PROSPECT CAPITAL

PROSPECT CAPITAL CORPORATION

NASDAQ: PSEC

MIDDLE MARKET FINANCE

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Internal Rate of Return ("IRR") is the discount rate that makes the net present value of all cash flows related to a particular investment equal to zero. IRR is gross of general expenses not related to specific investments as these expenses are not allocable to specific investments. Investments are considered to be exited when the original investment objective has been achieved through the receipt of cash and/or non-cash consideration upon the repayment of a debt investment or sale of an investment or through the determination that no further consideration was collectible and, thus, a loss may have been realized. Prospect's gross IRR calculations are unaudited. Information regarding internal rates of return are historical results relating to Prospect's past performance and are not necessarily indicative of future results, the achievement of which cannot be assured.

All data in this presentation is as of 6/30/2025 unless noted.

PROSPECT CAPITAL CORPORATION ("PSEC")

Manager founded in **1988** with same senior leadership for past **25 Years**[(1)]	**125+** Employees	**20+ Years** PSEC History	Over **$22B** Invested Since 2004 Over **350** Investment Exits
12% Exited Gross IRR Since Inception[(2)]	**97** Investments **33** Industries	**0.3%** Non-Accrual Loan Rate[(3)]	**3.6x** LTM Interest Coverage[(4)]
$6.8B Total Assets	**13%** Secured Debt Capitalization	**31%** Total Debt Capitalization	**69%** Equity Capitalization **$4.6B** Total Equity[(5)]

Source: Company filings, management.
(1) Prospect Capital Management L.P. ("Prospect") is the external investment adviser to Prospect Capital Corporation ("PSEC").
(2) Represents unlevered investment-level gross cash IRR to PSEC. See Forward-Looking Statements and Disclaimers herein for further information.
(3) As a percentage of total assets (at fair value).
(4) Calculated as (Net Investment Income + Interest Expense + Incentive Fees) / Interest Expense.
(5) Total equity includes preferred equity.

PSEC OVERVIEW

PSEC is the One of the Longest Running and Largest Listed BDCs

PSEC Highlights

Operating History	20+ Years
Assets	$6.8 billion, including 97 investments across 33 industries
Investment Mix[(1)]	85% senior and secured 71% first lien
Yield on Performing Interest Bearing Investments	12.2%
Credit Quality[(2)]	0.3% non-accrual loan rate
PSEC LTM Interest Coverage	3.6x
Secured Debt Capitalization	13%
Total Debt Capitalization	31%
Total Equity Capitalization[(3)]	69%
Total Equity[(3)]	$4.6 billion
Track Record	$22+ billion invested 12% exited gross IRR on more than 350 exits

Investment Approach

- Primarily focused on senior and secured debt investments, sometimes with equity-linked investments made alongside such debt investments
- Primarily invest in U.S. middle-market companies with EBITDA typically up to $150 million
- Typically sole or lead investor and constructive post-closing portfolio management
- Scaled portfolio weighted towards non-cyclical, defensive industries
- Objective is to generate both current income and long-term capital appreciation

Managed by Prospect Capital Management L.P. (“Prospect”)

- Founded in 1988 with same senior management team for the past 25 years
- Proven investment process spans multiple business cycles
- Vertically integrated platform of 125+ professionals with scale ability to originate, diligence, and manage investments
- Extensive network of sponsor and financial intermediary relationships
- Substantial originations with disciplined book-to-look ratio (less than 2% historically)

Source: Company filings, management. (1) At cost. (2) At fair value. (3) Total equity includes preferred equity.

PSEC OVERVIEW

PSEC is the One of the Longest Running and Largest Listed BDCs

INVESTMENT PORTFOLIO[1]	
	▶ Strategy focused on risk reduction, capital preservation, and avoidance of "yield chasing" investments ▶ Drivers focused on optimizing our business include: • Rotation of assets into and increased focus on core business of first lien senior secured middle market loans (with our first lien mix increasing 642 basis points to 70.5% from the prior year), including with selected equity linked investments), focusing on new investments in companies with less than $50M of EBITDA, including companies with smaller funded private equity sponsors, independent sponsors, and no third party financial sponsors • Reduction in our second lien senior secured middle market loans (with our second lien mix decreasing 202 basis points to 14.4% from the prior year and with two additional second lien loans having repaid since 6/30/2025) • Exiting from our subordinated structured notes portfolio (with our subordinated structured notes mix decreasing by 781 basis points to 0.6% from the prior year) • Prudent exits of equity linked assets (including real estate properties (with six properties sold in the last six fiscal quarters) and corporate investments (such as the sale of significant assets within Echelon Transportation, LLC in July 2025, with other potential exits targeted)) • Enhancement of portfolio company operating performance • Greater utilization of our cost efficient revolving floating rate credit facility (which significantly matches with our majority floating rate assets) ▶ 85% of portfolio in senior and secured investments (majority first lien) ▶ 97 portfolio investments in 33 different industries (with a particular focus on less cyclical industries)

Source: Company filings, management. (1) Investment portfolio allocations at cost.

PSEC OVERVIEW

PSEC is the One of the Longest Running and Largest Listed BDCs

INVESTMENT PORTFOLIO	▶ 95% of total investment income for Q4 FY 2025 from interest income ▶ Non-accrual loans remain low at 0.3%(1) ▶ Payment-in-kind interest income reduced by >50% in the 6/30/2025 quarter year over year ▶ Intensive screening process (<2% book-to-look ratio) with a majority focus on senior and secured lending
SOLID FINANCIAL FOUNDATION	▶ Laddered liability structure with long-term matched-book funding ▶ Debt leverage has remained low – 31% debt-to-total-capital and 0.44x net-debt-to-total-equity(2) ▶ $1.3B undrawn revolver commitments plus cash ▶ Diversified funding sources across multiple investor basis: • 48 credit facility lenders (recently extended credit facility – matures 2029) • Emphasis on unsecured financing (77% of PSEC's total debt + preferred) • Emphasis on unencumbered assets (62% of PSEC's assets) • Institutional bonds, institutional convertible bonds, retail baby bonds, and retail program notes • Multiple series of perpetual preferred equity ▶ Low unfunded commitments - 0.6% of total assets (0.2% are considered at the Company's sole discretion) ▶ Strong insider ownership of 29% (approximately $0.9B of net asset value) ▶ $4.6B distributed to common shareholders since 2004 IPO through October 2025 declared distribution(3)

Source: Company filings, management.
(1) At fair value.
(2) Including preferred stock as equity.
(3) Includes past distributions and declared distributions based on PSEC's shares outstanding as of 8/25/2025.

