



2021 Q3 Earnings Presentation

November 5, 2021

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.

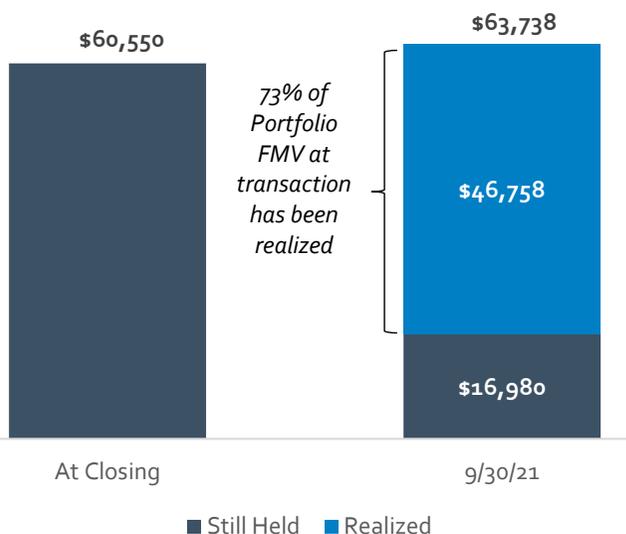
Quarter Ended September 30, 2021

- Completed a 1-for-10 reverse stock split of the Company's common stock effective August 26, 2021.
- Net investment income for the quarter was \$1.50 per share, or \$13.7 million.
- Net asset value ("NAV") per share increased to \$29.71 from \$29.28 quarter-to-quarter, reflecting broad-based improvements in the debt portfolio and joint ventures.
- As of September 30, 2021, the fair value of the Company's investments excluding derivatives totaled \$562 million, of which the Company's debt securities portfolio totaled \$455 million and was comprised of investments in 145 portfolio companies.
- During the quarter, the Company acquired approximately \$62.0 million par value of investment portfolio assets. Also, during the quarter, the Company received approximately \$37.1 million in sale and repayment proceeds, which includes a \$0.5 million increase relative to the carrying value of those assets sold.
- Net leverage⁽¹⁾ was 1.1x as of September 30, 2021, compared to 0.9x as of June 30, 2021, driven primarily by the timing of investments in the pipeline. During the quarter, the Company redeemed in full the aggregate amount outstanding of \$28.75 million of the HCAP 6.125% Notes due 2022.
- Under its share buyback program, the Company repurchased approximately \$1.4 million of its shares during the quarter.
- The quarterly distribution for the third quarter was \$0.60 per share and was paid on August 31, 2021. The Board of Directors declared a distribution of \$0.62 per share for the fourth quarter of 2021, payable on November 30, 2021 to stockholders of record at the close of business on November 15, 2021.
- Subsequent to quarter-end, on October 22, 2021, the Company entered into a purchase and sale agreement to purchase \$18.1 million of portfolio assets from two wholly-owned subsidiaries of JMP Group LLC in exchange for \$1.4 million in cash and 556,852 shares of its common stock issued at NAV. The closing of the transaction occurred in the fourth quarter of 2021.

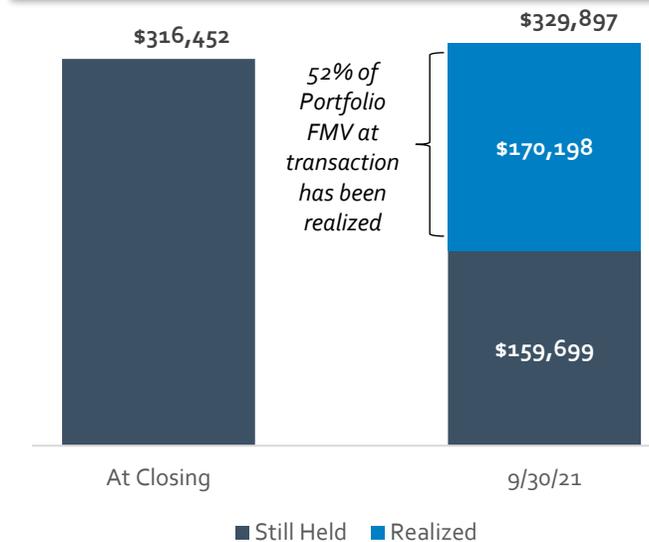
⁽¹⁾ Net leverage is calculated as the ratio between (A) debt, excluding unamortized debt issuance costs, less available cash and cash equivalents and restricted cash, and (B) net asset value.

