



# MSC

## INCOME FUND

### Debt Capital Markets Presentation

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Second Quarter – 2025

## Disclaimers

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# 2nd Quarter – 2025

# MSIF is a Principal Investor in Private Debt and Equity

**Diversified investment strategy and resulting investment portfolio and relationship with best-in-class manager differentiates MSIF from other investment firms**

## **Publicly traded Business Development Company (BDC) with diversified investment strategy**

- \$1.4 billion of capital<sup>(1)</sup>
  - MSIF began trading on the New York Stock Exchange (NYSE) on January 29, 2025 under the ticker symbol “MSIF” in connection with a follow-on public offering of its common stock, including the full exercise of the underwriters’ overallotment option, for total net proceeds of \$90.5 million
  - Managed by a wholly-owned subsidiary<sup>(2)</sup> of Main Street Capital Corporation (NYSE: MAIN) (MAIN or Main Street) since October 2020
    - Publicly traded BDC with over \$8.4 billion in capital under management<sup>(3)</sup>
    - Previously a sub-adviser to MSIF since May 2012

## **Focused on proprietary debt investments in privately held companies typically owned or being acquired by a private equity fund (Private Loans)**

- Primarily originated directly by MAIN or, to a lesser extent, through strategic relationships with other investment funds
- First lien, senior secured, floating rate debt investments with attractive risk-adjusted returns
- Targets companies with annual revenue between \$25 million and \$500 million and annual EBITDA between \$7.5 million and \$50 million
- Proprietary investments that can be difficult for investors to access

## **Maintains a portfolio of debt and equity investments in the under-served Lower Middle Market (LMM)**

- Companies with annual revenue between \$10 million and \$150 million and annual EBITDA between \$3 million and \$20 million
- Provides one-stop financing solutions, including a combination of first lien, senior secured debt and equity financing

## **Headquartered in Houston, Texas**

(1) Capital includes total assets plus undrawn portion of debt capital as of June 30, 2025

(2) Through MAIN’s wholly-owned unconsolidated subsidiary, MSC Adviser I, LLC

(3) Capital under management includes total assets plus undrawn portion of debt capital and uncalled equity capital commitments as of June 30, 2025



## Managed by “Best in Class” BDC Operator

**MAIN<sup>(1)</sup> has provided investment advisory services for the fund since its inception**

**Main Street Capital Corporation is an internally-managed BDC**

- IPO in 2007
- Over \$8.4 billion in capital under management<sup>(2)</sup>
  - Over \$6.5 billion internally at MAIN<sup>(2)</sup>
  - Approximately \$1.9 billion as the investment adviser to external parties<sup>(1)(2)</sup>
- A top-performing BDC with consistent market outperformance of both shareholder returns and economic returns through various economic cycles

**In May 2012, MAIN<sup>(1)</sup> entered into an investment sub-advisory agreement with the former investment adviser to MSIF<sup>(3)</sup>**

- MAIN<sup>(1)</sup> provided asset management services, including sourcing, diligence and post-investment monitoring
- Fund raising, capital structure management, accounting and administrative services were provided by the former investment adviser

**In October 2020, MAIN<sup>(1)</sup> became the sole investment adviser to and administrator of MSIF**

- The fund changed its name to MSC Income Fund, Inc.<sup>(3)</sup>

**MSIF began trading on the NYSE on January 29, 2025 under the ticker symbol “MSIF” in connection with a follow-on public offering of its common stock, including the full exercise of the underwriters’ overallotment option, for total net proceeds of \$90.5 million**

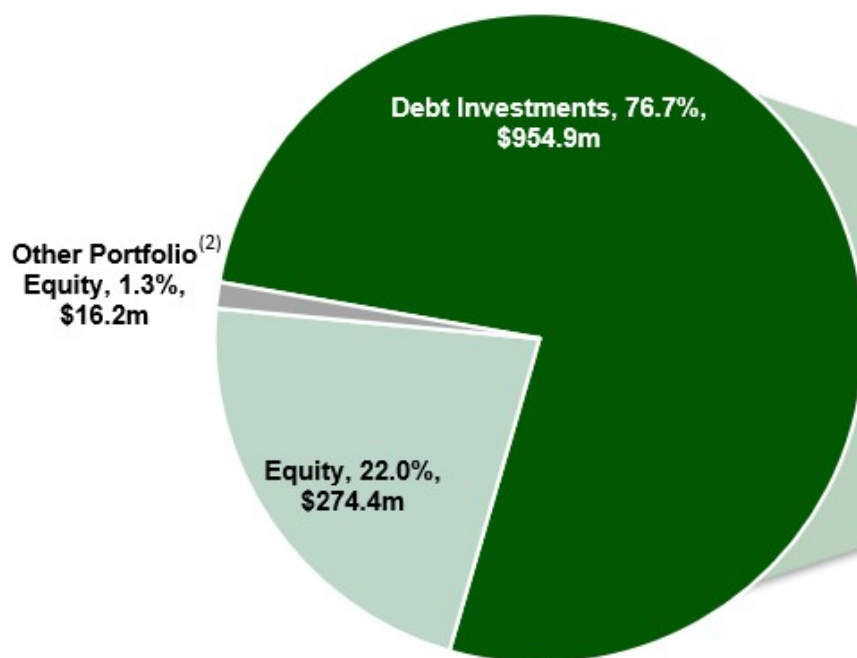
(1) Through MAIN's wholly-owned unconsolidated subsidiary, MSC Adviser I, LLC

(2) Includes undrawn portion of debt capital and uncalled equity capital commitments as of June 30, 2025

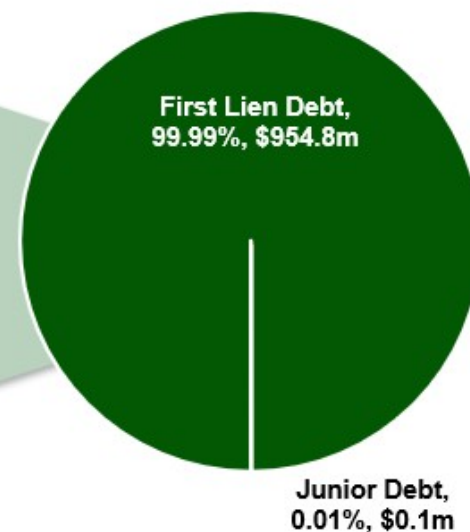
(3) Formerly known as HMS Income Fund, Inc. prior to name change effective October 30, 2020

# Investment Portfolio – By Type of Investment<sup>(1)</sup>

**Total Investment Portfolio**  
**\$1.2 billion**



**Total Debt Investments**  
**\$954.9 million**



(1) Fair value as of June 30, 2025

(2) Other Portfolio investments, as described in MSIF's SEC filings

# Portfolio Highlights<sup>(1)</sup>

**The benefits of MSIF's unique investment strategy have resulted in a high quality, diversified and mature investment portfolio**

