



FIDUS

INVESTMENT
CORPORATION

Investor Presentation

NASDAQ:
Common Stock – FDUS



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I. Overview

Fidus Investment Corporation

Long term focus on delivering stable dividends, preserving capital and growing net asset value for our shareholders

History

- May 2007 – Closed initial fund and licensed as Small Business Investment Company (“SBIC”)
- June 2011 – Launched Initial Public Offering as externally managed Business Development Company (“BDC”)
- Today - Diversified investment portfolio totaling \$957.9 million in 81 companies (December 31, 2023)

Target Company Characteristics

- Niche market leaders with defensible market positions
- Diversified customer and supplier bases
- Strong free cash flows or asset support
- Significant enterprise value / equity cushions
- Strong management teams with meaningful equity ownership or incentives

Strategy

- Provide customized debt and equity financing solutions primarily to lower middle market companies based in the U.S.
- Well-established direct origination network
- Deep industry sector experience
- Disciplined investment and asset management process

Key Investment Highlights

- Lower middle market offers significant opportunity for attractive risk-adjusted returns
- SBIC licenses provide access to low cost, fixed rate unsecured debt financing
- Seasoned management team with a proven track record of preserving capital, growing NAV and generating cumulative adjusted NII in excess of cumulative dividends
- Consistently deliver higher ROE vs. BDC peers

II. Investment Strategy & Performance

Proven Investment Strategy

- **Provide custom-tailored debt and equity financing solutions for lower middle market companies**
 - Finance event-driven transactions such as leveraged buyouts, refinancings, recapitalizations, acquisitions and growth capital
 - Opportunistic investments in special situations with high downside protection or asset support
 - Partnership approach with long-term investment perspective
- **Disciplined investment and asset management process**
 - Highly selective, “PE style” underwriting methodology
 - Focus on industries and sponsors we know well
 - Manage the credit documentation process to ensure structural protections
 - Proactive risk management
- **Target investments between \$5 - \$35 million per portfolio company**
 - First lien / unitranche debt
 - Second lien and subordinated debt
 - Equity, including preferred, common and/or warrants

Emphasis on Capital Preservation with Upside Potential

Lower Middle Market Focus

- **Large, fragmented market**
 - More than 100,000 companies in the lower middle market
 - Target firms with annual revenues between \$10 and \$150 million
- **Consistent long-term need for investment capital**
 - Lower middle market predominantly comprised of private companies
 - Limited access to the broader capital markets
- **Underserved by traditional capital providers**
 - Great Recession led to the exit of many traditional financing sources
 - Recent COVID-19 crisis has exacerbated the problem
- **Opportunity for attractive risk-adjusted returns**
 - Lower leverage and higher pricing
 - Structural protections and covenants that allow for proactive risk management
- **Ability to co-invest in equity securities alongside deal partners or management teams**
- **Fidus professionals have been active in the lower middle market for > two decades**

Fidus Is Well Positioned in the attractive Lower Middle Market

Investment Criteria

Target established, profitable companies with the following characteristics:

- **Niche market leaders with defensible market positions**
 - Products or services of enduring value and/or sustainable competitive advantages
- **Diversified customer and supplier bases**
- **Proven business models with strong free cash flows or asset support**
 - Annual EBITDA of \$5 to \$30 million
- **Significant margin of safety / meaningful enterprise value cushion**
 - Robust assessment of relative value using public and private data sources
 - Significant equity cushions and multiple refinancing / exit options
- **Experienced and successful management teams with meaningful ownership stakes**
- **Well-defined value creation strategies:**
 - Growth: Business plans with growth potential supported by underlying industry themes
 - Consolidation: Numerous acquisition or sale opportunities, often with high synergy capture rate
 - Operational: Under-developed companies with clearly stated improvement areas
 - Opportunistic: Strong intrinsic value and asset support; adversely impacted by isolated events, industry cycles, or temporary stress

Proprietary Direct Origination Platform

Extensive, diverse relationships across the lower middle market drive attractive deal flow and present significant growth opportunities

Platform Overview

- Unique platform with direct origination capabilities across multiple channels
 - ✓ Leading private equity firms
 - ✓ Independent deal sponsors
 - ✓ “The Lower Middle Market Ecosystem”
- Emphasis on repeat clients and high quality partners → building real relationships
 - ✓ 2+ transactions completed with 22 firms
- Three regional offices allow for nationwide deal sourcing and strong local presence
 - ✓ Evanston
 - ✓ New York
 - ✓ Charlotte