- 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 HCAP assets but were successful in several monetizations during the quarter

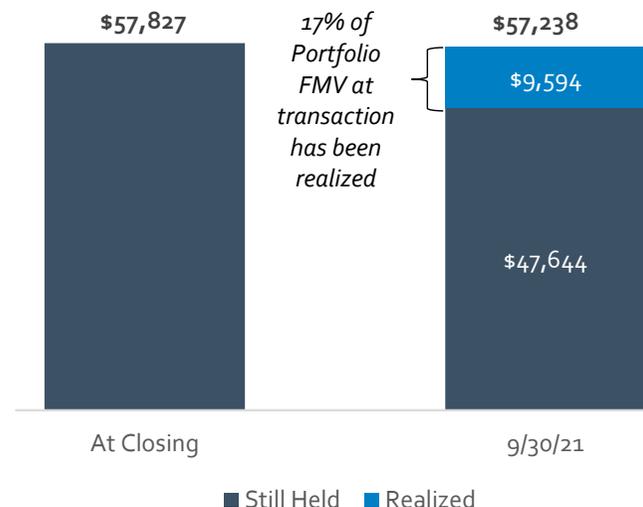
OHA



GARS



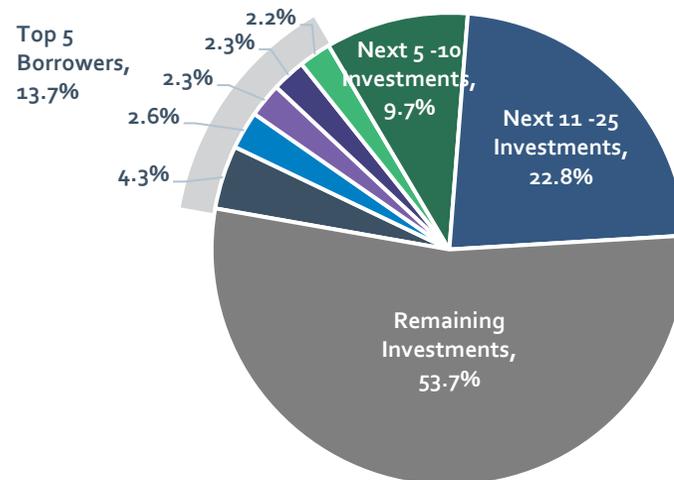
HCAP



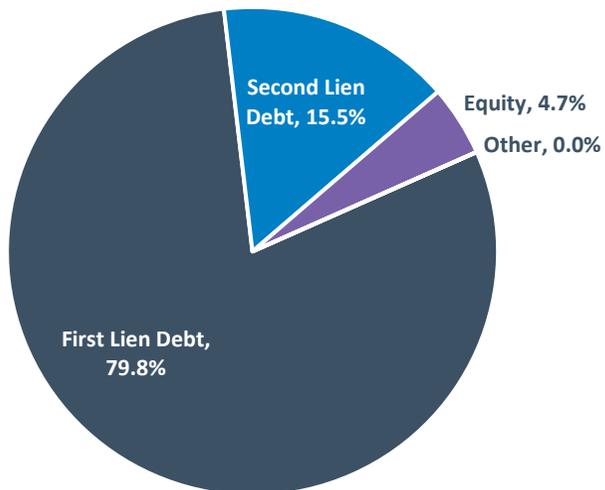
Diversified Portfolio of Assets

- 145 Debt 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

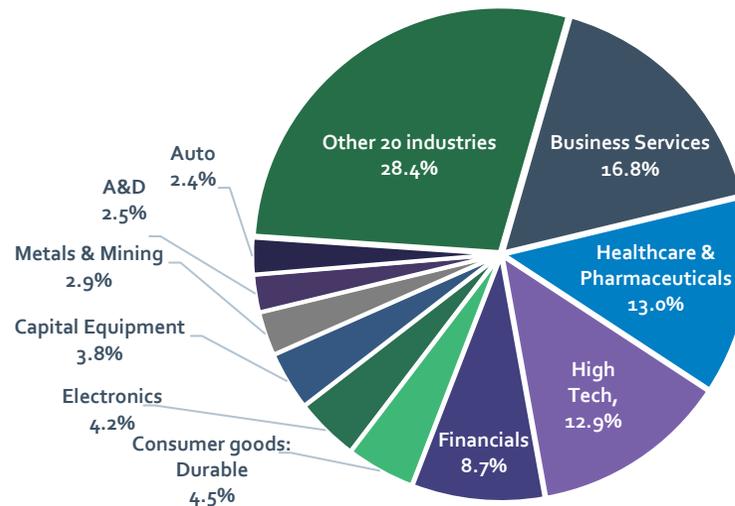
Diversification by Borrower⁽²⁾



Asset Mix⁽²⁾



Industry Diversification⁽²⁾



(1) As of September 30, 2021. Figures shown do not include short term investments, CLO holdings, F3C JV or Great Lakes JV portfolio companies, and derivatives.

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

| (\$ in '000s) | Q3 2020 | Q4 2020 | Q1 2021 | Q2 2021 | Q3 2021 |
|--|----------------|-----------------|-----------------|-----------------|-----------------|
| Total investment income | \$7,787 | \$19,909 | \$18,305 | \$21,545 | \$22,911 |
| Expenses: | | | | | |
| Management fees | 1,044 | 1,515 | 1,793 | 1,914 | 2,065 |
| Performance-based incentive fees ⁽¹⁾ | 572 | 3,729 | 2,094 | 2,300 | 1,939 |
