

**Presentation**

# **OHA Investment Corporation Q1 2019 Earnings Results**

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**May 15, 2019**



# Disclaimer

THIS PRESENTATION MAY CONTAIN FORWARD-LOOKING STATEMENTS OF OHA INVESTMENT CORPORATION (“OHA” OR THE “COMPANY”). WE MAY USE WORDS SUCH AS “ANTICIPATES,” “BELIEVES,” “INTENDS,” “PLANS,” “EXPECTS,” “PROJECTS,” “ESTIMATES,” “WILL,” “SHOULD,” “MAY” AND SIMILAR EXPRESSIONS TO IDENTIFY FORWARD-LOOKING STATEMENTS. THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO VARIOUS RISKS AND UNCERTAINTIES. CERTAIN FACTORS COULD CAUSE ACTUAL RESULTS AND CONDITIONS TO DIFFER MATERIALLY FROM THOSE PROJECTED, INCLUDING THE UNCERTAINTIES ASSOCIATED WITH THE TIMING OR LIKELIHOOD OF TRANSACTION CLOSINGS, CHANGES IN INTEREST RATES, AVAILABILITY OF TRANSACTIONS, THE FUTURE OPERATING RESULTS OF OUR PORTFOLIO COMPANIES, REGULATORY FACTORS, CHANGES IN REGIONAL, NATIONAL, OR INTERNATIONAL ECONOMIC CONDITIONS AND THEIR IMPACT ON THE INDUSTRIES IN WHICH WE INVEST, OTHER CHANGES IN THE CONDITIONS OF THE INDUSTRIES IN WHICH WE INVEST AND OTHER FACTORS ENUMERATED IN OUR FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION (“SEC”). YOU SHOULD NOT PLACE UNDUE RELIANCE ON SUCH FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE THEY ARE MADE. WE UNDERTAKE NO OBLIGATION TO UPDATE OUR FORWARD-LOOKING STATEMENTS MADE HEREIN, UNLESS REQUIRED BY LAW.

WE REFER YOU TO THE LIST OF RISK FACTORS SET FORTH IN OUR MOST RECENT ANNUAL REPORT ON FORM 10-K, A COPY OF WHICH MAY BE OBTAINED ON OUR WEBSITE AT [WWW.OHAINVESTMENTCORPORATION.COM](http://WWW.OHAINVESTMENTCORPORATION.COM) OR THE SEC’S WEBSITE AT [WWW.SEC.GOV](http://WWW.SEC.GOV). SPECIFICALLY, AN INVESTMENT IN OUR COMMON STOCK INVOLVES SIGNIFICANT RISKS, INCLUDING THE RISK THAT THE SECONDARY MARKET PRICE OF OUR COMMON STOCK MAY DECLINE FROM THE OFFERING PRICE AND MAY BE LESS THAN OUR NET ASSET VALUE PER SHARE, AS WELL AS THE RISK THAT THE PRICE OF OUR COMMON STOCK IN THE SECONDARY MARKET MAY BE HIGHLY VOLATILE. PLEASE SEE A DISCUSSION OF THESE RISKS AND OTHER RELATED RISKS IN OUR MOST RECENT ANNUAL REPORT ON FORM 10-K UNDER ITEM 1A - “RISKS RELATING TO OUR INVESTMENTS”. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

THIS IS NOT A PROSPECTUS AND SHOULD UNDER NO CIRCUMSTANCES BE UNDERSTOOD TO BE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITY OF OHA INVESTMENT CORPORATION. THESE MATERIALS AND THE PRESENTATIONS OF WHICH THEY ARE A PART, AND THE SUMMARIES CONTAINED HEREIN, DO NOT PURPORT TO BE COMPLETE AND NO OBLIGATION TO UPDATE OR OTHERWISE REVISE SUCH INFORMATION IS BEING ASSUMED. WE DIRECT YOU TO OUR REPORTS ON FORM 10-K AND 10-Q FOR FURTHER INFORMATION ON OUR BUSINESS INCLUDING INVESTMENT OBJECTIVES, RISKS, AND EXPENSES.

INTERNAL RATE OF RETURN (IRR) IS A MEASURE OF DISCOUNTED CASH FLOWS (INFLOWS AND OUTFLOWS). IRR IS THE DISCOUNT RATE AT WHICH THE PRESENT VALUE OF CAPITAL INVESTED IS EQUAL TO THE PRESENT VALUE OF RETURNS FROM SUCH CAPITAL. CAPITAL INVESTED, WITH RESPECT TO AN INVESTMENT, REPRESENTS THE AGGREGATE COST OF THE INVESTMENT NET OF ANY UPFRONT FEES PAID AT CLOSING. IN THE CALCULATION OF AN IRR, EARLY CASH FLOWS (WHETHER INFLOW OR OUTFLOW) AND LARGER CASH FLOWS WILL HAVE A DISPROPORTIONATE IMPACT ON THE OVERALL IRR, BECAUSE AN IRR TAKES INTO ACCOUNT SIZE AND TIMING. AS SUCH, IRR MAY PRESENT CERTAIN LIMITATIONS FOR RELATIVELY NEWER AND SMALLER ACCOUNTS.

INVESTMENTS ARE CONSIDERED FULLY REALIZED WHEN THE ORIGINAL INVESTMENT AT THE SECURITY LEVEL HAS BEEN SUBSTANTIALLY EXITED. REALIZED RETURNS, WITH RESPECT TO AN INVESTMENT, REPRESENTS THE TOTAL CASH RECEIVED WITH RESPECT TO AN INVESTMENT, INCLUDING ALL AMORTIZATION PAYMENTS, INTEREST, DIVIDENDS, PREPAYMENT FEES, ADMINISTRATIVE FEES, AMENDMENT FEES, ACCRUED INTEREST, AND OTHER FEES AND PROCEEDS. AN IRR ON UNREALIZED INVESTMENTS GENERALLY ASSUMES SUCH INVESTMENTS ARE DISPOSED OF AT THEIR FAIR MARKET VALUE AND ALL PROCEEDS ARE DISTRIBUTED AS OF THE DATE OF THE RETURN CALCULATION. THE ACTUAL REALIZED RETURNS ON UNREALIZED INVESTMENTS MAY DIFFER MATERIALLY FROM THE RETURNS SHOWN. UNREALIZED TRANSACTIONS MAY BE REALIZED AT VALUES THAT DIFFER FROM THEIR FAIR VALUES AS OF THE GROSS IRR CALCULATION DATE, WHICH MAY NEGATIVELY IMPACT THE IRRS SET FORTH HEREIN.

