\$ (642)	\$ (712)	\$ 7,593
Tax (provision) benefit on realized and unrealized gains (losses) on investments	\$ (542)	\$ —	\$ (1,059)	\$ —
Net realized and unrealized appreciation (depreciation) on investments, net of taxes	\$ (12,597)	\$ (4,573)	\$ (30,402)	\$ (3,780)
Realized gains (losses) on extinguishments of debt	\$ —	\$ —	\$ —	\$ (1,835)
<b>NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b>\$ (4,205)</b>	<b>\$ 9,145</b>	<b>\$ (8,580)</b>	<b>\$ 28,026</b>
Net Increase (Decrease) In Net Assets Resulting from Operations per Common Share <sup>(4)</sup> :				
Basic and Diluted:	\$ (0.44)	\$ 1.00	\$ (0.89)	\$ 3.41
Net Investment Income Per Common Share <sup>(4)</sup> :				
Basic and Diluted:	\$ 0.87	\$ 1.50	\$ 2.26	\$ 4.10
Weighted Average Shares of Common Stock Outstanding—Basic and Diluted <sup>(4)</sup>				
	9,602,712	9,131,456	9,644,870	8,213,661

(4) 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.



# 2022 Q3 Earnings Presentation

November 9, 2022

**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.

Q3 2022 Highlights

- **Total investment income** for the third quarter of 2022 was \$19.0 million, of which \$15.4 million was attributable to interest income from the debt securities portfolio, as compared to total investment income for the second quarter of 2022 of \$15.0 million, of which \$11.9 million was attributable to interest income from the debt securities portfolio.
- **Core investment income<sup>(1)</sup>** for the third quarter of 2022, excluding the impact of purchase price accounting, was \$17.6 million as compared to \$13.7 million in the second quarter of 2022.
- **Net investment income ("NII")** for the third quarter of 2022 was \$8.4 million (\$0.87 per share) as compared to \$5.5 million (\$0.57 per share) in the second quarter of 2022.
- **Net asset value ("NAV")** for the third quarter was \$251.6 million (\$26.18 per share<sup>(2)</sup>) as compared to \$261.7 million (\$27.26 per share<sup>(2)</sup>) in the second quarter of 2022; the decline was driven by mark-to-market movements.
- **Non-accruals on debt investments**, as of September 30, 2022, were held constant at three debt investments in comparison to the same number of investments on non-accrual status as of June 30, 2022. As of both September 30, 2022 and June 30, 2022, debt investments on non-accrual status represented 0.0% and 0.3% of the Company's investment portfolio at fair value and amortized cost.
- **Total investments at fair value**, as of September 30, 2022, was \$571.7 million; when excluding CLO Funds, Joint Ventures and short-term investments, these investments are spread across 32 different industries and 117 entities with an average par balance per entity of approximately \$3.4 million.
- **Par value of outstanding borrowings** as of September 30, 2022 was \$368.9 million with an asset coverage ratio of total assets to total borrowings of 167%. On a net basis, leverage as of September 30, 2022 was 1.3x<sup>(3)</sup> compared to 1.2x<sup>(3)</sup> as of June 30, 2022.

(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 ("HCCAP") 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) NAV per share as determined in accordance with U.S. generally accepted accounting principles, or U.S. GAAP, was decreased 6 cents and 1 cent per share for the quarters ended September 30, 2022 and June 30, 2022, respectively, due to the impact of quarterly tax provisions.

(3) 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 \$39.1 million and \$44.0 million of cash and cash equivalents and restricted cash for the quarters ended September 30, 2022 and June 30, 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.

