



LOGAN RIDGE
FINANCE

EARNINGS PRESENTATION

Q2 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 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.

- 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 Repositioning 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

- Refinance the currently outstanding notes and reduce overall financing cost

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

- Focus on reinstating a sustainable dividend as soon as possible

Investment Strategy and Objectives

Logan Ridge Finance 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 cyclicity and operating risk.

INVESTMENT OBJECTIVES

- 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

- 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

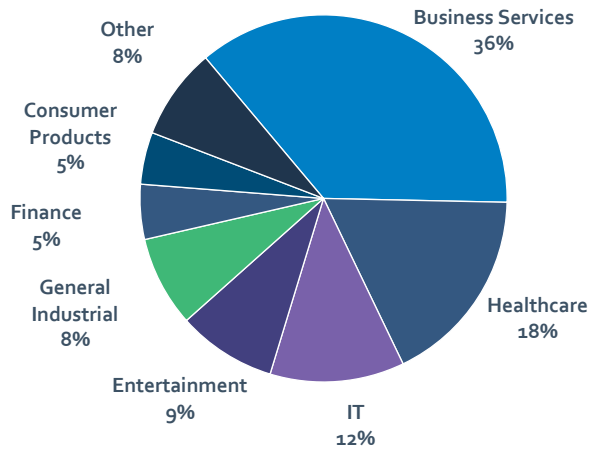
- Unitranche loans (including last out)
- First lien loans
- Second lien loans
- Subordinated debt
- Equity co-investment