GROSS IRR IS CALCULATED BASED ON THE DATES THAT OHA INVESTED CAPITAL AND DATES OHA RECEIVED DISTRIBUTIONS. GROSS IRR DOES NOT REFLECT THE EFFECT OF MANAGEMENT FEES, EXPENSES, INCENTIVE FEES OR TAXES BORNE, OR TO BE BORNE, BY US OR OHA’S STOCKHOLDERS, AND WOULD BE LOWER IF IT DID. THE IRR CALCULATIONS ARE UNAUDITED.

THE PORTFOLIO YIELDS AND INVESTMENT-LEVEL IRRS SHOWN IN THIS PRESENTATION MAY BE MATERIALLY HIGHER THAN THE RETURNS AN INVESTOR CAN EXPECT TO OBTAIN ON AN INVESTMENT IN SHARES OF OHA’S COMMON STOCK, BECAUSE SUCH RETURNS DO NOT REFLECT SALES COMMISSIONS OR CHARGES THAT MAY BE INCURRED IN CONNECTION WITH THE PURCHASE OR SALE OF SUCH SHARES, OR OPERATING EXPENSES THAT MAY BE INCURRED BY OHA. AS SUCH, THE PORTFOLIO YIELDS AND IRRS SHOWN HEREIN DO NOT REPRESENT AN ACTUAL INVESTMENT RETURN TO STOCKHOLDERS. THESE RETURNS ARE SUBJECT TO CHANGE, AND IN THE FUTURE MAY BE GREATER OR LESS THAN SHOWN.

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# Section 1

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## Overview & Financial Results

# Overview & Financial Results

## First Quarter Developments

- NAV of \$1.84 per share, a \$0.06 or 3% increase from Q4 2018 primarily driven by net realized and unrealized gains of \$0.08 per share
- (\$0.01) net investment loss per share on a GAAP basis
  - OCI continues to remain on non-accrual status
  - \$0.02 distribution declared per share (paid on April 9, 2019)
- \$6.3 MM in realizations
  - Sold \$5.0 MM of Avantor unsecured notes at an average prices of 104.5% of par, recognized capital gain of \$223k; generating a 12.5% unlevered gross IRR
- \$2.3 MM invested in two new portfolio companies and one add-on to an OHA portfolio company
- ATP royalty interest, legacy energy investment
  - \$611k of production payments received during the quarter, payments continued to be applied to basis as investment remains on non-accrual status
  - Fair value increased to \$5.1 MM at March 31, 2019 from \$4.8 MM at December 31, 2018
- \$30 MM outstanding on our MidCap Credit Facility at March 31, 2019
  - \$1.0 MM net amount drawn during the quarter
  - \$4.0 MM available under the delayed draw term loan

# Overview & Financial Results

## Q1 2019 Summary

- Investment income of \$1.5 MM, or \$0.08 per share
- Weighted average portfolio yield<sup>(1)</sup> of 10.5% on fair value and 10.6% on cost
- Base management fees of \$316k, or \$0.02 per share, no incentive fees
- Net investment loss of (\$145k), or (\$0.01) per share
- Net realized and unrealized gains of \$1.7 MM, or \$0.08 per share
- NAV per share increased \$0.06 or 3% from \$1.78 to \$1.84 during the quarter

<sup>(1)</sup> Excludes non-yielding and non-income producing assets.

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# Overview & Financial Results

## Statement of Operations – GAAP Basis

(in \$000's)	Q1 2019	Q4 2018	Q1 2018
Investment income	\$1,529	\$1,672	\$2,283
Interest expense	629	593	823
Management and incentive fees	316	360	401
Other G&A <sup>(1)</sup>	729	678	1,149
Income taxes provision	—	(8)	6
<i>NII before incentive fee waiver</i>	<u>(\$145)</u>	<u>\$49</u>	<u>(\$96)</u>
Incentive fee waiver (2018 only)	—	6	(1)
<i>NII after incentive fee waiver</i>	<u>(\$145)</u>	<u>\$43</u>	<u>(\$95)</u>
<i>NII per share</i>	(\$0.01)	\$0.00	(\$0.01)

<sup>(1)</sup> Includes \$27k and \$75k of expenses related to the strategic alternatives review process in Q1 2019 and Q1 2018, respectively.

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# Overview & Financial Results

(in \$000's)	Q1 2019	Q4 2018	Q1 2018
<b>Realized capital gains (losses):</b>			
Avantor	\$223	\$--	\$--
Wash	(3)	--	--
Tax benefit (provision) related capital losses	--	39	(41)
Other	<u>--</u>	<u>--</u>	<u>12</u>
<b>Total realized capital gains (losses), net</b>	<b><u>\$220</u></b>	<b><u>\$39</u></b>	<b><u>(\$29)</u></b>
<b>Unrealized gains (losses):</b>			
ATP ORRI*	\$885	\$3,140	\$--
MyEyeDr	187	(263)	31
Ministry Brands	118	(123)	--
OCI (debt & equity investments)*	60	(8,609)	(1,006)
PAE	29	(143)	4
Equinox	25	(168)	(54)
Avantor	--	(163)	--
Talos*	--	--	2,882
Gramercy	--	--	(27)
Reversals due to realizations	--	(177)	--
Other unrealized gains (losses), net	<u>168</u>	<u>(615)</u>	<u>26</u>
<b>Total unrealized gains (losses), net</b>	<b><u>1,472</u></b>	<b><u>(7,121)</u></b>	<b><u>1,856</u></b>
<b>Total realized and unrealized gains (losses), net</b>	<b><u>\$1,692</u></b>	<b><u>(\$7,082)</u></b>	<b><u>\$1,827</u></b>

