



NEW MOUNTAIN FINANCE  
CORPORATION

# Q1 2022 Earnings Presentation

May 10, 2022

# Important Notices and Safe Harbor Statement

This presentation contains forward looking statements, which are not guarantees of future performance, conditions or results, and involve substantial risks and uncertainties, including the impact of COVID-19, the current conflict between Russia and Ukraine, and related changes in base interest rates and significant volatility on our business, portfolio companies, our industry, and the global economy. All forward-looking statements included in this presentation are made only as of the date hereof and are subject to change without notice. Actual outcomes and results could differ materially from those suggested by this presentation due to the impact of many factors beyond the control of New Mountain Finance Corporation ("NMFC"), including those listed in the "Risk Factors" section of our filings with the United States Securities and Exchange Commission ("SEC"). Any such forward-looking statements are made pursuant to the safe harbor provisions available under applicable securities laws and NMFC assumes no obligation to update or revise any such forward-looking statements unless required by law. Certain information discussed in this presentation (including information relating to portfolio companies) was derived from third party sources and has not been independently verified and, accordingly, NMFC makes no representation or warranty with respect to this information.

The following slides contain summaries of certain financial and statistical information about NMFC. The information contained in this presentation is summary information that is intended to be considered in the context of our SEC filings and other public announcements that we may make, by press release or otherwise, from time to time. We undertake no duty or obligation to publicly update or revise the information contained in this presentation unless required by law. In addition, information related to past performance, while helpful as an evaluative tool, is not necessarily indicative of future results, the achievement of which cannot be assured. You should not view the past performance of NMFC, or information about the market, as indicative of NMFC's future results. The performance data stated herein may have been due to extraordinary market conditions, which may not be duplicated in the future. Current performance may be lower or higher than the performance data quoted. This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities of NMFC.

Past performance is not indicative nor a guarantee of future returns, the realization of which is dependent on many factors, many of which are beyond the control of NMFC. There can be no assurances that future dividends will match or exceed historic ones, or that they will be made at all. Net returns give effect to all fees and expenses. Unless otherwise noted, information included herein is presented as of the date indicated on the cover page and may change at any time without notice. NMFC is subject to certain significant risks relating to our business and investment objective. For more detailed information on risks relating to NMFC, see the latest Form 10-K and subsequent quarterly reports filed on Form 10-Q.

Investment portfolio related activity, metrics and disclosures on slides 6, 11, 12, 14, 16, 21, 22, 23, 24, 25, 27, 28, and 35 include the underlying collateral from securities purchased under collateralized agreements to resell and exclude the PPVA Black Elk (Equity) LLC investment. Figures shown herein are unaudited and may not add due to rounding.

This presentation contains non-GAAP financial information. NMFC's management uses this information in its internal analysis of results and believes that this information may be informative to investors in gauging the quality of NMFC's financial performance, identifying trends in our results and providing meaningful period-to-period comparisons. However, these non-GAAP measures should not be considered in isolation or as a substitute for or superior to any measures of financial performance calculated and presented in accordance with GAAP. Other companies may calculate this or similarly titled non-GAAP measures differently than we do.

The term Adjusted Net Investment Income as used throughout this presentation is not defined under GAAP and is not a measure of operating income, operating performance or liquidity presented in accordance with GAAP. In evaluating its business, NMFC considers and uses Adjusted Net Investment Income as a measure of its operating performance. Adjusted Net Investment Income is defined as net investment income adjusted to reflect income as if the cost basis of investments held at NMFC's IPO date had stepped-up to fair market value as of the IPO date. Under GAAP, NMFC's IPO did not step-up the cost basis of the predecessor operating company's existing investments to fair market value. Since the total value of the predecessor operating company's investments at the time of the IPO was greater than the investments' cost basis, a larger amount of amortization of purchase or issue discount, and different amounts in realized gains and unrealized appreciation, may be recognized under GAAP in each period than if a step-up had occurred. For purposes of the incentive fee calculation, NMFC adjusts income as if each investment was purchased at the date of the IPO (or stepped-up to fair market value). **To view the reconciliation of Adjusted Net Investment Income, please see Appendix C at the end of this presentation.**



# Important Notices and Safe Harbor Statement (cont.)

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Yield to Maturity (“YTM”) at Cost assumes that the accruing investments in our portfolio as of each date are purchased at cost on that date and held until their respective maturities with no prepayments or losses and are exited at par at maturity. This calculation excludes the impact of existing leverage. YTM at Cost uses the LIBOR curves at each quarter’s respective end date. The actual yield to maturity may be higher or lower due to the future selection of LIBOR contracts by the individual companies in our portfolio or other factors.

The S&P 500 Stock Index (the “S&P 500”) is an unmanaged index of 500 widely held, large-capitalization stocks from a broad variety of industries that is recognized by investors to be generally representative of the performance of the broad domestic economy. The S&P 500 Total Return Index reflects the reinvestment of all dividends and distributions. Please note an investor cannot invest directly in an index. References to the S&P 500 Total Return Index are for illustrative purposes only. The S&P 500 Financial Index comprises those companies included in the S&P 500 that are classified as members of the GICS financial sectors. The S&P 500 Total Return Index and the S&P Financials Index may not be the most appropriate comparison because the indices are unmanaged and significantly more diversified than NMFC. NMFC’s investments and portfolio holdings are materially different from the companies represented in the indices. Additionally, due to the allocation differences between the indices and NMFC, NMFC may experience more investment volatility than the unmanaged S&P 500 Index and the S&P 500 Financial Index, which may have accounted for the results of the comparison.

Relevant credit benchmarks include the Credit Suisse Leveraged Loan Index, the Credit Suisse HY Index II and the BDC Index (together, the “Benchmarks”). The Credit Suisse Leveraged Loan Index is an unmanaged market value weighted index designed to represent the universe of U.S. dollar-denominated leveraged loan markets. The Credit Suisse HY Index II is an unmanaged index designed to mirror the investable universe of U.S. dollar-denominated high yield debt market. The loans and other investments held by NMFC may be materially different in composition and diversification as compared to the loans comprising each of the Benchmarks described above. The BDC Index is not a tracked index and includes the median of other business development companies that have been public for as long as NMFC, equal-weighted. The portfolio of loans and other investments held by the BDC Index and relevant Peer Group referenced herein may be materially different in composition and risk profile than that of NMFC. The volatility of an index may be materially different from the performance attained by NMFC. In addition, NMFC’s holdings may differ significantly from the securities that comprise the indices. You cannot invest directly in an index.

Throughout the document, Senior Advisors are included in all references to staff members, team members, investment professionals or operating partners/executives unless stated otherwise. Generally, New Mountain Senior Advisors are similar to “Operating Partners” who provide general or specific industry expertise on particular projects or transactions. All persons listed in the Senior Advisors (Full Access) category are designated “access persons” pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended, and are subject to New Mountain’s Code of Ethics, which therefore allows them to be fully included in New Mountain’s investment reviews. Based on a variety of factors, Senior Advisors for Special Projects are designated as “non-access persons” and are not subject to New Mountain’s Code of Ethics.



# Management Participants

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**Steven B. Klinsky**

*Chairman of the Board of Directors*

**Robert A. Hamwee**

*Chief Executive Officer and Director*

**John R. Kline**

*President and Director*

**Laura C. Holson**

*Chief Operating Officer*

**Shiraz Y. Kajee**

*Chief Financial Officer*



# Chairman's Overview

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- We believe our portfolio continues to be well positioned as a result of our defensive growth investment strategy, which focuses on acyclical, recurring, and predictable business models with long-term viability, even in a recessionary environment
  - Since our March 1, 2022 earnings call, portfolio company Risk Ratings<sup>(1)</sup> have modestly improved
- Q1 2022 Net Investment Income (“NII”) of \$0.30 per weighted average share, in line with our guidance of \$0.30 per weighted average share
- Q1 2022 regular dividend of \$0.30 per share paid on March 31, 2022
- March 31, 2022 net asset value (“NAV”) of \$13.56 per share vs. \$13.49 per share on December 31, 2021
- Q2 2022 regular dividend of \$0.30 per share announced, based on estimated NII of approximately \$0.30 per share, payable on June 30, 2022 to holders of record as of June 16, 2022
- Since inception of the ATM program in November 2021, NMFC has generated \$49.5 million in net proceeds
  - Generated \$20.5 million in net proceeds during Q1 2022
- New Mountain employees continue to be the largest shareholder of the Company, with ownership of ~12%
- Dividend protection program remains in place through December 31, 2023
  - Rising interest rates can materially improve earnings



# Key Highlights

## Financial Highlights

	Quarter Ended				3/31/2022
	3/31/2021	6/30/2021	9/30/2021	12/31/2021	
Adjusted NII Per Share <sup>(1)</sup>	\$0.30	\$0.30	\$0.31	\$0.31	\$0.30
NAV Per Share	\$12.85	\$13.33	\$13.26	\$13.49	\$13.56
Dividends Per Share	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30
Share Count - End of Period (mm)	96.8	96.9	96.9	97.9	99.5
Shares Owned by New Mountain Employees (mm / %) <sup>(2)</sup>	12.1 / 12%	12.0 / 12%	12.1 / 12%	11.6 / 12%	11.6 / 12%
Value of Shares Owned by New Mountain Employees (mm) <sup>(2)(3)</sup>	\$150	\$158	\$161	\$159	\$161

## Portfolio Highlights

	Quarter Ended				3/31/2022
	3/31/2021	6/30/2021	9/30/2021	12/31/2021	
Fair Value of Investments (\$mm)	\$3,029.6	\$3,100.0	\$3,022.7	\$3,185.4	\$3,267.0
Number of Portfolio Companies	102	101	106	106	107
Middle Market Focus (EBITDA / Facility Size) <sup>(4)</sup>	78% / 64%	78% / 62%	74% / 64%	74% / 62%	75% / 64%
Current Yield at Cost <sup>(5)</sup>	8.8%	8.7%	8.5%	8.8%	8.8%
YTM at Cost <sup>(6)</sup>	8.8%	8.8%	8.8%	9.1%	9.8%
<b>Portfolio Activity (\$mm)<sup>(7)</sup></b>					
Gross Originations	\$219.4	\$102.3	\$428.9	\$355.3	\$153.7
(-) Repayments	(190.7)	(94.9)	(446.9)	(147.3)	(44.1)
<b>Net Originations</b>	<b>\$28.7</b>	<b>\$7.4</b>	<b>(\$18.0)</b>	<b>\$208.0</b>	<b>\$109.6</b>
(-) Sales	(5.5)	-	(43.9)	(102.5)	(30.1)
<b>Net Originations Less Sales</b>	<b>\$23.2</b>	<b>\$7.4</b>	<b>(\$61.9)</b>	<b>\$105.5</b>	<b>\$79.5</b>

<sup>1</sup> See Appendix C for GAAP and adjusted reconciliation; GAAP NII per weighted average share of \$0.30, \$0.30, \$0.31, \$0.31 and \$0.30 as of 3/31/2021, 6/30/2021, 9/30/2021, 12/31/2021, and 3/31/2022, respectively

<sup>2</sup> Includes members of senior management and other New Mountain employees; excludes independent directors; ownership % based on total shares outstanding at the end of the respective period

<sup>3</sup> Based on NMFC's closing price of \$12.40, \$13.17, \$13.31, \$13.70, and \$13.85 per share on 3/31/2021, 6/30/2021, 9/30/2021, 12/31/2021, and 3/31/2022, respectively

<sup>4</sup> Defined as the % of portfolio companies (by fair value) with LTM EBITDA at the time of investment less than \$100m and facility sizes as of each date less than \$300m; excludes NMFC Senior Loan Program III ("SLP III"), NMFC Senior Loan Program IV ("SLP IV") and investments held by New Mountain Net Lease Corporation ("Net Lease")

<sup>5</sup> Current Yield at Cost is calculated as annual stated interest rate plus annual amortization of original issue discount and market discount / premium earned on accruing debt and other income producing securities divided by total accruing debt and other income producing securities at amortized cost

<sup>6</sup> Please reference Important Notices and Safe Harbor Statement Disclosures for detail on YTM at Cost

<sup>7</sup> Originations exclude PIK ("payment-in-kind" interest); originations, repayments, and sales excludes revolvers, unfunded commitments, bridges, return of capital, and realized gains / losses



# Review of NMFC

## Overview

- Founded in October 2008 to apply New Mountain Capital, L.L.C.'s ("NMC" or "New Mountain") private equity strengths to attractive risk-reward opportunities in the U.S. debt markets
  - New Mountain is a leading alternative investment firm that currently manages private equity, public equity, and credit funds with over \$37 billion in assets under management and over 195 employees and senior advisors<sup>(1)</sup>
- Externally managed Business Development Company ("BDC")
  - Initial Public Offering ("IPO") completed in May 2011 (NASDAQ: NMFC)
  - Public float market capitalization has increased from \$147 million at IPO to approximately \$1,378 million as of March 31, 2022
  - As of March 31, 2022, New Mountain employees owned ~\$161 million of NMFC shares<sup>(2)</sup>
- Targets investments up to a \$125 million hold size in:
  - "Defensive growth" middle market companies, typically generating \$10 – \$200 million of EBITDA
  - Senior secured debt (1<sup>st</sup> lien, 2<sup>nd</sup> lien or uni-tranche), mezzanine and other subordinated securities