Broad Origination Network

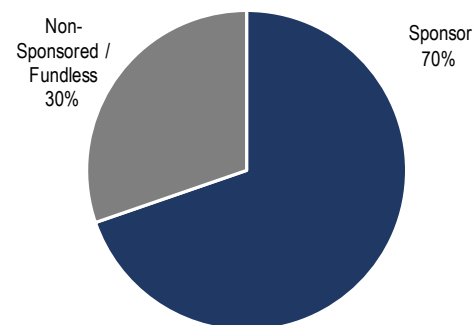
Committed Private
Equity Funds

Independent Sponsors

Intermediaries
and Advisors

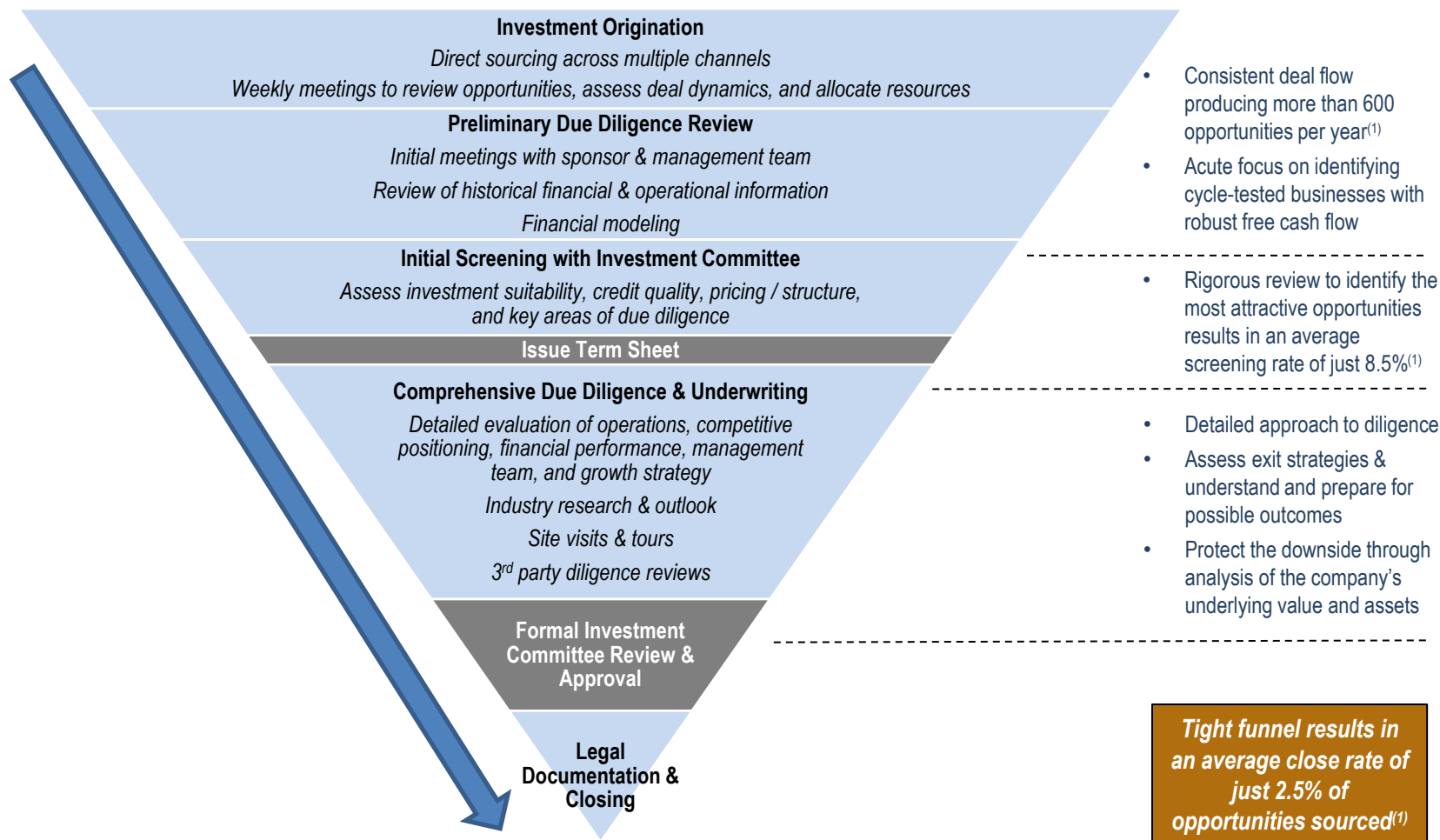
Other Lower Middle
Market Participants

Source of Originations (LTM Dec-23)



Disciplined Investment Process

- Rigorous analysis → deep, data-intensive review of investment target and industry fundamentals
- Focus on minimizing risk of capital loss without forgoing opportunity for capital appreciation



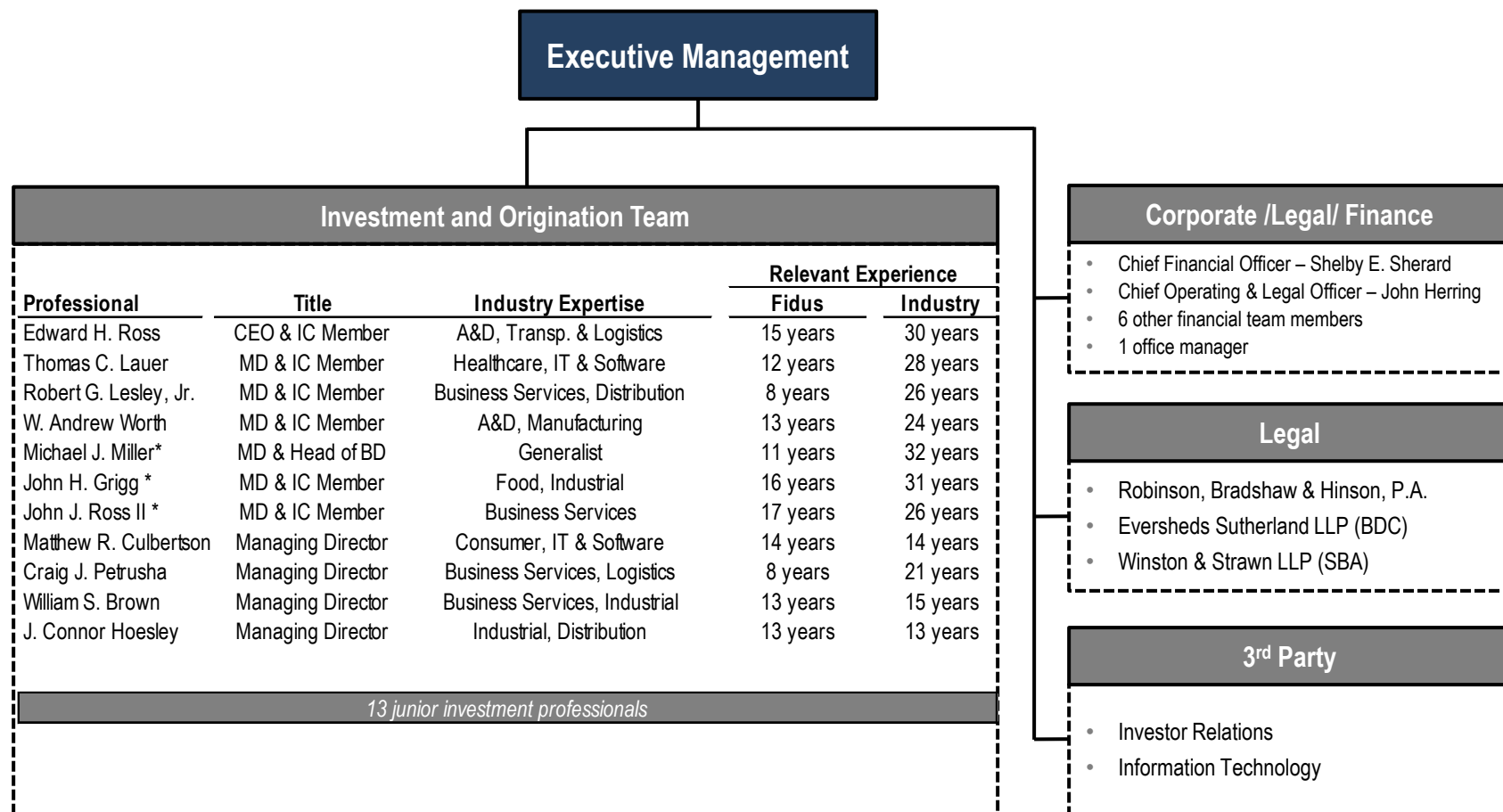
(1) Based on five-year averages (2018-2022).

Proactive Risk Management

- **Proactive portfolio monitoring**
 - Monthly financial review and quarterly covenant compliance
 - Active dialogue with management teams and sponsors
 - Board observation rights in large majority of investments
 - Quarterly portfolio reviews with Investment Committee
 - Objective risk rating system
 - Structural protections provide the ability to impact outcomes
- **Culture of capital preservation**
 - Regular / ad hoc reporting to the Investment Committee
 - Anticipation of negative credit events
 - Multiple layers of review (internal & external)
 - Robust internal compliance controls
- **Independent oversight of fair value process**
 - Multiple 3rd party valuation firms

Experienced Team

- Fidus' senior investment professionals have an average of >25 years of relevant experience
- Founding members have worked together for the majority of the last 20+ years
- 30 professionals across three offices (Charlotte, Evanston, and New York)



* Denotes a team member that is also employed by Fidus Partners, LLC, an M&A advisory services firm and an affiliate of Fidus Investment Advisors, LLC, the external manager of FDUS.

