



Pennant Park

Investment Corporation

03/31/2024

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Established Credit Platform



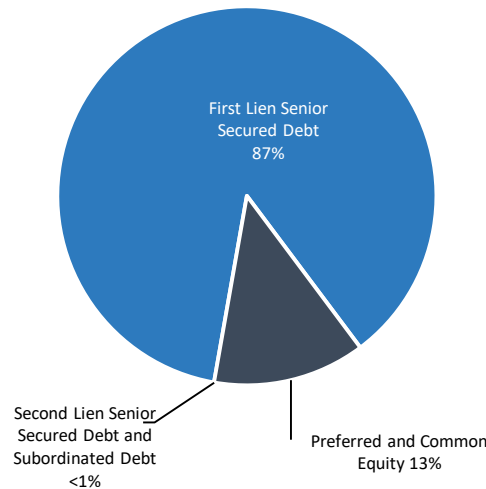
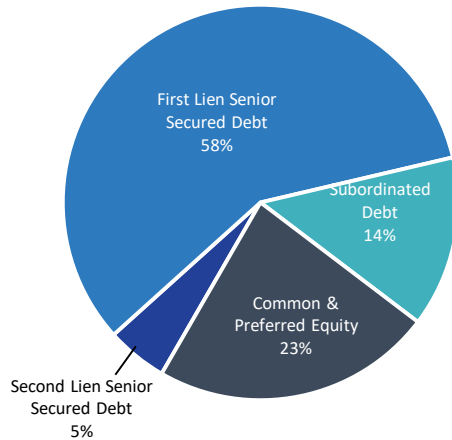
\$7.2 billion total Investable Capital Under Management ¹

PennantPark Investment Corporation

- NYSE: "PNNT"
- IPO Date: April 2007
- 63% Secured Debt
- \$1.2 billion, total investments²

PennantPark Floating Rate Capital Ltd.

- NYSE: "PFLT"
- IPO Date: April 2011
- 87% Secured Debt
- \$1.5 billion, total investments



Established Investment Platform

- PennantPark Investment Advisers founded 17 years ago before the Global Financial Crisis ("GFC")
- Independent middle market credit platform providing strategic capital to growing companies in the core middle market
- Cohesive, experienced team
- Culture of building long-term trust
- Funded \$20.3 billion in 674 companies

PNNT

- Primary focus: opportunistic investing across the capital structure
- Goal of capital preservation and attractive returns

1. As of March 31, 2024

2. This amount is inclusive of \$59.7 million of U.S. government issued treasury bills held in the portfolio which is not reflected in the chart below

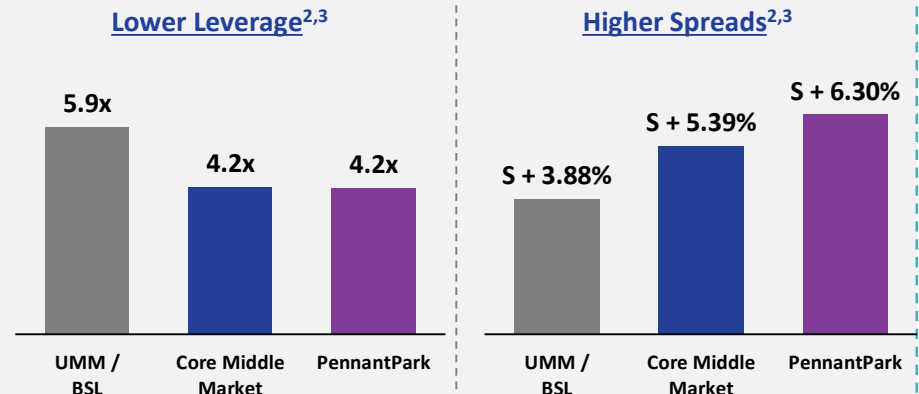
Investment Strategy Overview

Why PennantPark?

