

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Form 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **March 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, 8<sup>th</sup> 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)

**n/a**  
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
None	N/A	N/A

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares outstanding of the issuer's common stock as of May 8, 2024 was 80,475,393.

**TABLE OF CONTENTS**

**PART I**  
**FINANCIAL INFORMATION**

<a href="#">Item 1.</a>	<a href="#">Consolidated Financial Statements</a>	
	<a href="#">Consolidated Balance Sheets—March 31, 2024 (unaudited) and December 31, 2023</a>	1
	<a href="#">Consolidated Statements of Operations (unaudited)—Three months ended March 31, 2024 and 2023</a>	2
	<a href="#">Consolidated Statements of Changes in Net Assets (unaudited)—Three months ended March 31, 2024 and 2023</a>	3
	<a href="#">Consolidated Statements of Cash Flows (unaudited)—Three months ended March 31, 2024 and 2023</a>	4
	<a href="#">Consolidated Schedule of Investments (unaudited)—March 31, 2024</a>	5
	<a href="#">Consolidated Schedule of Investments—December 31, 2023</a>	27
	<a href="#">Notes to Consolidated Financial Statements (unaudited)</a>	47
	<a href="#">Consolidated Schedules of Investments in and Advances to Affiliates (unaudited)—Three months ended March 31, 2024 and 2023</a>	82
<a href="#">Item 2.</a>	<a href="#">Management’s Discussion and Analysis of Financial Condition and Results of Operations</a>	92
<a href="#">Item 3.</a>	<a href="#">Quantitative and Qualitative Disclosures about Market Risk</a>	105
<a href="#">Item 4.</a>	<a href="#">Controls and Procedures</a>	106

**PART II**  
**OTHER INFORMATION**

<a href="#">Item 1.</a>	<a href="#">Legal Proceedings</a>	107
<a href="#">Item 1A.</a>	<a href="#">Risk Factors</a>	107
<a href="#">Item 2.</a>	<a href="#">Unregistered Sales of Equity Securities and Use of Proceeds</a>	107
<a href="#">Item 5.</a>	<a href="#">Other Information</a>	108
<a href="#">Item 6.</a>	<a href="#">Exhibits</a>	109
	<a href="#">Signatures</a>	110

---

**MSC INCOME FUND, INC.****Consolidated Balance Sheets****(in thousands, except shares and per share amounts)**

	<b>March 31, 2024</b>	<b>December 31, 2023</b>
	<b>(Unaudited)</b>	
<b>ASSETS</b>		
Investments at fair value:		
Control investments (cost: \$42,737 and \$43,159 as of March 31, 2024 and December 31, 2023, respectively)	\$ 53,644	\$ 53,644
Affiliate investments (cost: \$229,447 and \$231,378 as of March 31, 2024 and December 31, 2023, respectively)	289,329	291,279
Non-Control/Non-Affiliate investments (cost: \$790,354 and \$763,781 as of March 31, 2024 and December 31, 2023, respectively)	773,009	747,972
Total investments (cost: \$1,062,538 and \$1,038,318 as of March 31, 2024 and December 31, 2023, respectively)	1,115,982	1,092,895
Cash and cash equivalents	24,648	30,786
Interest and dividend receivable	11,824	10,541
Receivable for securities sold	624	171
Deferred financing costs (net of accumulated amortization of \$4,865 and \$4,168 as of March 31, 2024 and December 31, 2023, respectively)	2,718	3,416
Prepays and other assets	2,787	2,091
Total assets	<u>\$ 1,158,583</u>	<u>\$ 1,139,900</u>
<b>LIABILITIES</b>		
Credit Facilities	\$ 354,688	\$ 335,688
Series A Notes due 2026 (par: \$150,000 as of both March 31, 2024 and December 31, 2023)	149,229	149,155
Accounts payable and other liabilities	378	255
Payable for securities purchased	—	206
Interest payable	8,411	6,266
Dividend payable	14,821	14,019
Management and incentive fees payable	8,665	8,745
Deferred tax liability, net	3,870	3,259
Total liabilities	540,062	517,593
Commitments and contingencies (Note I)		
<b>NET ASSETS</b>		
Common stock, \$0.001 par value per share (450,000,000 shares authorized; 80,112,588 and 80,108,865 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively)	80	80
Additional paid-in capital	686,582	686,136
Total overdistributed earnings	(68,141)	(63,909)
Total net assets	618,521	622,307
Total liabilities and net assets	<u>\$ 1,158,583</u>	<u>\$ 1,139,900</u>
<b>NET ASSET VALUE PER SHARE</b>	<u>7.72</u>	<u>7.77</u>

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

## MSC INCOME FUND, INC.

## Consolidated Statements of Operations

(in thousands, except shares and per share amounts)

(Unaudited)

	Three Months Ended March 31,	
	2024	2023
<b>INVESTMENT INCOME:</b>		
Interest, fee and dividend income:		
Control investments	\$ 811	\$ 809
Affiliate investments	6,929	7,894
Non-Control/Non-Affiliate investments	26,210	22,343
Total investment income	33,950	31,046
<b>EXPENSES:</b>		
Interest	(9,549)	(8,334)
Base management fees	(5,028)	(4,855)
Incentive fees	(3,637)	(2,720)
Internal administrative services expenses	(2,267)	(2,038)
General and administrative	(1,034)	(880)
Total expenses before expense waivers	(21,515)	(18,827)
Waiver of internal administrative services expenses	2,111	1,889
Total expenses, net of expense waivers	(19,404)	(16,938)
<b>NET INVESTMENT INCOME</b>	14,546	14,108
<b>NET REALIZED GAIN (LOSS):</b>		
Control investments	10	631
Affiliate investments	—	1,637
Non-Control/Non-Affiliate investments	(1,894)	1,164
Total net realized gain (loss)	(1,884)	3,432
<b>NET UNREALIZED APPRECIATION (DEPRECIATION):</b>		
Control investments	422	(686)
Affiliate investments	(19)	1,321
Non-Control/Non-Affiliate investments	(1,536)	(4,774)
Total net unrealized depreciation	(1,133)	(4,139)
<b>INCOME TAXES:</b>		
Federal and state income, excise and other taxes	(329)	(310)
Deferred taxes	(611)	(860)
Income tax provision	(940)	(1,170)
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>	\$ 10,589	\$ 12,231
<b>NET INVESTMENT INCOME PER SHARE—BASIC AND DILUTED</b>	\$ 0.18	\$ 0.18
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS PER SHARE—BASIC AND DILUTED</b>	\$ 0.13	\$ 0.15
<b>WEIGHTED-AVERAGE SHARES OUTSTANDING—BASIC AND DILUTED</b>	80,258,792	80,135,988

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

MSC INCOME FUND, INC.

Consolidated Statements of Changes in Net Assets

(in thousands, except shares)

(Unaudited)

	Common Stock		Additional Paid-In Capital	Total Overdistributed Earnings	Total Net Asset Value
	Number of Shares	Par Value			
<b>Balances at December 31, 2022</b>	80,105,999	\$ 80	\$ 684,165	\$ (74,580)	\$ 609,665
Dividend reinvestment	564,377	1	4,413	—	4,414
Common stock repurchased	(519,489)	(1)	(3,984)	—	(3,985)
Net increase resulting from operations	—	—	—	12,231	12,231
Dividends to stockholders	—	—	—	(14,026)	(14,026)
<b>Balances at March 31, 2023</b>	<u>80,150,887</u>	<u>\$ 80</u>	<u>\$ 684,594</u>	<u>\$ (76,375)</u>	<u>\$ 608,299</u>
<b>Balances at December 31, 2023</b>	80,108,865	80	686,136	(63,909)	622,307
Issuance of common stock	314,070	—	2,500	—	2,500
Dividend reinvestment	564,969	1	4,492	—	4,493
Common stock repurchased	(875,316)	(1)	(6,546)	—	(6,547)
Net increase resulting from operations	—	—	—	10,589	10,589
Dividends to stockholders	—	—	—	(14,821)	(14,821)
<b>Balances at March 31, 2024</b>	<u>80,112,588</u>	<u>\$ 80</u>	<u>\$ 686,582</u>	<u>\$ (68,141)</u>	<u>\$ 618,521</u>

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

MSC INCOME FUND, INC.

Consolidated Statements of Cash Flows

(in thousands)

(Unaudited)

	Three Months Ended March 31,	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net increase in net assets resulting from operations	\$ 10,589	\$ 12,231
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by (used in) operating activities:		
Investments in portfolio companies	(75,728)	(24,971)
Proceeds from sales and repayments of debt investments in portfolio companies	49,378	23,663
Proceeds from sales and return of capital of equity investments in portfolio companies	2,745	6,290
Net unrealized depreciation	1,133	4,139
Net realized (gain) loss on portfolio investments	1,884	(3,432)
Amortization of deferred financing costs	772	376
Amortization of deferred offering costs	—	66
Accretion of unearned income	(1,611)	(2,711)
Payment-in-kind interest	(1,525)	(1,685)
Cumulative dividends	(22)	(45)
Deferred tax provision	611	860
Changes in other assets and liabilities:		
Interest and dividend receivable	(1,283)	(749)
Prepaid and other assets	(696)	4
Management and incentive fees payable	(80)	533
Interest payable	2,145	2,279
Accounts payable and other liabilities	119	(398)
Net cash provided by (used in) operating activities	(11,569)	16,450
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of common stock	2,500	—
Redemption of common stock	(6,547)	(3,984)
Payment of offering costs	—	(66)
Dividends paid	(9,522)	(8,404)
Proceeds from Credit Facilities	82,000	13,000
Repayments on Credit Facilities	(63,000)	(11,000)
Net cash provided by (used in) financing activities	5,431	(10,454)
Net increase (decrease) in cash and cash equivalents	(6,138)	5,996
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>30,786</b>	<b>21,312</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>\$ 24,648</b>	<b>\$ 27,308</b>
<b>Supplemental cash flow disclosures:</b>		
Interest paid	\$ 6,632	\$ 5,680
Taxes paid	\$ 384	\$ 831
<b>Non-cash financing activities:</b>		
Dividends declared and unpaid	\$ 14,821	\$ 14,026
Value of shares issued pursuant to the DRIP	\$ 4,493	\$ 4,414

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

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

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)
<b>Control Investments (5)</b>											
<b>Copper Trail Fund Investments</b>	(12) (13) Investment Partnership	LP Interests (CTMH, LP)	(8) (24) 7/17/2017	38.8%					\$ 693	\$ 568	
<b>GRT Rubber Technologies LLC</b>	Manufacturer of Engineered Rubber Products	Secured Debt	12/21/2018		11.48%	SF+ 6.00%		10/29/2026	1,182	1,174	1,182
		Secured Debt	12/19/2014		13.48%	SF+ 8.00%		10/29/2026	19,944	19,815	19,944
		Member Units	(8) 12/19/2014	2,896						6,435	21,890
										27,424	43,016
<b>Harris Preston Fund Investments</b>	(12) (13) Investment Partnership	LP Interests (2717 MH, L.P.)	(8) (24) 10/1/2017	49.3%					3,345	6,050	
<b>Volusion, LLC</b>	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						3,271	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	—
										11,275	4,010
<b>Subtotal Control Investments (7.6% of net assets at fair value)</b>									<b>\$ 42,737</b>	<b>\$ 53,644</b>	
<b>Affiliate Investments (6)</b>											
<b>Analytical Systems Keco Holdings, LLC</b>	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	1,014	1,007	1,007
		Preferred Member Units	5/20/2021	607						607	1,390
		Preferred Member Units	8/16/2019	800	14.13%					800	—
		Warrants	(27) 8/16/2019	105				8/16/2029		79	—
										2,547	2,451
<b>Barfly Ventures, LLC</b>	(10) Casual Restaurant Group	Member Units	10/26/2020	12						528	1,540
<b>Batjer TopCo, LLC</b>	HVAC Mechanical Contractor	Secured Debt	3/7/2022		10.00%			3/7/2027	50	49	50

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

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	3/7/2022		10.00%			3/7/2027	30	30	30
		Secured Debt	3/7/2022		10.00%			3/7/2027	1,175	1,161	1,175
		Preferred Stock (8)	3/7/2022	453						455	680
										1,695	1,935
<b>Brewer Crane Holdings, LLC</b>	Provider of Crane Rental and Operating Services										
		Secured Debt (9)	1/9/2018		15.48%	SF+ 10.00%		1/9/2025	1,344	1,344	1,343
		Preferred Member Units (8)	1/9/2018	737						1,070	1,430
										2,414	2,773
<b>Centre Technologies Holdings, LLC</b>	Provider of IT Hardware Services and Software Solutions										
		Secured Debt (9) (30)	1/4/2019			SF+ 9.00%		1/4/2028	—	—	—
		Secured Debt (9)	1/4/2019		14.48%	SF+ 9.00%		1/4/2028	5,494	5,427	5,494
		Preferred Member Units	1/4/2019	3,327						1,531	3,040
										6,958	8,534
<b>Chamberlin Holding LLC</b>	Roofing and Waterproofing Specialty Contractor										
		Secured Debt (9) (30)	2/26/2018			SF+ 6.00%		2/26/2026	—	(42)	—
		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	7,390
		Member Units (8) (23)	11/2/2018	261,786						443	750
										7,164	12,045
<b>Charps, LLC</b>	Pipeline Maintenance and Construction										
		Preferred Member Units (8)	2/3/2017	457						491	4,010
<b>Clad-Rex Steel, LLC</b>	Specialty Manufacturer of Vinyl-Clad Metal										
		Secured Debt	12/20/2016		12.00%			1/15/2027	2,140	2,137	2,100
		Secured Debt	12/20/2016		10.00%			12/20/2036	251	249	249
		Member Units (8)	12/20/2016	179						1,820	1,010
		Member Units (23)	12/20/2016	200						127	237
										4,333	3,596
<b>Cody Pools, Inc.</b>	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	6,996	6,977	6,996
		Preferred Member Units (8) (23)	3/6/2020	147						2,079	18,550
										9,053	25,546
<b>Colonial Electric Company LLC</b>	Provider of Electrical Contracting Services										
		Secured Debt (30)	3/31/2021					3/31/2026	—	—	—
		Secured Debt	3/31/2021		12.00%			3/31/2026	5,014	4,962	4,962
		Preferred Member Units	6/27/2023	240						240	600



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

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	3/31/2021	4,320						1,920	2,080
										7,122	7,642
<b>Compass Systems &amp; Sales, LLC</b>	Designer of End-to-End Material Handling Solutions	Secured Debt (30)	11/22/2023		13.50%			11/22/2028	—	—	—
		Secured Debt	11/22/2023					11/22/2028	4,300	4,182	4,182
		Preferred Equity	11/22/2023	1,863						1,863	1,863
										6,045	6,045
<b>Datacom, LLC</b>	Technology and Telecommunications Provider	Secured Debt	3/1/2022		7.50%			12/31/2025	55	54	54
		Secured Debt	3/31/2021		10.00%			12/31/2025	921	885	842
		Preferred Member Units	3/31/2021	1,000						290	20
										1,229	916
<b>Digital Products Holdings LLC</b>	Designer and Distributor of Consumer Electronics	Secured Debt (9)	4/1/2018		15.38%	SF+ 10.00%		4/27/2026	3,355	3,332	3,315
		Preferred Member Units	4/1/2018	964						2,375	2,459
										5,707	5,774
<b>Direct Marketing Solutions, Inc.</b>	Provider of Omni-Channel Direct Marketing Services	Secured Debt (30)	2/13/2018					2/13/2026	—	(3)	—
		Secured Debt	12/27/2022		14.00%			2/13/2026	4,918	4,895	4,918
		Preferred Stock	2/13/2018	2,100						2,100	5,060
										6,992	9,978
<b>Flame King Holdings, LLC</b>	Propane Tank and Accessories Distributor	Preferred Equity (8)	10/29/2021	2,340						2,600	6,970
<b>Freeport Financial Funds</b>	(12) (13) Investment Partnership	LP Interests (Freeport First Lien Loan Fund III LP)	(8) (24) 7/31/2015	6.0%						4,160	3,705
<b>Gamber-Johnson Holdings, LLC</b>	Manufacturer of Ruggedized Computer Mounting Systems	Secured Debt (9) (29) (30)	6/24/2016			SF+ 7.00%		1/1/2028	—	—	—
		Secured Debt (9) (29)	12/15/2022		10.00%	SF+ 7.00%		1/1/2028	13,120	12,952	13,120
		Member Units (8)	6/24/2016	2,261						4,423	26,640
										17,375	39,760

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

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)
<b>GFG Group, LLC</b>	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	2,336	2,307	2,336
Preferred Member Units (8)		3/31/2021	56						1,225	2,460	
										3,532	4,796
<b>Gulf Publishing Holdings, LLC</b>	Energy Industry Focused Media and Publishing	Secured Debt (9) (30)	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	380
Member Units		4/29/2016	920							920	—
										2,920	951
<b>Harris Preston Fund Investments</b>	(12) (13) Investment Partnership	LP Interests (HPEP 3, L.P.) (8) (24)	8/9/2017	8.2%						2,296	4,225
<b>IG Investor, LLC</b>	Military and Other Tactical Gear	Secured Debt (30)	6/21/2023					6/21/2028	—	(25)	(25)
Secured Debt		6/21/2023		13.00%			6/21/2028	9,206	8,975	8,975	
Common Equity		6/21/2023	3,600						3,600	3,600	
										12,550	12,550
<b>Independent Pet Partners Intermediate Holdings, LLC</b>	(10) Omnichannel Retailer of Specialty Pet Products	Common Equity	4/7/2023	6,436,566						6,540	6,400
<b>Integral Energy Services</b>	(10) Nuclear Power Staffing Services	Secured Debt (9)	8/20/2021		13.09%	SF+ 7.50%		8/20/2026	15,340	15,187	14,959
Preferred Equity (8)	12/7/2023	3,725		10.00%		10.00%				276	360
Common Stock	8/20/2021	11,647								1,584	360
										17,047	15,679
<b>Kickhaefer Manufacturing Company, LLC</b>	Precision Metal Parts Manufacturing	Secured Debt	10/31/2018		12.00%			10/31/2026	4,950	4,934	4,934
Secured Debt		10/31/2018			9.00%			10/31/2048	957	949	949
Preferred Equity		10/31/2018	145							3,060	2,640
Member Units (8) (23)		10/31/2018	200							248	683
										9,191	9,206
<b>MH Corbin Holding LLC</b>	Manufacturer and Distributor of Traffic Safety Products	Secured Debt	8/31/2015		14.00%			12/31/2025	1,330	1,330	1,236

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

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	3/15/2019	16,500						1,100	80
		Preferred Member Units	9/1/2015	1,000						1,500	—
										3,930	1,316
<b>Mystic Logistics Holdings, LLC</b>	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	1,431	1,436
		Common Stock (8)	8/18/2014	1,468						680	6,598
										2,111	8,034
<b>NexRev LLC</b>	Provider of Energy Efficiency Products & Services										
		Secured Debt	2/28/2018		10.00%			2/28/2025	400	400	400
		Secured Debt	2/28/2018		10.00%			2/28/2025	2,453	2,439	2,439
		Preferred Member Units (8)	2/28/2018	25,786,046						2,053	2,050
										4,892	4,889
<b>NuStep, LLC</b>	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	4,607	4,607
		Preferred Member Units	11/2/2022	515						515	1,290
		Preferred Member Units	1/31/2017	102						2,550	2,550
										8,571	9,346
<b>Oneliance, LLC</b>	Construction Cleaning Company										
		Secured Debt (9)	8/6/2021		16.48%	SF+ 11.00%		8/6/2026	1,340	1,327	1,327
		Preferred Stock	8/6/2021	282						282	282
										1,609	1,609
<b>Orttech Holdings, LLC</b>	Distributor of Industrial Clutches, Brakes and Other Components										
		Secured Debt (9) (30)	7/30/2021			SF+ 11.00%		7/31/2026	—	(2)	—
		Secured Debt (9)	7/30/2021		16.48%	SF+ 11.00%		7/31/2026	5,490	5,438	5,490
		Preferred Stock (8) (23)	7/30/2021	2,500						2,500	4,090
										7,936	9,580
<b>Pinnacle TopCo, LLC</b>	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	55	46	46
		Secured Debt	12/21/2023		13.00%			12/31/2028	7,660	7,481	7,481
		Preferred Equity (8)	12/21/2023	110						3,135	3,135
										10,662	10,662
<b>Robbins Bros. Jewelry, Inc.</b>	Bridal Jewelry Retailer										
		Secured Debt (30)	12/15/2021					12/15/2026	—	(5)	(5)

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

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	12/15/2021		12.50%			12/15/2026	3,740	3,699	2,708
		Preferred Equity	12/15/2021	1,230						1,230	—
										4,924	2,703
<b>SI East, LLC</b>	<b>Rigid Industrial Packaging Manufacturing</b>										
		Secured Debt	8/31/2018		11.25%			6/16/2028	375	370	375
		Secured Debt	6/16/2023		12.45%			6/16/2028	18,179	18,027	18,179
		Preferred Member Units (8)	8/31/2018	55						508	6,390
										18,905	24,944
<b>Student Resource Center, LLC</b>	<b>(10) Higher Education Services</b>										
		Secured Debt (14)	12/31/2022		8.50%		8.50%	12/31/2027	5,918	5,425	1,925
		Preferred Equity	12/31/2022	6,564,055						—	—
										5,425	1,925
<b>Tedder Industries, LLC</b>	<b>Manufacturer of Firearm Holsters and Accessories</b>										
		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	1,985
		Preferred Member Units	8/28/2023	1,738						165	—
		Preferred Member Units	2/1/2023	1,323						141	—
		Preferred Member Units	8/31/2018	136						2,311	—
										6,877	2,417
<b>Trantech Radiator Topco, LLC</b>	<b>Transformer Cooling Products and Services</b>										
		Secured Debt (30)	5/31/2019					5/31/2027	—	(1)	—
		Secured Debt	5/31/2019		13.50%			5/31/2027	1,980	1,956	1,980
		Common Stock (8)	5/31/2019	154						1,164	2,900
										3,119	4,880
<b>VVS Holdco LLC</b>	<b>Omnichannel Retailer of Animal Health Products</b>										
		Secured Debt (9) (30)	12/1/2021			SF+ 6.00%		12/1/2024	—	—	—
		Secured Debt	12/1/2021		11.50%			12/1/2026	7,050	6,937	6,937
		Preferred Equity (8) (23)	12/1/2021	3,060						3,060	3,060
										9,997	9,997
										\$ 229,447	\$ 289,329
<b>Subtotal Affiliate Investments (46.8% of net assets at fair value)</b>											
<b>Non-Control/Non-Affiliate Investments (7)</b>											
<b>AAC Holdings, Inc.</b>	<b>(11) Substance Abuse Treatment Service Provider</b>										
		Secured Debt	1/31/2023		18.00%		18.00%	6/25/2025	\$ 157	\$ 156	\$ 156
		Secured Debt	12/11/2020		18.00%		18.00%	6/25/2025	5,246	5,141	5,187
		Common Stock	12/11/2020	593,927						3,148	—
		Warrants (27)	12/11/2020	197,717				12/11/2025		—	—
										8,445	5,343
<b>AB Centers Acquisition Corporation</b>	<b>(10) Applied Behavior Analysis Therapy Provider</b>										