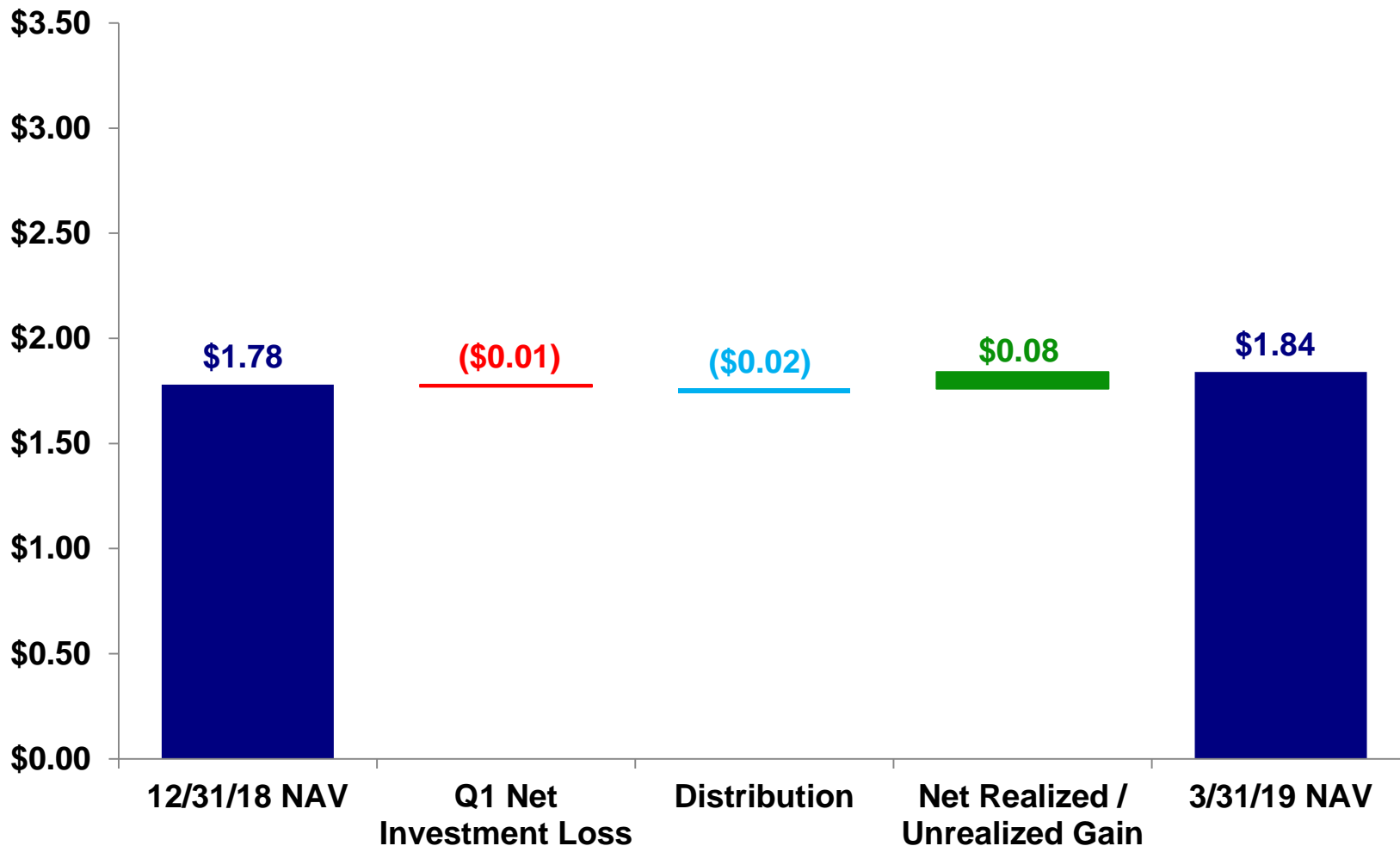
\* Denotes legacy investments.

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# Overview & Financial Results

NAV per share increased 3% in Q1



Per share data presented may not add across due to rounding.

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# Section 2

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## Investment Activity & Portfolio Review

# Investment Activity & Portfolio Review

## \$173.4 MM of Investments in 37 New Portfolio Companies Under OHA Management<sup>(1)(2)</sup>

- 2014 (Q4 only) – \$36.8 MM (four new portfolio companies)
- 2015 – \$73.7 MM (eight new portfolio companies and one add-on to an existing OHA portfolio company)
- 2016 – \$7.0 MM (one new portfolio company and one add-on to an existing OHA portfolio company)
- 2017 – \$21.9 MM (five new portfolio companies and one add-on to an existing OHA portfolio company)
- 2018 – \$31.6 MM<sup>(2)</sup> (17 new portfolio companies and one add-on to an existing OHA portfolio company)
- 2019 - Q1 \$2.3 MM (two new portfolio companies and one add-on to an existing OHA portfolio company)

Amounts of new investments presented above are shown at purchase price, not principal/par amount.

<sup>(1)</sup> New investments exclude \$1.7 MM of additional capital invested in legacy assets. This \$1.7 MM includes \$0.6 MM of capitalized legal costs related to ATP/Bennu.

<sup>(2)</sup> New investments include \$2.1 MM of investments purchased and sold during Q1 2018.

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# Investment Activity & Portfolio Review

## \$172.4 MM of Realizations Under OHA Management Since September 30, 2014

- \$172.4 MM in total realizations since September 30, 2014
- Includes \$120.3 MM from OHA Investments
  - \$104.8 MM<sup>(1)</sup> from full realization of 11 OHA portfolio investments
    - Dollar weighted average unlevered gross IRR of 13.4%<sup>(2)</sup> on these 11 portfolio investments
  - \$15.4 MM from partial OHA realizations
    - TIBCO - \$8.9 MM
    - Equinox - \$3.0 MM
    - MyEyeDr - \$2.0 MM
    - Hayward - \$0.8 MM
    - ClearChoice Revolver - \$0.2 MM
    - WASH - \$0.5 MM
- \$6.3 MM realizations in 2019, \$5.7 MM OHA and \$0.6 MM legacy
- \$63.3 MM of portfolio investments at March 31, 2019<sup>(3)</sup>
  - 83% floating rate, 17% fixed rate, by fair value
  - Fixed rate investments consist of Sedgwick, Ardonagh, TIBCO and ATP

<sup>(1)</sup> Excludes \$0.1 MM of investments that were purchased and sold in Q1 2018.

<sup>(2)</sup> For further information regarding the calculation methodology and relevant disclaimers, See Disclaimers page.

<sup>(3)</sup> Excludes \$4.6 MM of cash on balance sheet at 3/31/19.

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# Investment Activity & Portfolio Review

OHA Investments Have an IRR of 12.8% on a Dollar Weighted Average Basis as of 3/31/19

## OHA New Investment Track Record <sup>(1)</sup>

September 30, 2014 - March 31, 2019

Realized Company Name	Asset	Pricing	Face Value	Closing Date	3/31/19 Pricing <sup>(2)</sup>	IRR <sup>(3)</sup>	Realized Date	Industry
Gramercy Park CLO <sup>(4)</sup>	Subordinated Notes	Purchased @ 77.90	\$9,000,000	Oct-14	NA	12.8%	Apr-17	Various
Citadel Plastics	2nd Lien Term Loan	L+800 / 1% @ 99.00	10,000,000	Nov-14	NA	15.8%	Jun-15	Chemicals
Electronic Funds Source	2nd Lien Term Loan	L+750 / 1% @ 98.25	10,000,000	Dec-14	NA	11.0%	Jul-16	Payment Services
Foundation Building Materials	2nd Lien Term Loan	L+1,100 / 1% @ 99.00	18,700,000	Mar-15	NA	18.8%	Oct-15	Building Distributor
Hanson Building Products	2nd Lien Term Loan	L+950 / 1% @ 94.53	7,500,000	Mar-15	NA	16.3%	Oct-16	Building Products
TIBCO Software <sup>(5)</sup>	Sr. Unsecured Notes	11.375% @ 96.05	8,000,000	Jul-15	NA	19.2%	Jul-17	Software
Synarc - BioCore Holdings	1st Lien Secured Note	7.75% @ 97.50	4,200,000	Sep-15	NA	17.0%	Oct-16	Health Care
Kronos	2nd Lien Term Loan	L+850 / 1.25% @ 101.25	12,000,000	Oct-15	NA	9.9%	Nov-16	Software
Royal Adhesives & Sealants <sup>(6)</sup>	2nd Lien Term Loan	L+750 / 1% @ 99.25	10,000,000	Jun-15	NA	9.6%	Oct-17	Chemicals
Appriss Holding <sup>(7)</sup>	2nd Lien Term Loan	L+925 / 1% @ 98.50	13,100,000	Nov-14	NA	10.9%	Dec-17	Software
Berlin Packaging	2nd Lien Term Loan	L+675 / 1% @ 95.00	7,205,000	Jan-16	NA	11.2%	May-18	Packaging
Avantor Performance Materials	Sr. Unsecured Notes	9.00% @ 100.00	5,000,000	Sep-17	NA	12.5%	Feb-19	Chemicals
<b>Realized Total</b>			<b>\$114,705,000</b>			<b>Dollar Weighted Average IRR-&gt; 13.8%</b>		

