

# MAINST

CAPITAL CORPORATION

## Investor Presentation

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### Second Quarter – 2021

## Disclaimers

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Main Street Capital Corporation (MAIN) cautions that statements in this presentation that are forward-looking, and provide other than historical information, involve risks and uncertainties that may impact our future results of operations. The forward-looking statements in this presentation are based on current conditions as of August 5, 2021, and include, but are not limited to, statements regarding our goals, beliefs, strategies, future operating results and cash flows, operating expenses, investment originations and performance, available capital, payment and the tax attributes of future dividends and shareholder returns. Although our management believes that the expectations reflected in any forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct. Those statements are made based on various underlying assumptions and are subject to numerous uncertainties and risks, including, without limitation: our continued effectiveness in raising, investing and managing capital; adverse changes in the economy generally or in the industries in which our portfolio companies operate; the potential continuing impacts of the COVID-19 pandemic on our and our portfolio companies' business and operations, liquidity and access to capital, and on the U.S. and global economies, including public health requirements in response to the pandemic; changes in laws and regulations or business, political and/or regulatory conditions that may adversely impact our operations or the operations of our portfolio companies; the operating and financial performance of our portfolio companies and their access to capital; retention of key investment personnel; competitive factors; and such other factors described under the captions "Cautionary Statement Concerning Forward-Looking Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" included in our filings with the Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)), including our most recent annual report on Form 10-K and subsequently filed quarterly reports on Form 10-Q. We undertake no obligation to update the information contained herein to reflect subsequently occurring events or circumstances, except as required by applicable securities laws and regulations.

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The summary descriptions and other information included herein are intended only for informational purposes and convenient reference. The information contained herein is not intended to provide, and should not be relied upon for, accounting, legal or tax advice or investment recommendations. Before making an investment decision with respect to MAIN, investors are advised to carefully review an applicable prospectus to review the risk factors described or incorporated by reference therein, and to consult with their tax, financial, investment and legal advisors. These materials do not purport to be complete, and are qualified in their entirety by reference to the more detailed disclosures contained in an applicable prospectus and MAIN's related documentation.

**Main Street Capital Corporation**

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# Corporate Overview and Investment Strategy

# 2<sup>nd</sup> Quarter – 2021

# MAIN is a Principal Investor in Private Debt and Equity

**Hybrid debt and equity investment strategy, internally managed operating structure and focus on Lower Middle Market differentiates MAIN from other investment firms**

## **Internally-managed Business Development Company (BDC)**

- IPO in 2007
- Over \$4.9 billion in capital under management<sup>(1)</sup>
  - Over \$3.8 billion internally at MAIN<sup>(1)</sup>
  - Over \$1.1 billion as the investment adviser to external parties<sup>(1)</sup>

## **Primarily invests in the under-served Lower Middle Market (LMM)**

- Targets companies with revenue between \$10 million - \$150 million; EBITDA between \$3 million - \$20 million
- Provides single source solutions including a combination of first lien, senior secured debt and equity financing

## **Debt investments in Middle Market companies**

- Issuances of first lien, senior secured and/or rated debt investments
- Larger companies than LMM investment strategy

## **Debt investments originated in collaboration with other funds (Private Loans)**

- First lien, senior secured debt investments in privately held companies originated through strategic relationships with other investment funds
- Similar in size, structure and terms to LMM and Middle Market investments

## **Attractive asset management advisory business**

## **Significant management ownership / investment in MAIN**

## **Headquartered in Houston, Texas**

(1) Capital under management includes undrawn portion of debt capital as of June 30, 2021

# MAIN is a Principal Investor in Private Debt and Equity

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**MAIN's unique investment strategy, efficient operating structure and conservative capitalization are designed to provide sustainable, long-term growth in recurring monthly dividends and long-term capital appreciation to our shareholders**

**Long-term focus on delivering our shareholders sustainable growth in net asset value and recurring dividends per share**

**Consistent cash dividend yield – dividends paid monthly**

- MAIN has never decreased its monthly dividend rate
- 91% increase in monthly dividends from \$0.33 per share paid in Q4 2007 to declared dividends of \$0.63 per share for Q4 2021

**Owns two Small Business Investment Company (SBIC) Funds**

- Main Street Mezzanine Fund (2002 vintage) and Main Street Capital III (2016 vintage)
- Provides access to 10-year, low cost, fixed rate government-backed leverage

**Strong capitalization and liquidity position – stable, long-term debt and significant available liquidity to take advantage of opportunities**

- Favorable opportunities in capital markets through investment grade rating of BBB-/Stable from Standard & Poor's Rating Services
- Total SBIC debenture regulatory financing capacity of \$350.0 million, the maximum amount permitted under current SBA regulations

# MAIN is a Principal Investor in Private Debt and Equity

**Focus on LMM equity investments and efficient operating structure differentiates MAIN and provides opportunity for significant total returns for our shareholders**

**Equity investments in LMM portfolio provide both the opportunity to grow net asset value (NAV) per share and generate recurring dividend income and periodic realized gains to support MAIN's dividend growth**

- NAV growth of \$10.57 per share (or 82%) since 2007
- Cumulative net realized gains from LMM portfolio investments of \$121.7 million since MAIN's initial public offering
- Approximately \$3.36 per share in cumulative, pre-tax net unrealized appreciation on LMM portfolio at June 30, 2021
- Realized gains provide taxable income in excess of net investment income and help fund MAIN's dividends

**Internally managed operating structure provides significant operating leverage**

- Favorable ratio of total operating expenses, excluding interest expense, to average total assets of approximately 1.4%<sup>(1)</sup>
- Greater portion of gross portfolio returns are delivered to our shareholders
- Significant positive impact to Net Investment Income
- Alignment of interests between MAIN management and our shareholders

(1) Based upon the trailing twelve months ended June 30, 2021

# MAIN Strategy Produces Differentiated Returns

## Enhanced Value Proposition - Three Ways to Win are Better Than One

### 1. Sustain and Grow Dividends

- Efficient operating structure provides operating leverage to grow Distributable Net Investment Income (DNII) <sup>(1)</sup>, and dividends paid, as investment portfolio and total investment income grow
- 91% increase in monthly dividends from \$0.33 per share paid in Q4 2007 to declared dividends of \$0.63 per share for Q4 2021
- Never decreased regular monthly dividends (including through 2008/2009 recession and 2020/2021 COVID-19 pandemic)
- Paid or declared \$32.075 per share in total dividends since October 2007 IPO at \$15.00 per share (\$28.035 per share in regular dividends and \$4.040 per share in supplemental dividends)
- Multi-faceted investment strategy supports growth of dividends over various cycles and markets

### 2. Meaningfully Grow Net Asset Value (NAV) Per Share

- \$12.85 at December 31, 2007 to \$23.42 at June 30, 2021 – 82% growth; CAGR of 4.5%
- Represents incremental economic return to investors beyond dividends
- MAIN's debt-focused peers (which comprises most BDCs) cannot generate NAV per share growth through the cycles
- Unrealized appreciation is a good proxy for future dividend growth without the need for additional capital through growing portfolio dividend income and periodic harvested realized gains from equity investments
- Ability to grow NAV per share provides opportunity for MAIN stock share price appreciation and additional shareholder returns

### 3. Supplement Growth in DNII <sup>(1)</sup> with Periodic Realized Gains

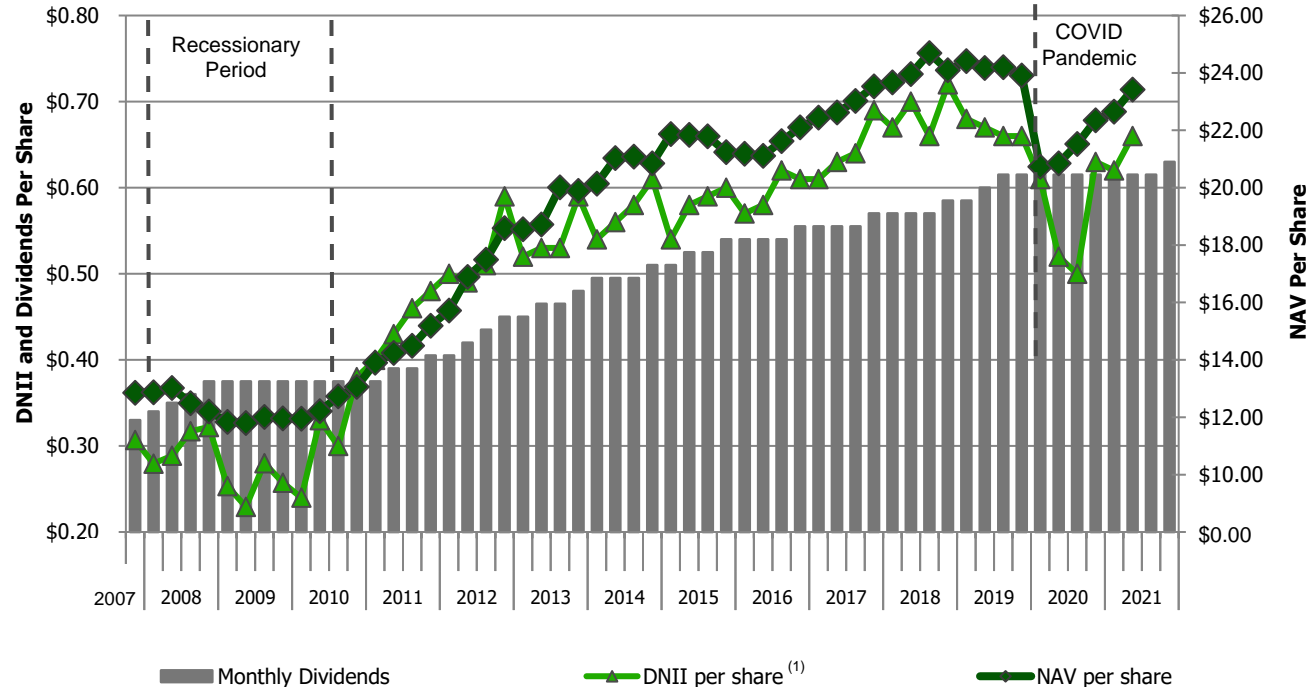
- LMM equity component of investment strategy provides opportunity for meaningful realized gains (analogous to PIK income on debt investments from cash flow perspective, but more tax efficient and without cap on upside)
- Realized gains validate the quality of MAIN's unrealized appreciation
- Realized gains can be paid to shareholders as dividends or retained for future reinvestment due to MAIN's unique tax structure

(1) See reconciliation of DNII per share to Net Investment Income per share and Non-GAAP Information disclosures included on pages 37 and 47 of this presentation

## Historical Monthly Dividends, NAV and DNII<sup>(1)</sup> Per Share

**MAIN's unique focus on equity investments in the Lower Middle Market provides the opportunity for significant NAV per share growth**

**MAIN's efficient operating structure provides significant operating leverage, greater dividends and greater overall returns for our shareholders**



- In addition to the monthly dividends above, \$4.04 per share of supplemental dividends have been paid
- Annual return on equity averaging approximately 13.2% from 2010 through the second quarter of 2021

(1) See reconciliation of DNII per share to Net Investment Income per share and Non-GAAP Information disclosures included on pages 37 and 47 of this presentation



# Lower Middle Market (LMM) Investment Strategy

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**LMM investment strategy differentiates MAIN from its competitors and provides attractive risk-adjusted returns**

## **Investment Objectives**

- High cash yield from secured debt investments (10.7% weighted-average cash coupon as of June 30, 2021); plus
- Dividend income and periodic capital gains from equity investments

**Investments are structured for (i) protection of capital, (ii) high recurring income and (iii) meaningful capital gain opportunity**

## **Focus on self-sponsored, “one stop” financing opportunities**

- Partner with business owners and entrepreneurs
- Recapitalization, buyout, growth and acquisition capital
- Extensive network of grass roots referral sources
- Strong and growing “Main Street” brand recognition / reputation

## **Provide customized financing solutions**

**Investments have low correlation to the broader debt and equity markets and attractive risk-adjusted returns**

# LMM Investment Opportunity

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**MAIN targets LMM investments in established, profitable companies**