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

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) 9/6/2022			P+ 5.00%		9/6/2028	—	(19)	—
		Secured Debt	(9) (26) 9/6/2022		11.43%	SF+ 6.00%		9/6/2028	2,347	2,315	2,347
		Secured Debt	(9) 9/6/2022		11.43%	SF+ 6.00%		9/6/2028	2,298	2,218	2,298
		Secured Debt	(9) 6/21/2023		11.43%	SF+ 6.00%		9/6/2028	770	743	770
										5,257	5,415
<b>Acumera, Inc.</b>	(10) Managed Security Service Provider										
		Secured Debt	(9) (30) 6/7/2023			SF+ 7.00%		6/7/2028	—	(7)	(7)
		Secured Debt	(9) 6/7/2023		12.43%	SF+ 7.00%		6/7/2028	11,847	11,755	11,847
		Warrants	(31) 6/7/2023	14,953				5/19/2028	—	—	90
										11,748	11,930
<b>Adams Publishing Group, LLC</b>	(10) Local Newspaper Operator										
		Secured Debt	(9) (29) 3/11/2022		11.00%	SF+ 7.00%	1.00%	3/11/2027	938	938	902
		Secured Debt	(9) (29) 3/11/2022		11.00%	SF+ 7.00%	1.00%	3/11/2027	2,462	2,457	2,368
										3,395	3,270
<b>ADS Tactical, Inc.</b>	(11) Value-Added Logistics and Supply Chain Provider to the Defense Industry										
		Secured Debt	(9) 3/29/2021		11.19%	SF+ 5.75%		3/19/2026	2,813	2,788	2,828
<b>AMEREQUIP LLC</b>	(10) Full Services Provider Including Design, Engineering and Manufacturing of Commercial and Agricultural Equipment										
		Common Stock	(8) 8/31/2022	11						83	100
<b>American Health Staffing Group, Inc.</b>	(10) Healthcare Temporary Staffing										
		Secured Debt	(9) (30) 11/19/2021			P+ 5.00%		11/19/2026	—	(9)	(9)
		Secured Debt	(9) 11/19/2021		11.61%	SF+ 6.00%		11/19/2026	8,167	8,123	8,167
										8,114	8,158
<b>American Nuts, LLC</b>	(10) Roaster, Mixer and Packager of Bulk Nuts and Seeds										
		Secured Debt	(9) 3/11/2022		15.23%	SF+ 9.75%	15.23%	4/10/2026	5,027	5,008	4,051
		Secured Debt	(9) (14) 3/11/2022		17.23%	SF+ 11.75%	17.23%	4/10/2026	4,270	4,244	2,474
										9,252	6,525
<b>American Teleconferencing Services, Ltd.</b>	(11) Provider of Audio Conferencing and Video Collaboration Solutions										
		Secured Debt	(14) (17) 9/17/2021					4/7/2023	2,425	2,375	59
		Secured Debt	(14) (17) 5/19/2016					6/8/2023	11,693	11,451	282
										13,826	341
<b>ArborWorks, LLC</b>	(10) Vegetation Management Services										
		Secured Debt	11/6/2023		15.00%		15.00%	11/6/2028	1,952	1,952	1,952
		Secured Debt	(9) 11/6/2023		11.94%	SF+ 6.50%	12.04%	11/6/2028	3,913	3,913	3,913

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

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	11/6/2023	17,265						7,468	7,175
		Preferred Equity	11/6/2023	17,265						—	—
		Common Equity	11/9/2021	2,070						124	—
										<u>13,457</u>	<u>13,040</u>
<b>Archer Systems, LLC</b>	(10) Mass Tort Settlement Administration Solutions Provider	Common Stock	8/11/2022	62,402						62	90
<b>ATS Operating, LLC</b>	(10) For-Profit Thrift Retailer	Secured Debt (9)	1/18/2022		12.09%	SF+ 6.50%		1/18/2027	50	50	50
		Secured Debt (9)	1/18/2022		11.09%	SF+ 5.50%		1/18/2027	925	912	925
		Secured Debt (9)	1/18/2022		13.09%	SF+ 7.50%		1/18/2027	925	912	925
		Common Stock	1/18/2022	100,000						100	100
										<u>1,974</u>	<u>2,000</u>
<b>AVEX Aviation Holdings, LLC</b>	(10) Specialty Aircraft Dealer & MRO Provider	Secured Debt (9) (30)	12/23/2022			SF+ 7.25%		12/23/2027	—	(16)	(16)
		Secured Debt (9)	12/23/2022		12.71%	SF+ 7.25%		12/23/2027	3,408	3,318	3,370
		Common Equity (8)	12/15/2021	137						134	124
										<u>3,436</u>	<u>3,478</u>
<b>Berry Aviation, Inc.</b>	(10) Charter Airline Services	Preferred Member Units (23)	11/12/2019	122,416						—	70
		Preferred Member Units (8) (23)	7/6/2018	1,548,387						—	880
		Preferred Member Units	3/8/2024	293,007						293	1,049
										<u>293</u>	<u>1,999</u>
<b>Bettercloud, Inc.</b>	(10) SaaS Provider of Workflow Management and Business Application Solutions	Secured Debt (9) (30)	6/30/2022			SF+ 7.25%		6/30/2028	—	(17)	(17)
		Secured Debt (9)	6/30/2022		12.59%	SF+ 7.25%	6.25%	6/30/2028	8,672	8,562	8,241
										<u>8,545</u>	<u>8,224</u>
<b>Binswanger Enterprises, LLC</b>	(10) Glass Repair and Installation Service Provider	Member Units	3/10/2017	1,050,000						1,050	500
<b>Bluestem Brands, Inc.</b>	(11) Multi-Channel Retailer of General Merchandise	Secured Debt (9) (30)	2/16/2024			SF+ 8.50%		8/28/2025	—	—	—
		Secured Debt (9)	10/19/2022		16.00%	P+ 7.50%	15.00%	8/28/2025	3,334	3,334	3,051
		Secured Debt (9)	8/28/2020		13.94%	SF+ 8.50%	12.94%	8/28/2025	4,072	3,531	3,726
		Common Stock	10/1/2020	700,446						—	70
		Warrants (27)	10/19/2022	175,110				10/19/2032		1,111	20
										<u>1,111</u>	<u>20</u>

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

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)
										7,976	6,867
<b>Bocella Precast Products LLC</b>	Manufacturer of Precast Hollow Core Concrete	Secured Debt Member Units	9/23/2021 6/30/2017	540,000	10.00%			2/28/2027	80	80	80
			(8)							564	260
										644	340
<b>Bond Brand Loyalty ULC</b>	(10) (13) (21) Provider of Loyalty Marketing Services	Secured Debt	(9) (30) 5/1/2023			SF+ 7.00%		5/1/2028	—	(15)	(15)
		Secured Debt	(9) 5/1/2023		11.48%	SF+ 6.00%		5/1/2028	4,030	3,964	4,030
		Secured Debt	(9) 5/1/2023		13.48%	SF+ 8.00%		5/1/2028	4,030	3,964	4,030
		Preferred Equity	5/1/2023	360						360	310
		Common Equity	5/1/2023	360						—	—
										8,273	8,355
<b>BP Loenbro Holdings Inc.</b>	(10) Specialty Industrial Maintenance Services	Secured Debt	(9) (30) 2/1/2024			SF+ 6.25%		2/1/2029	—	(25)	(25)
		Secured Debt	(9) (30) 2/1/2024			SF+ 6.25%		2/1/2029	—	(12)	(12)
		Secured Debt	(9) 2/1/2024		11.66%	SF+ 6.25%		2/1/2029	11,431	11,210	11,210
		Common Equity	2/1/2024	1,000,000						1,000	1,000
										12,173	12,173
<b>Brightwood Capital Fund Investments</b>	(12) (13) Investment Partnership	LP Interests (Brightwood Capital Fund III, LP)	(24) 7/21/2014	0.5%						2,191	1,345
		LP Interests (Brightwood Capital Fund IV, LP)	(8) (24) 10/26/2016	1.2%						8,737	8,716
										10,928	10,061
<b>Buca C, LLC</b>	Casual Restaurant Group	Secured Debt	(17) 6/30/2015		12.00%			8/31/2023	12,676	11,490	8,096
		Preferred Member Units	6/30/2015	4	6.00%		6.00%			3,040	—
										14,530	8,096
<b>Burning Glass Intermediate Holding Company, Inc.</b>	(10) Provider of Skills-Based Labor Market Analytics	Secured Debt	(9) (30) 6/14/2021			SF+ 5.00%		6/10/2026	—	(12)	—
		Secured Debt	(9) 6/14/2021		10.43%	SF+ 5.00%		6/10/2028	13,087	12,945	13,087
										12,933	13,087
<b>CAI Software LLC</b>	Provider of Specialized Enterprise Resource Planning Software	Preferred Equity	12/13/2021	454,344						454	454
		Preferred Equity	12/13/2021	126,446						—	—
										454	454

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

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)
<b>Career Team Holdings, LLC</b>	Provider of Workforce Training and Career Development Services	Secured Debt	(9) (30) 12/17/2021			SF+ 6.00%		12/17/2026	—	(4)	(4)
		Secured Debt	(9) 12/17/2021		13.00%			12/17/2026	2,205	2,169	2,169
		Common Stock	12/17/2021	50,000						500	500
										2,665	2,665
<b>CaseWorthy, Inc.</b>	SaaS Provider of Case Management Solutions	Secured Debt	(9) (30) 5/18/2022			SF+ 6.00%		5/18/2027	—	(3)	(3)
		Secured Debt	(9) 5/18/2022		11.56%	SF+ 6.00%		5/18/2027	2,574	2,556	2,574
		Secured Debt	(9) 5/18/2022		11.56%	SF+ 6.00%		5/18/2027	1,980	1,967	1,980
		Common Equity	12/30/2022	80,000						80	80
								4,600	4,631		
<b>Central Moloney, LLC</b>	(10) Manufacturer of Electricity Transformers and Related Equipment	Secured Debt	(9) 2/9/2024		12.05%	SF+ 6.75%		10/20/2028	15,000	14,711	14,711
<b>Channel Partners Intermediaco, LLC</b>	Outsourced Consumer Services Provider	Secured Debt	(9) (28) 2/7/2022		12.56%	SF+ 7.00%		2/7/2027	152	138	145
		Secured Debt	(9) 2/7/2022		12.58%	SF+ 7.00%		2/7/2027	3,351	3,312	3,184
		Secured Debt	(9) 6/24/2022		12.58%	SF+ 7.00%		2/7/2027	186	184	176
		Secured Debt	(9) 3/27/2023		12.58%	SF+ 7.00%		2/7/2027	449	440	426
								4,074	3,931		
<b>Clarius BIGS, LLC</b>	(10) Prints & Advertising Film Financing	Secured Debt	(14) (17) 9/23/2014					1/5/2015	2,694	2,350	16
<b>Classic H&amp;G Holdings, LLC</b>	Provider of Engineered Packaging Solutions	Secured Debt	(9) 3/12/2020		11.63%	SF+ 6.00%		3/12/2025	940	934	940
		Secured Debt	(9) 3/12/2020		8.00%			3/12/2025	4,819	4,790	4,819
		Preferred Member Units	(8) 3/12/2020	39						1,440	4,370
								7,164	10,129		
<b>Computer Data Source, LLC</b>	Third Party Maintenance Provider to the Data Center Ecosystem	Secured Debt	(9) (28) 8/6/2021		13.47%	SF+ 8.00%		8/6/2026	4,167	4,065	4,072
		Secured Debt	(9) (30) 3/29/2024			SF+ 8.00%		8/6/2026	—	(139)	(139)
		Secured Debt	(9) 8/6/2021		13.46%	SF+ 8.00%		8/6/2026	15,260	15,113	14,915
								19,039	18,848		
<b>Construction Supply Investments, LLC</b>	(10) Distribution Platform of Specialty Construction Materials to Professional Concrete and Masonry Contractors	Member Units	12/29/2016	861,618					3,335	22,430	



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

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)	
<b>CQ Fluency, LLC</b>	(10) Global Language Services Provider	Secured Debt	(9) (30) 12/27/2023			SF+ 7.00%		6/27/2027	—	(41)	(41)	
		Secured Debt	(9) (30) 12/27/2023			SF+ 7.00%		6/27/2027	—	(41)	(41)	
		Secured Debt	(9) 12/27/2023		12.41%	SF+ 7.00%		6/27/2027	7,500	7,296	7,352	
										7,214	7,270	
<b>Dalton US Inc.</b>	(10) Provider of Supplemental Labor Services	Common Stock		8/16/2022						52	60	
<b>DMA Industries, LLC</b>	Distributor of Aftermarket Ride Control Products	Secured Debt		11/19/2021		12.00%		11/19/2026	4,700	4,647	4,700	
		Preferred Equity		11/19/2021	1,486					1,486	1,490	
										6,133	6,190	
<b>DTE Enterprises, LLC</b>	(10) Industrial Powertrain Repair and Services	Class AA Preferred Member Units (non-voting)	(8) 4/13/2018		10.00%		10.00%			1,316	855	
		Class A Preferred Member Units	4/13/2018	776,316	8.00%	8.00%				776	—	
											2,092	855
<b>Dynamic Communities, LLC</b>	(10) Developer of Business Events and Online Community Groups	Secured Debt	(9) 12/20/2022		10.43%	SF+ 5.00%	10.43%	12/31/2026	2,125	1,967	1,967	
		Secured Debt	(9) 12/20/2022		12.43%	SF+ 7.00%	12.43%	12/31/2026	2,179	1,946	1,926	
		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						—	—
											4,041	3,953
<b>Elgin AcquireCo, LLC</b>	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	1,197	1,171	1,171	
		Secured Debt		10/3/2022		9.00%		10/3/2052	412	408	408	
		Common Stock		10/3/2022	19						374	390
		Common Stock	(23) 10/3/2022	61							102	109
											2,055	2,078
<b>Emerald Technologies Acquisition Co, Inc.</b>	(11) Design & Manufacturing	Secured Debt	(9) 2/10/2022		11.74%	SF+ 6.25%		12/29/2027	2,375	2,344	2,185	

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

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)	
Engineering Research & Consulting, LLC	(10) Provider of Engineering & Consulting Services to US Department of Defense	Secured Debt	(9) (28) 5/23/2022		13.75%	P+ 5.25%		5/23/2027	176	165	176	
		Secured Debt	(9) 5/23/2022		11.66%	SF+ 6.25%		5/23/2028	5,082	5,014	5,025	
										5,179	5,201	
Escalent, Inc.	(10) Market Research and Consulting Firm	Secured Debt	(9) (30) 4/7/2023			SF+ 8.00%		4/7/2029	—	(9)	(9)	
		Secured Debt	(9) 4/7/2023		13.40%	SF+ 8.00%		4/7/2029	6,907	6,733	6,907	
		Common Equity	4/7/2023	170,998						174	200	
										6,898	7,098	
Event Holdco, LLC	(10) Event and Learning Management Software for Healthcare Organizations and Systems	Secured Debt	(9) 12/22/2021		13.56%	SF+ 8.00%		12/22/2026	308	306	304	
		Secured Debt	(9) 12/22/2021		13.56%	SF+ 8.00%	8.00%	12/22/2026	3,755	3,735	3,705	
										4,041	4,009	
Garyline, LLC	(10) Manufacturer of Consumer Plastic Products	Secured Debt	(9) 11/10/2023		12.17%	SF+ 6.75%		11/10/2028	210	138	208	
		Secured Debt	(9) 11/10/2023		12.17%	SF+ 6.75%		11/10/2028	9,640	9,374	9,544	
		Common Equity	11/10/2023							210	210	
										9,722	9,962	
Hawk Ridge Systems, LLC	Value-Added Reseller of Engineering Design and Manufacturing Solutions	Secured Debt	(9) 12/2/2016		11.53%	SF+ 6.00%		1/15/2026	359	358	359	
		Secured Debt	12/2/2016		12.50%			1/15/2026	9,744	9,703	9,744	
		Preferred Member Units	(8) 12/2/2016	56							713	4,470
		Preferred Member Units	(23) 12/2/2016	56							38	240
											10,812	14,813
HDC/HW Intermediate Holdings	(10) Managed Services and Hosting Provider	Secured Debt	(9) 3/7/2024		9.07%	SF+ 3.50%	2.50%	6/21/2026	1,335	1,254	1,254	
		Secured Debt	(14) 3/7/2024		2.50%	2.50%	2.50%	6/21/2026	914	401	401	
		Common Equity	3/7/2024	35,971						—	—	
										1,655	1,655	
HEADLANDS OP-CO LLC	(10) Clinical Trial Sites Operator	Secured Debt	(9) (30) 8/1/2022			SF+ 6.50%		8/1/2027	—	(13)	(13)	
		Secured Debt	(9) 8/1/2022		11.83%	SF+ 6.50%		8/1/2027	1,990	1,959	1,990	
		Secured Debt	(9) 8/1/2022		11.83%	SF+ 6.50%		8/1/2027	4,913	4,847	4,913	
									6,793	6,890		
Hybrid Promotions, LLC	(10) Wholesaler of Licensed, Branded and Private Label Apparel											

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

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)	6/30/2021		15.84%	SF+ 8.25%	2.00%	6/30/2026	8,004	7,869	7,840
<b>IG Parent Corporation</b>	(11) Software Engineering											
		Secured Debt	(9) (30)	7/30/2021			SF+ 5.75%		7/30/2026	—	(12)	—
		Secured Debt	(9)	7/30/2021		10.93%	SF+ 5.50%		7/30/2028	6,250	6,188	6,250
		Secured Debt	(9)	7/30/2021		10.93%	SF+ 5.50%		7/30/2028	1,937	1,918	1,937
										8,094	8,187	
<b>Imaging Business Machines, L.L.C.</b>	(10) Technology Hardware & Equipment											
		Secured Debt	(9) (28)	6/8/2023		12.27%	SF+ 7.00%		6/30/2028	593	593	593
		Secured Debt	(9)	6/8/2023		12.25%	SF+ 7.00%		6/30/2028	10,358	10,060	10,358
		Common Equity		6/8/2023	422						580	600
										11,233	11,551	
<b>Implus Footcare, LLC</b>	(10) Provider of Footwear and Related Accessories											
		Secured Debt	(9)	6/1/2017		14.21%	SF+ 7.75%	1.00%	7/31/2024	17,042	17,040	16,103
<b>Infiniti X1 Holdings, LLC</b>	Manufacturer and Supplier of Personal Lighting Products											
		Secured Debt		3/31/2023		13.00%			3/31/2028	4,331	4,263	4,263
		Preferred Equity	(8)	3/31/2023	21,840						1,092	1,092
										5,355	5,355	
<b>Infolinks Media Buyco, LLC</b>	(10) Exclusive Placement Provider to the Advertising Ecosystem											
		Secured Debt	(9)	11/1/2021		11.18%	SF+ 5.75%		11/1/2026	1,876	1,829	1,876
		Secured Debt	(9)	11/1/2021		11.18%	SF+ 5.75%		11/1/2026	9,564	9,463	9,564
										11,292	11,440	
<b>Insight Borrower Corporation</b>	(10) Test, Inspection, and Certification Instrument Provider											
		Secured Debt	(9) (30)	7/19/2023			SF+ 6.25%		7/19/2028	—	(38)	(38)
		Secured Debt	(9) (30)	7/19/2023			SF+ 6.25%		7/19/2029	—	(31)	(31)
		Secured Debt	(9)	7/19/2023		11.56%	SF+ 6.25%		7/19/2029	8,352	8,132	8,209
		Common Equity		7/19/2023	47,847						239	160
										8,302	8,300	
<b>Inspire Aesthetics Management, LLC</b>	(10) Surgical and Non-Surgical Plastic Surgery and Aesthetics Provider											
		Secured Debt	(9) (28)	4/3/2023		13.44%	SF+ 8.00%		4/3/2028	676	660	652
		Secured Debt	(9)	4/3/2023		13.48%	SF+ 8.00%		4/3/2028	6,240	6,108	6,017
		Secured Debt	(9)	6/14/2023		13.48%	SF+ 8.00%		4/3/2028	1,257	1,230	1,212
		Common Equity		4/3/2023	101,719						322	190
										8,320	8,071	
<b>Interface Security Systems, L.L.C.</b>	(10) Commercial Security & Alarm Services											

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

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	(17) (28) 12/9/2021		15.43%	SF+ 10.00%		8/7/2023	1,835	1,835	1,680
		Secured Debt	(9) (14) 8/7/2019		12.43%	SF+ 7.00%	12.43%	8/7/2023	7,334	7,254	17
		Common Stock	(17) 12/7/2021	2,143							
									9,089	1,697	
<b>Intermedia Holdings, Inc.</b>	(11) Unified Communications as a Service	Secured Debt	(9) 8/3/2018		11.43%	SF+ 6.00%		7/19/2025	7,037	7,032	7,037
<b>Invincible Boat Company, LLC.</b>	(10) Manufacturer of Sport Fishing Boats	Secured Debt	(9) 8/28/2019		11.96%	SF+ 6.50%		8/28/2025	104	101	103
		Secured Debt	(9) 8/28/2019		11.96%	SF+ 6.50%		8/28/2025	16,812	16,760	16,615
									16,861	16,718	
<b>INW Manufacturing, LLC</b>	(11) Manufacturer of Nutrition and Wellness Products	Secured Debt	(9) 5/19/2021		11.31%	SF+ 5.75%		3/25/2027	6,563	6,452	5,250
<b>Iron-Main Investments, LLC</b>	Consumer Reporting Agency Providing Employment Background Checks and Drug Testing	Secured Debt	8/2/2021		13.50%			1/31/2028	1,128	1,110	1,110
		Secured Debt	9/1/2021		13.50%			1/31/2028	735	723	723
		Secured Debt	11/15/2021		13.50%			1/31/2028	2,236	2,236	2,236
		Secured Debt	11/15/2021		13.50%			1/31/2028	4,906	4,820	4,820
		Secured Debt	1/31/2023		13.50%			1/31/2028	2,591	2,484	2,484
		Common Stock	8/3/2021	50,753						689	669
									12,062	12,042	
<b>Isagenix International, LLC</b>	(11) Direct Marketer of Health & Wellness Products	Secured Debt	(9) 4/13/2023		11.03%	SF+ 5.50%	8.54%	4/14/2028	2,763	2,536	2,417
		Common Equity	4/13/2023	186,322							
									2,536	2,417	
<b>ITA Holdings Group, LLC</b>	Air Ambulance Services	Secured Debt	(9) 6/21/2023		16.53%	SF+ 9.00%	2.00%	6/21/2027	208	203	203
		Secured Debt	(9) 6/21/2023		16.53%	SF+ 9.00%	2.00%	6/21/2027	179	175	175
		Secured Debt	(9) 6/21/2023		15.53%	SF+ 8.00%	2.00%	6/21/2027	1,096	871	871
		Secured Debt	(9) 6/21/2023		17.53%	SF+ 10.00%	2.00%	6/21/2027	1,096	871	871
		Warrants	(27) 6/21/2023	48,327				6/21/2033		523	523
									2,643	2,643	
<b>Jackmont Hospitality, Inc.</b>	(10) Franchisee of Casual Dining Restaurants	Secured Debt	(9) (26) 10/26/2022		12.46%	SF+ 7.00%		11/4/2024	1,662	1,645	1,663
		Secured Debt	(9) 2/27/2024		15.48%	SF+ 10.00%		11/4/2024	317	287	287
		Secured Debt	(9) 11/8/2021		12.46%	SF+ 7.00%		11/4/2024	3,895	3,895	3,895
		Preferred Equity	11/8/2021	5,653,333						216	2,190

