

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, 2022

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.)

101 HUNTINGTON AVENUE  
BOSTON, MASSACHUSETTS  
(Address of principal executive office)

02199  
(Zip Code)

(617) 859-1500  
(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 46,376,456 shares of common stock, par value \$0.001 per share, outstanding as of November 14, 2022.

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**Audax Credit BDC Inc.**  
**Statements of Assets and Liabilities**  
**September 30, 2022 and December 31, 2021**  
**(Expressed in U.S. Dollars)**

	September 30, 2022 (unaudited)	December 31, 2021
<b>Assets</b>		
Investments, at fair value		
Non-Control/Non-Affiliate investments (Cost of \$443,479,369 and \$404,292,618, respectively)	\$ 437,641,601	\$ 403,054,374
Cash and cash equivalents	11,339,067	11,058,796
Interest receivable	1,957,924	1,043,554
Receivable from bank loan repayment	104,952	26,771
Other assets	52,500	-
<b>Total assets</b>	<b>\$ 451,096,044</b>	<b>\$ 415,183,495</b>
<b>Liabilities</b>		
Accrued expenses and other liabilities	\$ 614,172	\$ 326,497
Fee due to administrator <sup>(a)</sup>	132,500	66,250
Fees due to investment advisor, net of waivers <sup>(a)</sup>	1,816,602	640,329
Payable for investments purchased	2,940,000	40,203,085
Payable for short-term borrowings <sup>(b)</sup>	18,681,667	-
<b>Total liabilities</b>	<b>\$ 24,184,941</b>	<b>\$ 41,236,161</b>
Commitments and contingencies <sup>(c)</sup>		
<b>Net Assets</b>		
Common stock, \$0.001 par value per share, 100,000,000 shares authorized, 45,314,885 and 39,961,408 shares issued and outstanding, respectively	\$ 45,315	\$ 39,961
Capital in excess of par value	428,666,834	378,672,161
Total distributable (loss) gain	(1,801,046)	(4,764,788)
<b>Total Net Assets</b>	<b>\$ 426,911,103</b>	<b>\$ 373,947,334</b>
<b>Net Asset Value per Share of Common Stock at End of Period</b>	<b>\$ 9.42</b>	<b>\$ 9.36</b>
Shares Outstanding	45,314,885	39,961,408

<sup>(a)</sup> Refer to Note 4-*Related Party Transactions* for additional information.

<sup>(b)</sup> Refer to Note 8-*Borrowings* for additional information.

<sup>(c)</sup> Refer to Note 9-*Commitments and Contingencies* for additional information.

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



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

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
<b>Investment Income</b>				
Interest income				
Non-Control/Non-Affiliate	\$ 8,067,475	\$ 4,924,039	\$ 19,519,603	\$ 14,455,194
Other	10,850	477	11,630	1,107
Total interest income	8,078,325	4,924,516	19,531,233	14,456,301
Other income				
Non-Control/Non-Affiliate	196,474	20,772	374,849	83,774
Total income	8,274,799	4,945,288	19,906,082	14,540,075
<b>Expenses</b>				
Base management fee <sup>(a)</sup>	\$ 1,174,798	\$ 947,361	\$ 3,295,451	\$ 2,810,141
Incentive fee <sup>(a)</sup>	1,027,544	260,092	2,201,758	647,839
Administrative fee <sup>(a)</sup>	66,250	66,250	198,750	198,750
Directors' fees	60,000	56,250	180,000	168,750
Professional fees	134,052	108,251	426,588	345,947
Other expenses	79,077	108,702	236,011	314,632
Interest expense	322,175	-	458,976	-
Expenses before waivers from investment adviser and administrator	2,863,896	1,546,906	6,997,534	4,486,059
Base management fee waivers <sup>(a)</sup>	(411,179)	(331,576)	(1,153,408)	(983,548)
Incentive fee waivers <sup>(a)</sup>	(771,274)	(234,083)	(1,809,582)	(583,056)
Total expenses, net of waivers	1,681,443	981,247	4,034,544	2,919,455
<b>Net Investment Income</b>	<b>6,593,356</b>	<b>3,964,041</b>	<b>15,871,538</b>	<b>11,620,620</b>
<b>Realized and Unrealized Gain (Loss) on Investments</b>				
Net realized gain (loss) on investments	93,515	183,204	431,080	(450,168)
Net change in unrealized appreciation (depreciation) on investments	71,842	94,068	(4,599,524)	2,369,406
Net realized and unrealized gain (loss) on investments	165,357	277,272	(4,168,444)	1,919,238
<b>Net Increase in Net Assets Resulting from Operations</b>	<b>\$ 6,758,713</b>	<b>\$ 4,241,313</b>	<b>\$ 11,703,094</b>	<b>\$ 13,539,858</b>
<b>Basic and Diluted per Share of Common Stock:</b>				
Net investment income	\$ 0.14	\$ 0.10	\$ 0.36	\$ 0.30
Net increase in net assets resulting from operations	\$ 0.15	\$ 0.11	\$ 0.26	\$ 0.34
Weighted average shares of common stock outstanding basic diluted	45,789,768	39,909,673	44,439,981	39,295,800

<sup>(a)</sup> Refer to Note 4-Related Party Transactions for additional information

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

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

	<b>Nine Months Ended September 30, 2022</b>	<b>Nine Months Ended September 30, 2021</b>
<b>Operations</b>		
Net investment income	\$ 15,871,538	\$ 11,620,620
Net realized gain (loss) on investments	431,080	(450,168)
Net change in unrealized (depreciation) appreciation on investments	(4,599,524)	2,369,406
Net increase in net assets resulting from operations	<u>11,703,094</u>	<u>13,539,858</u>
<b>Distributions:</b>		
Distributions of ordinary income to common stockholders	(8,739,352)	(7,656,579)
Return of capital to common stockholders	-	(145,326)
Total distributions	<u>(8,739,352)</u>	<u>(7,801,905)</u>
<b>Capital Share Transactions:</b>		
Issuance of common stock	85,000,000	15,100,000
Repurchases of common stock	(35,000,000)	-
Reinvestment of common stock	<u>27</u>	<u>25</u>
Net increase in net assets from capital share transactions	<u>50,000,027</u>	<u>15,100,025</u>
<b>Net Increase in Net Assets</b>	<u>52,963,769</u>	<u>20,837,978</u>
<b>Net Assets, Beginning of Period</b>	<u>373,947,334</u>	<u>356,882,861</u>
<b>Net Assets, End of Period</b>	<u>\$ 426,911,103</u>	<u>\$ 377,720,839</u>

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

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

	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
<b>Cash flows from operating activities:</b>		
Net increase in net assets resulting from operations	\$ 11,703,094	\$ 13,539,858
Adjustments to reconcile net increase in net assets from operations to net cash (used in) provided by operating activities:		
Net realized (gain) loss on investments	(431,080)	450,168
Net change in unrealized depreciation (appreciation) on investments	4,599,524	(2,369,406)
Accretion of original issue discount interest and payment-in-kind interest	(712,849)	(538,786)
Increase in receivable from investments sold	-	(3,714,278)
Increase in interest receivable	(914,370)	(111,810)
Increase in receivable from bank loan repayment	(78,181)	(35,553)
Increase in other assets	(52,500)	(48,750)
Increase (decrease) in accrued expenses and other liabilities	287,675	(30,400)
Increase in fee due to administrator <sup>(a)</sup>	66,250	-
Increase in fees due to investment advisor <sup>(a)</sup>	1,176,273	26,950
(Decrease) increase in payable for investments purchased	(37,263,085)	266,250
Investment activity:		
Investments purchased	(94,344,641)	(89,312,556)
Proceeds from investments sold	4,047,932	17,331,786
Repayment of bank loans	52,253,887	66,357,177
Total investment activity	(38,042,822)	(5,623,593)
Net cash (used in) provided by operating activities	(59,662,071)	1,810,650
<b>Cash flows from financing activities:</b>		
Issuance of shares of common stock	85,000,000	15,100,000
Repurchases of shares of common stock	(35,000,000)	-
Distributions paid to common stockholders	(8,739,325)	(7,801,880)
Short-term borrowings	18,681,667	-
Net cash provided by financing activities	59,942,342	7,298,120
Net increase in cash and cash equivalents	280,271	9,108,770
<b>Cash and cash equivalents:</b>		
Cash and cash equivalents, beginning of period	11,058,796	4,289,122
Cash and cash equivalents, end of period	\$ 11,339,067	\$ 13,397,892
<b>Supplemental cash flow information</b>		
Interest paid on short-term financing	\$ 261,872	\$ -
<b>Supplemental non-cash information</b>		
Issuance of common shares in connection with dividend reinvestment plan	\$ 27	\$ 25
Payment-in-kind ("PIK") interest income	\$ 211,758	\$ 200,382

<sup>(a)</sup> Refer to Note 4-Related Party Transactions for additional information

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

**Audax Credit BDC Inc.**  
**Schedule of Investments**  
**As of September 30, 2022**  
**(Expressed in U.S. Dollars)**  
**(unaudited)**

Portfolio Investments <sup>(a) (b) (c) (d) (e) (f)</sup>	Acquisition Date	Par	Cost	Value
<b>BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS - (101.8%)<sup>(g)(h)</sup></b>				
<i>Healthcare &amp; Pharmaceuticals</i>				
American Vision Partners, Unitranche, 9.50% (LIBOR + 5.75%), maturity 9/30/27 <sup>(i)</sup>	9/22/2021	\$ 4,960,901	\$ 4,890,964	\$ 4,721,788
RevHealth, Senior Secured Revolving Loan, 6.79% (SOFR + 5.75%), maturity 7/21/28 <sup>(i) (j)</sup>	7/22/2022	4,280,822	4,196,463	4,195,205
Radiology Partners, Senior Secured Term B Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 7/9/25 <sup>(i)</sup>	6/28/2018	4,215,792	4,358,478	3,825,406
Young, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 11/7/24	11/6/2017	3,726,039	3,719,887	3,688,779
PharMedQuest, Unitranche, 9.25% (LIBOR + 5.50%), maturity 11/6/24 <sup>(i)</sup>	11/6/2019	3,285,898	3,266,766	3,285,898
Zest Dental, Senior Secured Initial Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 3/14/25	5/30/2018	3,222,954	3,232,192	3,222,954
InHealth Medical Alliance, Senior Secured Initial Term Loan, 9.75% (LIBOR + 6.00%), maturity 6/28/28	6/25/2021	3,465,000	3,434,272	3,187,800
Waystar, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 10/22/26	9/19/2019	2,927,456	2,921,812	2,905,500
Advancing Eyecare, Senior Secured Initial Term Loan, 9.34% (SOFR + 5.75%), maturity 6/13/29	5/27/2022	2,500,000	2,432,175	2,487,500
Zelis RedCard, Senior Secured Term B-1 Loan, 7.25% (LIBOR + 3.50%), maturity 9/30/26 <sup>(i)</sup>	9/27/2019	2,402,303	2,394,529	2,341,414
Premise Health, Senior Secured Initial Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 7/10/25	8/15/2018	2,264,906	2,269,013	2,259,244
Soliant, Senior Secured Initial Term Loan, 7.75% (LIBOR + 4.00%), maturity 3/31/28	3/26/2021	2,115,249	2,099,542	2,115,249
nThrive, Senior Secured Initial Loan (Second Lien), 10.50% (LIBOR + 6.75%), maturity 12/17/29	11/19/2021	2,000,000	1,974,500	1,985,000
CPS, Unitranche, 9.50% (LIBOR + 5.75%), maturity 6/1/28 <sup>(i)</sup>	5/18/2022	1,953,546	1,948,778	1,953,546
Upstream Rehabilitation, Senior Secured August 2021 Incremental Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 11/20/26	10/24/2019	1,956,484	1,953,887	1,936,920
Gastro Health, Senior Secured Initial Term Loan (First Lien), 8.25% (LIBOR + 4.50%), maturity 7/3/28	7/2/2021	1,979,525	1,969,525	1,934,986
Avalign Technologies, Senior Secured Initial Term Loan (First Lien), 8.25% (LIBOR + 4.50%), maturity 12/22/25	12/19/2018	1,925,000	1,920,000	1,886,500
Advanced Diabetes Supply, Senior Secured First Incremental Term Loan, 8.84% (SOFR + 5.25%), maturity 12/30/27	7/13/2021	1,858,306	1,841,680	1,839,723
Press Ganey, Senior Secured Initial Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 7/24/26 <sup>(i)</sup>	7/23/2019	1,940,000	1,937,960	1,838,201
Blue Cloud, Unitranche, 8.59% (SOFR + 5.00%), maturity 1/21/28	12/13/2021	1,492,500	1,471,063	1,477,575
Mission Veterinary Partners, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 4/27/28	12/15/2021	1,485,000	1,471,585	1,477,575
Quantum Health, Senior Secured Amendment No. 1 Refinancing Term Loan (First Lien), 8.25% (LIBOR + 4.50%), maturity 12/22/27	12/18/2020	1,481,250	1,462,508	1,473,844
Therapy Brands, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 5/18/28	5/12/2021	1,485,000	1,478,547	1,470,150
Symplr, Senior Secured Initial Term Loan (First Lien), 8.25% (LIBOR + 4.50%), maturity 12/22/27 <sup>(i)</sup>	11/23/2020	1,477,500	1,458,885	1,419,787
Ivy Rehab, Senior Secured Initial Term Loan (First Lien), 8.34% (SOFR + 4.75%), maturity 4/23/29	3/11/2022	1,144,191	1,121,166	1,132,749
Tecomet, Senior Secured 2017 Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 5/1/24	1/10/2019	1,146,777	1,146,181	1,115,240
Solis Mammography, Senior Secured Initial Term Loan (First Lien), 8.50% (LIBOR + 4.75%), maturity 4/17/28	4/1/2021	1,073,333	1,064,881	1,067,967
Paradigm Oral Health, Senior Secured Delayed Draw Term Loan, 8.34% (SOFR + 4.75%), maturity 7/9/26 <sup>(i)</sup>	4/11/2022	999,239	984,309	999,239
Solis Mammography, Senior Secured Initial Term Loan (Second Lien), 11.75% (LIBOR + 8.00%), maturity 4/16/29	4/1/2021	1,000,000	987,022	992,500
Micro Merchant Systems, Unitranche, 9.50% (LIBOR + 5.75%), maturity 12/14/27 <sup>(i)</sup>	3/2/2022	995,000	984,651	990,025
Wedgewood Pharmacy, Senior Secured Initial Term Loan, 8.00% (LIBOR + 4.25%), maturity 3/31/28	2/24/2021	990,000	981,248	990,000
nThrive, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 12/18/28	11/19/2021	995,000	990,750	987,538
Allied Benefit Systems, Senior Secured Initial Term B Loan, 8.25% (LIBOR + 4.50%), maturity 11/18/26	10/21/2020	982,500	971,625	980,044
Alcami, Senior Secured Initial Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 7/14/25	7/12/2018	960,000	957,812	928,800
Forefront, Senior Secured Closing Date Term Loan, 7.84% (SOFR + 4.25%), maturity 4/2/29	3/23/2022	907,076	891,087	904,808
Epic Staffing Group, Senior Secured Initial Term Loan, 9.59% (SOFR + 6.00%), maturity 6/28/29	6/27/2022	823,517	764,245	821,459
UDG, Senior Secured Initial Dollar Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 8/19/28 <sup>(k)</sup>	8/6/2021	631,875	626,634	625,556
ImageFirst, Senior Secured Initial Term Loan, 8.25% (LIBOR + 4.50%), maturity 4/27/28	4/26/2021	606,307	603,786	601,760
MyEyeDr, Senior Secured Initial Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 8/31/26	8/2/2019	522,659	519,743	517,433
Western Dental, Senior Secured Incremental Term Loan, 9.00% (LIBOR + 5.25%), maturity 8/18/28	6/21/2022	498,750	489,210	487,528
AccentCare, Senior Secured 2021 Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 6/22/26	6/15/2021	493,750	493,750	485,109
MedRisk, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 5/10/28 <sup>(i)</sup>	4/1/2021	495,000	490,642	473,908
RMP & Meda/Rx, Senior Secured Term Loan, 8.25% (LIBOR + 4.50%), maturity 2/6/25	3/22/2021	471,875	467,995	470,695
Press Ganey, Senior Secured 2020 Incremental Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 7/24/26 <sup>(i)</sup>	10/1/2020	492,516	488,797	466,672
RMP & Meda/Rx, Senior Secured Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 2/6/25	2/27/2017	403,003	403,010	401,995
CPS, Senior Secured Revolving Credit Loan, 9.50% (LIBOR + 5.75%), maturity 6/1/28 <sup>(i)</sup>	5/18/2022	-	(714)	-
Paradigm Oral Health, Senior Secured Revolving Loan, 8.34% (SOFR + 4.75%), maturity 7/9/26 <sup>(i)</sup>	4/11/2022	-	(1,111)	-
Ivy Rehab, Senior Secured Revolving Credit (First Lien), 8.34% (SOFR + 4.75%), maturity 4/23/29	3/11/2022	-	(3,367)	-
<i>Services: Business</i>				
LegalShield, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 12/15/28 <sup>(i)</sup>	12/7/2021	4,477,500	4,436,728	4,336,046
InnovateMR, Unitranche, 9.25% (LIBOR + 5.50%), maturity 1/20/28 <sup>(i) (j)</sup>	12/16/2021	4,215,447	4,145,874	4,215,447
CoAdvantage, Senior Secured Initial Term Loan (First Lien), 8.75% (LIBOR + 5.00%), maturity 9/23/25 <sup>(i)</sup>	9/26/2019	3,880,000	3,858,533	3,880,000
RevSpring, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 10/11/25 <sup>(i)</sup>	10/5/2018	3,850,000	3,847,559	3,850,000
Eliassen, Unitranche, 9.34% (SOFR + 5.75%), maturity 4/14/28	3/31/2022	3,370,370	3,316,568	3,361,944
Veritext, Senior Secured Initial Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 8/1/25 <sup>(i)</sup>	8/14/2018	3,087,118	3,072,996	3,087,118
Discovery Education, Unitranche, 9.34% (SOFR + 5.75%), maturity 3/10/29 <sup>(i)</sup>	3/25/2022	3,000,000	2,951,503	2,985,000
Fleetwash, Senior Secured Incremental Term Loan, 8.34% (SOFR + 4.75%), maturity 10/1/24	9/25/2018	2,880,731	2,869,660	2,851,924
The Facilities Group, Unitranche, 9.50% (LIBOR + 5.75%), maturity 11/30/27	12/10/2021	2,528,612	2,504,755	2,515,969
CoolSys, Senior Secured Closing Date Initial Term Loan, 8.50% (LIBOR + 4.75%), maturity 8/11/28	8/4/2021	2,570,851	2,543,714	2,506,579
Service Logic, Senior Secured Closing Date Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 10/29/27	10/23/2020	2,508,655	2,488,499	2,489,840
Duff & Phelps, Senior Secured Initial Dollar Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 4/9/27 <sup>(i)</sup>	3/6/2020	2,443,750	2,427,789	2,363,769
TRC Companies, Senior Secured Initial Term Loan (Second Lien), 10.50% (LIBOR + 6.75%), maturity 12/7/29	11/19/2021	2,000,000	1,980,000	1,985,000
Sterling Backcheck, Senior Secured Initial Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 6/19/24	6/30/2017	1,921,213	1,921,213	1,921,213
Veregy, Senior Secured Initial Term Loan, 9.75% (LIBOR + 6.00%), maturity 11/3/27	11/2/2020	1,965,000	1,919,336	1,920,788
MediaOcean, Senior Secured Initial Term Loan, 7.25% (LIBOR + 3.50%), maturity 12/15/28 <sup>(i)</sup>	12/9/2021	1,990,000	1,971,930	1,914,334
ECi Software, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 11/9/27 <sup>(i)</sup>	9/17/2020	1,965,000	1,958,320	1,902,497
Liberty Group, Unitranche, 9.34% (SOFR + 5.75%), maturity 6/15/28 <sup>(i)</sup>	6/6/2022	1,813,636	1,775,563	1,784,841
Addison Group, Senior Secured Initial Term Loan, 7.84% (SOFR + 4.25%), maturity 12/29/28	1/19/2022	1,492,500	1,489,052	1,488,769

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

**Audax Credit BDC Inc.**  
**Schedule of Investments (Continued)**  
**As of September 30, 2022**  
**(Expressed in U.S. Dollars)**  
**(unaudited)**