**Characteristics of LMM provide beneficial risk-reward investment opportunities**

## **Large and critical portion of U.S. economy**

- 195,000+ domestic LMM businesses<sup>(1)</sup>

## **LMM is under-served from a capital perspective and less competitive**

## **Inefficient asset class generates pricing inefficiencies**

- Typical entry enterprise values between 4.5X – 6.5X EBITDA
- Typical entry leverage multiples between 2.0X – 4.0X EBITDA to MAIN debt investment

## **Partner relationship with the management teams of our portfolio companies vs. a “commoditized vendor of capital”**

(1) Source: U.S. Census 2017 – U.S. Data Table by Enterprise Receipt Size; 2017 County Business Patterns and 2017 Economic Census; includes Number of Firms with Enterprise Receipt Size between \$10,000,000 and \$99,999,999

# Private Loan Investment Strategy

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**Private Loan portfolio investments are primarily debt investments in privately held companies which have been originated through strategic relationships with other investment funds on a collaborative basis, and are often referred to in the debt markets as “club deals”**

## **Investment Objectives**

- Access proprietary investments with attractive risk-adjusted return characteristics
- Generate cash yield to support MAIN monthly dividend

## **Investment Characteristics**

- Investments in companies that are consistent with the size of companies in our LMM and Middle Market portfolios
- Proprietary investments originated through strategic relationships with other investment funds on a collaborative basis
- Current Private Loan portfolio companies have weighted-average EBITDA of approximately \$51.7 million<sup>(1)</sup>

## **Investments in secured debt investments**

- First lien, senior secured debt investments
- Floating rate debt investments

## **8% – 12% targeted gross yields**

- Weighted-average effective yield<sup>(2)</sup> of 8.4%<sup>(3)</sup>
- Net returns positively impacted by lower overhead requirements and modest use of leverage
- Floating rate debt investments provide matching with MAIN’s floating rate credit facility

(1) This calculation excludes three Private Loan portfolio companies as EBITDA is not a meaningful metric for these portfolio companies

(2) Weighted-average effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes fees payable upon repayment of the debt instruments and any debt investments on non-accrual status

(3) Weighted-average effective yield is calculated using the applicable floating interest rate as of June 30, 2021

# Middle Market Debt Investment Strategy

**MAIN maintains a portfolio of debt investments in Middle Market companies**

## **Investment Objective**

- Generate cash yield to support MAIN monthly dividend

## **Investments in secured and/or rated debt investments**

- First lien, senior secured debt investments
- Floating rate debt investments

## **Larger companies than the LMM investment strategy**

- Current Middle Market portfolio companies have weighted-average EBITDA of approximately \$74.3 million<sup>(1)</sup>

## **Large and critical portion of U.S. economy**

- 220,000+ domestic Middle Market businesses<sup>(2)</sup>

## **More relative liquidity than LMM investments**

## **6% – 10% targeted gross yields**

- Weighted-average effective yield<sup>(3)</sup> of 7.7%<sup>(4)</sup>
- Net returns positively impacted by lower overhead requirements and modest use of leverage
- Floating rate debt investments provide matching with MAIN's floating rate credit facility

(1) This calculation excludes one Middle Market portfolio company as EBITDA is not a meaningful metric for this portfolio company

(2) Source: U.S. Census 2017 – U.S. Data Table by Enterprise Receipt Size; 2017 County Business Patterns and 2017 Economic Census; includes Number of Firms with Enterprise Receipt Size between \$10,000,000 and \$1,000,000,000

(3) Weighted-average effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes fees payable upon repayment of the debt instruments and any debt investments on non-accrual status

(4) Weighted-average effective yield is calculated using the applicable floating interest rate as of June 30, 2021

# Asset Management Business

**MAIN's asset management business represents additional income diversification and the opportunity for greater shareholder returns**

**MAIN's internally managed operating structure provides MAIN's shareholders the benefits of this asset management business**

**In May 2012, MAIN<sup>(1)</sup> entered into an investment sub-advisory agreement with the investment adviser to MSC Income Fund, Inc. (MSIF)<sup>(2)</sup>, a non-listed BDC**

- MAIN<sup>(1)</sup> provided asset management services, including sourcing, diligence and post-investment monitoring
- MAIN<sup>(1)</sup> historically received 50% of the total management fees and incentive fees paid by MSIF
  - Base management fee of 2% of total assets
  - Incentive fees – 20% of net investment income above a hurdle rate and 20% of net realized capital gains

**In October 2020, MAIN<sup>(1)</sup> closed a transaction with the former investment adviser to MSIF to become the sole investment adviser to and administrator of MSIF**

- The fund changed its name to MSC Income Fund, Inc.
- MAIN<sup>(1)</sup> receives 100% of the management fees and incentive fees
  - Base management fee reduced from 2.0% to 1.75% of total assets
  - No change to incentive fee calculation

**In December 2020, MAIN launched a new private fund which is also managed by MAIN<sup>(1)</sup> with an investment strategy solely focused on MAIN's Private Loan investment strategy**

### Benefits to MAIN

- No significant increases to MAIN's operating costs to provide services (utilize existing infrastructure and leverage fixed costs and existing investment capabilities)
- Monetizing the value of MAIN franchise
- Significant positive impact on MAIN's financial results
  - \$3.8 million contribution to net investment income in the second quarter of 2021<sup>(3)</sup>
  - \$7.4 million contribution to net investment income in the six months ended June 30, 2021<sup>(3)</sup>
  - \$9.9 million contribution to net investment income for the year ended December 31, 2020<sup>(3)</sup>
  - \$92.2 million of cumulative unrealized appreciation as of June 30, 2021

(1) Through MAIN's wholly owned unconsolidated subsidiary, MSC Adviser I, LLC

(2) Formerly known as HMS Income Fund, Inc. prior to name change effective October 30, 2020

(3) Contribution to Net Investment Income includes (a) dividend income received by MAIN from MSC Adviser I, LLC and (b) operating expenses allocated from MAIN to MSC Adviser I, LLC

# MAIN Regulatory Framework

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**Highly regulated structure provides significant advantages and protections to our shareholders, including investment transparency, tax efficiency and beneficial leverage**

## **Operates as a Business Development Company**

- Regulated by Securities and Exchange Commission - 1940 Act
- Publicly-traded, private investment company

## **Regulated Investment Company (RIC) tax structure**

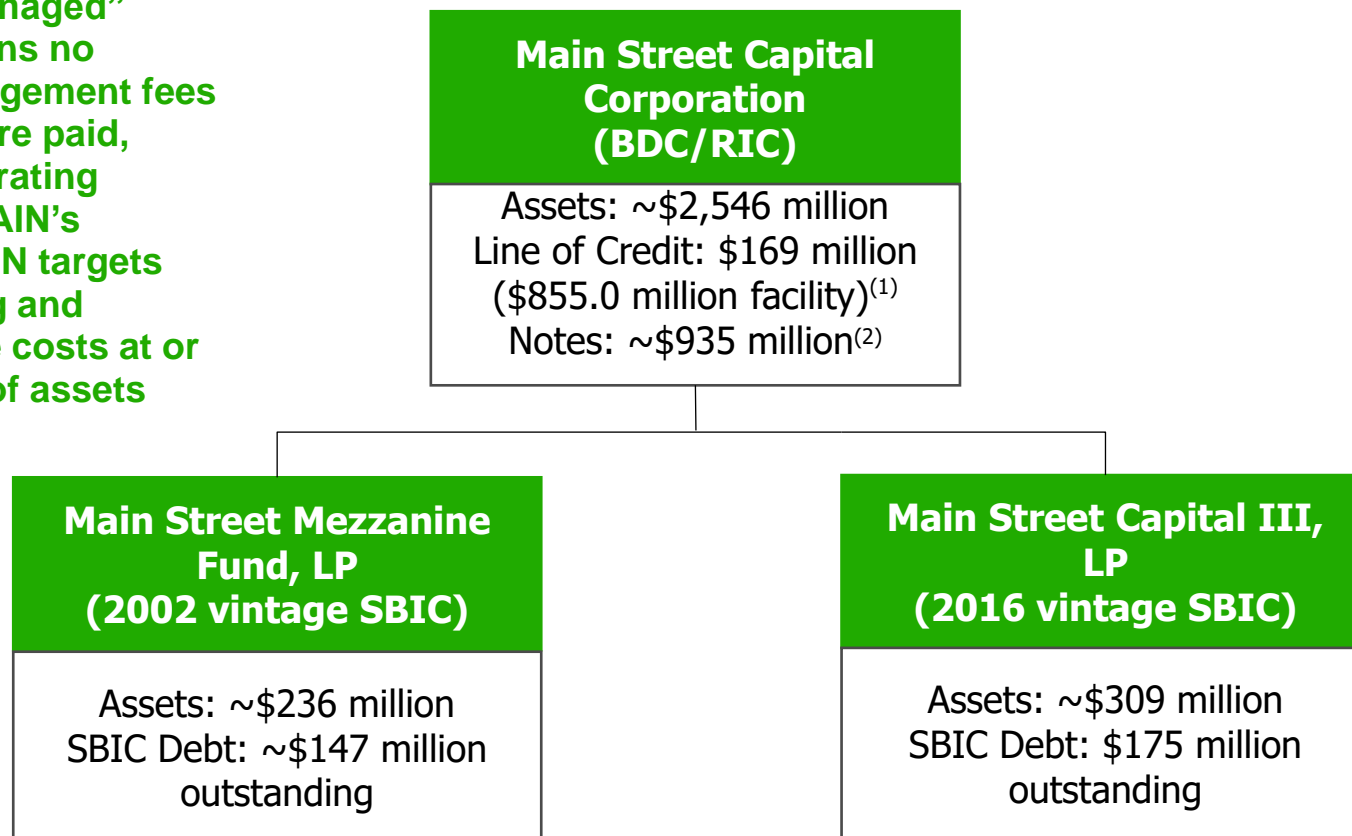
- Eliminates corporate level income tax
- Efficient tax structure providing high yield to investors
- Passes through capital gains to investors

## **Small Business Investment Company (SBIC) subsidiaries**

- Regulated by the U.S. Small Business Administration (SBA)
- Access to low cost, fixed rate, long-term leverage guaranteed by the U.S. government
- Total SBIC debenture regulatory financing capacity of \$350.0 million
- Total outstanding leverage of \$322.0 million through two wholly owned SBIC Funds
- MAIN is a previous SBIC of the Year Award recipient

# MAIN Corporate Structure – Internally Managed

“Internally managed” structure means no external management fees or expenses are paid, providing operating leverage to MAIN’s business; MAIN targets total operating and administrative costs at or less than 2% of assets



(1) As of June 30, 2021, MAIN’s credit facility had \$855.0 million in total commitments; MAIN’s credit facility includes an accordion feature which could increase total commitments up to \$1,200.0 million

(2) \$450.0 million of 5.20% Notes due May 2024, \$300.0 million of 3.00% Notes due July 2026, and \$185.0 million of 4.50% Notes due December 2022

# MAIN Co-Founders and Executive Management Team

**Dwayne Hyzak; CPA<sup>(1)(2)</sup>**  
CEO

- Co-founded MAIN; Joined Main Street group in 2002; affiliated with Main Street group since 1999
- Director of acquisitions / integration with Quanta Services (NYSE: PWR)
- Manager with a Big 5 Accounting Firm’s audit and transaction services groups

**David Magdol<sup>(1)(2)</sup>**  
President and CIO<sup>(3)</sup>

- Co-founded MAIN; Joined Main Street group in 2002
- Vice President in Lazard Freres Investment Banking Division
- Vice President of McMullen Group (John J. McMullen’s Family Office)

**Vince Foster; CPA & JD<sup>(1)(2)</sup>**  
Executive Chairman

- Co-founded MAIN and MAIN predecessor funds (1997)
- Co-founded Quanta Services (NYSE: PWR)
- Partner in charge of a Big 5 Accounting Firm’s Corporate Finance/Mergers and Acquisitions practice for the Southwest United States

**Jesse Morris;**  
COO<sup>(4)</sup> and Executive Vice President <sup>(5)</sup>

- Joined MAIN in 2019
- Executive Vice President with Quanta Services (NYSE: PWR)
- Vice President and CFO Foodservice Operations with Sysco Corporation (NYSE: SYY)
- Manager with Big 5 Accounting Firm

**Brent Smith; CPA**  
CFO and Treasurer <sup>(5)</sup>

- Joined MAIN in 2014
- CFO with a publicly-traded oilfield services company
- Prior experience with a Big 5 Accounting Firm and a publicly-traded financial consulting firm

**Jason Beauvais; JD**  
EVP, GC, CCO<sup>(6)</sup> and Secretary

- Joined MAIN in 2008
- Attorney for Occidental Petroleum Corporation (NYSE: OXY) and associate in the corporate and securities section at Baker Botts LLP

(1) Member of MAIN Executive Committee

(2) Member of MAIN Investment Committee

(3) Chief Investment Officer

(4) Chief Operating Officer

(5) Effective August 31, 2021, Jesse E. Morris will assume the roles of Chief Financial Officer and Treasurer in addition to his current responsibilities. Mr. Smith’s employment with Main Street, including his position as our Chief Financial Officer and Treasurer, will cease effective August 31, 2021.