## Private Loans

- \$741.6 million of total investments
- 82 companies
- \$682.5 million of debt investments (92% of Private Loan portfolio)
- Over 99% of debt investments are first lien<sup>(2)</sup>
- Average investment size of \$9.3 million<sup>(2)</sup>
- 97% of debt investments bear interest at floating rates<sup>(2)</sup>
- Weighted-average effective yield on debt investments of 11.5%<sup>(3)</sup>

## Lower Middle Market

- \$458.5 million of total investments
- 57 companies
- \$246.2 million of debt investments (54%)
- \$212.3 million of equity investments (46%)
- Over 99% of debt investments are first lien<sup>(2)</sup>
- Average investment size of \$8.0 million at fair value or \$6.5 million at cost
- Weighted-average effective yield on debt investments of 13.1%<sup>(3)</sup>

## Total Portfolio<sup>(4)(5)</sup>

- \$1.2 billion of total investments
- 153 companies and entities
- \$954.9 million of debt investments (77%)
- \$290.6 million of equity investments (23%)
- Over 99% of debt investments are first lien<sup>(2)</sup>
- 79% of debt investments bear interest at floating rates<sup>(2)</sup>
- Weighted-average effective yield on debt investments of 11.9%<sup>(3)</sup>

(1) As of June 30, 2025; investment amounts at fair value, unless otherwise noted

(2) As of June 30, 2025; based on cost

(3) As of June 30, 2025; weighted-average effective yield is calculated using the applicable interest rate as of June 30, 2025 and is weighted based upon the principal amount of each debt investment as of June 30, 2025; 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) Includes \$29.3 million of fair value (\$40.1 million of cost basis) of Middle Market investments, as defined in MSIF's SEC filings, representing 2.4% of the total investment portfolio at fair value; MSIF has generally stopped making new Middle Market investments and expects the size of its Middle Market portfolio to decline in future periods as existing Middle Market investments are repaid or sold

(5) Includes \$16.2 million of fair value (\$14.9 million of cost basis) of Other Portfolio investments, as defined in MSIF's SEC filings, representing 1.3% of the total investment portfolio at fair value; MSIF has generally stopped making new Other Portfolio investments and expects the size of its Other Portfolio to decline in future periods as existing Other Portfolio investments are repaid or sold

# BDC Background

**Created by Congress in 1980 through the Small Business Investment Incentive Act of 1980 to facilitate the flow of capital to small and mid-sized U.S. businesses**

**Highly regulated by the SEC under the Investment Company Act of 1940 (1940 Act)**

**Provide a way for individual investors to participate in debt and equity investments in private companies**

## Leverage

- Regulatory restrictions on debt leverage levels require BDCs to maintain conservative leverage
- Must maintain an asset to debt coverage ratio of at least 2.0x, unless the BDC has satisfied all applicable requirements, including, but not limited to, obtaining board or shareholder approval to decrease the required asset to debt coverage ratio to 1.5x as provided for under the Small Business Credit Availability Act passed in December 2017<sup>(1)</sup>

## Full Transparency

- Detailed schedule of all investments (and related key terms) in quarterly and annual reporting
- Quarterly fair value mark to market accounting

## Income Tax Treatment

- As a Regulated Investment Company (RIC), BDCs generally do not pay corporate income taxes
- To maintain RIC status and avoid paying corporate income taxes, BDCs must distribute at least 90% of taxable income (other than net capital gain) to investors
- To avoid a 4% federal excise tax on undistributed income, BDCs must distribute in each calendar year the sum of (1) 98% of their net ordinary income for the calendar year and (2) 98.2% of their realized capital gains (both long-term and short-term)
- Tax treatment is similar to Real Estate Investment Trusts (REITs)

(1) In January 2025, the Board of Directors unanimously approved a decrease in MSIF's required asset to debt coverage ratio to 1.5x from 2.0x, effective January 29, 2026



# Conservative Leverage

(\$ in 000s)	As of 6/30/2025
Total Assets	\$ 1,293,067
Debt Capital:	
SPV Facility <sup>(1)</sup>	240,000
Corporate Facility <sup>(1)</sup>	149,000
Series A Notes <sup>(2)</sup>	149,602
Total Debt	538,602
Other Liabilities	31,677
Net Asset Value (NAV)	<u>\$ 722,788</u>

## Key Leverage Stats

Asset Coverage Ratio <sup>(3)</sup>	2.34x
Debt to Assets Ratio	0.42x
Debt to NAV Ratio <sup>(4)</sup>	0.75x
Net Debt to NAV Ratio <sup>(5)</sup>	0.71x

(1) See page 13 for further details related to MSIF's SPV Facility and Corporate Facility

(2) \$150.0 million (par) Series A Notes due October 2026

(3) Calculated as (a) total assets plus deferred financing costs classified as liabilities less liabilities not considered Senior Securities divided by (b) total debt at par

(4) Debt to NAV Ratio is calculated based upon the par value of debt

(5) Net debt in this ratio includes par value of debt less cash and cash equivalents of \$28.3 million as of June 30, 2025; see Non-GAAP information disclosure on page 26 of this presentation

# Conservative Leverage – Regulatory

Passage of the Small Business Credit Availability Act in December 2017 provides the opportunity for BDCs to obtain board or shareholder approval to access additional leverage by lowering the required asset coverage to 1.50x (from 2.00x); this additional leverage is not an effective option for non-listed BDCs due to the redemption rights which the BDC would be required to provide to its shareholders<sup>(1)</sup>

MSIF operates at levels comfortably above the current (2.00x) regulatory leverage requirement and very conservatively above the lower (1.50x) regulatory leverage limit accessible by other listed BDCs<sup>(2)</sup> and effective for MSIF on January 29, 2026

MSIF's Historical Asset Coverage Ratio:	2020	2021	2022	2023	2024	Q2 2025
Consolidated Asset Coverage Ratio - Regulatory <sup>(3)</sup>	2.92x	2.22x	2.29x	2.28x	2.10x	2.34x
Minimum Required Asset Coverage <sup>(2)</sup>	2.00x	2.00x	2.00x	2.00x	2.00x	2.00x
Cushion % above Minimum Required Asset Coverage	46%	11%	15%	14%	5%	17%

(1) In connection with the listing of its common shares on the NYSE in January 2025, the Board of Directors unanimously approved a decrease in MSIF's required asset to debt coverage ratio to 1.50x, effective January 29, 2026

(2) Minimum required asset coverage of 2.00x prior to passage of the Small Business Credit Availability Act; minimum requirement of 2.00x remains in place for MSIF through January 28, 2026