Core Middle Market Focus	Senior secured loans made to U.S. companies with earnings of \$10 to \$50 million
Stable and Growing Borrowers	Target profitable companies with leading market positions, strong management teams, and steady cash flows
Stable and Experienced Leadership Team	12 senior investment professionals average 26+ years of industry experience and 12+ years together at PennantPark
Emphasis on Capital Preservation	Conservative underwriting targeting loans with low leverage multiples, substantial sponsor equity, and protective covenants
Upside Participation	Selectively negotiate equity co-investments to benefit from role as a strategic lending partner
Extensive Sourcing Network	Long-term relationships with hundreds of middle market private equity sponsors; closed deals with over 230 sponsors

Core Middle Market Potential Advantage:

- ✓ Less competition as other lenders have moved up market
- ✓ More time to conduct thorough diligence
- ✓ Consistent yield premium over upper middle market and broadly-syndicated loans¹
- ✓ Lower average leverage multiples
- ✓ Stronger covenant packages with tighter cushions
- ✓ Monthly financial reporting
- ✓ Improved control of downside outcomes with greater recovery rates



Note: Past performance is not necessarily indicative of future results. Invested capital is at risk. Estimates regarding future investments are subject to change based upon market conditions and other factors.

1. Please refer to slide entitled "Core Middle Market Potential Advantage" for additional detail.

2. Source: LSEG. Data as of December 2023. Core Middle Market defined as issuers with revenues of \$500M and below, and total loan package of less than or equal to \$500M. Upper Middle Market ("UMM") and Broadly Syndicated Loans ("BSL") are defined as syndicated or direct/clubbed deals that have either revenues or total loan package of \$500M or greater. Please refer to slide entitled "The Core Middle Market Offers a Yield Premium with Lower Risk" for additional detail.

3. Represents the arithmetic average of leverage multiples and spreads for PennantPark's newly direct originated loans in 2023.

Providing Value-Added Capital to Middle Market Borrowers

- ▶ We target profitable, growing, and cash-flowing companies with \$10 - \$50 million of EBITDA
- ▶ In many cases, PennantPark participates in a company's first round of institutional investment
- ▶ Seek to act as a strategic partner to drive growth, and participate in upside through equity co-investments

Target Positive Credit Characteristics:

- Leading market positions and significant competitive advantages
- Established sponsors with track record of supporting portfolio companies
- Proven management team with appropriate incentives
- Low debt multiples and conservative loan-to-value ratios

Avoid Negative Credit Characteristics:

- Asset-intensive operations requiring capital expenditures
- Cyclical end markets or exposure to commodity price volatility
- Volatile or lumpy cash flows, or highly concentrated customer base
- Undifferentiated product or services with low profit margins

▶ Five Key Industries of Expertise:



Healthcare

- High quality providers and low-cost outcomes
- Favorable reimbursement environment
- Solid infrastructure and IT systems
- Sustained organic growth and accretive M&A



Government Services

- Diverse government contract portfolio
- Mission critical services
- Alignment with government funding
- Track record of winning new business and re-compete contracts



Software & Technology

- Tailwinds from digital transformation
- Value-added functions with high switching costs
- Recurring cash flows models
- Accretive acquisition opportunities



Consumer

- Essential goods and services with stable pricing
- Strong brands with leading market positions
- Differentiated value proposition
- Avoidance of fad risk



Business Services

- Integral to customers' business processes
- Demonstrable value added for customers
- Leading technologies with increasing adoption
- Capitalize on increasing outsourcing trends

Note: Past performance is not necessarily indicative of future results. Invested capital is at risk.

Second Quarter 2024 Highlights

Highlights

- Monthly dividend of \$0.07 per share
- Declared June 2024 monthly dividend of \$0.08 increase of 14.3%
- 97% of debt portfolio is floating rate
- Portfolio positioned to drive stable and growing Net Investment Income (NII)

Strong Credit Performance of Portfolio

- 4.4x debt to EBITDA
- 2.2x interest coverage ratio
- Two investments out of 138 companies are on non-accrual at quarter end, representing 3.7% and 3.0% of our overall portfolio on a cost and fair value basis, respectively
- PIK income remained low at 2.9% of total investment income, one of the lowest among BDCs

Growing PSLF¹

- Grew assets to \$924 million
- Up to \$1.1 billion of capacity
- No investments on non-accrual
- LTM return on invested capital of 17.5%.
- Enhances return on equity and NII at PNNT

Note: Past performance is not necessarily indicative of future results. Invested capital is at risk.