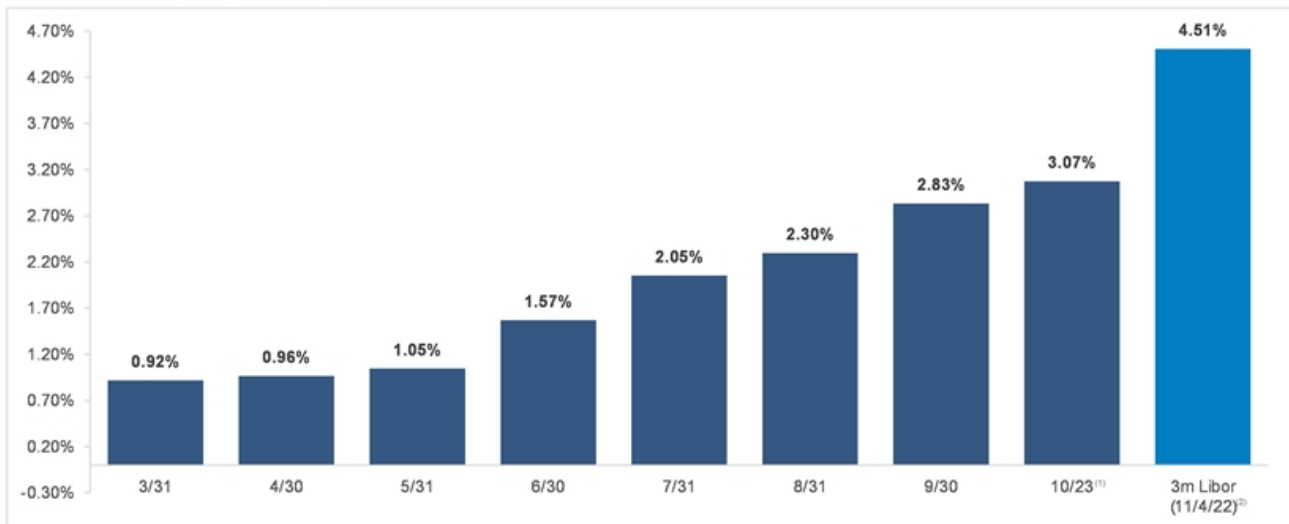


(\$ in thousands)	Q1 2022	Q2 2022	Q3 2022
<b>Core investment income</b>	<b>\$15,132</b>	<b>\$13,741</b>	<b>\$17,605</b>
<b>Expenses:</b>			
Management fees	2,135	2,088	2,082
Performance-based incentive fees	1,678	1,169	1,780
Interest and amortization of debt issuance costs	3,344	3,889	4,673
Professional fees	845	879	759
Administrative services expense	847	822	862
Other general and administrative expenses	187	675	461
<b>Total expenses</b>	<b>\$9,036</b>	<b>\$9,522</b>	<b>\$10,617</b>
<b>Core net investment income<sup>(1)</sup></b>	<b>\$6,413</b>	<b>\$4,874</b>	<b>\$7,234</b>
Net realized gain (loss) on investments	(5,553)	(13,991)	(9,087)
Net unrealized gain (loss) on investments	2,143	113	(2,968)
Tax (provision) benefit on realized and unrealized gains (losses) on investme	(440)	(77)	(542)
<b>Net increase/(decrease) in Core net assets resulting from operations</b>	<b>\$2,563</b>	<b>(\$9,081)</b>	<b>(\$5,363)</b>
<b>Per Share</b>	<b>Q1 2022</b>	<b>Q2 2022</b>	<b>Q3 2022</b>
Core Net Investment Income	\$0.66	\$0.51	\$0.75
Net Realized and Unrealized Gain / (Loss)	(\$0.35)	(\$1.44)	(\$1.26)
Net Core Earnings	\$0.26	(\$0.94)	(\$0.56)
Distributions declared	\$0.63	\$0.63	\$0.67
Net Asset Value	\$28.76	\$27.26	\$26.18

(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 ("HCCAP") 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.