Performance Track Record

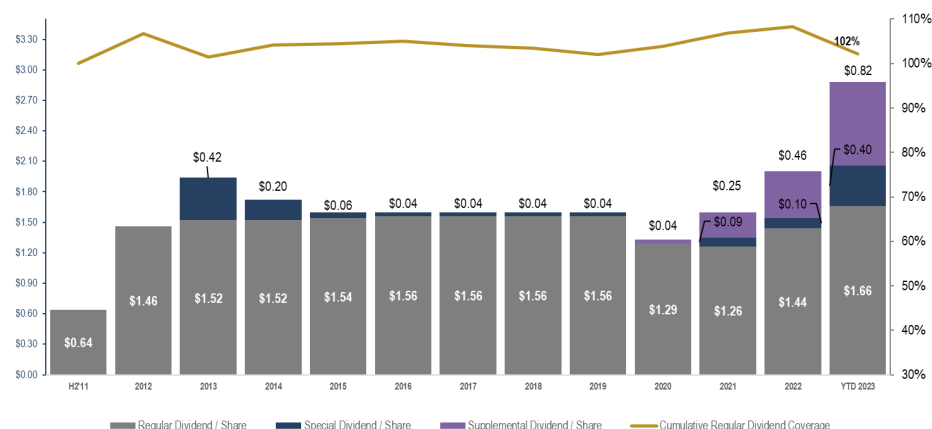
Long-term focus on maintaining dividend coverage and preserving capital

Dividend and Distributions

(\$ per share)

- Cumulative adjusted net investment income exceeds cumulative regular dividends
 - ✓ Thirty special or supplemental dividends declared since IPO (aggregate of \$3.00 per share)
 - ✓ Undistributed spillover income of \$1.37 per share as of December 31, 2023
- Current LTM total dividend yield of 14.6% as of December 31, 2023⁽¹⁾

FDUS Shareholder Distributions and Cumulative Adjusted NII Coverage

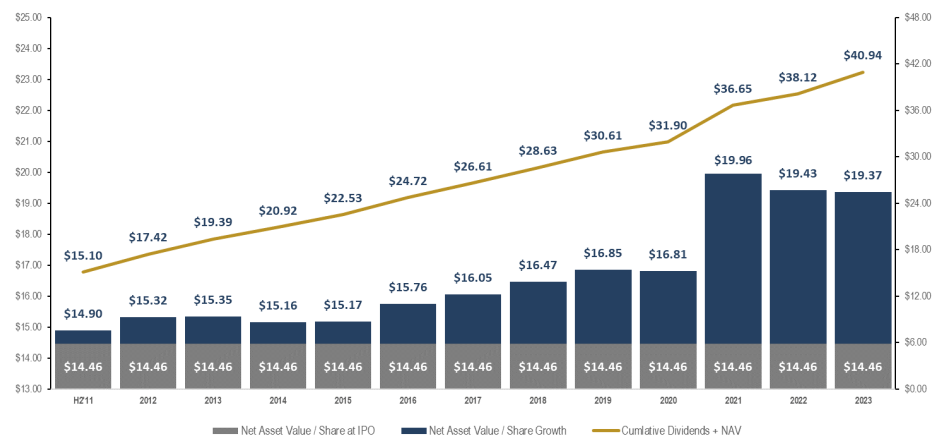


Capital Preservation

(\$ per share)

- NAV consistently above initial IPO level for 50 consecutive quarters
 - ✓ Timing of equity gains are difficult to predict but provide long-term NAV support
 - ✓ Cumulative realized net capital gains of \$157.9 million
- Adjusted NAV per share at December 31, 2023 = \$19.37 (33.9% premium to IPO level of \$14.46)

FDUS NAV Growth and Cumulative Dividends



Capital. Partnership. Expertise.

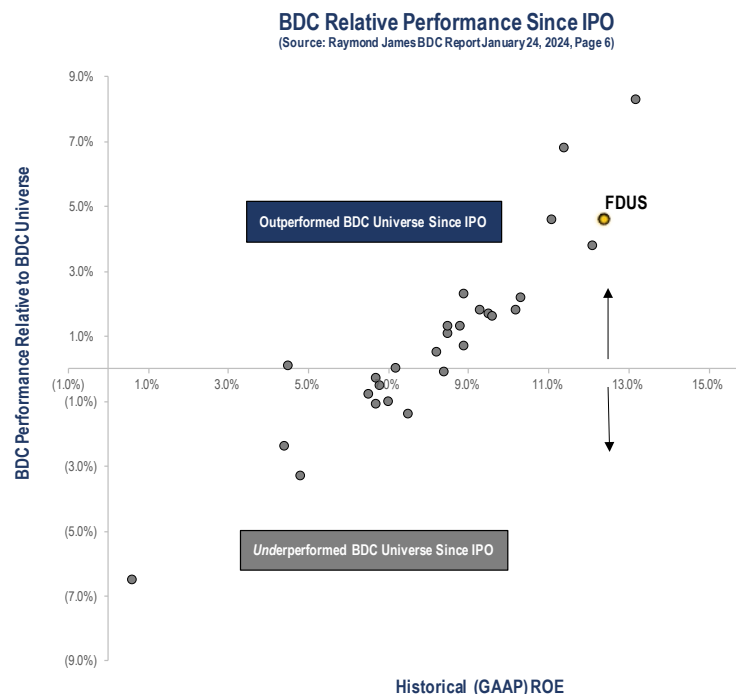
www.fidus.com

(1) Based on LTM total dividends of \$2.88 per share (including supplemental and special cash dividends) and \$19.69 closing price on December 31, 2023.

BDC Industry Performance

FDUS has generated excellent results compared to other industry participants

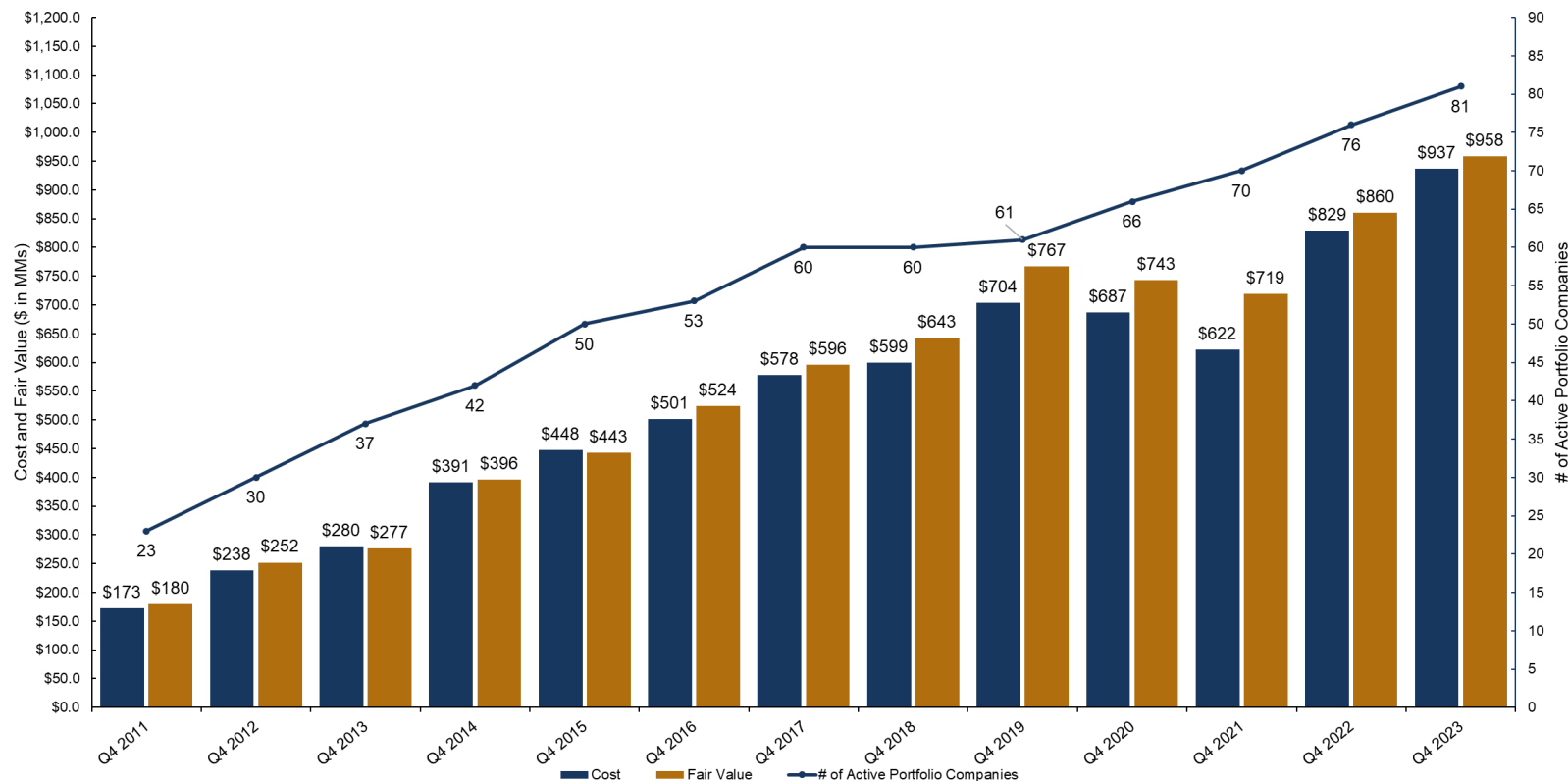
- Historical annual median GAAP ROE of 12.4% since initial IPO
- One of the top five BDCs among 28 BDCs monitored by Raymond James (data through Q3'23)