## Strategy

- NMFC's mandate is to primarily target businesses in the middle market that, consistent with New Mountain's private equity platform, are **quality, defensive growth** companies, in industries that are **well-researched** by New Mountain
- Mandate achieved by **utilizing existing New Mountain investment team** as primary underwriting resource; team combines operating executives with financial executives
- Target loan to value ratios typically average less than 50% of both sponsor purchase price and NMC valuation

## Key Investment Highlights

- Strong track record on credit and returns
- Well established New Mountain platform provides unique knowledge warehouse and sourcing capabilities
- Differentiated "defensive growth" investment strategy
- High quality and diverse portfolio
- Experienced management team who are also significant shareholders



# Revised Risk Rating System for Portfolio Companies

## COVID Risk Rating (Q1 2020 thru Q4 2021)

- We assign each portfolio company scores on 2 metrics to generate an overall “Risk Rating”:
  - “COVID Exposure” (scale of 1 to 4, with 1 being the worst)
    - Tier 1 – Immediate and severe impact
    - Tier 2 – Near term or secondary significant impact
    - Tier 3 – Material impact only from a sustained disruption
    - Tier 4 – Modest or limited impact
  - “Overall Company Strength”, based on a combination of 3 sub-metrics (scale of A to C, with A being the best)
    - Business performance and quality (pre-COVID)
    - Balance sheet quality
    - Sponsor support
- Charted COVID Exposure versus Overall Company Strength to create a combined Risk Rating of **Green**, **Yellow**, **Orange**, or **Red**

## Revised Risk Rating (Q1 2022 and Beyond)

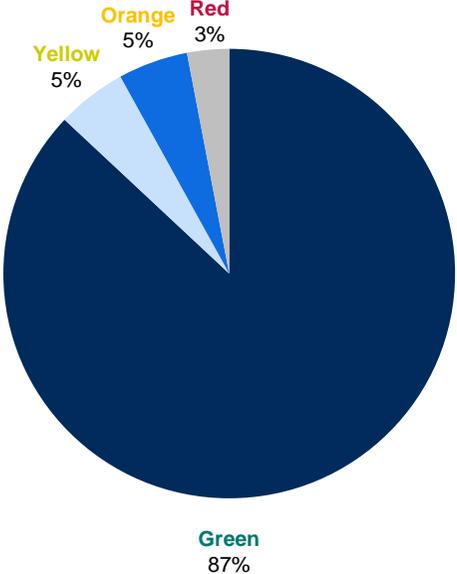
- ***Replaces existing COVID Risk Rating and the 1-4 Investment Rating in the 10-K/10-Q***
- We assign each portfolio company scores on 2 metrics to generate an overall “Risk Rating”:
  - “Operating Performance” (scale of 1 to 4, with 1 being the worst)
    - Tier 1 – Severe business underperformance and/or severe market headwinds
    - Tier 2 – Significant business underperformance and/or significant market headwinds
    - Tier 3 – Moderate business underperformance and/or moderate market headwinds
    - Tier 4 – Business performance is in-line or above expectations and/or industry is stable or growing
  - “Business Characteristics”, based on a combination of 3 sub-metrics (scale of A to C, with A being the best)
    - Business quality
    - Balance sheet strength
    - Sponsor support
- Charted Operating Performance versus Business Characteristics to create a combined Risk Rating of **Green**, **Yellow**, **Orange**, or **Red**



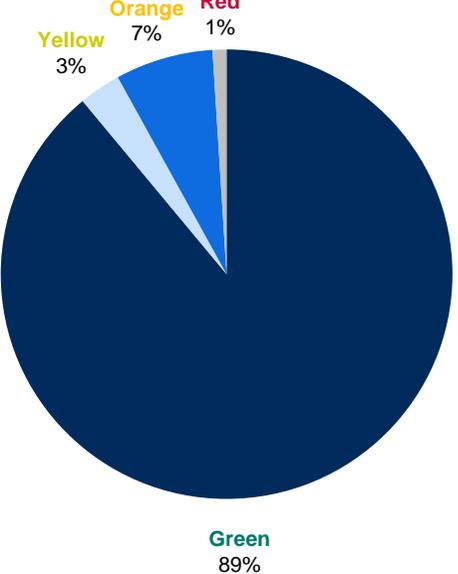
# Summary of Changes in Portfolio<sup>(1)</sup>

- Overall portfolio has modestly improved from a Risk Rating standpoint in Q1 2022 from Q4 2021
  - As of Q1 2022, 89% of the portfolio is characterized as Green (up from 87% in Q4 2021)

**Q4 2021 Risk Ratings  
(FMV as of 12/31/2021)<sup>(2)</sup>**



**Q1 2022 Risk Ratings  
(FMV as of 3/31/2022)<sup>(2)</sup>**



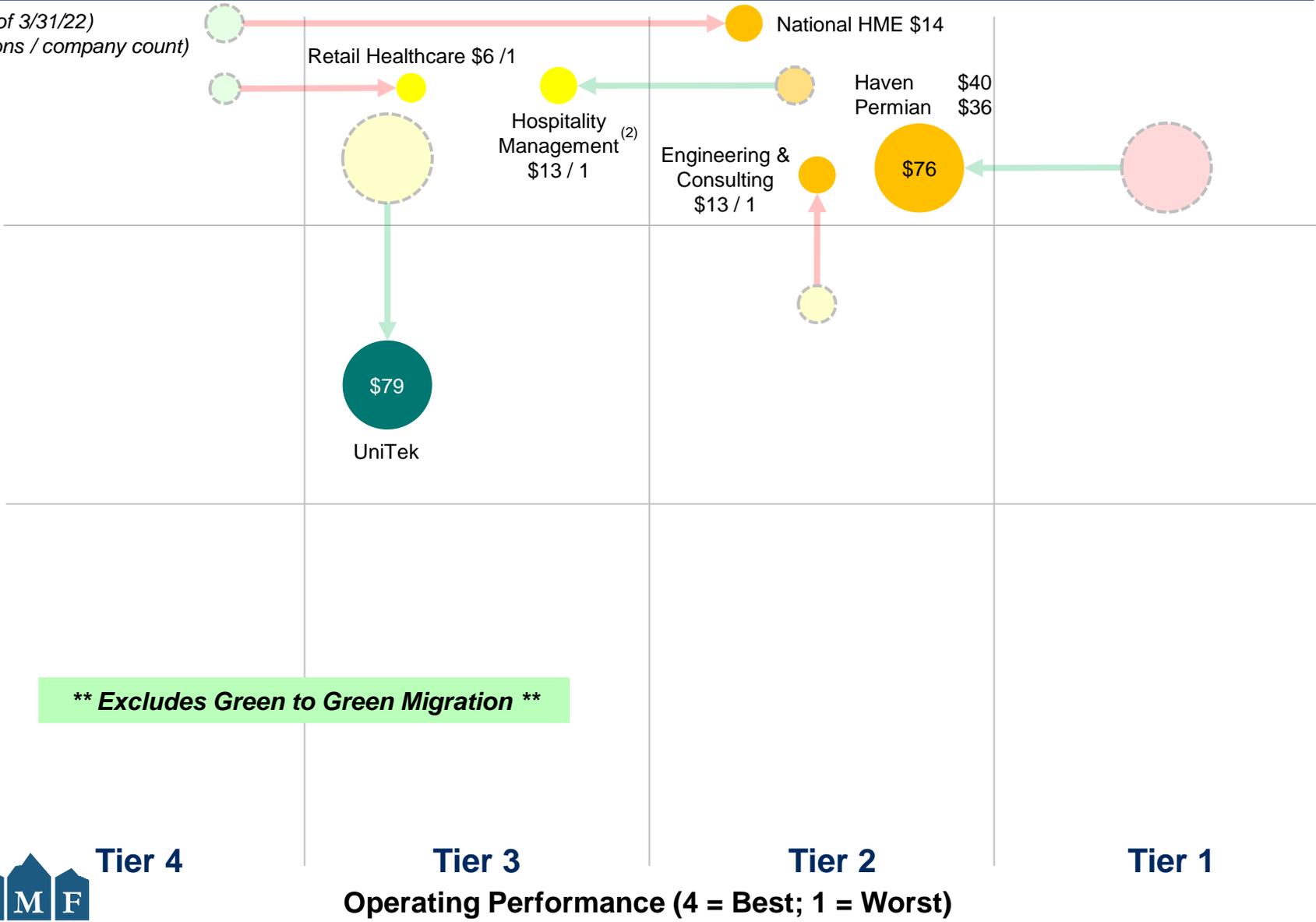
<sup>1</sup> Risk Rating migration reflected as 12/31/2021 Risk Rating at 3/31/2022 FMV; 3/31/2022 Risk Rating using 3/31/2022 FMV

<sup>2</sup> Excludes SLP III, SLP IV, and Net Lease

# NMFC Portfolio – Risk Rating Migration from Q4 2021<sup>(1)</sup>

(FMV as of 3/31/22)  
(\$ in millions / company count)

Business Characteristics (A = Best; C = Worst)



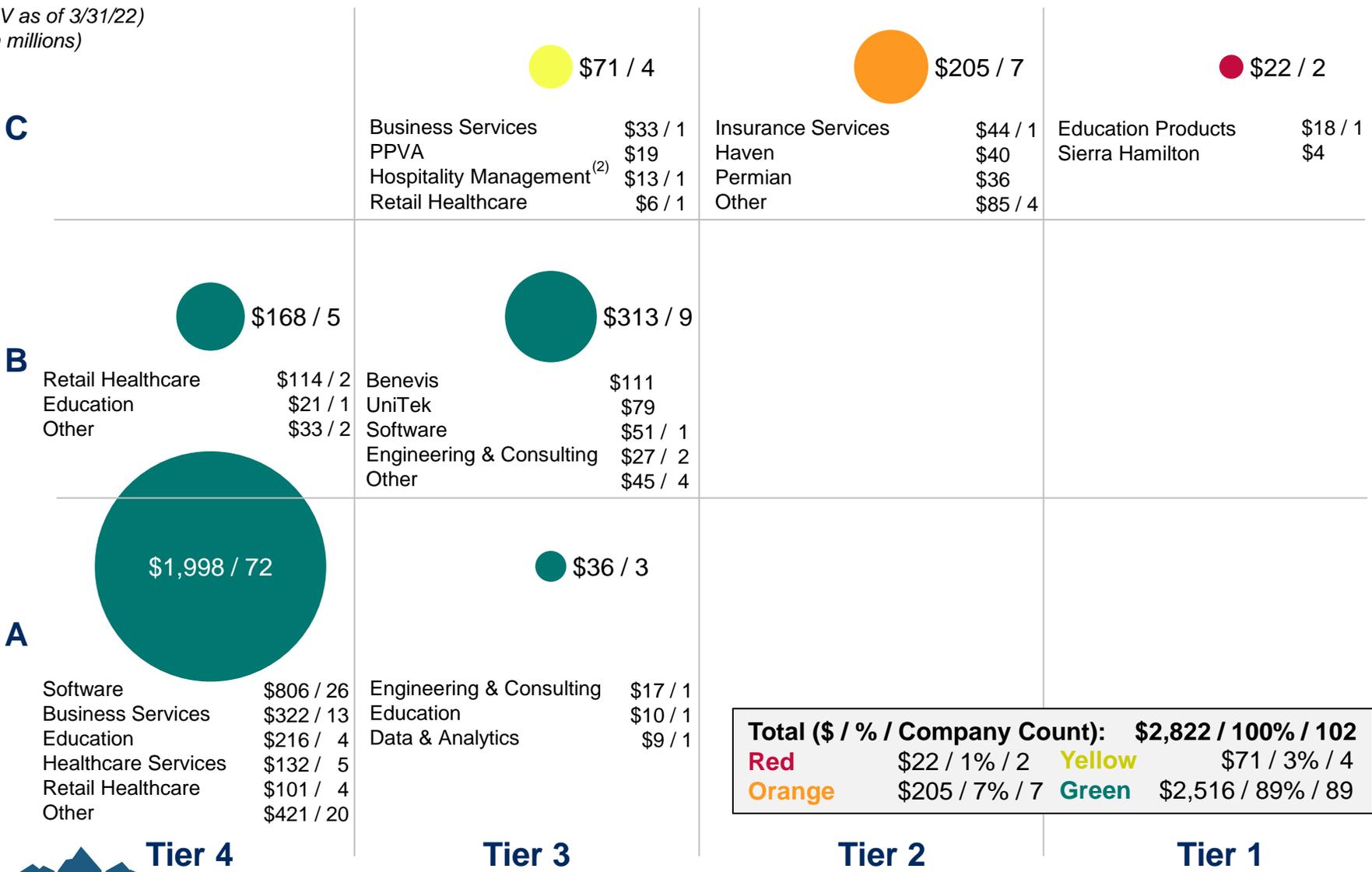
**\*\* Excludes Green to Green Migration \*\***