| Interest and amortization of debt issuance costs | 2,240 | 3,299 | 3,380 | 3,527 | 3,408 |
| Operating expenses | 1,235 | 2,428 | 2,825 | 2,094 | 1,781 |
| Total expenses | 5,090 | 10,971 | 10,092 | 9,834 | 9,193 |
| Net investment income | \$2,696 | \$8,938 | \$8,213 | \$11,711 | \$13,718 |
| Net realized gain/(loss) on investments | (1,890) | 11,425 | (5,086) | (2,356) | (3,931) |
| Net change in unrealized (loss)/gain on investments | 7,512 | 28,661 | 6,745 | 1,489 | (642) |
| Realized loss on debt extinguishment | - | - | (1,835) | - | - |
| Net (decrease)/increase in net assets resulting from operations | \$8,319 | \$49,023 | \$8,037 | \$10,844 | \$9,144 |
| Per Share ⁽²⁾ | | | | | |
| Net Investment Income | \$0.61 | \$1.35 | \$1.09 | \$1.51 | \$1.50 |
| Net Realized and Unrealized Gain / (Loss) | \$1.27 | \$6.07 | \$0.22 | \$(0.11) | \$(0.50) |
| Net Earnings | \$1.87 | \$7.43 | \$1.07 | \$1.40 | \$1.00 |
| Distributions declared | \$0.60 | \$0.60 | \$0.60 | \$0.60 | \$0.62 |
| Net Asset Value | \$28.52 | \$28.77 | \$29.24 | \$29.28 | \$29.71 |