III. Portfolio & Financial Review

Measured Annual Portfolio Growth

Fair Value, Cost & Number of Active Portfolio Companies⁽¹⁾



⁽¹⁾ Portfolio count excludes residual investments in portfolio companies that have sold their underlying operations

Diversified Portfolio⁽¹⁾

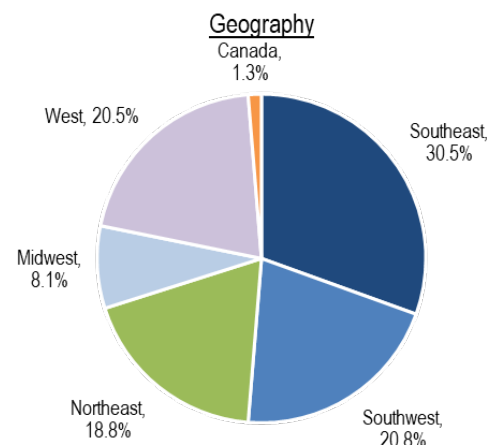
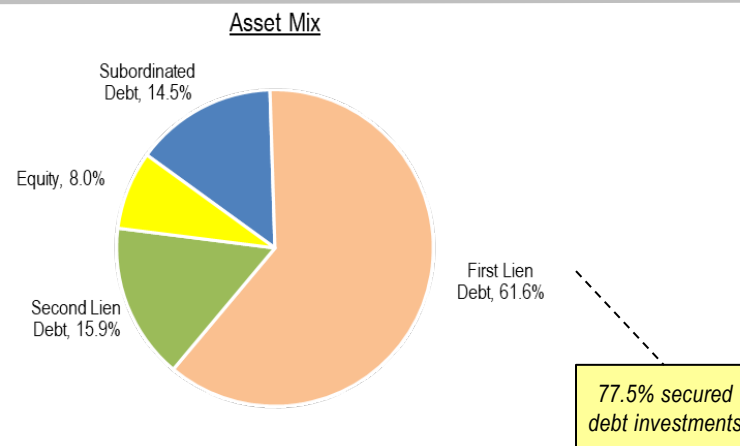
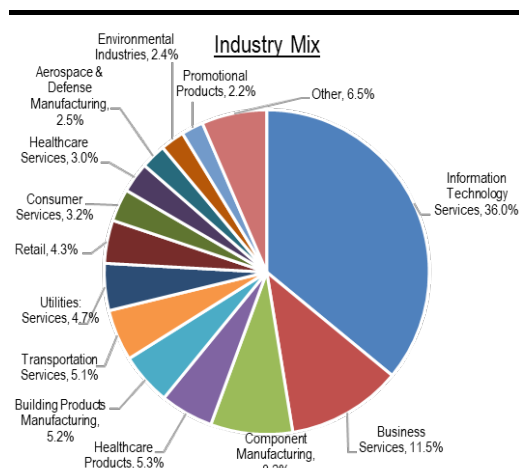
(\$ in Millions)

Invested Portfolio

Investments at Fair Value	\$957.9
Weighted Average Debt Yield ⁽²⁾	14.2%
Investments on Non-Accrual at Cost	3.4%
Investments on Non-Accrual at Fair Value	1.0%
Fair Value to Cost Ratio	102.3%

Portfolio Companies

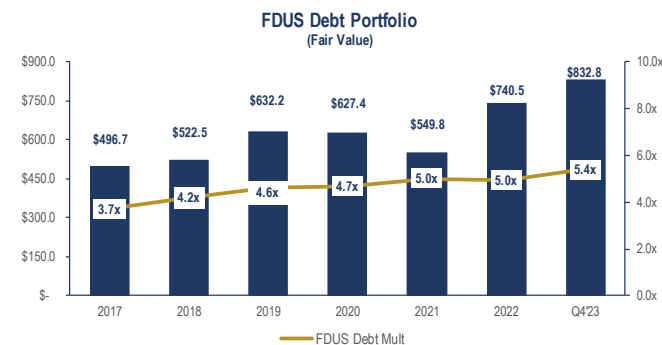
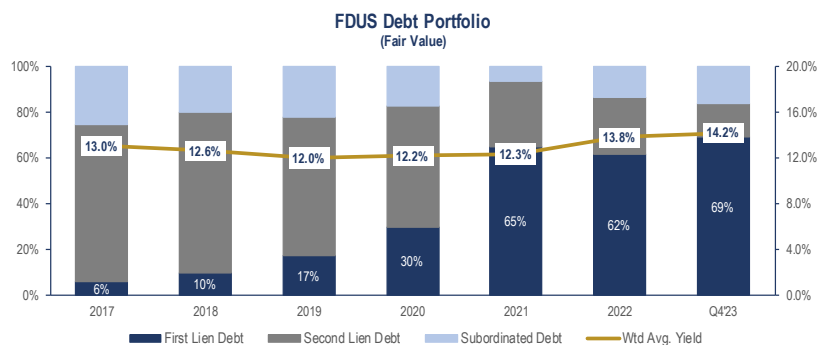
Number of Active Portfolio Companies ⁽³⁾	81
Average Total Net Leverage ⁽⁴⁾	5.4x
Average Interest Coverage ⁽⁵⁾	3.1x



- (1) Pie charts represent Fidus Investment Corporation's portfolio at cost as of December 31, 2023.
- (2) Weighted average yield calculated based on effective interest rates for all debt investments at cost at end of period, including accretion of original issue discount and loan origination fees but excluding investments on non-accrual and investments recorded as a secured borrowing, if any.
- (3) Excludes one inactive portfolio companies that have sold their underlying operations.
- (4) Represents the combined ratio of total net debt through Fidus' debt investments to total EBITDA (excluding equity only and ARR investments). Total Net Leverage excluding three middle market deals (i.e., EBITDA > \$250 million) is 4.3x as of December 31, 2023.
- (5) Excludes equity-only and ARR portfolio company investments.

