



LOGAN RIDGE  
FINANCE CORPORATION™

# 2023 Q4 Earnings Presentation

LRFC™

March 28, 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 Logan Ridge Finance Corporation ("LRFC", "Logan 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.

# Fourth Quarter and Full Year 2023 Highlights

## Fourth Quarter and Full Year 2023 Highlights

- **Net Investment Income ("NII")** of \$3.8 million, or \$1.43 per share, for the year ended December 31, 2023 as compared to a net investment loss of \$1.2 million, or \$(0.43) per share, for the year ended December 31, 2022. For the quarter ended December 31, 2023, NII was \$0.6 million, or \$0.22 per share (despite reversing \$0.6 million, or \$0.22 per share, of previously accrued income as a result of placing a portfolio company on non-accrual status in the fourth quarter).
- **Net Asset Value ("NAV")** as of December 31, 2023, was \$89.2 million, or \$33.34 per share, as compared to \$93.2 million, or \$34.78 per share, as of September 30, 2023, and \$95.0 million, or \$35.04 per share, as of December 31, 2022.
- **As of December 31, 2023, our portfolio consisted of investments** in 60 portfolio companies with a fair value of approximately \$189.7 million. This compares to 58 portfolio companies with a fair value of approximately \$187.1 million as of September 30, 2023, and 59 portfolio companies with fair value of approximately \$203.6 million as of December 31, 2022.
- **The Company made approximately \$14.8 million of investments** and had approximately \$9.2 million in repayments and sales of investments, resulting in net deployment of approximately \$5.6 million during the quarter ended December 31, 2023.
- **During the year ended December 31, 2023**, the Company repurchased 36,667 of its outstanding shares for an aggregate cost of approximately \$0.8 million under the share repurchase program which resulted in \$0.18 per share of NAV accretion. The Company repurchased 5,171 of its outstanding shares of common stock during the quarter ended December 31, 2023, for an aggregate cost of approximately \$0.1 million under the share repurchase program which resulted in \$0.03 per share of NAV accretion.
- **On March 11, 2024, the Company's Board of Directors approved a first quarter distribution** of \$0.32 per share payable on April 2, 2024, to stockholders of record as of March 25, 2024. This distribution represents a 78% increase compared to the \$0.18 per share distribution declared in the first quarter of 2023. The Company paid \$0.96 per share in quarterly distributions during 2023.
- **As of December 31, 2023**, the Company reported undistributed spillover earnings of \$2.6 million, or \$0.97 per share.

## Selected Financial Information

- **Total investment income** for the year ended December 31, 2023, increased by \$5.3 million, to \$20.2 million, compared to \$14.9 million for 2022.
- **Total operating expenses** for the year ended December 31, 2023, increased by \$0.2 million, to \$16.3 million, compared to \$16.1 million for 2022.
- **Net investment income** for the year ended December 31, 2023, was \$3.8 million, or \$1.43 per share, as compared to a net investment loss of \$1.2 million, or \$(0.43) per share, for 2022.
- **Cash and cash equivalents** as of December 31, 2023, were \$3.9 million, as compared to \$5.1 million as of September 30, 2023, and \$6.8 million as of December 31, 2022.
- **The debt investment portfolio** as of December 31, 2023 represented 82.0% of the fair value of our total portfolio, with a weighted average annualized yield of approximately 11.1% (excluding income from non-accruals and collateralized loan obligations), compared to a debt investment portfolio of 83.2% with a weighted average annualized yield of approximately 10.4% (excluding income from non-accruals and collateralized loan obligations) as of December 31, 2022. As of December 31, 2023, 13.6% of the fair value of our debt investment portfolio was bearing a fixed rate of interest, compared to 17.2% of the fair value of our debt investment portfolio as of December 31, 2022.
- **Non-Accruals:** As of December 31, 2023, we had debt investments in three portfolio companies on non-accrual status with an amortized cost and fair value of \$17.2 million and \$12.8 million, respectively, representing 8.7% and 6.8% of the investment portfolio's amortized cost and fair value, respectively. As of December 31, 2022, we had debt investments in one portfolio company on non-accrual status with an aggregate amortized cost and fair value of \$11.9 million and \$9.7 million, respectively, representing 5.4% and 4.8% of the investment portfolio's amortized cost and fair value, respectively.
- **Our asset coverage ratio** as of December 31, 2023 was 184%.