INDUSTRY

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

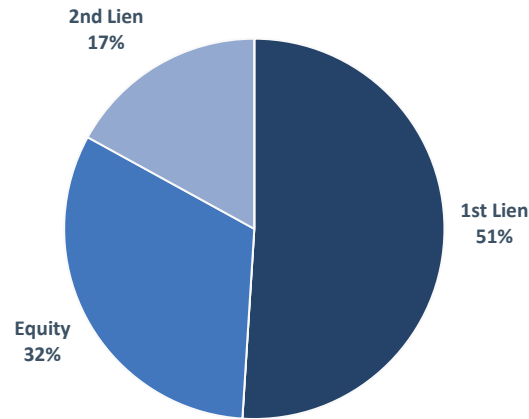
Portfolio Overview

PORTFOLIO BY INDUSTRY⁽¹⁾



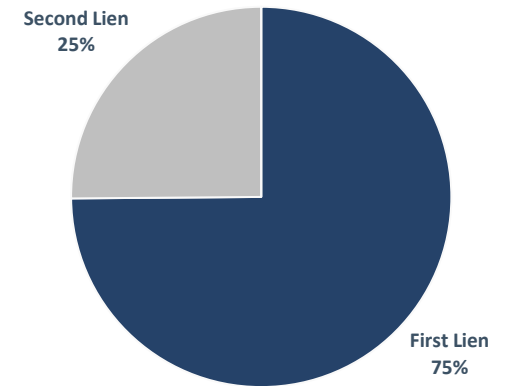
~\$228 million

TOTAL PORTFOLIO BY ASSET TYPE



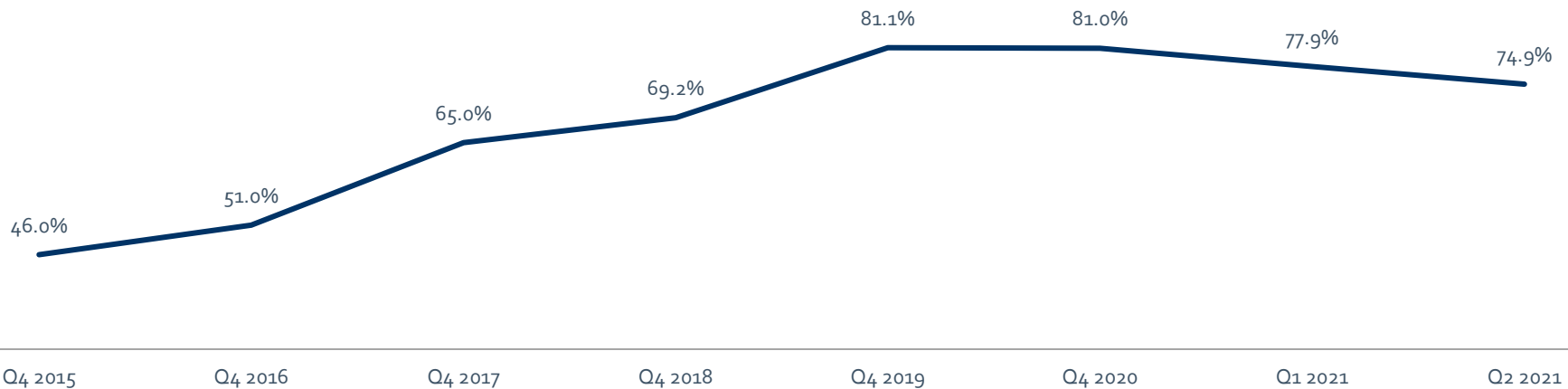
~\$228 million

DEBT PORTFOLIO BY ASSET TYPE



~\$154 million

FIRST LIEN DEBT AS A PERCENTAGE OF TOTAL DEBT PORTFOLIO



Note: Portfolio statistics represent fair value as of June 30, 2021.

¹⁾ Other includes Telecommunications (<3%), Restaurant & Food (<3%), Retail (2%), and Energy Services (1%).

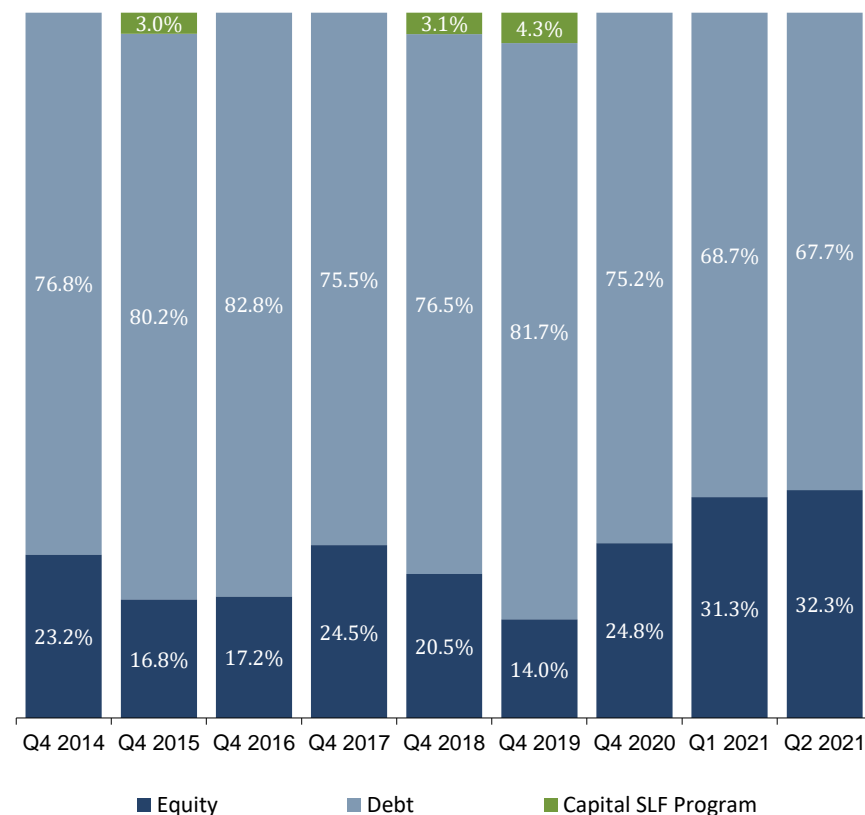
Equity Portfolio Overview

Current Equity Investments⁽¹⁾

(\$ in thousands)