Unrealized Company Name	Asset	Pricing	Face Value	Closing Date	3/31/19 Pricing <sup>(2)</sup>	IRR <sup>(3)</sup>	Maturity	Industry
WASH Multifamily Laundry <sup>(8)</sup>	2nd Lien Term Loan	L+700 / 1% @ 99.25	\$4,000,000	May-15	96.750	8.3%	May-23	Industrials
TIBCO Software	Sr. Unsecured Notes	11.375% @ 96.05	2,100,000	Jul-15	106.375	15.4%	Dec-21	Software
Pacific Architects and Engineers	2nd Lien Term Loan	L+950 / 1% @ 97.00	6,888,196	Nov-16	99.000	13.0%	Oct-23	Defense
Equinox Holdings <sup>(9)</sup>	2nd Lien Term Loan	L+700 / 1% @ 99.25	10,000,000	Mar-17	100.625	10.5%	Sep-24	Lodging & Leisure
DexKo Global	2nd Lien Term Loan	L+825 / 1% @ 98.69	3,000,000	Jul-17	99.500	11.4%	Jul-25	Automotive
Hayward Industries <sup>(10)</sup>	2nd Lien Term Loan	L+825 / 1% @ 98.00	1,302,000	Jul-17	98.500	10.7%	Aug-25	Consumer Goods
MWI (Helix Aquisition)	2nd Lien Term Loan	L+800 / 0% @ 99.00	1,400,000	Sep-17	97.500	9.8%	Sep-25	Industrials
MyEyeDr <sup>(11)</sup>	2nd Lien Term Loan	L+675 / 1% @ 99.50	7,000,000	Feb-18	98.250	8.5%	Feb-26	Retail
MedRisk	2nd Lien Term Loan	L+675 / 0% @ 99.50	500,000	Feb-18	98.375	8.4%	Dec-25	Health Care
EaglePicher <sup>(12)</sup>	2nd Lien Term Loan	L+725 / 0% @ 99.25	400,000	Mar-18	97.500	9.6%	Mar-26	Defense
Safe Fleet	2nd Lien Term Loan	L+675 / 1% @ 99.50	700,000	Mar-18	96.250	6.3%	Feb-26	Industrials
ClearChoice <sup>(13)</sup>	1st Lien Term Loan	L+650 / 1% @ 99.00	1,562,500	Mar-18	99.000	11.4%	Jan-23	Health Care
AlliedUniversal	2nd Lien Term Loan	L+850 / 1% @ 100.00	1,250,000	Mar-18	97.750	9.3%	Jul-23	Business Equipment and Services
Ministry Brands	2nd Lien Term Loan	L+800 / 1% @ 99.00	6,000,000	Jun-18	100.000	12.6%	Jun-23	Software
Ensono	2nd Lien Term Loan	L+925 / 0% @ 96.00	1,700,000	Jun-18	97.500	15.2%	Jun-26	Telecommunications
Vertafore	2nd Lien Term Loan	L+725 / 0% @ 99.00	900,000	Jun-18	99.000	10.4%	Jul-26	Business Equipment and Services
FirstLight	2nd Lien Term Loan	L+750 / 0% @ 99.00	400,000	Jun-18	98.000	9.1%	Jul-26	Telecommunications
Edelman	2nd Lien Term Loan	L+675 / 0% @ 99.50	300,000	Jun-18	100.750	11.8%	Jul-26	Financial Services/ CLO
PowerSchool	2nd Lien Term Loan	L+675 / 0% @ 99.00	3,800,000	Jun-18	98.500	9.0%	Aug-26	Business Equipment and Services
Central Square	2nd Lien Term Loan	L+750 / 0% @ 97.435	2,000,000	Sep-18	99.000	13.9%	Aug-26	Business Equipment and Services
NAVEX	2nd Lien Term Loan	L+700 / 0% @ 99.00	400,000	Sep-18	98.375	8.9%	Sep-26	Business Equipment and Services
Ardonagh (KIRS)	2nd Lien Term Loan	8.625% @ 90.00	600,000	Nov-18	85.500	(4.1%)	Jul-23	Insurance Brokerage
Sedgwick	Unsecured Term Loan	9.000% @ 98.50	3,300,000	Dec-18	100.000	14.1%	Dec-26	Health Care
<b>Unrealized Total</b>			<b>\$59,502,696</b>			<b>Dollar Weighted Average IRR-&gt; 10.9%</b>		

### Investments Made in Q1 2019 - Unrealized

PharMerica	2nd Lien Term Loan	L+825 / 1% @ 97.50	\$1,200,000	Feb-19	98.500	N/A <sup>(14)</sup>	Mar-27	Health Care
Caliber Collision	2nd Lien Term Loan	L+725 / 0% @ 98.25	1,100,000	Feb-19	100.000	N/A <sup>(14)</sup>	Jan-27	Automotive
<b>Unrealized Total</b>			<b>\$2,300,000</b>			<b>Dollar Weighted Average IRR-&gt; NM</b>		

Summary	Face Value	Vol. Weighted IRR
Total Realized	\$114,705,000	13.8%
Total Unrealized	59,502,696	10.9%
<b>Ttl excl. Investments Made in Q1 2019</b>	<b>\$174,207,696</b>	<b>12.8%</b>

