

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-K**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number: 814-00939

MSC Income Fund, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation or organization)
1300 Post Oak Boulevard, 8th Floor
Houston, TX
(Address of principal executive offices)

45-3999996
(I.R.S. Employer
Identification No.)
77056
(Zip Code)

(713) 350-6000
(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value \$0.001 per share	MSIF	New York Stock Exchange

**Securities registered pursuant to Section 12(g) of the Act:
None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant as of June 28, 2024 has not been provided because trading of the registrant's common stock on the New York Stock Exchange did not commence until January 29, 2025.

The number of shares outstanding of the issuer's common stock as of March 19, 2025 was 46,849,531.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements regarding the plans and objectives of management for future operations and which relate to future events or our future performance or financial condition. Any such forward-looking statements may involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe our future plans, strategies and expectations, are generally identifiable by use of the words “may,” “will,” “should,” “expect,” “anticipate,” “estimate,” “believe,” “intend” or “project” or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements are based on assumptions that may be incorrect, and we cannot assure you that the projections included in these forward-looking statements will come to pass. Our actual results could differ materially from those expressed or implied by the forward-looking statements as a result of various factors, including, without limitation, the factors discussed in Item 1A entitled “Risk Factors” in this Annual Report on Form 10-K and elsewhere in this Annual Report on Form 10-K and in other filings we may make with the Securities and Exchange Commission (“SEC”) from time to time. Other factors that could cause actual results to differ materially include changes in the economy and future changes in laws or regulations and conditions in our operating areas.

We have based the forward-looking statements included in this Annual Report on Form 10-K on information available to us on the date of this Annual Report on Form 10-K, and we assume no obligation to update any such forward-looking statements, unless we are required to do so by applicable law. However, you are advised to refer to any additional disclosures that we may make directly to you or through reports that we in the future may file with the SEC, including subsequent annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

PART I

Item 1. *Business*

ORGANIZATION

MSC Income Fund, Inc. (“MSIF” or, together with its consolidated subsidiaries, “MSC Income” or the “Company”) is a principal investment firm primarily focused on providing debt capital to private (“Private Loan”) companies owned by or in the process of being acquired by a private equity fund (its “Private Loan investment strategy”). MSC Income’s portfolio investments are typically made to support leveraged buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in diverse industry sectors. MSC Income seeks to partner with private equity fund sponsors in its Private Loan investment strategy and primarily invests in secured debt investments of Private Loan companies generally headquartered in the United States.

MSC Income also maintains a portfolio of customized long-term debt and equity investments in lower middle market (“LMM”) companies (its “LMM investment portfolio”), and through those investments MSC Income has partnered with entrepreneurs, business owners and management teams in co-investments with Main Street Capital Corporation (“Main Street”), a New York Stock Exchange (“NYSE”) listed BDC, utilizing the customized “one-stop” debt and equity financing solution provided in Main Street’s LMM investment strategy (the “LMM investment strategy”). Through the LMM investment strategy, MSC Income primarily invested in secured debt investments, equity investments, warrants and other securities of LMM companies typically based in the United States. Effective upon the MSC Income Listing (as defined below) on January 29, 2025, MSC Income changed its investment strategy for investments in new portfolio companies to be solely focused on its Private Loan investment strategy, rather than its historical focus primarily on its Private Loan investment strategy and secondarily on the LMM investment strategy (as further discussed below).

MSC Income also maintains a legacy portfolio of investments in larger middle market (“Middle Market”) companies (its “Middle Market investment portfolio”) and a limited portfolio of other portfolio (“Other Portfolio”) investments. MSC Income’s Middle Market investments are generally debt investments in companies owned by a private equity fund that were originally issued through a syndication financing process. MSC Income has generally stopped making new Middle Market investments and expects the size of its Middle Market investment portfolio to continue to decline in future periods as its existing Middle Market investments are repaid or sold. MSC Income’s Other Portfolio investments primarily consist of investments that are not consistent with the typical profiles for its Private Loan, LMM or Middle Market portfolio investments, including investments in unaffiliated investment companies and private funds managed by third parties. Similar to its Middle Market investments, MSC Income has generally stopped making new Other Portfolio investments and expects the size of its Other Portfolio to continue to decline in future periods as its existing Other Portfolio investments are repaid or sold.

The “Investment Portfolio,” as used herein, refers to all of MSC Income’s investments in Private Loan portfolio companies, investments in LMM portfolio companies, investments in Middle Market portfolio companies and Other Portfolio investments.

MSIF was formed in November 2011 to operate as an externally managed business development company (“BDC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). MSIF has elected to be treated for U.S. federal income tax purposes as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). As a result, MSIF generally does not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that it distributes to its stockholders.

On October 28, 2020, MSC Income’s stockholders approved the appointment of MSC Adviser I, LLC (the “Adviser”), which is wholly-owned by Main Street, as MSC Income’s investment adviser and administrator under an Investment Advisory and Administrative Services Agreement dated October 30, 2020 (the “Prior Investment Advisory Agreement”).

On January 29, 2025, in connection with the MSC Income Listing (as defined below), MSC Income entered into an Amended and Restated Investment Advisory and Administrative Services Agreement (the “Advisory Agreement”) with the Adviser. The Advisory Agreement was approved by the affirmative vote of the holders of a majority of MSC Income’s outstanding voting securities, as defined in the 1940 Act, at a special meeting of MSC Income’s stockholders held on December 11, 2024 (the “2025 Special Meeting”), to become effective upon the MSC Income Listing. In such role, the Adviser has the responsibility to manage the business of MSC Income, including the responsibility to identify, evaluate, negotiate and structure prospective investments, make investment and portfolio management decisions, monitor MSC Income’s Investment Portfolio and provide ongoing administrative services.

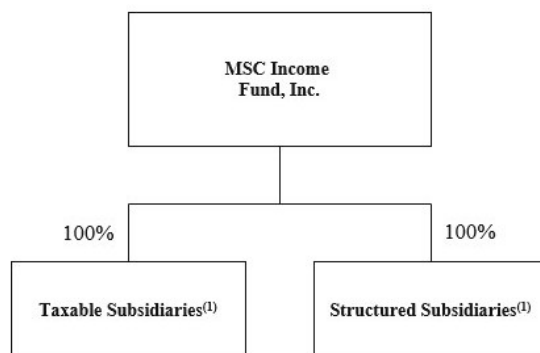
On January 30, 2025, MSC Income closed a follow-on public offering of 5,500,000 shares of its common stock, at the public offering price of \$15.53 per share, in connection with which MSC Income’s shares of common stock were listed and began trading on the NYSE under the ticker symbol “MSIF” on January 29, 2025 (the “MSC Income Listing”). In addition, on February 3, 2025, MSC Income issued and sold 825,000 additional shares of its common stock, at the public offering price of \$15.53 per share, pursuant to the underwriters’ full exercise of their overallocation option. Net of underwriting discounts and commissions and offering expenses, MSC Income received net cash proceeds of approximately \$91 million in connection with the follow-on public equity offering.

Additionally, on December 16, 2024, in advance of the MSC Income Listing, the Company effectuated a 2-for-1 reverse stock split of its outstanding common stock pursuant to approval from the Board of Directors (the “Reverse Stock Split”). As a result of the Reverse Stock Split, every two shares of MSC Income’s issued and outstanding common stock were converted into one share of issued and outstanding common stock, without any change in the par value per share or the number of authorized shares of its common stock. Unless otherwise indicated, all figures in this Annual Report on Form 10-K reflect the implementation of the Reverse Stock Split.

MSIF has certain direct and indirect wholly-owned subsidiaries that have elected to be taxable entities (the “Taxable Subsidiaries”). The primary purpose of the Taxable Subsidiaries is to permit MSIF to hold equity investments in portfolio companies which are “pass-through” entities for tax purposes. MSIF also has certain direct and indirect wholly-owned subsidiaries formed for financing purposes (the “Structured Subsidiaries”).

Unless otherwise noted or the context otherwise indicates, the terms “we,” “us,” “our,” the “Company” and “MSC Income” refer to MSIF and its consolidated subsidiaries, which include the Taxable Subsidiaries and the Structured Subsidiaries.

The following diagram depicts our organizational structure:



(1) The Taxable Subsidiaries and Structured Subsidiaries were formed for operational purposes. Each of these companies is directly or indirectly wholly-owned by MSIF.

CORPORATE INFORMATION

Our principal executive offices are located at 1300 Post Oak Boulevard, 8th Floor, Houston, Texas 77056. We maintain a website on the Internet at www.msicincomefund.com. We make available free of charge on our website our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC. Information contained on our website is not incorporated by reference into this Annual Report on Form 10-K, and you should not consider that information to be part of this Annual Report on Form 10-K. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports and other public filings are also available free of charge on the EDGAR Database on the SEC’s website at www.sec.gov.

OVERVIEW OF OUR BUSINESS

Our principal investment objective is to maximize our investment portfolio’s total return, primarily by generating current income from our debt investments and, to a lesser extent, by generating current income and capital appreciation

from our equity and equity-related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company. We seek to achieve our investment objective through our Private Loan investment strategy and our LMM investment portfolio. Our Private Loan investment strategy involves investments in companies that generally have annual revenues between \$25 million and \$500 million and annual earnings before interest, tax, depreciation and amortization expenses (“EBITDA”) between \$7.5 million and \$50 million. Our LMM investment portfolio consists of investments in companies that generally have annual revenues between \$10 million and \$150 million and annual EBITDA between \$3 million and \$20 million. Our Private Loan and LMM investments generally range in size from \$1 million to \$30 million.

Private Loan investments primarily consist of debt securities that have primarily been originated directly by our Adviser or, to a lesser extent, through our Adviser’s strategic relationships with other investment funds on a collaborative basis through investments that are often referred to in the debt markets as “club deals” because of the small lender group size. Our Private Loan investments are typically made in a company owned by or in the process of being acquired by a private equity fund. Our Private Loan portfolio debt investments are generally secured by a first priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date. We may also co-invest with Main Street and the private equity funds in the equity securities of our Private Loan portfolio companies.

We have also historically sought to fill the financing gap for LMM businesses, which, historically, have had limited access to financing from commercial banks and other traditional sources. The underserved nature of the LMM created the opportunity for us to meet the financing needs of LMM companies while also negotiating favorable transaction terms and equity participation. Our ability to invest across a company’s capital structure, from secured loans to equity securities, allowed us to offer portfolio companies a comprehensive suite of financing options, or a “one-stop” financing solution. Our LMM portfolio debt investments are generally secured by a first lien on the assets of the portfolio company and typically have a term of between five and seven years from the original investment date.

In connection with the MSC Income Listing, our Board of Directors and the Adviser decided to change our investment strategy with respect to new platform investments to be solely focused on our Private Loan investment strategy. As a result, the size of our LMM investment portfolio is expected to decrease over time as our existing LMM investments are repaid or sold in the ordinary course of business. We do, however, plan to continue executing follow on investments in our existing LMM portfolio companies going forward in accordance with our existing SEC order for co-investment exemptive relief.

Our Middle Market investments are generally debt investments in companies owned by private equity funds that were originally issued through a syndication financing process. We have generally stopped making new Middle Market investments and expect the size of our Middle Market investment portfolio to continue to decline in future periods as existing Middle Market investments are repaid or sold. Our Middle Market debt investments generally range in size from \$1 million to \$20 million, are generally secured by a first priority lien on the assets of the portfolio company and typically have an expected duration of between three and seven years from the original investment date.

Our Other Portfolio investments primarily consist of investments that are not consistent with the typical profiles for our Private Loan, LMM or Middle Market portfolio investments, including investments in unaffiliated investment companies and private funds managed by third parties. In our Other Portfolio, we may incur indirect fees and expenses to third party managers. Similar to our Middle Market investments, we have generally stopped making new Other Portfolio investments and expect the size of our Other Portfolio to continue to decline in future periods as existing Other Portfolio investments are repaid or sold.

Subject to changes in our cash and overall liquidity, we may in the future invest in short-term portfolio investments that are atypical of our Private Loan and LMM portfolio investments in that they would be intended to be a short-term deployment of capital. These assets would be expected to be realized in one year or less and would not be expected to be a significant portion of our total investments.

Our portfolio investments are generally made through MSIF, the Taxable Subsidiaries and the Structured Subsidiaries. MSIF, the Taxable Subsidiaries and the Structured Subsidiaries share the same investment strategies and criteria. An investor’s return in MSIF will depend, in part, on the Taxable Subsidiaries’ and the Structured Subsidiaries’ investment returns as they are wholly-owned subsidiaries of MSIF.

The level of new portfolio investment activity will fluctuate from period to period based upon our view of the current economic fundamentals, our ability to identify new investment opportunities that meet our investment criteria, and our ability to consummate the identified opportunities and our available liquidity. The level of new investment activity, and

associated interest and fee income, will directly impact future investment income. In addition, the level of dividends paid by portfolio companies and the portion of our portfolio debt investments on non-accrual status will directly impact future investment income. While we intend to grow our portfolio and our investment income over the long term, our growth and our operating results may be more limited during depressed economic periods. However, we intend to appropriately manage our cost structure and liquidity position based on applicable economic conditions and our investment outlook. The level of realized gains or losses and unrealized appreciation or depreciation on our investments will also fluctuate depending upon portfolio activity, economic conditions and the performance of our individual portfolio companies. The changes in realized gains and losses and unrealized appreciation or depreciation could have a material impact on our operating results.

We have received an exemptive order from the SEC permitting co-investments among us, Main Street and other advisory clients of our Adviser in certain negotiated transactions where co-investing would otherwise be prohibited under the 1940 Act. We have made co-investments with, and in the future intend to continue to make co-investments with Main Street and other advisory clients of our Adviser, in accordance with the conditions of the order. The order requires, among other things, that Main Street and our Adviser consider whether each such investment opportunity is appropriate for us, Main Street and the other advisory clients of our Adviser, as applicable, and if it is appropriate, to propose an allocation of the investment opportunity between such parties. Because our Adviser is wholly-owned by Main Street and is not managing our investment activities as its sole activity, this may provide our Adviser an incentive to allocate opportunities to Main Street or its other advisory clients instead of us. However, both we and our Adviser have policies and procedures in place to manage this conflict, including approval of investment allocations and oversight of co-investments by the independent members of our Board of Directors. In addition to the co-investment program described above, we also co-invest in syndicated deals and other transactions where price is the only negotiated point by us and our affiliates.

BUSINESS STRATEGIES

Our principal investment objective is to maximize our portfolio's total return, primarily by generating current income from our debt investments and current income and capital appreciation from our equity and equity-related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company. We have adopted the following business strategies to achieve our investment objective:

- *Focus on Established Companies.* We generally invest in companies with established market positions, experienced management teams and proven revenue streams. We believe that those companies generally possess better risk-adjusted return profiles than newer companies that are building their management teams or are in the early stages of building a revenue base. We also believe that established companies in our targeted size range also generally provide opportunities for capital appreciation.
- *Generate Unique Returns from our LMM Investment Portfolio.* We believe that our existing investments in our LMM portfolio companies provide unique risk-adjusted return characteristics and also provide our stockholders with access to a large and attractive portion of the U.S. economy that has been and continues to be underserved from a financing standpoint. As a result, we believe that our existing LMM investment portfolio provides our stockholders the opportunity for superior future returns.
- *Leverage the Skills and Experience of our Adviser's Investment Team.* Our Adviser's investment team has significant experience in lending to and investing in Private Loan, LMM and Middle Market companies. The members of our Adviser's investment team have broad investment backgrounds, with significant experience and long-term tenure with our Adviser and prior experience at private investment funds, corporate entities with active acquisition growth strategies and activities, investment banks and other financial services companies. The expertise of our Adviser's investment team in analyzing, valuing, structuring, negotiating and closing transactions should provide us with competitive advantages by allowing us to consider customized financing solutions and non-traditional or complex structures for our portfolio companies.
- *Invest Across Multiple Companies, Industries, Regions and End Markets.* We seek to maintain a portfolio of investments that is appropriately balanced among various companies, industries, geographic regions and end markets. This portfolio balance is intended to mitigate the potential effects of negative economic events for particular companies, regions, industries and end markets.
- *Capitalize on Strong Transaction Sourcing Network.* Our Adviser's investment team seeks to leverage its extensive network of referral sources for portfolio company investments. Main Street has developed a reputation in our marketplace as a responsive, efficient and reliable source of financing, which has created a growing stream of proprietary deal flow for us.

- *Benefit from Lower, Fixed, Long-Term Cost of Capital.* We maintain an investment grade rating from Kroll Bond Rating Agency, LLC, which provides us the opportunity and flexibility to obtain additional, attractive long-term financing options to supplement our capital structure, including the unsecured notes with fixed interest rates we issue.

INVESTMENT CRITERIA

Our Adviser's investment team has identified the following investment criteria that it believes are important in evaluating prospective portfolio companies. Our Adviser's investment team uses these criteria in evaluating investment opportunities. However, not all of these criteria have been, or will be, met in connection with each of our investments:

- *Established Companies with Positive Cash Flow.* We seek to invest in established companies with sound historical financial performance. We primarily pursue investments in Private Loan companies that have historically generated annual EBITDA of \$7.5 million to \$50 million. We also maintain a portfolio of investments in LMM companies that have historically generated annual EBITDA of \$3 million to \$20 million. We generally do not invest in start-up companies or companies with speculative business plans.
- *Defensible Competitive Advantages/Favorable Industry Position.* We primarily focus on companies having competitive advantages in their respective markets and/or operating in industries with barriers to entry, which may help to protect their market position and profitability.
- *Proven Management Team.* We look for operationally-oriented management with direct industry experience and a successful track record. We believe management teams with these attributes are more likely to manage the companies in a manner that protects our investment.
- *Exit Alternatives.* We exit our debt investments primarily through the repayment of our investment from internally generated cash flow of the portfolio company and/or a refinancing. In addition, we seek to invest in companies whose business models and expected future cash flows may provide alternate methods of repaying our investment, such as through a strategic acquisition by other industry participants or a recapitalization.

INVESTMENT PORTFOLIO

Our Private Loan portfolio investments primarily consist of investments in debt securities that are primarily originated directly by our Adviser, or to a lesser extent, through our Adviser's strategic relationships with other investment funds on a collaborative basis through investments that are often referred to in the debt markets as "club deals" because of the small lender group size. In both cases, our Private Loan investments are typically made in a company owned by or in the process of being acquired by a private equity fund.

Our LMM portfolio investments primarily consist of secured debt, direct equity investments and equity warrants in privately held, LMM companies based in the United States. Through those investments, we have partnered with entrepreneurs, business owners and management teams in co-investments with Main Street. Effective upon the MSC Income Listing, we changed our investment strategy and will no longer make investments in new LMM portfolio companies, with any future LMM investments limited to follow-on investments in our existing LMM portfolio companies.

Our Middle Market portfolio investments are generally debt investments in companies owned by private equity funds that were originally issued through a syndication financing process. We have generally stopped making new Middle Market investments and expect the size of our Middle Market investment portfolio to continue to decline in future periods as existing Middle Market investments are repaid or sold.

Our Other Portfolio investments primarily consist of investments that are not consistent with the typical profiles for our Private Loan, LMM and Middle Market portfolio investments, including investments which may be managed by third parties. In our Other Portfolio, we may incur indirect fees and expenses in connection with investments managed by third parties, such as investments in other investment companies or private funds. Similar to our Middle Market investments, we have generally stopped making new Other Portfolio investments and expect the size of our Other Portfolio to continue to decline in future periods as existing Other Portfolio investments are repaid or sold.

Debt Investments

The debt investments in our Private Loan portfolio have rights and protections that may include affirmative and negative covenants, default penalties, lien protection, change of control provisions, guarantees and equity pledges. Our Private Loan portfolio debt investments are generally secured by a first priority lien and typically have a term of between

three and seven years from the original investment date. Our Private Loan debt investments generally have floating interest rates at the Secured Overnight Financing Rate (“SOFR”) or the Prime rate typically subject to a contractual minimum interest rate (an “interest rate floor”), plus a margin.

Historically, we have made LMM debt investments principally in the form of single tranche debt. Single tranche debt financing involves issuing one debt security that blends the risk and return profiles of both first lien secured and subordinated debt. We believe that single tranche debt is more appropriate for many LMM companies given their size in order to reduce structural complexity and potential conflicts among creditors.

Our LMM debt investments generally have a term of five to seven years from the original investment date, with limited required amortization prior to maturity, and provide for monthly or quarterly payment of interest at interest rates generally between 10% and 14% per annum, payable currently in cash on either a fixed or floating rate basis. The LMM debt investments with floating interest rates will generally bear interest at the SOFR or the Prime rate typically subject to an interest rate floor, plus a margin. In addition, certain LMM debt investments may have a form of interest that is not paid currently but is accrued and added to the loan balance and paid at maturity. We refer to this form of interest as payment-in-kind, or PIK, interest. We typically structure our LMM debt investments with the maximum seniority and collateral that we can reasonably obtain while seeking to achieve our total return target. In most cases, our LMM debt investment will be collateralized by a first priority lien on substantially all the assets of the portfolio company. In addition to seeking a senior lien position in the capital structure of our LMM portfolio companies, we seek to limit the downside potential of our LMM debt investments by negotiating covenants that are designed to protect our LMM debt investments while affording our portfolio companies as much flexibility in managing their businesses as is reasonable. Such restrictions may include affirmative and negative covenants, default penalties, lien protection, change of control or change of management provisions, key-man life insurance, guarantees, equity pledges, where appropriate, and put rights. In addition, we typically seek board representation or observation rights in all of our LMM portfolio companies.

Our Middle Market portfolio debt investments are generally secured by a first priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date. The debt investments in our Middle Market portfolio usually have rights and protections that are similar to those in our Private Loan and LMM debt investments. The Middle Market debt investments generally have floating interest rates at the SOFR or Prime rate typically subject to an interest rate floor, plus a margin.

Direct Equity Investments

We have also historically sought to make direct equity investments to align our interests with key management and stockholders of our LMM portfolio companies, and to allow for participation in the appreciation in the equity values of our LMM portfolio companies. We usually made our direct equity investments in connection with debt investments in our LMM portfolio companies. In addition, we may have both equity warrants and direct equity positions in some of our LMM portfolio companies. We, on a combined basis together with Main Street and other investment advisory clients of our Adviser, have historically sought to maintain fully diluted equity positions in our LMM portfolio companies of 5% to 50%, and may have controlling equity interests in some instances. We have had a value orientation toward our direct equity investments and have traditionally been able to purchase our equity investments at reasonable valuations. We will also have, from time to time, the opportunity to co-invest with Main Street and the private equity funds in the equity securities of our Private Loan portfolio companies. The equity co-investment aligns our interests with those of the private equity fund and provides us with the opportunity to benefit from appreciation in the equity values of our Private Loan portfolio companies.

Warrants

In connection with our LMM debt investments, we occasionally received equity warrants to establish or increase our equity interest in the portfolio company. Warrants that we received in connection with a debt investment typically require only a nominal cost to exercise, and thus, as a portfolio company appreciates in value, we may achieve additional investment return from this equity interest. We typically structured the warrants to provide provisions protecting our rights as a minority-interest holder, as well as secured or unsecured put rights, or rights to sell such securities back to the portfolio company, upon the occurrence of specified events. In certain cases, we also may obtain registration rights in connection with these equity interests, which may include demand and “piggyback” registration rights.

INVESTMENT PROCESS

Our Adviser’s investment committee has oversight over all aspects of our investment processes. The current members of the investment committee are Dwayne L. Hyzak, our Chief Executive Officer, David Magdol, our President and Chief Investment Officer, and Vincent D. Foster, Chairman of Main Street’s board of directors.

Our Adviser's investment processes for portfolio investments are outlined below. Our Adviser's investment strategy involves a "team" approach, whereby potential transactions are screened by several members of our Adviser's investment team before being presented to the investment committee. The investment committee meets on an as-needed basis depending on transaction volume. Our Adviser generally categorizes our investment process into seven distinct stages:

Deal Generation/Origination

Deal generation and origination is maximized through our Adviser's long-standing and extensive relationships with industry contacts, brokers, commercial and investment bankers, entrepreneurs, service providers such as lawyers, financial advisors and accountants, and current and former portfolio companies and investors. Our Adviser's investment team has developed a reputation as a knowledgeable, reliable and active source of capital and assistance in these markets.

Screening

During the screening process, if a transaction initially meets our investment criteria, our Adviser will perform preliminary due diligence, taking into consideration some or all of the following information:

- a comprehensive financial model based on quantitative analysis of historical financial performance, projections and pro forma adjustments to determine the estimated internal rate of return;
- a brief industry and market analysis;
- direct industry expertise imported from other portfolio companies or investors;
- preliminary qualitative analysis of the management team's competencies and backgrounds;
- potential investment structures and pricing terms; and
- regulatory compliance.

Upon successful screening of a proposed transaction, the investment team makes a recommendation to the investment committee. If the investment committee concurs with moving forward on the proposed transaction, we typically issue a non-binding term sheet or letter of intent to the company.

Term Sheet

For proposed transactions, the non-binding term sheet or letter of intent will include the key economic terms based upon our analysis performed during the screening process, as well as a proposed timeline and our qualitative expectation for the transaction. While the term sheet or letter of intent for investments is non-binding, we typically receive an expense deposit in order to move the transaction to the due diligence phase. Upon execution of a term sheet or letter of intent, our Adviser begins the formal due diligence process.

Due Diligence

Due diligence on a proposed investment is generally performed on materials and information obtained from certain external resources and assessed internally by a minimum of three of our Adviser's investment professionals, who work to understand the relationships among the prospective portfolio company's business plan, operations and financial performance using the accumulated due diligence information. Our Adviser's typical due diligence review includes some or all of the following:

- detailed review of historical and projected financial statements;
- site visits or other discussions with management and key personnel;
- in-depth industry, market, operational and strategy analysis;
- regulatory compliance analysis; and
- detailed review of the company's management team and their capabilities.

During the due diligence process, significant attention is given to sensitivity analyses and how the company might be expected to perform given downside, base-case and upside scenarios. In certain cases, we may decide not to make an investment based on the results of the diligence process.

Document and Close

Upon completion of a satisfactory due diligence review of a proposed portfolio investment, the investment team presents the findings and a recommendation to the investment committee. The presentation contains information which can include, but is not limited to, the following:

- company history and overview;
- transaction overview, history and rationale, including an analysis of transaction strengths and risks;
- overview and history of the private equity fund sponsor as the company's equity owner;
- analysis of key customers and suppliers;
- an analysis of the company's business strategy;
- investment structure and expected returns;
- anticipated sources of repayment and potential exit strategies;
- pro forma capitalization and ownership;
- regulatory compliance analysis findings; and
- an analysis of historical financial results and key financial ratios.

If any adjustments to the transaction terms or structures are proposed by the investment committee, such changes are made and applicable analyses are updated prior to approval of the transaction. Approval for the transaction must be made by the affirmative vote from a majority of the members of the investment committee, with the committee member managing the transaction, if any, abstaining from the vote. Upon receipt of transaction approval, the investment team will re-confirm regulatory compliance, process and finalize all required legal documents, and fund the investment.

Post-Investment

Our Adviser continuously monitors the status and progress of our portfolio companies. Our Adviser generally offers managerial assistance to our portfolio companies, giving them access to our Adviser's investment experience, direct industry expertise and contacts. The same investment team that was involved in the investment process will continue its involvement in the portfolio company post-investment. This provides for continuity of knowledge and allows the investment team to maintain a strong business relationship with key management of our portfolio companies for post-investment assistance and monitoring purposes.

As part of the monitoring process of our Private Loan and Middle Market portfolio investments, the investment team will analyze monthly and quarterly financial statements versus the previous periods and year, review financial projections and review all compliance certificates and covenants. Depending upon the nature of our Private Loan and Middle Market portfolio investments, the investment team may also attend board meetings, and meet and discuss issues or opportunities with the portfolio company's management team or private equity owners, however, due to the nature of our "lender only" relationship with these Private Loan and Middle Market companies in comparison to our LMM portfolio companies, it is not practical to have as much direct management interface.

As part of the monitoring process of our LMM portfolio investments, the investment team will analyze monthly and quarterly financial statements versus the previous periods and year, review financial projections, meet and discuss issues or opportunities with management, attend board meetings and review all compliance certificates and covenants. While the investment team maintains limited involvement in the ordinary course operations of our LMM portfolio companies, the investment team maintains a higher level of involvement in non-ordinary course financing or strategic activities and any non-performing scenarios.

Our Adviser utilizes an internally developed investment rating system to rate the performance of each Private Loan, LMM and Middle Market portfolio company and to monitor our expected level of returns on each of our Private

Loan, LMM and Middle Market investments in relation to our expectations for the portfolio company. The investment rating system takes into consideration various factors, including, but not limited to, each investment's expected level of returns, the collectability of our debt investments and the ability to receive a return of the invested capital in our equity investments, comparisons to competitors and other industry participants, the portfolio company's future outlook and other factors that are deemed to be significant to the portfolio company.

Exit Strategies/Refinancing

While we generally exit most investments through the refinancing or repayment of our debt and redemption or sale of our equity positions, the refinancing or repayment of Private Loan investments and Middle Market debt investments typically do not require our Adviser's assistance due to the additional resources available to these larger Private Loan and Middle Market companies. Our Adviser typically assists our LMM portfolio companies in developing and planning exit opportunities, including any sale or merger of our portfolio companies. Our Adviser may also assist in the structure, timing, execution and transition of the exit strategy.

DETERMINATION OF NET ASSET VALUE AND INVESTMENT PORTFOLIO VALUATION PROCESS

We determine the net asset value ("NAV") per share of our common stock on a quarterly basis. The NAV per share is equal to our total assets minus total liabilities divided by the total number of shares of common stock outstanding.

We are required to report our investments at fair value. As a result, the most significant determination inherent in the preparation of our consolidated financial statements is the valuation of our Investment Portfolio and the related amounts of unrealized appreciation and depreciation. We follow the provisions of the Financial Accounting Standards Board Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures* ("ASC 820"). ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and enhances disclosure requirements for fair value measurements. ASC 820 requires us to assume that the portfolio investment is to be sold in the principal market to independent market participants, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal market that are independent, knowledgeable and willing and able to transact.

We determine in good faith the fair value of our Investment Portfolio pursuant to a valuation policy in accordance with ASC 820 and a valuation process approved by our Board of Directors and in accordance with the 1940 Act. Our valuation policies and processes are intended to provide a consistent basis for determining the fair value of our Investment Portfolio. See *Note B.1. — Summary of Significant Accounting Policies — Valuation of the Investment Portfolio* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K for a detailed discussion of our Investment Portfolio valuation process and procedures.

Due to the inherent uncertainty in the valuation process, our determination of fair value for our Investment Portfolio may differ materially from the values that would have been determined had a ready market for the securities existed. In addition, changes in the market environment, portfolio company performance and other events that may occur over the lives of the investments may cause the gains or losses ultimately realized on these investments to be materially different than the valuations currently assigned. We determine the fair value of each individual investment and record changes in fair value as unrealized appreciation or depreciation.

The 1940 Act requires valuation of a portfolio security at "market value" if market quotations for the security are "readily available." Portfolio securities for which market quotations are not readily available must be valued at fair value as determined in good faith by the board of directors. Rule 2a-5 under the 1940 Act permits a BDC's board of directors to designate its executive officers or investment adviser as a valuation designee to determine the fair value for its investment portfolio, subject to the active oversight of the board.

Our Board of Directors has approved policies and procedures pursuant to Rule 2a-5 (the "Valuation Procedures") and designated our Adviser, led by a group of our Adviser's executive officers, to serve as the Board's valuation designee thereunder (the "Valuation Committee"). Pursuant to the Valuation Procedures, we undertake a multi-step process each quarter in connection with determining the fair value of our investments.

The following outlines our valuation process as established under the Valuation Procedures:

- Our quarterly process begins with an initial valuation of each portfolio investment performed by the Adviser's valuation team consisting of several professionals who apply the appropriate valuation methodology depending on the type of investment.

- Each valuation model is then reviewed by the investment team responsible for monitoring the portfolio investment for accuracy, with any recommended changes reviewed by the valuation team.
- Updated valuation conclusions are then reviewed by and discussed with the Valuation Committee at quarterly valuation meetings. Valuation meetings are generally attended by the Valuation Committee, the valuation team, members of the investment team responsible for each investment and members of the compliance team. Valuation models and valuation conclusions are adjusted as necessary following such meetings.
- A nationally recognized independent financial advisory services firm analyzes and provides observations, recommendations and an assurance certification regarding the determinations of the fair value for the majority of our portfolio companies on a rotational basis.
- After incorporating commentary by the Valuation Committee and review of recommendations provided by the independent financial advisory services firm, valuation results are finalized and approved by the Valuation Committee.
- The Board of Directors oversees the process through its Audit Committee in accordance with Rule 2a-5 pursuant to the Valuation Procedures.

Determination of fair value involves subjective judgments and estimates. The notes to our consolidated financial statements refer to the uncertainty with respect to the possible effect of such valuations, and any change in such valuations, on our financial results and financial condition.

COMPETITION

We compete for investments with a number of investment funds (including private equity funds, mezzanine funds, BDCs and small business investment companies (“SBICs”)), as well as traditional financial services companies such as commercial banks and other sources of financing. Many of the entities that compete with us are larger and have more resources available to them. We believe we are able to be competitive with these entities primarily on the basis of the experience and contacts of our Adviser’s management team and our ability to co-invest with Main Street and other advisory clients of our Adviser, the less competitive nature of the market for companies described in our Private Loan investment strategy, our Adviser’s responsive and efficient investment analysis and decision-making processes, our comprehensive suite of customized financing solutions and the investment terms we offer.

We believe that some of our competitors make senior secured loans, junior secured loans and subordinated debt investments with interest rates and returns that are comparable to or lower than the rates and returns that we target. Therefore, we do not seek to compete primarily on the interest rates and returns that we offer to potential portfolio companies. For additional information concerning the competitive risks we face, see *Item 1A. Risk Factors — Risks Related to Our Business and Structure — We face increasing competition for investment opportunities.*

HUMAN CAPITAL

We do not currently have any employees and do not expect to have any employees in the future. Services necessary for the operation of our business are provided by individuals who are employees of Main Street, which wholly-owns our Adviser, pursuant to the terms of the Advisory Agreement. Each of our executive officers is an employee of Main Street. Our day-to-day investment activities are managed by the Adviser. The services necessary for the origination and monitoring of our Investment Portfolio are provided by investment professionals of the Adviser, who are all employed by Main Street. As of December 31, 2024, Main Street had 104 employees, 58 of whom it categorizes as investment and portfolio management professionals, and the others include operations professionals and administrative staff. Because we have no employees, we do not have a formal employee relations policy.

REGULATION

Regulation as a Business Development Company

We have elected to be regulated as a BDC under the 1940 Act. The 1940 Act contains prohibitions and restrictions relating to transactions between BDCs and their affiliates, principal underwriters and affiliates of those affiliates or underwriters. The 1940 Act requires that a majority of the members of the board of directors of a BDC be persons other than “interested persons,” as that term is defined in the 1940 Act. In addition, the 1940 Act provides that we may not change the nature of our business so as to cease to be, or to withdraw our election as, a BDC unless approved by a majority of our outstanding voting securities.

The 1940 Act defines “a majority of the outstanding voting securities” as the lesser of (i) 67% or more of the voting securities present at a meeting if the holders of more than 50% of our outstanding voting securities are present or represented by proxy or (ii) more than 50% of our outstanding voting securities.

Qualifying Assets

Under the 1940 Act, a BDC may not acquire any asset other than assets of the type listed in Section 55(a) of the 1940 Act, which are referred to as qualifying assets, unless, at the time the acquisition is made, qualifying assets represent at least 70% of the company’s total assets. The principal categories of qualifying assets relevant to our business are any of the following:

- (1) Securities purchased in transactions not involving any public offering from the issuer of such securities, which issuer (subject to certain limited exceptions) is an eligible portfolio company (as defined below), or from any person who is, or has been during the preceding 13 months, an affiliated person of an eligible portfolio company, or from any other person, subject to such rules as may be prescribed by the SEC.
- (2) Securities of any eligible portfolio company that we control.
- (3) Securities purchased in a private transaction from a U.S. issuer that is not an investment company or from an affiliated person of the issuer, or in transactions incident thereto, if the issuer is in bankruptcy and subject to reorganization or if the issuer, immediately prior to the purchase of its securities was unable to meet its obligations as they came due without material assistance other than conventional lending or financing arrangements.
- (4) Securities of an eligible portfolio company purchased from any person in a private transaction if there is no ready market for such securities and we already own 60% of the outstanding equity of the eligible portfolio company.
- (5) Securities received in exchange for or distributed on or with respect to securities described in (1) through (4) above, or pursuant to the exercise of warrants or rights relating to such securities.
- (6) Cash, cash equivalents, U.S. government securities or high-quality debt securities maturing in one year or less from the time of investment.

In addition, a BDC must have been organized and have its principal place of business in the United States and must be operated for the purpose of making investments in the types of securities described in (1), (2) or (3) above.

An eligible portfolio company is defined in the 1940 Act as any issuer which:

- (a) is organized under the laws of, and has its principal place of business in, the United States;
- (b) is not an investment company (other than a small business investment company wholly-owned by the BDC) or a company that would be an investment company but for certain exclusions under the 1940 Act; and
- (c) satisfies any of the following:
 - (i) does not have any class of securities that is traded on a national securities exchange or has a class of securities listed on a national securities exchange but has an aggregate market value of outstanding voting and non-voting common equity of less than \$250 million;
 - (ii) is controlled by a BDC or a group of companies including a BDC and the BDC has an affiliated person who is a director of the eligible portfolio company; or
 - (iii) is a small and solvent company having total assets of not more than \$4 million and capital and surplus of not less than \$2 million.

Managerial Assistance to Portfolio Companies

As noted above, a BDC must be operated for the purpose of making investments in the type of securities described in (1), (2) or (3) above under the heading entitled “— Qualifying Assets.” In addition, BDCs must generally offer to make available to such issuer of the securities (other than small and solvent companies described above) significant managerial assistance. Making available managerial assistance means, among other things, any arrangement whereby the BDC,

through its directors, officers or employees, offers to provide, and, if accepted, does so provide, significant guidance and counsel concerning the management, operations or business objectives and policies of a portfolio company. However, if a BDC purchases securities in conjunction with one or more other persons acting together, one of the other persons in the group may make available such significant managerial assistance on behalf of all investors in the group.

Temporary Investments

Pending investment in “qualifying assets,” as described above, our investments may consist of cash, cash equivalents, U.S. government securities and high-quality debt securities maturing in one year or less from time of investment therein, so that 70% of our assets are qualifying assets.

Senior Securities

Prior to 2018 legislation that modified the asset coverage requirements of the 1940 Act, we were permitted, as a BDC, to issue senior securities only in amounts such that our asset coverage, or BDC asset coverage ratio, as defined in the 1940 Act, equals at least 200% of all debt and/or senior stock immediately after each such issuance. However, 2018 legislation modified the 1940 Act by allowing a BDC to increase the maximum amount of leverage it may incur such that a BDC’s asset coverage ratio could be reduced from an asset coverage ratio of 200% to an asset coverage ratio of 150%, if certain requirements are met. On January 29, 2025, the Board, including a “required majority” (as such term is defined in Section 57(o) of the 1940 Act) of the Board, approved the application of the modified asset coverage requirements set forth in Section 61(a) (2) of the 1940 Act, which will result in the Company’s asset coverage requirements applicable to senior securities being reduced from 200% to 150%, effective on January 29, 2026. We are permitted to increase our leverage capacity sooner if stockholders representing at least a majority of the votes cast, when quorum is met, approve a proposal to do so. If we receive such stockholder approval, we would be permitted to increase our leverage capacity on the first day after such approval.

In addition, while any senior securities remain outstanding (other than senior securities representing indebtedness issued in consideration of a privately arranged loan which is not intended to be publicly distributed), we must generally include provisions in the documents governing new senior securities to prohibit any cash distribution to our stockholders or the repurchase of such securities or shares unless we meet the applicable asset coverage ratios at the time of the distribution or repurchase. We may also borrow amounts up to 5% of the value of our total assets for temporary or emergency purposes without regard to asset coverage with such borrowings not constituting senior securities for purposes of the asset coverage ratio requirements of the 1940 Act. A loan is presumed to be for temporary purposes if it is repaid within sixty days and not extended or renewed. For a discussion of the risks associated with leverage, see *Item 1A. Risk Factors — Risks Related to Leverage*, including, without limitation, — *Because we borrow money, the potential for gain or loss on amounts invested in us is magnified and may increase the risk of investing in us.*

Common Stock

We are not generally able to issue and sell our common stock at a price below NAV per share. We may, however, sell our common stock, warrants, options or rights to acquire our common stock, at a price below the current NAV of the common stock if our Board of Directors determines that such sale is in our best interests and that of our stockholders, and our stockholders approve such sale. In any such case, the price at which our securities are to be issued and sold may not be less than a price which, in the determination of our Board of Directors, closely approximates the market value of such securities (less any distributing commission or discount). We generally have not sought stockholder authorization to sell shares of our common stock below the then current NAV per share of our common stock; however, at the 2025 Special Meeting, in advance of the MSC Income Listing, we received approval from our stockholders to have the flexibility, with the approval of the Board of Directors, to offer and sell shares of our common stock at a price below the current net asset value per share until December 11, 2025.

In conjunction with the MSC Income Listing, we entered into a share repurchase plan to purchase up to \$65.0 million in the aggregate of our common stock in the open market for a twelve-month period beginning in March 2025, at times when the market price per share of our common stock is trading below the most recently reported NAV per share of our common stock by certain pre-determined levels (including any updates, corrections or adjustments publicly announced by us to any previously announced NAV per share).

Code of Ethics

We have adopted a code of ethics pursuant to Rule 17j-1 under the 1940 Act that establishes procedures for personal investments and restricts certain personal securities transactions. Personnel subject to the code may invest in securities for their personal investment accounts, including securities that may be purchased or held by us, so long as such

investments are made in accordance with the code's requirements. The code of ethics is available on the EDGAR Database on the SEC's website at <http://www.sec.gov>.

Proxy Voting Policies and Procedures

We vote proxies relating to our portfolio securities in a manner in which we believe is consistent with the best interest of our stockholders. We review on a case-by-case basis each proposal submitted to a stockholder vote to determine its impact on the portfolio securities held by us. Although we generally vote against proposals that we expect would have a negative impact on our portfolio securities, we may vote for such a proposal if there exists compelling long-term reasons to do so.

Our proxy voting decisions are made by the investment team which is responsible for monitoring each of our investments. To ensure that our vote is not the product of a conflict of interest, we require that anyone involved in the decision-making process discloses to our chief compliance officer any potential conflict regarding a proxy vote of which he or she is aware.

Stockholders may obtain information, without charge, regarding how we voted proxies with respect to our portfolio securities by making a written request for proxy voting information to: Chief Compliance Officer, 1300 Post Oak Boulevard, 8th Floor, Houston, Texas 77056.

Other 1940 Act Regulations

We are also prohibited under the 1940 Act from knowingly participating in certain transactions with our affiliates without the prior approval of our Board of Directors who are not interested persons and, in some cases, prior approval by the SEC.

We are required to provide and maintain a bond issued by a reputable fidelity insurance company to protect us against larceny and embezzlement. Furthermore, as a BDC, we are prohibited from protecting any director or officer against any liability to us or our stockholders arising from willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of such person's office.

We and our Adviser are required to adopt and implement written policies and procedures reasonably designed to prevent violation of the federal securities laws, review these policies and procedures no less frequently than annually for their adequacy and the effectiveness of their implementation, and to designate a chief compliance officer to be responsible for administering the policies and procedures.

We may be periodically examined by the SEC for compliance with the 1940 Act.

Securities Exchange Act of 1934 and Sarbanes-Oxley Act Compliance

We are subject to the reporting and disclosure requirements of the Securities Exchange Act of 1934 (the "Exchange Act"), including the filing of quarterly, annual and current reports, proxy statements and other required items. In addition, we are subject to the Sarbanes-Oxley Act of 2002, which imposes a wide variety of regulatory requirements on publicly-held companies and their insiders. For example:

- pursuant to Rule 13a-14 of the Exchange Act, our Chief Executive Officer and Chief Financial Officer are required to certify the accuracy of the consolidated financial statements contained in our periodic reports;
- pursuant to Item 307 of Regulation S-K, our periodic reports are required to disclose our conclusions about the effectiveness of our disclosure controls and procedures;
- pursuant to Rule 13a-15 of the Exchange Act, our management is required to prepare a report regarding its assessment of our internal control over financial reporting and, to the extent we are an accelerated filer or a large accelerated filer, we must obtain an audit of the effectiveness of our internal control over financial reporting performed by our independent registered public accounting firm; and
- pursuant to Item 308 of Regulation S-K and Rule 13a-15 of the Exchange Act, our periodic reports must disclose whether there were significant changes in our internal control over financial reporting or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

The New York Stock Exchange Corporate Governance Regulations

The NYSE has adopted corporate governance regulations that listed companies must comply with. We believe we are in compliance with such corporate governance listing standards. We intend to monitor our compliance with all future listing standards and to take all necessary actions to ensure that we stay in compliance.

Investment Adviser Regulations

Our Adviser is subject to regulation under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). The Advisers Act establishes, among other things, recordkeeping and reporting requirements, disclosure requirements, limitations on transactions between the adviser’s account and an advisory client’s account, limitations on transactions between the accounts of advisory clients, and general anti-fraud prohibitions. Our Adviser may be examined by the SEC from time to time for compliance with the Advisers Act.

Taxation as a Regulated Investment Company

MSIF has elected to be treated for U.S. federal income tax purposes as a RIC under Subchapter M of the Code. MSIF’s taxable income includes the taxable income generated by MSIF and certain of its subsidiaries, which are treated as disregarded entities for tax purposes. As a RIC, MSIF generally will not pay corporate-level U.S. federal income taxes on any income that we distribute to our stockholders as dividends. To qualify as a RIC, we must, among other things, meet certain source-of-income and asset diversification requirements (as described below). In addition, in order to obtain RIC tax treatment, we must distribute to our stockholders, for each taxable year, at least 90% of our “investment company taxable income,” which is generally our net ordinary taxable income plus the excess of realized net short-term capital gains over realized net long-term capital losses, and 90% of our tax-exempt income (the “Annual Distribution Requirement”). As part of maintaining RIC status, undistributed taxable income (subject to a 4% non-deductible U.S. federal excise tax) pertaining to a given fiscal year may be distributed up to 12 months subsequent to the end of that fiscal year, provided such dividends are declared on or prior to the later of (i) filing of the U.S. federal income tax return for the applicable fiscal year or (ii) the fifteenth day of the ninth month following the close of the year in which such taxable income was generated.

For any taxable year in which we qualify as a RIC and satisfy the Annual Distribution Requirement, we will not be subject to U.S. federal income tax on the portion of our income or capital gains we distribute (or are deemed to distribute) to stockholders. We will be subject to U.S. federal income tax at the regular corporate rates on any income or capital gains not distributed (or deemed distributed) to our stockholders.

We are subject to a 4% non-deductible U.S. federal excise tax on certain undistributed income unless we distribute in a timely manner an amount at least equal to the sum of (1) 98% of our net ordinary taxable income for each calendar year, (2) 98.2% of our capital gain net income for the one-year period ending December 31 in that calendar year and (3) any taxable income recognized, but not distributed, in preceding years on which we paid no U.S. federal income tax (the “Excise Tax Avoidance Requirement”). Dividends declared and paid by us in a year will generally differ from taxable income for that year as such dividends may include the distribution of current year taxable income, exclude amounts carried over into the following year, and include the distribution of prior year taxable income carried over into and distributed in the current year. For amounts we carry over into the following year, we will be required to pay the 4% U.S. federal excise tax on the excess of 98% of our annual investment company taxable income and 98.2% of our capital gain net income over our distributions for the year.

In order to qualify as a RIC for U.S. federal income tax purposes, we must, among other things:

- continue to qualify as a BDC under the 1940 Act at all times during each taxable year;
- derive in each taxable year at least 90% of our gross income from dividends, interest, payments with respect to certain securities loans, gains from the sale of stock or other securities, net income from certain “qualified publicly traded partnerships,” or other income derived with respect to our business of investing in such stock or securities (the “90% Income Test”); and
- diversify our holdings so that at the end of each quarter of the taxable year:
 - at least 50% of the value of our assets consists of cash, cash equivalents, U.S. government securities, securities of other RICs, and other securities if such other securities of any one issuer do not represent more than 5% of the value of our assets or more than 10% of the outstanding voting securities of the issuer; and

- no more than 25% of the value of our assets is invested in the securities, other than U.S. government securities or securities of other RICs, (i) of one issuer, (ii) of two or more issuers that are controlled, as determined under applicable Code rules, by us and that are engaged in the same or similar or related trades or businesses or (iii) of certain “qualified publicly traded partnerships” (collectively, the “Diversification Tests”).

In order to comply with the 90% Income Test, we formed the Taxable Subsidiaries as wholly-owned taxable subsidiaries for the primary purpose of permitting us to own equity interests in portfolio companies which are “pass-through” entities for tax purposes. Absent the taxable status of the Taxable Subsidiaries, a portion of the gross income from such portfolio companies would flow directly to us for purposes of the 90% Income Test. To the extent such income did not consist of income derived from securities, such as dividends and interest, it could jeopardize our ability to qualify as a RIC and, therefore, cause us to incur significant U.S. federal income taxes. The Taxable Subsidiaries are consolidated with MSC Income for generally accepted accounting principles in the United States of America (“U.S. GAAP”) purposes and are included in our consolidated financial statements, and the portfolio investments held by the Taxable Subsidiaries are included in our consolidated financial statements. The Taxable Subsidiaries are not consolidated with MSIF for income tax purposes and may generate income tax expense, or benefit, as a result of their ownership of the portfolio investments. The income tax expense, or benefit, if any, and any related tax assets and liabilities, are reflected in our consolidated financial statements.

We may be required to recognize taxable income in circumstances in which we do not receive cash. For example, if we hold debt obligations that are treated under applicable tax rules as having original issue discount (such as debt instruments issued with warrants and debt securities invested in at a discount to par), we must include in income each year a portion of the original issue discount that accrues over the life of the obligation, regardless of whether cash representing such income is received by us in the same taxable year. We may also have to include in income other amounts that we have not yet received in cash such as PIK interest, cumulative dividends or amounts that are received in non-cash compensation such as warrants or stock. Because any original issue discount or other amounts accrued will be included in our investment company taxable income for the year of accrual, we may be required to make a distribution to our stockholders in order to satisfy the Annual Distribution Requirement, even though we will not have received any corresponding cash amount.

Although we do not presently expect to do so, we are authorized to borrow funds and to sell assets in order to satisfy distribution requirements. However, under the 1940 Act, we are not permitted to make distributions to our stockholders in certain circumstances while our debt obligations and other senior securities are outstanding unless certain “asset coverage” tests are met. See *Regulation — Regulation as a Business Development Company — Senior Securities*. Moreover, our ability to dispose of assets to meet our distribution requirements may be limited by (1) the illiquid nature of our portfolio and/or (2) other requirements relating to our status as a RIC, including the Diversification Tests. If we dispose of assets in order to meet the Annual Distribution Requirement or the Excise Tax Avoidance Requirement, we may make such dispositions at times that, from an investment standpoint, are not advantageous.

We may distribute taxable dividends that are payable in part in our stock. Under certain applicable provisions of the Code and the U.S. Department of the Treasury (“Treasury”) regulations, distributions payable by us in cash or in shares of stock (at the stockholders’ election) would satisfy the Annual Distribution Requirement. The Internal Revenue Service has issued guidance indicating that this rule will apply even where the total amount of cash that may be distributed is limited to no more than 20% of the total distribution. According to this guidance, if too many stockholders elect to receive their distributions in cash, each such stockholder would receive a pro rata share of the total cash to be distributed and would receive the remainder of their distribution in shares of stock. Taxable stockholders receiving such dividends will be required to include the full amount of the dividend (whether received in cash, our stock, or a combination thereof) as (i) ordinary income (including any qualified dividend income that, in the case of a noncorporate stockholder, may be eligible for the same reduced maximum tax rate applicable to long-term capital gains to the extent such distribution is properly reported by us as qualified dividend income and such stockholder satisfies certain minimum holding period requirements with respect to our stock) or (ii) long-term capital gain (to the extent such distribution is properly reported as a capital gain dividend), to the extent of our current and accumulated earnings and profits for U.S. federal income tax purposes. As a result, a U.S. stockholder may be required to pay tax with respect to such dividends in excess of any cash received. If a U.S. stockholder sells the stock it receives in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of our stock at the time of the sale. Furthermore, with respect to non-U.S. stockholders, we may be required to withhold U.S. tax with respect to such dividends, including in respect of all or a portion of such dividend that is payable in stock. In addition, if a significant number of our stockholders determine to sell shares of our stock in order to pay taxes owed on dividends, it may put downward pressure on the trading price of our stock.

Failure to Qualify as a RIC

If we fail to satisfy the 90% Income Test or the Diversification Tests for any taxable year, we may nevertheless continue to qualify as a RIC for such year if certain relief provisions are applicable (which may, among other things, require us to pay certain corporate-level U.S. federal taxes or to dispose of certain assets). We cannot assure you that we will qualify for any such relief should we fail the 90% Income Test or the Diversification Tests.

If we were unable to qualify for treatment as a RIC and the foregoing relief provisions are not applicable, we would be subject to tax on all of our taxable income at regular corporate rates. We would not be able to deduct distributions to stockholders, nor would we be required to make distributions. If we were subject to tax on all of our taxable income at regular corporate rates, then distributions we make after being subject to such tax would be taxable to our stockholders and, provided certain holding period and other requirements were met, could qualify for treatment as “qualified dividend income” eligible for the maximum 20% rate (plus a 3.8% Medicare surtax, if applicable) applicable to qualified dividends to the extent of our current and accumulated earnings and profits. Subject to certain limitations under the Code, corporate taxpayers would be eligible for a dividends-received deduction on distributions they receive. Distributions in excess of our current and accumulated earnings and profits would be treated first as a return of capital to the extent of the stockholder’s tax basis, and any remaining distributions would be treated as a capital gain. To requalify as a RIC in a subsequent taxable year, we would be required to satisfy the RIC qualification requirements for that year and dispose of any earnings and profits from any year in which we failed to qualify as a RIC. Subject to a limited exception applicable to RICs that qualified as such under Subchapter M of the Code for at least one year prior to disqualification and that requalify as a RIC no later than the second year following the nonqualifying year, we could be subject to tax on any unrealized net built-in gains in the assets held by us during the period in which we failed to qualify as a RIC that are recognized within the subsequent five years, unless we made a special election to pay corporate-level U.S. federal income tax on such built-in gain at the time of our requalification as a RIC.

Item 1A. Risk Factors

Investing in our securities involves a number of significant risks. In addition to the other information contained in this Annual Report on Form 10-K, you should consider carefully the following information before making an investment in our securities. The risks set out below are not the only risks we face. Additional risks and uncertainties not presently known to us or not presently deemed material by us might also impair our operations and performance. If any of the following events occur, our business, financial condition and results of operations could be materially and adversely affected. In such case, our NAV, the trading price of our common stock and the value of our other securities could decline, and you may lose all or part of your investment.

SUMMARY OF RISK FACTORS

The following is a summary of the principal risk factors associated with an investment in our securities. Further details regarding each risk included in the below summary list can be found further below.

Risks Related to our Business and Structure

- Because our Investment Portfolio is recorded at fair value, there is and will continue to be uncertainty as to the value of our portfolio investments.
- Our financial condition and results of operations depends on our Adviser’s ability to effectively manage and deploy capital.
- We are subject to risks associated with the interest rate environment and changes in interest rates will affect our cost of capital, net investment income and the value of our investments.
- We face increasing competition for investment opportunities.
- We are dependent upon our Adviser’s key investment personnel for our future success.
- Our success depends on our Adviser’s ability to attract and retain qualified personnel in a competitive environment.
- We may not replicate the historical results achieved by Main Street or by other advisory clients of our Adviser.
- Our business model depends to a significant extent upon strong referral relationships.
- Our Board of Directors may change our operating policies and strategies without prior notice or stockholder approval, the effects of which may be adverse.

Risks Related to our Investments

- The types of portfolio companies in which we invest involve significant risks and we could lose all or part of our investment.
- Economic recessions or downturns could impair our portfolio companies’ performance and defaults by our portfolio companies will harm our operating results.

- Rising credit spreads could affect the value of our investments, and rising interest rates make it more difficult for portfolio companies to make periodic payments on their loans.
- Inflation could adversely affect the business, results of operations and financial condition of our portfolio companies.
- We may be exposed to higher risks with respect to our investments that include original issue discount or PIK interest.
- The lack of liquidity in our investments may adversely affect our business.
- We may not have the funds or ability to make additional investments in our portfolio companies.
- There may be circumstances where our debt investments could be subordinated to claims of other creditors or we could be subject to lender liability claims.
- We generally will not control our portfolio companies.
- Defaults by our portfolio companies will harm our operating results.
- Any unrealized depreciation that we experience in our portfolio may be an indication of future realized losses, which could reduce our income and gains available for distribution.
- Prepayments of our debt investments by our portfolio companies could adversely impact our results of operations and reduce our return on equity.
- We may be subject to risks associated with “covenant-lite” loans.
- We may not realize gains from our equity investments.

Risks Related to Leverage

- Because we borrow money, the potential for gain or loss on amounts invested in us is magnified and may increase the risk of investing in us.
- Substantially all of our assets are subject to security interests under our senior securities and if we default on our obligations under our senior securities, we may suffer adverse consequences, including foreclosure on our assets.
- We are subject to risks associated with any revolving credit facility that utilizes a Structured Subsidiary as our interests in any Structured Subsidiary are subordinated and we could be prevented from receiving cash on our equity interests from a Structured Subsidiary.

Risks Related to our Adviser and its Affiliates

- Our Adviser has conflicts of interest that may create an incentive for the Adviser to enter into investments that are riskier or more speculative than would otherwise be the case and our Adviser may have an incentive to increase portfolio leverage in order to earn higher management fees.
- We may be obligated to pay our Adviser incentive compensation even if we incur a net loss due to a decline in the value of our portfolio.
- Our Adviser may face conflicts of interest in allocating investment opportunities between us, Main Street and the other advisory clients of our Adviser.
- Our Adviser’s liability is limited under the Advisory Agreement, and we have agreed to indemnify our Adviser against certain liabilities, which may lead our Adviser to act in a riskier manner on our behalf than it would when acting for its own account.
- Our Adviser can resign on 120 days’ notice and we may not be able to find a suitable replacement within that time, resulting in a disruption in our operations that could adversely affect our financial condition, business and results of operations.

Risks Related to BDCs

- Operating under the constraints imposed on us as a BDC and RIC may hinder the achievement of our investment objectives.

Risks Related to our Securities

- Investing in our securities may involve a high degree of risk.
- Shares of closed-end investment companies, including BDCs, may trade at a discount to their NAV.
- We may not be able to pay distributions to our stockholders, our distributions may not grow over time, and a portion of distributions paid to our stockholders may be a return of capital.

Federal Income Tax Risks

- We will be subject to corporate-level U.S. federal income tax if we are unable to qualify as a RIC under Subchapter M of the Code.
- We may have difficulty paying the distributions required to maintain RIC tax treatment under the Code if we recognize income before or without receiving cash representing such income.

General Risk Factors

- Events outside of our control, including public health crises, supply chain disruptions and inflation, could negatively affect our portfolio companies and the results of our operations.
- Market conditions may materially and adversely affect debt and equity capital markets in the United States and abroad, which may have a negative impact on our business and operations.
- Failure to comply with applicable laws or regulations and changes in laws or regulations governing our operations may adversely affect our business or cause us to alter our business strategy.

RISKS RELATED TO OUR BUSINESS AND STRUCTURE

Because our Investment Portfolio is recorded at fair value, there is and will continue to be uncertainty as to the value of our portfolio investments.

Under the 1940 Act, we are required to carry our portfolio investments at market value or, if there is no readily available market value, at fair value as determined by us pursuant to procedures established and overseen by our Board of Directors. Typically, there is not a public market for the securities of the privately held companies in which we invest through our Private Loan investment strategy and in our LMM investment portfolio. As a result, we value these securities quarterly at fair value based on inputs from management and a nationally recognized independent financial advisory services firm (on a rotational basis) pursuant to Valuation Procedures approved by our Board of Directors. In addition, the market for investments in companies in our Middle Market investment portfolio is generally not a liquid market, and therefore, we primarily use a combination of observable inputs in non-active markets for which sufficient observable inputs were not available to determine the fair value of these investments and unobservable inputs, pursuant to our Valuation Procedures. See *Note B.1. — Summary of Significant Accounting Policies — Valuation of the Investment Portfolio* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K for a detailed discussion of our Investment Portfolio valuation process and procedures.

The determination of fair value and consequently, the amount of unrealized gains and losses in our portfolio, are to a certain degree, subjective and dependent on a valuation process approved by our Board of Directors. Certain factors that may be considered in determining the fair value of our investments include external events, such as private mergers, sales and acquisitions involving comparable companies. Because such valuations, and particularly valuations of securities in privately held companies, are inherently uncertain, may fluctuate over short periods of time and may be based on estimates, our determinations of fair value may differ materially from the values that would have been used if a ready market for these securities existed. Due to this uncertainty, our fair value determinations may cause our NAV on a given date to materially understate or overstate the value that we may ultimately realize on one or more of our investments. As a result, investors purchasing our securities based on an overstated NAV would pay a higher price than the value of our investments might warrant. Conversely, investors selling our securities during a period in which the NAV understates the value of our investments may receive a lower price for their securities than the value of our investments might warrant.

Our financial condition and results of operations depends on our Adviser's ability to effectively manage and deploy capital.

Our ability to achieve our investment objective of maximizing our portfolio's total return, primarily by generating current income from our debt investments and, to a lesser extent, by generating current income and capital appreciation from our equity and equity-related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company, depends on our Adviser's ability to effectively manage and deploy capital, which depends, in turn, on our Adviser's investment team's ability to identify, evaluate and monitor, and our ability to finance and invest in, companies that meet our investment criteria.

Accomplishing our investment objective on a cost-effective basis is largely a function of our investment team's handling of the investment process, its ability to provide competent, attentive and efficient services and our access to investments offering acceptable terms. In addition to monitoring the performance of our existing investments, members of our investment team are also called upon, from time to time, to provide managerial assistance to some of our portfolio companies. These demands on their time may distract them or slow the rate of investment.

Even if we are able to grow and build upon our investment operations, any failure to manage our growth effectively could have a material adverse effect on our business, financial condition, results of operations and prospects. The results of our operations will depend on many factors, including the availability of opportunities for investment, readily accessible short and long-term funding alternatives in the financial markets and economic conditions. Furthermore, if our Adviser cannot successfully operate our business or implement our investment policies and strategies as described herein, it could negatively impact our ability to pay dividends.

We are subject to risks associated with the interest rate environment and changes in interest rates will affect our cost of capital, net investment income and the value of our investments.

To the extent we borrow money or issue debt securities or preferred stock to make investments, our net investment income will depend, in part, upon the difference between the rate at which we borrow funds or pay interest or dividends on such debt securities or preferred stock and the rate at which we invest these funds. In addition, many of our debt investments and borrowings have floating interest rates that reset on a periodic basis, and many of our investments are subject to interest rate floors. As a result, a change in market interest rates could have a material adverse effect on our net investment income. In periods of rising interest rates, our cost of funds will increase because the interest rates on the amounts borrowed under our credit facilities are floating, and any new fixed rate debt may be issued at higher coupon rates, which could reduce our net investment income to the extent any debt investments have either fixed interest rates, or in periods when debt investments with floating interest rates are subject to an interest rate floor above then current levels. In periods of declining interest rates, our interest income and our net investment income could be reduced as the interest income earned on our floating rate debt investments declines and any new fixed rate debt may be issued at lower coupon rates. See further discussion and analysis at *Item 7A. Quantitative and Qualitative Disclosures about Market Risk*.

We can use interest rate risk management techniques in an effort to limit our exposure to interest rate fluctuations. Such techniques could include various interest rate hedging activities to the extent permitted by the 1940 Act and applicable commodities laws. These activities could limit our ability to participate in the benefits of lower interest rates with respect to the hedged borrowings. Adverse developments resulting from changes in interest rates or hedging transactions could have a material adverse effect on our business, financial condition and results of operations.

An increase in the market pricing of the spreads charged over index rates on floating rate investments could lead to a decline in the fair value of the debt securities we own, which would adversely affect our NAV. Also, an increase in interest rates available to investors could make an investment in our common stock less attractive if we are not able to increase our dividends, which could reduce the value of our common stock.

We face increasing competition for investment opportunities.

We compete for investments with other investment funds (including private equity funds, debt funds, mezzanine funds, collateralized loan obligation funds, or CLOs, BDCs and SBICs), as well as traditional financial services companies such as commercial banks and other sources of funding. Many of our competitors are substantially larger and have considerably greater financial, technical and marketing resources than we do. For example, some competitors may have a lower cost of capital and access to funding sources that are not available to us. In addition, some of our competitors may have higher risk tolerances or different risk assessments than we have. These characteristics could allow our competitors to consider a wider variety of investments, establish more relationships and offer better pricing and more flexible structuring than we are able to do. We may lose investment opportunities if we do not match our competitors' pricing, terms and structure. If we are forced to match our competitors' pricing, terms and structure, we may not be able to achieve acceptable returns on our investments or may bear substantial risk of capital loss. Furthermore, many of our competitors are not subject to the regulatory restrictions that the 1940 Act imposes on us as a BDC.

We are dependent upon our Adviser's key investment personnel for our future success.

We depend on the members of our Adviser's investment team, particularly Dwayne L. Hyzak, David L. Magdol, Jesse E. Morris, Jaime Arreola, K. Colton Braud, III, Damian T. Burke, Samuel A. Cashiola, Diego Fernandez, Nicholas T. Meserve and Jonathan B. Montgomery for the identification, review, final selection, structuring, closing and monitoring of our investments. These individuals have significant investment expertise and relationships that we rely on to implement our business plan. Although these executive officers and other key personnel have entered into non-compete arrangements with our Adviser or an affiliate of our Adviser, we cannot guarantee that any of these individuals will remain available to us. If we lose the services of the individuals mentioned above, we may not be able to operate our business as we expect, and our ability to compete could be harmed, which could cause our operating results to suffer. Main Street and the Adviser have entered into a sharing agreement pursuant to which Main Street provides the Adviser with investment professionals and access to its resources. Because the Adviser does not have any employees, it depends solely on the investment professionals provided to it by Main Street pursuant to the sharing agreement for its infrastructure, business relationships and management expertise in connection with its provision of investment advisory services to us.

Our success depends on our Adviser's ability to attract and retain qualified personnel in a competitive environment.

Our growth will require that our Adviser is able to retain new investment and administrative personnel in a competitive market. Our Adviser's ability to attract and retain personnel with the requisite credentials, experience and skills depends on several factors including, but not limited to, our ability to offer competitive wages, benefits and professional

growth opportunities. Many of the entities, including investment funds (such as private equity funds, debt funds and mezzanine funds) and traditional financial services companies, with which our Adviser competes for experienced personnel have greater resources than our Adviser.

The competitive environment for qualified personnel may require our Adviser to take certain measures to ensure that it is able to attract and retain experienced personnel. Such measures may include increasing the attractiveness of its overall compensation packages, altering the structure of its compensation packages through the use of additional forms of compensation, or other steps. The inability of our Adviser to attract and retain experienced personnel would have a material adverse effect on our business.

We may not replicate the historical results achieved by Main Street or by other advisory clients of our Adviser.

Although our investment strategy partly overlaps with the investment strategy of Main Street, the parent company of our Adviser, we cannot assure stockholders that we will be able to replicate the historical results achieved by Main Street or other advisory clients of our Adviser. Because of the differences in our business structure, investment strategy and portfolio composition and the changes to our investment strategy in connection with the MSC Income Listing, our investment returns could be substantially lower than the returns achieved by Main Street or other investment advisory clients of our Adviser in prior periods. Additionally, all or a portion of the prior results may have been achieved in particular market conditions that may never be repeated. Moreover, current or future market volatility and regulatory uncertainty may have an adverse impact on our future performance.

Our business model depends to a significant extent upon strong referral relationships.

We expect that members of our Adviser's management team will maintain their relationships with intermediaries, financial institutions, investment bankers, commercial bankers, financial advisors, attorneys, accountants, consultants and other individuals within our network, and we will rely to a significant extent upon these relationships to provide us with potential investment opportunities. If our Adviser's management team fails to maintain its existing relationships or develop new relationships with sources of investment opportunities, we will not be able to grow our Investment Portfolio. In addition, individuals with whom members of our Adviser's management team have relationships are not obligated to provide us with investment opportunities, and, therefore, there is no assurance that such relationships will generate investment opportunities for us.

Our Board of Directors may change our investment objective, operating policies and strategies without prior notice or stockholder approval, the effects of which may be adverse.

Our Board of Directors has the authority, except as otherwise provided in the 1940 Act, to modify or waive our investment objective, current operating policies, investment criteria and strategies without prior notice and without stockholder approval. However, absent stockholder approval, we may not change the nature of our business so as to cease to be regulated as, or withdraw our election as, a BDC. We cannot predict the effect any changes to our investment objective, current operating policies, investment criteria and strategies would have on our business, NAV, operating results and value of our stock. However, the effects might be material and adverse, which could negatively affect our business and impair our ability to pay interest and principal payments to holders of our debt instruments and to make distributions to our stockholders and cause our investors to lose all or part of their investment in us.

We are a non-diversified investment company within the meaning of the 1940 Act, and therefore we are not limited with respect to the proportion of our assets that may be invested in securities of a single issuer.

We are classified as a non-diversified investment company within the meaning of the 1940 Act, which means that we are not limited by the 1940 Act with respect to the proportion of our assets that we may invest in securities of a single issuer. Under the 1940 Act, a "diversified" investment company is required to invest at least 75% of the value of its total assets in cash and cash items, government securities, securities of other investment companies and other securities limited in respect of any one issuer to an amount not greater than 5% of the value of the total assets of such company and no more than 10% of the outstanding voting securities of such issuer. As a non-diversified investment company, we are not subject to this requirement. To the extent that we assume large positions in the securities of a small number of issuers, our NAV may fluctuate to a greater extent than that of a diversified investment company as a result of changes in the financial condition or the market's assessment of the issuer. We may also be more susceptible to any single economic or regulatory occurrence than a diversified investment company. Beyond our RIC asset diversification requirements and any requirements under our financing arrangements, we do not have fixed guidelines for diversification, and our investments could be concentrated in relatively few portfolio companies. See *Risk Factors — Federal Income Tax Risks — We will be subject to corporate-level U.S. federal income tax if we are unable to qualify as a RIC under Subchapter M of the Code.* Although we have historically operated as a non-diversified investment company within the meaning of the 1940 Act, our

investment portfolio may, from time to time, be comprised of assets that could permit us to qualify as a “diversified” investment company under the 1940 Act. To the extent that we operate as a non-diversified investment company, we may be subject to greater risk.

We and our portfolio companies may maintain cash balances at financial institutions that exceed federally insured limits and may otherwise be materially affected by adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults or non-performance by financial institutions or transactional counterparties.

Cash held by us and by our portfolio companies in non-interest-bearing and interest-bearing operating accounts may exceed the Federal Deposit Insurance Corporation (“FDIC”) insurance limits. If such banking institutions were to fail, we or our portfolio companies could lose all or a portion of those amounts held in excess of such insurance limitations. In addition, actual events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems, which could adversely affect our and our portfolio companies’ business, financial condition, results of operations and prospects.

Although we assess our portfolio companies’ banking relationships as we believe necessary or appropriate, our and our portfolio companies’ access to funding sources and other credit arrangements in amounts adequate to finance or capitalize our respective current and projected future business operations could be significantly impaired by factors that affect us or our portfolio companies, the financial institutions with which we or our portfolio companies have arrangements directly or the financial services industry or economy in general. These factors could include, among others, events such as liquidity constraints or failures, the ability to perform obligations under various types of financial, credit or liquidity agreements or arrangements, disruptions or instability in the financial services industry or financial markets or concerns or negative expectations about the prospects for companies in the financial services industry. These factors could involve financial institutions or financial services industry companies with which we or our portfolio companies have financial or business relationships, but could also include factors involving financial markets or the financial services industry generally.

In addition, investor concerns regarding the U.S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us or our portfolio companies to acquire financing on acceptable terms or at all.

We are subject to risks related to corporate social responsibility.

Our business faces increasing public scrutiny related to environmental, social and governance (“ESG”) activities. We risk damage to our brand and reputation if we or our Adviser fail to act responsibly in a number of areas, such as environmental stewardship, support for local communities, corporate governance and transparency and considering ESG factors in our investment processes. Adverse incidents with respect to ESG activities could impact the value of our brand, the cost of our operations and relationships with investors, all of which could adversely affect our business and results of operations. Additionally, new regulatory initiatives related to ESG could adversely affect our business.

Our bylaws include an exclusive forum selection provision, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or other agents.

Our bylaws provides that, unless we consent in writing to the selection of a different forum, the Circuit Court for Baltimore City, Maryland, or, if that court does not have jurisdiction, the United States District Court for the District of Maryland, Baltimore Division, shall be, except for any claims made under the federal U.S. securities laws, the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of the Company, (b) any action asserting a claim of breach of any duty owed by a director or officer or other employee of the Company to the Company or to the stockholders of the Company, (c) any action asserting a claim against the Company or any director or officer or other employee of the Company arising pursuant to any provision of the Maryland General Corporation Law, our articles of incorporation or our bylaws, or (d) any action asserting a claim against the Company or any director or officer or other employee of the Company that is governed by the internal affairs doctrine. Such provision does not apply to any claims, suits, actions or proceedings arising under the federal securities laws. This provision may increase costs for stockholders in bringing a claim against us or our directors, officers or other agents. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed, to the fullest extent permitted by law, to have notice of and consented to these exclusive forum provisions. The exclusive forum selection provision in our bylaws may limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or other agents, which may discourage lawsuits against us and such persons. It is also possible that, notwithstanding such exclusive forum selection provision, a court could rule that such provision is inapplicable or unenforceable. If this occurred, we may incur additional costs associated with resolving such action in another forum, which could materially adversely affect our business, financial condition and results of operations.

RISKS RELATED TO OUR INVESTMENTS

The types of portfolio companies in which we invest involve significant risks and we could lose all or part of our investment.

Investing in the types of companies that comprise our portfolio companies exposes us to a number of significant risks. Among other things, these companies:

- may have limited financial resources and may be unable to meet their obligations under their debt instruments that we hold, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of us realizing any guarantees from subsidiaries or affiliates of our portfolio companies that we may have obtained in connection with our investment, as well as a corresponding decrease in the value of our investments;
- may have shorter operating histories, narrower product lines, smaller market shares and/or significant customer concentrations than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns;
- are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation, termination or significant under-performance of one or more of these persons could have a material adverse impact on our portfolio company and, in turn, on us;
- generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position; and
- generally have less publicly available information about their businesses, operations and financial condition. We are required to rely on the ability of our Adviser's management team and investment professionals to obtain adequate information to evaluate the potential returns from investing in these companies. If we are unable to uncover all material information about these companies, we may not make a fully informed investment decision, and may lose all or part of our investment.

In addition certain of our officers or our Adviser's officers may serve as directors on the boards of our portfolio companies. To the extent that litigation arises out of our investments in these companies, our officers or our Adviser's officers may be named as defendants in such litigation, which could result in an expenditure of funds (through our indemnification of such officers and directors) and the diversion of management time and resources.

Economic recessions or downturns could impair our portfolio companies' performance and defaults by our portfolio companies will harm our operating results.

Many of our portfolio companies are susceptible to economic slowdowns or recessions and could be unable to repay our loans during these periods. Therefore, the number of non-performing assets are likely to increase and the value of our portfolio is likely to decrease during these periods. Adverse economic conditions could decrease the value of collateral securing any of our loans and the value of any equity investments. A severe recession could further decrease the value of such collateral and result in losses of value in our portfolio and a decrease in our revenues, net income, assets and net worth. Economic slowdowns or recessions could lead to financial losses in our portfolio and a decrease in revenues, net income and assets. Unfavorable economic conditions also could increase our funding costs, limit our access to the capital markets or result in a decision by lenders not to extend credit to us. These events could prevent us from maintaining or increasing the level of our investments and harm our operating results.

Any deterioration of general economic conditions could lead to significant declines in corporate earnings or loan performance, and the ability of corporate borrowers to service their debt, any of which could trigger a period of global economic slowdown, and have an adverse impact on our performance and financial results, and the value and the liquidity of our investments. In an economic downturn, we could have non-performing assets or an increase in non-performing assets, and we would anticipate that the value of our portfolio would decrease during these periods. Failure to satisfy financial or operating covenants imposed by lenders, including us, to a portfolio company could lead to defaults and, potentially, acceleration of payments on such loans and foreclosure on the assets representing collateral for the portfolio company's obligations. Cross default provisions under other agreements could be triggered and thus limit the portfolio company's ability to satisfy its obligations under any debt that we hold and affect the value of any securities we own. We would expect to incur expenses to the extent necessary to seek recovery upon default or to negotiate new terms with a portfolio company following or in anticipation of a default.

Rising credit spreads could affect the value of our investments, and rising interest rates make it more difficult for portfolio companies to make periodic payments on their loans.

Some of our portfolio investments are debt securities that bear interest at variable rates and may be negatively affected by changes in market interest rates. Rising interest rates make it more difficult for borrowers to repay debt, which could increase the risk of payment defaults and cause the portfolio companies to defer or cancel needed investment. Any failure of one or more portfolio companies to repay or refinance its debt at or prior to maturity or the inability of one or more portfolio companies to make ongoing payments following an increase in contractual interest rates could have a material adverse effect on our business, financial condition, results of operations and cash flows. The value of our securities could also be reduced from an increase in market credit spreads as rates available to investors could make an investment in our securities less attractive than alternative investments.

Conversely, decreases in market interest rates could negatively impact the interest income from our variable rate debt investments while the interest we pay on our fixed rate debt securities does not change. A decrease in market interest rates may also have an adverse impact on our returns by requiring us to accept lower yields on our debt investments and by increasing the risk that our portfolio companies will prepay our debt investments, resulting in the need to redeploy capital at potentially lower rates.

Inflation could adversely affect the business, results of operations and financial condition of our portfolio companies.

Certain of our portfolio companies are in industries that could be impacted by inflation. If such portfolio companies are unable to pass any increases in their costs of operations along to their customers, it could adversely affect their operating results and impact their ability to pay dividends on our equity investments and/or interest and principal on our loans, particularly if interest rates rise in response to inflation. In addition, any projected future decreases in our portfolio companies' operating results due to inflation could adversely impact the fair value of those investments. Any decreases in the fair value of our investments could result in future realized or unrealized losses and therefore reduce our net increase (decrease) in net assets resulting from operations.

We may be exposed to higher risks with respect to our investments that include original issue discount or PIK interest.

Our investments may include original issue discount and contractual PIK interest, which represents contractual interest added to a loan balance and due at the end of such loan's term. To the extent original issue discount or PIK interest

constitute a portion of our income, we are exposed to typical risks associated with such income being required to be included in taxable and accounting income prior to receipt of cash, including the following:

- original issue discount and PIK instruments may have higher yields, which reflect the payment deferral and credit risk associated with these instruments;
- cash distributions paid to investors representing original issue discount income may be effectively paid from offering proceeds or borrowings during any given period; thus, although the source for the cash used to pay a distribution of original issue discount income may come from the cash invested by investors, or our borrowings, the 1940 Act does not require that investors be given notice of this fact;
- original issue discount and PIK instruments may have unreliable valuations because their continuing accruals require continuing judgments about the collectability of the deferred payments and the value of the collateral; and
- original issue discount and PIK instruments may represent a higher credit risk than coupon loans; even if the conditions for income accrual under U.S. GAAP are satisfied, a borrower could still default when actual payment is due upon the maturity of such loan.

The lack of liquidity in our investments may adversely affect our business.

We generally invest in companies whose securities are not publicly traded and whose securities will be subject to legal and other restrictions on resale or will otherwise be less liquid than publicly traded securities. The illiquidity of these investments may make it difficult for us to sell these investments when desired. In addition, if we are required to liquidate all or a portion of our portfolio quickly, we may realize significantly less than the value at which we had previously recorded these investments. As a result, we do not expect to achieve liquidity in our investments in the near-term. The illiquidity of most of our investments may make it difficult for us to dispose of them at a favorable price and, as a result, we may suffer losses.

We may not have the funds or ability to make additional investments in our portfolio companies.

We may not have the funds or ability to make additional investments in our portfolio companies. After our initial investment in a portfolio company, we may be called upon from time to time to provide additional funds to such company or have the opportunity to increase our investment through the extension of additional loans, the exercise of a warrant to purchase equity securities, or the funding of additional equity investments. There is no assurance that we will make, or will have sufficient funds to make, follow-on investments. Any decisions not to make a follow-on investment or any inability on our part to make such an investment may have a negative impact on a portfolio company in need of such an investment, may result in a missed opportunity for us to increase our participation in a successful operation, may reduce our ability to protect an existing investment or may reduce the expected yield on the investment.

There may be circumstances where our debt investments could be subordinated to claims of other creditors or we could be subject to lender liability claims.

Our portfolio companies may have, or may be permitted to incur, other debt that ranks equally with, or senior to, the debt in which we invest. By their terms, such debt instruments may entitle the holders to receive payment of interest or principal on or before the dates on which we are entitled to receive payments with respect to the debt instruments in which we invest. Also, in the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of a portfolio company, holders of debt instruments ranking senior to our investment in that portfolio company would typically be entitled to receive payment in full before we receive any distribution. After repaying such senior creditors, such portfolio company may not have any remaining assets to use for repaying its obligation to us. In the case of debt ranking equally with debt instruments in which we invest, we would have to share on an equal basis any distributions with other creditors holding such debt in the event of an insolvency, liquidation, dissolution, reorganization or bankruptcy of the relevant portfolio company.

Even if our investment is structured as a senior-secured loan, principles of equitable subordination, as defined by existing case law, could lead a bankruptcy court to subordinate all or a portion of our claim to that of other creditors and transfer any lien securing such subordinated claim to the bankruptcy estate. The principles of equitable subordination defined by case law have generally indicated that a claim may be subordinated only if its holder is guilty of misconduct or where the senior loan is re-characterized as an equity investment and the senior lender has actually provided significant managerial assistance to the bankrupt debtor. We may also be subject to lender liability claims for actions taken by us with respect to a borrower's business or instances where we exercise control over the borrower. It is possible that we could

become subject to a lender liability claim, including as a result of actions taken in rendering significant managerial assistance or actions to compel and collect payments from the borrower outside the ordinary course of business.

We generally will not control our portfolio companies.

We do not, and do not expect to, control the decision making in many of our portfolio companies, even though we may have board representation or board observation rights, and our debt agreements may contain certain restrictive covenants. As a result, we are subject to the risk that a portfolio company in which we invest will make business decisions with which we disagree and the management of such company will take risks or otherwise act in ways that do not serve our interests as debt investors or minority equity holders. Due to the lack of liquidity for our investments in non-traded companies, we may not be able to dispose of our interests in our portfolio companies as readily as we would like or at an appropriate valuation. As a result, a portfolio company may make decisions that would decrease the value of our portfolio holdings.

