Exchange Commission not later than 120 days following the end of the Registrantâ€™s fiscal year ended SeptemberÂ 30, 2024.Table of ContentsGLADSTONE CAPITAL CORPORATIONFORM 10-K FOR THE FISCAL YEAR ENDEDSEPTEMBER 30, 2024TABLE OF CONTENTSPART IITEM 1Business3ITEM 1ARisk Factors21ITEM 1BUnresolved Staff Comments 44ITEM 1CCybersecurity44ITEM 2Properties46ITEM 3Legal Proceedings 46ITEM 4Mine Safety Disclosures46PART IIITEM 5Market for Registrantâ€™s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities47ITEM 6Reserved54ITEM 7Managementâ€™s Discussion and Analysis of Financial Condition and Results of Operations 54ITEM 7AQuantitative and Qualitative Disclosures About Market Risk70ITEM 8Financial Statements and Supplementary Data72ITEM 9Changes in and Disagreements With Accountants on Accounting and Financial Disclosure 122ITEM 9AControls and Procedures122ITEM 9BOther Information122ITEM 9CDisclosure Regarding Foreign Jurisdictions that Prevent Inspections122PART IIIITEM 10Directors, Executive Officers and Corporate Governance123ITEM 11Executive Compensation123ITEM 12Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters123ITEM 13Certain Relationships and Related Transactions, and Director Independence123ITEM 14Principal Accountant Fees and Services123PART IVITEM 15Exhibits and Financial Statement Schedules124ITEM 16Form 10-K Summary127SIGNATURES 1281Table of ContentsFORWARD-LOOKING STATEMENTSAll statements contained herein, other than historical facts, may constitute â€œforward-looking statements.â€ These statements may relate to, among other things, our future operating results, our business prospects and the prospects of our portfolio companies, actual and potential conflicts of interest with Gladstone Management Corporation (the â€œAdviserâ€), our investment adviser, and its affiliates, the use of borrowed money to finance our investments, the adequacy of our financing sources and working capital, and our ability to co-invest, among other factors. In some cases, you can identify forward-looking statements by terminology such as â€œestimate,â€ â€œmay,â€ â€œmight,â€ â€œbelieve,â€ â€œwill,â€ â€œprovided,â€ â€œanticipate,â€ â€œfuture,â€ â€œcould,â€ â€œgrowth,â€ â€œplan,â€ â€œproject,â€ â€œintend,â€ â€œexpect,â€ â€œshould,â€ â€œwould,â€ â€œif,â€ â€œseek,â€ â€œpossible,â€ â€œpotential,â€ â€œlikelyâ€ or the negative or variations of such terms or comparable terminology. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Such factors include: (1) changes in the economy and the capital markets, including stock price volatility, inflation, rising interest rates and risks of recession; (2) risks associated with negotiation and consummation of pending and future transactions; (3) the loss of one or more of our executive officers, in particular David Gladstone, Terry Lee Brubaker or Robert L. Marcotte; (4) changes in our investment objectives and strategy; (5) availability, terms (including the possibility of interest rate volatility) and deployment of capital; (6) changes in our industry, interest rates, exchange rates or the general economy; (7) our business prospects and the prospects of our portfolio companies; (8) the degree and nature of our competition; (9) changes in governmental regulation, tax rates and similar matters; (10) our ability to exit investments in a timely manner; (11) our ability to maintain our qualification as a regulated investment company (â€œRICâ€) under Subchapter M of the Internal Revenue Code of 1986, as amended (the â€œCodeâ€), and as a business development company (â€œBDCâ€) under the Investment Company Act of 1940, as amended (the â€œ1940 Actâ€); and (12) those factors described herein, including Item 1A. â€œRisk Factors,â€ of this Annual Report on Form 10-K (this â€œAnnual Reportâ€). We caution readers not to place undue reliance on any such forward-looking statements. Actual results could differ materially from those anticipated in our forward-looking statements and future results could differ materially from historical performance. We have based forward-looking statements on information available to us on the date of this Annual Report. Except as required by the federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, after the date of this Annual Report. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make directly to you or through reports that we have filed or in the future may file with the U.S. Securities and Exchange Commissionâ€™s (â€œSECâ€) from time to time, including quarterly reports on Form 10-Q and current reports on Form 8-K. The forward-looking statements contained in this Annual Report are excluded from the safe harbor protection provided by the Private Securities Litigation Reform Act of 1995 and Section 27A of the Securities Act of 1933, as amended (the â€œSecurities Actâ€).In this Annual Report, the â€œCompany, â€ â€œwe, â€ â€œus, â€ and â€œourâ€ refer to Gladstone Capital Corporation and its wholly-owned subsidiaries unless the context otherwise indicates. Dollar amounts in tables, except per share amounts, are in thousands unless otherwise indicated.2Table of ContentsPART IThe information contained in this section should be read in conjunction with our accompanying Consolidated Financial Statements and the notes thereto appearing elsewhere in this Annual Report.ITEM 1. Â Â Â Â BUSINESSOverviewOrganizationGladstone Capital Corporation was incorporated under the Maryland General Corporation Law on May 30, 2001. 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 tax purposes as a RIC under the Code. We were established for the purpose of investing in debt and equity securities of established private businesses operating in the United States (â€œU.S.â€).As of SeptemberÂ 30, 2024, shares of our common stock trade on the Nasdaq Global Select Market (â€œNasdaqâ€) under the trading symbol â€œGLADâ€ and our 7.75% Notes due 2028 (the â€œ2028 Notesâ€) trade on Nasdaq under the ticker symbol â€œGLADZ.â€ Our 6.25% Series A Cumulative Redeemable Preferred Stock (the â€œSeries A Preferred Stockâ€), our 3.75% notes due 2027 (the â€œ2027 Notesâ€) and our 5.125% notes due 2026 (the â€œ2026 Notesâ€) are not listed or traded on any exchange or automated quotation system. The outstanding shares and per share amounts of the Companyâ€™s common stock in this Annual Report have been retroactively adjusted for the 1-for-2 reverse stock split (the â€œReverse Stock Splitâ€) effected on April 4, 2024 (effective April 5, 2024 for trading purposes) for all activity prior to that date, unless stated otherwise.Investment Adviser and AdministratorWe are externally managed by the Adviser, an investment adviser registered with the SEC and an affiliate of ours, pursuant to an investment advisory and management agreement (as amended and/or restated from time to time, the â€œAdvisory Agreementâ€). The Adviser manages our investment activities. We have also entered into an administration agreement with Gladstone Administration, LLC (the â€œAdministratorâ€), an affiliate of ours and the Adviser, whereby we pay separately for administrative services (the â€œAdministration Agreementâ€). Each of the Adviser and the Administrator are privately-held companies that are indirectly owned and controlled by David Gladstone, our chairman and chief executive officer. Mr. Gladstone and Terry Lee Brubaker, our chief operating officer, also serve on the board of directors of the Adviser, the board of managers of the Administrator, and as executive officers of the Adviser and the Administrator. The Administrator employs, among others, our chief financial officer and treasurer, chief valuation officer, chief compliance officer, general counsel and secretary (who also serves as the president of the Administrator) and their respective staffs. The Adviser and Administrator have extensive experience in our lines of business and also provide investment advisory and administrative services, respectively, to our affiliates, including: Gladstone Commercial Corporation (â€œGladstone Commercialâ€), a publicly-traded real estate investment trust; Gladstone Investment Corporation (â€œGladstone Investmentâ€), a publicly-traded BDC and RIC; Gladstone Land Corporation, a publicly-traded real estate investment trust (â€œGladstone Landâ€); and Gladstone Alternative Income Fund, a registered, non-diversified, closed-end management investment company that operates as an interval fund (â€œGladstone Alternative,â€ with â€œGladstone Land,â€ â€œGladstone Commercial,â€ and â€œGladstone Investment,â€ collectively the â€œAffiliated Public Fundsâ€). In the future, the Adviser and Administrator may provide investment advisory and administrative services, respectively, to other funds and companies, both public and private.The Adviser was organized as a corporation under the laws of the State of Delaware on July 2, 2002, and is an SEC registered investment adviser under the Investment Advisors Act of 1940, as amended. The Administrator was organized as a limited liability company under the laws of the State of Delaware on March 18, 2005. The Adviser and Administrator are headquartered in