Portfolio Investments <sup>(a) (b) (c) (d) (e) (f)</sup>	Acquisition Date	Par	Cost	Value
<b>BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS<sup>(h)</sup> (Continued):</b>				
<i>Services: Business (continued)</i>				
Insight Global, Unitranche, 9.75% (LIBOR + 6.00%), maturity 9/22/28	9/22/2021	\$ 1,485,000	\$ 1,457,270	\$ 1,485,000
OSG Billing Services, Senior Secured Term B Loan (First Lien), 8.25% (LIBOR + 4.50%), PIK, maturity 6/29/26	3/26/2018	1,440,325	1,438,500	1,353,906
First Advantage, Senior Secured Term B-1 Loan (First Lien), 6.50% (LIBOR + 2.75%), maturity 1/31/27 <sup>(i)</sup>	1/23/2020	1,100,312	1,091,039	1,079,760
Veritext, Senior Secured Initial Term Loan (Second Lien), 10.75% (LIBOR + 7.00%), maturity 7/31/26 <sup>(i)</sup>	8/14/2018	1,000,000	997,127	1,000,000
Vistage, Senior Secured Term Loan, 8.84% (SOFR + 5.25%), maturity 7/13/29	7/18/2022	1,000,000	972,911	992,500
truststaff Management, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 3/6/28	12/9/2021	989,950	987,717	989,950
TRC Companies, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 12/8/28	11/19/2021	995,000	990,510	987,538
Divisions Maintenance Group, Senior Secured Term B Loan, 8.50% (LIBOR + 4.75%), maturity 5/27/28	5/21/2021	990,000	981,545	987,525
Restaurant Technologies, Senior Secured Initial Term Loan, 7.84% (SOFR + 4.25%), maturity 4/2/29 <sup>(i)</sup>	3/17/2022	995,000	972,012	974,306
WCG, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 1/8/27 <sup>(i)</sup>	12/13/2019	977,500	970,988	940,054
eResearch (ERT), Senior Secured Initial Term Loan (First Lien), 8.25% (LIBOR + 4.50%), maturity 2/4/27 <sup>(i)</sup>	12/1/2020	982,418	982,418	933,483
Diversified, Senior Secured Initial Term Loan, 8.59% (SOFR + 5.00%), maturity 12/23/23	4/19/2019	899,347	897,202	870,118
Secretariat International, Senior Secured Initial Term Loan (First Lien), 8.50% (LIBOR + 4.75%), maturity 12/29/28	12/16/2021	843,625	839,065	839,407
VC3, Unitranche, 6.29% (SOFR + 5.25%), maturity 3/12/27 <sup>(i)</sup>	9/16/2022	744,288	696,212	740,567
Therma Holdings, Senior Secured Initial Term Loan (2021), 7.50% (LIBOR + 3.75%), maturity 12/16/27	12/11/2020	501,585	500,516	494,061
System One, Senior Secured Initial Term Loan, 7.75% (LIBOR + 4.00%), maturity 3/2/28	1/28/2021	493,750	491,794	490,047
Liberty Group, Senior Secured Revolving Loan, 3.75%, maturity 12/15/28 <sup>(i)</sup>	6/6/2022	22,727	18,182	22,366
VC3, Senior Secured Revolving Credit, 6.29% (SOFR + 5.25%), maturity 3/12/27 <sup>(i)</sup>	7/21/2022	-	(2,692)	-
Discovery Education, Senior Secured Revolving Facility, 9.34% (SOFR + 5.75%), maturity 4/7/28	3/25/2022	-	(4,038)	-
<i>High Tech Industries</i>				
Qlik, Senior Secured 2021 Refinancing Term Loan, 7.75% (LIBOR + 4.00%), maturity 4/26/24 (j) (l)	3/29/2019	3,871,050	3,860,976	3,778,485
Golden Source, Unitranche, 9.09% (SOFR + 5.50%), maturity 5/12/28 (i) (j)	3/25/2022	3,474,178	3,398,502	3,420,960
Netsmart, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 10/1/27 (j)	9/29/2020	3,447,500	3,435,972	3,343,846
Jaggaer, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 8/14/26 (j)	8/9/2019	3,067,383	3,064,120	2,997,132
Infogroup, Senior Secured Term Loan (First Lien), 8.75% (LIBOR + 5.00%), maturity 4/3/23	3/28/2017	2,837,368	2,832,511	2,823,182
Planview, Senior Secured Closing Date Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 12/17/27 (j)	12/11/2020	2,612,348	2,589,593	2,534,165
Ivanti Software, Senior Secured 2021 Specified Refinancing Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 12/1/27 (j)	11/20/2020	2,970,075	2,937,450	2,482,661
Idera, Senior Secured Term B-1 Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 3/2/28 (j)	6/27/2017	2,579,675	2,579,489	2,456,532
PracticeTek, Unitranche, 9.25% (LIBOR + 5.50%), maturity 11/23/27 (i)	11/22/2021	2,391,729	2,334,599	2,319,738
Precisely, Senior Secured Third Amendment Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 4/24/28 (j)	3/19/2021	2,475,000	2,463,100	2,305,261
Flexera Software, Senior Secured Term B-1 Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 3/3/28 (j)	2/16/2020	2,364,197	2,364,197	2,285,864
Barrauda, Senior Secured Second Lien Term Loan, 10.59% (SOFR + 7.00%), maturity 8/15/30	5/17/2022	2,000,000	1,940,000	1,985,000
QuickBase, Senior Secured Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 4/2/26	3/29/2019	1,935,000	1,930,042	1,915,650
Sophos, Senior Secured Dollar Tranche Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 3/5/27 (j) (m)	1/16/2020	1,955,021	1,877,724	1,903,494
HelpSystems, Senior Secured Term Loan, 7.75% (LIBOR + 4.00%), maturity 11/19/26 (j)	12/19/2019	1,974,790	1,968,631	1,881,787
Intermedia, Senior Secured New Term Loan (First Lien), 9.75% (LIBOR + 6.00%), maturity 7/21/25	7/13/2018	1,925,000	1,918,268	1,881,688
MediaRadar, Unitranche, 9.34% (SOFR + 5.75%), maturity 6/1/29 (i) (j)	5/23/2022	1,837,037	1,791,111	1,783,704
Bomgar, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 4/18/25	5/25/2018	1,614,897	1,619,803	1,610,859
OEConnection, Senior Secured Initial Term Loan, 7.75% (LIBOR + 4.00%), maturity 9/25/26	9/24/2019	1,596,339	1,592,105	1,588,358
Digital Room, Senior Secured Closing Date Term Loan (First Lien), 9.00% (LIBOR + 5.25%), maturity 12/21/28	12/16/2021	1,492,500	1,478,876	1,477,575
Navex Global, Senior Secured Initial Term Loan (First Lien), 7.00% (LIBOR + 3.25%), maturity 9/5/25	8/15/2018	1,440,000	1,432,395	1,440,000
WellSky, Senior Secured Incremental Term B-1 Loan (First Lien), 6.79% (SOFR + 5.75%), maturity 3/10/28	8/16/2022	1,000,000	970,441	992,500
SmartBear, Senior Secured Initial Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 3/3/28	11/20/2020	987,500	979,131	985,031
Imperva, Senior Secured Term Loan, 7.75% (LIBOR + 4.00%), maturity 1/12/26	9/23/2020	978,510	972,330	951,601
ORBCOMM, Senior Secured Closing Date Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 9/1/28	6/17/2021	990,000	985,484	950,400
Infoblox, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 12/1/27 (j)	10/7/2020	987,500	983,875	921,993
Cloudera, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 10/8/28	8/10/2021	497,500	493,043	495,013
Barrauda, Senior Secured First Lien Term Loan, 8.09% (SOFR + 4.50%), maturity 8/15/29 (j)	5/17/2022	500,000	485,000	480,308
DigiCert, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 10/16/26 (j)	3/13/2020	487,500	469,145	471,888
Golden Source, Senior Secured Revolving Credit, 9.09% (SOFR + 5.50%), maturity 5/12/28 (i) (j)	8/22/2022	35,211	25,822	34,672
MediaRadar, Senior Secured Revolving Loan, 9.34% (SOFR + 5.75%), maturity 6/1/29 (i) (j)	9/16/2022	-	(7,407)	-
PracticeTek, Senior Secured Revolving Loan, 9.25% (LIBOR + 5.50%), maturity 11/23/27 (i)	11/22/2021	-	(7,156)	-
<i>Containers, Packaging &amp; Glass</i>				
InMark, Unitranche, 9.75% (LIBOR + 6.00%), maturity 12/23/26 <sup>(i)</sup>	12/10/2021	6,436,225	6,319,560	6,436,225
Transcendia, Senior Secured 2017 Refinancing Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 5/30/24	5/11/2017	3,326,837	3,321,790	3,235,349
Brook & Whittle, Senior Secured Initial Term Loan (First Lien), 7.59% (SOFR + 4.00%), maturity 12/14/28	12/9/2021	3,139,165	3,115,175	3,131,317
Anchor Packaging, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 7/18/26	7/17/2019	2,497,197	2,488,772	2,484,711
Packaging Coordinators, Senior Secured Term B Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 11/30/27 <sup>(i)</sup>	9/25/2020	2,450,157	2,442,886	2,375,097
Paragon Films, Senior Secured Closing Date Term Loan (First Lien), 8.75% (LIBOR + 5.00%), maturity 12/16/28	12/15/2021	1,990,000	1,970,451	1,975,075
Intertape Polymer, Senior Secured Initial Term Loan (First Lien), 8.09% (SOFR + 4.50%), maturity 6/28/28 <sup>(i)</sup>	6/15/2022	2,000,000	1,923,769	1,883,805
Resource Label Group, Senior Secured Closing Date Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 7/7/28	7/2/2021	1,865,649	1,857,279	1,865,649
TricorBraun, Senior Secured Closing Date Initial Term Loan (First Lien), 7.00% (LIBOR + 3.25%), maturity 3/3/28 <sup>(i)</sup>	1/29/2021	1,814,977	1,807,220	1,744,569
Potters Industries, Senior Secured Initial Term Loan, 7.75% (LIBOR + 4.00%), maturity 12/14/27	11/19/2020	1,477,500	1,466,634	1,466,419
Technimark, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 7/7/28	6/30/2021	1,481,250	1,474,829	1,455,328
Tekni-Plex, Senior Secured Tranche B-3 Initial Term Loan, 7.75% (LIBOR + 4.00%), maturity 9/15/28 <sup>(i)</sup>	7/29/2021	1,078,270	1,076,017	1,041,507
Lacerta, Senior Secured Term Loan, 9.25% (LIBOR + 5.50%), maturity 12/30/26	2/8/2021	982,500	974,128	975,131
Novolex, Senior Secured Term B Loan (First Lien), 7.84% (SOFR + 4.25%), maturity 4/13/29 <sup>(i)</sup>	3/30/2022	997,500	974,517	959,073
Pregis Corporation, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 7/31/26 <sup>(i)</sup>	7/25/2019	972,500	971,081	941,138
Applied Adhesives, Senior Secured Term A Loan, 8.75% (LIBOR + 5.00%), maturity 3/12/27	3/12/2021	594,664	589,774	593,178
Five Star Holding Corp, Senior Secured Initial Term Loan (First Lien), 7.84% (SOFR + 4.25%), maturity 5/5/29	4/27/2022	500,000	492,859	496,250
Pregis Corporation, Senior Secured Third Amendment Refinancing Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 7/31/26	12/9/2020	495,000	493,188	492,525
Golden West Packaging, Senior Secured Initial Term Loan, 9.00% (LIBOR + 5.25%), maturity 12/1/27	11/29/2021	493,750	489,286	492,516
Applied Adhesives, Senior Secured Revolving Loan, 8.75% (LIBOR + 5.00%), maturity 3/12/27	3/12/2021	-	(616)	-

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



**Audax Credit BDC Inc.**  
**Schedule of Investments (Continued)**  
**As of September 30, 2022**  
**(Expressed in U.S. Dollars)**  
**(unaudited)**

Portfolio Investments <sup>(a) (b) (c) (d) (e) (f)</sup>	Acquisition Date	Par	Cost	Value
<b>BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS<sup>(b)</sup> (Continued):</b>				
<i>Banking, Finance, Insurance &amp; Real Estate</i>				
Cerity, Senior Secured Delayed Draw Term Loan, 9.34% (SOFR + 5.75%), maturity 5/31/29 <sup>(i) (j)</sup>	7/28/2022	\$ 4,200,717	\$ 4,130,085	\$ 4,116,703
Confluence, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 7/31/28	7/22/2021	3,970,000	3,950,985	3,930,300
Ascensus, Senior Secured Initial Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 8/2/28	11/17/2021	2,985,000	2,972,244	2,955,150
Cherry Bekaert, Unitranche, 9.09% (SOFR + 5.50%), maturity 6/30/28 <sup>(i)</sup>	6/13/2022	3,013,162	2,930,912	2,932,660
EPIC Insurance, Unitranche, 9.00% (LIBOR + 5.25%), maturity 9/29/28	8/27/2021	2,280,897	2,247,906	2,269,492
American Beacon Advisors, Senior Secured Tranche D Term Loan (Second Lien), 11.75% (LIBOR + 8.00%), maturity 4/30/25	10/31/2017	2,117,133	2,122,022	2,111,840
BETA, Senior Secured Revolving Credit Facility, 8.84% (SOFR + 5.25%), maturity 7/1/27 <sup>(i)</sup>	6/24/2022	2,000,000	1,960,479	1,960,000
Kestra Financial, Senior Secured Initial Term Loan, 8.00% (LIBOR + 4.25%), maturity 6/3/26	4/29/2019	1,940,000	1,928,890	1,930,300
Orion, Senior Secured 2021 Refinancing Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 9/24/27 <sup>(i)</sup>	8/4/2020	1,473,806	1,461,056	1,416,818
Alera, Unitranche, 10.09% (SOFR + 6.50%), maturity 10/2/28	8/31/2022	1,333,333	1,253,716	1,323,333
SIAA, Unitranche, 10.00% (LIBOR + 6.25%), maturity 4/28/28	4/21/2021	1,163,701	1,145,332	1,163,701
Advisor Group, Senior Secured Term B-1 Loan, 8.25% (LIBOR + 4.50%), maturity 7/31/26 <sup>(i)</sup>	1/31/2020	1,021,555	1,020,519	990,784
Community Brands, Senior Secured Initial Term Loan, 9.34% (SOFR + 5.75%), maturity 2/24/28	2/23/2022	995,000	974,172	990,025
LERETA, Senior Secured Initial Term Loan, 9.00% (LIBOR + 5.25%), maturity 7/30/28	7/27/2021	990,000	980,976	980,100
Sedgwick Claims, Senior Secured Initial Term Loan, 7.00% (LIBOR + 3.25%), maturity 12/31/25 <sup>(i)</sup>	2/12/2020	486,111	485,712	471,634
EdgeCo, Senior Secured Third Amendment Term Loan, 8.50% (LIBOR + 4.75%), maturity 6/1/26	3/29/2022	298,500	276,351	296,261
Integro, Senior Secured Initial Term Loan (First Lien), 8.09% (SOFR + 4.50%), PIK, maturity 5/8/23	10/9/2015	228,698	232,323	228,698
Cherry Bekaert, Senior Secured Revolving Credit, 3.75% (SOFR + 5.25%), maturity 6/30/28 <sup>(i)</sup>	8/1/2022	61,647	61,647	60,000
EPIC Insurance, Senior Secured Revolving Loan, 9.00% (LIBOR + 5.25%), maturity 9/30/27	8/27/2021	-	(269)	-
BETA, Senior Secured Revolving Credit Facility, 8.84% (SOFR + 5.25%), maturity 7/1/27 <sup>(i)</sup>	6/24/2022	-	(6,216)	-
<i>Capital Equipment</i>				
Tank Holding, Unitranche, 9.59% (SOFR + 6.00%), maturity 3/31/28 <sup>(i)</sup>	3/25/2022	3,990,000	3,914,974	3,980,025
FloWorks, Senior Secured Initial Term Loan (First Lien), 9.34% (SOFR + 5.75%), maturity 12/27/28	12/27/2021	3,990,000	3,862,500	3,970,050
Plaskolite, Senior Secured 2021-1 Refinancing Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 12/15/25 <sup>(i)</sup>	12/12/2018	3,851,350	3,814,513	3,595,613
Excelitas, Senior Secured Initial Euro Term Loan, 9.50% (Other + 5.75%), maturity 8/12/29	6/15/2022	2,969,565	3,011,498	2,947,293
Burke Porter Group, Unitranche, 9.59% (SOFR + 6.00%), maturity 7/30/29	9/30/2022	2,333,333	2,269,207	2,315,833
MW Industries, Senior Secured 2018 New Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 9/30/24	4/20/2018	2,037,185	2,037,185	2,037,185
Flow Control Group, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 3/31/28 <sup>(i)</sup>	3/17/2021	1,670,433	1,668,036	1,619,688
Radwell, Unitranche, 9.34% (SOFR + 5.75%), maturity 4/1/29	3/11/2022	1,496,250	1,472,466	1,485,028
Edward Don, Senior Secured Initial Term Loan, 8.00% (LIBOR + 4.25%), maturity 7/2/25	6/26/2018	1,370,943	1,369,071	1,340,096
Cleaver Brooks, Senior Secured Initial Term Loan, 9.34% (SOFR + 5.75%), maturity 7/18/28	7/18/2022	1,000,000	980,291	992,500
Therm-O-Disc, Senior Secured Initial Term Loan (First Lien), 9.59% (SOFR + 6.00%), maturity 5/31/29	5/26/2022	1,000,000	923,622	992,500
TriMark, Senior Secured Second Amendment Tranche B Loan (Super Senior priority), 7.25% (LIBOR + 3.50%), maturity 8/28/24	1/31/2022	966,053	966,053	685,898
Culligan, Senior Secured 2022 Refinancing Term B Loan, 7.75% (LIBOR + 4.00%), maturity 7/31/28 <sup>(i)</sup>	6/17/2021	561,094	558,315	534,896
Infinite Electronics, Senior Secured Initial Term Loan (First Lien), 7.00% (LIBOR + 3.25%), maturity 3/2/28	2/24/2021	493,750	492,775	492,516
Duravant, Senior Secured Incremental Amendment No. 5 Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 5/19/28 <sup>(i)</sup>	3/5/2020	488,731	488,731	473,435
SPX Flow, Senior Secured Term Loan, 8.09% (SOFR + 4.50%), maturity 4/5/29 <sup>(i)</sup>	3/18/2022	500,000	478,570	473,085
Burke Porter Group, Senior Secured Revolving Credit Loan, 7.04% (SOFR + 6.00%), maturity 7/31/28	8/11/2022	25,658	15,262	25,463
Cleaver Brooks, Senior Secured Revolving Credit, 9.59% (SOFR + 6.00%), maturity 7/18/28	7/21/2022	24,615	22,154	24,431
Tank Holding, Senior Secured Revolving Credit Loan, 9.59% (SOFR + 6.00%), maturity 3/31/28	3/25/2022	-	(2,954)	-
Radwell, Senior Secured Revolving Loan, 9.34% (SOFR + 5.75%), maturity 4/1/28	3/11/2022	-	(1,200)	-
<i>Aerospace &amp; Defense</i>				
CPI International, Senior Secured Second Amendment Incremental Term Loan (First Lien), 8.50% (LIBOR + 4.75%), maturity 7/26/24	10/1/2019	5,182,544	5,148,694	5,182,544
HDT Global, Senior Secured Initial Term Loan, 9.50% (LIBOR + 5.75%), maturity 7/8/27	6/30/2021	3,281,250	3,186,403	3,223,828
StandardAero, Senior Secured 2020 Term B-1 Loan, 7.25% (LIBOR + 3.50%), maturity 4/6/26 <sup>(i)</sup>	1/24/2019	3,246,057	3,240,881	3,102,803
CPI International, Senior Secured Term Loan, 9.09% (SOFR + 5.50%), maturity 4/14/30 <sup>(i)</sup>	5/18/2022	3,000,000	2,940,000	2,940,000
Amentum, Senior Secured Tranche 3 Term Loan (First Lien), 7.59% (SOFR + 4.00%), maturity 2/15/29	2/10/2022	1,995,000	1,985,157	1,995,000
Consolidated Precision Products, Senior Secured Initial Term Loan (Second Lien), 11.50% (LIBOR + 7.75%), maturity 4/30/26	5/10/2018	2,000,000	2,005,934	1,935,000
Whitcraft, Unitranche, 9.75% (LIBOR + 6.00%), maturity 4/3/23	3/6/2020	1,947,357	1,940,973	1,884,068
StandardAero, Senior Secured 2020 Term B-2 Loan, 7.25% (LIBOR + 3.50%), maturity 4/6/26 <sup>(i)</sup>	1/24/2019	1,745,192	1,742,409	1,668,174
Tronair, Senior Secured Initial Term Loan (First Lien), 9.50% (LIBOR + 5.75%), PIK, maturity 9/8/23	9/30/2016	1,351,670	1,350,181	1,297,603
Amentum, Senior Secured Tranche 1 Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 1/29/27 <sup>(i)</sup>	1/24/2020	977,500	956,475	951,940
Peraton, Senior Secured Term B Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 2/1/28 <sup>(i)</sup>	2/23/2021	967,112	963,216	937,411
API Technologies, Senior Secured Initial Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 5/9/26	1/15/2020	972,362	952,452	899,435
BlueHalo, Unitranche, 9.75% (LIBOR + 6.00%), maturity 10/31/25	11/17/2021	495,268	488,531	490,315
Novaria Group, Senior Secured Initial Term Loan, 9.25% (LIBOR + 5.50%), maturity 1/27/27	1/24/2020	481,818	478,577	472,182
Consolidated Precision Products, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 4/30/25	7/18/2019	484,287	482,841	464,915
BlueHalo, Senior Secured Revolving Loan, 9.75% (LIBOR + 6.00%), maturity 10/31/25	11/17/2021	54,502	53,013	53,957
<i>Chemicals, Plastics &amp; Rubber</i>				
DuBois Chemicals, Senior Secured Term Loan (Second Lien) - 2019, 12.25% (LIBOR + 8.50%), maturity 9/30/27	10/8/2019	3,000,000	2,980,225	2,985,000
Vertellus, Senior Secured Initial Term Loan, 9.34% (SOFR + 5.75%), maturity 12/22/27	12/18/2020	2,970,056	2,907,656	2,925,505
Spectrum Plastics, Senior Secured Closing Date Term Loan (First Lien), 7.00% (LIBOR + 3.25%), maturity 1/31/25	1/26/2018	2,607,150	2,612,132	2,577,820
Unifrax, Senior Secured USD Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 12/12/25 <sup>(i)</sup>	11/5/2018	2,407,456	2,388,825	2,240,042
Boyd Corp, Senior Secured Initial Loan (Second Lien), 10.50% (LIBOR + 6.75%), maturity 9/6/26	8/16/2018	2,000,000	2,001,447	1,995,000
USALCO, Unitranche, 9.75% (LIBOR + 6.00%), maturity 10/19/27	10/26/2021	1,968,871	1,950,959	1,949,182
DuBois Chemicals, Senior Secured Term Loan B (First Lien), 8.25% (LIBOR + 4.50%), maturity 9/30/26	10/8/2019	1,763,820	1,737,006	1,750,591
Vantage Specialty Chemicals, Senior Secured Closing Date Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 10/28/24 <sup>(i)</sup>	11/30/2018	959,698	951,849	934,568
Ascensus Specialties, Senior Secured Initial Term Loan, 8.00% (LIBOR + 4.25%), maturity 6/30/28	12/3/2021	494,978	486,478	491,265
Polytek, Senior Secured Term Loan, 9.34% (SOFR + 5.75%), maturity 9/20/24	12/23/2020	491,359	486,659	471,705
Boyd Corp, Senior Secured Initial Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 9/6/25 <sup>(i)</sup>	11/7/2018	488,550	467,800	463,840
USALCO, Senior Secured Revolving Loan, 9.75% (LIBOR + 6.00%), maturity 10/19/26	10/26/2021	161,290	158,065	159,677
Vertellus, Senior Secured Revolving Credit Loan, 9.75% (LIBOR + 6.00%), maturity 12/22/25	12/18/2020	67,817	57,485	66,800

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



**Audax Credit BDC Inc.**  
**Schedule of Investments (Continued)**  
**As of September 30, 2022**  
**(Expressed in U.S. Dollars)**  
**(unaudited)**