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

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

Net Asset Value Rollforward

| (\$ in '000s) | Q3 2020 | Q4 2020 | Q1 2021 | Q2 2021 | Q3 2021 |
|---|------------------|----------------------|------------------|------------------|------------------|
| NAV, Beginning of Period | \$120,714 | \$125,946 | \$216,264 | \$219,855 | \$268,604 |
| Realized Gains (Losses) from Investments | (1,890) | (131) ⁽¹⁾ | (5,086) | (2,356) | (3,931) |
| Unrealized Gains (Losses) | 7,512 | (206) ⁽¹⁾ | 6,745 | 1,489 | (642) |
| Net Investment Income | 2,697 | 8,938 | 8,213 | 11,711 | 13,718 |
| Net Decrease in Assets Resulting from Distributions | (2,631) | (2,610) | (4,446) | (4,430) | (5,254) |
| Realized Gains (Losses) from Extinguishment of Debt | -- | -- | (1,835) | -- | -- |
| Day One Impact of Mergers ⁽²⁾ | -- | 83,754 | -- | 38,695 | -- |
| Share Repurchase | (456) | -- | -- | (380) | (1,447) |
| Reinvestment of Incentive Fees | -- | 572 | -- | 4,020 | -- |
| NAV, End of Period | \$125,946 | \$216,264 | \$219,855 | \$268,604 | \$271,048 |
| Leverage and Asset Coverage | | | | | |
| Debt / Equity | 1.4X | 1.7X | 1.4X | 1.4X | 1.3X |
| Asset Coverage | 172% | 156% | 170% | 171% | 178% |

(1) Excluding gains from merger activity.

(2) Impact includes merger transaction costs.

| Investment Portfolio (\$ in '000s) | Q3 2020 | Q4 2020 | Q1 2021 | Q2 2021 | Q3 2021 |
|--|------------------|------------------|------------------|------------------|------------------|
| Senior Secured Loan | \$124,413 | \$328,845 | \$322,363 | \$351,699 | \$380,961 |
| Junior Secured Loan | 79,851 | 75,807 | 64,640 | 67,905 | 74,076 |
| Senior Unsecured Bond | 302 | 208 | 42 | 43 | 43 |
| Equity Securities | 9,703 | 13,945 | 14,651 | 22,387 | 22,299 |
| CLO Fund Securities | 18,792 | 19,583 | 16,021 | 17,064 | 17,174 |
| Joint Ventures | 46,832 | 49,349 | 56,731 | 61,070 | 67,629 |
| Ending Balance | \$279,893 | \$487,737 | \$474,447 | \$520,168 | \$562,181 |
| Investment Portfolio (% of total) | | | | | |
| Senior Secured Loan | 44.5% | 67.4% | 67.9% | 67.6% | 67.8% |
| Junior Secured Loan | 28.5% | 15.5% | 13.6% | 13.1% | 13.2% |
| Senior Secured Bond | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% |
| Equity Securities | 3.5% | 2.9% | 3.1% | 4.3% | 4.0% |
| CLO Fund Securities | 6.7% | 4.0% | 3.4% | 3.3% | 3.1% |
| Joint Ventures | 16.7% | 10.1% | 12.0% | 11.7% | 12.0% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

