SARATOGA INVESTMENT CORP.

Saratoga Investment Corp.

(NYSE: SAR)

January 2024

Q3 FY2024

Forward Looking Statement / Overview

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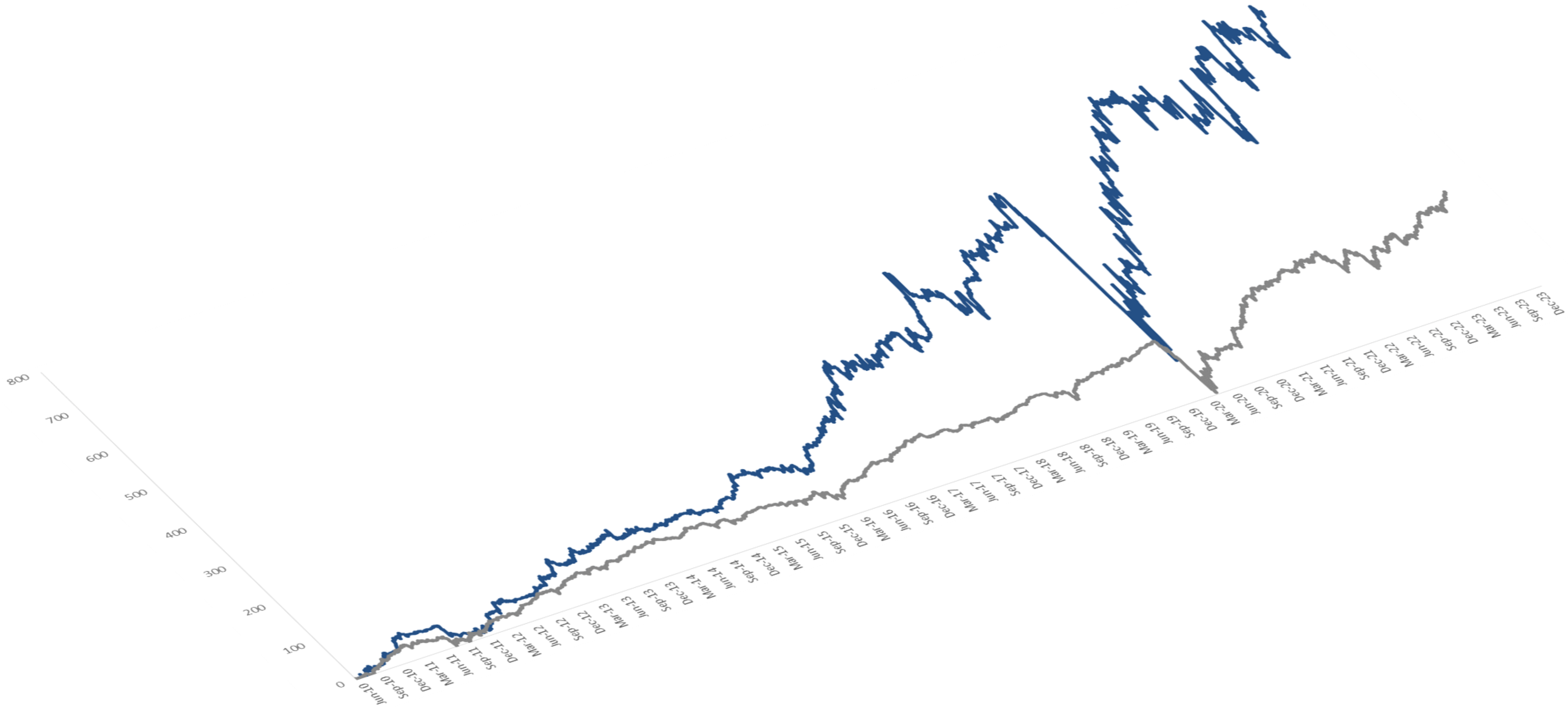
Saratoga Investment Corp ("SIC" or the "Fund")	
Exchange:	NYSE
Ticker:	SAR
As of January 8, 2024	
Market Cap:	$357.2 million
Stock Price	$26.16
52-Week Trading Range:	$22.63 - $28.87
Common Stock Outstanding:	13.7 million
Management Ownership	12%
Total Dividend Payout TTM:	$2.82
Latest Quarterly Dividend	$0.72
Fiscal Year	February 28
Analyst Coverage	Compass Point Hovde Group Ladenburg Thalmann Maxim Group Oppenheimer Raymond James B. Riley Janney

Basic Premise of the Saratoga Opportunity

Saratoga is outperforming the BDC industry and there is a growth opportunity for investors



* As of December 31, 2023

Investment Highlights

SARATOGA INVESTMENT CORP.

Outperforming BDC sector including ROE and Total Returns

Strong track record of NAV and high-quality asset growth since management's acquisition in 2010

Best positioned company in sector for future growth with low cost-of capital capacity

Successfully retained and attracted investment management and business development talent

Investment Highlights / Contents

SARATOGA INVESTMENT CORP.

Significant Management Ownership of 12%

Slides 6-10

Outperforming BDC Sector including ROE and Total Returns

- Average last ten years ROE of 10.8% v 6.3% for BDC industry
- LTM ROE of 6.6% compared to BDC industry average of 7.5% reflects
- Total Return since Saratoga took over management: SAR +712% v +241% BDC Index
- LTM Total Return uncharacteristically lagging BDC Index, creating investment opportunity: SAR 14% vs. 30% BDC Index

Slides 14-31

Strong track record of NAV/NAV per share and high-quality asset growth since management's acquisition in 2010

- NAV per share decreased 3.6% this quarter and 2.9% LTM, as compared to BDC index that is down 1.5%. 25% increase since FY17 with increases 20 of the last 27 quarters.
- AUM increased 1% since last quarter and up 13% since prior year, and grown more than 11x since management took over (FY11)
- 97.1% of loan investments with highest internal rating and three non-accruals (2.6% of fair value, 6.0% of cost)
- Net realized gains of $81.6m on $917m of realizations with 15.7% unlevered IRR
- Total portfolio unlevered IRR of 13.8% on $2.1bn of originations

Slides 11-13

Best positioned company in sector for future growth with low cost-of capital capacity, fixed rate and strong debt structure

- Ability to grow assets by 20% without new external financing as of November 30, 2023
- Existing capital structure fixed rate, long term (all but $35m), no BDC covenants other than regulatory leverage
- Approximately 99% of our interest earning AUM have floating interest rates, all baby bonds callable within one year
- Completed $28.75m secondary equity offering on July 13, 2018
- Refinanced existing CLO and upsized from $300m originally to $650m on February 26, 2021
- Third SBIC license approval received for up to $175m SBA debentures on September 29, 2022
- Closed new $50m credit facility with Encina Lender Finance on October 4, 2021, upsized to $65m on January 27, 2023
- Issued $221.2m in three 5-year public baby bonds during fiscal 2023, trading under "SAT", "SAJ" and "SAY"
- Issued one public baby bond (trading under "SAZ") and two private bond issuances during Q1 FY24, generating $77.5m of proceeds
- Increased quarterly dividend in Q3 FY2023 by $0.14, or 26%, to $0.68 per share, and again by $0.01 in Q4 2023 to $0.69 per share, in Q1 2024 to $0.70 per share, in Q2 2024 to $0.71 per share, and again in Q3 2024 to $0.72 per share.
- Raised $172m of equity under ATM program since FY15, with $48m raised since June 2023

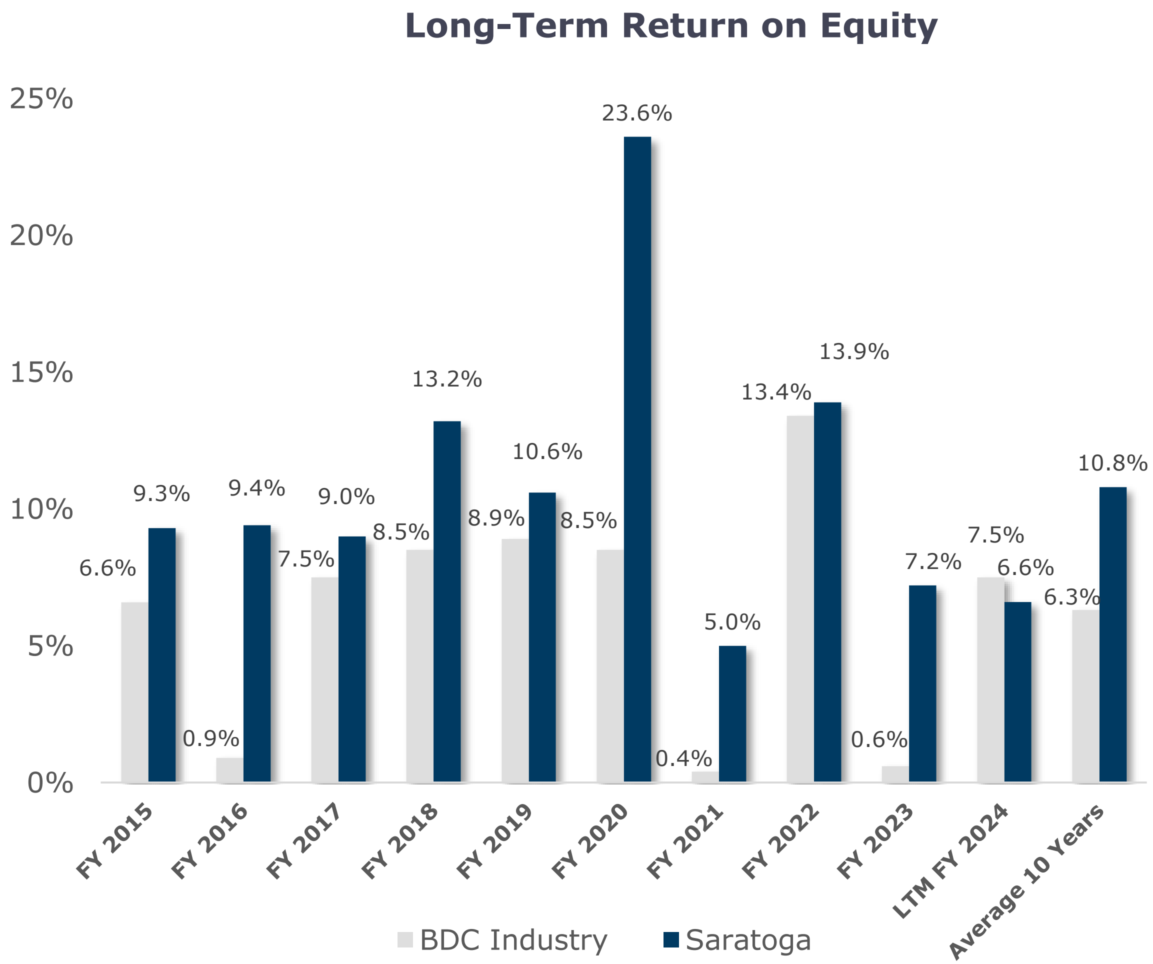
Slides 32-34

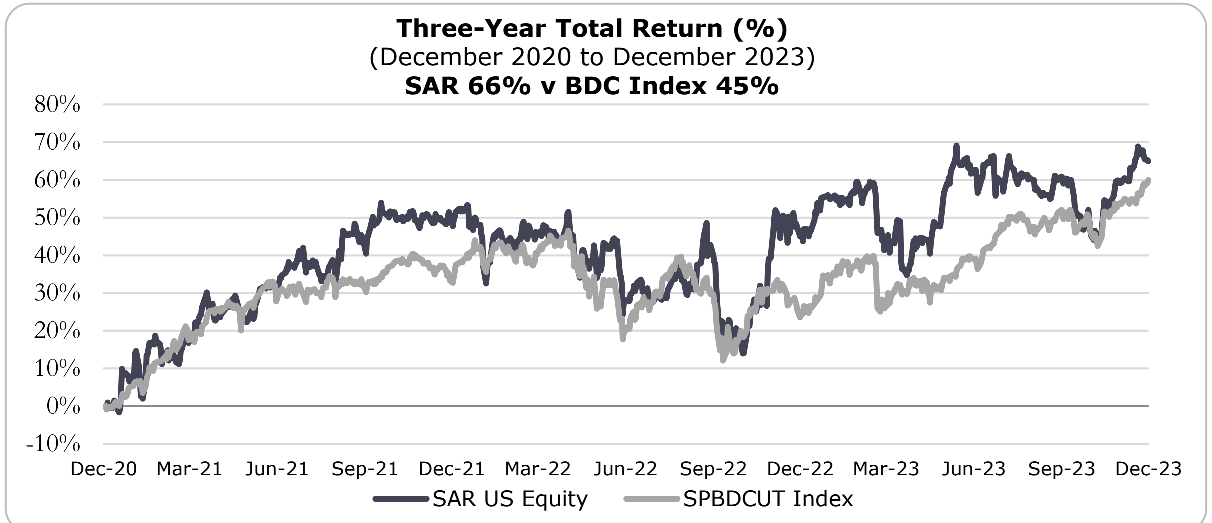
Successfully retained and attracted investment management and business development talent

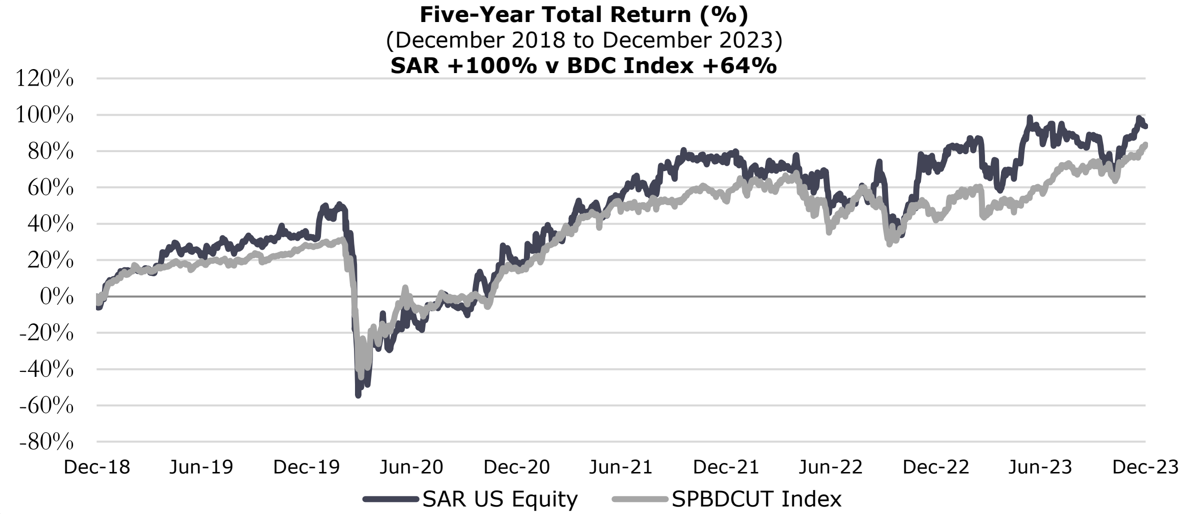
- Combined over 175 Years at Saratoga and team has more than quadrupled in size to 24, with 2 full-time Business Development members, 10 new hires since COVID-19 and still growing with at least four open hiring positions