Portfolio Investments <sup>(a) (b) (c) (d) (e) (f)</sup>	Acquisition Date	Par	Cost	Value
<b>BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS<sup>(h)</sup> (Continued):</b>				
<i>Services: Consumer</i>				
Ned Stevens, Unitranche, 9.59% (SOFR + 6.00%), maturity 7/2/29 <sup>(i) (j)</sup>	6/22/2022	\$ 3,781,954	\$ 3,721,882	\$ 3,781,954
Weld North, Senior Secured 2021 Term Loan, 7.50% (LIBOR + 3.75%), maturity 12/21/27 <sup>(i)</sup>	12/21/2020	2,402,083	2,402,083	2,339,565
A Place For Mom, Senior Secured Term Loan, 8.25% (LIBOR + 4.50%), maturity 2/10/26	7/28/2017	2,214,843	2,214,822	2,192,694
Smart Start, Senior Secured Term B Loan (Second Lien), 11.50% (LIBOR + 7.75%), maturity 12/16/29	12/10/2021	2,000,000	1,966,000	1,977,500
Smart Start, Senior Secured Term B Loan (First Lien), 8.25% (LIBOR + 4.50%), maturity 12/16/28	12/10/2021	1,985,000	1,970,607	1,962,669
Mister Car Wash, Senior Secured Initial Term Loan (First Lien), 6.75% (LIBOR + 3.00%), maturity 5/14/26 <sup>(i)</sup>	5/8/2019	1,528,610	1,527,146	1,490,014
FullBloom, Senior Secured Initial Term Loan (First Lien), 7.84% (SOFR + 4.25%), maturity 12/15/28	12/10/2021	1,496,250	1,482,561	1,481,288
Teaching Strategies, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 8/31/28	8/19/2021	992,500	983,046	992,500
Spring Education, Senior Secured Initial Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 7/30/25 <sup>(i)</sup>	7/26/2018	960,000	958,882	922,243
Aegis Sciences, Senior Secured Initial Term Loan (2018) (First Lien), 9.25% (LIBOR + 5.50%), maturity 5/9/25	5/4/2018	607,811	604,170	607,811
Ned Stevens, Senior Secured Revolving Credit, 9.59% (SOFR + 6.00%), maturity 6/30/28 <sup>(i) (j)</sup>	6/22/2022	36,311	32,226	36,311
<i>Transportation: Cargo</i>				
Evans Network, Senior Secured Initial Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 8/19/28	8/6/2021	3,636,735	3,600,503	3,636,735
Odyssey Logistics & Technology, Senior Secured New Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 10/12/24 <sup>(i)</sup>	11/20/2018	3,544,010	3,541,904	3,442,851
Capstone Logistics, Senior Secured Closing Date Term Loan (First Lien), 8.50% (LIBOR + 4.75%), maturity 11/12/27	11/12/2020	2,100,985	2,084,006	2,100,985
AIT Worldwide Logistics, Senior Secured Initial Term Loan (First Lien), 8.50% (LIBOR + 4.75%), maturity 4/6/28	12/9/2021	1,980,000	1,975,496	1,980,000
St. George Logistics, Senior Secured Initial Term Loan, 9.59% (SOFR + 6.00%), maturity 3/24/28	4/28/2022	1,492,500	1,471,013	1,492,500
Worldwide Express, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 7/26/28 <sup>(i)</sup>	7/23/2021	1,488,750	1,478,601	1,405,254
FLS Transportation, Senior Secured Term B Loan, 9.00% (LIBOR + 5.25%), maturity 12/18/28	4/14/2022	1,217,391	1,205,986	1,217,391
Omni Logistics, Senior Secured Initial Term Loan (First Lien), 8.75% (LIBOR + 5.00%), maturity 12/30/26	11/24/2021	1,151,124	1,140,227	1,148,246
Magnate, Senior Secured Initial Term Loan (First Lien), 9.25% (LIBOR + 5.50%), maturity 12/29/28	3/11/2022	921,607	904,466	921,607
FLS Transportation, Senior Secured Revolving Loan, 9.00% (LIBOR + 5.25%), maturity 12/17/27	4/14/2022	-	(889)	-
Omni Logistics, Senior Secured Revolving Credit Loan (First Lien), 8.75% (LIBOR + 5.00%), maturity 12/30/25	11/24/2021	-	(1,119)	-
<i>Beverage, Food &amp; Tobacco</i>				
Bettcher Industries, Senior Secured Initial Term Loan (Second Lien), 10.84% (SOFR + 7.25%), maturity 12/14/29	12/13/2021	2,500,000	2,476,834	2,450,000
Sovos Brands, Senior Secured Initial Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 6/8/28 <sup>(i)</sup>	6/8/2021	2,033,001	2,033,001	1,962,657
Bettcher Industries, Senior Secured Initial Term Loan (First Lien), 7.59% (SOFR + 4.00%), maturity 12/14/28	12/13/2021	1,990,000	1,970,000	1,950,200
Kettle Cuisine, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 8/25/25	8/22/2018	1,920,000	1,916,173	1,881,600
Hissho Sushi, Unitranche, 9.59% (SOFR + 6.00%), maturity 5/18/28 <sup>(i)</sup>	4/7/2022	1,852,500	1,814,903	1,821,156
Dessert Holdings, Senior Secured Initial Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 6/9/28	6/7/2021	1,485,000	1,475,104	1,468,294
Monogram Foods, Senior Secured Initial Term Loan, 7.75% (LIBOR + 4.00%), maturity 8/28/28	8/13/2021	992,500	983,488	975,131
Hissho Sushi, Senior Secured Revolving Credit Loan, 9.59% (SOFR + 6.00%), maturity 5/18/28 <sup>(i)</sup>	4/7/2022	9,524	8,857	9,363
<i>Automotive</i>				
BBB Industries, Senior Secured Initial Term Loan (First Lien), 6.29% (SOFR + 5.25%), maturity 7/25/29 <sup>(i) (j)</sup>	6/30/2022	3,000,000	2,704,515	2,830,138
Highline, Senior Secured Initial Term Loan (First Lien), 8.25% (LIBOR + 4.50%), maturity 11/9/27	10/29/2020	2,820,682	2,763,588	2,729,010
Rough Country, Senior Secured Initial Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 7/28/28	7/26/2021	1,975,000	1,970,521	1,965,125
Truck Hero, Senior Secured Initial Term Loan, 7.25% (LIBOR + 3.50%), maturity 1/31/28 <sup>(i)</sup>	1/20/2021	1,477,500	1,477,500	1,334,169
IXS, Senior Secured Initial Term Loan, 8.00% (LIBOR + 4.25%), maturity 3/5/27	2/27/2020	788,197	786,954	693,613
Safe Fleet, Senior Secured Initial Term Loan (Second Lien), 10.34% (SOFR + 6.75%), maturity 2/2/26	2/23/2022	500,000	500,000	497,500
Wheel Pros, Senior Secured Initial Term Loan (First Lien), 8.25% (LIBOR + 4.50%), maturity 5/11/28 <sup>(i)</sup>	4/23/2021	495,000	491,073	387,319
<i>Construction &amp; Building</i>				
Tangent, Senior Secured Closing Date Term Loan (First Lien), 8.50% (LIBOR + 4.75%), maturity 11/30/27	10/2/2019	1,781,392	1,773,773	1,763,578
PlayPower, Senior Secured Initial Term Loan, 9.25% (LIBOR + 5.50%), maturity 5/8/26	5/10/2019	1,742,333	1,742,333	1,620,370
PlayCore, Senior Secured Initial Term Loan (Second Lien), 11.50% (LIBOR + 7.75%), maturity 9/29/25	2/7/2020	1,500,000	1,479,390	1,500,000
Dodge Construction Network, Senior Secured Initial Term Loan (First Lien), 8.34% (SOFR + 4.75%), maturity 2/23/29	2/10/2022	997,500	983,689	997,500
PlayCore, Senior Secured Initial Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 9/30/24	9/18/2017	949,429	948,408	949,429
Specialty Products & Insulation, Senior Secured Tranche B-1 Term Loan, 8.84% (SOFR + 5.25%), maturity 12/21/27	3/16/2022	894,492	886,120	892,256
Acuren, Senior Secured Initial Term Loan, 8.00% (LIBOR + 4.25%), maturity 1/23/27	1/17/2020	475,026	473,472	475,026
Hoffman Southwest, Senior Secured Initial Term Loan, 9.25% (LIBOR + 5.50%), maturity 8/14/23	5/16/2019	428,365	430,679	427,294
<i>Consumer Goods: Non-durable</i>				
Hoffmaster Group, Senior Secured Tranche B-1 Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 11/21/23	11/9/2016	2,374,872	2,372,736	2,279,877
Augusta Sportswear Group, Senior Secured Initial Term Loan, 8.25% (LIBOR + 4.50%), maturity 10/26/23	11/2/2016	2,001,028	1,997,219	1,991,023
Badger Sportswear, Senior Secured Initial Term Loan (First Lien), 8.25% (LIBOR + 4.50%), maturity 9/11/23	9/29/2016	1,877,887	1,874,758	1,873,193
Hoffmaster Group, Senior Secured Initial Term Loan (Second Lien), 13.25% (LIBOR + 9.50%), maturity 11/21/24	2/7/2020	1,250,000	1,250,000	1,209,375
<i>Environmental Industries</i>				
Alliance Environmental Group, Unitranche, 9.75% (LIBOR + 6.00%), maturity 12/30/27 <sup>(i)</sup>	12/30/2021	4,094,205	4,020,464	3,975,064
Denali Water Solutions, Senior Secured Closing Date Term Loan, 8.00% (LIBOR + 4.25%), maturity 3/27/28	3/18/2021	1,975,000	1,956,874	1,950,313
Keter Environmental Services, Unitranche, 10.25% (LIBOR + 6.50%), maturity 10/29/27	11/5/2021	496,250	491,771	492,528
Denali Water Solutions, Senior Secured Amendment No. 3 Term Loan, 8.22% (SOFR + 4.63%), maturity 3/27/28	5/5/2022	498,750	482,068	492,516
Alliance Environmental Group, Senior Secured Revolving Loan, 9.75% (LIBOR + 6.00%), maturity 12/30/27 <sup>(i)</sup>	12/30/2021	149,007	142,384	144,671
Keter Environmental Services, Unitranche, 10.25% (LIBOR + 6.50%), maturity 10/29/27	11/5/2021	13,680	12,905	13,577
<i>Wholesale</i>				
Carlisle FoodService, Senior Secured Initial Term Loan (First Lien), 6.75% (LIBOR + 3.00%), maturity 3/20/25 <sup>(i)</sup>	3/16/2018	3,819,731	3,820,324	3,776,759
<i>Media: Diversified &amp; Production</i>				
Cast & Crew, Senior Secured Initial Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 2/9/26 <sup>(i)</sup>	1/16/2019	2,902,348	2,889,448	2,858,054

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



**Audax Credit BDC Inc.**  
**Schedule of Investments (Continued)**  
**As of September 30, 2022**  
**(Expressed in U.S. Dollars)**  
**(unaudited)**

Portfolio Investments <sup>(a) (b) (c) (d) (e) (f)</sup>	Acquisition Date	Par	Cost	Value
<b>BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS<sup>(h)</sup> (Continued):</b>				
<i>Hotels, Gaming &amp; Leisure</i>				
Northstar, Senior Secured Term Loan, 7.38% (LIBOR + 3.63%) cash, 1.00% PIK maturity 6/7/24	5/8/2017	\$ 1,312,848	\$ 1,312,848	\$ 1,270,180
Auto Europe, Senior Secured Initial Dollar Term Loan, 8.75% (LIBOR + 5.00%), maturity 10/21/23	10/19/2016	1,119,231	1,116,737	895,385
<i>Metals &amp; Mining</i>				
Dynatect, Senior Secured Term B Loan, 8.25% (LIBOR + 4.50%), maturity 9/30/24	8/16/2019	1,900,034	1,889,504	1,900,034
<i>Forest Products &amp; Paper</i>				
Loparex, Senior Secured Initial Term Loan (First Lien), 8.25% (LIBOR + 4.50%), maturity 7/31/26	7/29/2019	1,455,000	1,446,244	1,455,000
<i>Utilities: Electric</i>				
Systems Control, Senior Secured Initial Term Loan, 8.50% (LIBOR + 4.75%), maturity 3/28/25	6/15/2021	1,479,355	1,477,515	1,449,768
<i>Retail</i>				
Varsity Brands, Senior Secured Initial Term Loan (First Lien), 7.25% (LIBOR + 3.50%), maturity 12/16/24 <sup>(i)</sup>	10/17/2018	959,738	963,055	922,085
StubHub, Senior Secured USD Term B Loan, 7.25% (LIBOR + 3.50%), maturity 2/12/27 <sup>(i)</sup>	1/31/2020	486,250	484,654	442,360
<i>Media: Advertising, Printing &amp; Publishing</i>				
Ansira, Unitranche, 10.25% (LIBOR + 6.50%) PIK, maturity 12/20/24	12/20/2016	2,271,632	2,268,262	999,518
<i>Utilities: Water</i>				
Aegion, Senior Secured Initial Term Loan, 8.50% (LIBOR + 4.75%), maturity 5/17/28	4/1/2021	989,999	985,795	982,574
<i>Energy: Electricity</i>				
Franklin Energy, Senior Secured Term B Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 8/14/26	8/14/2019	970,000	968,390	953,025
<i>Consumer Goods: Durable</i>				
Careismatic Brands, Senior Secured Initial Term Loan (First Lien), 7.00% (LIBOR + 3.25%), maturity 1/6/28	1/22/2021	493,750	492,650	474,000
<b>Total Bank Loans</b>			<b>\$ 440,936,825</b>	<b>\$ 434,592,673</b>
<b>Portfolio Investments <sup>(a) (b) (c) (d) (e) (f)</sup></b>				
<b>EQUITY AND PREFERRED SHARES: NON-CONTROL/NON-AFFILIATE INVESTMENTS- (0.7%)<sup>(g)(h)</sup>:</b>				
<i>Services: Business</i>				
InnovateMR, Class A Units (387,311 Class A Units, Fair value of \$535,116) <sup>(i) (j) (n) (o)</sup>	12/16/2021	\$	387,311	\$ 535,116
Liberty Group, Series A-Preferred Units (113,636 Series A-Preferred Units, Fair value of \$123,684) <sup>(i) (j) (n) (p)</sup>	6/6/2022		113,636	123,684
VC3, Class A Units (29,846 Class A Units, Fair value of \$29,846) <sup>(i) (n) (q)</sup>	9/16/2022		29,846	29,846
<i>High Tech Industries</i>				
PracticeTek, Class A Units (347,322 Class A Units, Fair value of \$379,979) <sup>(i) (n) (r)</sup>	11/22/2021		377,255	379,979
Golden Source, Class A Units (117,371 Class A Units, Fair value of \$153,755) <sup>(i) (j) (n) (s)</sup>	3/25/2022		117,371	153,755
MediaRadar, Class A-1 Units (74,074 Class A-1 Units, Fair value of \$74,074) <sup>(i) (j) (n) (t)</sup>	9/16/2022		74,074	74,074
<i>Services: Consumer</i>				
Ned Stevens, Class B Common Units (261,438 Common B Units, Fair value of \$489,507) <sup>(i) (n) (u) (v)</sup>	9/30/2019		261,438	489,507
<i>Environmental Industries</i>				
Alliance Environmental Group, A-1 Preferred Units (331,126 A-1 Preferred Units, Fair value of \$326,198) <sup>(i) (n) (w)</sup>	9/30/2019		331,126	326,198
<i>Healthcare &amp; Pharmaceuticals</i>				
RevHealth, Class A-1 Units (205,479 Class A-1 Units, Fair value of \$205,479) <sup>(i) (n) (x)</sup>	7/22/2022		205,479	205,479
Ivy Rehab, Class A Units (100 Class A Units, Fair value of \$75,426) <sup>(i) (n) (y)</sup>	3/11/2022		100,000	75,426
<i>Chemicals, Plastics &amp; Rubber</i>				
Vertellus, Series A Units (1,651 Series A Units, Fair value of \$259,368) <sup>(i) (n) (v) (z)</sup>	12/22/2020		165,138	259,368
<i>Beverage, Food &amp; Tobacco</i>				
Hissho Sushi, Class A Units (25,000 Class A Units, Fair value of \$251,404) <sup>(i) (j) (n) (aa)</sup>	4/7/2022		250,000	251,404
<i>Banking, Finance, Insurance &amp; Real Estate</i>				
Cherry Bekaert, Class A Units (129,870 Class A Units, Fair value of \$145,091) <sup>(i) (n) (ab)</sup>	6/30/2022		129,870	145,091
<b>Total Equity and Preferred Shares</b>			<b>\$ 2,542,544</b>	<b>\$ 3,048,928</b>
<b>Total Portfolio Investments <sup>(ac)</sup></b>			<b>\$ 443,479,369</b>	<b>\$ 437,641,601</b>

- (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, 2022, 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" 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) 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.

- (j) 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.
- (k) The borrower for UDG Healthcare, Congachant Limited, is located in Ireland.
- (l) All or portion of this security has an open position related to short-term borrowings, as described in footnote 8.
- (m) The borrower for Sophos, Surf Holdings S.a.r.l., is located in United Kingdom.
- (n) Investment is non-income producing.
- (o) Represents an investment in APD INN Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (p) Represents an investment in APD TLG Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (q) Represents an investment in APD VC3 Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (r) Represents an investment in APD Ptek Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (s) Represents an investment in APD Gol Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (t) Represents an investment in APD MDR Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (u) Represents an investment in APD NS Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (v) Other net assets of \$0 at the aggregator levels are included in the fair value of the investments when using the net asset value as a practical expedient.
- (w) Represents an investment in APD AEG Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (x) Represents an investment in APD RH Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (y) Represents an investment in APD IVY Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (z) Represents an investment in ADP VERT Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (aa) Represents an investment in APD Sush Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ab) Represents an investment in APD CBA Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.
- (ac) At September 30, 2022, the cost of investments for income tax purposes was \$443,479,369, the gross unrealized depreciation for federal tax purposes was \$8,320,565, the gross unrealized appreciation for federal income tax purposes was \$2,482,797, and the net unrealized depreciation was \$5,837,768.

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

**Audax Credit BDC Inc.**  
**Schedule of Investments**  
**As of December 31, 2021**  
**(Expressed in U.S. Dollars)**

Portfolio Investments (a) (b) (c) (d) (e) (f)	Acquisition Date	Par	Cost	Value
<b>BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS - (107.4%)(g)(h);</b>				
<i>Healthcare &amp; Pharmaceuticals</i>				
Radiology Partners, Senior Secured Term B Loan (First Lien), 4.46% (Libor + 4.25%), maturity 7/9/25 <sup>(i)</sup>	6/28/2018	\$ 4,215,792	\$ 4,353,545	\$ 4,168,783
Advarra, Senior Secured Initial Term Loan (First Lien), 5.25% (Libor + 4.25%), maturity 7/9/26	6/26/2019	4,145,626	4,117,204	4,145,626
Young, Senior Secured Initial Term Loan (First Lien), 5.00% (Libor + 4.00%), maturity 11/7/24	11/6/2017	3,755,525	3,748,227	3,717,970
American Vision Partners, Senior Secured Term Loan, 6.50% (Libor + 5.75%), maturity 9/30/27 <sup>(i)(k)</sup>	9/22/2021	3,537,645	3,473,547	3,475,319
InHealth Medical Alliance, Senior Secured Initial Term Loan, 7.00% (Libor + 6.00%), maturity 6/28/28	6/25/2021	3,491,250	3,457,150	3,377,784
PharMedQuest, Senior Secured Initial Term Loan, 6.75% (Libor + 5.75%), maturity 10/31/24 <sup>(k)</sup>	11/6/2019	3,290,898	3,262,290	3,266,217
Zest Dental, Senior Secured Initial Term Loan (First Lien), 3.71% (Libor + 3.50%), maturity 3/14/25 <sup>(i)</sup>	5/30/2018	3,239,110	3,251,658	3,169,814
Waystar, Senior Secured Initial Term Loan (First Lien), 4.21% (Libor + 4.00%), maturity 10/22/26 <sup>(i)</sup>	9/19/2019	2,949,975	2,942,792	2,955,024
Physicians Endoscopy, Senior Secured Initial Term Loan (First Lien), 5.75% (Libor + 4.75%) PIK, maturity 8/18/23	8/18/2016	2,860,384	2,847,320	2,831,780
Zelis RedCard, Senior Secured Term B-1 Loan, 3.71% (Libor + 3.50%), maturity 9/30/26 <sup>(i)</sup>	9/27/2019	2,420,641	2,410,411	2,410,524
Soliant, Senior Secured Initial Term Loan, 5.00% (Libor + 4.25%), maturity 3/31/28	3/26/2021	2,331,250	2,313,766	2,331,250
Premise Health, Senior Secured Initial Term Loan (First Lien), 3.71% (Libor + 3.50%), maturity 7/10/25	8/15/2018	2,282,601	2,287,690	2,282,601
nThrive, Senior Secured Initial Loan (Second Lien), 7.25% (Libor + 6.75%), maturity 12/17/29 <sup>(i)</sup>	11/19/2021	2,000,000	1,970,000	2,005,377
Advanced Diabetes Supply, Senior Secured Term Loan December 2020, 6.25% (Libor + 5.25%), maturity 12/30/26	7/13/2021	1,995,000	1,975,300	1,995,000
Upstream Rehabilitation, Senior Secured August 2021 Incremental Term Loan (First Lien), 4.46% (Libor + 4.25%), maturity 11/20/26 <sup>(i)</sup>	10/24/2019	1,971,344	1,968,456	1,975,578
Alpaca, Senior Secured Term Loan, 5.75% (Libor + 4.75%), maturity 4/19/24 <sup>(i)(k)</sup>	4/19/2019	1,962,032	1,944,465	1,962,032
Press Ganey, Senior Secured Initial Term Loan (First Lien), 3.71% (Libor + 3.50%), maturity 7/24/26 <sup>(i)</sup>	7/23/2019	1,955,000	1,949,852	1,949,129
Gastro Health, Senior Secured Initial Term Loan (First Lien), 5.25% (Libor + 4.50%), maturity 7/3/28	7/2/2021	1,900,025	1,890,025	1,881,025
Avalign Technologies, Senior Secured Initial Term Loan (First Lien), 4.71% (Libor + 4.50%), maturity 12/22/25	12/19/2018	1,940,000	1,929,264	1,876,950
CareCentrix, Senior Secured Initial Term Loan, 4.71% (Libor + 4.50%), maturity 4/3/25 <sup>(i)(i)</sup>	4/2/2018	1,604,069	1,599,839	1,600,168
Symplr, Senior Secured Initial Term Loan (First Lien), 5.25% (Libor + 4.50%), maturity 12/22/27 <sup>(i)</sup>	11/23/2020	1,488,750	1,466,850	1,494,123
Therapy Brands, Senior Secured Initial Term Loan (First Lien), 4.75% (Libor + 4.00%), maturity 5/18/28	5/12/2021	1,496,250	1,489,050	1,488,769
Blue Cloud, Unitranche, 6.00% (Libor + 5.00%), maturity 12/31/27 <sup>(i)</sup>	12/13/2021	1,500,000	1,485,000	1,485,000
Quantum Health, Senior Secured Amendment No. 1 Refinancing Term Loan (First Lien), 5.25% (Libor + 4.50%), maturity 12/22/27	12/18/2020	1,492,500	1,470,450	1,481,306
Mission Veterinary Partners, Senior Secured Initial Term Loan (First Lien), 4.75% (Libor + 4.00%), maturity 4/27/28 <sup>(i)</sup>	12/15/2021	1,496,250	1,481,288	1,481,288
CPS, Unitranche, 6.25% (Libor + 5.25%), maturity 2/28/25 <sup>(k)</sup>	3/1/2019	1,462,164	1,449,283	1,462,164
Tecomet, Senior Secured 2017 Term Loan (First Lien), 4.50% (Libor + 3.50%), maturity 5/1/24	1/10/2019	1,155,903	1,153,742	1,124,116
Solis Mammography, Senior Secured Initial Term Loan (First Lien), 5.50% (Libor + 4.75%), maturity 4/17/28 <sup>(i)</sup>	4/1/2021	1,060,833	1,051,433	1,059,560
nThrive, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 4.00%), maturity 12/18/28 <sup>(i)</sup>	11/19/2021	1,000,000	995,000	1,002,016
Wedgewood Pharmacy, Senior Secured Initial Term Loan, 5.00% (Libor + 4.25%), maturity 3/31/28	2/24/2021	997,500	987,800	997,500
Solis Mammography, Senior Secured Initial Term Loan (Second Lien), 8.75% (Libor + 8.00%), maturity 4/16/29	4/1/2021	1,000,000	985,600	992,500
Allied Benefit Systems, Senior Secured Initial Term B Loan, 5.50% (Libor + 4.50%), maturity 11/18/26	10/21/2020	990,000	977,586	990,000
Athena, Senior Secured Term B-1 Loan (First Lien), 4.46% (Libor + 4.25%), maturity 2/11/26 <sup>(i)</sup>	9/18/2019	980,038	973,278	981,573
Dermatologists of Central States, Senior Secured Term Loan, 9.50% (Libor + 8.50%), maturity 4/20/22 <sup>(i)(k)</sup>	3/12/2020	957,461	957,461	957,461
Alcami, Senior Secured Initial Term Loan (First Lien), 4.46% (Libor + 4.25%), maturity 7/14/25	7/12/2018	967,500	964,765	928,800
UDG, Senior Secured Initial Dollar Term Loan (First Lien), 4.75% (Libor + 4.25%), maturity 8/19/28 <sup>(i)(m)</sup>	8/6/2021	631,875	625,651	634,124
ImageFirst, Senior Secured Initial Term Loan, 5.25% (Libor + 4.50%), maturity 4/27/28	4/26/2021	588,182	585,414	585,241
MyEyeDr, Senior Secured Initial Term Loan (First Lien), 4.46% (Libor + 4.25%), maturity 8/31/26 <sup>(i)</sup>	8/2/2019	526,700	522,986	527,034
MedRisk, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 3.75%), maturity 5/10/28 <sup>(i)</sup>	4/1/2021	498,750	493,900	499,590
Press Ganey, Senior Secured 2020 Incremental Term Loan (First Lien), 4.75% (Libor + 4.00%), maturity 7/24/26 <sup>(i)</sup>	10/1/2020	496,256	492,037	497,719
AccentCare, Senior Secured 2021 Term Loan (First Lien), 4.21% (Libor + 4.00%), maturity 6/22/26 <sup>(i)</sup>	6/15/2021	497,500	497,500	496,317
RMP & MedA/Rx, Senior Secured Term Loan, 5.50% (Libor + 4.50%), maturity 2/6/25	3/22/2021	490,625	485,865	489,398
AmeriVet, Senior Secured Incremental Delayed Draw Term Loan, 5.75% (Libor + 4.75%), maturity 6/5/24	8/27/2021	463,710	449,085	461,391
RMP & MedA/Rx, Senior Secured Term Loan (First Lien), 5.25% (Libor + 4.25%), maturity 2/6/25	2/27/2017	419,565	419,470	417,467
ATI Physical Therapy, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 3.50%), maturity 5/10/23 <sup>(i)</sup>	6/28/2016	343,442	343,870	332,194
Alpaca, Senior Secured Revolver, 6.00% (Libor + 5.00%), maturity 4/19/24 <sup>(i)(k)</sup>	9/30/2019	129,426	125,543	129,426
Advarra, Senior Secured Initial Revolving Loan (First Lien), 5.25% (Libor + 4.25%), maturity 7/9/24	6/26/2019	-	(7,619)	-
<i>Services: Business</i>				
LegalShield, Senior Secured Initial Term Loan (First Lien), 4.25% (Libor + 3.75%), maturity 12/15/28 <sup>(i)</sup>	12/7/2021	4,500,000	4,455,000	4,496,243
InnovateMR, Unitranche, 6.75% (Libor + 5.75%), maturity 1/20/28 <sup>(i)(k)</sup>	12/16/2021	4,247,302	4,172,974	4,172,974
CoAdvantage, Senior Secured Initial Term Loan (First Lien), 6.00% (Libor + 5.00%), maturity 9/23/25 <sup>(i)</sup>	9/26/2019	3,910,000	3,884,414	3,910,000
RevSpring, Senior Secured Initial Term Loan (First Lien), 4.46% (Libor + 4.25%), maturity 10/11/25 <sup>(i)</sup>	10/5/2018	3,880,000	3,877,022	3,891,124
Alliance Environmental Group, Unitranche, 7.00% (Libor + 6.00%), maturity 12/30/27 <sup>(i)(k)</sup>	12/30/2021	3,675,497	3,588,742	3,601,987
Veritext, Senior Secured Initial Term Loan (First Lien), 3.46% (Libor + 3.25%), maturity 8/1/25 <sup>(i)</sup>	8/14/2018	3,121,087	3,106,891	3,104,654
Fleetwash, Senior Secured Incremental Term Loan, 5.75% (Libor + 4.75%), maturity 10/1/24	9/25/2018	2,903,063	2,888,125	2,888,547
CoolSys, Senior Secured Closing Date Initial Term Loan, 5.50% (Libor + 4.75%), maturity 8/11/28 <sup>(i)</sup>	8/4/2021	2,590,278	2,559,670	2,578,679
Duff & Phelps, Senior Secured Initial Dollar Term Loan (First Lien), 4.75% (Libor + 3.75%), maturity 4/9/27 <sup>(i)</sup>	3/6/2020	2,462,500	2,443,427	2,470,032
Service Logic, Senior Secured Closing Date Initial Term Loan (First Lien), 4.75% (Libor + 4.00%), maturity 10/29/27	10/23/2020	2,364,497	2,342,229	2,346,764
Vistage, Senior Secured Term B Loan (First Lien), 5.00% (Libor + 4.00%), maturity 2/10/25	2/6/2018	2,323,414	2,320,751	2,317,605

