



Stellus Capital Investment Corporation

Investor Presentation

Quarter ended June 30, 2025



HOUSTON, TX

WASHINGTON D.C.

CHARLOTTE, NC

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- All daily trading information/multiples in this presentation as of July 30, 2025, unless otherwise noted
- All other financial information as of June 30, 2025

There are more than 45 Publicly-Traded BDCs ~ What is our Competitive Advantage?

Strong Historical Portfolio Performance and Consistent Returns to Shareholders

Strong History of Underwriting Credit

- Fair Value of investment portfolio of \$985.9 million as of June 30, 2025
- Diversified portfolio by size of investment, industry and geography

Favorable Performance Over Time

- ROE since IPO of 9.6%*
- Stable portfolio performance over 12 years

Stable and Growing Dividend

- Quarterly aggregate dividend of \$0.40 per share
 - Monthly dividend of \$0.1333 per share
- Approximate annualized dividend yield of 11.2%
- LTD dividends declared of \$17.75 per share to an IPO investor through July 30, 2025

Performance and Stability / Trading at NAV

- Net asset value per share was \$13.21 at June 30, 2025
- Trading at approximately 1.08x the June 30, 2025 per share NAV

* Source: Company Filings
All daily trading information/multiples in this presentation as of July 30, 2025 unless otherwise noted

SCM Provides Flexible Financing for Middle Market Companies

Investment Type & Size

- Investment sizes: \$20 million to \$100 million (across platform).
- Senior secured first lien and unitranche debt financings, often with corresponding equity investments.
- Cash interest, up-front fee and prepayment penalties, SOFR floors
- Nominal equity co-invest in certain transactions

Investment Focus

- Private companies generating between \$5 and \$50 million of EBITDA.
- Diverse industry sectors
- Capital is often used for acquisitions, growth capital, leveraged buyouts, and recapitalizations.
- Substantially all investments are in portfolio companies backed by high quality PE sponsors.

Origination Focus

- Focus on originated loans, as opposed to broadly syndicated financings. SCM is typically the sole lender in the tranches in which it invests. However, we are open to partnering with a small number of lenders in "club" deals.
- Companies headquartered (or with a majority of their operations) in the United States and Canada.

Established Private Credit Team and Institutional Platform

- Stellus' private credit team's long tenure enables cohesive evaluation and efficient execution of investment opportunities

Experienced Team

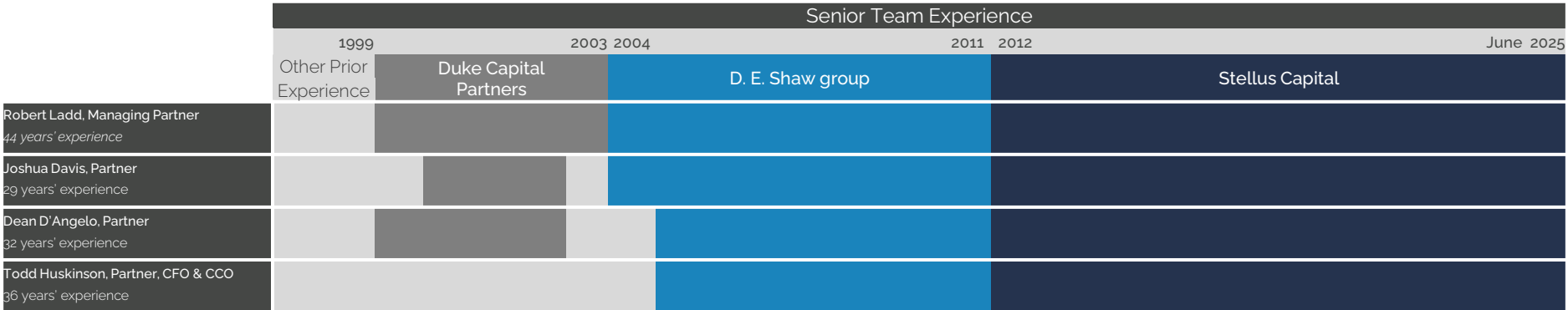
Extensive underwriting and restructuring capabilities