1. PSLF refers to PennantPark Senior Loan Fund, LLC, a joint venture between PNNT and Pantheon that invests in first lien middle market loans.

Why is PNNT Well Positioned?

Strong Capital Base

- Permanent equity capital of \$502 million
- Diversified funding sources
- Senior loan joint venture, with up to \$1.1 billion of investment capacity

Attractive and Diversified Financing

- \$475 million revolving credit facility due July 2027 at SOFR + 2.35%
- \$150 million long term notes due May 2026 at 4.5%
- \$165 million long term notes due November 2026 at 4.0%

Experienced Team

- Decades of experience in middle market credit through multiple cycles
- Stable, consistent investment team
- Headquarters in Miami with offices in New York, Chicago, Houston, Los Angeles, and Amsterdam

Expansive Relationship Network

- Known as a provider of strategic capital to growing companies in the core middle market
- Focus on building long-term trust
- Brand recognition with 230+ private equity sponsors
- Independent capital provider with established institutionalized relationships

Extensive Sourcing Network

Robust Origination Platform

Actively cover

770+

middle market PE sponsors in the U.S.

Closed deals with

230+

PE sponsors; majority repeat transactions¹

Existing lender to

180+

portfolio companies across 90+ PE sponsors

Selective underwriting, only

5.6%

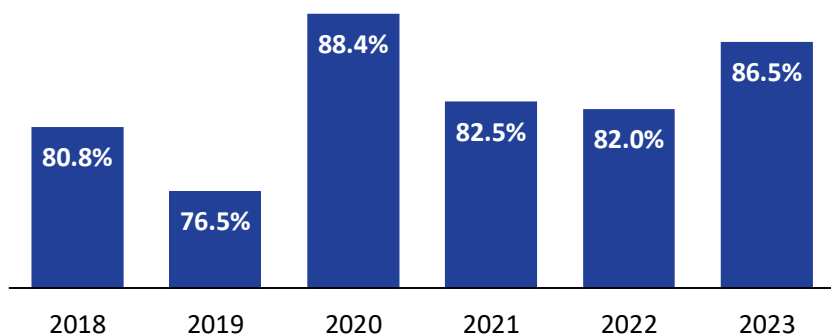
of deals closed from 2018 to 2023

Origination Volume with Repeat PE Sponsors¹

▶ Since 2018, over 75% of PennantPark's deals have been with repeat PE sponsors

- PE sponsors typically give PennantPark early and last looks because of our reliability, experience, market leadership, and flexible capital solutions offerings

▶ PennantPark maintains a diversified flow, the top repeat sponsor represents only 4% of investments since inception¹



Top 5 Sponsors	Active Investments ¹	Since Inception ¹
No. 1	6%	4%
No. 2	5%	3%
No. 3	5%	3%
No. 4	4%	3%
No. 5	3%	3%

Note: Past performance is not necessarily indicative of future results. Invested capital is at risk. Data as of 12/31/2023. PE stands for Private Equity.

1. Percentage of total origination volume. Origination volume refers to the dollar value of all financing commitments to middle market companies. Repeat sponsors are private equity firms that had previously completed a financing transaction with PennantPark. Based on invested capital for active investments and investments made since inception.

Core Middle Market Potential Advantage

- ▶ The U.S. middle market includes nearly 200,000 companies, generates \$10 trillion of annual revenue (1/3 of the U.S. economy), and is the world's fifth largest economy on a standalone basis¹
- ▶ The core middle market presents attractive investment opportunities
 - Lower leverage and higher yields
 - Strong covenant packages
 - Greater recovery rates