# Financial Highlights



(\$ in thousands)	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<b>Investment income</b>	\$ 4,539	\$ 5,256	\$ 5,344	\$ 5,162	\$ 4,415
<b>Expenses:</b>					
Base management fee	933	930	946	913	869
Directors' expense	135	135	135	135	135
Interest and financing costs	1,938	2,069	2,236	2,080	1,944
Administrative service fees	194	257	224	198	216
General and administrative expenses	703	792	764	682	670
<b>Total expenses</b>	<b>3,903</b>	<b>4,183</b>	<b>4,305</b>	<b>4,008</b>	<b>3,834</b>
<b>Net investment income</b>	<b>636</b>	<b>1,073</b>	<b>1,039</b>	<b>1,154</b>	<b>581</b>
Net realized (loss) gain on investments	3,494	(1,506)	(2,362)	(95)	(12,430)
Net change in unrealized gain (loss) on investments	(7,301)	(217)	4,563	(3,010)	8,728
<b>Net (decrease) increase in net assets resulting from operations</b>	<b>\$ (3,171)</b>	<b>\$ (650)</b>	<b>\$ 3,240</b>	<b>\$ (1,951)</b>	<b>\$ (3,121)</b>

Per Share	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Net investment income	\$0.23	\$0.40	\$0.38	\$0.43	\$0.22 <sup>(1)</sup>
Net realized and change in unrealized (loss) gain	(\$1.40)	(\$0.64)	\$0.82	(\$1.15)	(\$1.38)
Net (decrease) increase in net assets resulting from operations	(\$1.17)	(\$0.24)	\$1.20	(\$0.73)	(\$1.15)
Net asset value	\$35.04	\$34.63	\$35.68	\$34.78	\$33.34

(1) Includes a reversal of \$0.6 million, or \$0.22 per share, of previously accrued income as a result of placing a portfolio company on non-accrual status in the fourth quarter of 2023.

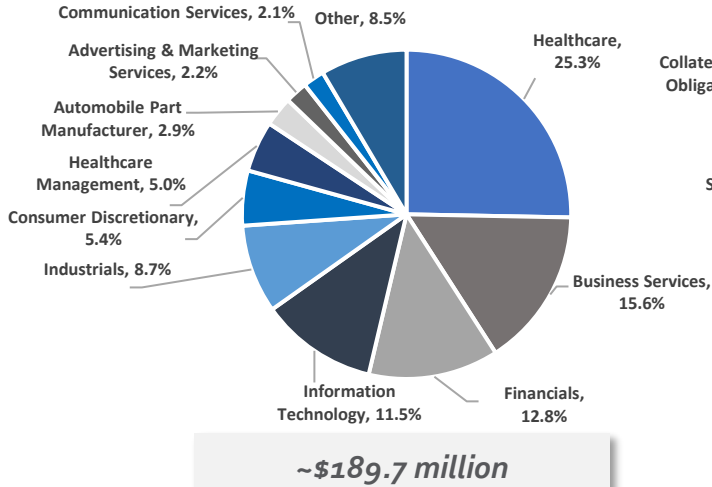
# Net Asset Value Roll-forward

(\$ in thousands)	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
NAV, beginning of period	\$ 98,176	\$ 95,005	\$ 93,833	\$ 96,226	\$ 93,208
Net investment (loss) income	636	1,073	1,039	1,154	581
Net realized (loss) gain on investments	3,494	(1,506)	(2,362)	(95)	(12,430)
Net change in unrealized appreciation (depreciation) on investments	(7,301)	(217)	4,563	(3,010)	8,728
Repurchase of common stock	-	(34)	(256)	(369)	(110)
Stock issued under dividend reinvestment plan	-	3	1	1	1
Distributions declared	-	(491)	(592)	(699)	(803)
<b>NAV, end of period</b>	<b>\$ 95,005</b>	<b>\$ 93,833</b>	<b>\$ 96,226</b>	<b>\$ 93,208</b>	<b>\$ 89,175</b>

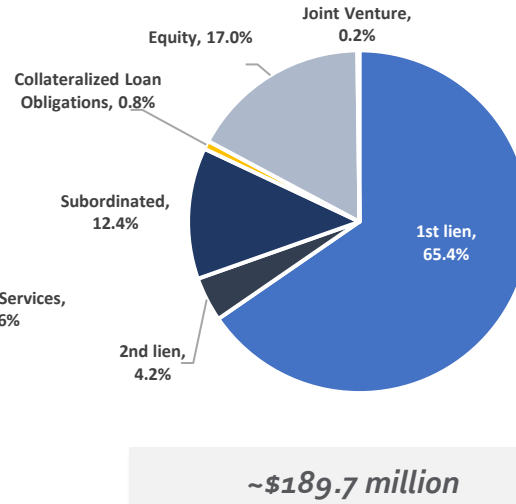
Leverage and Asset Coverage	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Debt / Equity	1.3x	1.3x	1.3x	1.3x	1.2x
Asset Coverage	177%	175%	178%	191%	184%