Defaults by our portfolio companies will harm our operating results.

A portfolio company's failure to satisfy financial or operating covenants imposed by us or other lenders could lead to non-payment of interest and other defaults and, potentially, termination of its loans and foreclosure on its secured assets, which could trigger cross-defaults under other agreements and jeopardize a portfolio company's ability to meet its obligations under the debt or equity securities that we hold. We may incur expenses to the extent necessary to seek recovery upon default or to negotiate new terms, which may include the waiver of certain financial covenants, with a defaulting portfolio company.

Any unrealized depreciation that we experience in our portfolio may be an indication of future realized losses, which could reduce our income and gains available for distribution.

As a BDC, we are required to carry our investments at market value or, if no market value is ascertainable, at the fair value as determined in accordance with our Valuation Procedures adopted pursuant to Rule 2a-5 under the 1940 Act. Decreases in the market values or fair values of our investments will be recorded as unrealized depreciation. Any unrealized depreciation in our portfolio could be an indication of a portfolio company's inability to meet its repayment obligations to us with respect to affected loans or a potential impairment of the value of affected equity investments. This could result in realized losses in the future and ultimately in reductions of our income and gains available for distribution in future periods.

Prepayments of our debt investments by our portfolio companies could adversely impact our results of operations and reduce our return on equity.

We are subject to the risk that the investments we make in our portfolio companies may be repaid prior to maturity. When this occurs, we will generally reinvest these proceeds in temporary investments, pending their future investment in new portfolio companies. These temporary investments will typically have substantially lower yields than the debt being prepaid and we could experience significant delays in reinvesting these amounts. Any future investment in a new portfolio company may also be at lower yields than the debt that was repaid. As a result, our results of operations could be materially adversely affected if one or more of our portfolio companies elect to prepay amounts owed to us. Additionally, prepayments could negatively impact our return on equity, which could result in a decline in the market price of our securities.

We may be subject to risks associated with "covenant-lite" loans.

Some of the loans in which we invest may be "covenant-lite" loans, which means the loans contain fewer maintenance covenants than other loans (in some cases, none) and do not include terms which allow the lender to monitor the performance of the borrower and declare a default if certain criteria are breached. Generally, "covenant-lite" loans provide borrower companies more freedom to negatively impact lenders because their covenants are incurrence-based, which means they are only tested and can only be breached following an affirmative action of the borrower, rather than by a deterioration in the borrower's financial condition. To the extent we invest in covenant-lite loans, we may have fewer rights against a borrower and may have a greater risk of loss on such investments as compared to investments in loans with finance maintenance covenants.

We may not realize gains from our equity investments.

Certain investments that we have made in the past and may make in the future include warrants or other equity securities. Investments in equity securities involve a number of significant risks, including the risk of further dilution as a result of additional issuances, inability to access additional capital and failure to pay current distributions. Investments in

preferred securities involve special risks, such as the risk of deferred distributions, credit risk, illiquidity and limited voting rights. In addition, we may from time to time make non-control, equity investments in portfolio companies. Our goal is ultimately to realize gains upon our disposition of such equity interests. However, these equity interests may not appreciate in value and, in fact, may decline in value. Accordingly, we may not be able to realize gains from our equity interests, and any gains that we do realize on the disposition of any equity interests may not be sufficient to offset any other losses we experience. We also may be unable to realize any value if a portfolio company does not have a liquidity event, such as a sale of the business, recapitalization or public offering, which would allow us to sell the underlying equity interests. We often seek puts or similar rights to give us the right to sell our equity securities back to the portfolio company issuer; however, we may be unable to exercise these put rights for the consideration provided in our investment documents if the issuer is in financial distress.

Our investments in foreign securities may involve significant risks in addition to the risks inherent in U.S. investments.

Our investment strategy contemplates potential investments in debt securities of foreign companies. Investing in foreign companies may expose us to additional risks not typically associated with investing in securities of U.S. companies. These risks include changes in exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the U.S., higher transaction costs, less government supervision of exchanges, brokers and issuers, less developed bankruptcy laws, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Although most of our investments will be U.S. dollar denominated, any investments denominated in a foreign currency will be subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation, and political developments.

RISKS RELATED TO LEVERAGE

Because we borrow money, the potential for gain or loss on amounts invested in us is magnified and may increase the risk of investing in us.

Borrowings, also known as leverage, magnify the potential for loss on investments in our indebtedness and gain or loss on investments in our equity capital. As we use leverage to partially finance our investments, you will experience increased risks of investing in our securities. Accordingly, any event that adversely affects the value of an investment would be magnified to the extent we use leverage. Such events could result in a substantial loss to us, which would be greater than if leverage had not been used. In addition, our investment objectives are dependent on the continued availability of leverage at attractive relative interest rates.

We may also borrow from banks and other lenders and may issue debt securities or enter into other types of borrowing arrangements in the future. Lenders of these senior securities will have fixed dollar claims on our assets that are superior to the claims of our common stockholders, and we would expect such lenders to seek recovery against our assets in the event of a default. We have the ability to pledge up to 100% of our assets and can grant a security interest in all of our assets under the terms of any debt instruments we could enter into with lenders. The terms of our existing indebtedness require us to comply with certain financial and operational covenants, and we expect similar covenants in future debt instruments. Failure to comply with such covenants could result in a default under the applicable credit facility or debt instrument if we are unable to obtain a waiver from the applicable lender or holder, and such lender or holder could accelerate repayment under such indebtedness and negatively affect our business, financial condition, results of operations and cash flows. In addition, under the terms of any credit facility or other debt instrument we enter into, in the event of a default, we are likely to be required by its terms to use the net proceeds of any investments that we sell to repay a portion of the amount borrowed under such facility or instrument before applying such net proceeds to any other uses. See *Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Capital Resources* for a discussion regarding our outstanding indebtedness.

If the value of our assets decreases, leveraging would cause NAV to decline more sharply than it otherwise would have had we not leveraged our business. Similarly, any decrease in our income would cause net investment income to decline more sharply than it would have had we not leveraged our business. Such a decline could negatively affect our ability to pay common stock dividends, scheduled debt payments or other payments related to our securities.

Illustration: The following table illustrates the effect of leverage on returns from an investment in our common stock assuming various annual returns, net of expenses. The calculations in the table below are hypothetical and actual returns may be higher or lower than those appearing below.

Assumed Return on Our Portfolio⁽¹⁾ (net of expenses)	(10.0)%	(5.0)%	0.0%	5.0%	10.0%
Corresponding Net Return to Common Stockholder ⁽²⁾	(25.4)%	(15.6)%	(5.8)%	4.0%	13.8%

(1) Assumes, as of December 31, 2024, \$1,224.7 million in total assets, \$565.7 million in debt outstanding, \$624.9 million in net assets and a weighted-average interest rate of 6.4%. Actual interest payments may be different.

(2) In order for us to cover our annual interest payments on indebtedness, we must achieve annual returns on our December 31, 2024 total assets of at least 8.0%.

Our ability to achieve our investment objective may depend in part on our ability to access additional leverage on favorable terms and there can be no assurance that such additional leverage can in fact be achieved. If we are unable to obtain leverage or if the interest rates of such leverage are not attractive, we could experience diminished returns. The number of leverage providers and the total amount of financing available could decrease or remain static.

Substantially all of our assets are subject to security interests under our senior securities and if we default on our obligations under our senior securities, we may suffer adverse consequences, including foreclosure on our assets.

Substantially all of our assets are currently pledged as collateral under our secured debt obligations. If we default on our obligations under our secured debt obligations, our lenders may have the right to foreclose upon and sell, or otherwise transfer, the collateral subject to their security interests or their superior claim. In such event, we may be forced to sell our investments to raise funds to repay our outstanding borrowings in order to avoid foreclosure and these forced sales may be at times and at prices we would not consider advantageous. Moreover, such deleveraging of our company could significantly impair our ability to effectively operate our business in the manner in which we have historically operated. As a result, we could be forced to curtail or cease new investment activities and lower or eliminate the dividends that we have historically paid to our stockholders. In addition, if the lenders exercise their right to sell the assets pledged under our secured debt obligations, such sales may be completed at distressed sale prices, thereby diminishing or potentially eliminating the amount of cash available to us after repayment of the amounts of outstanding borrowings.

If our operating performance declines and we are not able to generate sufficient cash flow to service our debt obligations, we may in the future need to refinance or restructure our debt, sell assets, reduce or delay capital investments, seek to raise additional capital or seek to obtain waivers from the required lenders under our debt obligations to avoid being in default. If we are unable to implement one or more of these alternatives, we may not be able to meet our payment obligations under our debt obligations. If we breach our covenants under our debt obligations and seek a waiver, we may not be able to obtain a waiver from the required lenders or debt holders. If this occurs, we would be in default under our debt obligations, the lenders or debt holders could exercise their rights as described above, and we could be forced into bankruptcy or liquidation. If we are unable to repay debt, lenders having secured obligations could proceed against the collateral securing the debt. Because certain of our debt obligations have customary cross-default provisions, if the indebtedness under our debt obligations is accelerated, we may be unable to repay or finance the amounts due.

We are subject to risks associated with any revolving credit facility that utilizes a Structured Subsidiary as our interests in any Structured Subsidiary are subordinated and we could be prevented from receiving cash on our equity interests from a Structured Subsidiary.

We own directly or indirectly 100% of the equity interests in MSIF Funding, LLC (“MSIF Funding”), a special purpose Structured Subsidiary utilized in our senior secured special purpose vehicle revolving credit facility (the “SPV Facility”). We consolidate the financial statements of MSIF Funding in our consolidated financial statements and treat the indebtedness under the SPV Facility as our leverage. Our interest in MSIF Funding is subordinated in priority of payment to every other obligation of MSIF Funding and is subject to certain payment restrictions set forth in the SPV Facility.

We receive cash from MSIF Funding only to the extent that we receive distributions on our equity interests therein. MSIF Funding could make distributions on its equity interests only to the extent permitted by the payment priority provisions of the SPV Facility. The SPV Facility generally provides that payments on the respective interests could not be made on any payment date unless all amounts owing to the lenders and other secured parties are paid in full. In addition, if

MSIF Funding does not meet the leverage and borrowing base requirements set forth in the agreement governing the SPV Facility, a default could occur. In the event of a default under the SPV Facility credit agreement, cash would be diverted from us to pay the applicable lenders and other secured parties in amounts sufficient to cause such tests to be satisfied. In the event that we fail to receive cash from MSIF Funding, we could be unable to make distributions to our stockholders in amounts sufficient to maintain our status as a RIC, or at all. We also could be forced to sell investments in portfolio companies at less than their fair value in order to continue making such distributions. We cannot assure you that distributions on the assets held by MSIF Funding will be sufficient to make any distributions to us or that such distributions will meet our expectations.

Our equity interest in MSIF Funding ranks behind all of the secured and unsecured creditors, known or unknown, including the lenders in the SPV Facility. Consequently, to the extent that the value of MSIF Funding's portfolio of loan investments has been reduced as a result of conditions in the credit markets, defaulted loans, capital gains and losses on the underlying assets, prepayment or changes in interest rates, the returns on our investments in MSIF Funding could be reduced. Accordingly, our investments in MSIF Funding could be subject to up to 100% loss.

The ability to sell investments held by a Structured Subsidiary is limited.

The credit agreement governing the SPV Facility places significant restrictions on our ability, as servicer, to sell investments. As a result, there could be times or circumstances during which we are unable to sell investments or take other actions that might be in our best interests.

We may invest in derivatives or other assets that expose us to certain risks, including market risk, liquidity risk and other risks similar to those associated with the use of leverage.

We may invest in derivatives and other assets that are subject to many of the same types of risks related to the use of leverage. Derivative transactions, if any, will generally create leverage for us and involve significant risks. The primary risks related to derivative transactions include counterparty, correlation, liquidity, leverage, volatility, over-the-counter trading, operational and legal risks. In addition, a small investment in derivatives could have a large potential impact on our performance, effecting a form of investment leverage on our portfolio. In certain types of derivative transactions, we could lose the entire amount of our investment; in other types of derivative transactions the potential loss is theoretically unlimited.

Under SEC Rule 18f-4 under the 1940 Act ("Rule 18f-4"), related to use of derivatives, short sales, reverse repurchase agreements and certain other transactions by BDCs, we are permitted to enter into derivatives and other transactions that create future payment or delivery obligations, including short sales, notwithstanding the senior security provision of the 1940 Act if we comply with certain value-at-risk leverage limits, adopt a derivatives risk management program and implement board oversight and reporting requirements or otherwise comply with a "limited derivatives users" exception. Rule 18f-4 also permits us to enter into reverse repurchase agreements or similar financing transactions notwithstanding the senior security provision of the 1940 Act if we aggregate the amount of indebtedness associated with our reverse repurchase agreements or similar financing transactions with the aggregate amount of any other senior securities representing indebtedness when calculating the asset coverage ratios as discussed herein. In addition, we are permitted to invest in a security on a when-issued or forward-settling basis, or with a non-standard settlement cycle, and the transaction will be deemed not to involve a senior security under the 1940 Act, provided that (i) we intend to physically settle the transaction and (ii) the transaction will settle within 35 days of its trade date (the "Delayed-Settlement Securities Provision"). We may otherwise engage in such transaction as a "derivatives transaction" for purposes of compliance with the rule. Furthermore, we are permitted to enter into an unfunded commitment agreement, and such unfunded commitment agreement will not be subject to the asset coverage requirements under the 1940 Act if we reasonably believe, at the time we enter into such agreement, that we will have sufficient cash and cash equivalents to meet our obligations with respect to all such agreements as they come due. We cannot predict the effects of these requirements.

We have adopted updated policies and procedures in compliance with Rule 18f-4. We expect to qualify as a "limited derivatives user." Future legislation or rules may modify how we treat derivatives and other financial arrangements for purposes of our compliance with the leverage limitations of the 1940 Act, which may be materially adverse to us and our investors.

RISKS RELATED TO OUR ADVISER AND ITS AFFILIATES

Our Adviser has conflicts of interest that may create an incentive for the Adviser to enter into investments that are riskier or more speculative than would otherwise be the case and our Adviser may have an incentive to increase portfolio leverage in order to earn higher management fees.

Our Adviser and its affiliates, including our officers, may have conflicts of interest as a result of compensation arrangements, time constraints and competition for investments, which they will attempt to resolve in a fair and equitable manner, but which may result in actions that are not in the best interests of our stockholders. Our Adviser receives substantial fees from us in return for its services and these fees could influence the investment and other decisions they make on our behalf. Among other matters, the compensation arrangements could affect its judgment with respect to public offerings of equity by us, which may allow our Adviser to earn increased management fees.

The incentive fee payable by us to our Adviser may create an incentive for it to make investments on our behalf that are risky or more speculative than would be the case in the absence of such compensation arrangement. The way in which the incentive fee payable to our Adviser is determined may encourage it to use leverage to increase the return on our investments. As additional leverage would magnify positive returns, if any, on our portfolio, our incentive fee would become payable to our Adviser (i.e., exceed the hurdle rate) at a lower average gross return on our portfolio. Additionally, the incentive fee payable by us to the Adviser may create an incentive for the Adviser to cause us to realize capital gains or losses that may not be in the best interests of us or our stockholders. Under the incentive fee structure, the Adviser benefits when we recognize capital gains and, because the Adviser determines when an investment is sold, the Adviser can influence the timing of the recognition of such capital gains.

In addition, the fact that our management fee is payable based upon our total assets, which includes any investments funded through increased borrowings, may encourage our Adviser to use leverage to make additional investments. Under certain circumstances, the use of leverage (or an investment in companies that are highly leveraged) may increase the likelihood of default, which would result in higher investment losses.

We may be obligated to pay our Adviser incentive compensation even if we incur a net loss due to a decline in the value of our portfolio.

The Advisory Agreement entitles our Adviser to receive incentive compensation on income regardless of any capital losses. In such case, we may be required to pay our Adviser incentive compensation for a fiscal quarter even if there is a decline in the value of our portfolio or if we incur a net loss for that quarter.

Any incentive fee payable by us that relates to our net investment income may be computed and paid on income that may include interest that has been accrued but not yet received. If a portfolio company defaults on a loan that is structured to provide accrued interest, it is possible that accrued interest previously included in the calculation of the incentive fee will become uncollectible. Pursuant to the Advisory Agreement, our Adviser will not be under any obligation to reimburse us for any part of the incentive fee it received that was based on accrued income that we never received in cash as a result of a default by an entity on the obligation that resulted in the accrual of such income and such circumstances would result in our paying an incentive fee on income we never received in cash.

Our Adviser may face conflicts of interest in allocating investment opportunities between us, Main Street and the other advisory clients of our Adviser.

The investment professionals utilized by our Adviser are also the investment professionals responsible for investing and managing Main Street's investment portfolio as well as the investment portfolios of other advisory clients of our Adviser. These professionals are responsible for allocating investment opportunities between us, Main Street and other advisory clients managed by it. We have made and, in the future, intend to make co-investments with Main Street and other advisory clients of the Adviser in accordance with the conditions of an exemptive relief order from the SEC permitting such co-investment transactions. The order requires, among other things, that Main Street and the Adviser consider whether each such investment opportunity is appropriate for us, Main Street and the Adviser's advised clients and, if it is appropriate, to propose an allocation of the investment opportunity between such other parties. As a consequence, it may be more difficult for us to maintain or increase the size of our Investment Portfolio in the future. Although the Adviser and Main Street will endeavor to allocate investment opportunities in a fair and equitable manner, including in accordance with the conditions set forth in the order issued by the SEC when relying on such order, we may face conflicts in allocating investment opportunities between us, Main Street and other advisory clients of the Adviser. Because our Adviser may receive performance-based fee compensation from other advisory clients it manages, if such clients have more favorable terms or provisions than with us, this may provide our Adviser an incentive to allocate opportunities to other advisory clients our Adviser manages, instead of us. Our Adviser and Main Street have implemented an allocation policy to ensure

the equitable distribution of investment opportunities and, as a result, we may be unable to participate in certain investments based upon such allocation policy.

Main Street owns approximately 2.9% of our common stock, which could result in its influence over the outcome of matters submitted to the vote of our stockholders.

Main Street owns approximately 2.9% of our outstanding common stock and may acquire additional shares in the future. As a result, Main Street may have influence over the outcome of matters submitted to a vote of our stockholders, including the election of our directors or transactions involving a change in control. Their interests may conflict with, or differ from, the interests of our other stockholders. So long as Main Street continues to own shares of our common stock, it could influence our corporate decisions submitted to our stockholders for approval, regardless of whether we terminate the management agreement with the Adviser.

Our Adviser's liability is limited under the Advisory Agreement, and we have agreed to indemnify our Adviser against certain liabilities, which may lead our Adviser to act in a riskier manner on our behalf than it would when acting for its own account.

Under the Advisory Agreement, our Adviser and its officers, directors, managers, partners, shareholders, members (and their shareholders or members, including the owners of their shareholders or members), agents, employees, controlling persons and any other person or entity affiliated with or acting on behalf of the Adviser are not liable to us for acts or omissions performed by our Adviser in accordance with and pursuant to the Advisory Agreement, except those resulting from acts constituting fraud, willful misfeasance, bad faith or gross negligence in the performance of the Adviser's duties or by reason of the reckless disregard of the Adviser's duties and obligations under the Advisory Agreement. In addition, we have agreed to indemnify our Adviser and its officers, directors, managers, partners, shareholders, members (and their shareholders or members, including the owners of their shareholders or members), agents, employees, controlling persons and any other person or entity affiliated with or acting on behalf of the Adviser from and against any claims or liabilities, including reasonable legal fees, arising out of or in connection with any action taken or omitted on our behalf pursuant to authority granted by the Advisory Agreement, except where attributable to fraud, willful misfeasance, bad faith or gross negligence in the performance of the Adviser's duties or by reason of the reckless disregard of the Adviser's duties and obligations under the Advisory Agreement. These protections may lead our Adviser to act in a riskier manner when acting on our behalf than they would when acting for their own account.

Our Adviser can resign on 120 days' notice and we may not be able to find a suitable replacement within that time, resulting in a disruption in our operations that could adversely affect our financial condition, business and results of operations.

Our Adviser has the right, under the Advisory Agreement, to resign at any time upon not less than 120 days' written notice, whether we have found a replacement or not. If our Adviser resigns, we may not be able to find a replacement or hire internal management with similar expertise and ability to provide the same or equivalent services on acceptable terms within 120 days or at all. If we are unable to do so quickly, our operations are likely to experience a disruption, our financial condition, business and results of operations as well as our ability to pay distributions are likely to be adversely affected and the value of our shares may decline. Even if we are able to retain comparable management, whether internal or external, the integration of such management and their lack of familiarity with our investment objective may result in additional costs and time delays that may adversely affect our business, financial condition, results of operations and cash flows.

RISKS RELATED TO BDCs

Failure to maintain our status as a BDC would reduce our operating flexibility.

If we do not remain a BDC, we might be regulated as a closed-end investment company under the 1940 Act, which would subject us to substantially more regulatory restrictions under the 1940 Act and correspondingly decrease our operating flexibility.

Operating under the constraints imposed on us as a BDC and RIC may hinder the achievement of our investment objectives.

The 1940 Act and the Code impose numerous constraints on the operations of BDCs and RICs that do not apply to certain of the other investment vehicles that we may compete with. BDCs are required, for example, to invest at least 70% of their total assets in certain qualifying assets, including U.S. private or thinly traded public companies, cash, cash equivalents, U.S. government securities and other high-quality debt instruments that mature in one year or less from the date of investment. Moreover, qualification for taxation as a RIC requires satisfaction of source-of-income, asset

diversification and distribution requirements. Operating under these constraints may hinder our ability to take advantage of attractive investment opportunities and to achieve our investment objective. Any failure to do so could subject us to enforcement action by the SEC, cause us to fail to satisfy the requirements associated with RIC status and subject us to entity-level corporate income taxation, cause us to fail the 70% test described above or otherwise have a material adverse effect on our business, financial condition or results of operations.

We may be precluded from investing in what our Adviser believes are attractive investments if such investments are not qualifying assets for purposes of the 1940 Act. If we do not invest a sufficient portion of our assets in qualifying assets, we will be prohibited from making any additional investment that is not a qualifying asset and could be forced to forgo attractive investment opportunities. Similarly, these rules could prevent us from making follow-on investments in existing portfolio companies (which could result in the dilution of our position).

If we fail to maintain our status as a BDC, we might be regulated as a closed-end investment company that is required to register under the 1940 Act, which would subject us to additional regulatory restrictions and significantly decrease our operating flexibility. In addition, any such failure could cause an event of default under any outstanding indebtedness we might have, which could have a material adverse effect on our business, financial condition or results of operations.

Regulations governing our operation as a BDC will affect our ability to, and the way in which we, raise additional capital.

Our business will require capital to operate and grow. We may acquire such additional capital from the following sources:

Senior Securities

We may issue debt securities or preferred stock and/or borrow money from banks or other financial institutions, which we refer to collectively as senior securities. As a result of issuing senior securities, we will be exposed to additional risks, including the following:

- Prior to 2018 legislation that modified the asset coverage requirements of the 1940 Act, we were permitted, as a BDC, to issue senior securities only in amounts such that our asset coverage, or BDC asset coverage ratio, as defined in the 1940 Act, equals at least 200% of all debt and/or senior stock immediately after each such issuance. However, 2018 legislation modified the 1940 Act by allowing a BDC to increase the maximum amount of leverage it may incur such that a BDC's asset coverage ratio could be reduced from an asset coverage ratio of 200% to an asset coverage ratio of 150%, if certain requirements are met. On January 29, 2025, the Board, including a "required majority" (as such term is defined in Section 57(o) of the 1940 Act) of the Board, approved the application of the modified asset coverage requirements set forth in Section 61(a)(2) of the 1940 Act, which will result in the Company's asset coverage requirements applicable to senior securities being reduced from 200% to 150%, effective on January 29, 2026. We are permitted to increase our leverage capacity sooner if stockholders representing at least a majority of the votes cast, when quorum is met, approve a proposal to do so. If we receive such stockholder approval, we would be permitted to increase our leverage capacity on the first day after such approval.
- If the value of our assets declines, we may be unable to satisfy the asset coverage requirement tests. If that happens, we will be prohibited from issuing debt securities or preferred stock and/or borrowing money from banks or other financial institutions and may not be permitted to declare a cash dividend or make any cash distribution to stockholders or repurchase shares until such time as we satisfy this test.
- Any amounts that we use to service our debt or make payments on preferred stock will not be available for dividends to our common stockholders.
- It is likely that any senior securities or other indebtedness we issue will be governed by an indenture or other instrument containing covenants restricting our operating flexibility. Additionally, some of these securities or other indebtedness may be rated by rating agencies, and in obtaining a rating for such securities and other indebtedness, we may be required to abide by operating and investment guidelines that further restrict operating and financial flexibility.
- We and, indirectly, our stockholders will bear the cost of issuing and servicing such securities and other indebtedness.

- Preferred stock or any convertible or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of our common stock, including separate voting rights and could delay or prevent a transaction or a change in control to the detriment of the holders of our common stock.
- Any unsecured debt issued by us would generally rank (i) *pari passu* with our current and future unsecured indebtedness and effectively subordinated to all of our existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness, and (ii) structurally subordinated to all existing and future indebtedness and other obligations of any of our subsidiaries.

Additional Common Stock

We are not generally able to issue and sell our common stock at a price below NAV per share. We may, however, sell our common stock, warrants, options or rights to acquire our common stock, at a price below the current NAV per share of the common stock if our Board of Directors determines that such sale is in the best interests of our stockholders, and our stockholders approve such sale. See *Risk Factors — Risks Related to our Securities— Stockholders may incur dilution if we sell shares of our common stock in one or more offerings at prices below the then current NAV per share of our common stock or issue securities to subscribe to, convert to or purchase shares of our common stock.* for a discussion related to us issuing shares of our common stock below NAV. Our stockholders have authorized us to issue warrants, options or rights to subscribe for, convert to, or purchase shares of our common stock at a price per share below the NAV per share, subject to the applicable requirements of the 1940 Act. There is no expiration date on our ability to issue such warrants, options, rights or convertible securities based on this stockholder approval. If we raise additional funds by issuing more common stock or senior securities convertible into, or exchangeable for, our common stock, the percentage ownership of our stockholders at that time would decrease, and they may experience dilution. Moreover, we can offer no assurance that we will be able to issue and sell additional equity securities in the future, on favorable terms or at all.

RISKS RELATED TO OUR SECURITIES

Investing in our securities may involve a high degree of risk.

The investments we make in accordance with our investment objective may result in a higher amount of risk than alternative investment options and a higher risk of volatility or loss of principal. Our investments in portfolio companies involve higher levels of risk, and therefore, an investment in our securities may not be suitable for someone with lower risk tolerance.

Shares of closed-end investment companies, including BDCs, may trade at a discount to their NAV per share.

Shares of closed-end investment companies, including BDCs, may trade at a discount to NAV per share. This characteristic of closed-end investment companies and BDCs is separate and distinct from the risk that our NAV per share may decline. We cannot predict whether our common stock will trade at, above or below NAV. In addition, if our common stock trades below our NAV per share, we will generally not be able to issue additional common stock at the market price unless our stockholders approve such a sale and our Board of Directors makes certain determinations. See *Risk Factors — Risks Related to our Securities — Stockholders may incur dilution if we sell shares of our common stock in one or more offerings at prices below the then current NAV per share of our common stock or issue securities to subscribe to, convert to or purchase shares of our common stock.* for a discussion related to us issuing shares of our common stock below NAV.

The market price of our securities may be volatile and fluctuate significantly.

Fluctuations in the trading prices of our securities may adversely affect the liquidity of the trading market for our securities and, if we seek to raise capital through future securities offerings, our ability to raise such capital. The market price and liquidity of the market for our securities may be significantly affected by numerous factors, some of which are beyond our control and may not be directly related to our operating performance. These factors include:

- significant volatility in the market price and trading volume of securities of BDCs or other companies in our sector, which are not necessarily related to the operating performance of these companies;
- changes in regulatory policies, accounting pronouncements or tax guidelines;
- the exclusion of BDC common stock from certain market indices, such as what happened with respect to the Russell indices and the Standard and Poor's indices, could reduce the ability of certain investment funds to own our common stock and limit the number of owners of our common stock and otherwise negatively impact the market price of our common stock;

- inability to obtain any exemptive relief that may be required by us in the future from the SEC;
- loss of our BDC or RIC status or any of the Funds' status as an SBIC;
- changes in our earnings or variations in our operating results;
- changes in the value of our portfolio of investments;
- any shortfall in our investment income or net investment income or any increase in losses from levels expected by investors or securities analysts;
- loss of a major funding source;
- fluctuations in interest rates;
- the operating performance of companies comparable to us;
- departure of our key personnel;
- proposed, or completed, offerings of our securities, including classes other than our common stock;
- global or national credit market changes; and
- general economic trends and other external factors.

We may not be able to pay distributions to our stockholders, our distributions may not grow over time, and a portion of distributions paid to our stockholders may be a return of capital.

We intend to pay distributions to our stockholders out of assets legally available for distribution. We cannot assure you that we will achieve investment results that will allow us to pay a specified level of cash distributions, previously projected distributions for future periods, or year-to-year increases in cash distributions. Our ability to pay distributions might be adversely affected by, among other things, the impact of one or more of the risk factors described herein. In addition, the inability to satisfy the asset coverage test applicable to us as a BDC could limit our ability to pay distributions. All distributions will be paid at the discretion of our Board of Directors and will depend on our earnings, our financial condition, maintenance of our RIC status, compliance with applicable BDC regulations, compliance with our debt covenants and such other factors as our Board of Directors may deem relevant from time to time. We cannot assure you that we will pay distributions to our stockholders in the future.

When we make distributions, we will be required to determine the extent to which such distributions are paid out of current or accumulated taxable earnings, recognized capital gains or capital. To the extent there is a return of capital, investors will be required to reduce their basis in our stock for U.S. federal income tax purposes, which may result in higher tax liability when the shares are sold, even if they have not increased in value or have lost value. In addition, any return of capital will be net of any sales load and offering expenses associated with sales of shares of our common stock. In the future, our distributions may include a return of capital.

Stockholders may incur dilution if we sell shares of our common stock in one or more offerings at prices below the then current NAV per share of our common stock or issue securities to subscribe to, convert to or purchase shares of our common stock.

The 1940 Act prohibits us from selling shares of our common stock at a price below the current NAV per share of such stock, with certain exceptions. One such exception is prior stockholder approval of issuances below NAV provided that our Board of Directors makes certain determinations. We generally have not sought stockholder authorization to sell shares of our common stock below the then current NAV per share of our common stock; however, at the 2025 Special Meeting, in advance of the MSC Income Listing, we received approval from our stockholders to have the flexibility, with the approval of the Board of Directors, to offer and sell shares of our common stock at a price below the current net asset value per share until December 11, 2025. We may also seek such authorization at future annual or special meetings of stockholders. Any decision to sell shares of our common stock below the then current NAV per share of our common stock would be subject to the determination by our Board of Directors that such issuance is in our and our stockholders' best interests.

If we were to sell shares of our common stock below NAV per share, such sales would result in an immediate dilution to the NAV per share. This dilution would occur as a result of the sale of shares at a price below the then current

NAV per share of our common stock and a proportionately greater decrease in a stockholder’s interest in our earnings and assets and voting interest in us than the increase in our assets resulting from such issuance.

Because the number of shares of common stock that could be so issued and the timing of any issuance is not currently known, the actual dilutive effect cannot be predicted; however, the example below illustrates the effect of dilution to existing stockholders resulting from the sale of common stock at prices below the NAV of such shares.

Illustration: Example of Dilutive Effect of the Issuance of Shares Below NAV Assume that Company XYZ has 1,000,000 total shares outstanding, \$15,000,000 in total assets and \$5,000,000 in total liabilities. The NAV per share of the common stock of Company XYZ is \$10.00. The following table illustrates the reduction to NAV and the dilution experienced by Stockholder A following the sale of 40,000 shares of the common stock of Company XYZ at \$9.50 per share, a price below its NAV per share.

	Prior to Sale Below NAV		Following Sale Below NAV		Percentage Change
Reduction to NAV					
Total Shares Outstanding		1,000,000		1,040,000	4.0 %
NAV per share	\$	10.00	\$	9.98	(0.2) %
Dilution to Existing Stockholder(1)					
Shares Held by Stockholder A		10,000		10,000	— %
Percentage Held by Stockholder A		1.00 %		0.96 %	(4.0) %
Total Interest of Stockholder A in NAV	\$	100,000	\$	99,808	(0.2) %

(1) Assumes that Stockholder A does not purchase additional shares in the sale of shares below NAV.

Our common stockholders’ interest in us will be diluted if we issue additional shares, which could reduce the overall value of their investment.

Our investors do not have preemptive rights to purchase any shares of common stock we issue in the future. Our articles of incorporation authorize us to issue up to 450,000,000 shares of common stock. Pursuant to our articles of incorporation, a majority of our entire Board of Directors may amend our Articles of Incorporation from time to time to increase or decrease the aggregate number of authorized shares of stock or the number of authorized shares of stock of any class or series without stockholder approval. Our Board of Directors may elect to sell additional shares in future public offerings or issue equity interests in private offerings. To the extent we issue additional equity interests, our stockholders’ percentage ownership interest in us will be diluted. In addition, depending upon the terms and pricing of any additional offerings and the value of our investments, stockholders may also experience dilution in the book value and fair value of their shares of common stock.

Purchases of shares of our common stock by us or Main Street under open-market purchase programs may result in the price of shares of our common stock being higher than the price that otherwise might exist in the open market.

Our Board of Directors authorized us to repurchase shares of our common stock through an open-market share repurchase program for up to \$65.0 million in the aggregate of shares of our common stock for a 12-month period starting in March 2025. Pursuant to such authorization, we have entered into the Company Rule 10b5-1 Stock Repurchase Plan to facilitate the repurchase of up to the full \$65.0 million in shares of our common stock authorized under the share repurchase program in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Exchange Act. In addition, Main Street intends to purchase up to \$20.0 million in the aggregate of shares of our common stock in the open market for a 12-month period starting in March 2025, pursuant to the terms of the Main Street Rule 10b5-1 Stock Purchase Plan. The purchases of shares pursuant to the Main Street Rule 10b5-1 Stock Purchase Plan will be implemented in accordance with Rule 10b5-1 and Rule 10b-18 under the Exchange Act. These activities may have the effect of maintaining the market price of shares our common stock or mitigating a decline in the market price of the shares of our common stock, and, as a result, the price of our shares of common stock may be higher than the price that otherwise might exist in the open market.

Provisions of the Maryland General Corporation Law and our articles of incorporation and bylaws could deter takeover attempts and have an adverse impact on the price of our common stock.

The Maryland General Corporation Law and our articles of incorporation and bylaws contain provisions that may have the effect of discouraging, delaying or making difficult a change in control of our company or the removal of our incumbent directors. The existence of these provisions, among others, may have a negative impact on the price of our common stock and may discourage third-party bids for ownership of our company. These provisions may prevent any premiums being offered to you for our common stock.

We may in the future determine to issue preferred stock, which could adversely affect the market value of our common stock.

The issuance of shares of preferred stock with dividend or conversion rights, liquidation preferences or other economic terms favorable to the holders of preferred stock could adversely affect the market price for our common stock by making an investment in the common stock less attractive. In addition, the dividends on any preferred stock we issue must be cumulative. Payment of dividends and repayment of the liquidation preference of preferred stock must take preference over any dividends or other payments to our common stockholders, and holders of preferred stock are not subject to any of our expenses or losses and are not entitled to participate in any income or appreciation in excess of their stated preference (other than convertible preferred stock that converts into common stock). In addition, under the 1940 Act, preferred stock constitutes a “senior security” for purposes of the asset coverage test.

Our credit ratings may not reflect all risks of an investment in our debt securities.

Our credit ratings are an assessment by third parties of our ability to pay our obligations. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of our debt securities. Our credit ratings, however, may not reflect the potential impact of risks related to market conditions generally or other factors discussed above on the market value of or trading market for the publicly issued debt securities.

FEDERAL INCOME TAX RISKS

We will be subject to corporate-level U.S. federal income tax if we are unable to qualify as a RIC under Subchapter M of the Code.

To maintain RIC tax treatment under the Code, we must meet the following annual distribution, income source and asset diversification requirements:

- The Annual Distribution Requirement for a RIC will be satisfied if we distribute to our stockholders on an annual basis at least 90% of our net ordinary taxable income and realized net short-term capital gains in excess of realized net long-term capital losses, if any. Depending on the level of taxable income earned in a tax year, we may choose to carry forward taxable income in excess of current year distributions into the next tax year and pay a 4% U.S. federal excise tax on such income. Any such carryover taxable income must be distributed through a dividend declared prior to the later of (j) the filing of the final tax return related to the year which generated such taxable income or (ii) the fifteenth day of the ninth month following the close of the year in which such taxable income was generated. For more information regarding tax treatment, see *Business — Regulation — Taxation as a Regulated Investment Company*. Because we use debt financing, we are subject to certain asset coverage ratio requirements under the 1940 Act and are (and may in the future become) subject to certain financial covenants under loan and credit agreements that could, under certain circumstances, restrict us from making distributions necessary to satisfy the distribution requirement. In addition, because we receive non-cash sources of income such as PIK interest which involves us recognizing taxable income without receiving the cash representing such income, we may have difficulty meeting the distribution requirement. If we are unable to obtain cash from other sources, we could fail to qualify for RIC tax treatment and thus become subject to corporate-level U.S. federal income tax.
- The source-of-income requirement will be satisfied if we obtain at least 90% of our gross income for each year from dividends, interest, gains from the sale of stock or securities or similar sources.
- The asset diversification requirement will be satisfied if we meet certain asset diversification requirements at the end of each quarter of our taxable year. To satisfy this requirement, at least 50% of the value of our assets must consist of cash, cash equivalents, U.S. government securities, securities of other RICs, and other acceptable securities; and no more than 25% of the value of our assets can be invested in the securities, other than U.S. government securities or securities of other RICs, (i) of one issuer, (ii) of two or more issuers that are controlled,

as determined under applicable Code rules, by us and that are engaged in the same or similar or related trades or businesses or (iii) of certain “qualified publicly traded partnerships.”

Failure to meet these requirements may result in our having to dispose of certain investments quickly in order to prevent the loss of RIC status. Because most of our investments are in privately held companies, and therefore illiquid, any such dispositions could be made at disadvantageous prices and could result in substantial losses. Moreover, if we fail to maintain RIC tax treatment for any reason and are subject to corporate income tax, the resulting corporate taxes could substantially reduce our net assets, the amount of income available for distribution and the amount of our distributions.

We may have difficulty paying the distributions required to maintain RIC tax treatment under the Code if we recognize income before or without receiving cash representing such income.

We will include in income certain amounts that we have not yet received in cash, such as: (i) amortization of original issue discount, which may arise if we receive warrants in connection with the origination of a loan such that ascribing a value to the warrants creates original issue discount in the debt instrument, if we invest in a debt investment at a discount to the par value of the debt security or possibly in other circumstances; (ii) contractual payment-in-kind, or PIK, interest, which represents contractual interest added to the loan balance and due at the end of the loan term; (iii) contractual preferred dividends, which represents contractual dividends added to the preferred stock and due at the end of the preferred stock term, subject to adequate profitability at the portfolio company; or (iv) amortization of market discount, which is associated with loans purchased in the secondary market at a discount to par value. Such amortization of original issue discounts, increases in loan balances as a result of contractual PIK arrangements, cumulative preferred dividends, or amortization of market discount will be included in income before we receive the corresponding cash payments. We also may be required to include in income certain other amounts before we receive such amounts in cash. Investments structured with these features may represent a higher level of credit risk compared to investments generating income which must be paid in cash on a current basis.

Since, in certain cases, we may recognize taxable income before or without receiving cash representing such income, we may have difficulty meeting the Annual Distribution Requirement necessary to maintain RIC tax treatment under the Code. Accordingly, we may have to sell some of our investments at times and/or at prices we would not consider advantageous, raise additional debt or equity capital or forgo new investment opportunities for this purpose. If we are not able to obtain cash from other sources, we may fail to qualify for RIC tax treatment and thus become subject to corporate-level U.S. federal income tax. For additional discussion regarding the tax implications of a RIC, please see *Item 1. Business — Regulation — Taxation as a Regulated Investment Company*.

We may in the future choose to pay dividends in our own stock, in which case you may be required to pay tax in excess of the cash you receive.

We may distribute taxable dividends that are payable in part in our stock. Under certain applicable provisions of the Code and the Treasury regulations, distributions payable by us in cash or in shares of stock (at the stockholders’ election) would satisfy the Annual Distribution Requirement. The Internal Revenue Service has issued guidance providing that a dividend payable in stock or in cash at the election of the stockholders will be treated as a taxable dividend eligible for the dividends paid deduction provided at least 20% of the total distribution is payable in cash and certain other requirements are satisfied. According to this guidance, if too many stockholders elect to receive their distributions in cash, each such stockholder would receive a pro rata share of the total cash to be distributed and would receive the remainder of their distribution in shares of stock. Taxable stockholders receiving such dividends will be required to include the full amount of the dividend as ordinary income (or as long-term capital gain to the extent such dividend is properly reported as a capital gain dividend) to the extent of our current and accumulated earnings and profits for U.S. federal income tax purposes. As a result, a U.S. stockholder may be required to pay tax with respect to such dividends in excess of any cash received. If a U.S. stockholder sells the stock it receives as a dividend in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of our stock at the time of the sale. Furthermore, with respect to non-U.S. stockholders, we may be required to withhold U.S. tax with respect to such dividends, including in respect of all or a portion of such dividend that is payable in stock. In addition, if a significant number of our stockholders determine to sell shares of our stock in order to pay taxes owed on dividends, it may put downward pressure on the trading price of our stock.

Stockholders may have current tax liability on dividends they elect to reinvest in our common stock but would not receive cash from such dividends to pay such tax liability.

If stockholders participate in our dividend reinvestment plan, they will be deemed to have received, and for federal income tax purposes will be taxed on, the amount reinvested in our common stock to the extent the amount reinvested was not a tax-free return of capital. As a result, unless a stockholder is a tax-exempt entity, it may have to use

funds from other sources to pay its tax liability on the value of the dividend that they have elected to have reinvested in our common stock.

Legislative or regulatory tax changes could adversely affect our stockholders.

At any time, the federal income tax laws governing RICs or the administrative interpretations of those laws or regulations may be amended. Any new laws, regulations or interpretations may take effect retroactively and could adversely affect the taxation of us or our stockholders. Therefore, changes in tax laws, regulations or administrative interpretations or any amendments thereto could diminish the value of an investment in our shares or the value or the resale potential of our investments. If we do not comply with applicable laws and regulations, we could lose any licenses that we then hold for the conduct of our business and may be subject to civil fines and criminal penalties.

GENERAL RISK FACTORS

Events outside of our control, including public health crises, supply chain disruptions and inflation, could negatively affect our portfolio companies and the results of our operations.

Periods of market volatility could occur in response to pandemics or other events outside of our control. We and the portfolio companies in which we invest in could be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, such as acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Some force majeure events could adversely affect the ability of a party (including us, a portfolio company or a counterparty to us) to perform its obligations until it is able to remedy the force majeure event. In addition, force majeure events, such as the cessation of the operation of equipment for repair or upgrade, could similarly lead to the unavailability of essential equipment and technologies. These risks could, among other effects, adversely impact the cash flows available from a portfolio company, cause personal injury or loss of life, including to an officer, director or a member of our investment team, damage property, or instigate disruptions of service. In addition, the cost to a portfolio company or us of repairing or replacing damaged assets resulting from such force majeure event could be considerable.

It will not be possible to insure against all such events, and insurance proceeds received, if any, could be inadequate to completely or even partially cover any loss of revenues or investments, any increases in operating and maintenance expenses, or any replacements or rehabilitation of property. Certain events causing catastrophic loss could be either uninsurable, or insurable at such high rates as to adversely impact us or portfolio companies, as applicable. Force majeure events that are incapable of or are too costly to cure could have permanent adverse effects. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which we invest or our portfolio companies operate specifically. Such force majeure events could result in or coincide with: increased volatility in the global securities, derivatives and currency markets; a decrease in the reliability of market prices and difficulty in valuing assets; greater fluctuations in currency exchange rates; increased risk of default (by both government and private issuers); further social, economic, and political instability; nationalization of private enterprise; greater governmental involvement in the economy or in social factors that impact the economy; less governmental regulation and supervision of the securities markets and market participants and decreased monitoring of the markets by governments or self-regulatory organizations and reduced enforcement of regulations; limited, or limitations on, the activities of investors in such markets; controls or restrictions on foreign investment, capital controls and limitations on repatriation of invested capital; inability to purchase and sell investments or otherwise settle security or derivative transactions (i.e., a market freeze); unavailability of currency hedging techniques; substantial, and in some periods extremely high, rates of inflation, which can last many years and have substantial negative effects on credit and securities markets as well as the economy as a whole; recessions; and difficulties in obtaining and/or enforcing legal judgments.

Market conditions may materially and adversely affect debt and equity capital markets in the United States and abroad, which may have a negative impact on our business and operations.

The success of our activities is affected by general economic and market conditions, including, among others, interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and trade barriers. These factors could affect the level and volatility of securities prices and the liquidity of our investments. Volatility or illiquidity could impair our profitability or result in losses. These factors also could adversely affect the availability or cost of our leverage, which would result in lower returns.

Disruptions in the capital markets could increase the spread between the yields realized on risk-free and higher risk securities, resulting in illiquidity in parts of the capital markets. Such disruptions could adversely affect our business, financial condition, results of operations and cash flows, and future market disruptions and/or illiquidity could negatively impact us. These unfavorable economic conditions could increase our funding costs and limit our access to the capital markets, and could result in a decision by lenders not to extend credit to us in the future. These events could limit our investments, our ability to grow and could negatively impact our operating results and the fair values of our debt and equity investments.

Uncertainty about presidential administration initiatives could negatively impact our business, financial condition and results of operations.

There is significant uncertainty with respect to legislation, regulation and government policy at the federal level, as well as the state and local levels. Recent events, including the 2024 U.S. presidential election, have created a climate of heightened uncertainty and introduced new and difficult-to-quantify macroeconomic and political risks with potentially far-reaching implications. The presidential administration's changes to U.S. policy may impact, among other things, the U.S. and global economy, international trade and relations, unemployment, immigration, taxes, healthcare, the U.S. regulatory environment, inflation and other areas. Although we cannot predict the impact, if any, of these changes to our business, they could adversely affect our business, financial condition, operating results and cash flows. Until we know what policy changes are made and how those changes impact our business and the business of our competitors over the long term, we will not know if, overall, we will benefit from them or be negatively affected by them.

Failure to comply with applicable laws or regulations and changes in laws or regulations governing our operations may adversely affect our business or cause us to alter our business strategy.

We, our Adviser and our portfolio companies are subject to applicable local, state and federal laws and regulations. Failure to comply with any applicable local, state or federal law or regulation could negatively impact our reputation and our business results. New legislation may also be enacted or new interpretations, rulings or regulations could be adopted, including those governing the types of investments we are permitted to make, any of which could harm us and our stockholders, potentially with retroactive effect. Additionally, any changes to the laws and regulations governing our operations relating to permitted investments may cause us to alter our investment strategy in order to avail ourselves of new or different opportunities. Such changes could result in material differences to the strategies and plans set forth herein and may result in our investment focus shifting from the areas of expertise of our Adviser's investment team to other types of investments in which our Adviser's investment team may have less expertise or little or no experience. Thus, any such changes, if they occur, could have a material adverse effect on our results of operations and the value of your investment.

We may experience fluctuations in our operating results.

We could experience fluctuations in our operating results due to a number of factors, including our ability or inability to make investments in companies that meet our investment criteria, the interest rate payable on the debt securities we acquire, the level of portfolio dividend and fee income, the level of our expenses, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which we encounter competition in our markets and general economic conditions. As a result of these factors, operating results for any period should not be relied upon as being indicative of performance in future periods.

Technological innovations and industry disruptions may negatively impact us.

Technological innovations have disrupted traditional approaches in multiple industries and can permit younger companies to achieve success and in the process disrupt markets and market practices. We can provide no assurance that new businesses and approaches will not be created that would compete with us and/or our portfolio companies or alter the market practices in which we have been designed to function within and on which we depend on for our investment return. New approaches could damage our investments, disrupt the market in which we operate and subject us to increased competition, which could materially and adversely affect our business, financial condition and results of investments.

We are highly dependent on information systems and systems failures could significantly disrupt our business, which may, in turn, negatively affect the market price of our common stock and our ability to pay dividends.

Our business is highly dependent on our and third parties' communications and information systems. Any failure or interruption of those systems, including as a result of the termination of an agreement with any third-party service providers, could cause delays or other problems in our activities. Our and our Adviser's financial, accounting, data processing, backup or other operating systems and facilities may fail to operate properly or become disabled or damaged as

a result of a number of factors including events that are wholly or partially beyond our control and adversely affect our business. There could be:

- sudden electrical or telecommunications outages;
- natural disasters such as earthquakes, tornadoes and hurricanes;
- disease pandemics;
- events arising from local or larger scale political or social matters, including terrorist acts; and
- cyber-attacks, including software viruses, ransomware, malware and phishing and vishing schemes.

The failure in cybersecurity systems, as well as the occurrence of events unanticipated in our and our Adviser's disaster recovery systems and management continuity planning could impair our ability to conduct business effectively.

The occurrence of a disaster such as a cyber-attack, a natural catastrophe, an industrial accident, a terrorist attack or war, events unanticipated in our and our Adviser's disaster recovery systems, or a support failure from external providers, could have an adverse effect on our ability to conduct business and on our results of operations and financial condition, particularly if those events affect our computer-based data processing, transmission, storage, and retrieval systems or destroy data. If a significant number of our managers were unavailable in the event of a disaster, our ability to effectively conduct our business could be severely compromised.

We depend heavily upon computer systems to perform necessary business functions. Despite our implementation of a variety of security measures, our and our Adviser's computer systems could be subject to cyber-attacks and unauthorized access, such as physical and electronic break-ins or unauthorized tampering. Like other companies, we may experience threats to our data and systems, including malware and computer virus attacks, unauthorized access, system failures and disruptions. If one or more of these events occurs, it could potentially jeopardize the confidential, proprietary and other information processed and stored in, and transmitted through, our computer systems and networks, or otherwise cause interruptions or malfunctions in our operations, which could result in damage to our reputation, financial losses, litigation, increased costs, regulatory penalties and/or customer dissatisfaction or loss.

Third parties with which we do business (including, but not limited to, service providers, such as accountants, custodians, transfer agents and administrators, and the issuers of securities in which we invest) may also be sources or targets of cybersecurity or other technological risks. While our Adviser engages in actions to reduce our exposure resulting from outsourcing, we and our Adviser cannot control the cybersecurity plans and systems put in place by these third parties and ongoing threats may result in unauthorized access, loss, exposure or destruction of data, or other cybersecurity incidents, with increased costs and other consequences, including those described above. Privacy and information security laws and regulation changes, and compliance with those changes, may also result in cost increases due to system changes and the development of new administrative processes.

We are subject to risks associated with artificial intelligence and machine learning technology.

Artificial intelligence, including machine learning and similar tools and technologies that collect, aggregate, analyze or generate data or other materials, or collectively, AI, and its current and potential future applications including in the private investment and financial industries, as well as the legal and regulatory frameworks within which AI operates, continue to rapidly evolve.

Recent technological advances in AI pose risks to us, our Adviser and our portfolio investments. We and our portfolio investments could also be exposed to the risks of AI if third-party service providers or any counterparties, whether or not known to us, also use AI in their business activities. We and our portfolio companies may not be in a position to control the use of AI technology in third-party products or services.

Use of AI could include the input of confidential information in contravention of applicable policies, contractual or other obligations or restrictions, resulting in such confidential information becoming part accessible by other third-party AI applications and users. While the Adviser does not currently use AI to make investment recommendations, the use of AI could also exacerbate or create new and unpredictable risks to our business, our Adviser's business and the business of our portfolio companies, including by potentially significantly disrupting the markets in which we and our portfolio companies operate or subjecting us, the Adviser and our portfolio companies to increased competition and regulation, which could materially and adversely affect business, financial condition or results of operations of us, our Adviser and our portfolio

companies. In addition, the use of AI by bad actors could heighten the sophistication and effectiveness of cyber and security attacks experienced by us, our Adviser or our portfolio companies.

Independent of its context of use, AI technology is generally highly reliant on the collection and analysis of large amounts of data, and it is not possible or practicable to incorporate all relevant data into the model that AI technology utilizes to operate. Certain data in such models will inevitably contain a degree of inaccuracy and error—potentially materially so—and could otherwise be inadequate or flawed, which would be likely to degrade the effectiveness of AI technology. To the extent that we or our portfolio investments are exposed to the risks of AI use, any such inaccuracies or errors could have adverse impacts on us or our investments.

AI technology and its applications, including in the private investment and financial sectors, continue to develop rapidly, and it is impossible to predict the future risks that may arise from such developments.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Main Street and our Adviser maintain, and routinely review and evaluate their and the Company’s information technology (“IT”) and cybersecurity policies, practices and procedures (the “Cybersecurity Program”), which includes processes for assessing, identifying and managing material risks from cybersecurity threats. The Cybersecurity Program has various policies and procedures including a Cyber Incident Response Plan as part of Main Street’s Crisis Management Plan. The Cybersecurity Program is administered by Main Street’s IT Manager, who is managed on a day-to-day basis by Main Street’s General Counsel and overseen by Main Street’s IT Steering Committee consisting of Main Street’s Chief Executive Officer, Main Street’s Chief Operating Officer and Main Street’s General Counsel. Main Street’s General Counsel also serves as the crisis response team leader in connection with any material cybersecurity incident under the Cyber Incident Response Plan, with Main Street’s Chief Operating Officer and Main Street’s IT Manager also included on the crisis response team. Main Street and our Adviser also utilize the services of IT and cybersecurity advisers, consultants and experts in the evaluation and periodic testing of Main Street’s IT and cybersecurity systems, to recommend improvements to the Cybersecurity Program and in connection with any cybersecurity incident. Main Street’s IT Manager has over 10 years of experience advising on and managing risks from cybersecurity threats as well as developing and implementing cybersecurity systems, policies and procedures. Main Street’s General Counsel has served in his oversight function as General Counsel for over 16 years and previously as Main Street’s Chief Compliance Officer for over 12 years, during which time he has gained expertise in assessing and managing risk applicable to the Company. Similarly, each of Main Street’s Chief Executive Officer and our Main Street’s Chief Operating Officer have served in various executive management roles at the Company and, in the case of our Main Street’s Chief Operating Officer, other publicly traded organizations, involving extensive oversight and management of risks, including cybersecurity related risks, for over 20 years.

As part of our overall risk management process, our management engages at least annually in an enterprise risk management review and evaluation, during which management reviews the principal risks relating to our business and operations. Included in this process is a review and evaluation of our risks relating to the Cybersecurity Program. Additionally, as part of our Rule 38a-1 compliance program, we review at least annually the compliance policies and procedures of our key service providers, including our Adviser and Main Street, including documentation discussing each service providers’ information security and privacy controls. Any failure in our or our key service providers’ cybersecurity systems could have a material impact on our operating results. See *Item 1A. Risk Factors — General Risk Factors — The failure in cybersecurity systems, as well as the occurrence of events unanticipated in our and our Adviser’s disaster recovery systems and management continuity planning could impair our ability to conduct business effectively.*

Our Board as a whole has responsibility for the Company’s risk oversight, with reviews of certain areas being conducted by the relevant Board committees that report on their deliberations to the full Board. The oversight responsibility of the Board and its committees is enabled by management reporting processes that are designed to provide visibility to the Board about the identification, assessment and management of critical risks and management’s risk mitigation strategies.

Oversight of risks relating to IT and cybersecurity has been delegated by our Board to its Audit Committee. The Audit Committee includes members of the Board who, in addition to each being designated as an “audit committee financial expert,” possess backgrounds and experience which we believe enable them to provide effective oversight of our IT and cybersecurity risks. Our management routinely reports to the Audit Committee on the status of the Cybersecurity Program and material risks from cybersecurity threats at the Audit Committee’s quarterly meetings. Such reports generally

detail any testing, observations or developments concerning the Cybersecurity Program that occurred during the prior quarter. The results of periodic testing related to the Cybersecurity Program are also described in the Chief Compliance Officer's annual report to the Board, provided pursuant to Rule 38a-1 under the 1940 Act. The crisis response team leader also collaborates with the Audit Committee chair to ensure that the Board is apprised of any material cybersecurity incident.

During the reporting period, the Company has not identified any impacts from cybersecurity threats, including as a result of previous cybersecurity incidents, that the Company believes have materially affected, or are reasonably likely to materially affect, the Company, including its business strategy, operational results and financial condition.

Item 2. *Properties*

We do not own any real estate or other physical properties materially important to our operations. Currently, Main Street leases office space in Houston, Texas for its and its affiliates' corporate headquarters, including ours. We believe that our current office facilities are adequate to meet our needs.

Item 3. *Legal Proceedings*

We, the Adviser and/or Main Street may, from time to time, be involved in litigation arising out of our operations in the normal course of business or otherwise. Furthermore, third parties may seek to impose liability on us, the Adviser and/or Main Street in connection with the activities of our portfolio companies. While the outcome of any current legal proceedings cannot at this time be predicted with certainty, we do not expect any current matters will materially affect our, the Adviser's or Main Street's financial condition or results of operations; however, there can be no assurance whether any pending or future legal proceedings will have a material adverse effect on our, the Adviser's or Main Street's financial condition or results of operations in any future reporting period.

Item 4. *Mine Safety Disclosures*

Not applicable.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

COMMON STOCK AND HOLDERS

Our common stock began trading on the NYSE under the symbol “MSIF” on January 29, 2025.

The following table sets forth, for the periods indicated, the range of high and low closing prices of our common stock as reported on the NYSE, and the sales price as a percentage of the NAV per share of our common stock.

	NAV(1)	Price Range		Premium of High Sales Price to	Premium of Low Sales Price to
		High	Low	NAV(2)	NAV(2)
Year ending December 31, 2025					
First Quarter (January 29, 2025 through March 18, 2025)	*	\$17.84	\$15.82	*	*

* NAV has not yet been determined for the first quarter of 2025.

- (1) NAV is determined as of the last day in the relevant quarter and therefore may not reflect the NAV per share on the date of the high and low closing prices. The net asset values shown are based on outstanding shares at the end of each period.
- (2) Calculated for each quarter as (i) NAV subtracted from the respective high or low share price divided by (ii) NAV.

On March 18, 2025, the last sale price of our common stock on the NYSE was \$17.01 per share, and there were 17,382 holders of record of our common stock which did not include stockholders for whom shares are held in “nominee” or “street name.” The NAV per share of our common stock on December 31, 2024 was \$15.53, and the premium of the March 18, 2025 closing price of our common stock was 10% to this NAV per share.

Shares of BDCs may trade at a market price that is less than the value of the net assets attributable to those shares. The possibility that our shares of common stock will trade at a discount from NAV per share or at premiums that are unsustainable over the long term are separate and distinct from the risk that our NAV per share will decrease. It is not possible to predict whether our common stock will trade at, above, or below NAV per share. Since our listing on the NYSE in January 2025, our shares of common stock have traded at prices both less than and exceeding our NAV per share.

DIVIDEND/DISTRIBUTION POLICY

We currently intend to distribute dividends or make distributions to our stockholders out of assets legally available for distribution. Our dividends and other distributions, if any, will be determined by our Board of Directors from time to time. Our ability to declare dividends depends on our earnings, our overall financial condition (including our liquidity position), maintenance of our RIC status and such other factors as our Board of Directors may deem relevant from time to time. When we make distributions, we are required to determine the extent to which such distributions are paid out of current or accumulated earnings, recognized capital gains or capital. To the extent there is a return of capital (a distribution of the stockholders’ invested capital), investors will be required to reduce their basis in our stock for federal tax purposes. In the future, our distributions may include a return of capital.

We have adopted a dividend reinvestment plan. The previous plan (the “Prior DRIP”) was effective during the years covered in this report. Effective as of the date of the Company’s Board of Directors’ first declaration of a dividend or distribution on the Company’s common stock following the MSC Income Listing, the Company has adopted an “opt out” dividend reinvestment plan (the “New DRIP” and, together with the Prior DRIP, the “DRIP”; See *Note H - Dividend Reinvestment Plan* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K for further detail). The New DRIP provides for the reinvestment of dividends on behalf of our stockholders, unless a stockholder has elected to receive dividends in cash. As a result, if we declare a cash dividend, our stockholders who have not properly “opted out” of the New DRIP will have their cash dividend automatically reinvested into additional shares of our common stock. The share requirements of the New DRIP may be satisfied through the issuance of new shares of common stock or through open market purchases of common stock by the DRIP plan administrator. Newly issued shares will be valued based upon the final closing price of our common stock reported on the NYSE on the trading day

immediately preceding the dividend payment date for each dividend. Shares purchased in the open market to satisfy the New DRIP requirements will be valued based upon the average price of the applicable shares purchased by the DRIP plan administrator, before any associated brokerage or other costs. Our DRIP is administered by our transfer agent on behalf of our record holders and participating brokerage firms. Brokerage firms and other financial intermediaries may decide not to participate in our DRIP but may provide a similar dividend reinvestment plan for their clients.

SALES OF UNREGISTERED SECURITIES

During the year ended December 31, 2024, we issued 1,132,714 shares of our common stock under the DRIP. These issuances were not subject to the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”).

In addition, during the year ended December 31, 2024, on certain dividend payment dates we sold shares of our common stock to Main Street at the price at which we issued new shares in connection with reinvestments of dividends pursuant to the DRIP. In each of these transactions, the issuance and sale of shares were exempt from registration under Section 4(a)(2) of the Securities Act and were unanimously approved by our Board of Directors, including each director who is not an “interested person,” as such term is defined in Section 2(a)(19) of the 1940 Act, of the Company or our Adviser.

The following table describes the terms of these exempt sales of common stock:

Date of Transaction	Total number of shares sold	Sale price per share	Proceeds to the Company
	(dollars in thousands, except per share amounts)		
January 31, 2024	157,035	\$ 15.92	\$ 2,500
May 1, 2024	157,629	\$ 15.86	\$ 2,500
August 1, 2024	125,314	\$ 15.96	\$ 2,000

The aggregate value of the shares of our common stock issued during 2024 under the DRIP and pursuant to the exempt sale transactions described above was \$25.0 million.

PURCHASES OF EQUITY SECURITIES

Prior to the MSC Income Listing, we maintained a quarterly share repurchase program whereby we made quarterly offers to purchase shares at the estimated NAV per share, as determined within 48 hours prior to the repurchase date. The amount of shares of our common stock to be repurchased during any calendar quarter was equal to the lesser of (i) the number of shares of common stock we could repurchase with the proceeds we received from the issuance of common stock under our dividend reinvestment plan as then in effect or (ii) 2.5% of the weighted-average number of shares of common stock outstanding in the prior four calendar quarters. Repurchase offers were limited to the number of shares of common stock that we could repurchase with 90% of the cash retained as a result of issuances of common stock under the then-effective dividend reinvestment plan.

On November 13, 2024, our Board of Directors, including each director who is not an “interested person,” as such term is defined in Section 2(a)(19) of the 1940 Act, of the Company or our Adviser, unanimously approved suspending our quarterly share repurchase program in anticipation of the MSC Income Listing. While our quarterly share repurchase program ultimately terminated upon the MSC Income Listing, our Board of Directors has authorized us to repurchase shares of our common stock through an open-market share repurchase program for up to \$65.0 million in the aggregate of shares of our common stock for a 12-month period beginning in March 2025. Pursuant to such authorization, we entered into the Company Rule 10b5-1 Stock Repurchase Plan to facilitate the repurchase of up to \$65.0 million in shares of our common stock authorized under the open-market share repurchase program, in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Exchange Act. See *Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Recent Developments* for additional information.

The following table lists shares we repurchased under our quarterly share repurchase program during the fourth quarter of 2024:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs
October 1 through October 31, 2024	—	—	—	N/A
November 1 through November 30, 2024	256,421	\$ 15.48	256,421	N/A
December 1 through December 31, 2024	—	—	—	N/A

Item 6. [Reserved.]

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our consolidated financial statements and the notes thereto included elsewhere in this Annual Report on Form 10-K.

Statements we make in the following discussion which express a belief, expectation or intention, as well as those that are not historical fact, are forward-looking statements that are subject to risks, uncertainties and assumptions. Our actual results, performance or achievements, or industry results, could differ materially from those we express in the following discussion as a result of a variety of factors, including the risks and uncertainties we have referred to under the headings “Cautionary Statement Concerning Forward-Looking Statements” and “Risk Factors” in this report.

INVESTMENT PORTFOLIO SUMMARY

The following tables provide a summary of our investments in the Private Loan, LMM and Middle Market portfolios as of December 31, 2024 and 2023 (this information excludes Other Portfolio investments, which are discussed further below).

	As of December 31, 2024		
	Private Loan	LMM (a)	Middle Market
	(dollars in millions)		
Number of portfolio companies	84	57	10
Fair value	\$ 677.9	\$ 436.1	\$ 39.4
Cost	\$ 697.5	\$ 357.1	\$ 66.3
Debt investments as a % of portfolio (at cost)	93.9 %	67.8 %	87.8 %
Equity investments as a % of portfolio (at cost)	6.1 %	32.2 %	12.2 %
% of debt investments at cost secured by first priority lien	99.9 %	99.9 %	99.9 %
Weighted-average annual effective yield (b)	12.0 %	13.0 %	14.1 %
Average EBITDA (c)	\$ 28.6	\$ 10.8	\$ 38.2

- (a) As of December 31, 2024, we had equity ownership in all of our LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was 9%.
- (b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments as of December 31, 2024, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status, and are weighted based upon the principal amount of each applicable debt investment as of December 31, 2024. The weighted-average annual effective yield on our debt portfolio as of December 31, 2024, including debt investments on non-accrual status, was 11.4% for our Private Loan portfolio, 12.2% for our LMM portfolio and 9.0% for our Middle Market portfolio. The weighted-average annual effective yield is not reflective of what an investor in shares of our common stock will realize on its investment because it does not reflect our utilization of debt capital in our capital structure, our expenses or any sales load paid by an investor.
- (c) The average EBITDA is calculated using a weighted-average for the Private Loan and Middle Market portfolios and a simple average for the LMM portfolio. These calculations exclude certain portfolio companies, including two Private Loan portfolio companies, three LMM portfolio companies and one Middle Market portfolio company, as EBITDA is not a meaningful valuation metric for our investments in these portfolio companies, and those portfolio companies whose primary purpose is to own real estate and those portfolio companies whose primary operations have ceased and only residual value remains.

	As of December 31, 2023		
	Private Loan	LMM (a)	Middle Market
	(dollars in millions)		
Number of portfolio companies	78	50	16
Fair value	\$ 595.3	\$ 387.0	\$ 86.0
Cost	\$ 586.4	\$ 315.7	\$ 114.7
Debt investments as a % of portfolio (at cost)	94.1 %	70.2 %	93.1 %
Equity investments as a % of portfolio (at cost)	5.9 %	29.8 %	6.9 %
% of debt investments at cost secured by first priority lien	100.0 %	99.9 %	100.0 %
Weighted-average annual effective yield (b)	13.1 %	13.0 %	13.0 %
Average EBITDA (c)	\$ 30.5	\$ 8.8	\$ 74.2

- (a) As of December 31, 2023, we had equity ownership in all of our LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was 9%.
- (b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments as of December 31, 2023, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status, and are weighted based upon the principal amount of each applicable debt investment as of December 31, 2023. The weighted-average annual effective yield on our debt portfolio as of December 31, 2023, including debt investments on non-accrual status, was 12.6% for our Private Loan portfolio, 13.0% for our LMM portfolio and 9.9% for our Middle Market portfolio. The weighted-average annual effective yield is not reflective of what an investor in shares of our common stock will realize on its investment because it does not reflect our utilization of debt capital in our capital structure, our expenses or any sales load paid by an investor.
- (c) The average EBITDA is calculated using a weighted-average for the Private Loan and Middle Market portfolios and a simple average for the LMM portfolio. These calculations exclude certain portfolio companies, including one Private Loan portfolio company, as EBITDA is not a meaningful valuation metric for our investment in this portfolio company, and those portfolio companies whose primary purpose is to own real estate.

For the years ended December 31, 2024 and 2023, we achieved a total return on investments of 12.4% and 13.6%, respectively. Total return on investments is calculated using the interest, dividend and fee income, as well as the realized and unrealized change in fair value of the Investment Portfolio for the specified period. Our total return on investments is not reflective of what an investor in shares of our common stock will realize on its investment because it does not reflect our utilization of debt capital in our capital structure, our expenses or any sales load paid by an investor.

As of December 31, 2024, we had Other Portfolio investments in six entities, spread across four investment managers, collectively totaling \$24.1 million in fair value and \$17.9 million in cost basis, which comprised 2.0% and 1.6% of our Investment Portfolio at fair value and cost, respectively. As of December 31, 2023, we had Other Portfolio investments in six entities, spread across four investment managers, collectively totaling \$24.6 million in fair value and \$21.5 million in cost basis, which comprised 2.3% and 2.1% of our Investment Portfolio at fair value and cost, respectively.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements and related disclosures in conformity with generally accepted accounting principles (“U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the periods reported. Actual results could materially differ from those estimates. Critical accounting policies are those that require management to make subjective or complex judgments about the effect of matters that are inherently uncertain and may change in subsequent periods. Changes that may be required in the underlying assumptions or estimates in these areas could have a material impact on our current and future financial condition and results of operations.

Management has discussed the development and selection of each critical accounting policy and estimate with the Audit Committee of the Board of Directors. Our critical accounting policies and estimates include the Investment Portfolio Valuation and Revenue Recognition policies described below. Our significant accounting policies are described in greater

detail in *Note B — Summary of Significant Accounting Policies* to the consolidated financial statements included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K.

Investment Portfolio Valuation

The most significant determination inherent in the preparation of our consolidated financial statements is the valuation of our Investment Portfolio and the related amounts of unrealized appreciation and depreciation. We consider this determination to be a critical accounting estimate, given the significant judgments and subjective measurements required. As of both December 31, 2024 and 2023, our Investment Portfolio valued at fair value represented 96% of our total assets. We are required to report our investments at fair value. We follow the provisions of FASB ASC 820, Fair Value Measurements and Disclosures (“ASC 820”). ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and enhances disclosure requirements for fair value measurements. ASC 820 requires us to assume that the portfolio investment is to be sold in the principal market to independent market participants, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal market that are independent, knowledgeable and willing and able to transact. See *Note B.1. — Summary of Significant Accounting Policies — Valuation of the Investment Portfolio* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K for a detailed discussion of our Investment Portfolio valuation process and procedures.

Due to the inherent uncertainty in the valuation process, our determination of fair value for our Investment Portfolio may differ materially from the values that would have been determined had a ready market for the securities existed. In addition, changes in the market environment, portfolio company performance and other events that may occur over the lives of the investments may cause the gains or losses ultimately realized on these investments to be materially different than the valuations currently assigned. We determine the fair value of each individual investment and record changes in fair value as unrealized appreciation or depreciation.

Rule 2a-5 under the 1940 Act permits a BDC’s board of directors to designate its executive officers or investment adviser as a valuation designee to determine the fair value for its investment portfolio, subject to the active oversight of the board. Our Board of Directors has approved policies and procedures pursuant to Rule 2a-5 (the “Valuation Procedures”) and has designated our Adviser, led by a group of Main Street’s and our Adviser’s executive officers, to serve as the Board of Directors’ valuation designee. We believe our Investment Portfolio as of December 31, 2024 and 2023 approximates fair value as of those dates based on the markets in which we operate and other conditions in existence on those reporting dates.

Revenue Recognition

Interest and Dividend Income

We record interest and dividend income on the accrual basis to the extent amounts are expected to be collected. Dividend income is recorded as dividends are declared by the portfolio company or at the point an obligation exists for the portfolio company to make a distribution. We evaluate accrued interest and dividend income periodically for collectability. When a loan or debt security becomes 90 days or more past due, and if we otherwise do not expect the debtor to be able to service its debt obligation, we will generally place the loan or debt security on non-accrual status and cease recognizing interest income on that loan or debt security until the borrower has demonstrated the ability and intent to pay contractual amounts due. If a loan or debt security’s status significantly improves regarding the debtor’s ability to service the debt obligation, or if a loan or debt security is sold or written off, we remove it from non-accrual status.

Fee Income

We may periodically provide services, including structuring and advisory services to our portfolio companies or other third parties. For services that are separately identifiable and evidence exists to substantiate fair value, fee income is recognized as earned, which is generally when the investment or other applicable transaction closes. Fees received in connection with debt financing transactions for services that do not meet these criteria are treated as debt origination fees and are generally deferred and accreted into income over the life of the financing.

Payment-in-Kind (“PIK”) Interest and Cumulative Dividends

We hold certain debt and preferred equity instruments in our Investment Portfolio that contain PIK interest and cumulative dividend provisions. The PIK interest, computed at the contractual rate specified in each debt agreement, is periodically added to the principal balance of the debt and is recorded as interest income. Thus, the actual collection of this interest may be deferred until the time of debt principal repayment. Cumulative dividends are recorded as dividend income, and any dividends in arrears are added to the balance of the preferred equity investment. The actual collection of these dividends in arrears may be deferred until such time as the preferred equity is redeemed or sold. To maintain RIC tax

treatment (as discussed in *Note B.7. — Summary of Significant Accounting Policies — Income Taxes* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K), these non-cash sources of income may need to be paid out to stockholders in the form of distributions, even though we may not have collected the PIK interest and cumulative dividends in cash. We stop accruing PIK interest and cumulative dividends and write off any accrued and uncollected interest and dividends in arrears when we determine that such PIK interest and dividends in arrears are no longer collectible. For the years ended December 31, 2024, 2023 and 2022 (i) 6.2%, 3.8% and 2.5%, respectively, of our total investment income was attributable to PIK interest income not paid currently in cash and (ii) 0.1%, 0.1% and 0.6%, respectively, of our total investment income was attributable to cumulative dividend income not paid currently in cash.

INVESTMENT PORTFOLIO COMPOSITION

The following tables summarize the composition of our total combined Private Loan, LMM and Middle Market portfolio investments at cost and fair value by type of investment as a percentage of the total combined Private Loan, LMM and Middle Market portfolio investments as of December 31, 2024 and 2023 (this information excludes Other Portfolio investments).

Cost:	December 31, 2024	December 31, 2023
First lien debt	85.2 %	86.5 %
Equity	14.5	13.3
Equity warrants	0.3	0.2
Other	—	—
	<u>100.0 %</u>	<u>100.0 %</u>
Fair Value:	December 31, 2024	December 31, 2023
First lien debt	77.6 %	78.4 %
Equity	22.0	21.5
Equity warrants	0.4	0.1
Other	—	—
	<u>100.0 %</u>	<u>100.0 %</u>

Our Private Loan, LMM and Middle Market portfolio investments carry a number of risks including: (1) investing in companies which may have limited operating histories and financial resources; (2) holding investments that generally are not publicly traded and which may be subject to legal and other restrictions on resale; and (3) other risks common to investing in below investment-grade debt and equity investments in our Investment Portfolio. Please see [Item 1A. Risk Factors — Risks Related to our Investments](#) contained in this Annual Report on Form 10-K for a more complete discussion of the risks involved with investing in our Investment Portfolio.

PORTFOLIO ASSET QUALITY

Our Adviser utilizes an internally developed investment rating system to rate the performance of each Private Loan, LMM and Middle Market portfolio company and to monitor our expected level of returns on each of our Private Loan, LMM and Middle Market investments in relation to our expectations for the portfolio company. The investment rating system takes into consideration various factors, including, but not limited to, each investment’s expected level of returns, the collectability of our debt investments and the ability to receive a return of the invested capital in our equity investments, comparisons to competitors and other industry participants, the portfolio company’s future outlook and other factors that are deemed to be significant to the portfolio company.

As of December 31, 2024, investments on non-accrual status comprised 1.5% of our total Investment Portfolio at fair value and 5.6% at cost. As of December 31, 2023, investments on non-accrual status comprised 1.1% of our total Investment Portfolio at fair value and 4.0% at cost.

The operating results of our portfolio companies are impacted by changes in the broader fundamentals of the United States economy. In periods during which the United States economy contracts, it is likely that the financial results of small to mid-sized companies, like those in which we invest, could experience deterioration or limited growth from current levels, which could ultimately lead to difficulty in meeting their debt service requirements, to an increase in

defaults on our debt investments or in realized losses on our investments and to difficulty in maintaining historical dividend payment rates and unrealized appreciation on our equity investments. Consequently, we can provide no assurance that the performance of certain portfolio companies will not be negatively impacted by future economic cycles or other conditions, which could also have a negative impact on our future results.

DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS

Set forth below is a comparison of the results of operations and changes in financial condition for the years ended December 31, 2024 and 2023. The comparison of, and changes between, the fiscal years ended December 31, 2023 and 2022 can be found within [Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations](#) included in our [Annual Report on Form 10-K](#) for the fiscal year ended December 31, 2023, which is incorporated herein by reference.

On December 16, 2024, we effectuated the Reverse Stock Split. As a result of the Reverse Stock Split, every two shares of our issued and outstanding common stock were converted into one share of issued and outstanding common stock, without any change in the par value per share or the number of authorized shares of our common stock.

Comparison of the years ended December 31, 2024 and 2023

	Year Ended December 31,		Net Change	
	2024	2023	Amount	%
	(dollars in thousands)			
Total investment income	\$ 134,828	\$ 131,386	\$ 3,442	3 %
Total expenses, net of expense waivers	(77,506)	(73,717)	(3,789)	5 %
Net investment income	57,322	57,669	(347)	(1) %
Net realized gain (loss)	15,776	(34,010)	49,786	NM
Net unrealized appreciation (depreciation)	(15,439)	46,319	(61,758)	NM
Income tax provision	(1,106)	(3,769)	2,663	(71) %
Net increase in net assets resulting from operations	<u>\$ 56,553</u>	<u>\$ 66,209</u>	<u>\$ (9,656)</u>	<u>(15) %</u>

NM — Net Change % not meaningful

Investment Income

Total investment income for the year ended December 31, 2024 was \$134.8 million, a 3% increase from the \$131.4 million of total investment income for the prior year. The following table provides a summary of the changes in the comparable period activity.

	Year Ended December 31,		Net Change	
	2024	2023	Amount	%
	(dollars in thousands)			
Interest income	\$ 117,816	\$ 116,976	\$ 840	1 %
Dividend income	11,696	11,255	441	4 %
Fee income	5,316	3,155	2,161	68 % (a)
Total investment income	<u>\$ 134,828</u>	<u>\$ 131,386</u>	<u>\$ 3,442</u>	<u>3 % (b)</u>

- (a) The increase in fee income was primarily related to (i) a \$1.4 million increase in fees received from the refinancing and prepayment of debt investments and (ii) a \$0.8 million increase in fees related to increased investment activity.
- (b) The increase in total investment income includes a net increase of \$0.3 million in certain income considered less consistent or non-recurring, including a \$1.8 million increase in such fee income, partially offset by (i) a \$1.0 million decrease in such interest income from accelerated prepayment, repricing and other activity related to certain Investment Portfolio debt investments and (ii) a \$0.4 million decrease in such dividend income.

Expenses

Total expenses, net of fee and expense waivers, for the year ended December 31, 2024 were \$77.5 million, a 5% increase from \$73.7 million in the prior year. The following table provides a summary of the changes in the comparable period activity.

	Year Ended December 31,		Net Change	
	2024	2023	Amount	%
	(dollars in thousands)			
Interest	\$ 39,035	\$ 36,458	\$ 2,577	7 % (a)
Base management fees	20,922	19,828	1,094	6 % (b)
Incentive fees	12,494	12,569	(75)	(1)%
Internal administrative services fees	10,089	8,916	1,173	13 % (c)
General and administrative	4,416	4,254	162	4 %
Total expenses before expense waivers	86,956	82,025	4,931	6 %
Waiver of internal administrative services expenses	(9,450)	(8,308)	(1,142)	14 %
Total expenses, net of expense waivers	\$ 77,506	\$ 73,717	\$ 3,789	5 %

(a) The increase in interest expense was primarily related to higher weighted-average outstanding borrowings used to fund the growth in our Investment Portfolio.

(b) The increase in base management fees was due to an increase in average total assets.

(c) The increase in internal administrative service fees was primarily related to increased expenses incurred by the Adviser associated with its activities and services under the Prior Investment Advisory Agreement. Consistent with prior practice, the vast majority of such internal administrative service fees, or all fees other than \$0.6 million, were waived by the Adviser. The only fees not waived are the cost of services previously provided by a sub-administrator prior to January 1, 2022 and assumed by the Adviser thereafter (see Note J.1. — *Related Party Transactions — Advisory Agreements and Conditional Expense Reimbursement Waivers* included in Item 8. *Consolidated Financial Statements and Supplementary Data*).

Net Investment Income

Net investment income for the year ended December 31, 2024 decreased 1% to \$57.3 million, or \$1.43 per share, compared to net investment income of \$57.7 million, or \$1.44 per share, in 2023. The decrease in net investment income was attributable to an increase in total expenses, partially offset by an increase in total investment income, both as discussed above. The decrease in net investment income and net investment income per share includes a \$0.3 million, or \$0.01 per share, increase in investment income considered less consistent or non-recurring, as discussed above.

Net Realized Gain (Loss)

The following table provides a summary of the primary components of the total net realized gain on investments of \$15.8 million for the year ended December 31, 2024.

	Year Ended December 31, 2024							
	Full Exits		Partial Exits		Restructures		Other (a)	Total
	Net Gain/(Loss)	# of Investments	Net Gain/(Loss)	# of Investments	Net Gain/(Loss)	# of Investments	Net Gain/(Loss)	Net Gain/(Loss)
	(dollars in thousands)							
Private Loan portfolio	\$ 24,832	2	\$ —	—	\$ (5,617)	2	\$ (17)	\$ 19,198
LMM portfolio	(3,560)	1	2,591	1	—	—	163	(806)
Middle Market portfolio	(2,842)	2	—	—	(773)	1	852	(2,763)
Other Portfolio	—	—	—	—	—	—	147	147
Total net realized gain (loss)	\$ 18,430	5	\$ 2,591	1	\$ (6,390)	3	\$ 1,145	\$ 15,776

(a) Other activity includes realized gains and losses from transactions involving 15 portfolio companies which are not considered to be significant individually or in the aggregate.

The following table provides a summary of the primary components of the total net realized loss on investments of \$34.0 million for the year ended December 31, 2023.