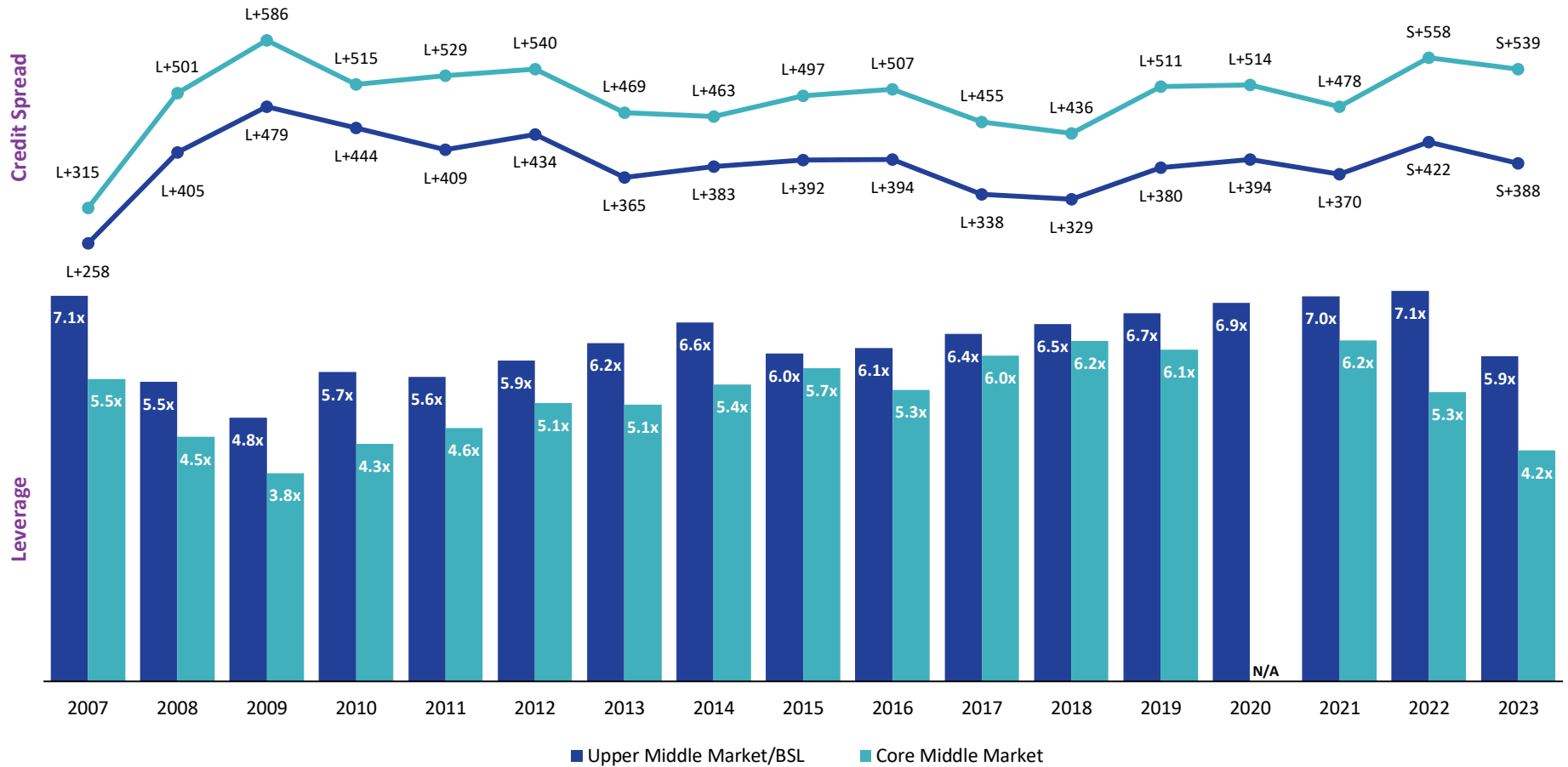
	Core Middle Market	Upper Middle Market
EBITDA	\$10 to \$50 million	\$50 million and greater
New Issue Pricing	First Lien: SOFR + 5.50% to 7.00% Second Lien: SOFR + 8.00% to 10.00%	First Lien: SOFR + 4.00% to 6.00% Second Lien: SOFR + 6.50% to 8.00%
Leverage	First Lien: 4.0x to 5.5x Second Lien: 5.5x to 6.5x	First Lien: 5.0x to 7.5x Second Lien: 6.0x to 9.0x
Covenants	Usually stronger; total net leverage, interest coverage, etc.	Covenant lite or one covenant set at wide levels
Equity Contribution	45% or more	35% or more
Due Diligence Process	In-depth and comprehensive; typically 6 – 8 weeks	More limited information; typically 2 weeks or less
Reporting	Usually monthly	Usually quarterly
Lender Group Size	1 to 4 lenders	5 or more lenders
Equity Co-Investments	Common	Less common