# Investment Activity & Portfolio Review

## OHA New Investment Track Record (Continued)

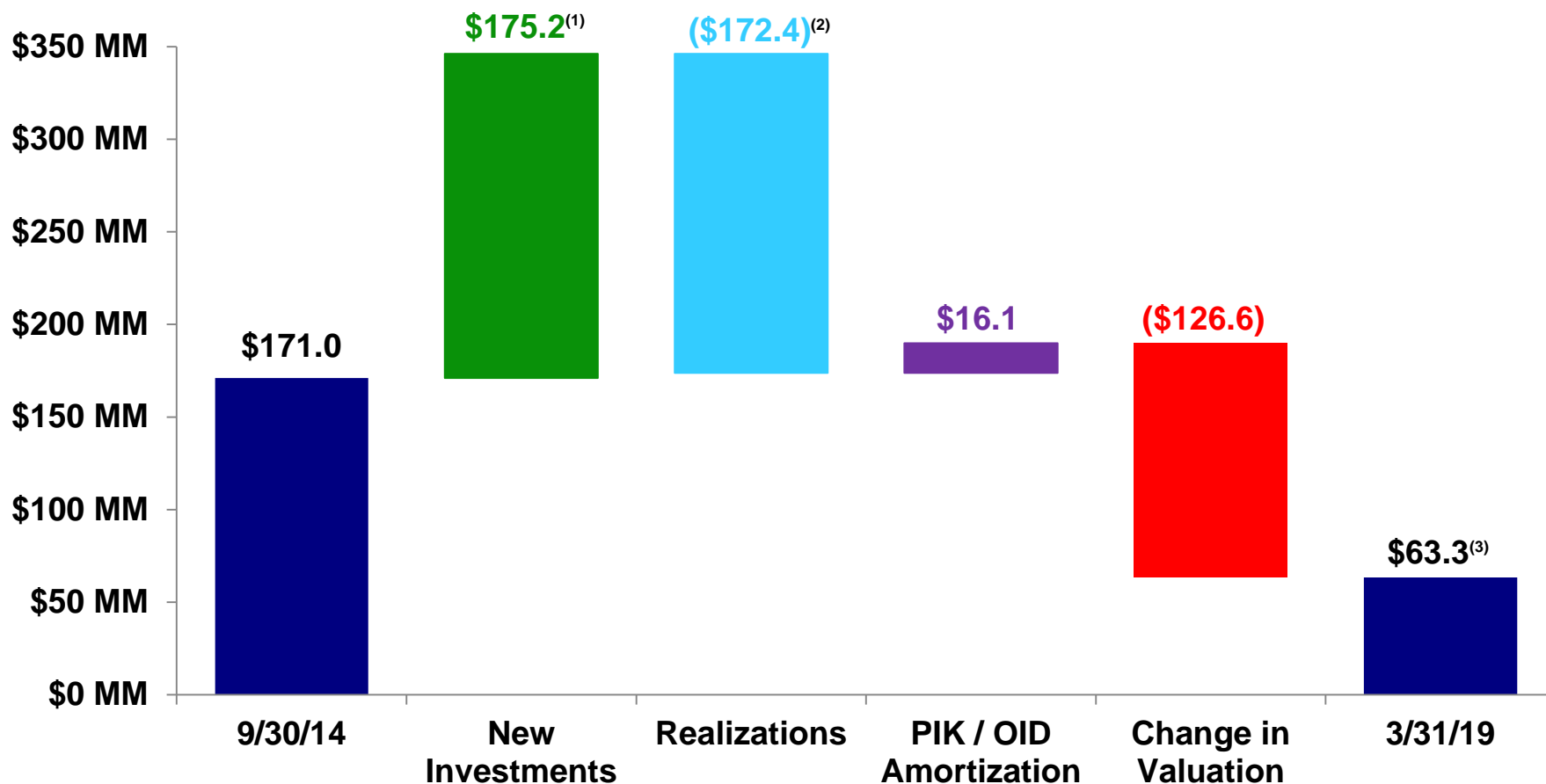
### Footnotes:

- (1) This table only includes investments made after OHA assumed management, and it excludes all investments prior to OHA assuming management. If legacy investments were included, results would be materially lower. This table excludes positions under \$250k that OHA held for less than three months. The gross unlevered IRR on this cohort is 24.6% as of 3/31/19.
- (2) All prices are as of 3/31/19 as reflected in OHA's Q1 2019 10-Q.
- (3) Investment level gross IRR's are calculated on an unlevered basis, before any fees and expenses. Dollar weighted average IRR's are based on dollars invested, not face value.
- (4) Gramercy paid down \$3.9mm on 12/21/16, \$0.5mm on 1/17/17, \$1.0mm on 4/17/17, \$65k on 7/17/17, \$85k on 10/17/17, \$12k on 1/17/18 and paid down the remaining balance, \$43k on 12/6/2018.
- (5) OHA sold \$8.0mm (face value) of TIBCO Software from 7/11/17-7/25/17 at a weighted average sale price of 110.384. This \$8.0mm amount is being included in the realized breakout of the IRR's.
- (6) Royal paid down \$4.5mm on 2/15/17 at 101.000 in connection with the 1L TL repricing and incremental 1L TL. Royal paid down the remaining \$5.5mm on 10/20/17.
- (7) Appriss paid down \$3.8mm on 8/10/2016. Pricing was subsequently increased to L+925 / 1%. Appriss paid down the remaining \$9.3mm on 12/1/17.
- (8) OHA sold \$0.5mm (face value) of WASH on 3/15/19 at 99.000.
- (9) OHA sold \$2.5mm (face value) of Equinox on 3/22/17 at 101.500 and \$0.5mm on 3/30/17 at 101.625.
- (10) Face value shown does not include \$1.7mm purchased on 8/31/18, but this purchase is included in the IRR analysis.
- (11) OHA sold \$2.0mm (face value) of MyEyeDr on 2/13/18 at 100.000.
- (12) OHA acquired \$0.1mm (face value) of EaglePicher on 1/18/19 at 94.000.
- (13) ClearChoice earns L+650 / 1% plus skim interest of approximately 31 bps.
- (14) IRR not shown for new investments purchased during the most recent quarter as return % not meaningful.

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# Investment Activity & Portfolio Review

Added \$175.2 MM of New Investments Since OHA Assumed Management on 9/30/14



<sup>(1)</sup> New investments include \$1.7 MM of additional capital invested in legacy assets.

<sup>(2)</sup> \$120.3 MM of realizations/amortization from OHA investments.

<sup>(3)</sup> Excludes \$4.6 MM of cash on balance sheet at 3/31/19.