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

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)
										6,043	8,035
<b>Joerns Healthcare, LLC</b>	(11) Manufacturer and Distributor of Health Care Equipment & Supplies										
		Secured Debt	(9) (14) 8/21/2019		21.59%	SF+ 16.00%	21.59%	8/21/2024	942	942	—
		Secured Debt	(9) (14) 8/21/2019		21.59%	SF+ 16.00%	21.59%	8/21/2024	906	906	—
		Secured Debt	(9) 3/30/2024		14.31%	SF+ 8.75%	6.00%	3/29/2029	1,615	1,615	1,615
		Secured Debt	(9) 3/30/2024		14.31%	SF+ 8.75%	6.00%	3/29/2029	982	982	982
		Common Stock	8/21/2019	392,514						3,678	—
		Common Stock	3/29/2024	4,535,784						166	166
										8,289	2,763
<b>Johnson Downie Opco, LLC</b>	Executive Search Services										
		Secured Debt	(30) 12/10/2021					12/10/2026	—	(4)	—
		Secured Debt	12/10/2021		15.00%			12/10/2026	2,690	2,649	2,690
		Preferred Equity	(8) 12/10/2021	368						404	1,080
										3,049	3,770
<b>JorVet Holdings, LLC</b>	Supplier and Distributor of Veterinary Equipment and Supplies										
		Secured Debt	3/28/2022		12.00%			3/28/2027	2,850	2,816	2,816
		Preferred Equity	(8) 3/28/2022	11,934						1,193	1,193
										4,009	4,009
<b>JTI Electrical &amp; Mechanical, LLC</b>	(10) Electrical, Mechanical and Automation Services										
		Secured Debt	(9) (28) 12/22/2021		11.57%	SF+ 6.00%		12/22/2026	612	605	612
		Secured Debt	(9) 12/22/2021		11.55%	SF+ 6.00%		12/22/2026	2,980	2,947	2,980
		Secured Debt	(9) 2/1/2024		11.55%	SF+ 6.00%		12/22/2026	279	271	279
		Common Equity	12/22/2021	140,351						140	110
										3,963	3,981
<b>KMS, LLC</b>	(10) Wholesaler of Closeout and Value-priced Products										
		Secured Debt	(9) 10/4/2021		14.70%	SF+ 9.25%		10/4/2026	1,289	1,237	1,197
		Secured Debt	(9) 10/4/2021		14.70%	SF+ 9.25%		10/4/2026	9,286	9,191	8,627
										10,428	9,824
<b>Lightbox Holdings, L.P.</b>	(11) Provider of Commercial Real Estate Software										
		Secured Debt	5/9/2019		10.56%	SF+ 5.00%		5/9/2026	5,750	5,724	5,578
<b>LI Management, Inc.</b>	(10) Medical Transportation Service Provider										
		Secured Debt	(9) 5/2/2019		12.68%	SF+ 7.25%		9/25/2024	7,916	7,898	7,916
		Secured Debt	(9) 5/2/2019		12.68%	SF+ 7.25%		9/25/2024	5,220	5,208	5,220
		Secured Debt	(9) 11/20/2020		12.68%	SF+ 7.25%		9/25/2024	—	—	—
		Secured Debt	(9) 2/26/2021		12.68%	SF+ 7.25%		9/25/2024	867	865	867
		Secured Debt	(9) 5/12/2022		12.68%	SF+ 7.25%		9/25/2024	8,780	8,752	8,780
										22,723	22,783

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

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)		
<b>LLFlex, LLC</b>	Provider of Metal-Based Laminates	Secured Debt	(9)	8/16/2021		15.48%	SF+ 9.00%	1.00%	8/16/2026	4,907	4,854	4,525	
<b>Logix Acquisition Company, LLC</b>	Competitive Local Exchange Carrier	Secured Debt	(9)	1/8/2018		13.25%	P+ 4.75%		12/22/2024	11,552	11,352	8,957	
<b>Mako Steel, LP</b>	Self-Storage Design & Construction	Secured Debt	(9) (30)	3/15/2021			SF+ 6.75%		3/15/2026	—	(32)	—	
		Secured Debt	(9)	3/15/2021		12.23%	SF+ 6.75%		3/15/2026	16,503	16,367	16,503	
		Secured Debt	(9)	3/28/2024		12.98%	SF+ 7.50%		3/15/2026	5,000	4,855	5,000	
											21,190	21,503	
<b>Metalfforming Holdings, LLC</b>	Distributor of Sheet Metal Folding and Metal Forming Equipment	Secured Debt	(30)	10/19/2022					10/19/2024	—	—	—	
		Secured Debt		10/19/2022		11.75%			10/19/2027	1,663	1,628	1,628	
		Preferred Equity	(8)	10/19/2022	434,331	8.00%		8.00%				434	443
		Common Stock	(8)	10/19/2022	112,865							113	180
										2,175	2,251		
<b>Microbe Formulas, LLC</b>	Nutritional Supplements Provider	Secured Debt	(9) (30)	4/4/2022			SF+ 6.25%		4/3/2028	—	(6)	(6)	
		Secured Debt	(9)	4/4/2022		11.43%	SF+ 6.00%		4/3/2028	2,671	2,634	2,671	
											2,628	2,665	
<b>Mills Fleet Farm Group, LLC</b>	(10)	Omnichannel Retailer of Work, Farm and Lifestyle Merchandise	Secured Debt	(9)	10/24/2018		12.46%	SF+ 7.00%		12/31/2026	18,152	17,887	17,662
<b>Mini Melts of America, LLC</b>	Manufacturer and Distributor of Branded Premium Beaded Ice Cream	Secured Debt	(9) (28)	11/30/2023		11.57%	SF+ 6.25%		11/30/2028	540	513	517	
		Secured Debt	(9) (26)	11/30/2023		11.58%	SF+ 6.25%		11/30/2028	465	450	446	
		Secured Debt	(9)	11/30/2023		10.59%	SF+ 5.25%		11/30/2028	3,225	3,153	3,193	
		Secured Debt	(9)	11/30/2023		12.59%	SF+ 7.25%		11/30/2028	3,225	3,150	3,193	
		Common Equity		11/30/2023	300,000							300	300
										7,566	7,649		
<b>MonitorUS Holding, LLC</b>	SaaS Provider of Media Intelligence Services	Secured Debt	(10) (13)	5/24/2022		14.00%		4.00%	5/24/2027	1,132	1,118	1,119	
		Secured Debt	(21)	5/24/2022		14.00%		4.00%	5/24/2027	2,941	2,903	3,143	
		Secured Debt		5/24/2022		14.00%		4.00%	5/24/2027	5,007	4,945	5,007	
		Unsecured Debt		11/14/2023		8.00%		8.00%	3/31/2025	46	46	46	

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

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)
		Common Stock	8/30/2022	12,798,820						256	197
										9,268	9,512
<b>NinjaTrader, LLC</b>	(10) Operator of Futures Trading Platform										
		Secured Debt	(9) (30) 12/18/2019			SF+ 7.00%		12/18/2026	—	(4)	(4)
		Secured Debt	(9) (30) 12/18/2019			SF+ 7.00%		12/18/2026	—	(11)	(11)
		Secured Debt	(9) 12/18/2019		12.48%	SF+ 7.00%		12/18/2026	14,776	14,616	14,776
										14,601	14,761
<b>Obra Capital, Inc</b>	(11) Alternative Asset Manager										
		Secured Debt			11.44%	SF+ 6.00%		10/1/2026	6,840	6,538	5,977
<b>Power System Solutions</b>	(10) Backup Power Generation										
		Secured Debt	(9) (30) 6/7/2023			SF+ 6.50%		6/7/2028	—	(33)	(33)
		Secured Debt	(9) 6/7/2023		11.82%	SF+ 6.50%		6/7/2028	2,660	2,588	2,660
		Secured Debt	(9) 6/7/2023		11.80%	SF+ 6.50%		6/7/2028	7,919	7,721	7,919
		Common Equity	6/7/2023	532						532	730
										10,808	11,276
<b>PrimeFlight Aviation Services</b>	(10) Air Freight & Logistics										
		Secured Debt	(9) 5/1/2023		12.28%	SF+ 6.85%		5/1/2029	5,955	5,805	5,955
		Secured Debt	(9) 9/7/2023		12.15%	SF+ 6.85%		5/1/2029	569	553	569
		Secured Debt	(9) 1/30/2024		11.55%	SF+ 6.25%		5/1/2029	571	561	571
										6,919	7,095
<b>PTL US Bidco, Inc</b>	(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) (28) 8/19/2022		12.77%	SF+ 7.25%		8/19/2027	198	189	198
		Secured Debt	(9) 8/19/2022		12.84%	SF+ 7.25%		8/19/2027	1,422	1,401	1,422
										1,590	1,620
<b>Purge Rite, LLC</b>	(10) HVAC Flushing and Filtration Services										
		Secured Debt	(9) (30) 10/2/2023			SF+ 8.00%		10/2/2028	—	(18)	(18)
		Secured Debt	(9) 10/2/2023		13.64%	SF+ 8.00%		10/2/2028	3,906	3,818	3,867
		Preferred Equity	10/2/2023	1,302,083						1,302	1,302
										5,102	5,151
<b>RA Outdoors LLC</b>	(10) Software Solutions Provider for Outdoor Activity Management										
		Secured Debt	(9) (28) 4/8/2021		12.33%	SF+ 6.75%		4/8/2026	1,235	1,228	1,168
		Secured Debt	(9) 4/8/2021		12.18%	SF+ 6.75%		4/8/2026	12,917	12,838	12,217
										14,066	13,385
<b>Research Now Group, Inc. and Survey Sampling International, LLC</b>	(11) Provider of Outsourced Online Surveying										
		Secured Debt	(9) 12/29/2017		11.07%	SF+ 5.50%		12/20/2024	9,665	9,665	5,832

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

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)	
<b>Richardson Sales Solutions</b>	(10) Business Services	Secured Debt	(9) (28) 8/24/2023		11.82%	SF+ 6.50%		8/24/2028	455	405	451	
		Secured Debt	(9) 8/24/2023		11.82%	SF+ 6.50%		8/24/2028	10,487	10,210	10,408	
										10,615	10,859	
<b>Roof Opco, LLC</b>	(10) Residential Re-Roofing/Repair	Secured Debt	(9) (30) 8/27/2021			SF+ 6.50%		8/27/2026	—	(9)	—	
		Secured Debt	(9) 8/27/2021		12.09%	SF+ 6.50%		8/27/2026	4,219	4,156	4,149	
		Secured Debt	(9) 8/27/2021		14.09%	SF+ 8.50%		8/27/2026	4,219	4,156	4,089	
										8,303	8,238	
<b>Rug Doctor, LLC.</b>	(10) Carpet Cleaning Products and Machinery	Secured Debt	(9) 7/16/2021		13.24%	SF+ 5.75% 2.00%		11/16/2025	6,443	6,425	6,443	
		Secured Debt	(9) 7/16/2021		13.24%	SF+ 5.75% 2.00%		11/16/2025	8,838	8,811	8,838	
										15,236	15,281	
<b>Slick Innovations, LLC</b>	Text Message Marketing Platform	Secured Debt	9/13/2018		14.00%			12/22/2027	4,720	4,573	4,720	
		Common Stock	9/13/2018	17,500					—	—	460	
										4,573	5,180	
<b>South Coast Terminals Holdings, LLC</b>	(10) Specialty Toll Chemical Manufacturer	Secured Debt	(9) (30) 12/10/2021			SF+ 6.00%		12/13/2026	—	(4)	(4)	
		Secured Debt	(9) 12/10/2021		11.43%	SF+ 6.00%		12/13/2026	2,839	2,808	2,839	
		Common Equity	12/10/2021	61					—	—	61	59
										2,865	2,894	
<b>SPAU Holdings, LLC</b>	(10) Digital Photo Product Provider	Secured Debt	(9) 7/1/2022		12.96%	SF+ 7.50%		7/1/2027	300	287	300	
		Secured Debt	(9) 7/1/2022		12.96%	SF+ 7.50%		7/1/2027	4,913	4,849	4,912	
		Common Stock	7/1/2022	200,000					—	—	200	190
										5,336	5,402	
<b>Tex Tech Tennis, LLC</b>	(10) Sporting Goods & Textiles	Preferred Equity	(23) 7/7/2021	1,000,000						1,000	2,680	
<b>The Affiliati Network, LLC</b>	Performance Marketing Solutions	Secured Debt	(30) 8/9/2021					8/9/2026	—	(2)	(2)	
		Secured Debt	8/9/2021		13.00%			8/9/2026	1,780	1,761	1,744	
		Preferred Stock	9/1/2023	59,027					—	—	59	59
		Preferred Stock	(8) 8/9/2021	320,000					—	—	1,600	1,600
										3,418	3,401	
<b>Titan Meter Midco Corp.</b>	(10) Value Added Distributor of a Variety of Metering and Measurement Products and Solutions to the Energy Industry											



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

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) 3/11/2024			SF+ 6.50%		3/11/2029	—	(48)	(48)
		Secured Debt	(9) 3/11/2024		11.82%	SF+ 6.50%		3/11/2029	13,147	12,695	12,695
		Preferred Equity	3/11/2024	468,750						469	469
										<u>13,116</u>	<u>13,116</u>
<b>U.S. TelePacific Corp.</b>	(11) Provider of Communications and Managed Services										
		Secured Debt	(9) (14) 6/1/2023		12.49%	SF+ 7.15%	6.00%	5/2/2027	6,802	2,505	2,604
		Secured Debt	(14) 6/1/2023					5/2/2027	692	15	—
										<u>2,520</u>	<u>2,604</u>
<b>Urgent DSO LLC</b>	General and Emergency Dentistry Practice										
		Secured Debt	2/16/2024		13.50%			2/28/2029	2,200	2,135	2,135
		Preferred Equity	(8) 2/16/2024	1,000	9.00%		9.00%			1,011	1,011
										<u>3,146</u>	<u>3,146</u>
<b>USA DeBusk LLC</b>	(10) Provider of Industrial Cleaning Services										
		Secured Debt	(9) 10/22/2019		11.43%	SF+ 6.00%		9/8/2026	12,373	12,285	12,373
		Secured Debt	(9) 7/19/2023		11.93%	SF+ 6.50%		9/8/2026	4,813	4,738	4,813
		Secured Debt	(9) 11/21/2023		11.93%	SF+ 6.50%		9/8/2026	2,509	2,467	2,509
										<u>19,490</u>	<u>19,695</u>
<b>UserZoom Technologies, Inc.</b>	(10) Provider of User Experience Research Automation Software										
		Secured Debt	(9) 1/11/2023		12.99%	SF+ 7.50%		4/5/2029	3,000	2,927	3,000
<b>Vistar Media, Inc.</b>	(10) Operator of Digital Out-of-Home Advertising Platform										
		Preferred Stock	4/3/2019	70,207						767	2,270
<b>Vitesse Systems</b>	(10) Component Manufacturing and Machining Platform										
		Secured Debt	(9) 12/22/2023		12.44%	SF+ 7.00%		12/22/2028	12,469	12,177	12,227
<b>VORTEQ Coil Finishers, LLC</b>	(10) Specialty Coating of Aluminum and Light-Gauge Steel										
		Common Equity	(8) 11/30/2021	769,231						769	1,910
<b>Wall Street Prep, Inc.</b>	(10) Financial Training Services										
		Secured Debt	(9) (30) 7/19/2021			SF+ 7.00%		7/19/2026	—	(5)	(5)
		Secured Debt	(9) 7/19/2021		12.48%	SF+ 7.00%		7/19/2026	4,585	4,537	4,585
		Common Stock	7/19/2021	500,000						500	1,030
										<u>5,032</u>	<u>5,610</u>
<b>Watterson Brands, LLC</b>	(10) Facility Management Services										

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

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) (28) 12/17/2021		11.46%	SF+ 6.00%		12/17/2026	303	300	303	
		Secured Debt	(9) 12/17/2021		11.46%	SF+ 6.00%		12/17/2026	52	47	52	
		Secured Debt	(9) 12/17/2021		11.46%	SF+ 6.00%		12/17/2026	2,161	2,142	2,161	
		Secured Debt	(9) 12/17/2021		11.46%	SF+ 6.00%		12/17/2026	1,950	1,933	1,950	
										4,422	4,466	
<b>West Star Aviation Acquisition, LLC</b>	(10) Aircraft, Aircraft Engine and Engine Parts											
		Secured Debt	(9) (26) 3/1/2022		11.31%	SF+ 6.00%		3/1/2028	663	653	663	
		Secured Debt	(9) 3/1/2022		11.31%	SF+ 6.00%		3/1/2028	2,940	2,902	2,940	
		Secured Debt	(9) 11/3/2023		11.31%	SF+ 6.00%		3/1/2028	1,463	1,436	1,463	
		Common Stock	(8) 3/1/2022	200,000						200	470	
										5,191	5,536	
<b>Winter Services LLC</b>	(10) Provider of Snow Removal and Ice Management Services											
		Secured Debt	(9) (28) 11/19/2021		13.58%	SF+ 8.00%		11/19/2026	2,222	2,155	2,181	
		Secured Debt	(9) 11/19/2021		13.59%	SF+ 8.00%		11/19/2026	2,583	2,533	2,535	
		Secured Debt	(9) 11/19/2021		12.59%	SF+ 7.00%		11/19/2026	11,625	11,427	11,409	
		Secured Debt	(9) 11/19/2021		12.58%	SF+ 7.00%		11/19/2026	8,333	8,105	8,178	
										24,220	24,303	
<b>World Micro Holdings, LLC</b>	Supply Chain Management											
		Secured Debt			12.00%			12/12/2027	1,627	1,603	1,603	
		Preferred Equity	(8) 12/12/2022	530						530	530	
										2,133	2,133	
<b>Xenon Arc, Inc.</b>	(10) Tech-enabled Distribution Services to Chemicals and Food Ingredients Primary Producers											
		Secured Debt	(9) 12/17/2021		11.18%	SF+ 5.75%		12/17/2027	1,185	1,162	1,185	
		Secured Debt	(9) 12/17/2021		11.15%	SF+ 5.75%		12/17/2027	2,346	2,317	2,346	
										3,479	3,531	
<b>YS Garments, LLC</b>	(11) Designer and Provider of Branded Activewear											
		Secured Debt	(9) 8/22/2018		12.93%	SF+ 7.50%		8/9/2026	5,537	5,448	5,143	
<b>Zips Car Wash, LLC</b>	(10) Express Car Wash Operator											
		Secured Debt	(9) (26) 2/11/2022		12.68%	SF+ 7.25% 1.50%		12/31/2024	2,358	2,358	2,331	
		Secured Debt	(9) (26) 2/11/2022		12.68%	SF+ 7.25% 1.50%		12/31/2024	591	591	584	
										2,949	2,915	
<b>Subtotal Non-Control/Non-Affiliate Investments (125.0% of net assets at fair value)</b>									\$	790,354	\$	773,009
<b>Total Portfolio Investments, March 31, 2024 (180.4% of net assets at fair value)</b>									\$	1,062,538	\$	1,115,982
<b>Money market funds (included in cash and cash equivalents)</b>												
<b>First American Treasury Obligations Fund Class Z (16)</b>									\$	13,593	\$	13,593
<b>Total money market funds</b>									\$	13,593	\$	13,593

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

- (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.
- (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 the loans (based on the par amount) contain LIBOR or Term SOFR (“SOFR”) floors which range between 0.75% and 5.25%, with a weighted-average floor of 1.21%.
- (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 March 31, 2024 was approximately 5.17% 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 March 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.

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

- (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 March 31, 2024, SOFR based contracts in the portfolio had Adjustments ranging from 0.10% to 0.43%.
- (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 March 31, 2024.
- (27) Warrants are presented in equivalent shares/units with a strike price of \$0.01 per share/unit.
- (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 March 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 March 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.