EXPERIENCED AND BROAD TEAM

With Over 125 Professionals, Prospect has One of the Largest Teams Focused on the Middle Market

SENIOR EXECUTIVES

John Barry – Chairman and CEO
- Co-founder of PSEC
- 47 years of experience, including Merrill Lynch, Rothschild and Davis Polk
- JD Harvard, AB Princeton

Grier Eliasek – President and COO
- Co-founder of PSEC
- 28 years of experience; previously a consultant at Bain & Company
- MBA Harvard, BS Chemical Engineering University of Virginia

Kristin Van Dask – CFO
- Joined Prospect Capital Management in 2008
- 24 years of experience, including an investment advisor, E&Y and Arthur Andersen
- BS Towson University

Daria Becker – Head of Administration
- Joined Prospect Capital Management in 1998
- 40 years of experience, including Lexington, Citigroup and a family office
- BA Wellesley College

INVESTMENT TEAM		CLIENT ADVISORY & IR		ACCOUNTING & TAX		LEGAL		ADMINISTRATION	
Investment Professionals	51	Business Development & Investor Relations Professionals	13	Accounting and Tax Professionals	24	Legal Professionals	12	Administration Professionals	27

125+ person organization helps drive originations through superior scale and market coverage

Source: Company filings, management.

MIDDLE-MARKET LENDING INVESTMENT STRATEGY

Focus on Capital Preservation and Attractive Current Yields

MIDDLE MARKET	▶ U.S. companies with EBITDA typically up to $150M • Current focus on sub-$50M EBITDA as less competitive than large-cap direct / syndicated loans ▶ Sponsor-owned and non-sponsor-owned companies ▶ Proprietary origination ▶ Customized investment solution for each borrower
PRINCIPAL PROTECTION	▶ **Senior** – Focus on senior payment rights – no contractual subordination ▶ **Secured** – Benefits from asset collateral security ▶ **Industries** – Focus on stable, recession-resistant industries with risk mitigants; broad industry expertise ▶ **Sole or Lead Investor** – Control diligence, documentation and portfolio management ▶ **Documentation** – protective legal documentation with covenants (often including maintenance covenants)
TARGET RETURNS	▶ **Credit Spreads** – Middle-market credit spreads often higher than large-cap direct / syndicated loans ▶ **Floating Rates** – Benefits from interest rate / inflation protection as well as SOFR floors ▶ **Equity Linked Investments** – Sometimes make equity-linked investments alongside senior secured loans • Senior secured convertible term loans, preferred equity (liquidation preferences), common equity • One-stop benefit for borrower can drive better loan terms (e.g., higher credit spreads, higher SOFR floors) • Capital appreciation potential • Invest alongside management teams with long-term alignment of interests

Source: Company filings, management.

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MIDDLE-MARKET LENDING SELECT RECENT INVESTMENTS

	QCHI	Verify Diagnostics	täōs	Druid City Vitalcare Infusion Services
INDUSTRY	Consumer Finance	Healthcare Services	Textiles, Apparel & Luxury Goods	Pharmaceuticals
BUSINESS DESCRIPTION	Provides consumer credit	Provides advanced molecular diagnostics testing	Sells shoes, sneakers, boots, and sandals through wholesale and e-commerce channels	Provides comprehensive home infusion therapies
STRUCTURE	Second Lien Term Loan and Common Equity	First Lien Term Loan and Preferred Equity	First Lien Term Loan, First Lien Convertible Note, Preferred Equity	First Lien Term Loan and First Lien Convertible Note
ORIGINAL INVESTMENT DATE	June 2025	May 2025	January 2025	September 2024
SENIOR AND SECURED TERM LOAN	$55.0 million	$37.5 million	$38.4 million	$50.0 million
SENIOR AND SECURED OTHER	NA	NA	$9.4 million (convertible)	$19.0 million (convertible)
OTHER	$22.3 million (common equity)	$9.3 million (preferred equity)	$16.8 million (preferred equity)	NA
ADD-ON INVESTMENT DATE(S)	NA	NA	NA	NA
ADD-ON AMOUNT(S)	NA	NA	NA	NA
TERM LOAN COUPON	S + 19.00% (5.00% floor)	S + 10.28% (3.50% floor)	S + 7.00% (3.00% floor)	S + 7.50% (3.00% floor)
TERM LOAN FEE	3.00%	3.00%	2.50%	2.00%
TERM LOAN MATURITY	5 year	5 year	5 years	5 years

Source: Company filings, management. Includes selected middle-market lending investments with equity linked investments. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the investments in this list. Past performance does not guarantee future results.

PROSPECT CAPITAL

SUPERIOR DEAL FLOW AND DISCIPLINED EXECUTION

3,000+ Opportunities Sourced Annually with <2% of Initially Screened Investments Advancing to Closing

SYSTEMATIC CALLING EFFORT

- PE sponsors
  - 100+ top tier relationships
- Other intermediaries
  - ~3,200 total
- Syndication/Club relationships

COLD-CALLING EFFORT

- Small-to-mid cap companies with identified financing needs
- Dedicated in-house call center
- Proprietary deal flow

MANAGEMENT RELATIONSHIPS

- From past and present portfolio companies
- Add-on investments, new investments, assistance with due diligence and post-closing value add

CONTACT DATABASE

- 40,000+ contacts built over two decades
- Receive all transaction announcements, resulting in both in-bound opportunities and top-of-mind awareness

IN-BOUND OPPORTUNITIES

- From scale, longevity, and visibility of PSEC
- $8.1 billion of capital(1)

Disciplined underwriting and execution helps to keep credit losses low

ORIGINATE → SCREEN 3,000+/year → STRUCTURE 200-300/year → CLOSE 20-40/year → MONITOR 97 portfolio investments → EXITS Over 350 since inception

Source: Company filings, management.
(1) Total assets as of 6/30/2025 plus undrawn revolving credit facility, which includes $2.1 billion of commitments from 48 lenders.

PORTFOLIO OVERVIEW

- $6.8 billion total assets, including 97 investments
- 85% of portfolio in senior and secured investments (majority first lien) [(1)]
- 12.2% annualized current yield across performing interest bearing investments
- 9.6% annualized current yield across all investments
- 95% interest income as a percentage of total investment income for Q4 FY 2025
- Portfolio is invested across 33 industries
- Sole or lead investor in 74% of overall portfolio

Source: Company filings, management. All data as of, or for the quarter ended, 6/30/2025. (1) At cost.

RIGOROUS AND INDEPENDENT VALUATION PROCESS

INDEPENDENT THIRD-PARTY VALUATION	▸ Every investment valued quarterly and has been valued since inception at fair value by a third-party ▸ Third-party valuation agents complete a review of all investments on an independent basis (i.e., not merely on a "positive / negative assurance review" or "sampling" basis)
SENIOR PORTFOLIO MANAGER	▸ Preliminary valuation discussions are documented and discussed with senior Prospect Capital Corporation management
AUDIT COMMITTEE	▸ PSEC's Independent Audit Committee reviews the preliminary valuations, including asking questions and receiving supplemental information as required by PSEC's Audit Committee ▸ PSEC's Independent Audit Committee approves all valuations
PSEC'S BOARD OF DIRECTORS	▸ PSEC's majority independent board of directors determines the fair value of each investment in the portfolio based on the third-party valuations and recommendations from PSEC's Audit Committee ▸ To date, the Board's final valuations have never been outside the range provided by the third-party valuation firm

Source: Company filings, management.