# Portfolio Overview<sup>(1)</sup>

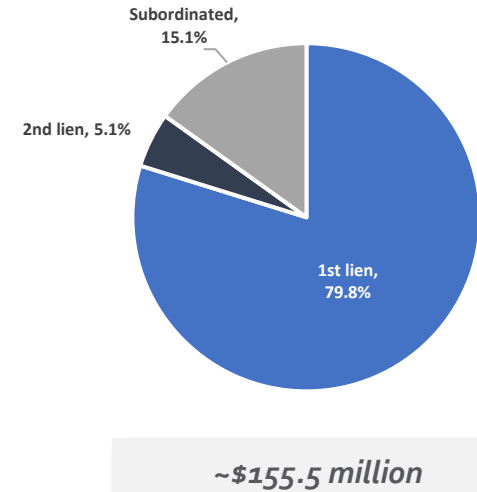
TOP TEN PORTFOLIO INDUSTRIES



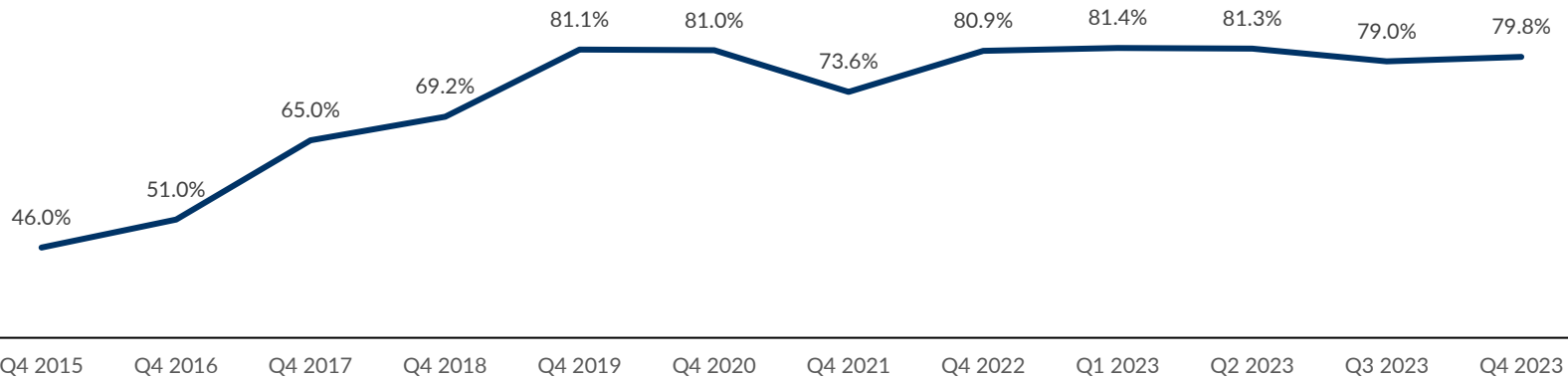
TOTAL PORTFOLIO BY ASSET TYPE



DEBT PORTFOLIO BY ASSET TYPE



FIRST LIEN DEBT AS A PERCENTAGE OF TOTAL DEBT PORTFOLIO



(1) Portfolio statistics represent fair value as of December 31, 2023

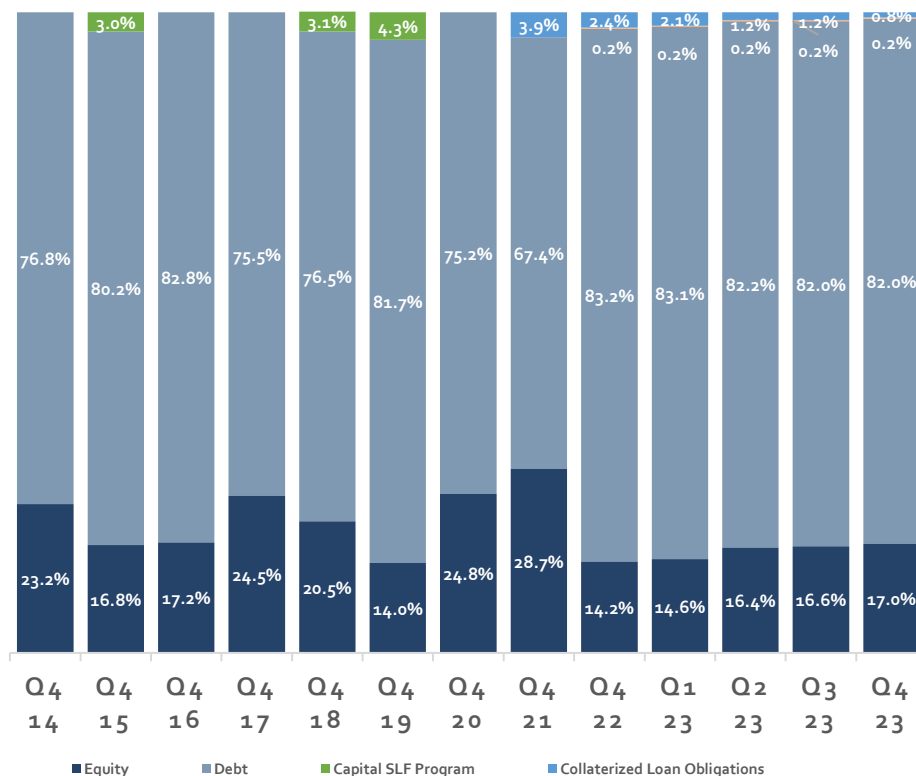
# Equity Portfolio Overview<sup>(1)</sup>