Note: Past performance is not necessarily indicative of future results. Invested capital is at risk. Statements herein concerning financial market trends or other financial market commentary are based on the current market conditions, which will fluctuate. In addition, such statements constitute the Manager's current opinion, which is subject to change in the future without notice. Refer to the Important Notices at the end of this presentation for additional information.

1. National Center For the Middle Market, 4Q 2023 Middle Market Indicator Report.

The Core Middle Market Offers a Yield Premium with Lower Risk

Core Middle Market vs. Upper Middle Market/BSL¹



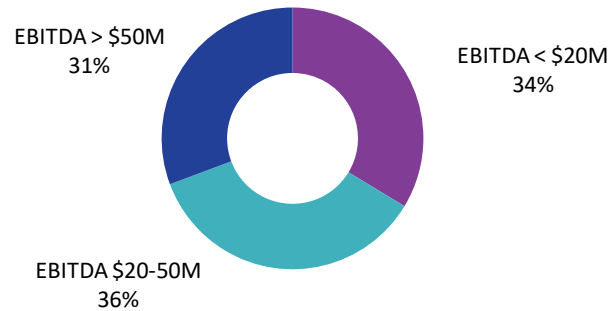
Note: Past performance is not necessarily indicative of future results. Invested capital is at risk. Source: LSEG as of December 2023.

1. Core Middle Market is defined as Issuers with revenues of \$500M and below, and total loan package of less or equal to \$500M. Upper Middle Market and BSL are defined as syndicated or direct/clubbed deals that have either revenues or total loan package of \$500M or greater. Broadly Syndicated Loans are denoted as "BSL". For 2020 LSEG does not have sufficient observations at this time to provide data for MM.

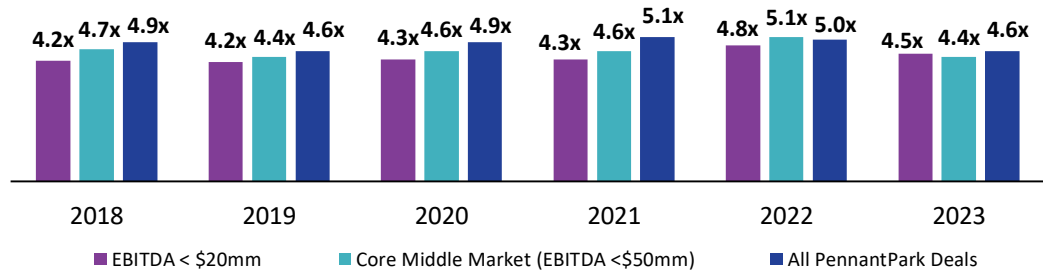
Lower Leverage and Better Returns in the Core Middle Market

- ▶ PennantPark takes a more focused and value-added approach when evaluating core middle market opportunities
- ▶ Since 2015, 70% of invested capital was directed to companies with EBITDA below \$50 million
- ▶ 34% of total invested capital was directed to companies with EBITDA below \$20 million
- ▶ Leverage multiples for smaller borrowers have historically been lower compared to larger borrowers
- ▶ Despite lower leverage, PennantPark has historically achieved higher IRRs on deals with borrower EBITDA below \$20 million at entry when compared to all deals

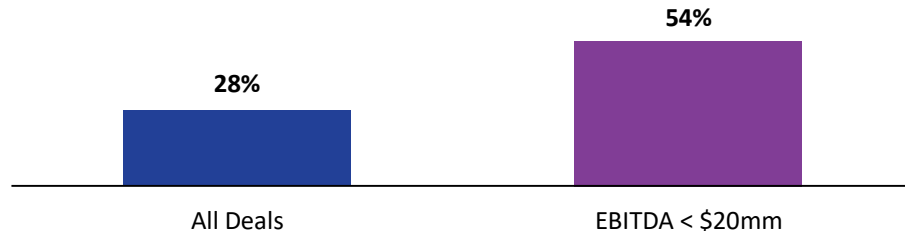
PennantPark Capital Invested as % of Total¹