(3) Calculated per 1940 Act

# Key Credit Highlights

## Managed by “Best in Class” Asset Manager with Strong, Long-term Track Record

- Management team has over 100 years of collective investment experience and long-term working relationships dating back over 20 years
- Growing franchise in the direct lending, or Private Loan (PL), sector

## Reduced Management Fee and Conservative Dividend Policy

- Management fee reduced to 1.50% from 1.75% effective January 29, 2025 in connection with MSIF's listing; further contractual reductions to 1.25% and 1.00% based upon reductions to MSIF's LMM investment portfolio as a percentage of MSIF's total investment portfolio
- Conservative dividend policy to provide additional flexibility, with total dividend payout set equal to or at a slight discount to pre-tax net investment income

## Conservative Leverage

- 1940 Act currently requires MSIF to maintain a minimum 2.0x regulatory asset coverage ratio<sup>(1)</sup>
- MSIF's asset coverage ratio is ~ 2.3x<sup>(2)</sup>
- Leverage profile materially improved by unsecured debt issuance in 2022<sup>(3)</sup>

## Unique Investment Strategy

- Unique investment strategy differentiates MSIF from its competitors and provides highly attractive risk-adjusted returns
- Long-term capital structure of BDC allows for long-term, patient investment strategy and overall approach

## High Quality Portfolio

- Significant diversification
- 84.1% of total cost of portfolio is senior secured, first lien debt<sup>(2)</sup>
- Attractive PL debt portfolio statistics
- Attractive LMM debt portfolio statistics<sup>(4)</sup> – Median Senior Debt to EBITDA Ratio of 2.8x and Median Senior Interest Expense Coverage Ratio of 2.8x

(1) Minimum required asset coverage of 2.00x prior to passage of the Small Business Credit Availability Act; in connection with the listing of its shares on the NYSE in January 2025, the Board of Directors unanimously approved a decrease in MSIF's required asset to debt coverage ratio to 1.5x, effective January 29, 2026

(2) As of June 30, 2025

(3) Series A Notes mature October 2026

(4) These credit statistics exclude portfolio companies on non-accrual status and two companies for which EBITDA is not a meaningful metric

# MSIF Executive Management Team

**Dwayne Hyzak<sup>(1)(2)</sup>**  
CEO and Chairman of  
the Board

- Co-founded MAIN 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 in 2002
- Vice President in Lazard Freres Investment Banking Division
- Vice President of McMullen Group (John J. McMullen's Family Office)

**Jesse Morris<sup>(1)</sup>**  
EVP, COO<sup>(4)</sup> and Senior  
Managing Director

- 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 a Big 5 Accounting Firm

**Jason Beauvais, JD<sup>(1)</sup>**  
EVP, GC<sup>(5)</sup> and Secretary

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

**Cory Gilbert**  
CFO

- Joined MAIN in 2020
- CFO and Treasurer of OHA Investment Corporation (NASDAQ: OHAI)
- CFO of RED Capital Group, a wholly-owned subsidiary of ORIX, U.S.A.
- Manager with a Big 5 Accounting Firm

(1) Member of MAIN Executive Committee

(2) Member of MAIN Investment Committee; Vince Foster, Chairman of MAIN's Board, is a non-employee member of MAIN's Investment Committee

(3) Chief Investment Officer

(4) Chief Operating Officer

(5) General Counsel

# Stable, Long-Term Leverage

**MSIF maintains a conservative capital structure, with limited overall leverage and an intentional mix of secured, floating-rate revolving debt and unsecured, fixed rate 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 as of 6/30/2025	Borrowing Availability <sup>(5)</sup>
SPV Facility <sup>(1)(3)</sup>	SOFR+2.20% floating (6.49% <sup>(4)</sup> )	February 2030 (fully revolving until February 2029)	\$240.0 million	\$60.0 million
Corporate Facility <sup>(2)(3)</sup>	SOFR+2.05% floating (6.38% <sup>(4)</sup> )	May 2029 (fully revolving until November 2028)	\$149.0 million	\$96.0 million
Series A Notes	4.04% fixed	October 30, 2026	\$150.0 million	N/A

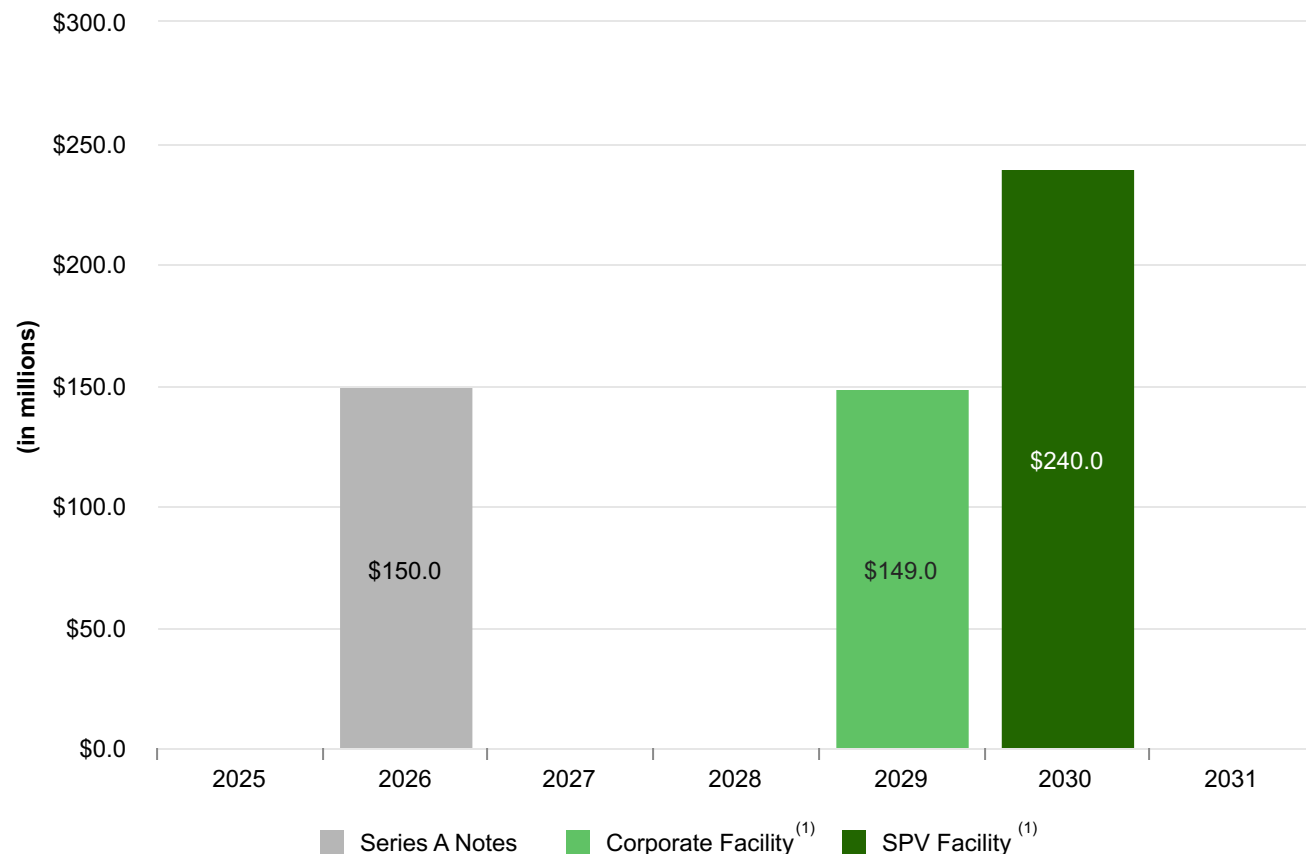
- (1) As of June 30, 2025, MSIF maintained a secured special purpose vehicle financing facility (the SPV Facility), which had \$300.0 million in total commitments with an option to increase total commitments and borrowing availability up to \$450.0 million
- (2) As of June 30, 2025, MSIF maintained a senior secured corporate revolving line of credit (the Corporate Facility), which had \$245.0 million in total commitments with an accordion feature to increase commitments up to \$300.0 million
- (3) Borrowings under the SPV Facility and the Corporate Facility (together, the Credit Facilities) are available to provide additional liquidity for investment and operational activities
- (4) SPV Facility and Corporate Facility rates reflect the rate based on SOFR effective for the contractual reset date of July 1, 2025
- (5) Borrowing availability could be limited by regulatory requirements, advance rates per the credit agreement or internal leverage targets