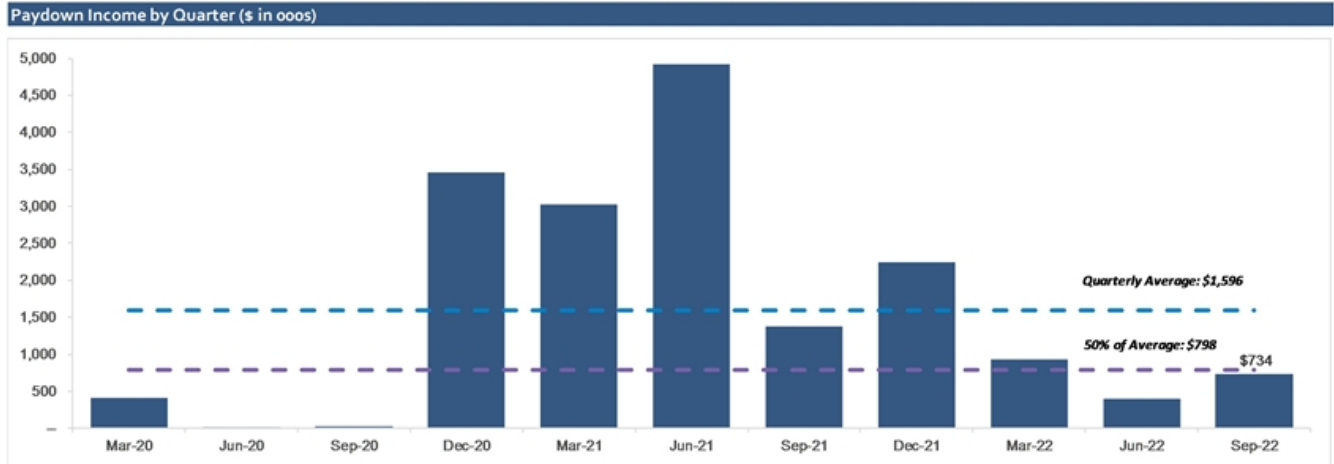
- As of September 30, 2022, approximately 71% of our floating rate assets were on LIBOR contract.
- Shown below, those contracts have taken a significant amount of time to reset and still remain significantly below the prevailing 3 month LIBOR rate.

Blended Contracted LIBOR at Month End

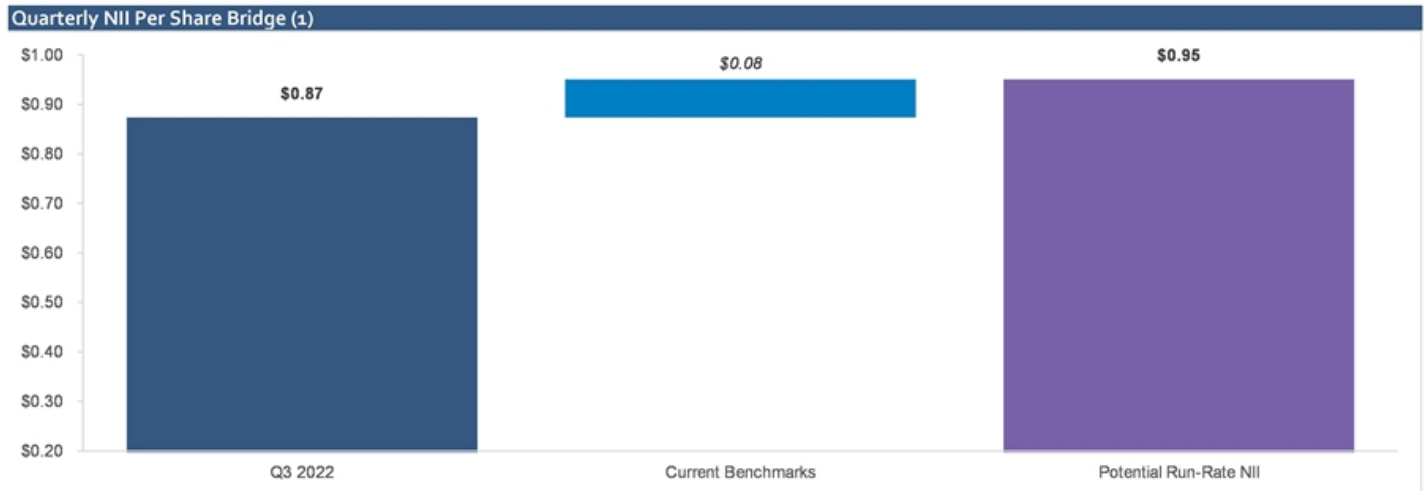


(1) October 23, 2022 was the most recent practical date used to complete the information presented in this table.  
 (2) 3 month LIBOR per Bloomberg as of November 4, 2022.

