

Investor Fact Sheet

Q1 2026

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 \$35.9¹ 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

11.1%

Dividend Yield on NAV²

13.5%

Dividend Yield on Stock Price³

96%

Senior Secured Investments⁴

98%

Floating Rate Debt Investments⁴

~0.00%

Non-Accrual Rate⁵

283

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.

\$3.6B

Invested Capital Since Inception

\$1.2B

Fair Value Investment Portfolio⁶

\$452M

Weighted Average LTM EBITDA⁷

214

Portfolio Companies

44

Portfolio Industries

~\$4.4M

Average Hold⁸

2.4x

Weighted Average Interest Coverage⁷

10.1%

Net Investment Income Yield⁹

11.7%

W.A. Yield on Investments¹⁰

Highly Diversified Portfolio By Industry & Borrower¹¹



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 34 professionals organized by structure & sector. Investment team led by senior team with an average of 20 years of credit experience¹.

Important Disclosures

Note: Figures are as of the quarter-ended 3/31/26 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 2/28/26, AUM is inclusive of Palmer Square Capital Management LLC and its affiliates. Employment data as of 3/31/26.
2. Dividend yield on NAV based on annualized rate of the Q1 2026 dividend of \$0.37 per share, and the \$13.30 NAV per share as of 3/31/26.
3. Dividend yield on stock price based on annualized rate of the Q1 2026 dividend of \$0.37 per share, and the stock price of \$10.97 as of 4/30/26.
4. As a percentage of long-term investments as of 3/31/26.
5. As a percentage of total investments as of 3/31/26.
6. Includes the fair value of short-term investments.
7. Attributes of First Lien Borrowers.
8. Average hold size of first and second lien investments at fair value.
9. Q1 2026 annualized net investment income yield as a percentage of average NAV.
10. Represents a weighted average yield to maturity at fair value for all debt and income producing securities.
11. Data as of 3/31/26. 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 fact sheet and any information communicated during any presentation of the fact sheet and any question and answer session and any document or material distributed at or in connection with the presentation of this fact sheet (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: our future operating results; our business prospects and the prospects of our portfolio companies; 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, China, the Middle East, Latin America, and ongoing conflicts in the Middle East and South America and the Russia-Ukraine war; the impact of fluctuations in interest rates and foreign exchange rates on our business and our portfolio companies; rising levels of inflation, and its impact on us, on our portfolio companies and on the industries in which we invest; the ability of the Investment Advisor to locate suitable investments for us and to monitor and administer our investments; the ability of the Investment Advisor and its affiliates to attract and retain highly talented professionals; risk associated with possible disruptions in our operations or the economy generally, including a possible slowdown in the economy and risk of recession; the timing of cash flows, if any, from the operations of the companies in which we invest; the ability of the companies in which we invest to achieve their objectives; our ability to continue to effectively manage our business due to the disruptions caused by global political and economic instability; the dependence of our future success on the general economy and its effect on the industries in which we invest; our ability to maintain our qualification as a BDC and as a RIC under the Code; the use of borrowed money to finance a portion of our investments; the adequacy, availability and pricing of our financing sources and working capital; actual or potential conflicts of interest with the Investment Advisor and its affiliates; our contractual arrangements and relationships with third parties; loss of key personnel; and the illiquid nature of our investments. 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.

This Presentation contains statistics and other data that has been obtained from or compiled from information made available by third-party service providers. We have not independently verified such statistics or data. This Presentation is neither an offer to sell, or a solicitation of an offer to purchase, an interest in the Company. The information presented in this Presentation is as of March 31, 2026, unless indicated otherwise.