# Long-term Maturity of Debt Obligations

**MSIF maintains a conservative capital structure, with limited overall leverage and an intentional mix of short-term and long-term debt**

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



(1) The defined terms and additional details for the SPV Facility and Corporate Facility are included on page 13

# Interest Rate Impact and Sensitivity

**MSIF's financial results are subject to impact from changes in interest rates; MSIF maintains a capital structure with the goal to minimize the impact of changes in interest rates**

- 28% of outstanding debt obligations have fixed interest rates<sup>(5)</sup>
- 72% of outstanding debt obligations have floating interest rates<sup>(5)</sup>
- 79% of 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 135 basis points<sup>(6)</sup>)
- Results in increases in net investment income if market interest rates increase, and reductions to net investment income (NII) if market interest rates decrease, subject to the impact to MSIF's incentive fee expense

The following table illustrates the approximate annual changes in the components of MSIF's NII due to hypothetical increases (decreases) in interest rates<sup>(1)(2)</sup> (dollars in thousands, except per share data):

Basis Point Increase (Decrease) in Interest Rate	Increase (Decrease) in Interest Income	(Increase) Decrease in Interest Expense <sup>(3)</sup>	Increase (Decrease) in Pre-Incentive Fee NII	(Increase) Decrease in Incentive Fee Expense <sup>(1)</sup>	Increase (Decrease) in NII	Increase (Decrease) in NII per Share <sup>(4)</sup>
(100)	\$ (7,223)	\$ 3,890	\$ (3,333)	\$ 583	\$ (2,750)	\$ (0.06)
(75)	(5,389)	2,918	(2,471)	432	(2,039)	(0.04)
(50)	(3,589)	1,945	(1,644)	288	(1,356)	(0.03)
(25)	(1,794)	973	(821)	144	(677)	(0.01)
25	1,794	(973)	821	(144)	677	0.01
50	3,589	(1,945)	1,644	(288)	1,356	0.03
75	5,384	(2,918)	2,466	(432)	2,034	0.04
100	7,182	(3,890)	3,292	(576)	2,716	0.06

- (1) Assumes no changes in the portfolio investments or outstanding debt obligations existing as of June 30, 2025; the pro forma changes in incentive fee expense are calculated based upon the incentive fee expense for Q2 2025 on an annualized basis, as adjusted for the pro forma change in pre-incentive fee NII resulting from the assumed interest income and interest expense changes noted in the table; assumes no other changes in investment income or expenses
- (2) Assumes that all SOFR and Prime rates would change effective immediately on the first day of the period; however, the actual contractual index rate reset dates will vary in future periods generally on either a monthly or quarterly basis across both the debt investments and the Credit Facilities (as defined on page 13) resulting in a delay in the realization of the increases or decreases in interest income or expense
- (3) The hypothetical results would also be impacted by the changes in the amount of outstanding debt under the Credit Facilities (with an increase (decrease) in the debt outstanding under the Credit Facilities resulting in an (increase) decrease in the hypothetical interest expense)
- (4) Per share amount is calculated using shares outstanding as of June 30, 2025
- (5) As of June 30, 2025, based on par
- (6) Weighted-average interest rate floor calculated based on debt principal balances as of June 30, 2025

Although MSIF believes that this analysis is indicative of the impact of interest rate changes to NII as of June 30, 2025, the analysis does not take into consideration future changes in the credit market, credit quality or other business or economic developments that could affect NII. Accordingly, MSIF can offer no assurances that actual results would not differ materially from the analysis above. See further discussion and analysis in Item 3 of MSIF's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025.

# Private Loan Investment Strategy

**Private Loan portfolio investments are primarily debt investments in privately held companies which have primarily been originated directly by Main Street or, to a lesser extent, through Main Street's strategic relationships with other credit funds on a collaborative basis (often referred to in the debt markets as "club deals" because of the small lender group size)**

**MSIF's Private Loan investments are typically made to a company owned or being acquired by a private equity fund**

**MSIF's investments in new portfolio companies are solely focused on its Private Loan investment strategy**

## Investment objectives

- Access proprietary investments with attractive risk-adjusted return characteristics
- Generate cash yield to support MSIF's quarterly dividend

## Investment characteristics

- Targets companies with annual revenue between \$25 million and \$500 million and annual EBITDA between \$7.5 million and \$50 million
- Proprietary investments primarily originated directly by Main Street or, to a lesser extent, through strategic relationships with other investment funds on a collaborative basis
- Current Private Loan portfolio companies have weighted-average EBITDA of approximately \$30.0 million<sup>(1)</sup>

## Investments in secured debt investments

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

## 9% – 14% targeted gross yields

- Weighted-average effective yield of 11.5%<sup>(2)</sup>
- Net returns positively impacted by modest use of leverage
- Floating rate debt investments provide matching with MSIF's floating rate Credit Facilities<sup>(3)</sup>

(1) This calculation excludes four Private Loan portfolio companies, as EBITDA is not a meaningful metric for these portfolio companies, and those portfolio companies whose primary operations have ceased and only residual value remains