(6) Chief Compliance Officer



# Monthly Dividends Per Share – Sustainable Growth

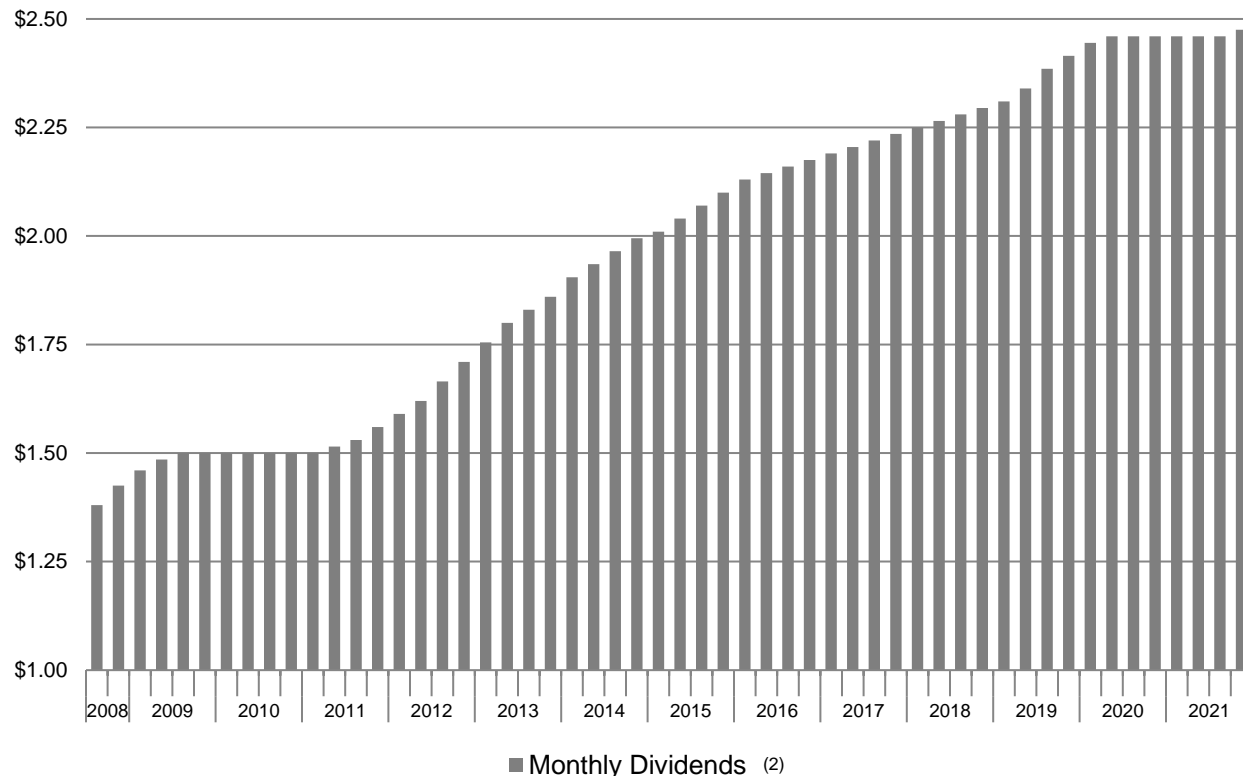
Recurring monthly dividend has never been decreased and has shown meaningful (91%) growth since IPO

Based upon the current annualized monthly dividends for the fourth quarter of 2021, the annual effective yield on MAIN's stock is 6.1%<sup>(1)</sup>

MAIN has also paid \$4.040 in supplemental dividends

Cumulative dividends paid or declared, including supplemental dividends, from October 2007 IPO (at \$15.00 per share) through Q4 2021 equal \$32.075 per share<sup>(2)</sup>

Trailing Twelve Months Monthly Dividends Per Share



(1) As of August 4, 2021; based upon the closing market price of \$41.40 per share and the annualized most recently declared monthly dividends

(2) Based upon dividends which have been paid or declared as of August 4, 2021

**Main Street Capital Corporation**

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## Investment Portfolio

# 2<sup>nd</sup> Quarter – 2021

# Total Investment Portfolio

**Diversity provides structural protection to investment portfolio, revenue sources, income, cash flows and shareholder dividends**

**Includes complementary LMM debt and equity investments, Private Loan debt investments and Middle Market debt investments**

**Total investment portfolio at fair value consists of approximately 45% LMM / 29% Private Loan / 15% Middle Market / 11% Other<sup>(1)</sup> Portfolio investments**

**177 LMM, Private Loan and Middle Market portfolio companies**

- Average investment size of \$13.9 million<sup>(2)</sup>
- Largest individual portfolio company represents 3.2%<sup>(3)</sup> of total investment income and 2.7% of total portfolio fair value (most investments are less than 1%)
- Nine non-accrual investments, which represent 1.2% of the total investment portfolio at fair value and 3.9% at cost
- Weighted-average effective yield<sup>(4)</sup> of 9.3%

### Significant diversification

- |                    |               |
|--------------------|---------------|
| • Issuer           | • Geography   |
| • Industry         | • End markets |
| • Transaction type | • Vintage     |

(1) Other Portfolio also includes MSC Adviser I, LLC, MAIN's External Investment Manager, and short-term portfolio investments

(2) As of June 30, 2021; based on cost

(3) Based upon total investment income for the trailing twelve month period ended June 30, 2021

(4) Weighted-average effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes fees payable upon repayment of the debt instruments and any debt investments on non-accrual status

# Total Portfolio by Industry (as a Percentage of Cost) <sup>(1)</sup>

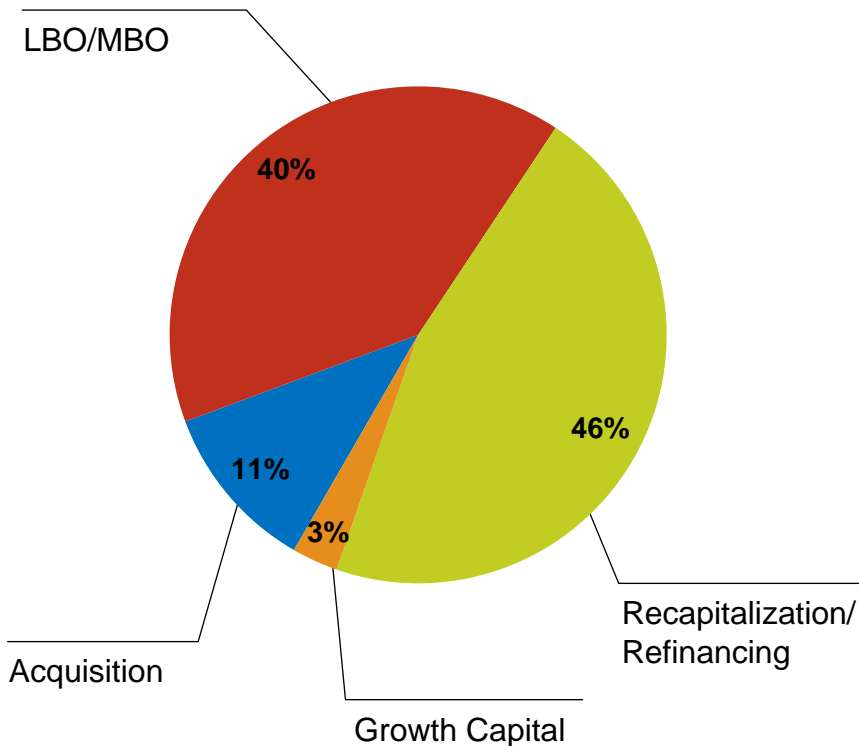


- |  |                                      |
|--|--------------------------------------|
| ■ Construction & Engineering, 7%                     | ■ Machinery, 6%                      |
| ■ Health Care Providers & Services, 5%               | ■ Internet Software & Services, 5%   |
| ■ Aerospace & Defense, 5%                            | ■ Software, 5%                       |
| ■ Professional Services, 5%                          | ■ Energy Equipment & Services, 5%    |
| ■ Leisure Equipment & Products, 5%                   | ■ Specialty Retail, 4%               |
| ■ Commercial Services & Supplies, 4%                 | ■ IT Services, 4%                    |
| ■ Diversified Telecommunication Services, 4%         | ■ Communications Equipment, 3%       |
| ■ Hotels, Restaurants & Leisure, 3%                  | ■ Food Products, 2%                  |
| ■ Oil, Gas & Consumable Fuels, 2%                    | ■ Building Products, 2%              |
| ■ Tobacco, 2%  | ■ Media, 2%                          |
| ■ Diversified Financial Services, 2%                 | ■ Distributors, 2%                   |
| ■ Electronic Equipment, Instruments & Components, 2% | ■ Computers & Peripherals, 2%        |
| ■ Containers & Packaging, 1%                         | ■ Life Sciences Tools & Services, 1% |
| ■ Household Durables, 1%                             | ■ Diversified Consumer Services, 1%  |
| ■ Trading Companies & Distributors, 1%               | ■ Transportation Infrastructure, 1%  |
| ■ Electrical Equipment, 1%                           | ■ Other, 5%                          |

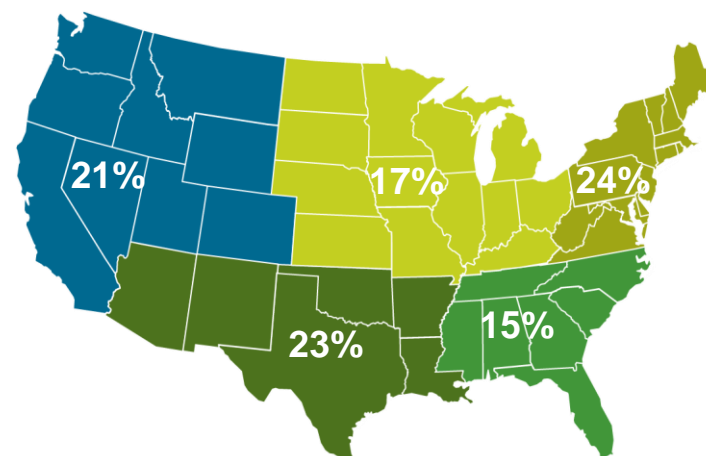
(1) Excluding MAIN's Other Portfolio investments, the External Investment Manager, and short-term portfolio investments, each as described in MAIN's public filings, which in aggregate represent approximately 9% of the total portfolio

# Diversified Total Portfolio (as a Percentage of Cost) <sup>(1)</sup>

**Invested Capital by Transaction Type**



**Invested Capital by Geography <sup>(2)</sup>**



(1) Excluding MAIN's Other Portfolio investments, the External Investment Manager, and short-term portfolio investments, each as described in MAIN's public filings, which in aggregate represent approximately 9% of the total portfolio

(2) Based upon portfolio company headquarters and excluding any MAIN investments headquartered outside the U.S., which represent approximately 2% of the total portfolio

# LMM Investment Portfolio

**LMM Investment Portfolio consists of a diversified mix of secured debt and lower cost basis equity investments**

**69 portfolio companies / \$1,341.3 million in fair value**

- 45% of total investment portfolio at fair value

**Debt yielding 11.4%<sup>(1)</sup> (67% of LMM portfolio at cost)**

- 99% of debt investments have first lien position
- 68% of debt investments earn fixed-rate interest
- Approximately 815 basis point net cash interest margin vs “matched” fixed interest rate on SBIC debentures