Outperforming BDC sector including ROE and Total Returns

Outperforming BDC sector in ROE and Total Returns







Source: Raymond James, Index derived from S&P BDC TR Index

SAR – Long-Term Performance at Top of BDC Industry

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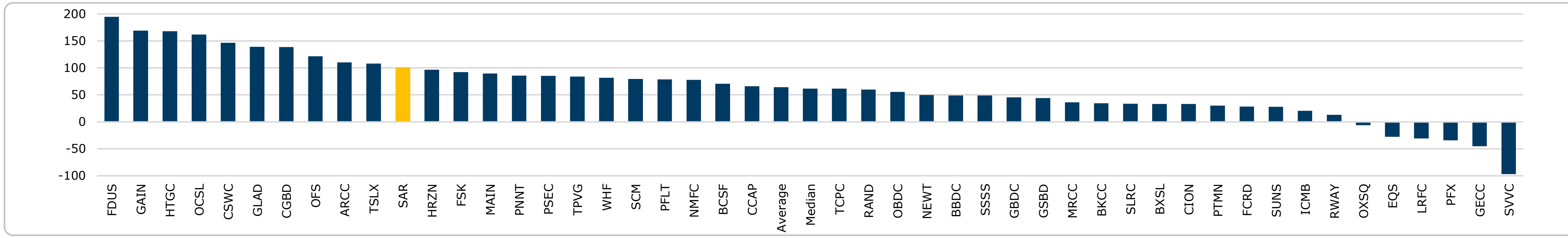
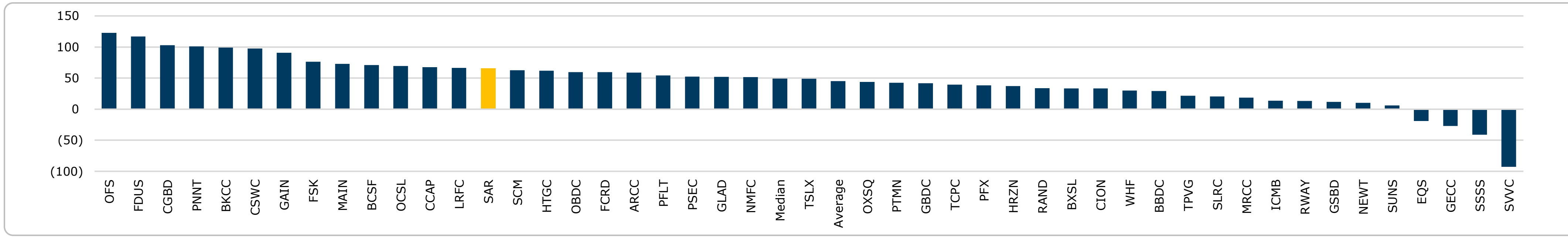
BDC Total Return (%)



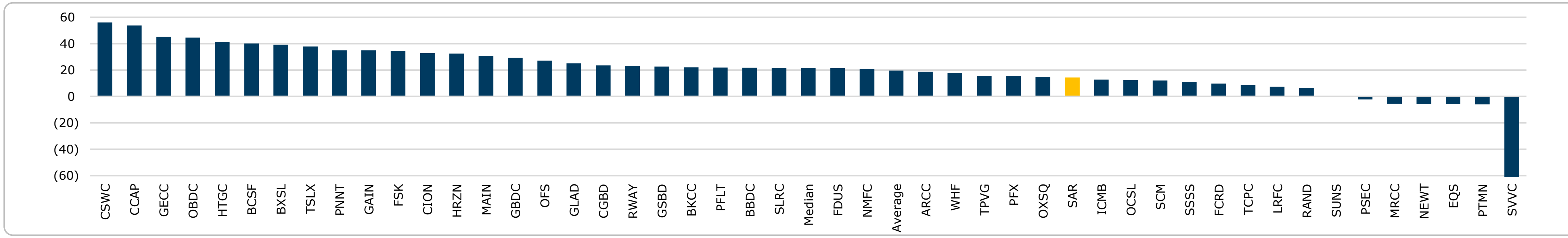
Last 5 Years: 100%

(BDC Index 64%)



Last 3 Years: 66%

(BDC Index 45%)



Last 12 Months: 14%

(BDC Index 20%)

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Differentiated Long-Term Outperformance

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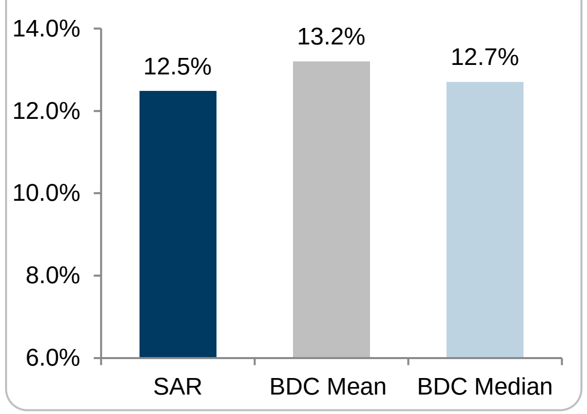
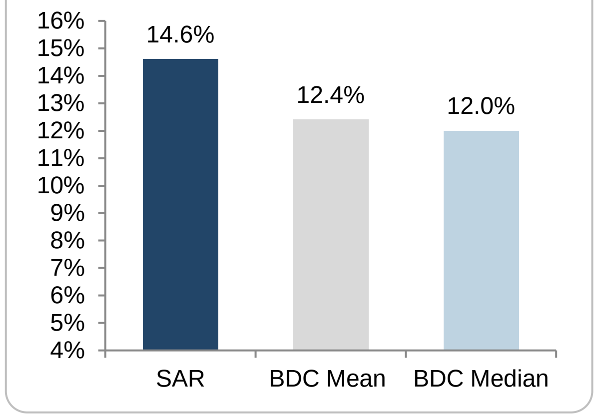
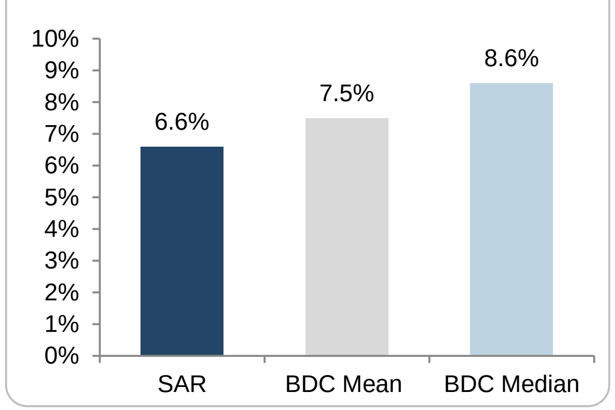
Interest % on Portfolio



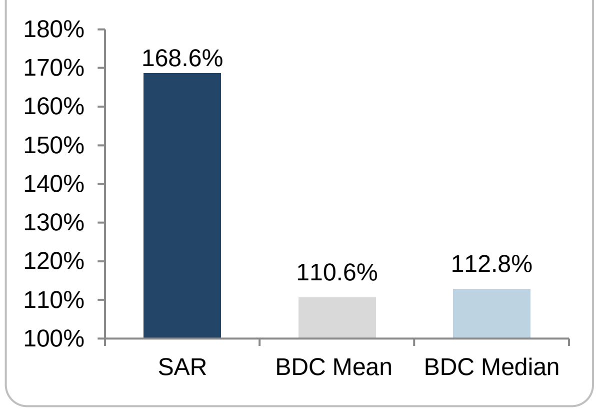
LTM NII Yield



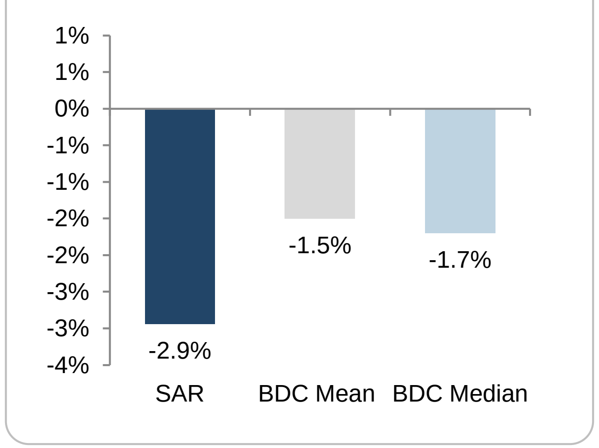
LTM ROE



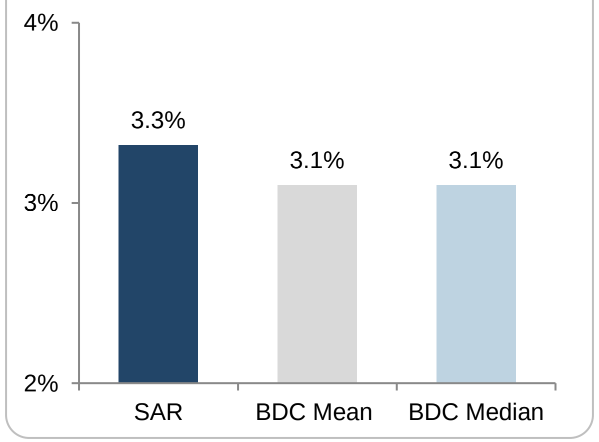
Regulatory Debt/Equity



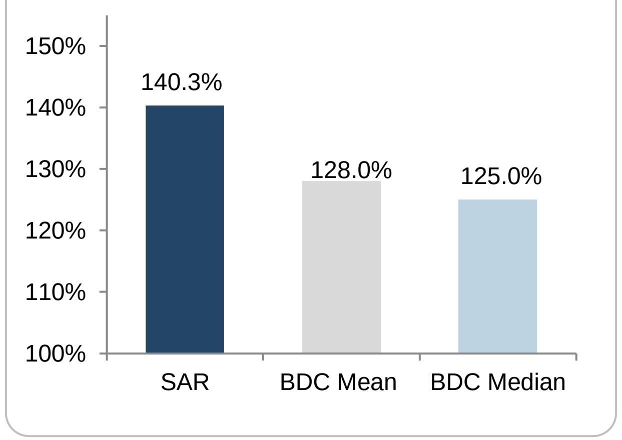
LTM NAV Per Share Growth



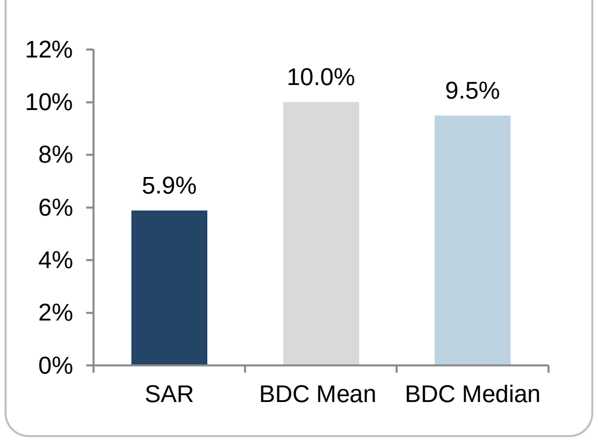
LTM Operating Expense Ratio*



Dividend Coverage



Year-Over-Year Dividend Growth

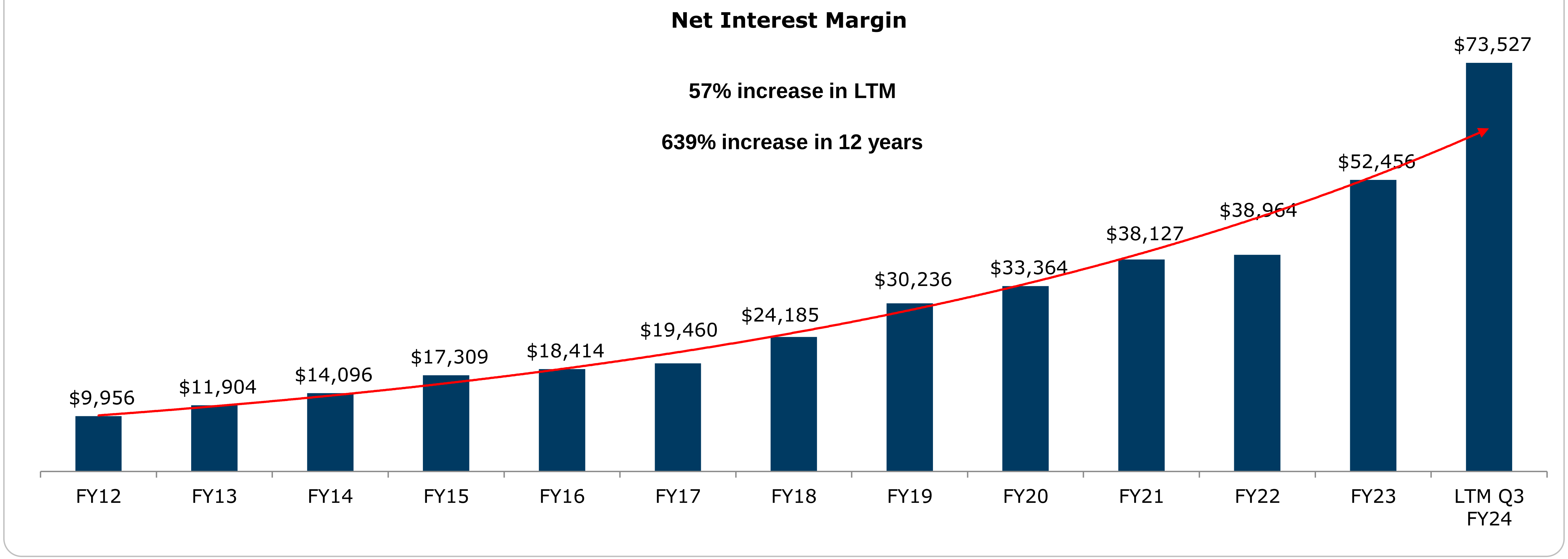


Source: SNL Financial / Company Filings / Raymond James report as of 12/15/23

* LTM Operating Expense Ratio defined as total operating expenses, net of interest and debt financing expenses and income and excise taxes, divided by average total assets. Total operating expenses divided by net assets is 24.4%.