(2) Weighted-average effective yield is calculated using the applicable interest rate as of June 30, 2025 and is weighted based upon the principal amount of each debt investment as of June 30, 2025; 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) The defined term and additional details for the Credit Facilities are included on page 13

# LMM Investment Portfolio

**LMM investment portfolio differentiates MSIF from its competitors and provides attractive risk-adjusted returns**

**MSIF's permanent capital structure as a publicly traded investment firm allows MSIF to maintain a long-term to permanent expected holding period for its LMM investments, providing significant benefits to both MSIF and its LMM portfolio companies**

## **Investment objectives**

- Attractive cash yield from secured debt investments (12.6%<sup>(1)</sup> weighted-average cash coupon as of June 30, 2025); plus
- Dividend income, fair value appreciation 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**

- Typical entry enterprise values between 4.5x – 7.0x EBITDA
- Typical entry leverage multiples between 2.0x – 4.0x EBITDA to MSIF debt investment

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

- Co-investments with Main Street in partnership with business owners, management teams and entrepreneurs
- Provide highly customized financing solutions
- Recapitalization, buyout, growth and acquisition capital

## **Investments in established, profitable companies**

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

**Unique LMM investment structures, combined with MSIF's goal to be a long-term partner, results in a highly diversified and high-quality investment portfolio**

(1) Weighted-average cash coupon is calculated using the applicable cash interest rate as of June 30, 2025 and is weighted based upon the principal amount of each debt investment as of June 30, 2025; excludes amortization of deferred debt origination fees and accretion of original issue discount, any fees payable upon repayment of the debt investment and any debt investments on non-accrual status

# Total Investment Portfolio

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

**Includes complementary Private Loan debt investments and LMM debt and equity investments**

**Total investment portfolio at fair value consists of approximately 60% Private Loan / 37% LMM<sup>(1)</sup> / 2% Middle Market<sup>(2)</sup> / 1% Other Portfolio<sup>(2)</sup> investments**

## Highly diversified investment portfolio

- 147 Private Loan, LMM<sup>(1)</sup> and Middle Market<sup>(2)</sup> portfolio companies
- Average investment size of \$8.0 million<sup>(3)(4)</sup>
- Largest individual portfolio companies represent 3.3%<sup>(5)</sup> of total investment income and 3.8% of total portfolio fair value (with most individual portfolio companies representing less than 1.0% of income and fair value)
- Investments on non-accrual status represent 2.6% of the total investment portfolio at fair value and 6.3% at cost
- Weighted-average effective yield of 11.9%<sup>(6)</sup>

## Also diversified across all key investment characteristics

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

(1) Effective as of the listing of MSIF's common shares on the NYSE on January 29, 2025, MSIF has stopped making investments in new LMM portfolio companies; as such, MSIF expects the size of its LMM investment portfolio to decline in future periods as its existing LMM investments are repaid or sold

(2) Middle Market investments and Other Portfolio investments, each as defined in MSIF's SEC filings; MSIF has generally stopped making new investments in these portfolios and expects the size of these investment portfolios to continue to decline in future periods as its existing investments in each portfolio are repaid or sold

(3) As of June 30, 2025; based on cost

(4) Excludes the Other Portfolio, as defined in MSIF's SEC filings, which represents 1% of total investment portfolio fair value as of June 30, 2025

(5) Based upon total investment income for the trailing twelve-month period ended June 30, 2025

(6) Weighted-average effective yield is calculated using the applicable interest rate as of June 30, 2025 and is weighted based upon the principal amount of each debt investment as of June 30, 2025; 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



# Portfolio Snapshot – Significant Diversification

(\$ in millions)	12/31/2022	12/31/2023	12/31/2024	6/30/2025
<b>Number of Portfolio Companies</b>				
Private Loan	70	78	84	82
Lower Middle Market	48	50	57	57
Middle Market	21	16	10	8
Other Portfolio	6	6	6	6
<b>Total</b>	<b>145</b>	<b>150</b>	<b>157</b>	<b>153</b>
<b>\$ Invested - Cost Basis</b>				
Private Loan	\$ 563.0	\$ 586.4	\$ 697.5	\$ 764.3
% of Total	53.1%	56.5%	61.3%	64.1%
Lower Middle Market	\$ 312.5	\$ 315.7	\$ 357.1	\$ 372.2
% of Total	29.5%	30.4%	31.4%	31.2%
Middle Market	\$ 159.7	\$ 114.7	\$ 66.3	\$ 40.1
% of Total	15.1%	11.0%	5.8%	3.4%
Other Portfolio	\$ 24.7	\$ 21.5	\$ 17.8	\$ 14.9
% of Total	2.3%	2.1%	1.5%	1.3%
<b>Total</b>	<b>\$ 1,059.9</b>	<b>\$ 1,038.3</b>	<b>\$ 1,138.7</b>	<b>\$ 1,191.5</b>

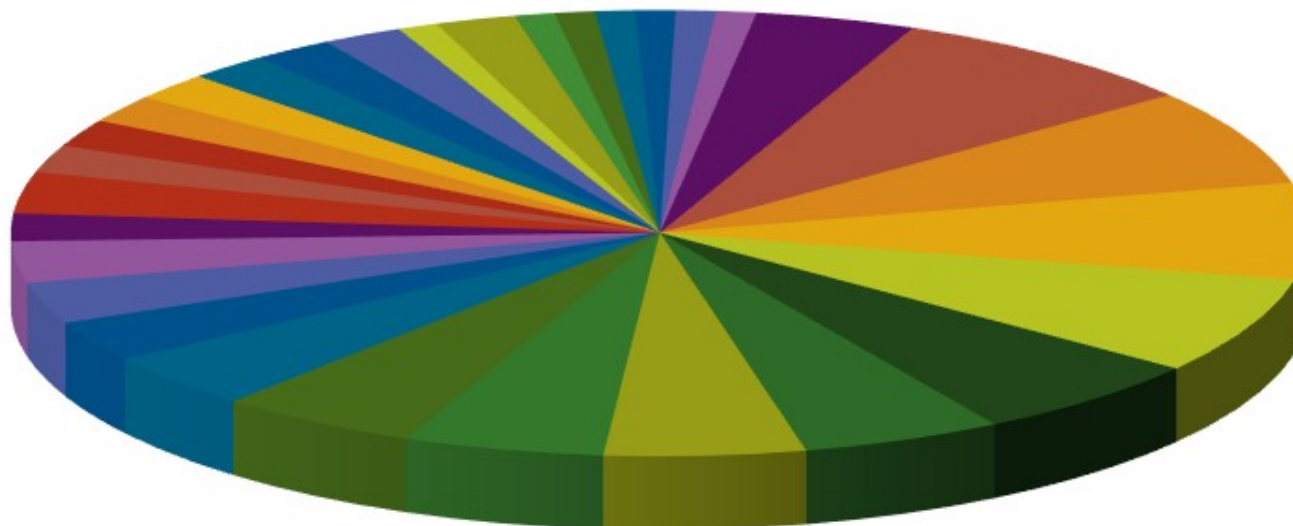
# Portfolio Snapshot – Significant Diversification (cont.)