PennantPark Total Leverage



EBITDA Growth During Hold Period¹

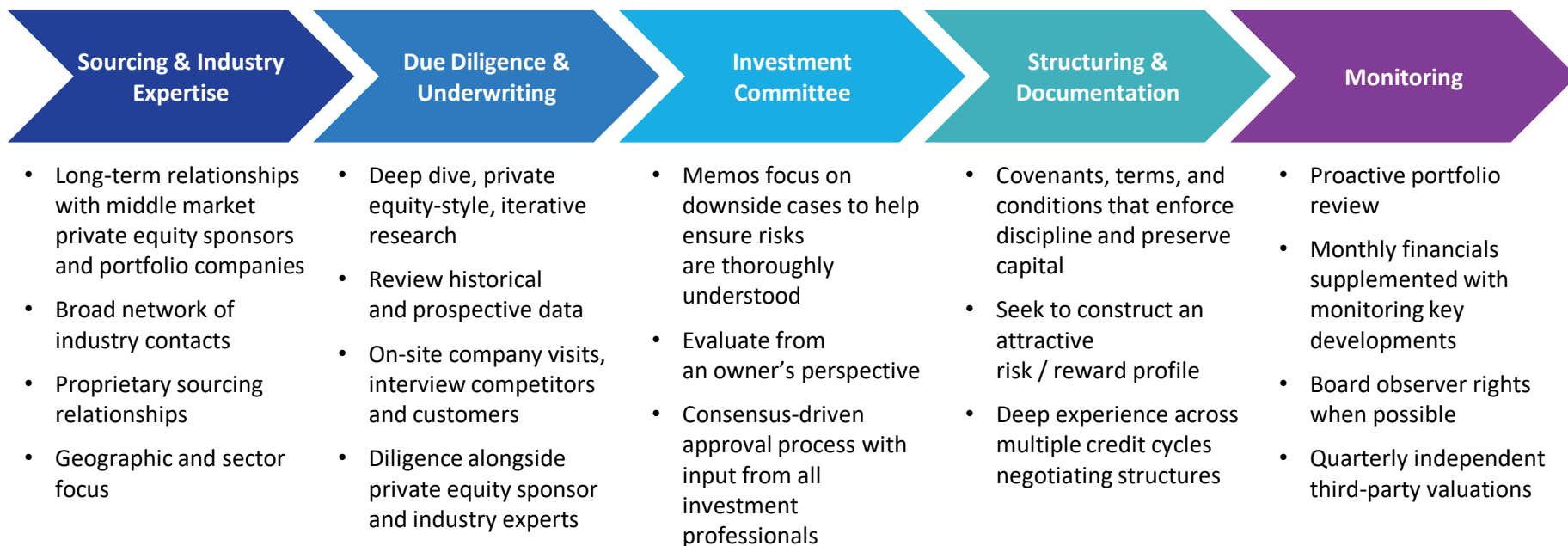


Note: Past performance is not necessarily indicative of future results. Invested capital is at risk. As of 12/31/2023. Statistics presented above are calculated based on PennantPark's portfolio.

1. Capital invested and EBITDA growth during hold period since 2015.

Underwriting Process

- ▶ Led by experienced senior team
- ▶ The same deal team originates, executes, and monitors each investment
- ▶ Every member of the investment team participates in consensus-driven Investment Committee



Note: The execution of the investment process described herein indicates PennantPark's current approach to investing, and this investment approach may be modified in the future by PennantPark in its sole discretion at any time and without further notice to investors in response to changing market conditions, or in any manner it believes is consistent with the overall investment objective of an individual fund/vehicle.

