
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2024

OR

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

For the transition period from to

Commission file number: 814-01154

AUDAX CREDIT BDC INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

47-3039124
(I.R.S. Employer
Identification No.)

320 PARK AVENUE
NEW YORK, NEW YORK
(Address of principal executive office)

10022
(Zip Code)

(212) 703-2700

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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

None.

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

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

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

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

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

The registrant had 52,502,906 shares of common stock, par value \$0.001 per share, outstanding as of November 13, 2024.

[Table of Contents](#)

AUDAX CREDIT BDC INC.
TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION:

Item 1. Financial Statements

Statements of Assets and Liabilities as of September 30, 2024 (unaudited) and December 31, 2023	2
Statements of Operations for the three and nine months ended September 30, 2024 (unaudited) and 2023 (unaudited)	3
Statements of Changes in Net Assets for the nine months ended September 30, 2024 (unaudited) and 2023 (unaudited)	4
Statements of Cash Flows for the nine months ended September 30, 2024 (unaudited) and 2023 (unaudited)	5
Schedules of Investments as of September 30, 2024 (unaudited) and December 31, 2023	6
Notes to Financial Statements (unaudited)	29

Item 2. [Management's Discussion and Analysis of Financial Condition and Results of Operations](#) 51

Overview	52
Results of Operations	53
Financial Condition, Liquidity and Capital Resources	55

Item 3. [Quantitative and Qualitative Disclosures About Market Risk](#) 63

Item 4. [Controls and Procedures](#) 63

PART II. [OTHER INFORMATION:](#)

Item 1. [Legal Proceedings](#) 64

Item 1A. [Risk Factors](#) 64

Item 2. [Unregistered Sales of Equity Securities and Use of Proceeds](#) 64

Item 3. [Defaults Upon Senior Securities](#) 64

Item 4. [Mine Safety Disclosures](#) 64

Item 5. [Other Information](#) 64

Item 6. [Exhibits](#) 65

[SIGNATURES](#) 66

[Table of Contents](#)

Audax Credit BDC Inc.
Statements of Assets and Liabilities
September 30, 2024 and December 31, 2023
(Expressed in U.S. Dollars)

	<u>September 30, 2024</u> <u>(unaudited)</u>	<u>December 31, 2023</u>
Assets		
Investments, at fair value		
Non-Control/Non-Affiliate investments (Cost of \$402,390,620 and \$390,471,358, respectively)	\$ 395,592,598	\$ 387,194,568
Cash and cash equivalents	21,068,881	20,940,279
Interest receivable	2,832,092	2,502,835
Receivable from investments sold	2,553,878	2,801,365
Receivable from bank loan repayment	152,705	25,710
Other assets	60,000	—
Total Assets	<u>\$ 422,260,154</u>	<u>\$ 413,464,757</u>
Liabilities		
Payable for investments purchased	\$ 7,768,063	\$ 2,455,000
Fees due to investment advisor, net of waivers ^(a)	1,253,023	1,283,932
Fee due to administrator ^(a)	66,250	66,250
Accrued expenses and other liabilities	565,445	575,297
Total Liabilities	<u>\$ 9,652,781</u>	<u>\$ 4,380,479</u>
Commitments and contingencies ^(b)		
Net Assets		
Common stock, \$0.001 par value per share, 100,000,000 shares authorized, 45,266,064 and 44,518,989 shares issued and outstanding, respectively	\$ 45,266	\$ 44,519
Capital in excess of par value	427,441,550	420,442,206
Total distributable loss	(14,879,443)	(11,402,447)
Total Net Assets	<u>\$ 412,607,373</u>	<u>\$ 409,084,278</u>
Net Asset Value per Share of Common Stock at End of Period	\$ 9.12	\$ 9.19
Shares Outstanding	45,266,064	44,518,989

^(a) Refer to Note 4-*Related Party Transactions* for additional information.

^(b) Refer to Note 9-*Commitments and Contingencies* for additional information.

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

[Table of Contents](#)

Audax Credit BDC Inc.
Statements of Operations
(Expressed in U.S. Dollars)
(unaudited)

	<u>Three Months Ended</u> <u>September 30, 2024</u>	<u>Three Months Ended</u> <u>September 30, 2023</u>	<u>Nine Months Ended</u> <u>September 30, 2024</u>	<u>Nine Months Ended</u> <u>September 30, 2023</u>
Investment Income				
Interest income				
Non-Control/Non-Affiliate	\$ 10,673,020	\$ 10,798,191	\$ 31,618,189	\$ 31,370,065
Other	89,706	87,639	332,334	213,217
Total interest income	<u>10,762,726</u>	<u>10,885,830</u>	<u>31,950,523</u>	<u>31,583,282</u>
Other income				
Non-Control/Non-Affiliate	66,642	121,841	110,594	193,094
Total income	<u>10,829,368</u>	<u>11,007,671</u>	<u>32,061,117</u>	<u>31,776,376</u>
Expenses				
Base management fee ^(a)	\$ 1,061,088	\$ 1,022,684	\$ 3,158,434	\$ 3,215,515
Incentive fee ^(a)	1,465,399	1,487,402	4,315,250	4,234,793
Interest expense ^(b)	—	27,390	—	446,070
Professional fees	147,656	190,921	503,583	402,827
Directors' fees	69,000	63,750	216,000	191,250
Administrative fee ^(a)	66,250	66,250	198,750	198,750
Other expenses	88,118	79,267	323,544	217,501
Expenses before waivers from investment adviser and administrator	2,897,511	2,937,664	8,715,561	8,906,706
Base management fee waivers ^(a)	(371,381)	(357,939)	(1,105,452)	(1,125,430)
Incentive fee waivers ^(a)	(902,083)	(893,033)	(2,694,707)	(2,671,096)
Total expenses, net of waivers	<u>1,624,047</u>	<u>1,686,692</u>	<u>4,915,402</u>	<u>5,110,180</u>
Net Investment Income	<u>9,205,321</u>	<u>9,320,979</u>	<u>27,145,715</u>	<u>26,666,196</u>
Realized and Unrealized (Loss) Gain on Investments				
Net realized loss on investments	(181,064)	(22,470)	(394,505)	(179,719)
Net change in unrealized (depreciation) appreciation on investments	(1,364,648)	934,462	(3,521,232)	(866,424)
Net realized and unrealized (loss) gain on investments	<u>(1,545,712)</u>	<u>911,992</u>	<u>(3,915,737)</u>	<u>(1,046,143)</u>
Net Increase in Net Assets Resulting from Operations	<u>\$ 7,659,609</u>	<u>\$ 10,232,971</u>	<u>\$ 23,229,978</u>	<u>\$ 25,620,053</u>
Basic and Diluted per Share of Common Stock:				
Net investment income	<u>\$ 0.20</u>	<u>\$ 0.21</u>	<u>\$ 0.60</u>	<u>\$ 0.60</u>
Net increase in net assets resulting from operations	<u>\$ 0.17</u>	<u>\$ 0.23</u>	<u>\$ 0.51</u>	<u>\$ 0.57</u>
Weighted average shares of common stock outstanding basic and diluted	45,266,061	45,150,215	45,343,957	44,710,583

^(a) Refer to Note 4-*Related Party Transactions* for additional information

^(b) Refer to Note 8-*Borrowings* for additional information.

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

[Table of Contents](#)

Audax Credit BDC Inc.
Statements of Changes in Net Assets
(Expressed in U.S. Dollars)
(unaudited)

	<u>Nine Months Ended September 30, 2024</u>	<u>Nine Months Ended September 30, 2023</u>
Operations		
Net investment income	\$ 27,145,715	\$ 26,666,196
Net realized loss on investments	(394,505)	(179,719)
Net change in unrealized depreciation on investments	<u>(3,521,232)</u>	<u>(866,424)</u>
Net increase in net assets resulting from operations	<u>23,229,978</u>	<u>25,620,053</u>
Distributions:		
Distributions of ordinary income to common stockholders ^(a)	<u>(26,706,974)</u>	<u>(17,695,204)</u>
Total distributions	<u>(26,706,974)</u>	<u>(17,695,204)</u>
Capital Share Transactions:		
Issuance of common stock	37,000,000	30,000,000
Repurchases of common stock ^(a)	(30,000,000)	(47,515,735)
Reinvestment of common stock	91	58
Net decrease in net assets from capital share transactions	<u>7,000,091</u>	<u>(17,515,677)</u>
Net Increase (Decrease) in Net Assets	3,523,095	(9,590,828)
Net Assets, Beginning of Period	409,084,278	428,477,678
Net Assets, End of Period	<u>\$ 412,607,373</u>	<u>\$ 418,886,850</u>

(a) Refer to Note 6-Income Tax for additional information

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

[Table of Contents](#)

Audax Credit BDC Inc.
Statements of Cash Flows
(Expressed in U.S. Dollars)
(unaudited)

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Cash flows from operating activities:		
Net increase in net assets resulting from operations	\$ 23,229,978	\$ 25,620,053
Adjustments to reconcile net increase in net assets from operations to net cash provided by operating activities:		
Net realized loss on investments	394,505	179,719
Net change in unrealized depreciation on investments	3,521,232	866,424
Accretion of original issue discount interest and payment-in-kind interest	(1,138,332)	(693,623)
Decrease in receivable from investments sold	247,487	4,415,431
(Increase) decrease in interest receivable	(329,257)	578
(Increase) decrease in receivable from bank loan repayment	(126,995)	33,651
Increase in other assets	(60,000)	(56,250)
Decrease in accrued expenses and other liabilities	(9,852)	(263,496)
(Decrease) increase in fees due to investment advisor ^(a)	(30,909)	121,805
Increase in payable for investments purchased	5,313,063	2,241,489
Investment activity:		
Investments purchased	(91,535,770)	(42,408,257)
Proceeds from investments sold	15,229,825	34,263,233
Repayment of bank loans	65,130,510	37,397,666
Total investment activity	(11,175,435)	29,252,642
Net cash provided by operating activities	19,835,485	61,718,423
Cash flows from financing activities:		
Issuance of shares of common stock	37,000,000	30,000,000
Repurchases of shares of common stock	(30,000,000)	(47,515,735)
Distributions paid to common stockholders	(26,706,883)	(17,695,146)
Repayments of short-term borrowings ^(b)	—	(13,178,611)
Net cash used in financing activities	(19,706,883)	(48,389,492)
Net increase in cash and cash equivalents	128,602	13,328,931
Cash and cash equivalents:		
Cash and cash equivalents, beginning of period	20,940,279	15,923,163
Cash and cash equivalents, end of period	\$ 21,068,881	\$ 29,252,094
Supplemental cash flow information		
Interest paid on short-term financing	\$ —	\$ 578,108
Supplemental non-cash information		
Issuance of common shares in connection with dividend reinvestment plan	\$ 91	\$ 58
Payment-in-kind (“PIK”) interest income	\$ 501,279	\$ 157,370

^(a) Refer to Note 4-*Related Party Transactions* for additional information

^(b) Refer to Note 8-*Borrowings* for additional information.

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments
As of September 30, 2024
(Expressed in U.S. Dollars)
(unaudited)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (')	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS - (94.3%)										
(g) (h) (i):										
<i>Services: Business</i>										
LegalShield	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	8.34 %	12/7/2021	12/15/2028	\$ 4,387,500	\$ 4,359,043	\$ 4,389,682
Vortex	(j)	Unitranche Initial Term Loan	S+	5.00 %	9.59 %	9/1/2023	9/4/2029	4,245,761	4,176,664	4,245,761
Industrial Services Group	(j)	Unitranche Initial Term Loan	S+	5.75 %	10.34 %	12/7/2022	12/7/2028	4,126,419	4,040,077	4,126,419
InnovateMR	(j)	Unitranche Initial Term Loan	S+	6.00 %	10.59 %	12/16/2021	1/20/2028	4,130,501	4,086,700	4,115,320
CoAdvantage		Senior Secured 2023 1L Refinancing Term Loan (First Lien)	S+	5.50 %	10.09 %	8/2/2023	8/2/2029	3,811,500	3,811,500	3,782,914
Amplix		Unitranche First Amendment Term Loan	S+	6.25 %	10.84 %	10/19/2023	10/18/2029	3,739,875	3,649,313	3,739,875
Golden Source		Unitranche Initial Term Loan	S+	5.50 %	10.09 %	3/25/2022	5/12/2028	3,385,186	3,316,140	3,385,186
Eliassen		Unitranche Initial Term Loan	S+	5.75 %	10.34 %	3/31/2022	4/14/2028	3,423,963	3,384,682	3,372,603
Discovery Education		Unitranche Initial Term Loan (First Lien)	S+	5.75 %	10.34 %	3/25/2022	4/9/2029	3,739,534	3,692,003	3,178,604
Kept Companies		Senior Secured Term Loan	S+	5.25 %	9.84 %	4/30/2024	4/30/2029	3,143,790	3,092,698	3,128,071
		Senior Secured Closing Date Initial Term Loan	S+	4.75 %	9.34 %	8/4/2021	8/11/2028	2,978,418	2,959,334	2,948,593
CoolSys	(k)	Unitranche Initial Term Loan	S+	5.75 %	10.34 %	12/10/2021	11/30/2027	2,941,558	2,921,529	2,919,497
The Facilities Group		Senior Secured Initial Term Loan	S+	6.00 %	10.59 %	11/2/2020	11/3/2027	2,421,528	2,392,382	2,409,421
Veregy		Senior Secured Initial Term Loan (First Lien)	S+	4.75 %	9.34 %	7/17/2024	4/26/2029	1,994,911	1,989,911	2,005,245
Epiq	(k)	Senior Secured Initial Term Loan	S+	3.50 %	8.09 %	12/9/2021	12/15/2028	1,950,000	1,937,409	1,952,028
Mediaocean	(k)	Unitranche Initial Term Loan	S+	5.75 %	10.34 %	6/6/2022	6/15/2028	1,910,909	1,883,366	1,910,909
Liberty Group	(j)	Senior Secured Delayed Draw Term Loan D	S+	5.00 %	9.59 %	9/16/2022	3/12/2027	1,895,795	1,857,156	1,895,795
VC3	(j)	Unitranche First Amendment Term Loan	S+	6.50 %	11.09 %	12/23/2022	1/20/2028	1,832,782	1,790,958	1,832,782
InnovateMR		Senior Secured Initial Dollar Term Loan (First Lien)	S+	3.75 %	8.34 %	3/6/2020	4/9/2027	1,730,009	1,723,129	1,697,243
Duff & Phelps	(k)	Senior Secured Initial Term Loan	S+	5.00 %	9.59 %	9/23/2024	9/27/2031	1,557,740	1,539,951	1,542,162
Vensure	(k)	Senior Secured Initial Term Loan	S+	4.25 %	8.84 %	4/2/2024	5/6/2031	1,496,250	1,489,017	1,507,008
Paradigm Outcomes	(k)	Senior Secured Initial Term Loan	S+	5.75 %	10.34 %	9/13/2024	9/15/2029	1,500,000	1,470,000	1,470,000
Argano	(k)	Senior Secured Initial Term Loan	S+	4.75 %	9.34 %	7/18/2022	7/13/2029	1,476,203	1,453,939	1,461,441
Vistage		Unitranche Closing Date Term Loan	S+	6.00 %	10.59 %	9/22/2021	9/22/2028	1,455,000	1,435,604	1,444,088
Insight Global		Senior Secured Initial Term Loan	S+	4.00 %	8.59 %	1/19/2022	12/29/2028	1,438,214	1,435,793	1,407,652
Addison Group	(k)	Senior Secured Initial Term Loan	S+	5.25 %	9.84 %	12/1/2023	12/12/2029	1,079,833	1,058,953	1,067,685
Heartland		Senior Secured Term Loan A	S+	6.25 %	10.84 %	3/31/2023	3/30/2029	1,060,622	1,032,769	1,057,970
Health Management Associates		Senior Secured First Amendment Incremental Term Loan	S+	5.00 %	9.59 %	11/9/2023	3/12/2029	992,500	970,726	995,507
Colibri	(k)	Senior Secured Initial Term Loan	S+	5.25 %	9.84 %	10/20/2023	10/31/2030	994,962	981,273	994,962
Allied Benefit Systems		Senior Secured Initial Term Loan	S+	4.75 %	9.34 %	8/1/2024	8/1/2031	1,000,000	985,829	992,500
Aprio		Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	8.34 %	11/19/2021	12/8/2028	975,002	971,877	975,768
TRC Companies	(k)	Senior Secured Tranche B-1 Term Loan (First Lien)	S+	4.00 %	8.59 %	12/1/2020	2/4/2027	962,318	962,318	967,562
eResearch	(k)	Senior Secured 2024 Refinancing Term Loan	S+	3.50 %	8.09 %	12/13/2019	1/8/2027	957,500	954,028	958,797
WIRB-Copernicus Group	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.75 %	9.34 %	12/16/2021	12/29/2028	958,487	955,211	953,694
Secretariat International		Senior Secured Term B Loan	S+	4.75 %	9.34 %	5/21/2021	5/27/2028	900,788	895,542	898,536
Divisions Maintenance Group	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	8.84 %	12/9/2021	3/6/2028	969,849	968,382	876,501
trustaff		Senior Secured Term B-3 Loan (First Lien)	S+	3.50 %	8.09 %	8/2/2024	2/1/2031	498,750	497,540	500,054
Ahead	(k)	Senior Secured Initial Term Loan	S+	3.75 %	8.34 %	7/24/2024	7/31/2031	500,000	497,500	497,786
Geosyntec	(k)	Senior Secured Closing Date Term Loan	S+	3.50 %	8.09 %	8/2/2024	10/1/2031	500,000	497,500	497,500
Perficient	(k)	Senior Secured 2024 Incremental Term Loan (First Lien)	S+	4.00 %	8.59 %	3/25/2024	9/27/2030	498,741	492,961	496,247
HireRight	(k)	Senior Secured Initial Term Loan	S+	5.00 %	9.59 %	3/31/2023	5/2/2030	495,000	482,707	493,763
S&P Engineering Solutions		Senior Secured Relevant Term Loan	S+	3.50 %	8.09 %	2/8/2024	10/30/2027	496,186	496,348	490,604
Service Logic		Senior Secured 2024 Refinancing Term Loan	S+	3.75 %	8.34 %	1/28/2021	3/2/2028	483,750	482,475	478,308
System One		Senior Secured Revolving Loan	S+	5.75 %	10.34 %	12/7/2022	12/7/2028	363,810	346,667	363,810
Industrial Services Group	(j)	Senior Secured Revolving Loan	S+	5.50 %	10.09 %	3/25/2022	5/12/2028	347,418	338,028	347,418
Golden Source		Senior Secured Last-Out Term Loan	S+	6.25 %	10.84 %	11/30/2023	11/30/2028	312,562	312,562	310,999
OSG Billing Services		Senior Secured First-Out Term Loan	S+	8.00 %	12.59 %	11/30/2023	5/30/2028	219,341	209,666	218,244
OSG Billing Services		Senior Secured Revolving Credit Loan (First Lien)	S+	5.75 %	10.34 %	3/25/2022	4/9/2029	230,769	226,731	196,154
Discovery Education		Senior Secured Revolving Loan	S+	5.75 %	10.34 %	6/6/2022	12/15/2028	79,545	75,000	79,545
Liberty Group	(j)	Senior Secured Revolving Loan	S+	4.75 %	9.34 %	8/1/2024	8/1/2031	79,898	79,399	79,299
Aprio		Senior Secured Revolving Credit	S+	5.00 %	9.59 %	7/21/2022	3/12/2027	76,923	74,231	76,923
VC3	(j)	Senior Secured Revolving Loan	S+	5.00 %	9.59 %	9/1/2023	9/4/2029	72,783	38,267	72,783
Vortex	(j)	Senior Secured Revolving Credit Loan	S+	5.25 %	9.84 %	12/1/2023	12/12/2029	39,655	35,517	39,209
Heartland		Senior Secured Revolving Loan	S+	6.25 %	10.84 %	3/31/2023	3/30/2029	10,657	8,526	10,631
Health Management Associates		Senior Secured Revolving Credit Loan	S+	5.00 %	9.59 %	3/31/2023	5/2/2029	—	(1,471)	—
S&P Engineering Solutions		Senior Secured Revolving Loan	S+	5.25 %	9.84 %	4/30/2024	4/30/2029	—	(7,131)	—
Kept Companies		Senior Secured Revolving Credit Loan	S+	6.25 %	10.84 %	10/19/2023	10/18/2029	—	(8,242)	—
Amplix										
									<u>81,799,987</u>	<u>81,857,058</u>

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of September 30, 2024
(Expressed in U.S. Dollars)
(unaudited)

Portfolio Investments (a)	Footnote Reference	Investment Type	Index (c)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
(b) (c) (d) (e) (f)										
BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS - (94.3%) (g) (h) (i) (Continued):										
<i>Healthcare & Pharmaceuticals</i>										
American Vision										
Partners	(j)	Unitranche Initial Term Loan	S+	6.00 %	10.59 %	9/22/2021	9/30/2027	\$ 4,860,901	\$ 4,811,692	\$ 4,860,901
Minds + Assembly	(j)	Unitranche Initial Term Loan	S+	5.75 %	10.34 %	5/3/2023	5/3/2029	4,048,137	3,958,609	4,048,137
Radiology Partners	(k)	Senior Secured Term B Loan	S+	3.50%, 1.50 % PIK	9.59 %	6/28/2018	1/31/2029	3,761,315	3,818,330	3,695,510
OrthoNebraska	(j)	Unitranche Term Loan	S+	6.50 %	11.09 %	7/31/2023	7/31/2028	3,352,242	3,258,164	3,352,242
PharMedQuest	(j)	Unitranche Term A Loan	S+	5.25 %	9.84 %	11/6/2019	11/6/2025	3,263,398	3,263,857	3,263,398
InterMed	(j)	Unitranche Initial Term Loan	S+	6.50 %	11.09 %	12/22/2022	12/24/2029	2,985,961	2,916,604	2,985,961
RevHealth	(j)	Unitranche Initial Term Loan	S+	5.75 %	10.34 %	7/22/2022	7/21/2028	4,195,206	4,135,929	2,947,114
Advancing Eyecare		Senior Secured Initial Term Loan	S+	5.75 %	10.34 %	5/27/2022	6/13/2029	2,487,240	2,436,709	2,193,435
TEAM Services		Senior Secured Incremental Term Loan (First Lien)	S+	5.25 %	9.84 %	6/28/2024	12/20/2027	2,000,000	1,961,765	2,000,000
Gastro Health		Senior Secured Initial Term Loan (First Lien)	S+	4.50 %	9.09 %	7/2/2021	7/3/2028	1,941,044	1,934,023	1,887,665
InHealth Medical Alliance	(o)	Unitranche Initial Term Loan	S+	7.00 % PIK	11.59 %	6/25/2021	6/28/2028	3,594,124	3,573,089	1,868,945
Advanced Diabetes Supply		Senior Secured First Incremental Term Loan	S+	5.00 %	9.59 %	7/13/2021	12/30/2027	1,820,953	1,810,132	1,820,953
Therapy Brands		Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	8.59 %	5/12/2021	5/18/2028	1,830,242	1,824,667	1,793,637
U.S. Foot and Ankle Specialists		Senior Secured Term Loan	S+	5.75 %	10.34 %	4/17/2024	9/15/2026	1,726,551	1,706,156	1,713,602
Upstream Rehabilitation	(k)	Senior Secured August 2021 Incremental Term Loan (First Lien)	S+	4.25 %	8.84 %	10/24/2019	11/20/2026	1,916,859	1,915,377	1,668,732
Blue Cloud		Senior Secured Closing Date Term Loan	S+	4.75 %	9.34 %	12/13/2021	1/21/2028	1,670,875	1,655,364	1,658,343
MedRisk	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	8.34 %	4/1/2021	5/10/2028	1,482,429	1,477,016	1,484,282
Mission Vet Partners	(k)	Senior Secured 2024 New Term Loan	S+	3.75 %	8.34 %	6/11/2024	4/27/2028	1,458,844	1,448,753	1,460,820
Quantum Health		Senior Secured Amendment No. 1 Refinancing Term Loan (First Lien)	S+	4.25 %	8.84 %	12/18/2020	12/22/2027	1,451,250	1,439,878	1,451,250
Forefront	(k)	Senior Secured Term B-1 Loan	S+	5.50 %	10.09 %	12/14/2023	3/30/2029	1,492,500	1,462,457	1,426,136
Symplr	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.50 %	9.09 %	11/23/2020	12/22/2027	1,447,500	1,436,111	1,325,910
nThrive		Senior Secured Initial Loan (Second Lien)	S+	6.75 %	11.34 %	11/19/2021	12/17/2029	2,000,000	1,981,236	1,300,000
Ivy Rehab		Senior Secured Initial Term Loan (First Lien)	S+	5.00 %	9.59 %	3/11/2022	4/23/2029	1,298,378	1,276,282	1,278,903
Micro Merchant Systems		Unitranche Initial Term Loan	S+	4.75 %	9.34 %	3/2/2022	12/14/2027	1,204,745	1,195,717	1,201,734
Solis Mammography		Senior Secured Initial Term Loan (First Lien)	S+	4.50 %	9.09 %	4/1/2021	4/17/2028	1,050,980	1,045,323	1,048,353
MB2 Dental		Unitranche Initial Term Loan	S+	6.00 %	10.59 %	2/5/2024	2/13/2031	1,013,890	1,003,661	1,011,356
Press Ganey	(k)	Senior Secured Initial Term Loan (2024) (First Lien)	S+	3.50 %	8.09 %	4/24/2024	4/30/2031	1,000,000	990,357	990,020
Solis Mammography		Senior Secured Initial Term Loan (Second Lien)	S+	8.00 %	12.59 %	4/1/2021	4/16/2029	1,000,000	990,595	997,500
PharMedQuest		Unitranche Fifth Amendment Incremental Term Loan	S+	5.25 %	9.84 %	10/27/2023	11/6/2025	990,000	980,667	990,000
Cirtec Medical		Senior Secured U.S. Dollar Term Loan	S+	5.00 %	9.59 %	1/30/2023	1/30/2029	985,000	960,184	980,075
Epic Staffing Group		Senior Secured Initial Term Loan	S+	6.00 %	10.59 %	6/27/2022	6/28/2029	979,593	934,045	964,899
NSM	(j)(k)	Senior Secured Amendment No. 6 Incremental Term Loan	S+	5.25 %	9.84 %	8/5/2024	5/14/2029	955,000	952,613	958,610
Wedgewood		Senior Secured Initial Term Loan	S+	4.25 %	8.84 %	2/24/2021	3/31/2028	970,000	964,146	957,875
Forefront	(k)	Senior Secured Closing Date Term Loan	S+	4.25 %	8.84 %	3/23/2022	3/30/2029	977,797	965,776	934,320
nThrive		Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	8.59 %	11/19/2021	12/18/2028	975,000	972,250	780,000
ImageFirst		Senior Secured 2024 Refinancing Term Loan	S+	4.25 %	8.84 %	4/26/2021	4/27/2028	974,147	972,429	591,176
MyEyeDr	(k)	Senior Secured Eighth Amendment Refinancing Term Loan (First Lien)	S+	4.00 %	8.59 %	4/15/2024	4/15/2031	514,577	514,577	515,974
Cirtec Medical	(j)	Senior Secured Amendment No. 1 Incremental Term Loan	S+	5.00 %	9.59 %	7/2/2024	1/30/2029	498,750	492,361	496,256
Paradigm Oral Health	(j)(k)	Senior Secured Initial Term Loan	S+	4.75 %	9.34 %	9/30/2024	11/16/2028	495,238	472,762	492,762
TEAM Services	(k)	Senior Secured Term Loan (First Lien)	S+	5.00 %	9.59 %	1/25/2024	12/20/2027	496,144	493,941	491,555
Confluent Health		Senior Secured Amendment No. 1 Term Loan	S+	7.50 %	12.09 %	4/11/2023	11/30/2028	492,500	465,694	481,419
AccentCare		Senior Secured Tranche B Term Loan	S+	4.00 %	8.59 %	6/15/2021	9/20/2028	483,844	483,844	468,119
InterMed	(j)	Senior Secured Revolving Loan	S+	6.50 %	11.09 %	12/22/2022	12/22/2028	464,363	442,765	464,363
TEAM Services	(j)(k)	Senior Secured Term Loan (Second Lien)	S+	9.00 %	13.59 %	1/5/2024	12/18/2028	410,000	407,950	407,950
RMP & MedA/Rx		Senior Secured Term Loan	S+	4.75 %	9.34 %	3/22/2021	2/6/2026	377,041	376,500	364,787
Western Dental		Senior Secured Second-Out Term Loan (Tranche B)	S+	1.00%, 6.25 % PIK	11.84 %	6/14/2024	8/18/2028	505,508	402,754	328,580
RMP & MedA/Rx		Senior Secured Term Loan (First Lien)	S+	4.75 %	9.34 %	2/27/2017	2/6/2026	321,058	321,059	310,624
UDG	(l)	Senior Secured Initial Dollar Term Loan (First Lien)	S+	4.25 %	8.84 %	8/6/2021	8/19/2028	315,938	314,242	310,409
Solis Mammography		Senior Secured 2024 Incremental Term Loan	S+	4.50 %	9.09 %	3/23/2024	4/17/2028	199,000	196,344	198,503
AccentCare		Senior Secured Tranche A Term Loan	S+	5.50 %	10.09 %	2/5/2024	6/20/2028	119,820	116,006	116,525
Western Dental		Senior Secured First-Out Term Loan (Tranche A-1)	S+	6.50 %	11.09 %	6/18/2024	5/18/2028	93,501	88,301	93,501
RevHealth	(j)	Senior Secured Revolving Loan	S+	5.75 %	10.34 %	7/22/2022	7/21/2028	102,740	102,740	72,174
Ivy Rehab		Senior Secured Revolving Credit Loan (First Lien)	S+	4.75 %	9.34 %	3/11/2022	4/21/2028	55,219	51,852	54,391
OrthoNebraska	(j)	Senior Secured Revolving Loan	S+	6.50 %	11.09 %	7/31/2023	7/31/2028	—	(13,724)	—
Minds + Assembly	(j)	Senior Secured Revolving Loan	S+	5.75 %	10.34 %	5/3/2023	5/3/2029	—	(18,789)	—
								<u>73,761,144</u>	<u>69,568,686</u>	