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HIGHLIGHTS

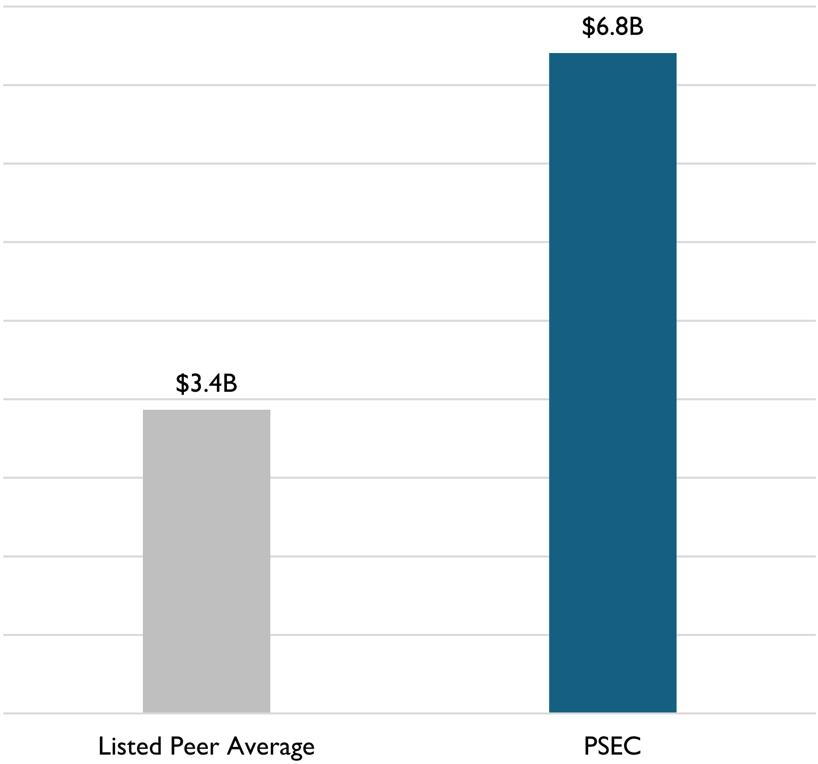
HIGHLIGHTS

1	SIGNIFICANT SCALE PROVIDES COMPETITIVE ADVANTAGE
2	BROAD PORTFOLIO ACROSS 33 DIFFERENT INDUSTRIES
3	LOW NON-ACCRUALS
4	STRONG EQUITY CAPITALIZATION AND FLEXIBLE FUNDING
5	RESPONSIBLE LONG-TERM, MATCHED-BOOK FUNDING
6	SIGNIFICANT UNENCUMBERED ASSETS
7	DISCIPLINED FINANCIAL POLICY WITH LOW LEVERAGE AND HIGH EQUITY
8	LOWER LEVERAGE THAN LISTED BDC PEERS
9	STRONG 3.6x LTM INTEREST COVERAGE
10	SUCCESSFUL TRACK RECORD OF REPAYING UNSECURED BONDHOLDERS
11	SIGNIFICANT INSIDER OWNERSHIP
12	$4.6B COMMON DIVIDENDS DECLARED SINCE IPO

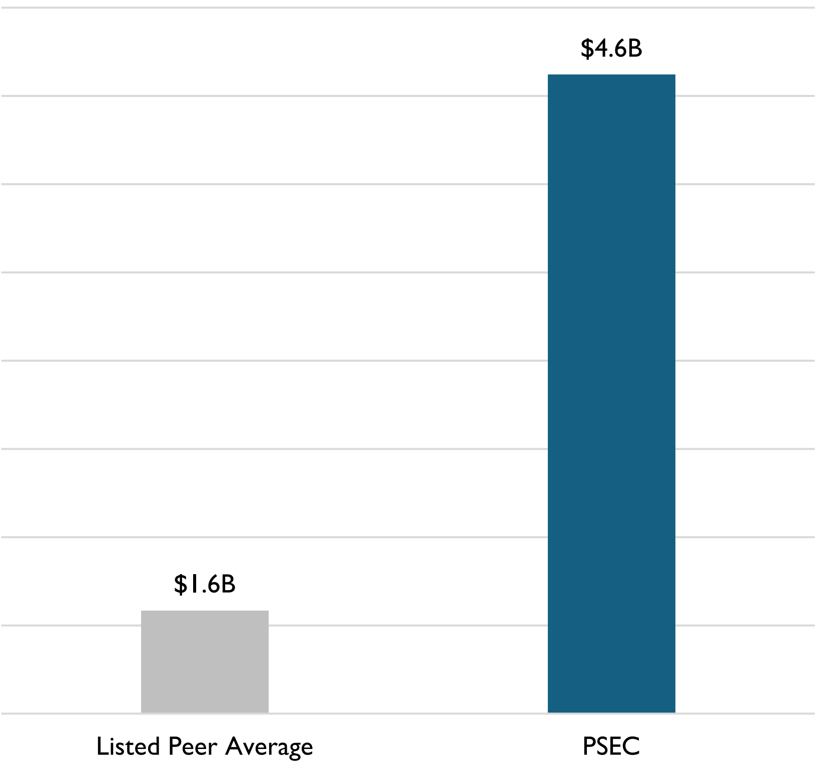
SIGNIFICANT SCALE PROVIDES COMPETITIVE ADVANTAGE

PSEC is One of the Longest Running and Largest Listed BDCs with $8.1 Billion of Capital(1)

Total Assets



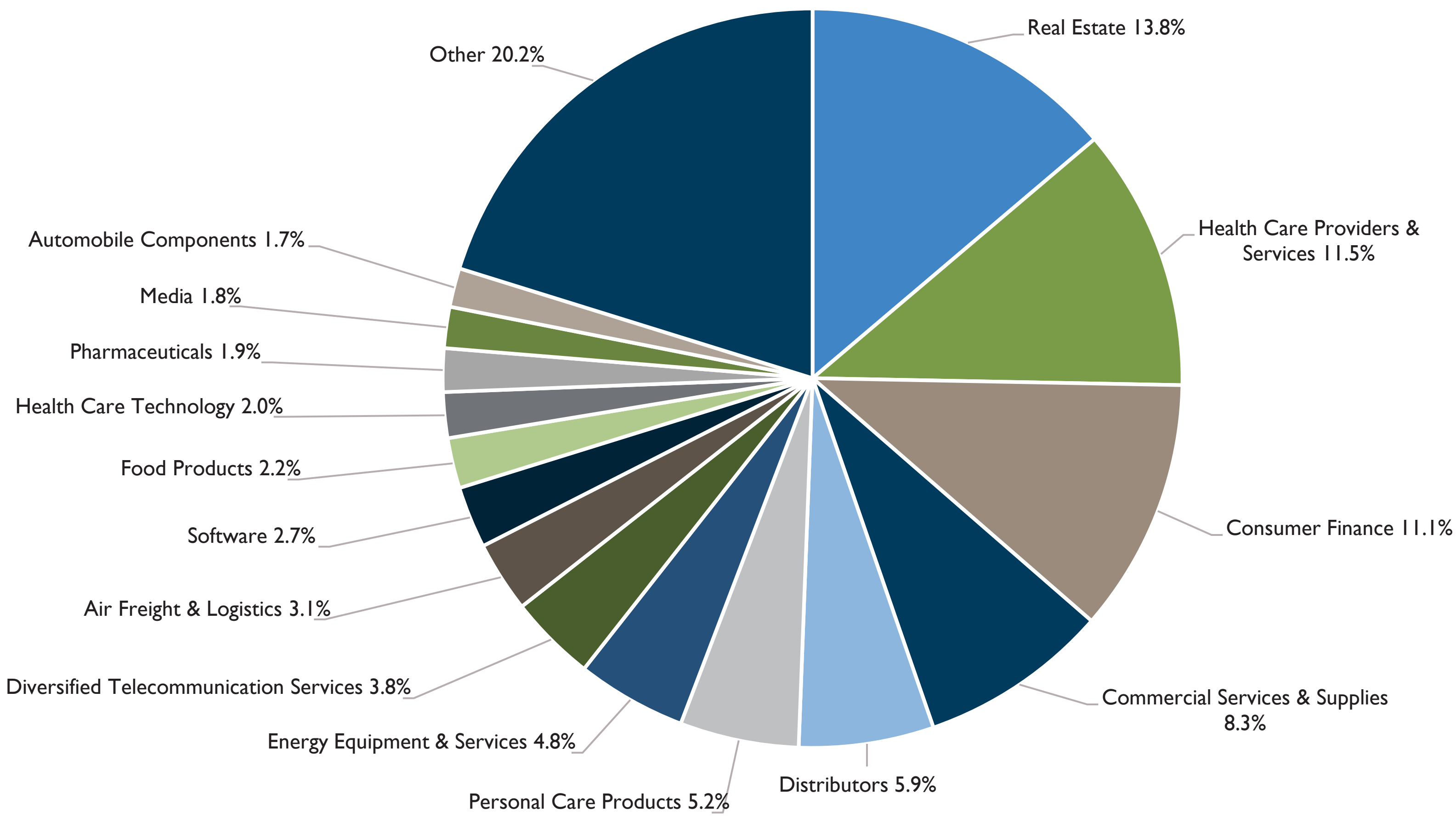
Total Equity(2)