SAR Net Interest Margin Continues to Grow

SAR has increased its Net Interest Margin sixfold since taking over management



Best Positioned Company in Sector for Future Growth with Low Cost-of Capital Capacity, fixed rate and strong debt structure

Dry Powder Remains Available

(As of November 30, 2023)		Total Borrowing Capacity	Outstanding	Available Liquidity	Remaining Maturity Period	Call Period	Fixed / Floating Rate
Secured Revolving Credit Facility		$65.0 million	$35.0 million	$30.0 million	2 Years	-	Floating
SBA Debentures	SBIC I	$0.0 million	$0.0 million	$0.0 million	-	-	Fixed
	SBIC II	$175.0 million	$175.0 million	$0.0 million	6-9 years	-	Fixed
	SBIC III	$175.0 million	$30.0 million	$145.0 million*	10 years	-	Fixed
Publicly-Traded Notes (at par value)	SAT	$105.5 million	$105.5 million	$0.0 million	3.5 Years	< 1 Year	Fixed
	SAJ	$46.0 million	$46.0 million	$0.0 million	4 Years	< 1 Year	Fixed
	SAY	$60.4 million	$60.4 million	$0.0 million	4 Years	1 Year	Fixed
	SAZ	$57.5 million	$57.5 million	$0.0 million	4.5 Years	1 Year	Fixed
Unsecured Notes		$250.0 million	$250.0 million	$0.0 million	2-3 years	-	Fixed
Private Notes (at par value)		$52.0 million	$52.0 million	$0.0 million	1-4 Years	< 1 Year	Fixed
Cash and Cash Equivalents		$47.0 million	$47.0 million	$47.0 million	-	-	-
Total Available Liquidity (at quarter-end):				**$ 222.0 million**			

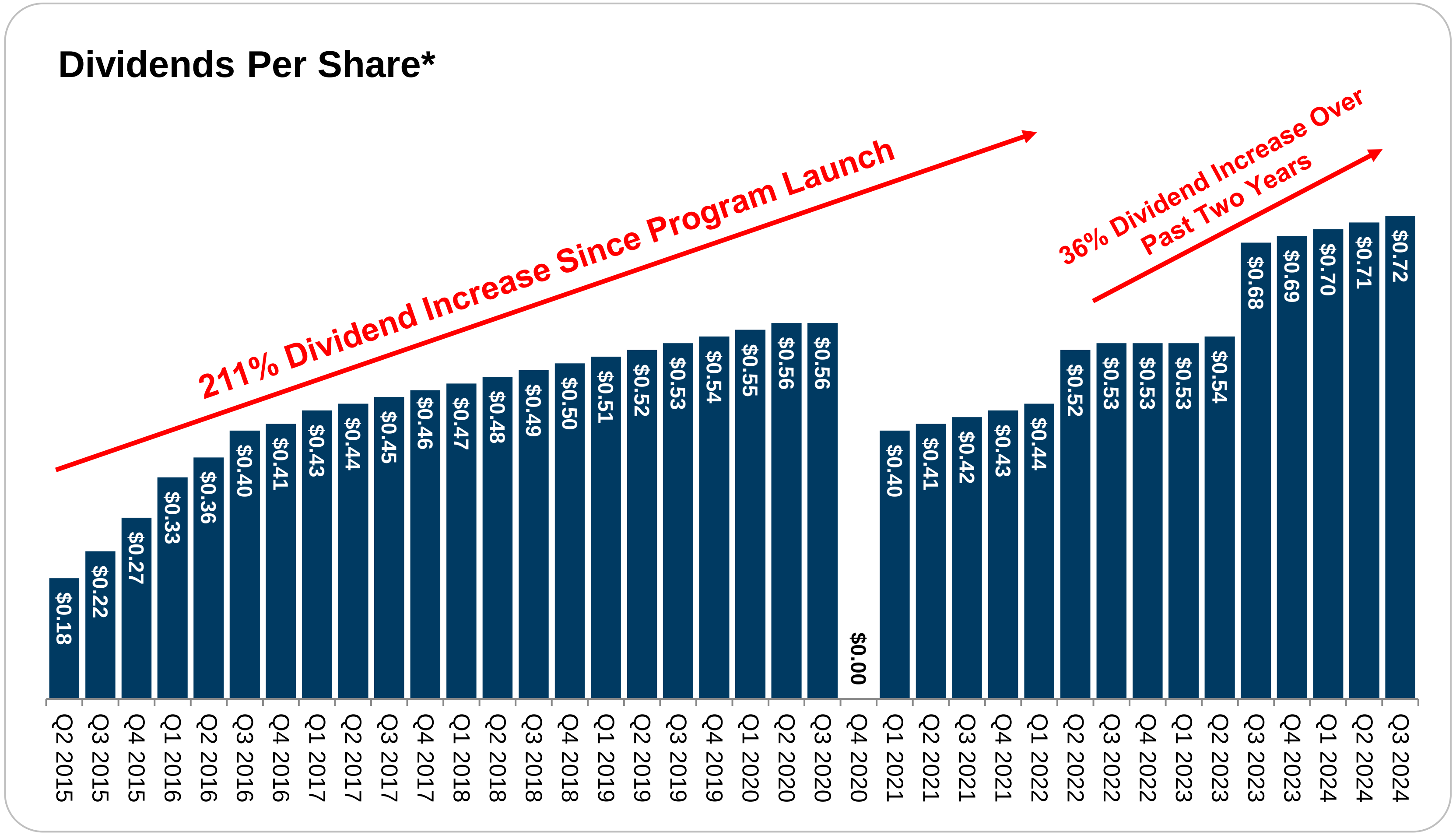
Ability to grow AUM by 20% without any new external financing as of November 30, 2023 (including new SBIC license)

- SBIC III debentures are generally not available to support existing BDC or SBIC I or SBIC II investments

** Total availability for all combined SBIC licenses limited to $350.0 million outstanding debentures.*

Long-Term Dividend Growth

- **Established dividend policy to pay regular quarterly cash dividends to stockholders** pursuant to dividend reinvestment plan (“DRIP”) in 2014
- **Increased dividend by 211%** since program launch until Covid deferral
- **Increased dividend by 6% over past year,** with a 1% increase this past quarter
- **Q3 FY24 dividend of $0.72** declared and paid for the quarter ended November 30, 2023.



***Excludes special dividend of $0.20 per share paid on September 5, 2016**

Strong Track Record of NAV/NAV Per Share and High-Quality Asset Growth since Management's Acquisition in 2010

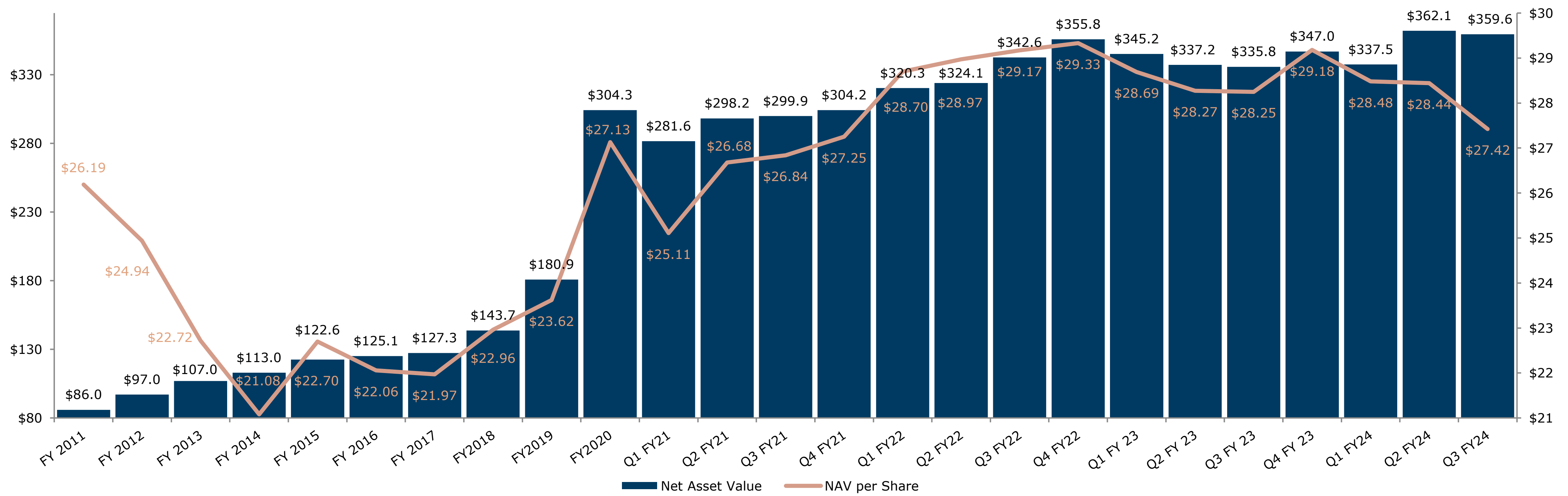
Long-Term Accretive NAV and NAV Per Share Growth

Net Asset Value and NAV per Share
(FY11 to FYQ3 24)

(in millions)

NAV: 1% increase this quarter. 318% increase since Saratoga took over management.

NAV/Share: 4% decrease this quarter. 25% increase since FY17 with increases 20 of the last 27 quarters.



Continued Asset Growth and Strong Credit Quality

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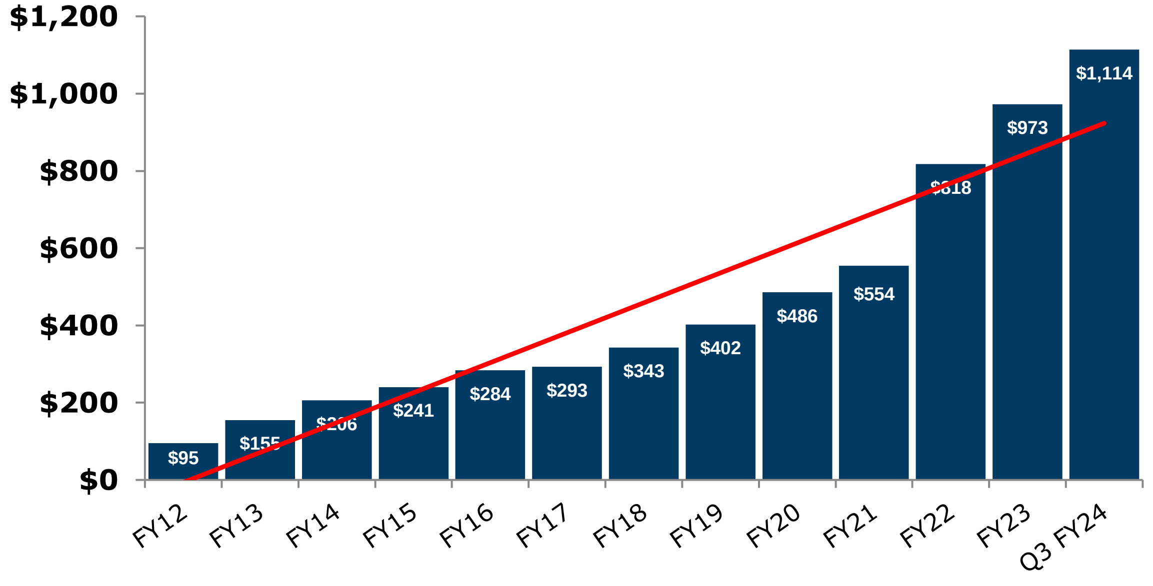
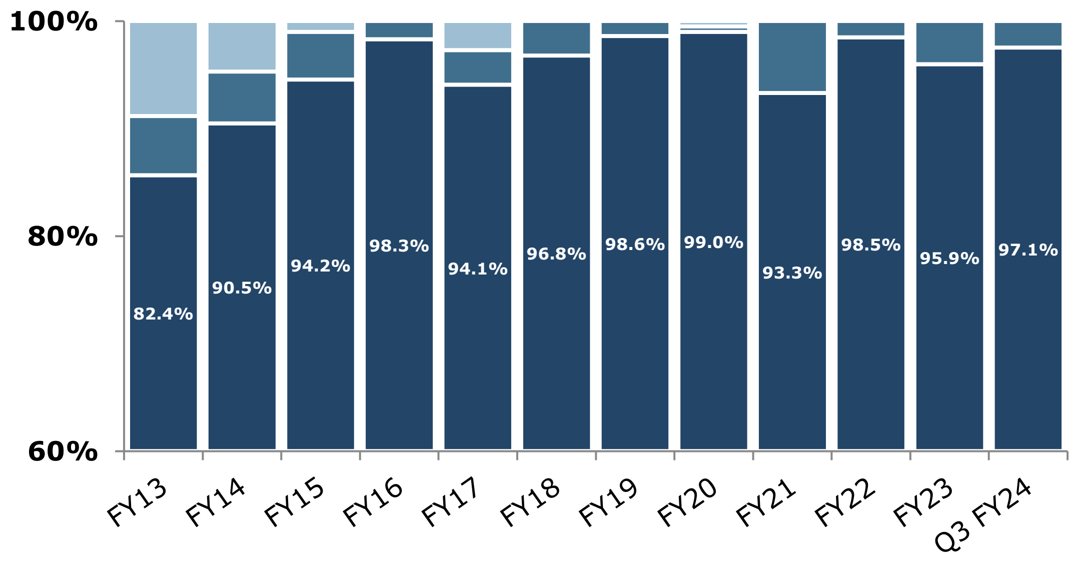
Asset Base Expansion Trend



Overall Credit Quality Remains Strong



Fair value of AUM increased 13% year-over-year and increased 1% since last quarter

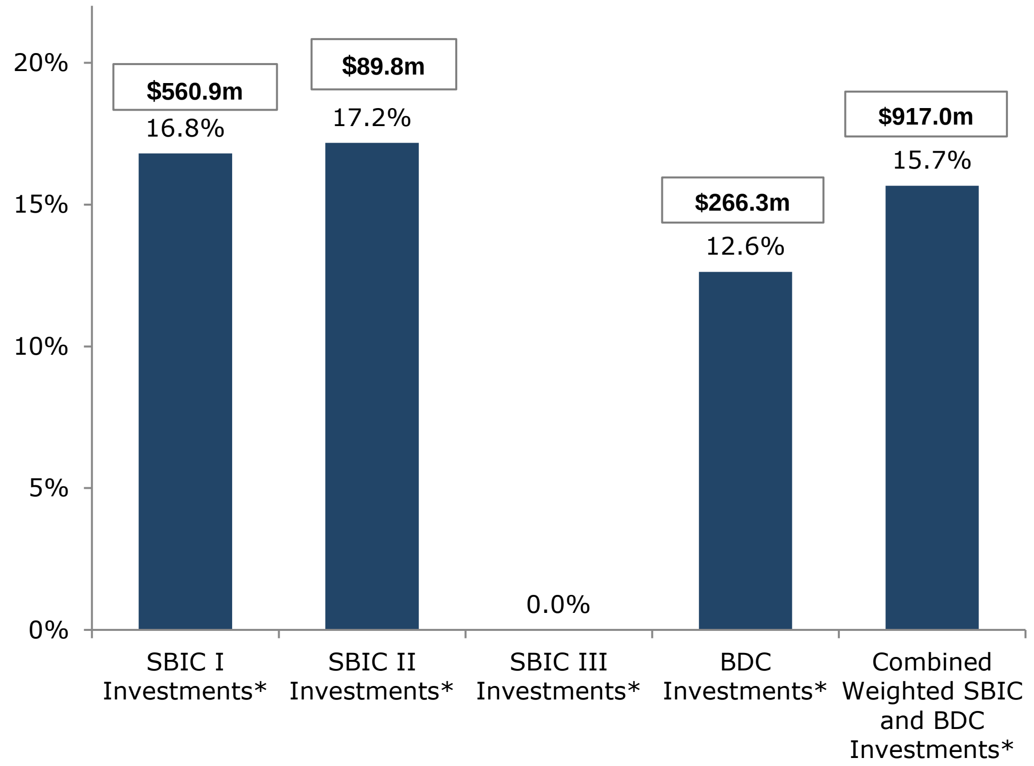
Fair value of $1,114m at Q3 FY24 is 3% below cost, with core non-CLO BDC portfolio less than 1% below cost