## Current Equity Investments<sup>(1)</sup>

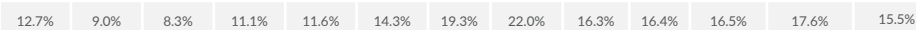
(\$ in thousands)

Company	\$ Cost Basis	\$ Fair Value	% of Investments at Fair Value
Nth Degree Investment Group, LLC	6,088	10,340	5.5%
Burgaflex Holdings, LLC	1,866	5,510	2.9%
GA Communications, Inc.	3,478	4,160	2.2%
RAM Payment, LLC	959	2,445	1.3%
Aperture Dodge 18 LLC	2,045	2,158	1.1%
American Clinical Solutions, LLC	3,198	1,913	1.0%
BLST Operating Company	286	1,136	0.6%
Taylor Precision Products, Inc.	758	758	0.4%
Lucky Bucks, LLC	741	747	0.4%
Sierra Hamilton Holdings Corporation	6,958	670	0.4%
MMI Holdings, LLC	1,998	559	0.3%
American Academy Holdings, LLC	-	481	0.3%
GreenPark Infrastructure, LLC	269	269	0.1%
Freedom Electronics, LLC	182	245	0.1%
U.S. BioTek Laboratories, LLC	541	238	0.1%
MicroHoldco, LLC	749	212	0.1%
Morae Global Corporation	122	139	0.1%
DxTx Pain and Spine LLC	97	97	0.1%
South Street Securities Holdings, Inc.	65	58	0.0%
<b>Grand Total</b>	<b>30,400</b>	<b>32,135</b>	<b>17.0%</b>

## Debt and Equity Asset Mix



## Equity Cost Basis



(1) Investment details represent fair values as of December 31, 2023.

# Portfolio Composition<sup>(1)</sup>

Investment Portfolio (\$ in thousands)	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
First Lien Debt	\$119,426	\$136,896	\$ 137,563	\$138,045	\$121,263	\$124,007
Second Lien Debt	7,773	6,464	6,775	7,102	7,466	7,918
Subordinated Debt	26,096	25,851	24,696	24,709	24,728	23,548
Collateralized Loan Obligations	6,664	4,972	4,207	2,440	2,181	1,600
Joint Venture	270	403	456	460	471	450
Equity	32,891	29,006	29,640	33,833	30,990	32,135
<b>Total</b>	<b>\$ 193,120</b>	<b>\$203,592</b>	<b>\$203,337</b>	<b>\$206,589</b>	<b>\$187,099</b>	<b>\$189,658</b>

Investment Portfolio (% of total)	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
First Lien Debt	61.9%	67.3%	67.7%	66.8%	64.8%	65.4%
Second Lien Debt	4.0%	3.2%	3.3%	3.4%	4.0%	4.2%
Subordinated Debt	13.5%	12.7%	12.1%	12.0%	13.2%	12.4%
Collateralized Loan Obligations	3.5%	2.4%	2.1%	1.2%	1.2%	0.8%
Joint Venture	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%
Equity	17.0%	14.2%	14.6%	16.4%	16.6%	17.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

(1) Portfolio statistics represent fair value for the respective periods.



- As of December 31, 2023, we had debt investments in 3 portfolio companies on non-accrual status with an aggregate amortized cost of \$17.2 million and an aggregate fair value of \$12.8 million, which represented 8.7% and 6.8% of the investment portfolio, respectively.

