



GLADSTONE CAPITAL

Investing Since 2001

Investor Presentation for the Quarter Ended December 31, 2025

Nasdaq: GLAD

FINANCING FOR LOWER MIDDLE MARKET COMPANIES

Legal Disclaimer

Forward-Looking Statements: This presentation may include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements may include comments with respect to our objectives and strategies, and the results of our operations and our business.

These forward-looking statements inherently involve numerous risks, assumptions, and uncertainties, both general and specific. The risk exists that these statements may not be fulfilled. Although these statements are based on information available to us as of the date of this presentation, which we believe is reasonable, we caution readers of this presentation not to place undue reliance on these forward-looking statements as a number of known and unknown factors could cause future results to differ materially from these statements, including those factors listed under the caption “Risk Factors” in our Form 10-K and Form 10-Q filings, our registration statement, and other filings we may make with the Securities and Exchange Commission, all of which can be found on the investors section of our web site at www.GladstoneCapital.com or the SEC’s web site, www.SEC.gov.

Forward-looking statements may be influenced in particular by factors such as the overall impact of public health emergencies, fluctuations in interest rates and stock indices, the effects of competition in the areas in which we operate, and changes in economic, political, regulatory and technological conditions. We caution that the foregoing list is not exhaustive. When considering forward-looking statements when making decisions, investors should carefully consider the aforementioned factors as well as other uncertainties and events.

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**Amounts in tables and charts in thousands, except for share and per share amounts and as otherwise stated.

Gladstone Capital Quarterly Highlights

(as of 12/31/2025)

Financial Results

- Net Investment Income Per Share: \$0.50
- Net Asset Value Per Share: \$21.13 (-\$0.21 compared to prior quarter-end)
- LTM ROE: 12.0% per GAAP and 9.5% on net investment income
- Monthly dividends per share: \$0.15 or annualized dividend yield on NAV of 8.52%

Portfolio

- Total investments at fair value of \$902.9 million invested in 54 companies
- Funded new investments of \$99.2 million (\$37.8MM to two new investments & \$61.3 million to existing investments) exceeded repayments of \$52.8 million for net originations of \$46.4 million.
- Weighted avg. debt yield declined 30 bps to 12.2%, in-line with decline in average SOFR rate ⁽¹⁾
- 71.7% of portfolio in first-lien loans and 90.6% in secured loans
- Maintained LMM focus with weighted average borrower EBITDA of \$9.6 million⁽²⁾ and average investment by obligor of \$17.1 million at cost
- Three obligors on non-accrual representing \$13.2 million or 1.6% of debt investments (fair value)

Debt & Liquidity

- Outstanding debt balance of \$406 million; quarter-end debt-to-equity ratio was 0.85x, with no debt maturities until May 2027
- Current investment capacity >\$150 million including undrawn bank lines

Recent Events

- Declared regular distribution of \$0.15/share per month for Jan., Feb., and Mar. (\$0.45 total)
- Post quarter end, experienced the prepayment of \$42.8MM from Vets Choice, generating an \$855K prepayment fee, and funded \$6.0MM into a new senior debt investment

¹ Actual yields earned over the life of investments could be materially different from the yields presented herein.

² Both exclude certain investments on the watchlist and investments with TTM EBITDA greater than \$25 million.

Gladstone Capital Investment Highlights

-  Lending focused on growth-oriented lower middle market businesses
-  Experienced, long-tenured leadership and investment team
-  Proprietary sourcing and execution model with high degree of selectivity
-  Diversified portfolio of largely senior first lien loans to PE backed companies
-  Active portfolio management and risk monitoring
-  Investment team focus on portfolio performance and incentives aligned with investors interest

Gladstone Capital Overview

Background:

- Founded in 2001 with the purpose of making loans to lower middle market U.S. businesses, Gladstone Capital's investment team is exclusively focused on this segment of the private capital market
- Gladstone Capital is funded through publicly traded common stock (*Nasdaq: GLAD*) and is leveraged via senior unsecured note issues and a bank revolving credit facility
- Managed by Gladstone Management Corporation, an SEC registered investment adviser managing \$4.0+ billion in assets across four publicly traded yield-oriented funds and one newly-formed registered non-traded interval fund

Investment Strategy:

- Target direct originated secured debt investments in growth-oriented companies with revenue visibility and free cash flow to support organic deleveraging and where capital structure flexibility and lender support are valued
- Target companies with operating cash flow (EBITDA) of \$3-25 million and investments of \$8-40 million, typically below the investment threshold of most of the large-scale private capital funds
- Majority of investments are backed by private equity sponsors (~82% of the portfolio at 12/31/25), which provide governance oversight, strategic sector insight, experience managing leveraged capital structures and access to additional investment capacity to support growth

Deal Sourcing/Diligence/Risk Management:

- Leverage experienced origination team to source, structure, undertake "equity level" diligence and agent loans to control lender protections including financial maintenance covenants and any remedies
- Highly selective screening process where under 5% of deals reviewed ultimately close and commit senior investment resources to pro-actively manage investments via ongoing board level participation to mitigate credit losses
- All investments undergo ongoing senior management review, quarterly third-party expert investment valuations in support of SEC filed financials which are subject to quarterly oversight by Gladstone Capital's audit committee and independent board members

Attractive Lower Middle Market Dynamics

Why focus on lower middle market (“LMM”) companies

- Greater industry diversity and more consistent flow of growth-oriented investment opportunities as founder or family businesses seek liquidity and PE firms attracted by the opportunity to professionalize and scale these businesses to generate equity appreciation
- Lower cash flow purchase multiples in the LMM translate to reduced financial leverage, better asset collateral coverage, and the ability for lenders to structure and control entire debt financing solutions
- Smaller investment threshold attracts less competition from larger private debt funds or commercial banks, supporting more attractive investment returns at lower relative leverage levels, often with lender-friendly documentation
- LMM companies and PE Sponsors are more receptive to equity co-investments, offering opportunities to selectively participate in anticipated growth and equity appreciation
- Proprietary origination and lead lender solution approach provide elevated diligence insight and management team access, leading to greater visibility and influence over strategy & risk mitigation

Trends Enhancing Opportunity for Non-Bank/Private Credit Lenders

- PE Sponsors looking to scale LMM platform investments rely upon flexible financing solutions, often with limited amortization or requiring future funding commitments, which demands a more experienced and responsive lender capable of underwriting long-term equity strategies and agility to respond to changing conditions and new opportunities
- Providing streamlined “one-stop” financing solutions accelerates transaction closings and simplifies future growth funding or facility modifications for the borrower
- Shifting capital market conditions and regulatory or internal leverage lending constraints continue to hamper the commercial bank participation as cashflow lenders to the LMM PE sponsor community
- Private Credit market increasingly concentrated by multi-billion-dollar firms prioritizing larger borrowers (>\$25 million EBITDA) to align their investment capabilities with institutional capital deployment objectives and lower-fee structures

LMM is a less competitive segment of the leveraged finance market, offering a more attractive risk reward profile that aligns well with the investment flexibilities of Gladstone Capital’s non-bank investment platform

Gladstone Capital 12/31/2025 Quarter Summary

Originations/Portfolio Activity:

- New investments totaled \$99.2 million during the quarter and included two new PE Sponsored investments in the consumer and technology sectors.
- Portfolio exits, amortization payments, and prepayments were \$52.8 million, resulting in net originations of \$46.4 million.
- Recent investment originations have outpaced repayments lifting total debt investments by \$102 million or 13.8% in 2025 and we expect this trend to continue into 2026 as we work through a healthy backlog of pending investments.

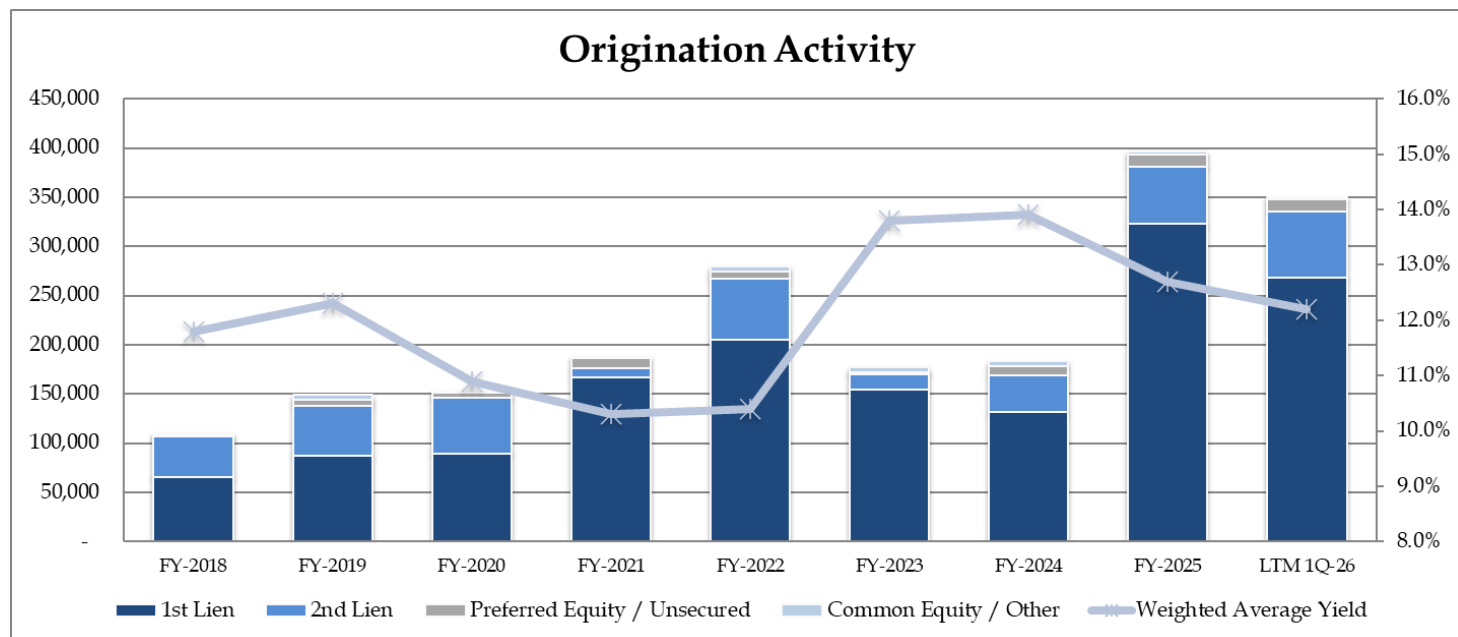
Portfolio Yield / Net Investment Income (NII):