- Over the last two years, Portman has experienced an average of \$1.6mm in income related to repayment / prepayment activity as compared to the current quarter of \$0.7mm.



- The below analysis begins with Q3 2022 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 4.51% plus applicable spreads and all assets and liabilities that have SOFR based contracts are reset at 4.21% plus applicable spreads beginning on October 1, 2022.



(1) All per share information assumes the ending 9/30/2022 share count, including Q3 2022.

(\$ in '000s except per share)	Q1 2022	Q2 2022	Q3 2022
<b>Interest Income:</b>			
Non-controlled/non-affiliated investments	12,667	10,649	13,727
Non-controlled affiliated investments	591	857	823
<b>Total interest income</b>	<b>13,258</b>	<b>11,506</b>	<b>14,550</b>
<b>Payment-in-kind income:</b>			
Non-controlled/non-affiliated investments	1,126	1,199	1,505
Non-controlled affiliated investments	256	73	74
Non-controlled affiliated investments	-	20	161
<b>Total payment-in-kind income</b>	<b>1,382</b>	<b>1,292</b>	<b>1,740</b>
<b>Dividend income:</b>			
Non-controlled affiliated investments	945	1,005	1,149
Controlled affiliated investments	1,163	1,066	1,033
<b>Total dividend income</b>	<b>2,108</b>	<b>2,071</b>	<b>2,182</b>
Fees and other income	196	175	537
<b>Reported Investment Income</b>	<b>\$16,944</b>	<b>\$15,044</b>	<b>\$19,009</b>
Less: Purchase discount accounting	(1,812)	(1,303)	(1,404)
<b>Core Investment Income</b>	<b>\$15,132</b>	<b>\$13,741</b>	<b>\$17,605</b>
<b>Reported</b>			
<b>Net Investment Income</b>	<b>\$7,908</b>	<b>\$5,522</b>	<b>\$8,392</b>
<i>NIJ Per Share</i>	<i>\$0.82</i>	<i>\$0.57</i>	<i>\$0.87</i>
<b>Core</b>			
<b>Net Investment Income<sup>(1)</sup></b>	<b>\$6,413</b>	<b>\$4,874</b>	<b>\$7,234</b>
<i>NIJ Per Share</i>	<i>\$0.63</i>	<i>\$0.51</i>	<i>\$0.75</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 Garrison Capital Inc. ("GARS") and Harvest Capital Credit Corporation ("HCCAP") 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.

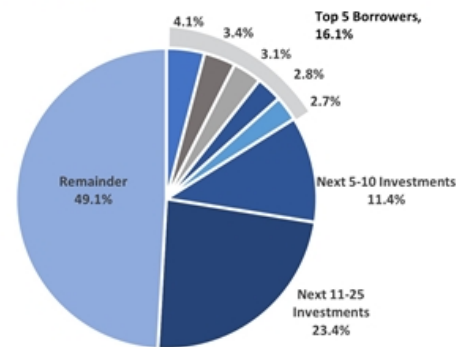
(\$ in '000s)	Q1 2022	Q2 2022	Q3 2022
NAV, Beginning of Period	\$280,122	\$278,301	\$261,666
Realized Gains (Losses) from Investments	(5,553)	(13,991)	(9,087)
Unrealized Gains (Losses)	2,143	113	(2,968)
Net Investment Income	7,908	5,522	8,392
Net Decrease in Assets Resulting from Distributions	(6,111)	(6,064)	(6,048)
Tax (provision) benefit on realized and unrealized (gains) losses on investments	(440)	(77)	(542)
Private Placement and other	439	(25)	(35)
Stock Repurchases	(545)	(2,459)	-
Distribution Reinvestment Plan	338	346	204
<b>NAV, End of Period</b>	<b>\$278,301</b>	<b>\$261,666</b>	<b>\$251,582</b>