(\$ in millions)	12/31/2022		12/31/2023		12/31/2024		6/30/2025
\$ Invested - Fair Value							
Private Loan	\$	559.8	\$	595.3	\$	677.9	\$ 741.6
% of Total		52.4%		54.4%		57.6%	59.5%
Lower Middle Market	\$	352.7	\$	387.0	\$	436.1	\$ 458.5
% of Total		33.0%		35.4%		37.0%	36.8%
Middle Market	\$	126.7	\$	86.0	\$	39.4	\$ 29.3
% of Total		11.9%		7.9%		3.3%	2.4%
Other Portfolio	\$	28.9	\$	24.6	\$	24.1	\$ 16.2
% of Total		2.7%		2.3%		2.1%	1.3%
Total	\$	1,068.1	\$	1,092.9	\$	1,177.5	\$ 1,245.6
% of Total \$ Invested in Debt (Cost Basis)							
Private Loan	\$	541.8	\$	552.0	\$	655.2	\$ 712.5
% of Total Private Loan		96.2%		94.1%		93.9%	93.2%
Lower Middle Market	\$	228.7	\$	221.6	\$	242.0	\$ 257.4
% of Total Lower Middle Market		73.2%		70.2%		67.8%	69.2%
Middle Market	\$	151.7	\$	106.8	\$	58.2	\$ 32.7
% of Total Middle Market		95.0%		93.1%		87.8%	81.5%
Total	\$	922.2	\$	880.4	\$	955.4	\$ 1,002.6
% of Total Portfolio		87.0%		84.8%		83.9%	84.1%

## Portfolio Snapshot – Significant Diversification (cont.)

(\$ in millions)	12/31/2022		12/31/2023		12/31/2024		6/30/2025
% of Total \$ Invested in Debt that is First Lien (Cost Basis)							
Private Loan	\$	538.6	\$	552.0	\$	655.1	\$ 712.5
% of Private Loan		99.4%		100.0%		99.9%	99.9%
Lower Middle Market	\$	228.4	\$	221.5	\$	241.9	\$ 257.4
% of Lower Middle Market		99.9%		99.9%		99.9%	99.0%
Middle Market	\$	149.4	\$	106.8	\$	58.2	\$ 32.7
% of Middle Market		98.5%		100.0%		100.0%	99.9%
Total	\$	916.4	\$	880.3	\$	955.2	\$ 1,002.6
% of Total Portfolio Debt Investments		99.4%		99.9%		99.9%	99.9%
% of Total Investment Portfolio		86.5%		84.8%		83.9%	84.1%

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

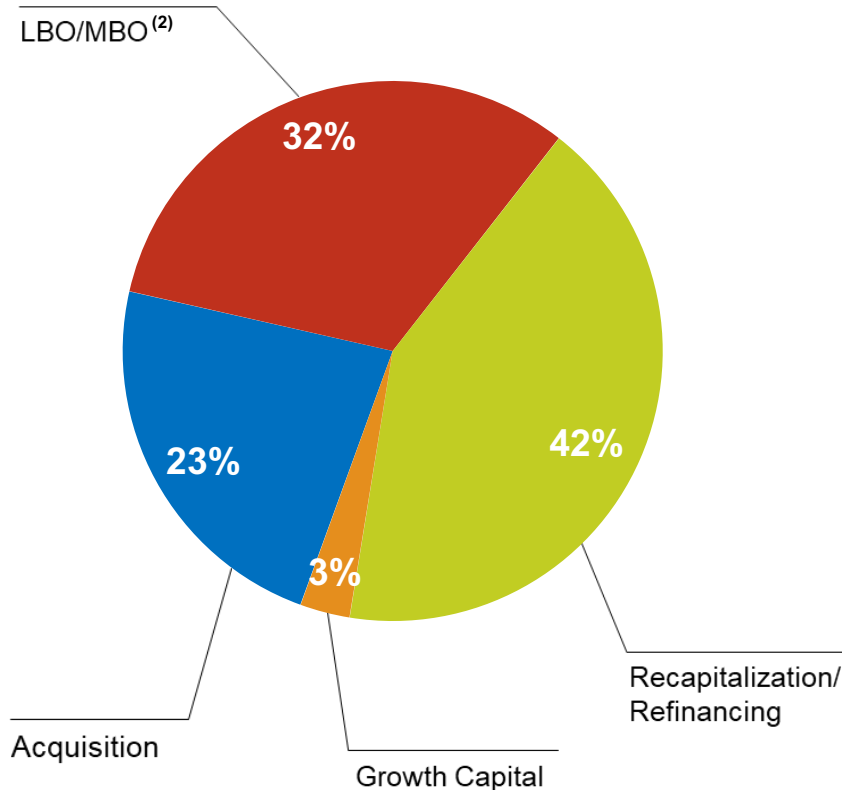


■ Electrical Equipment, 8%	■ Commercial Services & Supplies, 7%
■ Machinery, 7%	■ Internet Software & Services, 7%
■ Professional Services, 6%	■ Distributors, 5%
■ Containers & Packaging, 5%	■ IT Services, 5%
■ Diversified Consumer Services, 5%	■ Health Care Providers & Services, 4%
■ Leisure Equipment & Products, 3%	■ Auto Components, 3%
■ Hotels, Restaurants & Leisure, 3%	■ Chemicals, 2%
■ Textiles, Apparel & Luxury Goods, 3%	■ Specialty Retail, 2%
■ Communications Equipment, 2%	■ Computers & Peripherals, 2%
■ Construction & Engineering, 2%	■ Software, 2%
■ Energy Equipment & Services, 2%	■ Household Products, 2%
■ Marine, 1%	■ Internet & Catalog Retail, 2%
■ Food & Staples Retailing, 1%	■ Aerospace & Defense, 1%
■ Diversified Financial Services, 1%	■ Media, 1%
■ Oil, Gas & Consumable Fuels, 1%	■ Trading Companies & Distributors, 1%
■ Other, 4%	