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of September 30, 2024
(Expressed in U.S. Dollars)
(unaudited)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (°)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS (h) (i) (Continued):										
<i>Banking, Finance, Insurance & Real Estate</i>										
Cerity Partners		Unitranche Initial Term Loan	S+	5.25 %	9.84 %	7/28/2022	7/28/2029	\$ 4,566,308	\$ 4,510,249	\$ 4,566,308
Cherry Bekaert	(j)	Unitranche Term B Loan	S+	5.25 %	9.84 %	6/13/2022	6/30/2028	4,406,463	4,327,190	4,406,463
Alera		Unitranche 2022 Incremental Term Loan	S+	5.25 %	9.84 %	8/31/2022	10/2/2028	3,927,833	3,866,966	3,918,014
Confluence		Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	8.34 %	7/22/2021	7/31/2028	3,890,000	3,876,193	3,544,763
Ascensus	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.50 %	8.09 %	11/17/2021	8/2/2028	2,843,804	2,835,753	2,847,373
Prime Pensions	(j)	Unitranche Initial Term Loan	S+	5.25 %	9.84 %	2/20/2024	2/26/2030	2,700,000	2,629,067	2,700,000
EPIC Insurance		Unitranche Refinancing Tranche B Term Loan	S+	4.50 %	9.09 %	8/27/2021	9/29/2028	2,115,833	2,092,017	2,099,964
Kestra Financial	(k)	Senior Secured Restatement Term Loan	S+	4.00 %	8.59 %	3/19/2024	3/22/2031	1,995,000	1,990,269	2,003,100
Beta+		Senior Secured Initial Term Loan	S+	5.75 %	10.34 %	6/24/2022	7/2/2029	1,960,000	1,865,520	1,920,800
Orion	(k)	Senior Secured 2021 Refinancing Term Loan (First Lien)	S+	3.75 %	8.34 %	8/4/2020	9/24/2027	1,443,881	1,436,288	1,443,679
EdgeCo		Senior Secured Third Amendment Term Loan (First Lien)	S+	4.75 %	9.34 %	3/29/2022	6/1/2026	1,231,092	1,218,280	1,228,014
SIAA	(j)	Unitranche Initial Term Loan	S+	6.25 %	10.84 %	4/21/2021	4/28/2028	1,140,192	1,127,415	1,140,192
Osaic	(j)(k)	Senior Secured Term B-3 Loan	S+	4.00 %	8.59 %	8/16/2023	8/17/2028	1,008,615	1,000,412	998,997
Steward Partners		Senior Secured Closing Date Term B Loan	S+	5.50 %	10.09 %	12/8/2023	10/14/2028	977,417	955,537	972,530
LERETA		Senior Secured Initial Term Loan	S+	5.25 %	9.84 %	7/27/2021	7/30/2028	970,000	963,804	931,200
OneDigital	(k)	Senior Secured Closing Date Term Loan (First Lien)	S+	3.25 %	7.84 %	6/13/2024	7/2/2031	748,125	744,375	743,139
Cherry Bekaert		Unitranche Amendment No. 1 Term Loan	S+	5.25 %	9.84 %	10/11/2023	6/30/2028	720,926	708,487	720,926
AssetMark	(k)	Senior Secured Initial Term Loan	S+	3.00 %	7.59 %	6/3/2024	9/5/2031	500,000	498,063	494,765
Integro	(m)	Senior Secured 2022 Refinancing Term Loan (First Lien)	S+	12.25 % PIK	16.84 %	10/9/2015	10/30/2024	258,377	258,931	258,377
Beta+		Senior Secured Revolving Credit Loan	S+	4.50 %	9.09 %	6/24/2022	7/1/2027	132,619	126,403	129,966
EPIC Insurance		Senior Secured Refinancing Revolving Loan	S+	4.50 %	9.09 %	8/27/2021	9/29/2028	57,139	56,870	56,711
Steward Partners		Senior Secured Revolving Loan	S+	5.50 %	10.09 %	12/20/2023	10/14/2028	—	(5,389)	—
Prime Pensions	(j)	Senior Secured Revolving Credit	S+	5.25 %	9.84 %	2/20/2024	2/26/2030	—	(7,619)	—
									<u>37,075,081</u>	<u>37,125,281</u>
<i>Capital Equipment</i>										
Tank Holding		Unitranche Initial Term Loan	S+	5.75 %	10.34 %	3/25/2022	3/31/2028	3,910,000	3,858,807	3,890,450
Plaskolite	(k)	Senior Secured 2021-1 Refinancing Term Loan (First Lien)	S+	4.00 %	8.59 %	12/12/2018	12/15/2025	3,773,150	3,758,504	3,714,987
Flow Control Group	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	8.34 %	3/17/2021	3/31/2028	3,626,319	3,619,720	3,631,305
Excelitas		Unitranche Closing Date Euro Term Loan	S+	5.25 %	9.84 %	6/15/2022	8/12/2029	2,917,598	2,954,933	2,903,010
Burke Porter Group		Senior Secured Closing Date Term Loan	S+	6.00 %	10.59 %	9/30/2022	7/29/2029	2,292,500	2,244,492	2,235,188
Shaw		Senior Secured Initial Senior Term Facility	S+	6.00 %	10.59 %	9/30/2023	8/28/2029	1,778,298	1,745,591	1,756,069
Radwell		Unitranche Initial Term Loan	S+	5.50 %	10.09 %	3/11/2022	4/1/2029	1,632,308	1,614,876	1,620,065
Trystar		Senior Secured Initial Term Loan	S+	4.50 %	9.09 %	7/31/2024	8/6/2031	1,000,000	988,253	995,000
MW Industries		Senior Secured Initial Term Loan	S+	7.00 %	11.59 %	3/31/2023	3/31/2030	945,910	922,604	934,086
Hobbs & Associates		Senior Secured Closing Date Term Loan	S+	3.25 %	7.84 %	7/16/2024	7/23/2031	909,091	906,818	902,273
Therm-O-Disc		Senior Secured Initial Term Loan (First Lien)	S+	6.00 %	10.59 %	5/26/2022	5/31/2029	980,000	923,699	862,400
Associated Springs		Senior Secured Initial Term Loan	S+	6.00 %	10.59 %	3/7/2024	4/4/2030	552,396	539,885	552,396
TriMark		Senior Secured Initial Tranche B Loan	S+	5.25 % PIK	9.84 %	1/16/2024	6/30/2029	653,307	653,307	552,912
Ohio Transmission		Unitranche Initial Term Loan	S+	5.50 %	10.09 %	12/12/2023	12/19/2030	525,683	514,200	523,054
CIRCOR		Senior Secured Initial Term Loan	S+	6.00 %	10.59 %	9/30/2023	10/18/2030	498,750	489,871	498,750
nVent	(k)	Senior Secured Term Loan B	S+	3.50 %	8.09 %	9/30/2024	9/17/2031	500,000	497,500	497,500
Trystar		Senior Secured Amendment No. 1 Incremental Term Loan	S+	4.50 %	9.09 %	9/5/2024	8/6/2031	500,000	494,060	497,500
Bad Boy Mowers		Senior Secured Initial Term Loan (First Lien)	S+	6.00 %	10.59 %	11/29/2023	11/9/2029	496,250	485,129	492,528
Duravant	(k)	Senior Secured Incremental Amendment No. 5 Term Loan (First Lien)	S+	3.75 %	8.34 %	3/5/2020	5/19/2028	478,883	478,883	481,045
Chromalloy	(k)	Senior Secured Term Loan	S+	3.75 %	8.34 %	3/22/2024	3/27/2031	498,750	493,977	474,970
Infinite Electronics	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	8.34 %	2/24/2021	3/2/2028	483,881	483,251	470,775
Pegasus		Senior Secured Initial Term Loan	S+	5.25 %	9.84 %	1/24/2024	1/19/2031	412,274	405,620	409,182
SPX Flow	(k)	Senior Secured 2024 Refinancing Term Loan	S+	3.50 %	8.09 %	3/18/2022	4/5/2029	348,750	338,091	349,587
Tank Holding		Senior Secured Revolving Credit Loan	S+	5.75 %	10.34 %	3/25/2022	3/31/2028	104,615	101,662	104,092
Burke Porter Group		Senior Secured Revolving Credit Loan	S+	6.00 %	10.59 %	8/11/2022	7/29/2028	85,658	75,253	83,516
Radwell		Senior Secured Revolving Loan	S+	5.50 %	10.09 %	3/11/2022	4/1/2029	16,000	14,800	15,880
Ohio Transmission		Senior Secured Initial Revolving Loan	S+	5.50 %	10.09 %	12/19/2023	12/19/2029	10,400	9,707	10,348
Trystar		Senior Secured Revolving Credit Loan	S+	4.50 %	9.09 %	7/31/2024	8/6/2031	—	(2,727)	—
CIRCOR		Senior Secured Revolving Credit Loan	S+	6.00 %	10.59 %	10/20/2023	10/18/2029	—	(1,151)	—
Associated Springs		Senior Secured Revolving Loan	S+	6.00 %	10.59 %	3/7/2024	4/4/2030	—	(1,888)	—
									<u>29,607,727</u>	<u>29,431,868</u>

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of September 30, 2024
(Expressed in U.S. Dollars)
(unaudited)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (c)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS:										
NON-CONTROL/NON-AFFILIATE INVESTMENTS (h) (i) (Continued):										
<i>Containers</i>										
<i>Packaging & Glass</i>										
InMark	(j)	Unitranche Incremental Term Loan	S+	6.00 %	10.59 %	12/10/2021	12/23/2026	\$6,302,581	\$ 6,228,071	\$ 6,302,581
Brook & Whittle Anchor	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	8.59 %	12/9/2021	12/14/2028	3,075,965	3,058,689	2,835,932
Packaging	(k)	Senior Secured Amendment No.4 Term Loan (First Lien)	S+	3.75 %	8.34 %	7/17/2019	7/18/2029	2,452,334	2,442,550	2,464,032
Paragon Films Resource Label		Senior Secured Closing Date Term Loan (First Lien)	S+	4.25 %	8.84 %	12/15/2021	12/16/2028	2,015,454	2,001,247	2,005,377
Group	(k)	Senior Secured Closing Date Initial Term Loan (First Lien)	S+	4.25 %	8.84 %	7/2/2021	7/7/2028	1,828,054	1,822,443	1,786,923
TricorBraun	(k)	Senior Secured Closing Date Initial Term Loan (First Lien)	S+	3.25 %	7.84 %	1/29/2021	3/3/2028	1,778,218	1,773,028	1,769,327
Tekni-Plex	(k)	Senior Secured Tranche B-6 Initial Term Loan	S+	4.00 %	8.59 %	3/27/2024	9/15/2028	1,610,046	1,608,315	1,614,457
Technimark		Senior Secured Initial Term Loan (First Lien)	S+	3.50 %	8.09 %	6/30/2021	4/14/2031	1,455,103	1,450,809	1,436,914
Intertape Polymer	(k)(n)	Senior Secured Initial Term Loan (First Lien)	S+	4.75 %	9.34 %	6/15/2022	6/28/2028	1,382,162	1,337,303	1,308,161
Transcendia		Unitranche Term Loan (2024)	S+	6.50 %	11.09 %	5/23/2024	11/23/2029	1,000,000	980,858	992,500
Lacerta		Senior Secured Term Loan	S+	5.50 %	10.09 %	2/8/2021	12/30/2026	962,500	957,534	936,031
Novolex	(k)	Senior Secured Term B Loan (First Lien)	S+	3.18 %	7.77 %	3/30/2022	4/13/2029	813,333	797,841	810,080
Applied Adhesives		Senior Secured Term A Loan	S+	4.75 %	9.34 %	3/12/2021	3/12/2027	610,563	607,554	605,983
SupplyOne	(k)	Senior Secured Term B Loan	S+	4.25 %	8.84 %	3/27/2024	4/19/2031	497,500	492,737	499,575
Industrial Physics		Senior Secured Initial Term Loan	S+	6.25 %	10.84 %	7/18/2023	7/19/2029	496,250	481,606	490,047
Five Star Packaging		Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	8.84 %	4/27/2022	5/5/2029	490,000	484,866	482,650
Golden West Packaging		Senior Secured Initial Term Loan	S+	5.25 %	9.84 %	11/29/2021	12/1/2027	450,000	447,092	432,000
Applied Adhesives		Senior Secured Revolving Loan	S+	4.75 %	9.34 %	3/12/2021	3/12/2027	—	(616)	—
Industrial Physics		Senior Secured Revolving Credit Loan	S+	6.25 %	10.84 %	7/18/2023	7/19/2028	—	(3,233)	—
<i>High Tech Industries</i>										
Ivanti Software		Senior Secured 2021 Specified Refinancing Term Loan (First Lien)	S+	4.25 %	8.84 %	11/20/2020	12/1/2027	2,910,375	2,885,533	2,655,615
Planview	(k)	Senior Secured 2024-A Incremental Term Loan (First Lien)	S+	3.75 %	8.34 %	12/11/2020	12/17/2027	2,566,034	2,550,936	2,570,871
Idera	(k)	Senior Secured Incremental Term Loan (First Lien)	S+	3.50 %	8.09 %	6/27/2017	3/2/2028	2,534,039	2,534,195	2,487,717
Precisely	(k)	Senior Secured Third Amendment Term Loan (First Lien)	S+	4.00 %	8.59 %	3/19/2021	4/24/2028	2,425,000	2,417,358	2,367,418
Barracuda		Senior Secured Initial Term Loan (Second Lien)	S+	7.00 %	11.59 %	5/17/2022	8/15/2030	2,000,000	1,948,729	1,935,000
Intermedia		Unitranche 2024 Refinancing Term Loan (First Lien)	S+	5.25 %	9.84 %	4/4/2024	4/4/2029	1,895,000	1,895,000	1,890,263
HelpSystems	(k)	Senior Secured Term Loan	S+	4.00 %	8.59 %	12/19/2019	11/19/2026	1,934,282	1,930,997	1,849,657
Xplor Technologies		Senior Secured Initial Term Loan	S+	4.25 %	8.84 %	6/14/2024	6/24/2031	1,500,000	1,492,660	1,500,000
BMC	(k)	Senior Secured 2031 New Dollar Term Loan	S+	3.75 %	8.34 %	7/3/2024	7/30/2031	1,500,000	1,494,375	1,498,808
Digital Room		Senior Secured Closing Date Term Loan (First Lien)	S+	5.25 %	9.84 %	12/16/2021	12/21/2028	1,462,500	1,452,860	1,447,875
SmartBear	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	8.84 %	11/20/2020	3/3/2028	967,500	962,039	970,828
ORBCOMM	(k)	Senior Secured Closing Date Term Loan (First Lien)	S+	4.25 %	8.84 %	6/17/2021	9/1/2028	970,000	966,894	885,125
Options IT	(k)	Senior Secured Initial Term Loan	S+	4.75 %	9.34 %	9/20/2024	9/30/2031	743,590	730,513	732,436
Aptean		Unitranche Initial Term Loan	S+	5.00 %	9.59 %	1/1/2024	1/30/2031	525,907	520,684	524,593
NCR Voyix	(k)	Senior Secured Term Loan	S+	3.25 %	7.84 %	9/24/2024	9/30/2031	500,000	497,500	497,500
Cloudera		Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	8.34 %	8/10/2021	10/8/2028	487,500	484,449	485,063
Barracuda	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.50 %	9.09 %	5/17/2022	8/15/2029	491,250	480,242	478,799
insightsoftware		Unitranche Initial Term Loan	S+	5.25 %	9.84 %	7/16/2024	5/25/2028	334,092	332,808	330,751
insightsoftware		Senior Secured Revolving Loan	S+	5.25 %	9.84 %	3/26/2024	5/25/2028	16,975	16,321	16,806
Options IT		Senior Secured Revolver	S+	4.75 %	9.34 %	9/20/2024	3/31/2031	13,402	12,062	13,302
									25,606,155	25,138,427
									26,968,694	26,772,570

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of September 30, 2024
(Expressed in U.S. Dollars)
(unaudited)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (c)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS- NON-CONTROL/NON-AFFILIATE INVESTMENTS (h)										
(i) (Continued):										
<i>Services: Consumer</i>										
Ned Stevens 2022-2	(j)	Unitranche Initial Term Loan	S+	6.25 %	10.84 %	11/1/2022	11/1/2029	\$4,326,092	\$ 4,225,719	\$ 4,326,092
Apex Service Partners		Unitranche 2024 Term Loan	S+	5.00 %	9.59 %	10/16/2023	10/24/2030	2,247,605	2,223,611	2,236,367
A Place For Mom		Senior Secured Term Loan	S+	4.50 %	9.09 %	7/28/2017	2/10/2026	2,160,331	2,160,383	2,160,331
Taxwell		Senior Secured Initial Term Loan	S+	4.25 %	8.84 %	6/17/2024	6/26/2031	2,000,000	1,980,423	1,990,000
Smart Start		Senior Secured Term B Loan (Second Lien)	S+	7.75 %	12.34 %	12/10/2021	12/16/2029	2,000,000	1,975,218	1,985,000
Smart Start		Senior Secured Term B Loan (First Lien)	S+	4.50 %	9.09 %	12/10/2021	12/16/2028	1,945,000	1,938,173	1,930,413
FullBloom		Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	8.84 %	12/10/2021	12/15/2028	1,466,250	1,456,651	1,458,919
United Air Temp	(j)	Unitranche Initial Term Loan	S+	5.25 %	9.84 %	2/14/2024	3/28/2030	1,121,450	1,086,914	1,121,450
Legacy Service Partners		Unitranche Closing Date Term Loan	S+	5.25 %	9.84 %	10/25/2023	1/9/2029	1,044,360	1,027,488	1,033,916
Crash Champions	(k)	Senior Secured Initial Term Loan	S+	4.75 %	9.34 %	2/7/2024	2/23/2029	997,530	995,251	963,030
Teaching Strategies		Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	8.34 %	8/19/2021	8/31/2028	972,500	965,576	960,344
Spring Education	(k)	Senior Secured Initial Term Loan	S+	4.00 %	8.59 %	10/5/2023	10/4/2030	942,875	942,875	950,889
Aegis Sciences		Senior Secured Initial Term Loan (2018) (First Lien)	S+	5.50 %	10.09 %	5/4/2018	5/9/2025	569,362	568,710	540,894
Rover		Senior Secured Initial Term Loan	S+	4.75 %	9.34 %	2/16/2024	2/27/2031	498,750	491,720	497,503
All My Sons		Senior Secured Closing Date Term Loan (First Lien)	S+	4.75 %	9.34 %	6/4/2024	10/25/2028	497,279	490,110	491,063
Ned Stevens 2022-2		Unitranche 2023 Incremental Delayed Draw Term Loan	S+	5.75 %	11.07 %	1/18/2024	11/1/2029	464,633	464,633	464,633
Apex Service Partners		Senior Secured Revolving Credit Loan	S+	5.00 %	9.59 %	10/16/2023	10/24/2029	70,142	68,681	69,791
Rover		Senior Secured Revolving Loan	S+	4.75 %	9.34 %	2/16/2024	2/27/2031	—	(2,250)	—
Ned Stevens 2022-2	(j)	Senior Secured Revolving Loan	S+	6.25 %	10.84 %	11/1/2022	11/1/2028	—	(10,154)	—
								<u>23,049,732</u>	<u>23,180,635</u>	
<i>Transportation: Cargo</i>										
Evans Network		Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	8.84 %	8/6/2021	8/19/2028	3,388,767	3,365,153	3,278,633
Kenco		Senior Secured Initial Term Loan	S+	4.25 %	8.84 %	6/5/2024	11/15/2029	2,487,342	2,477,158	2,474,905
Capstone Logistics		Senior Secured 2024 Term Loan (First Lien)	S+	4.50 %	9.09 %	11/12/2020	11/13/2029	2,063,581	2,052,714	2,058,422
AIT Worldwide										
Logistics	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.75 %	9.34 %	12/9/2021	4/6/2028	1,940,000	1,936,975	1,945,054
Worldwide Express	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	8.59 %	7/23/2021	7/26/2028	1,458,750	1,451,815	1,467,488
St. George Logistics	(k)	Senior Secured Initial Term Loan	S+	6.00 %	10.59 %	4/28/2022	3/24/2028	1,462,500	1,451,630	1,316,250
FLS Transportation		Senior Secured Term B Loan	S+	5.25 %	9.84 %	4/14/2022	12/15/2028	1,196,087	1,188,015	1,157,214
Magnate		Senior Secured Initial Term Loan (First Lien)	S+	5.50 %	10.09 %	3/11/2022	12/29/2028	951,342	938,007	925,180
Kenco		Senior Secured Revolving Credit Loan	S+	4.25 %	8.84 %	6/5/2024	11/15/2029	75,202	72,919	74,826
FLS Transportation		Senior Secured Revolving Credit Loan	S+	5.25 %	9.84 %	4/14/2022	12/17/2027	44,444	43,556	43,000
								<u>14,977,942</u>	<u>14,740,972</u>	
<i>Automotive</i>										
Engine & Transmission										
Exchange	(j)	Senior Secured Term Loan A	S+	6.50 %	11.09 %	5/26/2023	5/29/2029	4,222,208	4,117,549	4,222,208
Highline		Senior Secured 2024-1 Refinancing Term Loan (First Lien)	S+	4.00 %	8.59 %	10/29/2020	11/9/2027	2,763,642	2,728,021	2,732,551
BBB Industries	(k)	Senior Secured Initial Term Loan (First Lien)	S+	5.25 %	9.84 %	6/30/2022	7/25/2029	2,084,051	1,931,549	1,975,190
Rough Country	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.50 %	8.09 %	7/26/2021	7/28/2028	1,939,832	1,936,812	1,944,196
Truck Hero	(k)	Senior Secured Initial Term Loan	S+	3.50 %	8.09 %	1/20/2021	1/31/2028	1,447,500	1,447,500	1,426,555
Innovative XCcessories	(k)	Senior Secured Initial Term Loan	S+	4.25 %	8.84 %	2/27/2020	3/5/2027	554,155	555,490	541,169
Engine & Transmission										
Exchange	(j)	Senior Secured Revolving Loan	S+	6.50 %	11.09 %	5/26/2023	5/29/2029	376,258	360,865	376,258
								<u>13,077,786</u>	<u>13,218,127</u>	

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of September 30, 2024
(Expressed in U.S. Dollars)
(unaudited)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (g)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS- NON-CONTROL/NON-AFFILIATE INVESTMENTS (h) (i) (Continued):										
<i>Beverage, Food & Tobacco</i>										
Dessert Holdings	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	8.59 %	6/7/2021	6/9/2028	\$2,931,285	\$ 2,891,360	\$ 2,781,980
Betcher Industries		Senior Secured Initial Term Loan (Second Lien)	S+	7.25 %	11.84 %	12/13/2021	12/14/2029	2,500,000	2,482,444	2,481,250
Purfoods		Senior Secured 2024 Term Loan	S+	5.25 %	9.84 %	6/24/2024	8/12/2027	2,000,000	1,981,501	1,990,000
Betcher Industries		Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	8.59 %	12/13/2021	12/14/2028	1,950,000	1,935,690	1,930,500
Hissho Sushi	(j)	Unitranche Term Loan	S+	5.00 %	9.59 %	4/7/2022	5/18/2029	1,815,357	1,789,246	1,815,357
Monogram Foods		Senior Secured Initial Term Loan	S+	4.00 %	8.59 %	8/13/2021	8/28/2028	972,500	966,324	961,559
Hissho Sushi		Unitranche Amendment No. 1 Incremental Term Loan	S+	5.00 %	9.59 %	8/7/2024	5/18/2029	523,810	517,619	523,810
Hissho Sushi	(j)	Senior Secured Revolving Credit Loan	S+	5.00 %	9.59 %	4/7/2022	5/18/2029	—	(667)	—
									12,563,517	12,484,456
<i>Construction & Building</i>										
PlayPower		Unitranche Initial Term Loan	S+	5.25 %	9.84 %	8/26/2024	8/28/2030	2,500,000	2,462,500	2,481,250
A1 Garage Door Service	(j)	Unitranche Term Loan A	S+	6.00 %	10.59 %	12/22/2022	12/22/2028	2,246,192	2,191,112	2,246,192
Tangent		Senior Secured Closing Date Term Loan (First Lien)	S+	4.75 %	9.34 %	10/2/2019	11/30/2027	1,745,078	1,740,866	1,688,363
Cook & Boardman	(k)	Senior Secured Amendment No. 2 Incremental DDTL	S+	6.00 %	10.59 %	5/29/2024	3/4/2030	1,015,523	996,376	1,015,523
Specialty Products & Insulation		Senior Secured Tranche B-1 Term Loan	S+	4.75 %	9.34 %	3/16/2022	12/21/2027	976,523	970,144	971,640
Dodge Construction Network		Senior Secured Initial Term Loan (First Lien)	S+	4.75 %	9.34 %	2/10/2022	2/23/2029	977,500	967,671	839,836
Playcore	(k)	Senior Secured Amendment No. 3 Term Loan (First Lien)	S+	4.50 %	9.09 %	2/14/2024	2/20/2030	497,500	490,562	500,112
GeoStabilization		Senior Secured Initial Term Loan	S+	5.25 %	9.84 %	4/5/2024	12/19/2028	497,500	497,500	495,013
PlayPower		Senior Secured Revolving Loan	S+	5.25 %	9.84 %	8/26/2024	8/28/2030	—	(5,768)	—
A1 Garage Door Service	(j)	Senior Secured Revolving Loan	S+	6.00 %	10.59 %	12/22/2022	12/22/2028	—	(8,264)	—
									10,302,699	10,237,929
<i>Environmental Industries</i>										
Alliance	(j)	Unitranche Initial Term Loan	S+	6.00 % PIK	10.59 %	12/30/2021	12/30/2027	4,414,206	4,362,553	3,079,533
Environmental Group		Senior Secured Closing Date Term Loan	S+	4.25 %	8.84 %	3/18/2021	3/27/2028	1,935,000	1,922,846	1,820,883
Denali Water Solutions	(k)	Senior Secured Initial Term Loan	S+	4.50 %	9.09 %	10/5/2023	10/17/2030	1,489,994	1,467,370	1,497,444
Crystal Clean	(k)	Senior Secured Initial Term Loan	S+	4.75 %	9.34 %	9/4/2024	9/10/2031	1,421,053	1,390,855	1,399,737
Miller Environmental		Unitranche Closing Date Term Loan	S+	5.00 %	9.59 %	11/5/2021	10/29/2027	486,250	483,369	480,172
Keter Environmental Services		Senior Secured Amendment No. 3 Term Loan	S+	4.63 %	9.22 %	5/5/2022	3/27/2028	461,723	451,059	434,493
Denali Water Solutions Alliance	(j)	Senior Secured Revolving Loan	S+	6.00 % PIK	10.59 %	12/30/2021	12/30/2027	331,126	324,503	231,007
Environmental Group		Senior Secured Revolving Loan	S+	5.00 %	9.59 %	11/5/2021	10/29/2027	31,008	30,233	30,621
Keter Environmental Services	(k)	Senior Secured Revolving Loan (USD)	S+	4.75 %	9.34 %	9/4/2024	9/10/2031	—	(6,014)	—
Miller Environmental									10,426,774	8,973,890

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of September 30, 2024
(Expressed in U.S. Dollars)
(unaudited)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (*)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS (b) (f) (Continued):										
<i>Chemicals, Plastics & Rubber</i>										
Vertellus		Senior Secured Initial Term Loan	S+	5.75 %	10.34 %	12/18/2020	12/22/2027	\$2,910,506	\$ 2,869,247	\$ 2,764,981
Shrieve	(k)	Unitranche Initial Term Loan	S+	6.00 %	10.59 %	9/23/2024	9/30/2030	2,500,000	2,450,000	2,450,000
USALCO	(k)	Senior Secured Initial Term Loan	S+	4.00 %	8.59 %	9/17/2024	9/30/2031	1,000,000	995,000	995,000
Boyd Group	(k)	Senior Secured 2024 Term Loan (First Lien)	S+	4.75 %	9.34 %	7/19/2024	7/29/2029	1,000,000	985,000	984,845
Ascensus Specialties		Senior Secured Initial Term Loan	S+	4.25 %	8.84 %	12/3/2021	6/30/2028	484,933	479,572	465,536
Polytek		Senior Secured Term Loan	S+	6.75 %	11.34 %	12/23/2020	12/2/2024	482,675	482,675	386,140
Vertellus		Senior Secured Revolving Credit Loan	S+	5.75 %	10.34 %	12/18/2020	12/22/2025	371,077	360,947	352,523
Mold-Rite		Senior Secured New Money Tranche A-1 Term Loan	S+	5.25 %	9.84 %	6/11/2024	10/4/2028	136,841	128,776	136,841
USALCO		Senior Secured Revolving Loan Retired 09/30/2024	S+	6.00 %	10.59 %	10/26/2021	10/19/2026	—	(3,226)	—
									<u>8,747,991</u>	<u>8,535,866</u>
<i>Aerospace & Defense</i>										
HDT Global		Senior Secured Initial Term Loan	S+	1.00%, 5.50 % PIK	11.09 %	6/30/2021	1/7/2028	3,172,645	3,112,673	2,252,578
Whitcraft		Senior Secured Initial Term Loan	S+	6.50 %	11.09 %	3/31/2023	2/15/2029	1,970,000	1,907,274	1,955,225
Novaria Group		Senior Secured Initial Term Loan	S+	4.25 %	8.84 %	6/4/2024	6/6/2031	1,000,000	995,162	995,000
API Technologies		Senior Secured Term B-2 Loan (First Lien)	S+	1.00%, 6.00 % PIK	11.59 %	1/15/2020	5/9/2027	1,043,685	1,034,253	772,327
BlueHalo		Unitranche Initial Term Loan	S+	6.00 %	10.59 %	11/17/2021	10/31/2025	485,372	482,482	482,946
Whitcraft		Senior Secured Revolving Loan	S+	6.50 %	11.09 %	3/31/2023	2/15/2029	137,500	126,786	136,469
BlueHalo		Senior Secured Revolving Loan	S+	6.00 %	10.59 %	11/17/2021	10/31/2025	77,860	76,371	77,471
API Technologies		Senior Secured Term B-1 Loan (First Lien)	S+	1.00%, 6.00 % PIK	11.59 %	11/3/2023	3/25/2027	91,969	90,778	68,057
									<u>7,825,779</u>	<u>6,740,073</u>
<i>Wholesale</i>										
GME Supply		Unitranche Initial Term Loan	S+	6.25 %	10.84 %	7/5/2023	7/6/2029	3,765,923	3,686,327	3,732,432
Carlisle Foodservice		Senior Secured Initial Term Loan	S+	5.75 %	10.34 %	9/29/2023	10/2/2030	1,041,866	1,020,351	1,039,261
GME Supply		Senior Secured Revolving Loan	S+	6.25 %	10.84 %	7/5/2023	7/6/2029	25,147	11,316	24,923
Carlisle Foodservice		Senior Secured Revolving Loan	S+	5.75 %	10.34 %	9/29/2023	10/2/2029	—	(3,223)	—
									<u>4,714,771</u>	<u>4,796,616</u>