(\$ in millions)	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<b>Investments Credit Quality – Internal Rating<sup>(1)</sup></b>					
Performing	94.2%	95.3%	95.9%	93.1%	94.5%
Underperforming	5.8%	4.7%	4.1%	6.9%	5.5%
<b>Investments on Non-Accrual Status</b>					
Number of Non-Accrual Investments	1	2	3	3	4
Non-Accrual Investments at Cost	\$11.9	\$14.2	\$17.1	\$16.8	\$17.2
Non-Accrual Investments as a % of Total Cost	5.4%	6.4%	7.8%	8.3%	8.7%
Non-Accrual Investments at Fair Value	\$9.7	\$10.0	\$11.1	\$10.6	\$12.8
Non-Accrual Investments as a % of Total Fair Value	4.8%	4.9%	5.3%	5.7%	6.8%

(1) Based on fair market value for the respective periods.

# Interest Rate Sensitivity

As of December 31, 2023	% Fixed Rate	% Variable Rate
Investment Portfolio <sup>(1)</sup>	13.6%	86.4%
LRFC Borrowings <sup>(2)</sup>	62.2%	37.8%

## INTEREST RATE SENSITIVITY<sup>(3)</sup>

(\$ thousands, except per share data)

Basis Point Change	Increase / (Decrease) in Interest Income	(Increase) / Decrease in Interest Expense	Increase / (Decrease) in Net Investment Income	Increase / (Decrease) in Net Investment Income per Share <sup>(4)</sup>
+300 bps	\$4,235	\$(1,203)	\$3,032	\$1.13
+200 bps	\$2,823	\$(802)	\$2,021	\$0.76
+100 bps	\$1,412	\$(401)	\$1,011	\$0.38
-100 bps	\$(1,412)	\$401	\$(1,011)	\$(0.38)
-200 bps	\$(2,823)	\$802	\$(2,021)	\$(0.76)
-300 bps	\$(4,176)	\$1,203	\$(2,973)	\$(1.11)

(1) Based on fair market value of the debt investment portfolio as of December 31, 2023.

(2) Based on outstanding principal balance as of December 31, 2023.

(3) Assumes no change in portfolio investments or revolving credit facility borrowings as of December 31, 2023.

(4) Per share amount calculated based upon actual shares outstanding as of December 31, 2023.

# Debt Capital Structure

Facility <i>(data as of December 31, 2023, \$ in thousands)</i>	Interest Rate	Commitment	Principal Amount Outstanding	Maturity
2026 Notes	5.25% Fixed	\$50,000	\$50,000	October 2026
2032 Convertible Notes	5.25% Fixed	\$15,000	\$15,000	April 2032
KeyBank Credit Facility	8.24% Variable <sup>(1)</sup>	\$75,000	\$39,553	May 2027 <sup>(2)</sup>
<b>Total Debt</b>		<b>\$140,000</b>	<b>\$104,553</b>	

(1) 1M SOFR + 2.90%, 0.40% Floor.

(2) The revolving period terminates on May 10, 2025.

# Net Investment Income Growth Potential

Since early 2022, the Company commenced several initiatives aiming to increase quarterly earnings as described below.

Initiative	Progress
Replace Legacy Liabilities	<u>Completed in Q2 2022.</u>
Invest Cash	<u>Completed in Q4 2022.</u>
Add Leverage	<u>Completed in Q4 2022.</u> Company reached target leverage of 1.3x.
Rotate Non-Income Producing Assets	<u>In Progress.</u> Q4 2023: Non-yielding equity portfolio represents 15.5% and 17.0% of the Company's total investments at cost and fair value, respectively, as of December 31, 2023, compared to 17.6% and 16.6%, respectively, as of prior quarter end, and 22.9% and 32.3%, respectively, as of the July 1, 2021, when Mount Logan Management, LLC took over as the new Investment Adviser.

# Distribution Information

In 2023, the Company's Board of Directors restored its quarterly distribution.

- On March 11, 2024, the Board of Directors approved a first quarter distribution of \$0.32 per share payable on April 2, 2024, to stockholders of record as of March 25, 2024. This distribution represents a 78% increase compared to the \$0.18 per share distribution declared in the first quarter of 2023.
- Total distributions declared in 2023 were \$0.96 per share.
- As of December 31, 2023, the Company reported undistributed spillover earnings of \$2.6 million, or \$0.97 per share.