Longevity

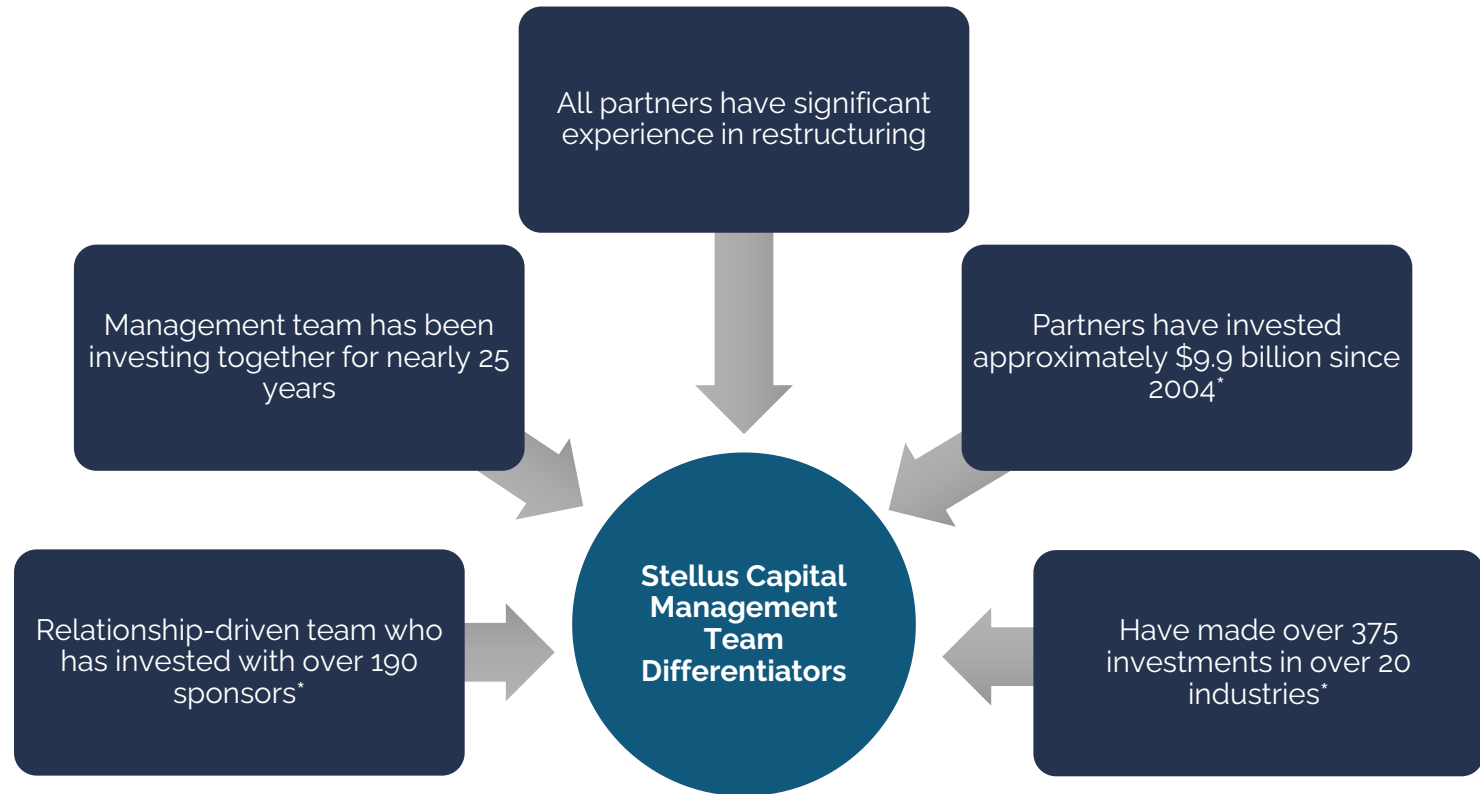
Senior members of the investment team have invested together for nearly 25 years

Continuity

Five of the eight Managing Directors hired as junior professionals



Diverse Sponsor Relationships and Investment Experience



* Includes transactions closed by the management team prior to forming Stellus Capital Management

Sourcing and Origination

- The Stellus deal team is responsible for origination and sourcing utilizing a highly focused regional approach resulting in a diverse financial sponsor network
- Since 2004, the Stellus Capital team has partnered with over 190 unique sponsors¹



¹ Includes investments consistent with Stellus Capital's credit strategy since 2004 including predecessor firm



Stellus Capital Management has one of the most experienced lower middle market investment teams in the marketplace with over 330 combined years of principal investing experience

112

Current Active
Investments

>375

Cumulative
Completed
Investments

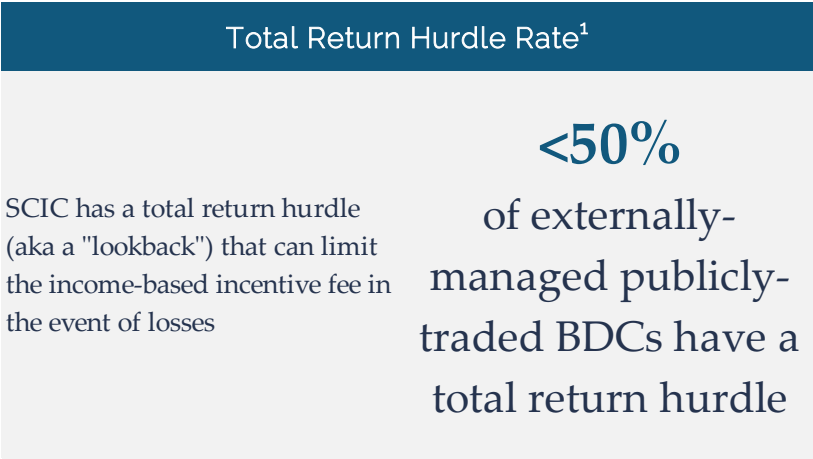
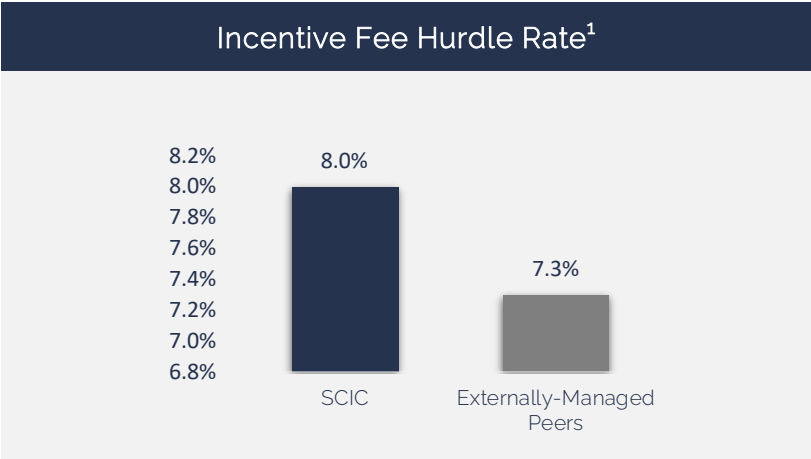
~\$9.9

Billion
Invested Capital

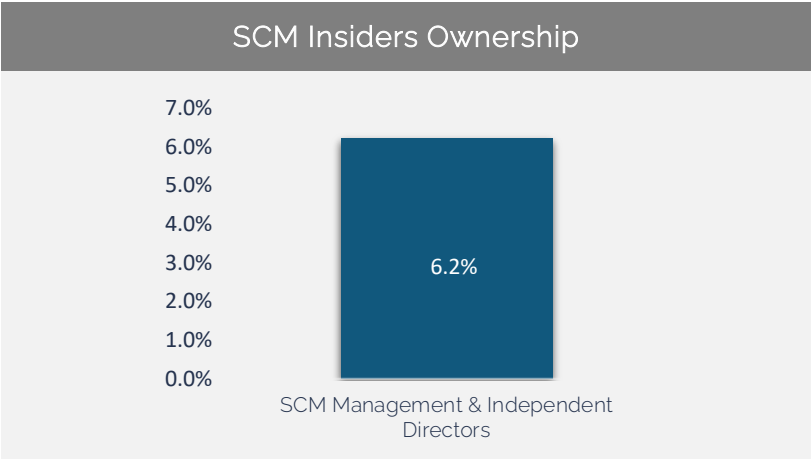
[Select List of Investments Available Here](#)