	Year Ended December 31, 2023							
	Full Exits		Partial Exits		Restructures		Other (a)	Total
	Net Gain/(Loss)	# of Investments	Net Gain/(Loss)	# of Investments	Net Gain/(Loss)	# of Investments	Net Gain/(Loss)	Net Gain/(Loss)
	(dollars in thousands)							
Private Loan portfolio	\$ 554	2	\$ —	—	\$ (18,505)	2	\$ (90)	\$ (18,041)
LMM portfolio	(9,414)	3	—	—	(1,541)	1	—	(10,955)
Middle Market portfolio	3,127	3	—	—	(10,606)	2	242	(7,237)
Other Portfolio	—	—	2,223	1	—	—	—	2,223
Total net realized gain (loss)	\$ (5,733)	8	\$ 2,223	1	\$ (30,652)	5	\$ 152	\$ (34,010)

(a) Other activity includes realized gains and losses from transactions involving 15 portfolio companies which are not considered to be significant individually or in the aggregate.

Net Unrealized Appreciation (Depreciation)

The following table provides a summary of the total net unrealized depreciation of \$15.4 million for the year ended December 31, 2024.

	Year Ended December 31, 2024				
	Private Loan (a)	LMM (b)	Middle Market	Other	Total
	(dollars in thousands)				
Accounting reversals of net unrealized (appreciation) depreciation recognized in prior periods due to net realized (gains / income) losses recognized during the current period	\$ (20,676)	\$ 169	\$ 3,513	\$ (147)	\$ (17,141)
Net unrealized appreciation (depreciation) relating to portfolio investments	(7,482)	7,651	(1,647)	3,180	1,702
Total net unrealized appreciation (depreciation) relating to portfolio investments	\$ (28,158)	\$ 7,820	\$ 1,866	\$ 3,033	\$ (15,439)

(a) The \$20.7 million reversal of net unrealized appreciation on the Private Loan investment portfolio is primarily due to a realized gain of \$25.5 million on the full exit of one Private Loan portfolio investment.

(b) Includes unrealized appreciation on 30 LMM portfolio investments and unrealized depreciation on 21 LMM portfolio investments.

The following table provides a summary of the total net unrealized appreciation of \$46.3 million for the year ended December 31, 2023.

	Year Ended December 31, 2023				
	Private Loan	LMM(a)	Middle Market	Other	Total
	(dollars in thousands)				
Accounting reversals of net unrealized (appreciation) depreciation recognized in prior periods due to net realized (gains / income) losses recognized during the current period	\$ 18,295	\$ 10,428	\$ 7,785	\$ (2,225)	\$ 34,283
Net unrealized appreciation (depreciation) relating to portfolio investments	(6,144)	20,729	(3,574)	1,025	12,036
Total net unrealized appreciation (depreciation) relating to portfolio investments	\$ 12,151	\$ 31,157	\$ 4,211	\$ (1,200)	\$ 46,319

(a) Includes unrealized appreciation on 25 LMM portfolio investments and unrealized depreciation on 19 LMM portfolio investments.

Income Tax Benefit (Provision)

The income tax provision for the year ended December 31, 2024 of \$1.1 million principally consisted of a current tax provision of \$5.0 million related to a \$4.1 million provision for current federal and state income taxes and a \$0.9 million provision for excise tax on our estimated undistributed taxable income, partially offset by a deferred tax benefit of \$3.9 million, which is primarily the result of the net activity relating to our portfolio investments held in our Taxable Subsidiaries, including changes in loss carryforwards, changes in net unrealized appreciation/depreciation and other temporary book-tax differences.

The income tax provision for the year ended December 31, 2023 of \$3.8 million consisted of (i) a deferred tax provision of \$2.9 million, which is primarily the result of the net activity relating to our portfolio investments held in our Taxable Subsidiaries, including changes in loss carryforwards, changes in net unrealized appreciation/depreciation and other temporary book-tax differences and (ii) a current tax provision of \$0.9 million related to a \$0.5 million provision for excise tax on our estimated undistributed taxable income and a \$0.4 million provision for current federal and state income taxes.

Net Increase in Net Assets Resulting from Operations

The net increase in net assets resulting from operations for the year ended December 31, 2024 was \$56.6 million, or \$1.41 per share, compared to \$66.2 million, or \$1.65 per share, during the year ended December 31, 2023. The tables above provide a summary of the reasons for the change in net increase in net assets resulting from operations for the year ended December 31, 2024 as compared to the year ended December 31, 2023.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

For the year ended December 31, 2024, we realized a net decrease in cash and cash equivalents of \$2.4 million, which is the net result of \$28.1 million of cash used in our operating activities and \$25.7 million of cash provided by our financing activities.

The \$28.1 million of cash used in our operating activities resulted primarily from (i) cash uses totaling \$325.1 million for the funding of new and follow-on portfolio investments and (ii) \$1.0 million in cash outflows related to changes in other assets and liabilities, partially offset by (i) cash proceeds totaling \$259.0 million from the sales and repayments of debt investments and sales of and return of capital from equity investments and (ii) cash flows that we generated from the operating profits earned totaling \$44.0 million, which is our net investment income, excluding the non-cash effects of the accretion of unearned income, payment-in-kind interest income, cumulative dividends and the amortization expense for deferred financing costs.

The \$25.7 million of cash provided by our financing activities principally consisted of (i) \$80.0 million in net cash borrowings related to our Credit Facilities and (ii) \$7.0 million in cash proceeds related to common stock issuance, partially offset by (i) \$39.8 million in cash dividends paid to stockholders and (ii) \$20.7 million for the repurchases of our common stock.

For the year ended December 31, 2023, we realized a net increase in cash and cash equivalents of \$9.4 million, which is the net result of \$50.2 million of cash provided by our operating activities and \$40.8 million of cash used in our financing activities.

The \$50.2 million of cash provided by our operating activities resulted primarily from (i) cash proceeds totaling \$238.7 million from the sales and repayments of debt investments and sales of and return of capital from equity investments, (ii) cash flows that we generated from the operating profits earned totaling \$46.7 million, which is our net investment income, excluding the non-cash effects of the accretion of unearned income, payment-in-kind interest income, cumulative dividends and the amortization expense for deferred financing costs and (iii) cash proceeds of \$1.9 million related to changes in other assets and liabilities, partially offset by the funding of new and follow-on portfolio company investments of \$236.4 million.

The \$40.8 million of cash used in our financing activities principally consisted of (i) \$36.4 million in cash dividends paid to stockholders, (ii) \$24.4 million for the repurchase of common stock and (iii) \$2.3 million for deferred financing costs, partially offset by (i) \$14.0 million in net repayments on our Credit Facilities and (ii) \$8.5 million in cash proceeds related to our common stock issuance.

Share Repurchases

Prior to the MSC Income Listing, we maintained a quarterly share repurchase program whereby we made quarterly offers to purchase shares at the estimated NAV per share, as determined within 48 hours prior to the repurchase date. The amount of shares of our common stock to be repurchased during any calendar quarter was equal to the lesser of (i) the number of shares of common stock we could repurchase with the proceeds we received from the issuance of common stock under our dividend reinvestment plan as then in effect or (ii) 2.5% of the weighted-average number of shares of common stock outstanding in the prior four calendar quarters. Repurchase offers were limited to the number of shares of common stock that we could repurchase with 90% of the cash retained as a result of issuances of common stock under the then-effective dividend reinvestment plan.

On November 13, 2024, our Board of Directors, including each director who is not an “interested person,” as such term is defined in Section 2(a)(19) of the 1940 Act, of the Company or our Adviser, unanimously approved suspending our quarterly share repurchase program in anticipation of the MSC Income Listing. While our quarterly share repurchase program ultimately terminated upon the MSC Income Listing, our Board of Directors has authorized us to repurchase shares of our common stock through an open-market share repurchase program for up to \$65.0 million in the aggregate of shares of our common stock for a 12-month period beginning in March 2025. Pursuant to such authorization, we entered

into the Company Rule 10b5-1 Stock Repurchase Plan to facilitate the repurchase of up to \$65.0 million in shares of our common stock authorized under the open-market share repurchase program, in accordance with the guidelines specified in Rule 10b-18 and Rule 10b5-1 of the Exchange Act. See *Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations — Recent Developments* for additional information.

On February 5, 2024, we commenced a \$2.5 million modified “Dutch Auction” tender offer (the “February 2024 Dutch Auction Tender Offer”) pursuant to the Offer to Purchase, dated February 5, 2024, which expired on March 4, 2024.

On May 17, 2024, we commenced a \$2.0 million modified “Dutch Auction” tender offer (the “May 2024 Dutch Auction Tender Offer”) pursuant to the Offer to Purchase, dated May 17, 2024, which expired on June 20, 2024.

In addition to our quarterly share repurchase program, during the fiscal year ended December 31, 2023, we used proceeds from the sale of our shares during 2023 to complete three modified “Dutch auction” tender offers, pursuant to which we offered to purchase up to a specified amount of shares of our common stock at the lowest clearing purchase price elected by participating stockholders within a specified range that allowed us to purchase the maximum amount offered. All shares purchased in a “Dutch auction” tender offer were purchased at the clearing purchase price. SEC rules permitted us to increase the number of shares accepted for purchase in any offer by up to 2% of our outstanding shares without amending the offer. For the year ended December 31, 2023, we purchased 633,834 shares of our common stock for \$7.8 million through our modified Dutch auction tender offers.

See *Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities* of this Annual Report on Form 10-K and *Item 2. Unregistered Sales of Equity Securities and Use of Proceeds* of our quarterly reports on Form 10-Q for more information regarding repurchases of our common stock during the year ended December 31, 2024.

Capital Resources

As of December 31, 2024, we had \$28.4 million in cash and cash equivalents and \$49.3 million of unused capacity under our Credit Facilities, which we maintain to support our investment and operating activities. As of December 31, 2024, our NAV totaled \$624.9 million, or \$15.53 per share.

As of December 31, 2024, we had \$149.0 million outstanding and \$16.0 million of undrawn commitments under our floating rate multi-year revolving credit facility (the “Corporate Facility”) and \$266.7 million outstanding and \$33.3 million of undrawn commitments under our special purpose vehicle revolving credit facility (the “SPV Facility” and, together with the Corporate Facility, the “Credit Facilities”), both of which we estimated approximated fair value. Availability under our Credit Facilities is subject to certain leverage and borrowing base limitations, various covenants, reporting requirements and other customary requirements for similar credit facilities. On November 8, 2024, we entered into an amendment to our Corporate Facility to, among other things: (i) extend the revolving period from September 2025 to November 2028, (ii) extend the final maturity date from March 2026 to May 2029 and (iii) reduce the interest rate, subject to our election, to (a) SOFR plus 2.05% or (b) the base rate plus 1.05%.

For further information on our Credit Facilities, including key terms and financial covenants, refer to *Note D — Debt* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K.

In October 2021, we issued \$77.5 million in aggregate principal amount of our 4.04% Series A Senior Notes due 2026 (the “Series A Notes”), and we issued an additional \$72.5 million of Series A Notes in January 2022. The aggregate principal amount of the Series A Notes was \$150.0 million as of both December 31, 2024 and 2023. For more information on our Series A Notes, including key terms and financial covenants, refer to *Note D — Debt* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K.

During the years ended December 31, 2024 and 2023, on certain dividend payment dates we sold shares of our common stock to Main Street at the price at which we issued new shares in connection with reinvestments of dividends pursuant to our dividend reinvestment plan as then in effect. In each of these transactions, the issuance and sale of shares were exempt from registration under Section 4(a)(2) of the Securities Act, and were unanimously approved by our Board of Directors, including each director who is not an “interested person,” as such term is defined in Section 2(a)(19) of the 1940 Act, of the Company or our Adviser. During the year ended December 31, 2024, we sold 439,978 shares to Main Street at a weighted-average price of \$15.91 for total proceeds, prior to payment of expenses, of \$7.0 million. During the year ended December 31, 2023, we sold 540,093 shares to Main Street at a price of \$15.74 for total proceeds, prior to payment of expenses, of \$8.5 million.

We periodically invest excess cash balances into marketable securities and idle funds investments. The primary investment objective of marketable securities and idle funds investments is to generate incremental cash returns on excess cash balances prior to utilizing those funds for investment in our Private Loan and LMM portfolio investments. Marketable securities and idle funds investments generally consist of money market funds and certificates of deposit with financial institutions.

If our common stock trades below our NAV per share, we will generally not be able to issue additional common stock at the market price, unless our stockholders approve such a sale and our Board of Directors makes certain determinations. We generally have not sought stockholder authorization to sell shares of our common stock below the then current NAV per share of our common stock; however, at the 2025 Special Meeting, in advance of the MSC Income Listing, we received approval from our stockholders to have the flexibility, with the approval of the Board of Directors, to offer and sell shares of our common stock at a price below the current net asset value per share until December 11, 2025. We may also seek such authorization at future annual or special meetings of stockholders. Any decision to sell shares of our common stock below the then current NAV per share of our common stock would be subject to the determination by our Board of Directors that such issuance is in our and our stockholders' best interests.

In order to satisfy the Code requirements applicable to a RIC, we intend to distribute to our stockholders, after consideration and application of our ability under the Code to carry forward certain excess undistributed taxable income from one tax year into the next tax year, substantially all of our taxable income.

In addition, as a BDC, we generally are required to meet a coverage ratio, or BDC asset coverage ratio, of total assets to total senior securities, which include borrowings and any preferred stock we may issue in the future, of at least 200% (or 150% if certain requirements are met). On January 29, 2025, the Board, including a "required majority" (as such term is defined in Section 57(o) of the 1940 Act) of the Board, approved the application of the modified asset coverage requirements set forth in Section 61(a)(2) of the 1940 Act, which will result in the Company's asset coverage requirements applicable to senior securities being reduced from 200% to 150%, effective on January 29, 2026. As of December 31, 2024, our BDC asset coverage ratio was 210%.

Although we have been able to secure access to additional liquidity, including through the Credit Facilities and the master note purchase agreement, dated October 22, 2021, governing the Series A Notes (the "Note Purchase Agreement"), there is no assurance that debt or equity capital will be available to us in the future on favorable terms, or at all.

Recently Issued or Adopted Accounting Standards

From time to time, new accounting pronouncements are issued by the FASB or other standards setting bodies that are adopted by us as of the specified effective date. We believe that the impact of recently issued standards and any that are not yet effective will not have a material impact on our consolidated financial statements upon adoption. For a description of recently issued or adopted accounting standards, see *Note B.12. — Summary of Significant Accounting Policies — Recently Issued or Adopted Accounting Standards* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K.

Inflation

Inflation has not historically had a significant effect on our results of operations in any of the reporting periods presented herein. However, our portfolio companies have experienced, specifically including over the last few years, as a result of recent geopolitical events, supply chain and labor issues, and may continue to experience, the increasing impacts of inflation on their operating results, including periodic escalations in their costs for labor, raw materials and third-party services and required energy consumption. These issues and challenges related to inflation are receiving significant attention from our investment teams and the management teams of our portfolio companies as we work to manage these growing challenges. Prolonged or more severe impacts of inflation to our portfolio companies could continue to affect their operating profits and, thereby, increase their borrowing costs, and as a result negatively impact their ability to service their debt obligations and/or reduce their available cash for distributions. In addition, these factors could have a negative effect on the fair value of our investments in these portfolio companies. The combined impacts therefrom in turn could negatively affect our results of operations.

Off-Balance Sheet Arrangements

We may be a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financial needs of our portfolio companies. These instruments include commitments to extend credit and fund equity capital and involve, to varying degrees, elements of liquidity and credit risk in excess of the amount recognized in the Consolidated Balance Sheets. As of December 31, 2024, we had a total of \$79.6 million in outstanding commitments

comprised of (i) 70 commitments to fund revolving loans that had not been fully drawn or term loans with additional commitments not yet funded and (ii) two investments with equity capital commitments that had not been fully called.

Contractual Obligations

As of December 31, 2024, we had \$565.7 million in total borrowings outstanding under our Credit Facilities and Series A Notes. The SPV Facility is scheduled to mature on February 3, 2028. The Corporate Facility is scheduled to mature on May 8, 2029. The Series A Notes are scheduled to mature on October 30, 2026. See further discussion of the terms of our Credit Facilities, Series A Notes and other debt in *Note D — Debt* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K.

A summary of our significant contractual payment obligations for the repayment of outstanding borrowings as of December 31, 2024 is as follows.

	2025	2026	2027	2028	2029	Thereafter	Total
	(dollars in thousands)						
SPV Facility ⁽¹⁾	\$ —	\$ —	\$ —	\$ 266,688	\$ —	\$ —	\$ 266,688
Series A Notes	—	150,000	—	—	—	—	150,000
Corporate Facility ⁽²⁾	—	—	—	—	149,000	—	149,000
Total	\$ —	\$ 150,000	\$ —	\$ 266,688	\$ 149,000	\$ —	\$ 565,688

- (1) As of December 31, 2024, \$33.3 million remained available to borrow under the SPV Facility; however, our borrowing ability is limited to leverage and borrowing base restrictions imposed by the SPV Facility and the 1940 Act, as discussed above.
- (2) As of December 31, 2024, \$16.0 million remained available to borrow under the Corporate Facility; however, our borrowing ability is limited to leverage and borrowing base restrictions imposed by the Corporate Facility and the 1940 Act, as discussed above. The Corporate Facility was amended in February 2025 to increase the total commitments from \$165.0 million to \$245.0 million (see *Note K — Subsequent Events* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K for further detail).

Related Party Transactions and Agreements

We have entered into agreements with our Adviser and/or certain of its affiliates and other parties whereby we pay certain fees and reimbursements to these entities. These included payments for selling commissions and fees and for reimbursement of offering costs. In addition, we make payments for certain services that include the identification, execution and management of our investments and also the management of our day-to-day operations provided to us by our Adviser, pursuant to various agreements that we have entered into. See *Item 13. Certain Relationships and Related Transactions, and Director Independence* in this Annual Report on Form 10-K and *Note J — Related Party Transactions* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K for additional information regarding these related party transactions and agreements.

Recent Developments

On January 30, 2025, we closed a follow-on public offering of 5,500,000 shares of our common stock, at the public offering price of \$15.53 per share, in connection with which the MSC Income Listing occurred. In addition, on February 3, 2025, we issued and sold 825,000 additional shares of our common stock, at the public offering price of \$15.53 per share, pursuant to the underwriters' full exercise of their overallotment option. Net of underwriting discounts and commissions and offering expenses, we received net cash proceeds of approximately \$91 million in connection with the follow-on public equity offering.

Following the MSC Income Listing, and pursuant to Board authorization, we entered into a share repurchase plan to repurchase up to \$65.0 million in the aggregate of shares of our common stock in the open market for a twelve-month period beginning in March 2025, at times when the market price per share of our common stock is trading below the most recently reported NAV per share of our common stock by certain pre-determined levels (including any updates, corrections or adjustments publicly announced by us to any previously announced NAV per share). The repurchases of shares of our common stock pursuant to the share purchase plan are intended to satisfy the conditions of Rule 10b5-1 and Rule 10b-18 under the Exchange Act and will otherwise be subject to applicable law, including Regulation M, which may prohibit purchases under certain circumstances. Main Street also entered into a share purchase plan to purchase up to \$20.0 million

in the aggregate of our common stock in the open market with terms and conditions substantially similar to our share repurchase plan for shares of our common stock, and daily purchases under the two plans, if any, are expected to be split pro rata (or as close thereto as reasonably possible) between us and Main Street based on the respective plan sizes. On January 20, 2025, in connection with Main Street's potential acquisition in excess of 3% of our outstanding common stock, we entered into a Fund of Funds Investment Agreement with Main Street (the "Main Street Fund of Funds Agreement"). The Main Street Fund of Funds Agreement provides for the acquisition of our shares of common stock by Main Street, and our sale of such shares to Main Street, in a manner consistent with the requirements of Rule 12d1-4 under the 1940 Act.

Additionally, in connection with the MSC Income Listing, on January 29, 2025, we entered into the Advisory Agreement with the Adviser to, among other things, (i) reduce the annual base management fees payable by us to the Adviser from 1.75% of our average total assets to 1.5% of our average total assets (including cash and cash equivalents), payable quarterly in arrears (with additional future contractual reductions based upon changes to our investment portfolio composition), (ii) reduce to 17.5% the subordinated incentive fee on pre-incentive fee net investment income above a specified investment return hurdle rate payable by us to the Adviser, subject to a 50% / 50% catch-up feature, (iii) reduce to 17.5% and reset the incentive fee on cumulative net realized capital gains payable by us to the Adviser, (iv) establish a cap on the amount of expenses payable by us relating to certain internal administrative services, which varies based on the value of our total assets and (v) implement other changes to delete provisions required by the Omnibus Guidelines promulgated by the North American Securities Administrators Association, Inc. (the "NASAA Guidelines"). For more information, see *Note J — Related Party Transactions* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K.

On January 29, 2025, in connection with the MSC Income Listing, we amended and restated our Articles of Amendment and Restatement, as amended, by filing new Articles of Amendment and Restatement of the Company (the "New Articles") with the State Department of Assessments and Taxation of the State of Maryland. The New Articles revised our charter to, among other things, (i) include a provision that limits the transferability of shares of our common stock outstanding at the time of the MSC Income Listing during the 365-day period following the MSC Income Listing, (ii) reflect an amendment to delete provisions regarding restrictions and requirements applicable to our dividend reinvestment plan, (iii) reflect an amendment to delete provisions prohibiting acquisitions of assets in exchange for shares of our common stock and restricting certain transactions between us and the Adviser and its affiliates and (iv) delete certain provisions required by, and remove references to, the NASAA Guidelines in order to conform certain provisions of our charter more closely to provisions in the charters of other BDCs whose securities are listed and publicly-traded on a national securities exchange.

On February 27, 2025, we entered into an amendment to the Corporate Facility to, among other things: (i) increase the total commitments from \$165.0 million to \$245.0 million and (ii) increase the accordion feature from up to a total of \$200.0 million to up to a total of \$300.0 million.

On March 6, 2025, our Board of Directors declared a regular quarterly dividend of \$0.35 per share and a supplemental quarterly dividend of \$0.01 per share, both payable on May 1, 2025 to stockholders of record as of March 31, 2025.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

We are subject to financial market risks, including changes in interest rates, and changes in interest rates may affect both our interest expense on the debt outstanding under our Credit Facilities and our interest income from portfolio investments. Our risk management systems and procedures are designed to identify and analyze our risk, to set appropriate policies and limits and to continually monitor these risks. Our investment income will be affected by changes in various interest rate indices, including SOFR and Prime rates, to the extent that any debt investments include floating interest rates. See *Risk Factors — Risks Related to our Business and Structure — We are subject to risks associated with the interest rate environment and changes in interest rates will affect our cost of capital, net investment income and the value of our investments* and *Risk Factors — Risks Related to Leverage — Because we borrow money, the potential for gain or loss on amounts invested in us is magnified and may increase the risk of investing in us*, included in *Item 1A. Risk Factors* of this Annual Report on Form 10-K for more information regarding risks associated with our debt investments and borrowings that utilize SOFR or Prime as a reference rate.

The majority of our debt investments are made with either fixed interest rates or floating rates that are subject to contractual minimum interest rates for the term of the investment. As of December 31, 2024, 78% of our debt Investment Portfolio (at cost) bore interest at floating rates, 96% of which were subject to contractual minimum interest rates. As of December 31, 2024, 26% of our debt obligations bore interest at fixed rates. Our interest expense will be affected by changes in the published SOFR rate in connection with our Credit Facilities; however, the interest rates on our outstanding

Series A Notes are fixed for the life of such debt. As of December 31, 2024, we had not entered into any interest rate hedging arrangements. Due to our limited use of derivatives, we have claimed an exclusion from the definition of the term “commodity pool operator” under the Commodity Exchange Act and, therefore, are not subject to registration or regulation as a pool operator under such Act. The Company expects to operate as a “limited derivatives user” under Rule 18f-4 under the 1940 Act.

The following table shows the approximate annualized increase or decrease in the components of net investment income due to hypothetical base rate changes in interest rates, assuming no changes in our investments and borrowings as of December 31, 2024. The pro forma changes in incentive fee expense are calculated based upon the actual incentive fee expense for the fourth quarter of 2024 on an annualized basis, as adjusted for (i) the pro forma changes in pre-incentive fee net investment income resulting from (a) the assumed interest income and interest expense changes noted in the table and (b) the revised base management fee included in the Advisory Agreement as detailed in footnote (1) below and (ii) the revised subordinated incentive fee on pre-incentive fee net investment income included in the Advisory Agreement.

Basis Point Change	Increase (Decrease) in Interest Income		(Increase) Decrease in Interest Expense		Increase (Decrease) in Pre-Incentive Fee Net Investment Income ⁽¹⁾		(Increase) Decrease in Incentive Fee Expense ⁽²⁾		Increase (Decrease) in Net Investment Income ⁽²⁾		Increase (Decrease) in Net Investment Income per Share ⁽²⁾	
	(dollars in thousands, except per share amounts)											
(200)	\$	(14,457)	\$	8,314	\$	(3,024)	\$	529	\$	(2,494)	\$	(0.06)
(175)		(12,641)		7,275		(2,247)		393		(1,853)		(0.05)
(150)		(10,824)		6,235		(1,470)		257		(1,212)		(0.03)
(125)		(9,008)		5,196		(693)		121		(571)		(0.01)
(100)		(7,191)		4,157		85		(15)		70		—
(75)		(5,375)		3,118		862		(151)		711		0.02
(50)		(3,561)		2,078		1,636		(286)		1,350		0.03
(25)		(1,766)		1,039		2,392		(419)		1,974		0.05
25		1,763		(1,039)		3,843		(673)		3,171		0.08
50		3,525		(2,078)		4,566		(799)		3,767		0.09
75		5,288		(3,118)		5,289		(926)		4,364		0.11
100		7,054		(4,157)		6,016		(1,053)		4,964		0.12
125		8,820		(5,196)		6,743		(1,180)		5,563		0.14
150		10,586		(6,235)		7,470		(1,307)		6,163		0.15
175		12,352		(7,275)		8,196		(1,434)		6,762		0.17
200		14,118		(8,314)		8,923		(1,562)		7,362		0.18

(1) The pro forma changes in pre-incentive fee net investment income include the impact of the reduction in base management fee percentage included in the Advisory Agreement from 1.75% of average total assets to 1.5% of average total assets. If such reduction in base management fee percentage had been in effect for the fourth quarter of 2024, the base management fee would have been \$3.1 million lower and pre-incentive fee net investment income would have been \$3.1 million higher, each on an annualized basis, in all base interest rate change scenarios presented above.

(2) Based on the revised terms included in the Advisory Agreement.

Although we believe that this analysis is indicative of the impact of interest rate changes to our net investment income as of December 31, 2024, the analysis does not take into consideration future changes in the credit market, credit quality, or other business or economic developments that could affect our net investment income. Accordingly, we can offer no assurances that actual results would not differ materially from the analysis above. The hypothetical results assume that all SOFR and Prime rate changes would be effective on the first day of the period. However, the contractual SOFR and Prime rate reset dates would vary throughout the period. The majority of our investments are based on contracts which reset quarterly while our Corporate Facility and our SPV Facility reset on a monthly and quarterly basis, respectively. The hypothetical results would also be impacted by the changes in the amount of outstanding debt under our Credit Facilities

(with an increase (decrease) in the debt outstanding under the Credit Facilities resulting in an (increase) decrease in the hypothetical interest expense).

Item 8. Consolidated Financial Statements and Supplementary Data

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
MSC Income Fund, Inc.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of MSC Income Fund, Inc. (a Maryland corporation) and subsidiaries (the “Company”), including the consolidated schedules of investments, as of December 31, 2024 and 2023, the related consolidated statements of operations, changes in net assets, and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and consolidated financial statement schedule included under Item 15(b) (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included verification by confirmation of securities as of December 31, 2024 and 2023, by correspondence with the portfolio companies, agent banks and custodians; or by other appropriate auditing procedures where replies were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Fair Value of Investments

As described further in Note C to the financial statements, the Company’s investments recorded at fair value, categorized as Level 3 investments within the fair value hierarchy, totaled \$1,177,507 thousand at December 31, 2024. Approximately 97% of these investments have no readily available market values and are measured using significant unobservable inputs and assumptions, and generally use valuation techniques such as the income and market approach. The significant unobservable inputs disclosed by management include, among others, weighted-average cost of capital (“WACC”) inputs and market multiples for equity investments, and risk adjusted discount rates, and percentage of expected principal recovery for debt investments. Changes in these assumptions could have a significant impact on the determination of fair value. As such, we identified fair value of Level 3 investments measured using significant unobservable inputs and assumptions as a critical audit matter.

The principal consideration for our determination that the fair value of Level 3 investments measured using significant unobservable inputs and assumptions is a critical audit matter is management’s judgement used in identifying and evaluating significant unobservable inputs which result in estimation uncertainty for the fair value of Level 3

investments. Auditing these investments requires a high degree of subjective auditor judgment, including use of valuation professionals with specialized skills and knowledge, to evaluate the reasonableness of unobservable inputs and assumptions.

Our audit procedures related to the fair value of Level 3 investments measured using significant unobservable inputs and assumptions included the following, among others:

- We tested the design and operating effectiveness of management’s review controls relating to the Level 3 fair value measurement of investments. This included identifying and evaluating significant assumptions used in the estimation of fair value, such as the relevance, adequacy and appropriateness of these significant assumptions and valuation methods used to determine investment fair value as of the reporting date.
- With the assistance of internal valuation specialists, we tested management’s process for developing Level 3 investment fair values. For a selection of investments, we assessed the appropriateness of the methods and significant assumptions used in developing the estimate. The significant assumptions tested by us included, but were not limited to, the following:
 - enterprise values,
 - WACC,
 - discount rates,
 - forecasted cash flows and long-term growth rates,
 - discount for lack of marketability,
 - market multiples,
 - weighting between valuation techniques,
 - risk adjusted discount factor,
 - market debt yields, or
 - percentage of expected principal recovery

/s/ GRANT THORNTON LLP

We have served as the Company’s auditor since 2012.

Houston, Texas
March 20, 2025

MSC INCOME FUND, INC.

Consolidated Balance Sheets

(dollars in thousands, except shares and per share amounts)

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
ASSETS		
Investments at fair value:		
Control investments (cost: \$54,560 and \$43,159 as of December 31, 2024 and 2023, respectively)	\$ 69,878	\$ 53,644
Affiliate investments (cost: \$284,211 and \$231,378 as of December 31, 2024 and 2023, respectively)	351,360	291,279
Non-Control/Non-Affiliate investments (cost: \$799,974 and \$763,781 as of December 31, 2024 and 2023, respectively)	756,269	747,972
Total investments (cost: \$1,138,745 and \$1,038,318 as of December 31, 2024 and 2023, respectively)	1,177,507	1,092,895
Cash and cash equivalents	28,375	30,786
Interest and dividend receivable	11,925	10,541
Receivable for securities sold	141	171
Deferred financing costs (net of accumulated amortization of \$6,449 and \$4,168 as of December 31, 2024 and 2023, respectively)	1,985	3,416
Prepays and other assets	4,113	2,091
Deferred tax asset, net	625	—
Total assets	<u>\$ 1,224,671</u>	<u>\$ 1,139,900</u>
LIABILITIES		
Credit Facilities	\$ 415,688	\$ 335,688
Series A Notes due 2026 (par: \$150,000 as of both December 31, 2024 and 2023)	149,453	149,155
Accounts payable and other liabilities	4,723	255
Payable for securities purchased	—	206
Interest payable	6,909	6,266
Dividend payable	14,487	14,019
Management and incentive fees payable	8,508	8,745
Deferred tax liability, net	—	3,259
Total liabilities	599,768	517,593
Commitments and contingencies (Note 1)		
NET ASSETS (1)		
Common stock, \$0.001 par value per share (450,000,000 shares authorized; 40,240,358 and 40,054,433 shares issued and outstanding as of December 31, 2024 and 2023, respectively)	40	40
Additional paid-in capital	689,580	686,176
Total overdistributed earnings	(64,717)	(63,909)
Total net assets	624,903	622,307
Total liabilities and net assets	<u>\$ 1,224,671</u>	<u>\$ 1,139,900</u>
NET ASSET VALUE PER SHARE (1)	<u>\$ 15.53</u>	<u>\$ 15.54</u>

(1) As discussed in *Note A.3 - Reverse Stock Split*, the Company completed a two-for-one reverse stock split, effective as of December 16, 2024.

The accompanying notes are an integral part of these consolidated financial statements

MSC INCOME FUND, INC.

Consolidated Statements of Operations

(dollars in thousands, except shares and per share amounts)

	Year Ended December 31,		
	2024	2023	2022
INVESTMENT INCOME:			
Interest, fee and dividend income:			
Control investments	\$ 3,441	\$ 3,101	\$ 3,223
Affiliate investments	31,222	29,805	24,057
Non-Control/Non-Affiliate investments	100,165	98,480	76,485
Total investment income	134,828	131,386	103,765
EXPENSES:			
Interest	(39,035)	(36,458)	(24,423)
Base management fees	(20,922)	(19,828)	(19,831)
Incentive fees	(12,494)	(12,569)	(2,130)
Internal administrative services expenses	(10,089)	(8,916)	(5,147)
General and administrative	(4,416)	(4,254)	(3,905)
Total expenses before expense waivers	(86,956)	(82,025)	(55,436)
Waiver of internal administrative services expenses	9,450	8,308	4,540
Total expenses, net of expense waivers	(77,506)	(73,717)	(50,896)
NET INVESTMENT INCOME	57,322	57,669	52,869
NET REALIZED GAIN (LOSS):			
Control investments	147	2,223	—
Affiliate investments	(3,560)	(7,188)	(7,327)
Non-Control/Non-Affiliate investments	19,189	(29,045)	3,391
Total net realized gain (loss)	15,776	(34,010)	(3,936)
NET UNREALIZED APPRECIATION (DEPRECIATION):			
Control investments	4,833	(1,289)	1,503
Affiliate investments	7,791	25,116	15,689
Non-Control/Non-Affiliate investments	(28,063)	22,492	(18,894)
Total net unrealized appreciation (depreciation)	(15,439)	46,319	(1,702)
INCOME TAXES:			
Federal and state income, excise and other taxes	(4,989)	(872)	(1,281)
Deferred taxes	3,883	(2,897)	(362)
Total income tax provision	(1,106)	(3,769)	(1,643)
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$ 56,553	\$ 66,209	\$ 45,588
NET INVESTMENT INCOME PER SHARE—BASIC AND DILUTED (1)	\$ 1.43	\$ 1.44	\$ 1.32
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS PER SHARE—BASIC AND DILUTED (1)	\$ 1.41	\$ 1.65	\$ 1.14
WEIGHTED-AVERAGE SHARES OUTSTANDING—BASIC AND DILUTED (1)	40,174,311	40,134,501	39,996,520

(1) As discussed in *Note A.3 - Reverse Stock Split*, the Company completed a two-for-one reverse stock split, effective as of December 16, 2024.

The accompanying notes are an integral part of these consolidated financial statements

MSC INCOME FUND, INC.

Consolidated Statements of Changes in Net Assets

(dollars in thousands, except shares)

	Common Stock (1)		Additional Paid-In Capital (1)	Total Overdistributed Earnings	Total Net Asset Value
	Number of Shares	Par Value			
Balances as of December 31, 2021	39,913,303	\$ 40	\$ 682,466	\$ (69,336)	\$ 613,170
Issuance of common stock	47,349	—	750	—	750
Dividend reinvestment	1,129,806	2	17,748	—	17,750
Common stock repurchased	(1,037,458)	(2)	(15,984)	—	(15,986)
Net increase resulting from operations	—	—	—	45,588	45,588
Dividends to stockholders	—	—	—	(51,607)	(51,607)
Reclassification for certain permanent book-to-tax differences	—	—	(775)	775	—
Balances as of December 31, 2022	40,053,000	\$ 40	\$ 684,205	\$ (74,580)	\$ 609,665
Issuance of common stock	540,093	1	8,499	—	8,500
Dividend reinvestment	1,172,623	2	18,415	—	18,417
Common stock repurchased	(1,711,283)	(3)	(24,424)	—	(24,427)
Net increase resulting from operations	—	—	—	66,209	66,209
Dividends to stockholders	—	—	—	(56,057)	(56,057)
Reclassification for certain permanent book-to-tax differences	—	—	(519)	519	—
Balances as of December 31, 2023	40,054,433	\$ 40	\$ 686,176	\$ (63,909)	\$ 622,307
Issuance of common stock	439,978	—	7,000	—	7,000
Dividend reinvestment	1,132,714	1	17,982	—	17,983
Common stock repurchased	(1,386,767)	(1)	(20,727)	—	(20,728)
Net increase resulting from operations	—	—	—	56,553	56,553
Dividends to stockholders	—	—	—	(58,212)	(58,212)
Reclassification for certain permanent book-to-tax differences	—	—	(851)	851	—
Balances as of December 31, 2024	40,240,358	\$ 40	\$ 689,580	\$ (64,717)	\$ 624,903

(1) As discussed in *Note A.3 - Reverse Stock Split*, the Company completed a two-for-one reverse stock split, effective as of December 16, 2024.

The accompanying notes are an integral part of these consolidated financial statements

MSC INCOME FUND, INC.
Consolidated Statements of Cash Flows
(dollars in thousands)

	Year Ended December 31,		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Net increase in net assets resulting from operations	\$ 56,553	\$ 66,209	\$ 45,588
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by (used in) operating activities:			
Investments in portfolio companies	(325,053)	(236,404)	(217,226)
Proceeds from sales and repayments of debt investments in portfolio companies	217,454	223,154	247,455
Proceeds from sales and return of capital of equity investments in portfolio companies	41,516	15,595	—
Net unrealized (appreciation) depreciation	15,439	(46,319)	1,702
Net realized (gain) loss on portfolio investments	(15,776)	34,010	3,936
Amortization of deferred financing costs	2,579	2,053	1,463
Amortization of deferred offering costs	—	129	276
Accretion of unearned income	(7,669)	(7,833)	(5,054)
Payment-in-kind interest	(7,977)	(5,023)	(4,057)
Cumulative dividends	(265)	(172)	(669)
Deferred taxes	(3,883)	2,897	362
Changes in other assets and liabilities:			
Interest and dividend receivable	(3,846)	116	1,074
Prepaid and other assets	(2,022)	329	(361)
Management and incentive fees payable	(237)	1,703	1,853
Interest payable	643	823	2,350
Accounts payable and other liabilities	4,468	(1,037)	(2,016)
Net cash provided by (used in) operating activities	(28,076)	50,230	76,676
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of common stock	6,996	8,500	750
Redemption of common stock	(20,724)	(24,427)	(15,984)
Payment of offering costs	—	(129)	(276)
Dividends paid	(39,756)	(36,438)	(33,018)
Proceeds from Credit Facilities	281,000	150,000	115,000
Repayments on Credit Facilities	(201,000)	(136,000)	(220,000)
Proceeds from Series A Notes due 2026	—	—	72,500
Payment of deferred financing costs	(851)	(2,262)	(149)
Net cash provided by (used in) financing activities	25,665	(40,756)	(81,177)
Net increase (decrease) in cash and cash equivalents	(2,411)	9,474	(4,501)
CASH AND CASH EQUIVALENTS AS OF BEGINNING OF PERIOD	30,786	21,312	25,813
CASH AND CASH EQUIVALENTS AS OF END OF PERIOD	\$ 28,375	\$ 30,786	\$ 21,312
Supplemental cash flow disclosures:			
Interest paid	\$ 35,813	\$ 33,594	\$ 20,610
Taxes paid	\$ 709	\$ 2,003	\$ 2,469
Non-cash financing activities:			
Dividends declared and unpaid	\$ 14,487	\$ 14,019	\$ 12,816
Value of shares issued pursuant to the DRIP	\$ 17,983	\$ 18,417	\$ 17,750

The accompanying notes are an integral part of these consolidated financial statements

MSC INCOME FUND, INC.
Consolidated Schedule of Investments
December 31, 2024
(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
Control Investments (5)											
BDB Holdings, LLC	Casual Restaurant Group	Preferred Equity	11/4/2024	12,504,663					\$	13,025	\$ 12,610
Copper Trail Fund Investments	(12) (13) Investment Partnership	LP Interests (CTMH, LP)	(24)	7/17/2017	38.75%					655	530
GRT Rubber Technologies LLC	Manufacturer of Engineered Rubber Products	Secured Debt	12/21/2018		10.66%	SF+ 6.00%		10/29/2026	1,550	1,539	1,550
		Secured Debt	12/19/2014		12.66%	SF+ 8.00%		10/29/2026	19,944	19,852	19,944
		Member Units	12/19/2014	2,896						6,435	22,600
										27,826	44,094
Harris Preston Fund Investments	(12) (13) Investment Partnership	LP Interests (2717 MH, L.P.)	(8) (24)	10/1/2017	49.3%					3,345	8,740
Volusion, LLC	Provider of Online Software-as-a-Service eCommerce Solutions	Secured Debt	3/31/2023		10.00%			3/31/2025	900	900	900
		Preferred Member Units	3/31/2023	2,184,683						1,705	3,004
		Preferred Member Units	3/31/2023	61,077						—	—
		Preferred Member Units	1/26/2015	2,090,001						6,000	—
		Common Stock	3/31/2023	772,620						1,104	—
										9,709	3,904
										\$ 54,560	\$ 69,878
Subtotal Control Investments (11.2% of net assets at fair value)											
Affiliate Investments (6)											
Analytical Systems Keco Holdings, LLC	Manufacturer of Liquid and Gas Analyzers	Secured Debt	(30)	8/16/2019				8/16/2029	\$ —	\$ —	\$ —
		Secured Debt		8/16/2019		13.75%		8/16/2029	1,024	1,012	1,012
		Preferred Member Units		5/20/2021	607					607	1,330
		Preferred Member Units		8/16/2019	800					800	—
		Warrants	(27)	8/16/2019	105			8/16/2029		79	—
										2,498	2,342
Barfly Ventures, LLC	(10) Casual Restaurant Group	Member Units		10/26/2020	12.25%					528	1,953
Batjer TopCo, LLC	HVAC Mechanical Contractor	Secured Debt		3/7/2022		10.00%		3/7/2027	50	50	50
		Secured Debt		3/7/2022		10.00%		3/7/2027	30	30	30
		Secured Debt		3/7/2022		10.00%		3/7/2027	1,175	1,165	1,165
		Preferred Stock	(8)	3/7/2022	453					455	570
										1,700	1,815
Brewer Crane Holdings, LLC	Provider of Crane Rental and Operating Services	Secured Debt	(9)	1/9/2018		14.66%	SF+ 10.00%	12/31/2025	1,254	1,254	1,254

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
December 31, 2024
(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Preferred Member Units	(8)	1/9/2018	737					1,070	1,170
										2,324	2,424
Centre Technologies Holdings, LLC	Provider of IT Hardware Services and Software Solutions										
		Secured Debt	(9) (30)	1/4/2019		SF+ 9.00%		1/4/2028	—	—	—
		Secured Debt	(9)	11/29/2024	13.66%	SF+ 9.00%		1/4/2028	6,384	6,356	6,384
		Preferred Member Units		1/4/2019	3,471					1,596	3,110
										7,952	9,494
Chamberlin Holding LLC	Roofing and Waterproofing Specialty Contractor										
		Secured Debt	(9) (30)	2/26/2018		SF+ 6.00%		2/26/2026	—	(26)	—
		Secured Debt	(9)	2/26/2018	12.74%	SF+ 8.00%		2/26/2026	3,905	3,904	3,905
		Member Units	(8)	2/26/2018	1,087					2,860	8,280
		Member Units	(8) (23)	11/2/2018	261,786					443	888
										7,181	13,073
Charps, LLC	Pipeline Maintenance and Construction										
		Preferred Member Units	(8)	2/3/2017	457					491	3,900
Clad-Rex Steel, LLC	Specialty Manufacturer of Vinyl-Clad Metal										
		Secured Debt	(30)	10/28/2022				1/15/2027	—	—	—
		Secured Debt		12/20/2016	9.00%			1/15/2027	1,690	1,681	1,690
		Secured Debt		12/20/2016	10.00%			12/20/2036	243	242	243
		Member Units	(8)	12/20/2016	179					1,820	2,750
		Member Units	(23)	12/20/2016	200					127	237
										3,870	4,920
Cody Pools, Inc.	Designer of Residential and Commercial Pools										
		Secured Debt	(30)	3/6/2020				12/17/2026	—	(3)	—
		Secured Debt		3/6/2020	12.50%			12/17/2026	6,598	6,585	6,598
		Preferred Member Units	(8) (23)	3/6/2020	147					2,079	16,950
										8,661	23,548
Colonial Electric Company LLC	Provider of Electrical Contracting Services										
		Secured Debt	(30)	3/31/2021				3/31/2026	—	—	—
		Secured Debt		3/31/2021	12.00%			3/31/2026	3,578	3,554	3,578
		Preferred Member Units	(8)	3/31/2021	4,320					1,920	3,390
										5,474	6,968
Compass Systems & Sales, LLC	Designer of End-to-End Material Handling Solutions										
		Secured Debt	(30)	11/22/2023				11/22/2028	—	(16)	(16)
		Secured Debt		11/22/2023	13.50%			11/22/2028	4,300	4,201	4,201
		Preferred Equity		11/22/2023	1,863					1,863	1,860
										6,048	6,045
Datacom, LLC	Technology and Telecommunications Provider										
		Secured Debt		3/1/2022	7.50%			12/31/2025	55	55	55
		Secured Debt		3/31/2021	10.00%			12/31/2025	898	878	878
		Preferred Member Units		3/31/2021	1,000					290	30
										1,223	963
Digital Products Holdings LLC	Designer and Distributor of Consumer Electronics										
		Secured Debt	(9)	4/1/2018	14.56%	SF+ 10.00%		4/27/2026	3,154	3,140	3,105

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
December 31, 2024
(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Preferred Member Units	(8)	4/1/2018	964					2,375	2,459
										5,515	5,564
Direct Marketing Solutions, Inc.	Provider of Omni-Channel Direct Marketing Services	Secured Debt	(30)	2/13/2018				2/13/2026	—	(2)	—
		Secured Debt		12/27/2022		14.00%		2/13/2026	4,668	4,656	4,668
		Preferred Stock		2/13/2018	2,100					2,100	4,480
										6,754	9,148
DMA Industries, LLC	Distributor of Aftermarket Ride Control Products	Secured Debt		6/18/2024		12.00%		6/19/2029	140	138	138
		Secured Debt		11/19/2021		12.00%		6/19/2029	4,200	4,161	4,161
		Preferred Equity		11/19/2021	1,486					1,486	1,486
		Preferred Equity	(8)	6/18/2024	767	15.00%	15.00%			810	810
										6,595	6,595
Flame King Holdings, LLC	Propane Tank and Accessories Distributor	Preferred Equity	(8)	10/29/2021	2,340					2,600	8,980
Freeport Financial Funds	(12) (13) Investment Partnership	LP Interests (Freeport First Lien Loan Fund III LP)	(8) (24)	7/31/2015	5.95%					1,659	1,263
Gamber-Johnson Holdings, LLC	Manufacturer of Ruggedized Computer Mounting Systems	Secured Debt	(9) (32)	6/24/2016		SF+ 7.00%		1/1/2028	—	—	—
		Secured Debt	(9) (32)	11/22/2024		SF+ 7.00%		1/1/2028	18,282	18,166	18,282
		Member Units	(8)	6/24/2016	2,261					4,423	28,690
										22,589	46,972
GFG Group, LLC	Grower and Distributor of a Variety of Plants and Products to Other Wholesalers, Retailers and Garden Centers	Secured Debt		3/31/2021		8.00%		3/31/2026	2,046	2,030	2,046
		Preferred Member Units	(8)	3/31/2021	56.39%					1,225	2,640
										3,255	4,686
Gulf Publishing Holdings, LLC	Energy Industry Focused Media and Publishing	Secured Debt	(9) (14)	9/29/2017		SF+ 9.50%		7/1/2027	—	—	—
		Secured Debt	(14)	7/1/2022		12.50%		7/1/2027	600	581	378
		Preferred Equity		7/1/2022	15,930					1,400	—
		Member Units		4/29/2016	920					920	—
										2,901	378
Harris Preston Fund Investments	(12) (13) Investment Partnership	LP Interests (HPEP 3, L.P.)	(24)	8/9/2017	8.2%					2,296	4,472
IG Investor, LLC	Military and Other Tactical Gear	Secured Debt		6/21/2023		13.00%		6/21/2028	400	379	379

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		Secured Debt	6/21/2023		13.00%			6/21/2028	8,876	8,693	8,693
		Common Equity	6/21/2023	3,600						3,600	4,060
										<u>12,672</u>	<u>13,132</u>
Independent Pet Partners Intermediate Holdings, LLC	(10) Omnichannel Retailer of Specialty Pet Products	Common Equity	4/7/2023	6,436,566						6,540	7,290
Integral Energy Services	(10) Nuclear Power Staffing Services	Secured Debt (9)	8/20/2021		12.35%	SF+ 7.50%		8/20/2026	15,090	14,986	14,872
		Preferred Equity (8)	12/7/2023	3,725	10.00%		10.00%			297	535
		Common Stock	8/20/2021	11,647						1,584	640
										<u>16,867</u>	<u>16,047</u>
Kickhaefer Manufacturing Company, LLC	Precision Metal Parts Manufacturing	Secured Debt	10/31/2018		11.50%			10/31/2026	3,750	3,741	3,741
		Secured Debt	10/31/2018		9.00%			10/31/2048	990	982	982
		Preferred Equity	10/31/2018	145						3,060	3,060
		Member Units (8) (23)	10/31/2018	200						248	678
										<u>8,031</u>	<u>8,461</u>
Mills Fleet Farm Group, LLC	(10) Omnichannel Retailer of Work, Farm and Lifestyle Merchandise	Common Equity (23)	12/19/2024	53,505				12/31/2026		11,166	11,166
Mystic Logistics Holdings, LLC	Logistics and Distribution Services Provider for Large Volume Mailers	Secured Debt (30)	8/18/2014					1/31/2027	—	—	—
		Secured Debt	8/18/2014		10.00%			1/31/2027	1,436	1,433	1,436
		Common Stock (8)	8/18/2014	1,468						680	6,590
										<u>2,113</u>	<u>8,026</u>
Nello Industries Investco, LLC	Manufacturer of Steel Poles and Towers For Critical Infrastructure	Secured Debt (9) (30)	6/4/2024			SF+ 6.50%		6/4/2025	—	(12)	(12)
		Secured Debt	6/4/2024		13.50%			6/4/2029	6,800	6,619	6,619
		Common Equity (8)	6/4/2024	91,145						3,030	3,890
										<u>9,637</u>	<u>10,497</u>
NexRev LLC	Provider of Energy Efficiency Products & Services	Secured Debt	2/28/2018					2/28/2025	—	—	—
		Secured Debt	2/28/2018		9.00%			2/28/2025	2,453	2,450	2,453
		Preferred Member Units (8)	2/28/2018	25,786,046						2,053	2,970
										<u>4,503</u>	<u>5,423</u>
NuStep, LLC	Designer, Manufacturer and Distributor of Fitness Equipment	Secured Debt (9)	1/31/2017		11.16%	SF+ 6.50%		1/31/2025	900	900	900
		Secured Debt	1/31/2017		12.00%			1/31/2025	4,610	4,610	4,610
		Preferred Member Units	11/2/2022	600						696	1,500
		Preferred Member Units	1/31/2017	122						2,966	2,890
										<u>9,172</u>	<u>9,900</u>
Oneliance, LLC	Construction Cleaning Company	Preferred Stock	8/6/2021	282						282	640

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Orttech Holdings, LLC	Distributor of Industrial Clutches, Brakes and Other Components	Secured Debt	(9) (30) 7/30/2021			SF+ 11.00%		7/31/2026	—	(1)	—
		Secured Debt	(9) 7/30/2021		15.66%	SF+ 11.00%		7/31/2026	5,490	5,456	5,490
		Preferred Stock	(8) (23) 7/30/2021	2,500						2,500	3,360
									7,955	8,850	
Pinnacle TopCo, LLC	Manufacturer and Distributor of Garbage Can Liners, Poly Bags, Produce Bags, and Other Similar Products	Secured Debt	(30) 12/21/2023					12/31/2028	—	(8)	—
		Secured Debt	12/21/2023		13.00%			12/31/2028	7,160	7,019	7,160
		Preferred Equity	(8) 12/21/2023	110						3,135	4,590
									10,146	11,750	
RA Outdoors LLC	(10) (13) Software Solutions Provider for Outdoor Activity Management	Secured Debt	(9) 4/8/2021		11.74%	SF+ 6.75%	11.74%	4/8/2026	1,311	1,307	1,215
		Secured Debt	(9) 4/8/2021		11.74%	SF+ 6.75%	11.74%	4/8/2026	13,714	13,665	12,710
		Common Equity	8/12/2024	107			SF+ 6.75%	11.59%	4/8/2026	—	—
									14,972	13,925	
Robbins Bros. Jewelry, Inc.	Bridal Jewelry Retailer	Secured Debt	(14) (30) 12/15/2021				10.00%	12/15/2026	—	(7)	(7)
		Secured Debt	(14) 12/15/2021		12.50%		10.00%	12/15/2026	3,740	3,604	1,617
		Preferred Equity	12/15/2021	1,230						1,230	—
									4,827	1,610	
SI East, LLC	Rigid Industrial Packaging Manufacturing	Secured Debt	8/31/2018		11.75%			6/16/2028	750	744	750
		Secured Debt	(33) 6/16/2023		12.79%			6/16/2028	22,554	22,533	22,554
		Preferred Member Units	(8) 8/31/2018	55						508	4,550
									23,785	27,854	
Student Resource Center, LLC	(10) Higher Education Services	Secured Debt	9/11/2024		8.50%		8.50%	12/31/2027	227	227	227
		Secured Debt	(14) 12/31/2022		8.50%		8.50%	12/31/2027	5,918	5,425	1,826
		Preferred Equity	12/31/2022	6,564,055						—	—
									5,652	2,053	
Tedder Industries, LLC	Manufacturer of Firearm Holsters and Accessories	Secured Debt	(14) (17) 8/31/2018		12.00%		12.00%	8/31/2023	460	455	412
		Secured Debt	(14) (17) 8/31/2018		12.00%		12.00%	8/31/2023	3,800	3,761	901
		Preferred Member Units	8/28/2023	1,651						165	—
		Preferred Member Units	2/1/2023	1,411						141	—
		Preferred Member Units	8/31/2018	136						2,311	—
									6,833	1,313	
Trantech Radiator Topco, LLC	Transformer Cooling Products and Services	Secured Debt	(30) 5/31/2019					5/31/2027	—	(1)	(1)
		Secured Debt	5/31/2019		13.50%			5/31/2027	1,980	1,962	1,962
		Common Stock	(8) 5/31/2019	154						1,164	2,140
									3,125	4,101	
Urgent DSO LLC	General and Emergency Dentistry Practice										

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		Secured Debt	2/16/2024		13.50%				2,200	2,145	2,145
		Preferred Equity	2/16/2024	1,000	9.00%		9.00%			1,080	1,080
Victory Energy Operations, LLC	Provider of Industrial and Commercial Combustion Systems									3,225	3,225
		Secured Debt	10/3/2024					10/3/2029	—	(5)	(5)
		Secured Debt	10/3/2024		13.00%			10/3/2029	7,749	7,529	7,529
		Preferred Equity	10/3/2024	8,338						3,644	3,644
										11,168	11,168
VVS Holdco LLC	Omnichannel Retailer of Animal Health Products										
		Secured Debt	12/1/2021			SF+ 6.00%		12/1/2025	—	—	—
		Secured Debt	12/1/2021		11.50%			12/1/2026	6,440	6,366	6,366
		Preferred Equity	12/1/2021	3,060						3,060	3,060
										9,426	9,426
										\$ 284,211	\$ 351,360
Subtotal Affiliate Investments (56.2% of net assets at fair value)											
Non-Control/Non-Affiliate Investments (7)											
AAC Holdings, Inc.	(11) Substance Abuse Treatment Service Provider										
		Secured Debt	1/31/2023		18.00%		18.00%	6/25/2025	\$ 210	\$ 210	\$ 209
		Secured Debt	12/11/2020		18.00%		18.00%	6/25/2025	6,013	5,971	5,975
		Common Stock	12/11/2020	593,927						3,148	\$ —
		Warrants	12/11/2020	197,717				12/11/2025		—	—
										9,329	6,184
Adams Publishing Group, LLC	(10) Local Newspaper Operator										
		Secured Debt	3/11/2022		11.00%	SF+ 7.00%	1.00%	3/11/2027	946	946	928
		Secured Debt	3/11/2022		11.00%	SF+ 7.00%	1.00%	3/11/2027	2,251	2,248	2,209
										3,194	3,137
AMEREQUIP LLC	(10) Full Services Provider Including Design, Engineering and Manufacturing of Commercial and Agricultural Equipment										
		Common Stock	8/31/2022	11						83	30
American Health Staffing Group, Inc.	(10) Healthcare Temporary Staffing										
		Secured Debt	11/19/2021			P+ 5.00%		11/19/2026	—	(6)	(6)
		Secured Debt	11/19/2021		12.50%	P+ 5.00%		11/19/2026	7,703	7,673	7,703
										7,667	7,697
American Nuts, LLC	(10) Roaster, Mixer and Packager of Bulk Nuts and Seeds										
		Secured Debt	3/11/2022		14.49%	SF+ 9.75%	14.49%	4/10/2026	5,626	5,614	4,480
		Secured Debt	3/11/2022		16.49%	SF+ 11.75%	16.49%	4/10/2026	4,270	4,244	2,621
										9,858	7,101
American Teleconferencing Services, Ltd.	(11) Provider of Audio Conferencing and Video Collaboration Solutions										
		Secured Debt	9/17/2021					4/7/2023	2,425	2,375	59
		Secured Debt	5/19/2016					6/8/2023	11,693	11,451	282
										13,826	341
Ansira Partners II, LLC	(10) Provider of Data-Driven Marketing Services										
		Secured Debt	7/1/2024			SF+ 6.75%		7/1/2029	—	(45)	(45)

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9) 7/1/2024		11.25%	SF+ 6.75%		7/1/2029	17,659	17,239	17,375
										17,194	17,330
ArborWorks, LLC	(10) Vegetation Management Services	Secured Debt	(9) 11/6/2023		15.00%		15.00%	11/6/2028	1,061	1,061	1,061
		Secured Debt	(9) 11/6/2023		11.08%	SF+ 6.50%	11.08%	11/6/2028	4,278	4,278	4,278
		Preferred Equity	11/6/2023	17,265						7,468	6,667
		Preferred Equity	11/6/2023	17,265						—	—
		Common Equity	11/9/2021	2,070						124	—
										12,931	12,006
Archer Systems, LLC	(10) Mass Tort Settlement Administration Solutions Provider	Common Stock	8/11/2022	62,403						62	110
ATS Operating, LLC	(10) For-Profit Thrift Retailer	Secured Debt	(9) 1/18/2022		10.85%	SF+ 6.00%		1/18/2027	50	50	50
		Secured Debt	(9) 1/18/2022		9.85%	SF+ 5.00%		1/18/2027	925	916	925
		Secured Debt	(9) 1/18/2022		11.85%	SF+ 7.00%		1/18/2027	925	916	925
		Common Stock	1/18/2022	100,000						100	120
										1,982	2,020
AVEX Aviation Holdings, LLC	(10) Specialty Aircraft Dealer & MRO Provider	Secured Debt	(9) (30) 12/23/2022			SF+ 7.25%		12/23/2027	—	(12)	(12)
		Secured Debt	(9) 12/23/2022		11.73%	SF+ 7.25%		12/23/2027	3,343	3,271	3,343
		Common Equity	(8) 12/15/2021	137						130	124
										3,389	3,455
Berry Aviation, Inc.	(10) Charter Airline Services	Preferred Member Units	3/8/2024	286,109						286	—
		Preferred Member Units	(23) 11/12/2019	122,416						—	—
		Preferred Member Units	(23) 7/6/2018	1,548,387						—	—
										286	—
Bettercloud, Inc.	(10) SaaS Provider of Workflow Management and Business Application Solutions	Secured Debt	(9) (30) 6/30/2022			SF+ 10.25%		6/30/2028	—	(14)	(14)
		Secured Debt	(9) 6/30/2022		15.76%	SF+ 10.25%	9.25%	6/30/2028	9,230	9,139	6,963
										9,125	6,949
Binswanger Enterprises, LLC	(10) Glass Repair and Installation Service Provider	Member Units	3/10/2017	1,050,000						1,050	650
Bluestem Brands, Inc.	(11) Multi-Channel Retailer of General Merchandise	Secured Debt	(9) 1/9/2024		13.17%	SF+ 8.50%	12.17%	8/28/2025	215	138	181
		Secured Debt	(9) 10/19/2022		15.00%	P+ 7.50%	14.75%	8/28/2025	3,304	3,304	2,792
		Secured Debt	(9) 8/28/2020		13.17%	SF+ 8.50%	12.17%	8/28/2025	4,486	4,231	3,790
		Common Stock	10/1/2020	700,446						—	—
		Warrants	(27) 10/19/2022	175,110				10/19/2032		1,111	—
										8,784	6,763
Boccella Precast Products LLC	Manufacturer of Precast Hollow Core Concrete	Secured Debt	9/23/2021		10.00%			2/28/2027	80	80	66
		Member Units	6/30/2017	540,000						564	80

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Bond Brand Loyalty ULC	(10) (13) (21) Provider of Loyalty Marketing Services									644	146
		Secured Debt	(9) 5/1/2023		11.65%	SF+ 7.00%		5/1/2028	360	348	360
		Secured Debt	(9) 5/1/2023		10.74%	SF+ 6.00%		5/1/2028	3,999	3,945	3,999
		Secured Debt	(9) 5/1/2023		12.74%	SF+ 8.00%		5/1/2028	3,999	3,945	3,999
		Preferred Equity	5/1/2023	360						360	310
		Common Equity	5/1/2023	360						—	—
										8,598	8,668
BP Loenbro Holdings Inc.	(10) Specialty Industrial Maintenance Services										
		Secured Debt	(9) (28) 2/1/2024		10.68%	SF+ 6.25%		2/1/2029	514	493	514
		Secured Debt	(9) (30) 2/1/2024			SF+ 6.25%		2/1/2029	—	(10)	(10)
		Secured Debt	(9) 2/1/2024		10.92%	SF+ 6.25%		2/1/2029	11,217	11,031	11,217
		Common Equity	2/1/2024	1,000,000						1,000	1,550
										12,514	13,271
Brightwood Capital Fund Investments	(12) (13) Investment Partnership										
		LP Interests (Brightwood Capital Fund III, LP)	(24) 7/21/2014	0.52%						1,899	1,039
		LP Interests (Brightwood Capital Fund IV, LP)	(8) (24) 10/26/2016	1.17%						8,064	8,031
										9,963	9,070
Buca C, LLC	Casual Restaurant Group										
		Secured Debt	(14) (17) 8/7/2024		15.00%		15.00%	11/4/2024	4,291	3,717	—
		Secured Debt	(14) 6/28/2024		15.00%		15.00%	4/1/2025	10	—	—
		Secured Debt	(14) (17) 6/30/2015		15.00%		15.00%	8/31/2023	6,369	4,078	—
		Preferred Member Units	6/30/2015	4	6.00%		6.00%			3,040	—
										10,835	—
Burning Glass Intermediate Holding Company, Inc.	(10) Provider of Skills-Based Labor Market Analytics										
		Secured Debt	(9) (30) 6/14/2021			SF+ 5.00%		6/10/2026	—	(8)	—
		Secured Debt	(9) 6/14/2021		9.46%	SF+ 5.00%		6/10/2028	11,575	11,469	11,575
										11,461	11,575
CAI Software LLC	Provider of Specialized Enterprise Resource Planning Software										
		Preferred Equity	12/13/2021	454,344						454	513
		Preferred Equity	12/13/2021	126,446						—	—
										454	513
Career Team Holdings, LLC	Provider of Workforce Training and Career Development Services										
		Secured Debt	(9) 12/17/2021		10.56%	SF+ 6.00%		12/17/2026	100	97	97
		Secured Debt	12/17/2021		12.50%			12/17/2026	2,160	2,134	2,134
		Common Stock	12/17/2021	50,000						500	530
										2,731	2,761
CaseWorthy, Inc.	(10) SaaS Provider of Case Management Solutions										
		Common Equity	12/30/2022	80,000						80	160
CenterPeak Holdings, LLC	Executive Search Services										
		Secured Debt	(30) 12/10/2021					12/10/2026	—	(3)	—

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		Secured Debt	12/10/2021		15.00%			12/10/2026	2,390	2,364	2,390
		Preferred Equity	12/10/2021	368						404	1,610
										2,765	4,000
Channel Partners Intermediateco, LLC	(10) Outsourced Consumer Services Provider										
		Secured Debt	(9) (28) 2/7/2022		11.53%	SF+ 7.00%		2/7/2027	467	456	444
		Secured Debt	(9) 2/7/2022		11.93%	SF+ 7.00%		2/7/2027	3,326	3,297	3,166
		Secured Debt	(9) 6/24/2022		11.93%	SF+ 7.00%		2/7/2027	184	183	175
		Secured Debt	(9) 3/27/2023		11.93%	SF+ 7.00%		2/7/2027	445	439	424
										4,375	4,209
Clarius BIGS, LLC	(10) Prints & Advertising Film Financing										
		Secured Debt	(14) (17) 9/23/2014					1/5/2015	2,666	2,321	19
Classic H&G Holdings, LLC	Provider of Engineered Packaging Solutions										
		Preferred Member Units	(8) 3/12/2020	39						—	710
Computer Data Source, LLC	(10) Third Party Maintenance Provider to the Data Center Ecosystem										
		Secured Debt	(9) (28) 8/6/2021		12.93%	SF+ 8.25%		8/6/2026	6,531	6,461	6,118
		Secured Debt	(9) (30) 3/29/2024			SF+ 8.25%		8/6/2026	—	(42)	(42)
		Secured Debt	(9) 8/6/2021		12.92%	SF+ 8.25%		8/6/2026	15,807	15,656	14,807
										22,075	20,883
Connect Telecommunications Solutions Holdings, Inc.	(13) Value-added Distributor of Fiber Products and Equipment										
		Secured Debt	10/9/2024		13.00%			10/9/2029	3,064	2,977	2,977
		Preferred Equity	10/9/2024	2,478						1,400	1,400
										4,377	4,377
Coregisties Buyer LLC	(10) (13) (21) Contract Packaging Service Provider										
		Secured Debt	(9) 6/29/2024		10.39%	SF+ 6.00%		6/28/2029	449	427	440
		Secured Debt	(9) 6/29/2024		10.36%	SF+ 6.00%		6/28/2029	2,877	2,816	2,824
		Secured Debt	(9) 8/15/2024		10.40%	SF+ 6.00%		6/28/2029	1,913	1,878	1,878
		Secured Debt	(9) 6/29/2024		10.61%	SF+ 6.25%		6/28/2029	8,611	8,417	8,109
										13,538	13,251
CQ Fluency, LLC	(10) Global Language Services Provider										
		Secured Debt	(9) (30) 12/27/2023			SF+ 6.75%		6/27/2027	—	(31)	(31)
		Secured Debt	(9) (30) 12/27/2023			SF+ 6.75%		6/27/2027	—	(31)	(31)
		Secured Debt	(9) 12/27/2023		11.18%	SF+ 6.75%		6/27/2027	7,219	7,064	7,169
										7,002	7,107
Creative Foam Corporation	(10) Manufacturer of Custom Engineered Die Cut, Formed Foam, Nonwoven, and Multi-material Component Solutions for the Automotive and Healthcare Markets										
		Secured Debt	(9) (30) 6/27/2024			SF+ 5.75%		6/27/2029	—	(28)	(28)
		Secured Debt	(9) 6/27/2024		10.11%	SF+ 5.75%		6/27/2029	10,801	10,610	10,694
										10,582	10,666
Dalton US Inc.	(10) Provider of Supplemental Labor Services										
		Common Stock	8/16/2022	37						52	50

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (2)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)	
DTE Enterprises, LLC	(10) Industrial Powertrain Repair and Services	Class AA Preferred Member Units (non-voting)	(8) 4/13/2018		10.00%		10.00%			1,316	438	
		Class A Preferred Member Units		4/13/2018	776,316	8.00%	8.00%			776	—	
										2,092	438	
Dynamic Communities, LLC	(10) Developer of Business Events and Online Community Groups	Secured Debt	(9) 12/20/2022		11.46%	SF+ 7.00%	11.46%	12/31/2026	2,318	2,160	2,220	
		Secured Debt	(9) 12/20/2022		13.46%	SF+ 9.00%	13.46%	12/31/2026	2,413	2,179	2,219	
		Preferred Equity		12/20/2022	125,000						128	60
		Preferred Equity		12/20/2022	2,376,241						—	—
		Common Equity		12/20/2022	1,250,000						—	—
										4,467	4,499	
Elgin AcquireCo, LLC	Manufacturer and Distributor of Engine and Chassis Components	Secured Debt	(9) (30) 10/3/2022			SF+ 6.00%		10/3/2027	—	—	—	
		Secured Debt		10/3/2022		12.00%		10/3/2027	1,181	1,162	1,162	
		Secured Debt		10/3/2022		9.00%		10/3/2052	409	406	406	
		Common Stock		10/3/2022	19						374	370
		Common Stock	(23) 10/3/2022	61							102	199
										2,044	2,137	
Emerald Technologies Acquisition Co, Inc.	(11) Design & Manufacturing	Secured Debt	(9) 2/10/2022		10.71%	SF+ 6.25%		12/29/2027	2,328	2,303	1,863	
Escalet, Inc.	(10) Market Research and Consulting Firm	Secured Debt	(9) (30) 4/7/2023			SF+ 8.00%		4/7/2029	—	(7)	(7)	
		Secured Debt	(9) 10/2/2024		12.39%	SF+ 8.00%		4/7/2029	364	358	358	
		Secured Debt	(9) 4/7/2023		12.43%	SF+ 8.00%		4/7/2029	6,855	6,707	6,855	
		Common Equity		4/7/2023	170,998						174	240
										7,232	7,446	
Event Holdco, LLC	(10) Event and Learning Management Software for Healthcare Organizations and Systems	Secured Debt	(9) 12/22/2021		12.59%	SF+ 8.00%		12/22/2026	308	306	308	
		Secured Debt	(9) 12/22/2021		12.59%	SF+ 8.00%	6.00%	12/22/2026	3,969	3,955	3,969	
										4,261	4,277	
FCC Intermediate Holdco, LLC	Supply Chain Management Services	Secured Debt		5/28/2024		13.00%		5/29/2029	8,200	7,135	7,135	
		Warrants	(27) 5/28/2024	3						980	2,710	
										8,115	9,845	
Garyline, LLC	(10) Manufacturer of Consumer Plastic Products	Secured Debt	(9) (28) 11/10/2023		11.29%	SF+ 6.75%		11/10/2028	2,416	2,355	2,416	
		Secured Debt	(9) 11/10/2023		11.34%	SF+ 6.75%		11/10/2028	9,567	9,346	9,567	
		Common Equity		11/10/2023	210,084						210	150
										11,911	12,133	
GradeEight Corp.	(10) Distributor of maintenance and repair parts	Secured Debt	(9) (30) 10/4/2024			SF+ 7.25%		10/4/2029	—	(45)	(45)	

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9) (30) 10/4/2024		11.74%	SF+ 7.25%		10/4/2029	—	(22)	(22)
		Secured Debt	(9) 10/4/2024			SF+ 7.25%		10/4/2029	14,824	14,542	14,542
		Common Equity	10/4/2024	471						471	471
										14,946	14,946
Hawk Ridge Systems, LLC	Value-Added Reseller of Engineering Design and Manufacturing Solutions										
		Secured Debt	(9) 12/2/2016		10.73%	SF+ 6.00%		1/15/2026	661	661	661
		Secured Debt	(9) 12/2/2016		12.50%			1/15/2026	9,744	9,721	9,744
		Preferred Member Units	(8) 12/2/2016	56						713	5,060
		Preferred Member Units	(23) 12/2/2016	56						38	270
										11,133	15,735
HDC/HW Intermediate Holdings	Managed Services and Hosting Provider										
		Secured Debt	(9) 3/7/2024		8.75%	SF+ 3.50%	2.50%	6/21/2026	1,361	1,307	1,307
		Secured Debt	(14) 3/7/2024		2.50%		2.50%	6/21/2026	914	401	235
		Common Equity	3/7/2024	35,971						—	—
										1,708	1,542
HEADLANDS OP-CO LLC	Clinical Trial Sites Operator										
		Secured Debt	(9) (30) 8/1/2022			SF+ 6.50%		8/1/2027	—	(10)	(10)
		Secured Debt	(9) 8/1/2022		10.86%	SF+ 6.50%		8/1/2027	1,975	1,951	1,975
		Secured Debt	(9) 6/3/2024		10.86%	SF+ 6.50%		8/1/2027	1,397	1,362	1,396
		Secured Debt	(9) 8/1/2022		10.86%	SF+ 6.50%		8/1/2027	4,875	4,824	4,875
		Secured Debt	(9) 6/3/2024		10.86%	SF+ 6.50%		8/1/2027	2,382	2,363	2,382
										10,490	10,618
Hornblower Sub, LLC	Marine Tourism and Transportation										
		Secured Debt	(9) 7/3/2024		9.92%	SF+ 5.50%		7/3/2029	1,215	1,192	1,204
		Secured Debt	(9) 7/3/2024		10.11%	SF+ 5.50%		7/3/2029	15,490	15,338	15,338
										16,530	16,542
Hybrid Promotions, LLC	Wholesaler of Licensed, Branded and Private Label Apparel										
		Secured Debt	(9) 6/30/2021		13.10%	SF+ 8.25%		12/31/2027	8,000	7,859	8,000
IG Parent Corporation	Software Engineering										
		Secured Debt	(9) (30) 7/30/2021			SF+ 5.75%		7/30/2026	—	(8)	—
		Secured Debt	(9) 7/30/2021		10.21%	SF+ 5.75%		7/30/2028	6,154	6,102	6,154
		Secured Debt	(9) 7/30/2021		10.21%	SF+ 5.75%		7/30/2028	1,922	1,906	1,922
										8,000	8,076
Imaging Business Machines, L.L.C.	Technology Hardware & Equipment										
		Secured Debt	(9) (28) 6/8/2023		11.39%	SF+ 7.00%		6/30/2028	791	791	791
		Secured Debt	(9) 6/8/2023		11.62%	SF+ 7.00%		6/30/2028	10,280	10,034	10,280
		Common Equity	6/8/2023	422						580	510
										11,405	11,581
Implus Footcare, LLC	Provider of Footwear and Related Accessories										
		Secured Debt	(9) 6/1/2017		13.73%	SF+ 7.75%	1.50%	7/31/2025	17,066	17,066	14,524
Infinity X1 Holdings, LLC	Manufacturer and Supplier of Personal Lighting Products										
		Secured Debt	(9) 3/31/2023		12.00%			3/31/2028	3,763	3,714	3,763

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Preferred Equity	(8) 3/31/2023	21,840						1,092	2,310
										4,806	6,073
Insight Borrower Corporation	(10) Test, Inspection, and Certification Instrument Provider										
		Secured Debt	(9) (30) 7/19/2023			SF+ 6.25%		7/19/2028	—	(32)	(32)
		Secured Debt	(9) (30) 7/19/2023			SF+ 6.25%		7/19/2029	—	(27)	(27)
		Secured Debt	(9) 7/19/2023		10.87%	SF+ 6.25%		7/19/2029	8,289	8,100	7,869
		Common Equity	7/19/2023	47,847						239	120
										8,280	7,930
Inspire Aesthetics Management, LLC	(10) Surgical and Non-Surgical Plastic Surgery and Aesthetics Provider										
		Secured Debt	(9) (28) 4/3/2023		14.69%	SF+ 10.00%		4/3/2028	677	664	620
		Secured Debt	(9) 4/3/2023		14.58%	SF+ 10.00%		4/3/2028	6,198	6,091	5,681
		Secured Debt	(9) 6/14/2023		14.58%	SF+ 10.00%		4/3/2028	1,248	1,227	1,144
		Common Equity	4/3/2023	128,727						349	21
										8,331	7,466
Interface Security Systems, L.L.C.	(10) Commercial Security & Alarm Services										
		Secured Debt	(17) (28) 12/9/2021		14.54%	SF+ 10.00%	14.54%	8/7/2023	2,075	2,075	1,580
		Secured Debt	(9) (14) 8/7/2019		11.67%	SF+ 7.00%	11.67%	8/7/2023	7,334	7,254	13
		Common Stock	12/7/2021	2,143						—	—
										9,329	1,593
Invincible Boat Company, L.L.C.	(10) Manufacturer of Sport Fishing Boats										
		Secured Debt	(9) (28) 8/28/2019		12.01%	SF+ 7.50%		12/31/2026	1,037	1,033	996
		Secured Debt	(9) 8/28/2019		12.01%	SF+ 7.50%		12/31/2026	16,771	16,704	16,098
										17,737	17,094
Iron-Main Investments, LLC	Consumer Reporting Agency Providing Employment Background Checks and Drug Testing										
		Secured Debt	8/2/2021		13.00%			1/31/2028	1,128	1,113	1,113
		Secured Debt	9/1/2021		13.00%			1/31/2028	735	725	725
		Secured Debt	11/15/2021		13.00%			1/31/2028	2,236	2,236	2,236
		Secured Debt	11/15/2021		13.00%			1/31/2028	4,406	4,344	4,344
		Secured Debt	1/31/2023		13.00%			1/31/2028	2,461	2,379	2,379
		Preferred Equity	6/26/2024	177,800	25.00%		25.00%			178	190
		Common Stock	8/3/2021	50,753						689	710
										11,664	11,697
Isagenix International, LLC	(11) Direct Marketer of Health & Wellness Products										
		Secured Debt	(9) 4/13/2023		11.25%	SF+ 6.60%	8.75%	4/14/2028	2,962	2,778	622
		Common Equity	4/13/2023	186,322						—	—
										2,778	622
Island Pump and Tank, LLC	(10) Provider of Facility and Maintenance Services to Fuel Retailers in Northeast U.S.										
		Secured Debt	(9) (30) 5/20/2024			SF+ 6.50%		5/17/2029	—	(5)	(5)
		Secured Debt	(9) 5/20/2024		10.35%	SF+ 5.50%		5/17/2029	1,735	1,708	1,722
		Secured Debt	(9) 5/20/2024		11.35%	SF+ 6.50%		5/17/2029	1,735	1,708	1,722
		Secured Debt	(9) 5/20/2024		12.35%	SF+ 7.50%		5/17/2029	1,735	1,708	1,722
										5,119	5,161
ITA Holdings Group, LLC	Air Ambulance Services										

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		Secured Debt	(9) 6/21/2023		13.78%	SF+ 9.00%		6/21/2027	295	290	295
		Secured Debt	(9) 6/21/2023		13.78%	SF+ 9.00%		6/21/2027	248	245	248
		Secured Debt	(9) 6/21/2023		12.78%	SF+ 8.00%		6/21/2027	1,110	937	1,110
		Secured Debt	(9) 6/21/2023		14.78%	SF+ 10.00%		6/21/2027	1,110	937	1,110
		Warrants	(27) 6/21/2023	48,327				6/21/2033		523	1,420
										2,932	4,183
Jackmont Hospitality, Inc.	(10) Franchisee of Casual Dining Restaurants										
		Secured Debt	(9) (26) 10/26/2022		12.18%	SF+ 7.50%		11/4/2026	1,585	1,567	1,585
		Secured Debt	(9) 2/27/2024		12.19%	SF+ 7.50%		11/4/2026	1,251	1,236	1,251
		Secured Debt	(9) 2/27/2024		12.18%	SF+ 7.50%		11/4/2026	121	96	121
		Secured Debt	(9) 11/8/2021		12.18%	SF+ 7.50%		11/4/2026	3,685	3,643	3,685
		Preferred Equity	11/8/2021	5,653,333						216	1,740
										6,758	8,382
JDC Power Services, LLC	(10) Provider of Electrical Equipment and Maintenance Services for Datacenters										
		Secured Debt	(9) (30) 6/28/2024			SF+ 6.50%		6/28/2029	—	(47)	(47)
		Secured Debt	(9) 6/28/2024		10.83%	SF+ 6.50%		6/28/2029	17,671	17,277	17,489
										17,230	17,442
Joerns Healthcare, LLC	(11) Manufacturer and Distributor of Health Care Equipment & Supplies										
		Secured Debt	(9) (14) (17) 8/21/2019		21.59%	SF+ 16.00%	21.59%	8/21/2024	942	942	—
		Secured Debt	(9) (14) (17) 8/21/2019		21.59%	SF+ 16.00%	21.59%	8/21/2024	906	906	—
		Secured Debt	(9) 3/30/2024		13.21%	SF+ 8.75%	6.00%	3/29/2029	1,470	1,470	1,470
		Secured Debt	(9) 3/30/2024		13.18%	SF+ 8.75%	13.18%	3/29/2029	1,091	1,091	1,091
		Common Stock	8/21/2019	392,514						3,678	—
		Common Stock	3/29/2024	4,535,784						166	110
										8,253	2,671
JorVet Holdings, LLC	Supplier and Distributor of Veterinary Equipment and Supplies										
		Secured Debt	3/28/2022		12.00%			3/28/2027	2,591	2,568	2,568
		Preferred Equity	(8) 3/28/2022	12,214						1,221	1,460
										3,789	4,028
JTI Electrical & Mechanical, LLC	(10) Electrical, Mechanical and Automation Services										
		Secured Debt	(9) (28) 12/22/2021		12.72%	SF+ 8.00%		12/22/2026	702	696	665
		Secured Debt	(9) 12/22/2021		12.58%	SF+ 8.00%		12/22/2026	2,980	2,956	2,823
		Secured Debt	(9) 2/1/2024		12.58%	SF+ 8.00%		12/22/2026	279	273	265
		Common Equity	12/22/2021	140,351						140	30
										4,065	3,783
KMS, LLC	(10) Wholesaler of Closeout and Value-priced Products										
		Secured Debt	(9) (14) 10/4/2021		14.50%	SF+ 9.75%		10/4/2026	1,286	1,238	829
		Secured Debt	(9) 11/27/2024		14.23%	SF+ 9.75%	14.23%	10/4/2026	562	562	562
		Secured Debt	(9) 11/27/2024		14.23%	SF+ 9.75%	14.23%	10/4/2026	550	550	550
		Secured Debt	(9) (14) 10/4/2021		14.50%	SF+ 9.75%		10/4/2026	9,262	9,175	5,973
										11,525	7,914
Lighbox Holdings, L.P.	(11) Provider of Commercial Real Estate Software										
		Secured Debt	5/9/2019		9.44%	SF+ 5.00%		5/9/2026	5,705	5,688	5,534