Debt Portfolio Trends

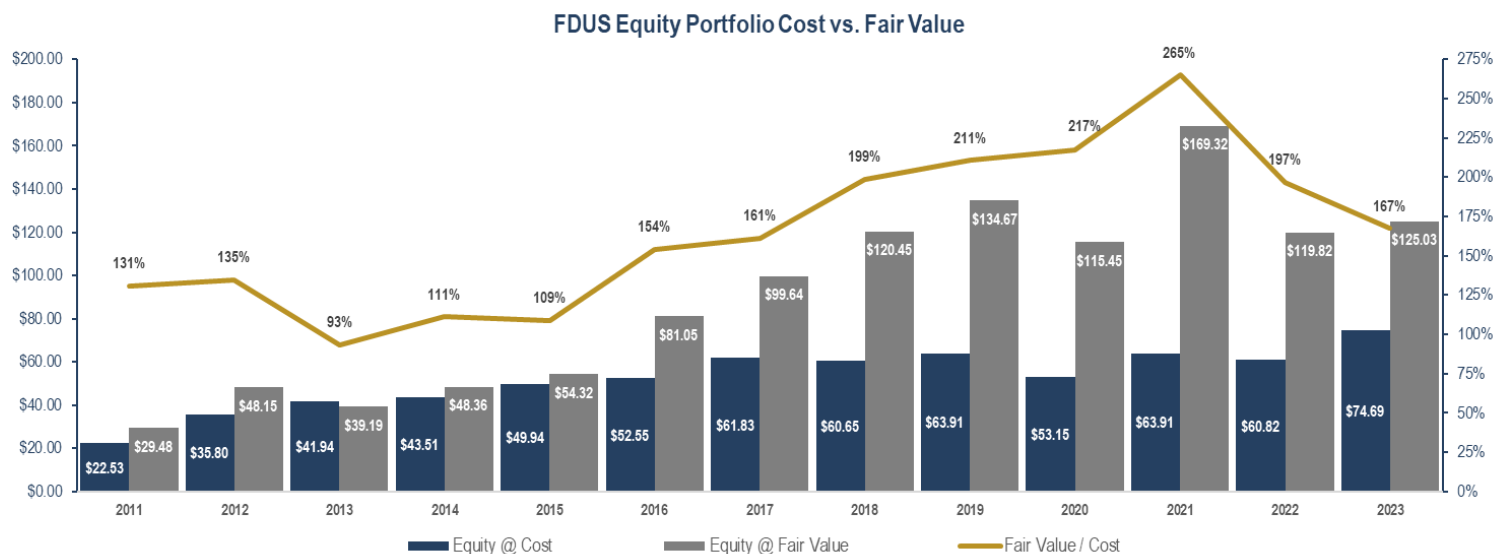
- **FDUS typically leads the debt structuring process**
 - ✓ Focus on maintaining attractive risk-adjusted returns and structural downside protections
 - ✓ Emphasis on first lien, senior-secured structures
- **Continually targeting larger, more stable companies within the lower middle market**
 - ✓ Weighted average debt leverage has risen accordingly
 - ✓ Last dollar of exposure consistently below middle market averages



Note: Total Net Leverage excluding three middle market deals (i.e., EBITDA > \$250 million) is 4.3x as of December 31, 2023.

Upside Potential from Equity Investments

- **FDUS equity investment portfolio provides additional potential upside to shareholders through capital gains and dividend income**
 - Maintain equity investments in 79.3% of portfolio companies (avg. ownership 3.0%)
 - Equity represents 13.1% of portfolio fair value vs. cost of 8.0%
 - Long-term target of allocating ~10% of invested capital towards equity
 - Current appreciation over cost of 167% as of December 31, 2023
- **Since IPO, FDUS has realized net cumulative capital gains of \$277.9 million from equity investments**



Meaningful Equity Component in FDUS Portfolio based on Fair Value

Financial Highlights

(\$ in 000s, except per share data)

	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23
<u>Income Statement Highlights, per share</u>					
Adjusted Net Investment Income ⁽¹⁾	\$ 0.51	\$ 0.60	\$ 0.62	\$ 0.68	\$ 0.65
Net Investment Income	0.51	0.59	0.67	0.63	0.58
Net Increase in Net Assets	0.19	0.62	0.44	0.91	0.91
Dividends Paid	0.61 ⁽²⁾	0.66 ⁽³⁾	0.70 ⁽⁴⁾	0.72 ⁽⁵⁾	0.80 ⁽⁶⁾
Wtd. Avg. Shares Outstanding (000s)	24,559	24,804	25,028	26,619	28,961
<u>Portfolio Activity</u>					
Gross Originations	\$ 65,896	\$ 51,521	\$ 95,827	\$ 56,701	\$ 132,691
Less Repayments	(65,724)	(15,918)	(60,583)	(69,860)	(112,512)
Net Investment Activity	\$ 172	\$ 35,603	\$ 35,244	\$ (13,159)	\$ 20,179
<u>Balance Sheet Highlights</u>					
Total Investments, at fair value	\$ 860,329	\$ 897,324	\$ 928,722	\$ 926,859	\$ 957,906
SBA debentures	\$ 153,000	\$ 165,000	\$ 182,000	\$ 188,000	\$ 210,000
Line of credit outstanding	-	15,000	30,000	-	-
Secured Borrowings	16,880	16,634	16,552	16,319	15,880
Public bonds	250,000	250,000	250,000	250,000	250,000
Total Debt Outstanding	\$ 419,880	\$ 446,634	\$ 478,552	\$ 454,319	\$ 475,880
Net Assets	\$ 480,343	\$ 484,646	\$ 483,348	\$ 548,625	\$ 589,474
NAV per share	\$ 19.43	\$ 19.39	\$ 19.13	\$ 19.28	\$ 19.37
Total Leverage	0.8x	0.9x	1.0x	0.8x	0.8x
Regulatory Leverage ⁽⁷⁾	0.6x	0.6x	0.6x	0.5x	0.5x

¹ Adjusted net investment income, a non-GAAP measure, is net investment income excluding any capital gains incentive fee expense or (reversal) attributable to realized and unrealized gains and losses. See page 30 for reconciliation of net investment income to adjusted net investment income.