Source: PSEC analysis of S&P Capital IQ data and company filings for 50 listed BDCs. PSEC as of 6/30/2025. Peer data for the quarter ending 3/31/2025; data may be materially different for the quarter ending 6/30/2025.
(1) Total assets as of 6/30/2025 plus undrawn revolving credit facility, which includes $2.1 billion of commitments from 48 lenders.
(2) Total equity is inclusive of preferred stock.

BROAD PORTFOLIO ACROSS 33 DIFFERENT INDUSTRIES

PSEC's Portfolio at Cost (6/30/2025)



Source: Company filings, management.

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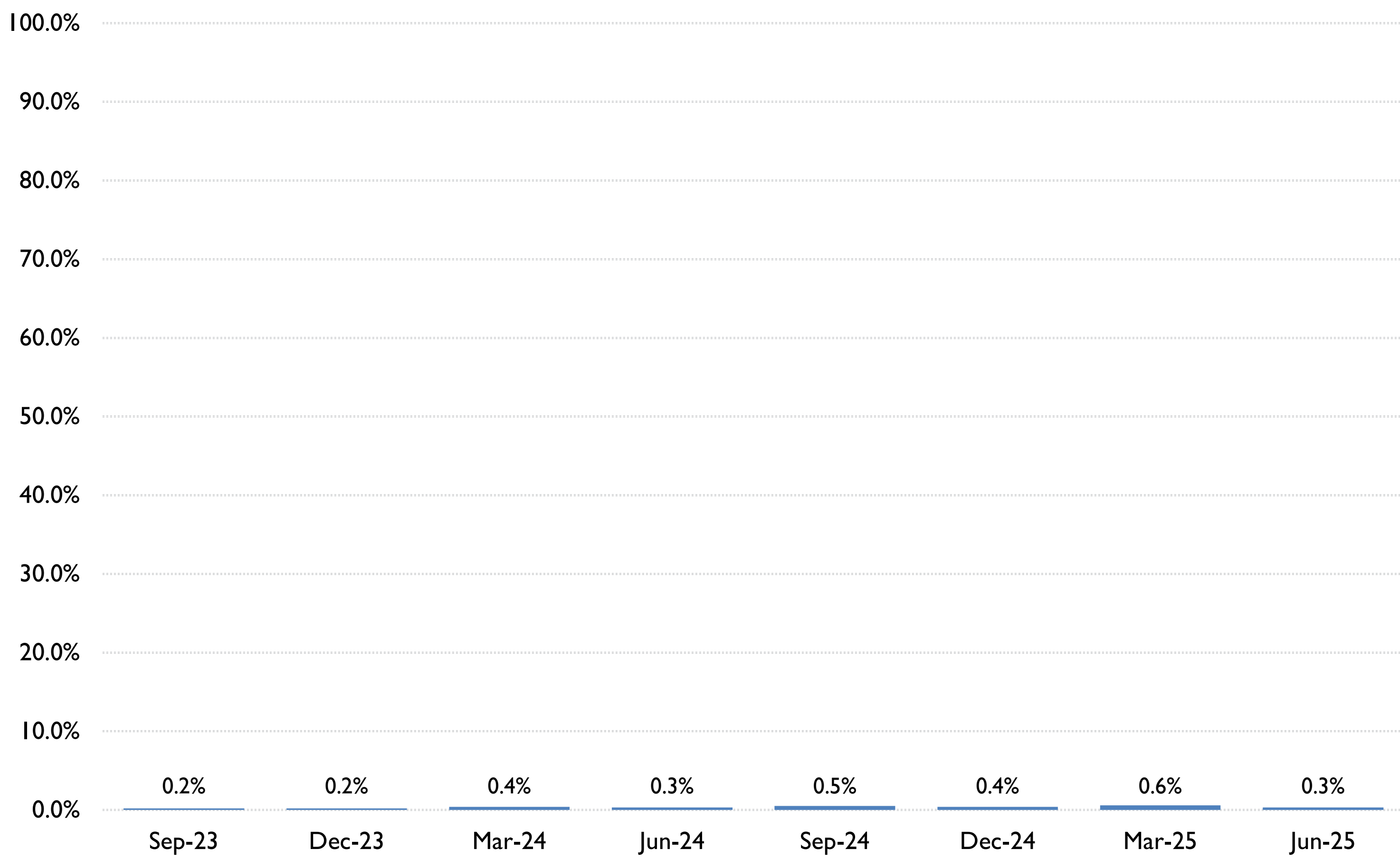
LOW NON-ACCRUALS

PSEC's Non-Accrual Loans Have Remained Low at 0.3% as of 6/30/2025



Source: Company filings, management. As a percentage of total assets (at fair value).