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

**Audax Credit BDC Inc.**  
**Schedule of Investments (Continued)**  
**As of December 31, 2021**  
**(Expressed in U.S. Dollars)**

Portfolio Investments (a) (b) (c) (d) (e) (f)	Acquisition Date	Par	Cost	Value
<b>BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS<sup>(h)</sup> (Continued):</b>				
<i>Services: Business (continued)</i>				
The Facilities Group, Unitranche, 6.75% (Libor + 5.75%), maturity 11/30/27 <sup>(i)</sup>	12/10/2021	\$ 2,258,671	\$ 2,236,084	\$ 2,236,084
Mediacean, Senior Secured Initial Term Loan, 4.00% (Libor + 3.50%), maturity 12/15/28 <sup>(i)</sup>	12/9/2021	2,000,000	1,980,000	2,001,789
TRC Companies, Senior Secured Initial Term Loan (Second Lien), 7.25% (Libor + 6.75%), maturity 12/7/29	11/19/2021	2,000,000	1,980,000	1,985,000
ECi Software, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 3.75%), maturity 11/9/27 <sup>(i)</sup>	9/17/2020	1,980,000	1,972,543	1,984,655
Veregy, Senior Secured Initial Term Loan, 7.00% (Libor + 6.00%), maturity 11/3/27	11/2/2020	1,980,000	1,928,567	1,960,200
Sterling Backcheck, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 3.50%), maturity 6/19/24	6/30/2017	1,939,630	1,939,630	1,939,630
Insight Global, Senior Secured Closing Date Term Loan, 6.75% (Libor + 6.00%), maturity 9/22/28 <sup>(i)</sup>	9/22/2021	1,496,250	1,463,626	1,492,509
Epic Staffing Group, Senior Secured Initial Term Loan, 7.00% (Libor + 6.00%), maturity 2/5/27	2/3/2021	1,489,968	1,460,568	1,489,968
Eliassen Group, Senior Secured Initial Term B Loan, 4.46% (Libor + 4.25%), maturity 11/5/24	10/19/2018	1,478,116	1,474,158	1,478,116
OSG Billing Services, Senior Secured Term B Loan (First Lien), 5.50% (Libor + 4.50%), maturity 3/27/24	3/26/2018	1,444,391	1,441,757	1,429,947
First Advantage, Senior Secured Term B-1 Loan (First Lien), 2.96% (Libor + 2.75%), maturity 1/31/27 <sup>(i)</sup>	1/23/2020	1,100,312	1,089,150	1,097,467
Veritext, Senior Secured Initial Term Loan (Second Lien), 6.96% (Libor + 6.75%), maturity 7/31/26	8/14/2018	1,000,000	996,678	997,500
Divisions Maintenance Group, Senior Secured Term B Loan, 5.50% (Libor + 4.75%), maturity 5/27/28 <sup>(i)</sup>	5/21/2021	997,500	988,100	997,500
TRC Companies, Senior Secured Initial Term Loan (First Lien), 4.25% (Libor + 3.75%), maturity 12/8/28 <sup>(i)</sup>	11/19/2021	1,000,000	995,000	996,581
trustaff Management, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 3.75%), maturity 3/6/28 <sup>(i)</sup>	12/9/2021	997,487	994,994	994,994
eResearch (ERT), Senior Secured Initial Term Loan (First Lien), 5.50% (Libor + 4.50%), maturity 2/4/27 <sup>(i)</sup>	12/1/2020	989,956	989,956	994,805
WCG, Senior Secured Initial Term Loan (First Lien), 5.00% (Libor + 4.00%), maturity 1/8/27 <sup>(i)</sup>	12/13/2019	985,000	977,291	989,251
Diversified, Senior Secured Initial Term Loan, 5.75% (Libor + 4.75%), maturity 12/23/23	4/19/2019	899,347	895,961	892,602
Secretariat International, Senior Secured Initial Term Loan (First Lien), 5.50% (Libor + 4.75%), maturity 12/29/28 <sup>(i)</sup>	12/16/2021	850,000	845,750	845,750
Therma Holdings, Senior Secured Initial Term Loan (2021), 4.75% (Libor + 4.00%), maturity 12/16/27 <sup>(i)</sup>	12/11/2020	498,750	497,600	499,234
System One, Senior Secured Initial Term Loan, 4.75% (Libor + 4.00%), maturity 3/2/28 <sup>(i)</sup>	1/28/2021	497,500	495,300	497,500
Insight Global, Senior Secured Revolving Loan, 6.75% (Libor + 6.00%), maturity 9/22/27	9/23/2021	67,089	67,089	66,921
Alliance Environmental Group, Senior Secured Revolving Loan, 7.00% (Libor + 6.00%), maturity 12/30/27 <sup>(i) (k)</sup>	12/30/2021	-	(6,623)	-
<i>High Tech Industries</i>				
Qlik, Senior Secured 2021 Refinancing Term Loan, 4.21% (Libor + 4.00%), maturity 4/26/24 <sup>(i)</sup>	3/29/2019	3,900,600	3,886,181	3,910,108
Netsmart, Senior Secured Initial Term Loan (First Lien), 4.75% (Libor + 4.00%), maturity 10/1/27 <sup>(i)</sup>	9/29/2020	3,473,750	3,460,658	3,487,188
Jaggaer, Senior Secured Initial Term Loan (First Lien), 4.21% (Libor + 4.00%), maturity 8/14/26 <sup>(i)</sup>	8/9/2019	3,091,100	3,087,301	3,091,058
Ivanti Software, Senior Secured 2021 Specified Refinancing Term Loan (First Lien), 5.25% (Libor + 4.25%), maturity 12/1/27 <sup>(i)</sup>	11/20/2020	2,985,000	2,947,757	2,988,121
Infogroup, Senior Secured Term Loan (First Lien), 6.00% (Libor + 5.00%), maturity 4/3/23 <sup>(i)</sup>	3/28/2017	2,859,887	2,849,374	2,736,884
Planview, Senior Secured Closing Date Term Loan (First Lien), 4.75% (Libor + 4.00%), maturity 12/17/27 <sup>(i)</sup>	12/11/2020	2,632,290	2,607,384	2,637,045
Idera, Senior Secured Term B-1 Loan (First Lien), 4.50% (Libor + 3.75%), maturity 3/2/28 <sup>(i)</sup>	6/27/2017	2,599,317	2,598,562	2,600,118
Precisely, Senior Secured Third Amendment Term Loan (First Lien), 4.75% (Libor + 4.00%), maturity 4/24/28 <sup>(i)</sup>	3/19/2021	2,493,750	2,481,850	2,492,448
Flexera Software, Senior Secured Term B-1 Loan (First Lien), 4.50% (Libor + 3.75%), maturity 3/3/28 <sup>(i)</sup>	2/16/2020	2,390,742	2,390,742	2,396,181
PracticeTek, Unitranche, 5.71% (Libor + 5.50%), maturity 11/23/27 <sup>(i)(k)</sup>	11/22/2021	2,275,763	2,210,067	2,230,248
Sophos, Senior Secured Dollar Tranche Term Loan (First Lien), 3.71% (Libor + 3.50%), maturity 3/5/27 <sup>(i)(n)</sup>	1/16/2020	1,970,012	1,877,597	1,959,343
QuickBase, Senior Secured Term Loan (First Lien), 4.21% (Libor + 4.00%), maturity 4/2/26	3/29/2019	1,950,000	1,943,834	1,940,250
Intermedia , Senior Secured New Term Loan (First Lien), 7.00% (Libor + 6.00%), maturity 7/21/25 <sup>(i)</sup>	7/13/2018	1,940,000	1,931,203	1,931,121
Bomgar, Senior Secured Initial Term Loan (First Lien), 4.21% (Libor + 4.00%), maturity 4/18/25 <sup>(i)</sup>	5/25/2018	1,641,251	1,647,580	1,642,542
OEConnection, Senior Secured Initial Term Loan, 4.21% (Libor + 4.00%), maturity 9/25/26 <sup>(i)</sup>	9/24/2019	1,608,578	1,603,485	1,606,567
Digital Room, Senior Secured Closing Date Term Loan (First Lien), 5.75% (Libor + 5.25%), maturity 12/21/28 <sup>(i)</sup>	12/16/2021	1,500,000	1,485,000	1,493,953
Navex Global, Senior Secured Initial Term Loan (First Lien), 3.46% (Libor + 3.25%), maturity 9/5/25 <sup>(i)</sup>	8/15/2018	1,451,250	1,441,800	1,446,663
ORBCOMM, Senior Secured Closing Date Term Loan (First Lien), 5.00% (Libor + 4.25%), maturity 9/1/28 <sup>(i)</sup>	6/17/2021	997,500	992,500	999,322
Infoblox, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 3.75%), maturity 12/1/27 <sup>(i)</sup>	10/7/2020	995,000	990,862	997,873
Veracode, Senior Secured Initial Term Loan, 4.75% (Libor + 4.00%), maturity 11/5/27	3/30/2020	992,500	984,143	992,500
Barracuda, Senior Secured 2020 Term Loan (First Lien), 4.50% (Libor + 3.75%), maturity 2/12/25 <sup>(i)</sup>	3/2/2018	987,500	987,500	991,652
SmartBear, Senior Secured Initial Term Loan (First Lien), 4.75% (Libor + 4.25%), maturity 3/3/28	11/20/2020	995,000	985,600	990,025
HelpSystems, Senior Secured Seventh Amendment Refinancing Loan (First Lien), 4.75% (Libor + 4.00%), maturity 11/19/26 <sup>(i)</sup>	12/19/2019	989,981	987,772	989,981
Imperva, Senior Secured Term Loan, 5.00% (Libor + 4.00%), maturity 1/12/26 <sup>(i)</sup>	9/23/2020	986,095	978,665	986,963
Unison, Unitranche, 8.00% (Libor + 7.00%), maturity 6/25/26 <sup>(k)</sup>	6/25/2020	985,000	965,242	985,000
Cloudera, Senior Secured Initial Term Loan (First Lien), 4.25% (Libor + 3.75%), maturity 10/8/28 <sup>(i)</sup>	8/10/2021	500,000	495,030	499,716
DigiCert, Senior Secured Initial Term Loan (First Lien), 4.00% (Libor + 4.00%), maturity 10/16/26 <sup>(i)</sup>	3/13/2020	491,250	469,316	491,532
PracticeTek, Senior Secured Revolving Loan, 5.71% (Libor + 5.50%), maturity 11/23/27 <sup>(i)(k)</sup>	11/22/2021	-	(7,156)	-
<i>Containers, Packaging &amp; Glass</i>				
InMark, Senior Secured Incremental Term Loan, 7.00% (Libor + 6.00%), maturity 12/23/26 <sup>(i)(k)</sup>	12/10/2021	3,740,625	3,653,125	3,665,813
Transcendia, Senior Secured 2017 Refinancing Term Loan (First Lien), 4.50% (Libor + 3.50%), maturity 5/30/24 <sup>(i)</sup>	5/11/2017	3,353,069	3,345,694	3,244,094
Anchor Packaging, Senior Secured Initial Term Loan (First Lien), 4.21% (Libor + 4.00%), maturity 7/18/26 <sup>(i)</sup>	7/17/2019	2,879,678	2,868,302	2,861,680
Brook & Whittle, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 4.00%), maturity 12/14/28 <sup>(i)</sup>	12/9/2021	2,500,000	2,477,355	2,495,651
Packaging Coordinators, Senior Secured Term B Loan (First Lien), 4.50% (Libor + 3.75%), maturity 11/30/27 <sup>(i)</sup>	9/25/2020	2,468,813	2,460,773	2,473,420
Paragon Films, Senior Secured Closing Date Term Loan (First Lien), 5.50% (Libor + 5.00%), maturity 12/16/28 <sup>(i)</sup>	12/15/2021	2,000,000	1,978,515	1,980,000
Resource Label Group, Senior Secured Closing Date Initial Term Loan (First Lien), 5.00% (Libor + 4.25%), maturity 7/7/28 <sup>(i)</sup>	7/2/2021	1,879,747	1,870,648	1,881,331
TricorBraun, Senior Secured Closing Date Initial Term Loan (First Lien), 3.75% (Libor + 3.25%), maturity 3/3/28 <sup>(i)</sup>	1/29/2021	1,828,762	1,820,245	1,819,627
Potters Industries, Senior Secured Initial Term Loan, 4.21% (Libor + 4.00%), maturity 12/14/27 <sup>(i)</sup>	11/19/2020	1,488,750	1,476,336	1,494,204
Technimark, Senior Secured Initial Term Loan (First Lien), 4.25% (Libor + 3.75%), maturity 7/7/28 <sup>(i)</sup>	6/30/2021	1,492,500	1,485,300	1,490,683
Tekni-Plex, Senior Secured Tranche B-3 Initial Term Loan, 4.50% (Libor + 4.00%), maturity 9/15/28 <sup>(i)</sup>	7/29/2021	1,054,520	1,052,080	1,056,280
Lacerta, Senior Secured Term Loan, 6.25% (Libor + 5.50%), maturity 12/30/26	2/8/2021	990,000	980,150	990,000
Pregis Corporation, Senior Secured Initial Term Loan (First Lien), 4.21% (Libor + 4.00%), maturity 7/31/26 <sup>(i)</sup>	7/25/2019	980,000	978,319	979,185
Tank Holding, Senior Secured 2020 Refinancing Term Loan (First Lien), 3.46% (Libor + 3.25%), maturity 3/26/26 <sup>(i)</sup>	3/21/2019	977,500	974,681	971,563
Applied Adhesives, Senior Secured Term A Loan, 5.75% (Libor + 5.00%), maturity 3/12/27	3/12/2021	563,158	557,688	558,934
Golden West Packaging, Senior Secured Initial Term Loan, 6.00% (Libor + 5.25%), maturity 12/1/27	11/29/2021	500,000	495,000	496,250
Pregis Corporation, Senior Secured Third Amendment Refinancing Term Loan (First Lien), 4.50% (Libor + 4.00%), maturity 7/31/26	12/9/2020	498,750	496,681	492,516
Applied Adhesives, Senior Secured Revolving Loan, 5.75% (Libor + 5.00%), maturity 3/12/27	3/12/2021	7,111	6,400	7,058

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

**Audax Credit BDC Inc.**  
**Schedule of Investments (Continued)**  
**As of December 31, 2021**  
**(Expressed in U.S. Dollars)**

Portfolio Investments (a) (b) (c) (d) (e) (f)	Acquisition Date	Par	Cost	Value
<b>BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS<sup>(h)</sup> (Continued):</b>				
<i>Banking, Finance, Insurance &amp; Real Estate</i>				
Confluence, Senior Secured Initial Term Loan (First Lien), 4.25% (Libor + 3.75%), maturity 7/31/28 <sup>(i)</sup>	7/22/2021	\$ 4,000,000	\$ 3,980,000	\$ 3,980,000
Ascensus, Senior Secured Initial Term Loan (First Lien), 4.00% (Libor + 3.50%), maturity 8/2/28 <sup>(i)</sup>	11/17/2021	3,000,000	2,985,000	2,994,898
AmeriLife, Senior Secured Initial Term Loan (First Lien), 4.21% (Libor + 4.00%), maturity 3/18/27 <sup>(i)</sup>	2/6/2020	2,462,828	2,449,570	2,460,960
Newport Group, Senior Secured Initial Term Loan (First Lien), 3.71% (Libor + 3.50%), maturity 9/12/25 <sup>(i)</sup>	8/9/2018	2,421,181	2,412,499	2,419,686
American Beacon Advisors, Senior Secured Tranche D Term Loan (Second Lien), 9.00% (Libor + 8.00%), maturity 4/30/25	10/31/2017	2,117,133	2,122,175	2,117,133
Kestra Financial, Senior Secured Initial Term Loan, 4.46% (Libor + 4.25%), maturity 6/3/26 <sup>(i)</sup>	4/29/2019	1,955,000	1,941,773	1,949,240
Integro Insurance Brokers, Senior Secured Initial Term Loan (First Lien), 6.75% (Libor + 5.75%), maturity 10/31/22	10/9/2015	1,930,484	1,932,912	1,867,743
EPIC Insurance, Unitranche, 6.00% (Libor + 5.25%), maturity 9/29/28	8/27/2021	1,599,440	1,568,405	1,591,442
Orion, Senior Secured 2021 Refinancing Term Loan (First Lien), 4.50% (Libor + 3.75%), maturity 9/24/27 <sup>(i)</sup>	8/4/2020	1,485,028	1,470,028	1,489,469
SIAA, Unitranche, 7.25% (Libor + 6.25%), maturity 4/28/28	4/21/2021	1,172,517	1,152,547	1,172,517
Advisor Group, Senior Secured Term B-1 Loan, 4.71% (Libor + 4.50%), maturity 7/31/26 <sup>(i)</sup>	1/31/2020	1,029,433	1,025,199	1,033,203
LERETA, Senior Secured Initial Term Loan, 6.00% (Libor + 5.25%), maturity 7/30/28 <sup>(i)</sup>	7/27/2021	997,500	987,500	995,006
Community Brands, Senior Secured Initial Term Loan (First Lien), 5.00% (Libor + 4.00%), maturity 12/2/22	5/2/2018	817,262	815,063	811,133
Sedgwick Claims, Senior Secured Initial Term Loan, 3.46% (Libor + 3.25%), maturity 12/31/25 <sup>(i)</sup>	2/12/2020	489,899	489,422	486,901
<i>Chemicals, Plastics &amp; Rubber</i>				
DuBois Chemicals, Senior Secured Term Loan (Second Lien) - 2019, 8.71% (Libor + 8.50%), maturity 9/30/27	10/8/2019	3,000,000	2,975,353	2,985,000
Vertellus, Senior Secured Initial Term Loan, 7.00% (Libor + 6.00%), maturity 12/22/27	12/18/2020	2,977,500	2,905,500	2,970,056
Spectrum Plastics, Senior Secured Closing Date Term Loan (First Lien), 4.25% (Libor + 3.25%), maturity 1/31/25 <sup>(i)</sup>	1/26/2018	2,627,625	2,633,804	2,574,630
Unifrax, Senior Secured USD Term Loan (First Lien), 3.96% (Libor + 3.75%), maturity 12/12/25 <sup>(i)</sup>	11/5/2018	2,426,216	2,407,584	2,403,249
Boyd Corp, Senior Secured Initial Loan (Second Lien), 6.96% (Libor + 6.75%), maturity 9/6/26 <sup>(i)</sup>	8/16/2018	2,000,000	2,001,674	1,996,853
USALCO, Senior Secured Term Loan A, 7.00% (Libor + 6.00%), maturity 10/19/27	10/26/2021	2,000,000	1,980,000	1,985,000
Meridian Adhesives Group, Senior Secured Initial Term Loan, 4.75% (Libor + 4.00%), maturity 7/24/28	7/16/2021	2,000,000	1,980,300	1,985,000
Q Holding, Senior Secured Term B Loan (2019), 6.00% (Libor + 5.00%), maturity 12/29/23	8/20/2019	1,955,000	1,948,615	1,935,450
DuBois Chemicals, Senior Secured Term Loan B (First Lien), 4.71% (Libor + 4.50%), maturity 9/30/26	10/8/2019	1,777,250	1,745,650	1,763,920
Prince Minerals, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 3.50%), maturity 3/31/25 <sup>(i)</sup>	3/22/2018	962,500	959,965	959,012
Vantage Specialty Chemicals, Senior Secured Closing Date Term Loan (First Lien), 4.50% (Libor + 3.50%), maturity 10/28/24 <sup>(i)</sup>	11/30/2018	967,254	956,813	951,552
Polytek, Senior Secured Term Loan, 5.75% (Libor + 4.75%), maturity 9/20/24	12/23/2020	495,081	490,381	492,606
Ascensus Specialties, Senior Secured Initial Term Loan, 5.00% (Libor + 4.25%), maturity 6/30/28 <sup>(i)</sup>	12/3/2021	498,744	488,744	488,770
Boyd Corp, Senior Secured Initial Term Loan (First Lien), 3.71% (Libor + 3.50%), maturity 9/6/25 <sup>(i)</sup>	11/7/2018	492,366	465,615	487,876
Vertellus, Senior Secured Revolving Credit Loan, 7.00% (Libor + 6.00%), maturity 12/22/25	12/18/2020	106,972	94,817	106,705
USALCO, Senior Secured Revolving Loan, 7.00% (Libor + 6.00%), maturity 10/19/26	10/26/2021	24,194	20,968	24,012
<i>Aerospace &amp; Defense</i>				
CPI International, Senior Secured Second Amendment Incremental Term Loan (First Lien), 5.75% (Libor + 4.75%), maturity 7/26/24	10/1/2019	5,222,307	5,181,858	5,222,307
HDT Global, Senior Secured Initial Term Loan, 6.50% (Libor + 5.75%), maturity 7/8/27	6/30/2021	3,412,500	3,307,500	3,378,375
StandardAero, Senior Secured 2020 Term B-1 Loan, 3.71% (Libor + 3.50%), maturity 4/6/26 <sup>(i)</sup>	1/24/2019	3,271,155	3,264,358	3,197,669
Consolidated Precision Products, Senior Secured Initial Term Loan (Second Lien), 8.75% (Libor + 7.75%), maturity 4/30/26	5/10/2018	2,000,000	2,007,007	1,920,000
Whitcraft, Unitranche, 7.00% (Libor + 6.00%), maturity 4/3/23	3/6/2020	1,962,398	1,954,769	1,918,244
StandardAero, Senior Secured 2020 Term B-2 Loan, 3.71% (Libor + 3.50%), maturity 4/6/26 <sup>(i)</sup>	1/24/2019	1,758,685	1,755,031	1,719,177
Tronair, Senior Secured Initial Term Loan (First Lien), 6.75% (Libor + 5.75%) cash, 0.50% PIK, maturity 9/8/23	9/30/2016	1,372,158	1,369,408	1,325,504
Peraton, Senior Secured Term B Loan (First Lien), 4.50% (Libor + 3.75%), maturity 2/1/28 <sup>(i)</sup>	2/23/2021	992,500	988,100	995,090
Amentum, Senior Secured Tranche 2 Term Loan (First Lien), 5.50% (Libor + 4.75%), maturity 1/29/27 <sup>(i)</sup>	10/29/2020	992,500	975,947	994,823
Amentum, Senior Secured Tranche 1 Term Loan (First Lien), 3.71% (Libor + 3.50%), maturity 1/29/27 <sup>(i)</sup>	1/24/2020	985,000	960,031	974,961
API Technologies, Senior Secured Initial Term Loan (First Lien), 4.46% (Libor + 4.25%), maturity 5/9/26	1/15/2020	979,900	956,544	962,751
BlueHalo, Unitranche, 7.00% (Libor + 6.00%), maturity 10/31/25	11/17/2021	499,027	491,527	495,284
Consolidated Precision Products, Senior Secured Initial Term Loan (First Lien), 4.75% (Libor + 3.75%), maturity 4/30/25 <sup>(i)</sup>	7/18/2019	487,900	486,144	470,917
Novaria Group, Senior Secured Initial Term Loan, 6.50% (Libor + 5.50%), maturity 1/27/27	1/24/2020	481,818	477,971	466,159
BlueHalo, Senior Secured Revolving Loan, 7.00% (Libor + 6.00%), maturity 10/31/25	11/17/2021	25,305	23,815	25,115
<i>Capital Equipment</i>				
FloWorks, Senior Secured Initial Term Loan (First Lien), 5.50% (Libor + 5.00%), maturity 12/27/28 <sup>(i)</sup>	12/27/2021	4,000,000	3,850,000	3,960,000
Plaskolite, Senior Secured 2021-1 Refinancing Term Loan (First Lien), 4.75% (Libor + 4.00%), maturity 12/15/25 <sup>(i)</sup>	12/12/2018	3,880,675	3,836,318	3,850,705
MW Industries, Senior Secured 2018 New Term Loan (First Lien), 3.96% (Libor + 3.75%), maturity 9/30/24 <sup>(i)</sup>	4/20/2018	2,037,185	2,037,185	2,011,277
Excelitas, Senior Secured Initial Term Loan (Second Lien), 8.50% (Libor + 7.50%), maturity 12/1/25 <sup>(i)</sup>	2/19/2020	1,500,000	1,482,834	1,506,460
Edward Don, Senior Secured Initial Term Loan, 5.25% (Libor + 4.25%), maturity 7/2/25	6/26/2018	1,370,943	1,367,973	1,302,395
Flow Control Group, Senior Secured Initial Term Loan (First Lien), 4.25% (Libor + 3.75%), maturity 3/31/28 <sup>(i)</sup>	3/17/2021	1,184,544	1,181,906	1,184,320
TriMark, Senior Secured Initial Term Loan (First Lien), 3.71% (Libor + 3.50%), maturity 8/28/24	6/13/2018	973,447	902,470	759,288
Culligan, Senior Secured Initial Term B Loan, 4.50% (Libor + 4.00%), maturity 7/31/28 <sup>(i)</sup>	6/17/2021	500,000	497,500	502,107
Restaurant Technologies, Senior Secured Initial Term Loan (Second Lien), 6.71% (Libor + 6.50%), maturity 10/1/26	2/11/2020	500,000	503,008	498,750
Infinite Electronics, Senior Secured Initial Term Loan (First Lien), 4.25% (Libor + 3.75%), maturity 3/2/28 <sup>(i)</sup>	2/24/2021	497,500	496,400	496,938
Duravant, Senior Secured Incremental Amendment No. 5 Term Loan (First Lien), 4.50% (Libor + 3.75%), maturity 5/19/28 <sup>(i)</sup>	3/5/2020	492,424	492,424	492,387
Excelitas, Senior Secured Initial USD Term Loan (First Lien), 4.50% (Libor + 3.50%), maturity 12/2/24 <sup>(i)</sup>	10/24/2018	483,627	486,011	485,701
Flow Control Group, Senior Secured Amendment No. 1 Delayed Draw Term Loan (First Lien), 4.25% (Libor + 3.75%), maturity 3/31/28 <sup>(i)</sup>	7/27/2021	421,493	420,243	421,414