² Includes supplemental dividend of \$0.15 per share and a special dividend of \$0.10 per share

³ Includes supplemental dividend of \$0.15 per share and a special dividend of \$0.10 per share

⁴ Includes supplemental dividend of \$0.19 per share and a special dividend of \$0.10 per share

⁵ Includes supplemental dividend of \$0.21 per share and a special dividend of \$0.10 per share

⁶ Includes supplemental dividend of \$0.27 per share and a special dividend of \$0.10 per share

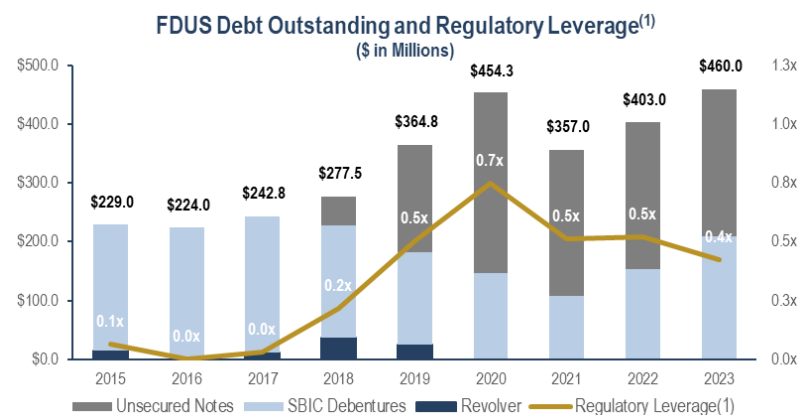
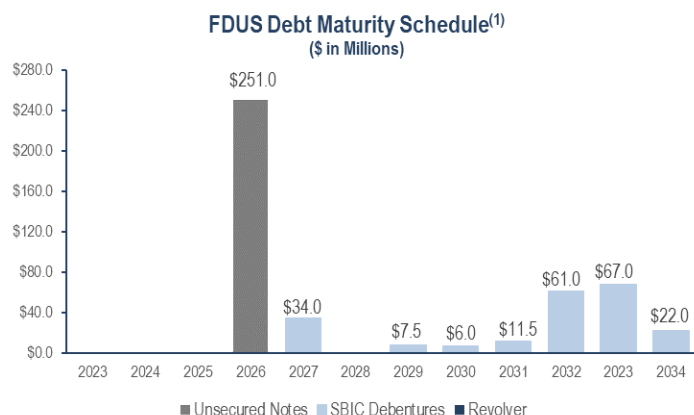
⁷ SBA debentures are exempt from regulatory leverage

Diversified Liability Profile

- **FDUS maintains an attractive and diversified liability funding structure**
 - ✓ \$100 million senior secured floating-rate syndicated revolving credit facility (ING agent)
 - ✓ Five year unsecured fixed-rate notes
 - ✓ 10-year fixed-rate SBIC debentures
- As of December 31, 2023, 100%⁽¹⁾ of outstanding liabilities are fixed rate obligations
- **Current weighted average interest rate of 4.2%⁽¹⁾**

Summary of Borrowings

Security	December 31, 2022			December 31, 2023			Blended Rate	Maturity
	Available	Outstanding	%	Available	Outstanding	%		
Senior Secured Revolving Credit Facility	\$ 100.0	\$ -	0%	\$ 100.0	\$ -	0%	0.0%	2027
SBIC Debentures	215.0	153.0	38%	210.0	210.0	46%	4.2%	2026 - 2034
Unsecured Notes due January 2026	125.0	125.0	31%	125.0	125.0	27%	4.8%	2026
Unsecured Notes due November 2026	125.0	125.0	31%	125.0	125.0	27%	3.5%	2026
Total ⁽¹⁾	\$ 565.0	\$ 403.0	100%	\$ 560.0	\$ 460.0	100%	4.2%	



⁽¹⁾ Excludes secured borrowings

IV. Conclusion

Why Invest in FDUS?

Proven Investment Track Record:

- Attractive 14.6% dividend yield¹ based on total LTM dividends of \$2.88 per share (including supplemental and special cash dividends). Spillover income of \$1.37 per share as of December 31, 2023.
- Average annual GAAP ROE of 12.4%, consistently exceeding average BDC performance (Raymond James²).
- Strong balance sheet and liquidity position support portfolio growth.
- SBIC debt provides lower cost of debt capital.

Highly Experienced Team:

- Fidus' principals average more than 25 years of professional experience. The core investment team has worked together for over 20 years.

Deal Origination Network in Attractive Lower Middle-Market:

- Focused on the lower middle market since its founding over twelve years ago.
- Lower middle market offers significant opportunity for attractive risk-adjusted returns.
- Well established direct origination network with private equity ("PE") firms, independent sponsors, intermediaries, and lending partners drives repeat business.
- Highly selective deal screening process (5-year average of ~ 600 transactions reviewed annually with an investment close rate less than 2.5%).
- Three regional offices (Charlotte, Evanston, and New York) allow for nation-wide deal sourcing, supported by strong regional relationships.

Disciplined Investment Strategy & Process:

- Focus on seasoned, smaller and lower middle market companies in underserved capital markets / industries with a history of generating revenue and positive cash flow.
- Differentiated investment strategy focused on preservation of capital while generating attractive risk-adjusted returns.
- Highly disciplined and comprehensive investment and risk management process.

Dividends & NAV Upside

- Primarily current cash income with additional return from origination and structuring fees.
- Monetization of mature equity investments a key driver of net investment income growth.
- Potential upside through equity distributions and appreciation.