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of September 30, 2024
(Expressed in U.S. Dollars)
(unaudited)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (1)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS:										
NON-CONTROL/NON-AFFILIATE INVESTMENTS										
(h) (i)										
(Continued):										
<i>Consumer Goods:</i>										
<i>Non-durable</i>										
Augusta Sportswear		Senior Secured Initial Term Loan	S+	6.50 %	11.09 %	11/21/2023	11/21/2029	\$4,477,500	\$ 4,397,366	\$ 4,443,919
Augusta Sportswear		Senior Secured Revolving Credit Loan	S+	6.50 %	11.09 %	11/21/2023	11/21/2028	—	(5,565)	—
									<u>4,391,801</u>	<u>4,443,919</u>
<i>Media: Advertising, Printing & Publishing</i>										
MediaRadar	(j)	Unitranche Closing Date Term A Loan	S+	6.25 %	10.84 %	5/23/2022	9/17/2029	1,800,296	1,768,379	1,800,296
MediaRadar		Unitranche 2023 Incremental Term Loan	S+	6.25 %	10.84 %	10/31/2023	9/17/2029	949,971	928,711	949,971
MediaRadar	(j)	Senior Secured Revolving Loan	S+	6.25 %	10.84 %	9/16/2022	9/17/2029	—	(10,168)	—
									<u>2,686,922</u>	<u>2,750,267</u>
<i>Metals & Mining</i>										
Dynatect (A&A)		Senior Secured Term B Loan	S+	4.50 %	9.09 %	8/16/2019	9/30/2026	1,657,809	1,657,809	1,649,520
									<u>1,657,809</u>	<u>1,649,520</u>
<i>Media: Diversified & Production</i>										
Cast & Crew	(k)	Senior Secured Incremental Facility No. 2 Incremental Term Loan (First Lien)	S+	3.75 %	8.34 %	4/30/2024	12/29/2028	994,884	989,884	997,993
Spectrum Science		Senior Secured Closing Date Term Loan	S+	5.00%, 2.75 % PIK	12.34 %	1/17/2024	2/1/2029	501,002	487,192	480,962
									<u>1,477,076</u>	<u>1,478,955</u>
<i>Retail</i>										
Varsity Brands	(k)	Senior Secured Initial Term Loan	S+	3.75 %	8.34 %	7/26/2024	8/26/2031	1,000,000	995,000	994,480
StubHub	(k)	Senior Secured Extended USD Term B Loan	S+	4.75 %	9.34 %	1/31/2020	3/15/2030	471,694	466,696	472,086
									<u>1,461,696</u>	<u>1,466,566</u>
<i>Energy: Oil & Gas</i>										
AmSpec		Senior Secured Closing Date Term Loan	S+	5.50 %	10.09 %	10/11/2023	12/5/2030	995,000	982,375	995,000
AmSpec		Senior Secured Revolving Loan	S+	5.50 %	10.09 %	12/4/2023	12/5/2029	—	(3,634)	—
									<u>978,741</u>	<u>995,000</u>
<i>Utilities: Water</i>										
Aegion	(k)	Senior Secured 2024 Second Replacement Term Loan	S+	3.75 %	8.34 %	4/1/2021	5/17/2028	970,758	967,950	975,918
									<u>967,950</u>	<u>975,918</u>
<i>Energy: Electricity</i>										
Franklin Energy	(k)	Senior Secured Term B Loan (First Lien)	S+	4.00 %	8.59 %	8/14/2019	8/14/2026	950,000	949,179	940,600
									<u>949,179</u>	<u>940,600</u>
<i>Hotels, Gaming & Leisure</i>										
Auto Europe		Senior Secured Initial Dollar Term Loan	S+	7.50 %	12.09 %	10/19/2016	4/21/2025	899,551	899,551	877,063
									<u>899,551</u>	<u>877,063</u>
<i>Utilities: Electric</i>										
Power Grid Components		Senior Secured Initial Term Loan	S+	4.75 %	9.34 %	7/24/2024	12/2/2030	498,747	498,747	498,747
									<u>498,747</u>	<u>498,747</u>
<i>Consumer Goods: Durable</i>										
Careismatic		Senior Secured Initial Loan	S+	7.00 %	11.59 %	6/13/2024	6/13/2029	216,543	216,543	214,919
									<u>216,543</u>	<u>214,919</u>
		Total Bank Loans							<u>\$ 396,691,794</u>	<u>\$ 389,093,928</u>

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of September 30, 2024
(Expressed in U.S. Dollars)
(unaudited)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (c)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
EQUITY AND PREFERRED SHARES; NON-CONTROL/NON-AFFILIATE INVESTMENTS- (1.6%) (g) (h):										
<i>Services: Business</i>										
Industrial Services Group	(j) (o) (p)	Class A Units				12/7/2022		\$ 238	\$ 238,095	\$ 437,541
InnovateMR	(j) (o) (q)	Class A Units				12/16/2021		387	387,311	404,065
Vortex	(j) (o) (r)	LP Common Units				9/1/2023		190	189,759	364,574
Amplix	(j) (o) (s)	Class A-2 Units				10/19/2023		23,810	238,095	248,450
Golden Source	(j) (o) (t)	Class A Units				3/25/2022		117,371	117,371	211,523
Liberty Group	(j) (o) (u)	Series A-Preferred Units				6/6/2022		113,636	113,636	116,033
Heartland	(o) (v)	Co-Invest Units				12/12/2023		889	88,889	74,974
VC3	(j) (o) (w)	Class A Units				9/16/2022		16,958	70,778	50,690
OSG Billing Services	(o) (x)	Class A Units				11/30/2023		27,208	—	—
									<u>1,443,934</u>	<u>1,907,850</u>
<i>Healthcare & Pharmaceuticals</i>										
OrthoNebraska	(j) (o) (y)	Class A Units				7/31/2023		24,245	242,452	315,118
Minds + Assembly	(j) (o) (z)	Class A Units				5/3/2023		217	217,391	310,620
InterMed	(j) (o) (aa)	Class A Units				12/22/2022		2,484	248,380	127,733
Ivy Rehab	(o) (ab)	Class A Units				3/11/2022		100	100,000	101,061
RevHealth	(j) (o) (ac)	Class A-1 Units				7/22/2022		20,548	205,479	—
									<u>1,013,702</u>	<u>854,532</u>
<i>Banking, Finance, Insurance & Real Estate</i>										
American Beacon Advisors	(o) (ad)	Common Units				12/29/2023		16,071	—	273,207
Cherry Bekaert	(j) (o) (ae)	Class A Units				6/30/2022		129,870	129,870	269,941
Prime Pensions	(j) (o) (af)	LP Interest				2/20/2024		238,095	238,095	234,972
Beta+	(o) (ag)	Class A-2 Common Stock				9/15/2023		2,470	24,700	17,782
									<u>392,665</u>	<u>795,902</u>
<i>High Tech Industries</i>										
PracticeTek	(j) (o) (ah)	Class A Units				11/22/2021		616,814	649,236	768,958
									<u>649,236</u>	<u>768,958</u>
<i>Construction & Building</i>										
A1 Garage Door Service	(j) (o) (ai)	Class A Common Units				12/22/2022		273	272,727	509,932
									<u>272,727</u>	<u>509,932</u>

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of September 30, 2024
(Expressed in U.S. Dollars)
(unaudited)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (°)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
EQUITY AND PREFERRED SHARES:										
NON-CONTROL/NON-AFFILIATE INVESTMENTS- (1.6%) (g) (h)										
(Continued):										
<i>Beverage, Food & Tobacco</i>										
Hissho Sushi	(j) (o) (aj)	Class A Units				4/7/2022		\$ 25,000	\$ 200,046	\$ 430,201
									<u>200,046</u>	<u>430,201</u>
<i>Services: Consumer</i>										
Ned Stevens 2022-2	(j) (o) (ak)	Class B Common Units				11/1/2022		279	278,990	318,694
United Air Temp	(j) (o) (al)	Class A Units				2/14/2024		110,947	110,947	102,621
									<u>389,937</u>	<u>421,315</u>
<i>Automotive</i>										
Engine & Transmission Exchange	(j) (o) (am)	Class A-1 Units				5/26/2023		211,268	211,268	205,340
									<u>211,268</u>	<u>205,340</u>
<i>Media: Advertising, Printing & Publishing</i>										
MediaRadar	(j) (o) (an)	Class A-1 Units				9/16/2022		147,000	147,000	191,266
									<u>147,000</u>	<u>191,266</u>
<i>Wholesale</i>										
GME Supply	(j) (o) (ao)	Class A Units				6/30/2023		272	272,422	141,644
									<u>272,422</u>	<u>141,644</u>
<i>Chemicals, Plastics & Rubber</i>										
Vertellus	(o) (ap)	Series A Units				12/22/2020		1,651	165,138	140,579
									<u>165,138</u>	<u>140,579</u>
<i>Consumer Goods: Durable</i>										
Careismatic	(j) (o) (aq)	Class A Units				6/13/2024		3,522	209,625	131,151
									<u>209,625</u>	<u>131,151</u>
<i>Environmental Industries</i>										
Alliance Environmental Group	(j) (o) (ar)	A-1 Preferred Units				9/30/2019		331	331,126	—
									<u>331,126</u>	<u>—</u>
Total Equity and Preferred Shares									\$ 5,698,826	\$ 6,498,670
Total Portfolio Investments (as)									\$ 402,390,620	\$ 395,592,598

- (A) The majority of the investments bear interest at a rate that may be determined by reference to Secured Overnight Financing Rate (“SOFR” or “S”).
- (a) All companies are located in the United States of America, unless otherwise noted.
- (b) Interest rate percentages represent actual interest rates as of September 30, 2024, which are indexed to the noted reference rate. The referenced rates are subject to interest floors which can vary based on contractual agreements with the borrower.
- (c) All loans are income-producing, unless otherwise noted.
- (d) All investments are qualifying assets under Section 55(a) of the Investment Company Act of 1940, as amended (the “1940 Act”) unless otherwise noted.
- (e) All investments are exempt from registration under the Securities Act of 1933 (the “Securities Act”), and may be deemed to be “restricted securities” under the Securities Act.
- (f) Unless indicated otherwise, all of our investments are valued using Level 3 inputs within the FASB Accounting Standard Codification (“ASC”) Topic 820, “Fair Value Measurements and Disclosures” (“ASC 820”) fair value hierarchy. Refer to Note 3 – Investments in the accompanying Notes to Financial Statements for additional information.
- (g) Percentages are calculated using fair value of investments over net assets.

Table of Contents

- (h) As defined in 1940 Act, the Company is not deemed to be an “Affiliated Person” or “Control” this portfolio company because it neither owns 5% or more of the portfolio company’s outstanding voting securities nor has the power to exercise control over the management or policies of such portfolio company (including through a management agreement).
- (i) The negative cost, if applicable, is the result of the capitalized discount being greater than the principal amount outstanding on the unfunded loan commitment.
- (j) Three of our affiliated funds, Audax Direct Lending Solutions Fund - A, L.P., Audax Direct Lending Solutions Fund - C, L.P., and Audax Direct Lending Solutions Fund - D, L.P., co-invested with us in this portfolio company pursuant to an exemptive order granted by the U.S. Securities and Exchange Commission.
- (k) Investment was valued as Level 2, using significant observable inputs in accordance with ASC 820. Refer to Note 3 – Investments in the accompanying Notes to Financial Statements for additional information.
- (l) The Company headquarters for UDG is located in Ireland.
- (m) The Company headquarters for Integro is located in United Kingdom.
- (n) The Company headquarters for Intertape Polymer is located in Canada.
- (o) Investment is non-income producing.
- (p) Represents an investment in APD ISG Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (q) Represents an investment in APD INN Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (r) Represents an investment in APD VTX Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (s) Represents an investment in APD AMP Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (t) Represents an investment in APD Gol Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (u) Represents an investment in APD TLG Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (v) Represents an investment in Heartland PPC Investor LLC, a holding company for the investment in Heartland.
- (w) Represents an investment in APD VC3 Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (x) Represents an investment in OSG Topco Holdings LLC, a holding company for the investment in OSG Billing Services.
- (y) Represents an investment in APD OrthoNebraska Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (z) Represents an investment in APD MA Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (aa) Represents an investment in APD IMD Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ab) Represents an investment in APD IVY Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ac) Represents an investment in APD RH Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ad) Represents an investment in Resolute Topco, Inc., a holding company for the investment in American Beacon Advisors.
- (ae) Represents an investment in APD CBA Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (af) Represents an investment in Prime Co-Invest, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ag) Represents an investment in Buckhorn Parent, Inc., a holding company for the investment in Beta+.
- (ah) Represents an investment in APD Ptek Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ai) Represents an investment in APD GAR Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (aj) Represents an investment in APD Sush Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ak) Represents an investment in APD NS Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (al) Represents an investment in LJ Flex, LP, a holding company, made through an affiliated equity aggregator vehicle.
- (am) Represents an investment in APD ETE Equity Aggregator, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (an) Represents an investment in APD MDR Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ao) Represents an investment in ADP GMES Parent Holding Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ap) Represents an investment in ADP VERT Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (aq) Represents an investment in Reorganized Careismatic Brands Parent, LLC., a holding company for the investment in Reorganized Careismatic Brands.
- (ar) Represents an investment in APD AEG Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (as) At September 30, 2024, the cost of investments for income tax purposes was \$402,200,031, the gross unrealized depreciation for federal tax purposes was \$11,653,429, the gross unrealized appreciation for federal income tax purposes was \$5,045,996, and the net unrealized depreciation was \$6,607,433.

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

[Table of Contents](#)

**Audax Credit BDC Inc.
Schedule of Investments
As of December 31, 2023
(Expressed in U.S. Dollars)**

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (*)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Val
BANK LOANS:										
NON-CONTROL/NON-AFFILIATE INVESTMENTS - (92.1%) (g) (h) (i):										
<i>Healthcare & Pharmaceuticals</i>										
American Vision Partners	(j)	Unitranche Initial Term Loan	S+	6.00 %	11.33 %	9/22/2021	9/30/2027	\$ 4,898,401	\$ 4,837,985	\$ 4,862,28
Minds + Assembly	(j)	Unitranche Initial Term Loan	S+	6.50 %	11.83 %	5/3/2023	5/3/2029	4,078,882	3,976,855	4,078,88
RevHealth	(j)	Unitranche Initial Term Loan	S+	5.75 %	11.08 %	7/22/2022	7/21/2028	4,227,312	4,157,627	3,960,66
Radiology Partners		Senior Secured Term B Loan (First Lien)	S+	4.25 %	9.58 %	6/28/2018	7/9/2025	4,195,599	4,306,509	3,768,83
OrthoNebraska	(j)	Unitranche Term Loan	S+	6.50 %	11.83 %	7/31/2023	7/31/2028	3,376,944	3,261,660	3,292,06
PharMedQuest	(j)	Unitranche Term A Loan	S+	5.50 %	10.83 %	11/6/2019	11/6/2025	3,270,898	3,274,815	3,270,89
InHealth Medical Alliance		Unitranche Initial Term Loan	S+	1.00 %, 3.50 % PIK	8.83 %	6/25/2021	6/28/2028	3,594,124	3,569,335	3,234,71
InterMed	(j)	Unitranche Initial Term Loan	S+	6.50 %	11.83 %	12/22/2022	12/24/2029	3,008,639	2,930,928	2,967,72
Advancing Eyecare		Senior Secured Initial Term Loan	S+	5.75 %	11.08 %	5/27/2022	6/13/2029	2,506,275	2,448,791	2,449,88
Premise Health		Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	8/15/2018	7/10/2025	2,235,415	2,237,770	2,229,82
nThrive		Senior Secured Initial Loan (Second Lien)	S+	6.75 %	12.08 %	11/19/2021	12/17/2029	2,000,000	1,978,962	1,970,00
CPS	(j)	Unitranche Closing Date Term Loan	S+	5.25 %	10.58 %	5/18/2022	6/1/2028	1,933,962	1,930,065	1,933,96
Gastro Health		Senior Secured Initial Term Loan (First Lien)	S+	4.50 %	9.83 %	7/2/2021	7/3/2028	1,958,557	1,950,240	1,904,69
Press Ganey	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.50 %	8.83 %	7/23/2019	7/24/2026	1,915,000	1,917,537	1,901,11
Avalign Technologies		Senior Secured Initial Term Loan (First Lien)	S+	4.50 %	9.83 %	12/19/2018	12/22/2025	1,900,000	1,900,713	1,895,25
Advanced Diabetes Supply		Senior Secured First Incremental Term Loan	S+	5.25 %	10.58 %	7/13/2021	12/30/2027	1,834,960	1,821,805	1,830,37
Upstream Rehabilitation	(k)	Senior Secured August 2021 Incremental Term Loan (First Lien)	S+	4.25 %	9.58 %	10/24/2019	11/20/2026	1,931,719	1,929,742	1,829,70
Therapy Brands		Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	9.33 %	5/12/2021	5/18/2028	1,844,393	1,837,740	1,802,89
Blue Cloud		Senior Secured Closing Date Term Loan	S+	5.25 %	10.58 %	12/13/2021	1/21/2028	1,599,490	1,580,532	1,575,49
Quantum Health		Senior Secured Amendment No. 1 Refinancing Term Loan (First Lien)	S+	4.50 %	9.83 %	12/18/2020	12/22/2027	1,462,500	1,448,667	1,458,84
Mission Vet Partners	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	9.33 %	12/15/2021	4/27/2028	1,466,434	1,455,764	1,457,50
Symplr	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.50 %	9.83 %	11/23/2020	12/22/2027	1,458,750	1,444,901	1,311,65
Ivy Rehab		Senior Secured Initial Term Loan (First Lien)	S+	5.00 %	10.33 %	3/11/2022	4/23/2029	1,311,646	1,290,579	1,295,25
Solis Mammography		Senior Secured Initial Term Loan (First Lien)	S+	4.75 %	10.08 %	4/1/2021	4/17/2028	1,059,106	1,052,346	1,056,45
PharMedQuest		Unitranche Term Loan	S+	5.75 %	11.08 %	10/27/2023	11/6/2025	1,000,000	985,000	1,000,00
Solis Mammography		Senior Secured Initial Term Loan (Second Lien)	S+	8.00 %	13.33 %	4/1/2021	4/16/2029	1,000,000	989,307	995,00

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of December 31, 2023
(Expressed in U.S. Dollars)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (°)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS - (92.1%) (g) (h) (i) (Continued):										
<i>Healthcare & Pharmaceuticals (continued)</i>										
Cirtec Medical		Senior Secured (USD) Initial Term Loan	S+	6.25 %	11.58 %	1/30/2023	1/30/2029	\$ 992,500	\$ 963,954	\$ 987,538
Epic Staffing Group		Senior Secured Initial Term Loan	S+	6.00 %	11.33 %	6/27/2022	6/28/2029	987,445	936,339	984,976
Micro Merchant Systems		Unitranche Initial Term Loan	S+	5.50 %	10.83 %	3/2/2022	12/14/2027	982,500	974,061	975,131
Wedgewood		Senior Secured Initial Term Loan	S+	4.25 %	9.58 %	2/24/2021	3/31/2028	977,500	970,482	966,503
Forefront	(k)	Senior Secured Closing Date Term Loan	S+	4.25 %	9.58 %	3/23/2022	3/30/2029	985,694	971,844	956,123
nThrive		Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	9.33 %	11/19/2021	12/17/2028	982,500	979,296	785,509
UDG	(k) (l)	Senior Secured Initial Dollar Term Loan (First Lien)	S+	4.25 %	9.58 %	8/6/2021	8/19/2028	631,875	628,021	631,347
ImageFirst		Senior Secured Initial Term Loan	S+	4.75 %	10.08 %	4/26/2021	4/27/2028	598,636	596,587	595,643
MyEyeDr	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	9.58 %	8/2/2019	8/31/2026	515,924	514,141	512,281
MedRisk	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	4/1/2021	5/10/2028	488,750	485,268	486,482
Forefront	(k)	Senior Secured 2023 Incremental Term Loan	S+	5.50 %	10.83 %	12/14/2023	3/30/2029	500,000	487,500	485,000
Press Ganey	(k)	Senior Secured 2022 Incremental Term Loan (First Lien)	S+	3.75 %	9.08 %	10/1/2020	7/24/2026	486,281	483,578	482,756
Confluent Health		Senior Secured Amendment No. 1 Term Loan	S+	7.50 %	12.83 %	4/11/2023	11/30/2028	496,250	465,452	480,122
AccentCare		Senior Secured 2021 Term Loan (First Lien)	S+	4.00 %	9.33 %	6/15/2021	6/22/2026	487,500	487,500	455,813
RMP & MedA/Rx		Senior Secured Term Loan	S+	4.50 %	9.83 %	3/22/2021	2/6/2025	440,625	438,555	432,914
Western Dental		Senior Secured 2022 Incremental Term Loan	S+	5.25 %	10.58 %	6/21/2022	8/18/2028	492,500	484,666	392,064
RMP & MedA/Rx		Senior Secured Term Loan (First Lien)	S+	4.25 %	9.58 %	2/27/2017	2/6/2025	375,400	375,405	368,830
RevHealth	(j)	Senior Secured Revolving Loan	S+	5.75 %	11.08 %	1/24/2023	7/21/2028	359,589	359,589	336,907
InterMed	(j)	Senior Secured Revolving Loan	S+	6.50 %	11.83 %	12/22/2022	12/22/2028	215,983	194,384	213,046
Blue Cloud		Senior Secured Revolving Loan	S+	5.25 %	10.58 %	12/14/2022	1/21/2028	83,409	83,409	82,158
CPS	(j)	Senior Secured Revolving Credit Loan	S+	5.25 %	10.58 %	5/18/2022	6/1/2028	8,570	7,856	8,570
Ivy Rehab		Senior Secured Revolving Credit Loan (First Lien)	S+	4.75 %	10.08 %	3/11/2022	4/21/2028	—	(3,367)	—
OrthoNebraska	(j)	Senior Secured Revolving Loan	S+	6.50 %	11.83 %	7/31/2023	7/31/2027	—	(13,724)	—
Minds + Assembly	(j)	Senior Secured Revolving Loan	S+	6.50 %	11.83 %	5/3/2023	5/3/2029	—	(18,789)	—
<i>Services: Business</i>										
LegalShield	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	12/7/2021	12/15/2028	4,421,250	4,388,068	4,397,773
Industrial Services Group	(j)	Unitranche Initial Term Loan	S+	6.25 %	11.58 %	12/7/2022	12/7/2028	4,157,848	4,058,184	4,157,848
InnovateMR	(j)	Unitranche Initial Term Loan	S+	6.00 %	11.33 %	12/16/2021	1/20/2028	4,172,974	4,120,139	4,085,662
CoAdvantage	(k)	Senior Secured 2023 1L Refinancing Term Loan (First Lien)	S+	5.50 %	10.83 %	8/2/2023	8/2/2029	3,840,375	3,840,375	3,866,778
RevSpring		Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	9.33 %	10/5/2018	10/11/2025	3,800,000	3,798,515	3,790,500
Discovery Education		Unitranche Initial Term Loan (First Lien)	S+	5.75 %	11.08 %	3/25/2022	4/9/2029	3,768,153	3,713,836	3,711,630
Eliassen		Unitranche Initial Term Loan	S+	5.50 %	10.83 %	3/31/2022	4/14/2028	3,450,157	3,403,335	3,411,343
CoolSys		Senior Secured Closing Date Initial Term Loan	S+	4.75 %	10.08 %	8/4/2021	8/11/2028	3,001,388	2,978,911	2,948,864
The Facilities Group		Unitranche Initial Term Loan	S+	5.75 %	11.08 %	12/10/2021	11/30/2027	2,964,189	2,939,874	2,941,957

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of December 31, 2023
(Expressed in U.S. Dollars)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (°)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS - (92.1%) (g) (h) (i) (Continued):										
<i>Services: Business (continued)</i>										
Fleetwash		Senior Secured Incremental Term Loan	S+	4.75 %	10.08 %	9/25/2018	10/1/2024	\$2,843,513	\$ 2,839,221	\$ 2,822,186
Duff & Phelps	(k)	Senior Secured Initial Dollar Term Loan (First Lien)	S+	3.75 %	9.08 %	3/6/2020	4/9/2027	2,412,500	2,401,353	2,394,406
TRC Companies		Senior Secured Initial Term Loan (Second Lien)	S+	6.75 %	12.08 %	11/19/2021	12/7/2029	2,000,000	1,981,308	1,985,000
ECI Software	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	9/17/2020	11/9/2027	1,940,000	1,934,757	1,943,182
Mediaocean	(k)	Senior Secured Initial Term Loan	S+	3.50 %	8.83 %	12/9/2021	12/15/2028	1,965,000	1,950,313	1,925,700
Liberty Group	(j)	Unitranche Initial Term Loan	S+	5.75 %	11.08 %	6/6/2022	6/15/2028	1,925,568	1,893,021	1,925,568
Veregy		Senior Secured Initial Term Loan	S+	6.00 %	11.33 %	11/2/2020	11/3/2027	1,937,017	1,901,495	1,907,962
InnovateMR	(j)	Unitranche First Amendment Term Loan	S+	6.50 %	11.83 %	12/23/2022	1/20/2028	1,822,163	1,771,827	1,771,922
VC3	(j)	Senior Secured Delayed Draw Term Loan D	S+	5.25 %	10.58 %	9/16/2022	3/12/2027	1,543,293	1,496,631	1,543,293
Addison Group	(k)	Senior Secured Initial Term Loan	S+	4.00 %	9.33 %	1/19/2022	12/29/2028	1,473,750	1,470,933	1,465,468
Insight Global		Unitranche Closing Date Term Loan	S+	6.00 %	11.33 %	9/22/2021	9/22/2028	1,466,250	1,443,616	1,465,253
Health Management Associates		Senior Secured Term Loan A	S+	6.25 %	11.58 %	3/31/2023	3/30/2029	1,033,934	1,002,089	1,028,765
Colibri		Senior Secured First Amendment Incremental Term Loan	S+	5.00 %	10.33 %	11/9/2023	3/12/2029	1,000,000	975,000	992,500
Vistage		Senior Secured Initial Term Loan	S+	5.25 %	10.58 %	7/18/2022	7/13/2029	987,500	964,790	982,563
TRC Companies	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	11/19/2021	12/8/2028	982,502	978,854	982,502
Heartland	(k)	Senior Secured Senior Secured Term Loan	S+	5.75 %	11.08 %	12/1/2023	10/2/2029	999,941	976,608	979,942
eResearch	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.50 %	9.83 %	12/1/2020	2/4/2027	969,855	969,855	970,083
WIRB-Copernicus Group	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	9.33 %	12/13/2019	1/8/2027	965,000	960,432	968,320
Divisions Maintenance Group		Senior Secured Term B Loan	S+	4.75 %	10.08 %	5/21/2021	5/27/2028	977,500	970,721	965,281
trustaff		Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	12/9/2021	3/6/2028	977,387	975,620	962,726
Secretariat International		Senior Secured Initial Term Loan (First Lien)	S+	5.01 %	10.34 %	12/16/2021	12/29/2028	966,204	962,401	958,957
Allied Benefit Systems		Senior Secured Initial Term Loan	S+	5.25 %	10.58 %	10/20/2023	10/31/2030	845,000	831,166	840,775
Diversified		Senior Secured Initial Term Loan	S+	6.50 %	11.83 %	4/19/2019	9/23/2024	854,937	850,492	839,976
Aceolite	(k)	Senior Secured Initial Term Loan	S+	5.75 %	11.08 %	3/31/2023	3/13/2029	746,250	722,950	746,250
S&P Engineering Solutions		Senior Secured Initial Term Loan	S+	7.00 %	12.33 %	3/31/2023	5/2/2030	498,750	485,107	495,009
System One		Senior Secured Initial Term Loan	S+	4.00 %	9.33 %	1/28/2021	3/2/2028	487,500	485,964	482,016
OSG Billing Services	(k)	Senior Secured Last-Out Term Loan	S+	6.25 %	11.58 %	11/30/2023	11/30/2028	312,562	312,562	312,562
OSG Billing Services	(k)	Senior Secured First-Out Term Loan	S+	8.00 %	13.33 %	11/30/2023	5/30/2028	219,341	209,666	219,341
Industrial Services Group	(j)	Senior Secured Revolving Loan	S+	6.25 %	11.58 %	12/7/2022	12/7/2028	192,381	175,238	192,381
Vensure Employer Services	(k)	Senior Secured 2023 Delayed Draw Term B Loan	S+	5.25 %	10.58 %	12/7/2022	4/1/2027	60,958	60,958	60,501
Liberty Group	(j)	Senior Secured Revolving Loan	S+	5.75 %	11.08 %	6/6/2022	12/15/2028	45,455	40,909	45,455
S&P Engineering Solutions		Senior Secured Revolving Credit Loan	S+	7.00 %	12.33 %	3/31/2023	5/2/2029	—	—	(1,471)
Health Management Associates		Senior Secured Revolving Loan	S+	6.25 %	11.58 %	3/31/2023	3/30/2029	—	—	(2,131)
VC3	(j)	Senior Secured Revolving Credit	S+	5.25 %	10.58 %	7/21/2022	3/12/2027	—	—	(2,692)
Discovery Education		Senior Secured Revolving Credit Loan (First Lien)	S+	5.75 %	11.08 %	3/25/2022	4/7/2028	—	—	(4,038)
Heartland	(k)	Senior Secured Senior Secured Revolving Credit Facility	S+	5.75 %	11.08 %	12/1/2023	12/15/2029	—	—	(4,138)

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of December 31, 2023
(Expressed in U.S. Dollars)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (c)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS:										
NON-CONTROL/NON-AFFILIATE INVESTMENTS (b) (f) (Continued):										
<i>Banking, Finance, Insurance & Real Estate</i>										
Cerity Partners		Unitranche Initial Term Loan	S+	6.50 %	11.83 %	7/28/2022	7/30/2029	\$4,601,254	\$ 4,537,601	\$ 4,601,254
Cherry Bekaert	(j)	Unitranche Term B Loan	S+	5.25 %	10.58 %	6/13/2022	6/30/2028	4,201,177	4,110,703	4,201,177
Confluence		Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	7/22/2021	7/31/2028	3,920,000	3,903,654	3,880,800
Alera		Unitranche 2022 Incremental Term Loan	S+	6.50 %	11.83 %	8/31/2022	10/2/2028	3,617,833	3,547,025	3,599,744
Ascensus	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.50 %	8.83 %	11/17/2021	8/2/2028	2,866,304	2,856,766	2,864,154
EPIC Insurance		Unitranche Closing Date Term Loan	S+	5.25 %	10.58 %	8/27/2021	9/29/2028	2,369,660	2,341,682	2,345,963
Beta+		Senior Secured Initial Term Loan	S+	5.75 %	11.08 %	6/24/2022	7/2/2029	1,975,000	1,867,637	1,955,250
Kestra Financial	(k)	Senior Secured Initial Term Loan	S+	4.25 %	9.58 %	4/29/2019	6/3/2026	1,915,000	1,907,517	1,919,788
Orion	(k)	Senior Secured 2021 Refinancing Term Loan (First Lien)	S+	3.75 %	9.08 %	8/4/2020	9/24/2027	1,455,103	1,445,707	1,439,657
SIAA	(j)	Unitranche Initial Term Loan	S+	6.25 %	11.58 %	4/21/2021	4/28/2028	1,149,008	1,133,848	1,149,008
Osaic	(j)(k)	Senior Secured Term B-2 Loan	S+	4.50 %	9.83 %	8/16/2023	8/17/2028	1,013,677	1,004,016	1,018,193
Community Brands		Unitranche Initial Term Loan	S+	5.50 %	10.83 %	2/23/2022	2/24/2028	982,500	965,408	975,131
LERETA		Senior Secured Initial Term Loan	S+	5.25 %	10.58 %	7/27/2021	7/30/2028	977,500	970,204	945,731
Steward Partners	(k)	Senior Secured Term Loan B	S+	5.50 %	10.83 %	12/8/2023	10/14/2028	800,000	776,000	784,000
Cherry Bekaert	(k)	Unitranche Amendment No.1 Term Loan	S+	5.75 %	11.08 %	10/11/2023	6/30/2028	726,387	711,823	711,859
EdgeCo		Senior Secured Third Amendment Term Loan (First Lien)	S+	4.75 %	10.08 %	3/29/2022	6/1/2026	554,010	535,786	547,777
Integro	(m)	Senior Secured 2022 Refinancing Term Loan (First Lien)	FIXED	12.25 %PIK	12.25 %	10/9/2015	10/30/2024	232,125	234,301	232,125
Beta+		Senior Secured Revolving Credit Loan	S+	4.25 %	9.58 %	6/24/2022	7/1/2027	27,629	21,413	27,353
EPIC Insurance		Senior Secured Revolving Loan	S+	5.25 %	10.58 %	8/27/2021	9/30/2027	—	(269)	—
Steward Partners		Senior Secured Revolving Credit	S+	5.50 %	10.83 %	12/20/2023	10/14/2028	—	(5,389)	—
<i>High Tech Industries</i>										
Amplix	(k)	Unitranche First Amendment Term Loan	S+	6.40 %	11.58 %	10/19/2023	10/18/2029	3,501,593	3,402,234	3,414,054
Golden Source	(j)	Senior Secured Delayed Draw Term Loan	S+	5.50 %	10.83 %	3/25/2022	5/12/2028	3,414,850	3,345,804	3,412,858
Ivanti Software	(k)	Senior Secured 2021 Specified Refinancing Term Loan (First Lien)	S+	4.25 %	9.58 %	11/20/2020	12/1/2027	2,932,763	2,902,499	2,791,873
Planview	(k)	Senior Secured Closing Date Term Loan (First Lien)	S+	4.00 %	9.33 %	12/11/2020	12/17/2027	2,579,112	2,560,716	2,562,825
Idera	(k)	Senior Secured Term B-1 Loan (First Lien)	S+	3.75 %	9.08 %	6/27/2017	3/2/2028	2,546,938	2,547,125	2,538,979
Precisely	(k)	Senior Secured Third Amendment Term Loan (First Lien)	S+	4.00 %	9.33 %	3/19/2021	4/23/2028	2,443,750	2,434,611	2,429,088
Barracuda		Senior Secured Initial Term Loan (Second Lien)	S+	7.00 %	12.33 %	5/17/2022	8/15/2030	2,000,000	1,943,410	1,955,000