Company	\$ Cost Basis	\$ Fair Value	% of Investments at Fair Value
Eastport Holdings, LLC	\$3,263	\$23,259	10.2%
LJS Partners, LLC	\$1,661	\$5,727	2.5%
Rapid Fire Protection, Inc.	\$500	\$5,469	2.4%
American Clinical Solutions	\$3,198	\$4,905	2.2%
GA Communications, Inc.	\$3,479	\$4,510	2.0%
Vology, Inc.	\$5,215	\$3,657	1.6%
RAM Payment, LLC	\$1,031	\$3,494	1.5%
Burke America Parts Group, LLC	\$5	\$3,220	1.4%
BlueStem Brands, Inc.	\$286	\$2,699	1.2%
Corporate Visions, Inc.	\$1,575	\$2,510	1.1%
Burgaflex Holdings, LLC	\$1,865	\$2,390	1.0%
3 Bridge Solutions, LLC	\$1,100	\$2,240	1.0%
MMI Holdings, LLC	\$1,731	\$1,930	0.8%
Navis Holdings, Inc	\$1,000	\$1,463	0.6%
US Well Services, Inc.	\$1,244	\$1,215	0.5%
Jurassic Quest Holdings, LLC	\$480	\$1,188	0.5%
Sierra Hamilton Holdings Corporation	\$6,958	\$955	0.4%
U.S. BioTek Laboratories, LLC	\$619	\$852	0.4%
Alternative Biomedical Solutions, LLC	\$6,018	\$803	0.4%
MicroHoldco, LLC	\$749	\$749	0.3%
Taylor Precision Products, Inc.	\$758	\$287	0.1%
Freedom Electronics, LLC	\$182	\$220	0.1%
Chief Fire Intermediate, Inc.	\$913	\$0	0.0%
Total	\$49,918	\$73,741	32.3%

Debt and Equity Asset Mix



Equity Cost Basis

12.7%	9.0%	8.3%	11.1%	11.6%	14.3%	19.3%	22.0%	22.9%
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1) Current equity position details as of June 30, 2021.

Capital Structure

- During the second quarter, Total Debt decreased by \$45.4 million
 - Fully repaid \$71.0 million SBA debentures; SBIC license relinquished
 - \$25 million drawn on KeyBank Credit Facility
- Subsequent to quarter-end, the KeyBank Credit Facility was fully repaid

Facility	Interest Rate	Principal Amount Outstanding (6/30/21)	Maturity
KeyBank Credit Facility	LIBOR + 3.5%	\$25.0 million	Oct 2023
Convertible Notes Payable	5.75% fixed	\$52.1 million	May 2022
Notes Payable	6.00% fixed	\$72.8 million	May 2022
Total Debt		\$149.9 million	

Statements of Assets & Liabilities

(\$ in thousands)

	6/30/21 (unaudited)	3/31/21 (unaudited)	12/31/20 (audited)	9/30/20 (unaudited)	6/30/20 (unaudited)	3/31/20 (unaudited)	12/31/19 (audited)	9/30/19 (unaudited)	6/30/19 (unaudited)
Investments at fair value	\$228,048	\$258,170	\$274,692	\$280,249	\$287,266	\$321,227	\$362,532	\$371,351	\$391,059
Cash and cash equivalents	26,144	59,727	49,942	43,687	95,226	56,431	62,321	62,776	43,474
Other assets	8,964	2,014	3,363	2,667	3,019	2,423	2,484	1,803	2,774
Total assets	\$263,156	\$319,911	\$327,997	\$326,603	\$385,511	\$380,081	\$427,337	\$435,930	\$437,307
SBA debentures, net of deferred financing costs	\$ -	\$70,655	\$90,515	\$90,429	\$149,242	\$149,117	\$148,994	\$148,871	\$148,736
2022 Notes, net of deferred financing costs	72,277	72,131	71,987	71,845	73,836	73,693	73,553	73,415	73,279
2022 Convertible Notes, net of deferred financing costs	51,726	51,630	51,536	51,443	51,352	51,261	51,172	51,085	50,998
Credit Facility, net of deferred financing costs	24,550	(499)	(546)	-	-	(1,165)	(1,165)	(727)	4,172
Other liabilities	856	4,693	5,558	4,477	6,026	5,220	6,670	11,405	6,259
Total liabilities	149,409	198,610	219,050	218,194	280,456	278,126	279,224	284,049	283,444
Net assets	113,747	121,301	108,947	108,409	105,055	101,955	148,113	151,881	153,863
Total liabilities and net assets	\$263,156	\$319,911	\$327,997	\$326,603	\$385,511	\$380,081	\$427,337	\$435,930	\$437,307
Number of portfolio investments	32	35	36	36	37	41	43	40	41
Leverage ratio-actual	1.32x	1.62x	1.98x	1.99x	2.64x	2.72x	1.87x	1.82x	1.83x
Leverage ratio - regulatory	1.32x	1.03x	1.15x	1.15x	1.21x	1.25x	0.86x	0.84x	0.86x
Non-accrual loans at fair value	\$9,761	\$16,610	\$20,767	\$18,019	\$23,886	\$42,926	-	\$15,797	\$8,723