(1) Closing price of \$19.69 on December 31, 2023

(2) Raymond James Weekly BDC Report, January 29, 2024, page 6

Appendices

Investment Portfolio as of December 31, 2023

\$ in '000s

Portfolio Company	Nature of Principal Business	Investment Types ⁽¹⁾	Cost	Fair Value
2KDirect, Inc. (dba iPromote)	Information Technology Services	FL-Debt, Equity	\$ 15,100	\$ 14,759
Ad Info Parent, Inc. (dba MediaRadar)	Information Technology Services	FL-Debt, Equity	13,673	13,682
Acendre Midco, Inc.	Information Technology Services	FL-Debt, Equity, Warrant	19,156	19,376
Aldinger Company	Business Services	FL-Debt, Equity	14,471	14,773
Allredi, LLC (fka Marco Group International OpCo, LLC)	Industrial Cleaning & Coatings	SL-Debt, Equity	12,066	10,192
American AllWaste LLC (dba WasteWater Transport Services)	Environmental Industries	FL-Debt, Equity	22,356	19,938
AmeriWater, LLC	Component Manufacturing	SUB-Debt, FL-Debt, Equity	10,793	11,036
AOM Intermediate Holdco, LLC (dba AllOver Media)	Information Technology Services	Equity	1,372	1,600
APM Intermediate Holdings, LLC (dba Artistic Paver Manufacturing)	Building Products Manufacturing	FL-Debt, Equity	19,293	19,370
Applegate Greenfiber Intermediate Inc. (fka US GreenFiber, LLC)	Building Products Manufacturing	SUB-Debt, Equity	22,405	24,590
Applied Data Corporation	Information Technology Services	FL-Debt, Equity	22,685	24,225
Auto CRM LLC (dba Dealer Holdings)	Information Technology Services	SUB-Debt, FL-Debt, Equity	8,780	8,561
Bad Boy Mowers JV Acquisition, LLC	Consumer Products	SUB-Debt, Equity	14,306	14,307
Barefoot Mosquito and Pest Control, LLC	Consumer Services	FL-Debt, Equity	30,322	30,322
BCM One Group Holdings, Inc.	Information Technology Services	SUB-Debt	18,201	18,333
Bedford Precision Parts LLC	Specialty Distribution	Equity	484	377
BP Thrift Buyer, LLC (dba myUnique and Ecothrift)	Retail	FL-Debt, Equity	22,528	23,343
Cardback Intermediate, LLC (dba Chargeback Gurus)	Information Technology Services	FL-Debt, Equity	11,943	11,977
BurgerFi International, LLC (dba BurgerFi)	Restaurants	Equity	570	257
Choice Technology Solutions, LLC (dba Choice Merchant Solutions)	Information Technology Services	FL-Debt, Equity	8,969	9,188
CIH Intermediate, LLC	Business Services	SUB-Debt, Equity	14,597	16,208
Comply365, LLC	Aerospace & Defense Manufacturing	Equity	2,576	2,576
CRS Solutions Holdings, LLC (dba CRS Texas)	Business Services	Equity	272	50
CTM Group, Inc.	Business Services	SUB-Debt, FL-Debt, Equity	10,230	10,459
Dataguise, Inc.	Information Technology Services	SUB-Debt, Equity	23,335	23,186
Dealerbuilt Acquisition, LLC	Information Technology Services	SUB-Debt, FL-Debt, Equity	19,193	19,193
Detecttion Holdings, LLC	Information Technology Services	SUB-Debt, FL-Debt, Equity	20,241	20,381
Diversified Search LLC	Business Services	FL-Debt, Equity	24,635	24,591
Education Incites, LLC (dba Acceleration Academies)	Business Services	SL-Debt	5,978	6,000
Elements Brands, LLC	Consumer Products	FL-Debt	3,014	3,025
301 Edison Holdings Inc. (dba LGG Industrial)	Specialty Distribution	FL-Debt, Equity	13,868	13,868
Fishbowl Solutions, LLC	Information Technology Services	FL-Debt	14,103	14,174
Global Plasma Solutions, Inc.	Component Manufacturing	SUB-Debt, Equity	260	256
GP&C Operations, LLC (dba Garlock Printing and Converting)	Component Manufacturing	Equity	516	427
Green Cubes Technology, LLC (dba Green Cubes)	Information Technology Services	FL-Debt	11,977	12,000
Gurobi Optimization, LLC	Information Technology Services	Equity	563	3,255
Haematologic Technologies, Inc.	Healthcare Services	FL-Debt, Equity	6,097	5,371
Hallmark Health Care Solutions, Inc.	Healthcare Services	Equity	3,645	3,646
Healthfuse, LLC	Healthcare Services	Equity	749	1,721
Hub Acquisition Sub, LLC (dba Hub Pen)	Promotional products	SL-Debt, Equity	20,526	21,985
IBH Holdings, LLC (fka Inflexxion, Inc.)	Business Services	Equity	-	9
ISI PSG Holdings, LLC (dba Incentive Solutions, Inc.)	Business Services	FL-Debt, Equity	24,191	24,238
Level Education Group, LLC (dba CE4Less)	Business Services	FL-Debt, Equity	5,604	6,080
LifeSpan Biosciences, Inc.	Healthcare Products	SUB-Debt, Equity	16,959	15,544
Magenta Buyer LLC (dba Trellix)	Information Technology Services	SL-Debt	6,864	5,103

Investment Portfolio as of December 31, 2023

\$ in '000s

Portfolio Company	Nature of Principal Business	Investment Types ⁽¹⁾	Cost	Fair Value
MBS Opco, LLC (dba Marketron)	Information Technology Services	FL-Debt	\$ 26,907	\$ 27,000
GMP HVAC, LLC (dba McGee Heating & Air, LLC)	Utilities: Services	FL-Debt, Equity	3,977	3,983
MDME Holding Corp.	Healthcare Products	FL-Debt, Equity	13,056	13,056
Medsurant Holdings, LLC	Healthcare Services	Equity, Warrant	2,902	5,930
Micronics Filtration Holdings, Inc. (dba Micronics Engineered Filtration)	Component Manufacturing	FL-Debt, Equity	30,627	35,440
Netbase Solutions, Inc. (dba Netbase Quid)	Information Technology Services	FL-Debt	16,650	16,459
NWS Technologies, LLC	Utilities: Services	FL-Debt, Equity	18,273	18,333
OnePath Systems, LLC	Information Technology Services	FL-Debt, Equity	11,438	11,704
Palmetto Moon, LLC	Retail	Equity	265	306
Pfanstiehl, Inc.	Healthcare Products	Equity	255	33,321
Pinnergy, Ltd.	Oil & Gas Services	SUB-Debt	12,798	12,850
Pool & Electrical Products, LLC	Specialty Distribution	Equity	549	4,649
PowerGrid Services Acquisition, LLC	Utilities: Services	SL-Debt, Equity	11,327	11,392
Prime AE Group, Inc.	Business Services	FL-Debt, Equity	6,698	6,181
Puget Collision, LLC	Retail	FL-Debt	17,465	17,546
QED Technologies International, Inc.	Component Manufacturing	FL-Debt, Equity	18,642	19,271
Quest Software US Holdings Inc.	Information Technology Services	SL-Debt	19,450	14,927
R1 Holdings, LLC (dba RoadOne Intermodal Logistics)	Transportation services	SUB-Debt, FL-Debt, Equity	7,805	8,063
Sonicwall US Holdings, Inc.	Information Technology Services	SL-Debt	3,391	3,356
Spectra A&D Acquisition, Inc. (fka FDS Avionics Corp.)	Aerospace & Defense Manufacturing	FL-Debt, Equity	19,923	15,321
Steward Holding LLC (dba Steward Advanced Materials)	Aerospace & Defense Manufacturing	Equity	1,000	4,714
Suited Connector LLC	Information Technology Services	SL-Debt, Equity	16,769	4,324
Tedia Company, LLC	Healthcare Products	SUB-Debt, FL-Debt, Equity	19,378	18,759
The Kyjen Company, LLC (dba Outward Hound)	Consumer Products	Equity	933	7
Tiger Calcium Services Inc.	Transportation services	SL-Debt	12,464	12,500
UBEO, LLC	Business Services	Equity	655	1,935
United Biologics, LLC	Healthcare Services	Equity, Warrant	1,574	-
USG AS Holdings, LLC	Utilities: Services	FL-Debt, Equity	10,372	10,959
US Fertility Enterprises, LLC	Healthcare Services	SUB-Debt	13,284	13,614
US GreenFiber, LLC	Building Products Manufacturing	SL-Debt, Equity	6,832	-
Virginia Tile Company, LLC	Specialty Distribution	Equity	181	1,330
Virtex Enterprises, LP	Component Manufacturing	SL-Debt, SUB-Debt	11,263	5,671
White Label Communication, LLC	Information Technology Services	FL-Debt, Equity	17,905	17,905
Winona Foods, Inc.	Specialty Distribution	FL-Debt	1,976	1,976
Wonderware Holdings, LLC (dba CORE Business Technologies)	Information Technology Services	FL-Debt	8,291	8,316
Worldwide Express Operations, LLC	Transportation services	SL-Debt, Equity	27,582	28,499
Zonkd, LLC	Component Manufacturing	FL-Debt, Equity	4,306	4,757
			<u>\$ 936,629</u>	<u>\$ 957,906</u>

(1) The Company's debt securities are classified as either First Lien Debt, Second Lien Debt or Subordinated Debt depending on the level security interest in the assets of the portfolio company as collateral in support of the repayment of such loans provided pursuant to agreements with the portfolio company. Refer to the Company's periodic 10-Q and 10-K filings with the SEC for additional information concerning these classifications.