- Interest income for the period rose 1% to \$23.9 million with \$20.3 million (3%) growth in average earning assets while the weighted average portfolio yield fell 30 bps to 12.2% with the decline in average SOFR rates as the average investment - margin was unchanged.
- Total investment income rose by \$0.6 million (2.4%) to \$24.5 million, driven largely by \$0.4 million higher fee income.
- Total expenses rose by \$0.8 million, with interest expenses rising \$0.2 million on increased line borrowings, and net management fees increased \$0.6 million on higher average investments and lower closing fee credits.
- Net investment income for the quarter was \$11.3 million or \$0.50 per share and fully covered the \$0.45 cash distributions.

Portfolio Performance and Valuation:

- Our portfolio continues to perform well with modest leverage metrics and favorable liquidity. We ended the quarter with three non-earning debt investments (flat from prior quarter) representing 1.6% of debt investments at fair value.
- Maintained our conservative asset mix with 91% of investments in secured loans, 72% in lower risk 1st lien loans and weighted average leverage across core proprietary loan portfolio of 3.9x.
- Net realized gains were \$0.3 million; however, unrealized losses rose to \$5.3 million for the quarter, concentrated in three positions impacted by the government shutdown or where we have replaced senior management, expecting significant improvements over the balance of 2026. ROE for the 2024-25 period came in at 14.7%.

Gladstone Capital Origination Activity

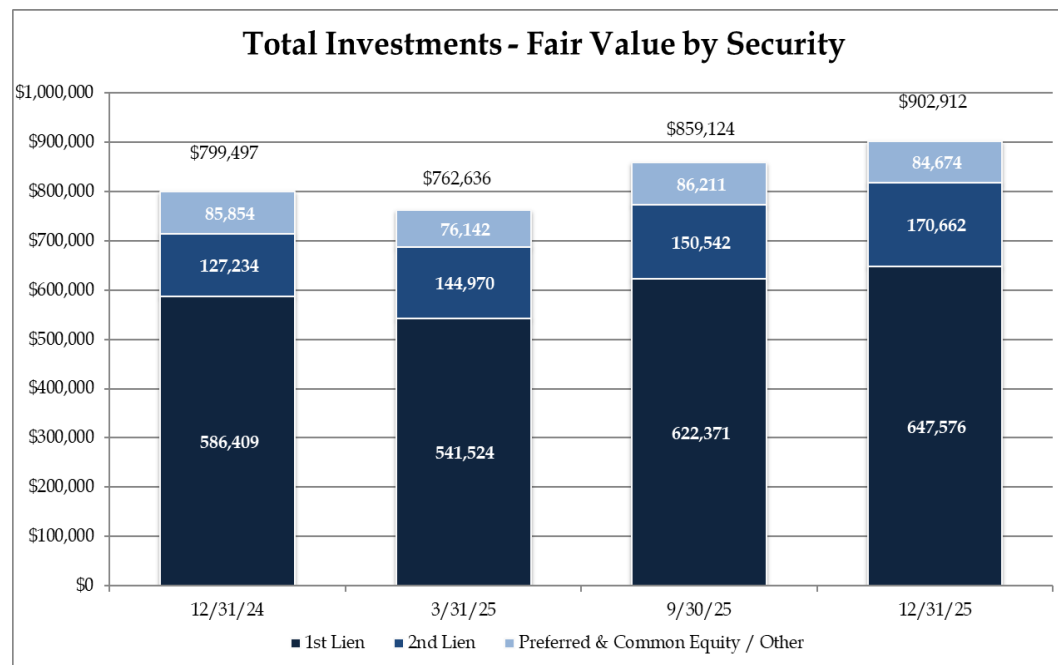


Gladstone Capital Quarterly Net Investment

	3/31/2024	6/30/2024	9/30/2024	12/31/2024	3/31/2025	6/30/2025	9/30/2025	12/31/2025
New Investments at Cost	\$ 27,250	\$ -	\$ 107,159	\$ 38,265	\$ -	\$ 58,601	\$ 106,700	\$ 37,828
Disbursements to Existing Portfolio Companies	29,735	19,139	28,527	44,457	7,330	14,352	19,933	61,336
Sales, Repayments, Other Exits at Cost	(15,146)	(86,420)	(12,638)	(165,343)	(81,274)	(82,205)	(23,495)	(52,759)
Net New Investments at Cost	\$ 29,589	\$ (40,031)	\$ 15,889	\$ (13,727)	\$ (35,679)	\$ (9,252)	\$ 103,138	\$ 46,405
Number of New Portfolio Company Investments	1	2	0	6	2	2	5	2
Number of Portfolio Company Exits	1	2	2	4	2	2	1	3
Total Portfolio Companies	51	51	49	51	51	51	55	54