McLean, Virginia, a suburb of Washington, D.C., at 1521 Westbranch Drive, McLean, Virginia 22102. The Adviser also has offices in other states.Investment Objectives and StrategyOur investment objectives are to: (1) achieve and grow current income by investing in debt securities of established lower middle market companies (which we generally define as companies with annual earnings before interest, taxes, depreciation and amortization (â€œEBITDAâ€) of $3 million to $25 million) in the U.S. that we believe will provide stable earnings and cash flow to pay expenses, make principal and interest payments on our outstanding indebtedness, and make 3Table of Contentsdistributions to stockholders; and (2) provide our stockholders with long-term capital appreciation in the value of our assets by investing in equity securities, in connection with our debt investments, that we believe can grow over time to permit us to sell our equity investments for capital gains. To achieve our objectives, our primary investment strategy is to invest in several categories of debt and equity securities, with each investment generally ranging from $8 million to $40 million, although investment size may vary, depending upon our total assets or available capital at the time of investment. We lend to borrowers that need funds for growth capital, to finance acquisitions, or to recapitalize or refinance their existing debt facilities. We seek to avoid investing in high-risk, early-stage enterprises. Our targeted portfolio companies are generally considered too small for the larger capital marketplace. We expect that our investment portfolio over time will consist of approximately 90.0% debt investments and 10.0% equity investments, at cost. As of SeptemberÂ 30, 2024, our investment portfolio was made up of approximately 90.1% debt investments and 9.9% equity investments, at cost.We invest by ourselves or jointly with other funds and/or management of the portfolio company, depending on the opportunity. In July 2012, the SEC granted us an exemptive order (the â€œCo-Investment Orderâ€) that expanded our ability to co-invest, under certain circumstances, with certain of our affiliates, including Gladstone Investment, Gladstone Alternative and any future BDC or registered closed-end management investment company that is advised (or sub-advised if it controls the fund) by the Adviser, or any combination of the foregoing, subject to the conditions in the Co-Investment Order. We believe the Co-Investment Order has enhanced and will continue to enhance our ability to further our investment objectives and strategies. If we are participating in an investment with one or more co-investors, whether or not an affiliate of ours, our investment is likely to be smaller than if we were investing alone.In general, our investments in debt securities have a term of no more than seven years, accrue interest at variable rates (generally based on one-month term Secured Overnight Financing Rate (â€œSOFRâ€) and, to a lesser extent, at fixed rates. We seek debt instruments that pay interest monthly or, at a minimum, quarterly, may have a success fee or deferred interest provision and are primarily interest only, with all principal and any accrued but unpaid interest due at maturity. Generally, success fees accrue at a set rate and are contractually due upon a change of control of a portfolio company, typically from an exit or sale. Some debt securities have deferred interest whereby some portion of the interest payment is added to the principal balance so that the interest is paid, together with the principal, at maturity. This form of deferred interest is often called paid-in-kind (â€œPIKâ€) interest.Typically, our equity investments consist of common stock, preferred stock, limited liability company interests, or warrants to purchase the foregoing. Often, these equity investments occur in connection with our original investment, recapitalizing a business, or refinancing existing debt.Since our initial public offering in 2001 and through SeptemberÂ 30, 2024, we have invested in approximately 277 different companies. We expect that our investment portfolio will primarily include the following three categories of investments in private companies operating in the U.S.:â€¢Secured First Lien Debt Securities: We seek to invest a portion of our assets in secured first lien debt securities also known as senior loans, senior term loans, lines of credit and senior notes. Using its assets as collateral, the borrower typically uses first lien debt to cover a substantial portion of the funding needs of the business. These debt securities usually take the form of first priority liens on all, or substantially all, of the assets of the business. First lien debt securities may include investments sourced from the syndicated loan market.