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of December 31, 2023
(Expressed in U.S. Dollars)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (*)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS (h) (i) (Continued):										
<i>High Tech Industries (Continued)</i>										
QuickBase		Senior Secured Term Loan (First Lien)	S+	3.75 %	9.33 %	3/29/2019	4/2/2026	\$1,910,000	\$ 1,906,929	\$ 1,900,450
Intermedia		Senior Secured New Term Loan (First Lien)	S+	6.00 %	11.33 %	7/13/2018	7/21/2025	1,900,000	1,896,491	1,885,750
HelpSystems	(k)	Senior Secured Term Loan	S+	4.00 %	9.33 %	12/19/2019	11/19/2026	1,949,472	1,945,096	1,852,701
OEConnection	(k)	Senior Secured Initial Term Loan	S+	4.00 %	9.33 %	9/24/2019	9/25/2026	1,575,942	1,573,078	1,575,374
Digital Room		Senior Secured Closing Date Term Loan (First Lien)	S+	5.25 %	10.58 %	12/16/2021	12/21/2028	1,473,750	1,462,575	1,459,013
WellSky	(k)	Senior Secured Incremental Term B-1 Loan (First Lien)	S+	5.75 %	11.08 %	8/16/2022	3/10/2028	987,500	963,276	988,557
Infoblox	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	10/7/2020	12/1/2027	975,000	972,231	975,731
SmartBear	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	9.58 %	11/20/2020	3/3/2028	975,000	968,420	975,487
ORBCOMM		Senior Secured Closing Date Term Loan (First Lien)	S+	4.25 %	9.58 %	6/17/2021	9/1/2028	977,500	973,842	934,734
Aptean	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	9.58 %	12/31/2023	4/23/2026	500,000	495,000	500,103
Cloudera	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	8/10/2021	10/8/2028	491,250	487,666	487,873
Barracuda	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.50 %	9.83 %	5/17/2022	8/15/2029	495,000	482,471	484,637
Amplix		Unitranche Revolving Credit Loan	S+	6.40 %	11.58 %	10/19/2023	10/18/2029	—	(8,242)	—
Golden Source	(j)	Senior Secured Revolving Loan	S+	5.50 %	10.83 %	8/22/2022	5/12/2028	—	(9,390)	—
<i>Containers, Packaging & Glass</i>										
InMark	(j)	Unitranche Incremental Term Loan	S+	6.00 %	11.33 %	12/10/2021	12/23/2026	6,354,184	6,256,539	6,354,184
Brook & Whittle		Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	9.33 %	12/9/2021	12/14/2028	3,099,665	3,079,527	3,068,669
Transcendia		Senior Secured 2017 Refinancing Term Loan (First Lien)	S+	3.50 %	8.83 %	5/11/2017	5/30/2024	3,283,118	3,281,901	2,659,326
Anchor Packaging	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.50 %	8.83 %	7/17/2019	7/18/2026	2,464,933	2,459,138	2,455,690
PCI	(k)	Senior Secured Term B Loan (First Lien)	S+	3.50 %	8.83 %	9/25/2020	11/30/2027	2,419,063	2,413,275	2,423,599
Paragon Films		Senior Secured Closing Date Term Loan (First Lien)	S+	5.00 %	10.33 %	12/15/2021	12/16/2028	2,031,007	2,014,514	2,020,852
Intertape Polymer	(k) (n)	Senior Secured Initial Term Loan (First Lien)	S+	4.75 %	10.08 %	6/15/2022	6/28/2028	1,975,000	1,912,753	1,829,966
TricorBraun	(k)	Senior Secured Closing Date Initial Term Loan (First Lien)	S+	3.25 %	8.58 %	1/29/2021	3/3/2028	1,792,002	1,785,730	1,784,252
Resource Label Group	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	9.58 %	7/2/2021	7/7/2028	1,842,152	1,835,502	1,737,149
Technimark		Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	6/30/2021	7/7/2028	1,462,500	1,457,402	1,451,531
Tekni-Plex	(k)	Senior Secured Tranche B-3 Initial Term Loan	S+	4.00 %	9.33 %	7/29/2021	9/15/2028	1,116,901	1,114,979	1,115,276
Novolex	(k)	Senior Secured Term B Loan (First Lien)	S+	4.18 %	9.51 %	3/30/2022	4/13/2029	985,000	966,127	990,541
Lacerta		Senior Secured Term Loan	S+	5.50 %	10.83 %	2/8/2021	12/30/2026	970,000	963,490	948,175
Applied Adhesives		Senior Secured Term A Loan	S+	4.75 %	10.08 %	3/12/2021	3/12/2027	615,240	611,369	610,625
Industrial Physics		Senior Secured Initial Term Loan	S+	6.25 %	11.58 %	7/18/2023	7/19/2029	500,000	483,469	495,000
Pregis	(k)	Senior Secured Third Amendment Refinancing Term Loan (First Lien)	S+	3.75 %	9.08 %	12/9/2020	7/31/2026	488,750	487,441	490,470
Five Star Packaging		Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	9.58 %	4/27/2022	5/5/2029	493,750	487,849	488,195
Golden West Packaging		Senior Secured Initial Term Loan	S+	5.25 %	10.58 %	11/29/2021	12/1/2027	468,750	465,210	457,031
Applied Adhesives		Senior Secured Revolving Loan	S+	4.75 %	10.08 %	3/12/2021	3/12/2027	—	(616)	—
Industrial Physics		Senior Secured Revolving Credit Loan	S+	6.25 %	11.58 %	7/18/2023	7/31/2028	—	(3,233)	—

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of December 31, 2023
(Expressed in U.S. Dollars)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (°)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS (h) (i) (Continued):										
<i>Capital Equipment</i>										
Tank Holding		Unitranche Initial Term Loan	S+	5.75 %	11.08 %	3/25/2022	3/31/2028	\$ 3,940,000	\$ 3,879,002	\$ 3,900,600
		Senior Secured 2021-1 Refinancing Term Loan (First Lien)	S+	4.00 %	9.33 %	12/12/2018	12/15/2025	3,802,475	3,779,055	3,645,623
Plaskolite	(k)	Unitranche Closing Date Euro Term Loan	S+	5.75 %	11.08 %	6/15/2022	8/12/2029	2,939,870	2,982,279	2,910,471
Excellitas		Senior Secured Closing Date Term Loan	S+	6.00 %	11.33 %	9/30/2022	7/29/2029	2,310,000	2,255,557	2,269,575
Burke Porter Group		Senior Secured Initial Senior Term Facility	S+	6.00 %	11.33 %	9/30/2023	10/30/2029	1,787,234	1,750,224	1,773,830
Shaw		Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	3/17/2021	3/31/2028	1,649,289	1,647,350	1,652,587
Flow Control Group	(k)	Unitranche Initial Term Loan	S+	6.53 %	11.86 %	3/11/2022	4/1/2029	1,489,500	1,469,513	1,482,053
Radwell		Senior Secured Initial Term Loan (First Lien)	S+	6.00 %	11.33 %	5/26/2022	5/31/2029	987,500	923,554	948,000
Therm-O-Disc		Senior Secured Initial Term Loan	S+	7.00 %	12.33 %	3/31/2023	3/31/2030	945,910	919,986	938,816
MW Industries		Senior Secured Initial Term Loan	S+	5.75 %	11.08 %	7/18/2022	7/18/2028	919,712	904,482	919,712
Cleaver Brooks		Senior Secured Second Amendment Tranche B Loan (Super Senior priority)	S+	3.50 %	8.83 %	1/31/2022	8/28/2024	953,731	953,731	572,239
TriMark		Senior Secured 2022 Refinancing Term B Loan	S+	3.75 %	9.08 %	6/17/2021	7/31/2028	554,063	551,569	555,176
Culligan	(k)	Senior Secured Initial Term Loan	S+	6.00 %	11.33 %	11/29/2023	11/2/2029	500,000	487,500	496,250
Bad Boy Mowers		Unitranche Initial Term Loan	S+	6.00 %	11.33 %	9/30/2023	10/18/2030	500,000	490,196	496,250
CIRCOR		Unitranche Term Loan	S+	5.75 %	11.08 %	12/12/2023	4/28/2026	500,000	487,333	495,000
Ohio Transmission	(k)	Senior Secured Incremental Amendment No. 5 Term Loan (First Lien)	S+	3.50 %	8.83 %	3/5/2020	5/19/2028	482,576	482,576	480,539
Duravant	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.75 %	9.08 %	2/24/2021	3/2/2028	487,575	486,814	479,042
Infinite Electronics		Senior Secured Term Loan	S+	4.50 %	9.83 %	3/18/2022	4/5/2029	435,707	420,372	437,704
SPX Flow	(k)	Senior Secured Revolving Credit Loan	S+	6.00 %	11.33 %	8/11/2022	7/29/2028	57,991	47,586	56,976
Burke Porter Group		Senior Secured Revolving Credit Loan	S+	5.75 %	11.08 %	3/25/2022	3/31/2028	39,385	36,431	38,991
Tank Holding		Senior Secured Revolving Loan	S+	6.75 %	12.08 %	3/11/2022	4/1/2028	16,000	14,800	15,920
Radwell		Senior Secured Revolving Facility	S+	5.50 %	10.83 %	12/19/2023	12/19/2029	—	(693)	—
Ohio Transmission		Senior Secured Revolving Credit Loan	S+	6.00 %	11.33 %	10/20/2023	10/18/2029	—	(1,151)	—
CIRCOR		Senior Secured Revolving Loan	S+	5.75 %	11.08 %	7/21/2022	7/31/2028	—	(2,462)	—
Cleaver Brooks										
<i>Services: Consumer</i>										
Ned Stevens 2022-2	(j)	Unitranche Initial Term Loan	S+	6.50 %	11.83 %	11/1/2022	11/1/2029	4,361,461	4,246,352	4,361,461
A Place For Mom		Senior Secured Term Loan	S+	4.50 %	9.83 %	7/28/2017	2/10/2026	2,181,019	2,181,099	2,159,209
		Senior Secured Term B Loan (Second Lien)	S+	7.75 %	13.08 %	12/10/2021	12/16/2029	2,000,000	1,972,307	1,955,000
Smart Start		Senior Secured Term B Loan (First Lien)	S+	4.50 %	9.83 %	12/10/2021	12/16/2028	1,960,000	1,952,058	1,915,900
Smart Start		Unitranche Term Loan	S+	5.00 %	10.33 %	10/16/2023	10/24/2030	1,843,015	1,824,352	1,829,192
Apex Service Partners		Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	9.33 %	12/10/2021	12/15/2028	1,477,500	1,466,323	1,470,113
FullBloom		Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	9.58 %	8/19/2021	8/31/2028	980,000	971,846	968,975
Teaching Strategies	(k)	Senior Secured Initial Term Loan	S+	4.50 %	9.83 %	10/5/2023	10/4/2030	950,000	950,000	953,919
Spring Education		Senior Secured Initial Term Loan (2018) (First Lien)	S+	5.50 %	10.83 %	5/4/2018	5/9/2025	577,093	575,661	564,108
Aegis Sciences		Senior Secured Revolving Credit Loan	S+	6.50 %	11.83 %	10/16/2023	10/24/2029	11,690	10,229	11,603
Apex Service Partners		Unitranche Closing Date Term Loan	S+	6.50 %	11.83 %	10/25/2023	1/9/2029	—	(5,000)	—
Legacy Service Partners		Senior Secured Revolving Loan	S+	6.75 %	12.08 %	11/1/2022	11/1/2029	—	(10,154)	—
Ned Stevens 2022-2	(j)									

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of December 31, 2023
(Expressed in U.S. Dollars)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (c)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS (h) (i) (Continued):										
<i>Chemicals, Plastics & Rubber</i>										
DuBois Chemicals		Senior Secured Term Loan (Second Lien) - 2019	S+	8.50 %	13.83 %	10/8/2019	9/30/2027	\$ 3,000,000	\$ 2,986,732	\$ 2,977,500
Vertellus		Senior Secured Initial Term Loan	S+	5.75 %	11.08 %	12/18/2020	12/22/2027	2,932,838	2,882,954	2,815,524
Unifrax	(k)	Senior Secured USD Term Loan (First Lien)	S+	3.75 %	9.08 %	11/5/2018	12/12/2025	2,376,190	2,361,477	2,222,795
USALCO	(k)	Unitranche Term Loan A	S+	6.00 %	11.33 %	10/26/2021	10/19/2027	1,960,000	1,945,924	1,920,800
Boyd Corp	(k)	Senior Secured Initial Loan (Second Lien)	S+	6.75 %	12.08 %	8/16/2018	9/6/2026	2,000,000	2,001,035	1,800,840
DuBois Chemicals	(k)	Senior Secured Term Loan B (First Lien)	S+	4.50 %	9.83 %	10/8/2019	9/30/2026	1,741,436	1,722,733	1,733,817
Ascensus Specialties		Senior Secured Initial Term Loan	S+	4.25 %	9.71 %	12/3/2021	6/30/2028	488,700	482,346	472,817
Boyd Corp	(k)	Senior Secured Initial Term Loan (First Lien)	S+	3.50 %	8.83 %	11/7/2018	9/6/2025	482,188	472,206	466,618
Polytek		Senior Secured Term Loan	S+	6.75 %	12.08 %	12/23/2020	9/20/2024	485,156	482,673	465,750
Vertellus		Senior Secured Revolving Credit Loan	S+	5.75 %	11.08 %	12/18/2020	12/22/2025	199,614	189,484	191,629
USALCO	(k)	Senior Secured Revolving Loan	S+	6.00 %	11.33 %	10/26/2021	10/19/2026	133,065	129,839	130,403
<i>Transportation: Cargo</i>										
Evans Network		Senior Secured Initial Term Loan (First Lien)	S+	4.25 %	9.58 %	8/6/2021	8/19/2028	3,590,816	3,561,375	3,545,931
Capstone Logistics		Senior Secured Closing Date Term Loan (First Lien)	S+	4.75 %	10.08 %	11/12/2020	11/12/2027	2,074,268	2,060,969	2,069,082
AIT Worldwide Logistics	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.75 %	10.08 %	12/9/2021	4/6/2028	1,955,000	1,951,381	1,944,003
Worldwide Express	(k)	Senior Secured Initial Term Loan (First Lien)	S+	4.00 %	9.33 %	7/23/2021	7/26/2028	1,470,000	1,461,801	1,444,775
St. George Logistics		Senior Secured Initial Term Loan	S+	6.00 %	11.33 %	4/28/2022	3/24/2028	1,477,500	1,461,453	1,444,256
FLS Transportation		Senior Secured Term B Loan	S+	5.25 %	10.58 %	4/14/2022	12/15/2028	1,205,217	1,195,851	1,178,100
Omni Logistics		Senior Secured Initial Term Loan (First Lien)	S+	5.00 %	10.33 %	11/24/2021	12/30/2026	1,204,643	1,196,096	1,165,492
Magnate		Senior Secured Initial Term Loan (First Lien)	S+	5.50 %	10.83 %	3/11/2022	12/29/2028	951,342	935,912	929,936
Omni Logistics		Senior Secured Revolving Credit Loan (First Lien)	L+	5.00 %	10.33 %	11/24/2021	12/30/2025	88,933	87,814	86,043
FLS Transportation		Senior Secured Revolving Credit Loan	S+	5.25 %	10.58 %	4/14/2022	12/17/2027	—	(889)	—
<i>Automotive</i>										
<i>Engine & Transmission</i>										
Exchange	(j)	Senior Secured Term Loan A	S+	6.50 %	11.83 %	5/26/2023	5/29/2029	4,254,276	4,135,237	4,254,276
Highline		Senior Secured Initial Term Loan (First Lien)	S+	4.50 %	9.83 %	10/29/2020	11/9/2027	2,784,886	2,741,266	2,743,113
BBB Industries	(k)	Senior Secured Initial Term Loan (First Lien)	S+	5.25 %	10.58 %	6/30/2022	7/25/2029	2,099,960	1,927,014	1,996,054
Rough Country		Senior Secured Initial Term Loan (First Lien)	S+	3.25 %	8.58 %	7/26/2021	7/28/2028	1,955,000	1,951,421	1,945,225
Truck Hero	(k)	Senior Secured Initial Term Loan	S+	3.50 %	8.83 %	1/20/2021	1/31/2028	1,458,750	1,458,750	1,442,944
Innovative XCcessories		Senior Secured Initial Term Loan	S+	4.25 %	9.58 %	2/27/2020	3/5/2027	777,830	777,305	668,934
Safe Fleet		Senior Secured Initial Term Loan (Second Lien)	S+	6.75 %	12.08 %	2/23/2022	2/2/2026	500,000	500,000	496,250
Engine & Transmission Exchange	(j)	Senior Secured Revolving Loan	S+	6.50 %	11.83 %	5/26/2023	5/25/2029	—	(15,392)	—

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of December 31, 2023
(Expressed in U.S. Dollars)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (%)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value	
BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS (h) (i) (Continued):											
<i>Environmental Industries Alliance</i>											
Environmental Group	(j)	Unitranche Initial Term Loan	S+	3.00 %	3.00 % PIK	11.33 %	12/30/2021	12/30/2027	\$4,341,338	\$ 4,278,997	\$ 4,207,260
Vortex	(j)	Unitranche Initial Term Loan	S+	6.00 %		11.33 %	9/1/2023	9/4/2029	4,042,671	3,966,124	3,964,267
Denali Water Solutions		Senior Secured Closing Date Term Loan	S+	4.25 %		9.58 %	3/18/2021	3/27/2028	1,950,000	1,935,411	1,906,125
Crystal Clean	(k)	Senior Secured Initial Term Loan	S+	5.00 %		10.33 %	10/5/2023	10/17/2030	1,000,000	975,000	1,003,750
Keter Environmental Services		Unitranche Closing Date Term Loan	S+	6.50 %		11.83 %	11/5/2021	10/29/2027	490,000	486,488	486,325
Denali Water Solutions		Senior Secured Amendment No. 3 Term Loan	S+	4.63 %		9.96 %	5/5/2022	3/27/2028	465,473	452,705	455,000
Environmental Group	(j)	Senior Secured Revolving Loan	S+	6.00 %		11.33 %	12/30/2021	12/30/2027	306,291	299,669	296,832
Vortex	(j)	Senior Secured Revolving Loan	S+	6.00 %		11.33 %	9/1/2023	9/4/2029	51,699	17,183	50,696
Keter Environmental Services		Senior Secured Revolving Loan	S+	6.50 %		11.83 %	11/5/2021	10/29/2027	—	(775)	—
<i>Aerospace & Defense</i>											
CPI International		Unitranche Initial Term Loan	S+	5.50 %		10.83 %	5/18/2022	10/8/2029	2,977,500	2,919,277	2,910,506
HDT Global		Senior Secured Initial Term Loan	S+	5.75 %		11.08 %	6/30/2021	7/8/2027	3,106,250	3,031,502	2,485,000
Whitcraft		Senior Secured Initial Term Loan	S+	7.00 %		12.33 %	3/31/2023	2/15/2029	1,985,000	1,913,205	1,975,075
Amentum	(k)	Senior Secured Tranche 3 Term Loan (First Lien)	S+	4.00 %		9.33 %	2/10/2022	2/15/2029	1,970,000	1,961,871	1,974,433
Peraton	(k)	Senior Secured Term B Loan (First Lien)	S+	3.75 %		9.08 %	2/23/2021	2/1/2028	951,845	948,813	955,414
API Technologies		Senior Secured Initial Term Loan (First Lien)	S+	1.00 %	6.00 % PIK	6.33 %	1/15/2020	5/9/2026	964,824	951,177	752,563
BlueHalo		Unitranche Initial Term Loan	S+	6.50 %		11.83 %	11/17/2021	10/31/2025	489,015	484,221	481,680
Novaria Group		Senior Secured Initial Term Loan	S+	5.50 %		10.83 %	1/24/2020	1/27/2027	481,250	478,973	475,234
BlueHalo		Senior Secured Revolving Loan	S+	6.50 %		11.83 %	11/17/2021	10/31/2025	58,084	56,595	57,212
API Technologies		Senior Secured Priming Facility	S+	1.00 %	6.00 % PIK	6.33 %	11/3/2023	3/25/2027	51,154	49,620	39,900
Whitcraft		Senior Secured Revolving Loan	S+	7.00 %		12.33 %	3/31/2023	2/15/2029	17,857	7,143	17,768
<i>Beverage, Food & Tobacco</i>											
Betcher Industries		Senior Secured Initial Term Loan (Second Lien)	S+	7.25 %		12.58 %	12/13/2021	12/14/2029	2,500,000	2,480,426	2,475,000
Betcher Industries		Senior Secured Initial Term Loan (First Lien)	S+	4.00 %		9.33 %	12/13/2021	12/14/2028	1,965,000	1,948,322	1,942,894
Hisho Sushi	(j)	Unitranche Term Loan	S+	5.50 %		10.83 %	4/7/2022	5/18/2028	1,829,286	1,798,374	1,829,286
Dessert Holdings		Senior Secured Initial Term Loan (First Lien)	S+	4.00 %		9.33 %	6/7/2021	6/9/2028	1,743,962	1,734,080	1,700,363
Monogram Foods		Senior Secured Initial Term Loan	S+	4.00 %		9.33 %	8/13/2021	8/28/2028	980,000	972,720	967,750
Hisho Sushi	(j)	Senior Secured Revolving Credit Loan	S+	6.00 %		11.33 %	4/7/2022	5/18/2028	—	(667)	—
<i>Construction & Building</i>											
A1 Garage Door Service	(j)	Unitranche Term Loan A	S+	6.50 %		11.83 %	12/22/2022	12/22/2028	2,236,020	2,172,995	2,236,020
Tangent		Senior Secured Closing Date Term Loan (First Lien)	S+	4.75 %		10.08 %	10/2/2019	11/30/2027	1,763,235	1,758,095	1,714,746
PlayPower		Senior Secured Initial Term Loan	S+	5.50 %		10.83 %	5/10/2019	5/8/2026	1,718,028	1,718,028	1,670,782
Specialty Products & Insulation	(k)	Senior Secured Tranche B-1 Term Loan	S+	5.00 %		10.33 %	3/16/2022	12/21/2027	984,023	976,282	984,023
Dodge Construction Network		Senior Secured Initial Term Loan (First Lien)	S+	4.75 %		10.08 %	2/10/2022	2/23/2029	985,000	973,652	871,109
A1 Garage Door Service	(j)	Senior Secured Revolving Loan	S+	6.50 %		11.83 %	12/22/2022	12/23/2028	—	(8,264)	—

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

[Table of Contents](#)

Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of December 31, 2023
(Expressed in U.S. Dollars)

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (*)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
BANK LOANS:										
NON-CONTROL/NON-AFFILIATE INVESTMENTS (b) (f) (Continued):										
<i>Wholesale</i>										
GME Supply Carlisle		Unitranche Initial Term Loan	S+	6.25 %	11.58 %	7/5/2023	7/6/2029	\$3,794,452	\$ 3,695,591	\$ 3,708,404
Foodservice Carlisle		Unitranche Term Loan	S+	6.00 %	11.33 %	9/29/2023	9/11/2030	1,000,000	978,980	992,500
Foodservice GME Supply		Senior Secured Revolving Loan	S+	6.00 %	11.33 %	9/29/2023	10/2/2029	—	(3,223)	—
		Senior Secured Revolving Loan	S+	6.25 %	11.58 %	7/5/2023	7/5/2027	—	(13,831)	—
<i>Consumer Goods:</i>										
<i>Non-durable</i>										
Augusta Sportswear	(k)	Senior Secured Initial Term Loan	S+	6.50 %	11.83 %	11/21/2023	11/21/2029	4,500,000	4,410,000	4,410,000
<i>Media: Advertising, Printing & Publishing</i>										
MediaRadar	(j)	Unitranche Closing Date Term A Loan	S+	5.75 %	11.08 %	5/23/2022	6/1/2029	1,814,074	1,776,598	1,791,988
MediaRadar		Unitranche 2023 Incremental Term Loan	S+	6.25 %	11.58 %	10/31/2023	9/17/2029	957,150	933,221	945,497
MediaRadar	(j)	Senior Secured Revolving Loan	S+	6.00 %	11.33 %	9/16/2022	7/22/2028	—	(10,168)	—
<i>Metals & Mining</i>										
Dynatect (A&A)		Senior Secured Term B Loan	S+	4.50 %	9.83 %	8/16/2019	9/30/2024	1,674,858	1,669,246	1,662,296
<i>Retail</i>										
Varsity Brands	(k)	Senior Secured Third Amendment Extended Term Loan (First Lien)	S+	5.00 %	10.33 %	10/17/2018	12/15/2026	947,649	949,734	943,901
StubHub	(k)	Senior Secured USD Term B Loan	S+	3.50 %	8.83 %	1/31/2020	2/12/2027	480,000	478,894	473,498
<i>Forest Products & Paper</i>										
Loparex		Senior Secured Initial Term Loan (First Lien)	S+	4.50 %	9.83 %	7/29/2019	7/31/2026	1,436,250	1,430,208	1,364,438
<i>Utilities: Water</i>										
Aegion	(k)	Senior Secured Initial Term Loan	S+	4.75 %	10.08 %	4/1/2021	5/17/2028	978,082	974,737	978,082
<i>Energy: Oil & gas</i>										
AmSpec	(k)	Senior Secured Closing Date Term Loan	S+	5.75 %	11.08 %	10/11/2023	12/5/2030	1,000,000	986,093	975,000
AmSpec		Senior Secured Revolving Loan	S+	5.75 %	11.08 %	12/4/2023	12/14/2029	—	(3,634)	—
<i>Energy: Electricity</i>										
Franklin Energy		Senior Secured Term B Loan (First Lien)	S+	4.00 %	9.33 %	8/14/2019	8/14/2026	957,500	956,363	938,350
<i>Hotels, Gaming & Leisure</i>										
Auto Europe		Senior Secured Initial Dollar Term Loan	S+	7.50 %	12.83 %	10/19/2016	4/21/2025	938,318	938,318	919,552
<i>Consumer Goods: Durable</i>										
Careismatic		Senior Secured Initial Term Loan (First Lien)	S+	3.25 %	8.58 %	1/22/2021	1/6/2028	487,500	486,664	287,625
Total Bank Loans									<u>\$ 385,290,924</u>	<u>\$381,763,367</u>

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

[Table of Contents](#)

**Audax Credit BDC Inc.
Schedule of Investments (Continued)
As of December 31, 2023
(Expressed in U.S. Dollars)**

Portfolio Investments (a) (b) (c) (d) (e) (f)	Footnote Reference	Investment Type	Index (*)	Spread	Interest Rate	Acquisition Date	Maturity Date	Par/Shares	Amortized Cost	Market Value
EQUITY AND PREFERRED SHARES: NON-CONTROL/NON-AFFILIATE INVESTMENTS- (1.2%) (g) (h):										
<i>High Tech Industries</i>										
PracticeTek	(j) (o) (p)	Class A Units				11/22/2021		\$ 615,631	\$ 648,053	\$ 673,164
Amplix	(j) (o) (q)	Class A-2 Units				10/19/2023		23,810	238,095	238,095
Golden Source	(j) (o) (r)	Class A Units				3/25/2022		117,371	117,371	187,455
<i>Services: Business</i>										
InnovateMR	(j) (o) (s)	Class A Units				12/16/2021		387	387,311	447,268
Industrial Services Group	(j) (o) (t)	Class A Units				12/7/2022		238	238,095	270,179
Liberty Group	(j) (o) (u)	Series A-Preferred Units				6/6/2022		113,636	113,636	140,225
Heartland	(o) (v)	Co-Invest Units				12/12/2023		889	88,889	88,889
VC3	(j) (o) (w)	Class A Units				9/16/2022		15,279	62,282	65,700
OSG Billing Services	(o) (x)	Class A Units				11/30/2023		27,208	—	—
<i>Healthcare & Pharmaceuticals</i>										
OrthoNebraska	(j) (o) (y)	Class A Units				7/31/2023		24,245	242,452	258,253
Minds + Assembly	(j) (o) (z)	Class A Units				5/3/2023		217	217,391	257,347
InterMed	(j) (o) (aa)	Class A Units				12/22/2022		2,484	248,380	144,227
Ivy Rehab	(o) (ab)	Class A Units				3/11/2022		100	100,000	102,137
RevHealth	(j) (o) (ac)	Class A-1 Units				7/22/2022		20,548	205,479	87,436
<i>Beverage, Food & Tobacco</i>										
Hissho Sushi	(j) (o) (ad)	Class A Units				4/7/2022		25,000	250,000	442,054
<i>Construction & Building</i>										
A1 Garage Door Service	(j) (o) (ae)	Class A Common Units				12/22/2022		273	272,727	376,917
<i>Environmental Industries</i>										
Vortex	(j) (o) (af)	LP Common Units				9/1/2023		190	189,759	224,025
Alliance Environmental Group	(j) (o) (ag)	A-1 Preferred Units				9/30/2019		331	331,126	107,177
<i>Services: Consumer</i>										
Ned Stevens 2022-2	(j) (o) (ah)	Class B Common Units				11/1/2022		279	278,990	278,990
<i>Banking, Finance, Insurance & Real Estate</i>										
Cherry Bekaert	(j) (o) (ai)	Class A Units				6/30/2022		129,870	129,870	216,572
Beta+	(o) (aj)	Class A-2 Common Stock				9/15/2023		2,470	24,700	24,700
American Beacon Advisors	(o) (ak)	Common Units				12/29/2023		16,071	—	—
<i>Automotive</i>										
Engine & Transmission Exchange	(j) (o) (al)	Class A-1 Units				5/26/2023		211,268	211,268	239,133
<i>Wholesale</i>										
GME Supply	(j) (o) (am)	Class A Units				6/30/2023		272,422	272,422	235,688
<i>Chemicals, Plastics & Rubber</i>										
Vertellus	(o) (an)	Series A Units				12/22/2020		1,651	165,138	178,570
<i>Media: Advertising, Printing & Publishing</i>										
MediaRadar	(j) (o) (ao)	Class A-1 Units				9/16/2022		147,000	147,000	147,000
Total Equity and Preferred Shares									<u>\$ 5,180,434</u>	<u>\$ 5,431,201</u>
Total Portfolio Investments (ap)									<u>\$ 390,471,358</u>	<u>\$ 387,194,568</u>

(^) The majority of the investments bear interest at a rate that may be determined by reference to Secured Overnight Financing Rate (“SOFR” or “S”).