Gladstone Capital Portfolio Trends

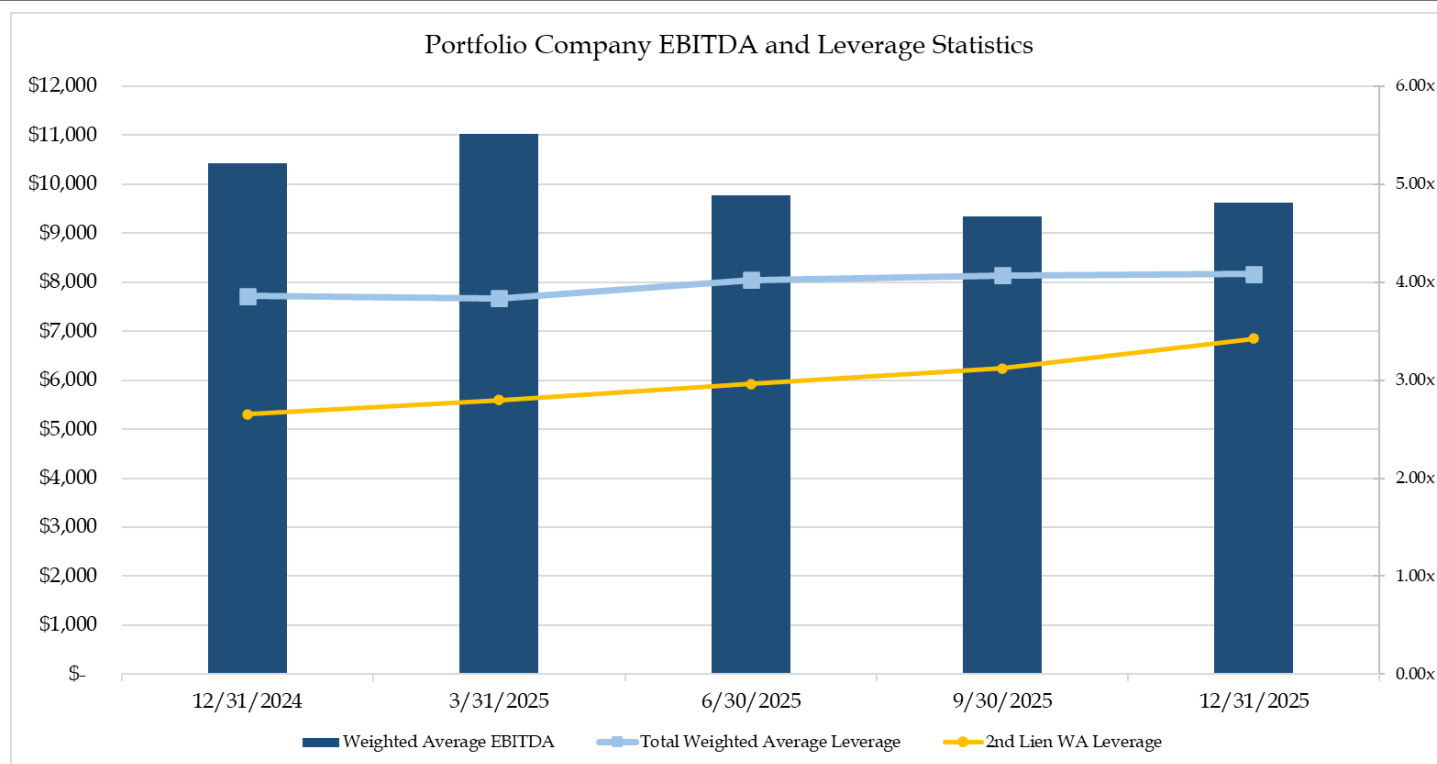
- Despite buyout financing market volatility and significant repayment activity, LMM deal flow over the past year have lifted earning assets by \$102 million or 13.8%.
- Strong deal flow and healthy backlog of new investments are key to negate competitive pressures on spreads, leverage levers or the erosion of lender financing protections.
- 1st lien investments were 72% of the portfolio driven by recent debt position repayments.
- Approximately 88.6% of our loan portfolio is subject to floating rates with minimum SOFR floors.
- We continue to make minority equity co-investments in approximately half of our new originations to selectively capitalize on the most attractive buyout opportunities.
- The current portfolio valuation of \$902.9 million represents 97.5% of cost as of 12/31/2025.