**MSC INCOME FUND, INC.**  
**Consolidated Schedule of Investments**  
**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)
<b>Control Investments (5)</b>											
<b>Copper Trail Fund Investments</b>	(12) (13) Investment Partnership	LP Interests (CTMH, LP)	(8) (24) 7/17/2017	38.8%					\$ 693	\$	568
<b>GRT Rubber Technologies LLC</b>	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
<b>Harris Preston Fund Investments</b>	(12) (13) Investment Partnership	LP Interests (2717 MH, L.P.)	(8) (24) 10/1/2017	49.3%					3,345		6,050
<b>Volusion, LLC</b>	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
										\$ 43,159	\$ 53,644
<b>Subtotal Control Investments (8.6% of net assets at fair value)</b>											
<b>Affiliate Investments (6)</b>											
<b>Analytical Systems Keco Holdings, LLC</b>	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
<b>Barfly Ventures, LLC</b>	(10) Casual Restaurant Group	Member Units	10/26/2020	12						528	1,380
<b>Batjer TopCo, LLC</b>	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
<b>Brewer Crane Holdings, LLC</b>	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
<b>Centre Technologies Holdings, LLC</b>	Provider of IT Hardware Services and Software Solutions										

**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) (37)	1/4/2019		SF+ 9.00%		1/4/2026	—	—	—
		Secured Debt	(9)	1/4/2019		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
<b>Chamberlin Holding LLC</b>	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		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
<b>Charps, LLC</b>	Pipeline Maintenance and Construction										
		Preferred Member Units	(8)	2/3/2017	457					491	3,920
<b>Clad-Rex Steel, LLC</b>	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
<b>Cody Pools, Inc.</b>	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
<b>Colonial Electric Company LLC</b>	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
<b>Compass Systems &amp; Sales, LLC</b>	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
<b>Datacom, LLC</b>	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
<b>Digital Products Holdings LLC</b>	Designer and Distributor of Consumer Electronics										
		Secured Debt	(9)	4/1/2018		SF+ 10.00%		4/27/2026	3,718	3,689	3,673
		Preferred Member Units	(8)	4/1/2018	964					2,375	2,459

**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)
<b>Direct Marketing Solutions, Inc.</b>	Provider of Omni-Channel Direct Marketing Services									6,064	6,132
		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	2/13/2018	2,100						2,100	5,180
										7,287	10,399
<b>Flame King Holdings, LLC</b>	Propane Tank and Accessories Distributor										
		Preferred Equity	10/29/2021	2,340						2,600	6,970
<b>Freeport Financial Funds</b>	(12) (13) Investment Partnership										
		LP Interests (Freeport First Lien Loan Fund III LP)	(8) (24) 7/31/2015	6.0%					4,160	4,160	3,705
<b>Gamber-Johnson Holdings, LLC</b>	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
<b>GFG Group, LLC</b>	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	2,336	2,304	2,336
		Preferred Member Units	(8) 3/31/2021	56						1,225	2,870
										3,529	5,206
<b>Gulf Publishing Holdings, LLC</b>	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
<b>Harris Preston Fund Investments</b>	(12) (13) Investment Partnership										
		LP Interests (HPEP 3, L.P.)	(24) 8/9/2017	8.2%					2,296	2,296	4,225
<b>IG Investor, LLC</b>	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
<b>Independent Pet Partners Intermediate Holdings, LLC</b>	(10) Omnichannel Retailer of Specialty Pet Products										
		Common Equity	4/7/2023	6,436,566						6,540	6,320
<b>Integral Energy Services</b>	(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

**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)
		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
<b>Kickhaefer Manufacturing Company, LLC</b>	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
<b>MH Corbin Holding LLC</b>	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
<b>Mystic Logistics Holdings, LLC</b>	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
<b>NexRev LLC</b>	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
<b>NuStep, LLC</b>	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
<b>Oneliance, LLC</b>	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
<b>Orttech Holdings, LLC</b>	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
<b>Pinnacle TopCo, LLC</b>	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



**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)
		Preferred Equity	12/21/2023	110						3,135	3,135
										10,712	10,712
<b>Robbins Bros. Jewelry, Inc.</b>	Bridal Jewelry Retailer	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
<b>SI East, LLC</b>	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
<b>Student Resource Center, LLC</b>	(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
<b>Tedder Industries, LLC</b>	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
<b>Trantech Radiator Topco, LLC</b>	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
<b>VVS Holdco LLC</b>	Omnichannel Retailer of Animal Health Products	Secured Debt	(9) (17) (37) 12/1/2021			SF+ 6.00%		12/1/2023	—	—	—
		Secured Debt	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
										\$ 231,378	\$ 291,279
<b>Subtotal Affiliate Investments (46.8% of net assets at fair value)</b>											
<b>Non-Control/Non-Affiliate Investments (7)</b>											
<b>AAC Holdings, Inc.</b>	(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
<b>AB Centers Acquisition Corporation</b>	(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

**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) 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
<b>Acumera, Inc.</b>	(10) Managed Security Service Provider									4,008	4,157
		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
<b>Adams Publishing Group, LLC</b>	(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
<b>ADS Tactical, Inc.</b>	(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
<b>AMEREQUIP LLC</b>	(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
<b>American Health Staffing Group, Inc.</b>	(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
<b>American Nuts, LLC</b>	(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
<b>American Teleconferencing Services, Ltd.</b>	(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
<b>ArborWorks, LLC</b>	(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
<b>Archer Systems, LLC</b>	(10) Mass Tort Settlement Administration Solutions Provider										

**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)
		Common Stock	8/11/2022	62,402						62	100
<b>ATS Operating, LLC</b>	(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
<b>AVEX Aviation Holdings, LLC</b>	(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
<b>Berry Aviation, Inc.</b>	(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
<b>Bettercloud, Inc.</b>	(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
<b>Binswanger Enterprises, LLC</b>	(10) Glass Repair and Installation Service Provider	Member Units	3/10/2017	1,050,000						1,050	120
<b>Bluestem Brands, Inc.</b>	(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
<b>Bocella Precast Products LLC</b>	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
<b>Bond Brand Loyalty ULC</b>	(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
<b>Brightwood Capital Fund Investments</b>	(12) (13) Investment Partnership										

**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)
		LP Interests (Brightwood Capital Fund III, LP)	(24) 7/21/2014	0.5%					2,270	2,270	1,360
		LP Interests (Brightwood Capital Fund IV, LP)	(8) (24) 10/26/2016	1.2%					8,737	8,737	8,716
									11,007	11,007	10,076
<b>Buca C, LLC</b>	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	4	6.00%		6.00%			3,040	—
									14,530	14,530	8,218
<b>Burning Glass Intermediate Holding Company, Inc.</b>	(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	13,266	13,431
<b>CAI Software LLC</b>	Provider of Specialized Enterprise Resource Planning Software	Preferred Equity	12/13/2021	379,338						379	379
		Preferred Equity	12/13/2021	126,446						—	—
									379	379	379
<b>Career Team Holdings, LLC</b>	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	50,000						500	500
									2,781	2,781	2,781
<b>CaseWorthy, Inc.</b>	(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	80,000						80	80
									4,609	4,609	4,643
<b>Channel Partners Intermedateco, LLC</b>	(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	4,116	4,018
<b>Clarius BIGS, LLC</b>	(10) Prints & Advertising Film Financing	Secured Debt	(14) (17) 9/23/2014					1/5/2015	2,694	2,350	16
<b>Classic H&amp;G Holdings, LLC</b>	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	3/12/2020		8.00%			3/12/2025	4,819	4,781	4,819
		Preferred Member Units	(8) 3/12/2020	39						1,440	4,000
									7,354	7,354	9,959
<b>Computer Data Source, LLC</b>	(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

**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)	8/6/2021		13.52%	SF+ 8.00%	8/6/2026	15,260	15,098	14,797	
										19,221	18,837	
<b>Construction Supply Investments, LLC</b> (10)	Distribution Platform of Specialty Construction Materials to Professional Concrete and Masonry Contractors	Member Units		12/29/2016	861,618					3,335	23,135	
<b>CQ Fluency, LLC</b> (10)	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	
<b>Dalton US Inc.</b> (10)	Provider of Supplemental Labor Services	Common Stock		8/16/2022	37					52	60	
<b>DMA Industries, LLC</b>	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	
<b>DTE Enterprises, LLC</b> (10)	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	
<b>Dynamic Communities, LLC</b> (10)	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	
<b>Elgin AcquireCo, LLC</b>	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	
<b>Emerald Technologies Acquisition Co, Inc.</b> (11)	Design & Manufacturing	Secured Debt	(9)	2/10/2022		11.79%	SF+ 6.25%	12/29/2027	2,391	2,357	2,175	
<b>Engineering Research &amp; Consulting, LLC</b> (10)	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	
										5,012	5,095	

**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)
Escalent, 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
									6,907	7,105	
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
									3,965	3,916	
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
									9,518	9,518	
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	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
									10,940	14,838	
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
									2,241	2,035	
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
									6,802	6,906	
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
									8,108	8,208	
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
									11,439	11,654	
Implus Footcare, LLC	(10) Provider of Footwear and Related Accessories	Secured Debt	(9) 6/1/2017		14.25%	SF+ 7.75%	1.00%	7/31/2024	17,012	17,010	15,816

**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)	
<b>Industrial Services Acquisition, LLC</b>	(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	
<b>Infinity X1 Holdings, LLC</b>	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	
<b>Infolinks Media Buyco, LLC</b>	(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	
<b>Insight Borrower Corporation</b>	(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	
<b>Inspire Aesthetics Management, LLC</b>	(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	
<b>Interface Security Systems, L.L.C.</b>	(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) 8/7/2019		12.46%	SF+ 7.00%	12.46%	8/7/2023	7,334	7,254	433	
		Common Stock	(17) 12/7/2021	2,143							—	—
										9,089	2,214	
<b>Intermedia Holdings, Inc.</b>	(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	
<b>Invincible Boat Company, LLC.</b>	(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	
<b>INW Manufacturing, LLC</b>	(11) Manufacturer of Nutrition and Wellness Products	Secured Debt	(9) 5/19/2021		11.36%	SF+ 5.75%		3/25/2027	6,656	6,537	5,325	

**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)
<b>Iron-Main Investments, LLC</b>	Consumer Reporting Agency Providing Employment Background Checks and Drug Testing	Secured Debt	8/2/2021		13.50%			1/31/2028	1,128	1,108	1,108
		Secured Debt	9/1/2021		13.50%			1/31/2028	735	722	722
		Secured Debt	11/15/2021		13.50%			1/31/2028	2,236	2,236	2,236
		Secured Debt	11/15/2021		13.50%			1/31/2028	4,906	4,815	4,815
		Secured Debt	1/31/2023		13.50%			1/31/2028	2,641	2,525	2,525
		Common Stock	8/3/2021	50,753						689	670
									12,095	12,076	
<b>Isagenix International, LLC</b>	(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	4/13/2023	186,322						—	—
									2,374	2,301	
<b>ITA Holdings Group, LLC</b>	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	
<b>Jackmont Hospitality, Inc.</b>	(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	11/8/2021	5,653,333						216	2,190
									5,813	7,813	
<b>Joerns Healthcare, LLC</b>	(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	8/21/2019	392,514						3,678	—
									9,062	1,985	
<b>Johnson Downie Opco, LLC</b>	Executive Search Services	Secured Debt	(37) 12/10/2021					12/10/2026	—	(4)	—
		Secured Debt	12/10/2021		15.00%			12/10/2026	2,690	2,645	2,690
		Preferred Equity	12/10/2021	368						404	1,070
									3,045	3,760	
<b>JorVet Holdings, LLC</b>	Supplier and Distributor of Veterinary Equipment and Supplies	Secured Debt	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	
<b>JTI Electrical &amp; Mechanical, LLC</b>	(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



**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)
		Common Equity	12/22/2021	140,351						140	140
										3,356	3,401
<b>KMS, LLC</b>	(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
<b>Lightbox Holdings, L.P.</b>	(11) Provider of Commercial Real Estate Software										
		Secured Debt	5/9/2019		10.62%	SF+ 5.00%		5/9/2026	5,765	5,736	5,592
<b>LL Management, Inc.</b>	(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
<b>LLFlex, LLC</b>	(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
<b>Logix Acquisition Company, LLC</b>	(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
<b>Mako Steel, LP</b>	(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
<b>MB2 Dental Solutions, LLC</b>	(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
<b>Metalforming Holdings, LLC</b>	Distributor of Sheet Metal Folding and Metal Forming Equipment										
		Secured Debt	(37) 10/19/2022					10/19/2024	—	—	—
		Secured Debt	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	10/19/2022	112,865						113	110
										2,263	2,260
<b>Microbe Formulas, LLC</b>	(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
<b>Mills Fleet Farm Group, LLC</b>	(10) Omnichannel Retailer of Work, Farm and Lifestyle Merchandise										
		Secured Debt	(9) 10/24/2018		12.52%	SF+ 7.00%		12/31/2026	18,152	17,863	17,524

**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)	
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 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) (45) 8/19/2022		12.80%	SF+ 7.25%		8/19/2027	198	189	196	
		Secured Debt	(9) 8/19/2022		12.88%	SF+ 7.25%		8/19/2027	1,734	1,707	1,720	
									1,896	1,916		

**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)
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
											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
											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
											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
											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
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

**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)
		Preferred Stock		43,027						43	43
		Preferred Stock	(8)	8/9/2021	320,000					1,600	1,600
										3,538	3,521
<b>U.S. TelePacific Corp.</b>	(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
<b>USA DeBusk LLC</b>	(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
<b>UserZoom Technologies, Inc.</b>	(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
<b>Vistar Media, Inc.</b>	(10) Operator of Digital Out-of-Home Advertising Platform										
		Preferred Stock		4/3/2019	70,207					767	2,180
<b>Vitesse Systems</b>	(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
<b>VORTEQ Coil Finishers, LLC</b>	(10) Specialty Coating of Aluminum and Light-Gauge Steel										
		Common Equity	(8)	11/30/2021	769,231					769	1,911
<b>Wall Street Prep, Inc.</b>	(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
<b>Watterson Brands, LLC</b>	(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
<b>West Star Aviation Acquisition, LLC</b>	(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
		Secured Debt	(9)	11/3/2023	11.35%	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

**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)	
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	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.
- (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, 2023**  
**(dollars in thousands)**

- (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.
- (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)**  
**December 31, 2023**  
**(dollars in thousands)**

- (28) As of December 31, 2023, borrowings under the loan facility bore interest at SOFR+10.00%. 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)**  
**December 31, 2023**  
**(dollars in thousands)**

- (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

(Unaudited)

NOTE A — ORGANIZATION AND BASIS OF PRESENTATION

1. Organization

MSC Income Fund, Inc. (“MSIF” or, together with its consolidated subsidiaries, “MSC Income Fund” or the “Company”) is a principal investment firm primarily focused on providing debt capital to middle market (“Middle Market”) companies and customized debt and equity financing to lower middle market (“LMM”) companies. MSC Income Fund’s portfolio investments are typically made to support leveraged buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in a variety of industry sectors. MSC Income Fund seeks to partner with private equity funds in its Private Loan (as defined below) and Middle Market investment strategies. MSC Income Fund invests primarily in secured debt investments of Middle Market companies generally headquartered in the United States and in secured debt investments, equity investments, warrants and other securities of LMM companies based in the United States. MSC Income Fund seeks to partner with entrepreneurs, business owners and management teams and generally provides “one-stop” financing alternatives within its LMM investment strategy.

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, MSIF’s stockholders approved the appointment of MSC Adviser I, LLC (the “Adviser”), which is wholly-owned by Main Street Capital Corporation (“Main Street”), a New York Stock Exchange listed BDC, as MSIF’s investment adviser and administrator under an Investment Advisory and Administrative Services Agreement dated October 30, 2020 (the “Investment Advisory Agreement”). In such role, the Adviser has the responsibility to manage the business of MSC Income Fund, including the responsibility to identify, evaluate, negotiate and structure prospective investments, make investment and portfolio management decisions, monitor MSC Income Fund’s Investment Portfolio (as defined below) and provide ongoing administrative services.

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 Fund” refer to MSIF and its consolidated subsidiaries, which include the Taxable Subsidiaries and the Structured Subsidiaries.

2. Basis of Presentation

MSC Income Fund’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 Fund’s consolidated financial statements include the accounts of MSIF and its consolidated subsidiaries. The “Investment Portfolio,” as used herein, refers to all of MSC Income Fund’s investments in Private Loan portfolio companies, investments in LMM portfolio companies, investments in Middle Market portfolio companies and Other Portfolio investments (see *Note C — Fair Value Hierarchy for Investments — Portfolio Composition — Investment Portfolio Composition* for additional discussion of MSC Income Fund’s Investment Portfolio and definitions for the defined terms Private Loan and Other Portfolio). MSC Income Fund’s results of operations for the three months ended March 31, 2024 and 2023, cash flows for the three months ended March 31, 2024 and 2023, and financial position as of March 31, 2024 and December 31, 2023, are presented on a consolidated basis. The effects of all intercompany transactions between MSIF and its consolidated subsidiaries have been eliminated in consolidation.

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

The accompanying unaudited consolidated financial statements of MSC Income Fund are presented in conformity with U.S. GAAP for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Articles 6, 10 and 12 of Regulation S-X. Accordingly, certain disclosures accompanying annual consolidated financial statements prepared in accordance with U.S. GAAP are omitted. The unaudited consolidated financial statements and notes should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2023. In the opinion of management, the unaudited consolidated financial results included herein contain all adjustments, consisting solely of normal recurring accruals, considered necessary for the fair presentation of financial statements for the interim periods included herein. The results of operations for the three months ended March 31, 2024 are not necessarily indicative of the operating results to be expected for the full year. Financial statements prepared on a U.S. GAAP basis require management to make estimates and assumptions that affect the amounts and disclosures reported in the consolidated financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

***Principles of Consolidation***

Under ASC 946, MSC Income Fund is precluded from consolidating other entities in which MSC Income Fund 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 Fund holds a controlling interest in an operating company that provides all or substantially all of its services directly to MSC Income Fund. Accordingly, as noted above, MSC Income Fund's consolidated financial statements include the financial position and operating results for the Taxable Subsidiaries and the Structured Subsidiaries. MSC Income Fund has determined that none of its portfolio investments qualify for this exception. Therefore, MSC Income Fund'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 Fund 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 Fund 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 Fund 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 Fund has excluded consideration of any voting securities or board appointment rights held by Main Street and third-party investment funds advised by the Adviser.

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

MSC Income Fund accounts for its Investment Portfolio at fair value. As a result, MSC Income Fund 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 Fund 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 Fund's portfolio strategy calls for it to invest primarily in debt securities issued by Middle Market companies and illiquid debt and equity securities issued by privately held, LMM companies. The Middle Market companies in which MSC Income Fund invests are generally larger in size than the LMM companies and their debt securities can be more liquid than the debt securities issued by LMM companies. MSC Income Fund categorizes some of

**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

**(Unaudited)**

its investments in Middle Market companies and LMM companies as Private Loan portfolio investments, which are primarily debt securities in privately held companies that have primarily been originated directly by its Adviser or, to a lesser extent, through its 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 Fund's Private Loan investments are typically made to support a company owned by or in the process of being acquired by a private equity sponsor. Private Loan investments are made in companies that are generally consistent with the size of companies MSC Income Fund invests in through its Middle Market portfolio and LMM portfolio. MSC Income Fund's portfolio also includes Other Portfolio investments which 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. MSC Income Fund'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 Fund 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 Fund's valuation policies and processes are intended to provide a consistent basis for determining the fair value of MSC Income Fund'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 Fund 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 Fund 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 determined that third-party quotes or other independent prices are available, MSC Income Fund primarily uses quoted prices in the valuation process. MSC Income Fund 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 Fund 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 Fund's portfolio investments estimate the value of the investment as if MSC Income Fund was to sell, or exit, the investment as of the measurement date.

These valuation approaches consider the value associated with MSC Income Fund'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 Fund 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 Fund 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 Fund 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

**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

**(Unaudited)**

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 Fund analyzes various factors including the portfolio company's historical and projected financial results. Due to SEC deadlines for MSC Income Fund'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 Fund also analyzes the impact of exposure to litigation, loss of customers or other contingencies. After determining the appropriate enterprise value, MSC Income Fund 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 Fund 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 Fund believes is consistent with its past transaction history and standard industry practices.

Under the Yield-to-Maturity valuation method, MSC Income Fund 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 Fund's estimate of the expected repayment date of its debt securities is generally the maturity date of the instrument, as MSC Income Fund 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 Fund will generally use the value determined by the Yield-to-Maturity analysis as the fair value for that security; however, because of MSC Income Fund'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 Fund 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 Fund 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.

Under the NAV valuation method, for an investment in an investment fund that does not have a readily determinable fair value, MSC Income Fund 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 Fund that would affect that fund's NAV, including, but not limited to, fair values for individual investments held by the fund if MSC Income Fund holds the same investment or for a publicly traded investment. In addition, in determining the fair value of the investment, MSC Income Fund considers whether adjustments to the NAV are necessary in certain circumstances, based on the analysis of any restrictions on redemption of MSC Income Fund'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 Fund'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 Fund 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 Fund, 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 Fund's determinations of the fair value of its Private Loan portfolio company investments. The Financial Advisory Firm is generally consulted relative to MSC Income Fund's investments in each Private Loan portfolio company at least once every calendar year, and for MSC Income Fund'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 Fund may determine that it is not cost-effective, and as a result is not in its stockholders' best interest, to consult with the

**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

**(Unaudited)**

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 Fund's investment in a Private Loan portfolio company is determined to be insignificant relative to the total Investment Portfolio. MSC Income Fund 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 14 Private Loan portfolio companies during each of the three months ended March 31, 2024 and 2023, representing 21% and 24% of the total Private Loan portfolio at fair value as of March 31, 2024 and 2023, respectively. A total of 55 Private Loan portfolio companies were reviewed and certified by the Financial Advisory Firm during the trailing twelve months ended March 31, 2024, representing 78% of the total Private Loan portfolio at fair value as of March 31, 2024. Excluding its investments in Private Loan portfolio companies that, as of March 31, 2024, 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, 91% of the Private Loan portfolio at fair value was reviewed and certified by the Financial Advisory Firm during the trailing twelve months ended March 31, 2024.

For valuation purposes, all of MSC Income Fund'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 Fund 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 Fund, 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 Fund's determinations of the fair value of its LMM portfolio company investments. The Financial Advisory Firm is generally consulted relative to MSC Income Fund's investments in each LMM portfolio company at least once every calendar year, and for MSC Income Fund'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 Fund 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 Fund's investment in a LMM portfolio company is determined to be insignificant relative to the total Investment Portfolio. MSC Income Fund 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 12 and 13 LMM portfolio companies during the three months ended March 31, 2024 and 2023, respectively, representing 26% and 39% of the total LMM portfolio at fair value as of March 31, 2024 and 2023, respectively. A total of 46 LMM portfolio companies were reviewed and certified by the Financial Advisory Firm during the trailing twelve months ended March 31, 2024, representing 94% of the total LMM portfolio at fair value as of March 31, 2024. Excluding its investments in LMM portfolio companies that, as of March 31, 2024, 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, 99% of the LMM portfolio at fair value was reviewed and certified by the Financial Advisory Firm during the trailing twelve months ended March 31, 2024.

For valuation purposes, all of MSC Income Fund's Middle Market portfolio investments are non-control investments. To the extent sufficient observable inputs are available to determine fair value, MSC Income Fund 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 Fund 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 Fund 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 (96% and 97% as of March 31, 2024 and December 31, 2023, respectively) of the Middle Market portfolio investments (i) are valued using third-party quotes or other independent

**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

**(Unaudited)**

pricing services or (ii) MSC Income Fund 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 Fund's Other Portfolio investments are non-control investments. MSC Income Fund's Other Portfolio investments comprised 2.2% and 2.3% of MSC Income Fund's Investment Portfolio at fair value as of March 31, 2024 and December 31, 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 Fund generally determines the fair value of these investments using the NAV valuation method.

Due to the inherent uncertainty in the valuation process, MSC Income Fund'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 Fund determines the fair value of each individual investment and records changes in fair value as unrealized appreciation or depreciation.

MSC Income Fund 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 Fund'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 Fund believes its Investment Portfolio as of March 31, 2024 and December 31, 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 at 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 Fund pursuant to valuation policies and procedures approved and overseen by MSC Income Fund'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 Fund's portfolio 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 Fund'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. At March 31, 2024 and December 31, 2023, the Company had \$13.6 million and \$20.8 million, respectively of cash equivalents invested

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

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.

At March 31, 2024 and December 31, 2023, cash balances totaling \$10.8 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 Fund 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 Fund 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 Fund otherwise does not expect the debtor to be able to service its debt obligation, MSC Income Fund 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 Fund removes it from non-accrual status.

As of March 31, 2024, investments on non-accrual status comprised 0.7% of MSC Income Fund's total Investment Portfolio at fair value and 3.6% at cost. As of December 31, 2023, investments on non-accrual status comprised 1.1% of MSC Income Fund's total Investment Portfolio at fair value and 4.0% at cost.

MSC Income Fund 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 Fund may not have collected the PIK interest and cumulative dividends in cash. MSC Income Fund 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 three months ended March 31, 2024 and 2023, 4.5% and 3.8%, respectively, of MSC Income Fund's total investment income was attributable to PIK interest income not paid currently in cash. For each of the three months ended March 31, 2024 and 2023, 0.1% of MSC Income Fund's total investment income was attributable to cumulative dividend income not paid currently in cash.

MSC Income Fund 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. Fees received in connection with debt financing transactions are generally deferred and accreted into income over the life of the financing.

## MSC INCOME FUND, INC.

## Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

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

	Three Months Ended March 31,	
	2024	2023
	(dollars in thousands)	
Interest, fee and dividend income:		
Interest income	\$ 29,059	\$ 28,932
Dividend income	2,472	1,559
Fee income	2,419	555
Total interest, fee and dividend income	<u>\$ 33,950</u>	<u>\$ 31,046</u>

**5. Deferred Financing Costs**

Deferred financing costs include commitment fees and other direct costs incurred in connection with arranging MSC Income Fund's borrowings. Deferred financing costs incurred in connection with MSC Income Fund'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 Fund 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 Fund 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 Fund 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 Fund 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 Fund 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 Fund 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 Fund may not have collected the interest income. For each of the three months ended March 31, 2024 and 2023, 2.5% of MSC Income Fund's total investment income was attributable to interest income from the accretion of discounts associated with debt investments, net of any premium amortization.