SCM Focuses on Shareholders

- SCIC aligns interest with shareholders



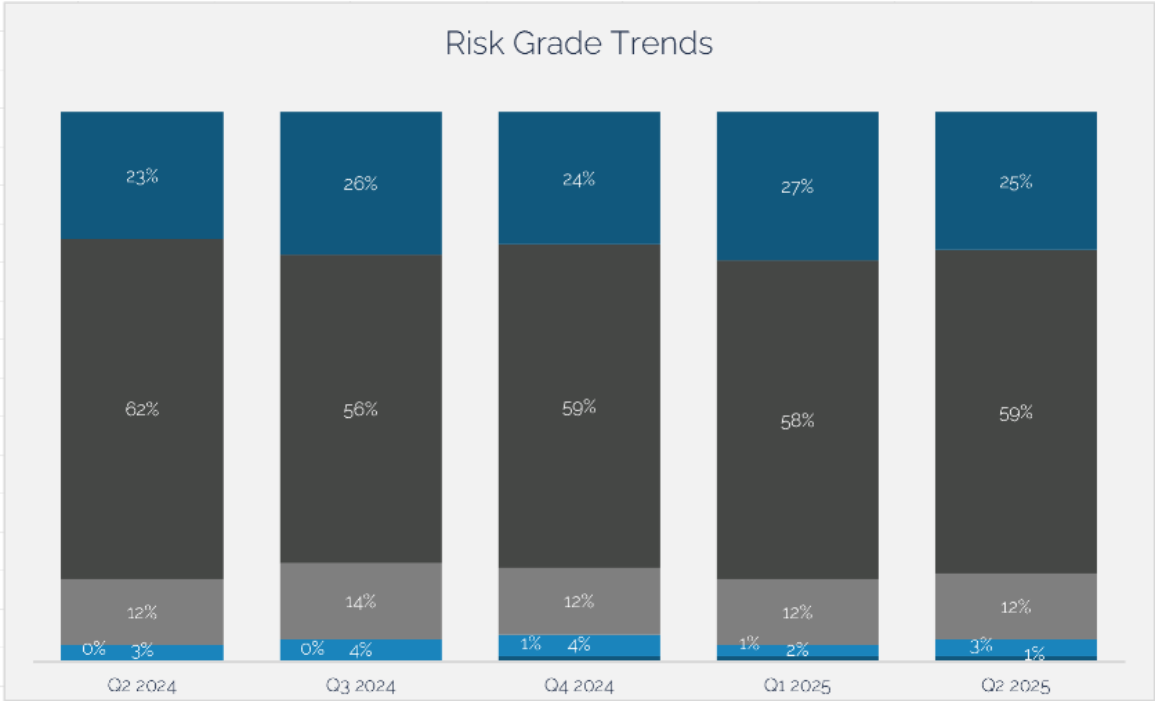
- Significant equity ownership by SCIC Insiders valued at \$24.8 million



¹Source: Public filings; externally-managed peer group of TCPC, FDUS, GAIN, GLAD, HRZN, MRCC, OFS, PTMN, WHF
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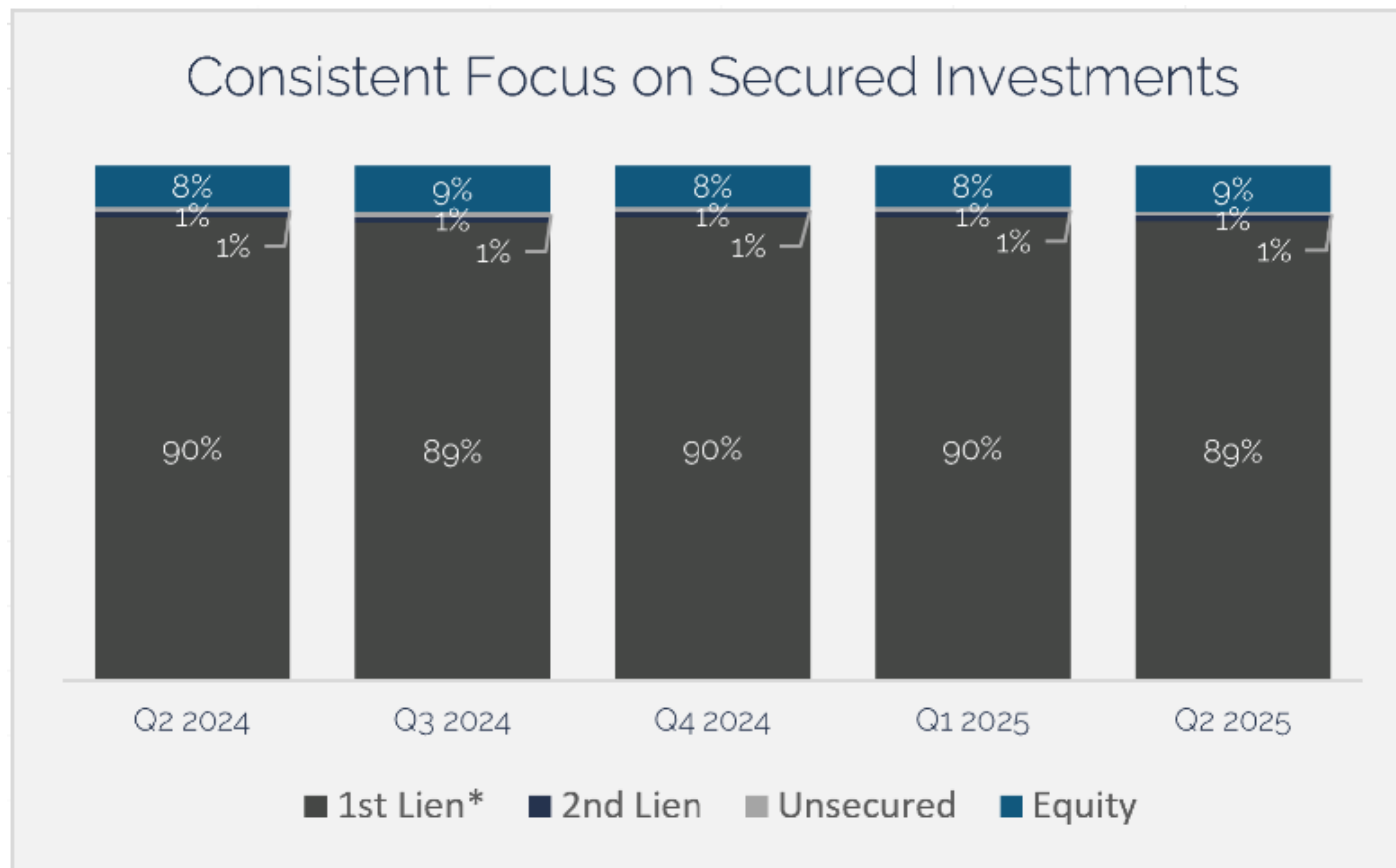
Stable Asset Quality: Portfolio is Performing in Accordance with Plan