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

| (\$ in '000s) | Q3 2020 | Q4 2020 | Q1 2021 | Q2 2021 | Q3 2021 |
|---|------------------|------------------|------------------|------------------|------------------|
| Portfolio Sourcing (at Fair Value): | | | | | |
| BC Partners | \$148,289 | \$151,522 | \$160,533 | \$184,525 | \$245,112 |
| Legacy KCAP | \$104,023 | \$102,993 | \$100,867 | \$92,795 | \$92,746 |
| Legacy OHAI | \$26,547 | \$23,513 | \$21,889 | \$17,040 | \$16,980 |
| Legacy GARS | n/a | \$209,710 | \$191,159 | \$172,234 | \$159,699 |
| Legacy HCAP | n/a | n/a | n/a | \$53,573 | \$47,644 |
| Portfolio Summary: | | | | | |
| Total portfolio, at fair value | \$278,860 | \$487,737 | \$474,447 | \$520,168 | \$562,181 |
| Total number of debt portfolio companies / Total number of investments ² | 65 / 102 | 109 / 171 | 103/166 | 105/182 | 101/184 |
| Weighted Avg EBITDA of debt portfolio companies | \$92,500 | \$78,150 | \$84,250 | \$69,300 | \$92,600 |
| Average size of debt portfolio company investment, at fair value | \$3,147 | \$2,829 | \$2,765 | \$2,914 | \$3,138 |
| Weighted avg first lien / total leverage ratio (net) of debt portfolio | 4.4x / 5.5x | 4.1x / 4.9x | 4.1x / 4.9x | 4.2x / 4.9x | 4.5x / 5.3x |
| Portfolio Yields and Spreads: | | | | | |
| Weighted average yield on debt investments at par value ³ | 7.9% | 7.6% | 7.4% | 8.2% | 8.1% |
| Average Spread to LIBOR | 715 bps | 679 bps | 658 bps | 744 bps | 725 bps |
| Portfolio Activity: | | | | | |
| Beginning balance | \$278,655 | \$278,860 | \$487,737 | \$474,447 | \$520,168 |
| Purchases / draws | 5,852 | 311,070 | 57,470 | 115,828 | 98,362 |
| Exits / repayments / amortization | (11,133) | (154,185) | (80,334) | (78,963) | (64,793) |
| Gains / (losses) / accretion | 5,485 | 51,992 | 9,575 | 8,637 | 8,444 |
| Ending Balance | \$278,860 | \$487,737 | \$474,447 | \$520,168 | \$562,181 |

(1) For comparability purposes, portfolio trends metrics exclude short-term investments and derivatives. For the quarters ended September 30, 2020 and December 31, 2020, derivatives are included in the Portfolio Activity metrics.

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

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

- As of September 30, 2021, six of the Company's debt investments were on non-accrual status and represented 0.9% and 2.5% of the Company's investment portfolio at fair value and amortized cost

| (\$ in '000s) | Q3 2020 | Q4 2020 | Q1 2021 | Q2 2021 | Q3 2021 |
|--|----------|----------|----------|----------|----------|
| Investments Credit Quality – Internal Rating ⁽¹⁾ | | | | | |
| Performing | 95.8% | 94.5% | 95.1% | 95.0% | 94.2% |
| Underperforming | 4.2% | 5.5% | 4.9% | 5.0% | 5.8% |
| Investments on Non-Accrual Status | | | | | |
| Number of Non-Accrual Investments | 8 | 8 | 7 | 8 | 6 |
| Non-Accrual Investments at Cost | \$11,764 | \$12,860 | \$11,918 | \$17,015 | \$15,284 |
| Non-Accrual Investments as a % of Total Cost | 3.2% | 2.4% | 2.3% | 3.3% | 2.5% |
| Non-Accrual Investments at Fair Value | \$3,788 | \$3,843 | \$3,263 | \$7,601 | \$4,980 |
| Non-Accrual Investments as a % of Total Fair Value | 1.3% | 0.8% | 0.7% | 1.5% | 0.9% |

(1) Based on FMV.

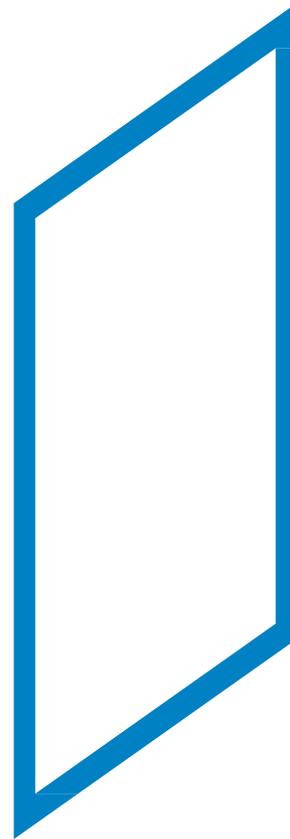
Cash and Cash Equivalents

- Unrestricted cash and cash equivalents totaled **\$28.5 million** at September 30, 2021
- Restricted cash of **\$21.1 million** at September 30, 2021