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LL Management, Inc.	(10) Medical Transportation Service Provider	Secured Debt	(9) 9/17/2024		11.89%	SF+ 7.25%		12/31/2025	701	701	701
		Secured Debt	(9) 5/2/2019		11.92%	SF+ 7.25%		12/31/2025	7,850	7,791	7,850
		Secured Debt	(9) 5/2/2019		11.71%	SF+ 7.25%		12/31/2025	5,181	5,141	5,181
		Secured Debt	(9) 2/26/2021		11.92%	SF+ 7.25%		12/31/2025	860	854	860
		Secured Debt	(9) 5/12/2022		11.71%	SF+ 7.25%		12/31/2025	8,716	8,647	8,716
									23,134	23,308	
LLFlex, LLC	(10) Provider of Metal-Based Laminates	Secured Debt	(9) 8/16/2021		12.74%	SF+ 8.00%	3.00%	8/16/2026	4,592	4,560	3,684
Logix Acquisition Company, LLC	(10) Competitive Local Exchange Carrier	Secured Debt	(9) (17) 1/8/2018		12.25%	P+ 4.25%		12/22/2024	11,552	11,552	9,191
Mako Steel, LP	(10) Self-Storage Design & Construction	Secured Debt	(9) (30) 3/15/2021			SF+ 7.50%		3/15/2026	—	(19)	—
		Secured Debt	(9) 3/28/2024		12.00%	SF+ 7.50%		3/15/2026	21,081	20,910	21,081
									20,891	21,081	
Metalfarming Holdings, LLC	Distributor of Sheet Metal Folding and Metal Forming Equipment	Secured Debt	(30) 10/19/2022					10/19/2025	—	—	—
		Secured Debt	10/19/2022		9.75%			10/19/2027	1,539	1,513	1,513
		Preferred Equity	(8) 10/19/2022	434,331	8.00%		8.00%			434	470
		Common Stock	10/19/2022	112,865						113	500
									2,060	2,483	
Microbe Formulas, LLC	(10) Nutritional Supplements Provider	Secured Debt	(9) (30) 4/4/2022			SF+ 5.75%		4/3/2028	—	(5)	(5)
		Secured Debt	(9) 11/20/2024		10.22%	SF+ 5.75%		4/3/2028	1,342	1,323	1,342
		Secured Debt	(9) 4/4/2022		10.21%	SF+ 5.75%		4/3/2028	2,389	2,361	2,389
									3,679	3,726	
Mini Melts of America, LLC	(10) Manufacturer and Distributor of Branded Premium Beaded Ice Cream	Secured Debt	(9) (28) 11/30/2023		10.74%	SF+ 6.25%		11/30/2028	375	353	375
		Secured Debt	(9) (26) 11/30/2023		10.77%	SF+ 6.25%		11/30/2028	858	841	858
		Secured Debt	(9) 11/30/2023		9.76%	SF+ 5.25%		11/30/2028	3,201	3,140	3,201
		Secured Debt	(9) 11/30/2023		11.76%	SF+ 7.25%		11/30/2028	3,201	3,138	3,201
		Common Equity	11/30/2023	336,496						336	280
									7,808	7,915	
MoneyThumb Acquisition, LLC	Provider of Software-as-a-Service Financial File Conversion and Reconciliation	Secured Debt	8/19/2024		14.00%			8/19/2029	2,400	2,197	2,197
		Preferred Member Units	(8) 8/19/2024	40,821	12.00%		12.00%			427	427
		Warrants	(27) 8/19/2024	14,842						148	148
									2,772	2,772	
MonitorUS Holding, LLC	(10) (13) (21) SaaS Provider of Media Intelligence Services	Secured Debt	(9) 5/24/2022		11.59%	SF+ 7.00%		5/24/2027	1,181	1,171	1,125
		Secured Debt	(9) 5/24/2022		11.59%	SF+ 7.00%		5/24/2027	3,071	3,042	3,160
		Secured Debt	(9) 5/24/2022		11.59%	SF+ 7.00%		5/24/2027	5,213	5,166	5,213

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
December 31, 2024
(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Unsecured Debt	11/14/2023		8.00%		8.00%	3/31/2025		34	34
		Unsecured Debt	3/15/2024		8.00%		8.00%	6/30/2025		15	15
		Unsecured Debt	9/25/2024		8.00%		8.00%	12/21/2025		31	31
		Common Stock	8/30/2022	12,798,820						256	226
										9,715	9,804
NinjaTrader, LLC	(10) Operator of Futures Trading Platform										
		Secured Debt	(9) (30) 12/18/2019			SF+ 6.50%		12/18/2026	—	(3)	(3)
		Secured Debt	(9) 12/18/2019		11.24%	SF+ 6.50%		12/18/2026	14,436	14,320	14,436
										14,317	14,433
Obra Capital, Inc.	(10) Provider of Asset Management Services Specialized in Insurance-Linked Strategies										
		Secured Debt	(9) (30) 6/21/2024			SF+ 7.50%		12/21/2028	—	(14)	(14)
		Secured Debt	(9) 6/21/2024		11.97%	SF+ 7.50%		6/21/2029	11,979	11,661	11,766
										11,647	11,752
OnPoint Industrial Services, LLC	(10) Environmental & Facilities Services										
		Secured Debt	(9) 12/18/2024		11.35%	SF+ 7.00%		11/16/2027	1,050	1,040	1,040
		Secured Debt	(9) 4/1/2024		11.33%	SF+ 7.00%		11/16/2027	2,910	2,888	2,888
										3,928	3,928
Peaches Holding Corporation	Wholesale Provider of Consumer Packaging Solutions										
		Common Equity	5/22/2024	806						1,805	1,140
Power System Solutions	(10) Backup Power Generation										
		Secured Debt	(9) (30) 6/7/2023			SF+ 6.50%		6/7/2028	—	(27)	(27)
		Secured Debt	(9) 6/7/2023		10.86%	SF+ 6.50%		6/7/2028	2,640	2,581	2,640
		Secured Debt	(9) 6/7/2023		10.90%	SF+ 6.50%		6/7/2028	7,859	7,697	7,859
		Common Equity	6/7/2023	532						532	1,640
										10,783	12,112
PrimeFlight Aviation Services	(10) Air Freight & Logistics										
		Secured Debt	(9) 5/1/2023		10.58%	SF+ 5.50%		5/1/2029	5,910	5,751	5,910
		Secured Debt	(9) 9/7/2023		9.83%	SF+ 5.50%		5/1/2029	564	548	564
		Secured Debt	(9) 1/30/2024		9.83%	SF+ 5.50%		5/1/2029	567	555	567
		Secured Debt	(9) 6/28/2024		9.58%	SF+ 5.25%		5/1/2029	644	636	644
										7,490	7,685
PTL US Bidco, Inc	(10) (13) (21) Manufacturers of Equipment, Including Drilling Rigs and Equipment, and Providers of Supplies and Services to Companies Involved in the Drilling, Evaluation and Completion of Oil and Gas Wells										
		Secured Debt	(9) 8/19/2022		13.03%	SF+ 8.25%		8/19/2027	448	441	443
		Secured Debt	(9) 8/19/2022		13.03%	SF+ 8.25%		8/19/2027	1,167	1,153	1,155
										1,594	1,598
Purge Rite, LLC	(10) HVAC Flushing and Filtration Services										
		Preferred Equity	10/2/2023	13,021						1,289	1,289
		Common Equity	4/1/2024	13,021						13	820
										1,302	2,109
Richardson Sales Solutions	(10) Business Services										
		Secured Debt	(9) (28) 8/24/2023		11.22%	SF+ 6.75%		8/24/2028	1,075	1,033	1,075
		Secured Debt	(9) 8/24/2023		11.38%	SF+ 6.75%		8/24/2028	10,288	10,058	10,288

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9)	9/10/2024	11.43%	SF+ 6.75%		8/24/2028	5,065	4,972	5,065
										16,063	16,428
Roof Opco, LLC	(10) Residential Re-Roofing/Repair	Secured Debt	(9) (30)	8/27/2021		SF+ 8.00%		8/27/2026	—	(6)	—
		Secured Debt	(9)	8/27/2021	11.85%	SF+ 7.00%		8/27/2026	4,219	4,163	3,840
		Secured Debt	(9)	8/27/2021	13.85%	SF+ 9.00%		8/27/2026	4,219	4,163	3,815
										8,320	7,655
Rug Doctor, LLC.	(10) Carpet Cleaning Products and Machinery	Secured Debt	(9)	7/16/2021	12.52%	SF+ 8.00%	2.00%	11/16/2025	6,542	6,532	6,542
		Secured Debt	(9)	7/16/2021	12.52%	SF+ 8.00%	2.00%	11/16/2025	8,277	8,262	8,277
										14,794	14,819
Slick Innovations, LLC	Text Message Marketing Platform	Secured Debt		9/13/2018	14.00%			12/22/2027	4,080	3,978	4,080
		Common Stock	(8)	9/13/2018	17,500					—	630
										3,978	4,710
South Coast Terminals Holdings, LLC	(10) Specialty Toll Chemical Manufacturer	Secured Debt	(9) (30)	8/8/2024		SF+ 5.25%		8/8/2029	—	—	—
		Secured Debt	(9)	8/8/2024	9.71%	SF+ 5.25%		8/8/2029	4,388	4,357	4,388
		Common Equity		12/10/2021	61					61	62
										4,418	4,450
SPAU Holdings, LLC	(10) Digital Photo Product Provider	Secured Debt	(9) (30)	7/1/2022		SF+ 7.50%		7/1/2027	—	(10)	—
		Secured Debt	(9)	7/1/2022	11.98%	SF+ 7.50%		7/1/2027	4,875	4,826	4,875
		Common Stock		7/1/2022	200,000					200	190
										5,016	5,065
TEC Services, LLC	(10) Provider of Janitorial Service for Food Retailers	Secured Debt	(9) (30)	12/31/2024		SF+ 5.75%		12/31/2029	—	(7)	(7)
		Secured Debt	(9) (30)	12/31/2024		SF+ 5.75%		12/31/2029	—	(5)	(5)
		Secured Debt	(9)	12/31/2024	10.13%	SF+ 5.75%		12/31/2029	2,333	2,299	2,299
										2,287	2,287
Tex Tech Tennis, LLC	(10) Sporting Goods & Textiles	Preferred Equity	(23)	7/7/2021	1,000,000					1,000	2,290
The Affiliati Network, LLC	Performance Marketing Solutions	Secured Debt		8/9/2021		10.00%		8/9/2026	100	98	98
		Secured Debt		8/9/2021		10.00%		8/9/2026	1,300	1,290	1,274
		Preferred Stock	(8)	9/1/2023	71,827					72	72
		Preferred Stock	(8)	8/9/2021	320,000					1,600	1,600
										3,060	3,044
Titan Meter Mideo Corp.	(10) Value Added Distributor of a Variety of Metering and Measurement Products and Solutions to the Energy Industry	Secured Debt	(9) (30)	3/11/2024		SF+ 6.50%		3/11/2029	—	(40)	(40)
		Secured Debt	(9)	3/11/2024	10.83%	SF+ 6.50%		3/11/2029	13,049	12,666	13,049
		Preferred Equity		3/11/2024	468,750	8.00%	8.00%			469	540
										13,095	13,549
U.S. TelePacific Corp.	(11) Provider of Communications and Managed Services										

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Consolidated Schedule of Investments (Continued)
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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9) (14)	6/1/2023	11.90%	SF+ 7.40%	6.00%	5/2/2027	6,750	2,229	2,686
		Secured Debt	(14)	6/1/2023				5/2/2027	692	15	—
										2,244	2,686
UPS Intermediate, LLC	(10) Provider of Maintenance, Repair, and Overhaul Services for Industrial Equipment Serving the Refining, Chemical, Midstream, Renewables, Power, and Utilities End Markets	Secured Debt	(9)	7/29/2024	10.36%	SF+ 6.00%		7/27/2029	19,490	19,118	19,294
		Common Equity		7/29/2024	412,371					412	412
										19,530	19,706
UserZoom Technologies, Inc.	(10) Provider of User Experience Research Automation Software	Secured Debt	(9)	1/11/2023	12.75%	SF+ 7.50%		4/5/2029	3,000	2,938	3,000
Vistar Media, Inc.	(10) Operator of Digital Out-of-Home Advertising Platform	Preferred Stock		4/3/2019	70,207					767	4,676
Vitesse Systems	(10) Component Manufacturing and Machining Platform	Secured Debt		12/22/2023	11.55%	SF+ 7.00%		12/22/2028	1,705	1,669	1,705
		Secured Debt	(9)	12/22/2023	11.47%	SF+ 7.00%		12/22/2028	12,375	12,130	12,375
										13,799	14,080
VORTEQ Coil Finishers, LLC	(10) Specialty Coating of Aluminum and Light-Gauge Steel	Common Equity	(8)	11/30/2021	769,231					769	1,950
Wall Street Prep, Inc.	(10) Financial Training Services	Secured Debt	(9) (30)	7/19/2021		SF+ 7.00%		7/19/2026	—	(3)	(3)
		Secured Debt	(9)	7/19/2021	11.74%	SF+ 7.00%		7/19/2026	2,199	2,183	2,199
		Common Stock		7/19/2021	500,000					500	1,510
										2,680	3,706
Watterson Brands, LLC	(10) Facility Management Services	Secured Debt		12/17/2021	12.00%		4.00%	12/17/2026	309	307	292
		Secured Debt		12/17/2021	12.00%		4.00%	12/17/2026	53	49	50
		Secured Debt		12/17/2021	12.00%		4.00%	12/17/2026	2,200	2,187	2,076
		Secured Debt		12/17/2021	12.00%		4.00%	12/17/2026	1,986	1,973	1,874
										4,516	4,292
West Star Aviation Acquisition, LLC	(10) Aircraft, Aircraft Engine and Engine Parts	Secured Debt	(9)	3/1/2022	9.47%	SF+ 5.00%		3/1/2028	658	649	658
		Secured Debt	(9)	3/1/2022	9.60%	SF+ 5.00%		3/1/2028	2,918	2,884	2,917
		Secured Debt	(9)	11/3/2023	9.60%	SF+ 5.00%		3/1/2028	1,452	1,429	1,452
		Common Stock	(8)	3/1/2022	200,000					200	640
										5,162	5,667
Winter Services LLC	(10) Provider of Snow Removal and Ice Management Services	Secured Debt	(9)	11/19/2021	12.81%	SF+ 8.00%		11/19/2026	2,750	2,701	2,672
		Secured Debt	(9)	11/19/2021	12.85%	SF+ 8.00%		11/19/2026	2,343	2,310	2,276
		Secured Debt	(9)	1/16/2024	11.85%	SF+ 7.00%		11/19/2026	9,050	8,911	8,794
		Secured Debt	(9)	1/16/2024	13.85%	SF+ 9.00%		11/19/2026	9,050	8,911	8,794

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
December 31, 2024
(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
World Micro Holdings, LLC	Supply Chain Management									22,833	22,536
		Secured Debt	12/12/2022		13.00%			12/12/2027	1,485	1,468	1,468
		Preferred Equity	(8) 12/12/2022	530						530	530
										1,998	1,998
Xenon Arc, Inc.	(10) Tech-enabled Distribution Services to Chemicals and Food Ingredients Primary Producers										
		Secured Debt	(9) 12/17/2021		9.70%	SF+ 5.25%		12/20/2028	1,176	1,157	1,176
		Secured Debt	(9) 12/17/2021		9.98%	SF+ 5.25%		12/20/2028	2,328	2,304	2,328
										3,461	3,504
YS Garments, LLC	(11) Designer and Provider of Branded Activewear										
		Secured Debt	(9) 8/22/2018		12.25%	SF+ 7.50%		8/9/2026	5,106	5,048	4,661
Zips Car Wash, LLC	(10) Express Car Wash Operator										
		Secured Debt	(9) 2/11/2022		11.91%	SF+ 7.25%	11.91%	12/31/2024	2,458	2,458	2,025
		Secured Debt	(9) 2/11/2022		11.91%	SF+ 7.25%	11.91%	12/31/2024	616	616	508
										3,074	2,533
ZRG Partners, LLC	(10) Talent Advisory Services Provider										
		Secured Debt	(9) 6/14/2024		12.50%	P+ 5.00%		6/14/2029	86	64	86
		Secured Debt	(9) 6/14/2024		10.74%	SF+ 6.00%		6/14/2029	517	496	517
		Secured Debt	(9) 6/14/2024		10.28%	SF+ 6.00%		6/14/2029	817	806	817
		Secured Debt	(9) 6/14/2024		10.66%	SF+ 6.00%		6/14/2029	5,852	5,748	5,852
										7,114	7,272
Subtotal Non-Control/Non-Affiliate Investments (121.0% of net assets at fair value)										\$ 799,974	\$ 756,269
Total Portfolio Investments, December 31, 2024 (188.4% of net assets at fair value)										\$ 1,138,745	\$ 1,177,507
Money market funds (included in cash and cash equivalents)											
First American Treasury Obligations Fund Class Z (16)										\$ 12,261	\$ 12,261
Fidelity Government Portfolio Fund Class III (34)										2,099	2,099
Total money market funds										\$ 14,360	\$ 14,360

- (1) All investments are Lower Middle Market portfolio investments, unless otherwise noted. *See Note C — Fair Value Hierarchy for Investments — Portfolio Composition* for a description of Lower Middle Market portfolio investments. All of the Company’s investments, unless otherwise noted, are encumbered as security for one of the Company’s Credit Facilities.
- (2) Debt investments are income producing, unless otherwise noted by footnote (14), as described below. Equity and warrants are non-income producing, unless otherwise noted by footnote (8), as described below.
- (3) *See Note C — Fair Value Hierarchy for Investments — Portfolio Composition* and Schedule 12-14 for a summary of geographic location of portfolio companies.

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
December 31, 2024
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- (4) Principal is net of repayments. Cost is net of repayments and accumulated unearned income. Negative cost is the result of the capitalized discount being greater than the principal amount outstanding on the loan.
- (5) Control investments are defined by the 1940 Act as investments in which more than 25% of the voting securities are owned or where the ability to nominate greater than 50% of the board representation is maintained.
- (6) Affiliate investments are defined by the 1940 Act as investments in which between 5% and 25% (inclusive) of the voting securities are owned and the investments are not classified as Control investments.
- (7) Non-Control/Non-Affiliate investments are defined by the 1940 Act as investments that are neither Control investments nor Affiliate investments.
- (8) Income producing through dividends or distributions.
- (9) Index based floating interest rate is subject to contractual minimum interest rate. As noted in this schedule, 96% of the loans (based on the par amount) contain Term SOFR (“SOFR”) floors which range between 0.75% and 5.25%, with a weighted-average floor of 1.28%.
- (10) Private Loan portfolio investment. See *Note C—Fair Value Hierarchy for Investments—Portfolio Composition* for a description of Private Loan portfolio investments.
- (11) Middle Market portfolio investment. See *Note C—Fair Value Hierarchy for Investments—Portfolio Composition* for a description of Middle Market portfolio investments.
- (12) Other Portfolio investment. See *Note C—Fair Value Hierarchy for Investments—Portfolio Composition* for a description of Other Portfolio investments.
- (13) Investment is not a qualifying asset as defined under Section 55(a) of the 1940 Act. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets.
- (14) Non-accrual and non-income producing debt investment.
- (15) All of the Company’s portfolio investments are generally subject to restrictions on resale as “restricted securities.”
- (16) Effective yield as of December 31, 2024 was approximately 4.41% on the First American Treasury Obligations Fund Class Z.
- (17) Maturity date is under on-going negotiations with the portfolio company and other lenders, if applicable.
- (18) Investment fair value was determined using significant unobservable inputs, unless otherwise noted. See *Note C—Fair Value Hierarchy for Investments—Portfolio Composition* for further discussion. Negative fair value is the result of the capitalized discount on the loan or the unfunded commitment being valued below par.
- (19) Investments may have a portion, or all, of their income received from Paid-in-Kind (“PIK”) interest or dividends. PIK interest income and cumulative dividend income represent income not paid currently in cash. The difference between the Total Rate and PIK Rate represents the cash rate as of December 31, 2024.
- (20) All portfolio company headquarters are based in the United States, unless otherwise noted.
- (21) Portfolio company headquarters are located outside of the United States.
- (22) Investment date represents the date of initial investment in the security position.
- (23) Shares/Units represent ownership in a related Real Estate or HoldCo entity.
- (24) Investment is not unitized. Presentation is made in percent of fully diluted ownership unless otherwise indicated.
- (25) A majority of the variable rate loans in the Company’s Investment Portfolio (defined below) bear interest at a rate that may be determined by reference to either SOFR (“SF”) or an alternate base rate (commonly based on the Federal Funds Rate or the Prime rate (“P”)), which typically resets every one, three, or six months at the borrower’s option. SOFR based contracts may include a credit spread adjustment (the “Adjustment”) that is charged in addition to the stated spread. The Adjustment is applied when the SOFR rate, plus the Adjustment, exceeds the stated floor rate, as applicable. As of December 31, 2024, SOFR based contracts in the portfolio had Adjustments ranging from 0.10% to 0.26%.
- (26) Each new draw or funding on the facility has a different floating rate reset date. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2024.
- (27) Warrants are presented in equivalent shares/units with a strike price of \$0.01 per share/unit.

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
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- (28) RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2024.
- (29) Index based floating interest rate is subject to contractual maximum base rate of 3.00%.
- (30) The position is unfunded and no interest income is being earned as of December 31, 2024. The position may earn a nominal unused facility fee on committed amounts.
- (31) Warrants are presented in equivalent shares/units with a strike price of \$1.00 per share/unit.
- (32) Index based floating interest rate is subject to contractual maximum base rate of 4.00%.
- (33) The Company has entered into an intercreditor agreement that entitles the Company to the “last out” tranche of the first lien secured loans, whereby the “first out” tranche will receive priority as to the “last out” tranche with respect to payments of principal, interest, and any other amounts due thereunder. Therefore, the Company receives a higher interest rate than the contractual stated interest rate of 11.75% per the credit agreement and the Consolidated Schedule of Investments above reflects such higher rate.
- (34) Effective yield as of December 31, 2024 was approximately 4.13% on the Fidelity Government Portfolio Fund Class III.

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Consolidated Schedule of Investments
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(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
Control Investments (5)											
Copper Trail Fund Investments	(12) (13) Investment Partnership	LP Interests (CTMH, LP)	(8) (24) 7/17/2017	38.8%						\$ 693	\$ 568
GRT Rubber Technologies LLC	Manufacturer of Engineered Rubber Products	Secured Debt	12/21/2018		11.48%	SF+ 6.00%		10/29/2026	1,182	1,173	1,182
		Secured Debt	12/19/2014		13.48%	SF+ 8.00%		10/29/2026	19,944	19,803	19,944
		Member Units	12/19/2014	2,896						6,435	21,890
										27,411	43,016
Harris Preston Fund Investments	(12) (13) Investment Partnership	LP Interests (2717 MH, L.P.)	(8) (24) 10/1/2017	49.3%						3,345	6,050
Volution, LLC	Provider of Online Software-as-a-Service eCommerce Solutions	Secured Debt	3/31/2023		10.00%			3/31/2025	900	900	900
		Preferred Member Units	3/31/2023	2,184,683						3,706	3,110
		Preferred Member Units	3/31/2023	61,077						—	—
		Preferred Member Units	1/26/2015	2,090,001						6,000	—
		Common Stock	3/31/2023	772,620						1,104	—
										11,710	4,010
Subtotal Control Investments (8.6% of net assets at fair value)										\$ 43,159	\$ 53,644
Affiliate Investments (6)											
Analytical Systems Keco Holdings, LLC	Manufacturer of Liquid and Gas Analyzers	Secured Debt	(9) 8/16/2019		15.38%	SF+ 10.00%		8/16/2024	\$ 55	\$ 54	\$ 54
		Secured Debt	(9) 8/16/2019		15.38%	SF+ 10.00%		8/16/2024	1,031	1,020	1,020
		Preferred Member Units	5/20/2021	607						607	1,210
		Preferred Member Units	8/16/2019	800	14.13%					800	—
		Warrants	(27) 8/16/2019	105				8/16/2029		79	—
										2,560	2,284
Barfly Ventures, LLC	(10) Casual Restaurant Group	Member Units	10/26/2020	12						528	1,380
Batjer TopCo, LLC	HVAC Mechanical Contractor	Secured Debt	(37) 3/7/2022					3/7/2027	—	(1)	—
		Secured Debt	3/7/2022		10.00%			3/7/2027	30	30	30
		Secured Debt	3/7/2022		10.00%			3/7/2027	1,175	1,160	1,175
		Preferred Stock	(8) 3/7/2022	453						455	680
										1,644	1,885
Brewer Crane Holdings, LLC	Provider of Crane Rental and Operating Services	Secured Debt	(9) 1/9/2018		15.46%	L+ 10.00%		1/9/2025	1,375	1,375	1,374
		Preferred Member Units	(8) 1/9/2018	737						1,070	1,400
										2,445	2,774
Centre Technologies Holdings, LLC	Provider of IT Hardware Services and Software Solutions										

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9) (37) 1/4/2019			SF+ 9.00%		1/4/2026	—	—	—
		Secured Debt	(9) 1/4/2019		14.48%	SF+ 9.00%		1/4/2026	4,394	4,364	4,394
		Preferred Member Units	1/4/2019	3,327						1,531	2,760
										5,895	7,154
Chamberlin Holding LLC	Roofing and Waterproofing Specialty Contractor										
		Secured Debt	(9) (37) 2/26/2018			SF+ 6.00%		2/26/2026	—	(49)	—
		Secured Debt	(9) 2/26/2018		13.49%	SF+ 8.00%		2/26/2026	3,905	3,903	3,905
		Member Units	(8) 2/26/2018	1,087						2,860	7,330
		Member Units	(8) (23) 11/2/2018	261,786						443	715
										7,157	11,950
Charps, LLC	Pipeline Maintenance and Construction										
		Preferred Member Units	(8) 2/3/2017	457						491	3,920
Clad-Rex Steel, LLC	Specialty Manufacturer of Vinyl-Clad Metal										
		Secured Debt	12/20/2016		11.50%			1/15/2024	2,140	2,140	2,103
		Secured Debt	12/20/2016		10.00%			12/20/2036	253	251	251
		Member Units	(8) 12/20/2016	179						1,820	1,300
		Member Units	(23) 12/20/2016	200						127	282
										4,338	3,936
Cody Pools, Inc.	Designer of Residential and Commercial Pools										
		Secured Debt	(37) 3/6/2020					12/17/2026	—	(2)	—
		Secured Debt	3/6/2020		12.50%			12/17/2026	7,111	7,089	7,111
		Preferred Member Units	(8) (23) 3/6/2020	147						2,079	18,120
										9,166	25,231
Colonial Electric Company LLC	Provider of Electrical Contracting Services										
		Secured Debt	(37) 3/31/2021					3/31/2026	—	—	—
		Secured Debt	3/31/2021		12.00%			3/31/2026	5,513	5,448	5,407
		Preferred Member Units	6/27/2023	240						240	600
		Preferred Member Units	3/31/2021	4,320						1,920	1,920
										7,608	7,927
Compass Systems & Sales, LLC	Designer of End-to-End Material Handling Solutions										
		Secured Debt	(37) 11/22/2023					11/22/2028	—	—	—
		Secured Debt	11/22/2023		13.50%			11/22/2028	4,300	4,175	4,175
		Preferred Equity	11/22/2023	1,863						1,863	1,863
										6,038	6,038
Datacom, LLC	Technology and Telecommunications Provider										
		Secured Debt	3/1/2022		7.50%			12/31/2025	50	49	49
		Secured Debt	3/31/2021		10.00%			12/31/2025	928	887	844
		Preferred Member Units	3/31/2021	1,000						290	10
										1,226	903
Digital Products Holdings LLC	Designer and Distributor of Consumer Electronics										
		Secured Debt	(9) 4/1/2018		15.38%	SF+ 10.00%		4/27/2026	3,718	3,689	3,673
		Preferred Member Units	(8) 4/1/2018	964						2,375	2,459
										6,064	6,132

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)	
Direct Marketing Solutions, Inc.	Provider of Omni-Channel Direct Marketing Services	Secured Debt	2/13/2018		14.00%			2/13/2026	217	213	217	
		Secured Debt	12/27/2022		14.00%			2/13/2026	5,002	4,974	5,002	
		Preferred Stock	(8)	2/13/2018	2,100					2,100	5,180	
										7,287	10,399	
Flame King Holdings, LLC	Propane Tank and Accessories Distributor	Preferred Equity	(8)	10/29/2021	2,340					2,600	6,970	
Freeport Financial Funds	(12) (13) Investment Partnership	LP Interests (Freeport First Lien Loan Fund III LP)	(8) (24)	7/31/2015	6.0%					4,160	3,705	
Gamber-Johnson Holdings, LLC	Manufacturer of Ruggedized Computer Mounting Systems	Secured Debt	(9) (36) (37)	6/24/2016		SF+ 7.50%		1/1/2028	—	—	—	
		Secured Debt	(9) (36)	12/15/2022		10.50%	SF+ 7.50%		1/1/2028	13,520	13,336	13,520
		Member Units	(8)	6/24/2016	2,261					4,423	24,180	
										17,759	37,700	
GFG Group, LLC	Grower and Distributor of a Variety of Plants and Products to Other Wholesalers, Retailers and Garden Centers	Secured Debt	(8)	3/31/2021	8.00%			3/31/2026	2,336	2,304	2,336	
		Preferred Member Units	(8)	3/31/2021	56					1,225	2,870	
										3,529	5,206	
Gulf Publishing Holdings, LLC	Energy Industry Focused Media and Publishing	Secured Debt	(9) (37)	9/29/2017		SF+ 9.50%		7/1/2027	—	—	—	
		Secured Debt		7/1/2022		12.50%		7/1/2027	600	600	571	
		Preferred Equity		7/1/2022	15,930					1,400	620	
		Member Units		4/29/2016	920					920	—	
										2,920	1,191	
Harris Preston Fund Investments	(12) (13) Investment Partnership	LP Interests (HPEP 3, L.P.)	(24)	8/9/2017	8.2%					2,296	4,225	
IG Investor, LLC	Military and Other Tactical Gear	Secured Debt	(37)	6/21/2023				6/21/2028	—	(27)	(27)	
		Secured Debt		6/21/2023		13.00%		6/21/2028	9,316	9,069	9,069	
		Common Equity		6/21/2023	3,600					3,600	3,600	
										12,642	12,642	
Independent Pet Partners Intermediate Holdings, LLC	(10) Omnichannel Retailer of Specialty Pet Products	Common Equity		4/7/2023	6,436,566					6,540	6,320	
Integral Energy Services	(10) Nuclear Power Staffing Services	Secured Debt	(9)	8/20/2021	13.16%	SF+ 7.50%		8/20/2026	16,925	16,737	16,232	

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Preferred Equity	12/7/2023	3,725	10.00%		10.00%			265	350
		Common Stock	8/20/2021	11,647						1,584	190
										18,586	16,772
Kickhaefer Manufacturing Company, LLC	Precision Metal Parts Manufacturing										
		Secured Debt	10/31/2018		12.00%			10/31/2026	4,950	4,933	4,933
		Secured Debt	10/31/2018		9.00%			10/31/2048	960	951	951
		Preferred Equity	10/31/2018	145						3,060	2,420
		Member Units	(23) 10/31/2018	200						248	683
										9,192	8,987
MH Corbin Holding LLC	Manufacturer and Distributor of Traffic Safety Products										
		Secured Debt	(17) 8/31/2015		13.00%			12/31/2022	1,350	1,350	1,256
		Preferred Member Units	3/15/2019	16,500						1,100	80
		Preferred Member Units	9/1/2015	1,000						1,500	—
										3,950	1,336
Mystic Logistics Holdings, LLC	Logistics and Distribution Services Provider for Large Volume Mailers										
		Secured Debt	(37) 8/18/2014					1/31/2024	—	—	—
		Secured Debt	8/18/2014		10.00%			1/31/2024	1,436	1,436	1,436
		Common Stock	(8) 8/18/2014	1,468						680	6,598
										2,116	8,034
NexRev LLC	Provider of Energy Efficiency Products & Services										
		Secured Debt	(37) 2/28/2018					2/28/2025	—	—	—
		Secured Debt	2/28/2018		10.00%			2/28/2025	2,453	2,435	2,435
		Preferred Member Units	(8) 2/28/2018	25,786,046						2,053	1,590
										4,488	4,025
NuStep, LLC	Designer, Manufacturer and Distributor of Fitness Equipment										
		Secured Debt	(9) 1/31/2017		11.98%	SF+ 6.50%		1/31/2025	900	899	899
		Secured Debt	1/31/2017		12.00%			1/31/2025	4,610	4,606	4,606
		Preferred Member Units	11/2/2022	515						515	1,290
		Preferred Member Units	1/31/2017	102						2,550	2,310
										8,570	9,105
Oneiance, LLC	Construction Cleaning Company										
		Secured Debt	(9) 8/6/2021		16.48%	SF+ 11.00%		8/6/2026	1,360	1,346	1,339
		Preferred Stock	8/6/2021	282						282	282
										1,628	1,621
Orttech Holdings, LLC	Distributor of Industrial Clutches, Brakes and Other Components										
		Secured Debt	(9) (37) 7/30/2021			SF+ 11.00%		7/31/2026	—	(2)	—
		Secured Debt	(9) 7/30/2021		16.48%	SF+ 11.00%		7/31/2026	5,510	5,452	5,510
		Preferred Stock	(8) (23) 7/30/2021	2,500						2,500	4,260
										7,950	9,770
Pinnacle TopCo, LLC	Manufacturer and Distributor of Garbage Can Liners, Poly Bags, Produce Bags, and Other Similar Products										
		Secured Debt	12/21/2023		8.00%			12/31/2028	115	105	105
		Secured Debt	12/21/2023		13.00%			12/31/2028	7,660	7,472	7,472

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Preferred Equity	12/21/2023	110						3,135	3,135
Robbins Bros. Jewelry, Inc.	Bridal Jewelry Retailer									10,712	10,712
		Secured Debt	(37) 12/15/2021					12/15/2026	—	(6)	(6)
		Secured Debt	12/15/2021		12.50%			12/15/2026	3,790	3,745	3,421
		Preferred Equity	12/15/2021	1,230						1,230	—
										4,969	3,415
SI East, LLC	Rigid Industrial Packaging Manufacturing										
		Secured Debt	8/31/2018		11.25%			6/16/2028	375	370	375
		Secured Debt	6/16/2023		12.47%			6/16/2028	18,179	18,019	18,179
		Preferred Member Units	(8) 8/31/2018	55						508	6,390
										18,897	24,944
Student Resource Center, LLC	(10) Higher Education Services										
		Secured Debt	(14) 12/31/2022		8.50%		8.50%	12/31/2027	5,918	5,426	3,543
		Preferred Equity	12/31/2022	6,564,055						—	—
										5,426	3,543
Tedder Industries, LLC	Manufacturer of Firearm Holsters and Accessories										
		Secured Debt	(17) 8/31/2018		12.00%			8/31/2023	460	460	432
		Secured Debt	(17) 8/31/2018		12.00%			8/31/2023	3,800	3,800	3,565
		Preferred Member Units	8/28/2023	1,651						165	—
		Preferred Member Units	2/1/2023	1,411						141	—
		Preferred Member Units	8/31/2018	136						2,311	—
										6,877	3,997
Trantech Radiator Topco, LLC	Transformer Cooling Products and Services										
		Secured Debt	(37) 5/31/2019					5/31/2024	—	(1)	—
		Secured Debt	5/31/2019		12.00%			5/31/2024	1,980	1,975	1,980
		Common Stock	(8) 5/31/2019	154						1,164	3,180
										3,138	5,160
VVS Holdco LLC	Omnichannel Retailer of Animal Health Products										
		Secured Debt	(9) (17) 12/1/2021			SF+ 6.00%		12/1/2023	—	—	—
		Secured Debt	(37) 12/1/2021		11.50%			12/1/2026	7,050	6,926	6,926
		Preferred Equity	(8) (23) 12/1/2021	3,060						3,060	3,060
										9,986	9,986
Subtotal Affiliate Investments (46.8% of net assets at fair value)										\$ 231,378	\$ 291,279
Non-Control/Non-Affiliate Investments (7)											
AAC Holdings, Inc.	(11) Substance Abuse Treatment Service Provider										
		Secured Debt	1/31/2023		18.00%		18.00%	6/25/2025	\$ 151	\$ 149	\$ 149
		Secured Debt	12/11/2020		18.00%		18.00%	6/25/2025	5,014	4,888	4,958
		Common Stock	12/11/2020	593,927						3,148	—
		Warrants	(27) 12/11/2020	197,717				12/11/2025		—	—
										8,185	5,107
AB Centers Acquisition Corporation	(10) Applied Behavior Analysis Therapy Provider										
		Secured Debt	(9) (37) 9/6/2022			P+ 5.00%		9/6/2028	—	(20)	—
		Secured Debt	(9) 9/6/2022		11.43%	SF+ 6.00%		9/6/2028	1,081	1,066	1,081

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)	
		Secured Debt	(9)	9/6/2022		11.43%	SF+ 6.00%	9/6/2028	2,304	2,219	2,304	
		Secured Debt	(9)	6/21/2023		11.43%	SF+ 6.00%	9/6/2028	772	743	772	
										4,008	4,157	
Acumera, Inc.	(10) Managed Security Service Provider											
		Secured Debt	(9) (37)	6/7/2023			SF+ 7.50%	6/7/2028	—	(8)	(8)	
		Secured Debt	(9)	6/7/2023		12.98%	SF+ 7.50%	6/7/2028	11,922	11,825	11,922	
		Warrants	(40)	6/7/2023	14,953			5/19/2028	—	—	90	
										11,817	12,004	
Adams Publishing Group, LLC	(10) Local Newspaper Operator											
		Secured Debt	(9) (36)	3/11/2022		11.00%	SF+ 7.00%	1.00%	3/11/2027	936	936	917
		Secured Debt	(9) (36)	3/11/2022		11.00%	SF+ 7.00%	1.00%	3/11/2027	2,531	2,527	2,481
										3,463	3,398	
ADS Tactical, Inc.	(11) Value-Added Logistics and Supply Chain Provider to the Defense Industry											
		Secured Debt	(9)	3/29/2021		11.22%	SF+ 5.75%	3/19/2026	4,250	4,210	4,214	
AMEREQUIP LLC	(10) Full Services Provider Including Design, Engineering and Manufacturing of Commercial and Agricultural Equipment											
		Secured Debt	(9) (37)	8/31/2022			SF+ 7.40%	8/31/2027	—	—	—	
		Secured Debt	(9)	8/31/2022		12.76%	SF+ 7.40%	8/31/2027	1,538	1,538	1,538	
		Common Stock	(8)	8/31/2022	11				—	83	100	
										1,621	1,638	
American Health Staffing Group, Inc.	(10) Healthcare Temporary Staffing											
		Secured Debt	(9) (37)	11/19/2021			P+ 5.00%	11/19/2026	—	(10)	(10)	
		Secured Debt	(9)	11/19/2021		13.50%	P+ 5.00%	11/19/2026	8,188	8,140	8,188	
										8,130	8,178	
American Nuts, LLC	(10) Roaster, Mixer and Packager of Bulk Nuts and Seeds											
		Secured Debt	(9)	3/11/2022		15.29%	SF+ 9.75%	15.29%	4/10/2026	4,833	4,812	4,102
		Secured Debt	(9)	3/11/2022		15.29%	SF+ 9.75%	15.29%	4/10/2026	—	—	—
		Secured Debt	(9) (14)	3/11/2022		17.29%	SF+ 11.75%	17.29%	4/10/2026	4,270	4,244	2,522
		Secured Debt	(9) (14)	3/11/2022		17.29%	SF+ 11.75%	17.29%	4/10/2026	—	—	—
										9,056	6,624	
American Teleconferencing Services, Ltd.	(11) Provider of Audio Conferencing and Video Collaboration Solutions											
		Secured Debt	(14) (17)	9/17/2021				4/7/2023	2,425	2,375	109	
		Secured Debt	(14) (17)	5/19/2016				6/8/2023	11,693	11,451	526	
										13,826	635	
ArborWorks, LLC	(10) Vegetation Management Services											
		Secured Debt		11/6/2023		15.00%		15.00%	11/6/2028	1,007	1,007	1,007
		Secured Debt	(9)	11/6/2023		12.04%	SF+ 6.50%	12.04%	11/6/2028	3,765	3,765	3,765
		Preferred Equity		11/6/2023	17,265					7,468	7,468	
		Preferred Equity		11/6/2023	17,265					—	—	
		Common Equity		11/9/2021	2,070					124	—	
										12,364	12,240	
Archer Systems, LLC	(10) Mass Tort Settlement Administration Solutions Provider											

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		Common Stock	8/11/2022	62,402						62	100
ATS Operating, LLC	(10) For-Profit Thrift Retailer										
		Secured Debt	(9) 1/18/2022		12.16%	SF+ 6.50%		1/18/2027	50	50	50
		Secured Debt	(9) 1/18/2022		11.16%	SF+ 5.50%		1/18/2027	925	911	925
		Secured Debt	(9) 1/18/2022		13.16%	SF+ 7.50%		1/18/2027	925	911	925
		Common Stock	1/18/2022	100,000						100	90
										1,972	1,990
AVEX Aviation Holdings, LLC	(10) Specialty Aircraft Dealer & MRO Provider										
		Secured Debt	(9) (37) 12/23/2022			SF+ 7.25%		12/23/2027	—	(17)	(5)
		Secured Debt	(9) 12/23/2022		12.76%	SF+ 7.25%		12/23/2027	3,417	3,321	3,344
		Common Equity	(8) 12/15/2021	137						134	124
										3,438	3,463
Berry Aviation, Inc.	(10) Charter Airline Services										
		Preferred Member Units	(23) 11/12/2019	122,416						—	200
		Preferred Member Units	(8) (23) 7/6/2018	1,548,387						—	2,560
										—	2,760
Bettercloud, Inc.	(10) SaaS Provider of Workflow Management and Business Application Solutions										
		Secured Debt	(9) (37) 6/30/2022			SF+ 7.25%		6/30/2028	—	(18)	(18)
		Secured Debt	(9) 6/30/2022		12.64%	SF+ 7.25%	6.25%	6/30/2028	8,535	8,419	7,998
										8,401	7,980
Binswanger Enterprises, LLC	(10) Glass Repair and Installation Service Provider										
		Member Units	3/10/2017	1,050,000						1,050	120
Bluestem Brands, Inc.	(11) Multi-Channel Retailer of General Merchandise										
		Secured Debt	(9) 10/19/2022		16.00%	P+ 7.50%	15.00%	8/28/2025	2,035	2,035	1,907
		Secured Debt	(9) 8/28/2020		13.96%	SF+ 8.50%	12.96%	8/28/2025	3,941	3,305	3,695
		Common Stock	10/1/2020	700,446						—	533
		Warrants	(27) 10/19/2022	175,110				10/19/2032		1,111	129
										6,451	6,264
Boccella Precast Products LLC	Manufacturer of Precast Hollow Core Concrete										
		Secured Debt	9/23/2021		10.00%			2/28/2027	80	80	80
		Member Units	6/30/2017	540,000						564	498
										644	578
Bond Brand Loyalty ULC	(10) (13) (21) Provider of Loyalty Marketing Services										
		Secured Debt	(9) (37) 5/1/2023			SF+ 7.00%		5/1/2028	—	(16)	(16)
		Secured Debt	(9) 5/1/2023		11.54%	SF+ 6.00%		5/1/2028	4,040	3,970	4,040
		Secured Debt	(9) 5/1/2023		13.54%	SF+ 8.00%		5/1/2028	4,040	3,970	4,040
		Preferred Equity	5/1/2023	360						360	310
		Common Equity	5/1/2023	360						—	—
										8,284	8,374
Brightwood Capital Fund Investments	(12) (13) Investment Partnership										
		LP Interests (Brightwood Capital Fund III, LP)	(24) 7/21/2014	0.5%						2,270	1,360

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(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		LP Interests (Brightwood Capital Fund IV, LP)	(8) (24)	10/26/2016	1.2%					8,737	8,716
										11,007	10,076
Buca C, LLC	Casual Restaurant Group	Secured Debt	(17)	6/30/2015	12.00%			8/31/2023	11,490	11,490	8,218
		Preferred Member Units		6/30/2015	6.00%		6.00%			3,040	—
										14,530	8,218
Burning Glass Intermediate Holding Company, Inc.	(10) Provider of Skills-Based Labor Market Analytics	Secured Debt	(9)	6/14/2021	10.46%	SF+ 5.00%		6/10/2026	310	296	310
		Secured Debt	(9)	6/14/2021	10.46%	SF+ 5.00%		6/10/2028	13,121	12,970	13,121
										13,266	13,431
CAI Software LLC	Provider of Specialized Enterprise Resource Planning Software	Preferred Equity		12/13/2021						379	379
		Preferred Equity		12/13/2021						—	—
										379	379
Career Team Holdings, LLC	Provider of Workforce Training and Career Development Services	Secured Debt	(9)	12/17/2021	11.38%	SF+ 6.00%		12/17/2026	100	96	96
		Secured Debt		12/17/2021	13.00%			12/17/2026	2,225	2,185	2,185
		Common Stock		12/17/2021						500	500
										2,781	2,781
CaseWorthy, Inc.	(10) SaaS Provider of Case Management Solutions	Secured Debt	(9) (37)	5/18/2022		SF+ 6.00%		5/18/2027	—	(3)	(3)
		Secured Debt	(9)	5/18/2022	11.61%	SF+ 6.00%		5/18/2027	2,581	2,561	2,581
		Secured Debt	(9)	5/18/2022	11.61%	SF+ 6.00%		5/18/2027	1,985	1,971	1,985
		Common Equity		12/30/2022						80	80
										4,609	4,643
Channel Partners Intermediatco, LLC	(10) Outsourced Consumer Services Provider	Secured Debt	(9) (44)	2/7/2022	12.60%	SF+ 7.00%		2/7/2027	190	175	183
		Secured Debt	(9)	2/7/2022	12.66%	SF+ 7.00%		2/7/2027	3,360	3,317	3,224
		Secured Debt	(9)	6/24/2022	12.66%	SF+ 7.00%		2/7/2027	186	184	179
		Secured Debt	(9)	3/27/2023	12.66%	SF+ 7.00%		2/7/2027	450	440	432
										4,116	4,018
Clarius BIGS, LLC	(10) Prints & Advertising Film Financing	Secured Debt	(14) (17)	9/23/2014				1/5/2015	2,694	2,350	16
Classic H&G Holdings, LLC	Provider of Engineered Packaging Solutions	Secured Debt	(9)	3/12/2020	11.69%	SF+ 6.00%		3/12/2025	1,140	1,133	1,140
		Secured Debt	(9)	3/12/2020	8.00%			3/12/2025	4,819	4,781	4,819
		Preferred Member Units	(8)	3/12/2020						1,440	4,000
										7,354	9,959
Computer Data Source, LLC	(10) Third Party Maintenance Provider to the Data Center Ecosystem	Secured Debt	(9) (30)	8/6/2021	13.52%	SF+ 8.00%		8/6/2026	4,167	4,123	4,040
		Secured Debt	(9)	8/6/2021	13.52%	SF+ 8.00%		8/6/2026	15,260	15,098	14,797
										19,221	18,837

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
Construction Supply Investments, LLC (10)	Distribution Platform of Specialty Construction Materials to Professional Concrete and Masonry Contractors	Member Units	12/29/2016	861,618						3,335	23,135
CQ Fluency, LLC	Global Language Services Provider	Secured Debt	(9) (37) 12/27/2023			SF+ 7.00%		6/27/2027	—	(44)	(44)
		Secured Debt	(9) (37) 12/27/2023			SF+ 7.00%		6/27/2027	—	(44)	(44)
		Secured Debt	(9) 12/27/2023		12.45%	SF+ 7.00%		6/27/2027	7,500	7,280	7,280
										7,192	7,192
Dalton US Inc.	Provider of Supplemental Labor Services	Common Stock	8/16/2022	37						52	60
DMA Industries, LLC	Distributor of Aftermarket Ride Control Products	Secured Debt	11/19/2021		12.00%			11/19/2026	4,700	4,642	4,700
		Preferred Equity	11/19/2021	1,486						1,486	1,920
										6,128	6,620
DTE Enterprises, LLC	Industrial Powertrain Repair and Services	Class AA Preferred Member Units (non-voting)	(8) 4/13/2018		10.00%		10.00%			1,284	1,283
		Class A Preferred Member Units	4/13/2018	776,316	8.00%		8.00%			776	260
										2,060	1,543
Dynamic Communities, LLC	Developer of Business Events and Online Community Groups	Secured Debt	(9) 12/20/2022		10.45%	SF+ 5.00%	10.45%	12/31/2026	2,070	1,912	1,912
		Secured Debt	(9) 12/20/2022		12.45%	SF+ 7.00%	12.45%	12/31/2026	2,113	1,879	1,859
		Preferred Equity	12/20/2022	125,000						128	60
		Preferred Equity	12/20/2022	2,376,241						—	—
		Common Equity	12/20/2022	1,250,000						—	—
										3,919	3,831
Elgin AcquireCo, LLC	Manufacturer and Distributor of Engine and Chassis Components	Secured Debt	(9) (37) 10/3/2022			SF+ 6.00%		10/3/2027	—	—	—
		Secured Debt	10/3/2022		12.00%			10/3/2027	1,227	1,200	1,200
		Secured Debt	10/3/2022		9.00%			10/3/2052	412	409	409
		Common Stock	10/3/2022	19						374	390
		Common Stock	(23) 10/3/2022	61						102	109
										2,085	2,108
Emerald Technologies Acquisition Co, Inc.	Design & Manufacturing	Secured Debt	(9) 2/10/2022		11.79%	SF+ 6.25%		12/29/2027	2,391	2,357	2,175
Engineering Research & Consulting, LLC	Provider of Engineering & Consulting Services to US Department of Defense	Secured Debt	(9) (37) 5/23/2022			P+ 5.50%		5/23/2027	—	(11)	—
		Secured Debt	(9) 5/23/2022		11.98%	SF+ 6.50%		5/23/2028	5,095	5,023	5,095

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Consolidated Schedule of Investments (Continued)
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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
										5,012	5,095
Escalet, Inc.	(10) Market Research and Consulting Firm	Secured Debt	(9) (37) 4/7/2023			SF+ 8.00%		4/7/2029	—	(9)	(9)
		Secured Debt	(9) 4/7/2023		13.45%	SF+ 8.00%		4/7/2029	6,924	6,742	6,924
		Common Equity	4/7/2023	170,998						174	190
										<u>6,907</u>	<u>7,105</u>
Event Holdco, LLC	(10) Event and Learning Management Software for Healthcare Organizations and Systems	Secured Debt	(9) 12/22/2021		12.61%	SF+ 7.00%		12/22/2026	308	306	302
		Secured Debt	(9) 12/22/2021		12.61%	SF+ 7.00%		12/22/2026	3,681	3,659	3,614
										<u>3,965</u>	<u>3,916</u>
Garyline, LLC	(10) Manufacturer of Consumer Plastic Products	Secured Debt	(9) (37) 11/10/2023			SF+ 6.75%		11/10/2028	—	(76)	(76)
		Secured Debt	(9) 11/10/2023		12.22%	SF+ 6.75%		11/10/2028	9,664	9,384	9,384
		Common Equity	11/10/2023	210,084						210	210
										<u>9,518</u>	<u>9,518</u>
Hawk Ridge Systems, LLC	Value-Added Reseller of Engineering Design and Manufacturing Solutions	Secured Debt	(9) 12/2/2016		11.65%	SF+ 6.00%		1/15/2026	494	492	494
		Secured Debt	(9) 12/2/2016		12.50%			1/15/2026	9,744	9,697	9,744
		Preferred Member Units	12/2/2016	56						713	4,370
		Preferred Member Units	(23) 12/2/2016	56						38	230
										<u>10,940</u>	<u>14,838</u>
HDC/HW Intermediate Holdings	(10) Managed Services and Hosting Provider	Secured Debt	(9) (17) 12/21/2018		14.34%	SF+ 9.50%	14.34%	12/21/2023	205	205	186
		Secured Debt	(9) (17) 12/21/2018		14.34%	SF+ 9.50%	14.34%	12/21/2023	2,036	2,036	1,849
										<u>2,241</u>	<u>2,035</u>
HEADLANDS OP-CO LLC	(10) Clinical Trial Sites Operator	Secured Debt	(9) (37) 8/1/2022			SF+ 6.50%		8/1/2027	—	(14)	(14)
		Secured Debt	(9) 8/1/2022		11.86%	SF+ 6.50%		8/1/2027	1,995	1,962	1,995
		Secured Debt	(9) 8/1/2022		11.86%	SF+ 6.50%		8/1/2027	4,925	4,854	4,925
										<u>6,802</u>	<u>6,906</u>
Hybrid Promotions, LLC	(10) Wholesaler of Licensed, Branded and Private Label Apparel	Secured Debt	(9) 6/30/2021		15.91%	SF+ 8.25%	2.00%	6/30/2026	7,964	7,813	7,313
IG Parent Corporation	(11) Software Engineering	Secured Debt	(9) (37) 7/30/2021			SF+ 5.75%		7/30/2026	—	(13)	—
		Secured Debt	(9) 7/30/2021		10.96%	SF+ 5.50%		7/30/2028	6,266	6,200	6,266
		Secured Debt	(9) 7/30/2021		10.96%	SF+ 5.50%		7/30/2028	1,942	1,921	1,942
										<u>8,108</u>	<u>8,208</u>
Imaging Business Machines, L.L.C.	(10) Technology Hardware & Equipment	Secured Debt	(9) (29) 6/8/2023		12.41%	SF+ 7.00%		6/30/2028	791	791	786
		Secured Debt	(9) 6/8/2023		12.45%	SF+ 7.00%		6/30/2028	10,384	10,068	10,318
		Common Equity	6/8/2023	422						580	550
										<u>11,439</u>	<u>11,654</u>
Implus Footcare, LLC	(10) Provider of Footwear and Related Accessories										

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(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)	
		Secured Debt	(9)	6/1/2017		14.25%	SF+ 7.75%	1.00%	7/31/2024	17,012	17,010	15,816
Industrial Services Acquisition, LLC	(10) Industrial Cleaning Services											
		Secured Debt	(9) (32)	8/13/2021		12.22%	SF+ 6.75%		8/13/2026	752	734	752
		Secured Debt	(9)	8/13/2021		12.22%	SF+ 6.75%		8/13/2026	11,436	11,330	11,436
		Preferred Member Units	(8) (23)	1/31/2018	336	10.00%		10.00%			321	415
		Preferred Member Units	(8) (23)	5/17/2019	187	20.00%		20.00%			240	279
		Member Units	(23)	6/17/2016	2,100						2,100	1,610
										14,725	14,492	
Infinito XI Holdings, LLC	(10) Manufacturer and Supplier of Personal Lighting Products											
		Secured Debt		3/31/2023		13.00%			3/31/2028	4,388	4,314	4,314
		Preferred Equity		3/31/2023	20,000						1,000	1,000
										5,314	5,314	
Infolinks Media Buyco, LLC	(10) Exclusive Placement Provider to the Advertising Ecosystem											
		Secured Debt	(9)	11/1/2021		11.21%	SF+ 5.75%		11/1/2026	1,881	1,829	1,881
		Secured Debt	(9)	11/1/2021		11.21%	SF+ 5.75%		11/1/2026	9,690	9,579	9,690
										11,408	11,571	
Insight Borrower Corporation	(10) Test, Inspection, and Certification Instrument Provider											
		Secured Debt	(9) (37)	7/19/2023			SF+ 6.25%		7/19/2028	—	(40)	(40)
		Secured Debt	(9) (37)	7/19/2023			SF+ 6.25%		7/19/2029	—	(33)	(33)
		Secured Debt	(9)	7/19/2023		11.65%	SF+ 6.25%		7/19/2029	8,373	8,143	8,287
		Common Equity		7/19/2023	47,847						239	239
										8,309	8,453	
Inspire Aesthetics Management, LLC	(10) Surgical and Non-Surgical Plastic Surgery and Aesthetics Provider											
		Secured Debt	(9) (31)	4/3/2023		13.53%	SF+ 8.00%		4/3/2028	676	659	664
		Secured Debt	(9)	4/3/2023		13.55%	SF+ 8.00%		4/3/2028	6,256	6,115	6,144
		Secured Debt	(9)	6/14/2023		13.55%	SF+ 8.00%		4/3/2028	1,260	1,231	1,237
		Common Equity		4/3/2023	101,719						322	190
										8,327	8,235	
Interface Security Systems, L.L.C.	(10) Commercial Security & Alarm Services											
		Secured Debt	(17) (28)	12/9/2021		15.48%	SF+ 10.00%		8/7/2023	1,835	1,835	1,781
		Secured Debt	(9) (14) (17)	8/7/2019		12.46%	SF+ 7.00%	12.46%	8/7/2023	7,334	7,254	433
		Common Stock		12/7/2021	2,143						—	—
										9,089	2,214	
Intermedia Holdings, Inc.	(11) Unified Communications as a Service											
		Secured Debt	(9)	8/3/2018		11.47%	SF+ 6.00%		7/19/2025	5,544	5,539	5,370
Invincible Boat Company, L.L.C.	(10) Manufacturer of Sport Fishing Boats											
		Secured Debt	(9)	8/28/2019		12.00%	SF+ 6.50%		8/28/2025	519	516	509
		Secured Debt	(9)	8/28/2019		12.00%	SF+ 6.50%		8/28/2025	16,812	16,751	16,515
										17,267	17,024	
INW Manufacturing, LLC	(11) Manufacturer of Nutrition and Wellness Products											

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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9)	5/19/2021		11.36%	SF+ 5.75%	3/25/2027	6,656	6,537	5,325
Iron-Main Investments, LLC	Consumer Reporting Agency Providing Employment Background Checks and Drug Testing										
		Secured Debt	(9)	8/2/2021		13.50%		1/31/2028	1,128	1,108	1,108
		Secured Debt	(9)	9/1/2021		13.50%		1/31/2028	735	722	722
		Secured Debt	(9)	11/15/2021		13.50%		1/31/2028	2,236	2,236	2,236
		Secured Debt	(9)	11/15/2021		13.50%		1/31/2028	4,906	4,815	4,815
		Secured Debt	(9)	1/31/2023		13.50%		1/31/2028	2,641	2,525	2,525
		Common Stock	(9)	8/3/2021	50,753					689	670
										12,095	12,076
Isagenix International, LLC	(11) Direct Marketer of Health & Wellness Products										
		Secured Debt	(9)	4/13/2023		11.04%	SF+ 5.50% 8.54%	4/14/2028	2,615	2,374	2,301
		Common Equity	(9)	4/13/2023	186,322					—	—
										2,374	2,301
ITA Holdings Group, LLC	Air Ambulance Services										
		Secured Debt	(9)	6/21/2023		16.59%	SF+ 9.00% 2.00%	6/21/2027	207	201	201
		Secured Debt	(9)	6/21/2023		16.59%	SF+ 9.00% 2.00%	6/21/2027	178	174	174
		Secured Debt	(9)	6/21/2023		15.59%	SF+ 8.00% 2.00%	6/21/2027	1,084	842	842
		Secured Debt	(9)	6/21/2023		17.59%	SF+ 10.00% 2.00%	6/21/2027	1,091	848	848
		Warrants	(27)	6/21/2023	48,327			6/21/2033		523	523
										2,588	2,588
Jackmont Hospitality, Inc.	(10) Franchisee of Casual Dining Restaurants										
		Secured Debt	(9) (26)	10/26/2022		12.46%	SF+ 7.00%	11/4/2024	1,675	1,649	1,675
		Secured Debt	(9)	11/8/2021		12.46%	SF+ 7.00%	11/4/2024	3,948	3,948	3,948
		Preferred Equity	(9)	11/8/2021	5,653,333					216	2,190
										5,813	7,813
Joerns Healthcare, LLC	(11) Manufacturer and Distributor of Health Care Equipment & Supplies										
		Secured Debt	(9) (14)	11/15/2021		23.63%	SF+ 18.00% 23.63%	1/31/2024	2,048	2,048	1,747
		Secured Debt	(9) (14)	8/21/2019		21.63%	SF+ 16.00% 21.63%	8/21/2024	1,708	1,701	121
		Secured Debt	(9) (14)	8/21/2019		21.63%	SF+ 16.00% 21.63%	8/21/2024	1,643	1,635	117
		Common Stock	(9)	8/21/2019	392,514					3,678	—
										9,062	1,985
Johnson Downie Opco, LLC	Executive Search Services										
		Secured Debt	(37)	12/10/2021				12/10/2026	—	(4)	—
		Secured Debt	(37)	12/10/2021		15.00%		12/10/2026	2,690	2,645	2,690
		Preferred Equity	(37)	12/10/2021	368					404	1,070
										3,045	3,760
JorVet Holdings, LLC	Supplier and Distributor of Veterinary Equipment and Supplies										
		Secured Debt	(8)	3/28/2022		12.00%		3/28/2027	2,850	2,814	2,814
		Preferred Equity	(8)	3/28/2022	11,934					1,193	1,193
										4,007	4,007
JTI Electrical & Mechanical, LLC	(10) Electrical, Mechanical and Automation Services										
		Secured Debt	(9) (41)	12/22/2021		11.64%	SF+ 6.00%	12/22/2026	261	253	261
		Secured Debt	(9)	12/22/2021		11.61%	SF+ 6.00%	12/22/2026	3,000	2,963	3,000

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		Common Equity	12/22/2021	140,351						140	140
										3,356	3,401
KMS, LLC	(10) Wholesaler of Closeout and Value-priced Products	Secured Debt	(9) 10/4/2021		14.75%	SF+ 9.25%		10/4/2026	1,292	1,235	1,180
		Secured Debt	(9) 10/4/2021		14.75%	SF+ 9.25%		10/4/2026	9,310	9,205	8,475
										10,440	9,655
Lightbox Holdings, L.P.	(11) Provider of Commercial Real Estate Software	Secured Debt	(9) 5/9/2019		10.62%	SF+ 5.00%		5/9/2026	5,765	5,736	5,592
LL Management, Inc.	(10) Medical Transportation Service Provider	Secured Debt	(9) 5/2/2019		12.71%	SF+ 7.25%		9/25/2024	7,960	7,933	7,960
		Secured Debt	(9) 5/2/2019		12.71%	SF+ 7.25%		9/25/2024	5,246	5,228	5,246
		Secured Debt	(9) 11/20/2020		12.71%	SF+ 7.25%		9/25/2024	—	—	—
		Secured Debt	(9) 2/26/2021		12.71%	SF+ 7.25%		9/25/2024	871	868	871
		Secured Debt	(9) 5/12/2022		12.71%	SF+ 7.25%		9/25/2024	8,822	8,781	8,822
										22,810	22,899
LLFlex, LLC	(10) Provider of Metal-Based Laminates	Secured Debt	(9) 8/16/2021		15.54%	SF+ 9.00% 1.00%		8/16/2026	4,920	4,861	4,417
Logix Acquisition Company, LLC	(10) Competitive Local Exchange Carrier	Secured Debt	(9) 1/8/2018		13.25%	P+ 4.75%		12/22/2024	11,552	11,285	9,069
Mako Steel, LP	(10) Self-Storage Design & Construction	Secured Debt	(9) (37) 3/15/2021			SF+ 6.75%		3/15/2026	—	(36)	—
		Secured Debt	(9) 3/15/2021		12.28%	SF+ 6.75%		3/15/2026	16,721	16,568	16,721
										16,532	16,721
MB2 Dental Solutions, LLC	(11) Dental Partnership Organization	Secured Debt	(9) 1/28/2021		11.46%	SF+ 6.00%		1/29/2027	2,803	2,771	2,803
		Secured Debt	(9) 1/28/2021		11.46%	SF+ 6.00%		1/29/2027	3,925	3,880	3,925
		Secured Debt	(9) 1/28/2021		11.46%	SF+ 6.00%		1/29/2027	3,464	3,424	3,464
		Secured Debt	(9) 1/28/2021		11.46%	SF+ 6.00%		1/29/2027	7,796	7,725	7,796
										17,800	17,988
Metalfarming Holdings, LLC	Distributor of Sheet Metal Folding and Metal Forming Equipment	Secured Debt	(37) 10/19/2022					10/19/2024	—	—	—
		Secured Debt	(37) 10/19/2022		12.75%			10/19/2027	1,748	1,707	1,707
		Preferred Equity	(8) 10/19/2022	434,331	8.00%		8.00%			443	443
		Common Stock	(8) 10/19/2022	112,865						113	110
										2,263	2,260
Microbe Formulas, LLC	(10) Nutritional Supplements Provider	Secured Debt	(9) (37) 4/4/2022			SF+ 6.25%		4/3/2028	—	(6)	(6)
		Secured Debt	(9) 4/4/2022		11.46%	SF+ 6.00%		4/3/2028	2,671	2,632	2,671
										2,626	2,665
Mills Fleet Farm Group, LLC	(10) Omnichannel Retailer of Work, Farm and Lifestyle Merchandise										

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
December 31, 2023
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Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9)	10/24/2018		12.52%	SF+ 7.00%	12/31/2026	18,152	17,863	17,524
Mini Melts of America, LLC	(10) Manufacturer and Distributor of Branded Premium Beaded Ice Cream										
		Secured Debt	(9) (37)	11/30/2023			SF+ 6.25%	11/30/2028	—	(28)	(28)
		Secured Debt	(9) (37)	11/30/2023			SF+ 6.25%	11/30/2028	—	(10)	(10)
		Secured Debt	(9)	11/30/2023		10.64%	SF+ 5.25%	11/30/2028	3,225	3,149	3,149
		Secured Debt	(9)	11/30/2023		12.64%	SF+ 7.25%	11/30/2028	3,225	3,146	3,146
		Common Equity		11/30/2023	300,000					300	300
										6,557	6,557
MonitorUS Holding, LLC	(10) (13) SaaS Provider of Media Intelligence Services (21)										
		Secured Debt		5/24/2022		14.00%	4.00%	5/24/2027	1,120	1,106	1,133
		Secured Debt		5/24/2022		14.00%	4.00%	5/24/2027	2,912	2,870	3,184
		Secured Debt		5/24/2022		14.00%	4.00%	5/24/2027	4,957	4,890	4,957
		Common Stock		8/30/2022	12,798,820					256	197
										9,122	9,471
NinjaTrader, LLC	(10) Operator of Futures Trading Platform										
		Secured Debt	(9) (37)	12/18/2019			SF+ 7.00%	12/18/2026	—	(4)	(3)
		Secured Debt	(9) (37)	12/18/2019			SF+ 7.00%	12/18/2026	—	(12)	(12)
		Secured Debt	(9)	12/18/2019		12.54%	SF+ 7.00%	12/18/2026	10,991	10,888	10,991
		Secured Debt	(9)	12/18/2023		12.52%	SF+ 7.00%	12/18/2026	3,878	3,807	3,878
										14,679	14,854
Obra Capital, Inc. (f/k/a Vida Capital, Inc.)	(11) Alternative Asset Manager										
		Secured Debt		10/10/2019		11.47%	SF+ 6.00%	10/1/2026	7,043	6,711	6,039
Paragon Healthcare, Inc.	(10) Infusion Therapy Treatment Provider										
		Secured Debt	(9) (37)	1/19/2022			SF+ 5.75%	1/19/2027	—	(11)	—
		Secured Debt	(9) (43)	1/19/2022		11.24%	SF+ 5.75%	1/19/2027	423	414	421
		Secured Debt	(9)	1/19/2022		11.25%	SF+ 5.75%	1/19/2027	2,456	2,412	2,442
										2,815	2,863
Power System Solutions	(10) Backup Power Generation										
		Secured Debt	(9) (37)	6/7/2023			SF+ 6.75%	6/7/2028	—	(35)	(35)
		Secured Debt	(9) (37)	6/7/2023			SF+ 6.75%	6/7/2028	—	(35)	(35)
		Secured Debt	(9)	6/7/2023		12.12%	SF+ 6.75%	6/7/2028	7,939	7,729	7,939
		Common Equity		6/7/2023	532					532	500
										8,191	8,369
PrimeFlight Aviation Services	(10) Air Freight & Logistics										
		Secured Debt	(9)	5/1/2023		12.28%	SF+ 6.85%	5/1/2029	5,970	5,813	5,970
		Secured Debt	(9)	9/7/2023		12.20%	SF+ 6.85%	5/1/2029	570	553	570
										6,366	6,540
PTL US Bideo, Inc	(10) (13) Manufacturers of Equipment, Including Drilling Rigs and Equipment, and Providers of Supplies and Services to Companies Involved in the Drilling, Evaluation and Completion of Oil and Gas Wells (21)										
		Secured Debt	(9) (45)	8/19/2022		12.80%	SF+ 7.25%	8/19/2027	198	189	196

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
December 31, 2023
(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
		Secured Debt	(9)	8/19/2022		12.88%	SF+ 7.25%	8/19/2027	1,734	1,707	1,720
										1,896	1,916
Purge Rite, LLC	(10) HVAC Flushing and Filtration Services	Secured Debt	(9) (37)	10/2/2023			SF+ 8.00%	10/2/2028	—	(19)	(19)
		Secured Debt	(9)	10/2/2023		13.70%	SF+ 8.00%	10/2/2028	3,906	3,813	3,813
		Preferred Equity		10/2/2023	1,302,083					1,302	1,302
										5,096	5,096
RA Outdoors LLC	(10) Software Solutions Provider for Outdoor Activity Management	Secured Debt	(9) (32)	4/8/2021		12.22%	SF+ 6.75%	4/8/2026	796	789	745
		Secured Debt	(9)	4/8/2021		12.21%	SF+ 6.75%	4/8/2026	12,917	12,829	12,089
										13,618	12,834
Research Now Group, Inc. and Survey Sampling International, LLC	(11) Provider of Outsourced Online Surveying	Secured Debt	(9)	12/29/2017		11.14%	SF+ 5.50%	12/20/2024	9,691	9,691	7,237
Richardson Sales Solutions	(10) Business Services	Secured Debt	(9) (34)	8/24/2023		18.47%	SF+ 6.50%	8/24/2028	833	781	818
		Secured Debt	(9)	8/24/2023		11.88%	SF+ 6.50%	8/24/2028	10,553	10,261	10,362
										11,042	11,180
Roof Opco, LLC	(10) Residential Re-Roofing/Repair	Secured Debt	(9) (37)	8/27/2021			SF+ 6.50%	8/27/2026	—	(10)	—
		Secured Debt	(9)	8/27/2021		12.16%	SF+ 6.50%	8/27/2026	4,219	4,150	4,142
		Secured Debt	(9)	8/27/2021		14.16%	SF+ 8.50%	8/27/2026	4,219	4,150	4,082
										8,290	8,224
Rug Doctor, LLC.	(10) Carpet Cleaning Products and Machinery	Secured Debt	(9)	7/16/2021		13.54%	SF+ 6.00% 2.00%	11/16/2025	6,410	6,389	6,383
		Secured Debt	(9)	7/16/2021		13.54%	SF+ 6.00% 2.00%	11/16/2025	9,022	8,991	8,984
										15,380	15,367
Slick Innovations, LLC	Text Message Marketing Platform	Secured Debt		9/13/2018		14.00%		12/22/2027	2,860	2,777	2,860
		Common Stock		9/13/2018	17,500					114	600
										2,891	3,460
South Coast Terminals Holdings, LLC	(10) Specialty Toll Chemical Manufacturer	Secured Debt	(9)	12/10/2021		11.46%	SF+ 6.00%	12/13/2026	38	34	34
		Secured Debt	(9)	12/10/2021		11.70%	SF+ 6.00%	12/13/2026	2,979	2,943	2,979
		Common Equity		12/10/2021	60,606					61	59
										3,038	3,072
SPAU Holdings, LLC	(10) Digital Photo Product Provider	Secured Debt	(9) (37)	7/1/2022			SF+ 8.00%	7/1/2027	—	(14)	—
		Secured Debt	(9)	7/1/2022		13.72%	SF+ 8.00%	7/1/2027	4,925	4,857	4,925
		Common Stock		7/1/2022	200,000					200	160
										5,043	5,085
Tex Tech Tennis, LLC	(10) Sporting Goods & Textiles	Preferred Equity	(23)	7/7/2021	1,000,000					1,000	2,840

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
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(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)
The Affiliati Network, LLC	Performance Marketing Solutions	Secured Debt	8/9/2021		13.00%			8/9/2026	40	37	37
		Secured Debt	8/9/2021		13.00%			8/9/2026	1,880	1,858	1,841
		Preferred Stock	9/1/2023	43,027						43	43
		Preferred Stock	(8) 8/9/2021	320,000						1,600	1,600
									3,538	3,521	
U.S. TelePacific Corp.	(11) Provider of Communications and Managed Services	Secured Debt	(9) (14) 6/1/2023		12.53%	SF+ 7.15%	6.00%	5/2/2027	6,802	2,623	2,438
		Secured Debt	(14) 6/1/2023					5/2/2027	692	15	—
									2,638	2,438	
USA DeBusk LLC	(10) Provider of Industrial Cleaning Services	Secured Debt	(9) 10/22/2019		11.46%	SF+ 6.00%		9/8/2026	12,405	12,308	12,405
		Secured Debt	(9) 7/19/2023		11.96%	SF+ 6.50%		9/8/2026	4,825	4,742	4,825
		Secured Debt	(9) 11/21/2023		11.96%	SF+ 6.50%		9/8/2026	2,515	2,468	2,515
									19,518	19,745	
UserZoom Technologies, Inc.	(10) Provider of User Experience Research Automation Software	Secured Debt	(9) 1/11/2023		12.99%	SF+ 7.50%		4/5/2029	3,000	2,923	3,000
Vistar Media, Inc.	(10) Operator of Digital Out-of-Home Advertising Platform	Preferred Stock	4/3/2019	70,207						767	2,180
Vitesse Systems	(10) Component Manufacturing and Machining Platform	Secured Debt	(9) 12/22/2023		12.63%	SF+ 7.00%		12/22/2028	12,500	12,193	12,193
VORTEQ Coil Finishers, LLC	(10) Specialty Coating of Aluminum and Light-Gauge Steel	Common Equity	(8) 11/30/2021	769,231						769	1,911
Wall Street Prep, Inc.	(10) Financial Training Services	Secured Debt	(9) (37) 7/19/2021			SF+ 7.00%		7/19/2026	—	(5)	(5)
		Secured Debt	(9) 7/19/2021		12.54%	SF+ 7.00%		7/19/2026	4,654	4,600	4,654
		Common Stock	7/19/2021	500,000						500	910
									5,095	5,559	
Watterson Brands, LLC	(10) Facility Management Services	Secured Debt	(9) (41) 12/17/2021		11.50%	SF+ 6.00%		12/17/2026	253	249	253
		Secured Debt	(9) 12/17/2021		11.50%	SF+ 6.00%		12/17/2026	53	47	53
		Secured Debt	(9) 12/17/2021		11.50%	SF+ 6.00%		12/17/2026	2,166	2,146	2,166
		Secured Debt	(9) 12/17/2021		11.50%	SF+ 6.00%		12/17/2026	1,955	1,936	1,955
									4,378	4,427	
West Star Aviation Acquisition, LLC	(10) Aircraft, Aircraft Engine and Engine Parts	Secured Debt	(9) (42) 3/1/2022		11.34%	SF+ 6.00%		3/1/2028	665	654	665
		Secured Debt	(9) 3/1/2022		11.35%	SF+ 6.00%		3/1/2028	2,948	2,907	2,947

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
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(dollars in thousands)

Portfolio Company (1) (20)	Business Description	Type of Investment (2) (3) (15)	Investment Date (22)	Shares/Units	Total Rate	Reference Rate and Spread (25)	PIK Rate (19)	Maturity Date	Principal (4)	Cost (4)	Fair Value (18)	
		Secured Debt	(9)	11/3/2023		SF+ 6.00%		3/1/2028	1,467	1,438	1,467	
		Common Stock		3/1/2022	200,000					200	390	
										5,199	5,469	
Winter Services LLC	(10) Provider of Snow Removal and Ice Management Services											
		Secured Debt	(9) (35)	11/19/2021	12.64%	SF+ 7.00%		11/19/2026	2,778	2,745	2,778	
		Secured Debt	(9)	11/19/2021	12.66%	SF+ 7.00%		11/19/2026	2,583	2,528	2,583	
		Secured Debt	(9)	11/19/2021	12.66%	SF+ 7.00%		11/19/2026	11,625	11,479	11,625	
										16,752	16,986	
World Micro Holdings, LLC	Supply Chain Management											
		Secured Debt		12/12/2022	13.00%			12/12/2027	1,627	1,601	1,601	
		Preferred Equity	(8)	12/12/2022						530	530	
										2,131	2,131	
Xenon Arc, Inc.	(10) Tech-enabled Distribution Services to Chemicals and Food Ingredients Primary Producers											
		Secured Debt	(9) (37)	12/17/2021		SF+ 5.25%		12/17/2026	—	(5)	—	
		Secured Debt	(9)	12/17/2021	11.22%	SF+ 5.75%		12/17/2027	1,188	1,163	1,188	
		Secured Debt	(9)	12/17/2021	11.25%	SF+ 5.75%		12/17/2027	2,352	2,321	2,352	
										3,479	3,540	
YS Garments, LLC	(11) Designer and Provider of Branded Activewear											
		Secured Debt	(9)	8/22/2018	13.00%	SF+ 7.50%		8/9/2026	5,584	5,485	5,110	
Zips Car Wash, LLC	(10) Express Car Wash Operator											
		Secured Debt	(9) (33)	2/11/2022	12.71%	SF+ 7.25%		3/1/2024	2,356	2,352	2,234	
		Secured Debt	(9) (33)	2/11/2022	12.71%	SF+ 7.25%		3/1/2024	591	589	555	
										2,941	2,789	
Subtotal Non-Control/Non-Affiliate Investments (120.2% of net assets at fair value)									\$	763,781	\$	747,972
Total Portfolio Investments, December 31, 2023 (175.6% of net assets at fair value)									\$	1,038,318	\$	1,092,895
Money market funds (included in cash and cash equivalents) (16)												
Fidelity Government Portfolio Class III Fund (38)									\$	3,188	\$	3,188
First American Treasury Obligations Fund Class Z (39)										17,656		17,656
Total money market funds									\$	20,844	\$	20,844

- (1) All investments are Lower Middle Market portfolio investments, unless otherwise noted. See *Note C — Fair Value Hierarchy for Investments — Portfolio Composition* for a description of Lower Middle Market portfolio investments. All of the Company's investments, unless otherwise noted, are encumbered as security for one of the Company's Credit Facilities.
- (2) Debt investments are income producing, unless otherwise noted by footnote (14), as described below. Equity and warrants are non-income producing, unless otherwise noted by footnote (8), as described below.

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
December 31, 2023
(dollars in thousands)

- (3) See *Note C — Fair Value Hierarchy for Investments — Portfolio Composition* and Schedule 12-14 for a summary of geographic location of portfolio companies.
- (4) Principal is net of repayments. Cost is net of repayments and accumulated unearned income. Negative cost is the result of the capitalized discount being greater than the principal amount outstanding on the loan.
- (5) Control investments are defined by the 1940 Act as investments in which more than 25% of the voting securities are owned or where the ability to nominate greater than 50% of the board representation is maintained.
- (6) Affiliate investments are defined by the 1940 Act as investments in which between 5% and 25% (inclusive) of the voting securities are owned and the investments are not classified as Control investments.
- (7) Non-Control/Non-Affiliate investments are defined by the 1940 Act as investments that are neither Control investments nor Affiliate investments.
- (8) Income producing through dividends or distributions.
- (9) Index based floating interest rate is subject to contractual minimum interest rate. As noted in this schedule, 95% of these floating rate loans (based on the par amount) contain LIBOR or SOFR floors which range between 0.75% and 2.00%, with a weighted-average floor of 1.17%.
- (10) Private Loan portfolio investment. See *Note C — Fair Value Hierarchy for Investments — Portfolio Composition* for a description of Private Loan portfolio investments.
- (11) Middle Market portfolio investment. See *Note C — Fair Value Hierarchy for Investments — Portfolio Composition* for a description of Middle Market portfolio investments.
- (12) Other Portfolio investment. See *Note C — Fair Value Hierarchy for Investments — Portfolio Composition* for a description of Other Portfolio investments.
- (13) Investment is not a qualifying asset as defined under Section 55(a) of the 1940 Act. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets.
- (14) Non-accrual and non-income producing debt investment.
- (15) All of the Company's portfolio investments are generally subject to restrictions on resale as "restricted securities."
- (16) Money market fund interests included in cash and cash equivalents.
- (17) Maturity date is under on-going negotiations with the portfolio company and other lenders, if applicable.
- (18) Investment fair value was determined using significant unobservable inputs, unless otherwise noted. See *Note C — Fair Value Hierarchy for Investments — Portfolio Composition* for further discussion. Negative fair value is the result of the capitalized discount on the loan or the unfunded commitment being valued below par.
- (19) Investments may have a portion, or all, of their income received from PIK interest or dividends. PIK interest income and cumulative dividend income represent income not paid currently in cash. The difference between the Total Rate and PIK Rate represents the cash rate as of December 31, 2023.
- (20) All portfolio company headquarters are based in the United States, unless otherwise noted.
- (21) Portfolio company headquarters are located outside of the United States.
- (22) Investment date represents the date of initial investment in the security position.
- (23) Shares/Units represent ownership in a related Real Estate or HoldCo entity.
- (24) Investment is not unitized. Presentation is made in percent of fully diluted ownership unless otherwise indicated.
- (25) A majority of the variable rate loans in the Company's Investment Portfolio bear interest at a rate that may be determined by reference to either LIBOR ("L"), SOFR ("SF") or an alternate base rate (commonly based on the Federal Funds Rate or the Prime rate ("P")), which typically resets every one, three, or six months at the borrower's option. SOFR based contracts may include a credit spread adjustment (the "Adjustment") that is charged in addition to the stated spread. The Adjustment is applied when the SOFR rate, plus the Adjustment, exceeds the stated floor rate, as applicable. As of December 31, 2023, SOFR based contracts in the portfolio had Adjustments ranging from 0.10% to 0.43%.
- (26) As of December 31, 2023, borrowings under the loan facility bear interest at SOFR-7.00% (Floor 1.00%). Each new draw or funding on the facility has a different floating rate reset date. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
December 31, 2023
(dollars in thousands)

- (27) Warrants are presented in equivalent shares/units with a strike price of \$0.01 per share/unit.
- (28) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR+0.00%. RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.
- (29) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-7.00% (Floor 1.50%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.
- (30) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-8.00% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.
- (31) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-8.00% (Floor 2.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.
- (32) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-6.75% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.
- (33) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-7.25% (Floor 1.00%). Each new draw or funding on the facility has a different floating rate reset date. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.
- (34) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-6.50% (Floor 2.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.
- (35) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-7.00% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.
- (36) Index based floating interest rate is subject to contractual maximum base rate of 3.00%.
- (37) The position is unfunded and no interest income is being earned as of December 31, 2023. The position may earn a nominal unused facility fee on committed amounts.
- (38) Effective yield as of December 31, 2023 was approximately 5.25% on the Fidelity Government Portfolio Class III Fund.
- (39) Effective yield as of December 31, 2023 was approximately 5.23% on the First American Treasury Obligations Fund Class Z.
- (40) Warrants are presented in equivalent shares/units with a strike price of \$1.00 per share/unit.
- (41) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-6.00% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.
- (42) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-6.00% (Floor 0.75%). Each new draw or funding on the facility has a different floating rate reset date. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.
- (43) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-5.75% (Floor 1.00%). Each new draw or funding on the facility has a different floating rate reset date. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.
- (44) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-7.00% (Floor 2.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.