- Investment Category Definitions at fair value ("Risk Grade" or "RG"):
- 1 Exceeding expectations
 - 2 Performing in accordance with plan
 - 3 Requires closer monitoring (no loss of return or principal)
 - 4 In workout (some loss of return; no loss of principal)
 - 5 In workout (some loss of principal)



Investment Portfolio

- We originate and invest primarily in private middle-market companies through first lien (including unitranche) debt financing, often with corresponding equity co-investments.
- Historical return on equity co-investments of approximately 2.5x**



*Includes unitranche investments. Unitranche structures may combine characteristics of first lien senior secured as well as second lien loans

**Historical performance is not indicative of current or future performance.

Note: Percentages are based on market value

Portfolio Construction as of June 30, 2025

10.2%

Weighted Average Yield¹

\$9.61

Average Loan Investment Size
(in millions)¹

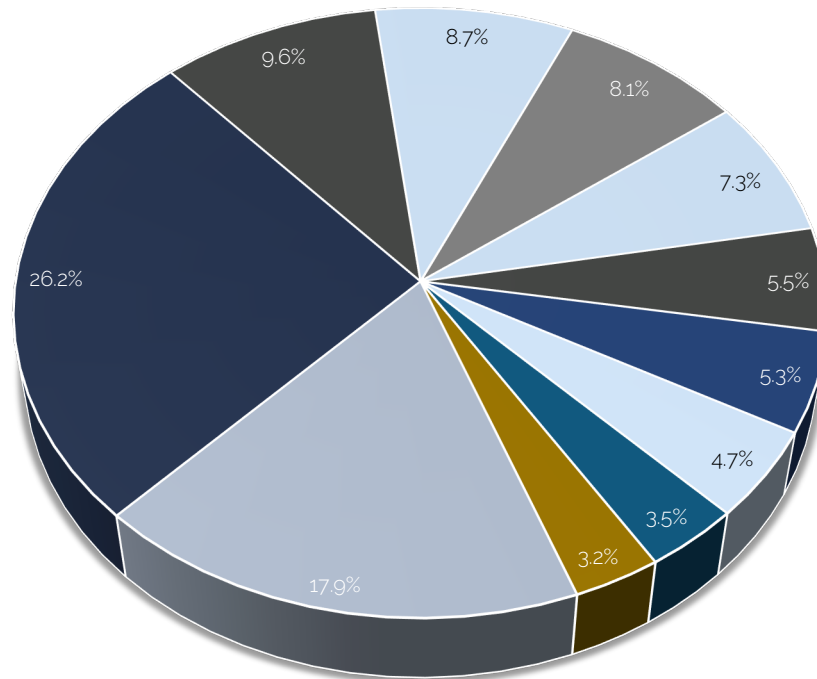
2.1%

Largest Investment as a
Percentage of Total Portfolio
(in millions)²

\$16.63

Weighted Average Borrower
EBITDA (in millions)³

Broad Industry Diversification



Services: Business 26.2%

Healthcare & Pharmaceuticals 8.7%

Beverage & Food 7.3%

Capital Equipment 5.3%

Construction & Building 3.5%

Other (<3%) 17.9%

High Tech Industries 9.6%

Media: Advertising, Printing & Publishing 8.1%