**Equity in 99% of LMM portfolio companies representing 39% average ownership position (33% of LMM portfolio at cost)**

- Opportunity for fair value appreciation, capital gains and cash dividend income
- 60% of LMM companies<sup>(2)</sup> with direct equity investment are currently paying dividends
- Fair value appreciation of equity investments supports Net Asset Value per share growth
- Lower entry multiple valuations, lower cost basis
- \$230.5 million, or \$3.36 per share, of cumulative pre-tax net unrealized appreciation at June 30, 2021

(1) Weighted-average effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes fees payable upon repayment of the debt instruments and any debt investments on non-accrual status

(2) Includes the LMM companies that (a) MAIN is invested in direct equity and (b) are treated as flow-through entities for tax purposes; based upon dividend income for the trailing twelve month period ended June 30, 2021

# LMM Investment Portfolio

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**LMM Investment Portfolio is a pool of high quality, seasoned assets with attractive risk-adjusted return characteristics**

## **Median LMM portfolio credit statistics:**

- Senior leverage of 2.7x EBITDA through MAIN debt position
- 2.9x EBITDA to senior interest coverage
- Total leverage of 2.7x EBITDA including debt junior in priority to MAIN
- Free cash flow de-leveraging improves credit metrics and increases equity appreciation

**Average investment size of \$19.4 million at fair value or \$16.1 million on a cost basis (less than 1% of total investment portfolio)**

**Opportunistic, selective posture toward new investment activity over the economic cycle**

## **High quality, seasoned LMM portfolio**

- Total LMM portfolio investments at fair value equals 121% of cost
- Equity component of LMM portfolio at fair value equals 176% of cost
- Significant portion of LMM portfolio has de-leveraged and a majority of the LMM portfolio investments have experienced equity appreciation

## LMM Portfolio by Industry (as a Percentage of Cost)

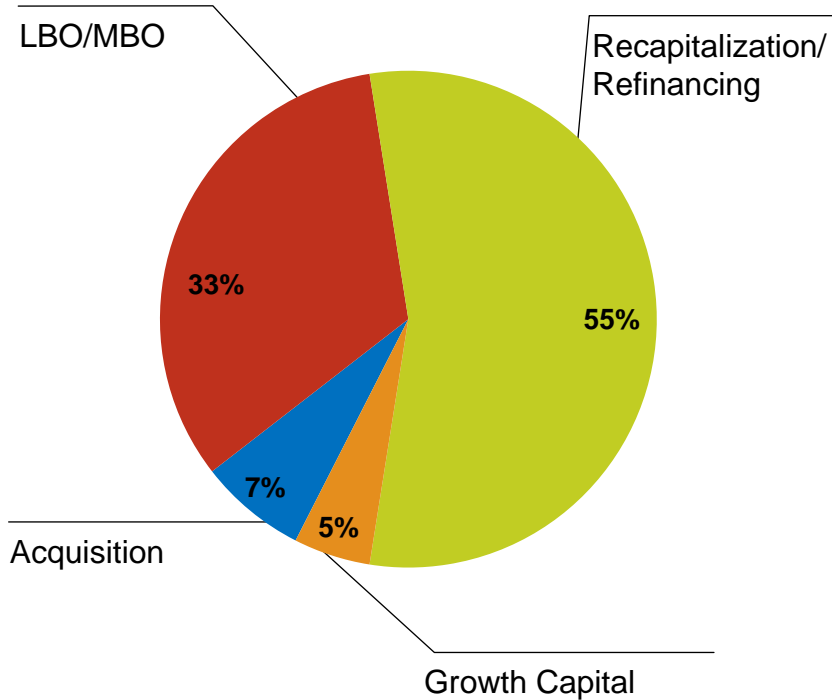


- |  |                                      |
|--|--------------------------------------|
| ■ Construction & Engineering, 10%                    | ■ Professional Services, 9%          |
| ■ Software, 9%                                       | ■ Machinery, 7%                      |
| ■ Energy Equipment & Services, 7%                    | ■ Leisure Equipment & Products, 5%   |
| ■ Tobacco, 5%  | ■ Food Products, 4%                  |
| ■ Electronic Equipment, Instruments & Components, 4% | ■ Internet Software & Services, 3%   |
| ■ Computers & Peripherals, 3%                        | ■ Hotels, Restaurants & Leisure, 3%  |
| ■ Containers & Packaging, 3%                         | ■ Specialty Retail, 3%               |
| ■ Media, 3%  | ■ Commercial Services & Supplies, 3% |
| ■ Health Care Providers & Services, 3%               | ■ Household Durables, 2%             |
| ■ Distributors, 2%                                   | ■ Diversified Consumer Services, 2%  |
| ■ Building Products, 2%                              | ■ Electrical Equipment, 2%           |
| ■ Diversified Financial Services, 2%                 | ■ IT Services, 1%                    |
| ■ Diversified Telecommunication Services, 1%         | ■ Other, 2%                          |

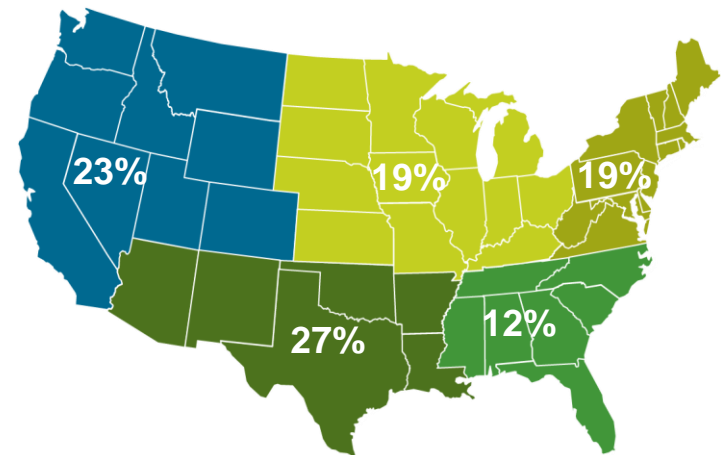


# Diversified LMM Portfolio (as a Percentage of Cost)

## Invested Capital by Transaction Type



## Invested Capital by Geography (1)



(1) Based upon portfolio company headquarters

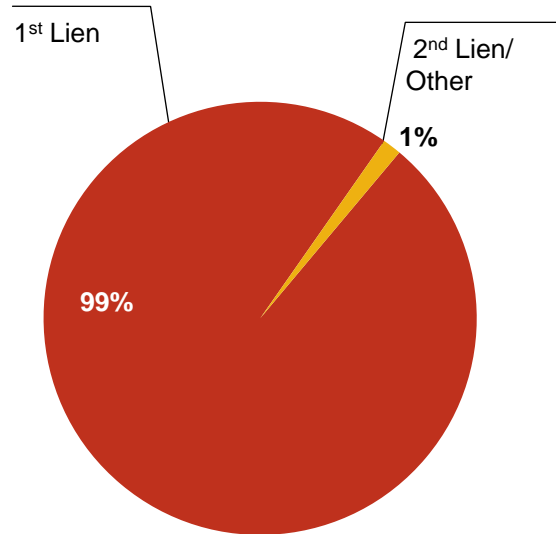
# LMM Portfolio Attributes Reflect Investment Strategy

High yielding secured debt investments coupled with significant equity participation = Attractive risk-adjusted returns

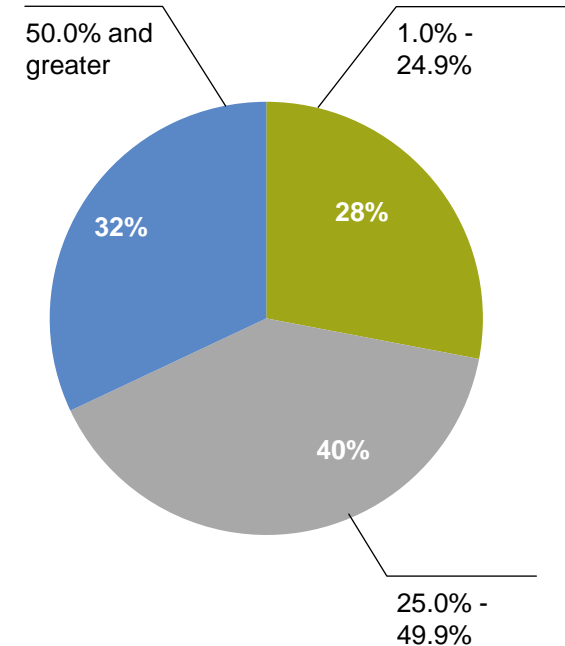
Weighted-Average Effective Yield = 11.4%

Average Fully Diluted Equity Ownership = 39%

Security Position on Debt Capital as a Percentage of Cost

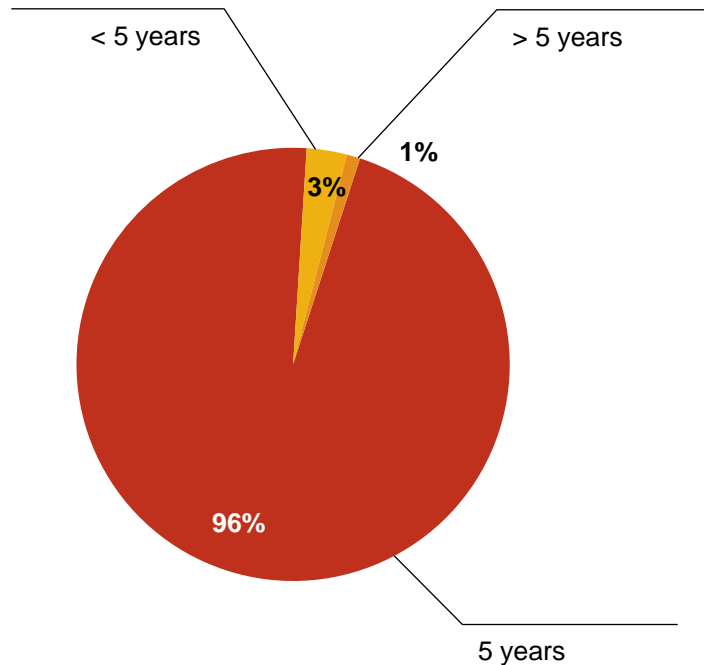


Fully Diluted Equity Ownership %

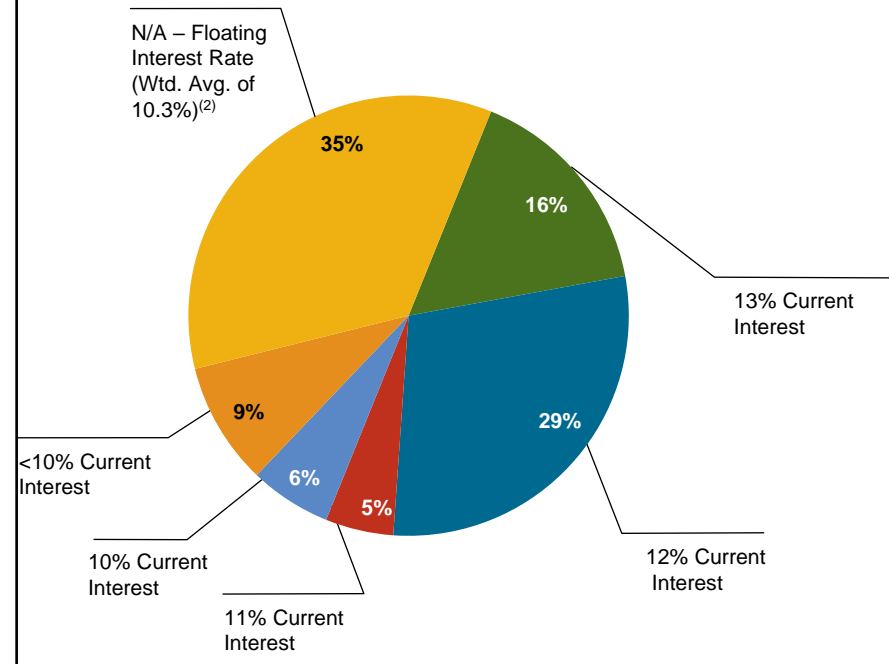


# Term and Total Interest Coupon of Existing LMM Debt Investments

## Original Term



## Total Interest Coupon (1)



**Debt Investments generally have a 5-Year Original Term and ~2.3 Year Weighted-Average Remaining Duration; Weighted-Average Effective Yield of 11.4% on Debt Portfolio**