**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

**(Unaudited)**

**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 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 Fund. The Taxable Subsidiaries permit MSC Income Fund 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 Fund for U.S. GAAP financial reporting purposes, and the portfolio investments held by the Taxable Subsidiaries are included in MSC Income Fund'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 Fund'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 Fund'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 Fund believes that the carrying amounts of its financial instruments, consisting of cash and cash

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

equivalents, receivables, payables and other liabilities approximate the fair values of such items due to the short-term nature of these instruments.

MSC Income Fund's debt instruments, including all revolving and unsecured debt, are accounted for on a historical cost basis as applicable under U.S GAAP. As also required under U.S GAAP, MSC Income Fund discloses the estimated fair value of its debt obligations in *Note D — Debt*. To estimate the fair value of MSC Income Fund's Series A Notes as disclosed in *Note D — Debt*, MSC Income Fund 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 Fund'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.

**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. 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 will no longer utilize 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 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. Early adoption is permitted, however the Company has not elected to adopt this provision as of the date of the financial statements contained in this report. The Company is still assessing the impact of the new guidance. However, 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 Fund accounts for its investments at fair value.

**Fair Value Hierarchy**

In accordance with ASC 820, MSC Income Fund 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)**

**(Unaudited)**

Investments recorded on MSC Income Fund'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 Fund 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 March 31, 2024 and December 31, 2023, MSC Income Fund'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 Fund's Private Loan portfolio investments were categorized as Level 3 as of March 31, 2024 and December 31, 2023.

As of March 31, 2024 and December 31, 2023, all of MSC Income Fund'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 Fund's LMM portfolio investments were categorized as Level 3 as of March 31, 2024 and December 31, 2023.

As of March 31, 2024 and December 31, 2023, MSC Income Fund'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 Fund's Middle Market portfolio investments were categorized as Level 3 as of March 31, 2024 and December 31, 2023.

As of March 31, 2024 and December 31, 2023, MSC Income Fund's Other Portfolio investments consisted of illiquid securities issued by privately held entities and the fair value determination for these investments primarily consisted

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

of unobservable inputs. As a result, all of MSC Income Fund's Other Portfolio investments were categorized as Level 3 as of March 31, 2024 and December 31, 2023.

As of March 31, 2024 and December 31, 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 Fund'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. On the contrary, 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 Fund'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

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

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.

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

Type of Investment	Fair Value as of March 31, 2024 (in thousands)	Valuation Technique	Significant Unobservable Inputs	Range(3)	Weighted Average(3)	Median(3)
Equity investments	\$ 256,254	Discounted cash flow	WACC	10.7% - 22.4%	14.2 %	15.1 %
		Market comparable / Enterprise value	EBITDA multiple (1)	4.3x - 9.4x (2)	7.3x	6.5x
Debt investments	\$ 798,929	Discounted cash flow	Risk adjusted discount factor (4)	9.6% - 17.0% (2)	13.3 %	12.6 %
			Expected principal recovery percentage	0.3% - 100.0%	99.3 %	100.0 %
Debt investments	\$ 60,799	Market approach	Third-party quote	38.3 - 100.5	85.2	91.5
Total Level 3 investments	\$ 1,115,982					

- (1) EBITDA may include proforma adjustments and/or other add-backs 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% - 31.9%.
- (3) Does not include investments for which the valuation technique does not include the use of the applicable fair value input.
- (4) 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)	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 (4)	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 add-backs 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%.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

(3) Does not include investments for which the valuation technique does not include the use of the applicable fair value input.

(4) Discount rate includes the effect of the standard SOFR base rate, as applicable.

The following tables provide a summary of changes in fair value of MSC Income Fund's Level 3 portfolio investments for the three months ended March 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 March 31, 2024
Debt	\$ 838,125	\$ —	\$ (50,999)	\$ 75,519	\$ 884	\$ (3,635)	\$ (166)	\$ 859,728
Equity	254,029	—	(3,324)	3,025	673	1,053	166	255,622
Equity Warrant	741	—	—	—	—	(109)	—	632
	<u>\$ 1,092,895</u>	<u>\$ —</u>	<u>\$ (54,323)</u>	<u>\$ 78,544</u>	<u>\$ 1,557</u>	<u>\$ (2,691)</u>	<u>\$ —</u>	<u>\$ 1,115,982</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 March 31, 2023
Debt	\$ 852,282	\$ —	\$ (23,105)	\$ 25,679	\$ 1,403	\$ (7,409)	\$ (4,906)	\$ 843,944
Equity	214,687	—	(1,311)	1,828	(3,809)	5,005	6,011	222,411
Equity Warrant	1,174	—	—	—	—	670	(1,105)	739
	<u>\$ 1,068,143</u>	<u>\$ —</u>	<u>\$ (24,416)</u>	<u>\$ 27,507</u>	<u>\$ (2,406)</u>	<u>\$ (1,734)</u>	<u>\$ —</u>	<u>\$ 1,067,094</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.

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

At March 31, 2024	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	\$ 631,447	\$ —	\$ —	\$ 631,447
LMM portfolio investments	391,575	—	—	391,575
Middle Market portfolio investments	68,352	—	—	68,352
Other Portfolio investments	24,608	—	—	24,608
Total investments	<u>\$ 1,115,982</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,115,982</u>

**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

(Unaudited)

At 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	<u>\$ 1,092,895</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,092,895</u>

**Investment Portfolio Composition**

MSC Income Fund's principal investment objective is to maximize its portfolio's total return by generating current income from its debt investments and 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 Fund seeks to achieve its investment objective primarily through its Private Loan and LMM investment strategies.

MSC Income Fund's private loan ("Private Loan") investment strategy is focused on investments in privately held companies that are generally consistent with the size of its LMM portfolio companies or Middle Market portfolio companies, and its Private Loan investments generally range in size from \$1 million to \$30 million. MSC Income Fund'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, our Private Loan investments are typically made to support a company owned by or in the process of being acquired by a private equity sponsor. MSC Income Fund'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 Fund may have the option to co-invest with Main Street and the private equity sponsor in the equity securities of its Private Loan portfolio companies.

MSC Income Fund's LMM investment strategy is focused on investments in secured debt and equity in privately held, LMM companies based in the United States. MSC Income Fund'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 \$20 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 rate terms and generally have a term of between five and seven years from the original investment date. In most LMM portfolio investments, MSC Income Fund makes direct equity investments and/or receives nominally priced equity warrants in connection with a debt investment.

MSC Income Fund has also historically maintained a Middle Market investment strategy which is focused on investments in syndicated loans to or debt securities in Middle Market companies, which MSC Income Fund defines as companies with annual revenues between \$150 million and \$1.5 billion, and its Middle Market investments generally range in size from \$1 million to \$20 million. MSC Income Fund's Middle Market portfolio debt investments 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. Over the last few years, MSC Income Fund has been de-emphasizing this strategy and expects to continue to do so in the future.

MSC Income Fund's other portfolio ("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 Fund may incur indirect fees and expenses in connection with investments managed by third parties, such as investments in other investment companies or

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

private funds. For Other Portfolio investments, MSC Income Fund generally receives distributions related to the assets held by the portfolio company. Those assets are typically expected to be liquidated over a five to ten-year period.

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 three months ended March 31, 2024 and 2023, MSC Income Fund 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 Fund's investments in the Private Loan, LMM and Middle Market portfolios as of March 31, 2024 and December 31, 2023 (this information excludes Other Portfolio investments, which are discussed further below).

	As of March 31, 2024		
	Private Loan	LMM (a)	Middle Market
	(dollars in millions)		
Number of portfolio companies	79	51	15
Fair value	\$ 631.4	\$ 391.6	\$ 68.4
Cost	\$ 624.3	\$ 319.2	\$ 97.7
Debt investments as a % of portfolio (at cost)	94.6 %	70.3 %	91.7 %
Equity investments as a % of portfolio (at cost)	5.4 %	29.7 %	8.3 %
% of debt investments at cost secured by first priority lien	99.9 %	99.9 %	99.9 %
Weighted-average annual effective yield (b)	13.0 %	13.0 %	13.4 %
Average EBITDA (c)	\$ 34.7	\$ 9.2	\$ 62.5

(a) At March 31, 2024, MSC Income Fund 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 at cost as of March 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. The weighted-average annual effective yield on MSC Income Fund's debt portfolio as of March 31, 2024 including debt investments on non-accrual status was 12.6% for its Private Loan portfolio, 13.0% for its LMM portfolio and 10.1% for its Middle Market portfolio. The weighted-average annual effective yield is not reflective of what an investor in shares of MSC Income Fund's common stock will realize on its investment because it does not reflect MSC Income Fund's utilization of debt capital in its capital structure, MSC Income Fund'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, two LMM portfolio companies and one Middle Market portfolio company, as EBITDA is not a meaningful valuation metric for MSC Income Fund's investments in these portfolio companies, and those portfolio companies whose primary purpose is to own real estate.



**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

**(Unaudited)**

	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) At December 31, 2023, MSC Income Fund 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 at cost 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. The weighted-average annual effective yield on MSC Income Fund'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 Fund's common stock will realize on its investment because it does not reflect MSC Income Fund's utilization of debt capital in its capital structure, MSC Income Fund'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 Fund's investment in this portfolio company, and those portfolio companies whose primary purpose is to own real estate.

For the three months ended March 31, 2024 and 2023, MSC Income Fund achieved an annualized total return on investments of 1.8% and 11.4%, respectively. For the year ended December 31, 2023, MSC Income Fund achieved a total return on investments of 13.6%. 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 Fund's total return on investments is not reflective of what an investor in shares of MSC Income Fund's common stock will realize on its investment because it does not reflect MSC Income Fund's utilization of debt capital in its capital structure, MSC Income Fund's expenses or any sales load paid by an investor.

As of March 31, 2024, MSC Income Fund had Other Portfolio investments in four entities, collectively totaling \$24.6 million in fair value and \$21.4 million in cost basis and which comprised 2.2% and 2.0% of MSC Income Fund's Investment Portfolio at fair value and cost, respectively. As of December 31, 2023, MSC Income Fund had Other Portfolio investments in four entities, collectively totaling \$24.6 million in fair value and \$21.5 million in cost basis and which comprised 2.3% and 2.1% of MSC Income Fund's Investment Portfolio at fair value and cost, respectively.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

The following tables summarize the composition of MSC Income Fund'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 Private Loan, LMM and Middle Market portfolio investments, as of March 31, 2024 and December 31, 2023 (this information excludes Other Portfolio investments, which are discussed above).

<b>Cost:</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>
First lien debt	86.9 %	86.5 %
Equity	12.9	13.3
Second lien debt	—	—
Equity warrants	0.2	0.2
Other	—	—
	<u>100.0 %</u>	<u>100.0 %</u>
<b>Fair Value:</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>
First lien debt	78.7 %	78.4 %
Equity	21.2	21.5
Second lien debt	—	—
Equity warrants	0.1	0.1
Other	—	—
	<u>100.0 %</u>	<u>100.0 %</u>

The following tables summarize the composition of MSC Income Fund'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 March 31, 2024 and December 31, 2023 (this information excludes Other Portfolio investments). The geographic composition is determined by the location of the corporate headquarters of the portfolio company.

<b>Cost:</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>
Northeast	22.0 %	21.9 %
Southwest	21.3	23.8
West	18.8	17.0
Southeast	18.6	17.8
Midwest	17.5	17.6
Canada	0.8	0.8
Other Non-United States	1.0	1.1
	<u>100.0 %</u>	<u>100.0 %</u>
<b>Fair Value:</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>
Southwest	24.4 %	26.8 %
Northeast	21.6	21.6
Midwest	18.2	18.3
West	18.0	16.4
Southeast	16.0	15.0
Canada	0.8	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)

(Unaudited)

MSC Income Fund'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 Fund's total combined Private Loan, LMM and Middle Market portfolio investments by industry at cost and fair value as of March 31, 2024 and December 31, 2023 (this information excludes Other Portfolio investments).

Cost:	March 31, 2024	December 31, 2023
Internet Software & Services	8.6 %	8.8 %
Commercial Services & Supplies	8.0	8.5
Diversified Consumer Services	5.9	5.4
Machinery	5.5	5.8
Professional Services	5.5	5.7
IT Services	5.3	5.2
Health Care Providers & Services	4.9	6.5
Containers & Packaging	4.2	4.3
Distributors	4.2	4.4
Electrical Equipment	3.8	2.2
Leisure Equipment & Products	3.6	3.7
Textiles, Apparel & Luxury Goods	3.1	3.1
Specialty Retail	2.9	2.9
Communications Equipment	2.7	2.7
Computers & Peripherals	2.7	2.9
Building Products	2.5	2.1
Construction & Engineering	2.5	2.5
Aerospace & Defense	2.4	2.6
Media	2.4	2.5
Diversified Financial Services	2.0	2.1
Hotels, Restaurants & Leisure	2.0	2.1
Household Products	2.0	2.0
Energy Equipment & Services	1.7	0.5
Internet & Catalog Retail	1.7	1.6
Food & Staples Retailing	1.6	1.5
Software	1.5	1.4
Health Care Equipment & Supplies	1.2	1.3
Other (1)	5.6	5.7
	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)

(Unaudited)

Fair Value:	March 31, 2024	December 31, 2023
Internet Software & Services	7.1 %	7.3 %
Commercial Services & Supplies	6.9	7.3
Diversified Consumer Services	6.9	6.5
Machinery	6.9	7.2
Professional Services	5.4	5.5
IT Services	5.2	5.0
Computers & Peripherals	4.7	4.6
Containers & Packaging	4.6	4.6
Distributors	4.6	4.6
Health Care Providers & Services	4.3	6.0
Electrical Equipment	3.8	2.3
Construction & Engineering	3.2	3.1
Leisure Equipment & Products	3.1	3.3
Specialty Retail	2.8	2.9
Textiles, Apparel & Luxury Goods	2.8	2.9
Media	2.5	2.6
Aerospace & Defense	2.4	2.5
Building Products	2.3	1.9
Construction Materials	2.1	2.2
Diversified Financial Services	1.9	2.0
Household Products	1.9	1.9
Software	1.9	1.7
Air Freight & Logistics	1.6	1.6
Hotels, Restaurants & Leisure	1.6	1.6
Internet & Catalog Retail	1.5	1.5
Energy Equipment & Services	1.4	0.3
Food & Staples Retailing	1.3	1.2
Communications Equipment	1.1	1.1
Other (1)	4.2	4.8
	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.

At March 31, 2024 and December 31, 2023, MSC Income Fund 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 Fund 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 Fund must utilize to determine if any of MSC Income Fund'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 Fund 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

**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

**(Unaudited)**

test is generally measured by dividing MSC Income Fund's investment in the Control Investment by the value of MSC Income Fund'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 Fund'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 Fund to include (1) separate audited financial statements of an unconsolidated majority-owned subsidiary (Control Investments in which MSC Income Fund 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 March 31, 2024 and December 31, 2023, MSC Income Fund had no single investment that qualified as a significant subsidiary under either the investment or income tests.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

NOTE D — DEBT

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

	Outstanding Balance	Unamortized Debt Issuance Costs <sup>(1)</sup>	Recorded Value	Estimated Fair Value <sup>(2)</sup>
	(dollars in thousands)			
SPV Facility	\$ 275,688	\$ —	\$ 275,688	\$ 275,688
Series A Notes	150,000	(771)	149,229	139,341
Corporate Facility	79,000	—	79,000	79,000
Total Debt	<u>\$ 504,688</u>	<u>\$ (771)</u>	<u>\$ 503,917</u>	<u>\$ 494,029</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 if MSC Income Fund had adopted the fair value option under ASC 825. See discussion of the methods used to estimate the fair value of MSC Income Fund's debt in *Note B.9. — Summary of Significant Accounting Policies — Fair Value of Financial Instruments*

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

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

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

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

Summarized interest expense for the three months ended March 31, 2024 and 2023 is as follows:

	<b>Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>(dollars in thousands)</b>	
SPV Facility	\$ 6,046	\$ 4,817
Series A Notes	1,590	1,590
Corporate Facility	1,913	1,927
Total Interest Expense	<u>\$ 9,549</u>	<u>\$ 8,334</u>

**Corporate Facility**

MSC Income Fund is a party to a senior secured revolving credit agreement dated March 6, 2017 (as amended, the “Corporate Facility”) with EverBank (formerly known as TIAA Bank), as administrative agent, and with EverBank and other financial institutions as lenders. As of March 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 to September 1, 2025 and March 1, 2026, respectively, with two one-year extension options subject to lender approval.

Borrowings under the Corporate Facility bear interest, subject to MSC Income Fund’s election, on a per annum basis at a rate equal to (i) SOFR plus 2.50% or (ii) the base rate plus 1.40%. 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 1.1%. Additionally, MSC Income Fund pays an annual unused commitment fee of 0.30% 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 0.625% 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. Effective April 27, 2023, the reference rate under the Corporate Facility was amended from LIBOR to SOFR plus an applicable credit spread adjustment of 0.10%.

As of March 31, 2024, the interest rate on the Corporate Facility was 7.83%. The average interest rate for borrowings under the Corporate Facility was 7.84% and 6.93% per annum for the three months ended March 31, 2024 and 2023, respectively. As of March 31, 2024, MSC Income Fund was in compliance with all financial covenants of the Corporate Facility.

**SPV Facility**

MSC Income Fund, 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”) and, together with the Corporate Facility, the “Credit Facilities”) 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 March 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

**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

**(Unaudited)**

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.

As of March 31, 2024, the interest rate on the SPV Facility was 8.33%. The average interest rate for borrowings under the SPV Facility was 8.33% and 7.65% per annum for the three months ended March 31, 2024 and 2023, respectively. As of March 31, 2024, MSIF Funding was in compliance with all financial covenants of the SPV Facility.

**Series A Notes**

Pursuant to a Master Note Purchase Agreement dated October 21, 2021 (the "Note Purchase Agreement"), MSC Income Fund issued \$7.5 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 Fund's option at par plus accrued interest to the prepayment date and, if applicable, a make-whole premium. In addition, MSC Income Fund 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 March 31, 2024, MSC Income Fund was in compliance with all financial covenants of the Note Purchase Agreement.



## MSC INCOME FUND, INC.

## Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

## NOTE E — FINANCIAL HIGHLIGHTS

The following is a schedule of financial highlights of MSC Income Fund for the three months ended March 31, 2024 and 2023:

Per Share Data:	Three Months Ended March 31,	
	2024	2023
NAV at the beginning of the period	\$ 7.77	\$ 7.61
Net investment income (1)	0.18	0.18
Net realized gain (loss) (1)(2)	(0.02)	0.04
Net unrealized depreciation (1)(2)	(0.02)	(0.06)
Income tax provision (1)(2)	(0.01)	(0.01)
Net increase in net assets resulting from operations (1)	0.13	0.15
Dividends paid from net investment income	(0.19)	(0.15)
Dividends paid from capital gains	—	(0.03)
Dividends paid or accrued (3)	(0.19)	(0.18)
Other (4)	0.01	0.01
NAV at the end of the period	\$ 7.72	\$ 7.59
Shares outstanding at the end of the period	80,112,588	80,150,887

(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 dividends paid or accrued for the period.

(4) 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.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

	Three Months Ended March 31,	
	2024	2023
	(dollars in thousands)	
NAV at end of period	\$ 618,521	\$ 608,299
Average NAV	\$ 620,414	\$ 608,982
Average outstanding debt	\$ 488,688	\$ 474,438
<b>Ratios to average NAV:</b>		
Ratio of total expenses, including income tax provision, to average NAV(1)(2)(3)(5)	3.62 %	2.97 %
Ratio of operating expenses to average NAV(2)(3)(5)	3.47 %	2.78 %
Ratio of operating expenses, excluding interest expense, to average NAV(2)(3)(5)	1.93 %	1.41 %
Ratio of operating expenses, excluding interest expense and incentive fees, to average NAV(2)(3)(5)	1.34 %	0.97 %
Ratio of net investment income to average NAV(2)(5)	2.34 %	2.32 %
Portfolio turnover ratio(2)	4.72 %	2.34 %
Total return based on change in NAV(2)(4)(5)	1.70 %	2.01 %

- (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 Fund is required to include net deferred tax provision or benefit in calculating its total expenses even though these net deferred taxes are not currently payable or receivable.
- (2) Not annualized.
- (3) Unless otherwise noted, operating expenses include interest, management fees, incentive fees and general and administrative expenses.
- (4) 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 Fund's common stock.
- (5) Net of expense waivers of \$2.1 million and \$1.9 million for the three months ended March 31, 2024 and March 31, 2023, respectively. Excluding these expense waivers, the expense and income ratios are as follows:

	Three Months Ended March 31,	
	2024	2023
Ratio of total expenses, including income tax provision, to average NAV(1)(2)(3)	3.97 %	3.29 %
Ratio of operating expenses to average NAV(2)(3)	3.81 %	3.10 %
Ratio of operating expenses, excluding interest expense, to average NAV(2)(3)	2.27 %	1.73 %
Ratio of operating expenses, excluding interest expense and incentive fees, to average NAV(2)(3)	1.69 %	1.28 %
Ratio of net investment income to average NAV(2)	2.01 %	2.01 %
Total return based on change in NAV(2)(4)	1.36 %	1.70 %

See footnotes (1), (2), (3) and (4) immediately prior to this table.

**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

**(Unaudited)**

**NOTE F — DIVIDENDS, DISTRIBUTIONS AND TAXABLE INCOME**

MSC Income Fund currently pays quarterly dividends to its stockholders. Future quarterly dividends, if any, will be determined by its Board of Directors on a quarterly basis. MSC Income Fund paid or accrued dividends to its common stockholders of \$14.8 million, or \$0.185 per share, during the three months ended March 31, 2024, compared to \$14.0 million, or \$0.175 per share, during the three months ended March 31, 2023.

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 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 Fund'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.

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

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 three months ended March 31, 2024 and 2023.

	Three Months Ended March 31,	
	2024	2023
	(estimated, dollars in thousands)	
Net increase in net assets resulting from operations	\$ 10,589	\$ 12,231
Net unrealized depreciation	1,133	4,139
Income tax provision	940	1,170
Pre-tax book income not consolidated for tax purposes	(1,261)	(2,011)
Book income and tax income differences, including debt origination, structuring fees, dividends, realized gains and changes in estimates	1,481	(3,455)
Estimated taxable income (1)	12,882	12,074
Taxable income earned in prior year and carried forward for distribution in current year	14,745	20,674
Taxable income earned prior to period end and carried forward for distribution next period	(27,627)	(32,748)
Dividend accrued as of period end and paid in the following period	14,821	14,026
Taxable income earned to be carried forward	(12,806)	(18,722)
Total distributions accrued or paid to common stockholders	\$ 14,821	\$ 14,026

(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 Fund. The Taxable Subsidiaries permit MSC Income Fund 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 Fund’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 Fund’s consolidated financial statements.