MSC INCOME FUND, INC.
Consolidated Schedule of Investments (Continued)
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- (45) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR-7.25% (Floor 1.00%). RLOC facility permits the borrower to make an interest rate election regarding the base rate on each draw under the facility. The rate presented represents a weighted-average rate for borrowings under the facility, as of December 31, 2023.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements

NOTE A—ORGANIZATION AND BASIS OF PRESENTATION

1. Organization

MSC Income Fund, Inc. (“MSIF” or, together with its consolidated subsidiaries, “MSC Income” or the “Company”) is a principal investment firm primarily focused on providing debt capital to private (“Private Loan”) companies owned by or in the process of being acquired by a private equity fund (its “Private Loan investment strategy”). MSC Income’s portfolio investments are typically made to support leveraged buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in diverse industry sectors. MSC Income seeks to partner with private equity fund sponsors in its Private Loan investment strategy and primarily invests in secured debt investments of Private Loan companies generally headquartered in the United States.

MSC Income also maintains a portfolio of customized long-term debt and equity investments in lower middle market (“LMM”) companies (its “LMM investment portfolio”), and through those investments MSC Income has partnered with entrepreneurs, business owners and management teams in co-investments with Main Street Capital Corporation (“Main Street”), a New York Stock Exchange (“NYSE”) listed BDC, utilizing the customized “one-stop” debt and equity financing solution provided in Main Street’s LMM investment strategy (the “LMM investment strategy”). Through the LMM investment strategy, MSC Income primarily invested in secured debt investments, equity investments, warrants and other securities of LMM companies typically based in the United States. Effective upon the MSC Income Listing (as defined below) on January 29, 2025, MSC Income changed its investment strategy for investments in new portfolio companies to be solely focused on its Private Loan investment strategy, rather than its historical focus primarily on its Private Loan investment strategy and secondarily on the LMM investment strategy (as further discussed below).

MSC Income also maintains a legacy portfolio of investments in larger middle market (“Middle Market”) companies (its “Middle Market investment portfolio”) and a limited portfolio of other portfolio (“Other Portfolio”) investments. MSC Income’s Middle Market investments are generally debt investments in companies owned by a private equity fund that were originally issued through a syndication financing process. MSC Income has generally stopped making new Middle Market investments and expects the size of its Middle Market investment portfolio to continue to decline in future periods as its existing Middle Market investments are repaid or sold. MSC Income’s Other Portfolio investments primarily consist of investments that are not consistent with the typical profiles for its Private Loan, LMM or Middle Market portfolio investments, including investments in unaffiliated investment companies and private funds managed by third parties. Similar to its Middle Market investments, MSC Income has generally stopped making new Other Portfolio investments and expects the size of its Other Portfolio to continue to decline in future periods as its existing Other Portfolio investments are repaid or sold.

The “Investment Portfolio,” as used herein, refers to all of MSC Income’s investments in Private Loan portfolio companies, investments in LMM portfolio companies, investments in Middle Market portfolio companies and Other Portfolio investments.

MSIF was formed in November 2011 to operate as an externally managed business development company (“BDC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). MSIF has elected to be treated for U.S. federal income tax purposes as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). As a result, MSIF generally does not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that it distributes to its stockholders.

On October 28, 2020, MSC Income’s stockholders approved the appointment of MSC Adviser I, LLC (the “Adviser”), which is wholly-owned by Main Street, as MSC Income’s investment adviser and administrator under an Investment Advisory and Administrative Services Agreement dated October 30, 2020 (the “Prior Investment Advisory Agreement”).

On January 29, 2025, in connection with the MSC Income Listing (as defined below), MSC Income entered into an Amended and Restated Investment Advisory and Administrative Services Agreement (the “Advisory Agreement”) with the Adviser. The Advisory Agreement was approved by the affirmative vote of the holders of a majority of MSC Income’s outstanding voting securities, as defined in the 1940 Act, at a special meeting of MSC Income’s stockholders held on December 11, 2024 (the “2025 Special Meeting”), to become effective upon the MSC Income Listing. In such role, the Adviser has the responsibility to manage the business of MSC Income, including the responsibility to identify, evaluate,

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

negotiate and structure prospective investments, make investment and portfolio management decisions, monitor MSC Income's Investment Portfolio and provide ongoing administrative services.

On January 30, 2025, MSC Income closed a follow-on public offering of 5,500,000 shares of its common stock, at the public offering price of \$5.53 per share, in connection with which MSC Income's shares of common stock were listed and began trading on the NYSE under the ticker symbol "MSIF" on January 29, 2025 (the "MSC Income Listing"). In addition, on February 3, 2025, MSC Income issued and sold 825,000 additional shares of its common stock, at the public offering price of \$5.53 per share, pursuant to the underwriters' full exercise of their overallotment option. Net of underwriting discounts and commissions and offering expenses, MSC Income received net cash proceeds of approximately \$91 million in connection with the follow-on public equity offering.

MSIF has certain direct and indirect wholly-owned subsidiaries that have elected to be taxable entities (the "Taxable Subsidiaries"). The primary purpose of the Taxable Subsidiaries is to permit MSIF to hold equity investments in portfolio companies which are "pass-through" entities for tax purposes. MSIF also has certain direct and indirect wholly-owned subsidiaries formed for financing purposes (the "Structured Subsidiaries").

Unless otherwise noted or the context otherwise indicates, the terms "we," "us," "our," the "Company" and "MSC Income" refer to MSIF and its consolidated subsidiaries, which include the Taxable Subsidiaries and the Structured Subsidiaries.

2. Basis of Presentation

MSC Income's consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). The Company is an investment company following accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 946, Financial Services—Investment Companies ("ASC 946"). For each of the periods presented herein, MSC Income's consolidated financial statements include the accounts of MSIF and its consolidated subsidiaries. MSC Income's results of operations and cash flows for the years ended December 31, 2024, 2023 and 2022 and financial position as of December 31, 2024 and 2023, are presented on a consolidated basis. The effects of all intercompany transactions between MSIF and its consolidated subsidiaries have been eliminated in consolidation.

Principles of Consolidation

Under ASC 946, MSC Income is precluded from consolidating other entities in which MSC Income has equity investments, including those in which it has a controlling interest, unless the other entity is another investment company. An exception to this general principle in ASC 946 occurs if MSC Income holds a controlling interest in an operating company that provides all or substantially all of its services directly to MSC Income. Accordingly, as noted above, MSC Income's consolidated financial statements include the financial position and operating results for the Taxable Subsidiaries and the Structured Subsidiaries. MSC Income has determined that none of its portfolio investments qualify for this exception. Therefore, MSC Income's Investment Portfolio is carried on the Consolidated Balance Sheets at fair value, as discussed further in *Note B.1. — Summary of Significant Accounting Policies — Valuation of the Investment Portfolio* with any adjustments to fair value recognized as "Net Unrealized Appreciation (Depreciation)" until the investment is realized, usually upon exit, resulting in any gain or loss being recognized as a "Net Realized Gain (Loss)," in both cases on the Consolidated Statements of Operations.

Portfolio Investment Classification

MSC Income classifies its Investment Portfolio in accordance with the requirements of the 1940 Act. Under the 1940 Act, (a) "Control Investments" are defined as investments in which MSC Income owns more than 25% of the voting securities or has rights to maintain greater than 50% of the board representation, (b) "Affiliate Investments" are defined as investments in which MSC Income owns between 5% and 25% (inclusive) of the voting securities and does not have rights to maintain greater than 50% of the board representation and (c) "Non-Control/Non-Affiliate Investments" are defined as investments that are neither Control Investments nor Affiliate Investments. For purposes of determining the classification of its Investment Portfolio, MSC Income has excluded consideration of any voting securities or board appointment rights held by Main Street or any other advisory client of the Adviser.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

3. Reverse Stock Split

On December 16, 2024, in advance of the MSC Income Listing, the Company effectuated a 2-for-1 reverse stock split of its outstanding common stock pursuant to approval from its Board of Directors (the "Reverse Stock Split"). As a result of the Reverse Stock Split, every two shares of the Company's issued and outstanding common stock were converted into one share of issued and outstanding common stock, without any change in the par value or shares authorized. All share, per share, common stock and additional paid-in capital amounts presented in these consolidated financial statements and notes to the consolidated financial statements prior to December 16, 2024 have been retrospectively adjusted to give effect to the Reverse Stock Split. A summary of the Company's weighted average number of shares of common stock outstanding and earnings per share after adjusting for the Reverse Stock Split as of December 31, 2023 and December 31, 2022 is as follows:

	Year Ended December 31,	
	2023	2022
Weighted average number of shares of common stock outstanding (as reported)	80,269,002	79,993,040
Weighted average number of shares of common stock outstanding (as adjusted)	40,134,501	39,996,520
Net increase in net assets per share resulting from operations (as reported)	\$ 0.82	\$ 0.57
Net increase in net assets per share resulting from operations (as adjusted)	\$ 1.65	\$ 1.14

NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**1. Valuation of the Investment Portfolio**

MSC Income accounts for its Investment Portfolio at fair value. As a result, MSC Income follows the provisions of ASC 820 *Fair Value Measurements and Disclosures* ("ASC 820"). ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and enhances disclosure requirements for fair value measurements. ASC 820 requires MSC Income to assume that the portfolio investment is to be sold in the principal market to independent market participants, which may be a hypothetical market. Market participants are defined as buyers and sellers in the principal market that are independent, knowledgeable and willing and able to transact.

MSC Income's portfolio strategy calls for it to invest primarily in debt securities issued by Private Loan companies and illiquid debt and equity securities issued by LMM companies. However, the Company has changed its investment strategy with respect to new platform investments to be solely focused on the Private Loan investment strategy. As a result, the size of the LMM investment portfolio is expected to decrease over time as existing LMM investments are repaid or sold in the ordinary course of business. MSC Income also maintains a legacy portfolio of investments in Middle Market companies and a limited portfolio of Other Portfolio investments which are also expected to decrease over time as MSC Income is generally no longer making new Middle Market investments or Other Portfolio investments. MSC Income's portfolio investments may be subject to restrictions on resale.

Private Loan investments may include investments which have no established market or have established markets that are not active, while LMM investments and Other Portfolio investments generally have no established trading market. Middle Market portfolio investments generally have established markets that are not active. MSC Income determines in good faith the fair value of its Investment Portfolio pursuant to a valuation policy in accordance with ASC 820, with such valuation process approved by its Board of Directors and in accordance with the 1940 Act. MSC Income's valuation policies and processes are intended to provide a consistent basis for determining the fair value of MSC Income's Investment Portfolio.

For Private Loan and Middle Market portfolio investments in debt securities for which it has determined that third-party quotes or other independent pricing are not available or appropriate, MSC Income generally estimates the fair value based on the assumptions that it believes hypothetical market participants would use to value the investment in a current hypothetical sale using the yield-to-maturity model ("Yield-to-Maturity") valuation method. For LMM portfolio investments, MSC Income generally reviews external events, including private mergers, sales and acquisitions involving comparable companies, and includes these events in the valuation process by using an enterprise value waterfall methodology ("Waterfall") for its LMM equity investments and an income approach using a Yield-to-Maturity valuation method for its LMM debt investments. For Middle Market portfolio investments in debt securities for which it has

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

determined that third-party quotes or other independent prices are available, MSC Income primarily uses quoted prices in the valuation process. MSC Income determines the appropriateness of the use of third-party broker quotes, if any, in determining fair value based on its understanding of the level of actual transactions used by the broker to develop the quote and whether the quote was an indicative price or binding offer, the depth and consistency of broker quotes and the correlation of changes in broker quotes with underlying performance of the portfolio company and other market indices. For its Other Portfolio equity investments, MSC Income generally calculates the fair value of the investment primarily based on the net asset value (“NAV”) of the fund and adjusts the fair value for other factors deemed relevant that would affect the fair value of the investment. All of the valuation approaches for MSC Income’s portfolio investments estimate the value of the investment as if MSC Income were to sell, or exit, the investment as of the measurement date.

These valuation approaches consider the value associated with MSC Income’s ability to control the capital structure of the portfolio company, as well as the timing of a potential exit. For valuation purposes, “control” portfolio investments are composed of debt and equity securities in companies for which MSC Income has a controlling interest in the equity ownership of the portfolio company or the ability to nominate a majority of the portfolio company’s board of directors. For valuation purposes, “non-control” portfolio investments are generally composed of debt and equity securities in companies for which MSC Income does not have a controlling interest in the equity ownership of the portfolio company or the ability to nominate a majority of the portfolio company’s board of directors.

Under the Waterfall valuation method, MSC Income estimates the enterprise value of a portfolio company using a combination of market and income approaches or other appropriate valuation methods, such as considering recent transactions in the equity securities of the portfolio company or third-party valuations of the portfolio company, and then performs a Waterfall calculation by allocating the enterprise value over the portfolio company’s securities in order of their preference relative to one another. The enterprise value is the fair value at which an enterprise could be sold in a transaction between two willing parties, other than through a forced or liquidation sale. Typically, privately held companies are bought and sold based on multiples of earnings before interest, taxes, depreciation and amortization (“EBITDA”), cash flows, net income, revenues, or in limited cases, book value. There is no single methodology for estimating enterprise value. For any one portfolio company, enterprise value is generally described as a range of values from which a single estimate of enterprise value is derived. In estimating the enterprise value of a portfolio company, MSC Income analyzes various factors including the portfolio company’s historical and projected financial results. Due to SEC deadlines for MSC Income’s quarterly and annual financial reporting, the operating results of a portfolio company used in the current period valuation are generally the results from the period ended three months prior to such valuation date and may include unaudited, projected, budgeted or pro forma financial information and may require adjustments for non-recurring items or to normalize the operating results that may require significant judgment in determining. In addition, projecting future financial results requires significant judgment regarding future growth assumptions. In evaluating the operating results, MSC Income also analyzes the impact of exposure to litigation, loss of customers or other contingencies. After determining the appropriate enterprise value, MSC Income allocates the enterprise value to investments in order of the legal priority of the various components of the portfolio company’s capital structure. In applying the Waterfall valuation method, MSC Income assumes the loans are paid-off at the principal amount in a change in control transaction and are not assumed by the buyer, which MSC Income believes is consistent with its past transaction history and standard industry practices.

Under the Yield-to-Maturity valuation method, MSC Income also uses the income approach to determine the fair value of debt securities based on projections of the discounted future free cash flows that the debt security will likely generate, including analyzing the discounted cash flows of interest and principal amounts for the debt security, as set forth in the associated loan agreements, as well as the financial position and credit risk of the portfolio company. MSC Income’s estimate of the expected repayment date of its debt securities is generally the maturity date of the instrument, as MSC Income generally intends to hold its loans and debt securities to maturity. The Yield-to-Maturity analysis also considers changes in leverage levels, credit quality, portfolio company performance, changes in market-based interest rates and other factors. MSC Income will generally use the value determined by the Yield-to-Maturity analysis as the fair value for that security; however, because of MSC Income’s general intent to hold its loans to maturity, the fair value will not exceed the principal amount of the debt security valued using the Yield-to-Maturity valuation method. A change in the assumptions that MSC Income uses to estimate the fair value of its debt securities using the Yield-to-Maturity valuation method could have a material impact on the determination of fair value. If there is deterioration in credit quality or if a debt security is in workout status, MSC Income may consider other factors in determining the fair value of the debt security, including the value attributable to the debt security from the enterprise value of the portfolio company or the proceeds that would most likely be received in a liquidation analysis.

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

Under the NAV valuation method, for an investment in an investment fund that does not have a readily determinable fair value, MSC Income measures the fair value of the investment predominately based on the NAV of the investment fund as of the measurement date and adjusts the investment's fair value for factors known to MSC Income that would affect that fund's NAV, including, but not limited to, fair values for individual investments held by the fund if MSC Income holds the same investment or for a publicly traded investment. In addition, in determining the fair value of the investment, MSC Income considers whether adjustments to the NAV are necessary in certain circumstances, based on the analysis of any restrictions on redemption of MSC Income's investment as of the measurement date, recent actual sales or redemptions of interests in the investment fund, and expected future cash flows available to equity holders, including the rate of return on those cash flows compared to an implied market return on equity required by market participants, or other uncertainties surrounding MSC Income's ability to realize the full NAV of its interests in the investment fund.

Pursuant to its internal valuation process and the requirements under the 1940 Act, MSC Income performs valuation procedures on each of its portfolio investments quarterly. In addition to its internal valuation process, in arriving at estimates of fair value for its investments in its Private Loan portfolio companies, MSC Income, among other things, consults with a nationally recognized independent financial advisory services firm (the "Financial Advisory Firm"). The Financial Advisory Firm analyzes and provides observations and recommendations and an assurance certification regarding MSC Income's determinations of the fair value of its Private Loan portfolio company investments. The Financial Advisory Firm is generally consulted relative to MSC Income's investments in each Private Loan portfolio company at least once every calendar year, and for MSC Income's investments in new Private Loan portfolio companies, at least once in the twelve-month period subsequent to the initial investment. In certain instances, MSC Income may determine that it is not cost-effective, and as a result is not in its stockholders' best interest, to consult with the Financial Advisory Firm on its investments in one or more Private Loan portfolio companies. Such instances include, but are not limited to, situations where the fair value of MSC Income's investment in a Private Loan portfolio company is determined to be insignificant relative to the total Investment Portfolio. MSC Income consulted with and received an assurance certification from the Financial Advisory Firm in arriving at its determination of fair value for its investments in a total of 63 and 55 Private Loan portfolio companies during the years ended December 31, 2024 and 2023, respectively, representing 85% and 79% of the total Private Loan portfolio at fair value as of December 31, 2024 and 2023, respectively. Excluding its investments in Private Loan portfolio companies that, as of December 31, 2024 and 2023, as applicable, had not been in the Investment Portfolio for at least twelve months subsequent to the initial investment and its investments in Private Loan portfolio companies that were not reviewed because the investment is valued based upon third-party quotes or other independent pricing, 96% and 90% of the Private Loan portfolio at fair value was reviewed and certified by the Financial Advisory Firm during the years ended December 31, 2024 and 2023, respectively.

For valuation purposes, all of MSC Income's Private Loan portfolio investments are non-control investments. For Private Loan portfolio investments for which it has determined that third-party quotes or other independent pricing are not available or appropriate, MSC Income generally estimates the fair value based on the assumptions that it believes hypothetical market participants would use to value such Private Loan debt investments in a current hypothetical sale using the Yield-to-Maturity valuation method and such Private Loan equity investments in a current hypothetical sale using the Waterfall valuation method.

In addition to its internal valuation process, in arriving at estimates of fair value for its investments in its LMM portfolio companies, MSC Income, among other things, consults with the Financial Advisory Firm. The Financial Advisory Firm analyzes and provides observations, recommendations and an assurance certification regarding MSC Income's determinations of the fair value of its LMM portfolio company investments. The Financial Advisory Firm is generally consulted relative to MSC Income's investments in each LMM portfolio company at least once every calendar year, and for MSC Income's investments in new LMM portfolio companies, at least once in the twelve-month period subsequent to the initial investment. In certain instances, MSC Income may determine that it is not cost-effective, and as a result is not in its stockholders' best interest, to consult with the Financial Advisory Firm on its investments in one or more LMM portfolio companies. Such instances include, but are not limited to, situations where the fair value of MSC Income's investment in a LMM portfolio company is determined to be insignificant relative to the total Investment Portfolio. MSC Income consulted with and received an assurance certification from the Financial Advisory Firm in arriving at its determination of fair value for its investments in a total of 48 and 46 LMM portfolio companies during the years ended December 31, 2024 and 2023, respectively, representing 92% and 95% of the total LMM portfolio at fair value as of December 31, 2024 and 2023, respectively. Excluding its investments in LMM portfolio companies that, as of December 31, 2024 and 2023, as applicable, had not been in the Investment Portfolio for at least twelve months subsequent to the initial investment or whose primary purpose is to own real estate for which a third-party appraisal is obtained on at least an annual basis, over

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

99% of the LMM portfolio at fair value was reviewed and certified by the Financial Advisory Firm for each of the years ended December 31, 2024 and 2023.

For valuation purposes, all of MSC Income's Middle Market portfolio investments are non-control investments. To the extent sufficient observable inputs are available to determine fair value, MSC Income uses observable inputs to determine the fair value of these investments through obtaining third-party quotes or other independent pricing. For Middle Market portfolio investments for which it has determined that third-party quotes or other independent pricing are not available or appropriate, MSC Income generally estimates the fair value based on the assumptions that it believes hypothetical market participants would use to value such Middle Market debt investments in a current hypothetical sale using the Yield-to-Maturity valuation method and such Middle Market equity investments in a current hypothetical sale using the Waterfall valuation method. MSC Income generally consults on a limited basis with the Financial Advisory Firm in connection with determining the fair value of its Middle Market portfolio investments due to the nature of these investments. The vast majority (93% and 97% as of December 31, 2024 and 2023, respectively) of the Middle Market portfolio investments (i) are valued using third-party quotes or other independent pricing services or (ii) MSC Income has consulted with and received an assurance certification from the Financial Advisory Firm within the last twelve months.

For valuation purposes, all of MSC Income's Other Portfolio investments are non-control investments. MSC Income's Other Portfolio investments comprised 2.0% and 2.3% of MSC Income's Investment Portfolio at fair value as of December 31, 2024 and 2023, respectively. Similar to the LMM investment portfolio, market quotations for Other Portfolio equity investments are generally not readily available. For its Other Portfolio equity investments, MSC Income generally determines the fair value of these investments using the NAV valuation method.

Due to the inherent uncertainty in the valuation process, MSC Income's determination of fair value for its Investment Portfolio may differ materially from the values that would have been determined had a ready market for the securities existed. In addition, changes in the market environment, portfolio company performance and other events that may occur over the lives of the investments may cause the gains or losses ultimately realized on these investments to be materially different than the valuations currently assigned. MSC Income determines the fair value of each individual investment and records changes in fair value as unrealized appreciation or depreciation.

MSC Income uses an internally developed portfolio investment rating system in connection with its investment oversight, portfolio management and analysis and investment valuation procedures for its Private Loan, LMM and Middle Market portfolio companies. This system takes into account both quantitative and qualitative factors of each Private Loan, LMM and Middle Market portfolio company.

Rule 2a-5 under the 1940 Act permits a BDC's board of directors to designate its executive officers or investment adviser as a valuation designee to determine the fair value for its investment portfolio, subject to the active oversight of the board. MSC Income's Board of Directors has approved policies and procedures pursuant to Rule 2a-5 (the "Valuation Procedures") and has designated the Adviser, led by a group of Main Street's and the Adviser's executive officers, to serve as the Board of Directors' valuation designee. MSC Income believes its Investment Portfolio as of December 31, 2024 and 2023 approximates fair value as of those dates based on the markets in which it operates and other conditions in existence on those reporting dates.

2. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results may differ from these estimates under different conditions or assumptions. Additionally, as explained in *Note B.1. — Summary of Significant Accounting Policies — Valuation of the Investment Portfolio*, the consolidated financial statements include investments in the Investment Portfolio whose values have been estimated by MSC Income pursuant to valuation policies and procedures approved and overseen by MSC Income's Board of Directors, in the absence of readily ascertainable market values. Because of the inherent uncertainty of the Investment Portfolio valuations, those estimated values may differ materially from the values that would have been determined had a ready market for the securities existed.

Macroeconomic factors, including pandemics, risk of recession, inflation, supply chain constraints or disruptions, geopolitical disruptions and changing market index interest rates, and the related effect on the U.S. and global economies, have impacted, and may continue to impact, the businesses and operating results of certain of MSC Income's portfolio

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

companies. As a result of these and other current effects of macroeconomic factors, as well as the uncertainty regarding the extent and duration of their impact, the valuation of MSC Income's Investment Portfolio has and may continue to experience increased volatility.

3. Cash and Cash Equivalents

Cash and cash equivalents consist of cash and highly liquid investments with an original maturity of three months or less at the date of purchase. Cash and cash equivalents are carried at cost, which approximates fair value. As of December 31, 2024 and 2023, the Company had \$14.4 million and \$20.8 million, respectively, of cash equivalents invested in AAA-rated money market funds pending investment in the Company's primary investment strategies. These highly liquid investments are included in the Consolidated Schedule of Investments.

As of December 31, 2024 and 2023, cash balances totaling \$13.5 million and \$9.0 million, respectively, exceeded Federal Deposit Insurance Corporation insurance protection levels, subjecting the Company to risk related to the uninsured balance.

4. Interest, Dividend and Fee Income

MSC Income records interest and dividend income on the accrual basis to the extent amounts are expected to be collected. Dividend income is recorded when dividends are declared by the portfolio company or at such other time that an obligation exists for the portfolio company to make a distribution. MSC Income evaluates accrued interest and dividend income periodically for collectability. When a loan or debt security becomes 90 days or more past due, and if MSC Income otherwise does not expect the debtor to be able to service its debt obligation, MSC Income will generally place the loan or debt security on non-accrual status and cease recognizing interest income on that loan or debt security until the borrower has demonstrated the ability and intent to pay contractual amounts due. If a loan or debt security's status significantly improves regarding the debtor's ability to service the debt obligation, or if a loan or debt security is sold or written off, MSC Income removes it from non-accrual status.

As of December 31, 2024, investments on non-accrual status comprised 1.5% of MSC Income's total Investment Portfolio at fair value and 5.6% at cost. As of December 31, 2023, investments on non-accrual status comprised 1.1% of MSC Income's total Investment Portfolio at fair value and 4.0% at cost.

MSC Income holds certain debt and preferred equity instruments in its Investment Portfolio that contain PIK interest and cumulative dividend provisions. The PIK interest, computed at the contractual rate specified in each debt agreement, is periodically added to the principal balance of the debt and is recorded as interest income. Thus, the actual collection of this interest may be deferred until the time of debt principal repayment. Cumulative dividends are recorded as dividend income, and any dividends in arrears are added to the balance of the preferred equity investment. The actual collection of these dividends in arrears may be deferred until such time as the preferred equity is redeemed or sold. To maintain RIC tax treatment (as discussed in *Note B.7. — Summary of Significant Accounting Policies — Income Taxes* below), these non-cash sources of income may need to be paid out to stockholders in the form of distributions, even though MSC Income may not have collected the PIK interest and cumulative dividends in cash. MSC Income stops accruing PIK interest and cumulative dividends and writes off any accrued and uncollected interest and dividends in arrears when it determines that such PIK interest and dividends in arrears are no longer collectible. For the years ended December 31, 2024, 2023 and 2022 (i) 6.2%, 3.8% and 2.5%, respectively, of MSC Income's total investment income was attributable to PIK interest income not paid currently in cash and (ii) 0.1%, 0.1% and 0.6%, respectively, of MSC Income's total investment income was attributable to cumulative dividend income not paid currently in cash.

MSC Income may periodically provide services, including structuring and advisory services, to its portfolio companies or other third parties. For services that are separately identifiable and evidence exists to substantiate fair value, fee income is recognized as earned, which is generally when the investment or other applicable transaction closes. Fees received in connection with debt financing transactions for services that do not meet these criteria are treated as debt origination fees and are generally deferred and accreted into income over the life of the financing.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

A presentation of total investment income MSC Income received from its Investment Portfolio in each of the periods presented is as follows:

	Year Ended December 31,		
	2024	2023	2022
	(dollars in thousands)		
Interest, fee and dividend income:			
Interest income	\$ 117,816	\$ 116,976	\$ 90,811
Dividend income	11,696	11,255	9,442
Fee income	5,316	3,155	3,512
Total investment income	<u>\$ 134,828</u>	<u>\$ 131,386</u>	<u>\$ 103,765</u>

5. Deferred Financing Costs

Deferred financing costs include commitment fees and other direct costs incurred in connection with arranging MSC Income's borrowings. Deferred financing costs incurred in connection with MSC Income's multi-year revolving Credit Facilities (as defined in *Note D — Debt*) have been capitalized as an asset. Deferred financing costs incurred in connection with the Series A Notes (as defined in *Note D — Debt*) are reflected as a direct deduction from the principal amount outstanding.

6. Unearned Income — Debt Origination Fees and Original Issue Discount and Discounts / Premiums to Par Value

MSC Income capitalizes debt origination fees received in connection with financings and reflects such fees as unearned income netted against the applicable debt investments. The unearned income from the fees is accreted into income over the life of the financing.

In connection with its portfolio debt investments, MSC Income sometimes receives nominal cost warrants or warrants with an exercise price below the fair value of the underlying equity (together, "nominal cost equity") that are valued as part of the negotiation process with the particular portfolio company. When MSC Income receives nominal cost equity, it allocates its cost basis in its investment between its debt security and its nominal cost equity at the time of origination based on amounts negotiated with the particular portfolio company. The allocated amounts are based upon the fair value of the nominal cost equity, which is then used to determine the allocation of cost to the debt security. Any discount recorded on a debt investment resulting from this allocation is reflected as unearned income, which is netted against the applicable debt investment, and accreted into interest income over the life of the debt investment. The actual collection of this interest is deferred until the time of debt principal repayment.

MSC Income may also purchase debt securities at a discount or at a premium to the par value of the debt security. In the case of a purchase at a discount, MSC Income records the investment at the par value of the debt security net of the discount, and the discount is accreted into interest income over the life of the debt investment. In the case of a purchase at a premium, MSC Income records the investment at the par value of the debt security plus the premium, and the premium is amortized as a reduction to interest income over the life of the debt investment.

To maintain RIC tax treatment (as discussed in *Note B.7. — Summary of Significant Accounting Policies — Income Taxes* below), these non-cash sources of income may need to be paid out to stockholders in the form of distributions, even though MSC Income may not have collected the interest income. For the years ended December 31, 2024, 2023 and 2022, 2.8%, 2.5% and 2.5%, respectively, of MSC Income's total investment income was attributable to interest income from the accretion of discounts associated with debt investments, net of any premium amortization.

7. Income Taxes

MSIF has elected to be treated for U.S. federal income tax purposes as a RIC. MSIF's taxable income includes the taxable income generated by MSIF and certain of its subsidiaries, including the Structured Subsidiaries, which are treated as disregarded entities for tax purposes. As a RIC, MSIF generally will not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that MSIF distributes to its stockholders. MSIF must generally

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

distribute at least 90% of its “investment company taxable income” (which is generally its net ordinary taxable income and realized net short-term capital gains in excess of realized net long-term capital losses) and 90% of its tax-exempt income to maintain its RIC status (pass-through tax treatment for amounts distributed). As part of maintaining RIC status, undistributed taxable income (subject to a 4% non-deductible U.S. federal excise tax) pertaining to a given fiscal year may be distributed up to twelve months subsequent to the end of that fiscal year, provided such dividends are declared on or prior to the later of (i) the filing of the U.S. federal income tax return for the applicable fiscal year or (ii) the fifteenth day of the ninth month following the close of the year in which such taxable income was generated.

The Taxable Subsidiaries primarily hold certain equity investments for MSC Income. The Taxable Subsidiaries permit MSC Income to hold equity investments in portfolio companies which are “pass-through” entities for tax purposes and to continue to comply with the “source-of-income” requirements contained in the RIC tax provisions of the Code. The Taxable Subsidiaries are consolidated with MSC Income for U.S. GAAP financial reporting purposes, and the portfolio investments held by the Taxable Subsidiaries are included in MSC Income’s consolidated financial statements as portfolio investments and recorded at fair value. The Taxable Subsidiaries are not consolidated with MSIF for income tax purposes and may generate income tax expense, or benefit, and tax assets and liabilities, as a result of their ownership of certain portfolio investments. The taxable income, or loss, of the Taxable Subsidiaries may differ from their book income, or loss, due to temporary book and tax timing differences and permanent differences. The Taxable Subsidiaries are each taxed at corporate income tax rates based on their taxable income. The income tax expense, or benefit, if any, and the related tax assets and liabilities, of the Taxable Subsidiaries are reflected in MSC Income’s consolidated financial statements.

The Taxable Subsidiaries use the liability method in accounting for income taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements, using statutory tax rates in effect for the year in which the temporary differences are expected to reverse. A valuation allowance is provided, if necessary, against deferred tax assets when it is more likely than not that some portion or all of the deferred tax asset will not be realized. MSC Income’s net assets as included on the Consolidated Balance Sheets and Consolidated Statements of Changes in Net Assets include an adjustment to classification as a result of permanent book-to-tax differences, which include differences in the book and tax treatment of income and expenses.

Taxable income generally differs from net income for financial reporting purposes due to temporary and permanent differences in the recognition of income and expenses. Taxable income generally excludes net unrealized appreciation or depreciation, as investment gains or losses are not included in taxable income until they are realized.

8. Net Realized Gains or Losses and Net Unrealized Appreciation or Depreciation

Realized gains or losses are measured by the difference between the net proceeds from the sale or redemption of an investment or a financial instrument and the cost basis of the investment or financial instrument, without regard to unrealized appreciation or depreciation previously recognized, and includes investments written-off during the period net of recoveries and realized gains or losses from in-kind redemptions. Net unrealized appreciation or depreciation reflects the net change in the fair value of the Investment Portfolio and financial instruments and the reclassification of any prior period unrealized appreciation or depreciation on exited investments and financial instruments to realized gains or losses.

9. Fair Value of Financial Instruments

Fair value estimates are made at discrete points in time based on relevant information. These estimates may be subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. MSC Income believes that the carrying amounts of its financial instruments, consisting of cash and cash equivalents, receivables, payables and other liabilities approximate the fair values of such items due to the short-term nature of these instruments.

MSC Income’s debt instruments, including all revolving and term debt, are accounted for on a historical cost basis as applicable under U.S. GAAP. As also required under U.S. GAAP, MSC Income discloses the estimated fair value of its debt obligations in *Note D — Debt*. To estimate the fair value of MSC Income’s Series A Notes as disclosed in *Note D — Debt*, MSC Income uses the Yield-to-Maturity valuation method based on projections of the discounted future free cash flows that the debt security will likely generate, including both the discounted cash flows of the associated interest and principal amounts for the debt security. The inputs used to value MSC Income’s debt instruments for purposes of the fair value estimate disclosures in *Note D — Debt* are considered to be Level 2 according to the ASC 820 fair value hierarchy.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

10. Earnings Per Share

Net increase in net assets resulting from operations per share and net investment income per share are computed utilizing the weighted-average number of shares of common stock outstanding for the period.

11. Segments

MSC Income operates as a single segment with a principal investment objective to maximize total return primarily by generating current income from debt investments and, to a lesser extent, by generating current income and capital appreciation from equity and equity-related investments. The Adviser's Investment Committee and the Company's Chief Executive Officer collectively perform the function that allocates resources and assesses performance, and thus together, serve as the Company's chief operating decision maker (the "CODM"). Among other metrics, the CODM uses net investment income as a primary GAAP profit or loss metric used in making operating decisions, which can be found on the Consolidated Statement of Operations along with significant expenses. The measure of segment assets is reported on the Consolidated Balance Sheets as total assets.

12. Recently Issued or Adopted Accounting Standards

In November 2022, the FASB issued ASU 2022-06, *Reference rate reform (Topic 848) — Deferral of the Sunset Date of Topic 848*, which deferred the sunset date of Topic 848 from December 31, 2022 to December 31, 2024 after which entities will no longer be permitted to apply the relief in Topic 848. The Company utilized the optional expedients and exceptions provided by ASU 2020-04 and extended by ASU 2022-06 during the year ended December 31, 2023, the effect of which was not material to the consolidated financial statements and the notes thereto. For the current year, the Company no longer utilizes the optional expedients provided by ASU 2020-04, as LIBOR is no longer referenced in any of its contracts. ASU 2022-06 did not have a material impact on the consolidated financial statements and the notes thereto.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting - Improvements to Reportable Segment Disclosures*. The amendments in this update require incremental disclosures related to a public entity's reportable segments. ASU 2023-07 is effective for years beginning after December 15, 2023 and interim periods in fiscal years beginning after December 15, 2024. See *Note B.11 - Summary of Significant Accounting Policies - Segments* for the incremental disclosures.

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures*. The amendments in this update require more disaggregated information on income taxes paid. ASU 2023-09 is effective for years beginning after December 15, 2024, and early adoption is permitted. The Company is currently assessing the impact of the new guidance, but it does not expect ASU 2023-09 to have a material impact on the consolidated financial statements and the notes thereto.

From time to time, new accounting pronouncements are issued by the FASB or other standards-setting bodies that are adopted by the Company as of the specified effective date. The Company believes that the impact of recently issued standards and any that are not yet effective will not have a material impact on its consolidated financial statements upon adoption.

NOTE C — FAIR VALUE HIERARCHY FOR INVESTMENTS—PORTFOLIO COMPOSITION

ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and enhances disclosure requirements for fair value measurements. MSC Income accounts for its investments at fair value.

Fair Value Hierarchy

In accordance with ASC 820, MSC Income has categorized its investments based on the priority of the inputs to the valuation technique into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical investments (Level 1) and the lowest priority to unobservable inputs (Level 3).

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

Investments recorded on MSC Income's Consolidated Balance Sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1 — Investments whose values are based on unadjusted quoted prices for identical assets in an active market that MSC Income has the ability to access (examples include investments in active exchange-traded equity securities and investments in most U.S. government and agency securities).

Level 2 — Investments whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the investment. Level 2 inputs include the following:

- Quoted prices for similar assets in active markets (for example, investments in restricted stock);
- Quoted prices for identical or similar assets in non-active markets (for example, investments in thinly traded public companies);
- Pricing models whose inputs are observable for substantially the full term of the investment (for example, market interest rate indices); and
- Pricing models whose inputs are derived principally from, or corroborated by, observable market data through correlation or other means for substantially the full term of the investment.

Level 3 — Investments whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement (for example, investments in illiquid securities issued by privately held companies). These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the investment.

As required by ASC 820, when the inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement in its entirety. For example, a Level 3 fair value measurement may include inputs that are observable (Levels 1 and 2) and unobservable (Level 3). Therefore, unrealized appreciation and depreciation related to such investments categorized within the Level 3 tables below may include changes in fair value that are attributable to both observable inputs (Levels 1 and 2) and unobservable inputs (Level 3).

As of December 31, 2024 and 2023, MSC Income's Private Loan portfolio investments primarily consisted of investments in secured debt investments. The fair value determination for these investments consisted of a combination of observable inputs in non-active markets for which sufficient observable inputs were not available to determine the fair value of these investments and unobservable inputs. As a result, all of MSC Income's Private Loan portfolio investments were categorized as Level 3 as of December 31, 2024 and 2023.

As of December 31, 2024 and 2023, all of MSC Income's LMM portfolio investments consisted of illiquid securities issued by privately held companies and the fair value determination for these investments primarily consisted of unobservable inputs. As a result, all of MSC Income's LMM portfolio investments were categorized as Level 3 as of December 31, 2024 and 2023.

As of December 31, 2024 and 2023, MSC Income's Middle Market portfolio investments consisted primarily of investments in secured and unsecured debt investments and independently rated debt investments. The fair value determination for these investments consisted of a combination of observable inputs in non-active markets for which sufficient observable inputs were not available to determine the fair value of these investments and unobservable inputs. As a result, all of MSC Income's Middle Market portfolio investments were categorized as Level 3 as of December 31, 2024 and 2023.

As of December 31, 2024 and 2023, MSC Income's Other Portfolio investments consisted of illiquid securities issued by privately held entities and the fair value determination for these investments primarily consisted of unobservable inputs. As a result, all of MSC Income's Other Portfolio investments were categorized as Level 3 as of December 31, 2024 and 2023.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

As of December 31, 2024 and 2023, all money market funds included in cash and cash equivalents were valued using Level 1 inputs

The fair value determination of each portfolio investment categorized as Level 3 required one or more of the following unobservable inputs:

- Financial information obtained from each portfolio company, including unaudited statements of operations and balance sheets for the most recent period available as compared to budgeted numbers;
- Current and projected financial condition of the portfolio company;
- Current and projected ability of the portfolio company to service its debt obligations;
- Type and amount of collateral, if any, underlying the investment;
- Current financial ratios (e.g., fixed charge coverage ratio, interest coverage ratio and net debt/EBITDA ratio) applicable to the investment;
- Current liquidity of the investment and related financial ratios (e.g., current ratio and quick ratio);
- Pending debt or capital restructuring of the portfolio company;
- Projected operating results of the portfolio company;
- Current information regarding any offers to purchase the investment;
- Current ability of the portfolio company to raise any additional financing as needed;
- Changes in the economic environment which may have a material impact on the operating results of the portfolio company;
- Internal occurrences that may have an impact (both positive and negative) on the operating performance of the portfolio company;
- Qualitative assessment of key management;
- Contractual rights, obligations or restrictions associated with the investment; and
- Other factors deemed relevant.

The use of significant unobservable inputs creates uncertainty in the measurement of fair value as of the reporting date. The significant unobservable inputs used in the fair value measurement of MSC Income's LMM equity securities, which are generally valued through an average of the discounted cash flow technique and the market comparable/enterprise value technique (unless one of these approaches is determined to not be appropriate), are (i) EBITDA multiples and (ii) the weighted-average cost of capital ("WACC"). Significant increases (decreases) in EBITDA multiple inputs in isolation would result in a significantly higher (lower) fair value measurement, and significant increases (decreases) in WACC inputs in isolation would result in a significantly lower (higher) fair value measurement. The significant unobservable inputs used in the fair value measurement of MSC Income's Private Loan, LMM and Middle Market debt securities are (i) risk adjusted discount rates used in the Yield-to-Maturity valuation technique (see *Note B.1. — Summary of Significant Accounting Policies — Valuation of the Investment Portfolio*) and (ii) the percentage of expected principal recovery. Significant increases (decreases) in any of these discount rates in isolation would result in a significantly lower (higher) fair value measurement. Significant increases (decreases) in any of these expected principal recovery percentages in isolation would result in a significantly higher (lower) fair value measurement. However, due to the nature of certain investments, fair value measurements may be based on other criteria, such as third-party appraisals of collateral and fair values as determined by independent third parties, which are not presented in the tables below.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

The following tables provide a summary of the significant unobservable inputs used to fair value MSC Income's Level 3 portfolio investments as of December 31, 2024 and 2023:

Type of Investment	Fair Value as of December 31, 2024 (in thousands)	Valuation Technique	Significant Unobservable Inputs	Range (3)	Weighted-Average (3)(4)	Median (3)
Equity investments	\$ 281,831	Discounted cash flow	WACC	11.5% - 22.5%	14.8 %	15.1 %
		Market comparable / Enterprise value	EBITDA multiple (1)	4.9x - 9.0x (2)	6.6x	6.5x
Debt investments	\$ 862,813	Discounted cash flow	Risk adjusted discount factor (5)	8.5% - 18.0% (2)	13.2 %	12.1 %
			Expected principal recovery percentage	0.3% - 100.0%	99.7 %	100.0 %
Debt investments	\$ 32,863	Market approach	Third-party quote	21.0 - 99.4	82.9	84.5
Total Level 3 investments	\$ 1,177,507					

- (1) EBITDA may include proforma adjustments and/or other addbacks based on specific circumstances related to each investment.
- (2) Range excludes outliers that are greater than one standard deviation from the mean. Including these outliers, the range for EBITDA multiple is 2.0x - 17.0x and the range for risk adjusted discount factor is 6.8% - 38.3%.
- (3) Does not include investments for which the valuation technique does not include the use of the applicable fair value input.
- (4) Weighted-average is calculated for each significant unobservable input based on the applicable security's fair value.
- (5) Discount rate includes the effect of the standard SOFR base rate, as applicable.

Type of Investment	Fair Value as of December 31, 2023 (in thousands)	Valuation Technique	Significant Unobservable Inputs	Range (3)	Weighted-Average (3)(4)	Median (3)
Equity investments	\$ 254,770	Discounted cash flow	WACC	10.9% - 22.5%	14.4 %	15.5 %
		Market comparable / Enterprise value	EBITDA multiple (1)	4.9x - 9.2x (2)	7.3x	6.5x
Debt investments	\$ 777,003	Discounted cash flow	Risk adjusted discount factor (5)	9.8% - 16.8% (2)	13.1 %	12.8 %
			Expected principal recovery percentage	0.6% - 100.0%	99.6 %	100.0 %
Debt investments	\$ 61,122	Market approach	Third-party quote	4.5 - 99.2	85.0	89.5
Total Level 3 investments	\$ 1,092,895					

- (1) EBITDA may include proforma adjustments and/or other addbacks based on specific circumstances related to each investment.
- (2) Range excludes outliers that are greater than one standard deviation from the mean. Including these outliers, the range for EBITDA multiple is 2.0x - 15.7x and the range for risk adjusted discount factor is 8.0% - 27.3%.
- (3) Does not include investments for which the valuation technique does not include the use of the applicable fair value input.
- (4) Weighted-average is calculated for each significant unobservable input based on the applicable security's fair value.
- (5) Discount rate includes the effect of the standard SOFR base rate, as applicable.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

The following tables provide a summary of changes in fair value of MSC Income's Level 3 portfolio investments for the years ended December 31, 2024 and 2023 (amounts in thousands):

Type of Investment	Fair Value as of December 31, 2023	Transfers Into Level 3 Hierarchy	Redemptions/ Repayments	New Investments	Net Changes from Unrealized to Realized	Net Unrealized Appreciation (Depreciation)	Other (1)	Fair Value as of December 31, 2024
Debt	\$ 838,125	\$ —	\$ (223,664)	\$ 320,696	\$ 7,867	\$ (25,216)	\$ (22,132)	\$ 895,676
Equity	254,029	—	(16,571)	18,838	(24,918)	24,043	22,132	277,553
Equity Warrant	741	—	—	1,128	(90)	2,499	—	4,278
	<u>\$ 1,092,895</u>	<u>\$ —</u>	<u>\$ (240,235)</u>	<u>\$ 340,662</u>	<u>\$ (17,141)</u>	<u>\$ 1,326</u>	<u>\$ —</u>	<u>\$ 1,177,507</u>

(1) Includes the impact of non-cash conversions. These transactions represent non-cash investing activities. See additional cash flow information in the Consolidated Statements of Cash Flows.

Type of Investment	Fair Value as of December 31, 2022	Transfers Into Level 3 Hierarchy	Redemptions/ Repayments	New Investments	Net Changes from Unrealized to Realized	Net Unrealized Appreciation (Depreciation)	Other (1)	Fair Value as of December 31, 2023
Debt	\$ 852,282	\$ —	\$ (253,517)	\$ 230,663	\$ 33,078	\$ (5,467)	\$ (18,914)	\$ 838,125
Equity	214,687	—	(15,329)	16,377	923	17,352	20,019	254,029
Equity Warrant	1,174	—	(284)	523	284	149	(1,105)	741
	<u>\$ 1,068,143</u>	<u>\$ —</u>	<u>\$ (269,130)</u>	<u>\$ 247,563</u>	<u>\$ 34,285</u>	<u>\$ 12,034</u>	<u>\$ —</u>	<u>\$ 1,092,895</u>

(1) Includes the impact of non-cash conversions. These transactions represent non-cash investing activities. See additional cash flow information in the Consolidated Statements of Cash Flows.

As of December 31, 2024 and 2023, MSC Income's investments at fair value were categorized as follows in the fair value hierarchy for ASC 820 purposes:

As of December 31, 2024	Fair Value	Fair Value Measurements		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Private Loan portfolio investments	\$ 677,878	\$ —	\$ —	\$ 677,878
LMM portfolio investments	436,150	—	—	436,150
Middle Market portfolio investments	39,402	—	—	39,402
Other Portfolio investments	24,077	—	—	24,077
Total investments	<u>\$ 1,177,507</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,177,507</u>

MSC INCOME FUND, INC.
Notes to the Consolidated Financial Statements (Continued)

As of December 31, 2023	Fair Value	Fair Value Measurements (in thousands)		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Private Loan portfolio investments	\$ 595,326	\$ —	\$ —	\$ 595,326
LMM portfolio investments	386,956	—	—	386,956
Middle Market portfolio investments	85,990	—	—	85,990
Other Portfolio investments	24,623	—	—	24,623
Total investments	\$ 1,092,895	\$ —	\$ —	\$ 1,092,895

Investment Portfolio Composition

MSC Income's principal investment objective is to maximize its portfolio's total return, primarily by generating current income from its debt investments and, to a lesser extent, by generating current income and capital appreciation from its equity and equity-related investments, including warrants, convertible securities and other rights to acquire equity securities in a portfolio company. MSC Income seeks to achieve its investment objective primarily by providing debt capital to companies in its Private Loan investment strategy and secondarily through its LMM investment portfolio.

MSC Income's Private Loan investment strategy is focused on investments in secured debt in privately held companies that generally have annual revenues between \$25 million and \$500 million, and its Private Loan investments generally range in size from \$1 million to \$30 million. MSC Income's Private Loan investments primarily consist of debt securities that have primarily been originated directly by the Adviser or, to a lesser extent, through the Adviser's strategic relationships with other investment funds on a collaborative basis through investments that are often referred to in the debt markets as "club deals" because of the small lender group size. In both cases, MSC Income's Private Loan investments are typically made in a company owned by or in the process of being acquired by a private equity fund. MSC Income's Private Loan portfolio debt investments are generally secured by a first priority lien on the assets of the portfolio company and typically have a term of between three and seven years from the original investment date. MSC Income may have the option to co-invest with Main Street and the private equity fund in the equity securities of its Private Loan portfolio companies.

MSC Income maintains a LMM investment portfolio with investments in secured debt and equity investments in privately held, LMM companies based in the United States. MSC Income's LMM portfolio companies generally have annual revenues between \$10 million and \$150 million, and its LMM investments generally range in size from \$1 million to \$30 million. The LMM debt investments are typically secured by a first priority lien on the assets of the portfolio company, can include either fixed or floating interest rates and generally have a term of between five and seven years from the original investment date. MSC Income typically makes direct equity investments and/or receives nominally priced equity warrants in connection with a LMM portfolio company debt investment.

In connection with the MSC Income Listing, the Company's Board of Directors and the Adviser decided to change the Company's investment strategy with respect to new platform investments to be solely focused on the Private Loan investment strategy. As a result, the size of the Company's LMM investment portfolio is expected to decrease over time as existing LMM investments are repaid or sold in the ordinary course of business. The Company does, however, plan to continue executing follow on investments in its existing LMM portfolio companies going forward in accordance with its existing SEC order for co-investment exemptive relief.

MSC Income also maintains a legacy portfolio of investments in Middle Market companies. MSC Income's Middle Market investments are generally debt investments in companies owned by a private equity fund that were originally issued through a syndication financing process. MSC Income has generally stopped making new Middle Market investments and expects the size of its Middle Market investment portfolio to continue to decline in future periods as its existing Middle Market investments are repaid or sold. MSC Income's Middle Market debt investments generally range in size from \$1 million to \$20 million, are generally secured by a first priority lien on the assets of the portfolio company and typically have an expected duration of between three and seven years from the original investment date.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

MSC Income's Other Portfolio investments primarily consist of investments that are not consistent with the typical profiles for its Private Loan, LMM or Middle Market portfolio investments, including investments which may be managed by third parties. In the Other Portfolio, MSC Income may incur indirect fees and expenses in connection with investments managed by third parties, such as investments in other investment companies or private funds. For Other Portfolio investments, MSC Income generally receives distributions related to the assets held by the portfolio company. Those assets are typically expected to be realized over a five to ten-year period. Similar to its Middle Market investments, the Company has generally stopped making new Other Portfolio investments and expects its Other Portfolio to continue to decline in future periods as existing Other Portfolio investments are repaid or sold.

Based upon MSC Income's liquidity and capital structure management activities, MSC Income's Investment Portfolio may also periodically include short-term portfolio investments that are atypical of MSC Income's Private Loan, LMM and Middle Market portfolio investments in that they are intended to be a short-term deployment of capital. Those assets are typically expected to be realized in one year or less. These short-term portfolio investments are not expected to be a significant portion of the overall Investment Portfolio.

Investment income, consisting of interest, dividends and fees, can fluctuate dramatically due to various factors, including the level of new investment activity, repayments of debt investments or sales of equity interests. Investment income in any given year could also be highly concentrated among several portfolio companies. For the years ended December 31, 2024, 2023 and 2022, MSC Income did not record investment income from any single portfolio company in excess of 10% of total investment income.

The following tables provide a summary of MSC Income's investments in the Private Loan, LMM and Middle Market portfolios as of December 31, 2024 and 2023 (this information excludes Other Portfolio investments, which are discussed further below).

	As of December 31, 2024		
	Private Loan	LMM (a)	Middle Market
	(dollars in millions)		
Number of portfolio companies	84	57	10
Fair value	\$ 677.9	\$ 436.1	\$ 39.4
Cost	\$ 697.5	\$ 357.1	\$ 66.3
Debt investments as a % of portfolio (at cost)	93.9 %	67.8 %	87.8 %
Equity investments as a % of portfolio (at cost)	6.1 %	32.2 %	12.2 %
% of debt investments at cost secured by first priority lien	99.9 %	99.9 %	99.9 %
Weighted-average annual effective yield (b)	12.0 %	13.0 %	14.1 %
Average EBITDA (c)	\$ 28.6	\$ 10.8	\$ 38.2

- (a) As of December 31, 2024, MSC Income had equity ownership in all of its LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was 9%.
- (b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments as of December 31, 2024, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status, and are weighted based upon the principal amount of each applicable debt investment as of December 31, 2024. The weighted-average annual effective yield on MSC Income's debt portfolio as of December 31, 2024, including debt investments on non-accrual status, was 11.4% for its Private Loan portfolio, 12.2% for its LMM portfolio and 9.0% for its Middle Market portfolio. The weighted-average annual effective yield is not reflective of what an investor in shares of MSC Income's common stock will realize on its investment because it does not reflect MSC Income's utilization of debt capital in its capital structure, MSC Income's expenses or any sales load paid by an investor.
- (c) The average EBITDA is calculated using a weighted-average for the Private Loan and Middle Market portfolios and a simple average for the LMM portfolio. These calculations exclude certain portfolio companies, including two Private Loan portfolio companies, three LMM portfolio companies and one Middle Market portfolio company, as EBITDA is

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

not a meaningful valuation metric for MSC Income’s investments in these portfolio companies, and those portfolio companies whose primary purpose is to own real estate and those portfolio companies whose primary operations have ceased and only residual value remains.

	As of December 31, 2023					
	Private Loan		LMM (a)		Middle Market	
	(dollars in millions)					
Number of portfolio companies	78		50		16	
Fair value	\$	595.3	\$	387.0	\$	86.0
Cost	\$	586.4	\$	315.7	\$	114.7
Debt investments as a % of portfolio (at cost)		94.1 %		70.2 %		93.1 %
Equity investments as a % of portfolio (at cost)		5.9 %		29.8 %		6.9 %
% of debt investments at cost secured by first priority lien		100.0 %		99.9 %		100.0 %
Weighted-average annual effective yield (b)		13.1 %		13.0 %		13.0 %
Average EBITDA (c)	\$	30.5	\$	8.8	\$	74.2

- (a) As of December 31, 2023, MSC Income had equity ownership in all of its LMM portfolio companies, and the average fully diluted equity ownership in those portfolio companies was 9%.
- (b) The weighted-average annual effective yields were computed using the effective interest rates for all debt investments as of December 31, 2023, including amortization of deferred debt origination fees and accretion of original issue discount but excluding fees payable upon repayment of the debt instruments and any debt investments on non-accrual status, and are weighted based upon the principal amount of each applicable debt investment as of December 31, 2023. The weighted-average annual effective yield on MSC Income’s debt portfolio as of December 31, 2023, including debt investments on non-accrual status, was 12.6% for its Private Loan portfolio, 13.0% for its LMM portfolio and 9.9% for its Middle Market portfolio. The weighted-average annual effective yield is not reflective of what an investor in shares of MSC Income’s common stock will realize on its investment because it does not reflect MSC Income’s utilization of debt capital in its capital structure, MSC Income’s expenses or any sales load paid by an investor.
- (c) The average EBITDA is calculated using a weighted-average for the Private Loan and Middle Market portfolios and a simple average for the LMM portfolio. These calculations exclude certain portfolio companies, including one Private Loan portfolio company, as EBITDA is not a meaningful valuation metric for MSC Income’s investment in this portfolio company, and those portfolio companies whose primary purpose is to own real estate.

For the years ended December 31, 2024 and 2023, MSC Income achieved a total return on investments of 12.4% and 13.6%, respectively. Total return on investments is calculated using the interest, dividend and fee income, as well as the realized and unrealized change in fair value of the Investment Portfolio for the specified period. MSC Income’s total return on investments is not reflective of what an investor in shares of MSC Income’s common stock will realize on its investment because it does not reflect MSC Income’s utilization of debt capital in its capital structure, MSC Income’s expenses or any sales load paid by an investor.

As of December 31, 2024, MSC Income had Other Portfolio investments in six entities, spread across four investment managers, collectively totaling \$24.1 million in fair value and \$17.9 million in cost basis, which comprised 2.0% and 1.6% of MSC Income’s Investment Portfolio at fair value and cost, respectively. As of December 31, 2023, MSC Income had Other Portfolio investments in six entities, spread across four investment managers, collectively totaling \$24.6 million in fair value and \$21.5 million in cost basis, which comprised 2.3% and 2.1% of MSC Income’s Investment Portfolio at fair value and cost, respectively.

The following tables summarize the composition of MSC Income’s total combined Private Loan, LMM and Middle Market portfolio investments at cost and fair value by type of investment as a percentage of the total combined

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

Private Loan, LMM and Middle Market portfolio investments, as of December 31, 2024 and 2023 (this information excludes Other Portfolio investments, which are discussed above).

Cost:	December 31, 2024	December 31, 2023
First lien debt	85.2 %	86.5 %
Equity	14.5	13.3
Equity warrants	0.3	0.2
Other	—	—
	<u>100.0 %</u>	<u>100.0 %</u>

Fair Value:	December 31, 2024	December 31, 2023
First lien debt	77.6 %	78.4 %
Equity	22.0	21.5
Equity warrants	0.4	0.1
Other	—	—
	<u>100.0 %</u>	<u>100.0 %</u>

The following tables summarize the composition of MSC Income's total combined Private Loan, LMM and Middle Market portfolio investments by geographic region of the United States and other countries at cost and fair value as a percentage of the total combined Private Loan, LMM and Middle Market portfolio investments, as of December 31, 2024 and 2023 (this information excludes Other Portfolio investments). The geographic composition is determined by the location of the corporate headquarters of the portfolio company.

Cost:	December 31, 2024	December 31, 2023
Northeast	22.4 %	21.9 %
Midwest	21.5	17.6
West	18.7	17.0
Southwest	18.2	23.8
Southeast	17.0	17.8
Canada	1.2	0.8
Other Non-United States	1.0	1.1
	<u>100.0 %</u>	<u>100.0 %</u>

Fair Value:	December 31, 2024	December 31, 2023
Midwest	22.7 %	18.3 %
Northeast	22.6	21.6
Southwest	20.4	26.8
West	18.4	16.4
Southeast	13.8	15.0
Canada	1.1	0.8
Other Non-United States	1.0	1.1
	<u>100.0 %</u>	<u>100.0 %</u>

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

MSC Income's Private Loan, LMM and Middle Market portfolio investments are in companies conducting business in a variety of industries. The following tables summarize the composition of MSC Income's total combined Private Loan, LMM and Middle Market portfolio investments by industry at cost and fair value as of December 31, 2024 and 2023 (this information excludes Other Portfolio investments).

Cost:	December 31, 2024	December 31, 2023
Machinery	7.8 %	6.0 %
Commercial Services & Supplies	7.6	8.5
Internet Software & Services	7.2	8.8
Professional Services	6.1	5.7
Diversified Consumer Services	5.2	5.4
Electrical Equipment	4.6	2.2
IT Services	4.6	5.2
Containers & Packaging	4.5	4.3
Distributors	4.3	4.4
Health Care Providers & Services	4.2	6.5
Leisure Equipment & Products	3.5	3.7
Computers & Peripherals	3.0	2.9
Communications Equipment	2.9	2.7
Hotels, Restaurants & Leisure	2.8	2.1
Textiles, Apparel & Luxury Goods	2.8	3.1
Diversified Financial Services	2.3	2.1
Building Products	2.2	2.1
Construction & Engineering	2.1	2.5
Specialty Retail	2.0	2.7
Aerospace & Defense	1.7	2.6
Auto Components	1.7	0.8
Household Products	1.7	2.0
Energy Equipment & Services	1.6	0.5
Food & Staples Retailing	1.6	1.5
Internet & Catalog Retail	1.6	1.6
Software	1.6	1.4
Marine	1.5	—
Trading Companies & Distributors	1.3	—
Media	1.2	2.5
Health Care Equipment & Supplies	1.1	1.3
Other (1)	3.7	4.9
	100.0 %	100.0 %

(1) Includes various industries with each industry individually less than 1.0% of the total combined Private Loan, LMM and Middle Market portfolio investments at each date.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

Fair Value:	December 31, 2024	December 31, 2023
Machinery	9.1 %	7.4 %
Commercial Services & Supplies	6.6	7.3
Internet Software & Services	6.3	7.3
Professional Services	6.1	5.5
Diversified Consumer Services	6.0	6.5
Computers & Peripherals	5.1	4.6
Containers & Packaging	4.8	4.6
Electrical Equipment	4.7	2.3
IT Services	4.5	5.0
Distributors	4.3	4.6
Health Care Providers & Services	3.8	6.0
Construction & Engineering	3.0	3.1
Leisure Equipment & Products	2.9	3.3
Textiles, Apparel & Luxury Goods	2.6	2.9
Building Products	2.3	1.9
Diversified Financial Services	2.3	2.0
Specialty Retail	2.2	2.7
Software	2.1	1.7
Hotels, Restaurants & Leisure	2.0	1.6
Household Products	1.8	1.9
Aerospace & Defense	1.7	2.5
Auto Components	1.7	0.8
Media	1.5	2.6
Air Freight & Logistics	1.4	1.6
Communications Equipment	1.4	1.1
Internet & Catalog Retail	1.4	1.5
Marine	1.4	—
Energy Equipment & Services	1.3	0.3
Food & Staples Retailing	1.3	1.2
Trading Companies & Distributors	1.3	—
Construction Materials	—	2.2
Other (1)	3.1	4.0
	100.0 %	100.0 %

(1) Includes various industries with each industry individually less than 1.0% of the total combined Private Loan, LMM and Middle Market portfolio investments at each date.

As of December 31, 2024 and 2023, MSC Income had no portfolio investment that was greater than 10% of the Investment Portfolio at fair value.

Unconsolidated Significant Subsidiaries

In accordance with Rules 3-09 and 4-08(g) of Regulation S-X, MSC Income must determine which of its unconsolidated controlled portfolio companies, if any, are considered “significant subsidiaries.” In evaluating its unconsolidated controlled portfolio companies in accordance with Regulation S-X, there are two tests that MSC Income must utilize to determine if any of MSC Income’s Control Investments (as defined in *Note A — Organization and Basis of Presentation*, including those unconsolidated portfolio companies defined as Control Investments in which MSC Income

MSC INCOME FUND, INC.
Notes to the Consolidated Financial Statements (Continued)

does not own greater than 50% of the voting securities nor have rights to maintain greater than 50% of the board representation) are considered significant subsidiaries: the investment test and the income test. The investment test is generally measured by dividing MSC Income's investment in the Control Investment by the value of MSC Income's total investments. The income test is generally measured by dividing the absolute value of the combined sum of total investment income, net realized gain (loss) and net unrealized appreciation (depreciation) from the relevant Control Investment for the period being tested by the absolute value of MSC Income's change in net assets resulting from operations for the same period. Rules 3-09 and 4-08(g) of Regulation S-X require MSC Income to include (1) separate audited financial statements of an unconsolidated majority-owned subsidiary (Control Investments in which MSC Income owns greater than 50% of the voting securities) in an annual report and (2) summarized financial information of a Control Investment in a quarterly report, respectively, if certain thresholds of the investment or income tests are exceeded and the unconsolidated portfolio company qualifies as a significant subsidiary.

As of December 31, 2024, 2023 and 2022, MSC Income had no single investment that qualified as a significant subsidiary under either the investment or income tests.

NOTE D — DEBT

Summary of MSC Income's debt as of December 31, 2024 is as follows:

	Outstanding Balance	Unamortized Debt Issuance Costs ⁽¹⁾	Recorded Value	Estimated Fair Value ⁽²⁾
	(dollars in thousands)			
SPV Facility	\$ 266,688	\$ —	\$ 266,688	\$ 266,688
Corporate Facility	149,000	—	149,000	149,000
Series A Notes	150,000	(547)	149,453	141,892
Total Debt	<u>\$ 565,688</u>	<u>\$ (547)</u>	<u>\$ 565,141</u>	<u>\$ 557,580</u>

(1) The unamortized debt issuance costs for the Credit Facilities are reflected as Deferred financing costs on the Consolidated Balance Sheets, while the deferred debt issuance costs related to the Series A Notes are reflected as a contra-liability to the Series A Notes on the Consolidated Balance Sheets.

(2) Estimated fair value for outstanding debt is shown as if MSC Income had adopted the fair value option under ASC 825. See discussion of the methods used to estimate the fair value of MSC Income's debt in *Note B.9. — Summary of Significant Accounting Policies — Fair Value of Financial Instruments*

Summary of MSC Income's debt as of December 31, 2023 is as follows:

	Outstanding Balance	Unamortized Debt Issuance Costs ⁽¹⁾	Recorded Value	Estimated Fair Value ⁽²⁾
	(dollars in thousands)			
SPV Facility	\$ 203,688	\$ —	\$ 203,688	\$ 203,688
Corporate Facility	132,000	—	132,000	132,000
Series A Notes	150,000	(845)	149,155	141,531
Total Debt	<u>\$ 485,688</u>	<u>\$ (845)</u>	<u>\$ 484,843</u>	<u>\$ 477,219</u>

(1) The unamortized debt issuance costs for the Credit Facilities are reflected as Deferred financing costs on the Consolidated Balance Sheets, while the deferred debt issuance costs related to the Series A Notes are reflected as a contra-liability to the Series A Notes on the Consolidated Balance Sheets.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(2) Estimated fair value for outstanding debt is shown as if MSC Income had adopted the fair value option under ASC 825. See discussion of the methods used to estimate the fair value of MSC Income’s debt in *Note B.9. — Summary of Significant Accounting Policies — Fair Value of Financial Instruments*

Summarized interest expense for the years ended December 31, 2024, 2023 and 2022 is as follows:

	Year Ended December 31,		
	2024	2023	2022
	(dollars in thousands)		
SPV Facility	\$ 23,082	\$ 22,184	\$ 13,856
Corporate Facility	9,595	7,916	4,400
Series A Notes	6,358	6,358	6,167
Total Interest Expense	<u>\$ 39,035</u>	<u>\$ 36,458</u>	<u>\$ 24,423</u>

A summary of MSC Income’s average amount of total borrowings outstanding and overall weighted-average effective interest rate including amortization of debt issuance costs, original issuance discounts and premiums and fees on unused lender commitments are as follows:

	Year Ended December 31,		
	2024	2023	2022
	(dollars in millions)		
Weighted-average borrowings outstanding	\$ 518.8	\$ 486.2	\$ 495.3
Weighted-average effective interest rate	7.5 %	7.5 %	4.9 %

SPV Facility

MSC Income, through MSIF Funding, LLC (“MSIF Funding”), a wholly-owned Structured Subsidiary that primarily holds debt investments, is party to a senior secured revolving credit facility dated February 3, 2021 (as amended, the “SPV Facility”) with JPMorgan Chase Bank, National Association (“JPM”), as administrative agent, and U.S. Bank, N.A., as collateral agent and collateral administrator, JPM and other financial institutions as lenders and MSIF as portfolio manager. In August 2023, the SPV facility was amended to extend the revolving period expiration date from February 3, 2024 to February 3, 2027 and the maturity date from February 3, 2025 to February 3, 2028. Additionally, total commitments were reduced from \$325.0 million to \$300.0 million. Advances under the SPV Facility bear interest at a per annum rate equal to the three month SOFR in effect, plus the applicable margin of 3.00%. MSIF Funding also pays a commitment fee of 0.75% per annum on the average daily unused amount of the financing commitments until February 2, 2027. As of December 31, 2024, the SPV Facility included total commitments of \$300.0 million and an accordion feature, with the right to request an increase of total commitments and borrowing availability up to \$450.0 million. The SPV Facility is secured by a collateral loan on the assets of MSIF Funding. In connection with the SPV Facility, MSIF Funding has made customary representations and warranties and is required to comply with various covenants, reporting requirements and other customary requirements for similar credit facilities. Our borrowing ability is limited to leverage and borrowing base restrictions imposed by the SPV Facility and the 1940 Act.

As of December 31, 2024, the interest rate for borrowings on the SPV Facility was 7.58%. The average interest rate for borrowings under the SPV Facility was 8.14% and 8.09% per annum for the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024, MSIF Funding was in compliance with all financial covenants of the SPV Facility.

Corporate Facility

MSC Income is a party to a senior secured revolving credit agreement dated March 6, 2017 (as amended, the “Corporate Facility” and, together with the SPV Facility, the “Credit Facilities”) with EverBank, as administrative agent, and with EverBank and other financial institutions as lenders. On November 8, 2024, the Company entered into an amendment to the Corporate Facility to, among other things: (i) extend the revolving period from September 2025 to

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

November 2028, (ii) extend the final maturity date from March 2026 to May 2029 and (iii) reduce the interest rate, subject to MSC Income's election, to (a) SOFR plus 2.05% or (b) the base rate plus 1.05%. As of December 31, 2024, the Corporate Facility included (i) total commitments of \$165.0 million, (ii) an accordion feature with the right to request an increase in commitments under the facility from new and existing lenders on the same terms and conditions as the existing commitments up to \$200.0 million of total commitments and (iii) a revolving period and maturity date of November 8, 2028 and May 8, 2029, respectively, with two one-year extension options subject to lender approval. Subsequent to December 31, 2024, the Corporate Facility was amended to increase the total commitments from \$165.0 million to \$245.0 million (see *Note K — Subsequent Events*).

Borrowings under the Corporate Facility bear interest, subject to MSC Income's election, on a per annum basis at a rate equal to (i) SOFR plus 2.05% or (ii) the base rate plus 1.05%. The base rate is defined as the higher of (a) the Prime rate, (b) the Federal Funds Rate (as defined in the credit agreement) plus 0.5% or (c) SOFR plus 1.0%. Additionally, MSC Income pays an annual unused commitment fee of 0.25% per annum on the unused lender commitments if more than 50% or more of the lender commitments are being used and an annual unused commitment fee of 0.375% per annum on the unused lender commitments if less than 50% of the lender commitments are being used. Borrowings under the Corporate Facility are secured by a first lien on all of the assets of MSIF and its subsidiaries, excluding the assets of Structured Subsidiaries or immaterial subsidiaries, as well as all of the assets, and a pledge of equity ownership interests, of any future subsidiaries of MSIF (other than Structured Subsidiaries or immaterial subsidiaries). In connection with the Corporate Facility, MSIF has made customary representations and warranties and is required to comply with various covenants, reporting requirements and other customary requirements for similar credit facilities. Our borrowing ability is limited to leverage and borrowing base restrictions imposed by the Corporate Facility and the 1940 Act.

As of December 31, 2024, the interest rate for borrowings on the Corporate Facility was 6.60%. The average interest rate for borrowings under the Corporate Facility was 7.60% and 7.54% per annum for the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024, MSC Income was in compliance with all financial covenants of the Corporate Facility.

Series A Notes

Pursuant to a Master Note Purchase Agreement dated October 21, 2021 (the "Note Purchase Agreement"), MSC Income issued \$77.5 million of 4.04% Series A Senior Notes due 2026 (the "Series A Notes") upon entering into the Note Purchase Agreement and an additional \$72.5 million on January 21, 2022. The Series A Notes bear a fixed interest rate of 4.04% per year and will mature on October 30, 2026, unless redeemed, purchased or prepaid prior to such date by the Company in accordance with their terms.

Interest on the Series A Notes is due semiannually on April 30 and October 30 of each year. The Series A Notes may be redeemed in whole or in part at any time or from time to time at MSC Income's option at par plus accrued interest to the prepayment date and, if applicable, a make-whole premium. In addition, MSC Income is obligated to offer to prepay the Series A Notes at par plus accrued and unpaid interest up to, but excluding, the date of prepayment, if certain change in control events occur. In the event that a Below Investment Grade Event (as defined in the Note Purchase Agreement) occurs, the Series A Notes will bear interest at a fixed rate of 5.04% per year from the date of the occurrence of the Below Investment Grade Event to and until the date on which the Below Investment Grade Event ends. The Series A Notes are general unsecured obligations of MSIF that rank pari passu with all outstanding and future unsecured unsubordinated indebtedness issued by MSIF.

The Note Purchase Agreement also contains customary events of default with customary cure and notice periods, including, without limitation, nonpayment, incorrect representation in any material respect, breach of covenant, cross-default under other indebtedness of MSIF or subsidiary guarantors subject to a cure pass-through, certain judgments and orders and certain events of bankruptcy. As of December 31, 2024, MSC Income was in compliance with all financial covenants of the Note Purchase Agreement.

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

A summary of our significant contractual payment obligations for the repayment of outstanding borrowings as of December 31, 2024 is as follows.

	2025	2026	2027	2028	2029	Thereafter	Total
	(dollars in thousands)						
SPV Facility ⁽¹⁾	\$ —	\$ —	\$ —	\$ 266,688	\$ —	\$ —	\$ 266,688
Series A Notes	—	150,000	—	—	—	—	150,000
Corporate Facility ⁽²⁾	—	—	—	—	149,000	—	149,000
Total	\$ —	\$ 150,000	\$ —	\$ 266,688	\$ 149,000	\$ —	\$ 565,688

(1) As of December 31, 2024, \$33.3 million remained available to borrow under the SPV Facility.

(2) As of December 31, 2024, \$16.0 million remained available to borrow under the Corporate Facility.

MSC INCOME FUND, INC.
Notes to the Consolidated Financial Statements (Continued)
NOTE E — FINANCIAL HIGHLIGHTS

The following is a schedule of financial highlights of MSC Income for the years ended December 31, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015:

Per Share Data:	Year Ended December 31,				
	2024	2023	2022	2021	2020
NAV as of the beginning of the period	\$ 15.54	\$ 15.22	\$ 15.36	\$ 14.56	\$ 15.54
Net investment income (1)(6)	1.43	1.44	1.32	1.34	1.18
Net realized gain (loss) (1)(2)	0.39	(0.85)	(0.10)	(0.07)	(1.32)
Net unrealized appreciation (depreciation) (1)(2)	(0.38)	1.16	(0.04)	0.62	(0.08)
Income tax provision (1)(2)(6)	(0.03)	(0.10)	(0.04)	(0.05)	(0.03)
Net increase (decrease) in net assets resulting from operations (1)	1.41	1.65	1.14	1.84	(0.25)
Dividends paid from net investment income	(1.10)	(1.40)	(1.29)	(1.05)	(0.70)
Distributions paid from capital gains	(0.35)	—	—	—	—
Distributions paid or accrued (3)	(1.45)	(1.40)	(1.29)	(1.05)	(0.70)
Accretive effect of stock repurchases (repurchasing shares below NAV) (4)	0.01	0.06	—	—	—
Other (5)(6)	0.02	0.01	0.01	0.01	(0.03)
NAV as of the end of the period	\$ 15.53	\$ 15.54	\$ 15.22	\$ 15.36	\$ 14.56
Shares outstanding as of the end of the period	40,240,358	40,054,433	40,053,000	39,913,303	39,804,152

Per Share Data:	Year Ended December 31,				
	2019	2018	2017	2016	2015
NAV as of the beginning of the period	\$ 15.92	\$ 16.29	\$ 16.29	\$ 15.76	\$ 16.80
Net investment income (1)(6)	1.42	1.48	1.46	1.40	1.50
Net realized loss (1)(2)	(0.47)	(0.46)	(0.06)	(0.58)	(0.22)
Net unrealized appreciation (depreciation) (1)(2)	0.08	—	(0.04)	1.12	(1.56)
Income tax provision (1)(2)(6)	(0.02)	—	—	—	—
Net increase (decrease) in net assets resulting from operations (1)	1.01	1.02	1.36	1.94	(0.28)
Dividends paid from net investment income	(1.35)	(1.40)	(1.40)	(1.40)	(1.40)
Distributions paid from capital gains	(0.05)	—	—	—	—
Distributions paid or accrued (3)	(1.40)	(1.40)	(1.40)	(1.40)	(1.40)
Accretive effect of stock repurchases (repurchasing shares below NAV) (4)	—	—	—	—	—
Other (5)(6)	0.01	0.01	0.04	(0.01)	0.64
NAV as of the end of the period	\$ 15.54	\$ 15.92	\$ 16.29	\$ 16.29	\$ 15.76
Shares outstanding as of the end of the period	39,231,689	39,292,412	39,755,866	36,691,486	31,191,022

(1) Based on weighted-average number of common shares outstanding for the period.

(2) Net realized gains or losses, net unrealized appreciation or depreciation and income tax provision or benefit can fluctuate significantly from period to period.

(3) Represents stockholder distributions paid or accrued for the period.

(4) Shares repurchased in connection with Dutch auction tender offers. See *Note G — Share Repurchases* for additional information.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

- (5) Includes the impact of the different share amounts as a result of calculating certain per share data based on the weighted-average basic shares outstanding during the period and certain per share data based on the shares outstanding as of a period end or transaction date.
- (6) Reclassifications have been made to certain prior year per share data. The 2020 “Other” and 2019 “Net investment income” per share amounts have been adjusted to reflect the income tax provision effect separately rather than as a component of these values.

	Year Ended December 31,				
	2024	2023	2022	2021	2020
	(dollars in thousands)				
NAV as of the end of the period	\$ 624,903	\$ 622,307	\$ 609,665	\$ 613,170	\$ 579,624
Average NAV	\$ 621,478	\$ 613,525	\$ 611,214	\$ 593,440	\$ 557,382
Average outstanding debt	\$ 524,380	\$ 487,271	\$ 494,957	\$ 321,973	\$ 386,084

Ratios to average NAV:

Ratio of total expenses, including income tax expense, to average NAV(1)(2)(4)	12.65	%	12.63	%	8.60	%	6.51	%	7.38	%
Ratio of operating expenses to average NAV(2)(4)	12.47	%	12.02	%	8.33	%	6.20	%	7.16	%
Ratio of operating expenses, excluding interest expense, to average NAV(2)(4)	6.19	%	6.07	%	4.33	%	3.76	%	4.07	%
Ratio of operating expenses, excluding interest expense and incentive fees, to average NAV(2)(4)	4.18	%	4.02	%	3.98	%	3.66	%	4.07	%
Ratio of net investment income to average NAV(4)	9.22	%	9.40	%	8.65	%	8.99	%	8.40	%
Portfolio turnover ratio	22.69	%	21.82	%	18.92	%	35.39	%	8.93	%
Total return based on change in NAV(3)(4)	9.77	%	10.86	%	7.43	%	12.71	%	(1.80)	%

	Year Ended December 31,				
	2019	2018	2017	2016	2015
	(dollars in thousands)				
NAV as of the end of the period	\$ 609,305	\$ 625,366	\$ 647,789	\$ 597,833	\$ 491,652
Average NAV	\$ 622,708	\$ 642,625	\$ 629,775	\$ 535,175	\$ 400,045
Average outstanding debt	\$ 474,000	\$ 482,200	\$ 427,200	\$ 396,000	\$ 304,973

Ratios to average NAV:

Ratio of total expenses, including income tax expense, to average NAV(1)(2)(4)	9.11	%	9.11	%	7.88	%	7.56	%	8.27	%
Ratio of operating expenses to average NAV(2)(4)	9.11	%	8.95	%	7.78	%	7.50	%	8.24	%
Ratio of operating expenses, excluding interest expense, to average NAV(2)(4)	4.86	%	5.09	%	4.87	%	4.69	%	5.45	%
Ratio of operating expenses, excluding interest expense and incentive fees, to average NAV(2)(4)	4.22	%	4.57	%	4.61	%	4.68	%	4.91	%
Ratio of net investment income to average NAV(4)	8.84	%	9.16	%	9.01	%	8.91	%	9.01	%
Portfolio turnover ratio	33.30	%	45.06	%	50.66	%	39.01	%	24.23	%
Total return based on change in NAV(3)(4)	6.41	%	6.26	%	8.59	%	12.31	%	2.14	%

- (1) Total expenses are the sum of operating expenses and net income tax provision or benefit. Net income tax provision or benefit includes the accrual of net deferred tax provision or benefit relating to the net unrealized appreciation or depreciation on portfolio investments held in Taxable Subsidiaries and due to the change in the loss carryforwards, which are non-cash in nature and may vary significantly from period to period. MSC Income is required to include net

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

deferred tax provision or benefit in calculating its total expenses even though these net deferred taxes are not currently payable or receivable.

- (2) Unless otherwise noted, operating expenses include interest, management fees, incentive fees and general and administrative expenses.
- (3) Total return is calculated based on the change in NAV per share and stockholder distributions declared per share during the reporting period, divided by the NAV per share at the beginning of the period. The total return does not reflect the sales load from the sale of MSC Income's common stock.
- (4) Net of expense waivers of \$9.5 million, \$8.3 million, \$4.5 million, \$4.3 million, \$3.6 million, \$3.1 million, \$6.0 million, \$4.6 million, \$4.0 million and \$4.6 million in 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015, respectively. Excluding these expense waivers, the expense and income ratios are as follows:

	Year Ended December 31,				
	2024	2023	2022	2021	2020
Ratio of total expenses, including income tax expense, to average NAV(1) (2)	14.21 %	13.98 %	9.33 %	7.24 %	8.11 %
Ratio of operating expenses to average NAV(2)	14.03 %	13.37 %	9.06 %	6.92 %	7.89 %
Ratio of operating expenses, excluding interest expense, to average NAV(2)	7.73 %	7.43 %	5.07 %	4.49 %	4.80 %
Ratio of operating expenses, excluding interest expense and incentive fees, to average NAV(2)	5.72 %	5.38 %	4.72 %	4.39 %	4.80 %
Ratio of net investment income to average NAV	7.73 %	8.05 %	7.90 %	8.26 %	7.67 %

	Year Ended December 31,				
	2019	2018	2017	2016	2015
Ratio of total expenses, including income tax expense, to average NAV(1) (2)	9.84 %	9.13 %	7.89 %	7.57 %	8.29 %
Ratio of operating expenses to average NAV(2)	9.84 %	8.97 %	7.79 %	7.51 %	8.26 %
Ratio of operating expenses, excluding interest expense, to average NAV(2)	5.58 %	5.10 %	4.88 %	4.69 %	5.46 %
Ratio of operating expenses, excluding interest expense and incentive fees, to average NAV(2)	4.95 %	4.58 %	4.61 %	4.69 %	4.93 %
Ratio of net investment income to average NAV	8.11 %	8.25 %	8.28 %	8.48 %	7.98 %

See footnotes (1) and (2) immediately prior to this table.

NOTE F — DIVIDENDS, DISTRIBUTIONS AND TAXABLE INCOME

MSC Income currently pays regular quarterly dividends to its stockholders and expects in the future to periodically pay supplemental quarterly dividends to its stockholders. Future dividends, if any, will be determined by its Board of Directors on a quarterly basis. MSC Income paid or accrued dividends to its common stockholders of \$58.2 million, or \$1.450 per share, during the year ended December 31, 2024, compared to \$56.1 million, or \$1.40 per share, during the year ended December 31, 2023. For tax purposes, the 2024 dividends, which included the effects of dividends on an accrual basis, totaled \$58.2 million, or \$1.450 per share, and were comprised of (i) ordinary income totaling \$0.945 per share, (ii) long-term capital gain totaling \$0.351 per share and (iii) qualified dividend income totaling \$0.154 per share. As of December 31, 2024, MSC Income estimates that it has generated undistributed taxable income of \$20.3 million, or \$0.51 per share, that will be carried forward toward distributions to be paid in 2025.

