

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
PURSUANT TO IRC SEC.301(C)(1), THE PORTION OF A DISTRIBUTION WHICH IS A DIVIDEND(AS DEFINED IN IRC SEC.316)
IS INCLUDABLE IN GROSS INCOME. PURSUANT TO IRC SEC.301(C)(2), THE PORTION OF A DISTRIBUTION WHICH WAS NOT A
DIVIDEND SHALL BE APPLIED AGAINST AND REDUCE THE ADJUSTED TAX BASIS OF THE STOCK.

18 Can any resulting loss be recognized? ▶ NO LOSS WILL BE RECOGNIZED.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
THE INFORMATION DETAILED ABOVE WILL BE PROVIDED ON THE SHAREHODLER'S 2023 1099-DIV OR 2023 1042-S.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ▶  Date ▶ 3/22/24

Print your name ▶ RICHARD JOSEPH Title ▶ CFO

Paid Preparer Use Only	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		

Audax Credit BDC, Inc.
Part II, Lines 14 Detail

Event	Offered	Accepted	Ex-Date	Shares on Cash Distribution Date	Transaction Value	Per Share Redeemed/Cash Distribution Paid	ROC \$	Dividend \$	ROC Per Share	Dividend Per Share
Cash Distribution	NA	NA	6/22/2023	43,158,895	\$ 17,695,204	\$ 0.41000	\$ 10,039,653	\$ 7,655,551	\$ 0.233	\$ 0.177
Cash Distribution	NA	NA	12/20/2023	44,518,989	\$ 18,475,378	\$ 0.41500	\$ 10,482,297	\$ 7,993,081	\$ 0.235	\$ 0.180
					<u>\$ 36,170,582</u>		<u>\$ 20,521,950</u>	<u>\$ 15,648,632</u>		

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ SEE ATTACHED

18 Can any resulting loss be recognized? ▶ SEE ATTACHED

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ SEE ATTACHED

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ▶  Date ▶ 3/21/24

Print your name ▶ RICHARD JOSEPH Title ▶ COO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

Audax Credit BDC, Inc.
Part II, Lines 14 Detail

Event	Offered	Accepted	Shares Tendered	Transaction Value	Per Share Redeemed	ROC \$	Dividend \$	ROC Per Share	Dividend Per Share
Tender	1/9/2023	2/7/2023	1,623,376.62	\$ 15,000,000	\$ 9.24000	\$ 8,510,487	\$ 6,489,513	\$ 5.242	\$ 3.998
Tender	3/27/2023	4/24/2023	1,594,048.88	\$ 15,000,000	\$ 9.41000	\$ 8,510,487	\$ 6,489,513	\$ 5.339	\$ 4.071
Tender	7/12/2023	8/9/2023	1,908,032.16	\$ 17,515,735	\$ 9.18000	\$ 9,937,829	\$ 7,577,907	\$ 5.208	\$ 3.972
			<u>5,125,457.66</u>	<u>\$ 47,515,735</u>		<u>\$ 26,958,802</u>	<u>\$ 20,556,934</u>		

Audax Credit BDC Inc. – Tender Offers

Attachment to IRS Form 8937

Part II, Question 14: Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

For the tax year ending December 31, 2023, Audax Credit BDC, Inc. (the "Company") conducted three separate tender offers of its Common Stock (each a "Tender Offer").

- On January 9, 2023, the Company issued a Tender Offer to repurchase \$15.0 million of Common Stock from the stockholders. As of February 7, 2023, the Company accepted for payment 1,623,376.62 shares validly tendered in the Tender Offer, for an aggregate purchase price of \$15 million or \$9.24 per share.
- On March 27, 2023, the Company issued a Tender Offer to repurchase up to \$15.0 million of Common Stock from the stockholders. As of April 24, 2023, the Company accepted for payment 1,594,048.88 shares validly tendered in the Tender Offer, for an aggregate purchase price of \$15 million or \$9.41 per share.
- On July 12, 2023, the Company issued a Tender Offer to repurchase up to \$17,515,735 of Common Stock from the stockholders. As of August 9, 2023, the Company accepted for payment 1,908,032.16 shares validly tendered in the Tender Offer, for an aggregate purchase price of \$17,515,735 or \$9.18 per share.

In total, the Company repurchased 5,125,457.66 shares of its Common Stock for an aggregate consideration of \$47,515,735 during tax year ending December 31, 2023.

Part II, Question 15: Describe the quantitative effect of the organizational action on the basis of the security in the hand of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

Based on the overall shareholder composition of the Company and the tendering shareholder's ownership at the time of each Tender Offer, it has determined that its redemptions of the shares of Common Stock tendered in the Tender Offers are treatable under Section 302(d) of the Internal Revenue Code ("IRC") as distributions of property to which IRC Section 301 applies. The Company determined that the redemptions did not meet the requirements for sale/exchange treatment under IRC Section 302(b).

Therefore, all or a portion of any such distribution is a taxable dividend to the tendering shareholder under IRC Section 301(c)(1) to the extent of the Company's earnings and profits ("E&P"), with no effect on the shareholder's tax basis in the shares.

To the extent all or a portion of any such distribution is in excess of the Company's E&P, it is a non-taxable return of capital to the tendering shareholder under IRC Section 301(c)(2)-(3), requiring a reduction of stock basis (to the extent thereof and not below \$0) and/or recognition of gain from the sale or exchange of the redeemed shares to the extent (if any) that the non-dividend portion of the distribution exceeds the shareholder's tax basis in the redeemed shares.

Part II, Question 16: Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

The Company has computed its E&P for the year ended December 31, 2023 and has determined that a portion of the distributions made were in excess of E&P and therefore constitute a non-taxable return of capital to the shareholder.

Part II, Question 17: List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

IRC Sections 316, 317, 301, 302. Pursuant to IRC Section 302(b) testing. Pursuant to IRC 301(c)(1), the portion of the distribution which is a dividend (as defined in 316) is includable in gross income. Pursuant to IRC Section 301(c)(2), the portion that is not deemed a dividend shall be applied against and reduce the tax basis of the stock. Pursuant to IRC Section 301(c)(3), the portion of the distribution which is not deemed a dividend, to the extent it exceeds the basis of the stock, shall be treated as gain from the sale or exchange of property.

Part II, Question 18: Can any resulting loss be recognized?

No loss will be recognized.

Part II, Question 19: Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The information above will be included in the shareholders' 2023 Form 1099-Div or 2023 Form 1042-S.