Statements of Operations

(\$ in thousands, except per share data)

	Three Months Ended:								
	6/30/21 (unaudited)	3/31/21 (unaudited)	12/31/20 (unaudited)	9/30/20 (unaudited)	6/30/20 (unaudited)	3/31/20 (unaudited)	12/31/19 (unaudited)	9/30/19 (unaudited)	6/30/19 (unaudited)
Investment Income									
Interest, PIK, and fees	4,252	\$4,770	\$5,678	\$6,693	\$6,994	\$7,005	\$9,177	\$8,906	\$11,128
Dividends	560	155	-	-	-	25	409	1,159	425
Other income	232	1	1	1	5	44	48	61	37
Total investment income	5,044	4,926	5,679	6,694	6,999	7,074	9,634	10,126	11,590
Expenses									
Interest and financing expense	2,728	3,037	3,009	3,423	4,885	3,826	4,371	4,110	4,228
Management fees	1,272	1,398	1,440	1,565	1,666	1,757	1,904	1,925	2,020
Incentive fees, net of waivers	-	-	-	-	-	-	-	-	175
Other expenses	1,010	1,274	1,292	964	1,057	1,504	1,457	1,107	1,145
Total expenses	5,010	5,709	5,741	5,952	7,608	7,087	7,732	7,142	7,568
Net Investment Income (loss)	34	(783)	(62)	742	(609)	(13)	1,902	2,984	4,022
Net realized gain (loss) on investments	6,947	(14,023)	612	(12,344)	(13,285)	968	1,156	12	(15,077)
Net unrealized (depreciation) appreciation on investments	(13,720)	27,160	(12)	14,802	16,994	(43,395)	(3,127)	(1,279)	(17,395)
Tax benefit (provision)	-	-	-	-	-	-	-	-	(694)
Net (loss) gain on investments, net of taxes	(6,773)	13,137	600	2,458	3,709	(42,427)	(1,971)	(1,267)	(33,166)
Net realized (loss) gain on extinguishment of debt	(815)	-	-	155	-	-	-	-	-
Net (decrease) increase in assets resulting from operations	(\$7,554)	\$12,354	\$538	\$3,355	\$3,100	(\$42,440)	(\$69)	\$1,717	(\$29,144)
Net investment income per share	\$0.01	(\$0.29)	(\$0.02)	\$0.27	(\$0.22)	(\$0.00)	\$0.71	\$1.11	\$1.50
Net realized gain (loss) per share	\$2.26	(\$5.17)	\$0.23	(\$4.55)	(\$4.90)	\$0.36	\$0.43	\$0.00	(\$5.62)
Net increase (decrease) in assets resulting from operations per share	(\$2.79)	\$4.56	\$0.20	\$1.24	\$1.14	(\$15.70)	(\$0.03)	\$0.64	(\$10.86)
Distributions declared during quarter	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.50	\$1.50	\$1.50	\$1.50

Note: Share and per share information has been adjusted for the periods shown to reflect the one-for-six reverse stock split effected on August 21, 2020 on a retroactive basis.

Board of Directors

Ted Goldthorpe
Chairman of the Board

Robert Warshauer
Independent Director

Alex Duka
Independent Director

George Grunebaum
Independent Director

Senior Management

Ted Goldthorpe
Chief Executive Officer

Jason Roos
Chief Financial Officer

Patrick Schafer
Chief Investment Officer

David Held
Chief Compliance Officer

Research Coverage

Kyle Joseph
Jefferies

Chris Nolan
Ladenburg Thalmann

Independent Audit Firm

Deloitte

Fiscal Year End

December 31

Transfer Agent

American Stock Transfer & Trust Company, LLC

Security Listings

Common Stock
Nasdaq: LRFC

Notes
Nasdaq: CPTAL

Convertible Notes
Nasdaq: CPTAG

Investor Relations

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