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



**Audax Credit BDC Inc.**  
**Schedule of Investments (Continued)**  
**As of December 31, 2021**  
**(Expressed in U.S. Dollars)**

Portfolio Investments (a) (b) (c) (d) (e) (f)	Acquisition Date	Par	Cost	Value
<b>BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS<sup>(h)</sup> (Continued):</b>				
<i>Services: Consumer</i>				
A Place For Mom, Senior Secured Term Loan, 4.75% (Libor + 3.75%), maturity 2/10/26	7/28/2017	\$ 2,611,593	\$ 2,611,369	\$ 2,565,890
Weld North, Senior Secured 2021 Term Loan, 4.75% (Libor + 3.75%), maturity 12/21/27 <sup>(i)</sup>	12/21/2020	2,420,419	2,420,419	2,424,416
Smart Start, Senior Secured Term B Loan (First Lien), 5.00% (Libor + 4.50%), maturity 12/16/28 <sup>(i)</sup>	12/10/2021	2,000,000	1,980,000	1,980,000
Smart Start, Senior Secured Term B Loan (Second Lien), 8.25% (Libor + 7.75%), maturity 12/16/29 <sup>(i)</sup>	12/10/2021	2,000,000	1,960,000	1,960,000
Mister Car Wash, Senior Secured Initial Term Loan (First Lien), 3.21% (Libor + 3.00%), maturity 5/14/26 <sup>(i)</sup>	5/8/2019	1,532,172	1,529,857	1,527,120
FullBloom, Senior Secured Initial Term Loan (First Lien), 5.00% (Libor + 4.25%), maturity 12/15/28 <sup>(i)</sup>	12/10/2021	1,500,000	1,485,000	1,485,000
Ned Stevens, Senior Secured Term A Loan, 6.50% (Libor + 5.50%), maturity 9/30/25 <sup>(k)</sup>	9/30/2019	1,405,229	1,388,225	1,405,229
Teaching Strategies, Senior Secured Initial Term Loan (First Lien), 4.75% (Libor + 4.25%), maturity 8/31/28	8/19/2021	1,000,000	990,060	1,000,000
Spring Education, Senior Secured Initial Term Loan (First Lien), 4.46% (Libor + 4.25%), maturity 7/30/25 <sup>(i)</sup>	7/26/2018	967,500	966,117	941,386
Aegis Sciences, Senior Secured Initial Term Loan (2018) (First Lien), 6.50% (Libor + 5.50%), maturity 5/9/25 <sup>(i)</sup>	5/4/2018	718,618	712,798	710,570
Ned Stevens, Senior Secured Revolving Loan, 6.50% (Libor + 5.50%), maturity 9/30/25 <sup>(k)</sup>	9/30/2019	-	(2,614)	-
<i>Transportation: Cargo</i>				
Evans Network, Senior Secured Initial Term Loan (First Lien), 5.00% (Libor + 4.25%), maturity 8/19/28 <sup>(i)</sup>	8/6/2021	3,664,286	3,624,286	3,652,180
Odyssey Logistics & Technology, Senior Secured New Term Loan (First Lien), 5.00% (Libor + 4.00%), maturity 10/12/24 <sup>(i)</sup>	11/20/2018	3,571,843	3,569,083	3,546,929
Capstone Logistics, Senior Secured Closing Date Term Loan (First Lien), 5.75% (Libor + 4.75%), maturity 11/12/27	11/12/2020	2,117,015	2,097,983	2,111,723
AIT Worldwide Logistics, Senior Secured Initial Term Loan (First Lien), 5.50% (Libor + 4.75%), maturity 4/6/28 <sup>(i)</sup>	12/9/2021	1,995,000	1,990,013	1,995,707
Worldwide Express, Senior Secured Initial Term Loan (First Lien), 5.00% (Libor + 4.25%), maturity 7/26/28 <sup>(i)</sup>	7/23/2021	1,500,000	1,488,750	1,505,619
Omni Logistics, Senior Secured Term Loan (First Lien), 6.00% (Libor + 5.00%), maturity 12/30/26	11/24/2021	1,109,719	1,098,000	1,101,396
Omni Logistics, Senior Secured Revolving Credit Loan (First Lien), 6.00% (Libor + 5.00%), maturity 12/30/25	11/24/2021	28,459	27,320	28,245
<i>Beverage, Food &amp; Tobacco</i>				
Bettcher Industries, Senior Secured Initial Term Loan (Second Lien), 7.75% (Libor + 7.25%), maturity 12/14/29 <sup>(i)</sup>	12/13/2021	2,500,000	2,475,000	2,475,000
Sovos Brands, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 3.75%), maturity 6/8/28 <sup>(i)</sup>	6/8/2021	2,033,001	2,033,001	2,035,909
Bettcher Industries, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 4.00%), maturity 12/14/28 <sup>(i)</sup>	12/13/2021	2,000,000	1,980,000	1,980,000
Kettle Cuisine, Senior Secured Initial Term Loan (First Lien), 4.75% (Libor + 3.75%), maturity 8/25/25	8/22/2018	1,935,000	1,930,127	1,905,975
Dessert Holdings, Senior Secured Initial Term Loan (First Lien), 4.75% (Libor + 4.00%), maturity 6/9/28	6/7/2021	1,496,250	1,485,300	1,485,028
Monogram Foods, Senior Secured Cov-Lite Term Loan B, 4.50% (Libor + 4.00%), maturity 8/28/28	8/13/2021	1,000,000	990,000	992,500
<i>Automotive</i>				
Highline, Senior Secured Initial Term Loan (First Lien), 5.25% (Libor + 4.50%), maturity 11/9/27 <sup>(i)</sup>	10/29/2020	2,842,159	2,776,983	2,819,912
Rough Country, Senior Secured Initial Term Loan (First Lien), 4.25% (Libor + 3.50%), maturity 7/28/28 <sup>(i)</sup>	7/26/2021	1,995,000	1,990,000	1,995,000
Truck Hero, Senior Secured Initial Term Loan, 4.00% (Libor + 3.25%), maturity 1/31/28 <sup>(i)</sup>	1/20/2021	1,488,750	1,488,750	1,485,737
Safe Fleet, Senior Secured Tranche B-1 Term Loan (First Lien), 4.75% (Libor + 3.75%), maturity 2/3/25	11/28/2018	967,500	950,885	960,244
IXS, Senior Secured Initial Term Loan, 5.00% (Libor + 4.25%), maturity 3/5/27 <sup>(i)</sup>	2/27/2020	794,417	792,552	782,495
Wheel Pros, Senior Secured Initial Term Loan (First Lien), 5.25% (Libor + 4.50%), maturity 5/11/28 <sup>(i)</sup>	4/23/2021	498,750	494,350	498,850
Safe Fleet, Senior Secured Initial Term Loan (Second Lien), 7.75% (Libor + 6.75%), maturity 2/2/26	2/7/2020	500,000	491,417	496,250
<i>Construction &amp; Building</i>				
Tangent, Senior Secured Closing Date Term Loan (First Lien), 4.96% (Libor + 4.75%), maturity 11/30/24 <sup>(i)</sup>	10/2/2019	1,792,819	1,783,355	1,774,891
PlayPower, Senior Secured Initial Term Loan, 5.71% (Libor + 5.50%), maturity 5/8/26	5/10/2019	1,756,917	1,756,917	1,686,640
PlayCore, Senior Secured Initial Term Loan (Second Lien), 8.75% (Libor + 7.75%), maturity 9/29/25	2/7/2020	1,500,000	1,475,188	1,500,000
PlayCore, Senior Secured Initial Term Loan (First Lien), 4.75% (Libor + 3.75%), maturity 9/30/24 <sup>(i)</sup>	9/18/2017	956,924	955,673	955,693
CHI Overhead Doors, Senior Secured Third Amendment Initial Term Loan (First Lien), 4.50% (Libor + 3.50%), maturity 7/31/25 <sup>(i)</sup>	7/28/2015	615,739	617,179	617,221
Acuren, Senior Secured Initial Term Loan, 4.21% (Libor + 4.00%), maturity 1/23/27	1/17/2020	479,011	477,104	479,011
Hoffman Southwest, Senior Secured Initial Term Loan, 6.50% (Libor + 5.50%), maturity 8/14/23	5/16/2019	446,460	446,911	441,437
<i>Wholesale</i>				
Carlisle FoodService, Senior Secured Initial Term Loan (First Lien), 4.00% (Libor + 3.00%), maturity 3/20/25	3/16/2018	3,849,619	3,850,157	3,806,310
PetroChoice, Senior Secured Initial Term Loan (First Lien), 6.00% (Libor + 5.00%), maturity 8/19/22	9/2/2015	1,875,184	1,869,627	1,814,241
ABB Optical, Senior Secured Initial Term Loan (First Lien), 6.00% (Libor + 5.00%), maturity 6/15/23	6/14/2016	1,424,830	1,425,559	1,389,209
<i>Hotels, Gaming &amp; Leisure</i>				
Aimbridge, Senior Secured Initial Term Loan (2019) (First Lien), 3.96% (Libor + 3.75%), maturity 2/2/26 <sup>(i)</sup>	1/17/2019	2,922,725	2,915,974	2,871,577
Northstar, Senior Secured Term Loan, 6.75% (Libor + 6.25%) cash, 1.00% PIK, maturity 6/7/24	5/8/2017	1,366,260	1,366,260	1,321,856
Auto Europe, Senior Secured Initial Dollar Term Loan, 6.00% (Libor + 5.00%), maturity 10/21/23	10/19/2016	1,119,231	1,115,110	895,385
<i>Consumer Goods: Non-durable</i>				
Hoffmaster Group, Senior Secured Tranche B-1 Term Loan (First Lien), 5.00% (Libor + 4.00%), maturity 11/21/23 <sup>(i)</sup>	11/9/2016	2,393,770	2,389,338	2,245,348
Augusta Sportswear Group, Senior Secured Initial Term Loan, 5.50% (Libor + 4.50%), maturity 10/26/23 <sup>(i)</sup>	11/2/2016	2,029,843	2,023,255	1,994,321
Badger Sportswear, Senior Secured Initial Term Loan (First Lien), 5.75% (Libor + 4.50%), maturity 9/11/23	9/29/2016	1,881,139	1,875,639	1,857,624
Hoffmaster Group, Senior Secured Initial Term Loan (Second Lien), 10.50% (Libor + 9.50%), maturity 11/21/24	2/7/2020	1,250,000	1,250,000	1,209,375

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

**Audax Credit BDC Inc.**  
**Schedule of Investments (Continued)**  
**As of December 31, 2021**  
**(Expressed in U.S. Dollars)**

Portfolio Investments <sup>(a) (b) (c) (d) (e) (f)</sup>	Acquisition Date	Par	Cost	Value
<b>BANK LOANS: NON-CONTROL/NON-AFFILIATE INVESTMENTS<sup>(h)</sup> (Continued):</b>				
<i>Media: Diversified &amp; Production</i>				
Cast & Crew, Senior Secured Initial Term Loan (First Lien), 3.71% (Libor + 3.50%), maturity 2/9/26 <sup>(i)</sup>	1/16/2019	\$ 2,924,905	\$ 2,909,965	\$ 2,928,921
<i>Environmental Industries</i>				
Denali Water Solutions, Senior Secured Closing Date Term Loan, 5.00% (Libor + 4.25%), maturity 3/27/28	3/18/2021	1,990,000	1,970,000	1,967,613
Keter Environmental Services, Unitranche, 7.50% (Libor + 6.50%), maturity 10/29/27 <sup>(i)</sup>	11/5/2021	500,000	495,000	495,000
Keter Environmental Services, Unitranche, 7.50% (Libor + 6.50%), maturity 10/29/27 <sup>(i)</sup>	11/5/2021	4,560	4,514	4,514
<i>Metals &amp; Mining</i>				
Dynatect, Senior Secured Term B Loan, 5.50% (Libor + 4.50%), maturity 9/30/22 <sup>(i)</sup>	8/16/2019	1,937,063	1,926,533	1,917,692
<i>Utilities: Electric</i>				
Systems Control, Senior Secured Initial Term Loan, 5.75% (Libor + 4.75%), maturity 3/28/25	6/15/2021	1,490,973	1,488,636	1,472,336
<i>Forest Products &amp; Paper</i>				
Loparex, Senior Secured Initial Term Loan (First Lien), 4.71% (Libor + 4.50%), maturity 7/31/26	7/29/2019	1,466,250	1,455,917	1,462,584
<i>Retail</i>				
Varsity Brands, Senior Secured Initial Term Loan (First Lien), 4.50% (Libor + 3.50%), maturity 12/16/24 <sup>(i)</sup>	10/17/2018	967,287	971,481	952,067
StubHub, Senior Secured USD Term B Loan, 3.71% (Libor + 3.50%), maturity 2/12/27 <sup>(i)</sup>	1/31/2020	490,000	488,093	481,558
<i>Media: Advertising, Printing &amp; Publishing</i>				
Ansira, Unitranche, 7.50% (Libor + 6.50%) PIK, maturity 12/20/24	12/20/2016	2,171,946	2,166,066	1,346,607
<i>Utilities: Water</i>				
Aegion, Senior Secured Initial Term Loan, 5.50% (Libor + 4.75%), maturity 5/17/28	4/1/2021	997,500	992,800	995,006
<i>Energy: Electricity</i>				
Franklin Energy, Senior Secured Term B Loan (First Lien), 4.21% (Libor + 4.00%), maturity 8/14/26	8/14/2019	977,500	975,628	962,838
<i>Consumer Goods: Durable</i>				
Careismatic Brands, Senior Secured Initial Term Loan (First Lien), 3.75% (Libor + 3.25%), maturity 1/6/28 <sup>(i)</sup>	1/22/2021	497,500	496,400	496,361
<b>Total Bank Loans</b>			<b>\$ 403,106,122</b>	<b>\$ 401,708,017</b>
<b>EQUITY AND PREFERRED SHARES: NON-CONTROL/NON-AFFILIATE INVESTMENTS- (0.4%)<sup>(g)(h)</sup>:</b>				
<i>High Tech Industries</i>				
PracticeTek, Class A Units (318,350 Class A units, Fair value of \$348,282) <sup>(k)(l)(o)</sup>	11/22/2021		\$ 348,282	\$ 348,282
<i>Services: Business</i>				
Alliance Environmental Group, A-1 Preferred Units (331,126 A-1 Preferred Units, Fair value of \$331,126) <sup>(k)(l)(p)</sup>	12/30/2021		331,126	331,126
<i>Services: Consumer</i>				
Ned Stevens, Class B Common Units (261,438 Common B units, Fair value of \$280,604) <sup>(k)(l)(q)(t)</sup>	9/30/2019		261,438	280,604
<i>Healthcare &amp; Pharmaceuticals</i>				
Alpaca, Class A Units (45,746 Class A Units, Fair value of \$205,742) <sup>(k)(l)(r)(t)</sup>	4/19/2019		80,512	205,742
<i>Chemicals, Plastics &amp; Rubber</i>				
Vertellus, Series A Units (1,651 Series A units, Fair value of \$180,603) <sup>(l)(m)(t)</sup>	12/22/2020		165,138	180,603
<b>Total Equity and Preferred Shares</b>			<b>\$ 1,186,496</b>	<b>\$ 1,346,357</b>
<b>Total Portfolio Investments<sup>(u)</sup></b>			<b>\$ 404,292,618</b>	<b>\$ 403,054,374</b>

- (a) All companies are located in the United States of America, unless otherwise noted.  
(b) Interest rate percentages represent actual interest rates which are indexed from then 30-day London Interbank Offered Rate ("LIBOR") unless otherwise noted. LIBOR rates are subject to interest rate floors which can vary based on the contractual agreement with the borrower. Due dates represent the contractual maturity date.  
(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) 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.  
(j) All or portion of this security has an open position related to short-term borrowings, as described in footnote 8.  
(k) 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.  
(l) Investment is non-income producing.  
(m) The borrower for UDG Healthcare, Congachant Limited, is located in Ireland.  
(n) The borrower for Sophos, Surf Holdings S.a.r.l., is located in United Kingdom.  
(o) Represents an investment in APD Ptek Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.  
(p) Represents an investment in APD AEG Equity Blocker, L.P., a holding company, made through an affiliated equity aggregator vehicle.  
(q) Represents an investment in APD NS Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.  
(r) Represents an investment in APD ALP Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.  
(s) Represents an investment in ADP VERT Equity, L.P., a holding company, made through an affiliated equity aggregator vehicle.  
(t) Other net assets of \$0 at the aggregator levels are included in the fair value of the investments when using the net asset value as a practical expedient.  
(u) At December 31, 2021, the cost of investments for income tax purposes was \$404,292,618, the gross unrealized depreciation for federal tax purposes was \$3,278,981, the gross unrealized appreciation for federal income tax purposes was \$2,040,737, and the net unrealized depreciation was \$1,238,244.



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

**Audax Credit BDC Inc.**  
**Notes to Financial Statements**  
**September 30, 2022**  
**(unaudited)**

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**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.

Certain prior period information has been reclassified to conform to the current period presentation. The reclassification has no effect on the Company’s financial position or the results of operations as previously reported.

***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 on September 30, 2022 and December 31, 2021. At such dates, cash was not subject to any restrictions on withdrawal.

### ***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***

The Company conducts the valuation of the Company's investments, pursuant to which the Company's net asset value is determined, at all times consistent with GAAP and the 1940 Act. The Company's Board of Directors (the "Board of Directors"), with the assistance of the Company's Audit Committee (the "Audit Committee"), determines the fair value of the Company's investments, for investments with a public market and for investments with no readily available public market, on at least a quarterly basis, in accordance with the terms of ASC Topic 820, "*Fair Value Measurement*," ("ASC 820"). The Company's valuation procedures are set forth in more detail below.