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# Investment Activity & Portfolio Review

## 66% of the 9/30/14 Legacy Investment Portfolio Value Written-off/Marked Down as of 3/31/19

\$ in 000's Legacy Portfolio Investments	Fair Value at 9/30/14	Fair Value Realized	Written- Off <sup>(1)(2)</sup>	Marked Down <sup>(1)(3)</sup>	Remaining Fair Value at 3/31/19 <sup>(1)</sup>
<b>Castex*</b>	\$54,334	\$ --	(\$54,334)	\$ --	\$ --
<b>ATP/Bennu*</b>	25,641	(3,737)	--	(16,852)	5,052
<b>Nekoosa</b>	18,199	(18,199)	--	--	--
<b>OCI Subordinated Notes</b>	15,580	--	--	(14,240)	1,340
<b>Shoreline Energy*</b>	13,611	(582)	(13,029)	--	--
<b>Talos*<sup>(4)</sup></b>	12,360	(12,000)	(360)	--	--
<b>KOVA</b>	9,000	(9,000)	--	--	--
<b>Contour*</b>	7,500	(1,435)	(6,065)	--	--
<b>Spirit Energy*</b>	7,453	(1,108)	(6,345)	--	--
<b>Huff Energy*</b>	5,888	(5,888)	--	--	--
<b>OCI Class A Units</b>	<u>1,390</u>	<u>--</u>	<u>--</u>	<u>(1,390)</u>	<u>--</u>
<b>Total</b>	<u>\$170,956</u>	<u>(\$51,949)</u>	<u>(\$80,133)</u>	<u>(\$32,482)</u>	<u>\$6,392</u>

\* Energy related investment

(1) Excludes any amounts written off from additional investments, paid-in-kind interest/dividends, and/or discount accretion subsequent to September 30, 2014.

(2) Represents amounts that have been fully written-off and deemed "worthless" from a tax perspective and therefore no longer included on the Schedule of Investments as of March 31, 2019. Although our investment in Castex was deemed "worthless" from a tax perspective in Q2 2018, some recovery is possible.

(3) Represents amounts that have been marked down to current fair value and remain on the Schedule of Investments as of March 31, 2019.

(4) On February 15, 2018, Talos was redeemed at par upon maturity.

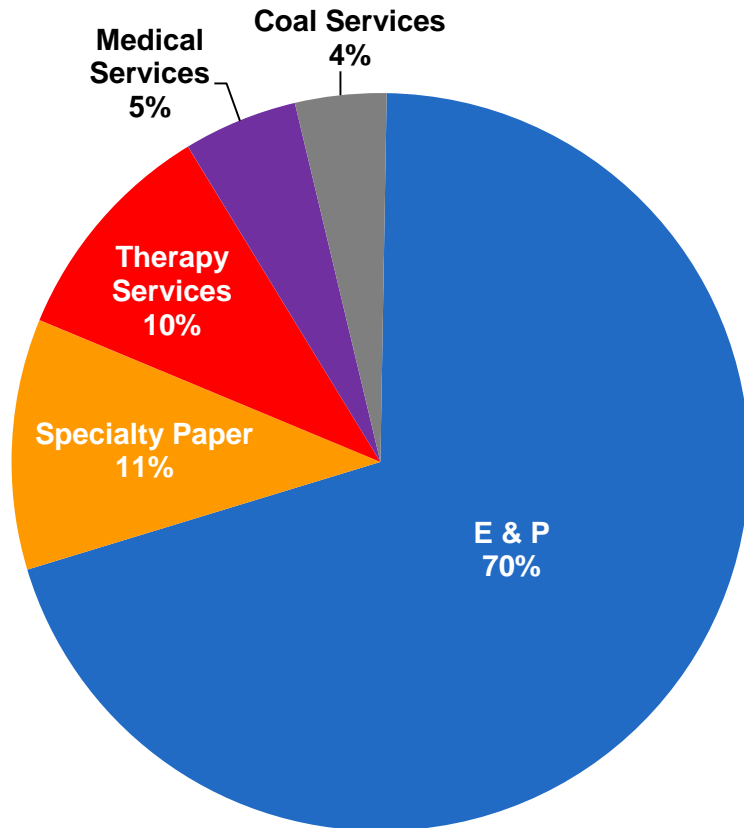
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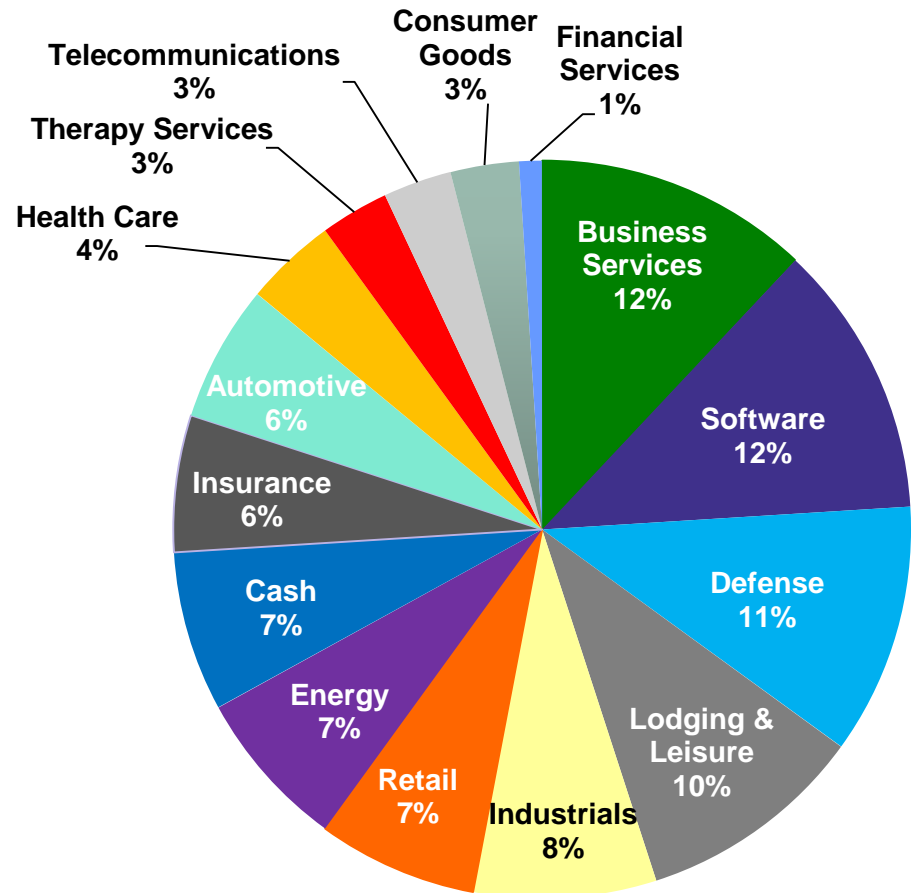
# Investment Activity & Portfolio Review

Portfolio Composition Spread Across 14 Sectors at 3/31/19 vs. 5 at 9/30/14

September 30, 2014



March 31, 2019<sup>(1)</sup>



(1) As a percentage of total portfolio fair value plus \$4.6 MM of cash on balance sheet.