<sup>1</sup> Excludes SLP III, SLP IV, and Net Lease  
<sup>2</sup> Classified as Business Services on slide 23

# NMFC Portfolio Risk Ratings<sup>(1)</sup>

(FMV as of 3/31/22)  
(\$ in millions)

Business Characteristics (A = Best; C = Worst)



<b>Total (\$ / % / Company Count):</b>				<b>\$2,822 / 100% / 102</b>
<b>Red</b>	\$22 / 1%	2	<b>Yellow</b>	\$71 / 3% / 4
<b>Orange</b>	\$205 / 7%	7	<b>Green</b>	\$2,516 / 89% / 89



**Tier 4**

**Tier 3**

**Tier 2**

**Tier 1**

**Operating Performance (4 = Best; 1 = Worst)**

<sup>1</sup> Excludes SLP III, SLP IV, and Net Lease  
<sup>2</sup> Classified as Business Services on slide 23

# Credit Performance

NMFC Leverage Ratio <sup>(2)</sup>				NMFC Leverage Ratio <sup>(2)</sup>				NMFC Leverage Ratio <sup>(2)</sup>			
Company (Vintage) <sup>(1)</sup>	Purchase	Current	Variance + / (-)	Company (Vintage) <sup>(1)</sup>	Purchase	Current	Variance + / (-)	Company (Vintage) <sup>(1)</sup>	Purchase	Current	Variance + / (-)
Company A (2019)	4.7x	2.1x	2.6x	Company AE (2021)	6.3x	5.8x	0.4x	Company BI (2021)	4.6x	5.0x	(0.4x)
Company B (2021)	8.0x	5.8x	2.2x	Company AF (2018)	5.8x	5.4x	0.3x	Company BJ (2018)	6.9x	7.4x	(0.5x)
Company C (2021)	4.5x	2.3x	2.1x	Company AG (2018)	5.5x	5.2x	0.3x	Benevis Jr. PIK (2020)	5.3x	5.8x	(0.5x)
Company D (2021)	7.3x	5.5x	1.9x	Company AH (2020)	7.3x	7.0x	0.3x	Company BK (2017)	0.9x	1.5x	(0.7x)
Company E (2018)	6.4x	4.8x	1.7x	Company AI (2019)	7.4x	7.1x	0.3x	Company BL (2018)	10.5x	11.3x	(0.8x)
Company F (2020)	8.0x	6.7x	1.3x	Company AJ (2021)	6.4x	6.1x	0.2x	Company BM (2018)	7.0x	7.9x	(0.8x)
Company G (2019)	7.5x	6.2x	1.3x	Company AK (2021)	6.6x	6.4x	0.2x	Company BN (2019)	4.8x	5.6x	(0.8x)
Company H (2021)	6.5x	5.2x	1.3x	Company AL (2021)	7.3x	7.2x	0.2x	Company BO (2021)	7.1x	7.9x	(0.9x)
Company I (2017)	9.5x	8.2x	1.3x	Company AM (2020)	5.0x	4.9x	0.1x	Company BP (2021)	5.1x	6.1x	(1.0x)
Company J (2020)	8.8x	7.7x	1.2x	Company AN (2021)	6.2x	6.2x	0.0x	Company BQ (2021)	6.5x	7.7x	(1.2x)
Company K (2018)	7.0x	6.0x	1.1x	Company AO (2018)	4.4x	4.4x	0.0x	Company BR (2018)	7.3x	8.6x	(1.3x)
Company L (2019)	6.1x	5.0x	1.1x	Company AP (2022)	7.2x	7.2x	-	Permian TL (2020)	4.0x	5.4x	(1.4x)
Company M (2021)	7.2x	6.2x	1.0x	Company AQ (2017)	3.7x <sup>(3)</sup>	3.7x	-	Company BS (2015)	3.7x	5.2x	(1.5x)
Company N (2018)	5.4x	4.5x	1.0x	Company AR (2021)	7.2x	7.2x	-	Company BT (2018)	12.3x	13.9x	(1.5x)
Company O (2021)	9.8x	8.9x	1.0x	Company AS (2021)	6.4x	6.4x	-	Company BU (2019)	7.5x	9.0x	(1.6x)
Company P (2018)	3.9x	3.0x	1.0x	Company AT (2021)	6.7x	6.7x	-	Company BV (2019)	6.5x	8.3x	(1.7x)
Company Q (2021)	7.3x	6.3x	0.9x	Company AU (2021)	8.3x	8.3x	-	Company BW (2017)	6.1x	7.9x	(1.8x)
Company R (2021)	7.0x	6.1x	0.9x	Company AV (2021)	7.0x	7.0x	-	UniTek TLB (2018)	2.0x	4.0x	(2.0x)
Company S (2021)	8.0x	7.1x	0.9x	Company AW (2021)	3.6x	3.6x	-	Company BX (2015)	5.7x	7.8x	(2.1x)
Company T (2021)	7.0x	6.2x	0.8x	Company AX (2021)	4.5x	4.5x	-	Company BY (2020)	3.0x	5.1x	(2.1x)
Company U (2019)	7.1x	6.3x	0.8x	Company AY (2021)	6.1x	6.1x	-	UniTek Super Sr. II Pref. (2019)	3.6x	5.8x	(2.2x)
Company V (2017)	6.6x	5.9x	0.7x	Company AZ (2021)	7.1x	7.1x	-	Company BZ (2018)	6.4x	8.9x	(2.5x)
Company W (2021)	8.2x	7.5x	0.7x	Company BA (2019)	7.4x	7.4x	(0.0x)	Company CA (2016)	3.7x	6.2x	(2.5x)
Company X (2021)	6.9x	6.2x	0.7x	Company BB (2021)	6.0x	6.1x	(0.0x)	Company CB (2020)	5.1x	8.2x	(3.1x)
Company Y (2018)	5.3x	4.6x	0.7x	Company BC (2018)	7.7x	7.8x	(0.1x)	Company CC (2018)	6.0x	10.6x	(4.7x)
Company Z (2020)	5.9x	5.3x	0.6x	Company BD (2021)	6.0x	6.1x	(0.1x)	UniTek Super Sr. Pref. (2018)	2.5x	7.4x	(4.9x)
UniTek 2L (2020)	5.5x	4.9x	0.6x	Company BE (2021)	6.1x	6.3x	(0.2x)	Company CD (2016)	6.0x	11.4x	(5.4x)
Company AA (2021)	6.0x	5.4x	0.6x	Company BF (2021)	11.7x	11.9x	(0.2x)	Company CE (2019)	4.5x	11.9x	(7.4x)
Company AB (2021)	6.7x	6.1x	0.5x	Company BG (2019)	5.1x	5.3x	(0.2x)	Company CF (2015)	4.5x	14.8x	(10.3x)
Company AC (2019)	6.5x	6.0x	0.5x	Company BH (2019)	7.0x	7.3x	(0.4x)				
Company AD (2019)	7.5x	7.0x	0.5x	Benevis TL (2020)	4.6x	5.0x	(0.4x)				

Note: Companies color-coded according to Risk Rating

<sup>1</sup> The investments shown above represent 82% of cost and 83% of fair value of the interest-bearing portfolio; includes current positions with a cost greater than \$7.5m as of 3/31/2022 and excludes unfunded commitments, revolvers, a project finance investment, non-accruals, and nine investments made based on recurring revenue and a >60% equity cushion

<sup>2</sup> Defined as total debt (assuming par for debt senior to our security, purchase price for our security, and no value for debt subordinated to our security) less total cash for the period, divided by the TTM EBITDA; current multiple as of the first calendar quarter of 2022, if available, or otherwise, the most recently reported fiscal quarter

<sup>3</sup> Represents leverage as of the fourth calendar quarter of 2021; additional M&A activity and leverage increases were anticipated subsequent to our initial investment when original capital structure was over-equitized



# Credit Market Conditions

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- Despite general market volatility, direct lending has continued to be a resilient asset class
- Market is supported by secured debt structures and floating interest rates
- Our direct lending deal pipeline continues to build after a seasonally slow period in Q1
- Increased activity in the large unitranche segment of the market, with stable and attractive yields
- Companies within our defensive growth verticals continue to trade at attractive multiples with significant private equity capital junior to our debt investments
  - NMC portfolio is heavily exposed to enterprise software, business & healthcare services, and technology enabled healthcare (65% of portfolio<sup>(1)</sup>)
- Base rates have increased since our last call
  - 3-month LIBOR is at 140 bps as of May 6, 2022 compared to 52 bps as of February 25, 2022

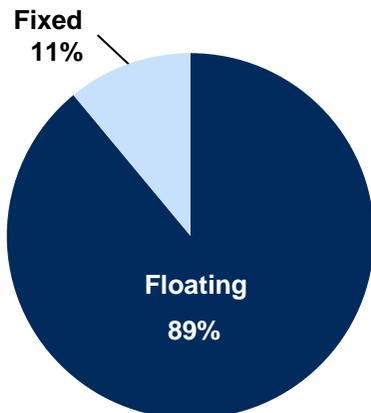


# Credit Market Conditions – Interest Rates

## Floating vs. Fixed

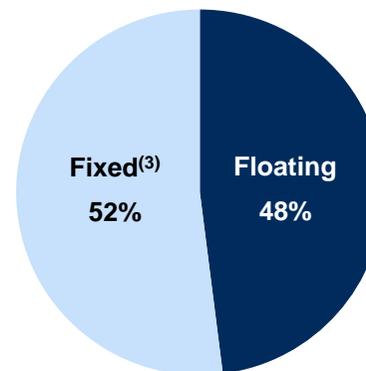
### Investments

(Aggregate par value of \$2,640 million as of 3/31/2022)<sup>(1)</sup>



### Debt

(\$1,945 million drawn as of 3/31/2022)<sup>(2)</sup>



## Impact of Changing Rates<sup>(4)</sup>

Interest Rate	Estimated % Change in Interest Income Net of Interest Expense and Fees	Illustrative Impact to Annual NII / Share
0.00%	(0.1%)	(\$0.00)
0.50%	(0.0%)	(\$0.00)
1.00%	(0.8%)	(\$0.01)
2.00%	6.4%	\$0.08
3.00%	14.4%	\$0.17

As of 3/31/2022 3-month LIBOR was 0.96%; 74% of floating rate assets<sup>(1)</sup> had a LIBOR floor, with an average floor of 0.91%

<sup>1</sup> Based on par values (excludes assets on non-accrual, unfunded commitments and non-interest bearing equity investments); includes £17.4m converted at 1.31 GBP/USD exchange rate as of 3/31/2022

<sup>2</sup> Excludes \$15.2m NMNLC Credit Facility II draw

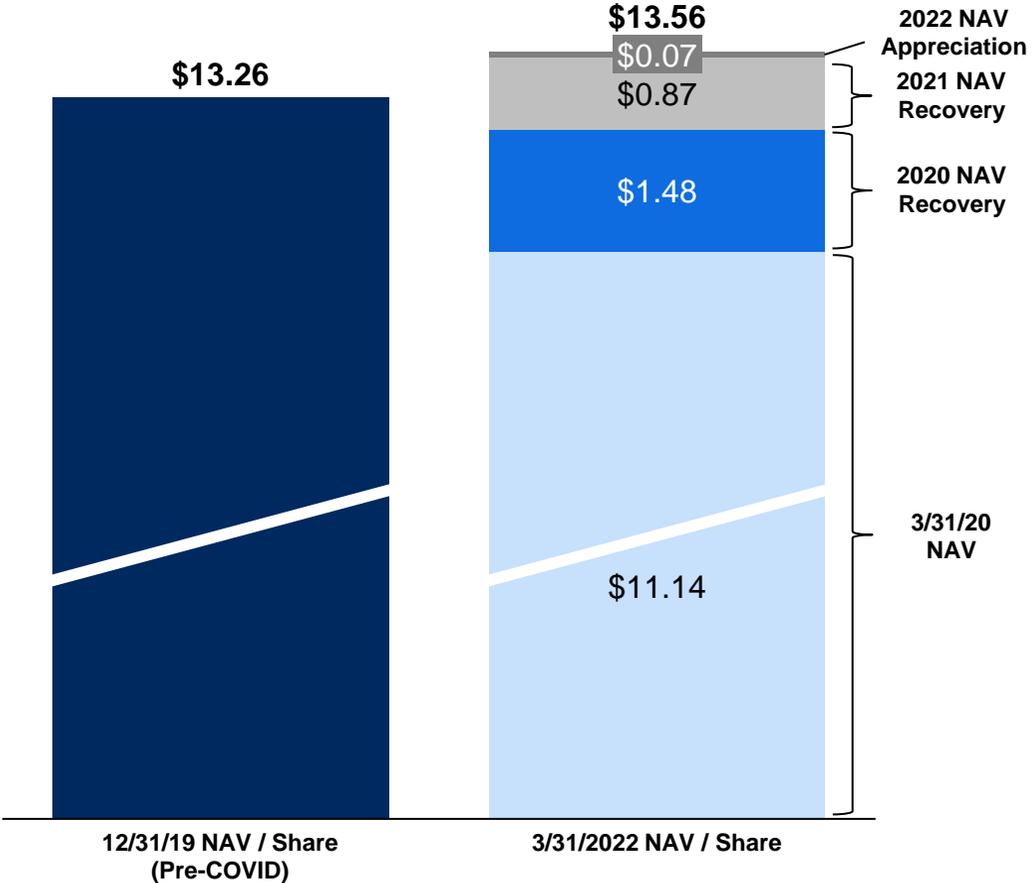
<sup>3</sup> Includes SBA debentures which become fixed rate debt upon semi-annual debenture pooling dates every March and September