STRONG EQUITY CAPITALIZATION AND FLEXIBLE FUNDING

MULTIPLE INVESTOR BASES

- $2.1 billion credit facility from 48 lenders
- Institutional bondholders and retail bondholders
- Multiple series of perpetual preferred equity

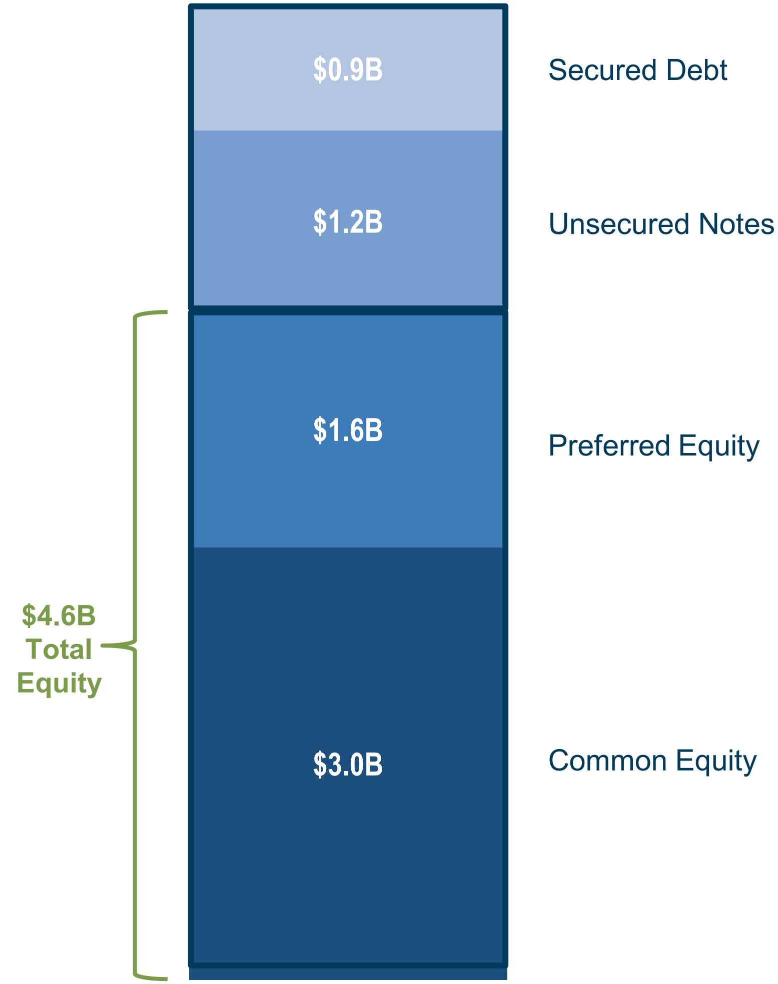
FLEXIBLE FUNDING

- $4.6 billion of funding is equity (common plus preferred), which does not mature
- 77% unsecured financing (term debt + preferred equity)
- Emphasis on unsecured debt with no financial covenants or cross defaults with revolving credit facility

STRONG LIQUIDITY

- $1.3 billion undrawn credit facility plus cash / equivalents
- Low unfunded commitments at 0.6% of total assets (0.2% are at PSEC's sole discretion)
- 4.4 year weighted average remaining term for unsecured bonds

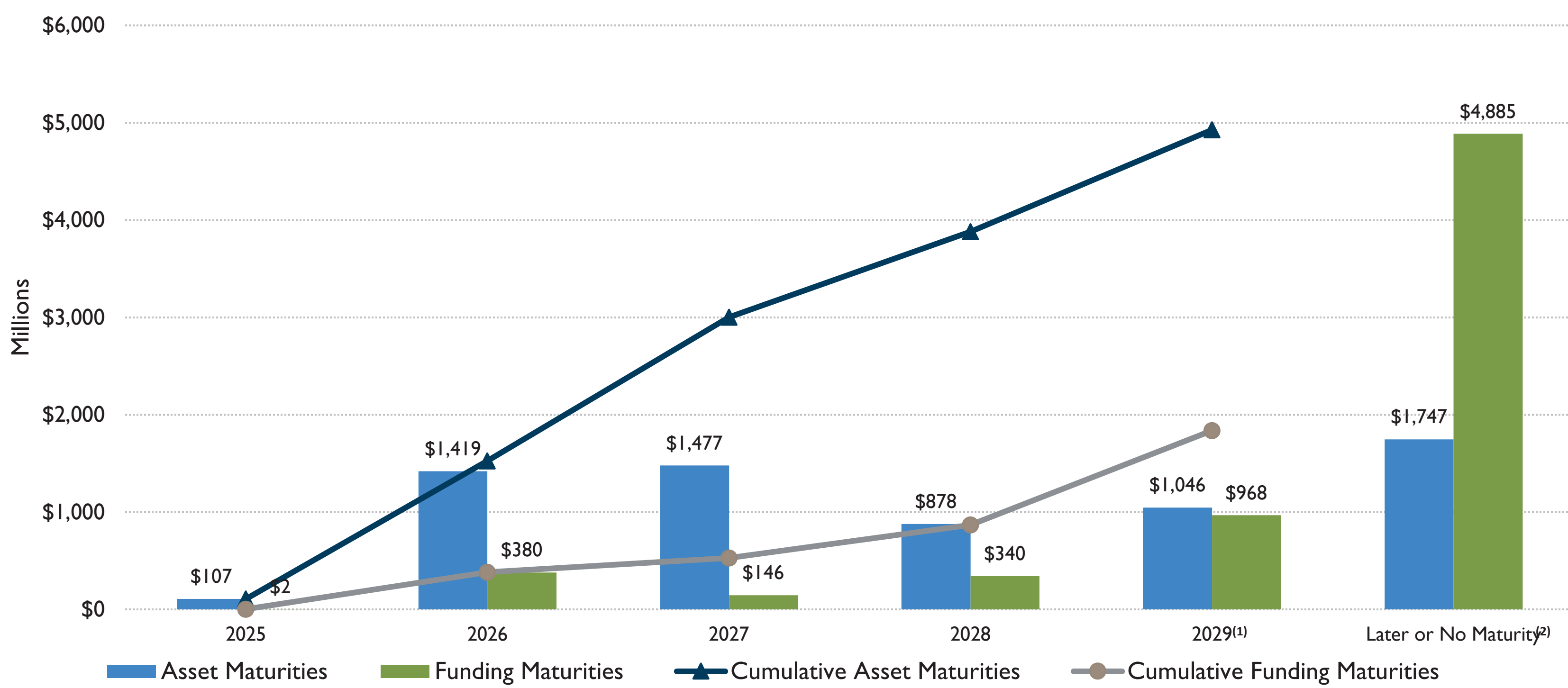
Capitalization



Source: Company filings, management.

RESPONSIBLE LONG-TERM, MATCHED-BOOK FUNDING

- Repaid $156M March 2025 convertible note at maturity
- Repaid remaining January 2026 institutional note ($400M original) in June 2025
- $2.1B credit facility does not mature until June 2029



Source: Company filings and management.
(1) Funding maturity includes revolving credit facility. The facility, for which $2.1 billion of commitments from 48 lenders, matures in June 2029 with a revolving period extending through June 2028 followed by a one-year amortization period. Pricing for amounts drawn under the facility is one-month SOFR plus 2.05%.
(2) Includes investments, equity capital, and debt capital maturing after 2029.