	9/30/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25
First Lien Debt	69.7%	73.4%	71.0%	70.4%	72.4%	71.7%
Second Lien Debt	14.3%	15.9%	19.0%	19.2%	17.5%	18.9%
Equity / Other	16.0%	10.7%	10.0%	10.4%	10.1%	9.4%

Portfolio Metrics

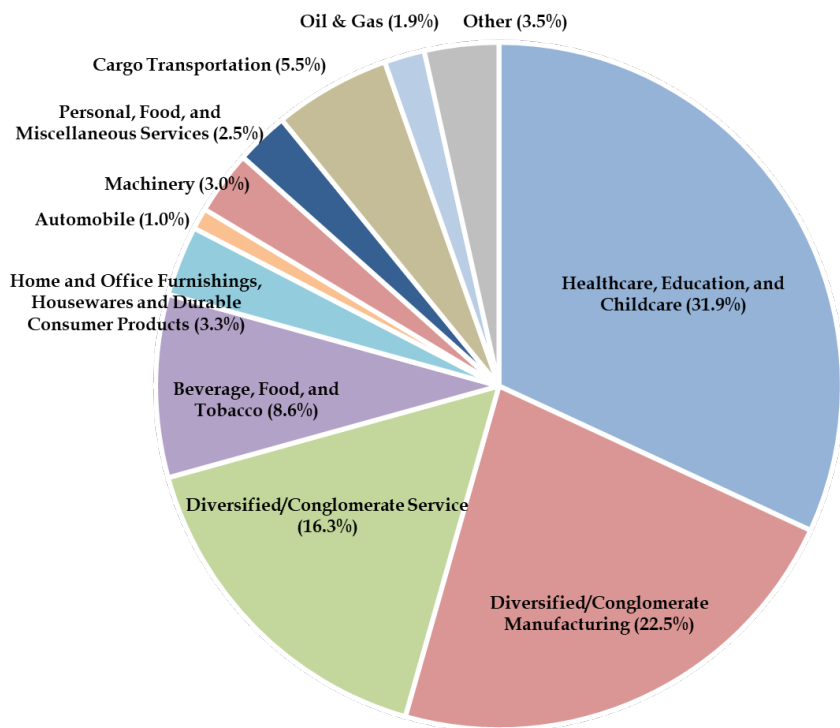
Consistent with GLAD's LMM focus, the core loan portfolio continues to represent companies with an average EBITDA of approx. \$9.6 million and an average leverage attachment point of 4.1x EBITDA



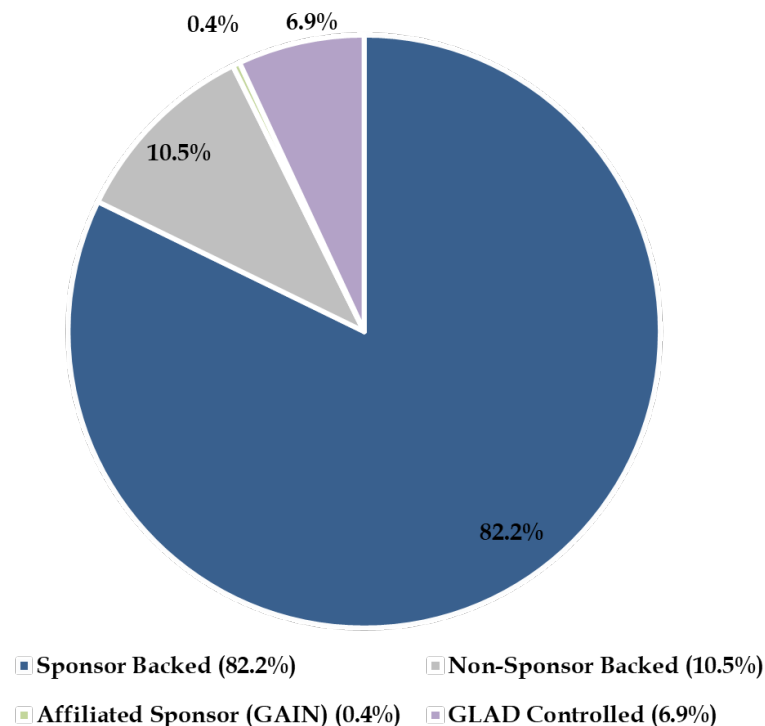
**For the purposes of this presentation, certain investments have been excluded from the data used to develop the above analysis. Those exclusions include investments: (i) originated as Syndications; (ii) co-investments with GAIN; (iii) residual investments under \$5 million; (iv) equity only investments; (v) investments with TTM EBITDA greater than \$25 million; and (vi) three investments with a de minimis TTM EBITDA relative to total debt skewing weighted average leverage. Additionally, investment EBITDA and Leverage are weighted based on the size of the principal outstanding.*