<sup>4</sup> These hypothetical calculations are based on a model of the investments in our portfolio, held as of 3/31/2022, holding everything constant (including interest spreads and management fees) except for assumed changes in the underlying base interest rates. Assumes constant share count



# NAV Update

(\$ in millions, except per share data)



NAV has increased by **\$0.30 per share**, or 2.3%, from our Pre-COVID book value

### Equity Positions<sup>(1)</sup>

FMV as of 3/31/2022	
Company	FMV
Edmentum	\$127.1
Benevis	50.5
UniTek	42.2
Permian	11.0
Equity Co-invests	13.8
Other	4.2
<b>Total Equity</b>	<b>\$248.8</b>

A **10%** change in the FMV of our Equity positions impacts book value by **\$0.25 / share**



# Credit Performance

(\$ in millions)

## As of 3/31/2022

## Cumulative Since Inception<sup>(1)</sup> (October 2008 – March 31, 2022)

Cost / FMV / # Portfolio Co's

Cost / # Portfolio Co's

**Investments**

\$3,235 / \$3,267 / 107

\$9,368 / 328

*of which*

*of which*

**Non-Accrual**

\$97 / \$30 / 5

\$276 / 12

*of which*

**Realized Default Loss<sup>(2)</sup>**

\$79 / 5



<sup>1</sup> Since inception of predecessor entity in 10/2008 through 3/31/2022

<sup>2</sup> Realized default loss represents positions, or portions of positions, where no incremental recovery is expected; excludes Net Lease

# Performance Since IPO<sup>(1)</sup>

(\$ in millions)

	IPO - 12/31/2017 <sup>(2)</sup>	2018	2019	2020	2021	YTD 2022
Regular Dividend	\$475.1	\$103.4	\$117.4	\$120.1	\$116.5	\$29.6
Cumulative Regular Dividend	475.1	578.5	695.9	816.0	932.5	962.1
Adj. NII	\$477.5 <sup>(3)</sup>	103.5 <sup>(3)</sup>	119.2 <sup>(3)</sup>	120.6 <sup>(3)</sup>	118.3	29.6
Cumulative Adj. NII	477.5	581.0	700.2	820.8	939.1	968.7
<b>Dividend Coverage (Cumulative Adj. NII / Dividend)</b>	<b>101%</b>	<b>100%</b>	<b>101%</b>	<b>101%</b>	<b>101%</b>	<b>101%</b>
Adj. Realized Gains	\$69.7 <sup>(4)</sup>	\$12.4	\$1.0	\$5.2	\$6.1	\$17.7
Adj. Realized Credit & Other Losses	(57.6)	(7.1)	(0.1)	(44.9)	0.0	(0.1)
Total Adj. Realized Gains / (Losses)	12.2	5.3	0.9	(39.8)	6.1	17.6
Cumulative Adj. Realized Gains / (Losses)	12.2	17.5	18.4	(21.4)	(15.3)	2.3
Adj. Δ in Unrealized Appreciation	317.8	17.1	51.3	78.0	157.6	32.1
Adj. Δ in Unrealized Depreciation <sup>(5)</sup>	(340.9)	(56.1)	(56.8)	(96.4)	(79.8)	(43.1)
Total Adj. Δ in Unrealized Appreciation / (Depreciation)	(23.2)	(39.0)	(5.5)	(18.3)	77.8	(11.0)
Cumulative Adj. Δ in Unrealized Appreciation / (Depreciation)	(23.2)	(62.2)	(67.7)	(86.0)	(8.2)	(19.2)
<b>Cumulative Net Realized and Unrealized (Losses) / Gains</b>	<b>(\$11.0)</b>	<b>(\$44.7)</b>	<b>(\$49.3)</b>	<b>(\$107.4)</b>	<b>(\$23.5)</b>	<b>(\$16.9)</b>

<sup>1</sup> See Appendix C for GAAP and adjusted reconciliation

<sup>2</sup> NMFC priced its initial public offering on 5/19/2011; IPO – 12/31/2011 Adj. NII reflects nine months ended 12/31/2011 for comparability to the dividend

<sup>3</sup> Includes non-recurring interest and incentive fee adjustment related to PPVA of (\$1.2m) in 2016, (\$1.2m) in 2017, (\$1.4m) in 2018 and \$3.8m in 2019, and non-recurring dividend, interest, and incentive fee adjustments related to Permian of (\$0.2m) in 2016, (\$1.1m) in 2017, (\$1.1m) in 2018, (\$1.7m) in 2019, and \$4.1m in 2020

<sup>4</sup> Includes net YP distribution (net of incentive fee) and subsequent change in tax estimates of \$4.9m in 2013, \$0.2m in 2014 and \$0.5m in 2015

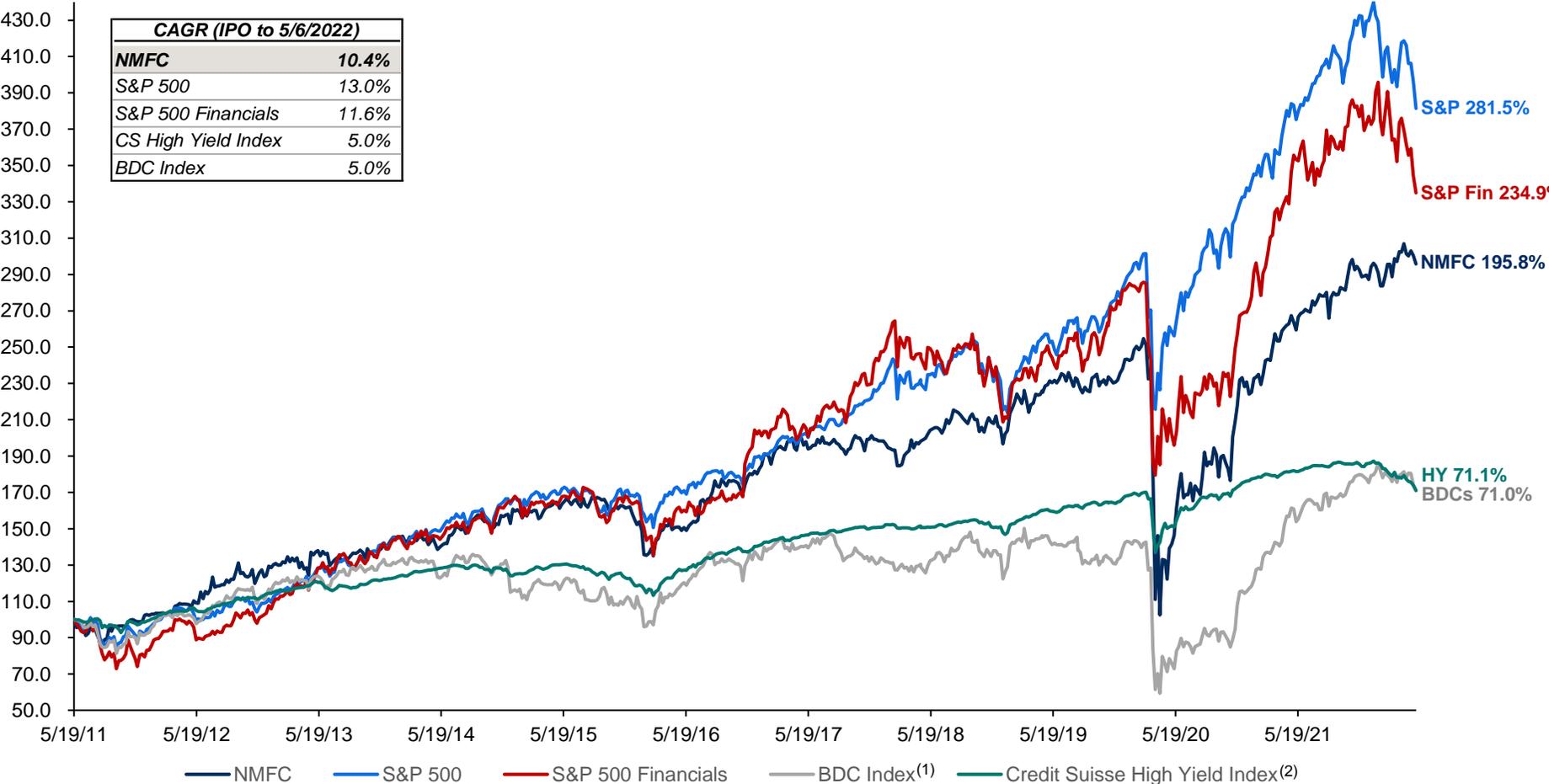
<sup>5</sup> From 2014 onwards, includes provision for income tax



# NMFC Relative Return Performance – Indexed Total Return

May 19, 2011 (IPO) – May 6, 2022

## Indexed Total Return



Source: Capital IQ, Credit Suisse Research & Analytics

<sup>1</sup> The BDC Index includes publicly-traded, externally-managed BDCs that have been publicly traded since NMFC's IPO (5/19/2011) with market capitalizations greater than \$300 million as of December 31, 2014, when NMFC began tracking this peer set. The BDC index includes median of Ares, Apollo, Prospect, Solar, Blackrock Capital, Pennant Park, Golub, THL Credit, Oaktree Specialty Lending Corporation, and Medley; equal-weighted, who may invest in assets with a materially different risk profile than NMFC. Refer to the Benchmarks disclosure on slide 2

<sup>2</sup> The Credit Suisse High Yield Index is an unmanaged index designed to mirror the investable universe of the US dollar-denominated high yield debt market

# Net Lease Update

- In August 2016, NMFC began investing in a newly formed real estate entity (“Net Lease”) to invest in net lease real estate opportunities
  - Capitalized with equity from NMFC and non-recourse asset level leverage
  - Stand-alone, actively-managed operating entity structured as a REIT
  - Tenants are underwritten using core corporate credit underwriting capabilities
- Strong yield with contractual annual rent escalators and long duration
  - Invested over \$150 million at cost, yielding approximately 11% cash on cash return
- We are opportunistically realizing gains on the appreciated assets within the Net Lease portfolio

(\$ in millions)

Tenant <sup>(1)</sup>	Net Sale Price / FMV <sup>(2)</sup>	Cost	Realized / Unrealized Gain	Stage
Arctic Glacier	52.6	14.8	37.8	Partial Sale Q1 2022; Residual Sold Q2 2022
Plasman Corp	10.0	7.3	2.7	Sold Q2 2022
J.R. Automation	4.2	2.0	2.2	Sold Q2 2022
<b>Total Sold (A)</b>	<b>66.8</b>	<b>24.1</b>	<b>42.7</b>	
Assets Held for Sale (B)	50.1 <sup>(3)</sup>	22.8	27.4	Under LOI / Available for Sale
Remaining Portfolio (C)	119.4 <sup>(3)</sup>	103.8	15.6	
<b>Total (A + B + C)</b>	<b>236.4</b>	<b>150.7</b>	<b>85.6</b>	



<sup>1</sup> Gross REIT value inclusive of 9.9% minority investor

<sup>2</sup> Sale price is net of the mortgage, mortgage prepayment penalties, and closing costs. FMV is net of the mortgage and mortgage prepayment penalties

<sup>3</sup> Based on fair value as of March 31, 2022

# Q1 2022 Originations

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

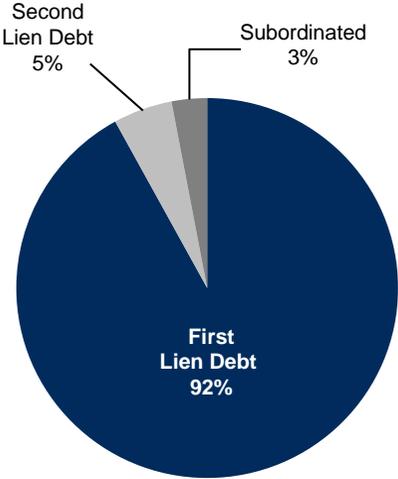
(\$ in millions)