97.1% of our SAR loan investments hold our highest internal rating, down slightly from last quarter; three investments on non-accrual at quarter-end (2.6% of fair value / 6.0% of cost)*

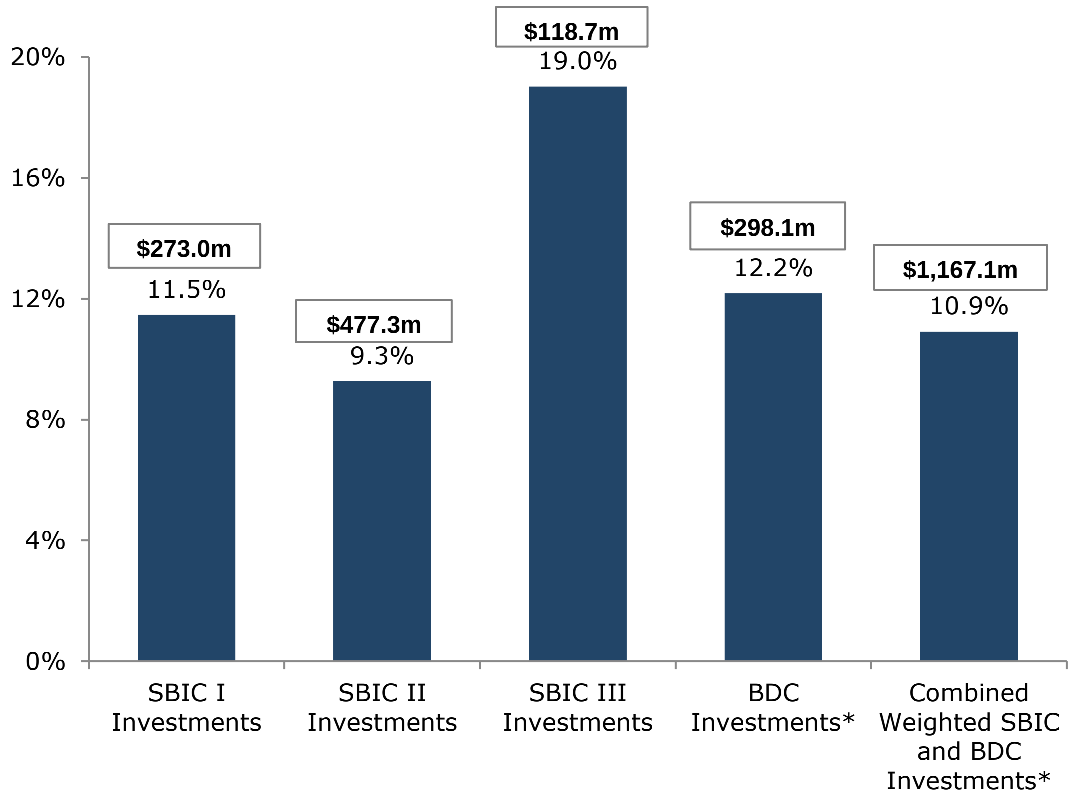
* Excludes our investment in our CLO and our equity positions

Demonstrated Strong Track Record – 13.8% IRR on $2.1bn

Realized Investments ^
(Gross Unlevered IRR%)



Unrealized Investments 1 ^
(Gross Unlevered IRR%)

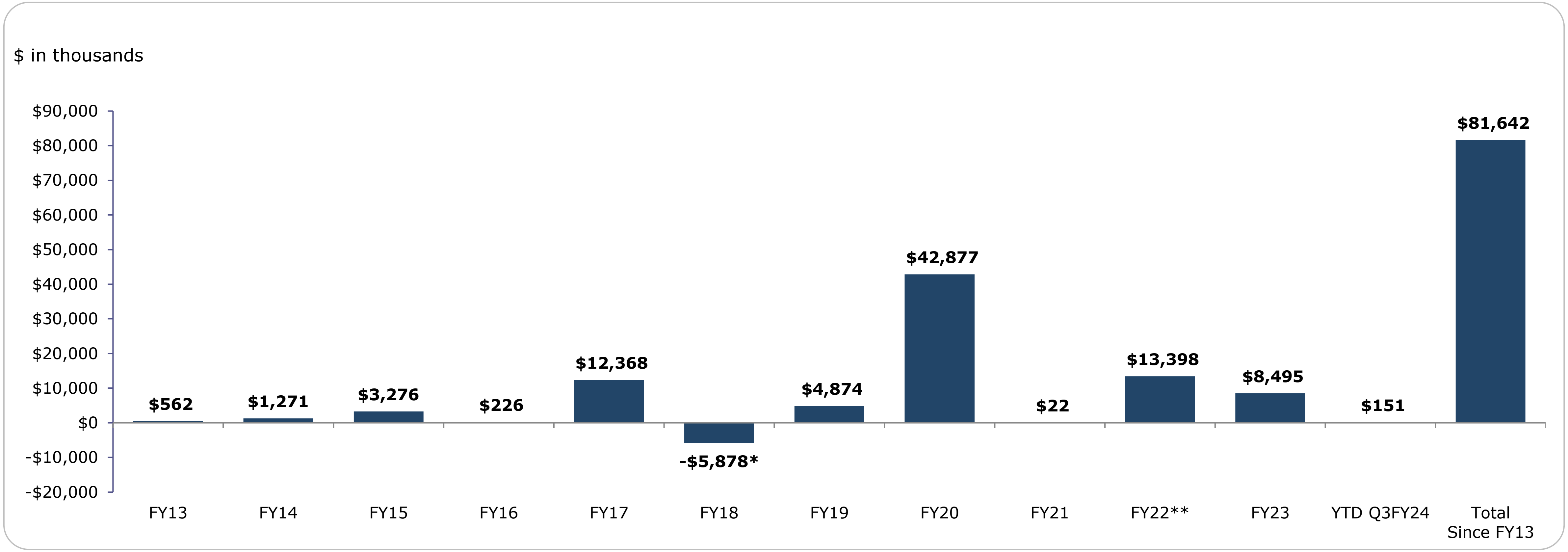


Track Records as of 11/30/23

1 IRRs for unrealized investments include fair value and accrued interest as of 11/30/2023
* SBIC I, SBIC II and SBIC III investments represent all investments in the specific funds, including later follow-ons that might be invested in the BDC due to SBIC fund size limitations. BDC investments exclude investments existing when Saratoga management took over, corporate financing investments and our investments in our CLO and JV.
^ Graphs show invested dollars

Net Realized Gains Help Protect Shareholder Capital

Cumulative net realized gains reflect portfolio credit quality

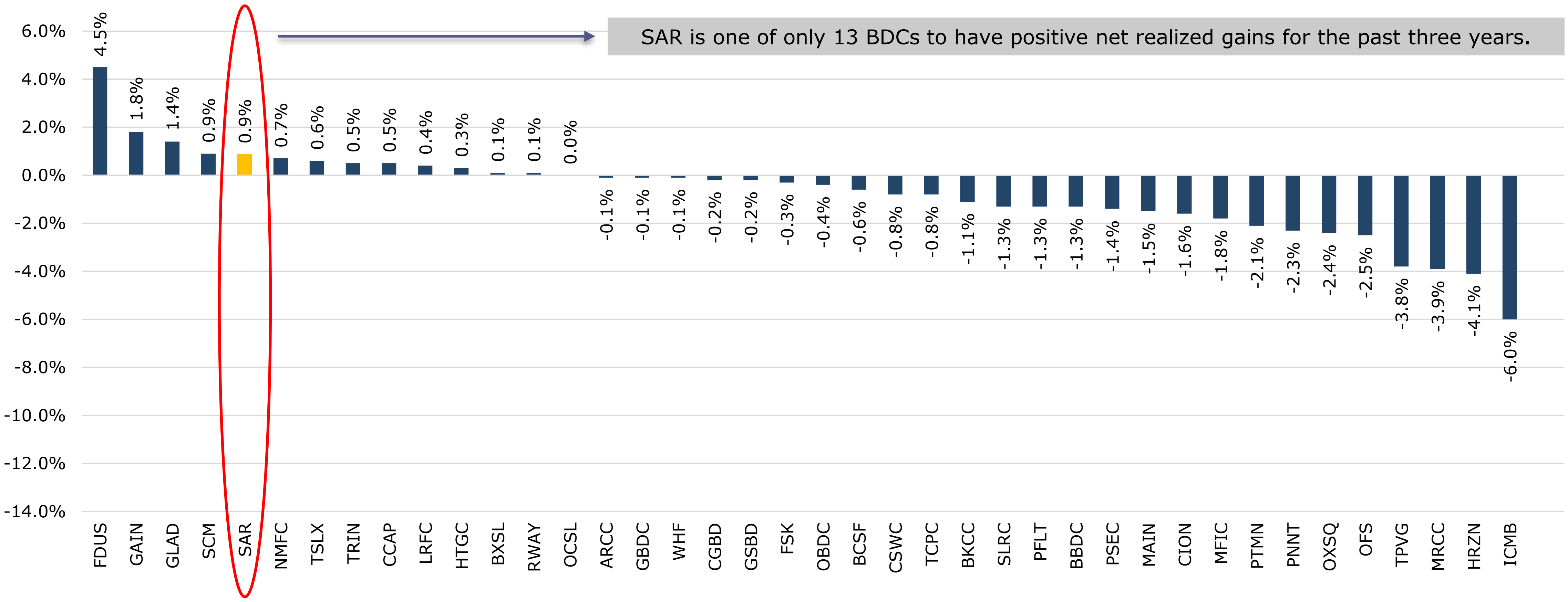


* Reflects realized loss on My Alarm Center investment of $7.7m less $1.8m in other realized gains in FY18.
** Reflects realized gains of $18.3m on various equity investments in FY22, offset by full $4.9m write-down of remaining My Alarm Center investment.

Table above reflects investments originated by Saratoga management (excludes Elyria legacy investment)

Strong Net Realized Gains Flow from Disciplined Underwriting

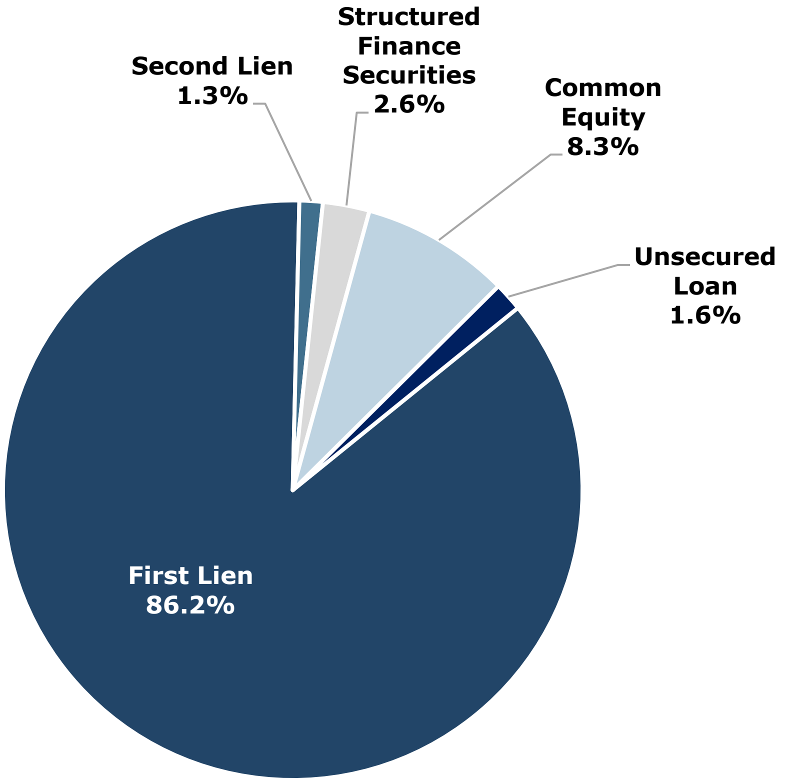
Last 3 Year Average Realized Gains (Loss) as a Percentage of Portfolio Cost*



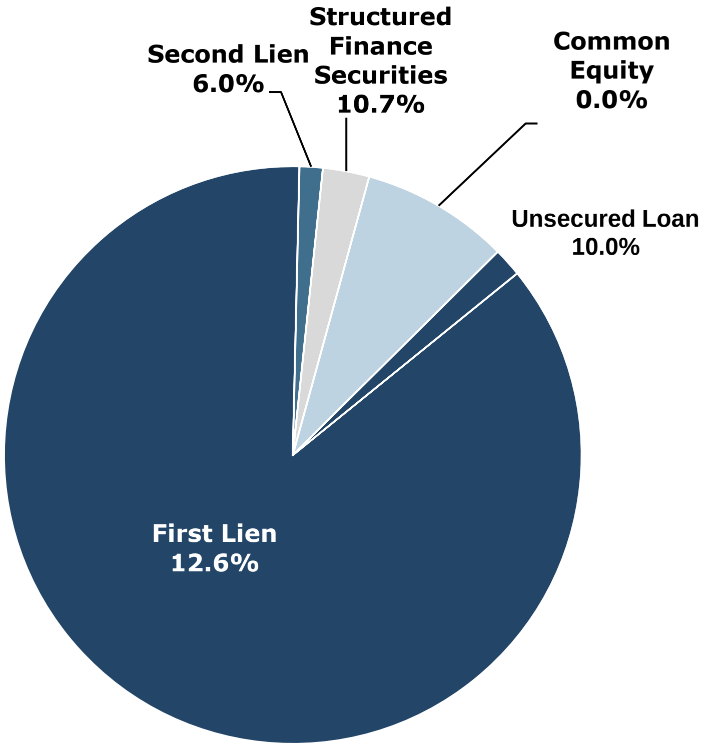
*Source: *Ladenburg Thalmann - calculated as three-year average realized gains as proportion of average cost*
SAR data excludes legacy investments not originated by Saratoga management

