



Overview of MSC Income Fund, Inc.'s Potential Listing of its Shares on a National Securities Exchange

September 10, 2024

Important Notices

FORWARD-LOOKING STATEMENTS

This communication contains forward-looking statements, which are based upon Main Street Capital Corporation (Main Street or MAIN) and MSC Income Fund, Inc. (MSC Income) management's current expectations and are inherently uncertain and which involve substantial risks and uncertainties. These forward-looking statements include, without limitation, statements relating to the following: the completion of certain proposed transactions by MSC Income, including a listing of its shares of common stock on a national securities exchange (such as the New York Stock Exchange or NASDAQ Stock Market) (a Listing), any potential follow-on public equity offering of MSC Income's common stock, and the completion of certain other transactions; MSC Income's planned transition to focus on its Private Loan (PL) investment strategy; MSC Income's potential to access additional leverage and to reduce the minimum asset coverage requirement applicable to it under the Investment Company Act of 1940, as amended; the declaration and payment of future dividends; MSC Income providing a path to an option for full liquidity for its shareholders; MSC Income, Main Street or their respective shareholders achieving any benefits from any of the foregoing; and anticipated approvals relating to the upcoming special meeting of MSC Income shareholders (the MSC Income Special Meeting). The use of words such as "anticipates," "believes," "intends," "plans," "expects," "projects," "estimates," "will," "should," "may" and similar expressions identify any such forward-looking statements. Any such statements other than statements of historical fact are likely to be affected by other unknowable future events and conditions, including elements of the future that are or are not under Main Street's or MSC Income's control, and that Main Street and MSC Income may or may not have considered; accordingly, such forward-looking statements are not guarantees or assurances of future performance or events and are subject to various risks and uncertainties. Certain factors could cause actual results, conditions and events to differ materially from those projected or anticipated, including the risks and uncertainties associated with (i) the timing or likelihood of the completion of the proposed transactions by MSC Income described in MSC Income's Definitive Special Proxy Statement (the MSC Income Special Proxy), (ii) the timing or likelihood of the commencement and/or completion of any Listing and/or any potential follow-on public equity offering and uncertainty with respect to the trading levels of MSC Income's common stock following any Listing, (iii) the possibility that MSC Income may fail to obtain the requisite shareholder approval for one or more of the proposals to be

considered at the MSC Income Special Meeting (the Proposals), (iv) regulatory factors and general economic, political and market conditions at the time of any potential future transaction or event referenced in this communication, as well as other external factors, (v) changes in laws or regulations or interpretations of current laws or regulations that could impact implementation of one or more of the Proposals or the transactions contemplated thereby, (vi) MSC Income's or Main Street's plans, expectations, objectives and intentions, as a result of any potential future transaction or event referenced in this communication, and (vii) other factors enumerated in Main Street's and MSC Income's filings with the U.S. Securities and Exchange Commission (the SEC). You should not place undue reliance on such forward-looking statements, which speak only as of the date of this communication. None of Main Street, MSC Income or any of their affiliates undertakes any obligation to update any forward-looking statements made herein, unless required by law. Therefore, you should not rely on these forward-looking statements as representing the views of Main Street, MSC Adviser I, LLC (the External Investment Adviser), MSC Income or any of their affiliates as of any date subsequent to the date of this communication. You should read this communication and the documents referenced in this communication completely and with the understanding that actual future events and results may be materially different from expectations. All forward-looking statements included in this communication are qualified by these cautionary statements.

NO OFFER OR SOLICITATION

This communication is not, and under no circumstances is it to be construed as, a prospectus or an advertisement. Nothing in this communication shall constitute an offer to sell, or a solicitation of an offer to buy, any securities and this communication should not be interpreted or construed as such. Any offers, solicitations or offers to buy, or any sales of securities will be made in accordance with the registration requirements of the Securities Act of 1933, as amended, or an exemption therefrom.

The full details of the Proposals are included in the MSC Income Special Proxy, which MSC Income filed with the SEC on September 3, 2024. You should carefully read the MSC Income Special Proxy because it contains important information about the MSC Income Special Meeting and the Proposals.