(1) Interest coupon excludes amortization of deferred upfront fees, original issue discount, exit fees and any debt investments on non-accrual status

(2) Floating interest rates generally include contractual minimum “floor” rates; Interest rate of 10.3% is based on weighted-average principal balance of floating rate debt investments as of June 30, 2021

# Private Loan Investment Portfolio

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**Private Loan Investment Portfolio provides a diversified mix of investments and sources of income to complement the LMM Investment Portfolio**

**69 investments / \$863.6 million in fair value**

- 29% of total investment portfolio at fair value

**Average investment size of \$12.8 million<sup>(1)</sup> (less than 1% of total portfolio)**

**Investments in secured debt instruments**

- 94% of Private Loan portfolio is secured debt
- 97% of Private Loan debt portfolio is first lien term debt

**Debt yielding 8.4%<sup>(2)</sup>**

- 94% of Private Loan debt investments bear interest at floating rates<sup>(3)</sup>, providing matching with MAIN's floating rate credit facility
- Approximately 550 basis point net cash interest margin vs "matched" floating rate on the MAIN credit facility

(1) As of June 30, 2021; based on cost

(2) Weighted-average effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes fees payable upon repayment of the debt instruments and any debt investments on non-accrual status

(3) 92% of floating interest rates on Private Loan debt investments are subject to contractual minimum "floor" rates

# Middle Market Investment Portfolio

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**Middle Market Investment Portfolio provides a diversified mix of investments and diverse sources of income to complement the LMM Investment Portfolio and a potential source of liquidity for MAIN's future investment activities**

## **39 investments / \$434.7 million in fair value**

- 15% of total investment portfolio at fair value

## **Average investment size of \$12.1 million<sup>(1)</sup> (less than 1% of total portfolio)**

## **Investments in secured and/or rated debt investments**

- 93% of Middle Market portfolio is secured debt
- 97% of Middle Market debt portfolio is first lien term debt

## **Debt yielding 7.7%<sup>(2)</sup>**

- 95% of Middle Market debt investments bear interest at floating rates<sup>(3)</sup>, providing matching with MAIN's floating rate credit facility
- Greater than 475 basis point net cash interest margin vs "matched" floating rate on the MAIN credit facility

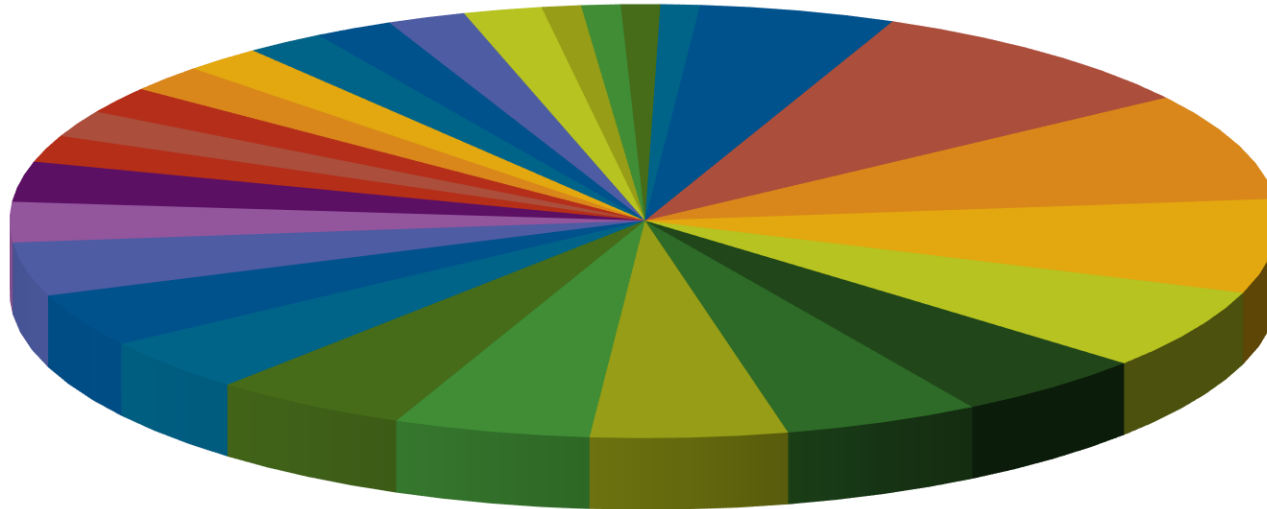
## **More investment liquidity compared to LMM**

(1) As of June 30, 2021; based on cost

(2) Weighted-average effective yield includes amortization of deferred debt origination fees and accretion of original issue discount, but excludes fees payable upon repayment of the debt instruments and any debt investments on non-accrual status

(3) 80% of floating interest rates on Middle Market debt investments are subject to contractual minimum "floor" rates

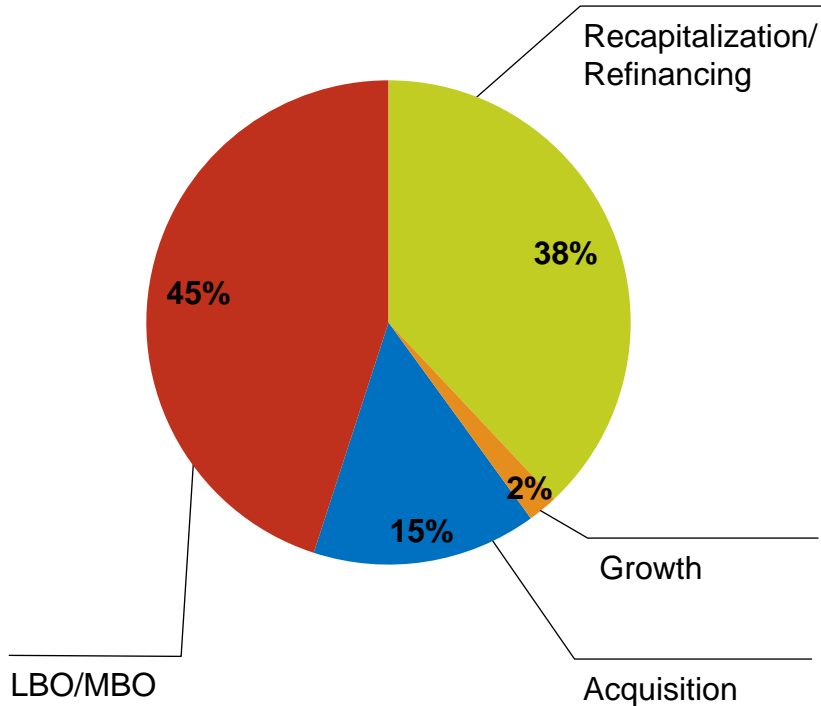
# Private Loan & Middle Market Portfolios by Industry (as a Percentage of Cost)



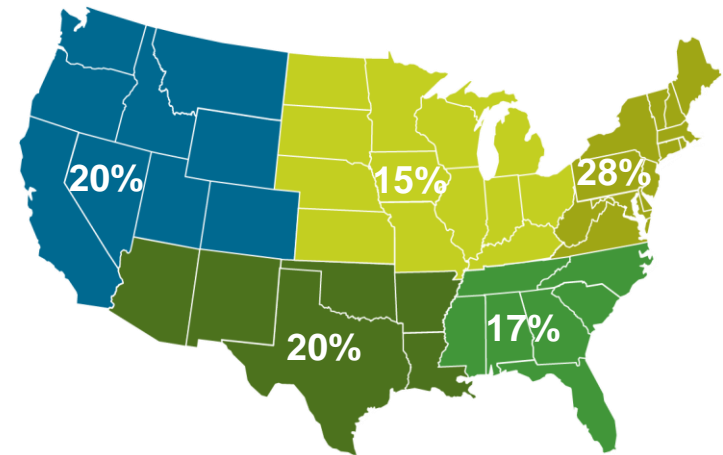
- |  |  |
|--|--|
| ■ Aerospace & Defense, 9%                    | ■ Health Care Providers & Services, 8% |
| ■ Internet Software & Services, 7%           | ■ Communications Equipment, 6%         |
| ■ Diversified Telecommunication Services, 5% | ■ Specialty Retail, 5%                 |
| ■ IT Services, 5%                            | ■ Machinery, 5%                        |
| ■ Commercial Services & Supplies, 5%         | ■ Construction & Engineering, 4%       |
| ■ Leisure Equipment & Products, 4%           | ■ Oil, Gas & Consumable Fuels, 4%      |
| ■ Energy Equipment & Services, 3%            | ■ Building Products, 3%                |
| ■ Diversified Financial Services, 2%         | ■ Life Sciences Tools & Services, 2%   |
| ■ Software, 2%                               | ■ Hotels, Restaurants & Leisure, 2%    |
| ■ Trading Companies & Distributors, 2%       | ■ Transportation Infrastructure, 2%    |
| ■ Food & Staples Retailing, 2%               | ■ Professional Services, 2%            |
| ■ Chemicals, 2%                              | ■ Textiles, Apparel & Luxury Goods, 1% |
| ■ Distributors, 1%                           | ■ Internet & Catalog Retail, 1%        |
| ■ Media, 1%                                  | ■ Other, 5%                            |

# Diversified Private Loan & Middle Market Investments (as a Percentage of Cost)

Invested Capital by Transaction Type



Invested Capital by Geography (1)



(1) Based upon portfolio company headquarters and excluding any MAIN investments headquartered outside the U.S., which represent approximately 4% of the combined Private Loan and Middle Market portfolios

**Main Street Capital Corporation**

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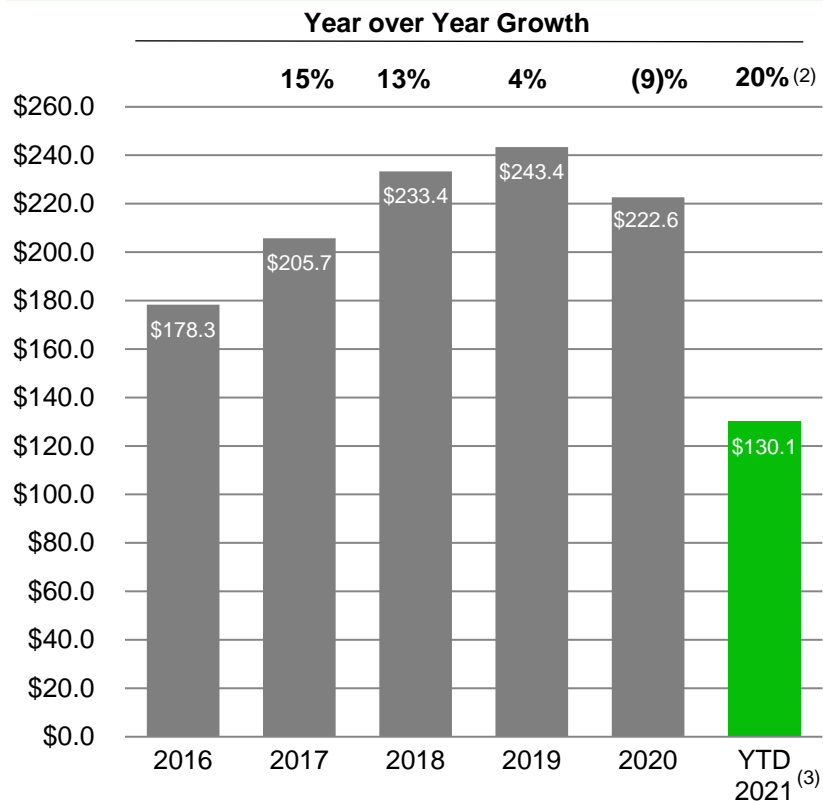
## Financial Overview