Portfolio Composition and Yield

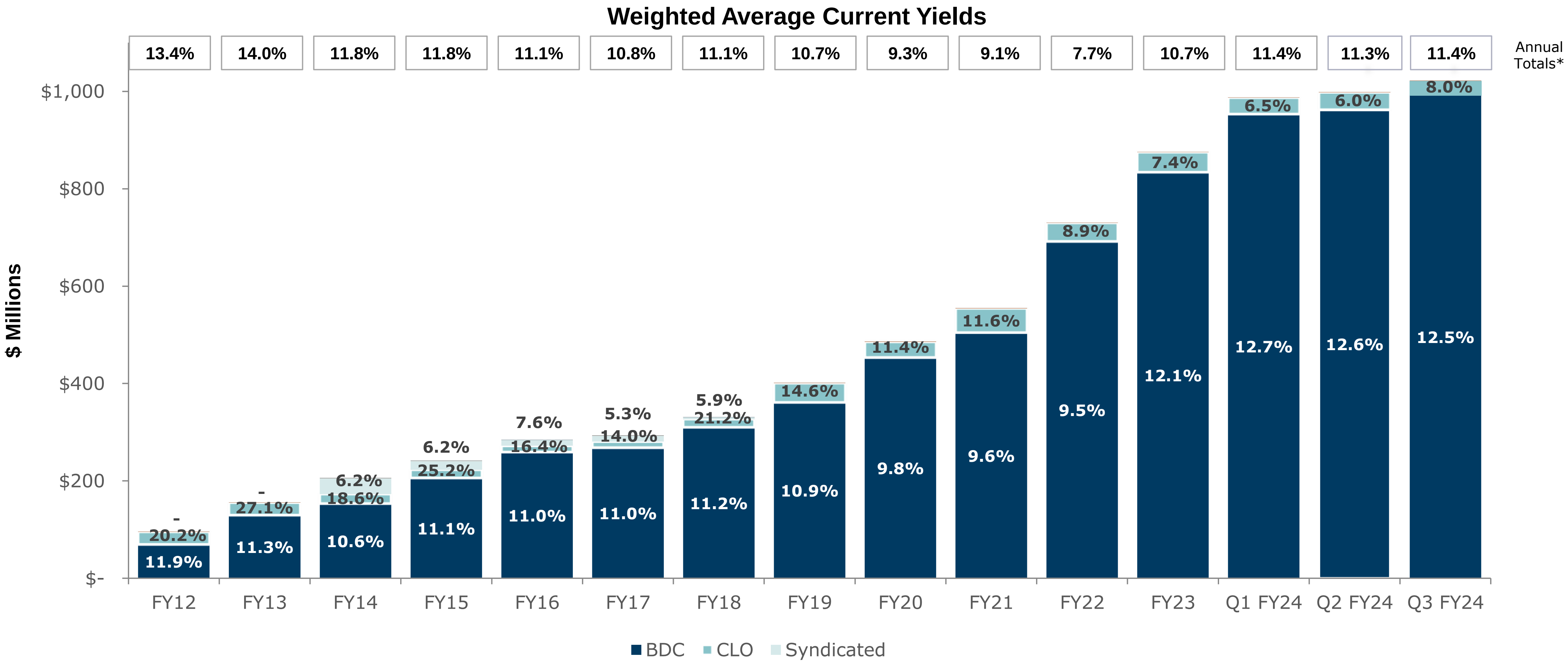
Portfolio Composition – $1,114.0m
(Based on Fair Values
as of November 30, 2023)



Portfolio Yield – 11.4%
(Weighted Average
Current Yield of Total Existing Portfolio)

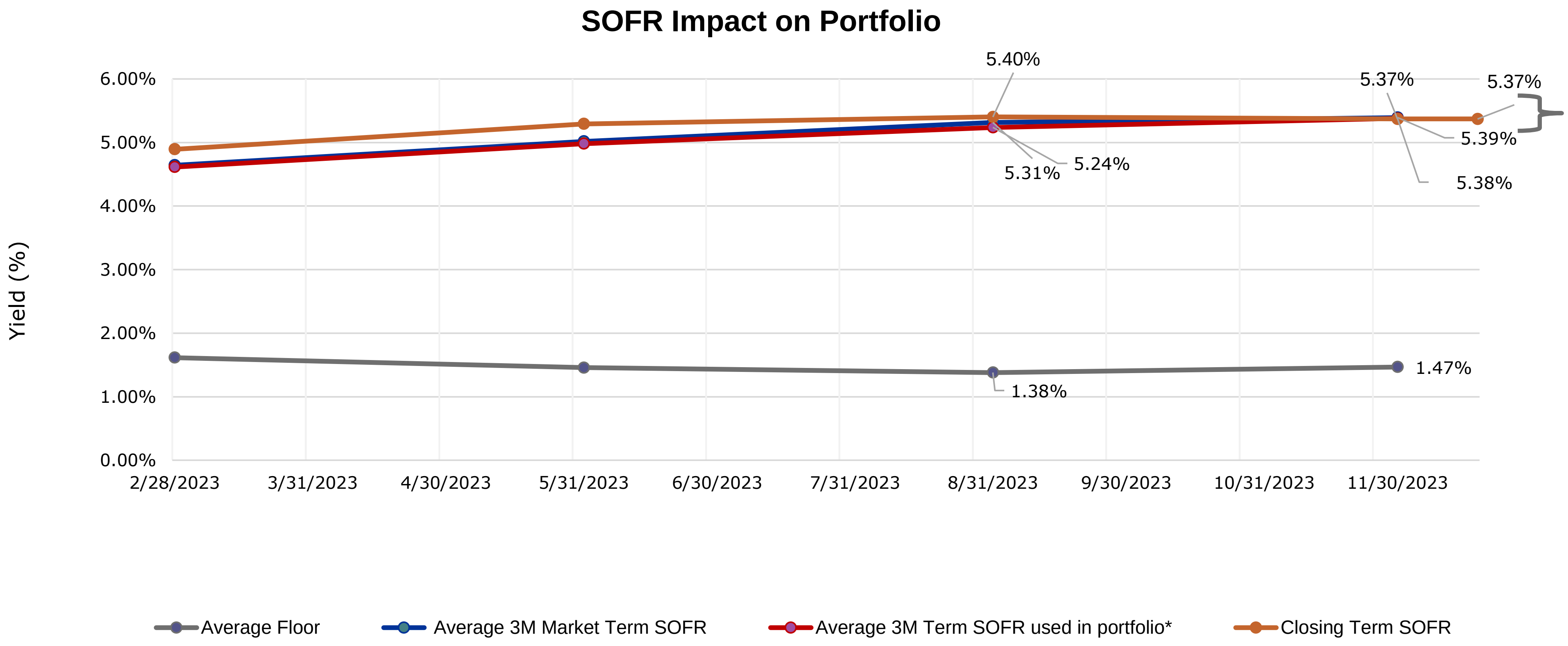


Yield of BDC Growing With Rising Rates



* Annual total yields on fair value of full portfolio. Excludes dividend income on preferred equity investments and other income. BDC, CLO and Syndicated yields are annualized and calculated on fair value of interest earning assets.

Accretive Impact of Increased Rates with Lag Effect on Earnings



99% of our interest earning assets are variable rate.

96% of our borrowings (all debt except $35.0 million credit facility) is fixed rate. All our 6%+ fixed rate borrowings are callable within one year.

*For illustrative purposes only includes Saratoga investments with 3-month SOFR as reference rate. All investments are converted from LIBOR to SOFR or practical equivalent at June 30, 2023.

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Exercising Disciplined Investment Judgment While Growing Origination Pace

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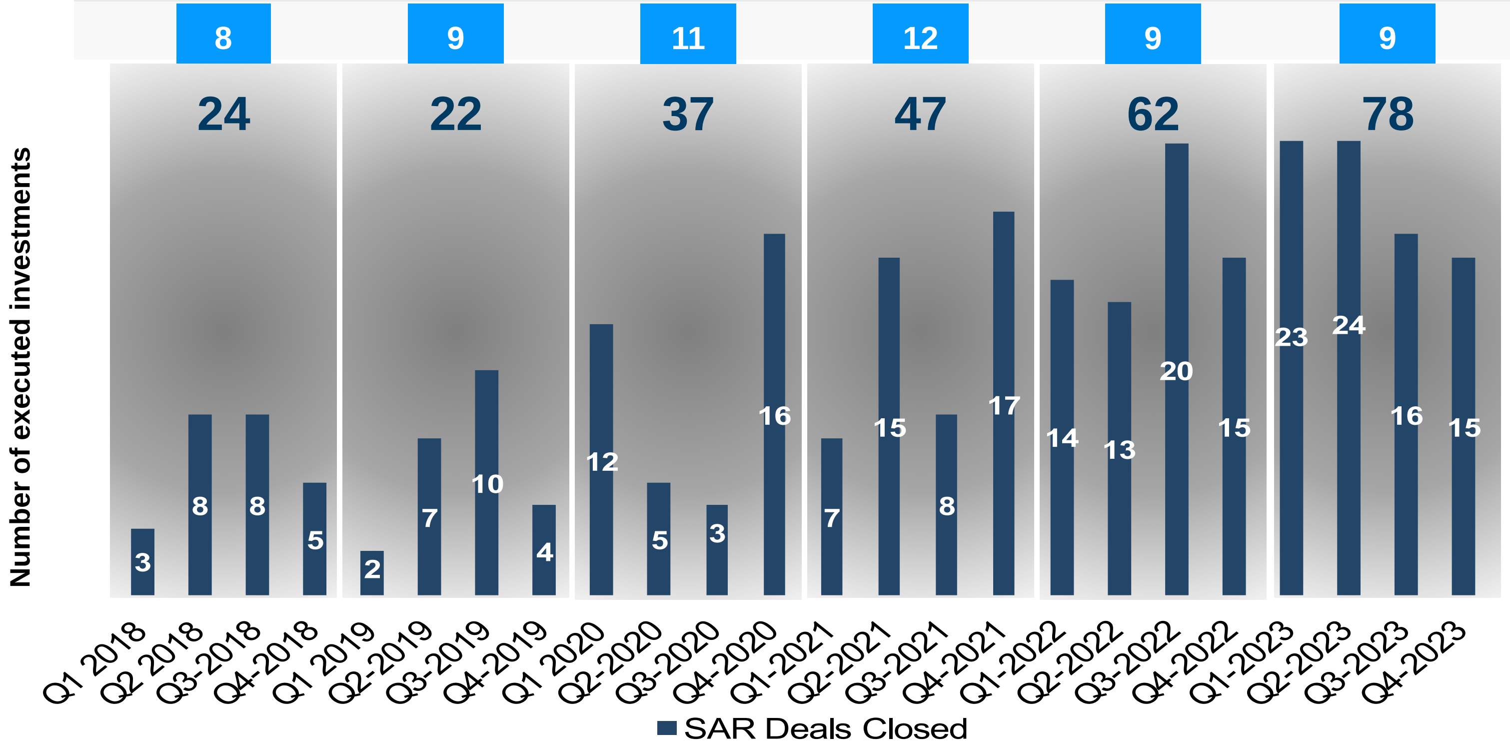
SAR Debt Multiples/Deals Closed (2018-2023)

Portfolio leverage with non-recurring revenue underwriting is 4.30x[1^]

	Average Middle Market	
	6/30/2023	9/30/2023
All Senior	3.81x	3.85x
1st Lien/Mezz	4.61x	5.53x
1st Lien/2nd Lien	5.17x	5.76x
Unitranche	5.87x	5.65x



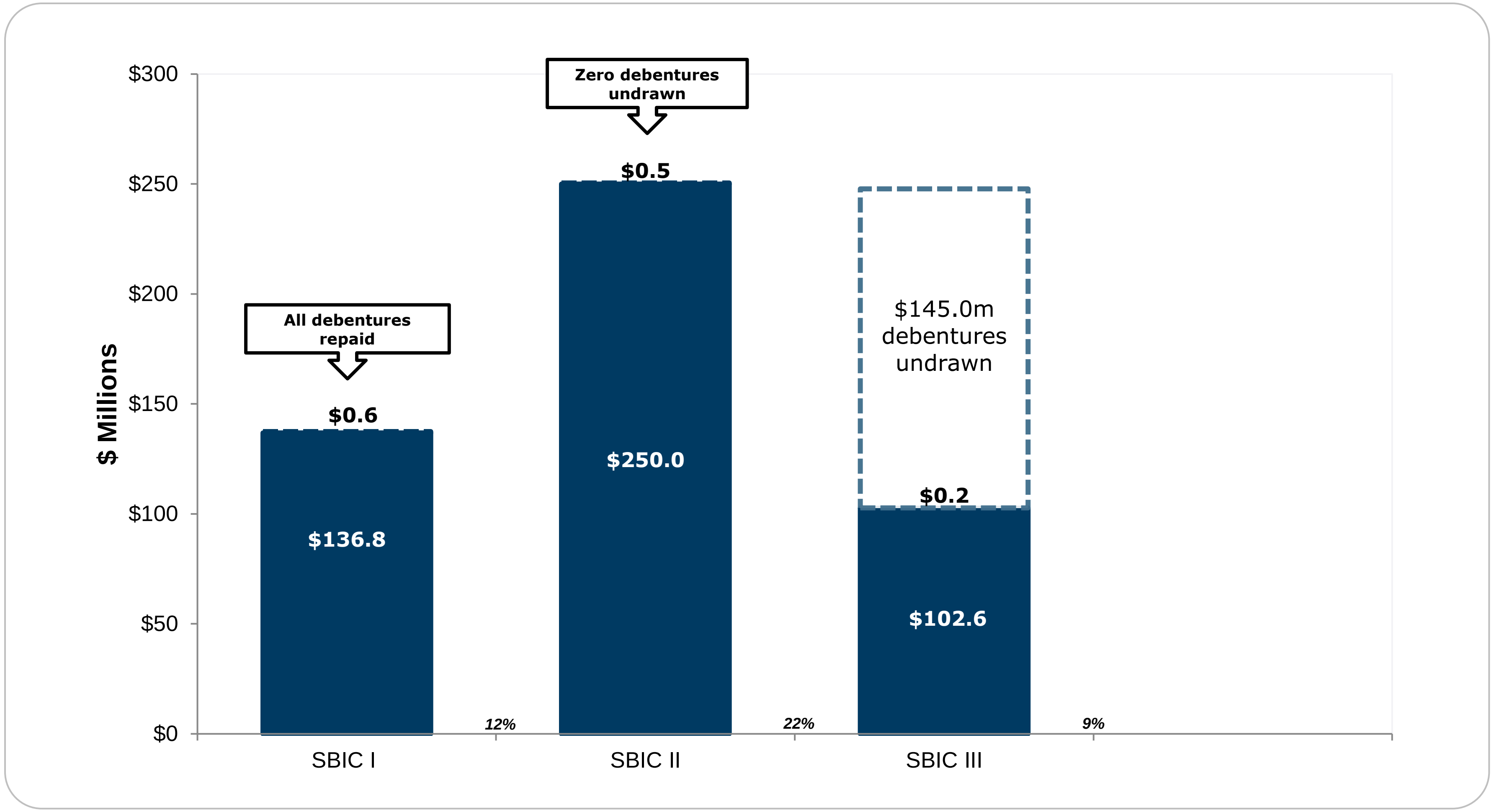
Multiples for SAR's non-recurring revenue deals well below industry average

Market averages increasing this quarter to over 5.0x, reflecting higher leverage and impact of higher rates

New Portfolio Companies

*Calendar quarters, not fiscal
[1]Excludes 27 loans underwritten using recurring revenue metrics. These recurring revenue loans would have significantly different portfolio leverage statistics.
^Excludes our yellow and red assets, Knowland, Pepper Palace, and Zollege. Leverage 5.42x including these three investments
*8 of the 37 deals closed in calendar year 2020 were liquidity draws related to COVID.