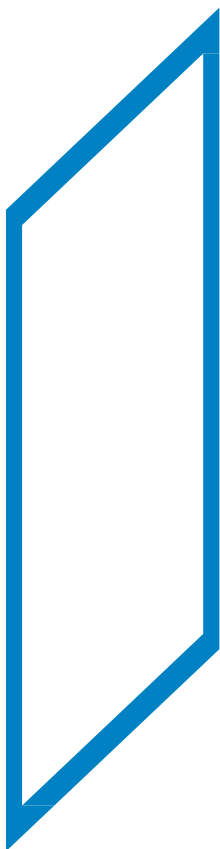
Declaration Date	Quarter	Record Date	Payment Date	Distribution per share
March 12, 2024	Q1 2024	March 25, 2024	April 2, 2024	\$0.32
November 8, 2023	Q4 2023	November 20, 2023	November 30, 2023	\$0.30
August 9, 2023	Q3 2023	August 22, 2023	August 31, 2023	\$0.26
May 10, 2023	Q2 2023	May 22, 2023	May 31, 2023	\$0.22
March 9, 2023	Q1 2023	March 20, 2023	March 31, 2023	\$0.18

# Stock Repurchasing Program

On March 23, 2023, the Company began repurchasing shares under its Share Repurchase Program approved by the Board on March 6, 2023.

- During the twelve months ended December 31, 2023, the Company repurchased 36,667 shares, at an aggregate cost of approximately \$0.8 million, under its \$5.0 million share repurchase program.
- On March 11, 2024, the Company's Board of Directors authorized a new share repurchase program, whereby the Company may repurchase up to an aggregate of \$5.0 million of its outstanding common shares in the open market. Unless extended or discontinued by the Company's Board of Directors, the repurchase program will terminate on March 31, 2025. The repurchase program may be extended, modified or discontinued at any time for any reason without prior notice. The repurchase program does not obligate the Company to acquire any specific number of shares, and all repurchases will be made in accordance with SEC Rule 10b-18 and accomplished through a Rule 10b5-1 plan, which sets certain restrictions on the method, timing, price and volume of share repurchases.

Period	Total Number of Shares Purchased	Average Price per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (in millions)
January 1, 2023 through January 31, 2023	—	\$ N/A	—	\$ N/A
February 1, 2023 through February 28, 2023	—	N/A	—	N/A
March 1, 2023 through March 31, 2023	1,625	20.90	1,625	5.0
April 1, 2023 through April 30, 2023	3,551	21.10	3,551	4.9
May 1, 2023 through May 31, 2023	3,644	20.61	3,644	4.8
June 1, 2023 through June 30, 2023	5,292	19.85	5,292	4.7
July 1, 2023 through July 31, 2023	5,375	21.14	5,375	4.6
August 1, 2023 through August 31, 2023	6,524	21.29	6,524	4.5
September 1, 2023 through September 30, 2023	5,485	21.22	5,485	4.3
October 1, 2023 through October 31, 2023	3,872	20.62	3,872	4.3
November 1, 2023 through November 30, 2023	—	—	—	4.3
December 1, 2023 through December 31, 2023	1,299	23.05	1,299	4.2
<b>Total</b>	<b>36,667</b>		<b>36,667</b>	



Appendix

# Financial Statements



## Consolidated Statements of Assets & Liabilities

(\$ in thousands, except per share data)