Date <sup>(2)</sup>	Name	Industry	Amount (\$'s Invested)	Type of Investment	Rate
1/13/22	Alliance Animal Health	Consumer Services	\$9.8	First Lien	L + 5.50%
			\$4.3	Subordinated	11.50%
1/19/22	Recorded Future	Software	\$26.3	First Lien	L + 5.25%
2/16/22	TigerConnect	Healthcare Services	\$29.6	First Lien	SOFR + 6.75%
2/25/22	AmeriVet	Consumer Services	\$22.4	First Lien	SOFR + 5.50%
	Other		\$61.5		
<b>Total Originations</b>			<b>\$153.7</b>		
Repayments			(\$44.1)		
<b>Net Originations</b>			<b>\$109.6</b>		
Sales			(\$30.1)		
<b>Net Originations Less Sales</b>			<b>\$79.5</b>		



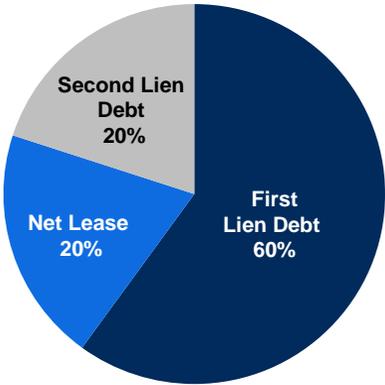
# Portfolio Activity & Mix by Type of Investment

**Q1 2022  
Originations by Type<sup>(1)</sup>**



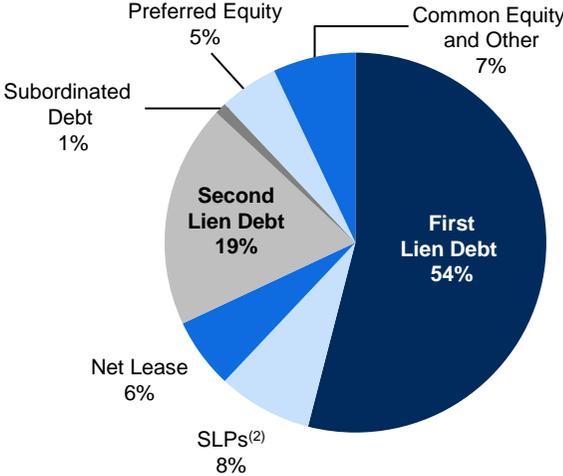
**Total: \$153.7 million**

**Q1 2022  
Sales / Repayments by Type<sup>(1)</sup>**



**Total: \$74.2 million**

**Total Portfolio  
(FMV as of 3/31/2022)**



**Total: \$3,267.0 million**

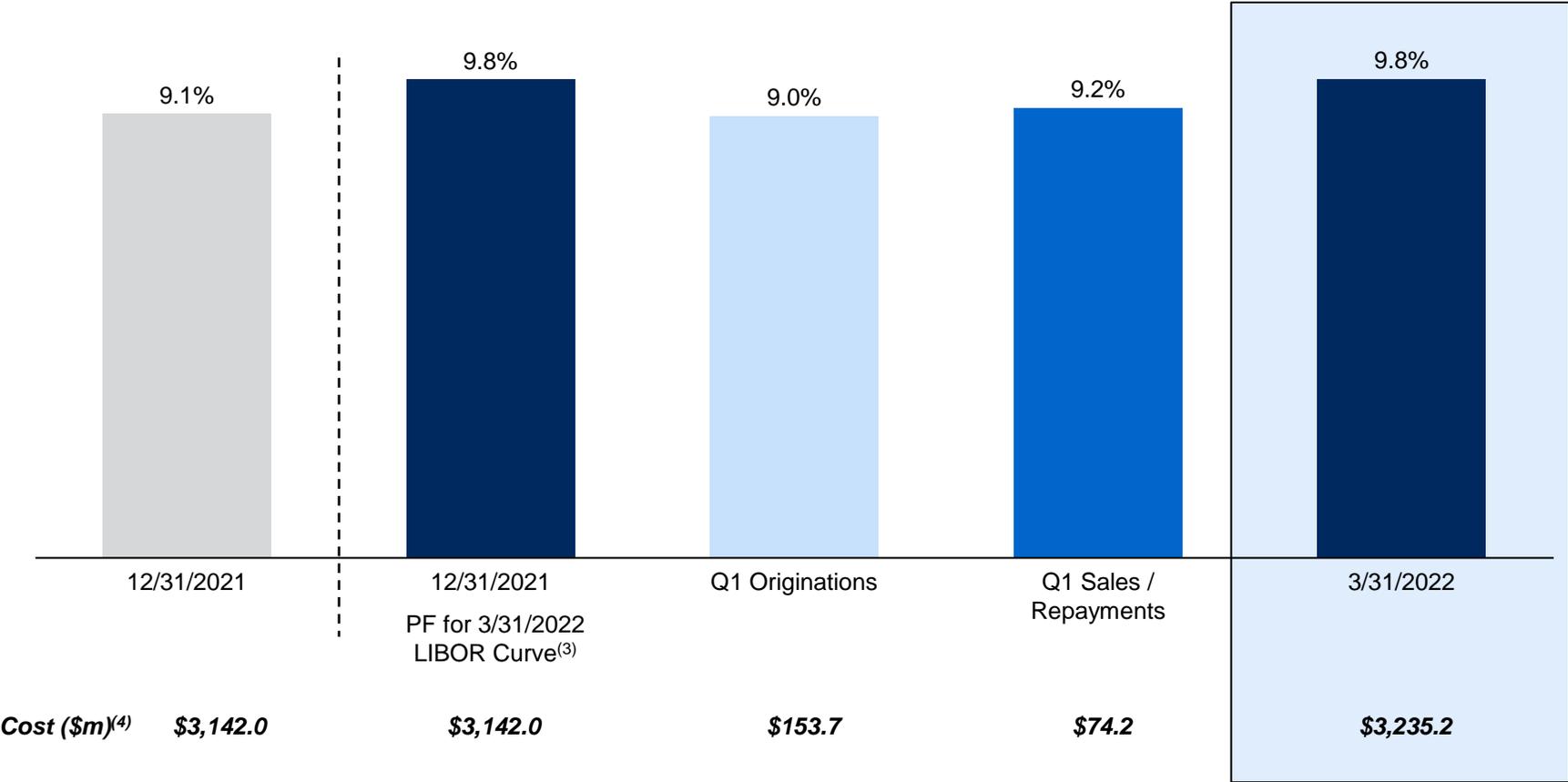


<sup>1</sup> By \$s invested / \$s received at time of origination / sale / repayment; excludes PIK, revolvers, unfunded commitments, bridges, return of capital, and realized gains / losses

<sup>2</sup> Includes SLP III and SLP IV

# Q1 2022 Investment Activity Roll

## YTM at Cost<sup>(1)</sup> / Purchase<sup>(2)</sup>



<sup>1</sup> Assumes that investments are purchased at cost and held until their respective maturities with no prepayments or losses and are exited at par at maturity. The actual yield to maturity may be higher or lower due to the future selection of LIBOR contracts by the individual companies in our portfolio or other factors. See "Important Notices and Safe Harbor Statement"

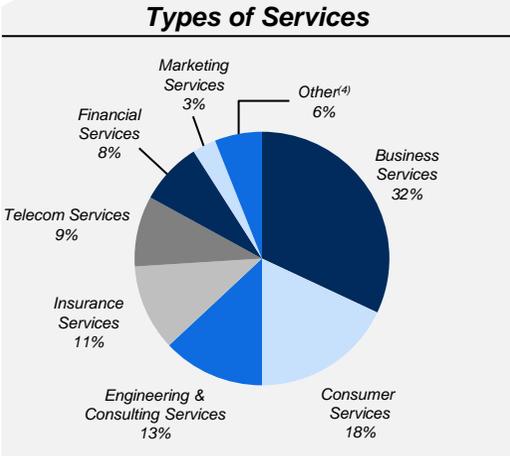
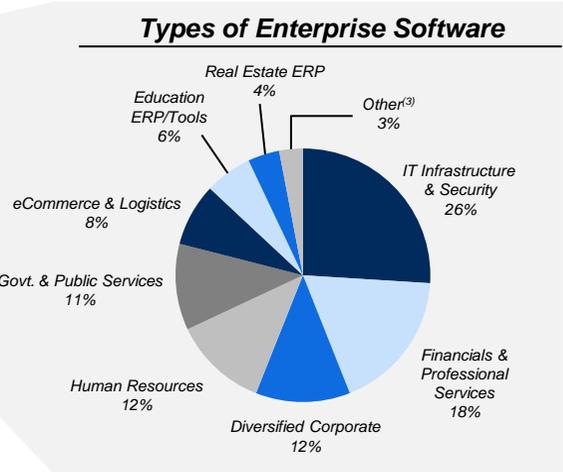
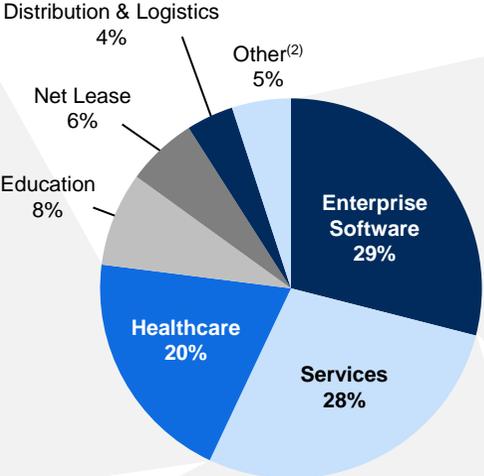
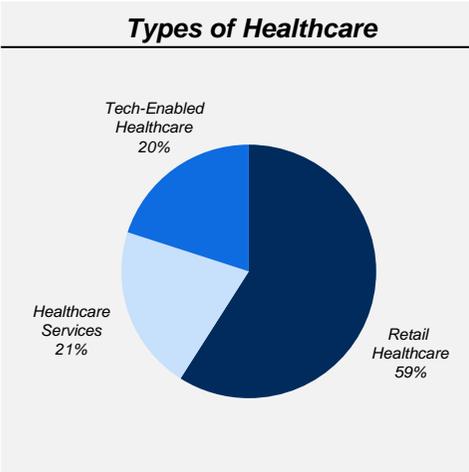
<sup>2</sup> References to "YTM at Purchase" have the same assumptions as above except that investments are purchased at purchase price on settlement date

<sup>3</sup> 12/31/2021 investments presented pro forma for 3/31/2022 LIBOR, SOFR, and SONIA curves, respectively

<sup>4</sup> Will not sum across due to amortization, PIK, realized gains / losses, and revolvers

# Portfolio Mix By Industry (Fair Value as of 3/31/2022)

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



<sup>1</sup> Includes fair value of NMFC's investment in SLP III and SLP IV allocated by industry (\$252.4m)

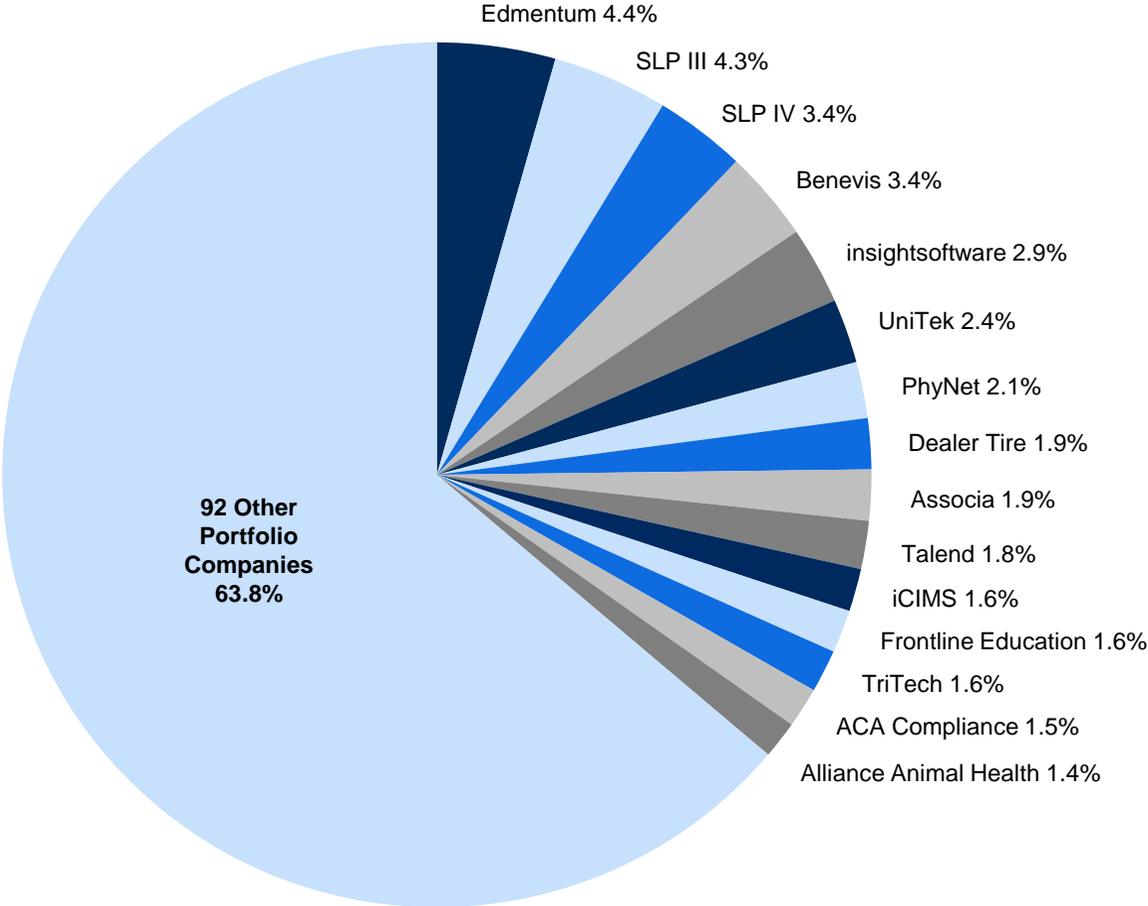
<sup>2</sup> Includes Specialty Chemicals & Materials, Energy, Packaging, Business Products, Consumer Products, Food & Beverage, and Retail