Debt Summary

- On July 23, 2021, the aggregate principal amount outstanding of \$28.75 million of HCAP's 6.125% Notes due 2022 were redeemed in full

| (\$ millions) | As of 6/30/21 | | As of 9/30/21 | |
|--------------------------------------|------------------------------|------------------------|------------------------------|---------------|
| | Principal Amount Outstanding | Total Committed Amount | Principal Amount Outstanding | Maturity Date |
| Corporate Secured Revolving Facility | \$69.1 | \$115.0 | \$69.1 | Dec 2023 |
| 4.875% Unsecured Notes | \$108.0 | n/a | \$108.0 | April 2026 |
| 6.125% Unsecured Notes (HCAPZ) | \$28.8 | n/a | n/a | Sept 2022 |
| 2018-2 Secured Notes | \$163.9 | \$188.9 | \$163.9 | Nov 2029 |
| Total Debt | \$369.7 | | \$340.9 | |



Appendix

| (\$ in '000s, except per share data) | 3Q 2020 | 4Q 2020 | 1Q 2021 | 2Q 2021 | 3Q 2021 |
|---|---------|---------|---------|---------|---------|
| INVESTMENT INCOME | | | | | |
| Interest from investments in debt securities | 4,517 | 14,300 | 14,086 | 17,259 | 17,391 |
| Payment-in-kind investment income | 434 | 2,092 | 1,132 | 745 | 1,296 |
| Interest from short-term investments | - | - | - | - | - |
| Investment income on CLO Fund Securities managed by affiliates | 587 | 728 | - | - | - |
| Investment income on CLO Fund Securities managed by non-affiliates | 42 | 72 | 617 | 845 | 748 |
| Investment income - Joint Ventures | 2,182 | 2,151 | 2,039 | 2,530 | 2,443 |
| Capital structuring service fees | 24 | 565 | 430 | 430 | 1,032 |
| Total Investment Income | 7,787 | 19,909 | 18,305 | 21,545 | 22,911 |
| EXPENSES | | | | | |
| Management Fees | 1,044 | 1,515 | 1,793 | 1,914 | 2,065 |
| Performance-based incentive fees | 572 | 3,729 | 2,094 | 2,300 | 1,939 |
| Interest Expense | 2,240 | 3,299 | 3,380 | 3,527 | 3,408 |
| Other Operating Expenses | 1,235 | 2,428 | 2,825 | 2,094 | 1,781 |
| Total Expenses | 5,090 | 10,971 | 10,092 | 9,834 | 9,193 |
| Management and performance-based incentive fees waived | - | - | - | - | - |
| Net Expenses | 5,090 | 10,971 | 10,092 | 9,834 | 9,193 |
| Net Investment Income | 2,697 | 8,938 | 8,213 | 11,711 | 13,718 |
| REALIZED AND UNREALIZED GAIN ON INVESTMENTS | | | | | |
| Net realized (gain) loss on investment transactions | (1,890) | 11,425 | (5,086) | (2,356) | (3,931) |
| Unrealized gains (loss) on debt securities investments | 4,553 | 23,757 | (2,240) | (761) | (4,448) |
| Unrealized gains (loss) on equity securities investments | 337 | 1,237 | 1,349 | 1,342 | 1,215 |
| Unrealized gains (loss) on non-affiliate CLO equity investments | 363 | 77 | 6,902 | 1,746 | 707 |
| Unrealized gains (loss) on affiliate CLO equity investments | 1,573 | 1,088 | - | - | - |
| Unrealized gains (loss) on Joint Venture investment | 1,146 | 2,578 | 1,208 | (618) | (2,063) |
| Unrealized gains (loss) on Derivatives | (462) | (76) | (474) | (220) | (179) |
| Net Realized and Unrealized Gain on Investments | 5,622 | 40,086 | 1,660 | (866) | (4,573) |
| Net realized gain (loss) on extinguishment of debt | - | - | (1,835) | - | - |
| Net Increase in Stockholders' Equity from Ops | 8,319 | 49,023 | 8,037 | 10,844 | 9,144 |
| Basic and Diluted Shares - Weighted Average ⁽¹⁾ | 4,442 | 6,598 | 7,517 | 7,747 | 9,131 |
| Net Investment Income | 2,697 | 8,938 | 8,213 | 11,711 | 13,718 |
| Net Investment Income Per Share - Basic and Diluted Shares ⁽¹⁾ | \$ 0.61 | \$ 1.35 | \$ 1.09 | \$ 1.51 | \$ 1.50 |