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 hierarchical 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 Company 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 Company may also obtain quotes with respect to certain of its 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 Company determines whether the quote obtained is sufficient in accordance with GAAP to determine the fair value of the security. If determined adequate, the Company 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 Board of Directors, 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. The process used to determine the applicable value is as follows:

(i) Each portfolio company or investment is initially valued by the investment professionals of the Adviser responsible for the portfolio investment using a standardized template designed to approximate fair market value based on observable market inputs and updated credit statistics and unobservable inputs. Additionally, as a part of the Company's valuation process, the Adviser may employ the services of one or more independent valuation firms engaged by the Company;

(ii) Preliminary valuation conclusions are documented and discussed with the Company's senior management and members of the Adviser's valuation team;

(iii) The Audit Committee reviews the assessments of the Adviser or independent valuation firm (to the extent applicable) and provides the Board of Directors with recommendations with respect to the fair value of the investments in the Company's portfolio; and

(iv) The Board of Directors discusses the valuation recommendations of the Audit Committee and determines the fair value of the investments in the Company's portfolio in good faith based on the input of the Adviser, the independent valuation firm (to the extent applicable) and in accordance with the Company's valuation policy.

The Audit Committee's recommendation of fair value is generally based on its assessment of the following factors, as relevant:

- the nature and realizable value of any collateral;
- call features, put features and other relevant terms of debt;
- the portfolio company's ability to make payments;
- the portfolio company's actual and expected earnings and discounted cash flow;
- prevailing interest rates for like securities and expected volatility in future interest rates;
- the markets in which the portfolio company does business and recent economic and/or market events; and
- comparisons to publicly traded securities.

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.

The Board of Directors is responsible for the determination, in good faith, of the fair value of the Company's portfolio investments.

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.

In addition, on December 3, 2020, the SEC announced that it adopted Rule 2a-5 under the 1940 Act, which establishes an updated regulatory framework for determining fair value in good faith for purposes of the 1940 Act. The new rule clarifies how fund boards can satisfy their valuation obligations in light of recent market developments. The rule will permit boards, subject to board oversight and certain other conditions, to designate certain parties to perform the fair value determinations. As of September 30, 2022, no changes to the Company's valuation policy have occurred as a result of this new rule.

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, 2022 and December 31, 2021, the Company did not hold any investment on non-accrual.

The Company currently holds loans in the portfolio that contain OID and 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, 2022, the Company held 260 investments in loans with OID. The Company accrued OID income of \$198,303 and \$501,091 for the three and nine months ended September 30, 2022, respectively. The unamortized balance of OID on debt investments as of September 30, 2022, totaled \$4,363,819. As of December 31, 2021, the Company held 231 investments in loans with OID. The Company accrued OID income of \$109,095 and \$338,404 for the three and nine months ended September 30, 2021, respectively. The unamortized balance of OID investments as of December 31, 2021, totaled \$3,028,962.

As of September 30, 2022, the Company held five investments which had a PIK interest component. The Company recorded \$142,626 and \$211,758 of PIK interest income for three and nine months ended September 30, 2022, respectively. As of September 30, 2021, the Company held three investments which had a PIK interest component. The Company recorded \$49,599 and \$200,382 of PIK interest income for three and nine months ended September 30, 2021, respectively.

As of September 30, 2022 and December 31, 2021, the Company held \$11,339,067 and \$11,058,796 in cash and cash equivalents, respectively. For the three and nine months ended September 30, 2022, the Company earned \$10,850 and \$11,630, 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, 2021, the Company earned \$477 and \$1,107, 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, 2022, the Company accrued \$196,474 and \$374,849 of other income, respectively, related to amendment fees. For the three and nine months ended September 30, 2021, the Company accrued \$20,772 and \$83,774 of other income, respectively, related to amendment fees.

#### *New Accounting Pronouncements*

In March 2020, FASB issued Accounting Standards Update No. 2020-04 ("ASU 2020-04"), "Reference Rate Reform (Topic 848)". In response to concerns about structural risks of interbank offered rates, and particularly the risk of cessation of the London Interbank Offered Rate ("LIBOR"), regulators have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable or transaction based and less susceptible to manipulation. ASU 2020-04 provides optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting. ASU 2020-04 is elective and applies to all entities, subject to meeting certain criteria, that have contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. The amendments are effective as of March 12, 2020 through December 31, 2022.

### **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, 2022, \$297,396,692 of the Company's investments were valued using unobservable inputs, and \$140,244,909 were valued using observable inputs. During the nine months ended September 30, 2022, \$124,403,117 were transferred into Level 3 due to a decrease in observable prices in the market and \$6,219,807 were transferred out of Level 3 due to the liquidity in the market and transparency of inputs.

As of December 31, 2021, \$153,189,910 of the Company's investments were valued using unobservable inputs, and \$249,864,464 were valued using observable inputs. During the nine months ended September 30, 2021, \$21,840,607 were transferred into Level 3 due to a decrease in observable prices in the market and \$46,432,486 were transferred out of Level 3 due to price transparency.

The following table presents the Company's investments carried at fair value as of September 30, 2022 and December 31, 2021, by caption on the Company's accompanying statements of assets and liabilities and by security type.

Assets at Fair Value as of September 30, 2022				
	Level 1	Level 2	Level 3	Total
First lien debt	\$ -	\$ 117,042,066	\$ 207,100,101	\$ 324,142,167
Unitranche debt	-	21,513,972	64,327,819	85,841,791
Second lien debt	-	1,000,000	23,608,715	24,608,715
Equity and Preferred Shares	-	688,871	2,360,057	3,048,928
Total	\$ -	\$ 140,244,909	\$ 297,396,692	\$ 437,641,601

	Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total	
First lien debt	\$ -	\$ 218,558,349	\$ 118,049,277	\$ 336,607,626	
Unitranche debt	-	21,362,425	19,092,768	40,455,193	
Second lien debt	-	9,943,690	14,701,508	24,645,198	
Equity and Preferred Shares	-	-	1,346,357	1,346,357	
Total	\$ -	\$ 249,864,464	\$ 153,189,910	\$ 403,054,374	

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, 2022. 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 <sup>(1)</sup>	As of September 30, 2022	
				Range <sup>(2)</sup>	Weighted Average <sup>(3)</sup>
First lien debt	\$ 199,452,615	Matrix Pricing	Senior Leverage	0.41x - 11.02x	5.06x
			Total Leverage	0.41x - 12.13x	6.04x
			Interest Coverage	(0.30)x - 22.88x	2.57x
			Debt Service Coverage	(0.18)x - 15.19x	2.06x
			TEV Coverage	0.80x - 24.72x	2.47x
			Liquidity	19.33% - 451.34%	133.17%
			Spread Comparison	300bps - 650bps	444bps
	7,418,787	Market Analysis	Senior Leverage	5.64x - 185.03x	46.24x
			Total Leverage	5.64x - 185.03x	47.50x
			Interest Coverage	(0.39)x - 1.93x	0.98x
			Debt Service Coverage	(0.43)x - 1.70x	0.77x
			TEV Coverage	0.04x - 1.33x	0.86x
			Liquidity	(103.32)% - 977.67%	153.96%
			Spread Comparison	350bps - 625bps	493bps
Unitranche debt	60,140,501	Matrix Pricing	Senior Leverage	4.95x - 11.53x	6.47x
			Total Leverage	4.95x - 11.53x	6.58x
			Interest Coverage	0.70x - 3.31x	2.20x
			Debt Service Coverage	0.61x - 2.83x	1.84x
			TEV Coverage	1.01x - 3.06x	1.92x
			Liquidity	69.00% - 210.07%	128.47%
			Spread Comparison	500bps - 650bps	580bps
	4,187,318	Market Analysis	Senior Leverage	11.81x - 12.24x	11.91x
			Total Leverage	11.81x - 12.24x	11.91x
			Interest Coverage	0.40x - 0.91x	0.79x
			Debt Service Coverage	0.35x - 0.79x	0.69x
			TEV Coverage	0.63x - 0.91x	0.84x
			Liquidity	46.35% - 93.92%	82.56%
			Spread Comparison	600bps - 650bps	612bps
Second lien debt	24,608,715	Matrix Pricing	Senior Leverage	2.00x - 3.00x	2.96x
			Total Leverage	3.63x - 9.87x	6.88x
			Interest Coverage	3.63x - 9.87x	6.88x
			Debt Service Coverage	0.71x - 5.93x	2.29x
			TEV Coverage	0.45x - 4.68x	1.83x
			Liquidity	81.89% - 277.65%	178.17%
			Spread Comparison	675bps - 950bps	754bps
Total		\$ 295,807,936			

- (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 LIBOR for each investment to the spread over LIBOR 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.

The table above does not include \$1,588,756 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, 2021. The weighted average calculations in the table below are based on the fair value balances for all debt related calculations for the particular input.

				As of December 31, 2021	
	Fair Value	Valuation Technique	Unobservable Inputs <sup>(1)</sup>	Range <sup>(2)</sup>	Weighted Average <sup>(3)</sup>
First lien debt	\$ 113,747,244	Matrix Pricing	Senior Leverage	2.66x - 19.28x	5.28x
			Total Leverage	2.66x - 19.28x	6.28x
			Interest Coverage	(1.00)x - 7.01x	2.62x
			Debt Service Coverage	(0.92)x - 5.85x	2.10x
			TEV Coverage	0.48x - 6.32x	2.54x
			Liquidity	28.32% - 871.75%	140.69%
			Spread Comparison	300bps - 600bps	449bps
Unitranche debt	17,746,161	Matrix Pricing	Senior Leverage	4.82x - 9.65x	6.78x
			Total Leverage	4.82x - 9.65x	6.80x
			Interest Coverage	1.17x - 3.11x	1.98x
			Debt Service Coverage	1.02x - 2.42x	1.59x
			TEV Coverage	1.12x - 2.43x	1.79x
			Liquidity	64.12% - 198.41%	136.96%
			Spread Comparison	525bps - 700bps	590bps
Second lien debt	14,701,508	Matrix Pricing	Senior Leverage	4.05x - 11.68x	6.69x
			Total Leverage	4.05x - 11.68x	6.69x
			Interest Coverage	0.67x - 5.98x	2.82x
			Debt Service Coverage	0.53x - 4.66x	2.36x
			TEV Coverage	0.68x - 3.08x	2.20x
			Liquidity	56.63% - 353.33%	168.01%
			Spread Comparison	650bps - 950bps	785bps
Total	\$ 146,194,913				

- (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 LIBOR for each investment to the spread over LIBOR 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.

The table above does not include \$6,994,997 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, 2022 and 2021 for all investments for which the Company determines fair value using unobservable (Level 3) factors.

Nine Months Ended September 30, 2022	First lien debt	Unitranche debt	Second lien debt	Equity and Preferred Shares	Total
Fair Value as of December 31, 2021	\$ 118,049,277	\$ 19,092,768	\$ 14,701,508	\$ 1,346,357	\$ 153,189,910
Transfers into Level 3	98,776,437	17,189,450	8,437,230	-	124,403,117
Transfers out of Level 3	(5,222,307)	-	(997,500)	-	(6,219,807)
Total gains:					
Net realized gain <sup>(a)</sup>	230,389	38,731	5,583	107,938	382,641
Net unrealized (depreciation) appreciation <sup>(b)</sup>	(397,896)	(464,832)	525	162,334	(699,869)
New investments, repayments and settlements: <sup>(c)</sup>					
Purchases	25,853,721	31,063,583	2,440,000	931,878	60,289,182
Settlements/repayments	(30,160,159)	(2,808,227)	(1,000,000)	-	(33,968,386)
Net amortization of premiums, PIK, discounts and fees	331,039	216,346	21,369	-	568,754
Sales	(360,400)	-	-	(188,450)	(548,850)
<b>Fair Value as of September 30, 2022</b>	<b>\$ 207,100,101</b>	<b>\$ 64,327,819</b>	<b>\$ 23,608,715</b>	<b>\$ 2,360,057</b>	<b>\$ 297,396,692</b>

- (a) Included in net realized gain on the accompanying *Statement of Operations* for the nine months ended September 30, 2022.
- (b) Included in net change in unrealized appreciation on the accompanying *Statement of Operations* for the nine months ended September 30, 2022.
- (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.

Nine Months Ended September 30, 2021	First lien debt	Unitranche debt	Second lien debt	Equity and Preferred Shares	Total
Fair Value as of December 31, 2020	\$ 162,506,538	\$ 8,403,632	\$ 27,290,845	\$ 799,189	\$ 199,000,204
Transfers into Level 3	21,675,469	-	-	165,138	21,840,607
Transfers out of Level 3	(39,527,665)	-	(6,904,821)	-	(46,432,486)
Total gains:					
Net realized gain (loss) <sup>(a)</sup>	132,085	-	23,900	(383,174)	(227,189)
Net unrealized appreciation (depreciation) <sup>(b)</sup>	631,273	(360,868)	20,291	292,445	583,141
New investments, repayments and settlements: <sup>(c)</sup>					
Purchases	29,696,565	5,436,404	2,455,000	19,536	37,607,505
Settlements/repayments	(33,309,519)	(39,263)	(4,332,867)	-	(37,681,649)
Net amortization of premiums, PIK, discounts and fees	171,466	129,272	82,430	-	383,168
Sales	(1,496,250)	-	(1,445,770)	(417,361)	(3,359,381)
<b>Fair Value as of September 30, 2021</b>	<b>\$ 140,479,962</b>	<b>\$ 13,569,177</b>	<b>\$ 17,189,008</b>	<b>\$ 475,773</b>	<b>\$ 171,713,920</b>

- (a) Included in net realized loss on the accompanying *Statement of Operations* for the nine months ended September 30, 2021.
- (b) Included in net change in unrealized depreciation on the accompanying *Statement of Operations* for the nine months ended September 30, 2021.
- (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 still held at September 30, 2022 and 2021 was \$(754,851) and \$354,876, respectively.

#### Investment Activities

The Company held a total of 257 investments with an aggregate fair value of \$437,641,601 as of September 30, 2022. During the nine months ended September 30, 2022, the Company invested in 105 new investments for a combined \$85,123,197 and in existing investments for a combined \$9,221,444. The Company also received \$52,253,887 in repayments from investments and \$4,047,932 from investments sold during the nine months ended September 30, 2022.

The Company held a total of 251 investments with an aggregate fair value of \$403,054,374 as of December 31, 2021. During the nine months ended September 30, 2021, the Company invested in 68 new investments for a combined \$81,669,043 and in existing investments for a combined \$7,643,513. The Company also received \$66,357,177 in repayments from investments and \$17,331,786 from investments sold during the nine months ended September 30, 2021.

### Investment Concentrations

As of September 30, 2022, the Company's investment portfolio consisted of investments in 230 companies located in 37 states across 26 different industries, with an aggregate fair value of \$437,641,601. The five largest investments at fair value as of September 30, 2022 totaled \$25,447,577, or 5.81%, of the Company's total investment portfolio as of such date. As of September 30, 2022, the Company's average investment was \$1,725,601 at cost.

As of December 31, 2021, the Company's investment portfolio consisted of investments in 215 companies located in 35 states across 26 different industries, with an aggregate fair value of \$403,054,374. The five largest investments at fair value as of December 31, 2021 totaled \$22,205,933, or 5.51%, of the Company's total investment portfolio as of such date. As of December 31, 2021, the Company's average investment was \$1,610,728 at cost.

The following table outlines the Company's investments by security type as of September 30, 2022 and December 31, 2021:

	September 30, 2022			December 31, 2021		
	Cost	Percentage of Total Investments	Fair Value	Cost	Percentage of Total Investments	Fair Value
First lien debt	\$ 329,329,507	74.26%	\$ 324,142,167	\$ 337,204,744	83.41%	\$ 336,607,626
Unitranche debt	86,946,817	19.61%	85,841,791	41,225,444	10.20%	40,455,193
Second lien debt	24,660,501	5.56%	24,608,715	24,675,934	6.10%	24,645,198
Total Debt Investments	440,936,825	99.43%	434,592,673	403,106,122	99.71%	401,708,017
Equity and Preferred Shares	2,542,544	0.57%	3,048,928	1,186,496	0.29%	1,346,357
Total Equity Investments	2,542,544	0.57%	3,048,928	1,186,496	0.29%	1,346,357
<b>Total Investments</b>	<b>\$ 443,479,369</b>	<b>100.00%</b>	<b>\$ 437,641,601</b>	<b>\$ 404,292,618</b>	<b>100.00%</b>	<b>\$ 403,054,374</b>

Investments at fair value consisted of the following industry classifications as of September 30, 2022 and December 31, 2021:

Industry	September 30, 2022		December 31, 2021	
	Fair Value	Percentage of Total Investments	Fair Value	Percentage of Total Investments
Healthcare & Pharmaceuticals	\$ 75,652,473	17.32%	\$ 76,579,770	19.01%
Services: Business	67,230,312	15.36	63,977,738	15.87
High Tech Industries	55,107,154	12.59	49,862,684	12.37
Containers, Packaging & Glass	34,044,860	7.78	28,958,289	7.18
Banking, Finance, Insurance & Real Estate	30,272,891	6.92	25,369,331	6.29
Capital Equipment	27,985,539	6.39	17,471,742	4.33
Aerospace & Defense	27,499,176	6.28	24,066,376	5.97
Chemicals, Plastics & Rubber	19,270,364	4.40	24,290,294	6.03
Services: Consumer	18,274,055	4.18	16,280,215	4.04
Transportation: Cargo	17,345,569	3.96	13,941,799	3.46
Beverage, Food & Tobacco	12,769,805	2.92	10,874,412	2.70
Automotive	10,436,874	2.38	9,038,488	2.24
Construction & Building	8,625,454	1.97	7,454,893	1.85
Environmental Industries	7,394,866	1.69	2,467,127	0.61
Consumer Goods: Non-durable	7,353,468	1.68	7,306,668	1.81
Wholesale	3,776,759	0.86	7,009,760	1.74
Media: Diversified & Production	2,858,054	0.65	2,928,921	0.73
Hotels, Gaming & Leisure	2,165,565	0.49	5,088,818	1.26
Metals & Mining	1,900,034	0.43	1,917,692	0.48
Forest Products & Paper	1,455,000	0.33	1,462,584	0.36
Utilities: Electric	1,449,768	0.33	1,472,336	0.37
Retail	1,364,444	0.31	1,433,625	0.36
Media: Advertising, Printing & Publishing	999,518	0.23	1,346,607	0.33
Utilities: Water	982,574	0.22	995,006	0.25
Energy: Electricity	953,025	0.22	962,838	0.24
Consumer Goods: Durable	474,000	0.11	496,361	0.12
	<b>\$ 437,641,601</b>	<b>100.00%</b>	<b>\$ 403,054,374</b>	<b>100.00%</b>

Investments at fair value were included in the following geographic regions of the United States as of September 30, 2022 and December 31, 2021:

Geographic Region	September 30, 2022		December 31, 2021	
	Fair Value	Percentage of Total Investments	Fair Value	Percentage of Total Investments
Northeast	\$ 109,882,272	25.11%	\$ 96,521,842	23.95%
Midwest	97,873,320	22.36	86,519,372	21.47
West	60,657,853	13.86	60,016,533	14.89
Southeast	58,828,861	13.44	57,007,985	14.14
Southwest	54,210,245	12.39	57,181,529	14.19
East	39,255,536	8.97	33,945,083	8.42
South	7,475,092	1.71	4,767,241	1.18
Northwest	5,045,567	1.15	4,501,322	1.12
Other <sup>(a)</sup>	4,412,855	1.01	2,593,467	0.64
<b>Total Investments</b>	<b>\$ 437,641,601</b>	<b>100.00%</b>	<b>\$ 403,054,374</b>	<b>100.00%</b>

(a) The borrower for Sophos, Surf Holdings S.a.r.l., is located in United Kingdom. The borrower for UDG Healthcare, Congachant Limited, is located in Ireland.

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, 2022:

For the Fiscal Years Ending December 31:	Amount
2022	\$ 4,344,592
2023	19,046,288
2024	44,768,630
2025	55,956,892
2026	63,257,339
Thereafter	257,926,903
<b>Total contractual repayments</b>	<b>445,300,644</b>
Adjustments to cost basis on debt investments <sup>(a)</sup>	(4,363,819)
<b>Total Cost Basis of Investments Held at September 30, 2022:</b>	<b>\$ 440,936,825</b>

(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, 2022, the Company recorded base management fees of \$1,174,798 and \$3,295,451, respectively, and waivers to the base management fees of \$411,179 and \$1,153,408, respectively, as set forth within the accompanying statements of operations. For the three and nine months ended September 30, 2021, the Company recorded base management fees of \$947,361 and \$2,810,141, respectively, and waivers to the base management fees of \$331,576 and \$983,548, respectively, as set forth within the accompanying statements of operations.

### ***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, 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%).

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, 2022, the Company recorded incentive fees related to net investment income of \$1,027,544 and \$2,201,758, respectively. Offsetting the incentive fees were waivers of the incentive fees of \$771,274 and \$1,809,582 for the three and nine months ended September 30, 2022, respectively, as set forth within the accompanying statements of operations. For the three and nine months ended September 30, 2021, the Company recorded incentive fees related to net investment income of \$260,092 and \$647,839, respectively. Offsetting the incentive fees were waivers of the incentive fees of \$234,083 and \$583,056 for the three and nine months ended September 30, 2021, 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, 2022, respectively, as set forth within the accompanying statements of operations. The Company accrued administrative fees of \$66,250 and \$198,750 for the three and nine months ended September 30, 2021, respectively, as set forth within the accompanying statements of operations.

***Related Party Fees***

Fees due to related parties as of September 30, 2022 and December 31, 2021 on the Company’s accompanying statements of assets and liabilities were as follows:

	<b>September 30, 2022</b>	<b>December 31, 2021</b>
Net base management fee due to Adviser	\$ 1,467,058	\$ 620,269
Net incentive fee due to Adviser	349,544	20,060
<b>Total fees due to Adviser, net of waivers</b>	<b>1,816,602</b>	<b>640,329</b>
Fee due to Administrator, net of waivers	132,500	66,250
<b>Total Related Party Fees Due</b>	<b>\$ 1,949,102</b>	<b>\$ 706,579</b>



**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, 2022 and 2021:

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Numerator for basic and diluted net increase in net assets resulting from operations per common share	\$ 6,758,713	\$ 4,241,313	\$ 11,703,094	\$ 13,539,858
Denominator for basic and diluted weighted average common shares	45,789,768	39,909,673	44,439,981	39,295,800
<b>Basic and diluted net increase in net assets resulting from operations per common share</b>	<b>\$ 0.15</b>	<b>\$ 0.11</b>	<b>\$ 0.26</b>	<b>\$ 0.34</b>

**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.

The Company had aggregate distributions declared and paid to its stockholders for the year ended December 31, 2021 of \$15,794,187, or \$0.40 per share. The tax character of the distributions declared and paid represented \$15,541,807 from ordinary income and \$252,380 from tax return of capital. The Company had aggregate distributions declared and paid to its stockholders for the year ended December 31, 2020 of \$16,177,757, or \$0.43 per share. The tax character of the distributions declared and paid represented \$15,911,638 from ordinary income and \$266,119 from tax return of capital.

During the nine months ended September 30, 2022, the Company declared distributions of \$8,739,352, or \$0.20 per share. The tax character of the distributions declared represented \$8,739,352 from ordinary income. During the nine months ended September 30, 2021, the Company declared and paid distributions of \$7,801,905, or \$0.20 per share. The tax character of the distributions declared and paid represented \$7,656,579 from ordinary income and \$145,326 from tax return of capital.

The determination of the tax attributes of the Company's distributions is 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 each calendar year on Form 1099-DIV.

U.S. GAAP requires 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 years ended December 31, 2021 and 2020, 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 years ended December 31, 2021 and 2020, the Company reclassified for book purposes amounts arising from permanent book/tax differences primarily related to distribution redesignations and return of capital distributions.

	Year Ended December 31, 2021	Year Ended December 31, 2020
Capital in excess of par value	\$ -	\$ -
Accumulated net investment income	-	(37,662)
Accumulated net realized gain (loss)	-	37,662

At December 31, 2021 and 2020, 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.