MSIF has elected to be treated for U.S. federal income tax purposes as a RIC. MSIF's taxable income includes the taxable income generated by MSIF and certain of its subsidiaries, including the Structured Subsidiaries, which are treated as disregarded entities for tax purposes. As a RIC, MSIF generally will not pay corporate-level U.S. federal income taxes on any net ordinary taxable income or capital gains that MSIF distributes to its stockholders. MSIF must generally

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

distribute at least 90% of its “investment company taxable income” (which is generally its net ordinary taxable income and realized net short-term capital gains in excess of realized net long-term capital losses) and 90% of its tax-exempt income to maintain its RIC status (pass-through tax treatment for amounts distributed). As part of maintaining RIC status, undistributed taxable income (subject to a 4% non-deductible U.S. federal excise tax) pertaining to a given fiscal year may be distributed up to twelve months subsequent to the end of that fiscal year, provided such dividends are declared on or prior to the later of (i) filing of the U.S. federal income tax return for the applicable fiscal year or (ii) the fifteenth day of the ninth month following the close of the year in which such taxable income was generated.

The determination of the tax attributes for MSC Income’s distributions is made annually, based upon its taxable income for the full year and distributions paid for the full year. Therefore, a determination made on an interim basis may not be representative of the actual tax attributes of distributions for a full year. Ordinary dividend distributions from a RIC do not qualify for the 20% maximum tax rate (plus a 3.8% Medicare surtax, if applicable) on dividend income from domestic corporations and qualified foreign corporations, except to the extent that the RIC received the income in the form of qualifying dividends from domestic corporations and qualified foreign corporations. The tax attributes for distributions will generally include both ordinary income and qualified dividends, but may also include either one or both of capital gains and return of capital.

The tax character of distributions paid for the years ended December 31, 2024, 2023 and 2022 was as follows:

	Year Ended December 31,		
	2024	2023	2022
	(dollars in thousands)		
Ordinary income	\$ 37,924	\$ 47,756	\$ 61,854
Qualified dividends	6,173	8,301	1,727
Distributions of long-term capital gains	14,114	—	—
Distributions on tax basis	\$ 58,211	\$ 56,057	\$ 63,581

As of December 31, 2024, 2023 and 2022, the components of distributable earnings on a tax basis, or “Undistributed ordinary income,” differ from the amount of “Total overdistributed earnings” reflected in the Consolidated Balance Sheets by temporary book or tax differences as shown in the table below.

	Year Ended December 31,		
	2024	2023	2022
	(dollars in thousands)		
Undistributed ordinary income (1)	\$ 20,348	\$ 14,745	\$ 20,674
Unrealized appreciation (depreciation), net of tax	25,223	42,341	(482)
Cumulative book/ tax differences on realized gain/ loss, including capital loss carryforward	(38,572)	(43,438)	(20,346)
Accumulated net impact of Taxable Subsidiaries (2)	(67,544)	(75,468)	(71,474)
Other temporary differences (3)	(4,172)	(2,089)	(2,952)
Components of Total overdistributed earnings	\$ (64,717)	\$ (63,909)	\$ (74,580)

(1) Undistributed ordinary income is comprised of the following:

	Year Ended December 31,		
	2024	2023	2022
	(dollars in thousands)		
Taxable income earned prior to period end and carried forward for distribution next period	\$ 34,835	\$ 28,764	\$ 33,491
Dividend payable as of period end and paid in the following period	(14,487)	(14,019)	(12,817)
Undistributed ordinary income	\$ 20,348	\$ 14,745	\$ 20,674

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(2) Accumulated net impact of earnings, intercompany dividends and book/tax differences of the Taxable Subsidiaries

(3) Book income and tax income differences, including dividends, debt origination, structuring fees and changes in estimates

Listed below is a reconciliation of “Net increase in net assets resulting from operations” to taxable income and to total distributions declared to common stockholders for the years ended December 31, 2024, 2023 and 2022.

	Year Ended December 31,		
	2024	2023	2022
	(estimated, dollars in thousands)		
Net increase in net assets resulting from operations	\$ 56,553	\$ 66,209	\$ 45,588
Net unrealized (appreciation) depreciation	15,439	(46,319)	1,702
Income tax provision	1,106	3,769	1,643
Pre-tax book (income) loss not consolidated for tax purposes	(9,622)	4,241	(9,748)
Book income and tax income differences, including debt origination, structuring fees, dividends, realized gains and changes in estimates	339	22,228	9,820
Estimated taxable income (1)	63,815	50,128	49,005
Taxable income earned in prior year and carried forward for distribution in current year	14,745	20,674	23,276
Taxable income earned prior to period end and carried forward for distribution next period	(34,835)	(28,764)	(33,491)
Dividend payable as of period end and paid in the following period	14,487	14,019	12,817
Total distributions accrued or paid to common stockholders	<u>\$ 58,212</u>	<u>\$ 56,057</u>	<u>\$ 51,607</u>

(1) MSIF’s taxable income for each period is an estimate and will not be finally determined until MSIF files its tax return for each year. Therefore, the final taxable income, and the taxable income earned in each period and carried forward for distribution in the following period, may be different than this estimate.

The Taxable Subsidiaries primarily hold certain equity investments for MSC Income. The Taxable Subsidiaries permit MSC Income to hold equity investments in portfolio companies which are “pass-through” entities for tax purposes and to continue to comply with the “source-of-income” requirements contained in the RIC tax provisions of the Code. The Taxable Subsidiaries are consolidated with MSIF for U.S. GAAP financial reporting purposes, and the portfolio investments held by the Taxable Subsidiaries are included in MSC Income’s consolidated financial statements as portfolio investments and recorded at fair value. The Taxable Subsidiaries are not consolidated with MSIF for income tax purposes and may generate income tax expense, or benefit, and tax assets and liabilities, as a result of their ownership of certain portfolio investments. The taxable income, or loss, of the Taxable Subsidiaries may differ from their book income, or loss, due to temporary book and tax timing differences and permanent differences. The Taxable Subsidiaries are each taxed at corporate income tax rates based on their taxable income. The income tax expense, or benefit, if any, and the related tax assets and liabilities, of the Taxable Subsidiaries are reflected in MSC Income’s consolidated financial statements.

The income tax provision for MSC Income is generally composed of (i) deferred tax expense (benefit), which is primarily the result of the net activity relating to the portfolio investments held in the Taxable Subsidiaries, including changes in loss carryforwards, changes in net unrealized appreciation or depreciation and other temporary book tax differences, and (ii) current tax expense, which is primarily the result of current U.S. federal income and state taxes and excise taxes on MSC Income’s estimated undistributed taxable income. The income tax expense, or benefit, and the related tax assets and liabilities generated by the Taxable Subsidiaries, if any, are reflected in MSC Income’s Consolidated Statements of Operations. MSC Income’s provision for income taxes was comprised of the following for the years ended December 31, 2024, 2023 and 2022:

MSC INCOME FUND, INC.
Notes to the Consolidated Financial Statements (Continued)

	Year Ended December 31,		
	2024	2023	2022
	(dollars in thousands)		
Current tax expense:			
Federal	\$ 3,543	\$ 13	\$ 33
State	595	340	495
Excise	851	519	753
Total current tax expense	4,989	872	1,281
Deferred tax expense (benefit):			
Federal	(3,068)	3,450	351
State	(815)	(553)	11
Total deferred tax expense (benefit)	(3,883)	2,897	362
Total income tax provision	\$ 1,106	\$ 3,769	\$ 1,643

MSIF operates in a manner to maintain its RIC status and to eliminate corporate-level U.S. federal income tax (other than the 4% excise tax) by distributing sufficient investment company taxable income and long-term capital gains. As a result, MSIF will have an effective tax rate equal to 0% before the excise tax and income taxes incurred by the Taxable Subsidiaries. As such, a reconciliation of the differences between MSC Income's reported income tax expense and its tax expense at the federal statutory rate of 21% is not meaningful.

As of December 31, 2024, the cost of investments for U.S. federal income tax purposes was \$1,185.0 million, with such investments having an estimated net unrealized appreciation of \$55.3 million, composed of gross unrealized appreciation of \$182.9 million and gross unrealized depreciation of \$127.6 million. As of December 31, 2023, the cost basis of investments for tax purposes was \$1,035.0 million, with such investments having an estimated net unrealized appreciation of \$57.9 million, composed of gross unrealized appreciation of \$154.3 million and gross unrealized depreciation of \$96.4 million.

The following table sets forth the significant components of net deferred tax assets and liabilities as of December 31, 2024 and 2023:

	Year Ended December 31,	
	2024	2023
	(dollars in thousands)	
Deferred tax assets:		
Net operating loss carryforwards	\$ 32	\$ 671
Interest expense carryforwards	4,514	3,258
General business and foreign tax credit carryforwards	9	329
Capital loss carryforwards	5,499	6,041
Total deferred tax assets	10,054	10,299
Deferred tax liabilities:		
Net basis differences in portfolio investments	4,324	(1,484)
Net unrealized appreciation of portfolio investments	(13,753)	(12,074)
Total deferred tax liabilities	(9,429)	(13,558)
Total deferred tax assets (liabilities), net	\$ 625	\$ (3,259)

The net deferred tax asset as of December 31, 2024 was \$0.6 million and the net deferred tax liability as of December 31, 2023 was \$3.3 million, with the change primarily related to changes in net unrealized appreciation or

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

depreciation, changes in loss carryforwards and other temporary book-tax differences relating to portfolio investments held by the Taxable Subsidiaries. Management believes that the realization of the deferred tax assets is more likely than not based on expectations as to future taxable income and scheduled reversals of temporary differences. Accordingly, MSC Income did not record a valuation allowance related to its deferred tax assets as of December 31, 2024 and 2023.

As of December 31, 2024, for U.S. federal income tax purposes, the Taxable Subsidiaries did not have any net operating loss carryforwards. The Taxable Subsidiaries have net capital loss carryforwards from prior years which, if unused, will expire in various taxable years 2025 through 2029. Additionally, the Taxable Subsidiaries have interest expense limitation carryforwards which have an indefinite carryforward period.

NOTE G — SHARE REPURCHASES

Prior to the MSC Income Listing, MSC Income maintained a quarterly share repurchase program. Under the terms of the quarterly share repurchase program, MSC Income made quarterly offers to purchase shares at the NAV per share on the repurchase date. The amount of shares of MSC Income's common stock to be repurchased during any calendar quarter could be equal to the lesser of (i) the number of shares of common stock MSC Income could repurchase with a portion of the proceeds it received from the issuance of common stock under MSC Income's dividend reinvestment plan as then in effect or (ii) 2.5% of the weighted-average number of shares of common stock outstanding in the prior four calendar quarters. Repurchase offers were limited to the number of shares of common stock that MSC Income could repurchase with 90% of the cash retained as a result of issuances of common stock under its then effective dividend reinvestment plan. At the discretion of the Board of Directors, MSC Income could also use cash on hand, cash available from borrowings and cash from the sale of investments as of the end of the applicable period to repurchase shares. MSC Income's Board of Directors could amend, suspend or terminate the share repurchase program upon 30 days' notice. On November 13, 2024, the Board of Directors, including each director who is not an "interested person," as such term is defined in Section 2(a)(19) of the 1940 Act, of the Company or the Adviser, unanimously approved suspending the quarterly share repurchase program in anticipation of the MSC Income Listing, and the quarterly share repurchase program ultimately terminated upon the MSC Income Listing.

In connection with the MSC Income Listing, the Company entered into a new open-market share repurchase plan. See *Note K — Subsequent Events* for additional details.

In addition to its quarterly share repurchase program, beginning in the second quarter of 2023, MSC Income began periodically offering to complete modified Dutch auction tender offers ("Dutch Auction Tenders"), pursuant to which MSC Income offered to purchase up to a specified amount of shares of its common stock at the lowest clearing purchase price elected by participating stockholders within a specified range that allowed MSC Income to purchase the maximum amount offered. In such Dutch Auction Tenders all shares purchased are purchased at the clearing purchase price. SEC rules permit MSC Income to increase the number of shares accepted for purchase in any Dutch Auction Tender by up to 2% of MSC Income's outstanding shares without amending the offer.

On February 5, 2024, MSC Income commenced a modified "Dutch Auction" tender offer (the "February 2024 Dutch Auction Tender Offer") pursuant to the Offer to Purchase, dated February 5, 2024, which expired on March 4, 2024. Pursuant to the February 2024 Dutch Auction Tender Offer, MSC Income repurchased 178,572 shares on March 8, 2024 at a price of \$14.00 per share for an aggregate cost of \$2.5 million, excluding fees and expenses related to the February 2024 Dutch Auction Tender Offer.

On May 17, 2024, MSC Income commenced a modified "Dutch Auction" tender offer (the "May 2024 Dutch Auction Tender Offer") pursuant to the Offer to Purchase, dated May 17, 2024, which expired on June 20, 2024. Pursuant to the May 2024 Dutch Auction Tender Offer, MSC Income repurchased 166,667 shares on June 25, 2024 at a price of \$12.00 per share for an aggregate cost of \$2.0 million, excluding fees and expenses related to the May 2024 Dutch Auction Tender Offer.

On August 13, 2024, the Board of Directors, including each director who is not an "interested person," as such term is defined in Section 2(a)(19) of the 1940 Act, of the Company or the Adviser, unanimously approved suspending the Dutch Auction Tenders in anticipation of the MSC Income Listing.

For the years ended December 31, 2024 and 2023, MSC Income funded \$6.2 million and \$16.6 million, respectively, for shares of its common stock tendered for repurchase under the quarterly share repurchase program. For the

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

years ended December 31, 2024 and 2023, MSC Income funded \$4.5 million and \$7.8 million, respectively, for shares of its common stock tendered for repurchase through its Dutch auction tender offers.

Since the reinstatement of its quarterly share repurchase program in March 2021, after briefly suspending it during the COVID-19 pandemic, through the termination of the program on November 13, 2024 as discussed above, MSC Income funded the repurchase of \$58.9 million in shares of common stock under the share repurchase program. MSC Income also purchased \$12.3 million in shares of common stock through its various Dutch auction tender offers completed from June 2023 through August 13, 2024.

Repurchases of MSC Income's common stock pursuant to its quarterly share repurchase program and modified Dutch auction tender offers for the years ended December 31, 2024, 2023 and 2022 are shown in the table below.

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs
January 1 through March 31, 2022	244,516	\$ 15.50	244,516	N/A
April 1 through June 30, 2022	268,032	15.54	268,032	N/A
July 1 through September 30, 2022	263,754	15.28	263,754	N/A
October 1 through December 31, 2022	261,155	15.32	261,155	N/A
January 1 through March 31, 2023	259,744	15.34	259,744	N/A
April 1 through June 30, 2023 (1)	482,784	13.17	482,784	N/A
July 1 through September 30, 2023 (2)	489,290	14.24	489,290	N/A
October 1 through December 31, 2023 (3)	479,464	14.23	479,464	N/A
January 1 through March 31, 2024 (4)	437,658	14.81	437,658	N/A
April 1 through June 30, 2024 (5)	435,190	13.78	435,190	N/A
July 1 through September 30, 2024	257,499	15.66	257,499	N/A
October 1 through December 31, 2024	256,421	15.48	256,421	N/A
Total	4,135,507		4,135,507	

(1) Includes 203,452 shares repurchased under the Dutch auction tender offer pursuant to the to the tender offer statement and Offer to Purchase filed with the SEC on May 15, 2023 at a price of \$11.00 per share for an aggregate cost of \$2.2 million.

(2) Includes 216,460 shares repurchased under the Dutch auction tender offer pursuant to the to the tender offer statement and Offer to Purchase filed with the SEC on June 14, 2023 at a price of \$13.00 per share for an aggregate cost of \$2.8 million.

(3) Includes 213,922 shares repurchased under the Dutch auction tender offer pursuant to the to the tender offer statement and Offer to Purchase filed with the SEC on November 15, 2023 at a price of \$13.00 per share for an aggregate cost of \$2.8 million.

(4) Includes 178,572 shares repurchased under the Dutch auction tender offer pursuant to the to the tender offer statement and Offer to Purchase filed with the SEC on February 5, 2024 at a price of \$14.00 per share for an aggregate cost of \$2.5 million.

(5) Includes 166,667 shares repurchased under the Dutch auction tender offer pursuant to the to the tender offer statement and Offer to Purchase filed with the SEC on May 17, 2024 at a price of \$12.00 per share for an aggregate cost \$2.0 million.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

NOTE H — DIVIDEND REINVESTMENT PLAN

During the years ended December 31, 2024 and 2023, MSC Income’s dividend reinvestment plan (the “Prior DRIP”) provided for the reinvestment of dividends on behalf of its stockholders. As a result, if MSC Income declared a cash dividend, its stockholders who had “opted in” to the Prior DRIP would have had their cash dividend automatically reinvested into additional shares of MSC Income common stock. The number of shares of common stock to be issued to a stockholder under the Prior DRIP was determined by dividing the total dollar amount of the distribution payable to such stockholder by a price per share of common stock determined by MSC Income’s Board of Directors or a committee thereof, in its sole discretion, that was (i) not less than the NAV per share of common stock determined in good faith by the Board of Directors or a committee thereof, in its sole discretion, within 48 hours prior to the payment of the distribution and (ii) not more than 2.5% greater than the NAV per share as of such date.

Effective as of the date of the Company’s Board of Directors’ first declaration of a dividend or distribution on the Company’s common stock following the MSC Income Listing, the Company has adopted an “opt out” dividend reinvestment plan (the “New DRIP” and, together with the Prior DRIP, the “DRIP”). The New DRIP provides for the reinvestment of dividends on behalf of the Company’s registered stockholders who hold their shares with the Company’s transfer agent and registrar, or certain brokerage firms that have elected to participate in the New DRIP, unless a stockholder has elected to receive dividends in cash. As a result, if the Company declares a cash dividend, its registered stockholders (or stockholders holding shares through participating brokerage firms) who have not properly “opted out” of the New DRIP will have their cash dividend automatically reinvested into additional shares of the Company’s common stock. For the avoidance of doubt, stockholders of the Company who did not elect to “opt in” to the New DRIP in effect prior to the effective date of the “opt out” New DRIP will be deemed to have made an election to “opt out” of our New DRIP as of the effective date of the “opt out” New DRIP and to continue to receive cash in connection with any cash dividend declared by the Company. The share requirements of the New DRIP may be satisfied through the issuance of new shares of common stock or through open market purchases of common stock by the DRIP plan administrator. Newly issued shares will be valued based upon the final closing price of the Company’s common stock reported on the NYSE on the trading day immediately preceding the dividend payment date for each dividend. Shares purchased in the open market to satisfy the New DRIP requirements will be valued based upon the average price of the applicable shares purchased by the DRIP plan administrator, before any associated brokerage or other costs. Our DRIP is administered by our transfer agent.

Summarized DRIP information for the years ended December 31, 2024, 2023 and 2022 is as follows:

	Year Ended December 31,		
	2024	2023	2022
	(dollars in thousands)		
DRIP participation	\$ 17,983	\$ 18,417	\$ 17,750
Shares issued for DRIP	1,132,714	1,172,623	1,129,806

NOTE I — COMMITMENTS AND CONTINGENCIES

As of December 31, 2024, MSC Income had the following outstanding commitments (in thousands):

<i>Investments with equity capital commitments that have not yet funded:</i>	Amount
HPEP 3, L.P.	1,308
Brightwood Capital Fund III, LP	22
Total Equity Commitments (1)	\$ 1,330
<i>Investments with commitments to fund revolving loans that have not been fully drawn or term loans with additional commitments not yet funded:</i>	
Computer Data Source, LLC	\$ 6,250
GradeEight Corp. (Winzer)	4,706

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

CQ Fluency, LLC	4,500
Mako Steel, LP	4,057
Insight Borrower Corporation (Industrial Physics)	3,888
ZRG Partners, LLC	3,632
HEADLANDS OP-CO LLC	3,600
Mills Fleet Farm Group, LLC	2,140
JDC Power Services, LLC	2,105
BP Loenbro Holdings Inc.	2,055
Bluestem Brands, Inc.	1,985
Ansira Partners II, LLC	1,951
SI East, LLC (Stavig)	1,750
American Health Staffing Group, Inc.	1,667
IG Parent Corporation (Infogain)	1,667
Creative Foam Corporation	1,562
Burning Glass Intermediate Holding Company, Inc.	1,549
ArborWorks, LLC	1,428
Winter Services LLC	1,417
Titan Meter Midco Corp.	1,384
Power System Solutions	1,330
Hornblower Sub, LLC	1,218
Bettercloud, Inc.	1,216
Jackmont Hospitality, Inc.	1,212
TEC Services, LLC	1,167
NexRev LLC	1,000
SPAU Holdings, LLC	1,000
Sales Performance International, LLC	889
VVS Holdco LLC	800
Cody Pools, Inc.	786
NinjaTrader, LLC	750
Mini Melts of America, LLC	750
Gamber-Johnson Holdings, LLC	738
Imaging Business Machines, L.L.C.	692
Centre Technologies Holdings, LLC	600
IG Investor, LLC (Ira Green)	600
South Coast Terminals Holdings, LLC	589
Bond Brand Loyalty ULC	540
Obra Capital, Inc.	521
Coregistics Buyer LLC (Belvika)	513
AVEX Aviation Holdings, LLC	512
Wall Street Prep, Inc.	500
Island Pump and Tank, LLC	456
RA Outdoors (Aspira) LLC	449
Microbe Formulas, LLC	434
Colonial Electric Company LLC	400
Pinnacle TopCo, LLC	400
CenterPeak Holdings, LLC (Johnson Downie)	400

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

The Affiliati Network, LLC	400
Trantech Radiator Topco, LLC	400
Chamberlin Holding LLC	400
Escalent, Inc.	349
Clad-Rex Steel, LLC	300
Roof Opco (Apple Roof), LLC	292
Garyline, LLC	210
MetalForming AcquireCo, LLC	205
Career Team Holdings, LLC	200
Mystic Logistics Holdings, LLC	200
ASK (Analytical Systems Keco Holdings, LLC)	200
Orttech Holdings, LLC	200
ATS Operating, LLC	200
Batjer TopCo, LLC	180
PTL US Bidco, Inc	177
Elgin AcquireCo, LLC	123
Channel Partners Intermediateco, LLC	105
GRT Rubber Technologies LLC	100
Gulf Publishing Holdings, LLC	100
AAC Holdings, Inc.	43
Inspire Aesthetics Management, LLC	43
Invincible Boat Company, LLC.	42
Total Loan Commitments	\$ 78,224
Total Commitments	\$ 79,554

(1) This table excludes commitments related to one additional Other Portfolio investment for which the investment period has expired and remaining commitments may only be drawn to pay fund expenses or for follow on investments in existing portfolio companies. The Company does not expect any material future capital to be called on its commitment to this investment to pay fund expenses, and based on representations from the fund manager, the Company does not expect any further capital will be called on its commitment for follow on investments. As a result, the Company has excluded those commitments from this table.

MSC Income will fund its unfunded commitments from the same sources it uses to fund its investment commitments that are funded at the time they are made (which are typically through existing cash and cash equivalents and borrowings under the Credit Facilities). MSC Income follows a process to manage its liquidity and ensure that it has available capital to fund its unfunded commitments as necessary. MSC Income had no unrealized appreciation or depreciation on the outstanding unfunded commitments as of December 31, 2024.

MSC Income may, from time to time, be involved in litigation arising out of its operations in the normal course of business or otherwise. Furthermore, third parties may try to impose liability on MSC Income in connection with the activities of its portfolio companies. While the outcome of any current legal proceedings cannot at this time be predicted with certainty, MSC Income does not expect any current matters will materially affect its financial condition or results of operations; however, there can be no assurance whether any pending legal proceedings will have a material adverse effect on MSC Income's financial condition or results of operations in any future reporting period.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

NOTE J — RELATED PARTY TRANSACTIONS

1. Advisory Agreements and Conditional Expense Reimbursement Waivers

On October 30, 2020, MSC Income entered into the Prior Investment Advisory Agreement with the Adviser. On January 29, 2025, in connection with the MSC Income Listing, MSC Income entered into the Advisory Agreement with the Adviser. The Advisory Agreement was approved by the affirmative vote of the holders of a majority of MSC Income's outstanding voting securities, as defined in the 1940 Act, at the 2025 Special Meeting, to become effective upon the MSC Income Listing. The Advisory Agreement is effective for an initial two-year term commencing upon the date of the MSC Income Listing on January 29, 2025. As such, only the Prior Investment Advisory Agreement discussed below was applicable for the periods presented in these financial statements (see *Note K — Subsequent Events* for additional details).

Prior Investment Advisory Agreement

Pursuant to the Prior Investment Advisory Agreement, MSC Income pays the Adviser a base management fee and incentive fees as compensation for the services described above. The base management fee is calculated at an annual rate of 1.75% of MSC Income's average gross assets. The term "gross assets" means total assets of MSC Income as disclosed on MSC Income's Consolidated Balance Sheets. "Average gross assets" are calculated based on MSC Income's gross assets at the end of the two most recently completed calendar quarters. The base management fee is payable quarterly in arrears. The base management fee is expensed as incurred.

The incentive fee under the Prior Investment Advisory Agreement consists of two parts. The first part, referred to as the subordinated incentive fee on income, is calculated and payable quarterly in arrears based on Pre-Incentive Fee Net Investment Income (as defined below) for the immediately preceding quarter. The subordinated incentive fee on income is equal to 20.0% of MSC Income's Pre-Incentive Fee Net Investment Income for the immediately preceding quarter, expressed as a quarterly rate of return on adjusted capital at the beginning of the most recently completed calendar quarter, exceeding 1.875% (or 7.5% annualized), subject to a "catch up" feature (as described below).

For this purpose, Pre-Incentive Fee Net Investment Income means interest income, dividend income and any other income (including any other fees such as commitment, origination, structuring, diligence and consulting fees or other fees that MSC Income receives from portfolio companies) accrued during the calendar quarter, minus MSC Income's operating expenses for the quarter (including the management fee, expenses payable under any proposed administration agreement and any interest expense and dividends paid on any issued and outstanding preferred stock, but excluding taxes and the incentive fee). Pre-Incentive Fee Net Investment Income includes, in the case of investments with a deferred interest feature (such as original issue discount debt instruments and PIK interest and zero coupon securities), accrued income that MSC Income has not yet received in cash. Pre-Incentive Fee Net Investment Income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation. For purposes of this fee, adjusted capital means cumulative gross proceeds generated from sales of MSC Income's common stock (including proceeds from MSC Income's DRIP) reduced for non-liquidating distributions, other than distributions of profits, paid to MSC Income's stockholders and amounts paid for share repurchases pursuant to MSC Income's share repurchase program. The subordinated incentive fee on income is expensed in the quarter in which it is incurred.

The calculation of the subordinated incentive fee on income for each quarter is as follows:

- No subordinated incentive fee on income shall be payable to the Adviser in any calendar quarter in which MSC Income's Pre-Incentive Fee Net Investment Income does not exceed the hurdle rate of 1.875% (or 7.5% annualized) on adjusted capital;
- 100% of MSC Income's Pre-Incentive Fee Net Investment Income, if any, that exceeds the hurdle rate but is less than or equal to 2.34375% (9.375% annualized) shall be payable to the Adviser. This portion of the subordinated incentive fee on income is referred to as the "catch up" and is intended to provide the Adviser with an incentive fee of 20.0% on all of MSC Income's Pre-Incentive Fee Net Investment Income as if the hurdle rate did not apply when the Pre-Incentive Fee Net Investment Income exceeds 2.34375% (9.375% annualized) in any calendar quarter; and
- For any quarter in which MSC Income's Pre-Incentive Fee Net Investment Income exceeds 2.34375% (9.375% annualized), the subordinated incentive fee on income shall equal 20.0% of the amount of MSC Income's Pre-Incentive Fee Net Investment Income, as the hurdle rate and catch-up will have been achieved.

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

The second part of the incentive fee, referred to as the incentive fee on capital gains, is an incentive fee on realized capital gains earned from the portfolio of MSC Income and is determined and payable in arrears as of the end of each calendar year (or upon termination of the Prior Investment Advisory Agreement). This fee equals 20.0% of MSC Income's incentive fee capital gains, which equals MSC Income's realized capital gains on a cumulative basis from inception, calculated as of the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid capital gain incentive fees. At the end of each reporting period, MSC Income estimates the incentive fee on capital gains and accrues the fee based on a hypothetical liquidation of its portfolio. Therefore, the accrual includes both net realized gains and net unrealized gains (the net unrealized difference between the fair value and the par value of its portfolio), if any. The incentive fee accrued pertaining to the unrealized gain is neither earned nor payable to the Adviser until such time it is realized.

For the years ended December 31, 2024, 2023 and 2022, MSC Income incurred base management fees of \$0.9 million, \$19.8 million and \$19.8 million, respectively. For the years ended December 31, 2024, 2023 and 2022, MSC Income incurred subordinated incentive fees on income of \$12.5 million, \$12.6 million and \$2.1 million, respectively. For the years ended December 31, 2024, 2023 and 2022, MSC Income did not incur any capital gains incentive fees.

Pursuant to the Prior Investment Advisory Agreement, MSC Income is required to pay or reimburse the Adviser for administrative services expenses, which include all costs and expenses related to MSC Income's day-to-day administration and management not related to advisory services, whether such administrative services were performed by a third-party service provider or the Adviser or its affiliates (to the extent performed by the Adviser or its affiliates, the "Internal Administrative Services"). Internal Administrative Services include, but are not limited to, the cost of an Adviser's personnel performing accounting and compliance functions and other administrative services on behalf of MSC Income.

On January 1, 2022, the Adviser assumed responsibility of certain administrative services that were previously provided for MSC Income by a third-party sub-administrator. After December 31, 2021, the Adviser continued to waive reimbursement of all Internal Administrative Services expenses, except for the cost of the services previously provided by the sub-administrator. For the years ended December 31, 2024, 2023 and 2022, MSC Income incurred Internal Administrative Services Expenses of \$10.1 million, \$8.9 million and \$5.1 million, respectively. For the years ended December 31, 2024, 2023 and 2022, the Adviser waived the reimbursements of Internal Administrative Services expenses of \$9.5 million, \$8.3 million and \$4.5 million, respectively. Waived Internal Administrative Services expenses are permanently waived and are not subject to future reimbursement.

Advisory Agreement (post MSC Income Listing)

Effective on the date of the MSC Income Listing and pursuant to the Advisory Agreement, MSC Income will pay the Adviser a base management fee and incentive fees as compensation for investment management services under the Advisory Agreement. The base management fee is calculated at an annual rate of 1.5% of the Company's average total assets (including cash and cash equivalents), payable quarterly in arrears, and will be calculated based on the average value of the Company's total assets (including cash and cash equivalents) at the end of the two most recently completed calendar quarters. The determination of total assets will reflect changes in the fair value of portfolio investments reflecting both unrealized appreciation and unrealized depreciation. All or any part of base management fee not taken as to any quarter will be deferred without interest and may be taken in such other quarter as the Adviser shall determine, unless the Adviser expressly and in writing delivered to the Company permanently waives receipt of such base management fee, in which event the Company shall forever be relieved of the obligation to pay such base management fee for such quarter. The base management fee for any partial quarter will be appropriately pro-rated.

Under the Advisory Agreement, the base management fee will be reduced to an annual rate of (i) 1.25% of the average value of the Company's total assets (including cash and cash equivalents) commencing with the first full calendar quarter following the date on which the aggregate fair value of the Company's investments in its LMM portfolio companies falls below 20% of the Company's total investment portfolio at fair value, and (ii) 1.00% of the average value of the Company's total assets (including cash and cash equivalents) commencing with the first full calendar quarter following the date on which the aggregate fair value of the Company's investments in its LMM portfolio companies falls below 7.5% of the Company's total investment portfolio at fair value.

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

The incentive fee under Advisory Agreement consists of two parts: (1) a subordinated incentive fee on income, and (2) an incentive fee on capital gains. The incentive fee under the Advisory Agreement for any partial quarter will be appropriately pro-rated.

The first part of the incentive fee under the Advisory Agreement, referred to as the subordinated incentive fee on income, will be calculated and payable quarterly in arrears based on the Company's pre-incentive fee net investment income for the immediately preceding quarter. The payment of the subordinated incentive fee on income will be subject to pre-incentive fee net investment income for the previous quarter, expressed as a quarterly rate of return on net assets of the Company at the beginning of the most recently completed calendar quarter, exceeding 1.5% (6.0% annualized), subject to a "catch up" feature (as described below). For this purpose, pre-incentive fee net investment income means interest income, dividend income and any other income (including any other fees, such as commitment, origination, structuring, diligence and consulting fees or other fees that the Company receives from portfolio companies) accrued during the calendar quarter, minus the Company's operating expenses for the quarter (including the base management fee, administrative services expenses, the expenses payable under any other administration or similar agreement and any interest expense and dividends paid on any issued and outstanding preferred stock and any income tax expense on the Company's net investment income and any excise tax, but excluding any income tax expense or benefit on the Company's realized capital gains, realized capital losses or unrealized capital appreciation or depreciation and the incentive fee). Pre-incentive fee net investment income includes, in the case of investments with a deferred interest feature (such as original issue discount debt instruments with payment-in-kind interest and zero coupon securities), accrued income that the Company has not yet received in cash. Pre-incentive fee net investment income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation, or any income tax expense or benefit related to such items. The calculation of the subordinated incentive fee on income for each quarter is as follows:

1. No subordinated incentive fee on income will be payable to the Adviser in any calendar quarter in which the Company's pre-incentive fee net investment income does not exceed the hurdle rate of 1.5% (or 6.0% annualized);
2. 50% of the Company's pre-incentive fee net investment income, if any, that exceeds the hurdle rate but is less than or equal to 2.307692% in any calendar quarter (9.230769% annualized) will be payable to the Adviser. This portion of the subordinated incentive fee on income is referred to as the "catch up" and is intended to provide the Adviser with an incentive fee of 17.5% on all of the Company's pre-incentive fee net investment income as if the hurdle rate did not apply when the pre-incentive fee net investment income exceeds 2.307692% (9.230769% annualized) in any calendar quarter; and
3. For any quarter in which the Company's pre-incentive fee net investment income exceeds 2.307692% (9.230769% annualized), the subordinated incentive fee on income will equal 17.5% of the amount of the Company's pre-incentive fee net investment income, as the hurdle rate and catch-up will have been achieved.

The second part of the incentive fee under the Advisory Agreement, referred to as the incentive fee on capital gains, is an incentive fee on realized capital gains earned on liquidated investments from the Company's investment portfolio, net of any income tax expense associated with such realized capital gains, and will be determined and payable in arrears as of the end of each calendar year (or upon termination of the Advisory Agreement). This fee will equal (a) 17.5% of the Company's incentive fee capital gains, which will equal the Company's realized capital gains (net of any related income tax expense) on a cumulative basis from the date of the MSC Income Listing, calculated as of the end of each calendar year thereafter (or upon termination of the Advisory Agreement), computed net of (1) all realized capital losses on a cumulative basis (net of any related income tax benefit) from the date of the MSC Income Listing, and (2) unrealized capital depreciation (net of any related income tax benefit) on a cumulative basis from the date of the MSC Income Listing, less (b) the aggregate amount of any previously paid capital gain incentive fees from the date of the MSC Income Listing. For purposes of calculating each component of the Company's incentive fee capital gains under the Advisory Agreement, (1) the cost basis for any investment held by the Company as of the date of the MSC Income Listing will be deemed to be the fair value for such investment as of the most recent quarter end immediately prior to the date of the MSC Income Listing and, with respect to any investment acquired by the Company subsequent to the date of the MSC Income Listing, the cost basis shall equal the cost basis of such investment as reflected in the Company's financial statements and (2) the income tax expense or benefit associated with all investments will be measured from the most recent quarter end immediately prior to the date of the MSC Income Listing through the date of any such calculation.

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

Under the Advisory Agreement, the waivers under the Prior Investment Advisory Agreement of Internal Administrative Services expenses, except for the cost of the services previously provided by the former sub-administrator, were memorialized as a quarterly cap on the Company's obligation to reimburse the Adviser for "Internal Administrative Expenses." MSC Income is not required to reimburse the Adviser for Internal Administrative Expenses in an amount that exceeds on a quarterly basis the product obtained by multiplying (x) the value of MSC Income's total assets at the end of each calendar quarter by (y) the applicable "Annual Basis Point Rate" set forth in the below table:

Total Assets	Annual Basis Point Rate
\$0 - \$500 million	6.0
Over \$500 million - \$1.25 billion	5.125
Greater than \$1.25 billion	4.5

2. Offering Costs

In accordance with MSC Income's previous investment advisory agreement with the previous investment adviser ("HMS Adviser"), MSC Income reimbursed HMS Adviser for any offering costs that were paid on MSC Income's behalf, which consisted of, among other costs, actual legal, accounting, bona fide out-of-pocket itemized and detailed due diligence costs, printing, filing fees, transfer agent costs, postage, escrow fees, advertising and sales literature and other costs incurred in connection with the offering of MSC Income's common stock, including through MSC Income's DRIP. HMS Adviser was responsible for the payment of offering costs to the extent they exceeded 1.5% of the aggregate gross stock offering proceeds. Pursuant to the transaction whereby the Adviser became the investment adviser to MSC Income, HMS Adviser agreed to permanently waive reimbursement of organizational and offering expenses except for \$0.6 million which remained payable to HMS Adviser and would be reimbursed as part of future issuances of common stock by MSC Income. For the years ended December 31, 2023 and 2022, MSC Income reimbursed HMS Adviser \$0.1 million and \$0.3 million, respectively, in connection with stock issuances. MSC Income's reimbursement obligation to HMS Adviser for organizational and offering expenses was fully repaid as of June 30, 2023.

3. Indemnification

The Prior Investment Advisory Agreement and the Advisory Agreement provide that the Adviser, any sub-adviser and their respective officers, directors, managers, partners, shareholders, members (and their shareholders or members, including the owners of their shareholders or members), agents, employees, controlling persons and any other person or entity affiliated with or acting on behalf of the Adviser or any sub-adviser, as applicable (each an "Indemnified Party" and, collectively, the "Indemnified Parties") will not be liable to us for any action taken or omitted to be taken by the Adviser or any sub-adviser in connection with the performance of any of their duties or obligations as an investment adviser of the Company (except to the extent specified in Section 36(b) of the 1940 Act concerning loss resulting from a breach of fiduciary duty (as the same is finally determined by judicial proceedings) with respect to the receipt of compensation for services), and that we will indemnify, defend and protect Indemnified Parties and hold them harmless from and against all losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) incurred by the Indemnified Parties in connection with the performance of their duties as an investment adviser of the Company, to the extent such losses, damages, liabilities, costs and expenses are not fully reimbursed by insurance, and to the extent that such indemnification would not be inconsistent with the Maryland General Corporation Law, the 1940 Act, the Company's charter and other applicable law if, among other things, (i) the Indemnified Party has determined, in good faith, that the course of conduct which caused the loss or liability was in the best interests of the Company, (ii) the Indemnified Party was acting on behalf of or performing services for the Company, (iii) such liability or loss was not the result of negligence, willful misfeasance, bad faith, or misconduct by the Indemnified Party and (iv) such indemnification or agreement to hold harmless is recoverable only out of the Company's net assets and not from stockholders.

4. Co-Investment

In the ordinary course of business, MSC Income enters into transactions with other parties that may be considered related party transactions. MSC Income has implemented certain policies and procedures, both written and unwritten, to ensure that it does not engage in any prohibited transactions with any persons affiliated with MSC Income. If such affiliations are found to exist, MSC Income seeks the Board of Directors and/or appropriate Board of Directors committee review and approval for such transactions and otherwise comply with, or seek, orders for exemptive relief from the SEC, as appropriate.

MSC INCOME FUND, INC.**Notes to the Consolidated Financial Statements (Continued)**

MSC Income has received an exemptive order from the SEC permitting co-investments among MSC Income, Main Street and other advisory clients of the Adviser in certain negotiated transactions where co-investing would otherwise be prohibited under the 1940 Act. MSC Income has made co-investments, and in the future intends to continue to make co-investments with Main Street and other advisory clients of the Adviser, in accordance with the conditions of the order. The order requires, among other things, that the Adviser and Main Street consider whether each such investment opportunity is appropriate for MSC Income, Main Street and the other advisory clients of the Adviser, as applicable, and if it is appropriate, to propose an allocation of the investment opportunity between such parties. Because the Adviser is wholly-owned by Main Street and is not managing MSC Income's investment activities as its sole activity, this may provide the Adviser an incentive to allocate opportunities to other participating advisory clients instead of MSC Income. However, both MSC Income and the Adviser have policies and procedures in place to manage this conflict, including approval of investment allocations and oversight of co-investments by the independent members of the Board of Directors. Additional information regarding the operation of the co-investment program is set forth in the order granting exemptive relief, which may be reviewed on the SEC's website at www.sec.gov. In addition to the co-investment program described above, MSC Income also co-invests in syndicated deals and other transactions where price is the only negotiated point by MSC Income and its affiliates.

5. Other Related Party Transactions

The following table summarizes MSC Income's sale of shares of its common stock to Main Street during each of the years ended December 31, 2024, 2023 and 2022.

Trade Date	Shares Sold	Price per Share	Total Cost
May 2, 2022	47,349	\$ 15.84	\$ 750,000
May 1, 2023	127,877	15.64	2,000,000
August 1, 2023	174,271	15.78	2,750,000
November 1, 2023	237,944	15.76	3,750,000
January 31, 2024	157,035	15.92	2,500,000
May 1, 2024	157,629	15.86	2,500,000
August 1, 2024	125,314	15.96	2,000,000
Total Shares Sold to Main Street	1,027,419		

Each of these sales were at the same price at which the Company issued new shares in connection with reinvestments of MSC Income's quarterly dividend pursuant to the Prior DRIP. Each issuance and sale was made pursuant to the exemption from registration under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), and were unanimously approved by the Board of Directors, including each director who is not an "interested person" as such term is defined in Section 2(a)(19) of the 1940 Act, of the Company or the Adviser.

In September 2023, pursuant to a simultaneous combined Dutch auction tender offer by MSC Income Fund and Main Street (the "August Dutch auction tender offer"), Main Street purchased 57,693 shares of MSC Income common stock from MSC Income stockholders at the clearing price, or \$3.00 per share, for an aggregate cost of \$0.8 million. The August Dutch auction tender offer, including Main Street's participation, was unanimously approved by the Board of Directors, including each director who is not an "interested person" as such term is defined in Section 2(a)(19) of the 1940 Act, of the Company or the Adviser.

NOTE K — SUBSEQUENT EVENTS

The Company's management has evaluated subsequent events through the date of issuance of the consolidated financial statements, and identified the following to report:

On January 30, 2025, MSC Income closed a follow-on public offering of 5,500,000 shares of its common stock, at the public offering price of \$5.53 per share, in connection with which MSC Income's shares of common stock were listed and began trading on the NYSE under the ticker symbol "MSIF" on January 29, 2025. In addition, on February 3, 2025, MSC Income issued and sold 825,000 additional shares of its common stock, at the public offering price of \$5.53 per

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

share, pursuant to the underwriters' full exercise of their overallotment option. Net of underwriting discounts and commissions and offering expenses, MSC Income received net cash proceeds of approximately \$91 million in connection with the follow-on public equity offering.

Following the MSC Income Listing, the Company entered into a share repurchase plan to repurchase up to \$5.0 million in the aggregate of shares of the Company's common stock in the open market for a twelve-month period beginning in March 2025, at times when the market price per share of the Company's common stock is trading below the most recently reported NAV per share of the Company's common stock by certain pre-determined levels (including any updates, corrections or adjustments publicly announced by the Company to any previously announced NAV per share). The repurchases of shares of the Company's common stock pursuant to the share repurchase plan are intended to satisfy the conditions of Rule 10b5-1 and Rule 10b-18 under the Exchange Act and will otherwise be subject to applicable law, including Regulation M, which may prohibit purchases under certain circumstances. Main Street also entered into a share purchase plan to purchase up to \$20.0 million in the aggregate of shares of the Company's common stock in the open market with terms and conditions substantially similar to the Company's share repurchase plan for shares of the Company's common stock, and daily purchases under the two plans, if any, are expected to be split pro rata (or as close thereto as reasonably possible) between the Company and Main Street based on the respective plan sizes. On January 20, 2025, in connection with Main Street's potential acquisition in excess of 3% of the Company's outstanding common stock, as a result of any purchases pursuant to the share purchase plan for shares of the Company's common stock or otherwise, the Company entered into a Fund of Funds Investment Agreement with Main Street (the "Main Street Fund of Funds Agreement"). The Main Street Fund of Funds Agreement provides for the acquisition of shares of the Company's common stock by Main Street, and the Company's sale of such shares to Main Street, in a manner consistent with the requirements of Rule 12d1-4 under the 1940 Act.

Additionally, in connection with the MSC Income Listing, on January 29, 2025, the Company entered into the Advisory Agreement with the Adviser (see *Note J — Related Party Transactions* for additional details).

On January 29, 2025, in connection with the MSC Income Listing, the Company amended and restated its Articles of Amendment and Restatement, as amended, by filing new Articles of Amendment and Restatement of the Company (the "New Articles") with the State Department of Assessments and Taxation of the State of Maryland. The New Articles revised the Company's charter to, among other things, (i) include a provision that limits the transferability of shares of its common stock outstanding at the time of the MSC Income Listing during the 365-day period following the MSC Income Listing, (ii) reflect an amendment to delete provisions regarding restrictions and requirements applicable to its dividend reinvestment plan, (iii) reflect an amendment to delete provisions prohibiting acquisitions of assets in exchange for shares of its common stock and restricting certain transactions between the Company and the Adviser and its affiliates and (iv) delete certain provisions required by, and remove references to, the NASAA Guidelines in order to conform certain provisions of the Company's charter more closely to provisions in the charters of other BDCs whose securities are listed and publicly-traded on a national securities exchange.

On February 27, 2025, the Company entered into an amendment to the Corporate Facility to, among other things: (i) increase the total commitments from \$65.0 million to \$245.0 million and (ii) increase the accordion feature from up to a total of \$200.0 million to up to a total of \$300.0 million.

On March 6, 2025, the Board of Directors declared a regular quarterly dividend of \$0.35 per share and a supplemental quarterly dividend of \$0.01 per share, both payable on May 1, 2025 to stockholders of record as of March 31, 2025.

MSC INCOME, INC.
Consolidated Schedule of Investments In and Advances to Affiliates
December 31, 2024
(dollars in thousands)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment (1)(10)(11)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income (2)	December 31, 2023 Fair Value (13)	Gross Additions (3)	Gross Reductions (4)	December 31, 2024 Fair Value (13)
Control Investments													
BDB Holdings, LLC					Preferred Equity	(7)	\$ —	\$ (415)	\$ —	\$ —	\$ 13,025	\$ 415	\$ 12,610
Copper Trail Fund Investments					LP Interests (CTMH, LP)	(9)	—	—	—	568	—	38	530
GRT Rubber Technologies LLC	10.66%		SF+ 6.00%		Secured Debt (12)	(8)	—	2	167	1,182	368	—	1,550
	12.66%		SF+ 8.00%		Secured Debt	(8)	—	(50)	2,746	19,944	50	50	19,944
					Member Units	(8)	—	710	113	21,890	710	—	22,600
Harris Preston Fund Investments					LP Interests (2717 MH, L.P.)	(8)	147	2,691	311	6,050	2,837	147	8,740
Volusion, LLC	10.00%				Secured Debt	(8)	—	—	91	900	—	—	900
					Preferred Member Units	(8)	—	—	13	—	—	—	—
					Preferred Member Units	(8)	—	1,895	—	3,110	1,895	2,001	3,004
					Preferred Member Units	(8)	—	—	—	—	—	—	—
					Common Stock	(8)	—	—	—	—	—	—	—
Other													
Amounts related to investments transferred to or from other 1940 Act classification during the period													
							—	—	—	—	—	—	—
Total Control Investments							\$ 147	\$ 4,833	\$ 3,441	\$ 53,644	\$ 18,885	\$ 2,651	\$ 69,878
Affiliate Investments													
Analytical Systems Keco Holdings, LLC	13.75%				Secured Debt (12)	(8)	\$ —	\$ —	\$ 4	\$ 54	\$ —	\$ 54	\$ —
					Secured Debt	(8)	—	—	175	1,020	79	87	1,012
					Preferred Member Units	(8)	—	—	—	—	—	—	—
					Preferred Member Units	(8)	—	120	—	1,210	120	—	1,330
					Warrants	(8)	—	—	—	—	—	—	—
Barfly Ventures, LLC					Member Units	(5)	—	573	—	1,380	573	—	1,953
Barjor TopCo, LLC	10.00%				Secured Debt (12)	(8)	—	(1)	5	—	51	1	50
	10.00%				Secured Debt (12)	(8)	—	—	3	30	—	—	30
	10.00%				Secured Debt	(8)	—	(15)	124	1,175	5	15	1,165
					Preferred Stock	(8)	—	(110)	85	680	—	110	570
Brewer Crane Holdings, LLC	14.66%		SF+ 10.00%		Secured Debt	(9)	—	—	205	1,374	4	124	1,254
					Preferred Member Units	(9)	—	(230)	30	1,400	—	230	1,170
Centre Technologies Holdings, LLC	13.66%		SF+ 9.00%		Secured Debt (12)	(8)	—	—	3	—	—	—	—
			SF+ 9.00%		Secured Debt	(8)	—	28	79	—	6,564	180	6,384
			SF+ 10.00%		Secured Debt	(8)	—	—	725	—	919	919	—
					Secured Debt	(8)	—	(29)	84	4,394	—	4,394	—
					Preferred Member Units	(8)	—	284	30	2,760	350	—	3,110
Chamberlin Holding LLC	12.74%		SF+ 6.00%		Secured Debt (12)	(8)	—	(22)	25	—	22	22	—
			SF+ 8.00%		Secured Debt	(8)	—	(1)	530	3,905	1	1	3,905
					Member Units	(8)	—	950	1,179	7,330	950	—	8,280
					Member Units	(8)	—	173	23	715	174	1	888
Chaps, LLC					Preferred Member Units	(5)	—	(20)	200	3,920	—	20	3,900
Clad-Rex Steel, LLC	9.00%				Secured Debt (12)	(5)	—	—	1	—	—	—	—
					Secured Debt	(5)	—	46	219	2,103	37	450	1,690

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
December 31, 2024
(dollars in thousands)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment (1)(10)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income (2)	December 31, 2023 Fair Value (13)	Gross Additions (3)	Gross Reductions (4)	December 31, 2024 Fair Value (13)
	10.00%				Secured Debt	(5)	—	2	25	251	2	10	243
					Member Units	(5)	—	1,450	173	1,300	1,450	—	2,750
					Member Units	(5)	—	(45)	—	282	—	45	237
Cody Pools, Inc.	12.50%				Secured Debt (12)	(8)	—	1	8	—	236	236	—
					Secured Debt	(8)	—	(8)	873	7,111	7	520	6,598
					Preferred Member Units	(8)	—	(1,170)	407	18,120	—	1,170	16,950
Colonial Electric Company LLC	12.00%				Secured Debt (12)	(6)	—	—	2	—	—	—	—
					Secured Debt	(6)	—	64	598	5,407	106	1,935	3,578
					Preferred Member Units	(6)	—	(360)	503	600	—	600	—
					Preferred Member Units	(6)	—	1,470	577	1,920	1,470	—	3,390
Compass Systems & Sales, LLC	13.50%				Secured Debt	(5)	—	—	19	—	584	600	(16)
					Secured Debt	(5)	—	—	616	4,175	26	—	4,201
					Preferred Equity	(5)	—	(3)	60	1,863	—	3	1,860
Datacom, LLC	7.50%				Secured Debt	(8)	—	—	4	49	66	60	55
	10.00%				Secured Debt	(8)	—	43	114	844	64	30	878
					Preferred Member Units	(8)	—	20	—	10	20	—	30
Digital Products Holdings LLC	14.56%	SF+ 10.00%			Secured Debt	(5)	—	(18)	532	3,673	14	582	3,105
					Preferred Member Units	(5)	—	—	50	2,459	—	—	2,459
Direct Marketing Solutions, Inc.	14.00%				Secured Debt	(9)	—	(2)	11	217	302	519	—
					Secured Debt	(9)	—	(14)	700	5,002	14	348	4,668
					Preferred Stock	(9)	—	(700)	—	5,180	—	700	4,480
DMA Industries, LLC	12.00%				Secured Debt	(7)	—	—	9	—	138	—	138
	12.00%				Secured Debt	(7)	—	(58)	555	4,700	19	558	4,161
					Preferred Equity	(7)	—	(434)	—	1,920	—	434	1,486
	15.00%		15.00%		Preferred Equity	(7)	—	—	43	—	810	—	810
Flame King Holdings, LLC					Preferred Equity	(9)	—	2,010	1,229	6,970	2,010	—	8,980
Freeport Financial Funds					LP Interests (Freeport First Lien Loan Fund III LP)	(5)	—	59	41	3,705	58	2,500	1,263
Gamber-Johnson Holdings, LLC	11.00%	SF+ 7.00%			Secured Debt (12)	(5)	—	—	2	—	—	—	—
		SF+ 7.00%			Secured Debt (12)	(5)	—	115	181	—	18,282	—	18,282
		SF+ 7.00%			Secured Debt	(5)	—	(184)	1,395	13,520	—	13,520	—
					Member Units	(5)	—	4,510	1,984	24,180	4,510	—	28,690
GFG Group, LLC	8.00%				Secured Debt	(5)	—	(17)	198	2,336	17	307	2,046
					Preferred Member Units	(5)	—	(230)	453	2,870	—	230	2,640
Gulf Publishing Holdings, LLC	12.50%	SF+ 9.50%		12.50%	Secured Debt (12)	(8)	—	—	—	—	—	—	—
					Secured Debt	(8)	—	(173)	20	571	—	193	378
					Preferred Equity	(8)	—	(620)	—	620	—	620	—
					Member Units	(8)	—	—	—	—	—	—	—
HPEP 3, L.P.					LP Interests (HPEP 3, L.P.) (12)	(8)	—	247	1	4,225	247	—	4,472
IG Investor, LLC	13.00%				Secured Debt (12)	(6)	—	—	33	(27)	406	—	379
	13.00%				Secured Debt	(6)	—	—	1,259	9,069	64	440	8,693
					Common Equity	(6)	—	460	—	3,600	460	—	4,060
Independent Pet Partners Intermediate Holdings, LLC					Common Equity	(6)	—	970	—	6,320	970	—	7,290
Integral Energy Services	12.35%	SF+ 7.50%			Secured Debt	(8)	—	390	2,138	16,232	475	1,835	14,872

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
December 31, 2024
(dollars in thousands)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment (1)(10)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income (2)	December 31, 2023 Fair Value (13)	Gross Additions (3)	Gross Reductions (4)	December 31, 2024 Fair Value (13)
	10.00%			10.00%	Preferred Equity	(8)	—	153	32	350	185	—	535
					Common Stock	(8)	—	450	50	190	450	—	640
Kickhaefer Manufacturing Company, LLC	11.50%				Secured Debt	(5)	—	—	543	4,933	8	1,200	3,741
	9.00%				Secured Debt	(5)	—	—	88	951	42	11	982
					Preferred Equity	(5)	—	640	—	2,420	640	—	3,060
					Member Units	(5)	—	(5)	31	683	—	5	678
MH Corbin Holding LLC					Secured Debt	(5)	(960)	95	139	1,256	94	1,350	—
					Preferred Member Units	(5)	(1,100)	1,020	—	80	1,020	1,100	—
					Preferred Member Units	(5)	(1,500)	1,500	—	—	1,500	1,500	—
Mills Fleet Farm Group, LLC			SF+ 7.00%		Secured Debt	(5)	(5,022)	339	1,820	17,524	—	17,524	—
					Common Equity	(5)	—	—	—	—	11,166	—	11,166
Mystic Logistics Holdings, LLC					Secured Debt (12)	(6)	—	—	1	—	—	—	—
	10.00%				Secured Debt	(6)	—	4	147	1,436	—	—	1,436
					Common Stock	(6)	—	(8)	950	6,598	—	8	6,590
Nello Industries Investco, LLC			SF+ 6.50%		Secured Debt	(5)	—	—	248	—	5,388	5,400	(12)
	13.50%				Secured Debt	(5)	—	—	538	—	6,619	—	6,619
					Common Equity	(5)	—	860	234	—	3,890	—	3,890
NexRev LLC					Secured Debt (12)	(8)	—	—	30	—	844	844	—
	9.00%				Secured Debt	(8)	—	3	260	2,435	18	—	2,453
					Preferred Member Units	(8)	—	1,380	244	1,590	1,380	—	2,970
NuStep, LLC	11.16%		SF+ 6.50%		Secured Debt	(5)	—	—	110	899	1	—	900
	12.00%				Secured Debt	(5)	—	—	566	4,606	4	—	4,610
					Preferred Member Units	(5)	—	164	—	2,310	580	—	2,890
					Preferred Member Units	(5)	—	29	—	1,290	210	—	1,500
Onliance, LLC			SF+ 10.00%		Secured Debt	(7)	—	7	142	1,339	21	1,360	—
					Preferred Stock	(7)	—	358	3	282	358	—	640
Orttech Holdings, LLC			SF+ 11.00%		Secured Debt (12)	(5)	—	(1)	1	—	1	1	—
	15.66%		SF+ 11.00%		Secured Debt	(5)	—	(23)	932	5,510	23	43	5,490
					Preferred Stock	(5)	—	(900)	112	4,260	—	900	3,360
Pinnacle TopCo, LLC					Secured Debt (12)	(8)	—	8	5	105	10	115	—
	13.00%				Secured Debt	(8)	—	141	1,033	7,472	188	500	7,160
					Preferred Equity	(8)	—	1,455	530	3,135	1,455	—	4,590
RA Outdoors LLC	11.74%		SF+ 6.75%	11.74%	Secured Debt	(8)	—	(44)	65	745	519	49	1,215
	11.74%		SF+ 6.75%	11.74%	Secured Debt	(8)	—	(460)	685	12,089	850	229	12,710
					Common Equity	(8)	—	—	—	—	—	—	—
Robbins Bros. Jewelry, Inc.				10.00%	Secured Debt	(9)	—	—	1	(6)	—	1	(7)
	12.50%			10.00%	Secured Debt	(9)	—	(1,663)	123	3,421	—	1,804	1,617
					Preferred Equity	(9)	—	—	—	—	—	—	—
SI East, LLC	11.75%				Secured Debt (12)	(7)	—	—	88	375	750	375	750
					Secured Debt	(7)	—	(161)	947	18,179	—	18,179	—
	12.79%				Secured Debt	(7)	—	21	1,948	—	22,554	—	22,554
					Preferred Member Units	(7)	—	(1,840)	541	6,390	—	1,840	4,550
Student Resource Center, LLC	8.50%			8.50%	Secured Debt	(6)	—	(1,717)	—	3,543	—	1,717	1,826
					Preferred Equity	(6)	—	—	—	—	—	—	—

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
December 31, 2024
(dollars in thousands)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment (1)(10)(11)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income (2)	December 31, 2023 Fair Value (13)	Gross Additions (3)	Gross Reductions (4)	December 31, 2024 Fair Value (13)
	8.50%			8.50%	Secured Debt	(6)	—	—	5	—	227	—	227
Tedder Industries, LLC	12.00%			12.00%	Secured Debt	(9)	—	(15)	14	432	—	20	412
	12.00%			12.00%	Secured Debt	(9)	—	(2,626)	115	3,565	—	2,664	901
					Preferred Member Units	(9)	—	—	—	—	—	—	—
					Preferred Member Units	(9)	—	—	—	—	—	—	—
					Preferred Member Units	(9)	—	—	—	—	—	—	—
Trantech Radiator Topco, LLC					Secured Debt (12)	(7)	—	(1)	1	—	—	1	(1)
	13.50%				Secured Debt	(7)	—	(6)	274	1,980	—	18	1,962
					Common Stock	(7)	—	(1,040)	29	3,180	—	1,040	2,140
Urgent DSO LLC	13.50%				Secured Debt	(5)	—	—	280	—	2,145	—	2,145
	9.00%			9.00%	Preferred Equity	(5)	—	—	80	—	1,080	—	1,080
Victory Energy Operations, LLC					Secured Debt	(8)	—	—	1	—	—	5	(5)
	13.00%				Secured Debt	(8)	—	—	263	—	7,529	—	7,529
					Preferred Equity	(8)	—	—	—	—	4,198	554	3,644
VVS Holdco LLC				SF+ 6.00%	Secured Debt (12)	(5)	—	—	4	—	—	—	—
	11.50%				Secured Debt	(5)	—	—	843	6,926	50	610	6,366
					Preferred Equity	(5)	—	—	100	3,060	—	—	3,060
Other amounts related to investments transferred to or from other 1940 Act classification during the period							5,022	153	(2,516)	(36,978)	—	—	—
Total Affiliate investments							\$ (3,560)	\$ 7,791	\$ 31,222	\$ 291,279	\$ 118,673	\$ 95,570	\$ 351,360

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
December 31, 2024
(dollars in thousands)

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- (1) The principal amount, the ownership detail for equity investments and if the investment is income producing is included in the Consolidated Schedule of Investments included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K.
 - (2) Represents the total amount of interest, fees and dividends credited to income for the portion of the period for which an investment was included in Control or Affiliate categories, respectively. For investments transferred between Control and Affiliate categories during the period, any income or investment balances related to the time period it was in the category other than the one shown at period end is included in "Amounts related to investments transferred to or from other 1940 Act classifications during the period."
 - (3) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, follow-on investments and accrued PIK interest, and the exchange of one or more existing securities for one or more new securities. Gross additions also include net increases in unrealized appreciation or net decreases in net unrealized depreciation as well as the movement of an existing portfolio company into this category and out of a different category.
 - (4) Gross reductions include decreases in the cost basis of investments resulting from principal repayments or sales and the exchange of one or more existing securities for one or more new securities. Gross reductions also include net increases in net unrealized depreciation or net decreases in unrealized appreciation as well as the movement of an existing portfolio company out of this category and into a different category.
 - (5) Portfolio company located in the Midwest region as determined by location of the corporate headquarters. The fair value as of December 31, 2024 for affiliate investments located in this region was \$136,828. This represented 21.9% of net assets as of December 31, 2024.
 - (6) Portfolio company located in the Northeast region as determined by location of the corporate headquarters. The fair value as of December 31, 2024 for affiliate investments located in this region was \$37,469. This represented 6.0% of net assets as of December 31, 2024.
 - (7) Portfolio company located in the Southeast region as determined by location of the corporate headquarters. The fair value as of December 31, 2024 for affiliate investments located in this region was \$39,190. This represented 6.3% of net assets as of December 31, 2024.
 - (8) Portfolio company located in the Southwest region as determined by location of the corporate headquarters. The fair value as of December 31, 2024 for control investments located in this region was \$56,738. This represented 9.1% of net assets as of December 31, 2024. The fair value as of December 31, 2024 for affiliate investments located in this region was \$114,398. This represented 18.3% of net assets as of December 31, 2024.
 - (9) Portfolio company located in the West region as determined by location of the corporate headquarters. The fair value as of December 31, 2024 for control investments located in this region was \$530. This represented 0.1% of net assets as of December 31, 2024. The fair value as of December 31, 2024 for affiliate investments located in this region was \$23,475. This represented 3.8% of net assets as of December 31, 2024.
 - (10) All of the Company's portfolio investments are generally subject to restrictions on resale as "restricted securities," unless otherwise noted.
 - (11) This schedule should be read in conjunction with the Consolidated Schedule of Investments and Notes to the Consolidated Financial Statements included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K. Supplemental information can be located within the

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
December 31, 2024
(dollars in thousands)

Consolidated Schedule of Investments including end of period interest rate, preferred dividend rate, maturity date, investments not paid currently in cash and investments whose value was determined using significant unobservable inputs.

- (12) Investment has an unfunded commitment as of December 31, 2024 (see *Note 1 — Commitments and Contingencies* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K). The fair value of the investment includes the impact of the fair value of any unfunded commitments.
- (13) Negative fair value is the result of the capitalized discount being greater than the principal amount outstanding on the loan.

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates
December 31, 2023
(dollars in thousands)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment(1)(10)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2022 Fair Value (13)	Gross Additions(3)	Gross Reductions(4)	December 31, 2023 Fair Value (13)
Control Investments													
Copper Trail Fund Investments					LP Interests (CTMH, LP)	(9)	\$ —	\$ —	\$ 38	\$ 588	\$ —	\$ 20	\$ 568
GRT Rubber Technologies LLC	11.48%	SF+	6.00%		Secured Debt (12)	(8)	—	3	88	330	852	—	1,182
	13.48%	SF+	8.00%		Secured Debt	(8)	—	(50)	2,696	19,943	51	50	19,944
					Member Units	(8)	—	—	90	21,890	—	—	21,890
Harris Preston Fund Investments					LP Interests (2717 MH, L.P.)	(8)	2,223	(952)	142	7,552	2,796	4,298	6,050
Volusion, LLC	10.00%				Secured Debt	(8)	—	—	69	—	900	—	900
	11.50%				Secured Debt	(8)	(1,366)	780	71	6,392	—	6,392	—
	8.00%				Unsecured Convertible Debt	(8)	(175)	175	—	—	175	175	—
					Preferred Member Units	(8)	—	—	1	—	—	—	—
					Preferred Member Units	(8)	—	(596)	—	—	4,906	1,796	3,110
					Preferred Member Units	(8)	—	—	—	—	—	—	—
				Common Stock	(8)	—	(1,104)	—	—	1,104	1,104	—	—
				Warrants	(8)	—	1,104	—	—	—	—	—	—
Other Amounts related to investments transferred to or from other 1940 Act classification during the period							1,541	(649)	(94)	(6,392)	6,392	—	—
Total Control Investments							\$ 2,223	\$ (1,289)	\$ 3,101	\$ 50,303	\$ 17,176	\$ 13,835	\$ 53,644
Affiliate Investments													
AFG Capital Group, LLC					Preferred Member Units	(8)	\$ 1,800	\$ (2,050)	\$ —	\$ 2,350	\$ 1,800	\$ 4,150	\$ —
Analytical Systems Keco Holdings, LLC	15.38%	SF+	10.00%		Secured Debt (12)	(8)	—	—	4	(2)	56	—	54
	15.38%	SF+	10.00%		Secured Debt	(8)	—	—	188	1,135	21	136	1,020
	14.13%				Preferred Member Units	(8)	—	—	—	—	—	—	—
					Preferred Member Units	(8)	—	330	—	880	330	—	1,210
				Warrants	(8)	—	—	—	—	—	—	—	
ATX Networks Corp.		L+	7.50%		Secured Debt	(6)	—	(102)	856	6,368	545	6,913	—
	10.00%				Unsecured Debt	(6)	—	(276)	1,135	2,614	1,135	3,749	—
					Common Stock	(6)	3,178	(3,290)	—	3,290	3,178	6,468	—
Barfly Ventures, LLC				Member Units	(5)	—	273	—	1,107	273	—	1,380	
Batjer TopCo, LLC	10.00%				Secured Debt (12)	(8)	—	1	—	(1)	1	—	—
	10.00%				Secured Debt (12)	(8)	—	—	2	—	70	40	30
	10.00%				Secured Debt	(8)	—	15	129	1,205	21	51	1,175
					Preferred Stock	(8)	—	225	76	455	225	—	680
Brewer Crane Holdings, LLC	15.46%	L+	10.00%		Secured Debt	(9)	—	—	224	1,491	8	125	1,374
					Preferred Member Units	(9)	—	(370)	30	1,770	—	370	1,400
Centre Technologies Holdings, LLC		SF+	9.00%		Secured Debt (12)	(8)	—	—	3	—	—	—	—
	14.48%	SF+	9.00%		Secured Debt	(8)	—	29	572	3,731	663	—	4,394
					Preferred Member Units	(8)	—	590	30	2,170	590	—	2,760
Chamberlin Holding LLC		SF+	6.00%		Secured Debt (12)	(8)	—	49	11	—	—	—	—
	13.49%	SF+	8.00%		Secured Debt	(8)	—	(4)	553	4,236	4	335	3,905
					Member Units	(8)	—	1,599	1,045	5,728	1,602	—	7,330

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
December 31, 2023
(dollars in thousands)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment(1)(10)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2022 Fair Value (13)	Gross Additions(3)	Gross Reductions(4)	December 31, 2023 Fair Value (13)
					Member Units	(8)	—	37	23	678	38	1	715
Charps, LLC					Preferred Member Units	(5)	—	590	366	3,330	590	—	3,920
Clad-Rex Steel, LLC	11.50%				Secured Debt (12)	(5)	—	—	—	—	—	—	—
	11.50%				Secured Debt	(5)	—	(37)	284	2,620	—	517	2,103
	10.00%				Secured Debt	(5)	—	—	26	260	—	9	251
					Member Units	(5)	—	(760)	69	2,060	—	760	1,300
					Member Units	(5)	—	55	—	152	130	—	282
Cody Pools, Inc.	12.50%				Secured Debt (12)	(8)	—	2	1	—	—	—	—
	12.50%				Secured Debt	(8)	—	22	562	—	7,872	761	7,111
		L+	10.50%		Secured Debt	(8)	—	(11)	26	273	14	287	—
		L+	10.50%		Secured Debt	(8)	—	(96)	500	6,882	—	6,882	—
					Preferred Member Units	(8)	—	3,570	1,219	14,550	3,570	—	18,120
Colonial Electric Company LLC					Secured Debt	(6)	—	—	12	—	400	400	—
	12.00%				Secured Debt	(6)	—	(41)	471	5,729	34	356	5,407
					Preferred Member Units	(6)	—	360	—	—	600	—	600
					Preferred Member Units	(6)	—	(370)	—	2,290	—	370	1,920
Compass Systems & Sales, LLC	13.50%				Secured Debt	(5)	—	—	—	—	—	—	—
	13.50%				Secured Debt	(5)	—	—	69	—	4,175	—	4,175
					Preferred Equity	(5)	—	—	—	—	1,863	—	1,863
Datacom, LLC	7.50%				Secured Debt	(8)	—	—	4	25	89	65	49
	10.00%				Secured Debt	(8)	—	(14)	107	865	22	43	844
					Preferred Member Units	(8)	—	(290)	—	300	—	290	10
Digital Products Holdings LLC	15.38%	SF+	10.00%		Secured Debt	(5)	—	(17)	586	3,878	—	205	3,673
					Preferred Member Units	(5)	—	—	50	2,459	—	—	2,459
Direct Marketing Solutions, Inc.	14.00%				Secured Debt	(9)	—	(2)	13	—	227	10	217
	14.00%				Secured Debt	(9)	—	(19)	730	5,352	19	369	5,002
					Preferred Stock	(9)	—	(380)	43	5,558	—	378	5,180
Flame King Holdings, LLC		L+	6.50%		Secured Debt	(9)	—	(15)	121	1,900	15	1,915	—
		L+	9.00%		Secured Debt	(9)	—	(123)	478	5,300	123	5,423	—
					Preferred Equity	(9)	—	2,570	814	4,400	2,570	—	6,970
Freeport Financial Funds					LP Interests (Freeport First Lien Loan Fund III LP) (12)	(5)	—	—	598	5,848	—	2,143	3,705
Gamber-Johnson Holdings, LLC		SF+	7.50%		Secured Debt (12)	(5)	—	—	2	—	—	—	—
	10.50%	SF+	7.50%		Secured Debt	(5)	—	(88)	1,727	16,020	88	2,588	13,520
					Member Units	(5)	—	11,460	1,491	12,720	11,460	—	24,180
GFG Group, LLC	8.00%				Secured Debt	(5)	—	(25)	263	2,836	25	525	2,336
					Preferred Member Units	(5)	—	1,080	200	1,790	1,080	—	2,870
Gulf Publishing Holdings, LLC		SF+	9.50%		Secured Debt (12)	(8)	—	—	—	—	—	—	—
	12.50%				Secured Debt	(8)	—	—	73	571	—	—	571
					Preferred Equity	(8)	—	(330)	—	950	—	330	620
					Member Units	(8)	—	—	—	—	—	—	—

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
December 31, 2023
(dollars in thousands)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment(1)(10)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2022 Fair Value (13)	Gross Additions(3)	Gross Reductions(4)	December 31, 2023 Fair Value (13)
HPEP 3, L.P.					LP Interests (HPEP 3, L.P.) (12)	(8)	—	156	4	4,331	403	509	4,225
IG Investor, LLC	13.00%				Secured Debt (12)	(6)	—	—	5	—	173	200	(27)
					Secured Debt	(6)	—	—	692	—	9,179	110	9,069
					Common Equity	(6)	—	—	—	—	3,774	174	3,600
Independent Pet Partners Intermediate Holdings, LLC					Common Equity	(6)	—	(220)	—	—	6,540	220	6,320
Integral Energy Services	13.16%	SF+	7.50%		Secured Debt	(8)	—	(787)	2,773	18,425	94	2,287	16,232
	10.00%		10.00%		Preferred Equity	(8)	—	85	—	—	350	—	350
					Common Stock	(8)	—	(1,300)	50	1,490	—	1,300	190
Kickhaefer Manufacturing Company, LLC	12.00%				Secured Debt	(5)	—	(18)	668	5,093	58	218	4,933
	9.00%				Secured Debt	(5)	—	—	86	961	—	10	951
					Preferred Equity	(5)	—	620	—	1,800	620	—	2,420
					Member Units	(5)	—	(30)	29	713	—	30	683
Market Force Information, LLC		L+	11.00%		Secured Debt	(9)	(6,465)	6,060	—	403	6,060	6,463	—
					Member Units	(9)	(4,160)	4,160	—	—	4,160	4,160	—
MH Corbin Holding LLC	13.00%				Secured Debt	(5)	—	307	190	1,137	308	189	1,256
					Preferred Member Units	(5)	—	80	—	—	80	—	80
					Preferred Member Units	(5)	—	—	—	—	—	—	—
Mystic Logistics Holdings, LLC					Secured Debt (12)	(6)	—	—	1	—	—	—	—
	10.00%				Secured Debt	(6)	—	—	146	1,436	—	—	1,436
					Common Stock	(6)	—	890	1,131	5,708	890	—	6,598
NexRev LLC	10.00%				Secured Debt (12)	(8)	—	—	—	—	—	—	—
	10.00%				Secured Debt	(8)	—	708	289	2,119	729	413	2,435
					Preferred Member Units	(8)	—	1,310	166	280	1,310	—	1,590
NuStep, LLC	11.98%	SF+	6.50%		Secured Debt	(5)	—	(2)	120	1,100	1	202	899
	12.00%				Secured Debt	(5)	—	—	564	4,603	3	—	4,606
					Preferred Member Units	(5)	—	300	—	2,010	300	—	2,310
					Preferred Member Units	(5)	—	—	—	1,290	—	—	1,290
Oneliance, LLC	16.48%	SF+	11.00%		Secured Debt	(7)	—	(7)	231	1,380	6	47	1,339
					Preferred Stock	(7)	—	—	—	264	18	—	282
Orttech Holdings, LLC		SF+	11.00%		Secured Debt (12)	(5)	—	2	1	(2)	2	—	—
	16.48%	SF+	11.00%		Secured Debt	(5)	—	58	955	5,814	86	390	5,510
					Preferred Stock	(5)	—	1,320	274	2,940	1,320	—	4,260
Pinnacle TopCo, LLC	8.00%				Secured Debt (12)	(8)	—	—	1	—	105	—	105
	13.00%				Secured Debt	(8)	—	—	34	—	7,472	—	7,472
					Preferred Equity	(8)	—	—	—	—	3,135	—	3,135
Robbins Bros. Jewelry, Inc.	12.50%				Secured Debt	(9)	—	—	4	(8)	2	—	(6)
	12.50%				Secured Debt	(9)	—	(323)	507	3,902	18	499	3,421
					Preferred Equity	(9)	—	(1,650)	—	1,650	—	1,650	—
SI East, LLC	11.25%				Secured Debt (12)	(7)	—	6	28	—	625	250	375
	12.47%				Secured Debt	(7)	—	161	1,278	—	18,179	—	18,179
	9.50%				Secured Debt	(7)	—	(134)	1,403	29,929	—	29,929	—
					Preferred Member Units	(7)	—	1,737	399	4,550	1,840	—	6,390
Student Resource Center, LLC	8.50%		8.50%		Secured Debt	(6)	—	(1,881)	364	5,063	244	1,764	3,543

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
December 31, 2023
(dollars in thousands)

Company	Total Rate	Base Rate	Spread	PIK Rate	Type of Investment(1)(10)	Geography	Amount of Realized Gain/(Loss)	Amount of Unrealized Gain/(Loss)	Amount of Interest, Fees or Dividends Credited to Income(2)	December 31, 2022 Fair Value (13)	Gross Additions(3)	Gross Reductions(4)	December 31, 2023 Fair Value (13)	
					Preferred Equity	(6)	—	—	—	—	—	—	—	
Tedder Industries, LLC	12.00%				Secured Debt	(9)	—	(28)	56	460	—	28	432	
	12.00%				Secured Debt	(9)	—	(218)	466	3,780	3	218	3,565	
					Preferred Member Units	(9)	—	(1,920)	—	1,920	—	1,920	—	
					Preferred Member Units	(9)	—	(141)	—	—	124	124	—	
					Preferred Member Units	(9)	—	(165)	—	—	165	165	—	
Trantech Radiator Topco, LLC	8.00%				Secured Debt (12)	(7)	—	(2)	3	—	2	2	—	
	12.00%				Secured Debt	(7)	—	(14)	255	1,980	14	14	1,980	
					Common Stock	(7)	—	1,230	29	1,950	1,230	—	3,180	
VVS Holdco LLC		SF+	6.00%		Secured Debt (12)	(5)	—	—	10	(5)	5	—	—	
	11.50%				Secured Debt	(5)	—	—	904	7,421	55	550	6,926	
					Preferred Equity	(5)	—	(30)	54	2,990	100	30	3,060	
Other														
Amounts related to investments transferred to or from other 1940 Act classification during the period								(1,541)	649	(151)	—	—	—	—
Total Affiliate investments								<u>\$ (7,188)</u>	<u>\$ 25,116</u>	<u>\$ 29,805</u>	<u>\$ 277,000</u>	<u>\$ 115,308</u>	<u>\$ 101,029</u>	<u>\$ 291,279</u>

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
December 31, 2023
(dollars in thousands)

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- (1) The principal amount, the ownership detail for equity investments and if the investment is income producing is included in the Consolidated Schedule of Investments included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K.
 - (2) Represents the total amount of interest, fees and dividends credited to income for the portion of the period for which an investment was included in Control or Affiliate categories, respectively. For investments transferred between Control and Affiliate categories during the period, any income or investment balances related to the time period it was in the category other than the one shown at period end is included in "Amounts related to investments transferred to or from other 1940 Act classifications during the period."
 - (3) Gross additions include increases in the cost basis of investments resulting from new portfolio investments, follow-on investments and accrued PIK interest, and the exchange of one or more existing securities for one or more new securities. Gross additions also include net increases in unrealized appreciation or net decreases in net unrealized depreciation as well as the movement of an existing portfolio company into this category and out of a different category.
 - (4) Gross reductions include decreases in the cost basis of investments resulting from principal repayments or sales and the exchange of one or more existing securities for one or more new securities. Gross reductions also include net increases in net unrealized depreciation or net decreases in unrealized appreciation as well as the movement of an existing portfolio company out of this category and into a different category.
 - (5) Portfolio company located in the Midwest region as determined by location of the corporate headquarters. The fair value as of December 31, 2023 for affiliate investments located in this region was \$107,201. This represented 17.2% of net assets as of December 31, 2023.
 - (6) Portfolio company located in the Northeast region as determined by location of the corporate headquarters. The fair value as of December 31, 2023 for affiliate investments located in this region was \$38,466. This represented 6.2% of net assets as of December 31, 2023.
 - (7) Portfolio company located in the Southeast region as determined by location of the corporate headquarters. The fair value as of December 31, 2023 for affiliate investments located in this region was \$31,725. This represented 5.1% of net assets as of December 31, 2023.
 - (8) Portfolio company located in the Southwest region as determined by location of the corporate headquarters. The fair value as of December 31, 2023 for control investments located in this region was \$53,076. This represented 8.5% of net assets as of December 31, 2023. The fair value as of December 31, 2023 for affiliate investments located in this region was \$86,332. This represented 13.9% of net assets as of December 31, 2023.
 - (9) Portfolio company located in the West region as determined by location of the corporate headquarters. The fair value as of December 31, 2023 for control investments located in this region was \$568. This represented 0.1% of net assets as of December 31, 2023. The fair value as of December 31, 2023 for affiliate investments located in this region was \$27,555. This represented 4.4% of net assets as of December 31, 2023.
 - (10) All of the Company's portfolio investments are generally subject to restrictions on resale as "restricted securities," unless otherwise noted.
 - (11) This schedule should be read in conjunction with the Consolidated Schedule of Investments and Notes to the Consolidated Financial Statements included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K. Supplemental information can be located within the

MSC INCOME FUND, INC.
Consolidated Schedule of Investments In and Advances to Affiliates (Continued)
December 31, 2023
(dollars in thousands)

Consolidated Schedule of Investments including end of period interest rate, preferred dividend rate, maturity date, investments not paid currently in cash and investments whose value was determined using significant unobservable inputs.

- (12) Investment has an unfunded commitment as of December 31, 2023 (see *Note 1— Commitments and Contingencies* included in *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K). The fair value of the investment includes the impact of the fair value of any unfunded commitments.
- (13) Negative fair value is the result of the capitalized discount being greater than the principal amount outstanding on the loan.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures

(a) *Evaluation of Disclosure Controls and Procedures.* As of the end of the period covered by this annual report on Form 10-K, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer, President, Chief Financial Officer, General Counsel and Chief Accounting Officer, of our disclosure controls and procedures (as defined in Rule 13a-15 of the Exchange Act). Based on that evaluation, our Chief Executive Officer, President, Chief Financial Officer, General Counsel and Chief Accounting Officer have concluded that our current disclosure controls and procedures are effective in timely alerting them of material information relating to us that is required to be disclosed in the reports we file or submit under the Exchange Act.

(b) *Management's Report on Internal Control Over Financial Reporting.* The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, the Company conducted an evaluation of the effectiveness of the Company's internal control over financial reporting based on the criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the Company's evaluation under the framework in Internal Control — Integrated Framework, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2024.

This annual report does not include an attestation report of the Company's independent registered public accounting firm regarding internal control over financial reporting. We were not required to have, nor have we, engaged our independent registered public accounting firm to perform an audit of the Company's internal control over financial reporting as of December 31, 2024 pursuant to the rules of the SEC that permit us to provide only management's report in this Annual Report on Form 10-K.