[Table of Contents](#)

- (a) All companies are located in the United States of America, unless otherwise noted.
- (b) Interest rate percentages represent actual interest rates as of December, 2023, which are indexed to the noted reference rate. The referenced rates are subject to interest floors which can vary based on contractual agreements with the borrower.
- (c) All loans are income-producing, unless otherwise noted.
- (d) All investments are qualifying assets under Section 55(a) of the Investment Company Act of 1940, as amended (the “1940 Act”) unless otherwise noted.
- (e) All investments are exempt from registration under the Securities Act of 1933 (the “Securities Act”), and may be deemed to be “restricted securities” under the Securities Act.
- (f) Unless indicated otherwise, all of our investments are valued using Level 3 inputs within the FASB Accounting Standard Codification (“ASC”) Topic 820, “Fair Value Measurements and Disclosures” (“ASC 820”) fair value hierarchy. Refer to Note 3 – Investments in the accompanying Notes to Financial Statements for additional information.
- (g) Percentages are calculated using fair value of investments over net assets.
- (h) As defined in 1940 Act, the Company is not deemed to be an “Affiliated Person” of or “Control” this portfolio company because it neither owns 5% or more of the portfolio company’s outstanding voting securities nor has the power to exercise control over the management or policies of such portfolio company (including through a management agreement).
- (i) The negative cost, if applicable, is the result of the capitalized discount being greater than the principal amount outstanding on the unfunded loan commitment.
- (j) Three of our affiliated funds, Audax Direct Lending Solutions Fund - A, L.P., Audax Direct Lending Solutions Fund - C, L.P., and Audax Direct Lending Solutions Fund - D, L.P., co-invested with us in this portfolio company pursuant to an exemptive order granted by the U.S. Securities and Exchange Commission.
- (k) Investment was valued using Level 2 inputs within the ASC 820 fair value hierarchy. Refer to Note 3 – Investments in the accompanying Notes to Financial Statements for additional information.
- (l) The Company headquarters for UDG is located in Ireland.
- (m) The Company headquarters for Integro is located in United Kingdom.
- (n) The Company headquarters for Intertape Polymer is located in Canada.
- (o) Investment is non-income producing.
- (p) Represents an investment in APD Ptek Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (q) Represents an investment in APD AMP Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (r) Represents an investment in APD Gol Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (s) Represents an investment in APD INN Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (t) Represents an investment in APD ISG Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (u) Represents an investment in APD TLG Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (v) Represents an investment in Heartland PPC Investor LLC, a holding company for the investment in Heartland.
- (w) Represents an investment in APD VC3 Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (x) Represents an investment in OSG Topco Holdings LLC, a holding company for the investment in OSG Billing Services.
- (y) Represents an investment in APD OrthoNebraska Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (z) Represents an investment in APD MA Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (aa) Represents an investment in APD IMD Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ab) Represents an investment in APD IVY Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ac) Represents an investment in APD RH Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.

[Table of Contents](#)

- (ad) Represents an investment in APD Sush Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ae) Represents an investment in APD GAR Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (af) Represents an investment in APD VTX Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ag) Represents an investment in APD AEG Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ah) Represents an investment in APD NS Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ai) Represents an investment in APD CBA Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (aj) Represents an investment in Buckhorn Parent, Inc., a holding company for the investment in Beta+.
- (ak) Represents an investment in Resolute Topco, Inc., a holding company for the investment in American Beacon Advisors.
- (al) Represents an investment in APD ETE Equity Aggregator, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (am) Represents an investment in ADP GMES Parent Holding Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (an) Represents an investment in ADP VERT Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ao) Represents an investment in APD MDR Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ap) At December 31, 2023, the cost of investments for income tax purposes was \$390,467,107, the gross unrealized depreciation for federal tax purposes was \$6,492,193, the gross unrealized appreciation for federal income tax purposes was \$3,219,654, and the net unrealized depreciation was \$3,272,539.

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

Audax Credit BDC Inc.
Notes to Financial Statements
September 30, 2024
(unaudited)

Note 1. Organization

Audax Credit BDC Inc. (the “Company”) is a Delaware corporation that was formed on January 29, 2015. The Company is an externally managed, closed-end, non-diversified management investment company that has elected to be treated as a business development company (“BDC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). In addition, effective with the Company’s taxable year ended December 31, 2015, the Company has elected to be treated for federal income tax purposes and intends to comply with the requirements to qualify annually, as a regulated investment company (“RIC”) under Subchapter M of the U.S. Internal Revenue Code of 1986, as amended (the “Code”).

The Company commenced business operations on July 8, 2015, the date on which the Company made its first investment. The Company was formed for the purpose of investing primarily in the debt of leveraged, non-investment grade middle market companies, with the principal objective of generating income and capital appreciation. The Company’s investment strategy is to invest primarily in first lien senior secured loans and selectively in second lien loans to middle market companies.

Audax Management Company (NY), LLC (the “Adviser”) is the investment adviser of the Company. The Adviser is registered as an investment adviser with the U.S. Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940, as amended.

Note 2. Significant Accounting Policies

Basis of Presentation

As an investment company, the accompanying financial statements of the Company are prepared in accordance with the investment company accounting and reporting guidance of ASC Topic 946, “*Financial Services – Investment Companies*,” as amended (“ASC Topic 946”), which incorporates the requirements for reporting on Form 10-Q and Articles 6 and 10 of Regulation S-X, as well as generally accepted accounting principles in the United States of America (“GAAP”).

Certain financial information that is normally included in annual financial statements, including certain financial statement footnotes, prepared in accordance with GAAP, is not required for interim reporting purposes and has been condensed or omitted herein. Accordingly, certain disclosures accompanying annual financial statements prepared in accordance with GAAP are omitted. In the opinion of management of the Company, the unaudited financial results included herein contain all adjustments, consisting solely of normal accruals, considered necessary for the fair presentation of financial statements for the interim period included herein. The current period’s results of operations are not necessarily indicative of the operating results to be expected for future periods. The accounting records of the Company are maintained in U.S. dollars.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management of the Company to make estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Changes in the economic environment, financial markets and any other parameters used in determining these estimates could cause actual results to differ, and these differences could be material.

Cash and Cash Equivalents

Cash and cash equivalents are stated at fair value. The Company considers all highly liquid investments purchased with maturities of three months or less and money market mutual funds to be cash equivalents. No cash equivalent balances were held as of September 30, 2024 and December 31, 2023. At such dates, cash was not subject to any restrictions on withdrawal.

[Table of Contents](#)

Expenses

The Company is responsible for investment expenses, legal expenses, auditing fees and other expenses related to the Company's operations. Such fees and expenses, including expenses initially incurred by the Adviser, may be reimbursed by the Company.

Investment Valuation Policy

On December 3, 2020, the SEC announced that it adopted Rule 2a-5 under the 1940 Act (the "Valuation Rule"), which established an updated regulatory framework for determining fair value in good faith for purposes of the 1940 Act. Pursuant to the Valuation Rule, which became effective on September 8, 2022, the Company's Board of Directors (the "Board of Directors") designated the Adviser as the Company's valuation designee (the "Valuation Designee") to perform fair value determinations relating to the value of the Company's assets for which market quotations are not readily available in good faith. Such valuation by the Valuation Designee must be made in good faith and may be based on, among other things, the input of independent third-party valuation firms, where applicable. The Valuation Designee's valuation process is subject to the Board of Directors' oversight.

In accordance with the 1940 Act, the Board of Directors has the ultimate responsibility for reviewing the good faith fair value determination of the Company's investments for which market quotations are not readily available based on the Company's investment valuation policy (the "Policy") and for overseeing the Valuation Designee. Such review and oversight include receiving written fair value determinations and supporting materials provided by the Valuation Designee and any independent third-party valuation firms as may be used by the Valuation Designee or the Board of Directors from time to time.

As part of the valuation process, the Valuation Designee may take into account the following types of factors, if relevant, in determining the fair value of the Company's investments: applicable market yields and multiples; security covenants; call protection provisions; information rights; comparisons of financial ratios of the portfolio companies that issued such private equity securities to peer companies that are public; comparable merger and acquisition transactions; the nature and realizable value of any collateral; the portfolio company's ability to make payments and its earnings and discounted cash flow; available current market data, including relevant and applicable markets in which the portfolio company does business; and other relevant factors. When an external event such as a purchase transaction, public offering or subsequent equity sale occurs, the Valuation Designee will consider the pricing indicated by the external event in its valuation of the portfolio investment.

The Valuation Designee utilizes the following multi-step process in determining fair value for the Company's investments for which market quotations are not "readily available":

- The Adviser's investment professionals responsible for the portfolio investment and other senior members of the Adviser's investment and management team, with oversight from the Adviser's finance team, will make initial valuations of each investment;
- The Adviser's investment professionals and management team, with oversight by the Adviser's finance and compliance team, will document the preliminary valuation conclusions and oversee sample testing of valuations with third-party valuation agents;
- The preliminary valuation conclusions will be presented to the valuation committees for consideration;
- The valuation committees will discuss the recommended valuations and determine, in good faith, the fair value of each investment;
- The valuation determinations of the valuation committees will be presented to the risk committee and then shared with the Company's CEO and CFO; and
- The Adviser will provide certain quarterly and annual reports to the Board of Directors.

[Table of Contents](#)

Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the investments may differ significantly from the values that would have been used had a readily available market value existed for such investments, and the differences could be material. In addition, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different from the valuations currently assigned.

The Valuation Designee determines fair value in good faith for all our investments without readily available market quotations by using methodologies consistent with the principles of the valuation approaches set forth in ASC 820, Section 2(a)(41) of the 1940 Act and Rule 2a-5 thereunder.

ASC 820 defines fair value as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.” Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same – to estimate the price when an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date under current market conditions (that is, an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

ASC 820 establishes a hierarchal disclosure framework which ranks the observability of inputs used in measuring financial instruments at fair value. The observability of inputs is impacted by a number of factors, including the type of financial instruments and their specific characteristics. Financial instruments with readily available quoted prices, or for which fair value can be measured from quoted prices in active markets, generally will have a higher degree of market price observability and a lesser degree of judgment applied in determining fair value.

The three-level hierarchy for fair value measurement is defined as follows:

Level 1 — Inputs to the valuation methodology are quoted prices available in active markets for identical financial instruments as of the measurement date. The types of financial instruments in this category include unrestricted securities, including equities and derivatives, listed in active markets. The Company does not adjust the quoted price for these instruments, even in situations where the Company holds a large position, and a sale could reasonably be expected to impact the quoted price.

Level 2 — Inputs to the valuation methodology are quoted prices in markets that are not active or for which all significant inputs are either directly or indirectly observable as of the measurement date. The types of financial instruments in this category include less liquid and restricted securities listed in active markets, securities traded in markets that are not active, government and agency securities, and certain over-the-counter derivatives where the fair value is based on observable inputs.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the overall fair value measurement, and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. The types of financial instruments in this category include investments in privately held entities, non-investment grade residual interests in securitizations, collateralized loan obligations, and certain over-the-counter derivatives where the fair value is based on unobservable inputs.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given financial instrument is based on the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the financial instrument.

Pursuant to the framework set forth above, the Valuation Designee values securities traded in active markets on the measurement date by multiplying the exchange closing price of such traded securities/instruments by the quantity of shares or amount of the instrument held. The Valuation Designee may also obtain quotes with respect to certain of the Company’s investments from pricing services, brokers or dealers’ quotes, or counterparty marks in order to value liquid assets that are not traded in active markets.

[Table of Contents](#)

Pricing services aggregate, evaluate and report pricing from a variety of sources including observed trades of identical or similar securities, broker or dealer quotes, model-based valuations and internal fundamental analysis and research. When doing so, the Valuation Designee determines whether the quote obtained is sufficient in accordance with GAAP to determine the fair value of the security. If determined adequate, the Valuation Designee uses the quote obtained.

Securities that are illiquid or for which the pricing source does not provide a valuation or methodology or provides a valuation or methodology that, in the judgment of the Valuation Designee, does not represent fair value, are each valued as of the measurement date using all techniques appropriate under the circumstances and for which sufficient data are available. These valuation techniques vary by investment but include comparable public market valuations, comparable precedent transaction valuations and discounted cash flow analyses. Inputs for these valuation techniques include relative credit information, observed market movement, industry sector information, and other market data, which may include benchmarking of comparable securities, issuer spreads, reported trades, and reference data, such as market research publications, when available.

Investment performance data utilized are the most recently available as of the measurement date, which in many cases may reflect up to a one quarter lag in information.

Securities for which market quotations are not readily available or for which a pricing source is not sufficient may include the following:

- private placements and restricted securities that do not have an active trading market;
- securities whose trading has been suspended or for which market quotes are no longer available;
- debt securities that have recently gone into default and for which there is no current market;
- securities whose prices are stale; and
- securities affected by significant events.

Subject to the oversight of the Board of Directors, the Valuation Designee has the overall responsibility for the implementation and monitoring of the Company's pricing policies to ensure fair, accurate and current valuations.

Determination of fair value involves subjective judgments and estimates. Accordingly, these notes to the Company's financial statements express the uncertainty with respect to the possible effect of such valuations, and any change in such valuations, on the Company's financial statements.

Security transactions are recorded on the trade date (the date the order to buy or sell is executed or, in the case of privately issued securities, the closing date, which is when all terms of the transactions have been defined).

Realized gains and losses on investments are determined based on the identified cost method.

Refer to Note 3 — *Investments* for additional information regarding fair value measurements and the Company's application of ASC 820.

Interest Income Recognition

Interest income, adjusted for amortization of premium, acquisition costs, and amendment fees and the accretion of original issue discount ("OID"), are recorded on an accrual basis to the extent that such amounts are expected to be collected. Generally, when a loan becomes 120 days or more past due, or if the Company's qualitative assessment indicates that the debtor is unable to service its debt or other obligations, the Company will place the loan on non-accrual status and cease recognizing interest income on that loan for financial reporting purposes until the borrower has demonstrated the ability and intent to pay contractual amounts due. However, the Company will remain contractually entitled to this interest. Interest payments received on non-accrual loans are restored to accrual status when past due principal and interest are paid and, in management's judgment, are likely to remain current or, due to a restructuring, the interest income is deemed to be collectible. As of September 30, 2024, the Company held one investment on non-accrual, which represented 0.89% and 0.47% of the Company's total portfolio at cost and fair market value, respectively. As of December 31, 2023, the Company had no investments on non-accrual.

[Table of Contents](#)

The Company currently holds loans in the portfolio that contain OID and that contain payment-in-kind (“PIK”) provisions. The Company recognizes OID for loans originally issued at a discount and recognizes the income over the life of the obligation based on an effective yield calculation. PIK interest, computed at the contractual rate specified in a loan agreement, is added to the principal balance of a loan and recorded as income over the life of the obligation. Therefore, the actual collection of PIK income may be deferred until the time of debt principal repayment. To maintain the ability to be taxed as a RIC, the Company may need to pay out of both OID and PIK non-cash income amounts in the form of distributions, even though the Company has not yet collected the cash on either.

As of September 30, 2024 and December 31, 2023, the Company held 278 and 245 investments in loans with OID, respectively. The unamortized balance of OID investments as of September 30, 2024 and December 31, 2023 totaled \$5,009,149 and \$4,930,002, respectively. For the three and nine months ended September 30, 2024, the Company accrued OID income in the amount of \$219,770 and \$637,053, respectively. For the three and nine months ended September 30, 2023, the Company accrued OID income in the amount of \$186,765 and \$536,253, respectively.

As of September 30, 2024, the Company held 12 investments that had a PIK interest component. As of December 31, 2023, the Company held 7 investments that had a PIK interest component. During the three and nine months ended September 30, 2024, the Company accrued PIK income in the amount of \$294,130, and \$501,279 respectively. During the three and nine months ended September 30, 2023, the Company accrued PIK income in the amount of \$35,806 and \$157,370, respectively.

As of September 30, 2024 and December 31, 2023, the Company held \$21,068,881 and \$20,940,279 cash and cash equivalents, respectively. For the three and nine months ended September 30, 2024, the Company earned \$89,706 and \$332,334, respectively, of interest income related to cash, which is included in other interest income within the accompanying statement of operations. For the three and nine months ended September 30, 2023, the Company earned \$87,639 and \$213,217, respectively, of interest income related to cash, which is included in other interest income within the accompanying statement of operations.

Other Income Recognition

The Company generally records prepayment fees and amendment fees upon receipt of cash or as soon as the Company becomes aware of the prepayment or amendment.

Dividend income on equity investments is accrued to the extent that such amounts are expected to be collected and if the Company has the option to collect such amounts in cash.

Prepayment fees, amendment fees and dividend income are accrued in other income in the accompanying statements of operations.

For the three and nine months ended September 30, 2024, the Company accrued \$66,442 and \$110,594 of other income, respectively, related to amendment fees. For the three and nine months ended September 30, 2023, the Company accrued \$121,841 and \$193,094 of other income, respectively, related to amendment fees.

New Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07 “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures” (“ASU 2023-07”). ASU 2023-07 intends to improve reportable segment disclosure requirements, enhance interim disclosure requirements and provide new segment disclosure requirements for entities with a single reportable segment. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and for interim periods with fiscal years beginning after December 15, 2024. ASU 2023-07 is to be adopted retrospectively to all prior periods presented. We are currently assessing the impact this guidance will have on our financial statements.

In December 2023, the FASB issued ASU 2023-09 “Improvements to Income Tax Disclosures” (“ASU 2023-09”). ASU 2023-09 intends to improve the transparency of income tax disclosures. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024 and is to be adopted on a prospective basis with the option to apply retrospectively. We are currently assessing the impact of this guidance; however, we do not expect a material impact to our financial statements.

[Table of Contents](#)

Note 3. Investments

Fair Value

In accordance with ASC 820, the fair value of the Company's investments is determined to be the price that would be received for an investment in a current sale, assuming an orderly transaction between willing market participants on the measurement date. This fair value definition focuses on exit price in the principal, or most advantageous, market and prioritizes, within a measurement of fair value, the use of market-based inputs over entity-specific inputs. ASC 820 also establishes the three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of a financial instrument as of the measurement date as described in Note-2 – *Significant Accounting Policies*.

As of September 30, 2024, \$279,909,232 of the Company's investments were valued using unobservable inputs, and \$115,683,366 were valued using observable inputs. During the nine months ended September 30, 2024, \$25,874,795 transferred into Level 3 due to a decrease in observable price inputs in the market for these securities and a corresponding need to utilize unobservable inputs, and \$19,855,052 transferred out of Level 3 due to additional liquidity in the market for these securities, which provided more observable inputs.

As of December 31, 2023, \$275,958,708 of the Company's investments were valued using unobservable inputs, and \$111,235,860 were valued using observable inputs. During the nine months ended September 30, 2023, \$15,642,437 transferred into Level 3 due to a decrease in observable price inputs in the market for these securities and a corresponding need to utilize unobservable inputs, and \$76,667,971 transferred out of Level 3 due to additional liquidity in the market for these securities, which provided more observable inputs.

The following table presents the Company's investments carried at fair value as of September 30, 2024 and December 31, 2023, by caption on the Company's accompanying statements of assets and liabilities and by security type.

	Assets at Fair Value as of September 30, 2024			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
First Lien Debt	\$ —	\$ 112,825,416	\$ 145,924,558	\$ 258,749,974
Unitranche Debt	—	2,450,000	118,787,254	121,237,254
Second Lien Debt	—	407,950	8,698,750	9,106,700
Equity and Preferred Shares	—	—	6,498,670	6,498,670
Total	<u>\$ —</u>	<u>\$ 115,683,366</u>	<u>\$ 279,909,232</u>	<u>\$ 395,592,598</u>

	Assets at Fair Value as of December 31, 2023			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
First Lien Debt	\$ —	\$ 102,893,307	\$ 132,718,165	\$ 235,611,472
Unitranche Debt	—	6,541,713	123,000,592	129,542,305
Second Lien Debt	—	1,800,840	14,808,750	16,609,590
Equity and Preferred Shares	—	—	5,431,201	5,431,201
Total	<u>\$ —</u>	<u>\$ 111,235,860</u>	<u>\$ 275,958,708</u>	<u>\$ 387,194,568</u>

[Table of Contents](#)

In accordance with ASC 820, the following table provides quantitative information about the Level 3 fair value measurements of the Company's investments as of September 30, 2024. The weighted average calculations in the table below are based on the fair value balances for all debt related calculations for the particular input.

	Fair Value	Valuation Technique	Unobservable Inputs ⁽¹⁾	As of September 30, 2024	
				Range ⁽²⁾	Weighted Average ⁽³⁾
First Lien Debt	\$ 112,579,622	Matrix Pricing	Senior Leverage	1.12 x - 10.98 x	4.91 x
			Total Leverage	2.49 x - 11.09 x	5.46 x
			Interest Coverage	0.22 x - 3.25 x	1.62 x
			Debt Service Coverage	0.16 x - 2.46 x	1.36 x
			TEV Coverage	0.90 x - 6.02 x	2.53 x
			Liquidity	0.00 % - 866.33 %	141.13 %
			Spread Comparison	325 bps - 800 bps	503 bps
First Lien Debt	18,830,239	Market Analysis	Senior Leverage	0.83 x - 20.66 x	8.22 x
			Total Leverage	3.79 x - 20.66 x	9.41 x
			Interest Coverage	0.00 x - 1.29 x	0.98 x
			Debt Service Coverage	0.00 x - 1.26 x	0.85 x
			TEV Coverage	0.00 x - 15.49 x	1.89 x
			Liquidity	15.16 % - 434.25 %	71.05 %
			Spread Comparison	0 bps - 675 bps	372 bps
First Lien Debt	14,514,695	Analysis of Trend in Leverage	Maturity Modified Market Yield (4)	9.76 % - 11.51 %	10.43 %
Unitranche Debt	79,946,155	Analysis of Trend in Leverage	Maturity Modified Market Yield (4)	7.94 % - 18.92 %	10.06 %
Unitranche Debt	33,597,396	Matrix Pricing	Senior Leverage	3.36 x - 6.49 x	5.79 x
			Total Leverage	3.36 x - 7.42 x	5.92 x
			Interest Coverage	1.13 x - 2.49 x	1.47 x
			Debt Service Coverage	0.95 x - 1.87 x	1.25 x
			TEV Coverage	1.46 x - 3.63 x	2.19 x
			Liquidity	66.34 % - 340.27 %	155.04 %
			Spread Comparison	450 bps - 650 bps	545 bps
Unitranche Debt	5,243,702	Market Analysis	Senior Leverage	11.01 x - 37.00 x	20.27 x
			Total Leverage	11.01 x - 37.00 x	20.27 x
			Interest Coverage	0.29 x - 0.60 x	0.49 x
			Debt Service Coverage	0.26 x - 0.45 x	0.38 x
			TEV Coverage	0.32 x - 1.10 x	0.82 x
			Liquidity	14.96 % - 58.89 %	30.62 %
			Spread Comparison	0 bps - 575 bps	370 bps
Second Lien Debt	7,398,750	Matrix Pricing	Senior Leverage	5.31 x - 10.94 x	6.95 x
			Total Leverage	5.31 x - 10.94 x	6.96 x
			Interest Coverage	0.85 x - 1.97 x	1.55 x
			Debt Service Coverage	0.72 x - 1.57 x	1.31 x
			TEV Coverage	1.18 x - 2.22 x	1.77 x
			Liquidity	95.38 % - 283.60 %	140.27 %
			Spread Comparison	700 bps - 800 bps	742 bps
Total	\$ 272,110,559				

- (1) For any portfolio company, the unobservable input "Liquidity" is a fraction, expressed as a percentage, the numerator of which is the sum of the company's undrawn revolving credit facility capacity plus cash, and the denominator of which is the total amount that may be borrowed under the company's revolving credit facility. The unobservable input "Spread Comparison" is a comparison of the spread over the referenced rate for each investment to the spread over the referenced rate for general leveraged loan transactions.
- (2) Each range represents the variance of outputs from calculating each statistic for each portfolio company within a specific credit seniority. The range may be a single data point when there is only one company represented in a specific credit seniority.

[Table of Contents](#)

- (3) Inputs are weighted based on the fair value of the investments included in the range.
(4) Maturity Modified Market Yield is calculated based on the Market yield of the security relative to its actual coupon and maturity date. The Market Yield is modified 75 basis points for every 1x delta in actual leverage versus market leverage of that issuer.

The table above does not include \$7,798,673 of debt, equity and preferred shares which management values using other unobservable inputs, such as earnings before interest, taxes, depreciation and amortization (“EBITDA”) and EBITDA multiples, as well as other qualitative information, including company specific information.

In accordance with ASC 820, the following table provides quantitative information about the Level 3 fair value measurements of the Company’s investments as of December 31, 2023. The weighted average calculations in the table below are based on the fair value balances for all debt related calculations for the particular input.

	Fair Value	Valuation Technique	Unobservable Inputs ⁽¹⁾	As of December 31, 2023	
				Range ⁽²⁾	Weighted Average ⁽³⁾
First Lien Debt	\$ 113,434,999	Matrix Pricing	Senior Leverage	3.22 x - 10.06 x	5.03 x
			Total Leverage	3.22 x - 10.06 x	5.82 x
			Interest Coverage	0.69 x - 2.56 x	1.52 x
			Debt Service Coverage	0.59 x - 2.23 x	1.27 x
			TEV Coverage	0.80 x - 4.82 x	2.34 x
			Liquidity	20.28 % - 847.31 %	130.76 %
			Spread Comparison	350 bps - 750 bps	486 bps
First Lien Debt	15,028,890	Market Analysis	Senior Leverage	0.83 x - 10.99 x	6.84 x
			Total Leverage	3.79 x - 13.24 x	7.93 x
			Interest Coverage	0.00 x - 1.70 x	1.21 x
			Debt Service Coverage	0.00 x - 1.48 x	1.01 x
			TEV Coverage	0.79 x - 15.49 x	1.58 x
			Liquidity	(29.10)% - 434.25 %	47.79 %
			Spread Comparison	0 bps - 575 bps	414 bps
First Lien Debt	4,254,276	Analysis of Trend in Leverage	Maturity Modified Market Yield ⁽⁴⁾	10.75 %	10.75 %
Unitranche Debt	82,798,327	Analysis of Trend in Leverage	Maturity Modified Market Yield ⁽⁴⁾	8.78 % - 12.97 %	11.00 %
Unitranche Debt	36,967,553	Matrix Pricing	Senior Leverage	4.71 x - 9.00 x	6.43 x
			Total Leverage	4.71 x - 9.00 x	6.55 x
			Interest Coverage	0.75 x - 2.18 x	1.33 x
			Debt Service Coverage	0.59 x - 1.96 x	1.14 x
			TEV Coverage	1.32 x - 2.71 x	1.83 x
			Liquidity	27.69 % - 294.20 %	115.83 %
			Spread Comparison	525 bps - 700 bps	593 bps
Unitranche Debt	3,234,712	Market Analysis	Senior Leverage	9.40 x	9.40 x
			Total Leverage	9.40 x	9.40 x
			Interest Coverage	1.10 x	1.10 x
			Debt Service Coverage	0.99 x	0.99 x
			TEV Coverage	1.16 x	1.16 x
			Liquidity	92.90 %	92.90 %
			Spread Comparison	350 bps	350 bps
Second Lien Debt	14,808,750	Matrix Pricing	Senior Leverage	5.32 x - 9.68 x	6.87 x
			Total Leverage	5.32 x - 9.68 x	6.88 x
			Interest Coverage	0.89 x - 2.07 x	1.44 x
			Debt Service Coverage	0.79 x - 1.73 x	1.19 x
			TEV Coverage	1.25 x - 2.14 x	1.66 x
			Liquidity	77.67 % - 275.58 %	139.32 %
			Spread Comparison	675 bps - 850 bps	743 bps
Total	\$ 270,527,507				

[Table of Contents](#)

- (1) For any portfolio company, the unobservable input “Liquidity” is a fraction, expressed as a percentage, the numerator of which is the sum of the company’s undrawn revolving credit facility capacity plus cash, and the denominator of which is the total amount that may be borrowed under the company’s revolving credit facility. The unobservable input “Spread Comparison” is a comparison of the spread over the referenced rate for each investment to the spread over the referenced rate for general leveraged loan transactions.
- (2) Each range represents the variance of outputs from calculating each statistic for each portfolio company within a specific credit seniority. The range may be a single data point when there is only one company represented in a specific credit seniority.
- (3) Inputs are weighted based on the fair value of the investments included in the range.
- (4) Maturity Modified Market Yield is calculated based on the Market yield of the security relative to its actual coupon and maturity date. The Market Yield is modified 75 basis points for every 1x delta in actual leverage versus market leverage of that issuer.

The table above does not include \$5,431,201 of debt, equity and preferred shares which management values using other unobservable inputs, such as EBITDA and EBITDA multiples, as well as other qualitative information, including company specific information.

Fair value measurements can be sensitive to changes in one or more of the valuation inputs. Changes in market yields, discounts rate, leverage, EBITDA or EBITDA multiples (or revenue or revenue multiples), each in isolation, may change the fair value of certain of the Company’s investments. Generally, an increase or decrease in market yields, discount rates or leverage or an increase/decrease in EBITDA or EBITDA multiples (or revenue or revenue multiples) may result in a corresponding decrease or increase, respectively, in the fair value of certain of the Company’s investments.

The following tables provide the changes in fair value, broken out by security type, during the nine months ended September 30, 2024 and 2023 for all investments for which the Company determines fair value using unobservable (Level 3) factors.

Nine Months Ended September 30, 2024	First Lien	Unitranche	Second Lien	Equity and Preferred	Total
	Debt	Debt	Debt	Shares	
Fair Value as of December 31, 2023	\$ 132,718,165	\$ 123,000,592	\$ 14,808,750	\$ 5,431,201	\$ 275,958,708
Transfers into Level 3	25,874,795	—	—	—	25,874,795
Transfers out of Level 3	(19,855,052)	—	—	—	(19,855,052)
Total gains:					
Net realized (loss) gain ^(a)	(630,151)	90,853	30,517	—	(508,781)
Net unrealized appreciation (depreciation) ^(b)	(180,881)	(3,775,306)	(655,770)	549,075	(4,062,882)
New investments, repayments and settlements: ^(c)					
Purchases	40,859,417	10,189,017	—	568,348	51,616,782
Settlements/repayments	(29,256,227)	(11,137,413)	(5,500,000)	(49,954)	(45,943,594)
Net amortization of premiums, PIK, discounts and fees	585,475	419,511	15,253	—	1,020,239
Sales	(4,190,983)	—	—	—	(4,190,983)
Fair Value as of September 30, 2024	\$ 145,924,558	\$ 118,787,254	\$ 8,698,750	\$ 6,498,670	\$ 279,909,232

- (a) Included in net realized (loss) gain on the accompanying *Statement of Operations* for the nine months ended September 30, 2024.
- (b) Included in net change in unrealized appreciation (depreciation) on the accompanying *Statement of Operations* for the nine months ended September 30, 2024.

[Table of Contents](#)

- (c) Includes increases in the cost basis of investments resulting from portfolio investments, the amortization of discounts, and PIK, as well as decreases in the costs basis of investments resulting from principal repayments or sales, the amortization of premiums and acquisition costs and other cost-basis adjustments.

