

Palmer Square Capital BDC Inc. (NYSE: PSBD) is a business development company (BDC) that primarily invests in corporate debt securities across private companies in the U.S. through broadly-syndicated loans (BSLs), and to a lesser extent, large cap direct lending. We are managed by our investment adviser, Palmer Square BDC Advisor LLC, a majority-owned subsidiary of Palmer Square Capital Management LLC (“Palmer Square”). Palmer Square, founded in 2009, and based in Kansas City, manages ~\$30BN¹ in fixed income and credit investments on behalf of a diverse client base.

PSBD’s Differentiated Investment Approach

Differentiated Large, Liquid Loan Strategy

- Unique strategy with portfolio of predominantly high-quality BSLs and, to a lesser extent, large private credit loans
- Focus on loans to larger companies with strong fundamentals, senior in the capital structure
- Flexible investment strategy allows for more agility across markets with more upside through NAV appreciation and total return

Opportunistic Portfolio Generates Strong Returns Across Markets

- Ability to deploy capital quickly in the new issue or secondary market
- Smaller pocket for opportunistic investments such as structured credit and European credit

Shareholder Transparency & Attractive Fee Structure

- Only publicly traded BDC disclosing monthly NAV, providing transparency into value of the current portfolio
- Unique fee structure charging management fees only on net assets versus gross assets (no fees paid on leverage) and no capital gains incentive fee

Key Statistics

11.9%*Dividend
Yield²***11.5%***ROE Since
Inception³***96%***Senior
Secured Investments⁴***98%***Floating Rate Debt
Investments⁴***0.0%***Non-Accrual
Rate***256***Total
Investments*

Portfolio Snapshot

Focused on seeking the best relative value opportunities across corporate credit with a bias for high quality, short duration, liquid loans and large private credit

\$2.7B

Invested Capital Since Inception

\$1.4B

Fair Value Investment Portfolio⁵

\$452M

Weighted Average LTM EBITDA⁶

211

Portfolio Companies

39

Portfolio Industries

~\$5M

Average Hold⁷

2.2X

Weighted Average Interest Coverage

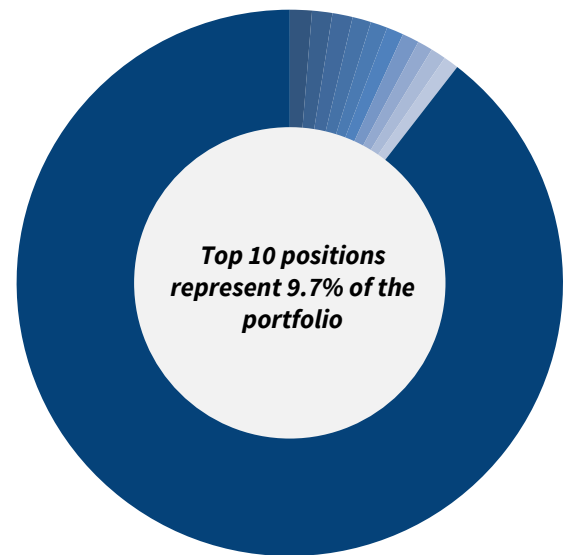
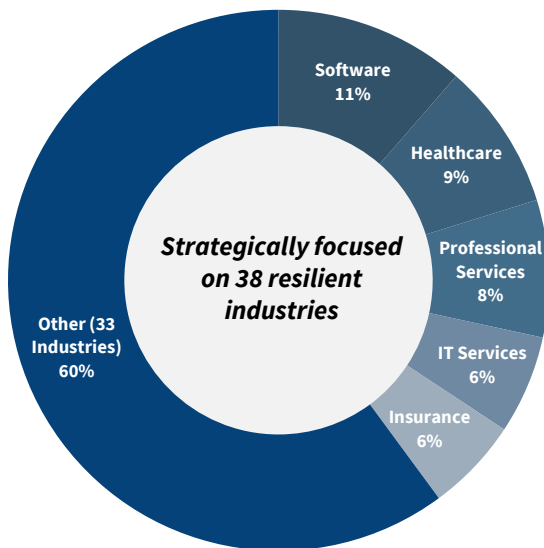
12.8%

Net Investment Income Yield⁸

10.1%

W.A. Yield on Investments⁹

Highly Diversified Portfolio By Industry & Borrower¹⁰



FOCUS

Seeking best relative value opportunities across corporate & structured credit. Research process has a higher-quality bias, with focus on risk management.