	As of December 31, 2021	As of December 31, 2020
Other temporary book/tax differences	\$ (172,677)	\$ (192,992)
Net tax basis unrealized depreciation	(1,238,244)	(3,630,949)
Accumulated net realized loss	(3,353,867)	(3,157,649)
Components of tax distributable (loss) earnings at period end	<u>\$ (4,764,788)</u>	<u>\$ (6,981,590)</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, 2021.

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, 2021, the Company has long-term capital loss carryforward of \$3,353,867. 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 2019, 2020, 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, 2021, 2020, and 2019, 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:

Amount	Date
\$ 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

As of September 30, 2022, \$25,000,000 of total capital commitments remained unfunded by the Company's investors.

The number of shares of Common Stock issued and outstanding as of September 30, 2022 and December 31, 2021, were 45,314,885 and 39,961,408, respectively.

On July 14, 2022, the Company issued a Tender Offer to repurchase \$15.0 million worth of Common Stock from the stockholders. The Offer was accepted on August 11, 2022.

The following table details the activity of Stockholders' Equity for the three and nine months ended September 30, 2022 and 2021:

Three Months Ended September 30, 2022	Common Stock	Capital in Excess of Par Value	Total Distributable (Loss) Earnings	Total Stockholders' Equity
Balance as of June 30, 2022	\$ 43,697	\$ 413,668,452	\$ (8,559,759)	\$ 405,152,390
Net investment income	-	-	6,593,356	6,593,356
Net realized gain from investment transactions	-	-	93,515	93,515
Net change in unrealized appreciation on investments	-	-	71,842	71,842
Issuance of shares	3,236	29,996,764	-	30,000,000
Repurchase of shares	(1,618)	(14,998,382)	-	(15,000,000)
Balance as of September 30, 2022	\$ 45,315	\$ 428,666,834	\$ (1,801,046)	\$ 426,911,103

Three Months Ended September 30, 2021	Common Stock	Capital in Excess of Par Value	Total Distributable (Loss) Earnings	Total Stockholders' Equity
Balance as of June 30, 2021	\$ 39,009	\$ 369,880,141	\$ (5,339,624)	\$ 364,579,526
Net investment income	-	-	3,964,041	3,964,041
Net realized gain from investment transactions	-	-	183,204	183,204
Net change in unrealized appreciation on investments	-	-	94,068	94,068
Issuance of shares	952	8,899,048	-	8,900,000
Balance as of September 30, 2021	\$ 39,961	\$ 378,779,189	\$ (1,098,311)	\$ 377,720,839

<b>Nine Months Ended September 30, 2022</b>	<b>Common Stock</b>	<b>Capital in Excess of Par Value</b>	<b>Total Distributable (Loss) Earnings</b>	<b>Total Stockholders' Equity</b>
Balance as of December 31, 2021	\$ 39,961	\$ 378,672,161	\$ (4,764,788)	\$ 373,947,334
Net investment income	-	-	15,871,538	15,871,538
Net realized gain from investment transactions	-	-	431,080	431,080
Net change in unrealized depreciation on investments	-	-	(4,599,524)	(4,599,524)
Issuance of shares	9,092	84,990,908	-	85,000,000
Repurchase of shares	(3,738)	(34,996,262)	-	(35,000,000)
Distributions to Stockholders	-	-	(8,739,352)	(8,739,352)
Reinvested Dividends	-	27	-	27
Balance as of September 30, 2022	\$ 45,315	\$ 428,666,834	\$ (1,801,046)	\$ 426,911,103

<b>Nine Months Ended September 30, 2021</b>	<b>Common Stock</b>	<b>Capital in Excess of Par Value</b>	<b>Total Distributable (Loss) Earnings</b>	<b>Total Stockholders' Equity</b>
Balance as of December 31, 2020	\$ 38,343	\$ 363,826,108	\$ (6,981,590)	\$ 356,882,861
Net investment income	-	-	11,620,620	11,620,620
Net realized loss from investment transactions	-	-	(450,168)	(450,168)
Net change in unrealized appreciation on investments	-	-	2,369,406	2,369,406
Issuance of shares	1,618	15,098,382	-	15,100,000
Distributions to Stockholders	-	(145,326)	(7,656,579)	(7,801,905)
Reinvested Dividends	-	25	-	25
Balance as of September 30, 2021	\$ 39,961	\$ 378,779,189	\$ (1,098,311)	\$ 377,720,839

**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, 2022, the Company had short-term borrowings outstanding of \$18,681,667. For the three and nine months ended September 30, 2022, the Company recorded interest expense in connection with short-term borrowings of \$322,175 and \$458,976, respectively. As of September 30, 2021, the Company had no short-term borrowings outstanding.

**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, 2022 and December 31, 2021:

Investment	Industry	September 30, 2022	December 31, 2021
Alera, Unitranche, 10.09% (SOFR + 6.50%), maturity 10/2/28	Banking, Finance, Insurance & Real Estate	\$ 2,666,667	\$ -
PracticeTek, Senior Secured Delayed Draw Term Loan, 9.25% (LIBOR + 5.50%), maturity 11/23/27	High Tech Industries	1,889,313	2,862,595
Cherry Bekaert, Senior Secured Delayed Draw Term Loan, 9.09% (SOFR + 5.50%), maturity 6/30/28	Banking, Finance, Insurance & Real Estate	1,232,944	-
EdgeCo, Senior Secured Delayed Draw Term D Loan, 8.50% (LIBOR + 4.75%), maturity 6/1/26	Banking, Finance, Insurance & Real Estate	1,200,000	-
VC3, Unitranche, 8.84% (SOFR + 5.25%), maturity 3/12/27	Services: Business	1,176,923	-
Golden Source, Senior Secured , 9.09% (SOFR + 5.50%), maturity 5/12/28	High Tech Industries	938,967	-
Discovery Education, Senior Secured Delayed Draw Term Loan, 9.34% (SOFR + 5.75%), maturity 3/10/29	Services: Business	807,692	-
Eliassen, Senior Secured Initial Delayed Draw Term Loan, 9.34% (SOFR + 5.75%), maturity 4/14/28	Services: Business	629,630	-
Ned Stevens, Senior Secured Delayed Draw Term Loan, 9.59% (SOFR + 6.00%), maturity 7/2/29	Services: Consumer	533,769	-
RevHealth, Senior Secured Revolving Loan, 9.34% (SOFR + 5.75%), maturity 7/21/28	Healthcare & Pharmaceuticals	513,699	-
Advancing Eyecare, Senior Secured Initial Delayed Draw Term Loan, 9.34% (SOFR + 5.75%), maturity 6/13/29	Healthcare & Pharmaceuticals	500,000	-
CoolSys, Senior Secured Delayed Draw Term Loan, 8.50% (LIBOR + 4.75%), maturity 8/11/28	Services: Business	465,278	465,278
Cerity, Senior Secured Delayed Draw Term Loan, 9.34% (SOFR + 5.75%), maturity 5/31/29	Banking, Finance, Insurance & Real Estate	458,781	-
Golden Source, Senior Secured Revolving Credit, 9.09% (SOFR + 5.50%), maturity 5/12/28	High Tech Industries	434,272	-
Vertellus, Senior Secured Revolving Credit Loan, 9.34% (SOFR + 5.75%), maturity 12/22/25	Chemicals, Plastics & Rubber	418,421	379,266
Blue Cloud, Senior Secured Delayed Draw Term Loan, 8.75% (LIBOR + 5.00%), maturity 1/21/28	Healthcare & Pharmaceuticals	400,000	-
Therapy Brands, Senior Secured Delayed Draw Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 5/18/28	Healthcare & Pharmaceuticals	382,979	382,979
Micro Merchant Systems, Senior Secured Delayed Draw Term Loan, 9.50% (LIBOR + 5.75%), maturity 12/14/27	Healthcare & Pharmaceuticals	370,370	-
Cherry Bekaert, Senior Secured Revolving Credit, 9.09% (SOFR + 5.50%), maturity 6/30/28	Banking, Finance, Insurance & Real Estate	369,883	-
InnovateMR, Senior Secured Revolving Loan, 9.25% (LIBOR + 5.50%), maturity 1/20/28	Services: Business	365,388	-
PracticeTek, Senior Secured Revolving Loan, 9.25% (LIBOR + 5.50%), maturity 11/23/27	High Tech Industries	357,824	357,824
Liberty Group, Senior Secured Delayed Draw Term Loan, 9.34% (SOFR + 5.75%), maturity 6/15/28	Services: Business	340,909	-
Evans Network, Senior Secured Delayed Draw Term Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 8/19/28	Transportation: Cargo	326,531	326,531
The Facilities Group, Senior Secured Delayed Draw Term Loan, 9.50% (LIBOR + 5.75%), maturity 11/30/27	Services: Business	298,266	758,671
Paragon Films, Senior Secured Delayed Draw Term Loan (First Lien), 8.75% (LIBOR + 5.00%), maturity 12/16/28	Containers, Packaging & Glass	297,030	297,030
MediaRadar, Senior Secured Revolving Loan, 9.59% (SOFR + 6.00%), maturity 6/1/29	High Tech Industries	296,296	-
Cerity, Senior Secured Revolving Credit Facility, 9.34% (SOFR + 5.75%), maturity 5/31/29	Banking, Finance, Insurance & Real Estate	286,738	-
Dessert Holdings, Senior Secured Delayed Draw Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 6/9/28	Beverage, Food & Tobacco	281,250	281,250
BETA, Senior Secured Revolving Credit Facility, 8.84% (SOFR + 5.25%), maturity 7/1/27	Banking, Finance, Insurance & Real Estate	276,289	-
Burke Porter Group, Senior Secured Revolving Credit Loan, 9.59% (SOFR + 6.00%), maturity 7/31/28	Capital Equipment	273,333	-
Ned Stevens, Senior Secured Revolving Credit, 9.59% (SOFR + 6.00%), maturity 6/30/28	Services: Consumer	236,020	-
Discovery Education, Senior Secured Revolving Facility, 9.34% (SOFR + 5.75%), maturity 4/7/28	Services: Business	230,769	-
Blue Cloud, Senior Secured Revolving Loan, 8.59% (SOFR + 5.00%), maturity 1/21/28	Healthcare & Pharmaceuticals	227,273	-
Liberty Group, Senior Secured Revolving Loan, 9.34% (SOFR + 5.75%), maturity 12/15/28	Services: Business	204,545	-
Radwell, Senior Secured Delayed Draw Term Loan, 9.34% (SOFR + 5.75%), maturity 4/1/29	Capital Equipment	200,001	-
Alliance Environmental Group, Senior Secured Delayed Draw Term Loan, 9.75% (LIBOR + 6.00%), maturity 12/30/27	Environmental Industries	182,119	662,252
Alliance Environmental Group, Senior Secured Revolving Loan, 9.75% (LIBOR + 6.00%), maturity 12/30/27	Environmental Industries	182,119	331,126
Ivy Rehab, Senior Secured Delayed Draw Term Loan (First Lien), 8.34% (SOFR + 4.75%), maturity 4/23/29	Healthcare & Pharmaceuticals	179,739	-
Epic Staffing Group, Senior Secured Delayed Draw Term Loan, 9.59% (SOFR + 6.00%), maturity 6/28/29	Healthcare & Pharmaceuticals	174,419	-
Ivy Rehab, Senior Secured Revolving Credit (First Lien), 8.34% (SOFR + 4.75%), maturity 4/23/29	Healthcare & Pharmaceuticals	168,350	-
EPIC Insurance, Senior Secured Revolving Loan, 9.00% (LIBOR + 5.25%), maturity 9/30/27	Banking, Finance, Insurance & Real Estate	161,841	125,909
USALCO, Senior Secured Revolving Loan, 9.75% (LIBOR + 6.00%), maturity 10/19/26	Chemicals, Plastics & Rubber	161,290	298,387
Tank Holding, Senior Secured Revolving Credit Loan, 9.59% (SOFR + 6.00%), maturity 3/31/28	Capital Equipment	147,692	-
Secretariat International, Senior Secured Delayed Draw Term Loan (First Lien), 8.50% (LIBOR + 4.75%), maturity 12/29/28	Services: Business	134,211	-
Hiesho Sushi, Senior Secured Revolving Credit Loan, 9.59% (SOFR + 6.00%), maturity 5/18/28	Beverage, Food & Tobacco	133,333	-
Insight Global, Senior Secured Revolving Loan, 9.75% (LIBOR + 6.00%), maturity 9/22/27	Services: Business	130,823	67,089
Community Brands, Senior Secured Delayed Draw Term Loan, 9.34% (SOFR + 5.75%), maturity 2/24/28	Banking, Finance, Insurance & Real Estate	117,647	-
Omni Logistics, Senior Secured Revolving Credit Loan (First Lien), 8.75% (LIBOR + 5.00%), maturity 12/30/25	Transportation: Cargo	113,834	85,376
Micro Merchant Systems, Senior Secured Revolving Loan, 9.50% (LIBOR + 5.75%), maturity 12/14/27	Healthcare & Pharmaceuticals	111,111	-
Cleaver Brooks, Senior Secured Revolving Credit, 9.34% (SOFR + 5.75%), maturity 7/18/28	Capital Equipment	107,692	-
Specialty Products & Insulation, Senior Secured Delayed Draw Term Loan, 8.84% (SOFR + 5.25%), maturity 12/21/27	Construction & Building	101,523	-
Forefront, Senior Secured Delayed Draw Term Loan, 7.84% (SOFR + 4.25%), maturity 4/2/29	Healthcare & Pharmaceuticals	90,818	-
Therma Holdings, Senior Secured Initial DDTL (2021), 7.50% (LIBOR + 3.75%), maturity 12/16/27	Services: Business	90,276	-
FLS Transportation, Senior Secured Revolving Loan, 9.00% (LIBOR + 5.25%), maturity 12/17/27	Transportation: Cargo	88,889	-
Radwell, Senior Secured Revolving Loan, 9.34% (SOFR + 5.75%), maturity 4/1/28	Capital Equipment	79,998	-
VC3, Senior Secured Revolving Credit, 8.84% (SOFR + 5.25%), maturity 3/12/27	Services: Business	76,923	-
Paradigm Oral Health, Senior Secured Revolving Loan, 8.34% (SOFR + 4.75%), maturity 7/9/26	Healthcare & Pharmaceuticals	74,074	-
CPS, Senior Secured Revolving Credit Loan, 9.50% (LIBOR + 5.75%), maturity 6/1/28	Healthcare & Pharmaceuticals	71,414	-
Applied Adhesives, Senior Secured Revolving Loan, 8.75% (LIBOR + 5.00%), maturity 3/12/27	Containers, Packaging & Glass	71,111	64,000
Omni Logistics, Senior Secured Tranche 2 DDTL (First Lien), 8.75% (LIBOR + 5.00%), maturity 12/30/26	Transportation: Cargo	68,750	118,750
Keter Environmental Services, Unitranche, 10.25% (LIBOR + 6.50%), maturity 10/29/27	Environmental Industries	59,280	-
Community Brands, Senior Secured Revolving Loan, 9.34% (SOFR + 5.75%), maturity 2/24/28	Banking, Finance, Insurance & Real Estate	58,824	-
Tekni-Plex, Senior Secured Tranche B-3 DDTL Term Loan, 7.75% (LIBOR + 4.00%), maturity 9/15/28	Containers, Packaging & Glass	52,766	84,681
Magnate, Senior Secured Delayed Draw Term Loan (First Lien), 9.25% (LIBOR + 5.50%), maturity 12/29/28	Transportation: Cargo	36,607	-
Service Logic, Senior Secured Delayed Draw Term Loan (First Lien), 7.75% (LIBOR + 4.00%), maturity 10/29/27	Services: Business	33,462	196,154
BlueHalo, Senior Secured Revolving Loan, 9.75% (LIBOR + 6.00%), maturity 10/31/25	Aerospace & Defense	31,144	73,967
Applied Adhesives, Senior Secured Delayed Draw Term Loan, 8.75% (LIBOR + 5.00%), maturity 3/12/27	Containers, Packaging & Glass	27,721	62,963
EPIC Insurance, Senior Secured Delayed Draw Term Loan, 9.00% (LIBOR + 5.25%), maturity 9/29/28	Banking, Finance, Insurance & Real Estate	21,877	241,379
American Vision Partners, Senior Secured Delayed Draw Term Loan, 9.50% (LIBOR + 5.75%), maturity 9/30/27	Healthcare & Pharmaceuticals	-	1,453,488
InMark, Senior Secured Initial Delayed Draw Term Loan, 9.75% (LIBOR + 6.00%), maturity 12/23/26	Containers, Packaging & Glass	-	1,250,000
Advarra, Senior Secured Initial Revolving Loan (First Lien), 8.00% (LIBOR + 4.25%), maturity 7/9/24	Healthcare & Pharmaceuticals	-	761,905
AmeriVet, Senior Secured Incremental Delayed Draw Term Loan, 8.50% (LIBOR + 4.75%), maturity 6/5/24	Healthcare & Pharmaceuticals	-	536,000
Brook & Whittle, Senior Secured Delayed Draw Term Loan (First Lien), 7.59% (SOFR + 4.00%), maturity 12/14/28	Containers, Packaging & Glass	-	529,101
Capstone Logistics, Senior Secured Initial DDTL Loan (First Lien), 8.50% (LIBOR + 4.75%), maturity 11/12/27	Transportation: Cargo	-	221,132
Ned Stevens, Senior Secured Revolving Loan, 8.50% (LIBOR + 4.75%), maturity 9/30/24	Services: Consumer	-	130,719
Alpaca, Senior Secured Revolver, 8.75% (LIBOR + 5.00%), maturity 4/19/24	Healthcare & Pharmaceuticals	-	129,426
Therma Holdings, Senior Secured Initial DDTL (2021), 7.50% (LIBOR + 3.75%), maturity 12/16/27	Services: Business	-	96,880
Gastro Health, Senior Secured Delayed Draw Term Loan (First Lien), 8.25% (LIBOR + 4.50%), maturity 7/3/28	Healthcare & Pharmaceuticals	-	94,975
Flow Control Group, Senior Secured Amendment No. 1 Delayed Draw Term Loan (First Lien), 7.50% (LIBOR + 3.75%), maturity 3/31/28	Capital Equipment	-	77,083
Alpaca, Senior Secured Delayed Draw Term A-2 Loan, 9.00% (LIBOR + 5.25%), maturity 4/19/24	Healthcare & Pharmaceuticals	-	66,723
ImageFirst, Senior Secured Delayed Draw Tranche A Term Loan, 8.25% (LIBOR + 4.50%), maturity 4/27/28	Healthcare & Pharmaceuticals	-	22,727
Solis Mammography, Senior Secured Delayed Draw Term Loan (First Lien), 8.50% (LIBOR + 4.75%), maturity 4/17/28	Healthcare & Pharmaceuticals	-	20,000
		<b>\$ 23,229,729</b>	<b>\$ 13,913,615</b>

Unfunded commitments represent all amounts unfunded as of September 30, 2022 and December 31, 2021. These amounts may or may not be funded to the borrowing party now or in the future.

## Note 10. Financial Highlights

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
<b>Per Share Data:</b>				
Net asset value, beginning of period	\$ 9.27	\$ 9.35	\$ 9.36	\$ 9.31
Net investment income <sup>(a)</sup>	0.14	0.10	0.36	0.30
Net realized gain (loss) on investments and change in unrealized (depreciation) appreciation on investments <sup>(a)(b)</sup>	0.01	-	(0.10)	0.04
Net increase in net assets resulting from operations	\$ 0.15	\$ 0.10	\$ 0.26	\$ 0.34
Effect of equity capital activity				
Distributions to stockholders from net investment income	-	-	(0.20)	(0.20)
Net asset value at end of period	\$ 9.42	\$ 9.45	\$ 9.42	\$ 9.45
Total return <sup>(c)(g)</sup>	1.62%	1.07%	2.78%	3.65%
Shares of common stock outstanding at end of period	45,314,885	39,961,405	45,314,885	39,961,405
<b>Statement of Assets and Liabilities Data:</b>				
Net assets at end of period	\$ 426,911,103	\$ 377,720,839	\$ 426,911,103	\$ 377,720,839
Average net assets <sup>(d)</sup>	424,590,597	376,129,598	414,120,178	370,187,593
<b>Ratio/Supplemental Data:</b>				
Ratio of gross expenses to average net assets-annualized <sup>(e)</sup>	2.68%	1.63%	2.26%	1.62%
Ratio of net expenses to average net assets- annualized <sup>(f)</sup>	1.57%	1.04%	1.30%	1.05%
Ratio of net investment income to average net assets-annualized	6.16%	4.18%	5.12%	4.20%
Portfolio turnover <sup>(g)</sup>	0.92%	1.38%	0.95%	4.80%

- (a) Based on weighted average basic per share of Common Stock data.  
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
- (b) 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, 2022 through November 14, 2022, the Company invested \$8,129,640 at cost in 22 different portfolio companies.

On September 23, 2022, the Company delivered a capital drawdown notice to an investor relating to the sale of 2,653,928 shares of the Common Stock for an aggregate offering price of \$25.0 million. The sale closed on October 7, 2022. On October 14, 2022, the Company issued a Tender Offer to repurchase \$15.0 million worth of Common Stock from the Stockholder. The Offer was accepted on November 10, 2022.

The sale of Common Stock was made pursuant to a subscription agreement entered into by the Company and the investor. Under the terms of the subscription agreement, the investor is required to fund drawdowns to purchase shares of Common Stock up to the amount of its capital commitment on an as-needed basis with a minimum of 10 calendar days' prior notice.

The issuance of the Common Stock is exempt from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), pursuant to Section 4(a)(2) thereof. The Company has not engaged in general solicitation or advertising with regard to the issuance and sale of the Common Stock and has not offered securities to the public in connection with such issuance and sale.

## 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, rising interest rates and conditions affecting the financial and capital markets, which could result in changes to the value of our assets;
- changes in the general economy, slowing economy, rising inflation and risk of recession;
- supply chain disruptions in connection with shutdowns in China and elsewhere and similar factors related to COVID-19;
- uncertainty surrounding financial and political stability of the United States, the United Kingdom, the European Union, and China, and the war between Russia and Ukraine;
- 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 dependence of our future success on the general economy and its effect on the industries in which we invest;
- our ability to continue to effectively manage our business due to COVID-19 and similar pandemics;
- 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 under "Item 1A. Risk Factors" and elsewhere in our Annual Report on Form 10-K filed on March 25, 2022 (file no. 814-01154) (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 the section entitled "Item 1A. Risk Factors" of this quarterly report and 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 intends to comply with the requirements 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, however, 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 will 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.

### *COVID-19 and Related Developments*

Market disruptions caused by the COVID-19 pandemic have adversely affected the business operations of some, if not all, of our portfolio companies and may continue to affect their operations, as well as and the operations of our Adviser. We cannot predict the ultimate full impact of COVID-19 on our business operations, the extent of the global economic recovery and the uncertainty surrounding the efficiency and success of the global vaccination efforts as more contagious strains of the virus emerge in various countries, including the United States. Such contagious variants, in conjunction with business reopenings, more frequent social gatherings, and decreasing public concern regarding COVID-19 have resulted in surges in the rates of COVID-19 infections in the United States and worldwide. Even if the prevalence of COVID-19 diminishes, lingering impacts such as supply chain disruptions and inflation are negatively affecting our portfolio companies and may lead to a decline in economic growth. We expect COVID-19 and/or other health pandemics and consequent supply chain disruptions to affect negatively our operating results and financial condition and the operating results and financial condition of our portfolio companies. We will continue to monitor developments relating to the COVID-19 pandemic and guidance from U.S. and international authorities, including federal, state and local public health officials and may take additional actions based on their recommendations.

## PORTFOLIO COMPOSITION AND INVESTMENT ACTIVITY

### Portfolio Composition

The fair value of our investments, comprised of syndicated loans and equity, as of September 30, 2022, was approximately \$437,641,601 and held in 230 portfolio companies. The fair value of our investments, comprised of syndicated loans and equity, as of December 31, 2021, was approximately \$403,054,374 and held in 215 portfolio companies as of December 31, 2021.