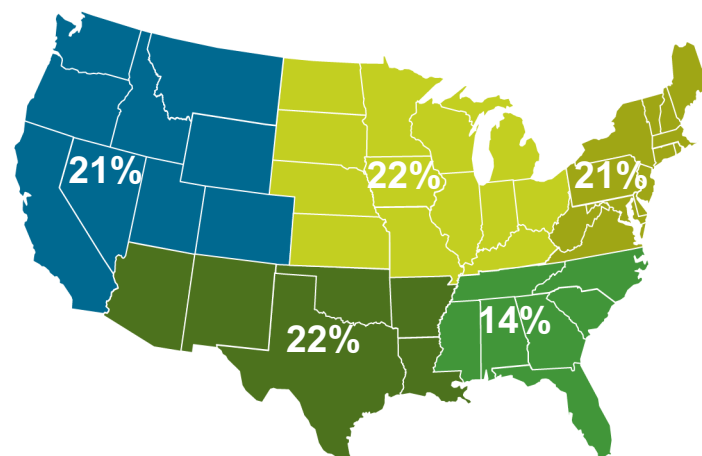
(1) Excluding MSIF's Other Portfolio investments, as described in MSIF's SEC filings, which in aggregate represent approximately 1% of the total investment portfolio at cost

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

## Invested Capital by Transaction Type



## Invested Capital by Geography<sup>(3)</sup>



- (1) Excluding MSIF's Other Portfolio investments, as described in MSIF's SEC filings, which in aggregate represent approximately 1% of the total investment portfolio at cost
- (2) Leveraged Buyout / Management Buyout
- (3) Based upon portfolio company headquarters and excluding any MSIF investments in portfolio companies headquartered outside of the U.S., which in aggregate represent approximately 2% of the total investment portfolio at cost



# Private Loan Investment Portfolio

**Private Loan investment portfolio provides a diversified mix of investments and sources of income to fund shareholder dividends**

**82 investments / \$741.6 million in fair value**

- 60% of total investment portfolio at fair value

**Average investment size of \$9.3 million<sup>(1)</sup> (less than 1% of total portfolio)**

**Investments in secured debt instruments**

- 93%<sup>(1)</sup> of Private Loan portfolio is secured debt
- Over 99%<sup>(1)</sup> of Private Loan debt portfolio is first lien term debt

**Debt yielding 11.5%<sup>(2)</sup>**

- 97%<sup>(1)</sup> of Private Loan debt investments bear interest at floating rates<sup>(3)</sup>, providing matching with MSIF's floating rate Credit Facilities<sup>(4)</sup>
- Over 500 basis point effective interest margin vs "matched" floating rate on MSIF's Credit Facilities<sup>(4)</sup>

(1) As of June 30, 2025; based on cost

(2) Weighted-average effective yield is calculated using the applicable interest rate as of June 30, 2025 and is weighted based upon the principal amount of each debt investment as of June 30, 2025; 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) Over 99% of floating interest rates on Private Loan debt investments are subject to contractual minimum "floor" rates

(4) The defined term and additional details for the Credit Facilities are included on page 13

# LMM Investment Portfolio

**LMM investment portfolio consists of a diversified mix of secured debt and lower cost basis equity investments**

**MSIF's long-term to permanent expected holding period for its LMM investments enhances the diversity and quality of its LMM investment portfolio**

**57 portfolio companies / \$458.5 million in fair value**

- 37% of total investment portfolio at fair value

**Average investment size of \$6.5 million at cost (less than 1% of total portfolio)**

**Debt yielding 13.1%<sup>(1)</sup> (69% of LMM portfolio at cost)**

- Over 99% of debt investments have first lien position
- 75% of debt investments earn fixed-rate interest

**Equity ownership in all LMM portfolio companies representing a 9% average ownership position (31% of LMM portfolio at cost)**

- Lower entry multiple valuations, lower cost basis
- Opportunity for dividend income, fair value appreciation and periodic capital gains
- 64% of LMM portfolio companies<sup>(2)</sup> with direct equity investment are currently paying dividends
- Fair value appreciation of equity investments supports Net Asset Value per share
- \$97.4 million, or \$2.07 per share, of cumulative pre-tax net unrealized appreciation on LMM equity investments as of June 30, 2025

(1) Weighted-average effective yield is calculated using the applicable interest rate as of June 30, 2025 and is weighted based upon the principal amount of each debt investment as of June 30, 2025; 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 portfolio companies that (a) MSIF has a direct equity investment in and (b) are flow-through entities for tax purposes; based upon dividend income for the trailing twelve-month period ended June 30, 2025

## Non-GAAP Information

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**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. MSIF believes presenting the Net Debt to NAV Ratio is useful and appropriate supplemental disclosure for analyzing its financial position and leverage. However, the Net Debt to NAV Ratio is a non-U.S. GAAP measure and should not be considered as a replacement for the Debt to NAV Ratio and other financial measures presented in accordance with U.S. GAAP. Instead, the Net Debt to NAV Ratio should be reviewed only in connection with such U.S. GAAP measures in analyzing MSIF's financial position.

# Appendix

# MSIF Income Statement Summary

(\$ in 000s, except per share amounts)	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q2 25 vs. Q2 24 % Change <sup>(1)</sup>
Total Investment Income	\$ 33,946	\$ 33,477	\$ 33,455	\$ 33,227	\$ 35,643	5%
Expenses:						
Interest Expense	(9,546)	(10,374)	(9,565)	(8,243)	(8,678)	9%
G&A Expense <sup>(2)</sup>	(6,444)	(6,785)	(6,532)	(6,173)	(6,228)	3%
Incentive Fee	(3,591)	(2,136)	(3,131)	(2,023)	(3,431)	4%
Net Investment Income (NII), Before Taxes	14,365	14,182	14,227	16,788	17,306	20%
Taxes:						
Excise, Federal and State Income and Other Tax Expense	(946)	(1,266)	(670)	(1,042)	(999)	(6)%
NII <sup>(3)</sup>	13,419	12,916	13,557	15,746	16,307	22%
Net Realized Gain (Loss)	314	25,372	(8,026)	(21,066)	4,779	NM
Net Unrealized Appreciation (Depreciation)	6,226	(29,749)	9,217	18,783	(3,904)	NM
Income Tax Benefit (Provision) on Net Realized Gain (Loss) and Net Unrealized Appreciation (Depreciation)	(1,830)	(1,168)	5,714	2,412	(893)	NM
Net Increase in Net Assets Resulting from Operations	\$ 18,129	\$ 7,371	\$ 20,462	\$ 15,875	\$ 16,289	(10)%
NII, Before Taxes Per Share <sup>(4)</sup>	\$ 0.36	\$ 0.35	\$ 0.35	\$ 0.38	\$ 0.37	3%
NII Per Share <sup>(3)(4)</sup>	\$ 0.33	\$ 0.32	\$ 0.34	\$ 0.35	\$ 0.35	6%

(1) Positive percentage represents an increase and negative percentage represents a decrease to the Net Increase in Net Assets Resulting from Operations