Industry and Deal Sources Are Diversified

Portfolio Diversification Across 16 Industries - At 12/31/2025 Fair Value



Deal Source Composition - At 12/31/2025 Fair Value



Portfolio Composition

<i>Portfolio Characteristics As Of:</i>	March 31, 2025		June 30, 2025		September 30, 2025		December 31, 2025	
Total Portfolio - FV	\$	762,636	\$	751,260	\$	859,124	\$	902,912
# of Portfolio Companies		51		51		55		54
Average Investment Size - FV	\$	14,954	\$	14,731	\$	15,620	\$	16,721
Top 5 Investments % FV		24.5%		25.3%		22.9%		23.9%
WAVG Investment Yield**		12.6%		12.8%		12.5%		12.2%
1st Lien FV	\$	541,524	\$	529,149	\$	622,371	\$	647,576
2nd Lien FV		144,970		144,299		150,542		170,662
Equity / Other FV		76,142		77,812		86,211		84,674
Proprietary % of FV		99.5%		99.5%		100.0%		100.0%
Syndicated % of FV		0.5%		0.5%		0.0%		0.0%
Fixed Rate Debt % Cost		9.2%		9.9%		13.1%		11.4%
Variable Rate Debt % of Cost		90.8%		90.1%		86.9%		88.6%
Performing % FV (Debt)		95.7%		95.9%		98.3%		98.4%
Non-Performing % FV (Debt)		4.3%		4.1%		1.7%		1.6%

***Weighted average yield on interest bearing debt investments (excludes non-accruals and reserves on interest receivables)*

Note: \$'s are in (000's)

Representative Portfolio Investments



WINGS 'N MORE RESTAURANTS LLC is a proud Texas tradition and restaurant chain that offers a diverse, value-oriented menu centered around the "buffalo style" chicken wing.



AXIOS INDUSTRIAL GROUP is a provider of scaffolding, insulation, coatings, surface preparation and specialty solutions for a broad range of industrial customers in support of turnaround, maintenance and capital projects.



TORRENT PHOTONICS HOLDCO LLC provides an integrated suite of technologies to serve the security and defense, medical, industrial, semiconductor, commercial, and science and technology markets.



PAN-AM DENTAL LABORATORY is a full-service manufacturer and distributor of high-quality custom dental products.



ENGINEERING MANUFACTURING TECHNOLOGIES, LLC is a precision manufacturer of close tolerance metal components used in defense, industrial, and other end markets and applications.



ENCORE DREDGING PARTNERS, LLC is a premier mid-sized cutter suction and mechanical dredging services provider focusing on navigable waterways throughout the U.S.



FIX-IT GROUP LLC is a provider of residential maintenance, repair, and replacement services.



HH-INSPIRE ACQUISITION, INC. is a plastic surgery and aesthetic center offering a comprehensive range of cosmetic surgeries and aesthetics treatments



ITEN DEFENSE, LLC is a leading provider of advanced composites and armor solutions used in personal protective equipment, aircraft, tactical vehicles, and maritime vessels.



KARMAN MISSILE & SPACE SYSTEMS is a premier manufacturer of flight-critical and high temperature assemblies and components for space and defense end-markets with significant content on the industry's most coveted platforms.



QUALITY ENVIRONMENTAL SERVICES, INC. is a leading provider of environmental remediation services to private, state, and federal customers in the greater Midwest region.



FREEDOM DENTAL HEALTH is Dental Support Organization offering a wide range of services, including general and pediatric dentistry, orthodontics and periodontal surgery.



CAFÉ ZUPAS is a healthy fast casual restaurant brand that serves house-made soups, salads and sandwiches from over 200 fresh ingredients.



WORKFORCEQA LLC is a leading tech-enabled Third-Party Administrator ("TPA") of employee compliance solutions focused on regulated and safety-sensitive industries.

Quarterly Financial Summary

	Three Months Ended				
	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025
<i>In Thousands, except per share data</i>					
Income:					
Interest Income	\$ 21,320	\$ 21,338	\$ 20,835	\$ 23,770	\$ 23,896
Other Investment Income	640	231	804	166	615
Total Investment Income	21,960	21,569	21,657	23,936	24,511
Expenses:					
Fees to Advisor & Admin	4,385	4,164	4,625	5,260	5,787
Interest Expense	4,743	5,019	4,451	5,773	5,928
Operating Expense	1,608	1,141	1,287	1,459	1,532
Total Expenses	10,736	10,324	10,363	12,492	13,247
Net Investment Income (NII)	\$ 11,224	\$ 11,245	\$ 11,294	\$ 11,444	\$ 11,264
Weighted Average Shares*	22,312	22,330	22,330	22,458	22,593
NII Per WAVG Share	\$ 0.503	\$ 0.504	\$ 0.506	\$ 0.520	\$ 0.499
Realized/Unrealized Gains (Loss) per Share	\$ 0.714	\$ (0.101)	\$ (0.161)	\$ 0.127	\$ (0.236)
Dividend Per WAVG Share	\$ 0.900	\$ 0.495	\$ 0.495	\$ 0.495	\$ 0.495
NAV Per Share	\$ 21.51	\$ 21.41	\$ 21.25	\$ 21.34	\$ 21.13
LTM Return on Equity (NII)**	10.0%	9.8%	9.4%	9.4%	9.5%
Portfolio at Fair Value	799,497	762,636	751,260	859,124	902,912
Debt***	315,761	279,678	282,252	397,856	405,902
Net Asset Value	480,316	478,059	474,454	482,035	477,322
Debt-to-Equity	67.7%	60.0%	61.4%	84.3%	85.1%