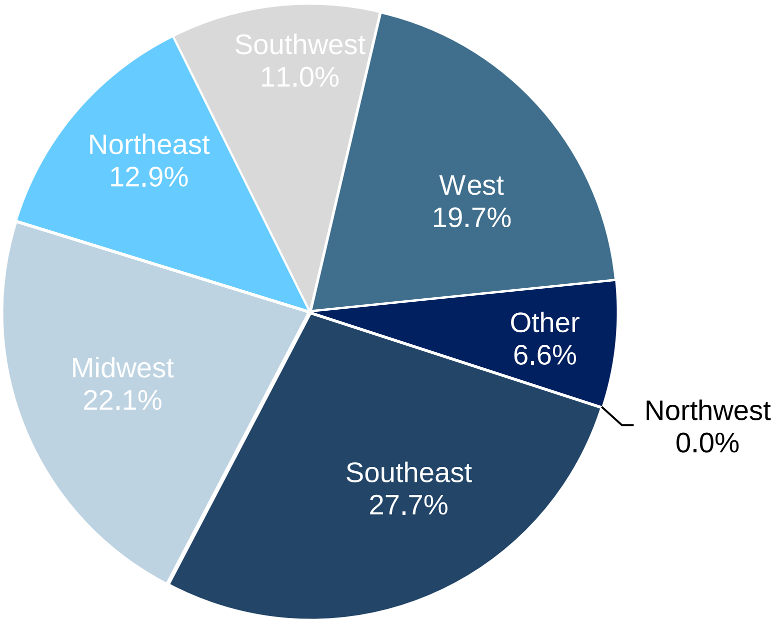
SBIC I and II Fully Funded - SBIC III Availability



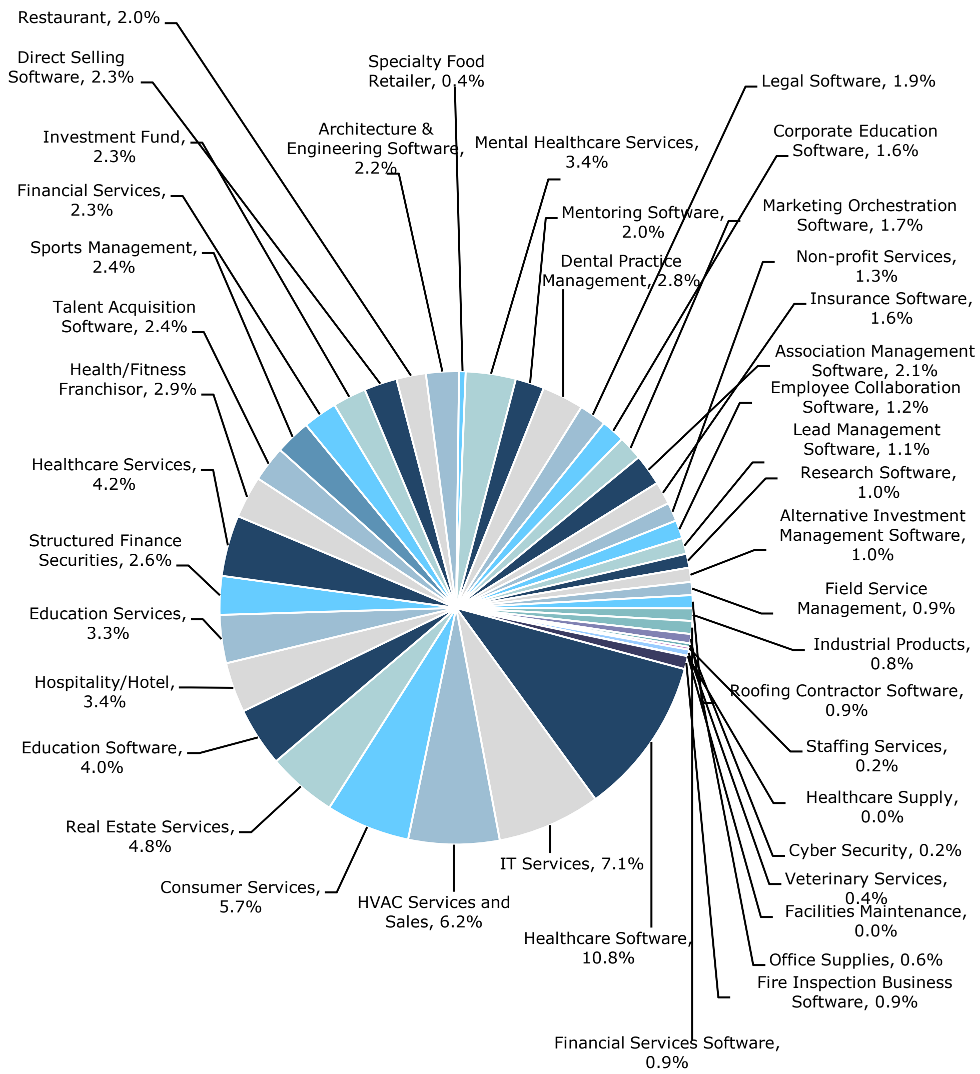
* SBIC I cash available to the BDC and license surrendered
** SBIC II and III cash available for new originations and follow-ons in existing license.
*** SBIC III has $145 million of available debentures based on the SBA family of funds limit

Diversified Across Geography

Investments Diversified Geographically



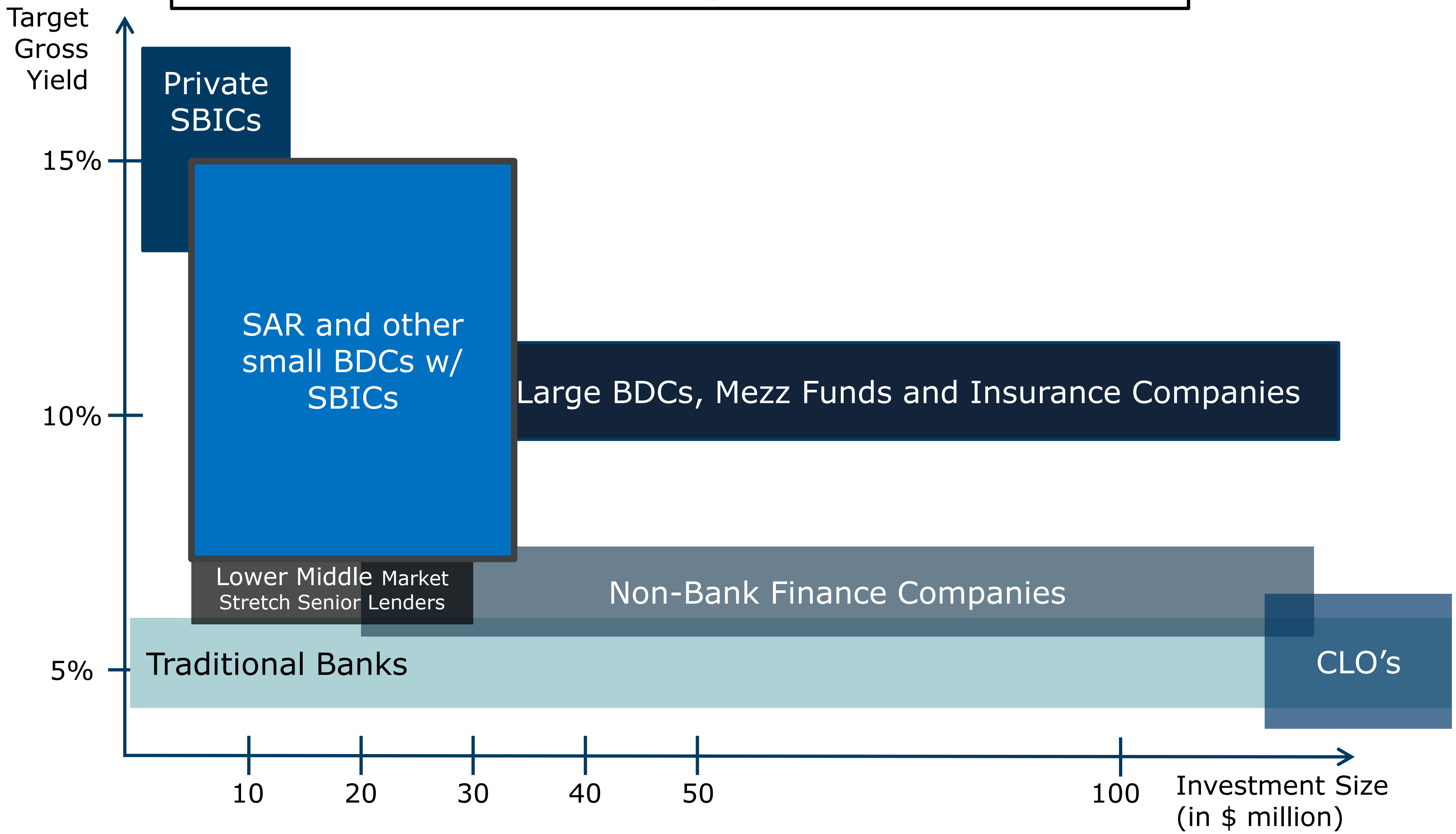
Investments Across 43 Distinct Industries



Alternative Inv. Management Software	Architecture & Engineering	Association Management Software	Consumer Services	Corporate Education Software
altvia	bqe	GrowthZone	Artemis Wax	schooX, etū
Cyber Security	**Dental Practice Management**		**Dental Practice Management Software**	**Direct Selling Software**
GreyHeller	modis, New England Dental Partners, Gen4		New England Dental Partners	exigo
Education Services	**Education Software**			**Employee Collaboration Software**
C2 education	Zollege, Identity Automation, Destiny Solutions	schooX, goreact	READY Education	axero
Field Service Management	**Financial Services**	**Financial Services Software**	**Fire Inspection Business Software**	**Healthcare Software**
Davisware	GDS Link	Ascend Software	Inspect Point	HemaTerra Technologies
Healthcare Services		**Health / Fitness Franchising**	**Healthcare Supply**	**Hospitality/Hotel**
ComForCare, Axiom Medical	esthetics center	Stretch Zone	Procurement Partners, Roscoe Medical	SHR, Knowland, book4time
HVAC Services and Sales	**Industrial Products**	**Insurance Software**	**IT Services**	**Lead Management Software**
Granite Comfort	Vector	agencybloc	netreo, LogicMonitor	activeprospect
Legal Software	**Marketing Orchestration Software**	**Mental Healthcare Services**	**Mentoring Software**	**Non-profit Services**
Centerbase	Madison Logic	ARC Health	Chronus	omatic software
Office Supplies	**Real Estate Services**	**Research Software**	**Restaurant**	**Roofing Contractor Software**
nauticon office solutions	buildout	Wellspring	Lee's	JobNimbus
Specialty Food Retailer	**Sports Management**	**Staffing Services**	**Structured Finance Securities**	**Talent Acquisition Software**
	ArbiterSports	Avionte	Saratoga Investment Corp.	jdxpert, JOBVITE
Veterinary Services	**Waste Services**			
VetnCare	Compactor Rentals of America			

Saratoga Has Very Favorable Competitive Positioning

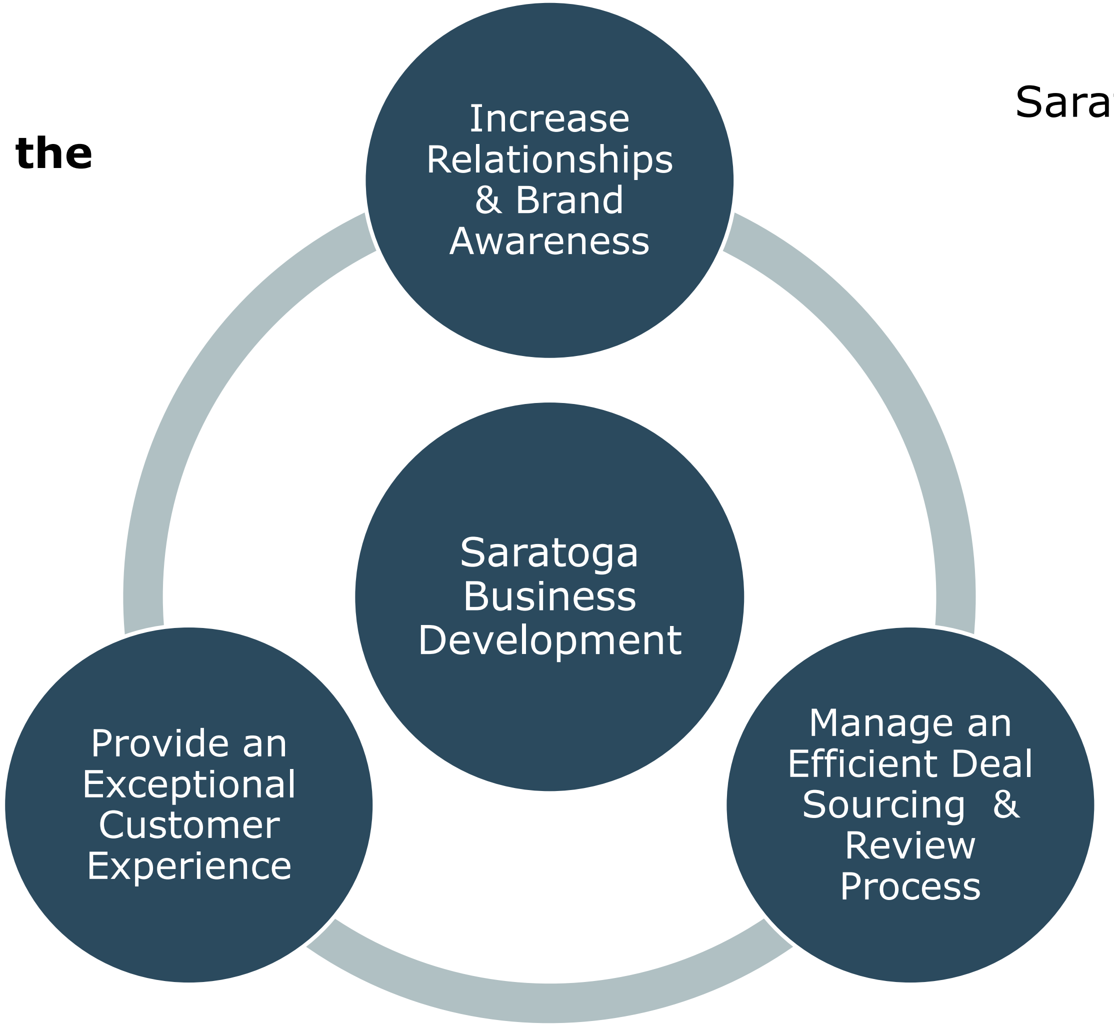
SAR occupies a very advantageous niche in the market



Business Development Philosophy

The main goal of business development is to **increase the number and quality of actionable investment opportunities**

Saratoga's business development strategy relies on **constant focus and improvement**



Partnership reputation builds growing base of referral sources

Efficiency creates a leveraged business model that **improves opportunities to close deals**

Business Development Activities

- **Saratoga has an active business development organization covering the lower middle market including:**
  - Senior professionals focused on private equity sponsor coverage and loan origination
  - Manage communications with over 3,100 firms and over 8,000 contacts

- **We remain active participants on the conference and networking scene:**
  - Attended over 50 conferences and events in 2023
  - Host several networking events including golf outings and dinners
  - Speak on panels at private equity, direct lending and independent sponsor conferences

- **Active members of several industry groups**
  - SBIA (Steenkamp active board members across various committees)
  - ACG (Petrocelli and Mann active member of NY chapter)
  - Other groups – Opus Connect, GLG, Guidepoint, iGloba;, AM+AA

Pipeline Growth Interrupted by COVID-19

SARATOGA INVESTMENT CORP.