Six Months Ended June 30, 2023	First Lien Debt	Unitranche Debt	Second Lien Debt	Equity and Preferred Shares	Total
Fair Value as of December 31, 2022	\$ 220,893,916	\$ 91,865,688	\$ 23,562,691	\$ 3,653,999	\$ 339,976,294
Transfers into Level 3	4,905,274	4,719,817	1,000,000	—	10,625,091
Transfers out of Level 3	(49,475,572)	—	(1,995,000)	—	(51,470,572)
Total gains:					
Net realized gain ^(a)	136,569	5,819	—	—	142,388
Net unrealized (depreciation) appreciation ^(b)	(1,131,826)	(138,155)	(1,239,122)	164,167	(2,344,936)
New investments, repayments and settlements: ^(c)					
Purchases	11,266,509	8,690,242	—	701,081	20,657,832
Settlements/repayments	(10,214,077)	(2,393,352)	(1,250,000)	—	(13,857,429)
Net amortization of premiums, PIK, discounts and fees	185,904	189,610	12,659	—	388,173
Sales	(3,055,857)	—	—	—	(3,055,857)
Fair Value as of June 30, 2023	\$ 173,510,840	\$ 102,939,669	\$ 20,091,228	\$ 4,519,247	\$ 301,060,984

- (a) Included in net realized (loss) gain on the accompanying *Statement of Operations* for the six months ended June 30, 2023.
(b) Included in net change in unrealized depreciation on the accompanying *Statement of Operations* for the six months ended June 30, 2023.
(c) Includes increases in the cost basis of investments resulting from portfolio investments, the amortization of discounts, and PIK, as well as decreases in the costs basis of investments resulting from principal repayments or sales, the amortization of premiums and acquisition costs and other cost-basis adjustments.

The change in unrealized value attributable to investments held at September 30, 2024 and 2023 was (\$5,268,229) and (\$3,354,895), respectively.

Investment Activities

The Company held a total of 275 syndicated investments with an aggregate fair value of \$395,592,598 as of September 30, 2024. During the nine months ended September 30, 2024, the Company invested in 84 new syndicated investments for a combined cost of \$67,864,094 and in existing investments for a combined cost of \$23,671,676. The Company also received \$65,130,510 in repayments from investments and \$15,229,825 from investments sold during the nine months ended September 30, 2024.

The Company held a total of 246 syndicated investments with an aggregate fair value of \$387,194,568 as of December 31, 2023. During the year ended December 31, 2023, the Company invested in 52 new syndicated investments for a combined cost of \$52,231,850 and in existing investments for a combined cost of \$19,059,528. The Company also received \$59,955,240 in repayments from investments and \$43,961,707 from investments sold during the period.

Investment Concentrations

As of September 30, 2024, the Company's investment portfolio consisted of investments in 232 companies located in 39 states across 26 different industries, with an aggregate fair value of \$395,592,598. The five largest investments at fair value

[Table of Contents](#)

as of September 30, 2024 totaled \$24,580,171, or 6.21% of the Company's total investment portfolio as of such date. As of September 30, 2024, the Company's average investment was \$1,559,654 at cost.

As of December 31, 2023, the Company's investment portfolio consisted of investments in 211 companies located in 35 states across 25 different industries, with an aggregate fair value of \$387,194,568. The five largest investments at fair value as of December 31, 2023 totaled \$24,625,500, or 6.36% of the Company's total investment portfolio as of such date. As of December 31, 2023, the Company's average investment was \$1,587,282 at cost.

The following table outlines the Company's investments by security type as of September 30, 2024 and December 31, 2023:

	September 30, 2024			
	Cost	Percentage of Total Investments	Fair Value	Percentage of Total Investments
	First Lien Debt	\$ 262,342,541	65.19 %	\$ 258,749,974
Unitranche Debt	124,563,082	30.96 %	121,237,254	30.65 %
Second Lien Debt	9,786,172	2.43 %	9,106,700	2.30 %
Total Debt Investments	396,691,795	98.58 %	389,093,928	98.36 %
Equity and Preferred Shares	5,698,825	1.42 %	6,498,670	1.64 %
Total Equity Investments	5,698,825	1.42 %	6,498,670	1.64 %
Total Investments	\$ 402,390,620	100.00 %	\$ 395,592,598	100.00 %

	December 31, 2023			
	Cost	Percentage of Total Investments	Fair Value	Percentage of Total Investments
	First Lien Debt	\$ 239,486,292	61.33 %	\$ 235,611,472
Unitranche Debt	128,971,146	33.03 %	129,542,305	33.46 %
Second Lien Debt	16,833,486	4.31 %	16,609,590	4.29 %
Total Debt Investments	385,290,924	98.67 %	381,763,367	98.60 %
Equity and Preferred Shares	5,180,434	1.33 %	5,431,201	1.40 %
Total Equity Investments	5,180,434	1.33 %	5,431,201	1.40 %
Total Investments	\$ 390,471,358	100.00 %	\$ 387,194,568	100.00 %

[Table of Contents](#)

Investments at fair value consisted of the following industry classifications as of September 30, 2024 and December 31, 2023:

Industry	September 30, 2024		December 31, 2023	
	Fair Value	Percentage of Total Investments	Fair Value	Percentage of Total Investments
Services: Business	\$ 83,764,908	21.17 %	\$ 69,531,461	17.96 %
Healthcare & Pharmaceuticals	70,423,218	17.80	71,803,100	18.56
Banking, Finance, Insurance & Real Estate	37,921,183	9.59	33,440,236	8.64
Capital Equipment	29,431,868	7.44	24,565,354	6.34
Containers, Packaging & Glass	26,772,570	6.77	31,380,531	8.10
High Tech Industries	25,907,385	6.55	34,223,801	8.84
Services: Consumer	23,601,950	5.97	16,468,470	4.25
Transportation: Cargo	14,740,972	3.73	13,807,618	3.57
Automotive	13,423,467	3.39	13,785,929	3.56
Beverage, Food & Tobacco	12,914,657	3.26	9,357,347	2.42
Construction & Building	10,747,861	2.72	7,853,597	2.03
Chemicals, Plastics & Rubber	8,676,445	2.19	15,377,063	3.97
Environmental Industries	8,973,890	2.27	12,701,457	3.28
Aerospace & Defense	6,740,073	1.70	12,124,785	3.13
Wholesale	4,938,260	1.25	4,936,592	1.27
Consumer Goods: Non-Durable	4,443,919	1.12	4,410,000	1.14
Media: Advertising, Printing & Publishing	2,941,533	0.74	2,884,485	0.74
Metals & Mining	1,649,520	0.42	1,364,438	0.35
Media: Diversified & Production	1,478,955	0.37	1,662,296	0.43
Retail	1,466,566	0.37	—	—
Energy: Oil & Gas	995,000	0.25	1,417,399	0.37
Utilities: Water	975,918	0.25	975,000	0.25
Energy: Electricity	940,600	0.24	978,082	0.25
Hotels, Gaming & Leisure	877,063	0.22	938,350	0.24
Utilities: Electric	498,747	0.13	919,552	0.24
Consumer Goods: Durable	346,070	0.09	—	—
Forest Products & Paper	—	—	287,625	0.07
	<u>\$ 395,592,598</u>	<u>100.00 %</u>	<u>\$ 387,194,568</u>	<u>100.00 %</u>

Investments at fair value were included in the following geographic regions of the United States as of September 30, 2024 and December 31, 2023:

Geographic Region	September 30, 2024		December 31, 2023	
	Fair Value	Percentage of Total Investments	Fair Value	Percentage of Total Investments
Northeast	\$ 97,846,563	24.73 %	\$ 99,995,015	25.82 %
Midwest	90,752,643	22.94	90,743,226	23.44
Southeast	56,708,162	14.34	55,632,000	14.37
West	47,665,436	12.05	47,785,572	12.34
Southwest	55,810,479	14.11	47,644,956	12.31
East	33,852,147	8.56	31,805,670	8.21
South	7,031,672	1.78	7,332,729	1.89
Northwest	4,048,550	1.02	3,561,962	0.92
Other(a)	1,876,946	0.47	2,693,438	0.70
Total Investments	<u>\$ 395,592,598</u>	<u>100.00 %</u>	<u>\$ 387,194,568</u>	<u>100.00 %</u>

- (a) The company headquarters for Sophos is located in the United Kingdom. The company headquarters for UDG is located in Ireland. The company headquarters for Intertape Polymer is located in Canada. The company headquarters for Integro is located in the United Kingdom.

[Table of Contents](#)

The geographic region indicates the location of the headquarters of the Company's portfolio companies. A portfolio company may have a number of other business locations in other geographic regions.

Investment Principal Repayments

The following table summarizes the contractual principal repayments and maturity of the Company's investment portfolio by fiscal year, assuming no voluntary prepayments, as of September 30, 2024:

For the Fiscal Years Ending December 31:	Amount
2024	\$ 1,743,451
2025	14,308,998
2026	23,005,753
2027	52,345,521
2028	147,346,762
Thereafter	162,950,458
Total contractual repayments	401,700,943
Adjustments to cost basis on debt investments ^(a)	(5,009,149)
Total Cost Basis of Debt Investments Held at September 30, 2024:	\$ 396,691,794

(a) Adjustment to cost basis related to unamortized balance of OID investments.

Note 4. Related Party Transactions

Investment Advisory Agreement

The Company has entered into an investment advisory agreement (the "Investment Advisory Agreement") with the Adviser. In accordance with the Investment Advisory Agreement, the Company pays the Adviser certain fees as compensation for its services, such fees consisting of a base management fee and an incentive fee (the "Incentive Fee"). The services the Adviser provides to the Company, subject to the overall supervision of the Board of Directors, include managing the day-to-day operations of, and providing investment services to, the Company. The Company also entered into a management fee waiver agreement with the Adviser (the "Waiver Agreement"), which the Company or the Adviser may terminate upon 60 days' prior written notice.

Management Fee

The base management fee is calculated at an annual rate of 1.0% of the Company's average gross assets including cash and any temporary investments in cash-equivalents, including U.S. government securities and other high-quality investment grade debt investments that mature in 12 months or less from the date of investment, payable quarterly in arrears on a calendar quarter basis.

Pursuant to the Waiver Agreement, the Adviser has agreed to waive the right to receive the base management fee to the extent necessary so that the base management fee payable under the Investment Advisory Agreement equals, and is calculated in the same manner as if, the base management fee otherwise payable by the Company were calculated at an annual rate equal to 0.65% (instead of an annual rate of 1.00%).

For the three and nine months ended September 30, 2024, the Company recorded base management fees of \$1,061,088 and \$3,158,434, respectively, and waivers to the base management fees of \$371,381 and \$1,105,452, respectively, as set forth within the accompanying statements of operations. For the three and nine months ended September 30, 2023, the Company recorded base management fees of \$1,022,684 and \$3,215,515, respectively, and waivers to the base management fees of \$357,939 and \$1,125,430, respectively, as set forth within the accompanying statements of operations.

[Table of Contents](#)

Incentive Fee

The Incentive Fee has two parts, as follows: the first part of the Incentive Fee is calculated and payable quarterly in arrears based on the Company's pre-incentive fee net investment income for the immediately preceding calendar quarter. For this purpose, pre-incentive fee net investment income means interest income, dividend income and any other income (including any other fees (other than fees for providing managerial assistance), such as commitment, origination, structuring, diligence and consulting fees or other fees that the Company receives from portfolio companies) accrued during the calendar quarter, minus the Company's operating expenses accrued for the quarter (including the base management fee, expenses payable under the Administration Agreement (as defined below) and any interest expense on any credit facilities or outstanding debt and dividends paid on any issued and outstanding preferred stock, but excluding the Incentive Fee).

The Company determines pre-incentive fee net investment income in accordance with GAAP, including, in the case of investments with a deferred interest feature, such as debt instruments with PIK interest, OID securities and accrued income that the Company has not yet received in cash. Pre-incentive fee net investment income does not include any realized capital gains, computed net of all realized capital losses or unrealized capital appreciation or depreciation. Pre-incentive fee net investment income, expressed as a rate of return on the value of the Company's net assets at the end of the immediately preceding calendar quarter, is compared to a hurdle of 1.0% per quarter (4.0% annualized). The Company determines its average gross assets during each fiscal quarter and calculates the base management fee payable with respect to such amount at the end of each fiscal quarter. As a result, a portion of the Company's net investment income is included in its gross assets for the period between the date on which such income is earned and the date on which such income is distributed. Therefore, the Company's net investment income used to calculate part of the Incentive Fee is also included in the amount of the Company's gross assets used to calculate the 1.0% annual base management fee. The Company pays its Adviser an Incentive Fee with respect to its pre-incentive fee net investment income in each calendar quarter as follows:

- no amount is paid on the income-portion of the Incentive Fee in any calendar quarter in which the Company's pre-incentive fee net investment income does not exceed the hurdle of 1.0% (4.0% annualized);
- 100% of the Company's pre-incentive fee net investment income with respect to that portion of such pre-incentive fee net investment income, if any, that exceeds the hurdle rate but is less than 1.1765 % in any calendar quarter (4.706% annualized). The Company refers to this portion of its pre-incentive fee net investment income (which exceeds the hurdle rate but is less than 1.1765%) as the "catch-up" provision. The catch-up is meant to provide the Adviser with 15.0% of the pre-incentive fee net investment income as if a hurdle rate did not apply if net investment income exceeds 1.1765% in any calendar quarter (4.706% annualized); and
- 15.0% of the amount of the Company's pre-incentive fee net investment income, if any, that exceeds 1.1765% in any calendar quarter (4.706% annualized) is payable to the Adviser.

Pursuant to the Waiver Agreement, the Adviser has agreed to waive its right to receive the Incentive Fee on pre-incentive fee net investment income to the extent necessary so that such Incentive Fee equals, and is calculated in the same manner as, the corresponding Incentive Fee on pre-incentive fee net investment income, if such Incentive Fee (i) were calculated based upon the Adviser receiving 10.0% (instead of 15.0%) of the applicable pre-incentive fee net investment income and (ii) did not include any "catch-up" feature in favor of the Adviser.

The second part of the Incentive Fee is determined and payable in arrears as of the end of each calendar year (or upon termination of the Investment Advisory Agreement, as of the termination date), and equals 15.0% of the Company's realized capital gains, if any, on a cumulative basis from June 16, 2015, the effective date of the Company's registration statement on Form 10 (file no. 000-55426), through the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid capital gain Incentive Fees with respect to each of the investments in the Company's portfolio.

Pursuant to the Waiver Agreement, the Adviser has agreed to waive the right to receive the Incentive Fee on capital gains to the extent necessary so that such portion of the Incentive Fee equals, and is calculated in the same manner as, the corresponding Incentive Fee on capital gains, if such portion of the Incentive Fee were calculated based upon the Adviser receiving 10.0% (instead of 15.0%).

[Table of Contents](#)

In addition, pursuant to the Waiver Agreement, the Adviser has agreed to waive the right to receive both components of the Incentive Fee to the extent necessary so that it does not receive Incentive Fees which are attributable to income and gains of the Company that exceed an annualized rate of 12.0% in any calendar quarter.

The waivers from the Adviser will remain effective until terminated earlier by either party upon 60 days' prior written notice.

Under the Investment Advisory Agreement, we do not pay any Capital Gains Incentive Fee in respect of unrealized capital appreciation in our portfolio. However, under U.S. generally accepted accounting principles, or GAAP, we are required to accrue for the Capital Gain Incentive Fee on a quarterly basis as if such unrealized capital appreciation were realized in full at the end of each period. If the Capital Gain Incentive Fee Base, adjusted as required by GAAP to include unrealized appreciation, is positive at the end of a period, then GAAP and the terms of the Investment Advisory Agreement require us to accrue a capital gain incentive fee equal to 20% of such amount, less the aggregate amount of actual capital gain incentive fees paid or capital gain incentive fees accrued under GAAP in all prior periods. If such amount is negative, then there is no accrual for such period. The resulting accrual under GAAP for a capital gain incentive fee payable in any period will result in additional expense if such cumulative amount is greater than in the prior period, or in a reversal of previously recorded expense if such cumulative amount is less than in the prior period. We can offer no assurance that any unrealized capital appreciation will be realized in the future.

For the three and nine months ended September 30, 2024, the Company recorded incentive fees related to net investment income of \$1,465,399 and \$4,315,250, respectively. Offsetting the incentive fees for the three and nine months ended September 30, 2024, were waivers of the incentive fees of \$902,083 and \$2,694,707, respectively, as set forth within the accompanying statements of operations. For the three and nine months ended September 30, 2023, the Company recorded incentive fees related to net investment income of \$1,487,402 and \$4,234,793, respectively. Offsetting the incentive fees were waivers of the incentive fees of \$893,033 and \$2,671,096 for the three and nine months ended September 30, 2023, respectively, as set forth within the accompanying statements of operations.

Administration Agreement and Administrative Fee

The Company has also entered into an administration agreement (the "Administration Agreement") with Audax Management Company, LLC (the "Administrator") pursuant to which the Administrator provides administrative services to the Company. Under the Administration Agreement, the Administrator performs, or oversees the performance of administrative services necessary for the operation of the Company, which include being responsible for the financial records which the Company is required to maintain and prepare reports filed with the SEC. In addition, the Administrator assists in determining and publishing the Company's net asset value, oversees the preparation and filing of the Company's tax returns and the printing and dissemination of reports to the Company's stockholders, and generally oversees the payment of the Company's expenses and the performance of administrative and professional services rendered to the Company by others. The Company reimburses the Administrator for its allocable portion of the costs and expenses incurred by the Administrator for overhead in performance by the Administrator of its duties under the Administration Agreement, including the cost of facilities, office equipment and the Company's allocable portion of cost of compensation and related expenses of its Chief Financial Officer and Chief Compliance Officer and their respective staffs, as well as any costs and expenses incurred by the Administrator relating to any administrative or operating services provided by the Administrator to the Company. Such costs are reflected as an administrative fee in the accompanying statements of operations.

The Company has also entered into a fee waiver agreement with the Administrator, pursuant to which the Administrator may waive, in whole or in part, its entitlement to receive reimbursements from the Company.

The Company accrued administrative fees of \$66,250 and \$198,750 for the three and nine months ended September 30, 2024 and 2023, respectively, as set forth within the accompanying statements of operations.

[Table of Contents](#)

Related Party Fees

Fees due to related parties as of September 30, 2024 and December 31, 2023 on the Company's accompanying statements of assets and liabilities were as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Net base management fee due to Adviser	\$ 689,707	\$ 687,175
Net incentive fee due to Adviser	563,316	596,757
Total fees due to Adviser, net of waivers	<u>1,253,023</u>	<u>1,283,932</u>
Fee due to Administrator, net of waivers	66,250	66,250
Total Related Party Fees Due	<u>\$ 1,319,273</u>	<u>\$ 1,350,182</u>

Note 5. Net Increase in Net Assets Resulting from Operations Per Share of Common Stock:

The following table sets forth the computation of basic and diluted net increase in net assets resulting from operations per weighted average share of the Company's common stock, par value \$0.001 per share (the "Common Stock"), for the three and nine months ended September 30, 2024 and 2023:

	<u>Three Months Ended September 30, 2024</u>	<u>Three Months Ended September 30, 2023</u>	<u>Nine Months Ended September 30, 2024</u>	<u>Nine Months Ended September 30, 2023</u>
Numerator for basic and diluted net increase in net assets resulting from operations per common share	\$ 7,659,609	\$ 10,232,971	\$ 23,229,978	\$ 25,620,053
Denominator for basic and diluted weighted average common shares	<u>45,266,061</u>	<u>45,150,215</u>	<u>45,343,957</u>	<u>44,710,583</u>
Basic and diluted net increase in net assets resulting from operations per common share	<u>\$ 0.17</u>	<u>\$ 0.23</u>	<u>\$ 0.51</u>	<u>\$ 0.57</u>

Note 6. Income Tax

The Company has elected to be regulated as a BDC under the 1940 Act, as well as elected to be treated, and intends to comply with the requirements to qualify annually, as a RIC under Subchapter M of the Code. As a RIC, the Company generally is not subject to corporate-level U.S. federal income taxes on any ordinary income or capital gains that it timely distributes as dividends for U.S. federal income tax purposes to its stockholders. To qualify to be treated as a RIC, the Company is required to meet certain source of income and asset diversification requirements, and to timely distribute dividends out of assets legally available for distributions to its stockholders of an amount generally equal to at least 90% of the sum of its net ordinary income and net short-term capital gains in excess of net long-term capital losses, if any (i.e., "investment company taxable income," determined without regard to any deduction for dividends paid), for each taxable year. The amount to be paid out as distributions to the Company's stockholders is determined by the Board of Directors and is based on management's estimate of the fiscal year earnings. Based on that estimate, the Company intends to make the requisite distributions to its stockholders, which will generally relieve the Company from corporate-level U.S. federal income taxes. Although the Company currently intends to distribute its net capital gains (i.e., net long-term capital gains in excess of net short-term capital losses), if any, recognized in respect of each taxable year as dividends out of the Company's assets legally available for distribution, the Company in the future may decide to retain for investment and be subject to entity-level income tax on such net capital gains. Additionally, depending on the level of taxable income earned in a taxable year, the Company may choose to carry forward taxable income in excess of current year distributions into the next taxable year and incur a 4% excise tax on such income, as required. To the extent that the Company determines that its estimated current year annual taxable income will be in excess of estimated current year distributions, the Company will accrue an excise tax, if any, on estimated excess taxable income as such excess taxable income is earned.

During the nine months ended September 30, 2024, the Company executed a total of \$30,000,000 in Tender Offers that resulted in differing GAAP vs. tax treatment of proceeds distributed. For GAAP purposes the transaction is treated as a redemption of shares whereas tax regulations dictate dividend distribution treatment to the extent of fund level earnings and profits.

[Table of Contents](#)

During the year ended December 31, 2023, the Company executed a total of \$47,515,735 in Tender Offers that resulted in differing GAAP vs. tax treatment of proceeds distributed. For GAAP purposes the transaction is treated as a redemption of shares whereas tax regulations dictate dividend distribution treatment to the extent of fund level earnings and profits.

During the year ended December 31, 2022, the Company executed a total of \$50,000,000 in Tender Offers that resulted in differing GAAP vs. tax treatment of proceeds distributed. For GAAP purposes the transaction is treated as a redemption of shares whereas tax regulations dictate dividend distribution treatment to the extent of fund level earnings and profits. Given that the fund did not have sufficient earnings and profits to support the distribution, the entire value of the Tender Offer is treated as a return of capital for tax purposes.

During the nine months ended September 30, 2024, the Company declared distributions of \$26,706,974, or \$0.58 per share. During the nine months ended September 30, 2023, the Company declared and paid distributions of \$17,695,204, or \$0.40 per share.

The Company had aggregate distributions declared and paid to its stockholders for the year ended December 31, 2023 of \$36,170,582, or \$0.82 per share. The Company had aggregate distributions declared and paid to its stockholders for the year ended December 31, 2022 of \$24,507,347, or \$0.54 per share. The tax character of the distributions declared and paid represented \$23,797,493, or \$0.53 per share, from ordinary income and \$709,854, or \$0.01 per share, from tax return of capital.

During the year ended December 31, 2023, given that the Company did not have sufficient earnings and profits, \$47,480,752 of the distributions and Tender Offers was treated as a return of capital for tax purposes. This information will be reported in the Form 1042-S or Form 1099-DIV.

GAAP require adjustments to certain components of net assets to reflect permanent differences between financial and tax reporting. These adjustments have no effect on net asset value per share. For the year ended December 31, 2023 and 2022, the Company recorded the following adjustments for permanent book to tax differences to reflect their tax characteristics. The adjustments only change the classification in net assets in the statements of assets and liabilities. During the year ended December 31, 2023 and 2022, the Company reclassified for book purposes amounts arising from permanent book/tax differences primarily related to distribution redesignations and return of capital distributions.

	<u>Year Ended</u> <u>December 31, 2023</u>	<u>Year Ended</u> <u>December 31, 2022</u>
Capital in excess of par value	\$ (30,906)	\$ —
Accumulated net investment income	34,983	(430)
Accumulated net realized gain (loss)	(4,077)	430

At December 31, 2023 and 2022, the components of distributable taxable earnings as detailed below differ from the amounts reflected in the Company's statements of assets and liabilities by temporary book/tax differences primarily arising from amortization of organizational expenditures.

	<u>As of December 31,</u> <u>2023</u>	<u>As of December 31,</u> <u>2022</u>
Other temporary book/tax differences	\$ (101,140)	\$ (152,362)
Net tax basis unrealized depreciation	(3,272,539)	(6,872,198)
Accumulated net realized loss	(8,028,768)	(2,500,103)
Components of tax distributable (loss) earnings at period end	<u>\$ (11,402,447)</u>	<u>\$ (9,524,663)</u>

Certain losses incurred by the Company after October 31 of a taxable year are deemed to arise on the first business day of the Company's next taxable year. The Company did not incur such losses after October 31 of the Company's taxable year ended December 31, 2023.

[Table of Contents](#)

Capital losses are generally eligible to be carried forward indefinitely, and retain their status as short-term or long-term in the manner originally incurred by the Company. As of December 31, 2023, the Company had long-term capital loss carryforward of \$8,028,768. The Company has evaluated tax positions it has taken, expects to take, or that are otherwise relevant to the Company for purposes of determining whether any relevant tax positions would “more-likely-than-not” be sustained by the applicable tax authority in accordance with ASC Topic 740, “Income Taxes,” as modified by ASC Topic 946. The Company has analyzed such tax positions and has concluded that no unrecognized tax benefits should be recorded for uncertain tax positions for taxable years that may be open. The Company is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months. The Company’s U.S. federal tax returns for fiscal years 2023, 2022, and 2021 remain subject to examination by the Internal Revenue Service. The Company records tax positions that are not deemed to meet a more-likely-than-not threshold as tax expenses as well as any applicable penalties or interest associated with such positions. During each of the years ended December 31, 2023, 2022, and 2021, no tax expense or any related interest or penalties were incurred.

Note 7. Equity

An investor made capital commitments to the Company in the amounts set forth below as of the date opposite each capital commitment:

<u>Amount</u>	<u>Date</u>
\$ 140,000,000	June 23, 2015
\$ 50,000,000	December 2, 2016
\$ 100,000,000	On December 7, 2017
\$ 40,000,000	March 22, 2019
\$ 30,000,000	September 23, 2019
\$ 11,200,000	March 20, 2020
\$ 8,900,000	May 28, 2021
\$ 110,000,000	December 15, 2021
\$ 30,000,000	June 13, 2023
\$ 37,000,000	March 25, 2024

As of September 30, 2024, there were no unfunded capital commitments by the Company’s investors.

The number of shares of Common Stock issued and outstanding as of September 30, 2024 and December 31, 2023, were 45,266,064 and 44,518,989, respectively.

The following table details the activity of Stockholders’ Equity for the three and nine months ended September 30, 2024 and 2023:

<u>Three Months Ended September 30, 2024</u>	<u>Common Stock</u>	<u>Capital in Excess of Par Value</u>	<u>Total Distributable (Loss) Earnings</u>	<u>Total Stockholders’ Equity</u>
Balance as of June 30, 2024	\$ 45,266	\$ 427,275,493	\$ (13,772,472)	\$ 413,548,287
Net investment income	—	—	9,205,321	9,205,321
Net realized loss from investment transactions	—	—	(181,064)	(181,064)
Net change in unrealized depreciation on investments	—	—	(1,364,648)	(1,364,648)
Distributions to Stockholders	—	166,027	(8,766,580)	(8,600,553)
Reinvested Dividends	—	30	—	30
Balance as of June 30, 2024	\$ 45,266	\$ 427,441,550	\$ (14,879,443)	\$ 412,607,373

[Table of Contents](#)

	Common Stock	Capital in Excess of Par Value	Total Distributable (Loss) Earnings	Total Stockholders' Equity
Nine Months Ended September 30, 2024				
Balance as of December 31, 2023	\$ 44,519	\$ 420,442,206	\$ (11,402,447)	\$ 409,084,278
Net investment income	—	—	27,145,715	27,145,715
Net realized loss from investment transactions	—	—	(394,505)	(394,505)
Net change in unrealized depreciation on investments	—	—	(3,521,232)	(3,521,232)
Issuance of shares	3,949	36,996,051	—	37,000,000
Repurchase of shares	(3,202)	(29,996,798)	—	(30,000,000)
Distributions to Stockholders	—	—	(26,706,974)	(26,706,974)
Reinvested Dividends	—	91	—	91
Balance as of September 30, 2024	\$ 45,266	\$ 427,441,550	\$ (14,879,443)	\$ 412,607,373
Three Months Ended September 30, 2023				
Balance as of June 30, 2023	\$ 43,159	\$ 407,609,250	\$ (11,482,795)	\$ 396,169,614
Net investment income	—	—	9,320,979	9,320,979
Net realized loss from investment transactions	—	—	(22,470)	(22,470)
Net change in unrealized appreciation on investments	—	—	934,462	934,462
Issuance of shares	3,268	29,996,732	—	30,000,000
Repurchase of shares	(1,908)	(17,513,827)	—	(17,515,735)
Balance as of September 30, 2023	\$ 44,519	\$ 420,092,155	\$ (1,249,824)	\$ 418,886,850
Nine Months Ended September 30, 2023				
Balance as of December 31, 2022	\$ 46,376	\$ 437,955,965	\$ (9,524,663)	\$ 428,477,678
Net investment income	—	—	26,666,196	26,666,196
Net realized loss from investment transactions	—	—	(179,719)	(179,719)
Net change in unrealized depreciation on investments	—	—	(866,424)	(866,424)
Issuance of shares	3,268	29,996,732	—	30,000,000
Repurchase of shares	(5,125)	(47,510,610)	—	(47,515,735)
Distributions to Stockholders	—	(349,990)	(17,345,214)	(17,695,204)
Reinvested Dividends	—	58	—	58
Balance as of September 30, 2023	\$ 44,519	\$ 420,092,155	\$ (1,249,824)	\$ 418,886,850

Note 8. Borrowings

Short-Term Borrowings

From time to time, the Company finances the purchase of certain investments through repurchase agreements. In the repurchase agreements, the Company enters into a trade to sell an investment and contemporaneously enters into a trade to buy the same investment back on a specified date in the future with the same counterparty. Investments sold under repurchase agreements are accounted for as collateralized borrowings as the sale of the investment does not qualify for sale accounting under ASC Topic 860—Transfers and Servicing and remains as an investment on the Statement of Assets and Liabilities. The Company uses repurchase agreements as a short-term financing alternative. As of September 30, 2024, the Company had no short-term borrowings. For the three and nine months ended September 30, 2024, the Company recorded no interest expense in connection with short-term borrowings. As of December 31, 2023, the Company had no short-term borrowings. As of December 31, 2023, the weighted average short-term borrowings was \$4,751,618 and the weighted average yield was 8.20%. For the three and nine months ended September 30, 2023, the Company recorded interest expense in connection with short-term borrowings of \$27,390 and \$446,070, respectively.

Note 9. Commitments and Contingencies

The Company may enter into certain credit agreements that include loan commitments where all or a portion of such commitment may be unfunded. The Company is generally obligated to fund the unfunded loan commitments at the borrowers' discretion. Funded portions of credit agreements are presented on the accompanying schedule of investments. Unfunded loan commitments and funded portions of credit agreements are fair valued and unrealized appreciation or depreciation, if any, have been included in the accompanying statements of assets and liabilities and statements of operations.