# 2<sup>nd</sup> Quarter – 2021

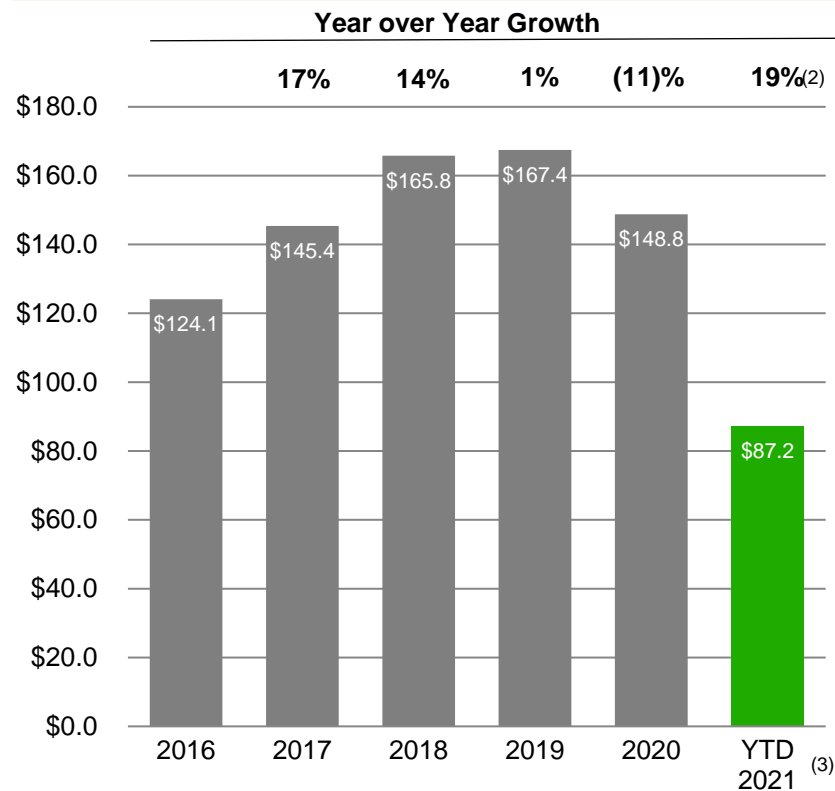


# MAIN Financial Performance

## Total Investment Income (\$ in millions)



## Distributable Net Investment Income<sup>(1)</sup> (\$ in millions)



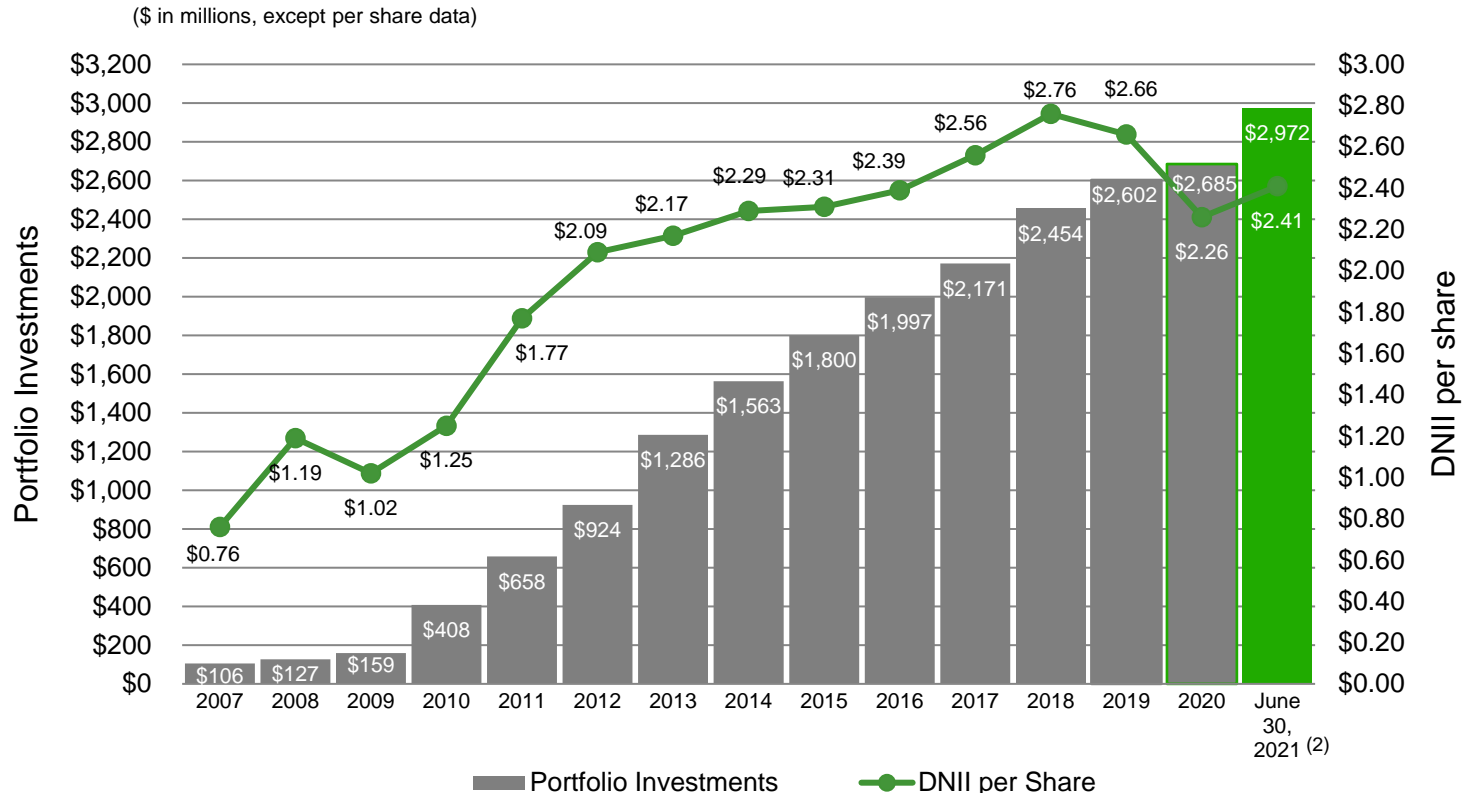
(1) See reconciliation of DNII to Net Investment Income and Non-GAAP Information disclosures included on pages 37 and 47 of this presentation

(2) Reflects year-to-date June 30, 2021 performance compared with year-to-date June 30, 2020 performance

(3) Through June 30, 2021

# Long-Term Portfolio and DNII<sup>(1)</sup> Per Share Growth

**MAIN has consistently grown Portfolio Investments and DNII per share**



(1) See reconciliation of DNII per share to Net Investment Income per share and Non-GAAP Information disclosures included on pages 37 and 47 of this presentation

(2) DNII per share for the trailing twelve month period ended June 30, 2021

# Efficient and Leverageable Operating Structure

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**MAIN's internally managed operating structure provides significant operating leverage and greater returns for our shareholders**

**“Internally managed” structure means no external management fees or expenses are paid**

## **Alignment of interest between management and investors**

- Greater incentives to maximize increases to shareholder value and rationalize debt and equity capital raises
- 100% of MAIN's management efforts and activities are for the benefit of the BDC

**MAIN targets total operating expenses<sup>(1)</sup> as a percentage of average assets (Operating Expense to Assets Ratio) at or less than 2%**

- Long-term actual results have significantly outperformed target
- An industry leading position in cost efficiency, with an Operating Expense to Assets Ratio of 1.4%<sup>(2)</sup>

**Significant portion of total operating expenses<sup>(1)</sup> are non-cash**

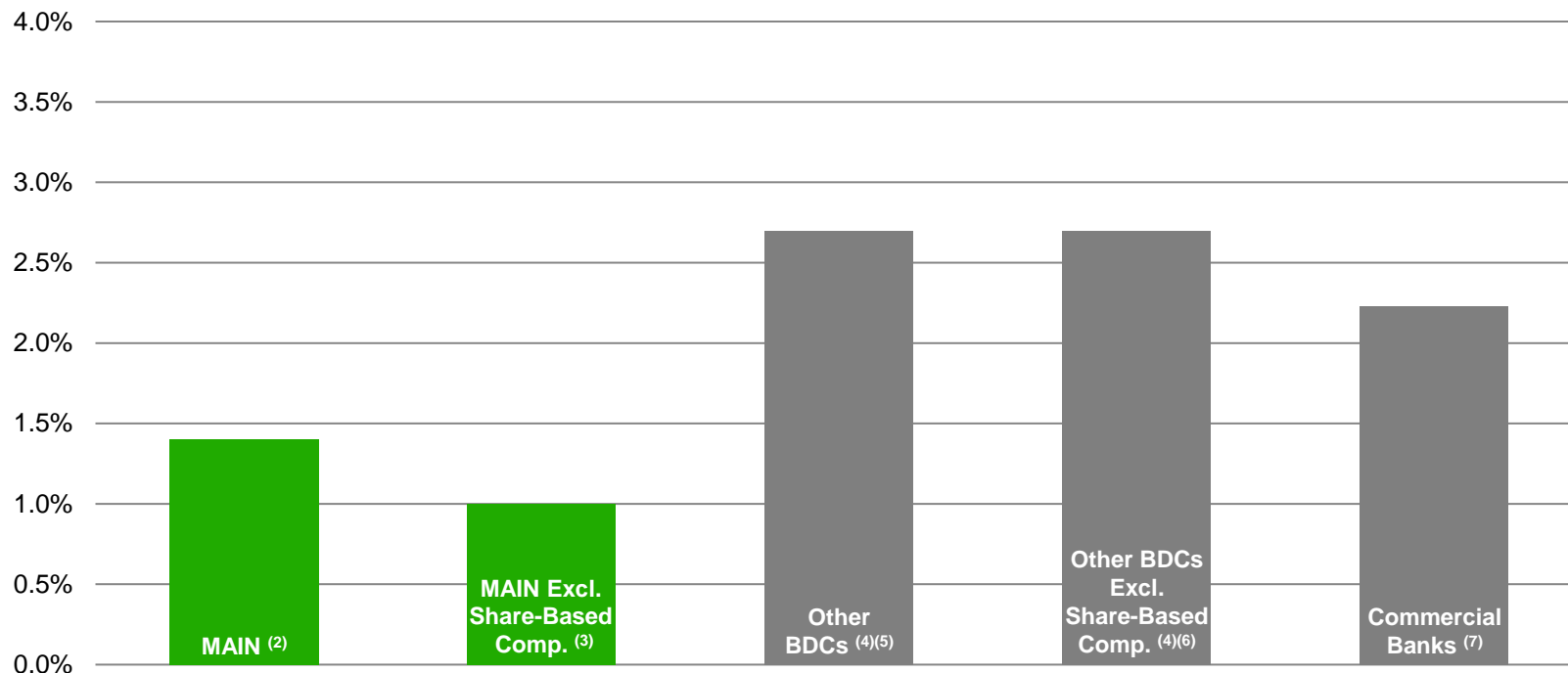
- Non-cash expense for restricted stock amortization was 26.4%<sup>(2)</sup> of total operating expenses<sup>(1)</sup>
- Operating Expense to Assets Ratio of 1.0%<sup>(2)</sup> excluding non-cash restricted stock amortization expense

(1) Total operating expenses, including non-cash share-based compensation expense and excluding interest expense

(2) Based upon the trailing twelve month period ended June 30, 2021

# MAIN Maintains a Significant Operating Cost Advantage

Operating Expenses as a Percentage of Total Assets<sup>(1)</sup>



(1) Total operating expenses excluding interest expense

(2) For the trailing twelve month period ended June 30, 2021

(3) For the trailing twelve month period ended June 30, 2021, excluding non-cash share-based compensation expense

(4) Other BDCs includes dividend paying BDCs that have been publicly-traded for at least two years and have total assets greater than \$500 million based on individual SEC Filings as of December 31, 2020; specifically includes: AINV, ARCC, BBDC, BKCC, CCAP, CGBD, CSWC, FDUS, FSK, GAIN, GBDC, GSBD, HTGC, MRCC, NEWT, NMFC, OCSL, OFS, PFLT, PNNT, PSEC, SAR, SCM, SLRC, SUNS, TCPC, TPVG, TSLX and WHF

(5) Calculation represents the average for the companies included in the group and is based upon the trailing twelve month period ended March 31, 2021 as derived from each company's SEC filings

(6) Calculation represents the average for the companies included in the group and excludes non-cash share-based compensation. Based upon the trailing twelve month period ended March 31, 2021 as derived from each company's SEC filings

(7) Source: SNL Financial. Calculation represents the average for the trailing twelve month period ended March 31, 2021 and includes commercial banks with a market capitalization between \$500 million and \$3 billion