(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.

| (\$ in '000s, except per share data) | 4Q 2020 | 1Q 2021 | 2Q 2021 | 3Q 2021 |
|---|-------------------|------------------|------------------|------------------|
| ASSETS | | | | |
| Total Investments at Fair Value | \$487,737 | \$474,447 | \$520,168 | \$562,181 |
| Cash | 6,990 | 30,844 | 65,655 | 28,540 |
| Restricted Cash | 75,913 | 28,452 | 47,618 | 21,051 |
| Interest Receivable | 2,973 | 2,888 | 3,964 | 4,229 |
| Receivable for Unsettled Trades | 25,108 | 14,143 | 7,863 | 7,070 |
| Due from Affiliates | 357 | 853 | 483 | 464 |
| Other Assets | 1,100 | 1,202 | 3,761 | 3,569 |
| Total Assets | \$600,178 | \$552,830 | \$649,513 | \$627,104 |
| LIABILITIES | | | | |
| 6.125% Notes Due 2022 (KCAP) | \$75,668 | \$76,725 | \$- | \$- |
| 6.125% Notes Due 2022 (HCAPZ) | - | - | 28,750 | - |
| 4.875% Notes Due 2026 | - | - | 104,680 | 104,785 |
| 2018-2 Secured Notes | 249,418 | 162,327 | 162,371 | 162,416 |
| Great Lakes Portman Ridge Funding LLC Revolving Credit Facility | 48,223 | 68,065 | 68,156 | 68,248 |
| Derivatives | 1,109 | 1,583 | 1,803 | 1,982 |
| Payable for Open Trades | - | 13,881 | 1,370 | 4,903 |
| Accounts Payable & Accrued Expenses | 2,878 | 3,557 | 5,836 | 3,962 |
| Due to Affiliates | 1,375 | 2,372 | 1,926 | 760 |
| Management and incentive fees payable | 5,244 | 4,465 | 6,017 | 5,655 |
| Total Liabilities | 383,915 | 332,975 | 380,909 | 356,056 |
| Total Net Assets | 216,264 | 219,855 | 268,604 | 271,048 |
| Total Liabilities and Net Assets | \$ 600,178 | \$552,830 | \$649,513 | \$627,104 |
| Shares Outstanding ⁽¹⁾ | 7,516 | 7,520 | 9,174 | 9,123 |
| Net Asset Value per Share ⁽¹⁾ | \$ 28.77 | \$ 29.24 | \$ 29.28 | \$ 29.71 |

(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.

Regular Distribution Information ⁽¹⁾

| Date Declared | Record Date | Payment Date | Distribution per Share |
|---------------|--|--------------|------------------------|
| 11/3/21 | 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.

Credit Platform Overview

The BC Partners Credit Platform has diversified its capital across vehicles

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

BC PARTNERS CREDIT: A FULL CREDIT CYCLE INVESTMENT PLATFORM

| | | | | |
|---|---|---|---|--|
|  | <p>2017 FOUNDED PLATFORM</p> | <p>18 INVESTMENT PROFESSIONALS</p> | <p>17 AVG. YEARS OF EXPERIENCE OF SENIOR INVESTMENT TEAM</p> | <p>c. \$7.3bn¹ IN AUM ACROSS CREDIT PLATFORM</p> |
|---|---|---|---|--|

Yield: \$4.5bn in AUM

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

Opportunistic: \$2.8bn in AUM

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



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