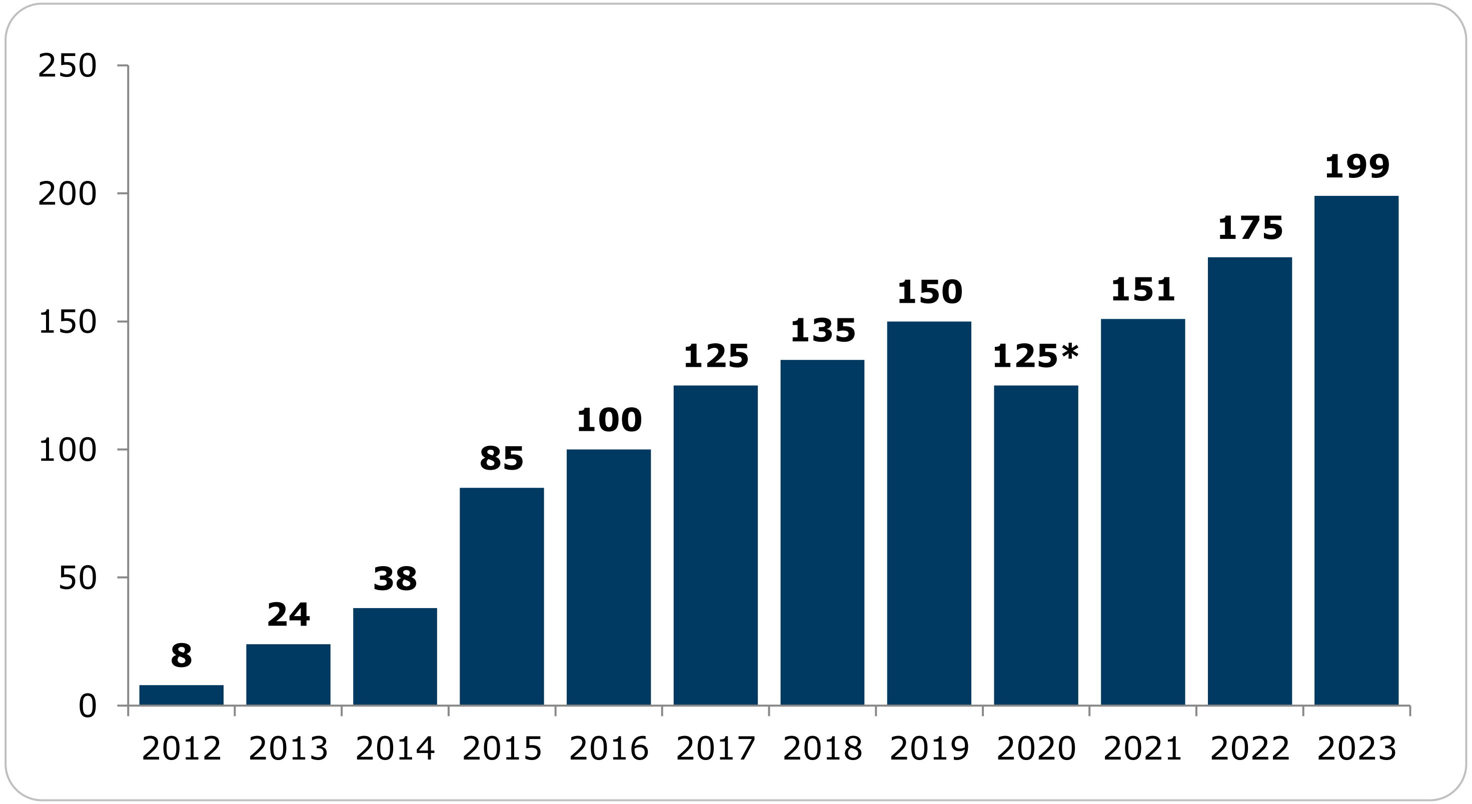
New business opportunities severely impacted by COVID-19 but healthy success in term sheets and deals executed driven by investments in team and strong reputation

Calendar*	2019	Δ	2020	Δ	2021	Δ	2022	Δ	2023	
Deals Sourced	863	-28%	619	- 8%	572	-20%	469	8%	506	• ~61% of deal flow from private equity sponsors • ~39% of deals from private companies without institutional ownership • Saratoga maintains investment discipline which is demonstrated by passing on many deals that other firms close
Term Sheets (excludes follow-ons)	77	-58%	32	109%	67	-30%	47	-17%	39	• ~92% of term sheets are currently issued for transactions involving a private equity sponsor • Being more selective in issuing term sheets based on credit quality
Deals Executed (new and follow-on)	22	32%	29	62%	47	32%	62	27%	78	• Includes follow-on investments which reliably augment portfolio growth • 2020 and 2021 deals executed exclude COVID related liquidity draws
New portfolio companies	9		11		12		9		9	• 9 new portfolio companies during Calendar 2023, and 5 from new relationships • Saratoga new portfolio company investments average ~2.5% of deals reviewed

*Calendar quarters, not fiscal quarters.

Tier 1 Sponsor Relationships Increased from 8 to 199 in Twelve Years –
Helps Drive Strong Originations and Pipeline

Tier 1 Sponsor Relationships



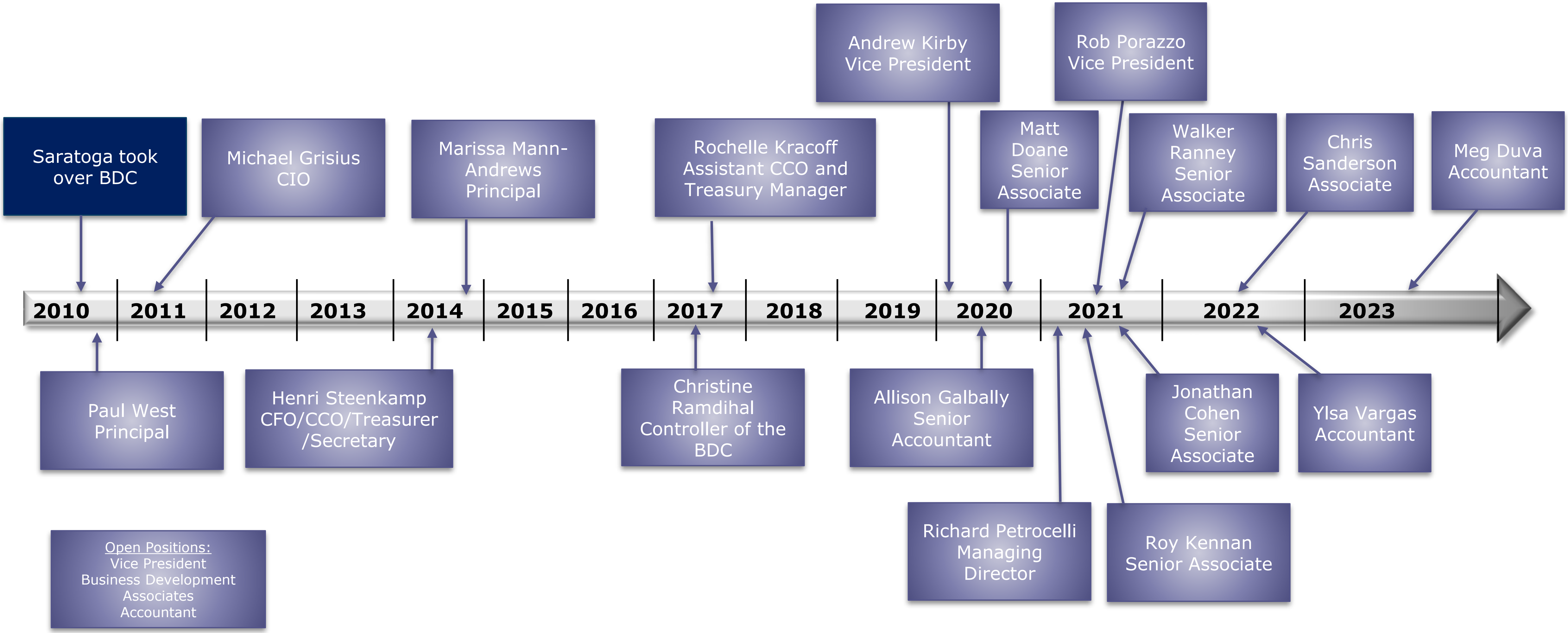
* In 2020, business development underwent a series of reviews to refine our process and refocus how we define "Tier 1" relationships to increase effectiveness and attention

- **Investment in business development expands and deepens our relationships base**
  - In LTM Q3 2023, five of our nine new portfolio companies are from new relationships
- **Renewed emphasis on business development**
  - Initiated dual coverage of sponsor relationships by investment team and business development team
  - Increased focus on sourcing investment opportunities from independent sponsors and family-owned businesses
- **Growing reputation and recognition in the marketplace**
- **Focus on higher quality pipeline, leading to continual increase in term sheets issued**

Successfully Retained and Attracted Investment Management and Business Development Talent

Saratoga Team Has Continued to Grow to Meet Opportunity

~ Saratoga's Established Management Team
Combined have over 175 Years with the Company. ~



Introductions: Best in Class Team

Professional Team	Tenure at Saratoga	Background
Christian Oberbeck, CEO	29 years	BS/BA - Brown University, MBA - Columbia University, Dillon Read, Castle Harlan
Michael Grisius, CIO	13 years at firm, 16 years at prior firm	BS - Georgetown University, MBA – Cornell, Allied Capital, Chemical Bank, KPMG
Henri Steenkamp, CFO, CCO, Treasurer and Secretary	10 years, 15 years prior capital markets and controls experience	Honors in Finance – University of Johannesburg, CA(SA), PwC
Charles Phillips, MD	27 years	AB - Harvard College, MBA - Harvard Business, Dillon Read, McCown De Leeuw
Thomas Inglesby, MD	16 years (incl GSC),15 years at prior firm	BS - University of Maryland, JD/MBA - Virginia GSC Group, Harbour Group
John MacMurray, MD	14 years	AB - Princeton University, MBA – Columbia, EuroConsult
Richard Petrocelli, MD	17 years	BSBA – Georgetown, MBA – NYU Stern, Flat Rock, Fifth Street, Gabelli
Paul West, MD	13 years	BSBA - University of North Carolina, Chapel Hill
Marissa Mann-Andrews, Principal	10 years	BS – Washington and Lee University, JP Morgan
Rob Porazzo, Vice President	2 years	BS – Babson College, Varagon, Wells Fargo, Cambridge Associates
Andrew Kirby, Senior Associate	3 years	BA – Vanderbilt University, Hammond Hanlon Camp LLC
Jonathan Cohen, Senior Associate	2 years	BBA – University of Michigan, PennantPark, MTS Health Partners
Matt Doane, Senior Associate	3 years	BS – Tulane University, BMO, Deutsche Bank
Walker Ranney, Senior Associate	2 years	BS – University of South Carolina Honors College, Wells Fargo Securities
Roy Kennan, Senior Associate	2 years	BA – George Washington University, Morgan Stanley, Jefferies, CFA
Chris Sanderson, Associate	1 year	BS – Washington University, Crowe, Metronome Partners, Twin Brook Capital
Christine Ramdihal, Controller of the BDC	6 years	BA Acc and Economics – Queens College, Cbiz, BDO, Marsh, Augentius, CPA
Rochelle Kracoff, Asst CCO and Treasury Mgr	6 years	BS –Brooklyn College, Abrams, Cohen and Associates, Visium Asset Management
Allison Galbally, Senior Accountant	4 years	BS Accounting, MBA Finance– Fordham University, E&Y, Garrison
Jeannette Hill, Controller of Private Fund	6 years	BBA – Pace, Pepsico, Xylem, Shake Shack
Ylsa Vargas, Accountant	1 year	BA, MS – Queens College, GTIS Partners, Augentius Fund Admin
Meg Duva, Accountant	7 months	BS Accounting and Finance – Rutgers Business School, PwC

Conclusion

Objectives for the Future

SARATOGA INVESTMENT CORP.

- **Expand our asset base without sacrificing credit quality while benefitting from scale**
- **Increase our capacity to source, analyze, close and manage our investments by adding to our management team and processes**
- **Utilize benefits of fully deploying diverse and available financing to build scale and increase our AUM and net investment income/yield, enabling us to achieve growth in:**
  - Net Asset Value and Net Asset Value per Share
  - Return on Equity
  - Earnings per Share
  - Stock Values

Conclusion: Defined Growth Strategy and Unique Niche Focus

SARATOGA INVESTMENT CORP.

Best-in-Class Team

Outperforming BDC sector in ROE and Total Return

Five Year Total Return of +100% vs. +64% for BDC industry

Last Ten Years Average ROE of 10.8% exceeds BDC industry average of 6.3%

Management Ownership 12%

Exceptional Track Record of NAV/NAV Per Share and High-Quality Asset Growth Since Management's Acquisition in 2010

Fair value of assets under management grown more than 11x since FY 2011

NAV per share decreased 4% this quarter but up 30% last ten years and 25% since FY17; grown 20 of past 27 quarters

97.1% of loan investments with highest internal credit rating

Solid Available Liquidity

Quarter-end liquidity allows SAR to increase AUM by 20%

Issued $48m of equity since June 2023

Capital structure ~ Fixed rate, no covenants and long-term, with higher cost debt all callable within next year

Remaining Room for Growth

Available capacity to grow AUM deploying cash and low-cost SBA debentures – accretive to NII per share

Beneficiary of rising rates with 99% of interest earning assets variable rate and above floors

Saratoga is outperforming the BDC industry and there is a growth opportunity for investors.