SIGNIFICANT UNENCUMBERED ASSETS

$4.2 Billion of Unencumbered Assets (62% of Total Assets)

Prospect Capital Corporation (PSEC)

- Unencumbered assets
- Unsecured debt

Prospect Capital Funding LLC
(SPV credit facility borrower)

- Encumbered assets
- Secured debt

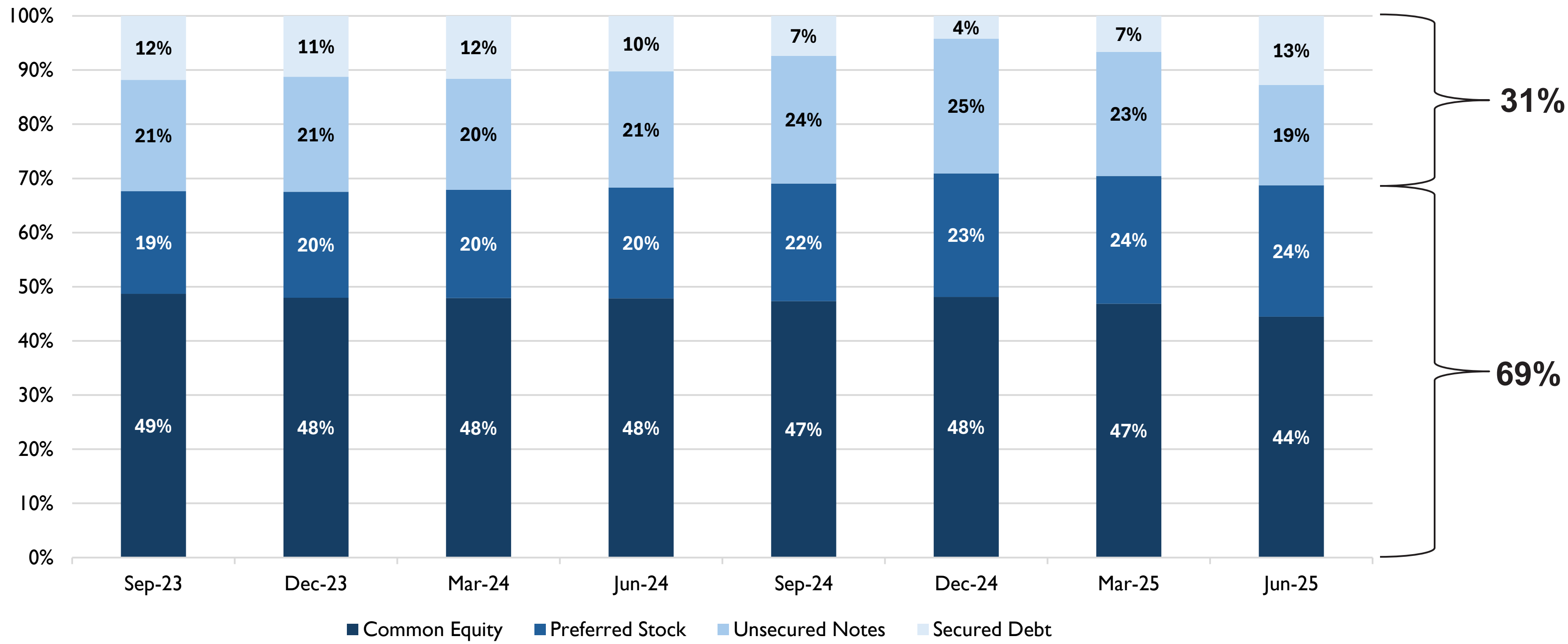
Source: Company filings, management. At fair value.

DISCIPLINED FINANCIAL POLICY WITH LOW LEVERAGE AND HIGH EQUITY

69% Capitalization from Preferred Equity and Common Equity as of 6/30/2025

	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
Net Debt Leverage(1)	0.47x	0.46x	0.46x	0.45x	0.44x	0.40x	0.41x	0.44x

Capitalization (% of Total)



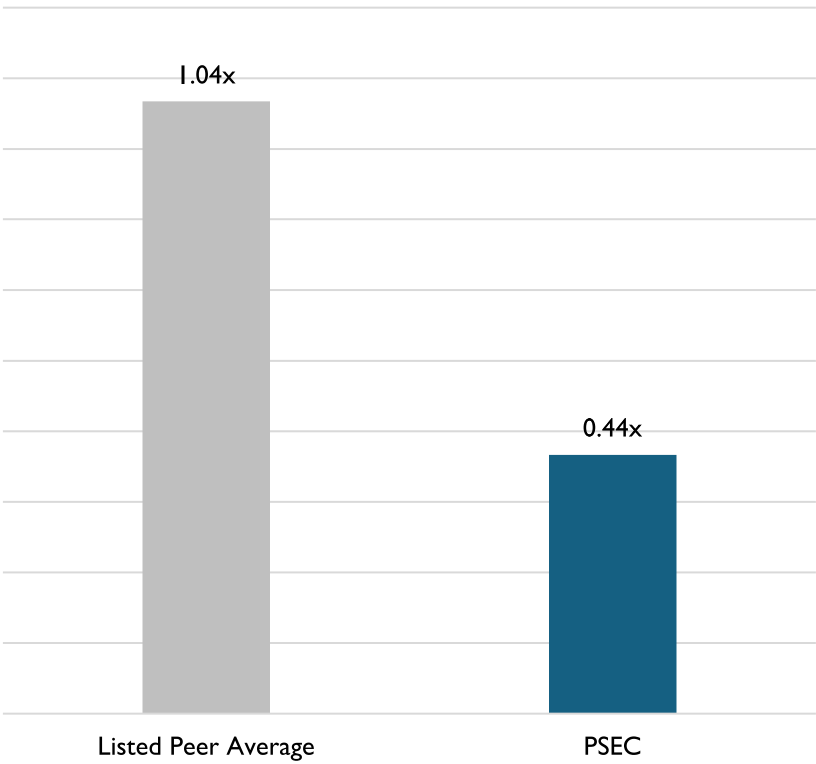
Source: Company filings, management.

(1) Calculated as total principal debt minus cash and cash equivalents divided by total equity (including preferred stock).

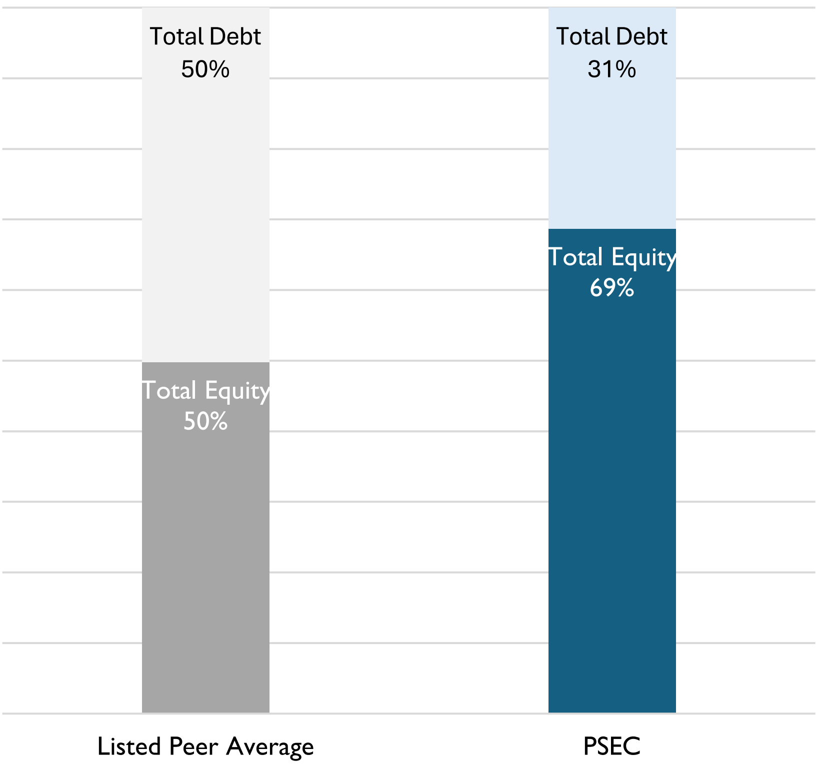
LOWER LEVERAGE THAN LISTED BDC PEERS

PSEC has Lower Debt and Higher Book Value of Total Equity Relative to its Listed BDC Peers