(2) Net of waiver of internal administrative services expense, as applicable

(3) NII for 2024 and the first quarter of 2025 have been revised to include the impact of excise tax and net investment income related federal and state income and other tax expenses previously included within a single disclosure of the total income tax provision; this correction was determined to be immaterial to all prior periods and had no impact on net increases in or net assets resulting from operations (i.e., net income) or the related per share amounts

(4) Adjusted for a two-for-one reverse stock split, effective as of December 16, 2024 and applied retrospectively

NM – Not Measurable / Not Meaningful

# MSIF Per Share Change in Net Asset Value (NAV)<sup>(1)</sup>

(\$ per share)	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
Beginning NAV	\$ 15.44	\$ 15.55	\$ 15.38	\$ 15.53	\$ 15.35
Net Investment Income <sup>(2)</sup>	0.33	0.32	0.34	0.35	0.35
Net Realized Gain/(Loss)	0.01	0.63	(0.20)	(0.47)	0.10
Net Unrealized Appreciation/(Depreciation)	0.16	(0.74)	0.23	0.42	(0.08)
Income Tax (Provision) Benefit on Net Realized Gain (Loss) and Net Unrealized Appreciation (Depreciation)	(0.05)	(0.03)	0.13	0.06	(0.02)
Net Increase in Net Assets Resulting from Operations	0.45	0.18	0.50	0.36	0.35
Regular Quarterly Dividends to Shareholders	(0.36)	(0.36)	(0.36)	(0.35)	(0.35)
Supplemental Quarterly Dividends to Shareholders	—	—	—	(0.01)	(0.01)
Accretive Effect of Stock Repurchases <sup>(3)</sup>	0.01	—	—	—	—
Dilutive Effect of Stock Offerings <sup>(4)</sup>	—	—	—	(0.16)	—
Other <sup>(5)</sup>	0.01	0.01	0.01	(0.02)	(0.01)
Ending NAV	\$ 15.55	\$ 15.38	\$ 15.53	\$ 15.35	\$ 15.33
Weighted Average Shares Outstanding	40,166,664	40,167,985	40,232,637	44,680,084	47,047,888

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

- (1) Adjusted for a two-for-one reverse stock split, effective as of December 16, 2024 and applied retrospectively
- (2) NII for 2024 and the first quarter of 2025 have been revised to include the impact of excise tax and net investment income related federal and state income and other tax expenses previously included within a single disclosure of the total income tax provision; this correction was determined to be immaterial to all prior periods and had no impact on net increases in or net assets resulting from operations (i.e., net income) or the related per share amounts
- (3) Per share impact of shares repurchased at a discount to NAV per share in connection with the modified Dutch auction tender offers (the Dutch Auctions); refer to MSIF's Annual Report on Form 10-K for the year ended December 31, 2024, which provides additional details on the Dutch Auctions
- (4) Per share impact of the follow-on equity offering completed in January 2025
- (5) Includes differences in weighted-average shares outstanding utilized for calculating changes in NAV during the period and actual shares outstanding utilized in computing ending NAV and other minor changes



# MSIF Balance Sheet Summary

(\$ in 000s)	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
Private Loan Portfolio Investments	\$ 665,860	\$ 679,863	\$ 677,878	\$ 767,780	\$ <b>741,572</b>
LMM Portfolio Investments	406,252	411,030	436,150	439,689	<b>458,464</b>
Middle Market Portfolio Investments	49,898	46,062	39,402	30,781	<b>29,298</b>
Other Portfolio Investments	26,298	25,672	24,077	22,603	<b>16,229</b>
Cash and Cash Equivalents	29,484	48,926	28,375	39,459	<b>28,338</b>
Other Assets	33,226	15,729	18,789	22,164	<b>19,166</b>
Total Assets	<u>\$ 1,211,018</u>	<u>\$ 1,227,282</u>	<u>\$ 1,224,671</u>	<u>\$ 1,322,476</u>	<u>\$ <b>1,293,067</b></u>
Credit Facilities <sup>(1)</sup>	\$ 401,688	\$ 406,688	\$ 415,688	\$ 420,688	\$ <b>389,000</b>
Series A Notes <sup>(2)</sup>	149,304	149,379	149,453	149,528	<b>149,602</b>
Other Liabilities	36,851	52,730	34,627	33,320	<b>31,677</b>
Net Asset Value	<u>623,175</u>	<u>618,485</u>	<u>624,903</u>	<u>718,940</u>	<u><b>722,788</b></u>
Total Liabilities and Net Assets	<u>\$ 1,211,018</u>	<u>\$ 1,227,282</u>	<u>\$ 1,224,671</u>	<u>\$ 1,322,476</u>	<u>\$ <b>1,293,067</b></u>

(1) The defined term and additional details for the Credit Facilities are included on page 13

(2) \$150.0 million par of Series A Notes due October 2026

# MSC Income Fund, Inc. Corporate Information

Please visit MSIF's website at [www.msincomefund.com](http://www.msincomefund.com) for additional information

## Board of Directors

Dwayne L. Hyzak  
CEO and Chairman of the Board  
MSC Income Fund, Inc.  
Chief Executive Officer  
Main Street Capital Corporation

Robert L. Kay  
CEO  
HalFILE Systems Corporation  
Interim CEO  
Myocardial Solutions, Inc.

John O. Niemann, Jr.  
President and COO  
Arthur Andersen LLP  
Board of Directors  
Hines Global Income Trust

Jeffrey B. Walker  
Retired Vice Chairman  
Deloitte Tax LLP  
Former Board Member  
Deloitte LLP

## Executive Officers

Dwayne L. Hyzak  
Chief Executive Officer

David L. Magdol  
President & Chief Investment Officer

Jesse E. Morris  
EVP, Chief Operating Officer & Senior Managing Director

Jason B. Beauvais  
EVP, General Counsel & Secretary

Cory E. Gilbert  
Chief Financial Officer

Ryan H. McHugh  
Chief Accounting Officer

Kristin L. Rininger  
Chief Compliance Officer & Deputy General Counsel

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Paul Johnson  
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Kenneth S. Lee  
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Brian McKenna  
Citizens  
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## Independent Registered Public Accounting Firm

Grant Thornton, LLP  
Houston, TX

## Corporate Counsel

Dechert, LLP  
Washington, D.C.

## Transfer Agent

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## Investor Relation Contacts

Dwayne L. Hyzak  
Chief Executive Officer

Cory E. Gilbert  
Chief Financial Officer

Alejandro Palomo  
VP, Investor Relations, Asset Management Business

Tel: (713) 350-6000

## Main Street's Investment Committee

Dwayne L. Hyzak, Chief Executive Officer

David L. Magdol, President & Chief Investment Officer

Vincent D. Foster, Chairman of Main Street's Board