Leverage and Asset Coverage	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Debt / Equity	1.3x	1.3x	1.3x	1.4x	1.5x
Asset Coverage	178%	178%	180%	170%	167%

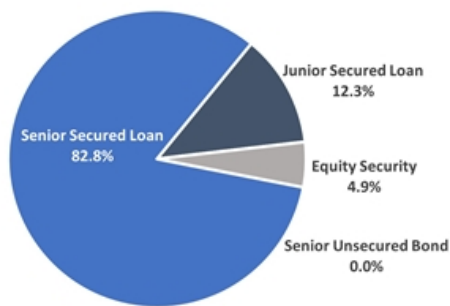
**Diversified Portfolio of Assets**

- 117 Debt + Equity Portfolio Investee Companies
- \$3.4mm / 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

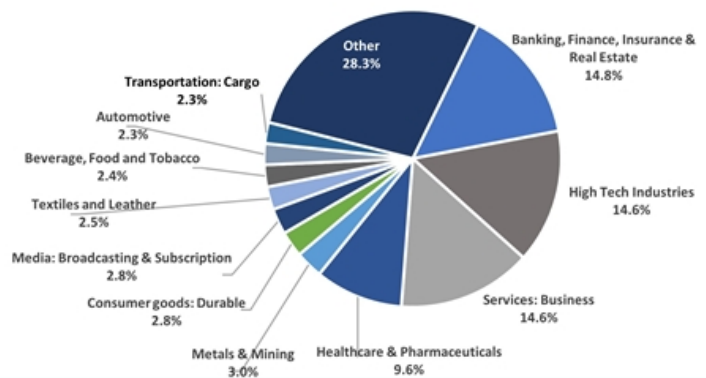
**Diversification by Borrower<sup>(2)</sup>**



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



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



[1] As of September 30, 2022. 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 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
<b>Portfolio Sourcing (at Fair Value):</b>					
BC Partners	\$245,112	\$264,642	\$303,378	\$336,689	\$351,940
Legacy KCAP	\$92,746	\$78,221	\$68,378	\$59,646	\$53,156
Legacy OHA1	\$16,980	\$16,163	\$9,894	\$10,315	\$9,447
Legacy GARS	\$159,699	\$118,977	\$124,048	\$120,799	\$101,948
Legacy HCAP <sup>(3)</sup>	\$47,644	\$59,062	\$62,289	\$54,011	\$55,157
<b>Portfolio Summary:</b>					
Total portfolio, at fair value	\$562,181	\$549,985	\$567,988	\$581,459	\$571,648
Total number of debt portfolio companies / Total number of investments <sup>(4)</sup>	111/184	92/181	95/186	95/190	93/197
Weighted Avg EBITDA of debt portfolio companies	\$92,565	\$77,003	\$95,546	\$76,678	\$85,460
Average size of debt portfolio company investment, at fair value	\$3,138	\$3,065	\$3,082	\$3,292	\$3,204
Weighted avg first lien / total leverage ratio (net) of debt portfolio	4.5x / 5.3x	4.7x / 5.4x	4.8x / 5.3x	4.7x / 5.3x	5.3x / 5.9x
<b>Portfolio Yields and Spreads:</b>					
Weighted average yield on debt investments at par value <sup>(5)</sup>	8.1%	8.3%	8.0%	8.6%	10.0%
Average Spread to LIBOR	725 bps	748 bps	727 bps	725 bps	725 bps
<b>Portfolio Activity:</b>					
Beginning balance	\$520,168	\$562,181	\$549,985	\$567,988	\$581,459
Purchases / draws	98,362	99,111	63,964	70,081	54,622
Exits / repayments / amortization	(64,793)	(109,351)	(47,346)	(46,066)	(56,495)
Gains / (losses) / accretion	8,444	1,986	1,385	(10,544)	(7,938)
Ending Balance	\$562,181	\$549,985	\$567,988	\$581,459	\$571,648