# MAIN Income Statement Summary

(\$ in 000's)	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q2 21 vs. Q2 20 % Change <sup>(1)</sup>
Total Investment Income	\$ 52,007	\$ 51,954	\$ 62,504	\$ 62,807	\$ 67,294	29%
Expenses:						
Interest Expense	(11,898)	(12,489)	(12,761)	(13,804)	(14,400)	(21)%
G&A Expense	(5,998)	(6,442)	(7,488)	(6,913)	(7,740)	(29)%
Distributable Net Investment Income (DNII) <sup>(2)</sup>	34,111	33,023	42,255	42,090	45,154	32%
DNII Margin %	65.6%	63.6%	67.6%	67.0%	67.1%	
Share-based compensation	(2,817)	(2,561)	(2,612)	(2,333)	(2,759)	2%
Net Investment Income	31,294	30,462	39,643	39,757	42,395	35%
Net Realized Gain (Loss)	(8,584)	(13,874)	(71,623)	(15,730)	18,000	NM
Net Unrealized Appreciation	13,164	63,114	111,948	34,001	44,441	NM
Income Tax Benefit (Provision)	7,495	(1,507)	(712)	(682)	(9,726)	NM
Net Increase in Net Assets	\$ 43,369	\$ 78,195	\$ 79,256	\$ 57,346	\$ 95,110	119%
Net Investment Income Per Share	\$ 0.48	\$ 0.46	\$ 0.59	\$ 0.58	\$ 0.62	29%
DNII Per Share <sup>(2)</sup>	\$ 0.52	\$ 0.50	\$ 0.63	\$ 0.62	\$ 0.66	27%

(1) Percent change from prior year is based upon impact (increase/(decrease)) on Net Increase (Decrease) in Net Assets

(2) See Non-GAAP Information disclosures included on page 47 of this presentation  
 NM – Not Measurable / Not Meaningful

## MAIN Per Share Change in Net Asset Value (NAV)

(\$ per share)	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21
Beginning NAV	\$ 20.73	\$ 20.85	\$ 21.52	\$ 22.35	\$ 22.65
Distributable Net Investment Income <sup>(1)</sup>	0.52	0.50	0.63	0.62	0.66
Share-Based Compensation Expense	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Net Realized Gain (Loss)	(0.13)	(0.21)	(1.09)	(0.23)	0.26
Net Unrealized Appreciation	0.20	0.95	1.71	0.50	0.65
Income Tax Benefit (Provision)	0.11	(0.02)	(0.01)	(0.01)	(0.14)
Net Increase in Net Assets	0.66	1.18	1.20	0.84	1.39
Regular Monthly Dividends to Shareholders	(0.615)	(0.615)	(0.615)	(0.615)	(0.615)
Accretive Impact of Stock Offerings <sup>(2)</sup>	0.16	0.06	0.21	0.03	0.08
Other <sup>(3)</sup>	(0.09)	0.04	0.04	0.04	(0.08)
Ending NAV	\$ 20.85	\$ 21.52	\$ 22.35	\$ 22.65	\$ 23.42
Weighted Average Shares	65,303,580	66,110,555	65,705,963	68,126,576	68,514,683

Certain fluctuations in per share amounts are due to rounding differences between quarters.

(1) See reconciliation of DNII per share to Net Investment Income per share and Non-GAAP Information disclosures included on pages 37 and 47 of this presentation

(2) Includes accretive impact of shares issued through the Dividend Reinvestment Plan (DRIP) and ATM program

(3) Includes differences in weighted-average shares utilized for calculating changes in NAV during the period and actual shares outstanding utilized in computing ending NAV and other minor changes

# MAIN Balance Sheet Summary

(\$ in 000's, except per share amounts)	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21
LMM Portfolio Investments	\$ 1,188,006	\$ 1,228,060	\$ 1,285,521	\$ 1,328,605	\$ 1,341,332
Middle Market Portfolio Investments	410,501	441,292	445,610	418,120	434,744
Private Loan Investments	653,824	743,684	740,371	741,196	863,621
Other Portfolio Investments	98,142	100,529	96,604	142,228	153,558
External Investment Manager	69,080	71,080	116,760	117,220	121,730
Short-term Investments	-	-	-	52,763	57,285
Cash and Cash Equivalents	68,539	27,121	31,919	65,001	58,796
Other Assets	57,703	45,702	52,579	47,573	59,089
<b>Total Assets</b>	<b>\$ 2,545,795</b>	<b>\$ 2,657,468</b>	<b>\$ 2,769,364</b>	<b>\$ 2,912,705</b>	<b>\$ 3,090,155</b>
Credit Facility	\$ 315,000	\$ 253,000	\$ 269,000	\$ 87,000	\$ 169,000
SBIC Debentures	308,814	298,835	303,972	283,948	314,828
Notes Payable <sup>(1)</sup>	508,074	635,638	635,653	930,617	930,914
Other Liabilities	42,963	46,813	45,972	70,976	70,572
<b>Net Asset Value (NAV)</b>	<b>1,370,944</b>	<b>1,423,182</b>	<b>1,514,767</b>	<b>1,540,164</b>	<b>1,604,841</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 2,545,795</b>	<b>\$ 2,657,468</b>	<b>\$ 2,769,364</b>	<b>\$ 2,912,705</b>	<b>\$ 3,090,155</b>
Total Portfolio Fair Value as % of Cost	100%	102%	107%	108%	109%
Common Stock Price Data:					
High Close	\$ 35.82	\$ 33.01	\$ 32.59	\$ 39.56	\$ 43.41
Low Close	17.34	28.66	27.39	31.35	38.14
Quarter End Close	31.13	29.57	32.26	39.15	41.09

(1) Includes \$450.0 million of 5.20% Notes due May 2024, \$185.0 million of 4.50% Notes due December 2022, and \$300.0 million of 3.00% Notes due July 2026

# MAIN Liquidity and Capitalization

(\$ in 000's)	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21
Cash and Cash Equivalents	\$ 68,539	\$ 27,121	\$ 31,919	\$ 65,001	\$ 58,796
Availability Under Credit Facility <sup>(1)</sup>	425,000	487,000	511,000	693,000	686,000
Remaining SBIC Debentures Capacity	35,200	45,200	40,200	60,000	28,000
<b>Total Liquidity</b>	<b>\$ 528,739</b>	<b>\$ 559,321</b>	<b>\$ 583,119</b>	<b>\$ 818,001</b>	<b>\$ 772,796</b>
<i>Debt at Par Value:</i>					
Credit Facility <sup>(1)</sup>	\$ 315,000	\$ 253,000	\$ 269,000	\$ 87,000	\$ 169,000
SBIC Debentures	314,800	304,800	309,800	290,000	322,000
Notes Payable <sup>(2)</sup>	510,000	635,000	635,000	935,000	935,000
<b>Total Debt</b>	<b>1,139,800</b>	<b>1,192,800</b>	<b>1,213,800</b>	<b>1,312,000</b>	<b>1,426,000</b>
Net Asset Value (NAV)	1,370,944	1,423,182	1,514,767	1,540,164	1,604,841
<b>Total Capitalization</b>	<b>\$ 2,510,744</b>	<b>\$ 2,615,982</b>	<b>\$ 2,728,567</b>	<b>\$ 2,852,164</b>	<b>\$ 3,030,841</b>
Debt to NAV Ratio <sup>(3)</sup>	0.83 to 1.0	0.84 to 1.0	0.80 to 1.0	0.85 to 1.0	0.89 to 1.0
Non-SBIC Debt to NAV Ratio <sup>(4), (5)</sup>	0.60 to 1.0	0.62 to 1.0	0.60 to 1.0	0.66 to 1.0	0.69 to 1.0
Net Debt to NAV Ratio <sup>(5), (6)</sup>	0.78 to 1.0	0.82 to 1.0	0.78 to 1.0	0.81 to 1.0	0.85 to 1.0
Interest Coverage Ratio <sup>(7)</sup>	4.12 to 1.0	3.97 to 1.0	4.00 to 1.0	3.97 to 1.0	4.04 to 1.0

(1) As of June 30, 2021, MAIN's credit facility had \$855.0 million in total commitments with an accordion feature to increase up to \$1,200.0 million; Borrowings under this facility are available to provide additional liquidity for investment and operational activities

(2) Includes the par value of the 5.20% notes (\$450.0 million), of the 4.50% notes (\$185.0 million), and of the 3.00% notes (\$300.0 million)

(3) SBIC Debentures are not included as "senior debt" for purposes of the BDC 200% asset coverage requirements pursuant to exemptive relief received by MAIN; Debt to NAV Ratio is calculated based upon the par value of debt

(4) Non-SBIC Debt to NAV Ratio is calculated based upon the par value of debt of both the credit facility and notes payable

(5) See reconciliation of DNII to Net Investment Income and Non-GAAP Information disclosures included on pages 37 and 47 of this presentation

(6) Net debt in this ratio includes par value of total debt less cash and cash equivalents

(7) DNII<sup>(5)</sup> + interest expense / interest expense on a trailing twelve month basis



# Stable, Long-Term Leverage – Significant Unused Capacity

**MAIN maintains a conservative capital structure, with limited overall leverage and low cost, long-term debt**

**Capital structure is designed to correlate to and complement the expected duration and fixed/floating rate nature of investment portfolio assets**

Facility	Interest Rate	Maturity	Principal Drawn
\$855.0 million Credit Facility <sup>(1)</sup>	L+1.875% floating (2.0% <sup>(2)</sup> )	April 2026 <sup>(3)</sup>	\$169.0 million
Notes Payable	4.5% fixed	Redeemable at MAIN's option at any time, subject to certain make whole provisions; Matures December 1, 2022	\$185.0 million
Notes Payable	5.2% fixed	Redeemable at MAIN's option at any time, subject to certain make whole provisions; Matures May 1, 2024	\$450.0 million
Notes Payable	3.0% fixed	Redeemable at MAIN's option at any time, subject to certain make whole provisions; Matures July 14, 2026	\$300.0 million
SBIC Debentures <sup>(4)</sup>	2.9% fixed (weighted average)	Various dates between 2023 - 2031 (weighted average duration = 6.3 years)	\$322.0 million

(1) As of June 30, 2021, MAIN's credit facility had \$855.0 million in total commitments with an accordion feature to increase up to \$1,200.0 million; Borrowings under this facility are available to provide additional liquidity for investment and operational activities

(2) Revolver rate reflects the rate based on LIBOR as of June 30, 2021 and effective as of the contractual reset date as of July 1, 2021

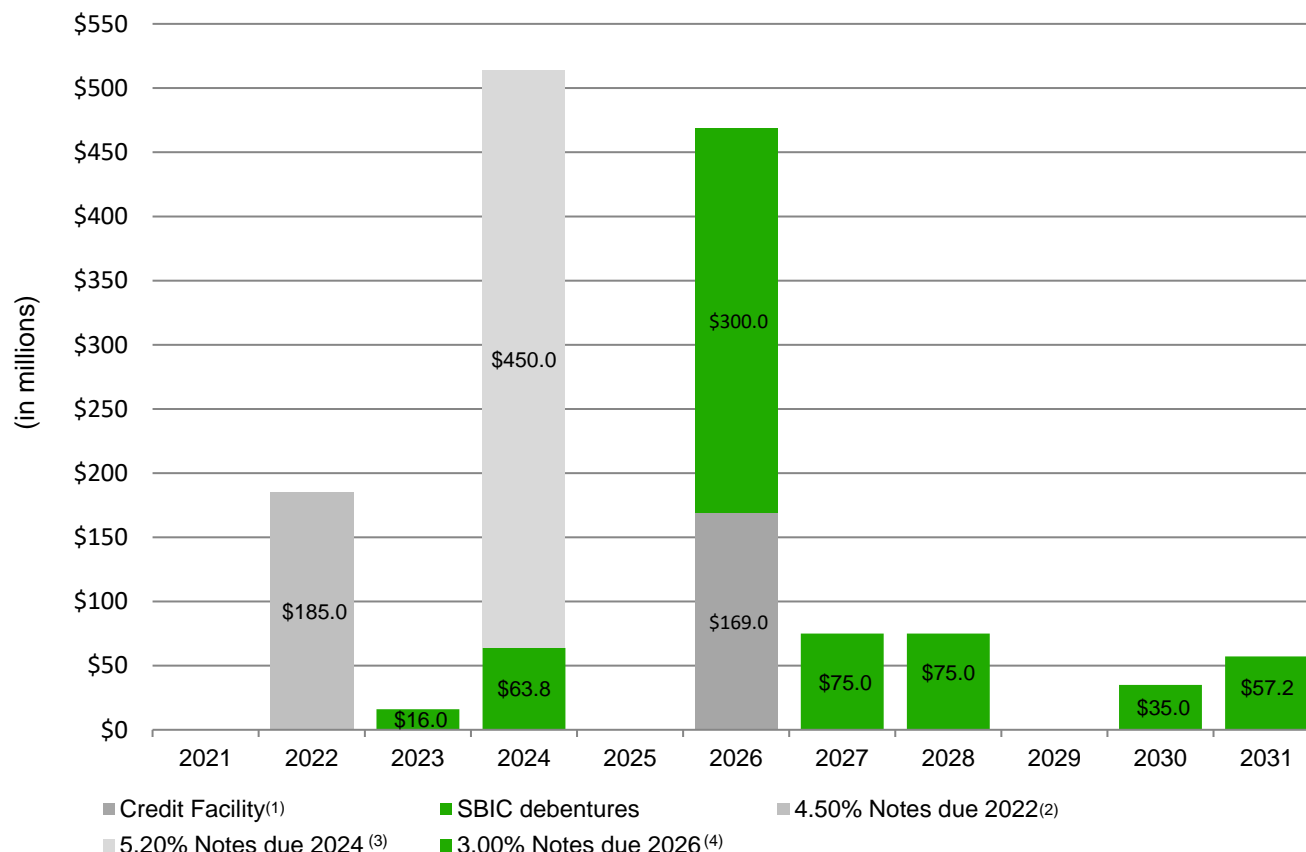
(3) MAIN's Credit Facility is fully revolving until April 2025 and is not revolving from April 2025 until April 2026