	12/31/20 (audited)	3/31/21 (unaudited)	6/30/21 (unaudited)	9/30/21 (unaudited)	12/31/21 (audited)	3/31/22 (unaudited)	6/30/22 (unaudited)	9/30/22 (unaudited)	12/31/22 (audited)	3/31/23 (unaudited)	6/30/23 (unaudited)	9/30/23 (unaudited)	12/31/23 (audited)
Investments at fair value	\$274,692	\$258,170	\$228,048	\$195,385	\$198,189	\$206,905	\$175,853	\$193,120	\$203,592	\$203,337	\$206,589	\$187,099	\$189,658
Cash and cash equivalents	49,942	59,727	26,144	37,386	39,056	15,838	29,489	11,263	6,793	9,347	6,287	5,115	3,893
Other assets	3,363	2,014	8,964	7,803	4,972	11,248	6,797	4,100	4,325	3,785	4,304	4,688	3,537
<b>Total assets</b>	<b>\$327,997</b>	<b>\$319,911</b>	<b>\$263,156</b>	<b>\$240,574</b>	<b>\$242,217</b>	<b>\$233,991</b>	<b>\$212,139</b>	<b>\$208,483</b>	<b>\$214,710</b>	<b>\$216,469</b>	<b>\$217,180</b>	<b>\$196,902</b>	<b>\$197,088</b>
SBA debentures, net of deferred financing costs	\$90,515	\$70,655	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022 Notes, net of deferred financing costs	71,987	72,131	72,277	72,426	22,787	22,815	-	-	-	-	-	-	-
2022 Convertible Notes, net of deferred financing costs	51,536	51,630	51,726	51,823	51,921	52,020	-	-	-	-	-	-	-
2026 Notes, net of deferred financing costs	-	-	-	-	48,448	48,460	48,403	48,491	48,579	48,667	48,763	48,853	48,943
2032 Convertible Notes, net of deferred financing costs	-	-	-	-	-	-	13,825	13,854	13,883	13,912	13,942	13,971	14,001
Credit Facility, net of deferred financing costs	(546)	(499)	24,550	(402)	(353)	(305)	39,128	44,385	54,615	57,140	55,282	34,782	38,571
Other liabilities	5,558	4,693	856	6,466	12,385	4,830	9,646	3,577	2,628	2,917	2,967	6,088	6,398
<b>Total liabilities</b>	<b>219,050</b>	<b>198,610</b>	<b>149,409</b>	<b>130,313</b>	<b>135,188</b>	<b>127,820</b>	<b>111,002</b>	<b>110,307</b>	<b>119,705</b>	<b>122,636</b>	<b>120,954</b>	<b>103,694</b>	<b>107,913</b>
<b>Net assets</b>	<b>108,947</b>	<b>121,301</b>	<b>113,747</b>	<b>110,261</b>	<b>107,029</b>	<b>106,171</b>	<b>101,137</b>	<b>98,176</b>	<b>95,005</b>	<b>93,833</b>	<b>96,226</b>	<b>93,208</b>	<b>89,175</b>
<b>Total liabilities and net assets</b>	<b>\$327,997</b>	<b>\$319,911</b>	<b>\$263,156</b>	<b>\$240,574</b>	<b>\$242,217</b>	<b>\$233,991</b>	<b>\$212,139</b>	<b>\$208,483</b>	<b>\$214,710</b>	<b>\$216,469</b>	<b>\$217,180</b>	<b>\$196,902</b>	<b>\$197,088</b>
Number of portfolio investments	36	35	32	33	40	42	44	54	59	59	62	58	60
Leverage ratio - actual	1.98x	1.62x	1.32x	1.13x	1.17x	1.18x	1.05x	1.13x	1.27x	1.31x	1.26x	1.08x	1.17x
Leverage ratio - regulatory	1.15x	1.03x	1.32x	1.13x	1.17x	1.18x	1.05x	1.13x	1.27x	1.31x	1.26x	1.08x	1.17x
Non-accrual loans at fair value	\$20,767	\$16,610	\$9,761	\$9,246	\$7,626	\$7,050	\$6,385	\$8,912	\$9,695	\$9,969	\$11,051	\$10,648	\$12,804



# Financial Statements



## Consolidated Statements of Operations

	Three Months Ended:												
	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23
<i>(\$ in thousands, except per share data)</i>	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interest, PIK, and fees	\$5,539	\$4,762	\$4,252	\$3,120	\$3,147	\$3,329	\$3,303	\$3,670	\$4,470	\$5,232	\$5,226	\$5,139	\$4,233
Dividends	-	155	560	24	167	-	-	-	14	14	19	14	21
Other income	140	9	232	229	97	8	-	78	55	10	99	9	141
Total investment income	5,679	4,926	5,044	3,373	3,411	3,337	3,303	3,748	4,539	5,256	5,344	5,162	4,415
Expenses													
Interest and financing expense	3,009	3,037	2,728	2,296	2,508	2,188	2,131	1,558	1,938	2,069	2,236	2,080	1,944
Management fees	1,440	1,398	1,272	1,111	1,065	1,027	973	927	934	930	946	913	869
Other expenses	1,292	1,274	1,010	1,476	1,172	1,173	1,128	1,081	1,031	1,184	1,123	1,015	1,021
Total expenses	5,741	5,709	5,010	4,883	4,745	4,388	4,232	3,566	3,903	4,183	4,305	4,008	3,834
Net investment income (loss)	(62)	(783)	34	(1,510)	(1,334)	(1,051)	(929)	182	636	1,073	1,039	1,154	581
Net realized gain (loss) on investments	612	(14,023)	6,947	7,426	(8,317)	(36)	15,503	(5,192)	3,494	(1,506)	(2,362)	(95)	(12,430)
Net change in unrealized appreciation (depreciation) on investments	(12)	27,160	(13,720)	(9,402)	6,629	229	(19,608)	2,049	(7,301)	(217)	4,563	(3,010)	8,728
Net gain (loss) on investments, net of taxes	600	13,137	(6,773)	(1,976)	(1,688)	193	(4,105)	(3,143)	(3,807)	(1,723)	2,201	(3,105)	(3,702)
Net realized gain (loss) on extinguishment of debt	-	-	(815)	-	(210)	-	-	-	-	-	-	-	-
Net increase (decrease) in assets resulting from operations	\$538	\$12,354	(\$7,554)	(\$3,486)	(\$3,232)	(\$858)	(\$5,034)	(\$2,961)	(\$3,171)	(\$650)	\$3,240	(\$1,951)	(\$3,121)
Net investment income (loss) per share	(\$0.02)	(\$0.29)	\$0.01	(\$0.56)	(\$0.49)	(\$0.39)	(\$0.34)	\$0.07	\$0.23	\$0.40	\$0.38	\$0.43	\$0.22
Net realized gain (loss) per share	\$0.23	(\$5.17)	\$2.26	\$2.74	(\$3.15)	(\$0.01)	\$5.72	(\$1.92)	\$1.29	(\$0.56)	(\$0.87)	(\$0.04)	(\$4.61)
Net increase (decrease) in assets resulting from operations per share	\$0.20	\$4.56	(\$2.79)	(\$1.29)	(\$1.19)	(\$0.32)	(\$1.86)	(\$1.09)	(\$1.17)	(\$0.24)	\$1.20	(\$0.73)	(\$1.15)
Distributions declared during quarter	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.18	\$0.22	\$0.26	\$0.30