(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, 2022, three of the Company's debt investments were on non-accrual status and represented 0.0% and 0.3% of the Company's investment portfolio at fair value and amortized cost, respectively

(\$ in '000s)	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
<b>Investments Credit Quality – Internal Rating <sup>(1)</sup></b>					
Performing	94.2%	93.6%	94.5%	95.3%	95.7%
Underperforming	5.8%	6.4%	5.5%	4.7%	4.3%
<b>Investments on Non-Accrual Status</b>					
Number of Non-Accrual Investments	6	7	6	3	3
Non-Accrual Investments at Cost	\$15,284	\$16,730	\$11,730	\$1,693	\$1,735
Non-Accrual Investments as a % of Total Cost	2.5%	2.8%	1.9%	0.3%	0.3%
Non-Accrual Investments at Fair Value	\$4,980	\$2,900	\$1,039	\$244	\$238
Non-Accrual Investments as a % of Total Fair Value	0.9%	0.5%	0.2%	0.0%	0.0%

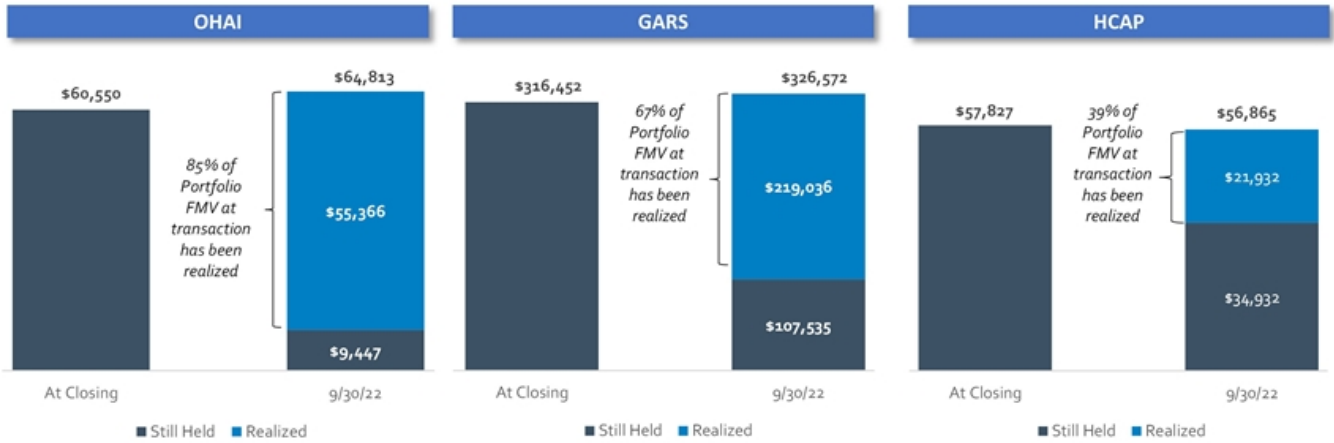
(1) Based on FMV.

Investment Portfolio (\$ in '000s)	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Senior Secured Loan	\$380,961	\$364,701	\$395,062	\$414,920	\$415,819
Junior Secured Loan	74,076	70,549	60,976	59,147	61,535
Senior Unsecured Bond	43	43	43	43	43
Equity Securities	22,299	22,586	22,633	24,805	24,487
CLO Fund Securities	17,174	31,632	29,057	24,271	24,623
Joint Ventures	67,629	60,474	60,217	58,273	45,141
<b>Ending Balance</b>	<b>\$562,181</b>	<b>\$549,985</b>	<b>\$567,988</b>	<b>\$581,459</b>	<b>\$571,648</b>