Consumer Goods: Non-Durable 5.5%

Services: Consumer 4.7%

Consumer Goods: Durable 3.2%

98%

First Lien / Senior Secured
Debt⁴

99%

Sponsor Backed
Transactions¹

91%

Floating Rate⁴

95%

Cash Interest¹

1. Calculation based on principal as of June 30, 2025, not including equity

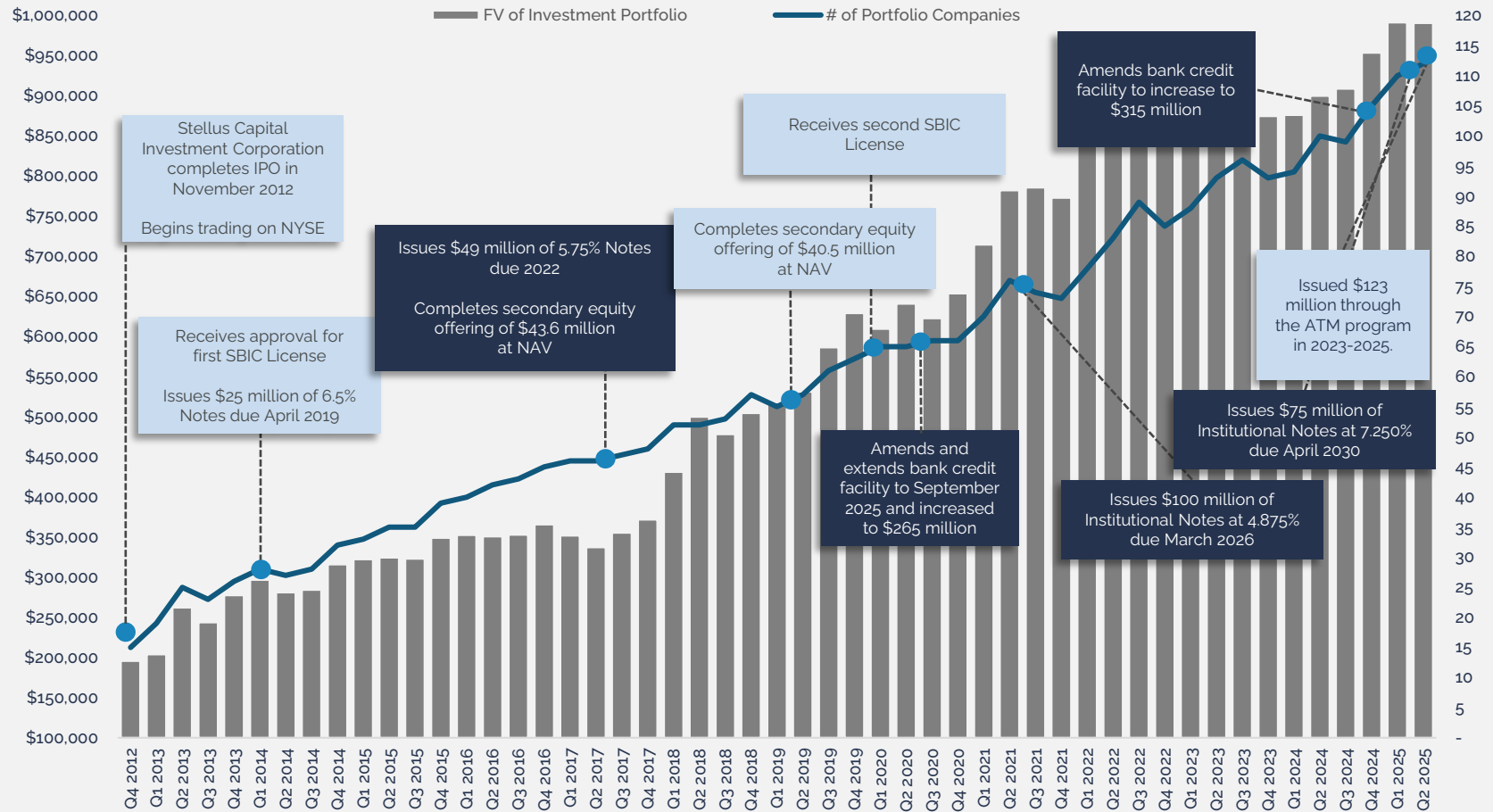
2. Calculation based on value as of June 30, 2025, including equity

3. Calculation represents the weighted average EBITDA for the trailing twelve-month period ended December 31, 2024, based on principal balance.

4. Calculation based on value as of June 30, 2025, not including equity

Investment Portfolio Growth Since IPO

Historical Capital Deployment, Deal Activity and SCIC Milestones



\$0.35

Core NII per share¹

\$15 million

New investment activity during the quarter²

\$986 million

Investments at fair value as of June 30, 2025

10.3%

Weighted average yield on new debt investments²

\$13.21

NAV as of June 30, 2025

Three New Initial Investment
Funding & Eight Follow On
Investments

New loan fundings were 100% 1st lien

¹ Core NII excludes any capital gains incentive fee accrual and income taxes, the majority of which are excise taxes; \$0.34 GAAP NII per share

² Based on funded principal

Cumulative Distributions Declared per share Since IPO

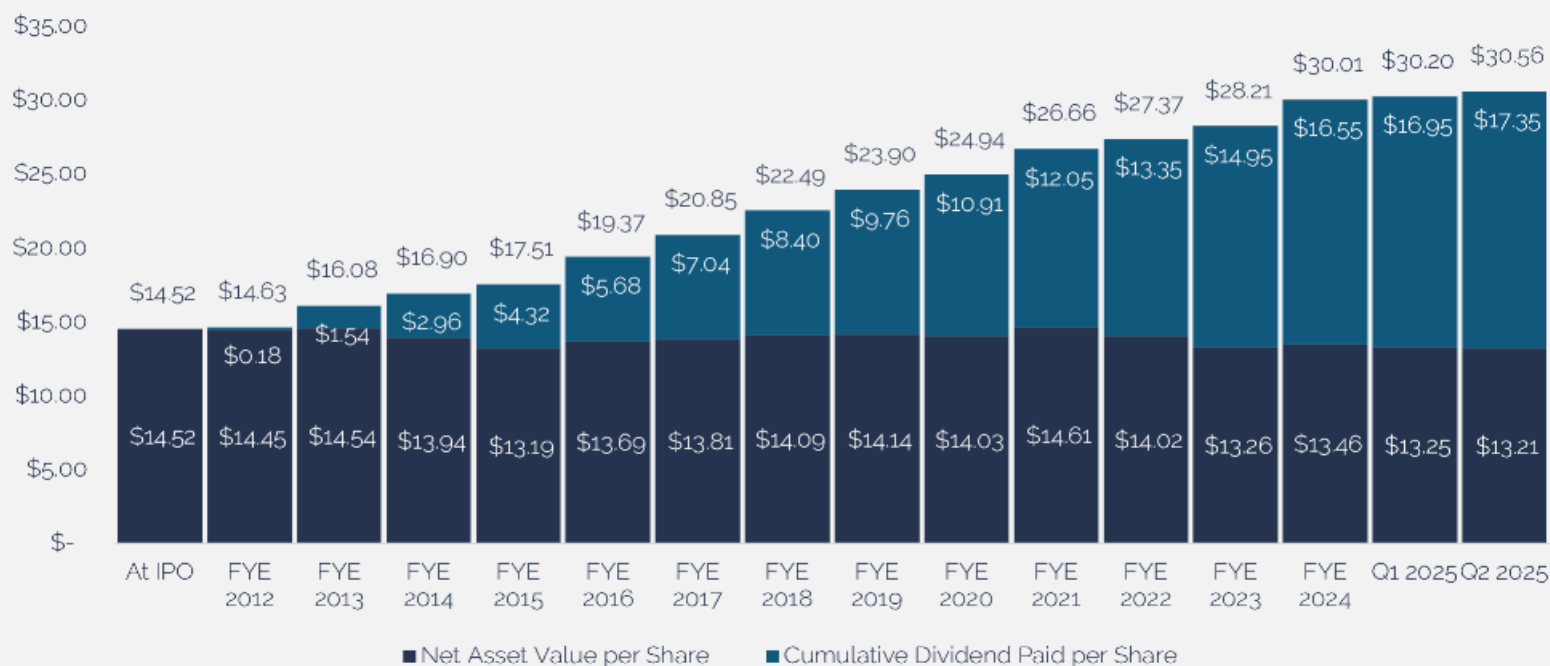
\$17.75 per share in cumulative distributions since SCM IPO in 2012*