â€¢Secured Second Lien Debt Securities: We seek to invest a portion of our assets in secured second lien debt securities, also known as subordinated loans, subordinated notes and mezzanine loans. These secured second lien debt securities rank junior to the secured borrowersâ€™ first lien debt securities and may be secured by second priority liens on all or a portion of the assets of the business. Additionally, we may receive other yield enhancements in addition to or in lieu of success fees such as warrants to buy common and preferred stock or limited liability interests in connection with these second lien secured debt securities. Second lien debt securities may include investments sourced from the syndicated loan market.â€¢Preferred and Common Equity/Equivalents: In some cases we will purchase equity securities which consist of preferred and common equity or limited liability company interests, or warrants or options to acquire such securities, and are in combination with our debt investment in a business. Additionally, we may receive equity investments derived from restructurings on some of our existing debt investments. In some cases, we will own a significant portion of the equity and in other cases we may have voting control of the businesses in which we invest.Under the 1940 Act, we may not acquire any asset other than assets of the type listed in Section 55 of the 1940 Act, which are referred to as â€œqualifying assetsâ€ and generally include each of the investment types listed above, unless, at the time the 4Table of Contentsacquisition is made, qualifying assets (other than certain assets related to our operations) represent at least 70.0% of our total assets. See â€œâ€”Regulation as a BDC â€” Qualifying Assets.â€ We expect that most, if not all, of the debt securities we acquire will not be rated by a credit rating agency. Investors should assume that these loans would be rated below â€œinvestment gradeâ€ quality. Investments rated below investment grade are often referred to as high yield securities or junk bonds and may be considered higher risk, as compared to investment-grade debt instruments. In addition, many of the debt securities we hold may not amortize prior to maturity.Investment PoliciesWe seek to achieve a high level of current income and capital gains through investments in debt securities and preferred or common stock that we generally acquire in connection with buyouts and other recapitalizations. The following investment policies, along with these investment objectives, may not be changed without the approval of our board of directors (the â€œBoard of Directorsâ€):â€¢We will at all times conduct our business so as to retain our status as a BDC. See â€œâ€”Regulation as a BDC â€” Qualifying Assets.â€â€¢We will at all times endeavor to conduct our business so as to retain our status as a RIC under the Code. See â€œâ€”Material U.S. Federal Income Tax Considerations.â€With the exception of our policy to conduct our business as a BDC, these policies are not fundamental and may be changed without stockholder approval.Investment ConcentrationsAs of SeptemberÂ 30, 2024, our investment portfolio consisted of investments in 49 companies located in 22 states across 13 different industries, with an aggregate fair value of $796.3 million. The five largest investments at fair value as of SeptemberÂ 30, 2024, totaled $232.7 million, or 29.2% of our total investment portfolio.The following table outlines our investments by security type as of SeptemberÂ 30, 2024 and 2023:September 30, 2024September 30, 2023CostFair ValueCostFair ValueSecured first lien debt$580,736Â 75.3Â %$554,937Â 69.7Â %$529,376Â 73.3Â %$510,701Â 72.5Â %Secured second lien debt113,691Â 14.8Â 113,716Â 14.3Â 130,252Â 18.1Â 127,854Â 18.1Â Unsecured debt198Â 0.0Â 32Â 0.0Â 198Â 0.0Â 24Â 0.0Â Total debt investments 694,625Â 90.1Â 668,685Â 84.0Â 659,826Â 91.4Â 638,579Â 90.6Â Preferred equity45,017Â 5.8Â 31,346Â 3.9Â 35,617Â 4.9Â 26,855Â 3.8Â Common equity/equivalents 31,369Â 4.1Â 96,229Â 12.1Â 26,826Â 3.7Â 39,381Â 5.6Â Total equity investments 76,386Â 9.9Â 127,575Â 16.0Â 62,443Â 8.6Â 66,236Â 9.4Â Total Investments $771,011Â 100.0Â %$796,260Â 100.0Â %$722,269Â 100.0Â %$704,815Â 100.0Â %5Table of ContentsOur investments at fair value consisted of the