<sup>3</sup> Includes Media, Marketing & Telecom, Compliance, and Hospitality, Travel & Entertainment

<sup>4</sup> Includes Data & Analytics, Federal Services, Industrial Services, and Information Services

# Portfolio Concentration (By Fair Value as of 3/31/2022)

Portfolio Names By Fair Value



**Top 15 portfolio companies<sup>(1)</sup> represent \$1,181.8 million, or 36.2%, of consolidated investments**



<sup>1</sup> Excludes Net Lease, representing 6.1% of consolidated investments as of 3/31/2022

# Balance Sheet Highlights

(\$ in millions, except per share data)	Quarter Ended				3/31/2022
	3/31/2021	6/30/2021	9/30/2021	12/31/2021	
<b>Assets</b>					
Portfolio	\$3,029.6	\$3,100.0	\$3,022.7	\$3,185.4	\$3,267.0
Cash & Equivalents	47.3	27.8	83.4	58.0	35.4
Other Assets <sup>(1)</sup>	51.4	52.3	62.0	52.4	59.4
<b>Total Assets</b>	<b>\$3,128.3</b>	<b>\$3,180.1</b>	<b>\$3,168.1</b>	<b>\$3,295.8</b>	<b>\$3,361.8</b>
<b>Liabilities</b>					
Statutory Debt	\$1,471.2	\$1,539.6	\$1,529.8	\$1,626.9	\$1,660.5
SBA-Guaranteed Debentures	300.0	300.0	300.0	300.0	300.0
Other Liabilities <sup>(2)</sup>	112.8	48.4	53.4	47.7	51.9
<b>Total Liabilities</b>	<b>\$1,884.0</b>	<b>\$1,888.0</b>	<b>\$1,883.2</b>	<b>\$1,974.6</b>	<b>\$2,012.4</b>
<b>NAV</b>	<b>\$1,244.3</b>	<b>\$1,292.1</b>	<b>\$1,284.9</b>	<b>\$1,321.2</b>	<b>\$1,349.4</b>
Shares Outstanding - Ending Balance (mm)	96.8	96.9	96.9	97.9	99.5
<b>NAV / Share</b>	<b>\$12.85</b>	<b>\$13.33</b>	<b>\$13.26</b>	<b>\$13.49</b>	<b>\$13.56</b>
<b>Statutory Debt / Equity<sup>(3)</sup></b>	<b>1.18x</b>	<b>1.19x</b>	<b>1.19x</b>	<b>1.23x</b>	<b>1.23x</b>

<sup>1</sup> Includes interest and dividends receivable, receivable from affiliate, receivable from unsettled securities sold and other assets

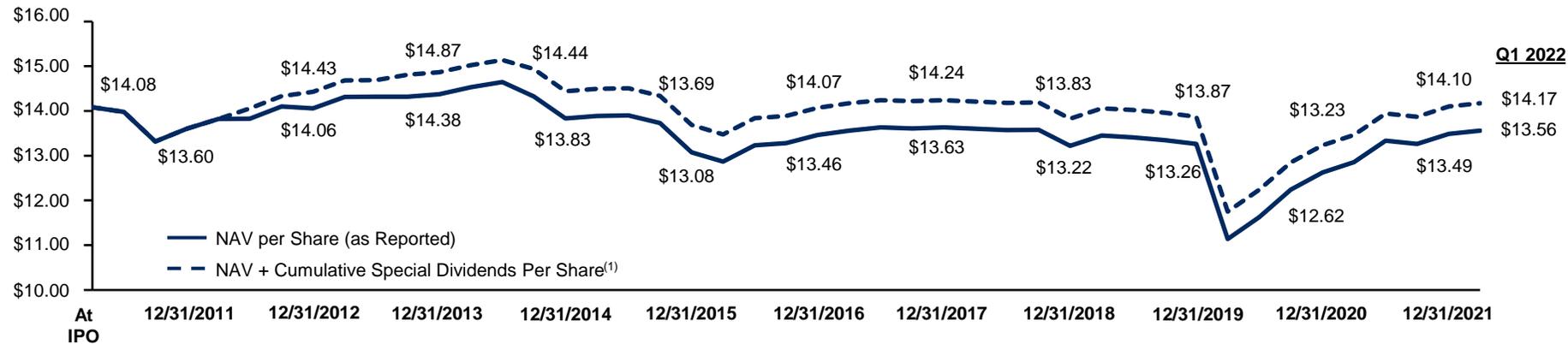
<sup>2</sup> Includes incentive fee payable, capital gains incentive fee payable, management fee payable, payable for unsettled securities purchased, interest payable, payable to affiliates, deferred tax liability, non-controlling interest in NMNLC, and other liabilities

<sup>3</sup> Statutory debt / equity calculation excludes SBA-guaranteed debentures, which are fully funded, non-recourse, asset-backed securities that are excluded by SEC exemptive order from the definition of "senior securities" under the 1940 Act asset coverage test

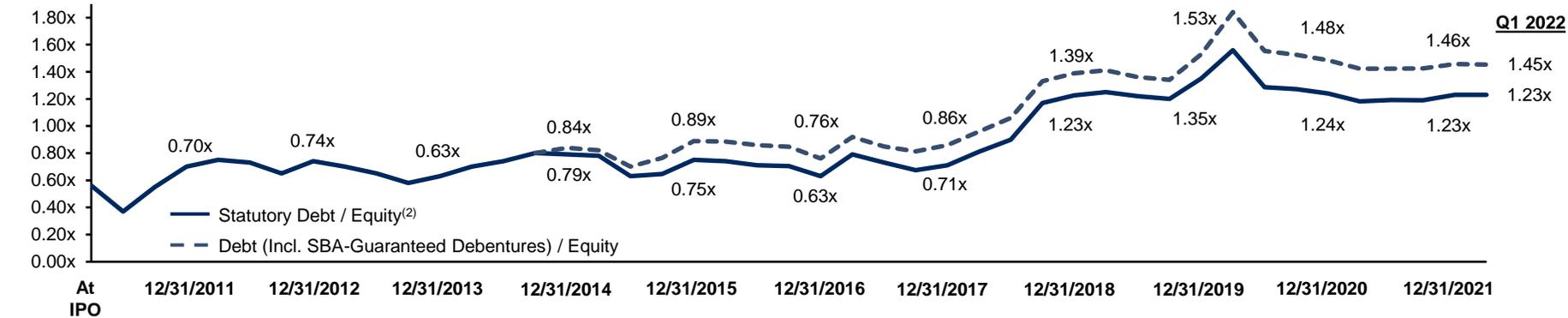


# Historical NAV / Share and Leverage Trends

NAV / Share



Debt / Equity



<sup>1</sup> Assumes shares purchased at IPO

<sup>2</sup> Statutory debt / equity calculation excludes SBA-guaranteed debentures, which are fully funded, non-recourse, asset-backed securities that are excluded by SEC exemptive order from the definition of "senior securities" under the 1940 Act asset coverage test

# Income Statement Highlights

(\$ in millions, except per share data)

	Quarter Ended				3/31/2022
	3/31/2021	6/30/2021	9/30/2021	12/31/2022	
<b>Investment Income</b>					
Interest income	\$47.0	\$47.1	\$47.8	\$47.7	\$47.9
Dividend income	15.4	16.5	14.3	14.8	16.4
Other income	5.0	2.6	6.1	5.3	4.3
<b>Total investment income</b>	<b>\$67.4</b>	<b>\$66.2</b>	<b>\$68.2</b>	<b>\$67.8</b>	<b>\$68.6</b>
<b>Expenses</b>					
Management fee <sup>(1)</sup>	\$9.8	\$9.9	\$10.0	\$10.2	\$10.5
Incentive fee	7.2	7.3	7.7	7.5	7.5
Interest and other financing expenses	18.6	17.9	17.6	18.2	18.6
Net administrative, professional, other G&A expenses and income taxes <sup>(2)</sup>	2.3	2.3	2.5	2.3	2.4
<b>Total net expenses</b>	<b>\$37.9</b>	<b>\$37.4</b>	<b>\$37.8</b>	<b>\$38.2</b>	<b>\$39.0</b>
<b>Adjusted net investment income<sup>(3)</sup></b>	<b>\$29.5</b>	<b>\$28.8</b>	<b>\$30.4</b>	<b>\$29.6</b>	<b>\$29.6</b>
<b>Gain / Loss</b>					
Net realized gains (losses) on investments	(\$10.5)	\$0.2	\$23.0	(\$16.5)	\$17.6
Net change in unrealized appreciation (depreciation) of investments	33.4	46.8	(31.5)	39.1	(11.0)
Benefit (provision) for income tax	(0.1)	–	–	–	–
<b>Net increase (decrease) in net assets resulting from operations</b>	<b>\$52.3</b>	<b>\$75.8</b>	<b>\$21.9</b>	<b>\$52.2</b>	<b>\$36.2</b>
Weighted average shares outstanding (mm)	96.8	96.8	96.9	97.2	98.4
<b>Adjusted NII per weighted average share<sup>(3)</sup></b>	<b>\$0.30</b>	<b>\$0.30</b>	<b>\$0.31</b>	<b>\$0.31</b>	<b>\$0.30</b>
Memo: Annualized Effective Management Fee	1.25%	1.25%	1.25%	1.25%	1.25%



<sup>1</sup> Reflects management fee net of fee waivers; fees waived cannot be recouped

<sup>2</sup> Net of expense waivers and reimbursements

<sup>3</sup> See Appendix C for GAAP and adjusted reconciliation; GAAP NII per weighted average share of \$0.30, \$0.30, \$0.31, \$0.31 and \$0.30 as of 3/31/2021, 6/30/2021, 9/30/2021, 12/31/2021, and 3/31/2022 respectively