The income tax provision for MSC Income Fund 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 Fund’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 Fund’s Consolidated Statements of Operations. MSC Income Fund’s provision for income taxes was comprised of the following for the three months ended March 31, 2024 and 2023:

## MSC INCOME FUND, INC.

## Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

	Three Months Ended March 31,	
	2024	2023
(dollars in thousands)		
<b>Current tax expense:</b>		
Federal	\$ 53	\$ 22
State	200	170
Excise	76	118
Total current tax expense	329	310
<b>Deferred tax expense (benefit):</b>		
Federal	656	641
State	(45)	219
Total deferred tax expense	611	860
<b>Total income tax provision</b>	<b>\$ 940</b>	<b>\$ 1,170</b>

The net deferred tax liability at March 31, 2024 and December 31, 2023 was \$9 million and \$3.3 million, respectively, with the change primarily related to changes in net unrealized appreciation or depreciation, changes in loss carryforwards and other temporary book-tax differences relating to portfolio investments held by the Taxable Subsidiaries.

At March 31, 2024, for U.S. federal income tax purposes, the Taxable Subsidiaries had net operating loss carryforwards from prior years which, if unused, will expire in 2037. Any net operating losses generated in 2018 and future periods are not subject to expiration and will carryforward indefinitely until utilized. The Taxable Subsidiaries also have net capital loss carryforwards from prior years which, if unused, will expire in various taxable years 2025 through 2027. Additionally, the Taxable Subsidiaries have interest expense limitation carryforwards which have an indefinite carryforward period.

**NOTE G — SHARE REPURCHASES**

Under the terms of its share repurchase program, MSC Income Fund offers to purchase shares at the NAV per share on the repurchase date. The amount of shares of MSC Income Fund's common stock to be repurchased during any calendar quarter may be equal to the lesser of (i) the number of shares of common stock MSC Income Fund could repurchase with the proceeds it received from the issuance of common stock under MSC Income Fund's dividend reinvestment plan or (ii) 2.5% of the weighted-average number of shares of common stock outstanding in the prior four calendar quarters. Repurchase offers are currently limited to the number of shares of common stock MSC Income Fund can repurchase with 90% of the cash retained as a result of issuances of common stock under its dividend reinvestment plan. At the discretion of the Board of Directors, MSC Income Fund may 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 Fund's Board of Directors may amend, suspend or terminate the share repurchase program upon 30 days' notice.

In addition to its share repurchase program, beginning in the second quarter of 2023, MSC Income Fund began periodically offering to complete modified Dutch auction tender offers ("Dutch Auction Tenders"), pursuant to which MSC Income Fund 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 Fund 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 Fund to increase the number of shares accepted for purchase in any Dutch Auction Tender by up to 2% of MSC Income Fund's outstanding shares without amending the offer. MSC Income Fund has no obligation to continue to offer Dutch Auction Tenders in the future.

On February 5, 2024, MSC Income Fund 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 Fund repurchased 357,143 shares on

MSC INCOME FUND, INC.

Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

March 8, 2024 at a price of \$7.00 per share for an aggregate cost of \$2.5 million, excluding fees and expenses related to the February 2024 Dutch Auction Tender Offer.

For each of the three months ended March 31, 2024 and 2023, MSC Income Fund funded \$1.0 million for shares of its common stock tendered for repurchase under the share repurchase program. For the three months ended March 31, 2024, MSC Income Fund funded \$2.5 million for shares of its common stock tendered for repurchase through its Dutch auction tender offers.

Since the reinstatement of its share repurchase program in March 2021, after briefly suspending it during the COVID-19 pandemic, through March 31, 2024, MSC Income Fund has funded the repurchase of \$46.7 million in shares of common stock under the share repurchase program. MSC Income Fund has also purchased \$0.3 million in shares of common stock through its various Dutch auction tender offers completed from June 2023 through March 31, 2024.

**NOTE H — DIVIDEND REINVESTMENT PLAN**

MSC Income Fund's dividend reinvestment plan (the "DRIP") provides for the reinvestment of dividends on behalf of stockholders. As a result, if MSC Income Fund declares a cash dividend, stockholders who have "opted in" to the DRIP will have their cash dividend automatically reinvested into additional shares of MSC Income Fund common stock. The number of shares of common stock to be issued to a stockholder under the DRIP shall be 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 Fund's Board of Directors or a committee thereof, in its sole discretion, that is (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.

Summarized DRIP information for the three months ended March 31, 2024 and 2023 is as follows:

	Three Months Ended March 31,	
	2024	2023
	(dollars in thousands)	
DRIP participation	\$ 4,493	\$ 4,414
Shares issued for DRIP	564,969	564,377

**NOTE I — COMMITMENTS AND CONTINGENCIES**

At March 31, 2024, MSC Income Fund had the following outstanding commitments (in thousands):

<i>Investments with equity capital commitments that have not yet funded:</i>	Amount
Freeport First Lien Loan Fund III LP	\$ 8,340
HPEP 3, L.P.	1,308
Brightwood Capital Fund III, LP	22
<b>Total Equity Commitments</b>	<b>\$ 9,670</b>
<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	\$ 8,333
CQ fluency, LLC	4,500
Mako Steel, LP	4,057

## MSC INCOME FUND, INC.

## Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

Insight Borrower Corporation	3,888
BP Loenbro Holdings Inc.	2,569
Garyline, LLC	2,416
SI East, LLC	2,125
Winter Services LLC	1,944
American Health Staffing Group, Inc.	1,667
IG Parent Corporation	1,667
Bluestem Brands, Inc.	1,552
Burning Glass Intermediate Holding Company, Inc.	1,549
AB Centers Acquisition Corporation	1,538
Richardson Sales Solutions	1,439
Jackmont Hospitality, Inc.	1,419
Titan Meter Midco Corp.	1,384
Power System Solutions	1,330
Evergreen North America Acquisitions, LLC	1,253
Bettercloud, Inc.	1,216
Classic H&G Holdco, LLC	1,060
HEADLANDS OP-CO LLC	1,000
IG Investor, LLC	1,000
Mini Melts of America, LLC	983
Invincible Boat Company, LLC.	976
Roof Opco, LLC	972
Bond Brand Loyalty ULC	900
Imaging Business Machines, L.L.C.	890
VVS Holdco, LLC	800
Cody Pools, Inc.	786
Purge Rite, LLC	781
Acumera, Inc.	768
NinjaTrader, LLC	750
SPAU Holdings, LLC	700
Engineering Research & Consulting, LLC	652
NexRev LLC	600
Centre Technologies Holdings, LLC	600
ArborWorks, LLC	530
AVEX Aviation Holdings, LLC	512
Wall Street Prep, Inc.	500
GRT Rubber Technologies LLC	468
Microbe Formulas, LLC	434
Watterson Brands, LLC	433
PTL US Bidco, Inc	427
Channel Partners Intermediateco, LLC	419
CaseWorthy, Inc.	400
Trantech Radiator Topco, LLC	400
Chamberlin Holding LLC	400
Johnson Downie Opco, LLC	400
South Coast Terminals Holdings, LLC	381
Escalent, Inc.	349
Pinnacle TopCo, LLC	345
Gamber-Johnson Holdings, LLC	300
Career Team Holdings, LLC	300

## MSC INCOME FUND, INC.

## Notes to the Consolidated Financial Statements (Continued)

(Unaudited)

Clad-Rex Steel, LLC	300
Metalforming Holdings, LLC	205
ATS Operating, LLC	200
Mystic Logistics Holdings, LLC	200
Orttech Holdings, LLC	200
Batjer TopCo, LLC	180
ITA Holdings Group, LLC	160
Analytical Systems Keco Holdings, LLC	145
Elgin AcquireCo, LLC	123
Gulf Publishing Holdings, LLC	100
JTI Electrical & Mechanical, LLC	89
AAC Holdings, Inc.	71
Inspire Aesthetics Management, LLC	43
Adams Publishing Group, LLC	4
Interface Security Systems, LLC	1
Total Loan Commitments	\$ 69,083
Total Commitments	\$ 78,753

MSC Income Fund 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 Fund follows a process to manage its liquidity and ensure that it has available capital to fund its unfunded commitments as necessary. MSC Income Fund had no unrealized appreciation or depreciation on the outstanding unfunded commitments as of March 31, 2024.

MSC Income Fund 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 Fund 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 Fund 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 Fund's financial condition or results of operations in any future reporting period.

**NOTE J — RELATED PARTY TRANSACTIONS****1. Advisory Agreements and Conditional Expense Reimbursement Waivers**

On October 30, 2020, MSC Income Fund entered into the Investment Advisory Agreement with the Adviser, which states that the Adviser will oversee the management of MSC Income Fund's activities and is responsible for making investment decisions with respect to, and providing day-to-day management and administration of, MSC Income Fund's Investment Portfolio. The Investment Advisory Agreement was most recently re-approved by the Board of Directors, including a majority of members who are not "interested" persons (as defined by the 1940 Act) of MSC Income Fund or the Adviser, on August 10, 2023.

Pursuant to the Investment Advisory Agreement, MSC Income Fund 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 Fund's average gross assets. The term "gross assets" means total assets of MSC Income Fund as disclosed on MSC Income Fund's Consolidated Balance Sheets. "Average gross assets" are calculated based on MSC Income Fund'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 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



**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

**(Unaudited)**

Investment Income (as defined below) for the immediately preceding quarter. The subordinated incentive fee on income is equal to 20.0% of MSC Income Fund'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 Fund receives from portfolio companies) accrued during the calendar quarter, minus MSC Income Fund'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 Fund 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 Fund's common stock (including proceeds from MSC Income Fund's DRIP) reduced for non-liquidating distributions, other than distributions of profits, paid to MSC Income Fund's stockholders and amounts paid for share repurchases pursuant to MSC Income Fund'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 Fund'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 Fund's Pre-Incentive Fee Net Investment Income, if any, that exceeds the hurdle rate but is less than or equal to 2.34375% in any calendar quarter (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 Fund'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 Fund'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 Fund'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, referred to as the incentive fee on capital gains, is an incentive fee on realized capital gains earned from the portfolio of MSC Income Fund and is determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Advisory Agreement). This fee equals 20.0% of MSC Income Fund's incentive fee capital gains, which equals MSC Income Fund'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 Fund 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 three months ended March 31, 2024 and 2023, MSC Income Fund incurred base management fees of \$0.0 million and \$4.9 million, respectively. For the three months ended March 31, 2024 and March 31, 2023, MSC Income Fund incurred subordinated incentive fees on income of \$3.6 million and \$2.7 million, respectively. For each of the three months ended March 31, 2024 and 2023, MSC Income Fund did not incur any capital gains incentive fees.

**MSC INCOME FUND, INC.**

**Notes to the Consolidated Financial Statements (Continued)**

**(Unaudited)**

Pursuant to the Investment Advisory Agreement, MSC Income Fund is required to pay or reimburse the Adviser for administrative services expenses, which include all costs and expenses related to MSC Income Fund'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 Fund.

The Adviser waived reimbursement of all Internal Administrative Services expenses from October 30, 2020 through December 31, 2021. On January 1, 2022, the Adviser assumed responsibility of certain administrative services that were previously provided for MSC Income Fund 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 three months ended March 31, 2024 and 2023, MSC Income Fund incurred Internal Administrative Services expenses before expense waivers of \$2.3 million and \$2.0 million, respectively. For the three months ended March 31, 2024 and 2023, the Adviser waived the reimbursements of Internal Administrative Services expenses of \$2.1 million and \$1.9 million, respectively. Waived Internal Administrative Services expenses are permanently waived and are not subject to future reimbursement.

**2. Offering Costs**

In accordance with MSC Income Fund's previous investment advisory agreement with the previous investment adviser ("HMS Adviser"), MSC Income Fund reimbursed HMS Adviser for any offering costs that were paid on MSC Income Fund'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 Fund's common stock, including through MSC Income Fund'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 Fund, 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 Fund. For the three months ended March 31, 2023, MSC Income Fund reimbursed HMS Adviser \$0.1 million in connection with stock issuances. As of June 30, 2023, MSC Income Fund's reimbursement obligation to HMS Adviser for organizational and offering expenses was fully repaid.

**3. Indemnification**

The Investment Advisory Agreement provides that the Adviser and its officers, directors, controlling persons and any other person or entity affiliated with it acting as MSC Income Fund's agent are entitled to indemnification (including reasonable attorneys' fees and amounts reasonably paid in settlement) for any liability or loss suffered by such indemnitee, and such indemnitee will be held harmless for any loss or liability suffered by MSC Income Fund, if (i) the indemnitee has determined, in good faith, that the course of conduct which caused the loss or liability was in MSC Income Fund's best interests, (ii) the indemnitee was acting on behalf of or performing services for MSC Income Fund, (iii) the liability or loss suffered was not the result of negligence, willful malfeasance, bad faith or misconduct by the indemnitee or an affiliate thereof acting as MSC Income Fund's agent and (iv) the indemnification or agreement to hold the indemnitee harmless is only recoverable out of MSC Income Fund's net assets and not from MSC Income Fund's stockholders.

**4. Co-Investment**

In the ordinary course of business, MSC Income Fund enters into transactions with other parties that may be considered related party transactions. MSC Income Fund 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 Fund. If such affiliations are found to exist, MSC Income Fund 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)**

**(Unaudited)**

MSC Income Fund has received an exemptive order from the SEC permitting co-investments among MSC Income Fund, Main Street and other funds and clients advised by the Adviser in certain negotiated transactions where co-investing would otherwise be prohibited under the 1940 Act. MSC Income Fund has made co-investments, and in the future intends to continue to make co-investments with Main Street and other funds and clients advised by 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 Fund, Main Street and the other funds and clients advised by 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 Fund's investment activities as its sole activity, this may provide the Adviser an incentive to allocate opportunities to other participating funds and clients instead of MSC Income Fund. However, the Adviser has policies and procedures in place to manage this conflict, including oversight 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](http://www.sec.gov). In addition to the co-investment program described above, MSC Income Fund also co-invests in syndicated deals and other transactions where price is the only negotiated point by MSC Income Fund and its affiliates.

**5. Other Related Party Transactions**

On January 31, 2024, the Company sold 314,070 shares of its common stock to Main Street at \$96 per share, the price at which the Company issued new shares in connection with reinvestments of the January 31, 2024 dividend pursuant to the DRIP, for total proceeds to the Company of \$2.5 million. The issuance and sale were 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.

**NOTE K — SUBSEQUENT EVENTS**

On May 1, 2024, the Company sold 315,259 shares of its common stock to Main Street at \$93 per share, the price at which the Company issued new shares in connection with reinvestments of the May 1, 2024 dividend pursuant to the DRIP, for total proceeds to the Company of \$2.5 million. The issuance and sale were made pursuant to the exemption from registration under Section 4(a)(2) of 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.

On May 1, 2024, the Company repurchased 536,330 shares of its common stock validly tendered and not withdrawn on the terms set forth in the tender offer statement on Schedule TO and Offer to Purchase filed with the SEC on March 26, 2024. The shares were repurchased at a price of \$7.78 per share, which was the Company's NAV per share as of May 1, 2024, for an aggregate purchase price of \$4.2 million (an amount equal to 90% of the proceeds the Company received from the issuance of shares under the Company's DRIP from the May 1, 2024 dividend payment).

On May 13, 2024, the Board of Directors declared a quarterly dividend of \$0.18 per share payable August 1, 2024 to stockholders of record as of June 28, 2024. Additionally, the Board of Directors approved a repurchase offer pursuant to the Company's share repurchase program in an amount equal to 90% of the proceeds resulting from shares issued in lieu of cash distributions from the August 1, 2024 dividend payment.

**MSC INCOME FUND, INC.**  
**Consolidated Schedule of Investments In and Advances to Affiliates**  
**March 31, 2024**  
**(dollars in thousands)**  
**(unaudited)**

Company	Base Total Rate 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	Gross Additions (3)	Gross Reductions (4)	March 31, 2024 Fair Value (13)
<b>Control Investments</b>												
Copper Trail Fund Investments				LP Interests (CTMH, LP)	(9)	\$ —	\$ —	\$ —	\$ 568	\$ —	\$ —	\$ 568
GRT Rubber Technologies LLC	11.48%	SF+ 6.00%		Secured Debt (12)	(8)	—	(1)	35	1,182	1	1	1,182
	13.48%	SF+ 8.00%		Secured Debt	(8)	—	(12)	692	19,944	12	12	19,944
				Member Units	(8)	—	—	21	21,890	—	—	21,890
Harris Preston Fund Investments				LP Interests (2717 MH, L.P.)	(8)	10	—	40	6,050	10	10	6,050
Volusion, LLC	10.00%			Secured Debt	(8)	—	—	23	900	—	—	900
				Preferred Member Units	(8)	—	—	—	—	—	—	—
				Preferred Member Units	(8)	—	435	—	3,110	435	435	3,110
				Preferred Member Units	(8)	—	—	—	—	—	—	—
				Common Stock	(8)	—	—	—	—	—	—	—
<b>Other Amounts related to investments transferred to or from other 1940 Act classification during the period</b>												
						—	—	—	—	—	—	—
<b>Total Control Investments</b>						<b>\$ 10</b>	<b>\$ 422</b>	<b>\$ 811</b>	<b>\$ 53,644</b>	<b>\$ 458</b>	<b>\$ 458</b>	<b>\$ 53,644</b>
<b>Affiliate Investments</b>												
Analytical Systems Keco Holdings, LLC	15.38%	SF+ 10.00%		Secured Debt (12)	(8)	—	—	1	54	—	—	54
	15.38%	SF+ 10.00%		Secured Debt	(8)	—	—	44	1,020	5	18	1,007
	14.13%			Preferred Member Units	(8)	—	—	—	—	—	—	—
				Preferred Member Units	(8)	—	180	—	1,210	180	—	1,390
				Warrants	(8)	—	—	—	—	—	—	—
Barly Ventures, LLC				Member Units	(5)	—	160	—	1,380	160	—	1,540
Bajzer TopCo, LLC	10.00%			Secured Debt (12)	(8)	—	—	1	—	50	—	50
	10.00%			Secured Debt (12)	(8)	—	—	1	30	—	—	30
	10.00%			Secured Debt	(8)	—	(1)	31	1,175	1	1	1,175
				Preferred Stock	(8)	—	—	39	680	—	—	680
Brewer Crane Holdings, LLC	15.48%	SF+ 10.00%		Secured Debt	(9)	—	—	52	1,374	—	31	1,343
				Preferred Member Units	(9)	—	30	8	1,400	30	—	1,430
Centre Technologies Holdings, LLC	14.48%	SF+ 9.00%		Secured Debt (12)	(8)	—	—	1	—	—	—	—
	14.48%	SF+ 9.00%		Secured Debt	(8)	—	66	128	—	5,494	—	5,494
	14.48%	SF+ 9.00%		Secured Debt	(8)	—	(29)	84	4,394	—	4,394	—
				Preferred Member Units	(8)	—	280	8	2,760	280	—	3,040
Chamberlin Holding LLC	11.49%	SF+ 6.00%		Secured Debt (12)	(8)	—	(6)	6	—	6	6	—
	13.49%	SF+ 8.00%		Secured Debt	(8)	—	—	133	3,905	—	—	3,905
				Member Units	(8)	—	60	366	7,330	60	—	7,390
				Member Units	(8)	—	35	6	715	35	—	750
Charps, LLC				Preferred Member Units	(5)	—	90	—	3,920	90	—	4,010
Clad-Rex Steel, LLC	12.00%			Secured Debt (12)	(5)	—	—	—	—	—	—	—
	12.00%			Secured Debt	(5)	—	—	64	2,103	—	3	2,100

**MSC INCOME FUND, INC.**  
**Consolidated Schedule of Investments In and Advances to Affiliates (Continued)**  
**March 31, 2024**  
**(dollars in thousands)**  
**(unaudited)**

Company	Base Total 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	Gross Additions (3)	Gross Reductions (4)	March 31, 2024 Fair Value (13)
	10.00%			Secured Debt	(5)	—	—	6	251	—	2	249
				Member Units	(5)	—	(290)	—	1,300	—	290	1,010
				Member Units	(5)	—	(45)	—	282	—	45	237
Cody Pools, Inc.	12.50%			Secured Debt (12)	(8)	—	2	3	—	236	236	—
	12.50%			Secured Debt	(8)	—	(2)	223	7,111	2	117	6,996
				Preferred Member Units	(8)	—	430	153	18,120	430	—	18,550
Colonial Electric Company LLC	12.00%			Secured Debt	(6)	—	—	1	—	—	—	—
	12.00%			Secured Debt	(6)	—	41	173	5,407	53	498	4,962
				Preferred Member Units	(6)	—	—	—	600	—	—	600
				Preferred Member Units	(6)	—	160	24	1,920	160	—	2,080
Compass Systems & Sales, LLC	13.50%			Secured Debt	(5)	—	—	—	—	—	—	—
	13.50%			Secured Debt	(5)	—	—	153	4,175	7	—	4,182
				Preferred Equity	(5)	—	—	15	1,863	—	—	1,863
Datacom, LLC	7.50%			Secured Debt	(8)	—	—	1	49	25	20	54
	10.00%			Secured Debt	(8)	—	—	29	844	5	7	842
				Preferred Member Units	(8)	—	10	—	10	10	—	20
Digital Products Holdings LLC	15.38%	SF+ 10.00%		Secured Debt	(5)	—	—	146	3,673	6	364	3,315
				Preferred Member Units	(5)	—	—	13	2,459	—	—	2,459
Direct Marketing Solutions, Inc.	14.00%			Secured Debt	(9)	—	—	6	217	225	442	—
	14.00%			Secured Debt	(9)	—	(4)	179	5,002	4	88	4,918
				Preferred Stock	(9)	—	(120)	—	5,180	—	120	5,060
Flame King Holdings, LLC				Preferred Equity	(9)	—	—	170	6,970	—	—	6,970
Freeport Financial Funds				LP Interests (Freeport First Lien Loan Fund III LP) (12)	(5)	—	—	138	3,705	—	—	3,705
Gamber-Johnson Holdings, LLC	10.00%	SF+ 7.00%		Secured Debt (12)	(5)	—	—	—	—	—	—	—
	10.00%	SF+ 7.00%		Secured Debt	(5)	—	(17)	353	13,520	17	417	13,120
				Member Units	(5)	—	2,460	372	24,180	2,460	—	26,640
GFG Group, LLC	8.00%			Secured Debt	(5)	—	(4)	51	2,336	4	4	2,336
				Preferred Member Units	(5)	—	(410)	164	2,870	—	410	2,460
Gulf Publishing Holdings, LLC	14.98%	SF+ 9.50%		Secured Debt (12)	(8)	—	—	—	—	—	—	—
	12.50%			Secured Debt	(8)	—	—	19	571	—	—	571
				Preferred Equity	(8)	—	(240)	—	620	—	240	380
				Member Units	(8)	—	—	—	—	—	—	—
HPEP 3, L.P.				LP Interests (HPEP 3, L.P.) (12)	(8)	—	—	—	4,225	—	—	4,225
IG Investor, LLC	13.00%			Secured Debt (12)	(6)	—	—	2	(27)	2	—	(25)
	13.00%			Secured Debt	(6)	—	—	319	9,069	17	111	8,975
				Common Equity	(6)	—	—	—	3,600	—	—	3,600
Independent Pet Partners Intermediate Holdings, LLC				Common Equity	(6)	—	80	—	6,320	80	—	6,400
Integral Energy Services	13.09%	SF+ 7.50%		Secured Debt	(8)	—	277	595	16,232	312	1,585	14,959
	10.00%		10.00%	Preferred Equity	(8)	—	—	10	350	10	—	360
				Common Stock	(8)	—	170	13	190	170	—	360
Kickhaefer Manufacturing Company, LLC	12.00%			Secured Debt	(5)	—	—	152	4,933	1	—	4,934
	9.00%			Secured Debt	(5)	—	—	22	951	—	2	949
				Preferred Equity	(5)	—	220	—	2,420	220	—	2,640