*Total Shares outstanding total at 12/31/25 was 22,593,069

**Return on Equity (NII) defined as: LTM net investment income divided by LTM average net assets

***Debt includes Line of Credit and Long Term Debt

Note: The financial information above is not comprehensive and is without notes, so readers should obtain and carefully review GLAD's Forms 10-K and 10-Q for the corresponding reporting periods as filed with the SEC.

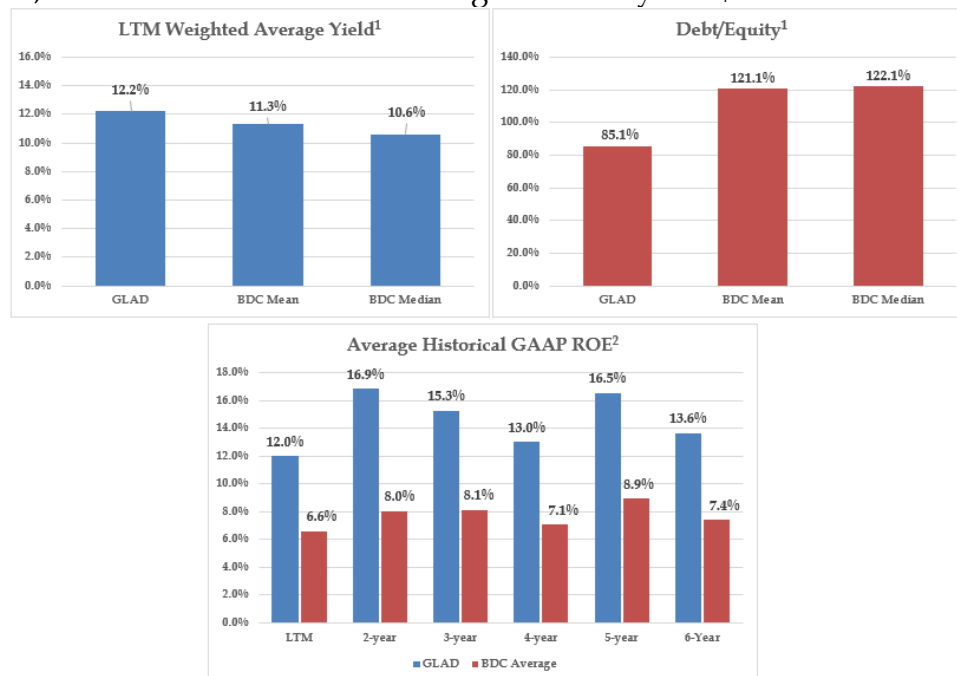
Gladstone Capital 12/31/2025 Quarter Summary

Capital Base and Liquidity

- Total Assets increased to \$922 million as of December 31, 2025, consisting of ~\$903 million in investments at fair value and ~\$20 million in cash and other assets.
- We maintained a conservative debt level at 85.1% of NAV, well below the BDC industry average of 119.3%.
- Liabilities increased to \$416 million as of December 31, 2025 (up from \$406 million).
- At the beginning of the quarter, excess cash and floating rate line borrowings were used to retire our \$150 million 2026 Notes and \$57 million 7.75% Notes due September 2028.
- Revolving line borrowings increased to \$213 million, with additional line borrowing availability of >\$113 million.

ROE Performance

- Portfolio performance (equity appreciation), asset growth, and stable investment margins supported GLAD delivering ROE of 12.0% for LTM Dec-25 period.
- Earning asset growth and stable lending spreads more than offset declining short-term interest rates last quarter and are expected to continue into 2026 as we work through a healthy backlog of pending investments.
- Strong net interest income contributed to NII of \$0.50 per common share and covered monthly distributions of \$0.15 per common share (\$1.80 per annum).