Investment Portfolio (% of total)	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Senior Secured Loan	67.8%	66.0%	69.6%	71.4%	72.7%
Junior Secured Loan	13.2%	13.0%	10.7%	10.2%	10.8%
Senior Secured Bond	0.0%	0.0%	0.0%	0.0%	0.0%
Equity Securities	4.0%	4.0%	4.0%	4.3%	4.3%
CLO Fund Securities	3.1%	6.0%	5.1%	4.2%	4.3%
Joint Ventures	12.0%	11.0%	10.6%	10.0%	7.9%
<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
- We remain 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



# Appendix

	September 30, 2022 (Unaudited)	December 31, 2021
<b>ASSETS</b>		
Investments at fair value:		
Non-controlled/non-affiliated investments (amortized cost: 2022 - \$510,533; 2021 - \$479,153)	\$ 489,242	\$ 452,482
Non-controlled affiliated investments (amortized cost: 2022 - \$61,336; 2021 - \$74,082)	60,522	74,142
Controlled affiliated investments (cost: 2022 - \$58,322; 2021 - \$52,130)	21,892	23,361
Total Investments at Fair Value (cost: 2022 - \$630,191; 2021 - \$605,365)	\$ 571,656	\$ 549,985
Cash and cash equivalents	16,871	28,919
Restricted cash	22,183	39,421
Interest receivable	3,166	5,514
Receivable for unsettled trades	12,250	20,193
Due from affiliates	591	507
Other assets	2,808	3,762
<b>Total Assets</b>	<b>\$ 629,525</b>	<b>\$ 648,301</b>
<b>LIABILITIES</b>		
2018-2 Secured Notes (net of discount of: 2022 - \$1,270; 2021 - \$1,403)	\$ 162,593	\$ 162,460
4.875% Notes Due 2026 (net of discount of: 2022 - \$1,819; 2021 - \$2,157; net of deferred financing costs of: 2022 - \$880; 2021 - \$951)	105,301	104,892
Great Lakes Portman Ridge Funding LLC Revolving Credit Facility (net of deferred financing costs of: 2022 - \$1,163; 2021 - \$732)	95,908	79,839
Derivative liabilities (cost: 2021 - \$31)	-	2,412
Payable for unsettled trades	-	5,397
Accounts payable, accrued expenses and other liabilities	4,689	4,819
Accrued interest payable	4,330	2,020
Due to affiliates	1,261	1,799
Management and incentive fees payable	3,861	4,541
<b>Total Liabilities</b>	<b>\$ 377,943</b>	<b>\$ 368,179</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>NET ASSETS</b>		
Common stock, par value \$0.01 per share, 20,000,000 common shares authorized; 9,906,833 issued, and 9,608,913 outstanding at September 30, 2022, and 9,867,998 issued, and 9,699,695 outstanding at December 31, 2021	\$ 97	\$ 97
Capital in excess of par value	731,358	733,095
Total distributable (loss) earnings	(479,873)	(453,070)
<b>Total Net Assets</b>	<b>\$ 251,582</b>	<b>\$ 280,122</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 629,525</b>	<b>\$ 648,301</b>
NET ASSET VALUE PER COMMON SHARE <sup>(1)</sup>	<u>\$ 26.18</u>	<u>\$ 28.88</u>