The following table summarizes the Company's significant contractual payment obligations as of September 30, 2024 and December 31, 2023:

Investment	Investment Type	Index (C)	Spread	Interest Rate	Maturity	Industry	Unfunded Commitment Balances	
							September 30, 2024	December 31, 2023
Engine & Transmission Exchange	Senior Secured Revolving Loan	S+	6.50 %	11.09 %	5/29/2029	Automotive	\$ 2,500,000	\$ 513,078
Amplix	Senior Secured DDTL 3	S+	6.25 %	10.84 %	10/18/2029	Services; Business	1,954,545	915,751
OrthoNebraska	Senior Secured Delayed Draw Term Loan	S+	6.50 %	11.09 %	7/31/2028	Healthcare & Pharmaceuticals	1,904,762	914,913
Heartland	Senior Secured Revolving Credit Loan	S+	5.25 %	9.84 %	12/12/2029	Services; Business	1,586,667	206,897
Minds + Assembly	Senior Secured Revolving Loan	S+	5.75 %	10.34 %	5/3/2029	Healthcare & Pharmaceuticals	1,500,000	683,230
Steward Partners	Senior Secured Delayed Draw Term B Loan (First Lien)	S+	5.50 %	10.09 %	10/14/2028	Banking, Finance, Insurance & Real Estate	1,406,250	1,200,000
Kept Companies	Senior Secured DDTAL Loan	S+	5.25 %	9.84 %	4/30/2029	Services; Business	1,272,800	—
EdgeCo	Senior Secured Delayed Draw Term D Loan (First Lien)	S+	4.75 %	9.34 %	6/1/2026	Banking, Finance, Insurance & Real Estate	1,053,994	939,600
Radwell	Senior Secured Revolving Loan	S+	5.50 %	10.09 %	4/1/2029	Capital Equipment	1,016,000	63,999
EPIC Insurance	Senior Secured Third Amendment Delayed Draw Term Loan	S+	4.50 %	9.09 %	9/29/2028	Banking, Finance, Insurance & Real Estate	938,967	—
Chery Bekaert	Senior Secured Revolving Credit Loan	S+	5.25 %	9.84 %	6/30/2028	Banking, Finance, Insurance & Real Estate	936,267	616,472
PlayPower	Senior Secured Revolving Loan	S+	5.25 %	9.84 %	8/28/2030	Construction & Building	915,751	—
Ned Stevens 2022-2	Senior Secured 2023 Incremental Delayed Draw Term Loan	S+	5.50 %	10.09 %	11/1/2029	Services; Consumer	914,913	—
Pegasus	Senior Secured Delayed Draw Term Loan	S+	5.25 %	9.84 %	1/19/2031	Capital Equipment	913,170	—
AI Garage Door Service	Senior Secured Revolving Loan	S+	6.00 %	10.59 %	12/22/2028	Construction & Building	863,931	275,482
Radwell	Senior Secured Delayed Draw Term Loan	S+	5.50 %	10.09 %	4/1/2029	Capital Equipment	800,000	188,001
MB2 Dental	Senior Secured Tranche 1 Delayed Draw Term Loan	S+	6.00 %	10.59 %	2/13/2031	Healthcare & Pharmaceuticals	683,230	—
Miller Environmental	Senior Secured Delayed Draw Term Loan	S+	4.75 %	9.34 %	9/10/2031	Environmental Industries	616,472	—
Circe Medical	Senior Secured Revolving Credit (First Lien)	S+	5.00 %	9.59 %	10/31/2028	Healthcare & Pharmaceuticals	516,600	—
Amplix	Senior Secured Revolving Credit Loan	S+	6.25 %	10.84 %	10/18/2029	Services; Business	513,699	329,670
Shaw	Senior Secured Delayed Draw Term Facility	S+	6.00 %	10.59 %	8/28/2029	Capital Equipment	507,703	212,766
MB2 Dental	Senior Secured Tranche 2 Delayed Draw Term Loan	S+	6.00 %	10.59 %	2/13/2031	Healthcare & Pharmaceuticals	504,657	—
EPIC Insurance	Senior Secured Refinancing Revolving Loan	S+	4.50 %	9.09 %	9/29/2028	Banking, Finance, Insurance & Real Estate	502,934	161,841
Kenco	Senior Secured 2024-1 Delayed Draw Term Loan	S+	4.25 %	8.84 %	11/15/2029	Transportation; Cargo	487,914	—
Kenco	Senior Secured Delayed Draw Term Loan	S+	4.25 %	8.84 %	11/15/2029	Transportation; Cargo	475,425	—
Golden Source	Senior Secured Revolving Loan	S+	5.50 %	10.09 %	5/12/2028	Services; Business	473,333	469,484
Ned Stevens 2022-2	Senior Secured Revolving Loan	S+	6.25 %	10.84 %	11/1/2028	Services; Consumer	457,457	507,703
Ivy Rehab	Senior Secured Amendment No. 2 Delayed Draw Term Loan (First Lien)	S+	5.25 %	9.84 %	4/23/2029	Healthcare & Pharmaceuticals	445,178	—
EyeSouth Partners	Senior Secured Amendment No.2 Delayed Draw Term Loan (First Lien)	S+	5.50 %	10.09 %	10/5/2029	Healthcare & Pharmaceuticals	444,050	—
FLS Transportation	Senior Secured Revolving Credit Loan	S+	5.25 %	9.84 %	12/17/2027	Transportation; Cargo	420,682	88,889
MediaRadar	Senior Secured Revolving Loan	S+	6.25 %	10.84 %	9/17/2029	Media; Advertising, Printing & Publishing	406,737	406,737
Trystar	Senior Secured Delayed Draw Term Loan	S+	4.50 %	9.09 %	8/6/2031	Capital Equipment	399,568	—
Trystar	Senior Secured Revolving Credit Loan	S+	4.50 %	9.09 %	8/6/2031	Capital Equipment	399,568	—
U.S. Foot and Ankle Specialists	Senior Secured Delayed Draw Term Loan	S+	5.75 %	10.34 %	9/15/2026	Healthcare & Pharmaceuticals	399,568	—
Vensure	Senior Secured Initial Delayed Draw Term Loan	S+	5.00 %	9.59 %	9/27/2031	Services; Business	399,568	—
InterMed	Senior Secured Delayed Draw Term Loan	S+	6.50 %	11.09 %	12/24/2029	Healthcare & Pharmaceuticals	399,568	863,931
InterMed	Senior Secured Revolving Loan	S+	6.50 %	11.09 %	12/22/2028	Healthcare & Pharmaceuticals	399,568	647,948
Vortex	Senior Secured Incremental DDTL Loan	S+	5.00 %	9.59 %	9/4/2029	Services; Business	399,568	—
Vortex	Senior Secured Revolving Loan	S+	5.00 %	9.59 %	9/4/2029	Services; Business	399,568	369,988
OrthoNebraska	Senior Secured Delayed Draw Term Loan	S+	6.50 %	11.09 %	7/31/2028	Healthcare & Pharmaceuticals	380,952	457,457
OneDigital	Senior Secured Delayed Draw Term Loan	S+	3.25 %	7.84 %	7/2/2031	Banking, Finance, Insurance & Real Estate	372,137	—
Hobbs & Associates	Senior Secured Delayed Draw Term Loan	S+	3.25 %	7.84 %	7/23/2031	Capital Equipment	365,388	—
Micro Merchant Systems	Senior Secured Revolving Loan	S+	4.75 %	9.34 %	12/14/2027	Healthcare & Pharmaceuticals	348,904	111,111
Liberty Group	Senior Secured Delayed Draw Term Loan	S+	5.75 %	10.34 %	6/15/2028	Services; Business	334,225	204,545
Whitcraft	Senior Secured Revolving Loan	S+	6.50 %	11.09 %	2/15/2029	Aerospace & Defense	329,670	250,000
Ivy Rehab	Senior Secured Revolving Credit Loan (First Lien)	S+	4.75 %	9.34 %	4/21/2028	Healthcare & Pharmaceuticals	319,523	168,350
Industrial Physics	Senior Secured Revolving Credit Loan	S+	6.25 %	10.84 %	7/19/2028	Containers, Packaging & Glass	283,810	107,759
Options IT	Senior Secured Delayed Draw Term Loan	S+	4.75 %	9.34 %	9/30/2031	High Tech Industries	278,270	—
Solis Mammography	Senior Secured 2024 Incremental Delayed Draw Term Loan	S+	4.50 %	9.09 %	4/17/2028	Healthcare & Pharmaceuticals	275,482	—
Carlisle Foodservice	Senior Secured Delayed Draw Term Loan	S+	5.75 %	10.34 %	10/2/2030	Wholesale	264,792	102,041
Health Management Associates	Senior Secured Delay Draw Term Loan	S+	6.25 %	10.84 %	3/30/2029	Services; Business	260,383	120,382
Associated Springs	Senior Secured Revolving Loan	S+	6.00 %	10.59 %	4/4/2030	Capital Equipment	242,424	—
BlueHalo	Senior Secured Revolving Loan	S+	6.00 %	10.59 %	10/31/2025	Aerospace & Defense	227,273	36,322
Paradigm Oral Health	Senior Secured Second Amendment Incremental Delayed Draw Term Loan	S+	4.75 %	9.34 %	11/16/2028	Healthcare & Pharmaceuticals	224,525	—
MB2 Dental	Senior Secured Revolving Loan	S+	6.00 %	10.59 %	2/13/2031	Healthcare & Pharmaceuticals	212,766	—
Engine & Transmission Exchange	Senior Secured Aggregate Revolving Loan	S+	6.50 %	11.09 %	3/31/2025	Automotive	210,799	—
Kept Companies	Senior Secured Revolving Loan	S+	5.25 %	9.84 %	4/30/2029	Services; Business	204,545	—
Liberty Group	Senior Secured Revolving Loan	S+	5.75 %	10.34 %	12/15/2028	Services; Business	200,535	181,818
Cerry Partners	Senior Secured Initial Revolving Loan	S+	5.25 %	9.84 %	7/28/2028	Banking, Finance, Insurance & Real Estate	198,769	286,738
Options IT	Senior Secured Revolver	S+	4.75 %	9.34 %	3/31/2031	High Tech Industries	194,518	—

Table of Contents

						Unfunded Commitment Balances		
Investment	Investment Type	Index (C)	Spread	Interest Rate	Maturity	Industry	September 30, 2024	December 31, 2023
Steward Partners	Senior Secured Revolving Loan	S+	5.50 %	10.09 %	10/14/2028	Banking, Finance, Insurance & Real Estate	\$ 189,516	\$ 69,444
United Air Temp	Senior Secured Revolving Loan	S+	5.50 %	10.09 %	3/28/2030	Services: Consumer	187,872	—
Keter Environmental Services	Senior Secured Revolving Loan	S+	5.00 %	9.59 %	10/29/2027	Environmental Industries	181,818	77,520
Chery Bekaert	Senior Secured Amendment No. 1 Delayed Draw Term Loan	S+	5.25 %	9.84 %	6/30/2028	Banking, Finance, Insurance & Real Estate	161,152	936,267
Industrial Physics	Senior Secured Delayed Draw Term Loan	S+	6.25 %	10.84 %	7/19/2029	Containers, Packaging & Glass	161,041	142,857
A1 Garage Door Service	Senior Secured Closing Date Delayed Draw Term Loan	S+	6.00 %	10.59 %	12/22/2028	Construction & Building	161,000	194,518
Health Management Associates	Senior Secured Revolving Loan	S+	6.25 %	10.84 %	3/30/2029	Services: Business	160,489	56,838
AmSpec	Senior Secured Delayed Draw Term Loan	S+	5.50 %	10.09 %	12/5/2030	Energy: Oil & Gas	154,573	144,144
Tank Holding	Senior Secured Revolving Credit Loan	S+	5.75 %	10.34 %	3/31/2028	Capital Equipment	153,624	108,308
Rover	Senior Secured Revolving Loan	S+	4.75 %	9.34 %	2/27/2031	Services: Consumer	151,959	—
Ohio Transmission	Senior Secured Delayed Draw Term Loan	S+	5.50 %	10.09 %	12/19/2030	Capital Equipment	150,000	98,684
RevHealth	Senior Secured Revolving Loan	S+	5.75 %	10.34 %	7/21/2028	Healthcare & Pharmaceuticals	147,692	154,110
Applied Adhesives	Senior Secured Revolving Loan	S+	4.75 %	9.34 %	3/12/2027	Containers, Packaging & Glass	145,363	71,111
Apex Service Partners	Senior Secured First Amendment Incremental DDTL Loan	S+	5.00 %	9.59 %	10/24/2030	Services: Consumer	144,144	—
Hearland	Senior Secured Delayed Draw Term Loan	S+	5.25 %	9.84 %	12/12/2029	Services: Business	142,857	333,333
Insight Global	Senior Secured Revolving Loan	S+	6.00 %	10.59 %	9/22/2027	Services: Business	142,857	134,178
CIRCOR	Senior Secured Revolving Credit Loan	S+	6.00 %	10.59 %	10/18/2029	Capital Equipment	136,821	57,545
Hisho Sushi	Senior Secured Revolving Credit Loan	S+	5.00 %	9.59 %	5/18/2029	Beverage, Food and Tobacco	134,178	142,857
Beta+	Senior Secured Revolving Credit Loan	S+	4.50 %	9.09 %	7/1/2027	Banking, Finance, Insurance & Real Estate	130,517	248,660
GME Supply	Senior Secured Revolving Loan	S+	6.25 %	10.84 %	7/6/2029	Wholesale	113,492	502,934
Industrial Services Group	Senior Secured Revolving Loan	S+	5.75 %	10.34 %	12/7/2028	Services: Business	112,782	379,048
InnovateMR	Senior Secured Revolving Loan	S+	6.00 %	10.59 %	1/20/2028	Services: Business	107,759	365,388
S&P Engineering Solutions	Senior Secured Revolving Credit Loan	S+	5.00 %	9.59 %	5/2/2029	Services: Business	105,960	49,020
Carlisle Foodservice	Senior Secured Revolving Loan	S+	5.75 %	10.34 %	10/2/2029	Wholesale	102,041	161,152
Integro	Senior Secured Tenth Amendment Delayed Draw Loan	S+	12.00 %	16.59 %	10/30/2024	Banking, Finance, Insurance & Real Estate	101,347	161,041
Vertelus	Senior Secured Revolving Credit Loan	S+	5.75 %	10.34 %	12/22/2025	Chemicals, Plastics & Rubber	94,406	286,625
insightsoftware	Senior Secured Revolving Loan	S+	5.25 %	9.84 %	5/25/2028	High Tech Industries	88,810	—
Associated Springs	Senior Secured Delayed Draw Term Loan	S+	6.00 %	10.59 %	4/4/2030	Capital Equipment	85,963	—
Aprio	Senior Secured Revolving Loan	S+	4.75 %	9.34 %	8/1/2031	Services: Business	80,858	—
Aptean	Senior Secured Delayed Draw Term Loan	S+	5.00 %	9.59 %	1/30/2031	High Tech Industries	71,111	—
insightsoftware	Senior Secured Seventh Supplemental DDTL	S+	5.25 %	9.84 %	5/25/2028	High Tech Industries	71,048	—
Cook & Boardman	Senior Secured Amendment No. 2 Incremental DDTL	S+	6.00 %	10.59 %	3/4/2030	Construction & Building	69,444	—
Blue Cloud	Senior Secured Revolving Loan	S+	4.75 %	9.34 %	1/21/2028	Healthcare & Pharmaceuticals	69,333	162,045
Ohio Transmission	Senior Secured Initial Revolving Loan	S+	5.50 %	10.09 %	12/19/2029	Capital Equipment	69,079	69,333
Prime Pensions	Senior Secured Revolving Credit	S+	5.25 %	9.84 %	2/26/2030	Banking, Finance, Insurance & Real Estate	61,332	—
Prime Pensions	Senior Secured Delayed Draw Term Loan	S+	5.25 %	9.84 %	2/26/2030	Banking, Finance, Insurance & Real Estate	60,000	—
Miller Environmental	Senior Secured Delayed Draw Term Loan (USD)	S+	4.75 %	9.34 %	9/10/2031	Environmental Industries	58,824	—
Kenco	Senior Secured Revolving Credit Loan	S+	4.25 %	8.84 %	11/15/2029	Transportation: Cargo	58,140	—
Miller Environmental	Senior Secured Revolving Loan (USD)	S+	4.75 %	9.34 %	9/10/2031	Environmental Industries	57,545	—
Legacy Service Partners	Senior Secured Delayed Draw Term Loan B	S+	5.75 %	10.34 %	1/9/2029	Services: Consumer	52,139	2,000,000
Burke Porter Group	Senior Secured Revolving Credit Loan	S+	6.00 %	10.59 %	7/29/2028	Capital Equipment	50,609	198,769
AmSpec	Senior Secured Revolving Loan	S+	5.50 %	10.09 %	12/5/2029	Energy: Oil & Gas	49,020	145,363
GME Supply	Senior Secured Delayed Draw Term Loan	S+	6.25 %	10.84 %	7/6/2029	Wholesale	46,948	420,682
Augusta Sportswear	Senior Secured Revolving Credit Loan	S+	6.80 %	11.09 %	11/21/2028	Consumer Goods: Non-Durable	46,154	—
United Air Temp	Senior Secured Delayed Draw Term Loan	S+	5.25 %	9.84 %	3/28/2030	Services: Consumer	44,444	—
Aprio	Senior Secured Initial Delayed Draw Term Loan	S+	4.75 %	9.34 %	8/1/2031	Services: Business	43,481	—
Golden Source	Senior Secured Delayed Draw Term Loan Retired 05/10/2024	S+	5.50 %	10.09 %	5/12/2028	Services: Business	—	938,967
SN/A	Senior Secured 2023 Incremental Delayed Draw Term Loan	S+	5.80 %	10.09 %	5/12/2028	Services: Business	—	846,172
CPI International	Senior Secured Delayed Draw Term Loan Retired 06/06/2024	S+	5.50 %	10.09 %	10/8/2029	Aerospace & Defense	—	718,563
Eliassen	Senior Secured Initial Delayed Draw Term Loan	S+	5.75 %	10.34 %	4/14/2028	Services: Business	—	507,407
Vensure Employer Services	Senior Secured 2023 Delayed Draw Term B Loan Retired 09/27/2024	S+	5.25 %	9.84 %	3/26/2027	Services: Business	—	438,889
PracticeTek	Senior Secured Delayed Draw Term Loan Retired 08/30/2023	S+	5.50 %	10.09 %	11/23/2027	High Tech Industries	—	372,137
Micro Merchant Systems	Senior Secured Delayed Draw Term Loan	S+	4.75 %	9.34 %	12/14/2027	Healthcare & Pharmaceuticals	—	370,370
VC3	Senior Secured Delayed Draw Term Loan D	S+	5.00 %	9.59 %	3/12/2027	Services: Business	—	366,029
Atem	Senior Secured 2022 Delayed Draw Term Loan	S+	5.25 %	9.84 %	10/2/2028	Banking, Finance, Insurance & Real Estate	—	340,000
Apex Service Partners	Senior Secured DDTL Loan	S+	5.00 %	9.59 %	10/24/2030	Services: Consumer	—	325,552
Acolite	Senior Secured Initial DDTL Loan	S+	5.75 %	10.34 %	4/10/2029	Services: Business	—	250,000
Discovery Education	Senior Secured Revolving Credit Loan (First Lien)	S+	5.75 %	10.34 %	4/9/2029	Services: Business	—	230,769
USALCO	Senior Secured Revolving Loan Retired 09/30/2024	S+	6.00 %	10.59 %	10/19/2026	Chemicals, Plastics & Rubber	—	189,516
Allied Benefit Systems	Senior Secured Initial Delayed Draw Term Loan	S+	5.25 %	9.84 %	10/31/2030	Services: Business	—	154,573
Apex Service Partners	Senior Secured Revolving Credit Loan	S+	5.00 %	9.59 %	10/24/2029	Services: Consumer	—	134,439
Cleaver Brooks	Senior Secured Revolving Loan Retired 05/15/2024	S+	5.50 %	10.09 %	7/18/2028	Capital Equipment	—	123,077
Community Brands	Senior Secured Delayed Draw Term Loan Retired 02/23/2024	S+	5.50 %	10.09 %	2/24/2028	Banking, Finance, Insurance & Real Estate	—	117,647
Blue Cloud	Senior Secured Delayed Draw Term Loan	S+	4.75 %	9.34 %	1/21/2028	Healthcare & Pharmaceuticals	—	114,000
VC3	Senior Secured Revolving Credit	S+	5.00 %	9.59 %	3/12/2027	Services: Business	—	76,923
CPS	Senior Secured Revolving Credit Loan Retired 02/21/2024	S+	5.25 %	9.84 %	6/1/2028	Healthcare & Pharmaceuticals	—	59,988
Community Brands	Senior Secured Revolving Loan Retired 07/01/2024	S+	5.50 %	10.09 %	2/24/2028	Banking, Finance, Insurance & Real Estate	—	58,824
Omni Logistics	Senior Secured Revolving Credit Loan (First Lien) Retired 01/25/2024	S+	5.00 %	9.59 %	12/30/2025	Transportation: Cargo	—	24,901
Alliance Environmental Group	Senior Secured Revolving Loan	S+	0.00 %	4.59 %	12/30/2027	Environmental Industries	—	24,834
							\$ 41,769,864	\$ 27,258,654

Unfunded commitments represent all amounts unfunded as of September 30, 2024 and December 31, 2023. These amounts may or may not be funded to the borrowing party now or in the future.

[Table of Contents](#)

Note 10. Financial Highlights

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Per Share Data:				
Net asset value, beginning of period	\$ 9.14	\$ 9.18	\$ 9.19	\$ 9.24
Net investment income ^(a)	0.20	0.21	0.60	0.60
Net realized gain (loss) on investments and change in unrealized appreciation (depreciation) on investments ^{(a)(b)}	(0.03)	0.02	(0.09)	(0.03)
Net increase in net assets resulting from operations	<u>\$ 0.17</u>	<u>\$ 0.23</u>	<u>\$ 0.51</u>	<u>\$ 0.57</u>
Effect of equity capital activity				
Distributions to stockholders from net investment income ^(a)	(0.19)	—	(0.58)	(0.39)
Distributions to stockholders from return of capital ^(a)	—	—	—	(0.01)
Net asset value at end of period	<u>\$ 9.12</u>	<u>\$ 9.41</u>	<u>\$ 9.12</u>	<u>\$ 9.41</u>
Total return ^(c)	1.86 %	2.51 %	5.63 %	6.28 %
Shares of common stock outstanding at end of period	45,266,064	44,518,983	45,266,064	44,518,983
Statement of Assets and Liabilities Data:				
Net assets at end of period	\$ 412,607,373	\$ 418,886,850	\$ 412,607,373	\$ 418,886,850
Average net assets ^(d)	413,234,649	403,742,026	413,685,747	411,268,074
Ratio/Supplemental Data:				
Ratio of gross expenses to average net assets - annualized ^(e)	2.79 %	2.89 %	2.81 %	2.90 %
Ratio of net expenses to average net assets - annualized ^(f)	1.56 %	1.66 %	1.59 %	1.66 %
Ratio of net investment income to average net assets - annualized	8.86 %	9.16 %	8.77 %	8.67 %
Portfolio turnover ^(g)	0.71 %	0.77 %	0.98 %	0.84 %

- (a) Based on weighted average basic per share of Common Stock data.
- (b) The per share amount varies from the net realized and unrealized gain (loss) for the period because of the timing of sales of fund shares and the per share amount of realized and unrealized gains and losses at such time.
- (c) Total return is based on the change in net asset value during the respective periods. Total return also takes into account dividends and distributions, if any, reinvested in accordance with the Company's dividend reinvestment plan.
- (d) Average net assets are computed using the average balance of net assets at the end of each month of the reporting period.
- (e) Ratio of gross expenses to average net assets is computed using expenses before waivers from the Adviser and Administrator.
- (f) Ratio of net expenses to average net assets is computed using total expenses net of waivers from the Adviser and Administrator.
- (g) Not annualized.

Note 11. Indemnification

In the normal course of business, the Company may enter into certain contracts that provide a variety of indemnities. The Company's maximum exposure under these indemnities is unknown. The Company does not consider it necessary to record a liability in this regard.

Note 12. Subsequent Events

Subsequent to September 30, 2024 and through November 13, 2024, the Company invested \$13,523,603 at cost in 44 different portfolio companies. On October 1, 2024, the Company received an additional \$66,000,000 of capital commitments.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

In this quarterly report on Form 10-Q, except where the context suggests otherwise, the terms "we," "us," "our" and the "Company" refer to Audax Credit BDC Inc. The information contained in this section should be read in the conjunction with the financial statements and notes to the financial statements appearing elsewhere in this quarterly report.

This quarterly report and other statements contain forward-looking statements that involve substantial risks and uncertainties. Such statements involve known and unknown risks, uncertainties and other factors and undue reliance should not be placed thereon. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about our company, our current and prospective portfolio investments, our industry, our beliefs and our assumptions. Words such as "anticipates," "expects," "intends," "plans," "will," "may," "continue," "believes," "seeks," "estimates," "would," "could," "should," "targets," "projects," and variations of these words and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements, including:

- our future operating results;
- our business prospects and the prospects of our portfolio companies;
- changes in political, economic or industry conditions, changes in interest rates and conditions affecting the financial and capital markets, which could change the value of our assets;
- the state of and changes in the general economy, including a possible slowdown in the economy;
- the risk of recession;
- the impact of fluctuations in foreign exchange rates on our business and our portfolio companies;
- the general level of inflation and its impact on us, on our portfolio companies and on the industries in which we invest;
- general price and volume fluctuations in the debt and stock markets;
- uncertainty surrounding global financial stability, including the liquidity of certain banks;
- uncertainty surrounding financial and political stability of the United States, the United Kingdom, the European Union, the Middle East and China, the war between Russia and Ukraine and the ongoing conflicts in the Middle East;
- the ability of our portfolio companies to achieve their objectives;
- the timing of cash flows, if any, from the operations of our portfolio companies;
- the ability of our Adviser to locate suitable investments for us and to monitor and administer our investments;
- risk associated with possible disruptions in our operations or the economy generally;
- the effect of investments that we expect to make;
- our contractual arrangements and relationships with third parties;
- actual and potential conflicts of interest with Adviser and its affiliates;
- the adequacy of our financing sources and working capital;
- the ability of our Adviser and its affiliates to attract and retain highly talented professionals;
- our ability to qualify and maintain our qualification as a BDC and as a RIC; and
- the risks, uncertainties and other factors we identify in Part I, Item 1A "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on March 27, 2024 (the "Annual Report").

Although we believe that the assumptions on which these forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, and as a result, the forward-looking statements based on those assumptions also could be inaccurate. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this quarterly report should not be regarded as a representation by us that our plans and objectives will be achieved. These risks and uncertainties include those described or identified in our Annual Report as well as risk factors described or identified in other filings we may make with the SEC from time to time. You should not place undue reliance on these forward-looking statements, which apply only as of the date of this quarterly report. Moreover, we assume no duty and do not undertake to update the forward-looking statements. The forward-looking statements and projections contained in this quarterly report are excluded from the safe harbor protection provided by Section 27A of the Securities Act and provided by Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

OVERVIEW

Audax Credit BDC Inc. is a Delaware corporation that was formed on January 29, 2015. We are an externally managed, closed-end, non-diversified management investment company that has elected to be treated as a BDC under the 1940 Act. In addition, we have elected to be treated for U.S. federal income tax purposes, and intend to qualify annually, as a RIC under Subchapter M of the Code.

Our investment objective is to generate current income and, to a lesser extent, long-term capital appreciation. We intend to meet our investment objective by investing primarily in senior secured debt of privately owned U.S. middle market companies. We intend to invest at least 80% of our net assets plus the amount of any borrowings in “credit instruments,” which we define as any fixed income instruments.

Although we have no present intention of doing so, we may decide to incur leverage. If we do incur leverage, we anticipate that it will be used in limited circumstances and on a short-term basis for purposes such as funding distributions. As a BDC, we are limited in our use of leverage under the 1940 Act. Under the 1940 Act, a BDC generally is required to maintain asset coverage of 200% for senior securities representing indebtedness (such as borrowings from banks or other financial institutions) or stock (such as preferred stock). The Small Business Credit Availability Act (the “SBCAA”), which was signed into law on March 23, 2018, provides that a BDC’s required asset coverage under the 1940 Act may be reduced from 200% (i.e., \$1 of debt outstanding for each \$1 of equity) to 150% (i.e., \$2 of debt outstanding for each \$1 of equity). This reduction in asset coverage permits a BDC to double the amount of leverage it may utilize, subject to certain approval, timing and reporting requirements, including either stockholder approval or approval of a majority of the directors who are not “interested persons” (as defined in the 1940 Act) of the BDC and who have no financial interest in the arrangement. In addition, as a non-traded BDC, if we receive the relevant approval to increase our authorized leverage, we will be required to offer our stockholders the opportunity to sell their shares of Common Stock over the next year following the calendar quarter in which the approval was obtained. In determining whether to use leverage, we would analyze the maturity, covenants and interest rate structure of the proposed borrowings, as well as the risks of such borrowings within the context of our investment outlook and the impact of leverage on our investment portfolio. The amount of any leverage that we will employ as a BDC will be subject to oversight by our Board of Directors.

We generate revenue in the form of interest on the debt securities that we hold in our portfolio companies. The senior debt we invest in generally has stated terms of three to ten years. Our senior debt investments generally bear interest at a floating rate. Interest on debt securities is generally payable quarterly or semiannually. In some cases, some of our investments may provide for deferred interest payments or PIK interest. The principal amount of the debt securities and any accrued but unpaid interest generally will become due at the maturity date. In addition, we may generate revenue in the form of commitment and other fees in connection with transactions, although we do not expect to do so. OID as well as market discount and premium are accreted and amortized in determining our interest income. We record any prepayment premiums on loans and debt securities as income.

PORTFOLIO COMPOSITION AND INVESTMENT ACTIVITY

Portfolio Composition

The fair value of our investments, comprised of syndicated loans and equity, as of September 30, 2024, was approximately \$395,592,598 and held in 232 portfolio companies as of September 30, 2024. The fair value of our investments, comprised of syndicated loans and equity, as of December 31, 2023, was approximately \$387,194,568, and we held investments in 211 portfolio companies as of December 31, 2023.

During the nine months ended September 30, 2024, we invested in 84 new syndicated investments for a combined \$67,864,094 and in existing investments for a combined \$23,671,676. We also received \$65,130,510 in repayments from investments and \$15,229,825 from investments sold during the nine months ended September 30, 2024. During the nine months ended September 30, 2023, we invested in 27 new syndicated investments for a combined \$32,885,316 and in existing investments for a combined \$9,522,941. We also received \$37,397,666 in repayments from investments and \$34,263,233 from investments sold during the nine months ended September 30, 2023.

[Table of Contents](#)

In addition, for the three and nine months ended September 30, 2024, we had a change in unrealized depreciation of approximately \$1,364,648 and \$3,521,232, respectively, and realized losses of \$181,064 and \$394,505, respectively. For the three and nine months ended September 30, 2023, we had a change in unrealized appreciation (depreciation) of approximately \$934,462 and \$(866,424) respectively, and realized losses of \$22,470 and \$179,719, respectively.

Our investment activity for the nine months ended September 30, 2024 and 2023, is presented below:

	<u>Nine Months Ended September 30, 2024</u>	<u>Nine Months Ended September 30, 2023</u>
Beginning investment portfolio, at fair value	\$ 387,194,568	\$ 420,828,658
Investments in new portfolio investments	67,864,094	32,885,316
Investments in existing portfolio investments	23,671,676	9,522,941
Principal repayments	(65,130,510)	(37,397,666)
Proceeds from investments sold	(15,229,825)	(34,263,233)
Change in premiums, discounts and amortization	1,138,332	693,623
Net change in unrealized depreciation on investments	(3,521,232)	(866,424)
Realized loss on investments	(394,505)	(179,719)
Ending portfolio investment activity, at fair value	<u>\$ 395,592,598</u>	<u>\$ 391,223,496</u>
Number of portfolio investments	258	242
Average investment amount, at cost	\$ 1,559,654	\$ 1,648,604
Percentage of investments at floating rates	100.00 %	99.17 %

As of September 30, 2024 and December 31, 2023, our entire portfolio consisted of non-controlled/non-affiliated investments.

RECENT DEVELOPMENTS

Subsequent to September 30, 2024 through November 13, 2024, the Company invested \$13,523,603 at cost in 44 different portfolio companies. On October 1, 2024, the Company received an additional \$66,000,000 of capital commitments.