PNNT Portfolio as of 03/31/24

Highly Diversified by Industry

Industry ¹	Fair Value (\$ millions)	% of Portfolio
Business Services	\$155.2	15.7%
Distribution	151.7	15.3%
Healthcare, Education and Childcare	124.8	12.6%
Consumer Products	79.2	8.0%
Aerospace and Defense	58.8	5.9%
Financial Services	58.0	5.9%
Media	56.3	5.7%
Electronics	39.5	4.0%
Auto Sector	39.5	4.0%
Telecommunications	37.1	3.7%
Environmental Services	31.9	3.2%
Chemicals, Plastics and Rubber	31.7	3.2%
Education	25.1	2.5%
Personal, Food and Miscellaneous Services	20.3	2.0%
Building Materials	13.6	1.4%
Insurance	10.4	1.0%
Home and Office Furnishings	9.9	1.0%
Personal and Non-Durable Consumer Products	8.2	0.8%
Manufacturing Basic Industry	7.6	0.8%
Machinery	6.7	0.7%
Food	6.5	0.7%
Other	18.1	1.9%
Total Portfolio	\$990.1	100.0%

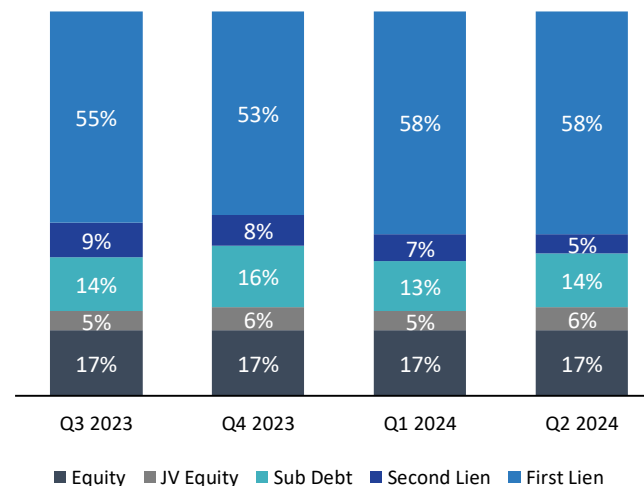
1. Excluding investments in PSLF and U.S. Government issued treasury bills. Total of 29 industries. "Other" includes: Communications / Transportation / Diversified Conglomerate Service/ Hotels, Motels, Inns and Gaming/ Leisure, Amusement, Motion Pictures, Entertainment / Other Media / Buildings and Real Estate / Retail.

2. Excludes U.S. government issued treasury bills

Portfolio Overview²

- ▶ 138 different companies
- ▶ \$8.5 million: average investment size

Portfolio Composition by Investment Type²



PennantPark Senior Loan Fund, LLC (“PSLF”)

- ▶ **An unconsolidated joint venture between PNNT and Pantheon Ventures**
- ▶ **Invests in middle market, directly originated first lien loans**
- ▶ **\$1.1 billion of total investment capacity, as of March 31, 2024**
- ▶ **Total commitments of \$312 million in notes and equity from PNNT and Pantheon Ventures**
- ▶ **Diversified liabilities including a senior secured revolving credit facility and two long term securitizations**
- ▶ **Expands ability to serve sponsor and borrower clients with larger investment hold size**
- ▶ **Seeks to enhance return on equity and NII at PNNT**
- ▶ **PSLF JV has been generating an LTM return of 17.5%**

PSLF Portfolio as of 03/31/24

Highly Diversified by Industry

Industry ¹	Fair Value (\$ millions)	% of Portfolio
Business Services	\$154.8	16.8%
Aerospace and Defense	127.1	13.8%
Healthcare, Education and Childcare	97.5	10.6%
Media	92.4	10.0%
Consumer Products	84.3	9.1%
Distribution	65.4	7.1%
Personal, Food and Miscellaneous Services	51.5	5.6%
Electronics	28.2	3.1%
Insurance	25.2	2.7%
Personal and Non-Durable Consumer Products	20.1	2.2%
Environment Services	19.7	2.1%
Banking, Financing, Insurance & Real Estate	17.9	1.9%
Telecommunications	16.5	1.8%
Auto Sector	16.2	1.8%
Chemicals, Plastics and Rubber	14.3	1.5%
Containers, Packaging and Glass	14.2	1.5%
Transportation	12.7	1.4%
Education	9.5	1.0%
Communications	9.2	1.0%
Manufacturing / Basic Industries	8.6	0.9%
Financial Services	7.6	0.8%
Retail	7.1	0.8%
Other	23.9	2.5%
Total Portfolio	\$923.9	100.0%

1. Excluding investments in PSLF. Total of 28 industries. "Other" includes: Food / Hotels, Motels Inns and Gaming/ Software / Professional Services// Diversified Conglomerate Service / Leisure, Amusements, Motion Pictures, Entertainment.