(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.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
<b>INVESTMENT INCOME</b>				
Interest income:				
Non-controlled/non-affiliated investments	\$ 13,727	\$ 16,370	\$ 37,043	\$ 48,283
Non-controlled affiliated investments	823	1,775	2,271	2,670
Controlled affiliated investments	-	(5)	-	(5)
Total interest income	\$ 14,550	\$ 18,140	\$ 39,314	\$ 50,948
Payment-in-kind income:				
Non-controlled/non-affiliated investments	\$ 1,505	\$ 1,225	\$ 3,830	\$ 3,078
Non-controlled affiliated investments	74	71	403	95
Controlled affiliated investments	161	-	181	-
Total payment-in-kind income	\$ 1,740	\$ 1,296	\$ 4,414	\$ 3,173
Dividend income:				
Non-controlled affiliated investments	\$ 1,149	\$ 2,070	\$ 3,099	\$ 3,997
Controlled affiliated investments	1,033	373	3,262	3,015
Total dividend income	\$ 2,182	\$ 2,443	\$ 6,361	\$ 7,012
Fees and other income	\$ 537	\$ 1,032	\$ 908	\$ 1,628
Total investment income	\$ 19,009	\$ 22,911	\$ 50,997	\$ 62,761
<b>EXPENSES</b>				
Management fees	\$ 2,082	\$ 2,065	\$ 6,305	\$ 5,772
Performance-based incentive fees	1,780	1,939	4,627	6,333
Interest and amortization of debt issuance costs	4,673	3,408	11,906	10,315
Professional fees	759	490	2,483	2,680
Administrative services expense	862	760	2,531	2,092
Other general and administrative expenses	461	531	1,323	1,928
Total expenses	\$ 10,617	\$ 9,193	\$ 29,175	\$ 29,120
<b>NET INVESTMENT INCOME</b>	\$ 8,392	\$ 13,718	\$ 21,822	\$ 33,641
<b>REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS</b>				
Net realized gains (losses) from investment transactions:				
Non-controlled/non-affiliated investments	\$ (8,560)	\$ (2,970)	\$ (26,339)	\$ (10,193)
Non-controlled affiliated investments	(527)	(961)	(197)	(1,180)
Derivatives	-	-	(2,095)	-
Net realized gain (loss) on investments	\$ (9,087)	\$ (3,931)	\$ (28,631)	\$ (11,373)
Net change in unrealized appreciation (depreciation) on:				
Non-controlled/non-affiliated investments	\$ (318)	\$ 310	\$ 5,381	\$ 5,143
Non-controlled affiliated investments	338	182	(874)	1,770
Controlled affiliated investments	(2,988)	(955)	(7,661)	1,553
Derivatives	-	(179)	2,442	(873)
Net unrealized gain (loss) on investments	\$ (2,968)	\$ (642)	\$ (712)	\$ 7,593
Tax (provision) benefit on realized and unrealized gains (losses) on investments	\$ (542)	\$ -	\$ (1,059)	\$ -
Net realized and unrealized appreciation (depreciation) on investments, net of taxes	\$ (12,597)	\$ (4,573)	\$ (30,402)	\$ (3,780)
Realized gains (losses) on extinguishments of debt	\$ -	\$ -	\$ -	\$ (1,835)
<b>NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b>	\$ (4,205)	\$ 9,145	\$ (8,580)	\$ 28,026
Net Increase (Decrease) In Net Assets Resulting from Operations per Common Share <sup>(1)</sup> :				
Basic and Diluted:	\$ (0.44)	\$ 1.00	\$ (0.89)	\$ 3.41
Net Investment Income Per Common Share <sup>(1)</sup> :				
Basic and Diluted:	\$ 0.87	\$ 1.50	\$ 2.26	\$ 4.10
Weighted Average Shares of Common Stock Outstanding—Basic and Diluted <sup>(1)</sup>	9,602,712	9,131,456	9,644,870	8,213,661

(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.

**Cash and Cash Equivalents**

- Unrestricted cash and cash equivalents totaled \$16.9 million as of September 30, 2022
- Restricted cash of \$22.2 million as of September 30, 2022

**Debt Summary**

- As of September 30, 2022, par value of outstanding borrowings was \$368.9 million; there was \$17.9 million of available borrowing capacity under the Senior Secured Revolving Credit Facility and \$25.0 million of borrowing capacity under the 2018-2 Revolving Credit Facility.
- On April 29, 2022, the Company refinanced its Revolving Credit Facility with JP Morgan Chase as administrative agent. The amended agreement places three-month SOFR as the benchmark interest rate and reduces the applicable margin to 2.80% per annum from 2.85% per annum. Other amendments include the extension of the reinvestment period and scheduled termination date to April 29, 2025 and April 29, 2026, respectively.

<b>Date Declared</b>	<b>Record Date</b>	<b>Payment Date</b>	<b>Distribution per Share</b>
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.