Information contained on our website or MSC Income's website is not incorporated by reference into this communication.

Background and Overview

MSC Income Fund, Inc. (MSC Income) is a non-listed BDC that is externally-managed by Main Street Capital Corporation⁽¹⁾ (Main Street or MAIN)

On September 3, 2024, MSC Income filed a definitive proxy statement that contains certain proposals intended to position MSC Income to complete a Listing

MSC Income also announced activities and changes that will position MSC Income for future growth

MAIN believes that these activities and changes provide the opportunity for significant future benefits to MAIN's Asset Management Business (AMB)

MAIN⁽¹⁾ is the investment adviser to and administrator of MSC Income, a non-listed business development company (BDC) with investment strategies consistent with MAIN

Since becoming sole investment adviser to MSC Income in October 2020, MAIN⁽¹⁾ has actively explored different opportunities and paths to a full liquidity option for MSC Income shareholders who desire such an option

As a result of these efforts, on September 3, 2024, MSC Income filed a Definitive Proxy Statement (the MSC Income Special Proxy), which:

- Details certain proposals that MAIN and MSC Income believe will position MSC Income to effectuate a listing of its shares on a national securities exchange (a Listing), if and when market conditions make it desirable to do so and it is otherwise in MSC Income's best interest
- Details additional activities and changes which MAIN and MSC Income believe represent significant catalysts to the future growth of MSC Income and strengthen its ability to continue to provide attractive returns to MSC Income's shareholders in the future

MAIN believes these planned activities will also provide significant future benefits to MAIN's AMB and increase the future growth potential of MAIN's Lower Middle Market (LMM) investment portfolio

The proposals detailed in the MSC Income Special Proxy have been approved by MSC Income's board of directors, but remain subject to the approval of MSC Income's shareholders

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

Opportunity for Significant Future Benefits to MAIN

A Listing of MSC Income’s shares and the changes contemplated in the MSC Income Special Proxy would provide an attractive opportunity for increased total returns for MAIN

- **Opportunity to grow the management fees at MAIN’s AMB from MSC Income as it executes its growth plans**
- **MSC Income’s transition to a Private Loan (PL) only investment strategy increases the future growth potential of MAIN’s LMM investment portfolio**

MSC Income represents MAIN’s⁽¹⁾ largest AMB relationship with over \$1.2 billion in total assets⁽²⁾

Due to MSC Income’s status as a non-listed, closed-end BDC, MSC Income’s growth has been limited due to its inability to raise additional capital

Although MAIN⁽¹⁾ has benefitted from growth in the management fees earned from MSC Income over the past several years, this growth has largely come through growth in incentive fees associated with MSC Income’s favorable operating performance

- The opportunity for the growth of MSC Income’s investment portfolio following a Listing allows MAIN⁽¹⁾ the opportunity to grow the management fees earned from MSC Income as it grows, providing incremental net investment income contribution and total returns from MAIN’s AMB

MSC Income’s planned transition to a PL only investment strategy increases the future growth potential of MAIN’s LMM investment portfolio

- Better positions MAIN to continue to increase the future growth of its unique and differentiated LMM debt and equity investment strategy
- If MSC Income’s planned change in investment strategy had been in effect since the beginning of 2021, MAIN would have invested an additional \$151.8 million in LMM assets, representing a 10.3% increase versus MAIN’s actual LMM investment activity over this time period⁽³⁾

(1) Through MSC Adviser I, LLC (the External Investment Manager), MAIN’s wholly-owned unconsolidated subsidiary

(2) As of June 30, 2024

(3) Based upon gross LMM investment activity for the period from January 1, 2021 through June 30, 2024; consistent with MSC Income’s planned transition to a PL only investment strategy and investment portfolio, this analysis assumes that MSC Income ends all investments in new portfolio companies in its LMM investment strategy, but continues to participate in follow-on investments in its existing LMM portfolio companies in accordance with the terms of the existing exemptive relief order from the U.S. Securities and Exchange Commission (the SEC) permitting co-investments among MAIN, MSC Income and other funds and clients advised by the External Investment Manager