Monthly dividends of \$0.1333 per share declared in Q3 for July, August and September 2025*

Approximate annualized dividend yield of 11.2% while maintaining a stable NAV per share

Current monthly dividend is \$0.40 per share for the quarter*

Net Asset Value per Share and Cumulative Dividends Paid



- Includes dividends for the third quarter ended September 30, 2025
- All daily trading information/multiples in this presentation as of July 30, 2025 unless otherwise noted

Numerous Sources of Long-Term / Cost-Efficient Capital

- Access to low cost, fixed rate, longer-term leverage from the U.S. Small Business Administration

Funding Sources	Facility/Issuance Size	Outstanding ⁽²⁾	Interest Rate ⁽³⁾	Maturity
Syndicated Credit Facility led by Amegy ⁽¹⁾	\$315 million	\$175.4million	SOFR + 2.6%	November 21, 2028
SBIC I Debentures	\$150 million	\$133.8 million	3.41%	Varied ⁽⁴⁾
SBIC II Debentures	\$175 million	\$175 million	3.07%	Varied ⁽⁵⁾
Unsecured Notes	\$100 million	\$100 million	4.88%	March 30, 2026
Unsecured Notes	\$75 million	\$75 million	7.25%	April 1, 2030

⁽¹⁾ Amegy Bank credit facility closed on October 11, 2017 and was amended and extended in September 2020, December 2021, February 2022, May 2022, November 2023 and October 2024.

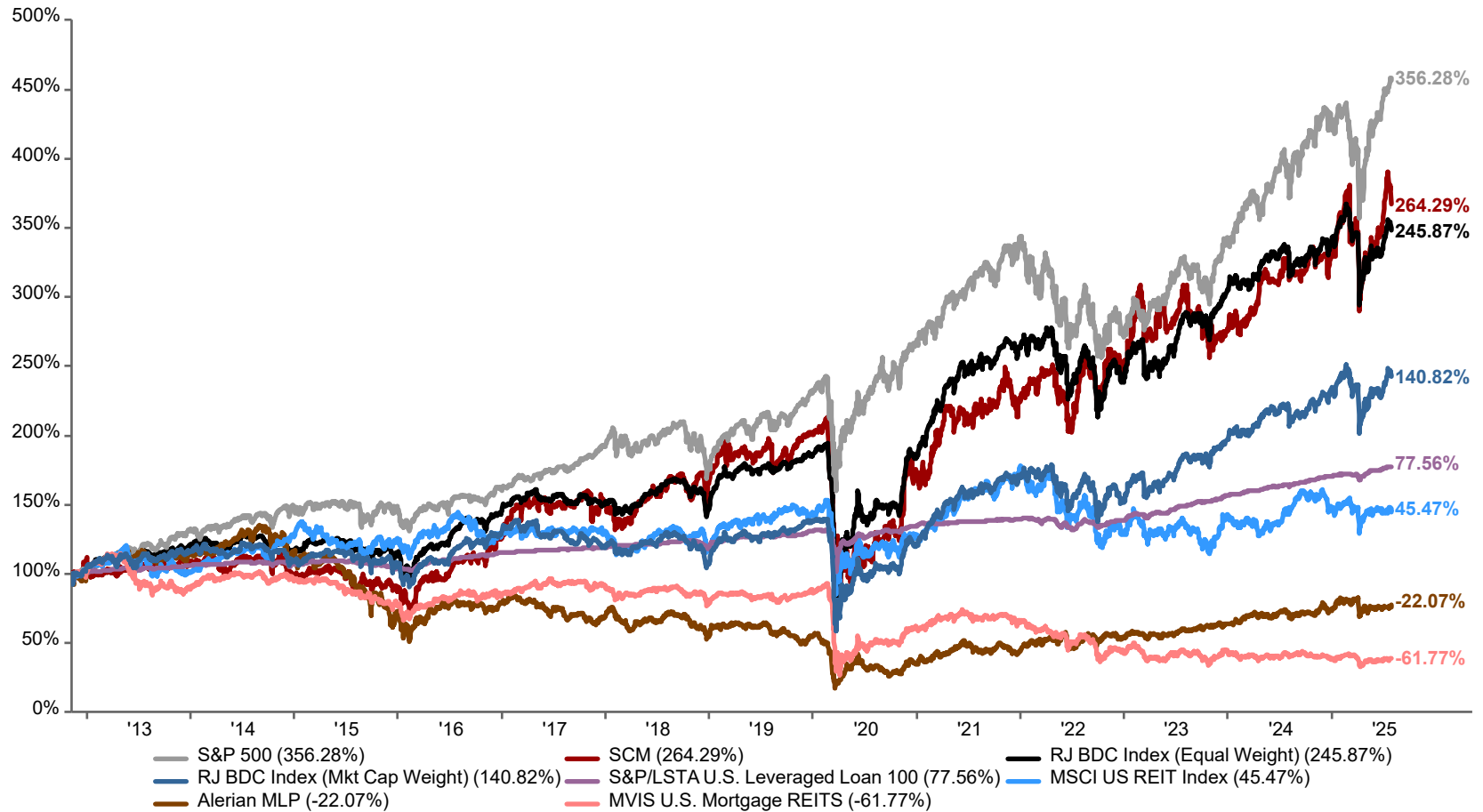
⁽²⁾ Outstanding balances are all as of June 30, 2025

⁽³⁾ Does not include amortization of loan fees.