**MSC INCOME FUND, INC.**  
**Consolidated Schedule of Investments In and Advances to Affiliates (Continued)**  
**March 31, 2024**  
**(dollars in thousands)**  
**(unaudited)**

Company	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	Gross Additions (3)	Gross Reductions (4)	March 31, 2024 Fair Value (13)
				Member Units	(5)	—	—	8	683	—	—	683
MH Corbin Holding LLC	14.00%			Secured Debt	(5)	—	—	46	1,256	—	20	1,236
				Preferred Member Units	(5)	—	—	—	80	—	—	80
				Preferred Member Units	(5)	—	—	—	—	—	—	—
Mystic Logistics Holdings, LLC	10.00%			Secured Debt (12)	(6)	—	—	—	—	—	—	—
	10.00%			Secured Debt	(6)	—	5	36	1,436	—	—	1,436
				Common Stock	(6)	—	—	248	6,598	—	—	6,598
NexRev LLC	10.00%			Secured Debt (12)	(8)	—	—	—	—	400	—	400
	10.00%			Secured Debt	(8)	—	—	66	2,435	4	—	2,439
				Preferred Member Units	(8)	—	460	26	1,590	460	—	2,050
NuStep, LLC	11.98%	SF+ 6.50%		Secured Debt	(5)	—	—	28	899	—	—	899
	12.00%			Secured Debt	(5)	—	—	141	4,606	1	—	4,607
				Preferred Member Units	(5)	—	240	—	2,310	240	—	2,550
				Preferred Member Units	(5)	—	—	—	1,290	—	—	1,290
Oneliance, LLC	16.48%	SF+ 11.00%		Secured Debt	(7)	—	7	58	1,339	9	21	1,327
				Preferred Stock	(7)	—	—	—	282	—	—	282
Orttech Holdings, LLC	16.48%	SF+ 11.00%		Secured Debt (12)	(5)	—	—	—	—	—	—	—
	16.48%	SF+ 11.00%		Secured Debt	(5)	—	(6)	235	5,510	6	26	5,490
				Preferred Stock	(5)	—	(170)	15	4,260	—	170	4,090
Pinnacle TopCo, LLC	8.00%			Secured Debt (12)	(8)	—	—	2	105	—	59	46
	13.00%			Secured Debt	(8)	—	—	261	7,472	9	—	7,481
				Preferred Equity	(8)	—	—	79	3,135	—	—	3,135
Robbins Bros. Jewelry, Inc.	12.50%			Secured Debt	(9)	—	—	1	(6)	1	—	(5)
	12.50%			Secured Debt	(9)	—	(669)	123	3,421	4	717	2,708
				Preferred Equity	(9)	—	—	—	—	—	—	—
SI East, LLC	11.25%			Secured Debt (12)	(7)	—	—	13	375	—	—	375
	12.45%			Secured Debt	(7)	—	(9)	584	18,179	9	9	18,179
				Preferred Member Units	(7)	—	—	39	6,390	—	—	6,390
Student Resource Center, LLC	8.50%		8.50%	Secured Debt	(6)	—	(1,618)	—	3,543	—	1,618	1,925
				Preferred Equity	(6)	—	—	—	—	—	—	—
Tedder Industries, LLC	12.00%			Secured Debt	(9)	—	—	14	432	—	—	432
	12.00%			Secured Debt	(9)	—	(1,580)	115	3,565	—	1,580	1,985
				Preferred Member Units	(9)	—	—	—	—	—	—	—
				Preferred Member Units	(9)	—	—	—	—	—	—	—
				Preferred Member Units	(9)	—	—	—	—	—	—	—
Trantech Radiator Topco, LLC	11.50%			Secured Debt (12)	(7)	—	—	—	—	—	—	—
	13.50%			Secured Debt	(7)	—	18	64	1,980	—	—	1,980
				Common Stock	(7)	—	(280)	7	3,180	—	280	2,900
VVS Holdco LLC	11.48%	SF+ 6.00%		Secured Debt (12)	(5)	—	—	1	—	—	—	—
	11.50%			Secured Debt	(5)	—	—	216	6,926	11	—	6,937
				Preferred Equity	(5)	—	—	25	3,060	—	—	3,060

**MSC INCOME FUND, INC.**  
**Consolidated Schedule of Investments In and Advances to Affiliates (Continued)**  
**March 31, 2024**  
**(dollars in thousands)**  
**(unaudited)**

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	Gross Additions (3)	Gross Reductions (4)	March 31, 2024 Fair Value (13)
Other Amounts related to investments transferred to or from other 1940 Act classification during the period							—	—	—	—	—	—	—
<b>Total Affiliate investments</b>							<b>\$ —</b>	<b>\$ (19)</b>	<b>\$ 6,929</b>	<b>\$ 291,279</b>	<b>\$ 12,001</b>	<b>\$ 13,951</b>	<b>\$ 289,329</b>

- (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 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.
- (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 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 March 31, 2024 for affiliate investments located in this region was \$108,671. This represented 17.6% of net assets as of March 31, 2024.
- (6) Portfolio company located in the Northeast region as determined by location of the corporate headquarters. The fair value as of March 31, 2024 for affiliate investments located in this region was \$36,551. This represented 5.9% of net assets as of March 31, 2024.
- (7) Portfolio company located in the Southeast region as determined by location of the corporate headquarters. The fair value as of March 31, 2024 for affiliate investments located in this region was \$31,433. This represented 5.1% of net assets as of March 31, 2024.
- (8) Portfolio company located in the Southwest region as determined by location of the corporate headquarters. The fair value as of March 31, 2024 for control investments located in this region was \$53,076. This represented 8.6% of net assets as of March 31, 2024. The fair value as of March 31, 2024 for affiliate investments located in this region was \$87,833. This represented 14.2% of net assets as of March 31, 2024.

**MSC INCOME FUND, INC.**  
**Consolidated Schedule of Investments In and Advances to Affiliates (Continued)**  
**March 31, 2024**  
**(dollars in thousands)**  
**(unaudited)**

- (9) Portfolio company located in the West region as determined by location of the corporate headquarters. The fair value as of March 31, 2024 for control investments located in this region was \$568. This represented 0.1% of net assets as of March 31, 2024. The fair value as of March 31, 2024 for affiliate investments located in this region was \$4,841. This represented 4.0% of net assets as of March 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 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q. Supplemental information can be located within the 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 March 31, 2024 (see Note I). 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**  
**March 31, 2023**  
**(dollars in thousands)**  
**(unaudited)**

Company	Base Total Rate 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, 2022 Fair Value	Gross Additions (3)	Gross Reductions (4)	March 31, 2023 Fair Value (13)
<b>Control Investments</b>												
GRT Rubber Technologies LLC	10.66%	L+ 6.00%		Secured Debt (12)	(8)	\$ —	\$ 1	\$ 13	\$ 330	\$ 145	\$ —	\$ 475
	12.66%	L+ 8.00%		Secured Debt	(8)	—	(12)	634	19,943	13	12	19,944
				Member Units	(8)	—	—	21	21,890	—	—	21,890
Harris Preston Fund Investments				LP Interests (2717 MH, L.P.)	(8)	631	(675)	141	7,552	1,031	1,574	7,009
Copper Trail Fund Investments				LP Interests (CTMH, LP)	(9)	—	—	—	588	—	—	588
<b>Other</b>												
<b>Amounts related to investments transferred to or from other 1940 Act classification during the period</b>												
						—	—	—	—	—	—	—
<b>Total Control Investments</b>						\$ 631	\$ (686)	\$ 809	\$ 50,303	\$ 1,189	\$ 1,586	\$ 49,906
<b>Affiliate Investments</b>												
AFG Capital Group, LLC				Preferred Member Units	(8)	\$ —	\$ —	\$ —	\$ 2,350	\$ —	\$ —	\$ 2,350
ASK (Analytical Systems Keco Holdings, LLC)	14.75%	L+ 10.00%		Secured Debt	(8)	—	—	1	(2)	—	—	(2)
	14.13%	L+ 10.00%		Secured Debt	(8)	—	—	47	1,135	5	18	1,122
				Preferred Member Units	(8)	—	—	—	—	—	—	—
				Preferred Member Units	(8)	—	20	—	880	20	—	900
				Warrants	(8)	—	—	—	—	—	—	—
ATX Networks Corp.		L+ 7.50%		Secured Debt	(6)	—	(102)	682	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	—
Barlyl Ventures, LLC				Member Units	(5)	—	(93)	—	1,107	—	94	1,013
Batjer TopCo, LLC				Secured Debt	(8)	—	—	—	(1)	—	—	(1)
	11.00%			Secured Debt	(8)	—	—	36	1,205	2	50	1,157
				Preferred Stock	(8)	—	225	19	455	225	—	680
Brewer Crane Holdings, LLC	14.66%	L+ 10.00%		Secured Debt	(9)	—	—	53	1,491	—	31	1,460
				Preferred Member Units	(9)	—	(130)	8	1,770	—	130	1,640
Centre Technologies Holdings, LLC		L+ 9.00%		Secured Debt (12)	(8)	—	—	1	—	—	—	—
	13.75%	L+ 9.00%		Secured Debt	(8)	—	—	130	3,731	2	—	3,733
				Preferred Member Units	(8)	—	150	8	2,170	150	—	2,320
Chamberlin Holding LLC		SF+ 6.00%		Secured Debt (12)	(8)	—	—	1	—	—	—	—
	12.86%	SF+ 8.00%		Secured Debt	(8)	—	(3)	137	4,236	3	3	4,236
				Member Units	(8)	—	(30)	71	5,728	—	28	5,700
				Member Units	(8)	—	30	6	678	30	—	708
Charps, LLC				Preferred Member Units	(5)	—	60	49	3,330	60	—	3,390
Clad-Rex Steel, LLC		SF+ 9.00%		Secured Debt (12)	(5)	—	—	—	—	—	—	—
	13.79%	SF+ 9.00%		Secured Debt	(5)	—	—	89	2,620	—	120	2,500
	10.00%			Secured Debt	(5)	—	—	7	260	—	2	258
				Member Units	(5)	—	(270)	13	2,060	—	270	1,790
				Member Units	(5)	—	55	—	152	55	—	207
Cody Pools, Inc.	15.50%	L+ 10.50%		Secured Debt (12)	(8)	—	2	11	273	3	80	196

**MSC INCOME FUND, INC.**  
**Consolidated Schedule of Investments In and Advances to Affiliates (Continued)**  
**March 31, 2023**  
**(dollars in thousands)**  
**(unaudited)**

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, 2022 Fair Value	Gross Additions (3)	Gross Reductions (4)	March 31, 2023 Fair Value (13)
	15.50%		L+ 10.50%		Secured Debt	(8)	—	(7)	268	6,882	7	83	6,806
					Preferred Member Units	(8)	—	240	7	14,550	240	—	14,790
Colonial Electric Company LLC					Secured Debt (12)	(6)	—	—	—	—	—	—	—
	12.00%				Secured Debt	(6)	—	—	181	5,729	9	79	5,659
					Preferred Member Units	(6)	—	(240)	(318)	2,290	—	240	2,050
Datacom, LLC	7.50%				Secured Debt	(8)	—	—	—	25	25	—	50
	10.00%				Secured Debt	(8)	—	—	30	865	6	7	864
					Preferred Member Units	(8)	—	—	—	300	—	—	300
Digital Products Holdings LLC	14.75%		L+ 10.00%		Secured Debt	(5)	—	—	144	3,878	5	82	3,801
					Preferred Member Units	(5)	—	—	13	2,459	—	—	2,459
Direct Marketing Solutions, Inc.					Secured Debt (12)	(9)	—	—	1	—	—	—	—
	14.00%				Secured Debt	(9)	—	(4)	189	5,352	4	84	5,272
					Preferred Stock	(9)	—	(130)	43	5,558	—	128	5,430
Flame King Holdings, LLC	11.25%		L+ 6.50%		Secured Debt (12)	(9)	—	(1)	54	1,900	1	1	1,900
	13.75%		L+ 9.00%		Secured Debt	(9)	—	(8)	188	5,300	8	8	5,300
					Preferred Equity	(9)	—	900	134	4,400	900	—	5,300
Freeport Financial Funds					LP Interests (Freeport First Lien Loan Fund III LP) (12)	(5)	—	—	134	5,848	—	536	5,312
Gamber-Johnson Holdings, LLC			SF+ 8.50%		Secured Debt (12)	(5)	—	—	—	—	—	—	—
	11.50%		SF+ 8.50%		Secured Debt	(5)	—	(17)	474	16,020	17	217	15,820
					Member Units	(5)	—	2,117	393	12,720	2,120	—	14,840
GFG Group, LLC.	9.00%				Secured Debt	(5)	—	(4)	68	2,836	4	4	2,836
					Preferred Member Units	(5)	—	110	10	1,790	110	—	1,900
Gulf Publishing Holdings, LLC			L+ 9.50%		Secured Debt (12)	(8)	—	—	—	—	—	—	—
	12.50%				Secured Debt	(8)	—	—	19	571	—	—	571
					Preferred Equity	(8)	—	—	—	950	—	—	950
					Member Units	(8)	—	—	—	—	—	—	—
HPEP 3, L.P.					LP Interests (HPEP 3, L.P.)	(8)	—	113	—	4,331	113	508	3,936
Kickhaefer Manufacturing Company, LLC	12.00%				Secured Debt	(5)	—	—	199	5,093	53	—	5,146
	9.00%				Secured Debt	(5)	—	—	22	961	—	3	958
					Preferred Equity	(5)	—	—	—	1,800	—	—	1,800
					Member Units	(5)	—	(18)	7	713	—	18	695
Market Force Information, LLC	12.00%			12.00%	Secured Debt	(9)	—	(403)	—	403	—	403	—
					Member Units	(9)	—	—	—	—	—	—	—
MH Corbin Holding LLC	13.00%				Secured Debt	(5)	—	238	49	1,137	238	29	1,346
					Preferred Member Units	(5)	—	—	—	—	—	—	—
					Preferred Member Units	(5)	—	—	—	—	—	—	—
Mystic Logistics Holdings, LLC					Secured Debt (12)	(6)	—	—	—	—	—	—	—
	10.00%				Secured Debt	(6)	—	—	36	1,436	—	—	1,436
					Common Stock	(6)	—	545	248	5,708	545	—	6,253
NexRev LLC					Secured Debt	(8)	—	—	—	—	—	—	—
	11.00%				Secured Debt	(8)	—	249	81	2,119	255	157	2,217
					Preferred Member Units	(8)	—	470	33	280	470	—	750

**MSC INCOME FUND, INC.**  
**Consolidated Schedule of Investments In and Advances to Affiliates (Continued)**  
**March 31, 2023**  
**(dollars in thousands)**  
**(unaudited)**

Company	Base Total 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, 2022 Fair Value	Gross Additions (3)	Gross Reductions (4)	March 31, 2023 Fair Value (13)	
NuStep, LLC	11.25%	L+ 6.50%		Secured Debt	(5)	—	—	31	1,100	—	—	1,100	
	12.00%			Secured Debt	(5)	—	—	139	4,603	1	—	4,604	
				Preferred Member Units	(5)	—	(100)	—	2,010	—	100	1,910	
Oneliance, LLC	15.75%	L+ 11.00%		Preferred Member Units	(5)	—	—	—	1,290	—	—	1,290	
				Secured Debt	(7)	—	—	56	1,380	2	21	1,361	
Orttech Holdings, LLC	15.75%	L+ 11.00%	L+ 11.00%	Preferred Stock	(7)	—	—	—	264	—	—	264	
				Secured Debt (12)	(5)	—	—	—	(2)	—	—	(2)	
				Secured Debt	(5)	—	—	236	5,814	9	200	5,623	
Robbins Bros. Jewelry, Inc.	12.50%			Preferred Stock	(5)	—	430	67	2,940	430	—	3,370	
				Secured Debt (12)	(9)	—	—	1	(8)	1	—	(7)	
				Secured Debt	(9)	—	—	127	3,902	4	24	3,882	
SI East, LLC	9.50%			Preferred Equity	(9)	—	(550)	—	1,650	—	550	1,100	
				Secured Debt (12)	(7)	—	—	2	—	—	—	—	
Sonic Systems International, LLC	12.26%	L+ 7.50%		Secured Debt	(7)	—	(55)	755	29,929	55	1,805	28,179	
				Secured Debt	(7)	—	—	114	4,550	—	—	4,550	
				Common Stock	(8)	—	(19)	583	18,425	19	19	18,425	
Student Resource Center, LLC	13.69%	L+ 8.50%		Common Stock	(8)	—	(60)	13	1,490	—	60	1,430	
				Secured Debt	(6)	—	—	118	5,063	—	—	5,063	
Todder Industries, LLC	12.00%			Preferred Equity	(6)	—	—	—	—	—	—	—	
				Secured Debt	(9)	—	—	14	460	—	—	460	
				Secured Debt	(9)	—	—	115	3,780	1	—	3,781	
Trantech Radiator Topco, LLC	12.00%			Preferred Member Units	(9)	—	(202)	—	1,920	—	202	1,718	
				Preferred Member Units	(9)	—	28	—	—	83	—	83	
Volution, LLC	10.00%			Secured Debt (12)	(7)	—	(1)	1	—	1	1	—	
				Secured Debt	(7)	—	(3)	63	1,980	3	3	1,980	
				Common Stock	(7)	—	380	7	1,950	380	—	2,330	
VVS Holdco, LLC	11.50%	L+ 6.00%		Secured Debt	(8)	—	—	—	—	900	—	—	900
				Secured Debt	(8)	—	(1,366)	780	6,392	—	6,392	—	
				Unsecured Convertible Debt	(8)	—	(175)	175	—	175	175	—	
				Preferred Member Units	(8)	—	—	—	—	—	—	—	
				Preferred Member Units	(8)	—	—	—	—	4,906	—	4,906	
				Preferred Member Units	(8)	—	—	—	—	—	—	—	
				Common Stock	(8)	—	(1,104)	—	—	1,104	1,104	—	
VVS Holdco, LLC	11.50%	L+ 6.00%		Warrants	(8)	—	1,104	—	—	—	—	—	
				Secured Debt (12)	(5)	—	—	2	(5)	1	1	(5)	
				Secured Debt	(5)	—	—	230	7,421	11	—	7,432	
				Preferred Equity	(5)	—	20	9	2,990	20	—	3,010	
<b>Other Amounts related to investments transferred to or from other 1940 Act classification during the period</b>						—	—	(71)	(6,392)	(175)	(6,567)	—	
<b>Total Affiliate investments</b>						\$ 1,637	\$ 1,321	\$ 7,894	\$ 277,000	\$ 18,474	\$ 24,633	\$ 270,841	

**MSC INCOME FUND, INC.**  
**Consolidated Schedule of Investments In and Advances to Affiliates (Continued)**  
**March 31, 2023**  
**(dollars in thousands)**  
**(unaudited)**

- 
- (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 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.
  - (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 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 March 31, 2023 for affiliate investments located in this region was \$94,403. This represented 15.5% of net assets as of March 31, 2023.
  - (6) Portfolio company located in the Northeast region as determined by location of the corporate headquarters. The fair value as of March 31, 2023 for affiliate investments located in this region was \$20,461. This represented 3.4% of net assets as of March 31, 2023.
  - (7) Portfolio company located in the Southeast region as determined by location of the corporate headquarters. The fair value as of March 31, 2023 for affiliate investments located in this region was \$38,664. This represented 6.4% of net assets as of March 31, 2023.
  - (8) Portfolio company located in the Southwest region as determined by location of the corporate headquarters. The fair value as of March 31, 2023 for control investments located in this region was \$49,318. This represented 8.1% of net assets as of March 31, 2023. The fair value as of March 31, 2023 for affiliate investments located in this region was \$79,994. This represented 13.2% of net assets as of March 31, 2023.
  - (9) Portfolio company located in the West region as determined by location of the corporate headquarters. The fair value as of March 31, 2023 for control investments located in this region was \$588. This represented 0.1% of net assets as of March 31, 2023. The fair value as of March 31, 2023 for affiliate investments located in this region was \$7,319. This represented 6.1% of net assets as of March 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 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q. Supplemental information can be located within the Consolidated Schedule of

**MSC INCOME FUND, INC.**  
**Consolidated Schedule of Investments In and Advances to Affiliates (Continued)**  
**March 31, 2023**  
**(dollars in thousands)**  
**(unaudited)**

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 March 31, 2023 (see Note I). 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 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*This Quarterly Report on Form 10-Q 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 referenced in Item 1A entitled "Risk Factors" below in this Quarterly Report on Form 10-Q, if any, and discussed in Item 1A entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission ("SEC") on March 8, 2024 and elsewhere in this Quarterly Report on Form 10-Q and our other SEC filings. 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 Quarterly Report on Form 10-Q on information available to us on the date of this Quarterly Report on Form 10-Q, 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 periodic and current reports.*

*This discussion should be read in conjunction with our consolidated financial statements as of December 31, 2023, and for the year then ended, and Management's Discussion and Analysis of Financial Condition and Results of Operations, both contained in our Annual Report on Form 10-K for the year ended December 31, 2023, as well as the consolidated financial statements (unaudited) and notes to the consolidated financial statements (unaudited) contained in this report.*

### ORGANIZATION

MSC Income Fund, Inc. ("MSIF" or, together with its consolidated subsidiaries, "MSC Income Fund" or the "Company") is a principal investment firm primarily focused on providing debt capital to middle market ("Middle Market") companies and customized debt and equity financing to lower middle market ("LMM") companies. MSC Income Fund's portfolio investments are typically made to support leveraged buyouts, recapitalizations, growth financings, refinancings and acquisitions of companies that operate in a variety of industry sectors. MSC Income Fund seeks to partner with private equity funds in its Private Loan (as defined below) and Middle Market investment strategies. MSC Income Fund invests primarily in secured debt investments of Middle Market companies generally headquartered in the United States and in secured debt investments, equity investments, warrants and other securities of LMM companies based in the United States. MSC Income Fund seeks to partner with entrepreneurs, business owners and management teams and generally provides "one-stop" financing alternatives within its LMM investment strategy.

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, MSIF's stockholders approved the appointment of MSC Adviser I, LLC (our "Adviser"), which is wholly-owned by Main Street Capital Corporation ("Main Street"), a New York Stock Exchange listed BDC, as MSIF's investment adviser and administrator under an Investment Advisory and Administrative Services Agreement dated October 30, 2020 (the "Investment Advisory Agreement"). In such role, our Adviser has the responsibility to manage the business of MSC Income Fund, including the responsibility to identify, evaluate, negotiate and structure prospective investments, make investment and portfolio management decisions, monitor MSC Income Fund's Investment Portfolio (as defined below) and provide ongoing administrative services.

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 Fund” refer to MSIF and its consolidated subsidiaries, which include the Taxable Subsidiaries and the Structured Subsidiaries.