RESULTS OF OPERATIONS

The net increase or decrease in net assets from operations may vary substantially from period to period as a result of various factors, including the recognition of realized gains and/or losses and net change in unrealized appreciation and depreciation.

Revenue

Total investment income for the three and nine months ended September 30, 2024 and 2023 is presented in the table below.

	<u>Three Months Ended September 30, 2024</u>	<u>Three Months Ended September 30, 2023</u>	<u>Nine Months Ended September 30, 2024</u>	<u>Nine Months Ended September 30, 2023</u>
Total interest income from non-controlled/non-affiliated investments	\$ 10,673,020	\$ 10,798,191	\$ 31,618,189	\$ 31,370,065
Total other interest income	89,706	87,639	332,334	213,217
Total other income	66,642	121,841	110,594	193,094
Total investment income	<u>\$ 10,829,368</u>	<u>\$ 11,007,671</u>	<u>\$ 32,061,117</u>	<u>\$ 31,776,376</u>

Total investment income for the three months ended September 30, 2024 decreased to \$10,829,368 from \$11,007,671 for the three months ended September 30, 2023, and was primarily driven by a decrease in interest rate spreads over the period. Total investment income for the nine months ended September 30, 2024 increased to \$32,061,117 from \$31,776,376 for the nine months ended September 30, 2023, and was primarily driven by an increase in interest rate spreads over the period. As of September 30, 2024 and 2023, the size of our debt portfolio was \$396,691,794 and \$394,286,258 at amortized cost, respectively, with total debt principal amount outstanding of \$401,700,943 and \$398,912,100, respectively.

[Table of Contents](#)

Expenses

Total expenses net of waivers for the three and nine months ended September 30, 2024 and 2023, were as follows:

	<u>Three Months Ended September 30, 2024</u>	<u>Three Months Ended September 30, 2023</u>	<u>Nine Months Ended September 30, 2024</u>	<u>Nine Months Ended September 30, 2023</u>
Base management fee ^(a)	\$ 1,061,088	\$ 1,022,684	\$ 3,158,434	\$ 3,215,515
Incentive fee ^(a)	1,465,399	1,487,402	4,315,250	4,234,793
Interest expense ^(b)	—	27,390	—	446,070
Professional fees	147,656	190,921	503,583	402,827
Directors' fees	69,000	63,750	216,000	191,250
Administrative fee ^(a)	66,250	66,250	198,750	198,750
Other expenses	88,118	79,267	323,544	217,501
Total expenses	<u>2,897,511</u>	<u>2,937,664</u>	<u>8,715,561</u>	<u>8,906,706</u>
Base management fee waivers ^(a)	(371,381)	(357,939)	(1,105,452)	(1,125,430)
Incentive fee waivers ^(a)	(902,083)	(893,033)	(2,694,707)	(2,671,096)
Total expenses, net of waivers	<u>\$ 1,624,047</u>	<u>\$ 1,686,692</u>	<u>\$ 4,915,402</u>	<u>\$ 5,110,180</u>

(a) Refer to Note 4-*Related Party Transactions* within the financial statements for a description of the relevant fees.

(b) Refer to Note 8-*Borrowings* within the financial statements for a description of the relevant expenses.

The increase in base management fees before waivers for the three months ended September 30, 2024 in comparison to the three months ended September 30, 2023 was driven by our increasing average gross assets balance. For the three months ended September 30, 2024 and 2023, we accrued gross base management fees before waivers of \$1,061,088 and \$1,022,684, respectively. Offsetting those fees, we recognized base management fee waivers of \$371,381 and \$357,939 for three months ended September 30, 2024 and 2023, respectively.

The decrease in base management fees before waivers for the nine months ended September 30, 2024 in comparison to the nine months ended September 30, 2023 was driven by our decreasing average gross assets balance. For the nine months ended September 30, 2024 and 2023, we accrued gross base management fees before waivers of \$3,158,434 and \$3,215,515, respectively. Offsetting those fees, we recognized base management fee waivers of \$1,105,452 and \$1,125,430 for nine months ended September 30, 2024 and 2023, respectively.

The decrease in incentive fees before waivers for the three months ended September 30, 2024 in comparison to the three months ended September 30, 2023 was driven by our decrease in net investment income. For the three months ended September 30, 2024 and 2023, we accrued incentive fees related to net investment income before waivers of \$1,465,399 and \$1,487,402, respectively. Offsetting those fees, we recognized incentive fee waivers of \$902,083 and \$893,033, respectively.

The increase in incentive fees before waivers for the nine months ended September 30, 2024 in comparison to the nine months ended September 30, 2023 was driven by our increase in net investment income. For the nine months ended September 30, 2024 and 2023, we accrued incentive fees related to net investment income before waivers of \$4,315,250 and \$4,234,793, respectively. Offsetting those fees, we recognized incentive fee waivers of \$2,694,707 and \$2,671,096, respectively.

Additionally, we accrued \$66,250 and \$198,750 of administrative fees for each of the three and nine-month periods ended September 30, 2024 and 2023, respectively. Refer to Note 4 — *Related Party Transactions* in the notes accompanying our financial statements for more information related to base management fees, incentive fees and waivers.

During the three and nine months ended September 30, 2024, we incurred professional fees of \$147,656 and \$503,583, respectively, related to audit fees, tax fees, and legal fees. During the three and nine months ended September 30, 2023, we incurred professional fees of \$190,921 and \$402,827, respectively, related to audit fees, tax fees, and legal fees.

During the three and nine months ended September 30, 2024, we incurred expenses related to fees paid to our independent directors of \$69,000 and \$216,000, respectively. During the three and nine months ended September 30, 2023, we incurred expenses related to fees paid to our independent directors of \$63,750 and \$191,250, respectively.

[Table of Contents](#)

During the three and nine months ended September 30, 2024, we incurred no interest expense in connection with our short-term borrowings. During the three and nine months ended September 30, 2023, we incurred interest expense of \$27,390 and \$446,070, respectively, in connection with our short-term borrowings. Refer to Note 8 — *Borrowings* in the notes accompanying our financial statements for more information related to interest expense.

Realized and Unrealized Gains and Losses

We recognized \$(181,064) and \$(22,470) in net realized losses for the three months ended September 30, 2024 and 2023, respectively. We recognized \$(394,505) and \$(179,719) in net realized losses for the nine months ended September 30, 2024 and 2023, respectively.

Net change in unrealized appreciation (depreciation) on investments for the three and nine months ended September 30, 2024 and 2023 was as follows:

Type	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
First Lien Debt	\$ (240,505)	\$ 1,029,823	\$ 39,931	\$ 714,263
Unitranche Debt	(1,174,961)	71,738	(3,654,663)	(57,966)
Second Lien Debt	2,840	(239,746)	(455,575)	(1,759,537)
Equity and Preferred Shares	47,978	72,647	549,075	236,816
Net change in unrealized depreciation on investments	<u>\$ (1,364,648)</u>	<u>\$ 934,462</u>	<u>\$ (3,521,232)</u>	<u>\$ (866,424)</u>

Net change in unrealized depreciation on investments during the three months ended September 30, 2024 was primarily due to the change in the results and financial position of the portfolio companies. Net change in unrealized depreciation on investments during the nine months ended September 30, 2024 was primarily due to the change in the results and financial position of the portfolio companies. Net change in unrealized appreciation on investments during the three months ended September 30, 2023 was primarily due to the change in the results and financial position of the portfolio companies. Net change in unrealized depreciation on investments during the nine months ended September 30, 2023 was primarily due to the change in the results and financial position of the portfolio companies.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

We generate cash primarily from the net proceeds of any offering of shares of our Common Stock, from cash flows from interest and fees earned from our investments, and from principal repayments and proceeds from sales of our investments. Our primary use of cash is investments in portfolio companies, payments of our expenses, cash distributions to our stockholders, and repurchases of common stock from our stockholders. As of September 30, 2024 and December 31, 2023, we had cash of \$21,068,881 and \$20,940,279, respectively.

Operating Activities

Net cash provided by operating activities for the nine months ended September 30, 2024 was \$19,835,485. The primary operating activities during this period were investments in portfolio companies. The Company invested \$67,864,094 in new portfolio investments and \$23,671,676 in existing portfolio investments during the nine months ended September 30, 2024. This was offset by repayments of bank loans and sales of investments of \$65,130,510 and \$15,229,825, respectively. Net cash provided by operating activities for the nine months ended September 30, 2023 was \$61,718,423. The primary operating activities during this period were investments in portfolio companies. The Company invested \$32,885,316 in new portfolio investments and \$9,522,941 in existing portfolio investments during the nine months ended September 30, 2023. This was offset by repayments of bank loans and sales of investments of \$37,397,666 and \$34,263,233, respectively.

As of September 30, 2024, we had 106 investments with unfunded commitments of \$41,769,864. As of December 31, 2023, we had 84 investments with unfunded commitments of \$27,258,654. We believe that, as of both September 30, 2024 and December 31, 2023, we had sufficient assets to adequately cover any obligations under our unfunded commitments.

[Table of Contents](#)

The following table summarizes our total portfolio activity during the nine months ended September 30, 2024 and 2023:

	<u>Nine Months Ended September 30, 2024</u>	<u>Nine Months Ended September 30, 2023</u>
Beginning investment portfolio	\$ 387,194,568	\$ 420,828,658
Investments in new portfolio investments	67,864,094	32,885,316
Investments in existing portfolio investments	23,671,676	9,522,941
Principal repayments	(65,130,510)	(37,397,666)
Proceeds from sales of investments	(15,229,825)	(34,263,233)
Net change in unrealized depreciation on investments	(3,521,232)	(866,424)
Net realized loss on investments	(394,505)	(179,719)
Net change in premiums, discounts and amortization	1,138,332	693,623
Investment Portfolio, at Fair Value	<u>\$ 395,592,598</u>	<u>\$ 391,223,496</u>

Financing Activities

Net cash used in our financing activities for the nine months ended September 30, 2024 was \$19,706,883, which consisted of \$37,000,000 from issuances of 3,948,773 shares to our stockholders in connections with our capital calls during the period, \$30,000,000 in repurchases of 3,201,708 shares to our stockholders in connection with the Tender Offer during the period, and \$26,706,883 of distributions paid to our common stockholders during the period. Net cash used in our financing activities for the nine months ended September 30, 2023 was \$48,389,492, which consisted of \$30,000,000 in issuances of 3,267,974 shares to our stockholders, \$47,515,735 in repurchases of 5,125,458 shares to our stockholders in connection with the Tender Offer during the period, \$13,178,611 in connection with repayments of our short-term borrowings during the period, and \$17,695,146 of distributions paid to our common stockholders during the period.

Equity Activity

An investor made capital commitments to us in the amounts set forth below as of the date opposite each capital commitment:

<u>Amount</u>	<u>Date</u>
\$ 140,000,000	June 23, 2015
\$ 50,000,000	December 2, 2016
\$ 100,000,000	On December 7, 2017
\$ 40,000,000	March 22, 2019
\$ 30,000,000	September 23, 2019
\$ 11,200,000	March 20, 2020
\$ 8,900,000	May 28, 2021
\$ 110,000,000	December 15, 2021
\$ 30,000,000	June 13, 2023
\$ 37,000,000	May 25, 2024

As of September 30, 2024, there were no unfunded capital commitments by the Company's investors.

The number of shares of our Common Stock issued and outstanding as of September 30, 2024 and December 31, 2023, were 45,266,064 and 44,518,989, respectively.

Distributions to Stockholders – Common Stock Distributions

We have elected to be treated, and intend to qualify annually, as a RIC for U.S. federal income tax purposes. As a RIC, we generally are not subject to corporate-level U.S. federal income taxes on ordinary income or capital gains that we timely distribute as dividends for U.S. federal income tax purposes to our stockholders. To qualify to be taxed as a RIC and thus avoid corporate-level income tax on the income that we distribute as dividends to our stockholders, we are required to distribute dividends to our stockholders each taxable year generally of an amount at least equal to 90% of our investment company taxable income, determined without regard to the deduction for any dividends paid. To avoid a 4% excise tax on undistributed earnings, we are required to

[Table of Contents](#)

distribute dividends to our stockholders in respect of each calendar year of an amount at least equal to the sum of (i) 98% of our ordinary income (taking into account certain deferrals and elections) for such calendar year, (ii) 98.2% of our capital gain net income, adjusted for certain ordinary losses, for the one-year period ending October 31 of that calendar year and (iii) any income or capital gains recognized, but not distributed, in preceding calendar years and on which we incurred no federal income tax. We intend to make distributions to stockholders on an annual basis of substantially all of our net investment income. Although we intend to make distributions of net realized capital gains, if any, at least annually, out of assets legally available for such distributions, we may in the future decide to retain such capital gains for investment. In addition, the extent and timing of special dividends, if any, will be determined by our Board of Directors and will largely be driven by portfolio specific events and tax considerations.

We may fund our cash distributions from any sources of funds available, including offering proceeds, borrowings, net investment income from operations, capital gains proceeds from the sale of assets, non-capital gains proceeds from the sale of assets, dividends or other distributions paid to us on account of preferred and common equity investments in portfolio companies and fee waivers from our Adviser. Our distributions may exceed our earnings, especially during the period before we have substantially invested the proceeds from an offering. As a result, a portion of the distributions may represent a return of capital for U.S. federal income tax purposes. Thus, the source of a distribution to our stockholders may be the original capital invested by the stockholder rather than our income or gains. In addition, we may be limited in our ability to make distributions due to the asset coverage test for borrowings applicable to us as a BDC under the 1940 Act. We declared distributions of \$ 26,706,974, or \$0.580 per share during the three and nine months ended September 30, 2024. We declared distributions of \$17,695,204, or \$0.410 per share during the three and nine months ended September 30, 2023.

The determination of the tax attributes of the Company's distributions, including distributions in connection with tender offers, are made annually at the end of the Company's taxable year, based upon the Company's taxable income for the full taxable year and distributions paid for the full taxable year. Therefore, a determination made on an interim basis may not be representative of the actual tax attributes of distributions for a full taxable year. The actual tax characteristics of distributions to stockholders will be reported to the Company's stockholders subject to information reporting after the close of the calendar year.

Related Party Fees

For the three months ended September 30, 2024 and 2023, we recorded base management fees of \$1,061,088 and \$1,022,684, respectively. Offsetting these fees were waivers to the base management fees of \$371,381 and \$357,939, respectively, as set forth within the accompanying statements of operations. For the nine months ended September 30, 2024 and 2023, we recorded base management fees of \$3,158,434 and \$3,215,515, respectively. Offsetting these fees were waivers to the base management fees of \$1,105,452 and \$1,125,430, respectively, as set forth within the accompanying statements of operations.

For the three months ended September 30, 2024 and 2023, we recorded incentive fees of \$1,465,399 and \$1,487,402, respectively. Offsetting these waivers to the incentive fees of \$902,083 and \$893,033, respectively, as set forth within the accompanying statements of operations. For the nine months ended September 30, 2024 and 2023, we recorded incentive fees of \$4,315,250 and \$4,234,793, respectively. Offsetting these waivers to the incentive fees of \$2,694,707 and \$2,671,096, respectively, as set forth within the accompanying statements of operations.

For both the three months ended September 30, 2024 and 2023, we recorded administrative fees of \$62,500, as set forth within the accompanying statements of operations. For both the nine months ended September 30, 2024 and 2023, we recorded administrative fees of \$198,750, as set forth within the accompanying statements of operations.

Fees due to related parties as of September 30, 2024 and December 31, 2023 on our accompanying statements of assets and liabilities were as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Net base management fee due to Adviser	\$ 689,707	\$ 687,175
Net incentive fee due to Adviser	563,316	596,757
Total fees due to Adviser, net of waivers	<u>1,253,023</u>	<u>1,283,932</u>
Fee due to Administrator, net of waivers	66,250	66,250
Total Related Party Fees Due	<u>\$ 1,319,273</u>	<u>\$ 1,350,182</u>

[Table of Contents](#)

Tender Offers

To provide our stockholders with limited liquidity, we may, in the absolute discretion of our Board of Directors, conduct tender offers. Our tenders for shares of Common Stock, if any, are conducted on such terms as may be determined by our Board of Directors and in accordance with the requirements of applicable law, including Section 23(c) of the 1940 Act and Regulation M under the Exchange Act.

On April 10, 2024, the Company issued a Tender Offer to repurchase \$30.0 million worth of Common Stock from the Stockholder. The Offer was accepted in full on May 10, 2024.

CRITICAL ACCOUNTING POLICIES

This discussion of our operations is based upon our financial statements, which are prepared in accordance with GAAP. The preparation of these financial statements requires our management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses.

Changes in the economic environment, financial markets and any other parameters used in determining such estimates could cause actual results to differ. In addition to the discussion below, we describe our critical accounting policies in the notes to our financial statements.

Valuation of Investments

On December 3, 2020, the SEC announced that it adopted the Valuation Rule, which established an updated regulatory framework for determining fair value in good faith for purposes of the 1940 Act. Pursuant to the Valuation Rule, which became effective on September 8, 2022, our Board of Directors designated the Adviser as our Valuation Designee to perform fair value determinations relating to the value of our assets for which market quotations are not readily available in good faith. Such valuation by the Valuation Designee must be made in good faith and may be based on, among other things, the input of independent third-party valuation firms, where applicable. The Valuation Designee's valuation process is subject to our Board of Directors' oversight.

In accordance with the 1940 Act, our Board of Directors has the ultimate responsibility for reviewing the good faith fair value determination of our investments for which market quotations are not readily available based on our Policy and for overseeing the Valuation Designee. Such review and oversight include receiving written fair value determinations and supporting materials provided by the Valuation Designee and any independent third-party valuation firms as may be used by the Valuation Designee or our Board of Directors from time to time.

As part of the valuation process, the Valuation Designee may take into account the following types of factors, if relevant, in determining the fair value of our investments: applicable market yields and multiples; security covenants; call protection provisions; information rights; comparisons of financial ratios of the portfolio companies that issued such private equity securities to peer companies that are public; comparable merger and acquisition transactions; the nature and realizable value of any collateral; the portfolio company's ability to make payments and its earnings and discounted cash flow; available current market data, including relevant and applicable markets in which the portfolio company does business; and other relevant factors. When an external event such as a purchase transaction, public offering or subsequent equity sale occurs, the Valuation Designee will consider the pricing indicated by the external event in its valuation of the portfolio investment.

The Valuation Designee utilizes the following multi-step process in determining fair value for our investments for which market quotations are not "readily available":

- The Adviser's investment professionals responsible for the portfolio investment and other senior members of the Adviser's investment and management team, with oversight from the Adviser's finance team, will make initial valuations of each investment;
- The Adviser's investment professionals and management team, with oversight by the Adviser's finance and compliance team, will document the preliminary valuation conclusions and oversee sample testing of valuations with third-party valuation agents;

[Table of Contents](#)

- The preliminary valuation conclusions will be presented to the valuation committees for consideration;
- The valuation committees will discuss the recommended valuations and determine, in good faith, the fair value of each investment;
- The valuation determinations of the valuation committees will be presented to the risk committee and then shared with our CEO and CFO; and
- The Adviser will provide certain quarterly and annual reports to our Board of Directors.

Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the investments may differ significantly from the values that would have been used had a readily available market value existed for such investments, and the differences could be material. In addition, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different from the valuations currently assigned.

The Valuation Designee determines fair value in good faith for all our investments without readily available market quotations by using methodologies consistent with the principles of the valuation approaches set forth in ASC 820, Section 2(a)(41) of the 1940 Act and Rule 2a-5 thereunder.

ASC 820 defines fair value as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.” Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same – to estimate the price when an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date under current market conditions (that is, an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

ASC 820 establishes a hierarchal disclosure framework which ranks the observability of inputs used in measuring financial instruments at fair value. The observability of inputs is impacted by a number of factors, including the type of financial instruments and their specific characteristics. Financial instruments with readily available quoted prices, or for which fair value can be measured from quoted prices in active markets, generally will have a higher degree of market price observability and a lesser degree of judgment applied in determining fair value.

The three-level hierarchy for fair value measurement is defined as follows:

Level 1 — Inputs to the valuation methodology are quoted prices available in active markets for identical financial instruments as of the measurement date. The types of financial instruments in this category include unrestricted securities, including equities and derivatives, listed in active markets. We do not adjust the quoted price for these instruments, even in situations where we hold a large position, and a sale could reasonably be expected to impact the quoted price.

Level 2 — Inputs to the valuation methodology are quoted prices in markets that are not active or for which all significant inputs are either directly or indirectly observable as of the measurement date. The types of financial instruments in this category include less liquid and restricted securities listed in active markets, securities traded in markets that are not active, government and agency securities, and certain over-the-counter derivatives where the fair value is based on observable inputs.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the overall fair value measurement, and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. The types of financial instruments in this category include investments in privately held entities, non-investment grade residual interests in securitizations, collateralized loan obligations, and certain over-the-counter derivatives where the fair value is based on unobservable inputs.

[Table of Contents](#)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given financial instrument is based on the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the financial instrument.

Pursuant to the framework set forth above, the Valuation Designee values securities traded in active markets on the measurement date by multiplying the exchange closing price of such traded securities/instruments by the quantity of shares or amount of the instrument held. The Valuation Designee may also obtain quotes with respect to certain of our investments from pricing services, brokers or dealers' quotes, or counterparty marks in order to value liquid assets that are not traded in active markets.

Pricing services aggregate, evaluate and report pricing from a variety of sources including observed trades of identical or similar securities, broker or dealer quotes, model-based valuations and internal fundamental analysis and research. When doing so, the Valuation Designee determines whether the quote obtained is sufficient in accordance with GAAP to determine the fair value of the security. If determined adequate, the Valuation Designee uses the quote obtained.

Securities that are illiquid or for which the pricing source does not provide a valuation or methodology or provides a valuation or methodology that, in the judgment of the Valuation Designee, does not represent fair value, are each valued as of the measurement date using all techniques appropriate under the circumstances and for which sufficient data are available. These valuation techniques vary by investment but include comparable public market valuations, comparable precedent transaction valuations and discounted cash flow analyses. Inputs for these valuation techniques include relative credit information, observed market movement, industry sector information, and other market data, which may include benchmarking of comparable securities, issuer spreads, reported trades, and reference data, such as market research publications, when available.

Investment performance data utilized are the most recently available as of the measurement date, which in many cases may reflect up to a quarter lag in information.

Securities for which market quotations are not readily available or for which a pricing source is not sufficient may include the following:

- private placements and restricted securities that do not have an active trading market;
- securities whose trading has been suspended or for which market quotes are no longer available;
- debt securities that have recently gone into default and for which there is no current market;
- securities whose prices are stale; and
- securities affected by significant events.

Subject to the oversight of our Board of Directors, the Valuation Designee has the overall responsibility for the implementation and monitoring of our pricing policies to ensure fair, accurate and current valuations.

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

Security transactions are recorded on the trade date (the date the order to buy or sell is executed or, in the case of privately issued securities, the closing date, which is when all terms of the transactions have been defined). Realized gains and losses on investments are determined based on the identified cost method.

Realized gains and losses on investments are determined based on the identified cost method.

Refer to Note 3 — *Investments* in the notes to our accompanying financial statements included elsewhere in this annual report for additional information regarding fair value measurements and our application of ASC 820.

[Table of Contents](#)

Revenue Recognition

We record interest income on an accrual basis to the extent that we expect to collect such amounts. For loans and debt securities with contractual PIK interest, which represents contractual interest accrued and added to the principal balance, we generally will not accrue PIK interest for accounting purposes if the portfolio company valuation indicates that such PIK interest is not collectible. We do not accrue as a receivable interest on loans and debt securities for accounting purposes if we have reason to doubt our ability to collect such interest. OID, market discounts or premiums are accreted or amortized using the effective interest method as interest income. We record prepayment premiums on loans and debt securities as interest income.

Net Realized Gains or Losses and Net Change in Unrealized Appreciation or Depreciation

We measure net realized gains or losses by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment, without regard to unrealized appreciation or depreciation previously recognized, but considering unamortized upfront fees and prepayment penalties. Net change in unrealized appreciation or depreciation reflects the change in portfolio investment values during the reporting period, including any reversal of previously recorded unrealized appreciation or depreciation, when gains or losses are realized.

PIK Interest

We may have investments in our portfolio that contain a PIK interest provision. Any PIK interest will be added to the principal balance of such investments and is recorded as income if the portfolio company valuation indicates that such PIK interest is collectible. In order to maintain our status as a RIC, substantially all of this income must be included in the amounts paid out by us to stockholders in the form of distributions, even if we have not collected any cash.

U.S. Income Taxes

We have elected to be subject to tax as a RIC under Subchapter M of the Code. As a RIC, we generally will not have to incur any corporate-level U.S. federal income taxes on any ordinary income or capital gains that we distribute as dividends to our stockholders. To qualify and maintain our qualification as a RIC, we must meet certain source-of-income and asset diversification requirements as well as distribute dividends to our stockholders each taxable year of an amount generally at least equal to 90% of our investment company taxable income, determined without regard to any distributions paid.

Depending on the level of taxable income earned in a taxable year, we may choose to retain taxable income in excess of current year distributions into the next taxable year. We would then incur a 4% excise tax on such taxable income, as required. To the extent that we determine that our estimated current year annual taxable income may exceed estimated current year distributions, we will accrue an excise tax, if any, on estimated excess taxable income as taxable income is earned. We did not accrue any excise tax for the fiscal years ended December 31, 2023, 2022, and 2021.

Because U.S. federal income tax regulations differ from GAAP, distributions in accordance with tax regulations may differ from net investment income and realized gains recognized for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified within capital accounts in the financial statements to reflect their tax character. Permanent differences may also result from differences in classification in certain items, such as the treatment of short-term gains as ordinary income for tax purposes. Temporary differences arise when certain items of income, expense, gain or loss are recognized at some time in the future.

We evaluate tax positions taken or expected to be taken in the course of preparing our financial statements to determine whether any relevant tax positions would “more-likely-than-not” be sustained by the applicable tax authority. Tax positions not deemed to meet the “more-likely-than-not” threshold are reversed and recorded as a tax benefit or expensed in the current fiscal year. All penalties and interest associated with any income taxes accrued are included in income tax expense. Conclusions regarding tax positions are subject to review and may be adjusted at a later date based on factors including, but not limited to, ongoing analyses of tax law, regulations and interpretations thereof. Our accounting policy on income taxes is critical because if we are unable to qualify, or once qualified, maintain our tax status as a RIC, we would be required to record a provision for corporate-level U.S. federal income taxes, as well as any related state or local taxes which may be significant to our financial results.

COMMITMENTS AND CONTINGENCIES

From time to time, we, or the Adviser, may become party to legal proceedings in the ordinary course of business, including proceedings related to the enforcement of our rights under contracts with our portfolio companies. Neither we nor the Adviser is currently subject to any material legal proceedings.

Unfunded commitments to provide funds to portfolio companies are not reflected in our accompanying statements of assets and liabilities. Our unfunded commitments may be significant from time to time. These commitments are subject to the same underwriting and ongoing portfolio maintenance as are the on-balance sheet financial instruments that we hold. Since these commitments may expire without being drawn, the total commitment amount does not necessarily represent future cash requirements. We use cash flow from normal and early principal repayments and proceeds from borrowings and offerings to fund these commitments. As of September 30, 2024, we had 106 investments with unfunded commitments of \$ 41,769,864. As of December 31, 2023, we had 84 investments with unfunded commitments of \$27,258,654. We believe that, as of September 30, 2024 and December 31, 2023, we had sufficient assets to adequately cover any obligations under our unfunded commitments.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are subject to financial market risks, including changes in interest rates. During the period covered by our financial statements, many of the loans in our portfolio had floating interest rates, and we expect that many of our loans to portfolio companies in the future will also have floating interest rates based on the Secured Overnight Financing Rate (SOFR) or an equivalent risk-free index rate. Interest rate fluctuations may have a substantial negative impact on our investments, the value of our Common Stock and our rate of return on invested capital. As a result, there can be no assurance that a significant change in market interest rates will not have a material adverse effect on our net investment income.

<u>Change in interest rates</u>	<u>Increase (decrease) in investment income</u>
Up 300 basis points	12,051,028
Up 200 basis points	8,034,019
Up 100 basis points	4,017,009
Down 100 basis points	(4,017,009)
Down 200 basis points	(8,034,019)
Down 300 basis points	(12,051,028)

Although we believe that this measure is indicative of our sensitivity to interest rate changes, it does not reflect potential changes in the credit market, credit quality, size and composition of the assets on the Statements of Assets and Liabilities and other business developments that could affect our net increase in net assets resulting from operations or net investment income. Accordingly, no assurances can be given that actual results would not differ materially from those shown above.

In addition, any investments we make that are denominated in a foreign currency will be subject to risks associated with changes in currency exchange rates. These risks include the possibility of significant fluctuations in the foreign currency markets, the imposition or modification of foreign exchange controls and potential illiquidity in the secondary market. These risks will vary depending upon the currency or currencies involved.

We may hedge against interest rate and currency exchange rate fluctuations by using standard hedging instruments such as futures, options and forward contracts subject to the requirements of the 1940 Act. While hedging activities may insulate us against adverse changes in interest rates, they may also limit our ability to participate in benefits of lower interest rates with respect to our portfolio of investments with fixed interest rates.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As of the period covered by this report, our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness and design and operation of our disclosure controls and procedures. Based on that evaluation, our management, including the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective at a reasonable assurance level in timely alerting management, including the Chief Executive Officer and Chief Financial Officer, of material information about us required to be included in periodic SEC filings. However, in evaluation of the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, that occurred during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are not currently subject to any material legal proceeding, nor, to our knowledge, is any material legal proceeding threatened against us.

From time to time, we, our Adviser or Administrator may be a party to certain legal proceedings in the ordinary course of business, including proceedings relating to the enforcement of our rights under contracts with our portfolio companies. While the outcome of these legal proceedings cannot be predicted with certainty, we do not expect that these proceedings will have a material effect upon our financial condition or results of operations.

From time to time, we are involved in various legal proceedings, lawsuits and claims incidental to the conduct of our business. Our businesses are also subject to extensive regulation, which may result in regulatory proceedings against us.

ITEM 1A. RISK FACTORS

You should carefully consider the risk factors in Part I, Item 1A “Risk Factors” of our Annual Report.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

Not applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

During the three months ended September 30, 2024, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

[Table of Contents](#)

ITEM 6. EXHIBITS

- 3.1 [Amended and Restated Certificate of Incorporation \(Incorporated by reference to Exhibit 3.1 to the Registration Statement on Form 10 \(File no. 000-55426\), filed on April 17, 2015\).](#)
- 3.2 [Form of Bylaws \(Incorporated by reference to Exhibit 3.2 to the Registration Statement on Form 10 \(File no. 000-55426\), filed on April 17, 2015\).](#)
- 31.1* [Certification of Chief Executive Officer pursuant to Rule 13a-14\(a\) under the Securities Exchange Act of 1934, as amended.](#)
- 31.2* [Certification of Chief Financial Officer pursuant to Rule 13a-14\(a\) under the Securities Exchange Act of 1934, as amended.](#)
- 32.1* [Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, as amended \(18 U.S.C. 1350\).](#)
- 32.2* [Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, as amended \(18 U.S.C. 1350\).](#)
- 99.1* [Code of Ethics](#)

* Filed herewith

[Table of Contents](#)

SIGNATURES

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

Audax Credit BDC Inc.

Date: November 13, 2024

By: /s/ Michael P. McGonigle
Michael P. McGonigle
Chief Executive Officer

Date: November 13, 2024

By: /s/ Richard T. Joseph
Richard T. Joseph
Chief Financial Officer