# Investment Income Detail

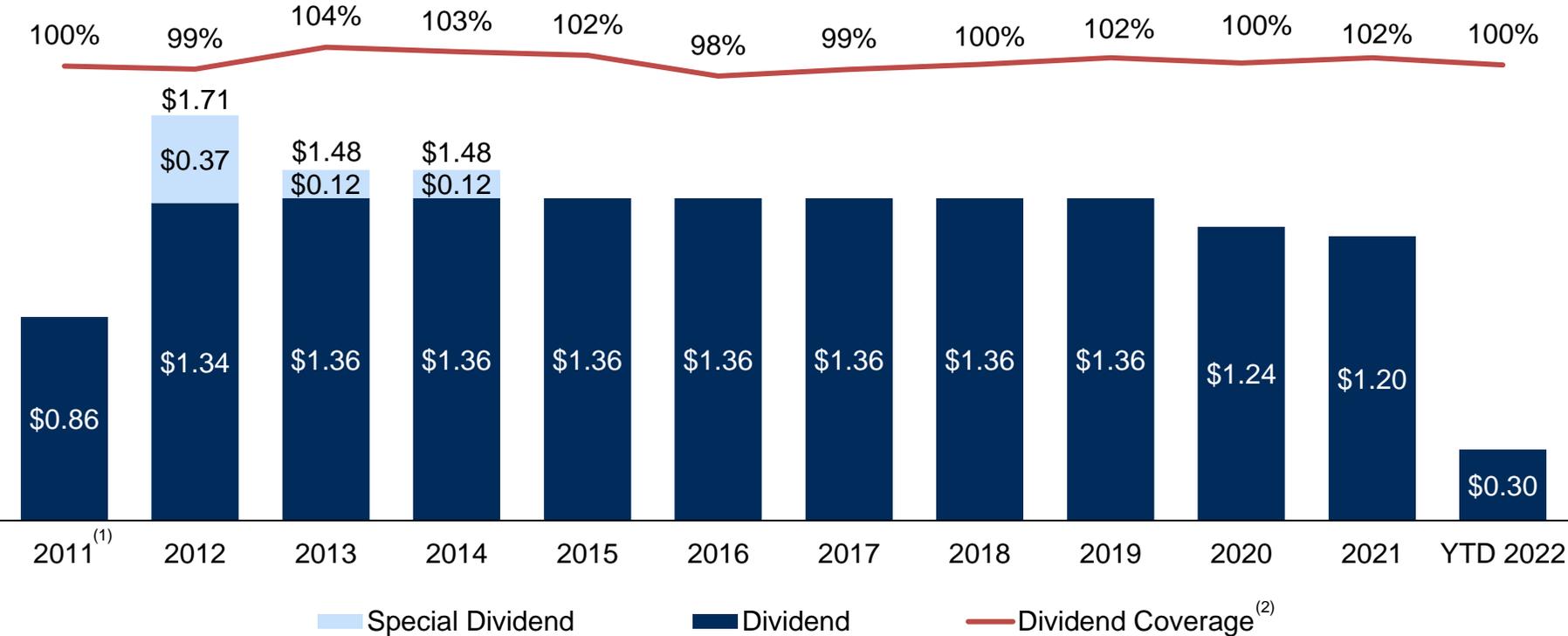
(\$ in millions)	Quarter Ended				3/31/2022
	3/31/2021	6/30/2021	9/30/2021	12/31/2021	
<b>Investment Income Build</b>					
Cash Interest and Dividend Income	\$38.9	\$39.7	\$39.1	\$39.4	\$38.4
SLP and Net Lease Income <sup>(1)</sup>	10.2	10.7	9.4	10.0	11.3
<b>Recurring Cash Investment Income</b>	<b>\$49.1</b>	<b>\$50.4</b>	<b>\$48.5</b>	<b>\$49.4</b>	<b>\$49.7</b>
Non-cash Interest and Dividend Income <sup>(2)</sup>	\$11.0	\$11.4	\$9.4	\$11.0	\$13.6
Amortization of Purchase Discounts (Premiums)	1.3	1.3	1.3	1.3	1.3
<b>Recurring Non-cash Investment Income</b>	<b>\$12.3</b>	<b>\$12.7</b>	<b>\$10.7</b>	<b>\$12.3</b>	<b>\$14.9</b>
<b>Total Recurring Investment Income</b>	<b>\$61.4</b>	<b>\$63.1</b>	<b>\$59.2</b>	<b>\$61.7</b>	<b>\$64.6</b>
Prepayment Fees (Cash)	\$1.1	\$0.8	\$3.2	\$1.1	\$0.1
Other Cash Fee Income	4.0	1.5	5.0	4.2	3.0
<b>Non-recurring Cash Investment Income</b>	<b>\$5.1</b>	<b>\$2.3</b>	<b>\$8.2</b>	<b>\$5.3</b>	<b>\$3.1</b>
Other Non-cash Fee Income	\$0.9	\$0.8	\$0.8	\$0.8	\$0.9
<b>Non-recurring Non-Cash Investment Income</b>	<b>\$0.9</b>	<b>\$0.8</b>	<b>\$0.8</b>	<b>\$0.8</b>	<b>\$0.9</b>
<b>Total Non-recurring Investment Income</b>	<b>\$6.0</b>	<b>\$3.1</b>	<b>\$9.0</b>	<b>\$6.1</b>	<b>\$4.0</b>
<b>Total Investment Income</b>	<b>\$67.4</b>	<b>\$66.2</b>	<b>\$68.2</b>	<b>\$67.8</b>	<b>\$68.6</b>
<b>Total Cash Investment Income</b>	<b>\$54.2</b>	<b>\$52.7</b>	<b>\$56.7</b>	<b>\$54.7</b>	<b>\$52.8</b>
<b>Key Statistics</b>					
% of Total Investment Income that is Recurring	91%	95%	87%	91%	94%
% of Total Investment Income that is Cash	80%	80%	83%	81%	77%

**Our investment income continues to be predominantly paid in cash  
and generated by stable and predictable sources**



# Dividend Summary and Coverage

**We believe our Q2 2022 NII will be approximately \$0.30 per share. Our board of directors has declared a first quarter dividend of \$0.30 per share.**



**NII fully covered our dividend for Q1 2022; the dividend protection program could have provided an additional ~4 cents of coverage if needed**



<sup>1</sup> NMFC priced its initial public offering on 5/19/2011

<sup>2</sup> Calculated as Adjusted Net Investment Income / regular dividend

# Diversified Leverage Profile<sup>(1)</sup>

<i>(As of 3/31/2022, \$ in millions)</i>	<b>Amount Outstanding / Facility Size</b>	<b>Interest Rate</b>	<b>Maturity</b>
Wells Fargo Credit Facility <i>(Wells Fargo / Raymond James / State Street / CIT Bank / Old Second / Fifth Third)</i>	\$576 / \$730	Broadly syndicated 1 <sup>st</sup> lien loans <sup>(2)</sup> : L + 1.60% All other: L + 2.10% (0.00% LIBOR floor)	April 2026
Deutsche Bank Credit Facility <i>(Deutsche Bank / KeyBank / Customers Bank / Hitachi / Citizens Bank)</i>	\$224 / \$280	L + 2.60% <sup>(3)</sup> (0.00% LIBOR floor)	March 2026
NMFC Credit Facility <i>(Goldman Sachs / Morgan Stanley / Stifel / MUFG)</i>	\$132 <sup>(4)</sup> / \$199	L + 2.10% (No LIBOR floor)	June 2026
2018 Convertible Notes	\$201 / \$201	5.75%	August 2023
SBA I Guaranteed Debentures <sup>(5)</sup>	\$150 / \$150	3.26% weighted average rate <sup>(6)</sup>	March 2025 or later
SBA II Guaranteed Debentures <sup>(5)</sup>	\$150 / \$150	2.14% weighted average rate <sup>(6)</sup>	Sept. 2028 or later
Series 2017A Unsecured Notes	\$55 / \$55	4.76%	July 2022
Series 2018A Unsecured Notes	\$90 / \$90	4.87%	January 2023
Series 2018B Unsecured Notes	\$50 / \$50	5.36%	June 2023
Series 2019A Unsecured Notes	\$117 / \$117	5.49%	April 2024
Series 2021A Unsecured Notes	\$200 / \$200	3.88%	January 2026
Unsecured Management Company Revolver	– / \$50	4.00%	December 2024
<b>Total<sup>(6)</sup></b>	<b>\$1,945 / \$2,271</b>	<b>Wtd. Avg.: 3.52%</b>	

- Wells Fargo and Deutsche Bank credit facilities' borrowing base and liquidity are not tied to trading prices and valuations of securities
  - Covenants tied to underlying portfolio company operating performance, not mark-to-market
- Priced \$75 million Series 2022A Unsecured Notes at 5.90% on May 9, 2022 to address our Series 2017A Unsecured Notes maturity

<sup>1</sup> Excludes \$15.2m NMNLC Credit Facility II draw

<sup>2</sup> As defined in the credit agreement for the Wells Fargo Credit Facility

<sup>3</sup> Inclusive of a 25bps facility agent fee

<sup>4</sup> Includes £17.4m converted at 1.31 GBP/USD exchange rate as of 3/31/2022

<sup>5</sup> SBA-guaranteed debentures are fully funded, non-recourse, asset-backed securities, excluded by SEC exemptive order from the definition of "senior securities" under the 1940 Act asset coverage test

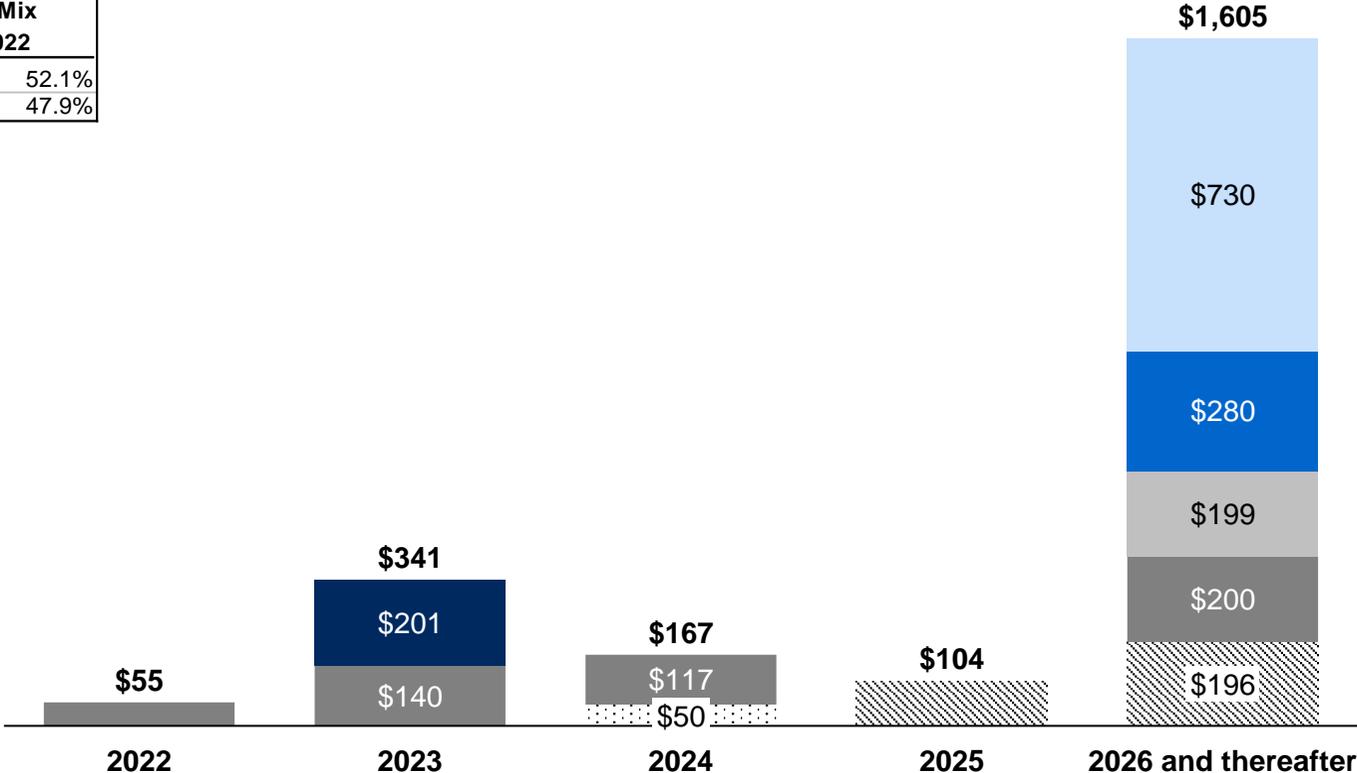
<sup>6</sup> QTD weighted average interest rate shown for SBA I and SBA II guaranteed debentures reflects pooled interest rates and SBA's annual charges



# Leverage Maturity Schedule<sup>(1)</sup>

(As of 3/31/2022, \$ in millions, based on total facility size)

Floating vs. Fixed Debt Outstanding Mix As of 3/31/2022	
Fixed	52.1%
Floating	47.9%



% of Total Facilities

- Convertible Note
- Series 2017A-2021A Unsecured Notes
- Wells Fargo Credit Facility Revolver
- ▨ SBA Debentures
- Deutsche Bank Credit Facility Revolver
- ▨ Unsecured Management Company Revolver
- NMFC Credit Facility Revolver



<sup>1</sup> Excludes \$20m NMNLC Credit Facility II

# Corporate Information

## Board of Directors

### Inside Directors

Steven B. Klinsky (Chairman)  
Robert A. Hamwee  
John R. Kline  
Adam B. Weinstein

### Independent Directors

Rome G. Arnold III  
Alice W. Handy  
Daniel B. Hébert  
Alfred F. Hurley, Jr.  
David Ogens

## Senior Management

Steven B. Klinsky <i>Chairman of the Board of Directors</i>	Adam B. Weinstein <i>EVP, Chief Administrative Officer &amp; Director</i>
Robert A. Hamwee <i>Chief Executive Officer &amp; Director</i>	John R. Kline <i>President &amp; Director</i>
Shiraz Y. Kajee <i>Chief Financial Officer</i>	Joseph W. Hartswell <i>Chief Compliance Officer &amp; Corporate Secretary</i>
James W. Stone III <i>Managing Director</i>	Laura C. Holson <i>Managing Director &amp; Chief Operating Officer</i>
Joshua B. Porter <i>Managing Director</i>	Ivo Turkedjiev <i>Managing Director, Trader &amp; Sr. Loan Portfolio Manager</i>

## Fiscal Year End

December 31

## Independent Auditor

Deloitte & Touche LLP  
New York, NY

## Securities Listing

NASDAQ: NMFC (Common Equity)

## Corporate Counsel

Eversheds Sutherland (US) LLP  
Washington D.C.