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# Investment Activity & Portfolio Review

88% of Total Portfolio Value is Comprised of OHA Originated Investments

(in \$000's)	Fair Value Category	Principal/ Total Sum	Value at 12/31/18	Net New Investments (Realizations)	OID	Write-up / (Write-down)	Value at 3/31/19	% of Portfolio Value
<b>OHA Portfolio</b>								
Equinox second lien term loan	Level 2	\$7,000	\$7,018	-	\$1	\$25	\$7,044	11%
PAE second lien term loan	Level 2	6,888	6,785	-	5	29	6,819	11%
Ministry Brands second lien term loan	Level 3	6,000	5,880	-	2	118	6,000	9%
MyEyeDr second lien term loan	Level 2	5,000	4,725	-	1	187	4,913	8%
PowerSchool second lien term loan	Level 2	3,800	3,762	-	1	(20)	3,743	6%
WASH second lien term loan	Level 2	3,500	3,870	(495)	1	10	3,386	5%
Sedgwick unsecured term loan	Level 2	3,300	3,251	-	1	48	3,300	5%
DexKo second lien term loan	Level 2	3,000	3,000	-	1	(16)	2,985	5%
TIBCO senior unsecured notes	Level 2	2,100	2,200	-	7	27	2,234	3%
Hayward second lien term loan	Level 2	2,159	2,127	-	-	-	2,127	3%
CentralSquare second lien term loan	Level 2	2,000	2,000	-	1	(21)	1,980	3%
Ensono second lien term loan	Level 2	1,700	1,653	-	1	3	1,657	3%
MWI second lien term loan	Level 2	1,400	1,379	-	-	(14)	1,365	2%
AlliedUniversal second lien term loan	Level 2	1,250	1,191	-	-	32	1,223	2%
PharMerica second lien term loan	Level 2	1,200	-	1,170	-	12	1,182	2%
Caliber Collision second lien term loan	Level 2	1,100	-	1,081	-	19	1,100	2%
Vertafore second lien term loan	Level 2	900	865	-	-	26	891	1%
Safe Fleet second lien term loan	Level 2	700	665	-	-	9	674	1%
Ardonagh senior secured notes	Level 2	600	513	-	2	(2)	513	1%
ClearChoice first lien term loan	Level 3	500	487	-	-	8	495	1%
MedRisk second lien term loan	Level 2	500	491	-	-	1	492	1%
NAVEX second lien term loan	Level 2	400	386	-	-	8	394	1%
FirstLight second lien term loan	Level 2	400	393	-	-	(1)	392	1%
EaglePicher second lien term loan	Level 2	400	294	94	-	2	390	1%
ClearChoice revolver	Level 3	375	336	-	1	21	358	0%
Edelman second lien term loan	Level 2	300	286	-	-	16	302	0%
Avantor senior unsecured notes	Level 2	-	5,000	(5,223)	-	223	-	0%
<b>Subtotal - OHA Portfolio</b>		<b>56,472</b>	<b>58,557</b>	<b>(3,373)</b>	<b>25</b>	<b>749</b>	<b>55,959</b>	<b>88%</b>
<b>Legacy Portfolio</b>								
ATP/Bennu limited term royalty interest	Level 3	40,562	4,778	(611)	-	885	5,052	8%
OCI subordinated note	Level 3	27,117	2,271	-	-	60	2,331	4%
OCI equity units	Level 3	n/a	-	-	-	-	-	0%
<b>Subtotal - Legacy Portfolio</b>		<b>67,679</b>	<b>7,049</b>	<b>(611)</b>	<b>-</b>	<b>945</b>	<b>7,383</b>	<b>12%</b>
<b>Grand Total</b>		<b>\$124,151</b>	<b>\$65,606</b>	<b>(\$3,984)</b>	<b>\$25</b>	<b>\$1,694</b>	<b>\$63,342</b>	<b>100%</b>

Since "principal" does not apply to instruments other than debt, "N/A" is shown in the "Principal" column for investments other than debt securities. The information is unaudited and provided for informational purposes only. There is no representation being made that an individual investor will achieve returns similar to those shown. Past results are not necessarily indicative of future performance.

# Investment Activity & Portfolio Review

Current Weighted Average Yield of 10.5%<sup>(1)</sup> on Fair Value Basis as of March 31, 2019

(in \$000's)	Principal/ Total Sum	Cost	Fair Value	Current Yield at Cost	Current Yield at Fair Value	% of Portfolio Value
<b>&lt; 10% Current Yield at Fair Value:</b>						
Sedgwick unsecured term loan	3,300	3,251	3,300	9.3%	9.1%	5%
MyEyeDr second lien term loan	5,000	4,978	4,913	9.3%	9.5%	8%
Edelman second lien term loan	300	299	302	9.6%	9.5%	0%
MedRisk second lien term loan	500	498	492	9.4%	9.5%	1%
Equinox second lien term loan	7,000	6,959	7,044	9.6%	9.5%	11%
ClearChoice first lien term loan	500	496	495	9.5%	9.6%	1%
Safe Fleet second lien term loan	700	697	674	9.3%	9.6%	1%
PowerSchool second lien term loan	3,800	3,764	3,743	9.7%	9.7%	6%
NAVEX second lien term loan	400	396	394	9.7%	9.7%	1%
Caliber Collision second lien term loan	1,100	1,081	1,100	10.1%	9.9%	2%
WASH second lien term loan	3,500	3,484	3,386	9.6%	9.9%	5%
Vertafore second lien term loan	900	892	891	9.9%	9.9%	1%
<b>Total &lt; 10% Current Yield at Fair Value</b>	<b>27,000</b>	<b>26,795</b>	<b>26,734</b>	<b>9.6%</b>	<b>9.6%</b>	<b>42%</b>
<b>10-15% Current Yield at Fair Value:</b>						
EaglePicher second lien term loan	400	392	390	10.1%	10.2%	0%
FirstLight second lien term loan	400	396	392	10.2%	10.3%	1%
CentralSquare second lien term loan	2,000	1,951	1,980	10.5%	10.3%	3%
ClearChoice revolver	375	362	358	10.4%	10.5%	0%
Ministry Brands second lien term loan	6,000	5,948	6,000	10.9%	10.8%	9%
Hayward second lien term loan	2,159	2,162	2,127	10.7%	10.9%	3%
MWI second lien term loan	1,400	1,388	1,365	10.8%	11.0%	2%
DexKo second lien term loan	3,000	2,980	2,985	11.0%	11.0%	5%
AlliedUniversal second lien term loan	1,250	1,250	1,223	11.0%	11.2%	2%
PharMerica second lien term loan	1,200	1,170	1,182	11.4%	11.3%	2%
TIBCO senior unsecured notes	2,100	2,003	2,234	13.5%	12.1%	4%
Ardonagh senior secured notes	600	544	513	11.4%	12.1%	1%
Ensono second lien term loan	1,700	1,636	1,657	12.6%	12.4%	3%
PAE second lien term loan	6,888	6,755	6,819	12.6%	12.5%	11%
<b>Total 10-15% Current Yield at Fair Value</b>	<b>29,472</b>	<b>28,937</b>	<b>29,225</b>	<b>11.5%</b>	<b>11.4%</b>	<b>46%</b>
<b>Current Yielding Investments</b>	<b>56,472</b>	<b>55,732</b>	<b>55,959</b>	<b>10.6%</b>	<b>10.5%</b>	<b>88%</b>
<b>Other Non-Yielding/Non-Income Producing Investments:</b>						
ATP/Bennu limited term royalty interest	40,562	25,839	5,052	0.0%	0.0%	8%
OCI subordinated note	27,117	23,528	2,331	0.0%	0.0%	4%
OCI equity units	n/a	2,500	0	0.0%	0.0%	0%
<b>Total non-yielding investments</b>	<b>67,679</b>	<b>51,867</b>	<b>7,383</b>	<b>N/A</b>	<b>N/A</b>	<b>12%</b>
<b>Grand Total</b>	<b>124,151</b>	<b>107,599</b>	<b>63,342</b>	<b>5.5%</b>	<b>9.3%</b>	<b>100%</b>