(c) *Changes in Internal Control over Financial Reporting.* There have been no changes in our internal control over financial reporting that occurred during the fiscal quarter ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

Rule 10b5-1 Trading Plans

During the fiscal quarter ended December 31, 2024, none of our directors or officers adopted or terminated any contract, instruction or written plans for the purchase or sale of our securities to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Directors

The following table sets forth certain information regarding our directors:

Name and Principal Occupation(1)	Age	Director Since(2)
<u>Independent Directors</u>		
<p>Robert L. Kay</p> <p>Mr. Kay has been an independent director since October 2020 and Chair of the Nominating and Corporate Governance Committee since January 2025. Mr. Kay has more than 40 years of broad based banking, investments, private equity intermediary and private business management experience, including commercial loan and venture capital investment portfolio oversight. After spending the first 10 years of his career as a corporate lender with a major Texas bank holding company in Dallas, he returned to his hometown in Austin where he spent the next eight years in the venture investing arena. Beginning in 1990, Mr. Kay served as Chief Executive Officer and/or Chief Operating Officer of multiple start up, growth phase and turnaround operating company situations, including serving as Chief Operating Officer and Chief Financial Officer of DrillingInfo from 2006 until its sale in 2012. Mr. Kay has served as the managing member and Chief Executive Officer of Excelleration Partners, an early stage investment firm since 2012. Mr. Kay currently serves as Chief Executive Officer of HalFILE Systems Corporation, a software and data subscription business located in Kyle, Texas, as the Chairman of the Board and interim Chief Executive Officer of Myocardial Solutions, Inc., a healthcare technology company located in Raleigh, North Carolina, and as a Director of The Muny Conservancy, a non-profit organization located in Austin, Texas. Mr. Kay earned a B.B.A. in general business (accounting concentration) from the University of Texas.</p>	72	2020
<p>John O. Niemann, Jr.</p> <p>Mr. Niemann has been an independent director since 2012 and Lead Independent Director and Chair of the Compensation Committee since January 2025. He is the President and Chief Operating Officer of Arthur Andersen LLP and has been since 2003. He previously served as a Managing Director of Andersen Tax LLC from June 2013 until his retirement from this position in March 2023. He previously served on the administrative board of Arthur Andersen LLP and on the board of partners of Andersen Worldwide. He began his career at Arthur Andersen LLP in 1978 and has served in increasing responsibilities in senior management positions, since 1992. Mr. Niemann has served as a director and Chairman of the Audit Committee of Hines Global Income Trust since July 2014 and as the lead independent director since May 2019. He previously served as a director of Adams Resources & Energy, Inc. from May 2019 to February 2025 and as a director of Professional Asset Indemnity Limited, a non-public Bermuda captive insurance company, from October 2021 until it was voluntarily wound up in March 2024. Mr. Niemann has served on the board of directors of many Houston area non-profit organizations, including Catholic Endowment Foundation of Galveston-Houston, Strake Jesuit College Preparatory School (past chair of the board), The Regis School of the Sacred Heart (past chair of the board), The Houston Symphony, The University of St. Thomas, The Alley Theatre and Taping for the Blind, Inc. He graduated with a B.A. in Managerial Studies (magna cum laude) and a master's degree in accounting from Rice University, received a J.D. (summa cum laude) from the South Texas College of Law and an LL.M. in taxation (summa cum laude) from the University of San Francisco School of Law.</p>	68	2012

Name and Principal Occupation(1)	Age	Director Since(2)
Jeffrey B. Walker	64	2020
<p>Mr. Walker has been an independent director and Chairman of the Audit Committee since October 2020. Mr. Walker retired in May 2020 after a successful 38 year career in public accounting with Arthur Andersen and, more recently, Deloitte Tax, LLP where he held several leadership roles including, most recently, Vice Chairman from 2014 until May 2020. Mr. Walker served as a member of Deloitte LLP's board from 2011 until 2015 and also served as the Chief Development Officer of Deloitte Tax from 2013 until 2015. During Mr. Walker's tenure with Deloitte, he assisted and advised some of the world's leading private equity firms. Mr. Walker is a certified public accountant and a member of the AICPA and Texas State Board of CPAs and earned a B.B.A. in Accounting and Economics from the University of Mississippi.</p>		

Interested Directors

Mr. Hyzak is an interested person, as defined in the 1940 Act, due to his positions at MSC Income and our Adviser.

Dwayne L. Hyzak	52	2018
<p>Mr. Hyzak has been a member of our Board of Directors since June 2020 and has served as our Chief Executive Officer and Chairman since October 2020. Since 2018, Mr. Hyzak has also served as Main Street's Chief Executive Officer and as a member of Main Street's board of directors. Mr. Hyzak also serves as a member of Main Street's management team's executive and investment committees. Previously, he served as Main Street's President (2015 until November 2018), Chief Operating Officer (2014 until November 2018), Chief Financial Officer (2011 until 2014) and Senior Managing Director since 2011 and also served in other senior executive positions at Main Street prior to 2011. Prior to its IPO in 2007, Mr. Hyzak served as a Senior Managing Director and other executive positions of several Main Street predecessor funds and entities, which are now subsidiaries of Main Street. Mr. Hyzak joined Main Street in 2002, becoming one of the founding members of the firm. Prior to joining Main Street, Mr. Hyzak was a Director of Acquisitions and Integration with Quanta Services, Inc. (NYSE: PWR), which provides specialty contracting services to the power, natural gas and telecommunications industries, where he was principally focused on the company's mergers and acquisitions and corporate finance activities. Previously, Mr. Hyzak was a Manager with Arthur Andersen in its Transaction Advisory Services group. Mr. Hyzak currently serves on the board of directors of Child Advocates, a non-profit organization that trains and supports advocates to serve the interests of abused or neglected children in the greater Houston area.</p>		

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- (1) The address of each director is c/o MSC Income Fund, Inc., 1300 Post Oak Boulevard, 8th Floor, Houston, Texas 77056. The age given for each of our directors is as of March 20, 2025.
- (2) Directors serve for a term until the next annual meeting of stockholders and until their successors are duly elected and qualified or until their earlier removal or resignation.

Executive Officers

Our officers serve at the discretion of our Board of Directors. The following persons serve as our officers and certain significant personnel in the following capacities:

Name	Age	Position(s) Held	Officer Since
Dwayne L. Hyzak ⁽¹⁾⁽²⁾	52	Chairman of the Board and Chief Executive Officer	2020
David L. Magdol ⁽¹⁾⁽²⁾	54	President and Chief Investment Officer	2020
Cory E. Gilbert	52	Chief Financial Officer and Treasurer	2020
Jesse E. Morris ⁽²⁾	57	Executive Vice President, Chief Operating Officer and Senior Managing Director	2020
Jason B. Beauvais ⁽²⁾	49	Executive Vice President, General Counsel and Secretary	2020
Nicholas T. Meserve	45	Managing Director	2020
Ryan H. McHugh	48	Vice President, Chief Accounting Officer and Assistant Treasurer	2024
Kristin L. Rininger	44	Chief Compliance Officer and Deputy General Counsel	2024

- (1) Member of our Adviser's investment committee. The investment committee is responsible for all aspects of our investment processes, including approval of investments. Vincent D. Foster, Chairman of Main Street's board of directors, also serves on our Adviser's investment committee in his capacity as a non-employee committee member.
- (2) Executive officer and member of our management team's executive committee.

The address for each person in the table above is 1300 Post Oak Boulevard, 8th Floor, Houston, Texas 77056. The age given for each person is as of March 20, 2025. Each officer holds office until his successor is chosen and qualified or until his earlier death, removal or resignation.

For more information on Mr. Hyzak, Chairman of our Board of Directors and Chief Executive Officer, see his biographical information above.

David L. Magdol is our President and Chief Investment Officer and has served in these roles since 2020. Mr. Magdol also serves as the President and Chief Investment Officer of Main Street and as a member of Main Street's management team's executive and investment committees. He was promoted to the role of President of Main Street in November 2018 and has served as Chief Investment Officer of Main Street since 2011. Previously, he also served as Vice Chairman and Senior Managing Director and in other senior executive positions at Main Street. Prior to its IPO in 2007, Mr. Magdol served as a Senior Managing Director and other executive positions of several Main Street predecessor funds and entities, which are now subsidiaries of Main Street. Mr. Magdol joined Main Street in 2002, becoming one of the founding members of the firm. Prior to joining Main Street, Mr. Magdol was a Vice President in the investment banking group at Lazard Freres & Co. Previously, he managed a portfolio of private equity investments for the McMullen Group, a private investment firm/family office capitalized by Dr. John J. McMullen, the former owner of the New Jersey Devils and the Houston Astros. Mr. Magdol began his career in the structured finance services group of JP Morgan Chase.

Cory E. Gilbert, a certified public accountant, is our Chief Financial Officer and Treasurer and has served in these roles since July 2024. Mr. Gilbert previously served as our Vice President and Chief Accounting Officer since 2020. He also serves as Main Street's Chief Financial Officer - Asset Management Business and Assistant Treasurer. Prior to joining Main Street in 2019, Mr. Gilbert served as the Chief Financial Officer and Treasurer for OHA Investment Corporation, a publicly traded business development company externally managed by Oak Hill Advisors LP. Prior to joining Oak Hill Advisors LP, Mr. Gilbert worked at RED Capital Group, the commercial mortgage banking arm of ORIX USA, where he most recently served as their Chief Financial Officer. Prior to that, from September 2008 to August 2013, Mr. Gilbert served as a line of business controller of ORIX USA. Mr. Gilbert began his career at KPMG LLP and was a manager in KPMG's financial services practice in the Dallas-Fort Worth area.

Jesse E. Morris is our Executive Vice President and Chief Operating Officer. Mr. Morris also serves as the Executive Vice President and Chief Operating Officer of Main Street, serves as a member of Main Street's management team's executive committee and has held various management roles since joining Main Street in 2019. He has management responsibility over Main Street's internal operations and is also a Senior Managing Director on Main Street's lower middle market investment team where his responsibilities include managing a portfolio of lower middle market investments where he is an active board member and assists those companies with various strategic initiatives, capital raises and M&A.

activity. Mr. Morris is also responsible for originating and executing new investments for the firm. Mr. Morris has served as our Executive Vice President and Chief Operating Officer since 2020 and previously served as our and Main Street's Chief Financial Officer and Treasurer from 2021 until 2024. Prior to joining Main Street, Mr. Morris served in various roles of increasing responsibility with Quanta Services, Inc. (NYSE: PWR) from 2014 to 2019 including most recently as Executive Vice President – Finance and President – Infrastructure Solutions. In this position, he oversaw the accounting, treasury, tax and financial planning and analysis activities and led Quanta's public-private partnership (P3) concession and private infrastructure investment activities. Prior to joining Quanta, Mr. Morris served in various financial and accounting positions of increasing responsibility with Sysco Corporation (NYSE: SYY) including as Vice President and Chief Financial Officer – Foodservice Operations and Vice President of Finance and Chief Financial Officer – Broadline Operations. Mr. Morris began his career as a certified public accountant and was an Experienced Manager with Arthur Andersen.

Jason B. Beauvais is our Executive Vice President, General Counsel and Secretary and has served as General Counsel and Secretary since 2020 and as Executive Vice President since 2021. Mr. Beauvais previously served as our Chief Compliance Officer from 2020 until 2023 and from June 2024 through November 2024. Mr. Beauvais also serves the Executive Vice President, General Counsel and Secretary of Main Street, as a member of Main Street's management team's executive committee and has held various management roles since joining Main Street in 2008. He has management responsibility over Main Street's legal, compliance, human resources and technology functions. Mr. Beauvais has served as General Counsel and Secretary since joining Main Street in 2008, as Chief Compliance Officer from 2012 to 2024 and as Executive Vice President since 2021. In addition, he is a member of the Board of Directors of the Houston Arboretum & Nature Center, a non-profit urban nature sanctuary. Prior to joining Main Street, Mr. Beauvais was an attorney with Occidental Petroleum Corporation (NYSE: OXY), an international oil and gas exploration and production company. Before that, Mr. Beauvais practiced corporate and securities law at Baker Botts L.L.P., where he primarily counseled companies in public issuances and private placements of debt and equity and handled a wide range of general corporate and securities matters as well as mergers and acquisitions.

Nicholas T. Meserve is a Managing Director of the Company and has served in this role since 2020. Mr. Meserve has also served as a Managing Director on Main Street's private credit investment team since joining Main Street in 2012. Mr. Meserve previously served on our Board of Directors from April 2016 until June 2020. Mr. Meserve's responsibilities include managing a portfolio of private loan and middle market investments. He is also responsible for sourcing, originating and executing on new investments for the firm. Prior to joining Main Street in 2012, Mr. Meserve was at Highland Capital Management, LP, a large alternative credit manager, and certain of its affiliates, where he managed a portfolio of senior loans and high yield bonds across a diverse set of industries. Prior to Highland, he was a Director at Pyxis Capital, LP and a Credit Analyst at JP Morgan Chase & Co.

Ryan H. McHugh, a certified public accountant, is our Vice President and Chief Accounting Officer and has served in these roles since August 2024. He also serves as Main Street's Vice President and Chief Accounting Officer and has served in these roles since August 2024. Mr. McHugh previously served as our Vice President of Finance since May 2024. Prior to joining Main Street, Mr. McHugh spent eight years with Academy Sports + Outdoors (NASDAQ: ASO) ("Academy") where he worked in several leadership roles including Vice President and Corporate Controller. Prior to joining Academy, Mr. McHugh held various accounting and leadership roles at Glori Energy (NASDAQ: GLRI) and Stewart Title Company (NYSE: STC). Mr. McHugh started his career at Grant Thornton in the assurance practice. Mr. McHugh graduated from the University of Texas at Austin with a B.A. in Economics and holds a Master's degree in Accounting from the University of Texas at San Antonio.

Kristin L. Rininger is our Chief Compliance Officer and Deputy General Counsel and has served in these roles since November 2024. She has also served as Chief Compliance Officer and Deputy General Counsel of Main Street since November 2024. Prior to joining Main Street, Ms. Rininger was a Senior Director at ACA Group from June to August 2024 after spending four years as a Director and BDC Team Lead at Optima Partners, a leading financial industry regulatory and compliance consulting firm. She previously spent six years as a corporate and securities attorney at the law firm of Eversheds Sutherland, primarily handling legal, regulatory and compliance matters for BDC clients.

Code of Ethics

We and our Adviser have each adopted a code of ethics pursuant to Rule 17j-1 under the 1940 Act that establishes procedures for personal investments and restricts certain personal securities transactions. Personnel subject to the code may invest in securities for their personal investment accounts, including securities that may be purchased or held by us, so long as such investments are made in accordance with the code's requirements. The code of ethics is available on the EDGAR Database on the SEC's website at <http://www.sec.gov>.

In addition, our Code of Business Conduct and Ethics, which is applicable to all of officers, directors and personnel, requires that all officers, directors and personnel avoid any conflict, or the appearance of a conflict, between an individual's personal interests and our interests. Our Code of Business Conduct and Ethics is available under the "Governance" tab on our website at www.msccincomefund.com/investors. We intend to disclose any substantive amendments to, or waivers from, this code of conduct within four business days of the waiver or amendment through a posting on our website.

Insider Trading Policy

The Company has adopted an Insider Trading Policy, which, among other things, governs the purchase, sale, and/or other disposition of the Company's securities by the Company's directors, officers and personnel, and which the Company believes is reasonably designed to promote compliance with insider trading laws, rules and regulations and applicable listing standards. Our insider trading policy prohibits all directors, officers and certain other personnel from, directly or indirectly, trading in the Company's securities while in the possession of material nonpublic information related to the Company and from engaging in short sales and short-term or other speculative trading of our securities and any transactions that hedge or offset, or are designed to hedge or offset, any decrease in the market value of securities issued by us. Prohibited hedging activity includes market transactions in puts, calls and other derivatives and the purchase of prepaid variable forward contracts, equity swaps and collars. Pledging our securities in a margin account or as collateral for a loan is also prohibited under the policy except in limited circumstances that are pre-approved by our chief compliance officer. A copy of the Insider Trading Policy is filed as Exhibit 19.1 to this annual report on Form 10-K.

Board of Directors and its Committees

Mr. Hyzak serves as Chief Executive Officer, Chairman of our Board and a member of our Adviser's investment committee. Our Board believes that Mr. Hyzak is currently best situated to serve as Chairman of our Board of Directors given his history with the Company and Main Street, his deep knowledge of the Company's business and his extensive experience in managing private debt investments in middle market companies and private debt and equity investments in lower middle market companies. The Company's independent directors bring experience, oversight and expertise from outside the Company and industry, while Mr. Hyzak brings Company-specific and industry-specific experience and expertise. Our Board believes that the current leadership structure with Mr. Hyzak serving as Chief Executive Officer and Chairman of our Board promotes strategy development and execution while facilitating effective, timely communication between management and our Board and is optimal for effective corporate governance.

Effective upon the MSC Income Listing, our Board has designated John O. Niemann, Jr. as Lead Independent Director to preside over all executive sessions of independent directors. In the Lead Independent Director's absence, the remaining independent directors may appoint a presiding director by majority vote. Our corporate governance practices include regular meetings of the independent directors in executive session without the presence of interested directors and management, the establishment of an audit committee, a nominating and corporate governance committee and, effective upon the MSC Income Listing, a compensation committee, each of which is comprised solely of independent directors, and the appointment of a Chief Compliance Officer, with whom the independent directors meet without the presence of interested directors and other members of management, for administering our compliance policies and procedures. The Lead Independent Director also has the responsibility of consulting with management on Board and committee meeting agendas, acting as a liaison between management and independent directors, including maintaining frequent contact with the Chairman and Chief Executive Officer and facilitating collaboration and communication between the independent directors and management.

Our Board met eight times and acted by unanimous written consent 33 times during 2024. All incumbent directors attended at least 75% of the meetings of the Board and of the committees on which they served during 2024 and all then-serving directors attended the 2024 Annual Meeting of Stockholders in person. Our Board expects each director to make a diligent effort to attend all Board and committee meetings, as well as each annual meeting of stockholders.

Our Board of Directors currently has, and appoints the members of, standing Audit, Nominating and Corporate Governance and Compensation Committees. Each of those committees is comprised entirely of independent directors and

has a written charter approved by our Board of Directors. The current members of the committees are identified in the following table.

Director	Board Committees		
	Audit	Nominating and Corporate Governance	Compensation Committee
Robert L. Kay	☑	Chair	☑
John O. Niemann, Jr.	☑	☑	Chair
Jeffrey B. Walker	Chair	☑	☑

Mr. Kay also serves as the Board’s liaison to our Adviser’s Conflicts Committee, described further below.

Audit Committee. During the year ended December 31, 2024, the Audit Committee met four times. The Audit Committee is responsible for selecting, engaging and discharging our independent accountants, reviewing the plans, scope and results of the audit engagement with our independent accountants, approving professional services provided by our independent accountants (as well as the compensation for those services), reviewing the independence of our independent accountants and reviewing the adequacy of our internal control over financial reporting. In addition, the Audit Committee is responsible for assisting our Board of Directors with its oversight of our investment valuation policy and procedures and monitoring and overseeing the Company’s policy standards and guidelines for risk assessment and risk management, including with respect to information technology and cybersecurity policies, procedures and incidents. Our Board has determined that each of Messrs. Kay, Niemann and Walker is an “audit committee financial expert” as defined by the SEC. For more information on the backgrounds of these directors, see their biographical information above.

Nominating and Corporate Governance Committee. During the year ended December 31, 2024, the Nominating and Corporate Governance Committee met four times. The Nominating and Corporate Governance Committee is responsible for determining criteria for service on our Board, identifying, researching and recommending to the Board director nominees for election by our stockholders, selecting nominees to fill vacancies on our Board or a committee of the Board, developing and recommending to our Board any amendments to our corporate governance principles and overseeing the self-assessment of our Board and its committees. The Nominating and Corporate Governance Committee also oversees the Company’s strategy, initiatives, policies and reporting related to Environmental, Social and Governance (ESG) activities.

Compensation Committee. The Compensation Committee is newly formed, effective upon the MSC Income Listing, and did not meet during the year ended December 31, 2024. The Compensation Committee assists our Board in developing and evaluating the compensation of our non-management directors and evaluating succession planning with respect to the chief executive officer and other key executive positions. The Compensation Committee has the authority to engage the services of outside advisers, experts and others as it deems necessary to assist the committee in connection with its responsibilities. The actions of the Compensation Committee are generally reviewed and ratified by the entire Board. Our executive officers do not receive any direct compensation from us and, as a result, the Compensation Committee does not produce and/or review a report on executive compensation practices.

Adviser Conflicts Committee. Our Adviser maintains a Conflicts Committee that reviews and approves specific matters that may involve conflicts of interest among Main Street and the advisory clients of our Adviser, including the Company. The Board has appointed Mr. Kay to represent the Company’s interest as liaison to our Adviser’s Conflicts Committee.

Item 11. Executive Compensation

Compensation Discussion and Analysis

None of our executive officers receives direct compensation from us. The compensation of the principals and other investment professionals of our Adviser is paid by our Adviser or its affiliates. The compensation of our executive officers for administrative services provided to the Company is paid by our Adviser, but we reimburse our Adviser for, among other things, our allocable portion of the actual cost (without markup) of the persons performing the functions of chief financial officer and chief compliance officer and other personnel engaged to provide such administrative services (including, without limitation, direct compensation costs including the allocable portion of salaries, bonuses, benefits and other direct costs associated therewith) and related overhead costs, including rent, subject to the cap on the amount of internal administrative expenses payable by us relating to certain internal administrative services under the Advisory Agreement. To the extent that our Adviser outsources any of its functions as administrator, we will pay the fees associated

with such functions on a direct basis without profit to our Adviser. See “Certain Relationships and Related Transactions, and Director Independence” below for a discussion of fees and expenses payable to our Adviser.

Director Compensation

In 2024 our independent directors were entitled to an annual retainer of \$120,000. Effective upon the MSC Income Listing, the annual retainer paid to our independent directors is \$125,000, plus an additional \$25,000 annual retainer for the Lead Independent Director. Non-employee directors do not receive fees based on meetings attended absent circumstances that require an exceptionally high number of meetings within an annual period. We do not pay compensation to our interested directors.

Additionally, the Chairpersons of certain committees of our Board are entitled to the following annual retainer amounts:

- \$15,000 to the Chair of the Audit Committee;
- \$10,000 to the Chair of the Nominating and Corporate Governance Committee; and
- \$5,000 to the Chair of the Compensation Committee.

During 2024 we also paid a \$10,000 annual retainer to the member of our Board appointed to be the liaison to our Adviser’s Conflicts Committee and reimburse all of our directors for reasonable out-of-pocket expenses incurred in connection with their service on our Board. Effective upon the MSC Income Listing, however, the annual retainer is no longer paid to the member of our Board appointed to be the liaison to our Adviser’s Conflicts Committee.

The following table sets forth the compensation that we paid during the year ended December 31, 2024 to our non-interested directors. Directors who are also employees of Main Street or any of its subsidiaries do not receive compensation for their services as directors.

2024 Director Compensation

Name of Director	Fees Earned or Paid in Cash	All Other Compensation ⁽¹⁾	Total Compensation ⁽²⁾
Interested Directors:			
Dwayne L. Hyzak	\$ —	\$ —	\$ —
Independent Directors:			
Robert L. Kay	130,000	—	130,000
John O. Niemann, Jr.	130,000	—	130,000
Jeffrey B. Walker	135,000	—	135,000

(1) We did not award any portion of the fees earned by our directors in stock or options during the year ended December 31, 2024. We do not have a profit-sharing, compensation or retirement plan, and directors do not receive any pension or retirement benefits.

(2) The amounts listed are for the fiscal year ending December 31, 2024.

Grant of Certain Equity Awards Close in Time to the Release of Material Nonpublic Information

The Company did not grant awards of stock options, stock appreciation rights or similar option-like instruments during the fiscal year ended December 31, 2024. Accordingly, there is nothing to report under Item 402(x) of Regulation S-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Ownership

No person is deemed to control us, as such term is defined in the 1940 Act, through beneficial ownership of our common stock. The following table sets forth, as of March 19, 2025, information with respect to the beneficial ownership of our common stock by:

- each person known to us to beneficially own more than 5% of the outstanding shares of our common stock;

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- each of our directors and executive officers; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to the securities. There is no common stock subject to options that are currently exercisable or exercisable within 60 days of March 19, 2025. Percentage of beneficial ownership is based on 46,849,531 shares of common stock outstanding as of March 19, 2025.

Unless otherwise indicated, to our knowledge, each stockholder listed below has sole voting and investment power with respect to the shares beneficially owned by the stockholder and maintains an address c/o MSC Income Fund, Inc. at 1300 Post Oak Boulevard, 8th Floor, Houston, Texas 77056.

Name and Address	Shares beneficially owned as of March 19, 2025	
	Number	Percentage of Current Ownership
Interested Directors:		
Dwayne L. Hyzak	51,482	*
Independent Directors:		
Robert L. Kay	10,600	*
John O. Niemann, Jr.	26,911	*
Jeffrey B. Walker	16,114	*
Executive Officers (that are not directors):		
David L. Magdol	41,686	*
Jesse E. Morris	10,000	—
Jason B. Beauvais	29,593	*
Cory E. Gilbert	2,000	—
All executive officers and directors as a group (8 persons)	188,386	*

* Amount represents less than 1.0%.

The following table sets forth the dollar range of equity securities of the Company that were beneficially owned by each director as of March 19, 2025.

Name and Address(1)	Dollar Range of Equity Securities Beneficially Owned(2)(3)(4)
Interested Directors:	
Dwayne L. Hyzak	Over \$100,000
Independent Directors:	
Robert L. Kay	Over \$100,000
John O. Niemann, Jr.	Over \$100,000
Jeffrey B. Walker	Over \$100,000

(1) The address of each director is c/o MSC Income Fund, Inc., 1300 Post Oak Boulevard, 8th Floor, Houston, Texas 77056.

(2) Beneficial ownership has been determined in accordance with Rule 16a-1(a)(2) under the Exchange Act.

(3) The dollar range of equity securities beneficially owned by our directors is based on our NAV per share of \$15.53 as of December 31, 2024.

(4) The dollar range of equity securities beneficially owned is: None, \$1- \$10,000, \$10,001 - \$50,000, \$50,001 - \$100,000, or over \$100,000.

Item 13. Certain Relationships and Related Transactions, and Director Independence

We have procedures in place for the review, approval and monitoring of transactions involving us and certain persons related to us. As a BDC, the 1940 Act restricts us from participating in transactions with any persons affiliated with us, including our or our Adviser's officers, directors and personnel and any person controlling or under common control with us or our Adviser, subject to certain exceptions. In addition, the Audit Committee reviews and considers related party transactions.

In addition to the below, additional information responsive to this Item is disclosed in *Note J— Related Party Transactions* included *Item 8. Consolidated Financial Statements and Supplementary Data* of this Annual Report on Form 10-K and is incorporated herein by reference.

Main Street Fund of Funds Agreement

Under Section 12 of the 1940 Act, investment companies, including other BDCs such as Main Street, generally cannot acquire more than 3% of our total outstanding voting stock, among other limitations. In light of these restrictions, on January 20, 2025, in connection with Main Street's potential acquisition in excess of 3% of our outstanding common stock, as a result of any purchases pursuant to the share purchase plan for shares of our common stock or otherwise, we entered into the Main Street Fund of Funds Agreement. The Main Street Fund of Funds Agreement provides for the acquisition of our shares of common stock by Main Street, and our sale of such shares to Main Street, in a manner consistent with the requirements of Rule 12d1-4 under the 1940 Act.

Under the Main Street Fund of Funds Agreement, we and Main Street have agreed to hold each other harmless, indemnify and defend the other party, including each party's respective principals, directors or trustees, officers, employees and agents, against and from any and all losses, costs, expenses or liabilities incurred by or claims or actions asserted against us or Main Street, as applicable, including any of our respective principals, directors or trustees, officers, employees and agents, to the extent such claims or actions result from: (i) a violation of any provision of the Main Street Fund of Funds Agreement by us or Main Street, as applicable, or (ii) a violation of the terms and conditions of Rule 12d1-4 under the 1940 Act, in each case by us or Main Street, as applicable, or our respective principals, directors or trustees, officers, employees, agents, or if applicable, advisers.

Allocation of the Adviser's Time

We rely on the Adviser to manage our day-to-day activities and to implement our investment strategy. The Adviser and certain of its affiliates are presently, and plan in the future to continue to be, involved with activities which are unrelated to us. Additionally, except for certain restrictions on the Adviser set forth in the Advisory Agreement, the Adviser and its affiliates are not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with us and/or may involve substantial time and resources of the Adviser. As a result of these activities, the Adviser and certain of its affiliates and their personnel will have conflicts of interest in allocating their time between us and other activities in which they are or may become involved. Therefore, the Adviser, and certain of its affiliates and their personnel may experience conflicts of interest in allocating management time, services, and functions among us and any other business ventures in which they or any of their key personnel, as applicable, are or may become involved. This could result in actions that are more favorable to other affiliated entities than to us. However, the Adviser believes that it and its affiliates have sufficient personnel to discharge fully their responsibilities to all activities in which they are involved.

Director Independence

We are subject to the corporate governance rules of the NYSE requiring listed companies to have a board of directors with at least a majority of independent directors. The NYSE listing standards provide that a director of a BDC will be considered to be independent if he or she is not an "interested person" of such company, as defined in Section 2(a)(19) of the 1940 Act. The 1940 Act also requires that we, as a BDC, maintain a majority of independent directors on our Board. On an annual basis, each member of our Board is required to complete a questionnaire designed to provide information to assist our Board in determining whether the director is independent under the NYSE's corporate governance rules, the applicable provisions of the Exchange Act and the 1940 Act. Based on these independence standards and the recommendation of the Nominating and Corporate Governance Committee, our Board has affirmatively determined that each of our directors, other than Mr. Hyzak, is independent under such standards.

Our Board considered certain portfolio investments and other transactions in which our independent directors may have had a direct or indirect interest, including the transactions, if any, described or cross-referenced in under “Certain Relationships and Related Party Transactions, and Director Independence,” in evaluating each director’s independence under the 1940 Act and NYSE standards, our Board determined that no such transaction would impact the ability of any director to exercise independent judgment or impair his or her independence.

Item 14. Principal Accountant Fees and Services

Our Board of Directors has ratified the decision of the Audit Committee to appoint Grant Thornton LLP (“Grant Thornton”) as our independent registered public accounting firm for the fiscal year ending December 31, 2025.

For the fiscal years ended December 31, 2024 and 2023, MSC Income incurred the following fees for services provided by Grant Thornton, including expenses:

	Fiscal Year Ended December 31, 2024	Fiscal Year Ended December 31, 2023
Audit Fees	\$ 670,363	\$ 482,300
Audit Related Fees	—	—
Tax Fees	—	—
All Other Fees	—	—
Total Fees	\$ 670,363	\$ 482,300

Audit Fees. Audit fees include fees for services that normally would be provided by the accountant in connection with statutory and regulatory filings or engagements and that generally only the independent accountant can provide. In addition to fees for the audit of our annual financial statements and the review of our quarterly financial statements in accordance with generally accepted auditing standards, this category contains fees for comfort letters, statutory audits, consents and assistance with and review of documents filed with the SEC.

Audit Related Fees. Audit related fees are assurance related services that traditionally are performed by the independent accountant, such as attest services that are not required by statute or regulation.

Tax Fees. Tax fees include corporate and subsidiary compliance and consulting.

All Other Fees. Fees for other services would include fees for products and services other than the services reported above.

During the fiscal years ended December 31, 2024 and 2023, Grant Thornton LLP did not bill any non-audit fees for services rendered to MSC Income or for services rendered to our Adviser or its parent company, Main Street.

Pre-approval Policies and Procedures

It is the policy of our Audit Committee to preapprove all audit, review or attest engagements and permissible non-audit services to be performed by our independent registered public accounting firm, subject to, and in compliance with, the *de minimis* exception for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act and the applicable rules and regulations of the SEC. Our Audit Committee did not rely on the *de minimis* exception for any of the fees disclosed above.

All services performed for us for the fiscal years ended December 31, 2024 and 2023 were pre-approved or ratified by our Audit Committee.

PART IV

Item 15. Exhibits and Consolidated Financial Statement Schedules

The following documents are filed or incorporated by reference as part of this Annual Report:

a. Consolidated Financial Statements

The following financial statements are set forth in Item 8:

Report of Independent Registered Public Accounting Firm (PCAOB ID Number 248)	63
Audited Financial Statements	
Consolidated Balance Sheets as of December 31, 2024 and 2023	65
Consolidated Statements of Operations for the years ended December 31, 2024, 2023 and 2022	66
Consolidated Statements of Changes in Net Assets for the years ended December 31, 2024, 2023 and 2022	67
Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023 and 2022	68
Consolidated Schedules of Investments as of December 31, 2024 and 2023	69
Notes to the Consolidated Financial Statements	109

b. Consolidated Financial Statement Schedule

Schedule of Investments in and Advances to Affiliates for the Years Ended December 31, 2024 and 2023	150
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c. Exhibits

The following exhibits are filed as part of this Form 10-K or hereby incorporated by reference to exhibits previously filed with the SEC:

- 3.1 [Articles of Amendment and Restatement](#) (filed as Exhibit 3.1 to the Registrant's current report on Form 8-K, filed on February 4, 2025 (File No. 814-00939) and incorporated herein by reference).
- 3.2 [Articles of Amendment to the Registrant's Articles of Amendment and Restatement](#) (filed as Exhibit 3.1 to the Registrant's current report on Form 8-K/A, filed on February 6, 2025 (File No. 814-00939) and incorporated herein by reference).
- 3.3 [Second Amended and Restated Bylaws.*](#)
- 4.1 [Amended and Restated Distribution Reinvestment Plan, effective as of November 1, 2017](#) (filed as Exhibit 4.1 to the Registrant's current report on Form 8-K, filed on October 19, 2017 (File No. 814-00939) and incorporated herein by reference).
- 4.2 [Second Amended and Restated Distribution Reinvestment Plan.*](#)
- 4.3 [Description of Securities.*](#)
- 10.1 [Investment Advisory and Administrative Services Agreement by and between the Registrant and MSC Adviser I, LLC](#) (filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on November 3, 2020 (File No. 814-00939) and incorporated herein by reference).
- 10.2 [Amended and Restated Investment Advisory and Administrative Services Agreement, dated January 29, 2025, between MSC Income Fund, Inc. and MSC Adviser I, LLC](#) (filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on February 4, 2025 (File No. 814-00939) and incorporated herein by reference).
- 10.3 [Form of Indemnification for Affiliated Directors and Officers](#) (filed as Exhibit (k)(5) to Pre-Effective Amendment No. 3 to the Registrant's Registration Statement on Form N-2, filed on May 31, 2012 (File No. 333-178548) and incorporated herein by reference).
- 10.4 [Form of Indemnification for Independent Directors](#) (filed as Exhibit (k)(6) to Pre-Effective Amendment No. 3 to the Registrant's Registration Statement on Form N-2, filed on May 31, 2012 (File No. 333-178548) and incorporated herein by reference).
- 10.5 [Second Amended and Restated Custody Agreement, dated May 29, 2014, by and among the Registrant, HMS Equity Holding, LLC and Amegy Bank National Association](#) (Filed as Exhibit (j)(2) to the Registrant's Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 filed with the SEC on July 17, 2015 (File No. 333-204659) and incorporated herein by reference).

- 10.6 [Amended and Restated Senior Secured Revolving Credit Agreement, dated as of March 6, 2017, by and among the Registrant, HMS Equity Holding, LLC, HMS Equity Holding II, Inc., the financial institutions party thereto and EverBank Commercial Finance, Inc. \(filed as Exhibit 10.40 to the Registrant's annual report on Form 10-K, filed on March 7, 2017 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 10.7 [First Amendment to the Credit Agreement, dated as of October 19, 2017, by and among the Registrant, HMS Equity Holding, LLC, HMS Equity Holding II, Inc., the financial institutions party thereto and EverBank Commercial Finance, Inc. \(filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on October 19, 2017 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 10.8 [Second Amendment to Credit Agreement, dated as of March 5, 2020, by and among the Registrant, HMS Equity Holding, LLC, HMS Equity Holding II, Inc., HMS California Holdings GP LLC, HMS California Holdings, LP, the lenders party thereto and TIAA, FSB. \(filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on March 5, 2020 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 10.9 [Fourth Amendment to Credit Agreement, dated as of January 27, 2021, by and among the Registrant, MSC Equity Holding, LLC, MSC Equity Holding II, Inc., MSC California Holdings GP LLC, MSC California Holdings LP, the lenders party thereto and TIAA, FSB \(filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on January 28, 2021 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 10.10 [Fifth Amendment to Credit Agreement, dated as of July 27, 2021, by and among the Registrant, MSC Equity Holding, LLC, MSC Equity Holding II, Inc., MSC California Holdings GP LLC, MSC California Holdings LP, the lenders party thereto and TIAA, FSB \(filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on July 27, 2021 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 10.11 [Sixth Amendment and Waiver to Credit Agreement, dated as of September 22, 2021, by and among the Registrant, the Guarantors party thereto, the lenders party thereto and TIAA, FSB \(filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on September 28, 2021 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 10.12 [Seventh Amendment to Credit Agreement, dated as of April 27, 2023, by and among the Registrant, the Guarantors party thereto, the lenders party thereto and TIAA, FSB \(filed as Exhibit 10.1 to the Registrant's quarterly report on Form 10-Q, filed on May 12, 2023 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 10.13 [Eighth Amendment to Credit Agreement, dated as of November 8, 2024, by and among the Registrant, the Guarantors party thereto, the lenders party thereto and EverBank \(filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on November 13, 2024 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 10.14 [Ninth Amendment to Credit Agreement, dated as of February 27, 2025, by and among the Registrant, the Guarantors party thereto, the lenders party thereto and EverBank \(filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on March 4, 2025 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 10.15 [Loan and Security Agreement, dated as of February 3, 2021, among MSIF Funding, LLC, as borrower, the Registrant, as portfolio manager, U.S. Bank, National Association, as collateral agent, securities intermediary, and collateral administrator, and JPMorgan Chase Bank, National Association, as administrative agent and lender \(filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on February 4, 2021 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 10.16 [First Amendment to Loan and Security Agreement, dated June 2, 2023, by and among MSIF Funding, LLC, as borrower; MSC Income Fund, Inc., as portfolio manager; U.S. Bank Trust Company, National Association, as collateral agent and collateral administrator; U.S. Bank National Association, as securities intermediary; and JPMorgan Chase Bank, National Association, as administrative agent and lender \(filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on June 6, 2023 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 10.17 [Second Amendment to Loan and Security Agreement, dated August 31, 2023, by and among MSIF Funding, LLC, as borrower; MSC Income Fund, Inc., as portfolio manager; U.S. Bank Trust Company, National Association, as collateral agent and collateral administrator; U.S. Bank National Association, as securities intermediary; and JPMorgan Chase Bank, National Association, as administrative agent and lender \(filed as Exhibit 10.1 to the Registrant's current report on Form 8-K \(File No. 814-00939\) and incorporated herein by reference\).](#)

- 10.18 [Master Note Purchase Agreement, dated as of October 22, 2021, by and among the Registrant and the Purchasers party thereto \(filed as Exhibit 10.1 to the Registrant's current report on Form 8-K, filed on October 22, 2021 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 19.1 [Insider Trading Policy.*](#)
- 21.1 [List of Subsidiaries \(filed as Exhibit 21.1 to the Registrant's annual report on Form 10-K, filed on March 30, 2021 \(File No. 814-00939\) and incorporated herein by reference\).](#)
- 31.1 [Certification of Chief Executive Officer of the Registrant, pursuant to Rule 13a-14\(a\) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*](#)
- 31.2 [Certification of Chief Financial Officer of the Registrant, pursuant to Rule 13a-14\(a\) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*](#)
- 32.1 [Certification of Chief Executive Officer of the Registrant, pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**](#)
- 32.2 [Certification of Chief Financial Officer of the Registrant, pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**](#)
- 97.1 [Clawback Policy.*](#)
- 99.1 [1940 Act Code of Ethics.*](#)
- 99.2 [Rule 12d1-4 Fund of Funds Investment Agreement, dated January 20, 2025, by and between Main Street Capital Corporation and MSC Income Fund, Inc. \(Filed as Exhibit \(k\)\(15\) to the Registrant's Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 filed with the SEC on January 21, 2025 \(File No. 333-282501\) and incorporated herein by reference\).](#)
- 101 The following financial information from our Annual Report on Form 10-K for the fiscal year 2024, filed with the SEC on March 20, 2025, formatted in Inline Extensible Business Reporting Language (iXBRL): (i) the Consolidated Balance Sheets as of December 31, 2024 and 2023, (ii) the Consolidated Statements of Operations for the years ended December 31, 2024, 2023 and 2022, (iii) the Consolidated Statements of Changes in Net Assets for the periods ended December 31, 2024, 2023 and 2022, (iv) the Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023 and 2022, (v) the Consolidated Schedule of Investments for the periods ended December 31, 2024 and 2023, (vi) the Notes to Consolidated Financial Statements and (vii) the Consolidated Schedule 12-14 for the years ended December 31, 2024 and 2023.*
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document).*

[* Filed herewith](#)

[** Furnished herewith](#)

* * * * *

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MSC INCOME FUND, INC.

Date: March 20, 2025

By: /s/ DWAYNE L. HYZAK
Dwayne L. Hyzak
Chairman and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ DWAYNE L. HYZAK</u> Dwayne L. Hyzak	Chairman of the Board and Chief Executive Officer (principal executive officer)	March 20, 2025
<u>/s/ CORY E. GILBERT</u> Cory E. Gilbert	Chief Financial Officer (principal financial officer)	March 20, 2025
<u>/s/ RYAN H. MCHUGH</u> Ryan H. McHugh	Chief Accounting Officer (principal accounting officer)	March 20, 2025
<u>/s/ ROBERT L. KAY</u> Robert L. Kay	Director	March 20, 2025
<u>/s/ JOHN O. NIEMANN, JR.</u> John O. Niemann, Jr.	Director	March 20, 2025
<u>/s/ JEFFREY B. WALKER</u> Jeffrey B. Walker	Director	March 20, 2025

MSC INCOME FUND, INC.
SECOND AMENDED AND RESTATED BYLAWS

ARTICLE I
OFFICES

Section 1. **PRINCIPAL OFFICE.** The principal office of the Corporation in the State of Maryland shall be located at such place as the Board of Directors may designate.

Section 2. **ADDITIONAL OFFICES.** The Corporation may have additional offices, including a principal executive office, at such places as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II
MEETINGS OF STOCKHOLDERS

Section 1. **PLACE.** All meetings of stockholders shall be held at the principal executive office of the Corporation or at such other place as shall be set in accordance with these Bylaws and stated in the notice of the meeting.

Section 2. **ANNUAL MEETING.** An annual meeting of stockholders for the election of directors and the transaction of any business within the powers of the Corporation shall be held on the date and at the time and place set by the Board of Directors.

Section 3. **SPECIAL MEETINGS.**

(a) *General.* The president, the chief executive officer, the chairman of the board or a majority of the Board of Directors may call a special meeting of the stockholders. Any such special meeting of stockholders shall be held on the date and at the time and place set by the president, the chief executive officer, the chairman of the board or the Board of Directors, whoever has called the meeting. Subject to Section 3(b) of this Article II, a special meeting of stockholders shall also be called by the secretary of the Corporation to act on any matter that may properly be considered at a meeting of stockholders upon the written request of stockholders entitled to cast not less than a majority of all the votes entitled to be cast on such matter at such meeting.

(b) *Stockholder Requested Special Meetings.*

(1) Any stockholder of record seeking to have stockholders request a special meeting shall, by sending written notice to the secretary (the "***Record Date Request Notice***") by registered mail, return receipt requested, request the Board of Directors to fix a record date to determine the stockholders entitled to request a special meeting (the "***Request Record Date***"). The Record Date Request Notice shall set forth the purpose of the meeting and the matters proposed to be acted on at it (which shall be only lawful matters), shall be signed by one or more stockholders of record as of the date of signature (or their agents duly authorized in a writing accompanying the Record Date Request Notice), shall bear the date of signature of each such stockholder (or such agent) and shall set forth all information relating to each such stockholder and each matter proposed to be acted on at the meeting that would be required to be disclosed in connection with the solicitation of proxies for the election of directors in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such a solicitation, in each case pursuant to

Regulation 14A (or any successor provision) under the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”). Upon receiving the Record Date Request Notice, the Board of Directors may fix a Request Record Date. The Request Record Date shall not precede and shall not be more than ten days after the close of business on the date on which the resolution fixing the Request Record Date is adopted by the Board of Directors. If the Board of Directors, within ten days after the date on which a valid Record Date Request Notice is received, fails to adopt a resolution fixing the Request Record Date and make a public announcement of such Request Record Date, the Request Record Date shall be the close of business on the tenth day after the first date on which the Record Date Request Notice is received by the secretary.

(2) In order for any stockholder to request a special meeting to act on any matter that may properly be considered at a meeting of stockholders, one or more written requests for a special meeting (collectively, the “*Special Meeting Request*”) signed by stockholders of record (or their agents duly authorized in a writing accompanying the request) as of the Request Record Date entitled to cast not less than a majority of all of the votes entitled to be cast at such meeting (the “*Special Meeting Percentage*”) shall be delivered to the secretary. In addition, the Special Meeting Request shall set forth the purpose of the meeting and the matters proposed to be acted on at it (which shall be limited to the matters set forth in the Record Date Request Notice received by the secretary), shall bear the date of signature of each such stockholder (or such agent) signing the Special Meeting Request, shall set forth the name and address, as they appear in the Corporation’s books, of each stockholder signing such request (or on whose behalf the Special Meeting Request is signed) and the class, series and number of all shares of stock of the Corporation which are owned (beneficially or of record) by each such stockholder, and the nominee holder for, and number of, shares of stock of the Corporation owned beneficially but not of record, shall be sent to the secretary by registered mail, return receipt requested, and shall be received by the secretary within 60 days after the Request Record Date. Any requesting stockholder (or agent duly authorized in writing accompanying the revocation of the Special Meeting Request) may revoke his, her or its request for a special meeting at any time by written revocation delivered to the secretary.

(3) The secretary shall inform the requesting stockholders of the reasonably estimated cost of preparing and mailing the notice of meeting (including the Corporation’s proxy materials). The secretary shall not be required to call a special meeting upon stockholder request and such meeting shall not be held unless, in addition to the documents required by subsection (b)(2) of this Section 3, the secretary receives payment of such reasonably estimated cost prior to the mailing of any notice of the meeting.

(4) Except as provided in the next sentence, any special meeting shall be held at such place, date and time as may be designated by the chairman of the board, the chief executive officer, the president or the Board of Directors, whoever has called the meeting. In the case of any special meeting called by the secretary upon the request of stockholders (a “*Stockholder Requested Meeting*”), such meeting shall be held at such place, date and time as may be designated by the Board of Directors; provided, however, that the date of any Stockholder Requested Meeting shall be not more than 90 days after the record date for such meeting (the “*Meeting Record Date*”); and provided further that if the Board of Directors fails to designate, within ten days after the date that a valid Special Meeting Request is actually received by the secretary (the

“**Delivery Date**”), a date and time for a Stockholder Requested Meeting, then such meeting shall be held at 2:00 p.m. local time on the 90th day after the Meeting Record Date or, if such 90th day is not a Business Day (as defined below), on the first preceding Business Day; and provided further that in the event that the Board of Directors fails to designate a place for a Stockholder Requested Meeting within ten days after the Delivery Date, then such meeting shall be held at the principal executive office of the Corporation. In fixing a date for any special meeting, the chairman of the board, the chief executive officer, the president or the Board of Directors may consider such factors as he, she or it deems relevant within the good faith exercise of business judgment, including, without limitation, the nature of the matters to be considered, the facts and circumstances surrounding any request for meeting and any plan of the Board of Directors to call an annual meeting or a special meeting. In the case of any Stockholder Requested Meeting, if the Board of Directors fails to fix a Meeting Record Date that is a date within 30 days after the Delivery Date, then the close of business on the 30th day after the Delivery Date shall be the Meeting Record Date. The Board of Directors may revoke the notice for any Stockholder Request Meeting in the event that the requesting stockholders fail to comply with the provisions of subsection (b)(3) of this Section 3.

(5) If written revocations of requests for the special meeting have been delivered to the Secretary and the result is that stockholders of record (or their agents duly authorized in writing), as of the Request Record Date, entitled to cast less than the Special Meeting Percentage have delivered, and not revoked, requests for a special meeting to the secretary, the secretary shall: (i) if the notice of meeting has not already been delivered, refrain from delivering the notice of the meeting and send to all requesting stockholders who have not revoked such requests written notice of any revocation of a request for the special meeting, or (ii) if the notice of meeting has been delivered and if the secretary first sends to all requesting stockholders who have not revoked requests for a special meeting written notice of any revocation of a request for the special meeting and written notice of the Corporation’s intention to revoke the notice of the meeting or for the chairman of the meeting to adjourn the meeting without action on the matter, the secretary may (A) revoke the notice of the meeting at any time before ten days before the commencement of the meeting or (B) the chairman of the meeting may call the meeting to order and adjourn the meeting without acting on the matter. Any request for a special meeting received after a revocation by the secretary of a notice of a meeting shall be considered a request for a new special meeting.

(6) The Board of Directors, the chairman of the board, the chief executive officer or the president may appoint independent inspectors of elections to act as the agent of the Corporation for the purpose of promptly performing a ministerial review of the validity of any purported Special Meeting Request received by the secretary. For the purpose of permitting the inspectors to perform such review, no such purported request shall be deemed to have been delivered to the secretary until the earlier of (i) five Business Days after receipt by the secretary of such purported request and (ii) such date as the independent inspectors certify to the Corporation that the valid requests received by the secretary represent, as of the Request Record Date, stockholders of record entitled to cast not less than the Special Meeting Percentage. Nothing contained in this subsection (6) shall in any way be construed to suggest or imply that the Corporation or any stockholder shall not be entitled to contest the validity of any request, whether during or after such five Business Day period, or to take any

other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto, and the seeking of injunctive relief in such litigation).

(7) For purposes of these Bylaws, "Business Day" shall mean any day other than a Saturday, a Sunday or other day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

Section 4. NOTICE. Except as provided otherwise in Section 3 of this Article II, not less than ten nor more than 90 days before each meeting of stockholders, the secretary shall give to each stockholder entitled to vote at such meeting and to each stockholder not entitled to vote who is entitled to notice of the meeting notice in writing or by electronic transmission stating the time and place of the meeting and, in the case of a special meeting or as otherwise may be required by any statute, the purpose for which the meeting is called, by mail, by presenting it to such stockholder personally, by leaving it at the stockholder's residence or usual place of business or by any other means permitted by Maryland law. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the stockholder at the stockholder's address as it appears on the records of the Corporation, with postage thereon prepaid. If transmitted electronically, such notice shall be deemed to be given when transmitted to the stockholder by an electronic transmission to any address or number of the stockholder at which the stockholder receives electronic transmissions. The Corporation may give a single notice to all stockholders who share an address, which single notice shall be effective as to any stockholder at such address, unless such stockholder objects to receiving such single notice or revokes a prior consent to receiving such single notice. Failure to give notice of any meeting to one or more stockholders, or any irregularity in such notice, shall not affect the validity of any meeting fixed in accordance with this Article II or the validity of any proceedings at any such meeting.

Subject to Section 11(a) of this Article II, any business of the Corporation may be transacted at an annual meeting of stockholders without being specifically designated in the notice, except such business as is required by any statute to be stated in such notice. No business shall be transacted at a special meeting of stockholders except as specifically designated in the notice. The Corporation may postpone or cancel a meeting of stockholders by making a public announcement (as defined in Section 11(c)(3) of this Article II) of such postponement or cancellation prior to the meeting. Notice of the date, time and place to which the meeting is postponed shall be given not less than ten days prior to such date and otherwise in the manner set forth in this Section 4.

Section 5. ORGANIZATION AND CONDUCT. Every meeting of stockholders shall be conducted by an individual appointed by the Board of Directors to be chairman of the meeting or, in the absence of such appointment or appointed individual, by the chairman of the board or, in the case of a vacancy in the office or absence of the chairman of the board, by one of the following officers present at the meeting in the following order: the vice chairman of the board, if there is one, the chief executive officer, the president, the vice presidents in their order of rank and seniority, the secretary or, in the absence of such officers, a chairman chosen by the stockholders by the vote of a majority of the votes cast by stockholders present in person or by proxy. The secretary or, in the secretary's absence, an assistant secretary or, in the absence of both the secretary and assistant secretaries, an individual appointed by the Board of Directors or, in the absence of such appointment, an individual appointed by the chairman of the meeting shall act as secretary. In the event that the secretary presides at a meeting of the stockholders, an assistant secretary or, in the absence of all assistant secretaries, an individual appointed by the

Board of Directors or the chairman of the meeting shall record the minutes of the meeting. The order of business and all other matters of procedure at any meeting of stockholders shall be determined by the chairman of the meeting. The chairman of the meeting may prescribe such rules, regulations and procedures and take such action as, in the discretion of the chairman and without any action by the stockholders, are appropriate for the proper conduct of the meeting, including, without limitation, (a) restricting admission to the time set for the commencement of the meeting; (b) limiting attendance at the meeting to stockholders of record of the Corporation, their duly authorized proxies and such other individuals as the chairman of the meeting may determine; (c) limiting participation at the meeting on any matter to stockholders of record of the Corporation entitled to vote on such matter, their duly authorized proxies and other such individuals as the chairman of the meeting may determine; (d) limiting the time allotted to questions or comments; (e) determining when and for how long the polls should be opened and when the polls should be closed; (f) maintaining order and security at the meeting; (g) removing any stockholder or any other individual who refuses to comply with meeting procedures, rules or guidelines as set forth by the chairman of the meeting; (h) concluding a meeting or recessing or adjourning the meeting to a later date and time and at a place announced at the meeting; and (i) complying with any state and local laws and regulations concerning safety and security. Unless otherwise determined by the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 6. QUORUM. At any meeting of stockholders, the presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast at such meeting on any matter shall constitute a quorum; but this section shall not affect any requirement under any statute or the charter of the Corporation (the "*Charter*") for the vote necessary for the approval of any matter. If such quorum is not established at any meeting of the stockholders, the chairman of the meeting may adjourn the meeting *sine die* or from time to time to a date not more than 120 days after the original record date without notice other than announcement at the meeting. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

The stockholders present either in person or by proxy, at a meeting which has been duly called and at which a quorum has been established, may continue to transact business until adjournment, notwithstanding the withdrawal from the meeting of enough stockholders to leave fewer than would be required to establish a quorum.

Section 7. VOTING. A plurality of all the votes cast at a meeting of stockholders duly called and at which a quorum is present shall be sufficient to elect a director. Each share may be voted for as many individuals as there are directors to be elected and for whose election the share is entitled to be voted. A majority of the votes cast at a meeting of stockholders duly called and at which a quorum is present shall be sufficient to approve any other matter which may properly come before the meeting, unless more than a majority of the votes cast is required by statute or by the Charter. Unless otherwise provided by statute or by the Charter, each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of stockholders. Voting on any question or in any election may be *viva voce* unless the chairman of the meeting shall order that voting be by ballot or otherwise.

Section 8. PROXIES. A holder of record of shares of stock of the Corporation may cast votes in person or by proxy executed by the stockholder or by the stockholder's duly authorized agent in any manner permitted by law. Such proxy or evidence of authorization of such proxy shall be filed with the secretary of the Corporation before or at the meeting. No proxy shall be valid more than eleven months after its date unless otherwise provided in the proxy.

Section 9. VOTING OF STOCK BY CERTAIN HOLDERS. Stock of the Corporation registered in the name of a corporation, partnership, trust, limited liability company or other entity, if entitled to be voted, may be voted by the president or a vice president, general partner, trustee or managing member thereof, as the case may be, or a proxy appointed by any of the foregoing individuals, unless some other person who has been appointed to vote such stock pursuant to a bylaw or a resolution of the governing body of such corporation or other entity or agreement of the partners of a partnership presents a certified copy of such bylaw, resolution or agreement, in which case such person may vote such stock. Any trustee or other fiduciary may vote stock registered in the name of such person in the capacity of trustee or fiduciary, either in person or by proxy.

Shares of stock of the Corporation directly or indirectly owned by it shall not be voted at any meeting and shall not be counted in determining the total number of outstanding shares entitled to be voted at any given time, unless they are held by it in a fiduciary capacity, in which case they may be voted and shall be counted in determining the total number of outstanding shares at any given time.

The Board of Directors may adopt by resolution a procedure by which a stockholder may certify in writing to the Corporation that any shares of stock registered in the name of the stockholder are held for the account of a specified person other than the stockholder. The resolution shall set forth the class of stockholders who may make the certification, the purpose for which the certification may be made, the form of certification and the information to be contained in it; if the certification is with respect to a record date, the time after the record date within which the certification must be received by the Corporation; and any other provisions with respect to the procedure which the Board of Directors considers necessary or desirable. On receipt by the Corporation of such certification, the person specified in the certification shall be regarded as, for the purposes set forth in the certification, the holder of record of the specified stock in place of the stockholder who makes the certification.

Section 10. INSPECTORS. The Board of Directors or the chairman of the meeting may appoint, before or at the meeting, one or more inspectors for the meeting and any successor to the inspector. The inspectors, if any, shall (a) determine the number of shares of stock represented at the meeting, in person or by proxy, and the validity and effect of proxies, (b) receive and tabulate all votes, ballots or consents, (c) report such tabulation to the chairman of the meeting, (d) hear and determine all challenges and questions arising in connection with the right to vote, and (e) do such acts as are proper to fairly conduct the election or vote. Each such report shall be in writing and signed by the inspector or by a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of shares represented at the meeting and the results of the voting shall be prima facie evidence thereof.

Section 11. ADVANCE NOTICE OF STOCKHOLDER NOMINEES FOR DIRECTOR AND OTHER STOCKHOLDER PROPOSALS.

(a) Annual Meetings of Stockholders.

(1) Nominations of individuals for election to the Board of Directors and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders (i) pursuant to the

Corporation's notice of meeting, (ii) by or at the direction of the Board of Directors or (iii) by any stockholder of the Corporation who was a stockholder of record both at the time of giving of notice by the stockholder as provided for in this Section 11(a) and at the time of the annual meeting, who is entitled to vote at the meeting in the election of each individual so nominated or on any such other business and who has complied with this Section 11(a).

(2) For any nomination or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of paragraph (a)(1) of this Section 11, the stockholder must have given timely notice thereof in writing to the secretary of the Corporation and any such other business must otherwise be a proper matter for action by the stockholders. To be timely, a stockholder's notice shall set forth all information required under this Section 11 and shall be delivered to the secretary at the principal executive office of the Corporation not earlier than the 150th day nor later than 5:00 p.m., Eastern Time, on the 120th day prior to the first anniversary of the date of the proxy statement (as defined in Section 11(c)(3) of this Article II) for the preceding year's annual meeting; provided, however, that in connection with the Corporation's first annual meeting or in the event that the date of the annual meeting is advanced or delayed by more than 30 days from the first anniversary of the date of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the 150th day prior to the date of such annual meeting and not later than 5:00 p.m., Eastern Time, on the later of the 120th day prior to the date of such annual meeting, as originally convened, or the tenth day following the day on which public announcement of the date of such meeting is first made. The public announcement of a postponement or adjournment of an annual meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(3) Such stockholder's notice shall set forth:

(i) as to each individual whom the stockholder proposes to nominate for election or reelection as a director (each, a "**Proposed Nominee**"), all information relating to the Proposed Nominee that would be required to be disclosed in connection with the solicitation of proxies for the election of the Proposed Nominee as a director in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such solicitation, in each case pursuant to Regulation 14A (or any successor provision) under the Exchange Act and the rules thereunder;

(ii) as to any other business that the stockholder proposes to bring before the meeting, a description of such business, the stockholder's reasons for proposing such business at the meeting and any material interest in such business of such stockholder or any Stockholder Associated Person (as defined below), individually or in the aggregate, including any anticipated benefit to the stockholder or the Stockholder Associated Person therefrom;

(iii) as to the stockholder giving the notice, any Proposed Nominee and any Stockholder Associated Person,

(A) the class, series and number of all shares of stock or other securities of the Corporation (collectively, the "**Company Securities**"), if any, which are owned (beneficially or of record) by such stockholder, Proposed Nominee or Stockholder Associated Person, the date on which each such Company Security was acquired and the investment intent of such acquisition and

(B) the nominee holder for, and number of, any Company Securities owned beneficially but not of record by such stockholder, Proposed Nominee or Stockholder Associated Person;

(iv) as to the stockholder giving the notice, any Stockholder Associated Person with an interest or ownership referred to in clauses (ii) or (iii) of this paragraph (3) of this Section 11(a) and any Proposed Nominee,

(A) the name and address of such stockholder, as they appear on the Corporation's stock ledger, and the current name and business address, if different, of each such Stockholder Associated Person and any Proposed Nominee and

(B) the investment strategy or objective, if any, of such stockholder and each such Stockholder Associated Person who is not an individual and a copy of the prospectus, offering memorandum or similar document, if any, provided to investors or potential investors in such stockholder and each such Stockholder Associated Person; and

(v) to the extent known by the stockholder giving the notice, the name and address of any other stockholder supporting the nominee for election or reelection as a director or the proposal of other business on the date of such stockholder's notice.

(4) Such stockholder's notice shall, with respect to any Proposed Nominee, be accompanied by a certificate executed by the Proposed Nominee (i) certifying that such Proposed Nominee (a) is not, and will not become a party to, any agreement, arrangement or understanding with any person or entity other than the Corporation in connection with service or action as a director that has not been disclosed to the Corporation and (b) will serve as a director of the Corporation if elected; and (ii) attaching a completed Proposed Nominee questionnaire (which questionnaire shall be provided by the Corporation, upon request, to the stockholder providing the notice and shall include all information relating to the Proposed Nominee that would be required to be disclosed in connection with the solicitation of proxies for the election of the Proposed Nominee as a director in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such solicitation, in each case pursuant to Regulation 14A (or any successor provision) under the Exchange Act and the rules thereunder, or would be required pursuant to the rules of any national securities exchange on which any securities of the Corporation are listed or over-the-counter market on which any securities of the Corporation are traded).

(5) Notwithstanding anything in this subsection (a) of this Section 11 to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased, and there is no public announcement of such action at least 130 days prior to the first anniversary of the date of the proxy statement (as defined in Section 11(c)(3) of this Article II) for the preceding year's annual meeting, a stockholder's notice required by this Section 11(a) shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the secretary at the principal executive office of the Corporation not later than 5:00 p.m., Eastern Time, on the tenth day following the day on which such public announcement is first made by the Corporation.

(6) For purposes of this Section 11, “*Stockholder Associated Person*” of any stockholder shall mean (i) any person acting in concert with such stockholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder (other than a stockholder that is a depository) and (iii) any person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such stockholder or such Stockholder Associated Person.

(b) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation’s notice of meeting. Nominations of individuals for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected only (i) by or at the direction of the Board of Directors or (ii) provided that the special meeting has been called in accordance with Section 3 of this Article II for the purpose of electing directors, by any stockholder of the Corporation who is a stockholder of record both at the time of giving of notice provided for in this Section 11 and at the time of the special meeting, who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the notice procedures set forth in this Section 11. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more individuals to the Board of Directors, any such stockholder may nominate an individual or individuals (as the case may be) for election as a director as specified in the Corporation’s notice of meeting, if the stockholder’s notice, containing the information required by paragraph (a)(3) of this Section 11, is delivered to the secretary at the principal executive office of the Corporation not earlier than the 120th day prior to such special meeting and not later than 5:00 p.m., Eastern Time on the later of the 90th day prior to such special meeting or the tenth day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The public announcement of a postponement or adjournment of a special meeting shall not commence a new time period for the giving of a stockholder’s notice as described above.

(c) General.

(1) If information submitted pursuant to this Section 11 by any stockholder proposing a nominee for election as a director or any proposal for other business at a meeting of stockholders shall be inaccurate in any material respect, such information may be deemed not to have been provided in accordance with this Section 11. Any such stockholder shall notify the Corporation of any inaccuracy or change (within two business days of becoming aware of such inaccuracy or change) in any such information. Upon written request by the secretary or the Board of Directors, any such stockholder shall provide, within five business days of delivery of such request (or such other period as may be specified in such request), (i) written verification, satisfactory, in the discretion of the Board of Directors or any authorized officer of the Corporation, to demonstrate the accuracy of any information submitted by the stockholder pursuant to this Section 11 and (ii) a written update of any information (including, if requested by the Corporation, written confirmation by such stockholder that it continues to intend to bring such nomination or other business proposal before the meeting) submitted by the stockholder pursuant to this Section 11 as of an earlier date. If a stockholder fails to provide such written verification or written update within such period, the information as to which written verification or a written update was requested may be deemed not to have been provided in accordance with this Section 11.

(2) Only such individuals who are nominated in accordance with this Section 11 shall be eligible for election by stockholders as directors, and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with this Section 11. The chairman of the meeting shall have the power to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with this Section 11.

(3) For purposes of this Section 11, “*the date of the proxy statement*” shall have the same meaning as “the date of the company’s proxy statement released to shareholders” as used in Rule 14a-8(e) promulgated under the Exchange Act, as interpreted by the Securities and Exchange Commission from time to time. “*Public announcement*” shall mean disclosure (i) in a press release reported by the Dow Jones News Service, Associated Press, Business Wire, PR Newswire or other widely circulated news or wire service or (ii) in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to the Exchange Act, the Securities Act of 1933, as amended, or the Investment Company Act of 1940, as amended (the “*Investment Company Act*”).

(4) Notwithstanding the foregoing provisions of this Section 11, a stockholder shall also comply with all applicable requirements of state law and of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 11. Nothing in this Section 11 shall be deemed to affect any right of a stockholder to request inclusion of a proposal in, or the right of the Corporation to omit a proposal from, the Corporation’s proxy statement pursuant to Rule 14a-8 (or any successor provision) under the Exchange Act. Nothing in this Section 11 shall require disclosure of revocable proxies received by the stockholder or Stockholder Associated Person pursuant to a solicitation of proxies after the filing of an effective Schedule 14A by such stockholder or Stockholder Associated Person under Section 14(a) of the Exchange Act.

Section 12. [Reserved].

Section 13. CONTROL SHARE ACQUISITION ACT. Notwithstanding any other provision of the Charter or these Bylaws, Title 3, Subtitle 7 of the Maryland General Corporation Law, or any successor statute (the “*MGCL*”), shall not apply to any acquisition by any person of shares of stock of the Corporation. This section may be repealed, in whole or in part, at any time, whether before or after an acquisition of control shares and, upon such repeal, may, to the extent provided by any successor bylaw, apply to any prior or subsequent control share acquisition.

ARTICLE III DIRECTORS

Section 1. GENERAL POWERS. The business and affairs of the Corporation shall be managed under the direction of its Board of Directors.

Section 2. NUMBER, TENURE AND RESIGNATION. At any regular meeting or at any special meeting called for that purpose, a majority of the entire Board of Directors may establish, increase or decrease the number of directors, provided that the number thereof shall

never be less than the minimum number required by the MGCL, nor more than 10, and further provided that the tenure of office of a director shall not be affected by any decrease in the number of directors. Notwithstanding the foregoing sentence, the number of directors that shall comprise the Board shall not be less than three, except for a period of up to 60 days after the death, removal or resignation of a director pending the election of such director's successor. Any director of the Corporation may resign at any time by delivering his or her resignation to the Board of Directors, the chairman of the board or the secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation.

Section 3. ANNUAL AND REGULAR MEETINGS. An annual meeting of the Board of Directors shall be held immediately after and at the same place as the annual meeting of stockholders, no notice other than this Bylaw being necessary. In the event such meeting is not so held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors. The Board of Directors may provide, by resolution, the time and place for the holding of regular meetings of the Board of Directors without other notice than such resolution.

Section 4. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the chairman of the board, the chief executive officer, the president or a majority of the directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix any place as the place for holding any special meeting of the Board of Directors called by them. The Board of Directors may provide, by resolution, the time and place for the holding of special meetings of the Board of Directors without other notice than such resolution.

Section 5. NOTICE. Notice of any special meeting of the Board of Directors shall be delivered personally or by telephone, electronic mail, facsimile transmission, courier or United States mail to each director at his or her business or residence address. Notice by personal delivery, telephone, electronic mail or facsimile transmission shall be given at least 24 hours prior to the meeting. Notice by United States mail shall be given at least three days prior to the meeting. Notice by courier shall be given at least two days prior to the meeting. Telephone notice shall be deemed to be given when the director or his or her agent is personally given such notice in a telephone call to which the director or his or her agent is a party. Electronic mail notice shall be deemed to be given upon transmission of the message to the electronic mail address given to the Corporation by the director. Facsimile transmission notice shall be deemed to be given upon completion of the transmission of the message to the number given to the Corporation by the director and receipt of a completed answer-back indicating receipt. Notice by United States mail shall be deemed to be given when deposited in the United States mail properly addressed, with postage thereon prepaid. Notice by courier shall be deemed to be given when deposited with or delivered to a courier properly addressed. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board of Directors need be stated in the notice, unless specifically required by statute or these Bylaws.

Section 6. QUORUM. A majority of the directors shall constitute a quorum for transaction of business at any meeting of the Board of Directors, provided that, if less than a majority of such directors is present at such meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, and provided further that if, pursuant to applicable law, the Charter or these Bylaws, the vote of a majority or other percentage of a particular group of directors is required for action, a quorum must also include a majority or such other percentage of such group.

The directors present at a meeting which has been duly called and at which a quorum has been established may continue to transact business until adjournment, notwithstanding the withdrawal from the meeting of enough directors to leave fewer than required to establish a quorum.

Section 7. VOTING. The action of a majority of the directors present at a meeting at which a quorum is present shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the Charter or these Bylaws. If enough directors have withdrawn from a meeting to leave fewer than required to establish a quorum but the meeting is not adjourned, the action of the majority of that number of directors necessary to constitute a quorum at such meeting shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the Charter or these Bylaws.

Section 8. ORGANIZATION. At each meeting of the Board of Directors, the chairman of the board or, in the absence of the chairman, the vice chairman of the board, if any, shall act as chairman of the meeting. In the absence of both the chairman and vice chairman of the board, the chief executive officer or, in the absence of the chief executive officer, the president or, in the absence of the president, a director chosen by a majority of the directors present shall act as chairman of the meeting. The secretary or, in his or her absence, an assistant secretary of the Corporation or, in the absence of the secretary and all assistant secretaries, an individual appointed by the chairman of the meeting shall act as secretary of the meeting.

Section 9. TELEPHONE MEETINGS. Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time; provided, however, that this Section 9 does not apply to any action of the directors pursuant to any provision of the Investment Company Act applicable to the Corporation that requires the vote of the directors to be cast in person at a meeting. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 10. CONSENT BY DIRECTORS WITHOUT A MEETING. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if a consent in writing or by electronic transmission to such action is given by each director and is filed with the minutes of proceedings of the Board of Directors; provided, however, that this Section 10 does not apply to any action of the directors pursuant to any provision of the Investment Company Act applicable to the Corporation that requires the vote of the directors to be cast in person at a meeting.

Section 11. VACANCIES. If for any reason any or all of the directors cease to be directors, such event shall not terminate the Corporation or affect these Bylaws or the powers of the remaining directors hereunder. Until such time as the Corporation becomes subject to Section 3-804(c) of the MGCL, any vacancy on the Board of Directors for any cause other than an increase in the number of directors may be filled by a majority of the remaining directors, even if such majority is less than a quorum; any vacancy in the number of directors created by an increase in the number of directors may be filled by a majority vote of the entire Board of Directors; and any individual so elected as director shall serve until the next annual meeting of stockholders and until his or her successor is elected and qualifies. At such time as the Corporation becomes subject to Section 3-804(c) of the MGCL and except as may be provided by the Board of Directors in setting the terms of any class or series of preferred stock, any vacancy on the Board of Directors may be filled only by a majority of the remaining directors, even if the remaining directors do not constitute a quorum, and any director elected to fill a

vacancy shall serve for the remainder of the full term of the directorship in which the vacancy occurred and until a successor is elected and qualifies.

Section 12. COMPENSATION. Directors shall not receive any stated salary for their services as directors but, by resolution of the Board of Directors, may receive compensation per year and/or per meeting and/or per visit to real property or other facilities owned or leased by the Corporation and for any service or activity they performed or engaged in as directors. Directors may be reimbursed for expenses of attendance, if any, at each annual, regular or special meeting of the Board of Directors or of any committee thereof and for their expenses, if any, in connection with each property visit and any other service or activity they perform or engage in as directors; but nothing herein contained shall be construed to preclude any directors from serving the Corporation in any other capacity and receiving compensation therefor.

Section 13. RELIANCE. Each director and officer of the Corporation shall, in the performance of his or her duties with respect to the Corporation, be entitled to rely on any information, opinion, report or statement, including any financial statement or other financial data, prepared or presented by an officer or employee of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented, by a lawyer, certified public accountant or other person, as to a matter which the director or officer reasonably believes to be within the person's professional or expert competence, or, with respect to a director, by a committee of the Board of Directors on which the director does not serve, as to a matter within its designated authority, if the director reasonably believes the committee to merit confidence.

Section 14. CERTAIN RIGHTS OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS. A director, officer, employee or agent shall have no responsibility to devote his or her full time to the affairs of the Corporation. Any director, officer, employee or agent, in his or her personal capacity or in a capacity as an affiliate, employee, or agent of any other person, or otherwise, may have business interests and engage in business activities similar to, in addition to or in competition with those of or relating to the Corporation.

Section 15. RATIFICATION. The Board of Directors or the stockholders may ratify and make binding on the Corporation any action or inaction by the Corporation or its officers to the extent that the Board of Directors or the stockholders could have originally authorized the matter. Moreover, any action or inaction questioned in any stockholders' derivative proceeding or any other proceeding on the ground of lack of authority, defective or irregular execution, adverse interest of a director, officer or stockholder, non-disclosure, miscomputation, the application of improper principles or practices of accounting, or otherwise, may be ratified, before or after judgment, by the Board of Directors or by the stockholders, and if so ratified, shall have the same force and effect as if the questioned action or inaction had been originally duly authorized, and such ratification shall be binding upon the Corporation and its stockholders and shall constitute a bar to any claim or execution of any judgment in respect of such questioned action or inaction.

Section 16. EMERGENCY PROVISIONS. Notwithstanding any other provision in the Charter or these Bylaws, this Section 16 shall apply during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum of the Board of Directors under Article III of these Bylaws cannot readily be obtained (an "*Emergency*"). During any Emergency, unless otherwise provided by the Board of Directors, (a) a meeting of the Board of Directors or a committee thereof may be called by any director or officer by any means feasible under the circumstances; (b) notice of any meeting of the Board of Directors during such an Emergency may be given less than 24 hours prior to the meeting to as many directors and by such means as may be feasible at the time, including publication, television or radio; and (c) the

number of directors necessary to constitute a quorum shall be one-third of the entire Board of Directors.

ARTICLE IV COMMITTEES

Section 1. NUMBER, TENURE AND QUALIFICATIONS. The Board of Directors may appoint from among its members one or more committees, composed of one or more directors, to serve at the pleasure of the Board of Directors.

Section 2. POWERS. The Board of Directors may delegate to committees appointed under Section 1 of this Article any of the powers of the Board of Directors, except as prohibited by law.

Section 3. MEETINGS. Notice of committee meetings shall be given in the same manner as notice for special meetings of the Board of Directors. A majority of the members of the committee shall constitute a quorum for the transaction of business at any meeting of the committee. The act of a majority of the committee members present at a meeting shall be the act of such committee. The Board of Directors may designate a chairman of any committee, and such chairman or, in the absence of a chairman, any two members of any committee (if there are at least two members of the committee) may fix the time and place of its meeting unless the Board shall otherwise provide. In the absence of any member of any such committee, the members thereof present at any meeting, whether or not they constitute a quorum, may appoint another director to act in the place of such absent member.

Section 4. TELEPHONE MEETINGS. Members of a committee of the Board of Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time; provided, however, that this Section 4 does not apply to any action of the committee pursuant to any provision of the Investment Company Act applicable to the Corporation that requires the vote of the committee to be cast in person at a meeting. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 5. CONSENT BY COMMITTEES WITHOUT A MEETING. Any action required or permitted to be taken at any meeting of a committee of the Board of Directors may be taken without a meeting, if a consent in writing or by electronic transmission to such action is given by each member of the committee and is filed with the minutes of proceedings of such committee; provided, however, that this Section 5 does not apply to any action of the committee pursuant to any provision of the Investment Company Act applicable to the Corporation that requires the vote of the committee to be cast in person at a meeting.

Section 6. VACANCIES. Subject to the provisions hereof, the Board of Directors shall have the power at any time to change the membership of any committee, to fill any vacancy, to designate an alternate member to replace any absent or disqualified member or to dissolve any such committee.

ARTICLE V OFFICERS

Section 1. GENERAL PROVISIONS. The officers of the Corporation shall include a president, a secretary and a treasurer and may include a chairman of the board, a vice chairman of the board, a chief executive officer, one or more vice presidents, a chief operating officer, a chief financial officer, one or more assistant secretaries and one or more assistant treasurers. In addition, the Board of Directors may from time to time elect such other officers with such

powers and duties as it shall deem necessary or desirable. The officers of the Corporation shall be elected annually by the Board of Directors, except that the chief executive officer or president may from time to time appoint one or more vice presidents, assistant secretaries and assistant treasurers or other officers. Each officer shall serve until his or her successor is elected and qualifies or until his or her death, or his or her resignation or removal in the manner hereinafter provided. Any two or more offices except president and vice president may be held by the same person. Election of an officer or agent shall not of itself create contract rights between the Corporation and such officer or agent.

Section 2. REMOVAL AND RESIGNATION. Any officer or agent of the Corporation may be removed, with or without cause, by the Board of Directors if in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer of the Corporation may resign at any time by delivering his or her resignation to the Board of Directors, the chairman of the board, the chief executive officer, the president or the secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation. Such resignation shall be without prejudice to the contract rights, if any, of the Corporation.

Section 3. VACANCIES. A vacancy in any office may be filled by the Board of Directors for the balance of the term.

Section 4. CHAIRMAN OF THE BOARD. The Board of Directors may designate from among its members a chairman of the board, who shall not, solely by reason of these Bylaws, be an officer of the Corporation. The Board of Directors may designate the chairman of the board as an executive or non-executive chairman. The chairman of the board shall preside over the meetings of the Board of Directors. The chairman of the board shall perform such other duties as may be assigned to him or her by these Bylaws or the Board of Directors.

Section 5. CHIEF EXECUTIVE OFFICER. The Board of Directors may designate a chief executive officer. In the absence of such designation, the chairman of the board shall be the chief executive officer of the Corporation. The chief executive officer shall have general responsibility for implementation of the policies of the Corporation, as determined by the Board of Directors, and for the management of the business and affairs of the Corporation. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. CHIEF OPERATING OFFICER. The Board of Directors may designate a chief operating officer. The chief operating officer shall have the responsibilities and duties as determined by the Board of Directors or the chief executive officer.

Section 7. CHIEF FINANCIAL OFFICER. The Board of Directors may designate a chief financial officer. The chief financial officer shall have the responsibilities and duties as determined by the Board of Directors or the chief executive officer.

Section 8. PRESIDENT. In the absence of a chief executive officer, the president shall in general supervise and control all of the business and affairs of the Corporation. In the absence of a designation of a chief operating officer by the Board of Directors, the president shall be the chief operating officer. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board

of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

Section 9. VICE PRESIDENTS. In the absence of the president or in the event of a vacancy in such office, the vice president (or in the event there be more than one vice president, the vice presidents in the order designated at the time of their election or, in the absence of any designation, then in the order of their election) shall perform the duties of the president and when so acting shall have all the powers of and be subject to all the restrictions upon the president; and shall perform such other duties as from time to time may be assigned to such vice president by the chief executive officer, the president or the Board of Directors. The Board of Directors may designate one or more vice presidents as executive vice president, senior vice president, or vice president for particular areas of responsibility.

Section 10. SECRETARY. The secretary shall (a) keep the minutes of the proceedings of the stockholders, the Board of Directors and committees of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation; (d) keep a register of the post office address of each stockholder which shall be furnished to the secretary by such stockholder; (e) have general charge of the stock transfer books of the Corporation; and (f) in general perform such other duties as from time to time may be assigned to him or her by the chief executive officer, the president or the Board of Directors.

Section 11. TREASURER. The treasurer shall have the custody of the funds and securities of the Corporation, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors and in general shall perform such other duties as from time to time may be assigned to him or her by the chief executive officer, the president or the Board of Directors. In the absence of a designation of a chief financial officer by the Board of Directors, the treasurer shall be the chief financial officer of the Corporation.

The treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president and Board of Directors, at the regular meetings of the Board of Directors or whenever it may so require, an account of all his or her transactions as treasurer and of the financial condition of the Corporation.

Section 12. ASSISTANT SECRETARIES AND ASSISTANT TREASURERS. The assistant secretaries and assistant treasurers, in general, shall perform such duties as shall be assigned to them by the secretary or treasurer, respectively, or by the chief executive officer, the president or the Board of Directors.

Section 13. COMPENSATION. The compensation of the officers shall be fixed from time to time by or under the authority of the Board of Directors and no officer shall be prevented from receiving such compensation by reason of the fact that he or she is also a director.

**ARTICLE VI
CONTRACTS, CHECKS AND DEPOSITS**

Section 1. CONTRACTS. The Board of Directors may authorize any officer or agent to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances. Any agreement, deed, mortgage, lease or other document shall be valid and binding upon the Corporation when duly authorized or ratified by action of the Board of Directors and executed by an authorized person.

Section 2. CHECKS AND DRAFTS. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or agent of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 3. DEPOSITS. All funds of the Corporation not otherwise employed shall be deposited or invested from time to time to the credit of the Corporation as the Board of Directors, the chief executive officer, the president, the chief financial officer or any other officer designated by the Board of Directors may determine.

**ARTICLE VII
STOCK**

Section 1. CERTIFICATES. Except as may otherwise be provided by the Board of Directors, stockholders of the Corporation are not entitled to certificates representing the shares of stock held by them. In the event that the Corporation issues shares of stock represented by certificates, such certificates shall be in such form as prescribed by the Board of Directors or a duly authorized officer, shall contain the statements and information required by the MGCL and shall be signed by the officers of the Corporation in the manner permitted by the MGCL. In the event that the Corporation issues shares of stock without certificates, to the extent then required by the MGCL, the Corporation shall provide to the record holders of such shares a written statement of the information required by the MGCL to be included on stock certificates. There shall be no differences in the rights and obligations of stockholders based on whether or not their shares are represented by certificates.

Section 2. TRANSFERS. All transfers of shares of stock shall be made on the books of the Corporation, by the holder of the shares, in person or by his or her attorney, in such manner as the Board of Directors or any officer of the Corporation may prescribe and, if such shares are certificated, upon surrender of certificates duly endorsed. The issuance of a new certificate upon the transfer of certificated shares is subject to the determination of the Board of Directors that such shares shall no longer be represented by certificates. Upon the transfer of any uncertificated shares, to the extent then required by the MGCL, the Corporation shall provide to the record holders of such shares a written statement of the information required by the MGCL to be included on stock certificates.

The Corporation shall be entitled to treat the holder of record of any share of stock as the holder in fact thereof and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share or on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise expressly provided by the laws of the State of Maryland.