## Corporate Offices & Website

1633 Broadway, 48th Floor  
New York, NY 10019  
<http://www.newmountainfinance.com>

## Investor Relations

Shiraz Y. Kajee, Authorized Representative  
212-220-3505  
[NMFCIR@newmountaincapital.com](mailto:NMFCIR@newmountaincapital.com)

## Research Coverage

### Bank of America Securities

Derek Hewett, 646-855-2087

### Hovde Group

Bryce Rowe, 804-318-0969  
Taylor Brodarick, 615-522-5329

### Keefe, Bruyette & Woods (KBW)

Ryan Lynch, 314-342-2918  
Paul Johnson, 314-342-2194

### Janney Montgomery Scott

John Rowan, 212-940-6981

### Oppenheimer & Co.

Mitchel Penn, 212-667-7136

### Wells Fargo Securities

Finian O'Shea, 704-410-0067  
Jordan Wathen, 980-242-9977  
Rashmi Patel, 212-214-8034

## Transfer Agent

American Stock Transfer & Trust Company, LLC  
800-937-5449  
[www.astfinancial.com](http://www.astfinancial.com)

## Credit Ratings

Egan-Jones Ratings: BBB+ / BBB+  
Fitch Ratings: BBB- / Stable  
Kroll Bond Rating Agency: BBB- / Stable  
Moody's Investor Services: Baa3 / Stable



# Appendix A: Leverage Migration

(\$ in millions)

12/31/21

Δ

3/31/22

Statutory Debt:

**\$1,626.9**

**\$33.6**

Statutory Debt:

**\$1,660.5**

NAV:

**\$1,321.2**

**\$28.2**

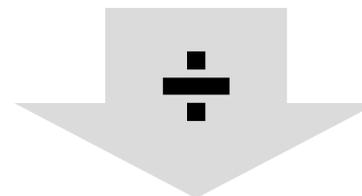
NAV:

**\$1,349.4**



**Statutory  
Leverage Ratio<sup>(1)</sup>:  
1.23x**

Sources		Uses	
Debt Drawn	\$33.6	Q1 2022 Settled Originations	\$151.7
Q1 2022 Repayments	43.9	Q4 2021 Settled Originations	7.9
Q1 2022 Settled Sales	48.9	Q1 2022 Revolver Draws, net Repayments	0.1
Q1 2022 Cash Interest Income, Net of Expenses	38.0	Q1 2022 Dividend	28.5
Balance Sheet Cash	22.6		
Other	1.1		
<b>Total</b>	<b>\$188.3</b>	<b>Total</b>	<b>\$188.3</b>



**Statutory  
Leverage Ratio<sup>(1)</sup>:  
1.23x**

**Pro Forma Statutory  
Leverage Ratio<sup>(2)</sup>:  
1.21x**

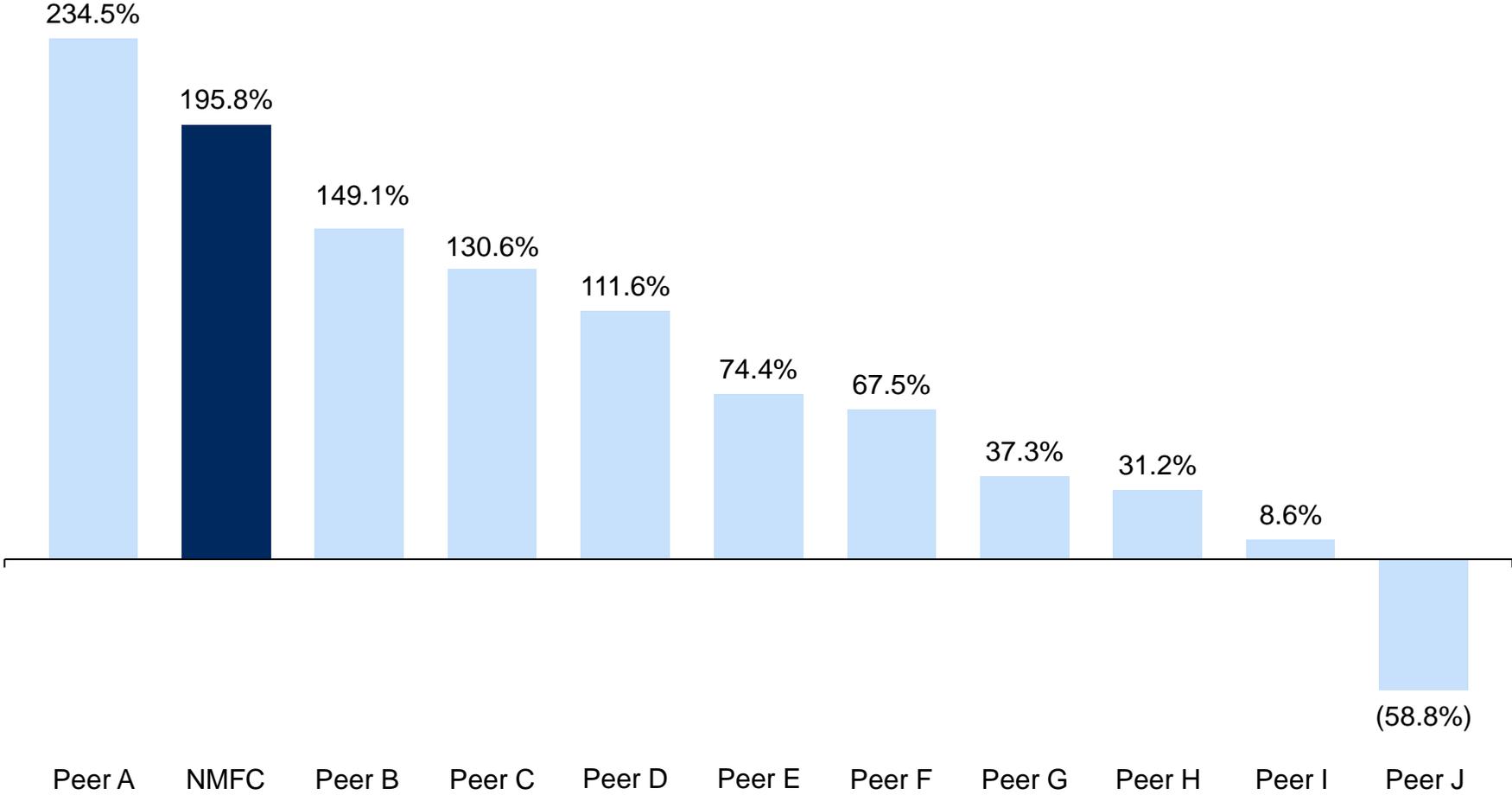


<sup>1</sup> Statutory debt / equity calculation excludes SBA-guaranteed debentures, which are fully funded, non-recourse, asset-backed securities that are excluded by SEC exemptive order from the definition of "senior securities" under the Investment Company Act of 1940, as amended

<sup>2</sup> Pro forma statutory debt / equity calculation is net of available cash

# Appendix B: NMFC Cumulative Total Return Versus Peers<sup>(1)</sup>

May 19, 2011 (IPO) – May 6, 2022



Source: Capital IQ

<sup>1</sup> Peers include publicly-traded, externally-managed BDCs that have been publicly traded since NMFC's IPO (5/19/2011) with market capitalizations greater than \$300 million as of December 31, 2014, when NMFC began tracking this peer set. Peers include Ares, Apollo, Prospect, Solar, Blackrock Capital, Pennant Park, Golub, THL Credit, Oaktree Specialty Lending Corporation, and Medley

# Appendix C: NMFC Income Reconciliation

(in millions, except per share data)  
(unaudited)

	Year Ended					
	IPO - 12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	YTD 2022
<b>GAAP net investment income ("NII")</b>	<b>\$490.5</b>	<b>\$106.0</b>	<b>\$117.2</b>	<b>\$117.3</b>	<b>\$118.8</b>	<b>\$29.9</b>
Non-controlling interest in NMNLC related to NII	–	–	–	(0.8)	(1.3)	(0.3)
Non-cash adjustment <sup>(1)</sup>	(6.8)	–	–	–	–	–
Non-cash capital gains incentive fee	1.1	–	–	–	–	–
Non-recurring interest adjustment (Permian & PPVA)	(3.4)	(2.0)	3.7	1.7	–	–
Non-recurring dividend adjustment (Permian)	(1.2)	(1.1)	(1.2)	3.4	–	–
Non-recurring incentive fee adjustment (Permian & PPVA)	0.9	0.6	(0.5)	(1.0)	–	–
Non-recurring interest expense adjustment	–	–	–	–	0.8	–
<b>Adjusted NII</b>	<b>\$481.1</b>	<b>\$103.5</b>	<b>\$119.2</b>	<b>\$120.6</b>	<b>\$118.3</b>	<b>\$29.6</b>
Non-recurring tax adjustment <sup>(2)</sup>	(3.7)	–	–	–	–	–
<b>Pro forma adjusted NII</b>	<b>\$477.4</b>	–	–	–	–	–
<b>GAAP realized gains (losses) on investments</b>	<b>(\$30.8)</b>	<b>(\$9.7)</b>	<b>\$0.9</b>	<b>(\$2.8)</b>	<b>(\$3.8)</b>	<b>\$19.5</b>
Non-controlling interest in NMNLC related to realized gains	–	–	–	–	–	(1.9)
Non-cash adjustment <sup>(1)</sup>	(13.5)	–	–	–	–	–
Reclass of UniTek, Edmentum, Transtar, Permian, Sierra, Benevis, NHME & Haven <sup>(3)</sup>	52.9	15.0	–	(37.0)	9.9	–
Non-recurring tax adjustment <sup>(2)</sup>	3.7	–	–	–	–	–
<b>Adj. realized gains (losses) on investments</b>	<b>\$12.3</b>	<b>\$5.3</b>	<b>\$0.9</b>	<b>(\$39.8)</b>	<b>\$6.1</b>	<b>\$17.6</b>
<b>GAAP net change in unrealized (depreciation) appreciation</b>	<b>\$9.6</b>	<b>(\$24.0)</b>	<b>(\$5.5)</b>	<b>(\$52.7)</b>	<b>\$92.2</b>	<b>(\$12.4)</b>
Non-controlling interest in NMNLC related to unrealized appreciation (depreciation)	–	–	–	(2.6)	(\$4.5)	\$1.4
Non-cash adjustment <sup>(1)</sup>	20.1	–	–	–	–	–
Reclass of UniTek, Edmentum, Transtar, Permian, Sierra, Benevis, NHME & Haven <sup>(3)</sup>	(52.9)	(15.0)	–	37.0	(9.9)	–
<b>Adj. net change in unrealized (depreciation) appreciation</b>	<b>(\$23.2)</b>	<b>(\$39.0)</b>	<b>(\$5.5)</b>	<b>(\$18.3)</b>	<b>\$77.8</b>	<b>(\$11.0)</b>

	Quarter Ended									
	3/31/2021		6/30/2021		9/30/2021		12/31/2021		3/31/2022	
	\$m	Per Share <sup>(4)</sup>								
<b>GAAP net investment income ("NII")</b>	<b>\$28.7<sup>(5)</sup></b>	<b>\$0.30</b>	<b>\$28.8<sup>(5)</sup></b>	<b>\$0.30</b>	<b>\$30.4<sup>(5)</sup></b>	<b>\$0.31</b>	<b>\$29.6<sup>(5)</sup></b>	<b>\$0.31</b>	<b>\$29.6<sup>(5)</sup></b>	<b>\$0.30</b>
Non-recurring interest expense adjustment	0.8	0.00	–	–	–	–	–	–	–	–
<b>Adjusted NII</b>	<b>\$29.5</b>	<b>\$0.30</b>	<b>\$28.8</b>	<b>\$0.30</b>	<b>\$30.4</b>	<b>\$0.31</b>	<b>\$29.6</b>	<b>\$0.31</b>	<b>\$29.6</b>	<b>\$0.30</b>

<sup>1</sup> See "Important Notices and Safe Harbor Statement" for discussion on adjustments due to NMFC's IPO

<sup>2</sup> Related to YP, LLC distributions and other changes in tax estimates

<sup>3</sup> Reclassification of UniTek material modification of \$12.8m and Edmentum material modification of \$15.2m from realized loss to unrealized depreciation during the year ended 2015, \$10.5m reclassification from realized loss to unrealized depreciation related to Permian in 2016, which was reversed in 2020, along with an additional \$3.0m reclassification from unrealized depreciation to realized loss, \$27.1m reclassification from unrealized depreciation to realized loss related to Transtar in 2016, which was reversed in 2017, \$14.5m reclassification from realized loss to unrealized depreciation related to Sierra Hamilton in 2017, which was reversed in 2020, along with an additional \$4.8m reclassification from unrealized depreciation to realized loss, \$15.0m reclassification from realized loss to unrealized depreciation related to National HME in 2018, \$13.9m reclassification from realized gain to unrealized appreciation related to Edmentum in 2020, and \$9.7m reclassification from realized loss to unrealized depreciation related to Benevis in 2020, \$12.2m reclassification from realized loss to unrealized depreciation related to Permian in 2021, \$20.5m reclassification from realized gain to unrealized appreciation related to Edmentum in 2021, and \$18.2m reclassification from realized loss to unrealized depreciation related to Tenawa/Haven in 2021

<sup>4</sup> Per weighted average share

<sup>5</sup> Excludes NII related to non-controlling interest in NMNLC of \$0.3m, \$0.4m, \$0.2m, \$0.4m, and \$0.3m during the quarter ended 3/31/2021, 6/30/2021, 9/30/2021, 12/31/2021, and 3/31/2022 respectively





**NEW MOUNTAIN FINANCE  
CORPORATION**