Statements of Assets & Liabilities

(\$ in 000s, except per share data)

	<u>Q4'22</u>	<u>Q1'23</u>	<u>Q2'23</u>	<u>Q3'23</u>	<u>Q4'23</u>
Investments, at fair value					
Control Investments	\$ -	\$ -	\$ -	\$ -	\$ -
Affiliate Investments	101,590	99,037	96,931	83,157	83,876
Non-control/Non-affiliate Investments	758,739	798,287	831,791	843,702	874,030
Total Investments	<u>\$860,329</u>	<u>\$897,324</u>	<u>\$928,722</u>	<u>\$926,859</u>	<u>\$957,906</u>
Cash & Cash Equivalents	62,350	36,418	37,977	80,337	119,131
Other Assets	13,281	15,282	15,713	15,529	13,861
Total Assets	<u>\$935,960</u>	<u>\$949,024</u>	<u>\$982,412</u>	<u>\$1,022,725</u>	<u>\$1,090,898</u>
Long-Term Debt	\$403,000	\$430,000	\$462,000	\$ 438,000	\$ 460,000
Less: Deferred Financing Costs	(9,776)	(9,552)	(9,437)	(9,384)	(9,367)
Other Liabilities	62,393	43,930	46,501	45,484	50,791
Total Liabilities	<u>455,617</u>	<u>464,378</u>	<u>499,064</u>	<u>474,100</u>	<u>501,424</u>
Net Assets	<u>\$480,343</u>	<u>\$484,646</u>	<u>\$483,348</u>	<u>\$548,625</u>	<u>\$589,474</u>
NAV Per Common Share	\$19.43	\$19.39	\$19.13	\$19.28	\$19.37

Statements of Operations

(\$ in 000s, except per share data)

	<u>Q4'22</u>	<u>Q1'23</u>	<u>Q2'23</u>	<u>Q3'23</u>	<u>Q4'23</u>
Total Investment Income	\$27,474	\$29,056	\$30,558	\$34,185	\$36,311
Expenses:					
Interest Expense	\$4,928	\$5,185	\$5,591	\$5,985	\$5,988
Base Management Fee	3,844	3,854	4,051	4,161	4,222
Incentive Fee - Income	3,035	3,647	3,834	4,478	4,570
Incentive Fee - Capital Gains	161	153	(1,174)	1,528	1,898
G&A Expense	<u>1,682</u>	<u>1,529</u>	<u>1,523</u>	<u>1,437</u>	<u>1,801</u>
Total Expenses, before Base Management Fee Waiver	13,650	14,368	13,825	17,589	18,479
Base Management Fee Waiver	<u>(74)</u>	<u>(72)</u>	<u>(72)</u>	<u>(72)</u>	<u>(71)</u>
Total Expenses, net of Base Management Fee Waiver	<u>\$13,576</u>	<u>\$14,296</u>	<u>\$13,753</u>	<u>\$17,517</u>	<u>\$18,408</u>
Net Investment Income before Taxes	<u>\$13,898</u>	<u>\$14,760</u>	<u>\$16,805</u>	<u>\$16,668</u>	<u>\$17,903</u>
Income Tax Expense (Benefit)	<u>1,414</u>	<u>37</u>	<u>21</u>	<u>8</u>	<u>964</u>
Net Investment Income	<u>\$12,484</u>	<u>\$14,723</u>	<u>\$16,784</u>	<u>\$16,660</u>	<u>\$16,939</u>
Net Gains (Losses) on Investments	<u>(7,761)⁽⁷⁾</u>	<u>766</u>	<u>(5,869)</u>	<u>7,662</u>	<u>9,491</u>
Realized losses on extinguishment of debt	-	-	-	(23)	-
Net Increase (Decrease) in Net Assets	<u>\$4,723</u>	<u>\$15,489</u>	<u>\$ 10,915</u>	<u>\$ 24,299</u>	<u>\$ 26,430</u>

Per Common Share Data:

Adjusted Net Investment Income ⁽¹⁾	\$0.51	\$0.60	\$0.62	\$0.68	\$0.65
Net Investment Income	\$0.51	\$0.59	\$0.67	\$0.63	\$0.58
Net Increase (Decrease) in Net Assets	\$0.19	\$0.62	\$0.44	\$0.91	\$0.91
Dividends Paid	\$0.61 ²	\$0.66 ³	\$0.70 ⁴	\$0.72 ⁵	\$0.80 ⁶
Wtd. Avg. Shares Outstanding (000s)	24,559	24,804	25,028	26,619	28,961

¹ Adjusted net investment income, a non-GAAP measure, is net investment income excluding any capital gains incentive fee expense or (reversal) attributable to realized and unrealized gains and losses. See page 30 for reconciliation of net investment income to adjusted net investment income.

² Includes supplemental dividend of \$0.15 per share and a special dividend of \$0.10 per share

³ Includes supplemental dividend of \$0.15 per share and a special dividend of \$0.10 per share

⁴ Includes supplemental dividend of \$0.19 per share and a special dividend of \$0.10 per share

⁵ Includes supplemental dividend of \$0.21 per share and a special dividend of \$0.10 per share

⁶ Includes supplemental dividend of \$0.27 per share and a special dividend of \$0.10 per share

⁷ Includes \$8.6 million tax expense related to deemed distribution

Reconciliation of Adjusted Net Investment Income

The following are reconciliations of net investment income (NII) and NII per share computed in accordance with GAAP to Adjusted NII, a non-GAAP measure, and Adjusted NII per share which exclude capital gains incentive fee expense or (reversal) based on realized and unrealized capital gains and losses:

(\$ in 000's)

	<u>Q4 2022</u>	<u>Q1 2023</u>	<u>Q2 2023</u>	<u>Q3 2023</u>	<u>Q4 2023</u>
Net Investment Income	\$ 12,484	\$ 14,723	\$ 16,784	\$ 16,660	\$ 16,939
Capital Gains Incentive Fee Expense (Reversal)	161	153	(1,174)	1,528	1,898
Adjusted Net Investment Income ⁽¹⁾	<u>\$ 12,645</u>	<u>\$ 14,876</u>	<u>\$ 15,610</u>	<u>\$ 18,188</u>	<u>\$ 18,837</u>

Per Share

Net Investment Income	\$ 0.51	\$ 0.59	\$ 0.67	\$ 0.63	\$ 0.58
Capital Gains Incentive Fee Expense (Reversal)	-	0.01	(0.05)	0.05	0.07
Adjusted Net Investment Income ⁽¹⁾	<u>\$ 0.51</u>	<u>\$ 0.60</u>	<u>\$ 0.62</u>	<u>\$ 0.68</u>	<u>\$ 0.65</u>

(1) Adjusted net investment income per share amounts are calculated as adjusted net investment income divided by weighted average shares outstanding for the period. Due to rounding, the sum of net investment income per share and capital gains incentive fee expense or (reversal) per share amounts may not equal the adjusted net investment income per share amount presented here.

Corporate Data

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President

Shelby E. Sherard
CFO & CCO

Independent Directors

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Kelly McNamara Corley

Charles D. Hyman

Edward X. Tune

Investment Committee

John H. Grigg
Managing Director

Thomas C. Lauer
President

Robert G. Lesley, Jr.
Managing Director

Edward H. Ross
Chairman of Investment Committee

John J. Ross, II
Managing Director

W. Andrew Worth
Managing Director

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Managing Director

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