⁽⁴⁾ SBA debentures issued to SBIC I began maturing on March 1, 2025, and continue to mature through March 1, 2029.

⁽⁵⁾ SBA debentures issued to SBIC II mature March 1, 2030 - March 1, 2034

Comparative Total Return Since Stellus IPO



11/07/2012 to 07/30/2025

FactSet's total return calculation begins with the closing stock price one day after each respective BDC's IPO

Total return assumes dividends are reinvested on the ex-dividend dates

RJ BDC Index consists of: ARCC, BBDC, BCSF, BXSL, CCAP, CGBD, CION, CSWC, FDUS, FSK, GAIN, GBDC, GECC, GLAD, GSBD, HRZN, HTGC, ICMB, KBDC, MAIN, MFIC, MRCC, MSDI, MSIF, NCDL, NMFC, OBDC, OCSL, OFS, OTF, OXSQ, PFLT, PFX, PNNT, PSBD, PSEC, PTMN, RWAY, SAR, SCM, SLRC, TCPC, TPVG, TRIN, TSLX and WHF

Corporate Information

Executive Officers

Robert T. Ladd
Chairman, President &
Chief Executive Officer

W. Todd Huskinson
Chief Financial Officer,
Chief Compliance Officer,
Treasurer and Secretary

Investment Committee

Robert T. Ladd
Chairman, President & Chief Executive Officer

Dean D'Angelo
Co-Head of Private Credit *

Joshua T. Davis
Co-Head of Private Credit *

W. Todd Huskinson
Chief Financial Officer, Chief Compliance Officer, Treasurer
and Secretary

Directors

J. Tim Arnoult ¹

Bruce R. Bilger ¹

Dean D'Angelo

Robert T. Ladd, Chairman

William C. Repko ¹

¹ Independent Directors

Service Providers

Stock Transfer Agent- Broadridge Corporate
Issuer Solutions, Inc.

Bond Trustee- US Bank National Association

Auditors- Deloitte & Touche LLP

Counsel- Eversheds Sutherland, LLP

*Stellus Capital Management, LLC

**Includes dividends for the third quarter ended September 30, 2025

All daily trading information/multiples in this presentation as of July 30, 2025 unless otherwise noted

Securities Listing

Common Stock NYSE : SCM

Corporate Headquarters

4400 Post Oak Parkway, Suite 2200

Houston, TX, 77027

Phone: 713-292-5400

Current Trading

Share Price	\$14.25
Shares Outstanding	28,416,418
Market Capitalization	\$404.9 Million
Total Assets	\$1.03 Billion
Total Stockholders' Equity	\$375.4 Million
NAV per share	\$13.21
Ratio of Price to NAV per share	1.08x

Dividends

Dividend Frequency	Monthly
Last Monthly Dividend per share**	\$0.1333
Approximate Annualized Yield**	11.2%

Debt

Regulatory Leverage	0.90x
Total Leverage (incl. SBIC debentures)	1.72x

Research Coverage

Raymond James
Robert Dodd, 901-579-4560

Keefe, Bruyette & Woods
Paul Johnson, 617-848-2777

Oppenheimer Equity Research
Mitchel Penn, 212-667-6699

Ladenburg Thalmann
Christopher Nolan, 212-667-7136

Janney Montgomery Scott
John Rowan, 242-940-6981

B. Riley Securities
Bryce Rowe, 703-312-1820

Income Statement Summary

	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
INVESTMENT INCOME					
Interest income	\$ 25,164,944	\$ 25,338,361	\$ 24,344,028	\$ 24,127,116	\$ 24,654,205
Other income	1,461,255	1,159,898	1,270,898	824,542	1,042,397
Total Investment Income	\$ 26,626,199	\$ 26,498,259	\$ 25,614,926	\$ 24,951,658	\$ 25,696,602
OPERATING EXPENSES					
Interest expense and other fees	\$ 8,116,497	\$ 7,956,403	\$ 7,665,595	\$ 8,263,019	\$ 8,680,015
Management fees	3,852,233	3,959,554	4,034,109	4,054,726	4,279,441
Income incentive fees	2,542,530	2,564,922	2,429,404	2,136,491	2,158,075
Income tax expense	417,867	360,192	503,890	499,547	428,951
Other general and administrative expenses	1,526,953	1,397,498	1,340,602	1,451,909	1,517,819
Total Operating Expenses	\$ 16,456,080	\$ 16,238,569	\$ 15,973,600	\$ 16,405,692	\$ 17,064,301
Income incentive fee waiver	\$ (1,622,542)	\$ —	\$ —	\$ (1,242,843)	\$ (928,926)
Net Investment Income	\$ 11,792,661	\$ 10,259,690	\$ 9,641,326	\$ 9,788,809	\$ 9,561,227
Net realized gain (loss)	1,962,693	(3,319,710)	5,935,120	(5,996,876)	(880,030)
Net change in unrealized (depreciation) appreciation	(5,592,568)	8,518,606	(6,885,372)	1,201,612	1,464,213
Benefit for taxes	381,500	2,221	—	—	—
Net Increase in Net Assets Resulting from Operations	\$ 8,544,286	\$ 15,460,807	\$ 8,691,074	\$ 4,993,545	\$ 10,145,410
Net Investment Income Per Share – basic and diluted	\$ 0.48	\$ 0.39	\$ 0.35	\$ 0.35	\$ 0.34
Net Increase in Net Assets Resulting from Operations Per Share – basic and diluted	\$ 0.35	\$ 0.59	\$ 0.32	\$ 0.18	\$ 0.36