## OVERVIEW OF OUR BUSINESS

Our principal investment objective is to maximize our portfolio’s total return 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 seek to achieve our investment objective through our Private Loan (as defined below), LMM and Middle Market investment strategies. Our private loan (“Private Loan”) investment strategy involves investments in companies that are generally consistent with the size of the companies in our LMM and Middle Market investment strategies. Our LMM investment strategy involves investments in companies that generally have annual revenues between \$10 million and \$150 million. Our Middle Market investment strategy involves investments in companies that are generally larger in size than our LMM companies, with annual revenues typically between \$150 million and \$1.5 billion. Our Private Loan, LMM and Middle Market 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 to support a company owned by or in the process of being acquired by a private equity sponsor. Private Loan investments are typically similar in size, structure, terms and conditions to investments we hold in our LMM portfolio and Middle Market portfolio. 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 sponsors in the equity securities of our Private Loan portfolio companies.

We seek 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 creates 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, allows us to offer portfolio companies a comprehensive suite of financing options, or a “one-stop” financing solution. Providing customized, “one-stop” financing solutions is important to LMM portfolio companies. We generally seek to partner directly with entrepreneurs, management teams and business owners in making our investments. 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.

Our Middle Market portfolio investments primarily consist of direct investments in or secondary purchases of debt securities in privately held companies based in the United States that are generally larger in size than the companies included in our LMM portfolio and that were issued through a syndicated process. Our Middle Market portfolio debt investments 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. Over the last few years, we have been de-emphasizing this strategy and expect to continue to do so in the future.

Our other portfolio (“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 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.

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, 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 funds and clients advised by 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 funds and clients advised by our Adviser, in accordance with the conditions of the order. The order requires, among other things, that we and our Adviser consider whether each such investment opportunity is appropriate for us, Main Street and the other funds and clients advised by 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, other participating funds and other clients instead of us. However, our Adviser has policies and procedures in place to manage this conflict, including oversight 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.

## INVESTMENT PORTFOLIO SUMMARY

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

	As of March 31, 2024		
	Private Loan	LMM (a)	Middle Market
	(dollars in millions)		
Number of portfolio companies	79	51	15
Fair value	\$ 631.4	\$ 391.6	\$ 68.4
Cost	\$ 624.3	\$ 319.2	\$ 97.7
Debt investments as a % of portfolio (at cost)	94.6 %	70.3 %	91.7 %
Equity investments as a % of portfolio (at cost)	5.4 %	29.7 %	8.3 %
% of debt investments at cost secured by first priority lien	99.9 %	99.9 %	99.9 %
Weighted-average annual effective yield (b)	13.0 %	13.0 %	13.4 %
Average EBITDA (c)	\$ 34.7	\$ 9.2	\$ 62.5

(a) At March 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 at cost as of March 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. The weighted-average annual effective yield on our debt portfolio as of March 31, 2024 including debt investments on non-accrual status was 12.6% for our Private Loan portfolio, 13.0% for our LMM portfolio and 10.1% 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, two 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.

	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) At 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 at cost 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. 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 three months ended March 31, 2024 and 2023, we achieved an annualized total return on investments of 11.8% and 11.4%, respectively. For the year ended December 31, 2023, we achieved a total return on investments of 13.6%. 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 March 31, 2024, we had Other Portfolio investments in four entities, collectively totaling \$24.6 million in fair value and \$21.4 million in cost basis and which comprised 2.2% and 2.0% of our Investment Portfolio at fair value and cost, respectively. As of December 31, 2023, we had Other Portfolio investments in four entities, collectively totaling \$24.6 million in fair value and \$21.5 million in cost basis and 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 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.

### ***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 March 31, 2024 and December 31, 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 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q 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 March 31, 2024 and December 31, 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 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q), 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 three months ended March 31, 2024 and 2023, 4.5% and 3.8%, respectively, of our total investment income was attributable to PIK interest income not paid currently in cash. For each of the three months ended March 31, 2024 and 2023, 0.1% 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 March 31, 2024 and December 31, 2023 (this information excludes Other Portfolio investments).

<b>Cost:</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>
First lien debt	86.9 %	86.5 %
Equity	12.9	13.3
Second lien debt	—	—
Equity warrants	0.2	0.2
Other	—	—
	<u>100.0 %</u>	<u>100.0 %</u>
<b>Fair Value:</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>
First lien debt	78.7 %	78.4 %
Equity	21.2	21.5
Second lien debt	—	—
Equity warrants	0.1	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 our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 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 March 31, 2024, investments on non-accrual status comprised 0.7% of our total Investment Portfolio at fair value and 3.6% 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

### Comparison of the three months ended March 31, 2024 and 2023

Set forth below is a comparison of the results of operations for the three months ended March 31, 2024 and 2023.

	Three Months Ended March 31,		Net Change	
	2024	2023	Amount	%
	(dollars in thousands)			
Total investment income	\$ 33,950	\$ 31,046	\$ 2,904	9 %
Total expenses, net of expense waivers	(19,404)	(16,938)	(2,466)	15 %
Net investment income	14,546	14,108	438	3 %
Net realized gain (loss) from investments	(1,884)	3,432	(5,316)	NM
Net unrealized depreciation from investments	(1,133)	(4,139)	3,006	NM
Income tax provision	(940)	(1,170)	230	NM
Net increase in net assets resulting from operations	\$ 10,589	\$ 12,231	\$ (1,642)	(13)%

NM — Net Change % not meaningful

### Investment Income

Total investment income for the three months ended March 31, 2024 was \$34.0 million, a 9% increase from the \$31.0 million of total investment income for the corresponding period of 2023. The following table provides a summary of the changes in the comparable period activity.

	Three Months Ended March 31,		Net Change	
	2024	2023	Amount	%
	(dollars in thousands)			
Interest income	\$ 29,059	\$ 28,932	\$ 127	— %
Dividend income	2,472	1,559	913	59 % (a)
Fee income	2,419	555	1,864	336 % (b)
Total investment income	\$ 33,950	\$ 31,046	\$ 2,904	9 % (c)

(a) The increase in dividend income from Investment Portfolio equity investments was primarily a result of (i) an increase of \$0.8 million in dividend income from certain of our LMM portfolio companies and (ii) an increase of \$0.2 million in dividend income from our Private Loan portfolio companies. The increase includes a \$0.1 million increase in dividend income considered less consistent or non-recurring.

- (b) The increase in fee income was primarily related to (i) a \$1.7 million increase in fees received from the refinancing and prepayment of debt investments and (ii) a \$0.2 million increase related to higher investment activities. The increase includes a \$1.7 million increase in fee income considered less consistent or non-recurring.
- (c) The increase in total investment income includes a net increase of \$0.5 million due to the impact of certain income considered less consistent or non-recurring, including (i) a \$1.7 million increase in accelerated prepayments, repricing and other activity related to certain Investment Portfolio debt investments and (ii) a \$0.1 million increase in such dividend income, partially offset by a \$1.2 million decrease in interest income from accelerated OID income.

*Expenses*

Total expenses, net of expense waivers, for the three months ended March 31, 2024 were \$19.4 million, a 15% increase from \$16.9 million in the corresponding period of 2023. The following table provides a summary of the changes in the comparable period activity.

	Three Months Ended March 31,		Net Change	
	2024	2023	Amount	%
	(dollars in thousands)			
Interest expense	\$ 9,549	\$ 8,334	\$ 1,215	15 % (a)
Base management fees	5,028	4,855	173	4 %
Incentive fees	3,637	2,720	917	34 % (b)
Internal administrative services fees	2,267	2,038	229	11 %
General and administrative	1,034	880	154	18 %
Total expenses before expense waivers	21,515	18,827	2,688	14 %
Waiver of internal administrative services expenses	(2,111)	(1,889)	(222)	12 %
Total expenses	\$ 19,404	\$ 16,938	\$ 2,466	15 %

- (a) The increase in interest expense was primarily related to (i) increased weighted average interest rates on our floating rate multi-year revolving credit facility (the “Corporate Facility”) and special purpose vehicle revolving credit facility (the “SPV Facility”) and, together with the Corporate Facility, the “Credit Facilities”) based upon the increases in benchmark index rates for these floating rate obligations and (ii) higher weighted-average outstanding borrowings.
- (b) The increase in incentive fees was due to the increased Pre-Incentive Fee Net Investment Income resulting from our more favorable operating results for the three months ended March 31, 2024.

*Net Investment Income*

Net investment income for the three months ended March 31, 2024 increased to \$14.5 million, or \$0.18 per share, compared to net investment income of \$14.1 million, or \$0.18 per share, for the corresponding period of 2023. The increase in net investment income was principally attributable to the increase in total investment income, partially offset by the increase in total expenses, including incentive fees, each as discussed above. The increase in net investment income on a per share basis includes a \$0.01 per share increase in investment income considered less consistent or non-recurring, as discussed above.

### Net Realized Gain (Loss) from Investments

The following table provides a summary of the primary components of the total net realized loss on investments of \$1.9 million for the three months ended March 31, 2024.

	Three Months Ended March 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	\$ (682)	1	\$ —	—	\$ (595)	1	\$ 3	\$ (1,274)
LMM portfolio	—	—	—	—	—	—	152	152
Middle Market portfolio	—	—	—	—	(773)	1	—	(773)
Other Portfolio	—	—	—	—	—	—	11	11
Total net realized gain/(loss)	\$ (682)	1	\$ —	—	\$ (1,368)	2	\$ 166	\$ (1,884)

(a) Other activity includes realized gains and losses from transactions involving five 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 \$1.1 million for the three months ended March 31, 2024.

	Three Months Ended March 31, 2024				
	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	\$ 1,099	\$ (116)	\$ 584	\$ (10)	\$ 1,557
Net unrealized appreciation (depreciation) relating to portfolio investments	(2,816)	1,243	(1,191)	74	(2,690)
Total net unrealized appreciation (depreciation) relating to portfolio investments	\$ (1,717)	\$ 1,127	\$ (607)	\$ 64	\$ (1,133)

(a) Includes unrealized appreciation on 20 LMM portfolio investments and unrealized depreciation on 11 LMM portfolio investments.

### Income Tax Provision

The income tax provision for the three months ended March 31, 2024 of \$0.9 million principally consisted of (i) a deferred tax provision of \$0.6 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 \$0.3 million, related to a \$0.2 million provision for current federal and state income taxes and a \$0.1 million provision for excise tax on our estimated undistributed taxable income. The income tax provision for the three months ended March 31, 2023 of \$1.2 million principally consisted of (i) a deferred tax provision of \$0.9 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 \$0.3

million related to a \$0.2 million provision for current federal and state income taxes and a \$0.1 million provision for excise tax on our estimated undistributed taxable income.

*Net Increase in Net Assets Resulting from Operations*

The net increase in net assets resulting from operations for the three months ended March 31, 2024 was \$10.6 million, or \$0.13 per share, compared with \$12.2 million, or \$0.15 per share, during the three months ended March 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 three months ended March 31, 2024 as compared to the three months ended March 31, 2023.

## **LIQUIDITY AND CAPITAL RESOURCES**

### *Cash Flows*

For the three months ended March 31, 2024, we realized a net decrease in cash and cash equivalents of \$6.1 million as the result of \$11.6 million of cash used in our operating activities, partially offset by \$5.4 million of cash provided by our financing activities.

The \$11.6 million of cash used in our operating activities resulted primarily from the funding of new portfolio investments of \$75.7 million, partially offset by (i) cash proceeds totaling \$52.1 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 \$12.2 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) \$0.2 million in cash flows related to changes in other assets and liabilities.

The \$5.4 million of cash provided by our financing activities principally consisted of (i) \$19.0 million net cash proceeds related to our Credit Facilities and (ii) \$2.5 million cash proceeds related to common stock issuance, partially offset by (i) \$9.5 million in cash dividends paid to stockholders and (ii) \$6.5 million for the repurchases of our common stock.

### *Share Repurchases*

We maintain a share repurchase program whereby we make 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 may be 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 (the “DRIP”) or (ii) 2.5% of the weighted-average number of shares of common stock outstanding in the prior four calendar quarters. Repurchase offers are currently limited to the number of shares of our common stock we can repurchase with 90% of the cash retained as a result of issuances of common stock under the DRIP.

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.

See *Item 2. Unregistered Sales of Equity Securities and Use of Proceeds* in this Quarterly Report on Form 10-Q for more information regarding repurchases of our common stock during the three months ended March 31, 2024.

### *Capital Resources*

As of March 31, 2024, we had \$24.6 million in cash and cash equivalents and \$110.3 million of unused capacity under the Credit Facilities, which we maintain to support our investment and operating activities. As of March 31, 2024, our NAV totaled \$618.5 million, or \$7.72 per share.

As of March 31, 2024, we had \$79.0 million outstanding and \$86.0 million of undrawn commitments under our Corporate Facility and \$275.7 million outstanding and \$24.3 million of undrawn commitments under our SPV Facility, 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. For further information on our Credit Facilities, including key terms and financial covenants, refer to Note D — Debt included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.

We closed our continuous follow-on public offering of shares to new investors effective September 2017. As such, our ability to raise additional equity is limited.

As a BDC, we generally are required to maintain 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 in the future). This requirement limits the amount that we may borrow. As of March 31, 2024, our BDC asset coverage ratio was 223%. The combination of these factors limits our access to capital to fund future investment activities or operating requirements, including our ability to grow the Investment Portfolio. We anticipate that we will continue to fund our investment activities and operating requirements through existing cash and cash equivalents, cash flows generated through our ongoing operating activities, including cash proceeds from the repayments and from the sales of investments in our portfolio companies, and utilization of available borrowings under our Credit



Facilities. Our primary uses of funds will be investments in portfolio companies, operating expenses, cash distributions to holders of our common stock and share repurchases under our share repurchase programs.

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, LMM and Middle Market portfolio investments. Marketable securities and idle funds investments generally consist of money market funds and certificates of deposit with financial institutions.

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.

Although we have been able to secure access to additional liquidity, including through the Credit Facilities and 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.11. — Summary of Significant Accounting Policies — Recently Issued or Adopted Accounting Standards* included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.

#### *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. At March 31, 2024, we had a total of \$78.8 million in outstanding commitments comprised of (i) 68 investments with commitments to fund revolving loans that had not been fully drawn or term loans with additional commitments not yet funded and (ii) three investments with equity capital commitments that had not been fully called.

#### *Contractual Obligations*

As of March 31, 2024, we had \$504.7 million in total borrowings outstanding under our Credit Facilities and Series A Notes. The Corporate Facility will mature on March 1, 2026. The SPV Facility will mature on February 3, 2028. The Series A Notes will 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 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q.

A summary of our significant contractual payment obligations for the repayment of outstanding borrowings at March 31, 2024 is as follows:

	2024	2025	2026	2027	2028	Thereafter	Total
	(dollars in thousands)						
SPV Facility <sup>(1)</sup>	\$ —	\$ —	\$ —	\$ —	\$ 275,688	\$ —	\$ 275,688
Series A Notes	—	—	150,000	—	—	—	150,000
Interest due on Series A Notes	6,060	6,060	6,060	—	—	—	18,180
Corporate Facility <sup>(2)</sup>	—	—	79,000	—	—	—	79,000
<b>Total</b>	<b>\$ 6,060</b>	<b>\$ 6,060</b>	<b>\$ 235,060</b>	<b>\$ —</b>	<b>\$ 275,688</b>	<b>\$ —</b>	<b>\$ 522,868</b>

(1) As of March 31, 2024, \$24.3 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 March 31, 2024, \$86.0 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.

#### *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 *Note J—Related Party Transactions* included in *Item 1. Consolidated Financial Statements* of this Quarterly Report on Form 10-Q for additional information regarding these related party transactions and agreements.

#### *Recent Developments*

On May 1, 2024, we sold 315,259 shares of our common stock to Main Street at \$7.93 per share, the price at which we issued new shares in connection with reinvestments of the May 1, 2024 dividend pursuant to the DRIP, for total proceeds to us of \$2.5 million. The issuance and sale were made pursuant to the exemption from registration under Section 4(a)(2) of the Securities Act of 1933, as amended, 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 us or our Adviser.

On May 1, 2024, we repurchased 536,330 shares of our common stock validly tendered and not withdrawn on the terms set forth in our tender offer statement on Schedule TO and Offer to Purchase filed with the SEC on March 26, 2024. The shares were repurchased at a price of \$7.78 per share, which was our NAV per share as of May 1, 2024, for an aggregate purchase price of \$4.2 million (an amount equal to 90% of the proceeds we received from the issuance of shares under the our DRIP from the May 1, 2024 dividend payment).

On May 13, 2024, our Board of Directors declared a quarterly dividend of \$0.180 per share payable August 1, 2024 to stockholders of record as of June 28, 2024. Additionally, our Board of Directors approved a repurchase offer pursuant to our share repurchase program in an amount equal to 90% of the proceeds resulting from shares issued in lieu of cash distributions from the August 1, 2024 dividend payment.

**Item 3. 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 our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 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 March 31, 2024, 78% of our debt Investment Portfolio (at cost) bore interest at floating rates, 95% of which were subject to contractual minimum interest rates. As of March 31, 2024, 30% 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 March 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 March 31, 2024.

Basis Point Change	Increase (Decrease) in Interest Income	(Increase) Decrease in Interest Expense	Increase (Decrease) in Pre Incentive Fee Net Investment Income	(Increase) Decrease in Incentive Fee Expense	Increase (Decrease) in Net Investment Income	Increase (Decrease) in Net Investment Income per Share
(dollars in thousands, except per share amounts)						
(200)	\$ (13,676)	\$ 7,094	\$ (6,582)	\$ 3,637	\$ (2,945)	\$ (0.04)
(175)	(11,967)	6,207	(5,760)	3,637	(2,123)	(0.03)
(150)	(10,258)	5,320	(4,938)	3,637	(1,301)	(0.02)
(125)	(8,506)	4,434	(4,072)	3,637	(435)	(0.01)
(100)	(6,806)	3,547	(3,259)	2,868	(391)	—
(75)	(5,105)	2,660	(2,445)	2,054	(391)	—
(50)	(3,405)	1,773	(1,632)	1,241	(391)	—
(25)	(1,704)	887	(817)	426	(391)	—
25	1,704	(887)	817	(163)	654	0.01
50	3,408	(1,773)	1,635	(327)	1,308	0.02
75	5,111	(2,660)	2,451	(490)	1,961	0.02
100	6,815	(3,547)	3,268	(654)	2,614	0.03
125	8,519	(4,434)	4,085	(817)	3,268	0.04
150	10,223	(5,320)	4,903	(981)	3,922	0.05
175	11,926	(6,207)	5,719	(1,144)	4,575	0.06
200	13,630	(7,094)	6,536	(1,307)	5,229	0.07

Although we believe that this analysis is indicative of the impact of interest rate changes to our Net Investment Income as of March 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 debt outstanding 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 4. Controls and Procedures**

As of the end of the period covered by this quarterly report on Form 10-Q, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer, Chief Financial Officer, Chief Compliance Officer and Chief Accounting Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15 of the Exchange Act). Based on that evaluation, our Chief Executive Officer, Chief Financial Officer, Chief Compliance Officer 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. There have been no changes in our internal control over financial reporting that occurred during the quarter ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II—OTHER INFORMATION

### Item 1. *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 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 1A. *Risk Factors*

You should carefully consider the risks described below and all other information contained in this Quarterly Report on Form 10-Q, including our interim consolidated financial statements and the related notes thereto, before making a decision to purchase our securities. The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may have a material adverse effect on our business, financial condition and/or operating results, as well as the market price of our securities.

In addition to the other information set forth in this report, you should carefully consider the risk factors described in Item 1A. Risk Factors in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 that we filed with the SEC on March 8, 2024, which could materially affect our business, financial condition and/or operating results.

There are no material changes to the risk factors as previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

### Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds*

#### *Sales of Unregistered Securities*

During the three months ended March 31, 2024, we issued 564,969 shares of our common stock under our dividend reinvestment plan. These issuances were not subject to the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"). The aggregate value of the shares of common stock issued during the three months ended March 31, 2024 under the dividend reinvestment plan was \$4.5 million.

On January 31, 2024, we sold 314,070 shares of our common stock to Main Street at \$7.96 per share, the price at which we issued new shares in connection with reinvestments of the January 31, 2024 dividend pursuant to the DRIP, for total proceeds to us of \$2.5 million. The issuance and sale were made pursuant to the exemption from registration under Section 4(a)(2) of 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 us or the Adviser.

*Issuer Purchases of Equity Securities*

The following chart summarizes repurchases of our common stock for the three months ended March 31, 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
January 1 through January 31, 2024 (a)	518,173	\$ 7.81	518,173	N/A
February 1 through February 29, 2024	—	—	—	N/A
March 1 through March 31, 2024 (b)	357,143	7.00	357,143	N/A
<b>Total</b>	<b>875,316</b>		<b>875,316</b>	

(a) Shares repurchased under the quarterly share repurchase program at NAV (see *Note G — Share Repurchases* included in *Item 1. Consolidated Financial Statements* for more information).

(b) Shares repurchased under the February 2024 Dutch Auction Tender Offer (see *Liquidity and Capital Resources* included in *Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations* for more information).

**Item 5. Other Information****Rule 10b5-1 Trading Plans**

During the fiscal quarter ended March 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 6. Exhibits**

Listed below are the exhibits which are filed as part of this report (according to the number assigned to them in Item 601 of Regulation S-K):

<b>Exhibit Number</b>	<b>Description of Exhibit</b>
31.1	<a href="#">Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.</a>
31.2	<a href="#">Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.</a>
32.1	<a href="#">Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).</a>
32.2	<a href="#">Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).</a>
101	The following financial information from our Quarterly Report on Form 10-Q for the first quarter of fiscal year 2024, filed with the SEC on May 15, 2024, formatted in Inline Extensible Business Reporting Language (iXBRL): (i) the Consolidated Balance Sheets at March 31, 2024 and December 31, 2023, (ii) the Consolidated Statements of Operations for the three months ended March 31, 2024 and 2023, (iii) the Consolidated Statements of Changes in Net Assets for the periods ended March 31, 2024 and 2023, (iv) the Consolidated Statements of Cash Flows for the three months ended March 31, 2024 and 2023, (v) the Consolidated Schedule of Investments for the periods ended March 31, 2024 and December 31, 2023, (vi) the Notes to Consolidated Financial Statements and (vii) the Consolidated Schedule 12-14 for the three months ended March 31, 2024 and 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**MSC INCOME FUND, INC.**

Date: May 15, 2024

/s/ DWAYNE L. HYZAK

Dwayne L. Hyzak  
*Chief Executive Officer*  
*(principal executive officer)*

Date: May 15, 2024

/s/ JESSE E. MORRIS

Jesse E. Morris  
*Chief Financial Officer and Chief Operating Officer*  
*(principal financial officer)*

Date: May 15, 2024

/s/ CORY E. GILBERT

Cory E. Gilbert  
*Vice President and Chief Accounting Officer*  
*(principal accounting officer)*



**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 Quarterly Report on Form 10-Q for the quarterly period ended March 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 May 15, 2024.

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, Jesse E. Morris, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 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 May 15, 2024.

By: /s/ JESSE E. MORRIS

Jesse E. Morris

*Chief Financial Officer and Chief Operating 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 Quarterly Report of MSC Income Fund, Inc. (the "Registrant") on Form 10-Q for the quarterly period ended March 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: May 15, 2024

**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 Quarterly Report of MSC Income Fund, Inc. (the "Registrant") on Form 10-Q for the quarterly period ended March 31, 2024 (the "Report"), as filed with the Securities and Exchange Commission on the date hereof, I, Jesse E. Morris, 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/ JESSE E. MORRIS

Name: Jesse E. Morris

Date: May 15, 2024