Net Debt / Total Equity(1)



% of Total Capitalization

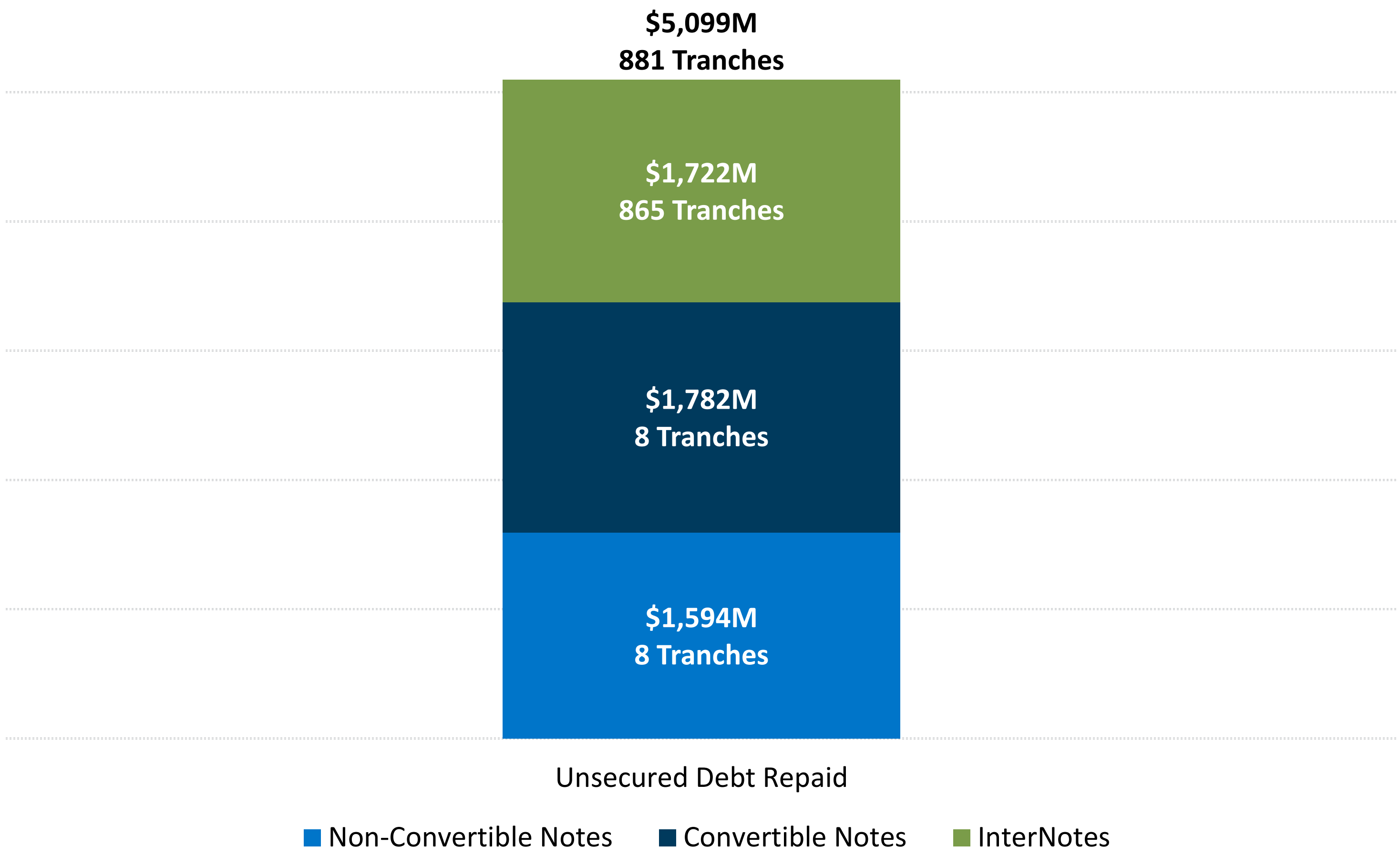


Source: PSEC analysis of S&P Capital IQ data and company filings for 50 listed BDCs. PSEC as of 6/30/2025. Peer data for the quarter ending 3/31/2025; data may be materially different for the quarter ending 6/30/2025.
(1) Calculated as total principal debt minus cash and cash equivalents divided by total equity (including preferred stock).

PROSPECT CAPITAL

SUCCESSFUL TRACK RECORD OF REPAYING UNSECURED BONDHOLDERS

PSEC Has Repaid **$5.1 Billion** of Unsecured Bond Tranches over Its 20+ Year History

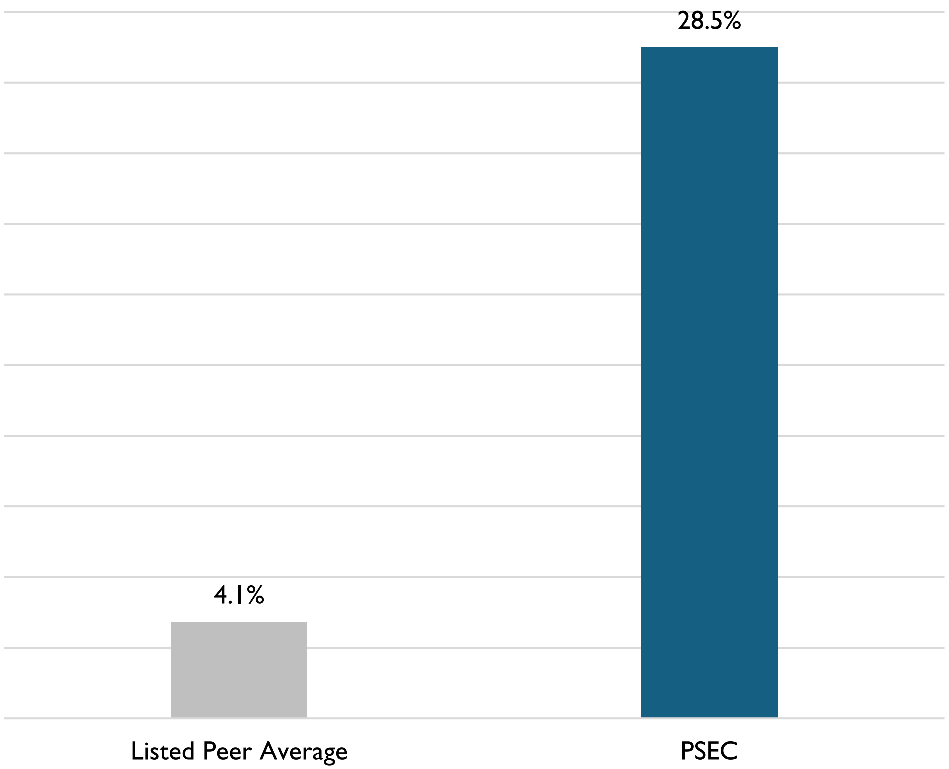


Source: Company filings, management.