following industry classifications as of SeptemberÂ 30, 2024 and 2023:Industry ClassificationSeptember 30, 2024September 30, 2023Fair ValuePercentage of Total InvestmentsFair ValuePercentage of Total InvestmentsDiversified/Conglomerate Service$179,032Â 22.5Â %$135,060Â 19.2Â %Diversified/Conglomerate Manufacturing160,264Â 20.1Â 158,061Â 22.4Â Aerospace and Defense153,096Â 19.2Â 97,836Â 13.9Â Healthcare, Education, and Childcare101,707Â 12.8Â 146,438Â 20.8Â Beverage, Food, and Tobacco88,327Â 11.1Â 78,788Â 11.2Â Automobile28,286Â 3.6Â 27,571Â 3.9Â Machinery21,816Â 2.7Â 6,411Â 0.9Â Oil and Gas20,554Â 2.6Â 27,830Â 3.9Â Cargo Transportation20,200Â 2.5Â â€”Â â€”Â Personal and Non-Durable Consumer Products13,586Â 1.7Â 14,576Â 2.1Â Other, < 2.0%9,3921.2Â 12,2441.7Â Total Investments$796,260Â 100.0Â %$704,815Â 100.0Â %Our investments at fair value were included in the following U.S. geographic regions as of SeptemberÂ 30, 2024 and 2023:LocationSeptember 30, 2024September 30, 2023Fair ValuePercentage of Total InvestmentsFair ValuePercentage of Total InvestmentsSouth$314,010Â 39.4Â %$273,181Â 38.8Â %West249,082Â 31.3Â 224,235Â 31.8Â Midwest192,897Â 24.2Â 145,122Â 20.6Â Northeast40,271Â 5.1Â 62,277Â 8.8Â Total Investments$796,260Â 100.0Â %$704,815Â 100.0Â %The geographic composition indicates the location of the headquarters for our portfolio companies. A portfolio company may have additional locations in other geographic regions.Investment ProcessOverview of Investment and Approval ProcessTo originate investments, the Adviserâ€™s investment professionals use an extensive referral network comprised primarily of private equity sponsors, private credit managers, venture capitalists, leveraged buyout funds, investment bankers, attorneys, accountants, commercial bankers, and business brokers. The Adviserâ€™s investment professionals review information received from these and other sources in search of potential financing opportunities. If a potential opportunity matches our investment objectives, the investment professionals will seek an initial screening of the opportunity with our president, Robert L. Marcotte, to authorize the submission of an indication of interest (â€œIOIâ€) to the prospective portfolio company. If the prospective portfolio company passes this initial screening and the IOI is accepted by the prospective company, the investment professionals will seek approval to issue a letter of intent (â€œLOIâ€) to the prospective company from the Adviserâ€™s investment committee, which currently is comprised of David Gladstone, Terry Lee Brubaker, Robert L. Marcotte, Laura Gladstone, and John Sateri. If this LOI is issued, then the Adviser and Gladstone Securities, LLC (â€œGladstone Securitiesâ€) (collectively, the â€œDue Diligence Teamâ€) will conduct a due diligence investigation and create a detailed profile summarizing the prospective portfolio companyâ€™s historical financial statements, industry, competitive position and management team, analyzing its conformity to our general investment criteria. The investment professionals then present this profile to the Adviserâ€™s investment committee, which must approve each investment.6Table of ContentsProspective Portfolio Company CharacteristicsWe have identified certain characteristics that we believe are important in identifying and investing in prospective portfolio companies. The criteria listed below provide general guidelines for our investment decisions, although not all of these criteria may be met by each portfolio company.â€¢Growth-and-Income Orientation and Positive Cash Flow. Our investment philosophy places a premium on fundamental analysis from an investorâ€™s perspective and has a distinct growth-and-income orientation. We typically invest in companies that generate growing sales and cash flow to provide some assurance that they will be able to service their debt and deleverage over time. We do not expect to invest in start-up companies or companies with what we believe to be cyclical industries or speculative business plans.â€¢Experienced Management. We typically require that the businesses in which we invest have experienced management teams or a hiring plan in place to install an experienced management team. We also require the businesses to have proper incentives in place to induce management teams to succeed and align with our interests as an investor, including having significant equity or other interests in the financial performance of their respective companies.