Portfolio Overview

- ▶ 99 different companies
- ▶ \$9.3 million: average investment size
- ▶ 100% first lien secured investments

PNNT Selected Financial Highlights


(\$mm, except per share data)	March Q2 2024	December Q1 2024	September Q4 2023	June Q3 2023
Investment portfolio, at fair value	\$1,238	\$1,211	\$1,102	\$1,076
Joint venture investment portfolio, at fair value	\$924	\$858	\$804	\$794
Debt (GAAP)	\$703	\$695	\$517	\$617
GAAP Net Assets	\$502	\$499	\$502	\$504
Adjusted Net Assets ¹	\$502	\$499	\$502	\$501
Debt to Equity ²	1.42x	1.41x	1.05x	1.26x
Investment purchases ⁴	\$188	\$231	\$161	\$70
Investment sales and repayments ⁴	\$176	\$71	\$138	\$136
Per Share Data:				
GAAP Net Asset Value	\$7.69	\$7.65	\$7.70	\$7.72
Adjusted Net Asset Value	\$7.69	\$7.65	\$7.70	\$7.67
Net Investment Income (NII)	\$0.22	\$0.24	\$0.24	\$0.35
Core NII ³	\$0.22	\$0.24	\$0.24	\$0.22
Dividends to shareholders	\$0.21	\$0.21	\$0.21	\$0.20

- This is a non-GAAP financial measure. The Company believes that this number provides useful information to investors and management because it reflects the Company's financial performance excluding the impact of unrealized gain on the Company's multi-currency, senior secured revolving credit facility with Truist Bank, as amended, the "Credit Facility." The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP.*
- Debt to Equity is calculated by dividing the total par balance of outstanding debt liabilities by Adjusted Net Assets.*
- Core net investment income ("Core NII") is a non-GAAP financial measure. The Company believes that Core NII provides useful information to investors and management because it reflects the Company's financial performance excluding one-time or non-recurring investment income and expenses. The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP. For the quarter ended March 31, 2024, there were no one-time events, resulting in \$0.22 of Core NII.*
- Excludes U.S. government issued treasury bills.*

Strategy Targeted to Deliver Returns

- ▶ **Extensive and diverse sourcing network**
- ▶ **Focused on companies with strong free cash flow and de-leveraging capabilities**
- ▶ **Value oriented with a goal of capital preservation and attractive returns**
- ▶ **Privately negotiated middle market loans provide attractive risk / return**
- ▶ **Returns driven by interest payments from primarily secured debt**

PNNT Selected Investments




Revolver
First Lien Term Loan
Equity

Cortec Group



Revolver
First Lien Term Loan
Equity

Mountaingate Capital



Revolver
First Lien Term Loan
Equity

Odyssey Investment Part.



Revolver
First Lien Term Loan
Equity

Littlejohn & Co




Revolver
First Lien Term Loan
Equity

Mountaingate Capital




Revolver
First Lien Term Loan
Equity

TruArc Partners, LP



First Lien Term Loan
Equity

A&M Capital Opportunities




Revolver
First Lien Term Loan
Equity

Veritas




Revolver
First Lien Term Loan

Arlington Capital Partners



Revolver
First Lien Term Loan
Equity

Platte River Equity



Revolver
First Lien Term Loan

Chicago Pacific Founders



Revolver
First Lien Term Loan
Delayed Draw Term Loan

CCMP Growth Advisors



Revolver
First Lien Term Loan
Equity

LightBay Capital




Revolver
First Lien Term Loan
Equity

Sagewind Capital



First Lien Term Loan
Equity

Lee Equity Partners



Revolver
First Lien Term Loan
Equity

Wind Point Partners