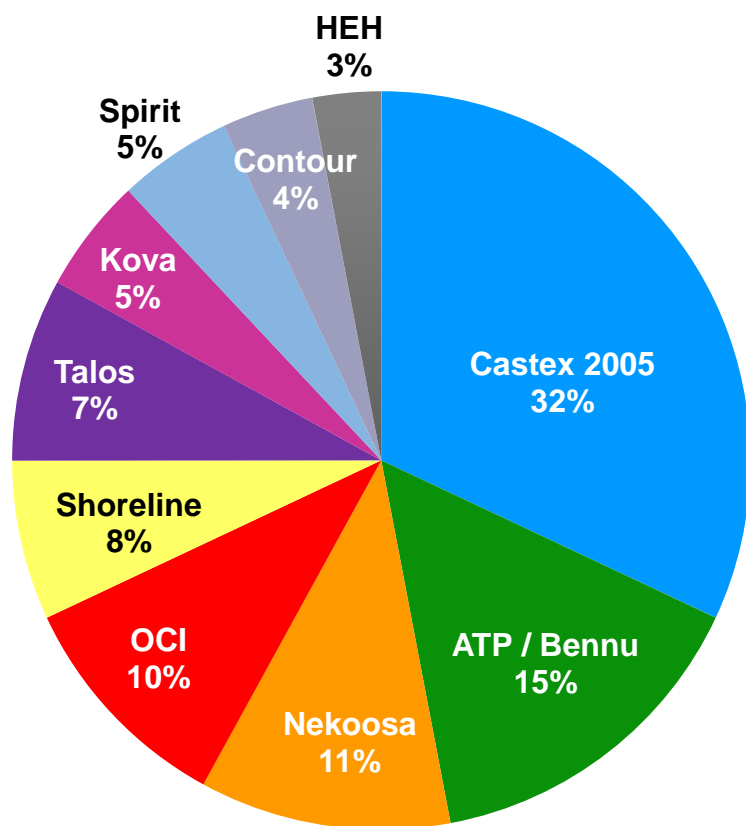
<sup>(1)</sup> Current yielding investments only.

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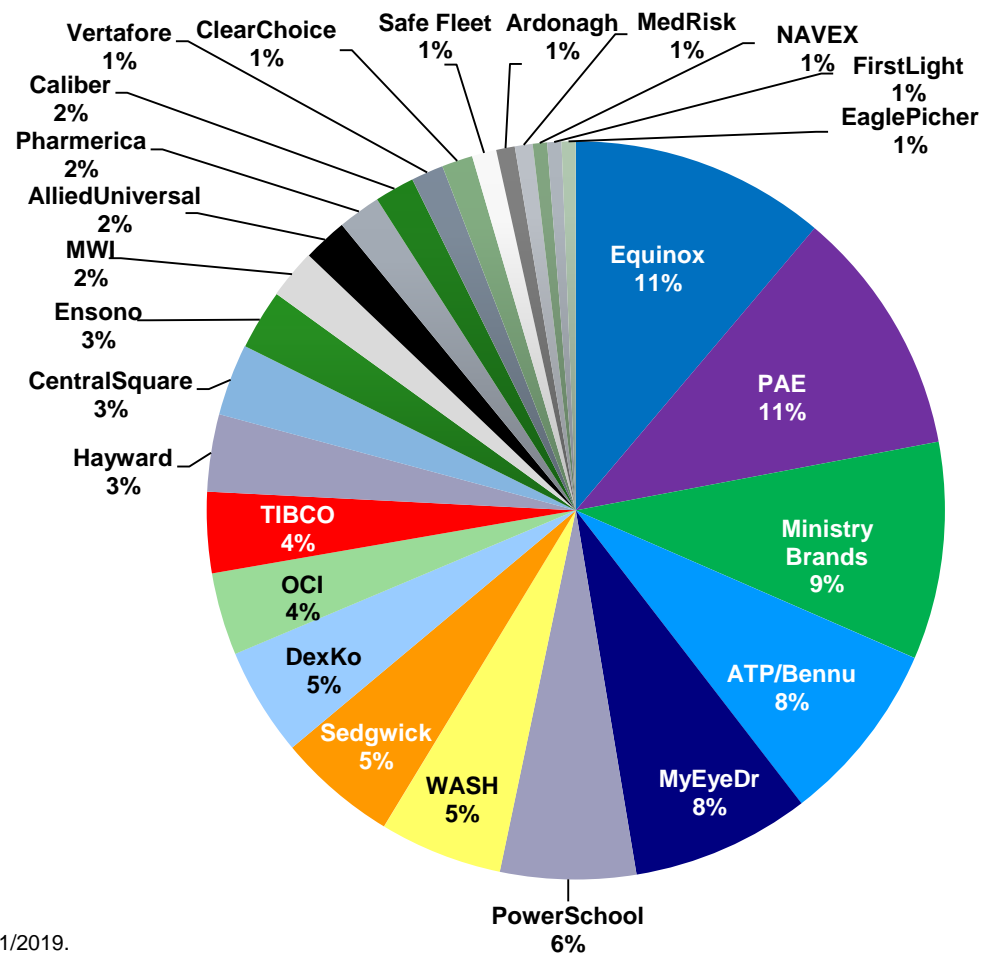
# Investment Activity & Portfolio Review

Portfolio Value is Derived From 27 Active Portfolio Companies<sup>(1)</sup> at 3/31/19 and vs. 10 at 9/30/14

September 30, 2014



March 31, 2019<sup>(2)</sup>



<sup>(1)</sup> Includes Edelman (<1% of total portfolio).

<sup>(2)</sup> As a percentage of total fair value, excluding \$4.6 MM of cash on balance sheet at 3/31/2019.

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# Q&A

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