AGILITY

Boutique size to take advantage across corporate & structured credit. Established track record of tactically taking advantage of market dislocations.

INNOVATION

Demonstrated ability to develop strategies and products that provide yield and total return opportunities for clients.

ALIGNMENT

Client-driven product development focused on addressing client-specific needs and alignment of fund terms.

TEAM

Experienced credit team of 28 professionals organized by structure & sector. Investment team led by senior team with and average of 21 years of credit experience¹.

Important Disclosures

Note: Figures are as of the quarter-ended 3/31/24 unless otherwise noted. Past performance is not indicative of future results. An investment in PSBD is subject to risk, including the loss of the principal amount invested.

1. Estimates are as of 03/31/2024, AUM is inclusive of Palmer Square Capital Management LLC and its affiliates.
2. Dividend yield based on annualized rate of the Q1 2024 dividend of \$0.49 per share, and the \$16.47 share price as of June 14, 2024.
3. Data from Oppenheimer & Co.
4. As a percentage of long-term investments on March 31, 2024.
5. Includes the fair value of short-term investments.
6. Weighted average last twelve months (LTM) EBITDA of first lien borrowers.
7. Average hold size of first and second lien investments at fair value.
8. Q1 2024 annualized net investment income yield as a percentage of average NAV.
9. Represents a weighted average yield to maturity at fair value for all debt and income producing securities.
10. Data as of March 31, 2024. Portfolio industry diversification and borrower concentration as a percentage of total income producing securities at fair value. Diversification will not guarantee profitability or protection against loss.

Forward-looking Statements

This presentation and any information communicated during any delivery of the presentation and any question and answer session and any document or material distributed at or in connection with the presentation (collectively, the “Presentation”) may contain forward-looking statements relating to the business, operations and financial conditions of Palmer Square Capital BDC Inc. (“we”, “us”, “our”, or the “Company”), including but not limited to current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, and other future conditions. Words such as, but not limited to, “anticipate”, “believe”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “outlook”, “plan”, “potential”, “predict”, “project”, “should”, “will”, “would” or the negative of those terms, and similar expressions that convey uncertainty of future events or outcomes, identify forward-looking statements.

These forward-looking statements reflect management’s beliefs and views with respect to future events and are based on estimates and assumptions as of the date of this Presentation and are subject to risks and uncertainties. Factors that may cause actual results to differ materially from current expectations include, but are not limited to: the Company’s ability to identify attractive investment opportunities; changes in interest rates; regulations governing the Company’s operation as a business development company; the operating results and financial condition of the Company’s portfolio companies; the adequacy of the Company’s protections with respect to its loan portfolio; changes in political, economic or industry conditions, the interest rate environment or conditions affecting the financial and capital markets, including the liquidity of certain banks; uncertainty surrounding the financial and political stability of the United States, the United Kingdom, the European Union and China, the conflict in the Red Sea and the conflicts between Russia and Ukraine, and between Israel and Hamas; the impact of fluctuations in interest rates and foreign exchange rates on the Company’s business and its portfolio companies; rising levels of inflation, and its impact on the Company, its portfolio companies and on the industry in which the Company invests; and risks relating to economic recessions or downturns. Moreover, new risks emerge from time to time and it is not possible for management to predict all risks, nor can the Company assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. 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, including the factors set forth as “Risk Factors” in the Company’s annual reports on Form 10-K and quarterly reports on Form 10-Q. Given these uncertainties, you should not place undue reliance on these forward-looking statements. The Company qualifies all of the forward-looking statements in this Presentation by these cautionary statements. Except as required by law, the Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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