Appendix:

Saratoga: Basics from Inception
Investment Process
Long-term Market Dynamics
Case Studies

Saratoga: The Basics From Inception to Today

Saratoga Investment Advisors, LLC ("SIA" or the "Fund Manager")

- Fund Manager since July 2010 after Saratoga Partners recapitalized the Fund
- Grown Fund from $80M assets under management ("AUM") in 2010 to $1,114M at Q3 FY24 (excluding CLO AUM)
- Successfully retained and attracted investment management talent – quadrupled from 6 to 24 with fifteen new hires since 2017 and at least four open positions
- Top performing SBIC on first license in 2012, a second license received in 2019 and a third in 2023
  - Realized unlevered IRR of 16.8% and 17.2% (no SBIC III realizations yet); Total unrealized unlevered IRR of 11.5%, 9.3% and 19.0%
- Total realized unlevered IRR of BDC is 15.7% on $917M realizations; Total BDC unlevered IRR is 13.8% on $2.1bn originations
- Successfully manages CLO with approx. $650M AUM and JV priced CLO in October 2022 for approx. $400m AUM
- Grown Net Asset Value ("NAV") from $71M in 2010 to $360M at Q3 FY24
- Total Stockholder Return (including dividends) outperforms the BDC Industry average
  - Three Year: SAR 66% v 45% S&P BDC Index
  - Five Year: SAR 100% v 64% S&P BDC Index
  - Since Saratoga took over management of the BDC: SAR 712% v 241% S&P BDC Index

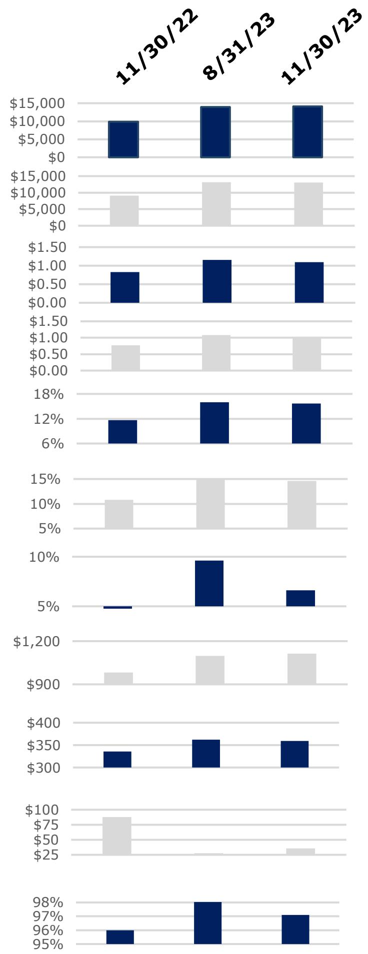
Note: Standard Management Agreements –
- Base Management Fee of 1.75%, plus 20% incentive fee on Net Investment Income ("NII") exceeding 7.5% and 20% on "incentive fee capital gains"
- Administrative agreement pays a capped $3.275M/year

Q3 FY24: Strong Financial Foundation and Momentum

SARATOGA INVESTMENT CORP.

Key Performance Metrics for the Fiscal Quarter

For the quarter ended and as of ($ in millions except per share)	November 30, 2022	August 31, 2023	November 30, 2023
Net investment income	$9,877	$13,965	$14.166
Adjusted net investment income*	$9,126	$13,156	$13,127
Net investment income per share	$0.83	$1.15	$1.09
Adjusted net investment income per share*	$0.77	$1.08	$1.01
Net investment income yield	11.7%	16.0%	15.7%
Adjusted net investment income yield*	10.8%	15.0%	14.6%
Return on Equity – Last Twelve Months	4.0%	9.6%	6.6%
Fair value of investment portfolio	$982.0	$1,098.9	$1,114.0
Total net assets	$335.8	$362.1	$359.6
Investments in new/existing portfolio companies	$87.6	$27.5	$35.6
Loan Investments held in “Performing” credit ratings	96.0%	98.2%	97.1%



*Adjusted for accrued capital gains incentive fee expense, and interest expense and amortization of deferred financing costs related to the 2025 SAK Notes during the period while the 2027 SAT Notes were already issued and outstanding, reconciliation to GAAP net investment income, net investment income per share and net investment income yield included in our fiscal second quarter 2024 earnings release.

Investment Approach: How We've Focused

Focused on middle market companies in the United States

$3 Million to $40 Million Investments in:

Leveraged & Management Buyouts **Recapitalizations** **Growth Financings**

Acquisition Financings **Transitional Financings**

Diverse Investment Strategy: No potential write-downs as a result of exposure to energy inv.

Qualitative Parameters

- Leading market position
- Exceptional management with meaningful stake
- Growth prospects in healthy end markets
- Ability to withstand industry cycles

Financial Parameters

- Revenues of $10 - $150 million
- EBITDA of $2M or above
- Strong margins and free cash flow
- Recurring revenues and stable historical performance
- Modest capital expenditures

NATIONAL TRUCK PROTECTION

HMN HEALTH Media NETWORK

Expedited Travel

IDENTITY AUTOMATION

easyice No Capital. No Hassle. Just Ice.

Investment Process

SARATOGA INVESTMENT CORP.

Types of Deals

- Debt: investment size $5-40MM
- Equity co-investment: size $0.5-5MM
- Typical coupon: 6%-15%
- Average maturity of 5 years
- Conservative capital structure
- Support entrepreneur/management owned businesses seeking growth capital and independent sponsor transactions
- Unitranche target IRR: 7%-11%
- Mezzanine target IRR: 9%-14%
- Equity target IRR: >20%
- Use of proceeds – organic growth, management buyouts acquisitions, LBOs, recaps and growth strategies (no turnaround situations)

Company Characteristics

- Expansion and later stage, small and middle market companies ($10-150MM in revenue, $2+MM in EBITDA)
- Strong margins and free cash flow, including low/negative EBITDA companies
- Exceptional management team with a meaningful stake in the business
- Leading market position or niche with sustainable competitive advantages
- Recurring or repeatable revenue with loyal customers and attractive margins
- Modest capital expenditures and working capital requirements
- Stable historical performance

Industry Profile

- Established, well defined industries with solid growth characteristics in healthy end markets
- Business services, light manufacturing, franchise businesses, consumer and healthcare services industries
- Ability to serve less populated areas and regions
- High barriers to entry
- No high R&D, early-stage technology, or pure commodity industries
- Ability to withstand business cycles

Investment Selection and Portfolio Management Process








Initial Investment Summary → **Partners' Meeting** → **Due Diligence** → **Investment Committee** → **Final Due Diligence** → **Final Committee Approval** → **Funding** →

Summary Analysis and Deal Write-up
- Read CIM
- Evaluate preliminary data
- Sometimes meet management

Propose Terms and Structure
- Identify and Communicate Key Diligence Items

Conduct Due Diligence
- Meet management and visit company
- Comprehensive analysis of key aspects of business
- Prepare internal models
- Third part quality of earnings report
- Third party consultants
- Industry experts
- Customer calls

Final Due Diligence and Documentation
- Finalize legal documents and deal structure
- Negotiate covenants
- Third party background checks
- Complete all outstanding diligence

Ongoing Monitoring
- Frequent interaction with ownership and management
- Board observation rights
- Monthly and Quarterly reporting
- Quarterly valuation
- Annual third party valuation

Long-Term Market Dynamics Are Positive

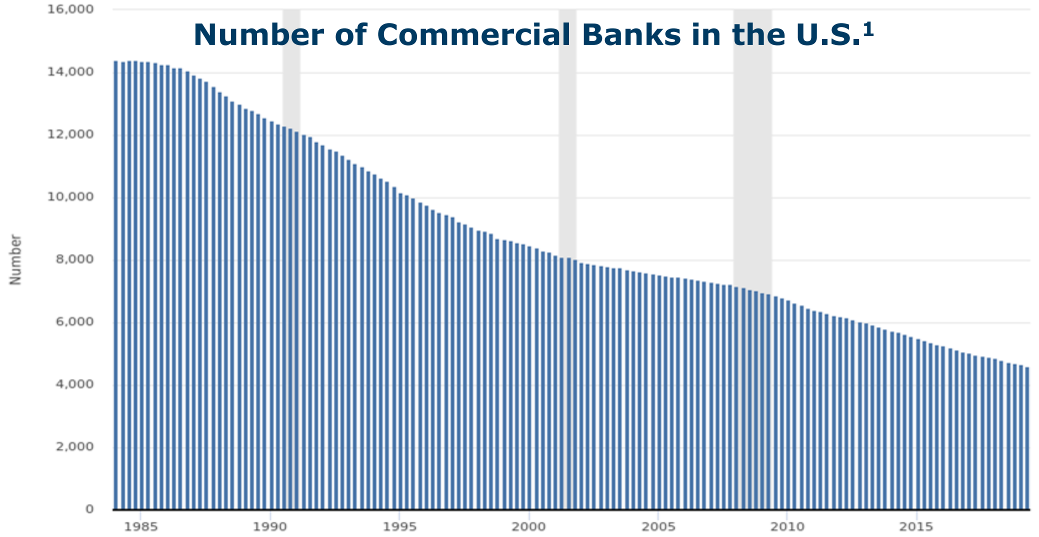
Powerful Secular Trends

- Banks continue to shift toward large borrowers
- Regulatory environment is a headwind for banks in the middle-market

Consistent Decline in Small Business Bank Lending Due to Consolidation and Regulation

- Banks historically the main source of loans for small businesses
- Consistent decline in number of banks due to consolidation; larger banks focus on larger companies
- Increased regulation has made it more onerous for remaining banks to make small business loans

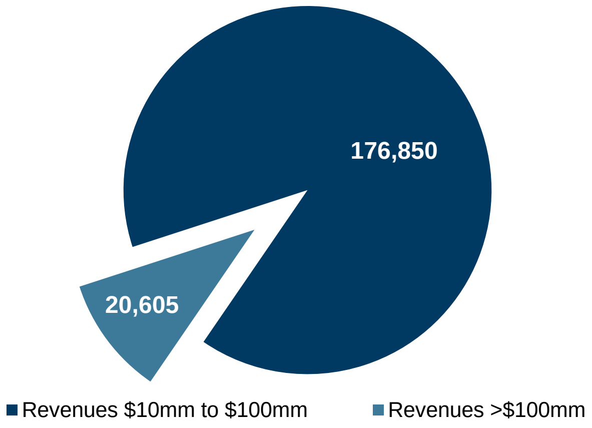
Number of Commercial Banks in the U.S.[1]



Large Market of Small Businesses Underserved by Traditional Asset Managers

- Over 175,000 companies in small business target market –businesses with between $10mm and $150mm in revenues
- Small businesses represent nearly 90% of all businesses
- Large asset managers not focused on small businesses
- Less than 8% of private capital is focused on small businesses

Number of Companies in the U.S. by Revenue[2]



(1) Federal Financial Institutions Examination Council (US) – Commercial Banks in the U.S.
(2) U.S. Census, Dunn & Bradstreet. Businesses with between $10 million and $100 million of annual revenue represents a large segment of Star Mountain target marketplace.

Market Dynamics – Regulatory Changes Benefit BDCs

SARATOGA INVESTMENT CORP.

Proposed Regulatory Changes …. BDCs poised to fill void left by banks

Proposed Regulation	Key Dates	Detail	Effects on Banks	Effect on BDCs
Basel III	Phased-in 2015-2019	New capital requirements require banks to reserve more equity capital against leveraged loans, with higher risk weightings against non-investment grade securities	x	✓
FDIC Guidance on Leveraged Loans	Guidance effective May 2013	Establishes minimum lending standards, changes in "criticized loans" (loans levered >6x)make underwriting higher leverage transactions (i.e. LBOs) more difficult for the largest banks, "no exceptions policy" on new issuance	x	✓
SIFI[1]	Ongoing	An objective of Dodd-Frank, SIFI regulation requires the enhanced monitoring of systemic risk and supervision of systemically important financial institutions (SIFIs)	x	✓
Volcker Rule	Finalized Dec. 2013 Implemented July 2017	Limits ability of banks to own or sponsor hedge funds or private equity funds	x	✓
Risk Retention	Rules passed October 2014	CLO sponsors required to retain a 5% interest in the CLO on their own balance sheet		✓
S. 2136	Rule passed December 2015	Passed law that would allow SBICs to access $350 million of SBA debentures, up from $225 million		✓
H.R. 1800	Rule passed and effective	Proposed law that would raise allowable BDC leverage to 2:1 debt / equity and allow preferred equity to count as equity		✓

Source: Wall Street equity research (May 2013).

(1) SIFI regulation can be viewed as having a negative impact on insurance companies. AIG and Prudential Financial have been designated SIFIs by the Financial Stability Oversight Council (FSOC) and MetLife is in "Stage 3," the final stage of review before being designated a SIFI

Investment Case Studies

easyice
No Capital. No Hassle. Just Ice.

Ice-as-a service business model, provider of ice machine service contracts to small businesses.

Investment Thesis

- **Strong Value Proposition**
  - Customers avoid a large upfront equipment purchase, receive repair and regular maintenance at no extra charge, emergency ice delivery in the event of machine downtime.
- **Subscription-based Recurring Revenue Model**
  - Cash flow supported by over 9,400 monthly subscriptions (installed machines) spanning locations in 47 states.
- **Highly Diversified Customer Base**
  - Largest customer represented less than 1.0% of revenues; over 95% of Easy Ice's customers reflected single-unit subscribers.
- **Strong Operating Leverage**
  - Monthly recurring revenue business model has few fixed costs beyond the core operating management and sales/call center. Dedicated (fixed cost) service technicians utilized only in the most dense markets.

Investment

- In March 2013, Dec 2014, February 2015, and February 2017 Saratoga provided financing to support the recapitalization of the business and to support installed ice machine growth.
- Initial $7.5M of senior debt grew to over $20m in debt and equity over the course of investment to support growth via additional fleet purchases.
- In February 2017, Saratoga led a recapitalization in conjunction with management that resulted in Saratoga owning approximately 40% of the company.
- In December 2020, Saratoga sold Easy Ice for a $31.2 million realized gain

Investment Summary

- Revenue and EBITDA more than tripled over our investment period.
- As installed base of machines has grown, revenue visibility and operating leverage has improved.
- Attractive subscription model continues to improve, experiencing lower churn rates as customers are more "seasoned."

HMN
HEALTH Media NETWORK

Point of care media company with over 9,500 digital screens and wallboards in medical offices and healthcare facilities

Investment Thesis

- **Value Proposition**
  - HMN provides advertisers access to an engaged, captive audience of highly targeted customers at the point of care.
  - HMN offers a strong, measurable ROI for its customers.
- **Blue Chip Customer Base**
  - HMN's customers include many of the world's largest and most sophisticated pharmaceutical companies, including Pfizer and Bayer, and advertising agencies, including Carat, FCB Health and Target Health, which have endorsed HMN's platform by using it to advertise key drugs in their portfolios.
- **Attractive Unit Economics and Margins**
  - HMN's assets offer very quick payback (less than one year)
  - Highly leverageable business model with strong incremental revenue flow through to EBITDA.
  - Modest maintenance capex leads to high FCF.

Contacts

Board of Directors

Independent:
Steven M. Looney
Charles S. Whitman III
G. Cabell Williams

Interested:
Christian Oberbeck (Chairman)
Henri Steenkamp

Senior Management

Christian L. Oberbeck
Director (Chairman), Chief Executive Officer, President

Michael J. Grisius
Chief Investment Officer

Henri J. Steenkamp
Director, Chief Financial Officer, Chief Compliance Officer, Treasurer, Secretary

Research Coverage

Compass Point
Casey Alexander

Ladenburg Thalmann
Mickey Schleien

Hovde Group
Erik Zwick

B.Riley
Bryce Rowe

Maxim Group
Michael Diana

Oppenheimer
Mitchel Penn

Raymond James
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Janney
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Security Listing

Common Stock:
NYSE: SAR

Fiscal Year End

February 28th
Non-accelerated filer

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