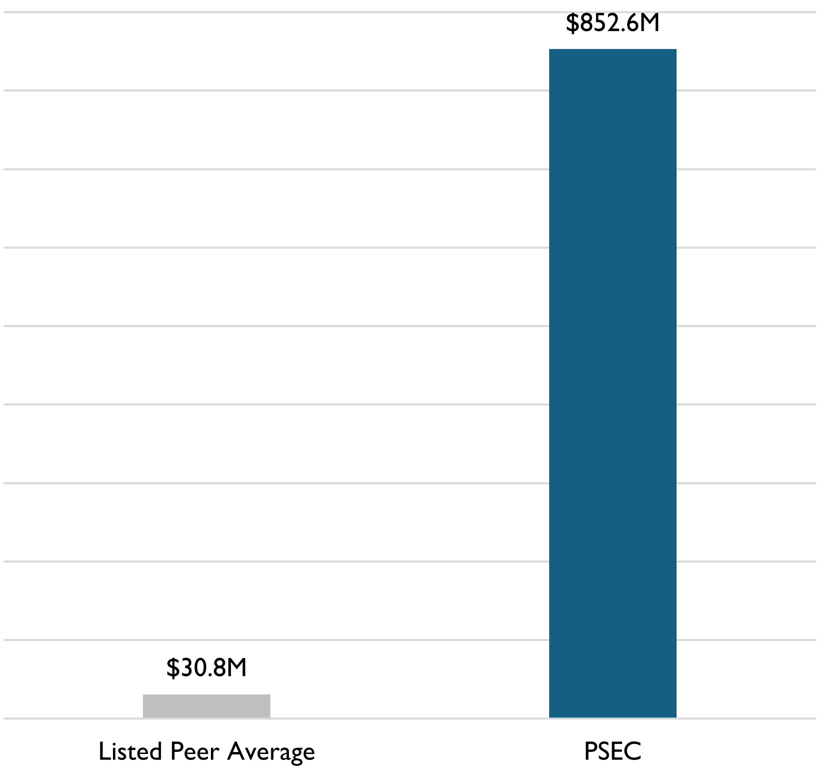
SIGNIFICANT INSIDER OWNERSHIP

PSEC has Significant Insider Ownership Compared to the Listed BDC Peer Group

Insider Ownership – Percentage of Common Stock



Insider Ownership – Based on NAV



Source: For PSEC as of 6/30/2025 and includes 9.6% share ownership through the John and Daria Barry Foundation. PSEC senior management has not sold any of such investments in PSEC. PSEC analysis of S&P Capital IQ data and company filings for 49 listed BDCs as of 8/20/2025. Peers based on insider ownership percentages multiplied by NAV as of 3/31/2025; data may be materially different for the quarter ending 6/30/2025.

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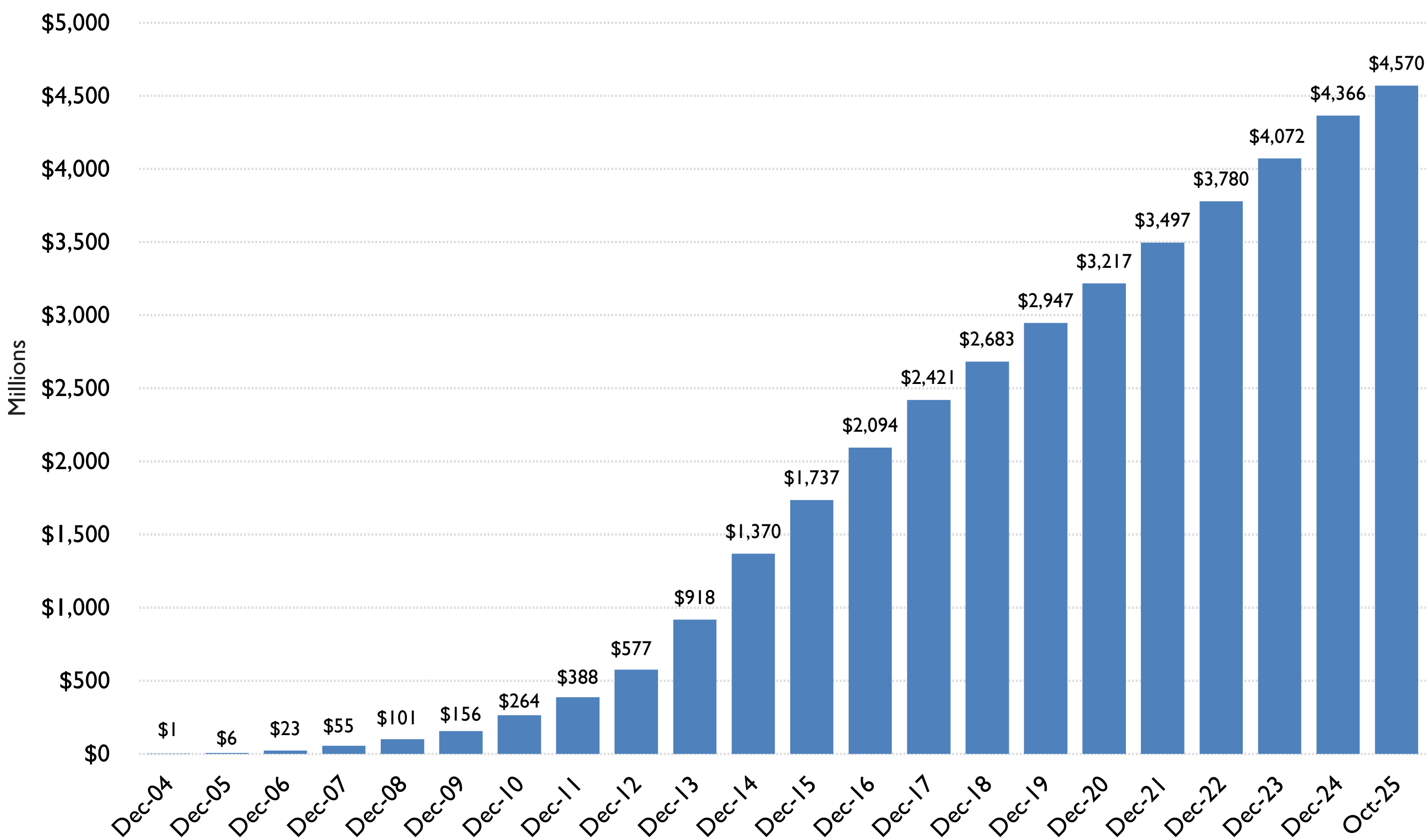
$4.6B COMMON DIVIDENDS DECLARED SINCE IPO



Source: Company filings, management. Includes past distributions and declared distributions based on PSEC's shares outstanding as of 8/25/2025.