# Logan Ridge Finance Corporation™ – Overview



On July 1, 2021, Logan Ridge completed its transition to a new investment adviser, Mount Logan Management LLC (“Mount Logan”)

- Mount Logan is a wholly-owned subsidiary of Mount Logan Capital Inc. (NEO: MLC)(“MLC”); both entities are affiliates of BC Partners Advisors L.P. (“BC Partners”) for U.S. regulatory purposes.
- BC Partners has a proven track record of efficiently repositioning publicly listed vehicles to improve trading performance.

## Strategic Initiatives:

Targeted Portfolio Repositioning to Enhance Yield and Downside Protection

- Rotate the asset base into proprietarily sourced, primarily senior secured and income-generating positions.

Optimize the Capital Structure

- **COMPLETED** – Replaced legacy liabilities. Impact to income statement began on June 1, 2022.

Reduction of Operational Cost Structure

- Reduce administrative costs by leveraging the existing scaled operational infrastructure in place.

Gain Scale and Reduce Trading Discount to NAV

- Focus on scaling the vehicle via strategic transactions.

Return to Paying Regular Shareholder Dividends

- **COMPLETED** – Company restored the quarterly distributions in March 2023.

# Investment Strategy and Objectives

- Logan Ridge invests in performing, well-established middle market businesses that operate across a wide range of industries. It employs fundamental credit analysis, targeting investments in businesses with relatively low levels of cyclical and operating risk.

## INVESTMENT OBJECTIVES

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- Focus on direct origination of senior secured debt investments to the middle market
- Deliver strong and sustainable risk-adjusted returns to stockholders, with focus on capital preservation and downside protection
- Reduce non-income generating exposure over time and opportunistically to enhance NII generation

## INVESTMENT CHARACTERISTICS

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- EBITDA size of \$5 to \$50 million
- History of generating consistent cash flows and stable financial performance
- Identifiable and defensible market positions in industries with favorable dynamics
- Management teams with demonstrated track records and aligned incentives

## INVESTMENT STRUCTURES

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- Unitranche loans (including last out)
- First lien loans
- Second lien loans
- Subordinated debt
- Equity co-investment

## INDUSTRY

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- Aerospace/Defense
- Business Services
- Consumer Products
- Education
- Food & Beverage
- Healthcare
- Industrial & Environmental Services
- Logistics & Distribution
- Manufacturing
- Media & Telecommunications

## **Board of Directors**

Ted Goldthorpe  
Chairman of the Board

Robert Warshauer  
Independent Director

Alex Duka  
Independent Director

George Grunebaum  
Independent Director

Jennifer Kwon Chou  
Independent Director

## **Senior Management**

Ted Goldthorpe  
Chief Executive Officer

Jason Roos  
Chief Financial Officer

Patrick Schafer  
Chief Investment Officer

David Held  
Chief Compliance Officer

Brandon Satoren  
Chief Accounting Officer

## **Independent Audit Firm**

Deloitte & Touche LLP

## **Fiscal Year End**

December 31

## **Transfer Agent**

American Stock Transfer & Trust Company, LLC

## **Security Listings**

Common Stock  
Nasdaq: LRFC

## **Corporate Headquarters**

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

## **Research Coverage**

Chris Nolan  
Ladenburg Thalmann

## **Investor Relations**

The Equity Group, Inc.

Lena Cati  
(212) 836-9611

[lcati@equityny.com](mailto:lcati@equityny.com)

Val Ferraro

(212) 836-9633

[vferraro@equityny.com](mailto:vferraro@equityny.com)