Notwithstanding the foregoing, transfers of shares of any class or series of stock will be subject in all respects to the Charter and all of the terms and conditions contained therein.

Section 3. REPLACEMENT CERTIFICATE. Any officer of the Corporation may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, destroyed, stolen or mutilated, upon the making of an affidavit of that fact by the person claiming the certificate to be lost, destroyed, stolen or mutilated; provided, however, if such shares have ceased to be certificated, no new certificate shall be issued unless requested in writing by such stockholder and the Board of Directors has determined that such certificates may be issued. Unless otherwise determined by an officer of the Corporation, the owner of such lost, destroyed, stolen or mutilated certificate or certificates, or his or her legal representative, shall be required, as a condition precedent to the issuance of a new certificate or certificates, to give the Corporation a bond in such sums as it may direct as indemnity against any claim that may be made against the Corporation.

Section 4. FIXING OF RECORD DATE. The Board of Directors may set, in advance, a record date for the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or determining stockholders entitled to receive payment of any dividend or the allotment of any other rights, or in order to make a determination of stockholders for any other proper purpose. Such date, in any case, shall not be prior to the close of business on the day the record date is fixed and shall be not more than 90 days and, in the case of a meeting of stockholders, not less than ten days, before the date on which the meeting or particular action requiring such determination of stockholders of record is to be held or taken.

When a record date for the determination of stockholders entitled to notice of and to vote at any meeting of stockholders has been set as provided in this section, such record date shall continue to apply to the meeting if adjourned or postponed, except if the meeting is adjourned or postponed to a date more than 120 days after the record date originally fixed for the meeting, in which case a new record date for such meeting may be determined as set forth herein.

Section 5. STOCK LEDGER. The Corporation shall maintain at its principal office or at the office of its counsel, accountants or transfer agent, an original or duplicate stock ledger containing the name and address of each stockholder and the number of shares of each class held by such stockholder.

Section 6. FRACTIONAL STOCK; ISSUANCE OF UNITS. The Board of Directors may authorize the Corporation to issue fractional stock or authorize the issuance of scrip, all on such terms and under such conditions as it may determine. Notwithstanding any other provision of the Charter or these Bylaws, the Board of Directors may issue units consisting of different securities of the Corporation. Any security issued in a unit shall have the same characteristics as any identical securities issued by the Corporation, except that the Board of Directors may provide that for a specified period securities of the Corporation issued in such unit may be transferred on the books of the Corporation only in such unit.

ARTICLE VIII ACCOUNTING YEAR

The Board of Directors shall have the power, from time to time, to fix the fiscal year of the Corporation by a duly adopted resolution.

ARTICLE IX DISTRIBUTIONS

Section 1. AUTHORIZATION. Dividends and other distributions upon the stock of the Corporation may be authorized by the Board of Directors and declared by the Corporation,

subject to the provisions of law and the Charter. Dividends and other distributions may be paid in cash, property or stock of the Corporation, subject to the provisions of law and the Charter.

Section 2. CONTINGENCIES. Before payment of any dividends or other distributions, there may be set aside out of any assets of the Corporation available for dividends or other distributions such sum or sums as the Board of Directors may from time to time, in its absolute discretion, think proper as a reserve fund for contingencies, for equalizing dividends, for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors shall determine, and the Board of Directors may modify or abolish any such reserve.

ARTICLE X INVESTMENT POLICY

Subject to the provisions of the Charter, the Board of Directors may from time to time adopt, amend, revise or terminate any policy or policies with respect to investments by the Corporation as it shall deem appropriate in its sole discretion.

ARTICLE XI SEAL

Section 1. SEAL. The Board of Directors may authorize the adoption of a seal by the Corporation. The seal shall contain the name of the Corporation and the year of its incorporation and the words "Incorporated Maryland." The Board of Directors may authorize one or more duplicate seals and provide for the custody thereof.

Section 2. AFFIXING SEAL. Whenever the Corporation is permitted or required to affix its seal to a document, it shall be sufficient to meet the requirements of any law, rule or regulation relating to a seal to place the word "(SEAL)" adjacent to the signature of the person authorized to execute the document on behalf of the Corporation.

ARTICLE XII WAIVER OF NOTICE

Whenever any notice of a meeting is required to be given pursuant to the Charter or these Bylaws or pursuant to applicable law, a waiver thereof in writing or by electronic transmission, given by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at nor the purpose of any meeting need be set forth in the waiver of notice of such meeting, unless specifically required by statute. The attendance of any person at any meeting shall constitute a waiver of notice of such meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

ARTICLE XIII AMENDMENT OF BYLAWS

The Board of Directors shall have the exclusive power to adopt, alter or repeal any provision of these Bylaws and to make new Bylaws.

ARTICLE IIV
EXCLUSIVE FORUM FOR CERTAIN LITIGATION

Unless the Corporation consents in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland, or, if that Court does not have jurisdiction, the United States District Court for the District of Maryland, Baltimore Division, shall be the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of the Corporation, (b) any action asserting a claim of breach of any duty owed by any director or officer or other employee of the Corporation to the Corporation or to the stockholders of the Corporation, (c) any action asserting a claim against the Corporation or any director or officer or other employee of the Corporation arising pursuant to any provision of the MGCL, the Charter or these Bylaws, or (d) any action asserting a claim against the Corporation or any director or officer or other employee of the Corporation that is governed by the internal affairs doctrine.

Effective: January 29, 2025

MSC INCOME FUND, INC.
SECOND AMENDED AND RESTATED DISTRIBUTION REINVESTMENT PLAN

MSC Income Fund, Inc., a Maryland corporation (the “*Company*”), has adopted the following Second Amended and Restated Distribution Reinvestment Plan (the “*DRP*”), effective as of March 6, 2025 (the “*Effective Date*”).

1. *Distribution Reinvestment.* As an agent for the registered holders (“*Stockholders*”) of the Company’s common stock, par value \$0.001 per share (the “*Common Stock*”), who participate in the *DRP*, as set forth below (the “*Participants*”), the Company’s transfer agent, SS&C GIDS, Inc. (the “*Plan Administrator*”), will automatically reinvest cash dividends and distributions, including distributions paid with respect to any full or fractional shares of Common Stock acquired under the *DRP* (collectively, “*Distributions*”), on behalf of each such Participant in shares of the Common Stock, and no further action shall be required on such Participant’s part to receive a distribution in Common Stock.

2. *Authorization.* Subject to the discretion of the Company’s Board of Directors (the “*Board*”) and applicable legal restrictions, the Company may declare and pay Distributions on such date or dates as may be fixed from time to time by the Board to stockholders of record at the close of business on the record date established by the Board for the Distribution involved.

To implement the *DRP*, the Company may use newly issued shares of its Common Stock or the Company may instruct the Plan Administrator to purchase shares of the Company’s Common Stock in the open market, in each case to the extent permitted under applicable law, whether shares of the Common Stock are trading at, above or below net asset value. If newly issued shares are used to implement the *DRP*, the number of shares to be delivered to a Participant shall be determined by dividing the total dollar amount of the Distribution payable to such Participant by the closing sales price per share of Common Stock reported on the New York Stock Exchange on the trading day immediately preceding the applicable Distribution payment date (or, if no sale is reported for such date, at the average of their reported bid and asked prices).

If the shares of Common Stock are purchased in the open market by the Plan Administrator to implement the *DRP*, the number of shares to be delivered to a Participant shall be determined by dividing the total dollar amount of the Distribution payable to such Participant by the weighted average price paid per share for all the shares of Common Stock purchased by the Plan Administrator in connection with such purchases on the open market. Participants will not be charged any fees or commissions with respect to such purchases.

3. *Participation.* Effective as of the Effective Date, participation in the DRP requires no action on the part of a Stockholder, and a Stockholder who wants to receive cash in connection with a Distribution must affirmatively “opt out” of the DRP. For the avoidance of doubt, Stockholders who, as of the Effective Date, did not elect to “opt in” to the Company’s distribution reinvestment plan in effect prior to the Effective Date shall be deemed to have made an election under this DRIP, as of the Effective Date, to receive Distributions in cash.

Any Stockholder may elect to opt out of the DRP and receive Distributions in cash by notifying the Plan Administrator in writing (pursuant to the instructions in Section 6 hereof), so that such notice is received by the Plan Administrator no later than 10 days prior to the next Distribution date, after which the Stockholder’s election will be effective with respect the next Distribution payable. Otherwise, the election will be effective only with respect to any subsequent Distribution.

4. *Purchase of Shares of Common Stock.* Participants in the DRP may acquire fractional shares of Common Stock under the DRP so that 100% of the Distributions will be used to acquire shares of Common Stock.

5. *Stock Certificates.* The ownership of the shares of Common Stock purchased through the DRP will be in book-entry form only.

6. *Change of Election by Stockholders.* A Stockholder may change its election under the DRP at any time without penalty upon 10 days’ written notice to the Plan Administrator of such change. If the Plan Administrator receives a Stockholder’s properly executed change of election no later than 10 days prior to the next Distribution date, such election will be effective with respect the next Distribution payable. Otherwise, the election will be effective only with respect to any subsequent Distribution. Participants may send their written notice to the Plan Administrator at P.O. Box 219010, Kansas City, MO 64121-9010 (or 430 W. 7th St., Kansas City, MO 64105 for overnight delivery).

7. *Taxation of Distributions.* The reinvestment of Distributions in the DRP does not relieve Participants of any taxes which may be payable as a result of those Distributions and their reinvestment in shares of Common Stock pursuant to the terms of the DRP.

8. *Amendment or Termination of DRP by the Company.* The Company may amend, suspend or terminate the DRP for any reason in its sole discretion, and Participants will be notified of any material amendment, suspension or termination.

9. *Voting Rights.* Shares of Common Stock issued pursuant to the DRP will have the same voting rights as the shares of Common Stock issued pursuant to an offering of the

Company. The Plan Administrator will forward to each Participant any Company-related proxy solicitation materials and each Company report or other communication to stockholders and will vote any shares held by it under the DRP in accordance with the instructions set forth on proxies returned by Participants to the Company.

10. *Service Fee.* Any service fee or expenses incurred by the Company in connection with the administration of the DRP will be paid for by the Company.

11. *Liability of the Company.* The Company shall not be liable for any act done in good faith, or for any good faith omission to act, including, without limitation, any claims or liability: (a) arising out of failure to terminate a Participant's account upon such Participant's death prior to receipt of notice in writing of such death; and (b) with respect to the time and the prices at which shares of Common Stock are purchased or sold for Participant's account.

12. *Governing Law.* These terms and conditions shall be governed by the laws of the State of Texas.

DESCRIPTION OF SECURITIES

The following description is based on relevant portions of the Maryland General Corporation Law (the “MGCL”) and on the Articles of Amendment and Restatement (our “Charter”) and Second Amended and Restated Bylaws (our “Bylaws”) of MSC Income Fund, Inc. (“we,” “our,” or the “Company”). This summary is not necessarily complete, and we refer you to the MGCL and our Charter and Bylaws for a more detailed description of the provisions summarized below.

Stock

As of December 31, 2024, our authorized stock consisted of 500,000,000 shares of stock, par value \$0.001 per share, of which 450,000,000 shares are classified as common stock and 50,000,000 shares are classified as preferred stock. No stock has been authorized for issuance under any equity compensation plans. Under Maryland law, our stockholders generally will not be personally liable for our debts or obligations.

Common Stock

Under the terms of our Charter, all shares of our common stock have equal rights as to voting and distributions and, when they are issued, will be duly authorized, validly issued, fully paid and nonassessable. Distributions may be paid to the holders of our common stock if, as and when authorized by our board of directors and declared by us out of funds legally available therefor. Shares of our common stock have no preemptive, exchange, conversion or redemption rights. Shares of our common stock are freely transferable, except where their transfer is restricted by federal and state securities laws, by contract or by our Charter, which limits the transferability of shares of our common stock that were outstanding prior to the listing of our shares of common stock on the New York Stock Exchange on January 29, 2025 for the 365-day period following such initial listing date. In the event of our liquidation, dissolution or winding up of the Company, each share of our common stock would be entitled to share ratably in all of our assets that are legally available for distribution after we pay all debts and other liabilities and subject to any preferential rights of holders of our preferred stock, if any preferred stock is outstanding at such time. Except as may otherwise be specified in our Charter, each share of our common stock is entitled to one vote on all matters submitted to a vote of stockholders, including the election of directors; provided, however, that the holders of common stock will have (i) exclusive voting rights on a charter amendment that would alter only the contract rights, as expressly set forth in our Charter and (ii) voting rights as set forth in Rule 18f-3(a)(2)-(3) promulgated under the Investment Company Act of 1940, as amended (the “1940 Act”). Except as provided with respect to any other class or series of stock, the holders of our common stock possess exclusive voting power. There is no cumulative voting in the election of directors, which means that holders of a majority of the outstanding shares of common stock are able to elect all of our directors, and holders of less than a majority of such shares are not able to elect any director.

Preferred Stock

Under the terms of our Charter, our board of directors is authorized to issue shares of preferred stock in one or more classes or series without stockholder approval. The board of directors has discretion to set the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption for each class or series of preferred stock. Every issuance of preferred stock will be required to comply with the requirements of the 1940 Act. The 1940 Act requires that (i)

immediately after issuance and before any distribution is made with respect to our common stock and before any purchase of common stock is made, such preferred stock together with all other senior securities must not exceed an amount equal to 50% of our total assets after deducting the amount of such distribution or purchase price, as the case may be, and (ii) the holders of shares of preferred stock, if any are issued, must be entitled as a class to elect two directors at all times and to elect a majority of the directors if distributions on such preferred stock are in arrears by two years or more. Certain matters under the 1940 Act require the separate vote of the holders of any issued and outstanding preferred stock.

Provisions of the Maryland General Corporation Law and Our Charter and Bylaws

The MGCL and our Charter and Bylaws contain provisions that could make it more difficult for a potential acquirer to acquire us by means of a tender offer, proxy contest or otherwise. These provisions are expected to discourage certain coercive takeover practices and inadequate takeover bids and to encourage persons seeking to acquire control of us to negotiate first with the board of directors. We believe that the benefits of these provisions outweigh the potential disadvantages of discouraging any such acquisition proposals because the negotiation of such proposals may improve their terms.

Under our Bylaws, the Circuit Court for Baltimore City, Maryland, or, if that Court does not have jurisdiction, the United States District Court for the District of Maryland, Baltimore Division, shall be the sole and exclusive forum for certain litigation.

Election of Directors; Number of Directors; Vacancies; Removal

As permitted by Maryland law, a plurality of all the votes cast at a meeting of stockholders duly called and at which a quorum is present will be required to elect a director.

Our Charter provides that a majority of our board of directors must be independent directors except for a period of up to 60 days after the death, removal or resignation of an independent director pending the election of such independent director's successor, and the 1940 Act requires that a majority of our board of directors be persons other than "interested persons" as defined in the 1940 Act.

Our Charter provides that the number of directors will initially be four, which number may be increased or decreased by the board of directors in accordance with our Bylaws. The number of directors currently on our board of directors is four. Our Bylaws provide that a majority of our entire board of directors may at any time establish, increase or decrease the number of directors. However, the number of directors may never be less than three or more than ten, unless otherwise permitted by our Bylaws. Except as may be provided by the board of directors in setting the terms of any class or series of preferred stock, any and all vacancies on the board of directors may be filled only by the affirmative vote of a majority of the remaining directors in office, even if the remaining directors do not constitute a quorum, and any director elected to fill a vacancy will serve for the remainder of the full term of the directorship in which the vacancy occurred and until a successor is elected and qualifies, subject to any applicable requirements of the 1940 Act.

Action by Stockholders

The MGCL provides that stockholder action can be taken only at an annual or special meeting of stockholders or by unanimous consent in lieu of a meeting (unless the charter permits consent by the stockholders entitled to cast not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting, which our Charter does not). These provisions, combined with the requirements of our Bylaws regarding the calling of a

stockholder-requested special meeting of stockholders discussed below, may have the effect of delaying consideration of a stockholder proposal until the next annual meeting.

Advance Notice Provisions for Stockholder Nominations and Stockholder Proposals

Our Bylaws provide that, with respect to an annual meeting of stockholders, nominations of individuals for election to the board of directors and the proposal of other business to be considered by stockholders may be made only (i) pursuant to our notice of the meeting, (ii) by or at the direction of the board of directors or (iii) by a stockholder who is a stockholder of record both at the time of giving notice required by our Bylaws and at the time of the meeting, who is entitled to vote at the meeting in the election of each individual so nominated or on such other business and who has complied with the advance notice procedures of the Bylaws. With respect to special meetings of stockholders, only the business specified in our notice of the meeting may be brought before the meeting.

Nominations of individuals for election to the board of directors at a special meeting may be made only (i) by or at the direction of the board of directors or (ii) provided that a meeting has been called in accordance with our Bylaws for the purpose of electing directors, by a stockholder who is a stockholder of record both at the time of giving notice required by our Bylaws and at the time of the meeting, who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the advance notice provisions of the Bylaws.

The purpose of requiring stockholders to give us advance notice of nominations and other business is to afford our board of directors a meaningful opportunity to consider the qualifications of the proposed nominees and the advisability of any other proposed business and, to the extent deemed necessary or desirable by our board of directors, to inform stockholders and make recommendations about such qualifications or business, as well as to provide a more orderly procedure for conducting meetings of stockholders. Although our Bylaws do not give our board of directors any power to disapprove stockholder nominations for the election of directors or proposals recommending certain action, they may have the effect of precluding a contest for the election of directors or the consideration of stockholder proposals if proper procedures are not followed and of discouraging or deterring a third party from conducting a solicitation of proxies to elect its own slate of directors or to approve its own proposal without regard to whether consideration of such nominees or proposals might be harmful or beneficial to us and our stockholders.

Calling of Special Meetings of Stockholders

Our Bylaws provide that special meetings of stockholders may be called by our board of directors and certain of our officers. Additionally, our Bylaws provide that, subject to the satisfaction of certain procedural and informational requirements by the stockholders requesting the meeting, a special meeting of stockholders will be called by our Secretary to act on any matter that may properly be considered at a meeting of stockholders upon the written request of stockholders who are stockholders of record at the time of the request and are entitled to cast not less than a majority of all the votes entitled to be cast on such matter at such meeting.

Approval of Extraordinary Corporate Action; Amendment of Charter and Bylaws

Under Maryland law, a Maryland corporation generally cannot dissolve, amend its charter, merge, convert, sell all or substantially all of its assets, engage in a share exchange or engage in similar transactions outside the ordinary course of business, unless approved by the affirmative vote of stockholders entitled to cast at least two-thirds of the votes entitled to be cast on the matter. However, a Maryland corporation may provide in its charter for approval of these matters by a lesser percentage, but not less than a majority of all of the votes entitled to be cast on the matter.

Under our Charter, provided that our directors then in office have approved and declared the action advisable and submitted such action to the stockholders, an amendment to our Charter that requires stockholder approval, a merger, a conversion or a sale of all or substantially all of our assets or a similar transaction outside the ordinary course of business, must generally be approved by the affirmative vote of stockholders entitled to cast at least a majority of all the votes entitled to be cast on the matter. Notwithstanding the foregoing, amendments to our Charter relating to the vote required for certain actions must be approved by the affirmative vote of stockholders entitled to cast at least two-thirds of all the votes entitled to be cast on the matter.

Our Charter and Bylaws provide that the board of directors has the exclusive power to make, alter, amend or repeal any provision of our Bylaws.

No Appraisal Rights

Except with respect to appraisal rights arising in connection with the Control Share Acquisition Act under the MGCL (the “Control Share Act”) discussed below, as permitted by the MGCL, our stockholders are not entitled to exercise appraisal rights unless our board of directors determines that appraisal rights apply, with respect to all or any classes or series of stock, to one or more transactions occurring after the date of such determination in connection with which stockholders would otherwise be entitled to exercise appraisal rights.

Control Share Acquisitions

The MGCL provides that control shares of a Maryland corporation acquired in a control share acquisition (the acquisition of issued and outstanding control shares, subject to certain exceptions) have no voting rights except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter, which we refer to as the Control Share Act. Shares owned by the acquiror, by officers or by employees who are directors of the corporation are excluded from shares entitled to vote on the matter. Control shares are voting shares of stock which, if aggregated with all other shares of stock owned by the acquirer or in respect of which the acquirer is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquirer to exercise voting power in electing directors within one of the following ranges of voting power:

- one-tenth or more but less than one-third;
- one-third or more but less than a majority; or
- a majority or more of all voting power.

The requisite stockholder approval must be obtained each time an acquirer crosses one of the thresholds of voting power set forth above. Control shares do not include shares the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval.

A person who has made or proposes to make a control share acquisition may compel the board of directors of the corporation to call a special meeting of stockholders to be held within 50 days of demand to consider the voting rights of the shares. The right to compel the calling of a special meeting is subject to the satisfaction of certain conditions. If no request for a meeting is made, the corporation may itself present the question at any stockholders meeting.

If voting rights are not approved at the meeting or if the acquiring person does not deliver an acquiring person statement as required by the statute, then the corporation may redeem for fair value any or all of the control shares,

except those for which voting rights have previously been approved. The right of the corporation to redeem control shares is subject to certain conditions and limitations, including compliance with the 1940 Act. If voting rights for control shares are approved at a stockholders meeting and the acquirer becomes entitled to vote a majority of the shares entitled to vote, all other stockholders may exercise appraisal rights.

The Control Share Act does not apply (a) to shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction or (b) to acquisitions approved or exempted by the charter or bylaws of the corporation. Our Bylaws contain a provision exempting from the Control Share Act any and all acquisitions by any person of our shares of stock. There can be no assurance that such provision will not be amended or eliminated at some time in the future. However, we will amend our Bylaws to be subject to the Control Share Act only if the board of directors determines that it would be in the best interests of our stockholders and if the Securities and Exchange Commission staff expressly approves that our being subject to the Control Share Act does not conflict with the 1940 Act. The Securities and Exchange Commission staff has issued informal guidance setting forth its position that certain provisions of the Control Share Act, if implemented, would violate Section 18(i) of the 1940 Act.

Business Combinations

Under Maryland law, “business combinations” between a Maryland corporation and an interested stockholder or an affiliate of an interested stockholder are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder, which we refer to as the “Business Combination Act.” These business combinations include a merger, consolidation, share exchange or, in circumstances specified in the statute, an asset transfer or issuance or reclassification of equity securities. An interested stockholder is defined as:

- any person who beneficially owns, directly or indirectly, 10% or more of the voting power of the corporation’s outstanding voting stock; or
- an affiliate or associate of the corporation who, at any time within the two-year period immediately prior to the date in question, was the beneficial owner of, directly or indirectly, 10% or more of the voting power of the then outstanding stock of the corporation.

A person is not an interested stockholder under this statute if the board of directors approved in advance the transaction by which he otherwise would have become an interested stockholder. However, in approving a transaction, the board of directors may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by the board of directors.

After the five-year prohibition, any business combination between the Maryland corporation and an interested stockholder generally must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least:

- 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation; and
 - two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than shares held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by an affiliate or associate of the interested stockholder.
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These super-majority vote requirements do not apply if the corporation's common stockholders receive a minimum price, as defined under Maryland law, for their shares in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its shares.

The statute permits various exemptions from its provisions, including business combinations that are exempted by the board of directors prior to the time that the interested stockholder becomes an interested stockholder. Our board of directors has adopted a resolution exempting any business combination between us and any other person from the provisions of the Business Combination Act, provided that the business combination is first approved by the board of directors, including a majority of the directors who are not interested persons as defined in the 1940 Act. This resolution, however, may be altered or repealed in whole or in part at any time. If this resolution is repealed, or the board of directors does not otherwise approve a business combination, the statute may discourage others from trying to acquire control of us and increase the difficulty of consummating any offer.

Additional Provisions of Maryland Law

Maryland law provides that a Maryland corporation that is subject to the Exchange Act and has at least three independent directors can elect by resolution of the board of directors to be subject to some corporate governance provisions notwithstanding any provision in the corporation's charter and bylaws. Under the applicable statute, a board of directors may classify itself without the vote of stockholders. Further, the board of directors may, by electing into applicable statutory provisions and notwithstanding any contrary provision in the charter or bylaws:

- provide that a stockholder-requested special meeting of stockholders will be called only at the request of stockholders entitled to cast at least a majority of the votes entitled to be cast at the meeting;
- reserve for itself the exclusive power to fix the number of directors;
- provide that a director may be removed only by the vote of stockholders entitled to cast two-thirds of all the votes entitled to be cast generally in the election of directors; and
- provide that all vacancies on the board of directors may be filled only by the affirmative vote of a majority of the remaining directors in office, even if the remaining directors do not constitute a quorum, and that any director elected to fill a vacancy will serve for the remainder of the full term of the directorship and until his or her successor is elected and qualifies.

Pursuant to our Charter, we have elected to provide that all vacancies on the board of directors resulting from an increase in the size of the board of directors or the death, resignation or removal of a director may be filled only by the affirmative vote of a majority of the remaining directors, even if the remaining directors do not constitute a quorum and that any director elected to fill a vacancy will serve for the remainder of the full term of the directorship and until a successor is elected and qualifies. Such election is subject to applicable requirements of the 1940 Act and to the provisions of any class or series of preferred stock established by the board of directors.

**MAIN STREET CAPITAL CORPORATION
MSC INCOME FUND, INC.
AND
MSC ADVISER I, LLC**

STATEMENT OF POLICY ON INSIDER TRADING

Introduction

It is illegal for any person, either personally or on behalf of others, to trade in securities while in possession of material, non-public information. It is also illegal to communicate, or “tip,” material, non-public information to others who might be expected to trade in securities while in possession of that information. These illegal activities are commonly referred to as “insider trading.”

Potential penalties for insider trading violations include imprisonment for up to 20 years, civil fines of up to three times the profit gained or loss avoided by the trading, and criminal fines of up to \$5 million. If the defendant in such a criminal action is an entity, a court may impose a fine of up to \$25 million. In addition, a company whose director, officer or employee violates the insider trading prohibitions may be liable for a civil fine of up to the greater of \$1 million or three times the profit gained or loss avoided as a result of the director, officer or employee’s insider trading violations.

Moreover, a director, officer or employee’s failure to comply with this insider trading policy may subject such person to sanctions imposed by Main Street Capital Corporation, MSC Income Fund, Inc. or MSC Adviser I, LLC, as applicable, including dismissal for cause, whether or not such person’s failure to comply with this policy results in a violation of law.

You are encouraged to ask questions and seek any follow-up information that you may require with respect to the matters set forth in this insider trading policy. Please direct your questions to the Main Street Capital Corporation, MSC Income Fund, Inc. or MSC Adviser I, LLC, as applicable, Chief Compliance Officer.

Statement of Policy

This insider trading policy (the “Policy”) provides guidelines with respect to transactions in the securities of Main Street Capital Corporation and/or MSC Income Fund, Inc. (each, a “Company”) and the handling of confidential information about the respective Company and the companies with which the respective Company engages in transactions or does business. Each Company’s Board of Directors has adopted this Policy to promote compliance with U.S. federal, state and foreign securities laws that prohibit certain persons who are aware of material nonpublic information about a company from: (i) engaging in transactions in the securities of that company; or (ii) providing material nonpublic information to other persons who may trade on the basis of that information.

This Policy applies to all officers of the Companies and their respective subsidiaries (including, with respect to Main Street Capital Corporation, MSC Adviser I, LLC) all members of each Company’s Board of Directors and all employees of the Companies and their respective subsidiaries (including, with respect to Main Street Capital Corporation, MSC Adviser I, LLC), as applicable. Each Company may also determine that other persons should be subject to this Policy, such as contractors or consultants who have access to material nonpublic information. This Policy also applies to family members, other members of a person’s household and entities controlled by a person covered by this Policy, as described below.

This Policy applies to transactions in each Company’s securities (collectively referred to in this Policy as “Company Securities”), including each Company’s common stock, options to purchase common stock, or any other type of securities that a Company may issue, including (but not limited to) preferred stock, convertible debentures and warrants, as well as derivative securities that are not issued by a Company, such as exchange-traded put or call options or swaps relating to the applicable Company Securities. Transactions subject to this Policy include purchases, sales and bona fide gifts of Company Securities.

Persons subject to this Policy have ethical and legal obligations to maintain the confidentiality of information about the applicable Company and to not engage in transactions in Company Securities while in possession of material nonpublic information. Persons subject to this policy must not engage in illegal trading and must avoid the appearance of improper trading. Each individual is responsible for making sure that he, she or they complies with this Policy, and that any family member, household member or entity whose transactions are subject to this Policy, as discussed below, also comply with this Policy. In all cases, the responsibility for determining whether an individual is in possession of material nonpublic information rests with that individual, and any action on the part of a Company, its Chief Compliance Officer or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. You could be subject to severe legal penalties and disciplinary action by the applicable Company for any conduct prohibited by this Policy or applicable securities laws, as described below in more detail under the heading “Consequences of Violations.”

What transactions/activities are prohibited? It is the policy of each Company that no director, officer or other employee of the relevant Company (or any other person designated by this Policy or by the relevant Company’s Chief Compliance Officer as subject to this Policy) who is aware of material nonpublic information relating to the applicable Company may, directly, or indirectly through family members or other persons or entities:

1. Engage in transactions in the applicable Company Securities, except as otherwise specified in this Policy under the headings “Transactions Under Company Plans” and “Rule 10b5-1 Plans;”
2. Recommend that others engage in transactions in any Company Securities;
3. Disclose material nonpublic information to persons within a Company whose jobs do not require them to have that information, or outside of a Company to other persons, including, but not limited to, family, friends, business associates, investors and expert consulting firms, unless any such disclosure is made in accordance with the respective Company’s policies regarding the protection or authorized external disclosure of information regarding the Company; or
4. Assist anyone engaged in the above activities.

In addition, it is the policy of each Company that no director, officer or other employee of the relevant Company (or any other person designated as subject to this Policy) who, in the course of working for or on behalf of a Company (or MSC Adviser I, LLC), learns of material nonpublic information about a company (1) with which either Company or MSC Adviser I, LLC does business, such as a Company’s and/or MSC Adviser I, LLC’s clients, vendors, customers and suppliers, or (2) that is involved in a potential transaction or business relationship with a Company or MSC Adviser I, LLC, may engage in transactions in that company’s securities until the information becomes public or is no longer material.

It is also the policy of each Company that neither Company will engage in transactions in the relevant Company Securities while aware of material nonpublic information relating to such Company or Company Securities.

There are no exceptions to this Policy, except as specifically noted herein. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are not excepted from the Policy. The securities laws do not recognize such mitigating circumstances, and, in any event, even the appearance of an improper transaction must be avoided to preserve each Company’s and MSC Adviser I, LLC’s reputation for adhering to the highest standards of conduct.

What information is material? All information that an investor might consider important in deciding whether to buy, sell, or hold securities is considered material. Information that is likely to affect the price of a company’s securities, whether it is positive or negative, is almost always material. There is no bright-line standard for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances, and is often evaluated by enforcement authorities with the benefit of hindsight. While it is not possible to define all categories of material information, some examples of information that ordinarily would be regarded as material are:

- financial or earnings results or expectations for the quarter or the year;
- financial forecasts or changes to previously announced earnings guidance (or the decision to suspend earnings guidance);
- changes in dividends or dividend policies, declaration of a stock split, or an offering of additional securities;

- possible mergers, acquisitions, joint ventures and other purchases and sales of companies and investments in companies;
- establishment of a repurchase program for Company Securities;
- significant related-party transactions;
- changes in customer relationships with significant customers;
- obtaining or losing important contracts;
- important product developments;
- bank borrowings or other financing transactions out of the ordinary course;
- major personnel changes;
- pending or threatened significant litigation, or the resolution of such litigation;
- materials, pending investments and disclosures concerning portfolio companies;
- impending bankruptcy or the existence of severe liquidity problems at a Company or a significant portfolio company;
- a significant cybersecurity incident, such as a data breach, or any other significant disruption in the company's operations or loss, potential loss, breach or unauthorized access of its property or assets, whether at its facilities or through its information technology infrastructure; or
- the imposition of an event-specific restriction on trading in Company Securities or the securities of another company or the extension or termination of such restriction.

What is non-public information? Information is considered to be non-public unless it has been effectively disclosed to the public. In order to establish that the information has been disclosed to the public, it may be necessary to demonstrate that the information has been widely disseminated. Information generally would be considered widely disseminated if it has been disclosed through newswire services, a broadcast on widely-available radio or television programs, publication in a widely-available newspaper, magazine or news website, or public disclosure documents filed with the SEC that are available on the SEC's website. By contrast, information would likely not be considered widely disseminated if it is available only to the Company's employees, or if it is only available to a select group of analysts, brokers and institutional investors.

Not only must the information have been publicly disclosed, but there must also have been adequate time for the investing public to digest the information. Although timing may vary depending upon the circumstances, a good rule of thumb is that information is considered non-public until after the second business day after public disclosure.

Transactions by Family Members and Others. This Policy applies to your family members who reside with you (including a spouse, a child, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), anyone else who lives in your household, and any family members who do not live in your household but whose transactions in Company Securities are directed by you or are subject to your influence or control, such as parents or children who consult with you before they trade in Company Securities (collectively referred to as "Family Members"). You are responsible for the transactions of these other persons and therefore should make them aware of the need to confer with you before they trade in Company Securities, and you should treat all such transactions for the purposes of this Policy and applicable securities laws as if the transactions were for your own account. This Policy

does not, however, apply to personal securities transactions of Family Members where the purchase or sale decision is made by a third party not controlled by, influenced by or related to you or your Family Members.

Transactions by Entities that You Influence or Control. This Policy applies to any entities that you influence or control, including any corporations, partnerships or trusts (collectively referred to as “Controlled Entities”), and transactions by these Controlled Entities should be treated for the purposes of this Policy and applicable securities laws as if they were for your own account.

Rule 10b5-1 Plans. Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) provides a defense from insider trading liability under Rule 10b-5. In order to be eligible to rely on this defense, a person subject to this Policy must enter into a Rule 10b5-1 plan for transactions in Company Securities that meets certain conditions specified in the Rule (a “Rule 10b5-1 Plan”). If the plan meets the requirements of Rule 10b5-1, transactions in Company Securities may occur even when the person who has entered into the plan is aware of material nonpublic information.

To comply with the Policy, a Rule 10b5-1 Plan must be approved by the relevant Company’s Chief Compliance Officer and meet the requirements of Rule 10b5-1. In general, a Rule 10b5-1 Plan must be entered into at a time when the person entering into the plan is not aware of material nonpublic information. Once the plan is adopted, the person must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade. The plan must either specify the amount, pricing and timing of transactions in advance or delegate discretion on these matters to an independent third party. The plan must include a cooling-off period before trading can commence that, for directors or officers, ends on the later of 90 days after the adoption of the Rule 10b5-1 plan or two business days following the disclosure of the relevant Company’s financial results in an SEC periodic report for the fiscal quarter in which the plan was adopted (but in any event, the required cooling-off period is subject to a maximum of 120 days after adoption of the plan), and for persons other than directors or officers, 30 days following the adoption or modification of a Rule 10b5-1 plan. A person may not enter into overlapping Rule 10b5-1 plans (subject to certain exceptions) and may only enter into one single-trade Rule 10b5-1 plan during any 12-month period (subject to certain exceptions). Directors and officers must include a representation in their Rule 10b5-1 plan certifying that: (i) they are not aware of any material nonpublic information; and (ii) they are adopting the plan in good faith and not as part of a plan or scheme to evade the prohibitions in Rule 10b-5. All persons entering into a Rule 10b5-1 plan must act in good faith with respect to that plan.

Any Rule 10b5-1 Plan must be submitted for approval five days prior to the entry into the Rule 10b5-1 Plan. No further pre-approval of transactions conducted pursuant to the Rule 10b5-1 Plan will be required.

Transactions Under Company Plans

This Policy does not apply in the case of the following transactions, except as specifically noted:

Stock Option Exercises. This Policy does not apply to the exercise of an employee stock option acquired pursuant to a Company's plans, or to the exercise of a tax withholding right pursuant to which a person has elected to have a Company withhold shares subject to an option to satisfy tax withholding requirements. This Policy does apply, however, to any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

Restricted Stock Awards. This Policy does not apply to the vesting of restricted stock, or the exercise of a tax withholding right pursuant to which you elect to have a Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock. The Policy does apply, however, to any market sale of restricted stock.

Dividend Reinvestment and Direct Stock Purchase Plan. Main Street Capital Corporation's Dividend Reinvestment and Direct Stock Purchase Plan (the "MAIN Plan") includes a dividend reinvestment feature and a direct stock purchase feature. MSC Income Fund, Inc. also maintains a Distribution Reinvestment Plan (the "MSIF DRIP"). This Policy does not apply to (i) purchases of Main Street Capital Corporation's securities under the dividend reinvestment feature of the MAIN Plan resulting from your reinvestment of dividends paid on Main Street Capital Corporation's securities or (ii) purchases of MSC Income Fund, Inc.'s securities under the MSIF DRIP resulting from your reinvestment of dividends paid on MSC Income Fund, Inc.'s securities. This Policy does apply, however, to voluntary purchases of Company Securities resulting from additional contributions you choose to make to the MAIN Plan and/or the MSIF DRIP, as applicable, and to your election to participate in the respective dividend reinvestment plan or increase your level of participation in the dividend reinvestment plan. With respect to the direct stock purchase feature of the MAIN Plan, this Policy does not apply to automatic direct stock purchases of Main Street Capital Corporation's securities resulting from your periodic contribution of money to the MAIN Plan pursuant to the election you made at the time of your enrollment in the MAIN Plan. The Policy does apply, however, to your election to participate in the MAIN Plan for any enrollment period, to voluntary purchases of Main Street Capital Corporation's securities under the direct stock purchase feature of the MAIN Plan (and for each one-time purchase) or your increase or decrease in the level of participation. This Policy also applies to your sale of any Company Securities purchased pursuant to either the MAIN Plan or the MSIF DRIP.

Additional Prohibited Transactions

Each Company has determined that there is a heightened legal risk and/or the appearance of improper or inappropriate conduct if the persons subject to this Policy engage in certain types of transactions. It therefore is each Company's policy that any persons covered by this Policy may not engage in any of the following transactions, or should otherwise consider the Companies' preferences as described below:

Short-Term Trading. Short-term trading of Company Securities may be distracting to the person and may unduly focus the person on a Company's short-term stock market performance instead of the Company's long-term business objectives. For these reasons, any director, officer or other employee of either Company or MSC Adviser I, LLC who purchases Company Securities in the open market may not sell any Company Securities of the same class during the six months following the purchase (or vice versa).

Short Sales. Short sales of Company Securities (i.e., the sale of a security that the seller does not own) may evidence an expectation on the part of the seller that the securities will decline in value, and therefore have the potential to signal to the market that the seller lacks confidence in the relevant Company's prospects. In addition, short sales may reduce a seller's incentive to seek to improve the relevant Company's performance. For these reasons, short sales of Company Securities are prohibited. In addition, Section 16(c) of the Exchange Act prohibits officers and directors from engaging in short sales. (Short sales arising from certain types of hedging transactions are governed by the paragraph below captioned "Hedging Transactions.")

Publicly Traded Options. Given the relatively short term of publicly-traded options, transactions in options may create the appearance that a director, officer or employee is trading based on material nonpublic information and focus a director's, officer's or other employee's attention on short-term performance at the expense of the relevant Company's long-term objectives. Accordingly, transactions in put options, call options or other derivative securities, on an exchange or in any other organized market, are prohibited by this Policy. (Option positions arising from certain types of hedging transactions are governed by the section below captioned "Hedging Transactions.")

Hedging Transactions. Certain forms of hedging or monetization transactions, such as the purchase of prepaid variable forward contracts, equity swaps, collars or exchange funds, may allow a director, officer or employee to lock in much of the value of his or her stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow the director, officer or employee to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the director, officer or employee may no longer have the same objectives as the relevant Company's other stockholders. Therefore, the purchase of any such financial instruments related to Company Securities, or the engagement in any other transactions, whether directly or indirectly, that hedge or offset, or are designed to hedge or offset, any decrease in the market value of Company Securities, are prohibited by this Policy.

Margin Accounts and Pledges. Securities pledged in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material nonpublic information or otherwise is not permitted to trade in Company Securities, directors, officers and employees are prohibited from holding Company Securities in a margin account or otherwise pledging Company Securities as collateral for a loan. (Pledges of Company Securities arising from certain types of hedging transactions are governed by the paragraph above captioned "Hedging Transactions.") An exception to this prohibition may be granted where a person wishes to pledge Company Securities in a margin account or as collateral for a loan and clearly demonstrates the financial capacity to repay the loan without resort to the pledged securities. Any person who wishes to pledge Company Securities in a margin account or as collateral for a loan must submit a request for approval to the relevant Company's Chief Compliance Officer at least two weeks prior to the proposed execution of documents evidencing the proposed pledge.

Standing and Limit Orders. Standing and limit orders (except standing and limit orders under approved Rule 10b5-1 Plans, as described above) create heightened risks for insider trading violations similar to the use of margin accounts. There is no control over the timing of purchases

or sales that result from standing instructions to a broker, and as a result the broker could execute a transaction when a director, officer or other employee is in possession of material nonpublic information. Each Company therefore discourages placing standing or limit orders on Company Securities. If a person subject to this Policy determines that they must use a standing order or limit order, the order should be limited to short duration and should otherwise comply with the restrictions and procedures outlined below under the heading “Additional Procedures.”

Post-Termination Transactions.

This Policy continues to apply to transactions in Company Securities even after termination of service to the Company. If an individual is in possession of material nonpublic information when his or her service terminates, that individual may not engage in transactions in Company Securities until that information has become public or is no longer material.

Unauthorized Disclosure

As discussed above, the disclosure of material, non-public information to others can lead to significant legal difficulties. Therefore, it is important that only specifically designated representatives of a Company discuss such Company with the news media, securities analysts, and investors. Inquiries of this type received by any employee should be referred to the relevant Company’s Chief Executive Officer, Chief Financial Officer, General Counsel or Chief Compliance Officer.

Additional Procedures

Each Company has established additional procedures in order to assist the relevant Company in the administration of this Policy, to facilitate compliance with laws prohibiting insider trading while in possession of material nonpublic information, and to avoid the appearance of any impropriety. These additional procedures are applicable only to those individuals described below.

Pre-Clearance Procedures. To help prevent inadvertent violations of the federal securities laws and to avoid even the appearance of trading on inside information, directors and executive officers of either Company and any other persons designated by the relevant Company’s Chief Compliance Officer as being subject to these procedures, as well as the Family Members and Controlled Entities of such persons, may not engage in any transaction in Company Securities without first obtaining pre-clearance of the transaction from the relevant Chief Compliance Officer. A request for pre-clearance should be submitted to the relevant Company’s Chief Compliance Officer at least two days in advance of the proposed transaction if possible. The Chief Compliance Officer is under no obligation to approve a transaction submitted for pre-clearance, and may determine not to permit the transaction. If a person seeks pre-clearance and permission to engage in the transaction is denied, then he or she should refrain from initiating any transaction in Company Securities, and should not inform any other person of the restriction.

When a request for pre-clearance is made, the requestor should carefully consider whether he or she may be aware of any material nonpublic information about the relevant Company, and should describe fully those circumstances to the relevant Chief Compliance Officer. The requestor should also indicate whether he or she has effected any non-exempt “opposite-way” transactions within the past six months, and should be prepared to report the proposed transaction on an appropriate Form 4 or Form 5, if applicable. The requestor should also

be prepared to comply with SEC Rule 144 and file a Form 144, if necessary, at the time of any sale.

Quarterly Blackout Periods. A Company's announcement of its quarterly financial results almost always has the potential to have a material effect on the market for the relevant Company Securities. Therefore, you can anticipate that, to avoid even the appearance of trading while aware of material nonpublic information, persons who are or may be expected to be aware of a Company's quarterly financial results generally will not be pre-cleared to trade in the relevant Company Securities during the period beginning after the close of business on the last day of such Company's fiscal quarter and ending after the third full business day following the earlier of such Company's issuance of its quarterly earnings release or analyst conference call. Directors and executive officers of either Company and any other persons designated by the relevant Company's Chief Compliance Officer as subject to this restriction (including all employees of the Companies' accounting departments), as well as their respective Family Members or Controlled Entities, are subject to the restrictions in this paragraph.

Event-specific Blackout Periods. From time to time, an event may occur that is material to a Company and is known by only a few directors, officers and/or employees. So long as the event remains material and nonpublic, the persons designated by the relevant Company's Chief Compliance Officer may not engage in transactions in Company Securities. The existence of an event-specific blackout will not be announced, other than to those who are aware of the event giving rise to the blackout. If, however, a person whose trades are subject to pre-clearance requests permission to trade in Company Securities during an event-specific blackout, the relevant Company's Chief Compliance Officer will inform the requestor of the existence of a blackout period, without disclosing the reason for the blackout. Any person made aware of the existence of an event-specific blackout should not disclose the existence of the blackout to any other person. The failure of the Chief Compliance Officer to designate a person as being subject to an event-specific blackout will not relieve that person of the obligation not to trade while aware of material nonpublic information.

Hardship Exceptions. A person who is subject to a quarterly earnings blackout period and who has an unexpected and urgent need to sell Company Securities in order to generate cash may, in appropriate circumstances, be permitted to sell such stock even during the blackout period. Hardship exceptions may be granted only by the relevant Company's Chief Compliance Officer and must be requested at least two days in advance of the proposed trade. A hardship exception may be granted only if the Chief Compliance Officer concludes that the relevant Company's earnings information for the applicable quarter does not constitute material nonpublic information and otherwise concludes that the person is not aware of material nonpublic information. Under no circumstance will a hardship exception be granted during an event-specific blackout period.

Other Exceptions. The quarterly earnings blackout period trading restrictions and event-specific trading restrictions described above do not apply to those transactions to which this Policy does not apply, as described above under the heading "Transactions Under Company Plans." Further, the requirement for pre-clearance, the quarterly trading restrictions and event-specific trading restrictions do not apply to transactions conducted pursuant to approved Rule 10b5-1 plans, described under the heading "Rule 10b5-1 Plans."

Consequences of Violations

The purchase or sale of securities while aware of material nonpublic information, or the disclosure of material nonpublic information to others who then engage in transactions in Company Securities, is prohibited by the federal and state laws. Insider trading violations are pursued vigorously by the SEC, U.S. Attorneys and state enforcement authorities, as well as enforcement authorities in foreign jurisdictions. Punishment for insider trading violations is severe, and could include significant fines and imprisonment. While the regulatory authorities concentrate their efforts on the individuals who trade, or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and other “controlling persons” if they fail to take reasonable steps to prevent insider trading by company personnel.

In addition, an individual’s failure to comply with this Policy may subject the individual to Company-imposed sanctions, including dismissal for cause, whether or not the employee’s failure to comply results in a violation of law. Needless to say, a violation of law, or even an SEC investigation that does not result in prosecution, can tarnish a person’s reputation and irreparably damage a career.

Certification

All persons subject to this Policy must certify their understanding of, and intent to comply with, this Policy.

Questions about this Policy

Compliance by all directors, officers and employees with this policy is of the utmost importance both for you and for each Company. If you have any questions about the application of this policy to any particular case, please immediately contact the relevant Company’s Chief Compliance Officer.

v.2.2025

**CERTIFICATION PURSUANT TO
RULE 13a-14(a) and 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS AMENDED**

I, Dwayne L. Hyzak, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2024 of MSC Income Fund, Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Dated this March 20, 2025.

By: /s/ DWAYNE L. HYZAK

Dwayne L. Hyzak

Chief Executive Officer

**CERTIFICATION PURSUANT TO
RULE 13a-14(a) and 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS AMENDED**

I, Cory E. Gilbert, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2024 of MSC Income Fund, Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Dated this March 20, 2025.

By: /s/ CORY E. GILBERT

Cory E. Gilbert

Chief Financial Officer

**Certification of Chief Executive Officer
Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)**

In connection with the accompanying Annual Report of MSC Income Fund, Inc. (the "Registrant") on Form 10-K for the year ended December 31, 2024 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, Dwayne L. Hyzak, the Chief Executive Officer of the Registrant, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ DWAYNE L. HYZAK

Name: Dwayne L. Hyzak

Date: March 20, 2025

**Certification of Chief Financial Officer
Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)**

In connection with the accompanying Annual Report of MSC Income Fund, Inc. (the "Registrant") on Form 10-K for the year ended December 31, 2024 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, Cory E. Gilbert, the Chief Financial Officer of the Registrant, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ CORY E. GILBERT

Cory E. Gilbert

Date: March 20, 2025

MSC INCOME FUND, INC.
CLAWBACK POLICY

The Board of Directors (the “**Board**”) of MSC Income Fund, Inc. (the “**Company**”) has adopted this Clawback Policy (the “**Policy**”) to comply with Section 10D of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), Rule 10D-1 promulgated under the Exchange Act (“**Rule 10D-1**”) and Section 303A.14 of the New York Stock Exchange Listed Company Manual (the “**Listing Standards**”). This Policy provides for the recovery of Incentive-Based Compensation (as defined below) received by Covered Executives (as defined below), if any, in the event of an Accounting Restatement (as defined below) and shall be interpreted to be consistent with, Section 10D of the Exchange Act, Rule 10D-1 and the Listing Standards. Rule 10D-1 and the Listing Standards require the Company to adopt this Policy regardless of whether Incentive-Based Compensation is paid or otherwise awarded by the Company to Covered Executives.

1. Administration

Except as specifically set forth herein, this Policy shall be administered by the Board or, if designated by the Board, a committee thereof (the Board or such committee charged with administration of this Policy, the “**Policy Administrator**”). The Policy Administrator is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate or advisable for the administration of this Policy. Any determinations made by the Policy Administrator shall be final and binding on all affected individuals and need not be uniform with respect to each individual covered by the Policy. In the administration of this Policy, the Policy Administrator is authorized and directed to consult with the full Board or such other committees of the Board, such as the Audit Committee, the Compensation Committee or such other committee as may be necessary or appropriate as to matters within the scope of such other committee’s responsibility and authority. Subject to any limitation of applicable law, the Policy Administrator may authorize and empower any officer or employee of the Company to take any and all actions necessary or appropriate to carry out the purpose and intent of this Policy (other than with respect to any recovery under this Policy involving such officer or employee).

2. Definitions

As used in this Policy, the following definitions shall apply:

- “**Accounting Restatement**” means an accounting restatement of the Company’s financial statements due to the Company’s material noncompliance with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.
- “**Applicable Period**” means the three completed fiscal years immediately preceding the date on which the Company is required to prepare an Accounting Restatement, as well as any transition period (that results from a change in the Company’s fiscal year) within or immediately following those three completed fiscal years (except that a transition period between the last day of the Company’s previous fiscal year-end and the first day of its new fiscal year that comprises a period of nine to twelve months shall be deemed to be a completed fiscal year). The “date on which the Company is required to prepare an Accounting Restatement” is the earlier to occur of (a) the date the Board, a committee of the Board, or the officer or officers of the Company authorized to take such action if action by the Board or a committee thereof is not required, concludes or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement or (b) the date a court, regulator or

other legally authorized body directs the Company to prepare an Accounting Restatement, in each case regardless of if or when the restated financial statements are filed.

- “**Covered Executives**” means the Company’s current and former president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer of the Company who performs a policy-making function, or any other person who performs similar policy-making functions for the Company and, at a minimum, any officer within the meaning of 17 C.F. R. 229.401(b). An executive officer of a subsidiary of the Company is deemed a Covered Executive if the executive officer performs policy making functions for the Company. “Policy-making function” for purposes of this definition is not intended to include policy-making functions that are not significant to the Company. The definition of Covered Executives shall be interpreted in accordance with the definition of “Executive Offer” set forth in Rule 10D-1 and the Listing Standards. For the avoidance of doubt, “Covered Executives” does not include the Company’s investment adviser (the “**Adviser**”) or any of the Adviser’s directors, partners, officers or employees, solely in their capacity as such.
- “**Erroneously Awarded Compensation**” has the meaning set forth in Section 6 of this Policy.
- A “**Financial Reporting Measure**” means any measure that is determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and any measure that is derived wholly or in part from such measure. For the avoidance of doubt, Financial Reporting Measures include but are not limited to the following (and any measure derived from the following): Company stock price; total shareholder return (“**TSR**”); net asset value, net investment income; net income; net realized or unrealized gains; profitability; financial ratios; earnings before interest, taxes, depreciation and amortization; funds from operations and adjusted funds from operations; liquidity measures; return measures (e.g., return on investments, return on assets); earnings measures (e.g., earnings per share); and any of such financial reporting measures relative to a peer group, where the Company’s financial reporting measure is subject to an Accounting Restatement. A Financial Reporting Measure need not be presented within the Company’s financial statements or included in a filing with the Securities and Exchange Commission.
- “**Incentive-Based Compensation**” means any compensation that is granted by the Company, or earned and/or vested based wholly or in part upon the attainment of a Financial Reporting Measure. For purposes of this Policy, Incentive-Based Compensation is deemed “received” in the Company’s fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of such Incentive-Based Compensation occurs after the end of that period.

3. Scope; Covered Executives; Incentive-Based Compensation

This Policy applies to Incentive-Based Compensation received by a person (a) after beginning services as a Covered Executive; (b) if that person served as a Covered Executive at any time during the performance

period for such Incentive-Based Compensation; (c) while the Company had a listed class of securities on a national securities exchange; and (d) during the Applicable Period.¹

4. Board Review

This Policy will be presented to the Board for review and approval at such times as the Board in its discretion determines is necessary and appropriate. The Board may amend, modify, supplement, rescind or replace all or any portion of this Policy at any time and from time to time in its discretion, and shall amend this Policy as it deems necessary to comply with applicable law or any rules or standards adopted by a national securities exchange on which the Company's securities are listed.

5. Required Recovery of Erroneously Awarded Compensation in the Event of an Accounting Restatement

In the event that the Company is required to prepare an Accounting Restatement, the Company shall recover, on a reasonably prompt basis, the amount of any Erroneously Awarded Compensation received by any Covered Executive from the Company, as calculated pursuant to Section 6 of this Policy, during the Applicable Period. Recovery under this Policy with respect to a Covered Executive shall not require the finding of any misconduct by such Covered Executive or such Covered Executive being found responsible for the accounting error leading to an Accounting Restatement.

6. Erroneously Awarded Compensation: Amount Subject to Recovery

The amount of *Erroneously Awarded Compensation* subject to recovery under this Policy, as determined by the Company, is the amount of Incentive-Based Compensation received by the Covered Executive that exceeds the amount of Incentive-Based Compensation that otherwise would have been received by the Covered Executive had it been determined based on the restated amounts.

Erroneously Awarded Compensation shall be computed without regard to any taxes paid by the Covered Executive in respect of the Erroneously Awarded Compensation.

With respect to any compensation plans or programs that take into account Incentive-Based Compensation, the amount of Erroneously Awarded Compensation subject to recovery hereunder includes, but is not limited to, the amount contributed to any notional account based on Erroneously Awarded Compensation and any earnings accrued to date on that notional amount.

For Incentive-Based Compensation based on the Company's stock price or TSR: (a) the Company shall determine the amount of Erroneously Awarded Compensation based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or TSR upon which the Incentive-Based Compensation was received; and (b) the Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation to the New York Stock Exchange ("*NYSE*").

7. Method of Recovery

The Company shall determine, in its sole discretion, the timing and method for promptly recovering Erroneously Awarded Compensation hereunder, which may include without limitation (a) seeking reimbursement of all or part of any cash or equity-based award, (b) cancelling prior cash or equity-based awards, whether vested or unvested or paid or unpaid, (c) cancelling or offsetting against any planned future cash or equity-based awards, (d) forfeiture of deferred compensation, subject to compliance with Section 409A of the Internal Revenue Code and the regulations promulgated thereunder and (e) any other method authorized by applicable law or contract.

Subject to compliance with any applicable law, the Company may effect recovery under this Policy from any amount otherwise payable to the Covered Executive, including amounts payable to such individual under any otherwise applicable Company plan or program, including base salary, bonuses, other compensation and/or compensation previously deferred by the Covered Executive.

¹ The Company currently neither pays nor has any plans to pay or otherwise award Incentive-Based Compensation to Covered Executives.

The Company is authorized and directed pursuant to this Policy to recover Erroneously Awarded Compensation on a reasonably prompt basis in compliance with this Policy unless the Compensation Committee of the Board has determined that such recovery would be impracticable solely for one of the following reasons, and subject to the following procedural and disclosure requirements:

- The direct expense paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on the expense of enforcement, the Company must make, or cause to be made, a reasonable attempt to recover such Erroneously Awarded Compensation, document such reasonable attempt(s) to recover and provide that documentation to the NYSE;
- Recovery would violate home country law where that law was adopted prior to November 28, 2022. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on violation of home country law, the Company must obtain an opinion of home country counsel, acceptable to the NYSE, that recovery would result in such a violation, and must provide such opinion to the NYSE; or
- Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, if any, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

8. No Indemnification of Covered Executives

Notwithstanding the terms of any indemnification or insurance policy or any contractual arrangement with any Covered Executive that may be interpreted to the contrary, the Company shall not indemnify any Covered Executives against losses caused by the recovery of any Erroneously Awarded Compensation. In addition, the Company is not permitted to pay or reimburse a Covered Executive for premiums on an insurance policy purchased by such Covered Executive to protect them from such recovery. Other than as expressly stated herein, this Policy does not otherwise limit a Covered Executive's insurance coverage (including any insurance coverage acquired by the Company) or a Covered Executive's right to indemnification from the Company.

9. Policy Administrator Indemnification

Any directors and officers of the Company, and any other personnel who assist in the administration of this Policy, including, but not limited to employees of the Adviser and Main Street Capital Corporation, shall not be personally liable for any action, determination or interpretation made with respect to this Policy and shall be fully indemnified by the Company to the fullest extent under applicable law and Company policy with respect to any such action, determination or interpretation. The foregoing sentence shall not limit any other rights to indemnification of the members of the Board under applicable law or Company policy.

10. Effective Date; Retroactive Application

This Policy shall be effective as of January 28, 2025 (the *Effective Date*). The terms of this Policy shall apply to any Incentive-Based Compensation that is received by Covered Executives from the Company on or after October 2, 2023, even if such Incentive-Based Compensation was approved, awarded or granted to Covered Executives prior to October 2, 2023.

11. Other Recovery Rights; Company Claims

Any right of recovery under this Policy is in addition to, and not in lieu of, any other remedies or rights of recovery that may be available to the Company under applicable law or pursuant to the terms of any

similar policy in any employment agreement, equity award agreement or similar agreement and any other legal remedies available to the Company. Nothing contained in this Policy limits any claims, damages or other legal remedies the Company or any of its affiliates may have against a Covered Executive arising out of, or resulting from, any actions or omissions by the Covered Executive.

12. Exhibit Filing Requirement

A copy of this Policy and any amendments thereto shall be filed as an exhibit to the Company's annual report on Form 10-K to the extent required by law.

Adopted: December 20, 2024 (effective as of January 28, 2025)

MAIN STREET CAPITAL CORPORATION

MSC INCOME FUND, INC.

MSC ADVISER I, LLC

JOINT CODE OF ETHICS

This Code of Ethics (the “*Code*”) has been adopted by the Board of Directors of each of Main Street Capital Corporation (“*Main Street*”) and MSC Income Fund, Inc. (“*MSIF*”) and, together with Main Street, the “*BDCs*”) in accordance with Rule 17j-1(c) under the Investment Company Act of 1940, as amended (the “*1940 Act*”), and the May 9, 1994 Report of the Advisory Group on Personal Investing by the Investment Company Institute (the “*Report*”). Rule 17j-1 generally describes fraudulent or manipulative practices with respect to purchases or sales of securities held or to be acquired by business development companies if effected by access persons of such companies.

In addition, this Code of Ethics shall serve as the code of ethics required to be adopted by Rule 204A-1 under the Investment Advisers Act of 1940 (the “*Advisers Act*”) and, to the extent applicable, by Rule 17j-1 under the 1940 Act in connection with the provision of investment advisory services by Main Street and its wholly owned subsidiary MSC Advisor I, LLC (“*MSCA*”) and, together with the BDCs, the “*Company*”) to third parties (“*Clients*”). Rule 204A-1 requires every registered investment adviser to establish, maintain, and enforce a written investment adviser code of ethics that is applicable to its “supervised persons.” Section 202(a)(25) of the Advisers Act defines the term “supervised persons” to include all of the officers, directors, and employees of the investment adviser, or other person who provides investment advice on behalf of the investment adviser and is subject to the supervision and control of the investment adviser. As used herein, the term “employees” consists of all employees of Main Street and MSCA who, in the course of their business, act as an investment adviser as defined under the Advisers Act in providing investment advice to Clients and those employees that make, participate in or obtain non-public information regarding the portfolio management decisions relating to the investment advisory services.

The purpose of this Code of Ethics is to reflect the following: (1) the duty at all times to place the interests of shareholders and Clients, as appropriate, of the Company first; (2) the requirement that all personal securities transactions be conducted consistent with the Code of Ethics and in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual’s position of trust and responsibility; and (3) the fundamental standard that business development company and investment advisory personnel, as appropriate, should not take inappropriate advantage of their positions.

PART A. RULE 17j-1 OF THE 1940 ACT

SECTION I: STATEMENT OF PURPOSE AND APPLICABILITY

(A) Statement of Purpose

It shall be a violation of the policy of the Company for any affiliated person of the Company, in connection with the purchase or sale, directly or indirectly, by such person of any security held or to be acquired by the Company, to:

- (1) employ any device, scheme or artifice to defraud the Company;
- (2) make to the Company any untrue statement of a material fact or omit to state to the Company a material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading;
- (3) engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon the Company; or
- (4) engage in any manipulative practice with respect to the Company.

(B) Scope of the Code

In order to prevent the Access Persons, as defined in Section II, paragraph (A) below, of the Company from engaging in any of these prohibited acts, practices or courses of business, the Board of Directors of the Company has adopted this Code.

SECTION II: DEFINITIONS

(A) Access Person. “*Access Person*” means any director, officer, or Advisory Person of the Company.

(B) Advisory Person. “*Advisory Person*” of the Company means: (i) any employee of the Company or of any company in a control relationship to the Company, or any member of Main Street’s or MSCA’s investment committee, who, in connection with his or her regular functions or duties, makes, participates in, or obtains information regarding the purchase or sale of a Covered Security by the Company, or whose functions relate to the making of any recommendations with respect to such purchases or sales; and (ii) any natural person in a control relationship to the Company who obtains information concerning recommendations made to the Company with regard to the purchase or sale of Covered Security.

- (C) Beneficial Interest. “**Beneficial Interest**” includes any entity, person, trust, or account with respect to which an Access Person exercises investment discretion or provides investment advice. A beneficial interest shall be presumed to include all accounts in the name of or for the benefit of the Access Person, his or her spouse, dependent children, or any person living with him or her or to whom he or she contributes economic support.
- (D) Beneficial Ownership. “**Beneficial Ownership**” shall be determined in accordance with Rule 16a-1(a)(2) under the Securities Exchange Act of 1934, except that the determination of direct or indirect Beneficial Ownership shall apply to all securities, and not just equity securities, that an Access Person has or acquires. Rule 16a-1(a)(2) provides that the term “beneficial owner” means any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise, has or shares a direct or indirect pecuniary interest in any equity security. Therefore, an Access Person may be deemed to have Beneficial Ownership of securities held by members of his or her immediate family sharing the same household, or by certain partnerships, trusts, corporations, or other arrangements.
- (E) Control. “**Control**” shall have the same meaning as that set forth in Section 2(a)(9) of the 1940 Act.
- (F) Covered Security. “**Covered Security**” means a security as defined in Section 2(a)(36) of the 1940 Act, except that it does not include (i) direct obligations of the Government of the United States; (ii) banker’s acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments including repurchase agreements; and (iii) shares issued by registered open-end investment companies (i.e., mutual funds); however, exchange traded funds structured as unit investment trusts or open-end funds are considered “Covered Securities”.
- (G) Designated Officer. “**Designated Officer**” shall mean the officer of the Company designated by the Board of Directors from time to time to be responsible for management of compliance with this Code, who shall initially be the Chief Compliance Officer of the Company until such time as the Board of Directors shall appoint a successor. The Designated Officer may appoint a designee to carry out certain of his or her functions pursuant to this Code.
- (H) Disinterested Director. “**Disinterested Director**” means a director of the Company who is not an “interested person” of the Company within the meaning of Section 2(a)(19) of the 1940 Act.
- (I) Initial Public Offering. “**Initial Public Offering**” means an offering of securities registered under the Securities Act of 1933, as amended (the “**Securities Act**”), the issuer of which, immediately before the registration, was not subject to the

reporting requirements of Sections 13 or 15(d) of the Securities Exchange Act of 1934.

- (J) Investment Personnel. “**Investment Personnel**” means: (i) any employee of the Company (or of any company in a control relationship to the Company), or any member of Main Street’s or MSCA’s investment committee, who, in connection with his or her regular functions or duties, makes or participates in making recommendations regarding the purchase or sale of securities by the Company; and (ii) any natural person who controls the Company and who obtains information concerning recommendations regarding the purchase or sale of securities by the Company.
- (K) Limited Offering. “**Limited Offering**” means an offering that is exempt from registration under the Securities Act pursuant to Section 4(2) or Section 4(6) or pursuant to Rule 504, Rule 505 or Rule 506 under the Securities Act.
- (L) Purchase or Sale of a Covered Security. “**Purchase or Sale of a Covered Security**” is broad and includes, among other things, the writing of an option to purchase or sell a covered security, or the use of a derivative product to take a position in a Covered Security.

SECTION III: STANDARDS OF CONDUCT

- (A) General Standards
 - (1) No Access Person shall engage, directly or indirectly, in any business transaction or arrangement for personal profit that is inconsistent with the best interests of the Company or its shareholders; nor shall he or she make use of any confidential information gained by reason of his or her employment by or affiliation with the Company or affiliates thereof in order to derive a personal profit for himself or herself or for any Beneficial Interest, in violation of the fiduciary duty owed to the Company or its shareholders.
 - (2) Any Access Person recommending or authorizing the purchase or sale of a Covered Security by the Company shall, at the time of such recommendation or authorization, disclose any Beneficial Interest in, or Beneficial Ownership of, such Covered Security or the issuer thereof.
 - (3) No Access Person shall dispense any information concerning securities holdings or securities transactions of the Company to anyone outside the Company, without obtaining prior written approval from the Designated Officer, or such person or persons as these individuals may designate to act on their behalf. Notwithstanding the preceding sentence, such Access

Person may dispense such information without obtaining prior written approval:

- (a) when there is a public report containing the same information;
 - (b) when such information is dispensed in accordance with compliance procedures established to prevent conflicts of interest between the Company and its affiliates;
 - (c) when such information is reported to directors of the Company; or
 - (d) in the ordinary course of his or her duties on behalf of the Company.
- (4) All personal securities transactions should be conducted consistent with this Code and in such a manner as to avoid actual or potential conflicts of interest, the appearance of a conflict of interest, or any abuse of an individual's position of trust and responsibility within the Company.

(B) Prohibited Transactions

- (1) General Prohibition. No Access Person shall purchase or sell, directly or indirectly, any Covered Security in which he or she has, or by reason of such transaction acquires, any direct or indirect Beneficial Ownership and which such Access Person knows or should have known at the time of such purchase or sale is being considered for purchase or sale by the Company, or is held in the portfolio of the Company unless such Access Person shall have obtained prior written approval for such purpose from the Designated Officer.
- (a) An Access Person who becomes aware that the Company is considering the purchase or sale of any Covered Security by any person (an issuer) must immediately notify the Designated Officer of any interest that such Access Person may have in any outstanding Covered Securities of that issuer.
 - (b) An Access Person shall similarly notify the Designated Officer of any other interest or connection that such Access Person might have in or with such issuer.
 - (c) Once an Access Person becomes aware that the Company is considering the purchase or sale of a Covered Security or that the Company holds a Covered Security in its portfolio, such Access Person may not engage, without prior approval of the Designated Officer, in any transaction in any Covered Securities of that issuer.

- (d) The foregoing notifications or permission may be provided verbally, but should be confirmed in writing as soon and with as much detail as possible.
- (2) Covered Securities, Initial Public Offerings and Limited Offerings. Investment Personnel of the Company must obtain approval from the Company before directly or indirectly trading any Covered Security or acquiring beneficial ownership in any securities in an Initial Public Offering or in a Limited Offering. For purposes of the pre-clearance requirements, transactions in digital assets and cryptocurrencies, such as Bitcoin and Ethereum, as well as other tokens or similar assets shall be treated as transactions in Covered Securities, thus requiring pre-clearance regardless of whether such assets are deemed to be “securities” for purposes of the federal securities laws.
- (3) Blackout Periods. No Investment Personnel shall execute a securities transaction in any security that the Company owns or is considering for purchase or sale.
- (4) Company Acquisition of Shares in Companies that Investment Personnel Hold Through Limited Offerings. Investment Personnel who have been authorized to acquire securities in a Limited Offering must disclose that investment to the Designated Officer when they are involved in the Company’s subsequent consideration of an investment in the issuer, and the Company’s decision to purchase such securities must be independently reviewed by Investment Personnel with no personal interest in that issuer.
- (5) Gifts and Entertainment. No Access Person may accept, directly or indirectly, any gift, favor, or service (any such item, a “*Gift*”) or entertainment or hospitality (any such item, “*Business Entertainment*”) from any person with whom he or she transacts or may transact business on behalf of the Company under circumstances when to do so would conflict with the Company’s best interests or would impair the ability of such person to be completely disinterested when required, in the course of business, to make judgments and/or recommendations on behalf of the Company. Access Persons shall not accept any Gift with an estimated value greater than \$250 without the prior approval of the Designated Officer.

For an item to be considered “Business Entertainment,” a representative of the vendor/host must be present at the event/meal and there must be an opportunity to discuss matters related to the Company or Client business; otherwise, the item should be considered a Gift. Access Persons shall not attend any Business Entertainment with an estimated value greater than

\$250 (including all costs incurred by the vender/host related to the event on behalf of the Access Person; e.g., costs for travel, tickets, meals, etc. on behalf of the Access Person and his or her family) without prior approval of the Designated Officer.

Questions regarding these restrictions should be directed to the Designated Officer.

- (6) Service as Director. No Access Person shall serve on the board of directors of a portfolio company of the Company without prior written authorization of the Designated Officer based upon a determination that the board service would be consistent with the interests of the Company and its shareholders.

SECTION IV: PROCEDURES TO IMPLEMENT CODE OF ETHICS

The following reporting procedures have been established to assist Access Persons in avoiding a violation of this Code, and to assist the Company in preventing, detecting, and imposing sanctions for violations of this Code. Every Access Person must follow these procedures. Questions regarding these procedures should be directed to the Designated Officer.

(A) Applicability

All Access Persons are subject to the reporting requirements set forth in Section IV(B) except:

- (1) with respect to transactions effected for, and Covered Securities held in, any account over which the Access Person has no direct or indirect influence or control;
- (2) a Disinterested Director, who would be required to make a report solely by reason of being a director, need not make: (1) an initial holdings or an annual holdings report; and (2) a quarterly transaction report, unless the Disinterested Director knew or, in the ordinary course of fulfilling his or her official duties as a director, should have known that during the 15-day period immediately before or after such Disinterested Director's transaction in a Covered Security, the Company purchased or sold the Covered Security, or the Company considered purchasing or selling the Covered Security; and
- (3) an Access Person need not make a quarterly transaction report if the report would duplicate information contained in broker trade confirmations or account statements received by the Company with respect to the Access Person in the time required by subsection (B)(2) of this Section IV, if all of the information required by subsection (B)(2) of this Section IV is

contained in the broker trade confirmations or account statements, or in the records of the Company, as specified in subsection (B)(4) of this Section IV.

(B) Report Types

- (1) Initial Holdings Report. An Access Person must file an initial report not later than 10 days after that person became an Access Person. The initial report must: (a) contain the title, number of shares and principal amount of each Covered Security in which the Access Person had any direct or indirect beneficial ownership when the person became an Access Person; (b) identify any broker, dealer or bank with whom the Access Person maintained an account in which any Covered Securities were held for the direct or indirect benefit of the Access Person as of the date the person became an Access Person; and (c) indicate the date that the report is filed with the Designated Person. A copy of a form of such report is attached hereto as Exhibit B.
- (2) Quarterly Transaction Report. An Access Person must file a quarterly transaction report not later than 30 days after the end of a calendar quarter.
 - (a) With respect to any transaction made during the reporting quarter in a Covered Security in which such Access Person had any direct or indirect beneficial ownership, the quarterly transaction report must contain: (i) the transaction date, title, interest date and maturity date (if applicable), the number of shares and the principal amount of each Covered Security; (ii) the nature of the transaction (i.e., purchase, sale or any other type of acquisition or disposition); (iii) the price of the Covered Security at which the transaction was effected; (iv) the name of the broker, dealer or bank through which the transaction was effected; and (v) the date that the report is submitted by the Access Person. A copy of a form of such report is attached hereto as Exhibit C.
 - (b) With respect to any account established by the Access Person in which any securities were held during the quarter for the direct or indirect benefit of the Access Person, the quarterly transaction report must contain: (i) the name of the broker, dealer or bank with whom the Access Person established the account; (ii) the date the account was established; and (iii) the date that the report is submitted by the Access Person. A copy of a form of such report is attached hereto as Exhibit E unless provided under C.
- (3) Annual Holdings Report. An Access Person must file an annual holdings report not later than 30 days after the end of a fiscal year. The annual

report must contain the following information (which information must be current as of a date no more than 30 days before the report is submitted): (a) the title, number of shares, and principal amount of each Covered Security in which the Access Person had any direct or indirect beneficial ownership; (b) the name of any broker, dealer or bank in which any Covered Securities are held for the direct or indirect benefit of the Access Person; and (c) the date the report is submitted. A copy of a form of such report is attached hereto as Exhibit D.

- (4) Account Statements. In lieu of providing a quarterly transaction report, an Access Person may direct his or her broker to provide to the Designated Officer copies of periodic statements for all investment accounts in which they have Beneficial Ownership that provide the information required in quarterly transaction reports, as set forth above.
- (5) Company Reports. No less frequently than annually, the Company must furnish to the Board, and the Board must consider, a written report that:
 - (a) describes any issues arising under the Code or procedures since the last report to the Board, including but not limited to, information about material violations of the code or procedures and sanctions imposed in response to the material violations; and
 - (b) certifies that the Company has adopted procedures reasonably necessary to prevent Access Persons from violating the Code.
- (C) Disclaimer of Beneficial Ownership. Any report required under this Section IV may contain a statement that the report shall not be construed as an admission by the person submitting such duplicate confirmation or account statement or making such report that he or she has any direct or indirect beneficial ownership in the Covered Security to which the report relates.
- (D) Review of Reports. The reports required to be submitted under this Section IV shall be delivered to the Designated Officer. The Designated Officer shall review such reports to determine whether any transactions recorded therein constitute a violation of the Code. Before making any determination that a violation has been committed by any Access Person, such Access Person shall be given an opportunity to supply additional explanatory material. The Designated Officer shall maintain copies of the reports as required by Rule 17j-1(f).
- (E) Acknowledgment and Certification. Upon becoming an Access Person and annually thereafter, all Access Persons shall sign an acknowledgment and certification of their receipt of and intent to comply with this Code in the form attached hereto as Exhibit A and return it to the Designated Officer. Each Access Person must also certify annually that he or she has read and understands the

Code and recognizes that he or she is subject to the Code. In addition, each access person must certify annually that he or she has complied with the requirements of the Code and that he or she has disclosed or reported all personal securities transactions required to be disclosed or reported pursuant to the requirements of the Code.

- (F) Records. The Company shall maintain records with respect to this Code in the manner and to the extent set forth below, which records may be maintained on microfilm or electronic storage media under the conditions described in Rule 31a-2(f) under the 1940 Act and shall be available for examination by representatives of the Securities and Exchange Commission (the “**SEC**”):
- (1) A copy of this Code and any other code of ethics of the Company that is, or at any time within the past five years has been, in effect shall be maintained in an easily accessible place;
 - (2) A record of any violation of this Code and of any action taken as a result of such violation shall be maintained in an easily accessible place for a period of not less than five years following the end of the fiscal year in which the violation occurs;
 - (3) A copy of each report made by an Access Person or duplicate account statement received pursuant to this Code, including any information provided in lieu of the reports under subsection (A)(3) of this Section IV shall be maintained for a period of not less than five years from the end of the fiscal year in which it is made or the information is provided, the first two years in an easily accessible place;
 - (4) A record of all persons who are, or within the past five years have been, required to make reports pursuant to this Code, or who are or were responsible for reviewing these reports, shall be maintained in an easily accessible place;
 - (5) A copy of each report required under subsection (B)(5) of this Section IV shall be maintained for at least five years after the end of the fiscal year in which it is made, the first two years in an easily accessible place; and
 - (6) A record of any decision, and the reasons supporting the decision, to approve the direct or indirect acquisition by an Access Person of beneficial ownership in any securities in an Initial Public Offering or Limited Offering shall be maintained for at least five years after the end of the fiscal year in which the approval is granted.

- (G) Obligation to Report a Violation. Every Access Person who becomes aware of a violation of this Code by any person must report it to the Designated Officer, who shall report it to appropriate management personnel. The management personnel will take such disciplinary action that they consider appropriate under the circumstances. In the case of officers or other employees of the Company, such action may include removal from office. If the management personnel consider disciplinary action against any person, they will cause notice thereof to be given to that person and provide to that person the opportunity to be heard. The Board will be notified, in a timely manner, of remedial action taken with respect to violations of the Code.
- (H) Confidentiality. All reports of Covered Securities transactions, duplicate confirmations, account statements and other information filed with the Company or furnished to any person pursuant to this Code shall be treated as confidential, but are subject to review as provided herein and by representatives of the SEC or otherwise to comply with applicable law or the order of a court of competent jurisdiction.

SECTION V: SANCTIONS

Upon determination that a violation of this Code has occurred, appropriate management personnel of the Company may impose such sanctions as they deem appropriate, including, among other things, disgorgement of profits, a letter of censure or suspension or termination of the employment of the violator. All violations of this Code and any sanctions imposed with respect thereto shall be reported in a timely manner to the Board of Directors of the Company.

PART B. RULE 204A-1 OF THE ADVISERS ACT/RULE 17j-1 OF THE 1940 ACT

For purposes of Rule 204A-1 of the Advisers Act and, to the extent applicable, Rule 17j-1 of the 1940 Act, the provisions set forth in Part A to this Code of Ethics shall apply in connection with the Company's provision of investment advisory services to Clients except that it shall be interpreted in a manner to protect the interests of Clients, including prohibiting supervised persons of the Company from: (i) employing any device, scheme or artifice to defraud the Client; (ii) making any untrue statement of a material fact to the Client or omitting to state a material fact necessary in order to make the statements made to the Client, in light of the circumstances under which they are made, not misleading; (iii) engaging in any act, practice or course of business conduct that operates or would operate as a fraud or deceit on the Client; and (iv) engaging in any manipulative practice with respect to the Client.

Notwithstanding the foregoing, the administrative provisions, enforcement provisions, approval (including pre-approval) provisions and recordkeeping provisions (which shall be read to refer to Rule 204-2 under the Advisers Act for purposes of this Part B) set forth in Part A of this Code of Ethics shall continue to be the exclusive/sole province of the Company for purposes of Part B of this Code of Ethics. For example, the initial, annual and quarterly holding report

obligations set forth in Part A of this Code of Ethics shall be furnished by supervised persons of the Company to the Company (and not to the Client) for purposes of Part B to this Code of Ethics.

v.1.2025

EXHIBIT A
ACKNOWLEDGMENT AND CERTIFICATION

I acknowledge receipt of the Code of Ethics of Main Street Capital Corporation, MSC Adviser I, LLC and MSC Income Fund, Inc.. I have read and understand such Code of Ethics and agree to be governed by it at all times. Further, if I have been subject to the Code of Ethics during the preceding year, I certify that I have complied with the requirements of the Code of Ethics and have disclosed or reported all personal securities transactions required to be disclosed or reported pursuant to the requirements of the Code of Ethics.

(Signature)

(Please print name)

Date: _____

Date Received: _____

Reviewed By: _____

Date

Note – the form shown above is for illustrative purposes and is representative of the certification provided by employees of the Company using the Company’s compliance portal, MyComplianceOffice, accessible to employees of the Company. The form itself is not typically used in practice, but it would be an acceptable, temporary alternative if the compliance portal was not accessible.

EXHIBIT B
INITIAL HOLDINGS REPORT

Name _____

Date _____

NAME OF ISSUER

NUMBER OF SHARES

PRINCIPAL AMOUNT

I certify that the foregoing is a complete and accurate list of all securities in which I have any Beneficial Ownership.

Signature

Date Received: _____

Reviewed By: _____

Date

Note – the form shown above is for illustrative purposes and is representative of the report provided by employees of the Company using the Company’s compliance portal, MyComplianceOffice, accessible to employees of the Company. The form itself is not typically used in practice, but it would be an acceptable, temporary alternative if the compliance portal was not accessible.

EXHIBIT C
QUARTERLY TRANSACTION REPORT

Name _____ Period _____

<u>DATE</u>	<u>NAME OF ISSUER</u>	<u>NUMBER OF SHARES</u>	<u>INTEREST DATE</u>	<u>MATURITY DATE</u>	<u>PRINCIPAL AMOUNT</u>	<u>TYPE OF TRANSACTION</u>	<u>NAME OF BROKER/ DEALER/ BANK</u>
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I certify that the foregoing is a complete and accurate list of all transactions for the covered period in securities in which I have any Beneficial Ownership.

Signature

Date Received: _____

Reviewed By: _____

Date

Note – the form shown above is for illustrative purposes and is representative of the report provided by employees of the Company using the Company’s compliance portal, MyComplianceOffice, accessible to employees of the Company. The form itself is not typically used in practice, but it would be an acceptable, temporary alternative if the compliance portal was not accessible.

EXHIBIT D
ANNUAL HOLDINGS REPORT

Name _____ Date _____

<u>NAME OF ISSUER</u>	<u>NUMBER OF SHARES</u>	<u>PRINCIPAL AMOUNT</u>	<u>NAME OF BROKER/DEALER/ BANK</u>
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I certify that the foregoing is a complete and accurate list of all securities in which I have any Beneficial Ownership.

Signature

Date Received: _____

Reviewed By: _____

Date

Note – the form shown above is for illustrative purposes and is representative of the report provided by employees of the Company using the Company’s compliance portal, MyComplianceOffice, accessible to employees of the Company. The form itself is not typically used in practice, but it would be an acceptable, temporary alternative if the compliance portal was not accessible.

EXHIBIT E
PERSONAL SECURITIES ACCOUNT INFORMATION

Name _____ Date _____

SECURITIES FIRM NAME AND <u>ADDRESS</u>	<u>ACCOUNT NUMBER</u>	<u>ACCOUNT NAME(S)</u>
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I certify that the foregoing is a complete and accurate list of all securities accounts in which I have any Beneficial Ownership.

Signature

Date Received: _____

Reviewed By: _____

Date

Note – the form shown above is for illustrative purposes and is representative of the report provided by employees of the Company using the Company’s compliance portal, MyComplianceOffice, accessible to employees of the Company. The form itself is not typically used in practice, but it would be an acceptable, temporary alternative if the compliance portal was not accessible.