(1) BDC Mean/Median Source: Raymond James BDC Industry Weekly Newsletters (01/29/2026)

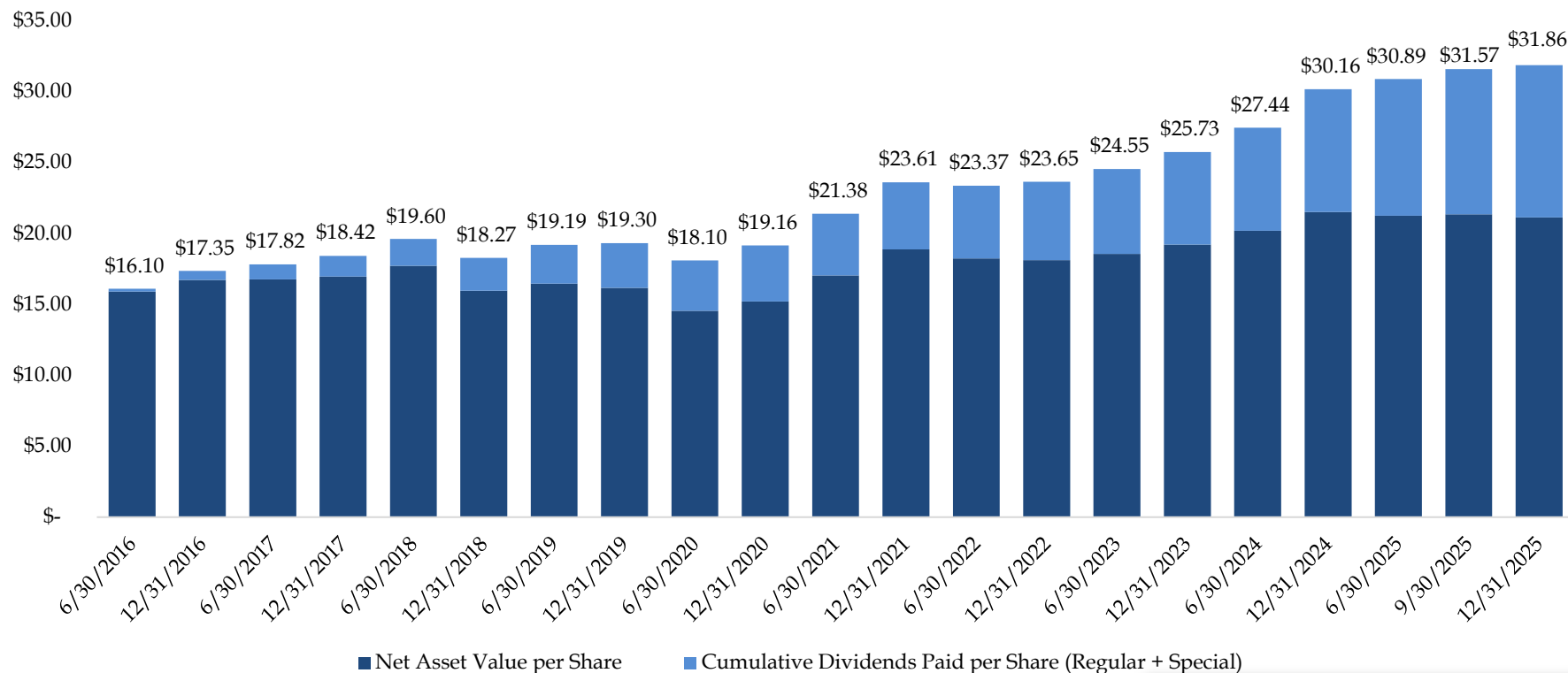
(2) BDC Averages Source: Oppenheimer & Co. Financial Institutions/Business Development Companies Equity Research Industry Update (12/16/2025)

Gladstone Capital - History of Value Creation

Total Value Creation of \$15.96 over the past decade

- Gladstone has a demonstrated history of value creation for shareholders over the last decade through consistent, growing dividends and book value appreciation
- Net Asset Value per share growth of \$5.45 and cumulative dividends paid per share of \$10.23, resulting in \$15.96 of value creation from 6/30/2016 through 12/31/2025

10-YEAR NAV PER SHARE AND CUMULATIVE DIVIDEND PER SHARE GROWTH



Corporate Data

Executive Officers

David Gladstone
Chairman & CEO

Bob Marcotte
President

Nicole Schaltenbrand
CFO & Treasurer

Other Officers

Michael LiCalsi
Chief Administrative Officer, Co-General Counsel, &
Co-Secretary

Erich Hellmold
Co-General Counsel & Co-Secretary

Jack Dellafiora
Chief Compliance Officer

Catherine Gerkis
Director of Investor Relations & ESG

Nasdaq Listings

Common Stock Ticker: GLAD

Websites

Gladstone Capital:
www.gladstonecapital.com

Investment Adviser:
www.gladstonemanagement.com

Information on all Funds:
www.gladstonecompanies.com

Investor Relations

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B. Riley Securities
Sean Paul Adams

Clear Street
Mickey Schleien

Janney Montgomery Scott LLC
John Rowan

Jefferies
Matthew Hurwit

Ladenburg Thalmann
Christopher Nolan

Lucid Capital Markets
Erick Zwick

Oppenheimer & Co.
Mitchel Penn

Raymond James
Robert Dodd

Other

Corporate Counsel:
Kirkland & Ellis LLP

Transfer Agent:
Computershare Inc.

Auditors:
PricewaterhouseCoopers LLP