During the nine months ended September 30, 2022, we invested in 105 new investments for a combined \$85,123,197 and in existing investments for a combined \$9,221,444. We also received \$52,253,887 in repayments from investments and \$4,047,932 from investments sold during the nine months ended September 30, 2022. During the nine months ended September 30, 2021, we invested in 68 new investments for a combined \$81,669,043 and in existing investments for a combined \$7,643,513. We also received \$66,357,177 in repayments from investments and \$17,331,786 from investments sold during the nine months ended September 30, 2021.

In addition, for the three and nine months ended September 30, 2022, we had a change in unrealized appreciation (depreciation) of approximately \$71,842 and \$(4,599,524) respectively, and realized gains of \$93,515 and \$431,080, respectively. In addition, for the three and nine months ended September 30, 2021, we had a change in unrealized appreciation of approximately \$94,068 and \$2,369,406, respectively, and realized gains (losses) of \$183,204 and \$(450,168), respectively.

Our investment activity for the nine months ended September 30, 2022 and 2021, is presented below:

	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Beginning investment portfolio, at fair value	\$ 403,054,374	\$ 355,359,843
Investments in new portfolio investments	85,123,197	81,669,043
Investments in existing portfolio investments	9,221,444	7,643,513
Principal repayments	(52,253,887)	(66,357,177)
Proceeds from investments sold	(4,047,932)	(17,331,786)
Change in premiums, discounts and amortization	712,849	538,786
Net change in unrealized (depreciation) appreciation on investments	(4,599,524)	2,369,406
Realized gain (loss) on investments	431,080	(450,168)
Ending portfolio investment activity, at fair value	\$ 437,641,601	\$ 363,441,460
Number of portfolio investments	257	233
Average investment amount, at cost	\$ 1,725,601	\$ 1,565,249
Percentage of investments at floating rates	100.00%	99.42%

As of September 30, 2022 and December 31, 2021, our entire portfolio consisted of non-controlled/non-affiliated investments.

### RECENT DEVELOPMENTS

Subsequent to September 30, 2022 and through November 14, 2022, we invested \$8,129,640 at cost in 22 portfolio companies.

On September 23, 2022, we delivered a capital drawdown notice to an investor relating to the sale of 2,653,928 shares of the Common Stock for an aggregate offering price of \$25.0 million. The sale closed on August 11, 2022. On October 13, 2022, the Company issued a Tender Offer to repurchase \$15.0 million worth of Common Stock. The Offer was accepted on November 10, 2022.

The sale of Common Stock was made pursuant to a subscription agreement entered into by us and the investor. Under the terms of the subscription agreement, the investor is required to fund drawdowns to purchase shares of Common Stock up to the amount of its capital commitment on an as-needed basis with a minimum of 10 calendar days' prior notice.

The issuance of the Common Stock is exempt from the registration requirements of the Securities Act pursuant to Section 4(a)(2) thereof. We have not engaged in general solicitation or advertising with regard to the issuance and sale of the Common Stock and have not offered securities to the public in connection with such issuance and sale.

## 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. This "Results of Operations" section should be read in conjunction with the "COVID-19 Developments" section above.

### Revenue

Total investment income for the three and nine months ended September 30, 2022 and 2021 is presented in the table below.

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Total interest income from non-controlled/non-affiliated investments	\$ 8,067,475	\$ 4,924,039	\$ 19,519,603	\$ 14,455,194
Total other interest income	10,850	477	11,630	1,107
Total other income	196,474	20,772	374,849	83,774
Total investment income	<u>\$ 8,274,799</u>	<u>\$ 4,945,288</u>	<u>\$ 19,906,082</u>	<u>\$ 14,540,075</u>

Total investment income for the three months ended September 30, 2022 increased to \$8,274,799 from \$4,945,288 for the three months ended September 30, 2021, and was driven by the increase in LIBOR. Total investment income for the nine months ended September 30, 2022 increased to \$19,906,082 from \$14,540,075 for the nine months ended September 30, 2021, and was driven by an increase in LIBOR and from our increasing investment balance. As of September 30, 2022 and 2021, the size of our debt portfolio was \$440,936,825 and \$364,195,915 at amortized cost, respectively, with total debt principal amount outstanding of \$445,300,644 and \$366,609,077, respectively.

### Expenses

Total expenses net of waivers for the three and nine months ended September 30, 2022 and 2021, were as follows:

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Base management fee <sup>(a)</sup>	\$ 1,174,798	\$ 947,361	\$ 3,295,451	\$ 2,810,141
Incentive fee <sup>(a)</sup>	1,027,544	260,092	2,201,758	647,839
Administrative fee <sup>(a)</sup>	66,250	66,250	198,750	198,750
Directors' fees	60,000	56,250	180,000	168,750
Professional fees	134,052	108,251	426,588	345,947
Other expenses	79,077	108,702	236,011	314,632
Interest expense	322,175	-	458,976	-
Total expenses	2,863,896	1,546,906	6,997,534	4,486,059
Base management fee waivers <sup>(a)</sup>	(411,179)	(331,576)	(1,153,408)	(983,548)
Incentive fee waivers <sup>(a)</sup>	(771,274)	(234,083)	(1,809,582)	(583,056)
Total expenses, net of waivers	<u>\$ 1,681,443</u>	<u>\$ 981,247</u>	<u>\$ 4,034,544</u>	<u>\$ 2,919,455</u>

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

The increase in base management fees before waivers for the three months ended September 30, 2022 in comparison to the three months ended September 30, 2021 was driven by our increasing invested balance. For the three months ended September 30, 2022 and 2021, we accrued gross base management fees before waivers of \$1,174,798 and \$947,361, respectively. Offsetting those fees, we recognized base management fee waivers of \$411,179 and \$331,576, respectively, for the same periods. The increase in incentive fees related to net investment income for the three months ended September 30, 2022 in comparison to the three months ended September 30, 2021 was driven by the increase in SOFR which increased the yield of our variable rate debt investments. For the three months ended September 30, 2022, we accrued incentive fees related to net investment income before waivers of \$1,027,544, offset by incentive fee waivers of \$771,274. For the three months ended September 30, 2021, we accrued incentive fees related to net investment income before waivers of \$260,092, offset by incentive fee waivers of \$234,083. Additionally, we accrued \$66,250 of administrative fees for each of the three months ended September 30, 2022 and 2021. 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 months ended September 30, 2022 and 2021, we incurred other expenses of \$79,077 and \$108,702, respectively, related to subscription fees, operating fees, custody fees, and other company expenses. We also incurred expenses related to fees paid to our independent directors of \$60,000 and \$56,250 for the three months ended September 30, 2022 and 2021, respectively.

The increase in base management fees before waivers for the nine months ended September 30, 2022 in comparison to the nine months ended September 30, 2021 was driven by our increasing invested balance. For the nine months ended September 30, 2022 and 2021, we accrued gross base management fees before waivers of \$3,295,451 and \$2,810,141, respectively. Offsetting those fees, we recognized base management fee waivers of \$1,153,408 and \$983,548, respectively. The increase in incentive fees related to net investment income for the nine months ended September 30, 2022 in comparison to the nine months ended September 30, 2021 was driven by our increasing invested balance and the increase in SOFR, which increased the yield of our variable rate debt investments. For the nine months ended September 30, 2022, we accrued incentive fees related to net investment income before waivers of \$2,201,758, offset by incentive fee waivers of \$1,809,582. For the nine months ended September 30, 2021, we accrued incentive fees related to net investment income before waivers of \$647,839, offset by incentive fee waivers of \$583,056. Additionally, we accrued \$198,750 of administrative fees for both the nine months ended September 30, 2022 and 2021. 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 nine months ended September 30, 2022 and 2021, we incurred other expenses of \$236,011 and \$314,632, respectively, related to subscription fees, operating fees, custody fees, and other company expenses. We also incurred expenses related to fees paid to our independent directors of \$180,000 and \$168,750 for the nine-month period ended September 30, 2022 and 2021, respectively.

#### ***Realized and Unrealized Gains and Losses***

We recognized \$93,515 and \$183,204 in net realized gains for the three months ended September 30, 2022 and 2021, respectively. We recognized \$431,080 and \$(450,168) in net realized gain (losses) for the nine months ended September 30, 2022 and 2021, respectively.

Net change in unrealized appreciation (depreciation) on investments for the three and nine months ended September 30, 2022 and 2021 was as follows:

Type	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
First Lien Debt	\$ 538,619	\$ 183,118	\$ (4,590,221)	\$ 1,801,863
Unitranche Debt	(706,854)	(157,821)	(334,777)	(163,580)
Second Lien Debt	(36,679)	20,633	(21,050)	438,678
Equity and Preferred Shares	276,756	48,138	346,524	292,445
Net change in unrealized appreciation (depreciation) on investments	\$ 71,842	\$ 94,068	\$ (4,599,524)	\$ 2,369,406

Net change in unrealized depreciation on investments during the three and nine months ended September 30, 2022 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 and nine months ended September 30, 2021 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 and cash distributions to our stockholders. As of September 30, 2022 and December 31, 2021, we had cash of \$11,339,067 and \$11,058,796, respectively. This “Financial Condition, Liquidity and Capital Resources” section should be read in conjunction with the “COVID-19 Developments” section above.

### Operating Activities

Net cash used in operating activities for the nine months ended September 30, 2022 was \$59,662,071. The primary operating activities during this period were investments in portfolio companies. This was partially offset by repayments of bank loans. Net cash provided by operating activities for the nine months ended September 30, 2021 was \$1,810,650. The primary operating activities during this period were investments in portfolio companies. This was partially offset by repayments of bank loans.

As of September 30, 2022, we had 68 investments with unfunded commitments of \$23,229,729. As of December 31, 2021, we had 36 investments with unfunded commitments of \$13,913,615. We believe that, as of both September 30, 2022 and December 31, 2021, we had sufficient assets to adequately cover any obligations under our unfunded commitments.

The following table summarizes our total portfolio activity during the nine months ended September 30, 2022 and 2021:

	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Beginning investment portfolio	\$ 403,054,374	\$ 355,359,843
Investments in new portfolio investments	85,123,197	81,669,043
Investments in existing portfolio investments	9,221,444	7,643,513
Principal repayments	(52,253,887)	(66,357,177)
Proceeds from sales of investments	(4,047,932)	(17,331,786)
Net change in unrealized (depreciation) appreciation on investments	(4,599,524)	2,369,406
Net realized gain (loss) on investments	431,080	(450,168)
Net change in premiums, discounts and amortization	712,849	538,786
<b>Investment Portfolio, at Fair Value</b>	<b>\$ 437,641,601</b>	<b>\$ 363,441,460</b>

### Financing Activities

Net cash provided by our financing activities for the nine months ended September 30, 2022 was \$59,942,342, which consisted of \$85,000,000 from issuances of 9,092,488 Shares to our stockholders, in connection with our capital calls during the period and \$18,681,667 in connection with our short-term borrowings during the period. This was partially offset by \$35,000,000 in repurchases of shares to our stockholders, in connection to the Tender Offer during the period and \$8,739,325 in distributions payable to stockholders. Net cash provided by our financing activities for the nine months ended September 30, 2021 was \$7,298,120 which consisted of \$15,100,000 from issuances of 1,617,822 shares of Common Stock to our stockholders, in connection with our capital calls during the period. This was partially offset by \$7,801,880 of distributions paid to our common stockholders.

### Equity Activity

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

Amount	Date
\$ 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

As of September 30, 2022, \$25,000,000 of total capital commitments remained unfunded by our investors.

The number of shares of our Common Stock issued and outstanding as of September 30, 2022 and December 31, 2021, were 45,314,885 and 39,961,408, respectively.

### Distributions to Stockholders – Common Stock Distributions

We have elected to be treated, and intends to comply with the requirements 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 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 \$8,739,352, or \$0.200 per share during the three and nine months ended September 30, 2022. We declared and paid distributions of \$7,801,905, or \$0.200 per share during the three and nine months ended September 30, 2021.

The determination of the tax attributes of our distributions is made annually at the end of our taxable year, based upon our taxable income for the full taxable year and distributions paid for the full taxable year. Therefore, estimates made on an interim basis may not be representative of the actual tax attributes of distributions for a full year. The actual tax characteristics of distributions to stockholders will be reported to stockholders subject to information reporting after the close of each calendar year on Form 1099-DIV.

### ***Related Party Fees***

For the three months ended September 30, 2022 and 2021, we recorded base management fees of \$1,174,798 and \$947,361, respectively. Offsetting these fees were waivers to the base management fees of \$411,179 and \$331,576, respectively, as set forth within the accompanying statements of operations.

For the nine months ended September 30, 2022 and 2021, we recorded base management fees of \$3,295,451 and \$2,810,141, respectively. Offsetting those fees were waivers to the base management fees of \$1,153,408 and \$983,548, respectively, as set forth within the accompanying statements of operations.

For the three months ended September 30, 2022 and 2021, we recorded incentive fees of \$1,027,544 and \$260,092, respectively. Offsetting these fees were waivers to the incentive fees of \$771,274 and \$234,083, respectively, as set forth within the accompanying statements of operations.

For the nine months ended September 30, 2022 and 2021, we recorded incentive fees of \$2,201,758 and \$647,839, respectively. Offsetting those fees were waivers to the incentive fees of \$1,809,582 and \$583,056, respectively, as set forth within the accompanying statements of operations.

For both the three months ended September 30, 2022 and 2021, we recorded administrative fees of \$62,500, as set forth within the accompanying statements of operations. For both the nine months ended September 30, 2022 and 2021, 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, 2022 and December 31, 2021 on our accompanying statements of assets and liabilities were as follows:

	September 30, 2022	December 31, 2021
Net base management fee due to Adviser	\$ 1,467,058	\$ 620,269
Net incentive fee due to Adviser	349,544	20,060
<b>Total fees due to Adviser, net of waivers</b>	<b>1,816,602</b>	<b>640,329</b>
Fee due to Administrator, net of waivers	132,500	66,250
<b>Total Related Party Fees Due</b>	<b>\$ 1,949,102</b>	<b>\$ 706,579</b>

### *Tender Offers*

To provide our stockholders with limited liquidity, we may, in the absolute discretion of our Board of Directors, conduct an annual Tender Offer. Our Tenders for the shares of Common Stock, if any, would be 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 22, 2022, the Company issued a Tender Offer to repurchase \$20.0 million worth of Common Stock from the stockholders. The Offer was accepted on May 19, 2022. On July 14, 2022, the Company issued a Tender Offer to repurchase \$15.0 million worth of Common Stock from the stockholders. The Offer was accepted on August 11, 2022.

### **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*

We conduct the valuation of our investments, pursuant to which our net asset value is determined, at all times consistent with GAAP and the 1940 Act. Our Board of Directors, with the assistance of our Audit Committee, determines the fair value of our investments, for investments with a public market and for investments with no readily available public market, on at least a quarterly basis, in accordance with the terms of ASC 820. Our valuation procedures are set forth in more detail below.

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 hierarchical 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.

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, we value 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. We 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, we determine whether the quote obtained is sufficient according to GAAP to determine the fair value of the security. If determined adequate, we use 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 our Board of Directors, 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. The process used to determine the applicable value is as follows:

- (i) Each portfolio company or investment is initially valued by the investment professionals of the Adviser responsible for the portfolio investment using a standardized template designed to approximate fair market value based on observable market inputs and updated credit statistics and unobservable inputs. Additionally, as a part of our valuation process, the Adviser may employ the services of one or more independent valuation firms engaged by us;
- (ii) Preliminary valuation conclusions are documented and discussed with our senior management and members of the Adviser's valuation team;
- (iii) Our Audit Committee reviews the assessments of the Adviser or independent valuation firm (to the extent applicable) and provides our Board of Directors with recommendations with respect to the fair value of the investments in our portfolio; and
- (iv) Our Board of Directors discusses the valuation recommendations of our Audit Committee and determines the fair value of the investments in our portfolio in good faith based on the input of the Adviser, the independent valuation firm (to the extent applicable) and in accordance with our valuation policy.

Our Audit Committee's recommendation of fair value is generally based on its assessment of the following factors, as relevant:

- the nature and realizable value of any collateral;

- call features, put features and other relevant terms of debt;
- the portfolio company's ability to make payments;
- the portfolio company's actual and expected earnings and discounted cash flow;
- prevailing interest rates for like securities and expected volatility in future interest rates;
- the markets in which the portfolio company does business and recent economic and/or market events; and
- comparisons to publicly traded securities.

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.

Our Board of Directors is responsible for the determination, in good faith, of the fair value of our portfolio investments.

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.

In addition, on December 3, 2020, the SEC announced that it adopted Rule 2a-5 under the 1940 Act, which establishes an updated regulatory framework for determining fair value in good faith for purposes of the 1940 Act. The new rule clarifies how fund boards can satisfy their valuation obligations in light of recent market developments. The rule will permit boards, subject to board oversight and certain other conditions, to designate certain parties to perform the fair value determinations. We will continue to review the adopted rule and its impact on us and our valuation policies.

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

### ***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 dividends, 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, 2021, 2020, and 2019.

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, the Adviser or the Administrator 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, the Adviser nor the Administrator 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, 2022, we had 68 investments with unfunded commitments of \$23,229,729. As of December 31, 2021, we had 36 investments with unfunded commitments of \$13,913,615. We believe that, as of September 30, 2022 and December 31, 2021, 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 LIBOR 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. In addition, U.S. and global capital markets and credit markets have experienced a higher level of stress due to the global COVID-19 pandemic, which has resulted in an increase in the level of volatility across such markets and a general decline in value of the securities held by us. 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.

Debt investments that we make may be based on floating rates, such as SOFR (as defined below), LIBOR, the Euro Interbank Offered Rate, the Federal Funds Rate or the Prime Rate. General interest rate fluctuations may have a substantial negative impact on our investments, the value of our securities and our rate of return on invested capital. It is unclear how increased regulatory oversight and the future of LIBOR may affect market liquidity and the value of the financial obligations to be held by or issued to us that are linked to LIBOR, or how such changes could affect our investments and transactions and financial condition or results of operations. On March 5, 2021, the Financial Conduct Authority and ICE Benchmark Authority announced that the publication of all EUR and CHF LIBOR settings, the Spot Next/Overnight, 1 week, 2 month and 12 month JPY and GBP LIBOR settings, and the 1 week and 2 months US dollar LIBOR settings ceased to be published as of December 31, 2021, while the publication of the overnight, 1 month, 3 month, 6 month, and 12 months U.S. dollar (“USD”) LIBOR settings will cease after June 30, 2023. The Alternative Reference Rates Committee, a U.S.-based group convened by the Federal Reserve and the Federal Reserve Bank of New York, has identified the Secured Overnight Financing Rate (“SOFR”) as its preferred alternative rate for LIBOR. SOFR is a measure of the cost of borrowing cash overnight, collateralized by the U.S. Treasury securities, and is based on directly observable U.S. Treasury-backed repurchase transactions. We expect that a substantial portion of our future floating rate investments will be linked to SOFR.

In addition, inflation resulting from supply chain disruptions caused by the war between Russia and Ukraine and the COVID-19 pandemic has resulted in a general increase of certain interest rates by the U.S. Federal Reserve and other central banks. A continued increase in interest rates, including SOFR, could affect our gross investment income.

Change in interest rates	Increase (decrease) in investment income
Up 300 basis points	10,866,964
Up 200 basis points	6,413,957
Up 100 basis points	1,960,951
Down 100 basis points	(88,131)
Down 200 basis points	(88,131)
Down 300 basis points	(88,131)

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 Consolidated 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 quarterly 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

In addition to the risks discussed below, important risk factors that could cause results or events to differ from current expectations are described in Part I, Item 1A “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on March 25, 2022.

***Legislation passed in 2018 allows us to incur additional leverage and would require us to offer liquidity to our stockholders.***

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 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. As a result, if we receive the relevant approval and we comply with the applicable disclosure requirements, we would be able to incur additional leverage, which may increase the risk of investing in us. In addition, since our base management fee is payable based upon our average adjusted gross assets, which includes any borrowings for investment purposes, our base management fee expenses may increase if we incur additional leverage.

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 over the next year following the calendar quarter in which the approval was obtained. On April 22, 2022, the Company issued a Tender Offer to repurchase \$20.0 million worth of Common Stock from the stockholders. The Offer was accepted on May 19, 2022. On July 14, 2022, the Company issued a Tender Offer to repurchase \$15.0 million worth of Common Stock from the stockholders. The Offer was accepted on August 11, 2022.

***Political, social and economic uncertainty, including uncertainty related to Russia’s military invasion of Ukraine, create and exacerbate risks.***

Russia’s invasion of Ukraine in February 2022 and corresponding events have had, and could continue to have, severe adverse effects on regional and global economic markets. Following Russia’s actions, various governments, including the United States, have issued broad-ranging economic sanctions against Russia, including, among other actions, a prohibition on doing business with certain Russian companies, large financial institutions, officials and oligarchs; a commitment by certain countries and the European Union to remove selected Russian banks from the Society for Worldwide Interbank Financial Telecommunications, the electronic banking network that connects banks globally; and restrictive measures to prevent the Russian Central Bank from undermining the impact of the sanctions. The duration of hostilities and the vast array of sanctions and related events (including cyberattacks and espionage) cannot be predicted. Those events present material uncertainty and risk with respect to markets globally, which pose potential adverse risks to us and the performance of our investments and operations. Any such market disruptions could affect our portfolio companies’ operations and, as a result, could have a material adverse effect on our business, financial condition and results of operations.

### ***Inflation and Supply Chain Risk***

Economic activity has continued to accelerate across sectors and regions. Nevertheless, due to global supply chain issues, geopolitical events, a rise in energy prices and strong consumer demand as economies continue to reopen, inflation is showing signs of acceleration in the U.S. and globally. Inflation is likely to continue in the near to medium-term, particularly in the U.S., with the possibility that monetary policy may tighten in response. Persistent inflationary pressures could affect our portfolio companies profit margins.

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

Refer to our Current Report on Form 8-K filed on July 8, 2022 for issuances of our Common Stock during the quarter ended September 30, 2022. Such issuances were exempt from the registration requirements of the Securities Act pursuant to Section 4(a)(2) of the Securities Act and Regulation D thereunder.

### **ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

Not applicable.

### **ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

### **ITEM 5. OTHER INFORMATION**

Not applicable.

### **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 \(Incorporated by reference to Exhibit 99.1 to Pre-Effective Amendment No. 1 to the Registration Statement on Form 10, File No. 000-55426, filed on June 5, 2015\).](#)

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\* Filed herewith

**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 14, 2022

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

Date: November 14, 2022

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



EXHIBIT 31.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO EXCHANGE ACT  
RULES 13a-14 AND 15d-14**

I, Michael P. McGonigle, Chief Executive Officer of Audax Credit BDC Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Audax Credit BDC Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2022

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

**EXHIBIT 31.2**

**CERTIFICATION OF CHIEF FINANCIAL OFFICER  
PURSUANT TO EXCHANGE ACT  
RULES 13a-14 AND 15d-14**

I, Richard T. Joseph, Chief Financial Officer of Audax Credit BDC Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Audax Credit BDC Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2022

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

**EXHIBIT 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**

In connection with the Quarterly Report on Form 10-Q of Audax Credit BDC Inc. (the "Company") for the quarterly period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael P. McGonigle, as Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Michael P. McGonigle

\_\_\_\_\_  
Name: **Michael P. McGonigle**  
Title: **Chief Executive Officer**

Date: November 14, 2022

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**EXHIBIT 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**

In connection with the Quarterly Report on Form 10-Q of Audax Credit BDC Inc. (the “Company”) for the quarterly period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Richard T. Joseph, as Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard T. Joseph

Name: **Richard T. Joseph**

Title: **Chief Financial Officer**

Date: November 14, 2022

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