Per Share Change in Net Asset Value (NAV)

	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Per Share Data: ⁽¹⁾	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net asset value at beginning of period	\$ 13.41	\$ 13.36	\$ 13.55	\$ 13.46	\$ 13.25
Net investment income	0.48	0.39	0.35	0.35	0.34
Change in unrealized appreciation (depreciation)	(0.22)	0.33	(0.25)	0.04	0.04
Net realized (loss) gain	0.07	(0.13)	0.22	(0.21)	(0.02)
(Provision) benefit for taxes	0.02	—	—	—	—
Total from operations	\$ 0.35	\$ 0.59	\$ 0.32	\$ 0.18	\$ 0.36
Sales load	(0.02)	—	—	(0.01)	—
Offering costs	(0.01)	—	—	(0.01)	—
Stockholder distributions	(0.41)	(0.40)	(0.40)	(0.40)	(0.40)
Accretive effect of stock offerings	0.02	—	—	0.01	—
Other ⁽²⁾	0.02	—	(0.01)	0.02	—
Net asset value at end of period	\$ 13.36	\$ 13.55	\$ 13.46	\$ 13.25	\$ 13.21

1 Based on weighted average shares of common stock outstanding for the period.

2. Includes the impact of different share amounts as a result of calculating certain per share data based on weighted average shares outstanding during the period and certain per share data based on shares outstanding as of the period end.

Balance Sheet Summary

	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
ASSETS	(unaudited)	(unaudited)	(audited)	(unaudited)	(unaudited)
Investments at fair value	\$ 899,678,449	\$ 908,718,893	\$ 953,497,688	\$ 991,103,777	\$ 985,885,674
Cash and cash equivalents	35,867,781	38,580,261	20,058,594	10,888,821	39,991,690
Interest receivable	7,663,147	6,272,194	4,947,765	6,229,272	5,869,109
Other assets	3,296,867	3,500,511	2,396,202	3,515,614	3,019,253
Total Assets	\$ 946,506,244	\$ 957,071,859	\$ 980,900,249	\$ 1,011,737,484	\$ 1,034,765,726
LIABILITIES					
Notes payable	\$ 99,219,159	\$ 99,331,757	\$ 99,444,355	\$ 99,554,505	\$ 172,310,201
Credit Facility payable	166,396,015	154,578,467	172,314,315	219,057,554	160,622,440
SBA-guaranteed debentures	320,823,417	321,058,121	321,251,939	305,190,923	305,373,199
Other accrued expenses and liabilities	12,882,160	15,818,227	17,967,700	15,168,320	21,088,996
Total Liabilities	\$ 599,320,751	\$ 590,786,572	\$ 610,978,309	\$ 638,971,302	\$ 659,394,836
Net Assets	\$ 347,185,493	\$ 366,285,287	\$ 369,921,940	\$ 372,766,182	\$ 375,370,890
Total Liabilities and Net Assets	\$ 946,506,244	\$ 957,071,859	\$ 980,900,249	\$ 1,011,737,484	\$ 1,034,765,726
Net Asset Value Per Share	\$ 13.36	\$ 13.55	\$ 13.46	\$ 13.25	\$ 13.21

Liquidity and Capitalization

	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Assets Available	(unaudited)	(unaudited)	(audited)	(audited)	(audited)
SCM cash and cash equivalents	\$ 1,036,201	\$ 2,820,617	\$ 339,740	\$ 3,546,908	\$ 3,675,357
SBIC cash and cash equivalents ⁽¹⁾	34,831,580	35,759,644	19,718,854	7,341,913	36,316,333
Available under Credit Facility ⁽²⁾	90,561,088	102,625,149	139,613,700	93,186,080	151,940,320
Unfunded commitments	(42,716,858)	(34,404,328)	(39,493,138)	(46,475,820)	(58,737,497)
Total Liquidity	\$ 83,712,011	\$ 106,801,082	\$ 120,179,156	\$ 57,599,081	\$ 133,194,513
Debt at Par Value					
Notes payable	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 175,000,000
Credit Facility payable	169,438,912	157,374,851	175,386,301	221,813,920	163,059,680
SBA-guaranteed debentures	325,000,000	325,000,000	325,000,000	308,750,000	308,750,000
Total Debt	\$ 594,438,912	\$ 582,374,851	\$ 600,386,301	\$ 630,563,920	\$ 646,809,680
Net Asset Value	\$ 347,185,493	\$ 366,285,287	\$ 369,921,940	\$ 372,766,182	\$ 375,370,890
Total Capitalization	\$ 941,624,405	\$ 948,660,138	\$ 970,308,241	\$ 1,003,330,102	\$ 1,022,180,570
Debt to NAV ⁽³⁾	1.71x	1.59x	1.62x	1.69x	1.72x
Regulatory Debt to NAV ⁽⁴⁾	0.78x	0.70x	0.74x	0.86x	0.90x
Net Debt to NAV ⁽⁵⁾	1.71x	1.58x	1.62x	1.68x	1.71x
Interest Coverage Ratio ⁽⁶⁾	2.49x	2.48x	2.42x	2.38x	2.28x

1 Cash available to be reinvested in SBA qualified portfolio companies or used to repay SBIC Debentures.

2 Subject to a borrowing base limitation.

3 SBIC Debentures are not included as "senior debt" for purposes of the BDC asset coverage requirements pursuant to exemptive relief received by SCM. Debt to NAV Ratio is calculated based upon the par value of debt.

4 Regulatory Debt to NAV Ratio is calculated based upon the par value of debt of both the Credit Facility and Notes payable.

5 Net debt in this ratio includes par value of total debt less SCM cash and cash equivalents.

6 Net investment income, excluding deferred income incentive fees, non-payable net investment income or capital gains incentive fees, and OID / cash interest expense on a trailing twelve-month basis.