Benefits of a Listing to MSC Income Stakeholders

A Listing would provide significant benefits to MSC Income stakeholders

Provides MSC Income an opportunity for near-term access to additional capital through the public capital markets, with the opportunity for expanded leverage capacity in the future

MSC Income plans to transition to a PL only investment strategy, accompanied by a revised advisory fee structure, with a focus on providing MSC Income's shareholders an attractive recurring and growing quarterly dividend and favorable total shareholder returns

A Listing provides several benefits to MSC Income stakeholders, including, but not limited to the following:

- A path to an option for full liquidity for existing MSC Income shareholders who desire such an option
- An opportunity to achieve significant growth of MSC Income's investment portfolio through near-term access to additional capital through the public capital markets
- Through a planned transition to a PL only investment strategy, MSC Income believes it will strengthen its ability to continue to provide MSC Income shareholders with an attractive recurring and growing quarterly dividend and favorable total shareholder returns
- A revised fee structure between MSC Income and MAIN⁽¹⁾ to align with MSC Income's transition to a PL-focused investment portfolio, including reductions in the base management fee percentage and changes to the incentive fee structures⁽²⁾
- The longer-term opportunity to access additional leverage capacity through a potential future reduction in MSC Income's minimum asset coverage ratio from 200% to 150%,⁽³⁾ allowing MSC Income to further optimize its leverage profile and shareholder returns and support the future growth of its investment portfolio

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

(2) Refer to page 6 for a summary of proposed changes to the investment advisory agreement (the Advisory Agreement) between MSC Income and MAIN,⁽¹⁾ which would become effective upon a Listing and remain subject to MSC Income shareholder approval

(3) A future reduction in MSC Income's regulatory minimum asset coverage ratio would be subject to MSC Income board of directors or MSC Income shareholder approval

Summary of Proposed Changes to Advisory Agreement⁽¹⁾

To align with MSC Income's transition to a PL only investment strategy and portfolio, the following changes to the Advisory Agreement between MSC Income and MAIN⁽²⁾ would become effective upon a Listing:

Base Management Fee

- Initial reduction to **1.50%** of MSC Income's total assets (vs. 1.75% under the existing Advisory Agreement), immediately effective upon a Listing
- Additional reduction to **1.25%** of MSC Income's total assets when the fair value (FV) of MSC Income's LMM investment portfolio falls below 20% of MSC Income's total investment portfolio at FV
- An additional reduction to **1.00%** of MSC Income's total assets when the FV of MSC Income's LMM investment portfolio falls below 7.5% of MSC Income's total investment portfolio at FV

Incentive Fee on Net Investment Income

- MAIN⁽²⁾ would earn 17.5% of MSC Income's pre-incentive net investment income (pre-incentive NII) above a 6.0% annualized hurdle rate, subject to a "catch-up" feature whereby MAIN⁽²⁾ and MSC Income would participate 50%/50% during the "catch-up" range from 6.0% through 9.231%
 - Under the existing Advisory Agreement, MAIN⁽²⁾ earns 20.0% of MSC Income's pre-incentive NII above a 7.5% annualized hurdle rate, subject to a 100% "catch-up" feature (implying a full "catch-up" at 9.375%)
- Pre-incentive NII returns will be measured based upon Net Assets (as opposed to Adjusted Capital as set forth in the existing Advisory Agreement), consistent with other listed BDCs

Incentive Fee on Capital Gains

- Capital gains incentive fee reduced from 20.0% under the existing Advisory Agreement to 17.5%, measured based upon cumulative net realized gains from the Listing date, net of cumulative unrealized depreciation from the Listing date, in each case measured against the FV of existing investments as of the most recent quarter end preceding the Listing date (or cost basis for those investments acquired subsequent to the Listing date)

(1) Subject to MSC Income shareholder approval; the full details of the proposed changes to the Advisory Agreement are included in the MSC Income Special Proxy, which MSC Income filed with the SEC

(2) Through MSC Adviser I, LLC (the External Investment Manager), MAIN's wholly-owned unconsolidated subsidiary