(4) MAIN's SBIC licenses provided for total SBIC debenture capacity of \$350.0 million, resulting in undrawn capacity at June 30, 2021 of \$28.0 million

# Long-term Maturity of Debt Obligations

**MAIN's conservative capital structure provides long-term access to attractively-priced and structured debt facilities**

- Allows for investments in assets with long-term holding periods / illiquid positions and greater yields and overall returns
- Provides downside protection and liquidity through economic cycles
- Allows MAIN to be opportunistic during periods of economic uncertainty



(1) As of June 30, 2021, MAIN's credit facility had \$855.0 million in total commitments with an accordion feature to increase up to \$1,200.0 million; Borrowings under this facility are available to provide additional liquidity for investment and operational activities; MAIN's Credit Facility is fully revolving until April 2025, with a maturity date thereafter in April 2026

(2) Issued in November 2017; redeemable at MAIN's option at any time, subject to certain make-whole provisions

(3) Originally issued in April 2019 with follow-on issuances in December 2019 and July 2020; redeemable at MAIN's option at any time, subject to certain make-whole provisions

(4) Issued in January 2021; redeemable at MAIN's option at any time, subject to certain make-whole provisions

## Interest Rate Impact and Sensitivity

While MAIN's financial results are subject to significant impact from changes in interest rates, upside is greater than downside due to majority fixed rate debt obligations and majority floating rate debt investments with minimum interest rate floors

- 88% of MAIN's outstanding debt obligations have fixed interest rates<sup>(5)</sup>, limiting the increase in interest expense
- 70% of MAIN's debt investments bear interest at floating rates<sup>(5)</sup>, the majority of which contain contractual minimum index rates, or "interest rate floors" (weighted-average floor of approximately 110 basis points)<sup>(6)</sup>
- Provides MAIN the opportunity to achieve significant increases in net investment income if interest rates increase, with limited remaining negative impact if interest rates decrease

The following table illustrates the approximate annual changes in the components of MAIN's net investment income due to hypothetical increases (decreases) in interest rates<sup>(1)(2)</sup> (dollars in thousands):

Basis Point Increase (Decrease) in Interest Rate	Increase (Decrease) in Interest Income	(Increase) Decrease in Interest Expense <sup>(3)</sup>	Increase (Decrease) in Net Investment Income	Increase (Decrease) in Net Investment Income per Share <sup>(4)</sup>
(100)	(300)	186	(114)	-
(75)	(292)	186	(106)	-
(50)	(285)	186	(99)	-
(25)	(277)	186	(91)	-
25	553	(423)	130	-
50	1,123	(845)	278	-
75	1,868	(1,268)	600	0.01
100	3,926	(1,690)	2,236	0.03
125	7,116	(2,113)	5,003	0.07
150	10,544	(2,535)	8,009	0.12

- (1) Assumes no changes in the portfolio investments, outstanding revolving credit facility borrowings or other debt obligations existing as of June 30, 2021
- (2) Assumes that all LIBOR and prime rates would change effective immediately on the first day of the period; However, the actual contractual LIBOR rate reset dates would vary in future periods generally on either a monthly or quarterly basis across both the investments and our revolving credit facility
- (3) The hypothetical (increase) decrease in interest expense would be impacted by the changes in the amount of debt outstanding under our revolving credit facility, with interest expense (increasing) decreasing as the debt outstanding under our revolving credit facility increases (decreases)
- (4) Per share amount is calculated using shares outstanding as of June 30, 2021
- (5) As of June 30, 2021
- (6) Weighted-average interest rate floor calculated based on debt principal balances as of June 30, 2021

## Significant Management Ownership / Investment

Significant equity ownership by MAIN's management team, coupled with internally managed structure, provides alignment of interest between MAIN's management and our shareholders

	# of Shares <sup>(2)</sup>	June 30, 2021 <sup>(3)</sup>
Management <sup>(1)</sup>	3,446,263	\$141,606,947

(1) Includes members of MAIN's executive and senior management team and the members of MAIN's Board of Directors

(2) Includes 1,171,134 shares, or approximately \$31.0 million, purchased by Management as part of, or subsequent to, the MAIN IPO, including 11,430 shares, or approximately \$0.5 million, purchased, directly or through MAIN's dividend reinvestment plan, in the quarter ended June 30, 2021

(3) Based upon closing market price of \$41.09/share on June 30, 2021

# MAIN Total Return Performance Since IPO



## Consistent market outperformance through various economic cycles

**Notes:**

- (1) Assumes dividends reinvested on date paid
- (2) The Main Street Peer Group includes all BDCs that have been publicly-traded for at least one year and that have total assets greater than \$500 million based on individual SEC Filings as of December 31, 2020; specifically includes: AINV, ARCC, BBDC, BKCC, CCAP, CGBD, CSWC, FDUS, FSK, GAIN, GBDC, GSBD, HTGC, MRCC, NEWT, NMFC, OCSL, OFS, PFLT, PNNT, PSEC, SAR, SCM, SLRC, SUNS, TCPC, TPVG, TSLX and WHF.
- (3) Main Street Peer Group is equal weighted
- (4) Indexed as of October 5, 2007 and last trading date is June 30, 2021

# Executive Summary

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## **Unique focus on under-served Lower Middle Market**

- Inefficient asset class with less competition
- Unique market opportunity with attractive risk-adjusted returns
- Generally first lien, senior secured debt investments plus meaningful equity participation

## **Invest in complementary interest-bearing Private Loan and Middle Market debt investments**

- Lower risk / more liquid asset class
- Opportunity for consistent investment activity
- Generally first lien, senior secured debt investments

## **Growing Asset Management Business drives additional investment income**

## **Efficient internally managed operating structure drives greater shareholder returns**

- Alignment of interests between management and our shareholders
- Maintains the lowest operating cost structure in the BDC industry
- Favorable operating cost comparison to other yield oriented investment options

## **Attractive, recurring monthly dividend yield and historical net asset value per share growth**

- Periodic increases in monthly dividends
- Increase in net asset value per share creates opportunity for stock price appreciation

## **Strong liquidity and stable capitalization for sustainable growth**

## **Highly invested management team with successful track record**

## **Niche investment strategy with lower correlation to broader debt / equity markets**

## Non-GAAP Information

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**Distributable net investment income** is net investment income, as determined in accordance with U.S. generally accepted accounting principles, or U.S. GAAP, excluding the impact of share-based compensation expense which is non-cash in nature. MAIN believes presenting distributable net investment income and the related per share amount is useful and appropriate supplemental disclosure of information for analyzing its financial performance since share-based compensation does not require settlement in cash. However, distributable net investment income is a non-U.S. GAAP measure and should not be considered as a replacement for net investment income and other earnings measures presented in accordance with U.S. GAAP. Instead, distributable net investment income should be reviewed only in connection with such U.S. GAAP measures in analyzing MAIN's financial performance.

**Net Debt to NAV Ratio** is calculated as the Debt to NAV Ratio as determined in accordance with U.S. GAAP, except that total debt is reduced by cash and cash equivalents. The **Non-SBIC Debt to NAV Ratio** is calculated in the same manner as the Debt to NAV Ratio, except that outstanding SBIC debentures are excluded from the debt pursuant to an exemptive order Main Street received from the Securities and Exchange Commission. Main Street believes presenting the Net Debt to NAV Ratio is useful and appropriate supplemental disclosure for analyzing its financial position and leverage. Main Street believes presenting the Non-SBIC Debt to NAV Ratio is useful and appropriate supplemental disclosure because Main Street, a business development company, is permitted to exclude such borrowings from its regulatory asset coverage ratio calculation pursuant to an exemptive order received from the Securities and Exchange Commission. However, the Net Debt to NAV Ratio and the Non-SBIC Debt to NAV Ratio are non-U.S. GAAP measures and should not be considered as replacements for the Debt to NAV Ratio and other financial measures presented in accordance with U.S. GAAP. Instead, the Net Debt to NAV Ratio and the Non-SBIC Debt to NAV Ratio should be reviewed only in connection with such U.S. GAAP measures in analyzing Main Street's financial position.

# MAIN Corporate Data

Please visit our website at [www.mainstcapital.com](http://www.mainstcapital.com) for additional information

## Board of Directors

Vincent D. Foster  
Executive Chairman  
Main Street Capital Corporation

Arthur L. French  
Retired CEO/Executive

J. Kevin Griffin  
SVP, Financial Planning &  
Analysis  
Novant Health, Inc.

Dwayne L. Hyzak  
CEO  
Main Street Capital Corporation

John E. Jackson  
President & CEO  
Spartan Energy Partners, LP  
CSI Compressco LP

Brian E. Lane  
CEO & President  
Comfort Systems USA

Kay Matthews  
Board of Directors  
SVB Financial Group and  
Coherent, Inc.

Dunia A. Shive  
Board of Directors  
Kimberly-Clark Corporation and  
Trinity Industries, Inc.

Stephen B. Solcher  
Executive Advisor  
BMC Software

## Executive Officers

Dwayne L. Hyzak  
Chief Executive Officer

David L. Magdol  
President & Chief Investment  
Officer

Vincent D. Foster  
Executive Chairman

Jesse E. Morris  
Chief Operating Officer and  
Executive Vice President

Brent D. Smith  
Chief Financial Officer &  
Treasurer

Jason B. Beauvais  
EVP, General Counsel,  
Secretary & Chief  
Compliance Officer

Nicholas T. Meserve  
Managing Director

Lance A. Parker  
Vice President & Chief  
Accounting Officer

## Research Coverage

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Raymond James  
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Kenneth S. Lee  
RBC Capital Markets  
(212) 905-5995

Michael Ramirez  
Truist Securities  
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## Corporate Headquarters

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Houston, TX 77056  
Tel: (713) 350-6000  
Fax: (713) 350-6042

## Independent Registered Public Accounting Firm

Grant Thornton, LLP  
Houston, TX

## Corporate Counsel

Dechert LLP  
Washington, D.C.

## Securities Listing

Common Stock – NYSE: MAIN

## Transfer Agent

American Stock Transfer & Trust Co.  
Tel: (800) 937-5449  
[www.astfinancial.com](http://www.astfinancial.com)

## Investor Relation Contacts

Dwayne L. Hyzak  
Chief Executive Officer

Jesse E. Morris  
Chief Operating Officer

Tel: (713) 350-6000

Ken Dennard  
Zach Vaughan  
Dennard Lascar Investor Relations  
Tel: (713) 529-6600

## Management Executive Committee

Dwayne L. Hyzak, Chief Executive Officer

David L. Magdol, President & Chief  
Investment Officer

Vincent D. Foster, Executive Chairman

## Investment Committee

Dwayne L. Hyzak, Chief Executive Officer

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