â€¢Strong Competitive Position in an Industry. We seek to invest in businesses that have a differentiated product or service and significant relative market share within their respective markets and that we believe have the strategy and resources to take advantage of the expected growth in their market. We seek businesses that demonstrate significant competitive advantages versus their competitors, which we believe will help to protect their market positions and profitability.â€¢Enterprise Collateral Value. The projected enterprise valuation of the business, based on market based comparable cash flow multiples, is an important factor in our investment analysis in determining the collateral coverage of our debt securities.Extensive Due DiligenceThe Due Diligence Team conducts what we believe are extensive evaluation and due diligence investigations of our prospective portfolio companies and investment opportunities. The due diligence investigation typically begins with a review of publicly available information followed by in depth business analysis, including any of the following:â€¢a review of the prospective portfolio companyâ€™s historical and projected financial information, including a quality of earnings or similar analysis;â€¢detailed review of the track record of the private equity firm or ownership group acquiring or controlling any prospective borrower;â€¢visits to the prospective portfolio companyâ€™s business site(s);â€¢interviews with the prospective portfolio companyâ€™s management, employees, advisers, sponsors, customers, and vendors;â€¢review of loan documents and material contracts;â€¢background checks and a management capabilities assessment on the prospective portfolio companyâ€™s management team and controlling shareholders; andâ€¢research on the prospective portfolio companyâ€™s products, services or particular industry and its competitive position therein.Upon completion of a due diligence investigation and a decision to proceed with an investment, the Adviserâ€™s investment professionals who have primary responsibility for the investment present the investment opportunity to the Adviserâ€™s investment committee. The investment committee then determines whether to pursue the potential investment. Prior to the closing of an investment, additional due diligence may be conducted by the Adviser or on our behalf by attorneys, independent accountants, and other outside advisers, as appropriate.We also rely on the long-term relationships that the Adviserâ€™s investment professionals have with leveraged buyout funds, private credit managers, investment bankers, commercial bankers, private equity sponsors, attorneys, accountants, and business brokers. In addition, the extensive direct experiences of our executive officers and managing directors in the operations of lower middle market companies and providing debt and equity capital to lower middle market companies plays a significant role in our investment evaluation and assessment of risk.7Table of ContentsInvestment StructureOnce the Adviser has determined that an investment meets our standards and investment criteria, the Adviser works with the management of that company, the private equity firm or ownership group controlling any prospective borrower, and other capital providers to structure the transaction in a way that we believe will provide us with the greatest opportunity to maximize our return on the investment, while providing appropriate incentives to the shareholders and management of the company. As discussed above, the capital classes through which we typically structure a deal include secured first lien debt, secured second lien debt, and preferred and common equity or equivalents. Through its risk management process, the Adviser seeks to limit the downside risk of our investments by:â€¢seeking collateral or superior positions in the portfolio companyâ€™s capital structure where possible;â€¢negotiating covenants in connection with our investments that afford our portfolio companies as much flexibility as possible in managing their businesses, consistent with preserving our capital;â€¢securing board observation rights at the portfolio company;â€¢incorporating call protection into the investment structure where possible; andâ€¢making investments with an expected total return (including both interest and potential equity appreciation) that it believes compensates us appropriately for the credit risk of the investment.We expect to hold most of our debt investments until maturity or repayment, but may sell our investments (including our equity investments) earlier if a liquidity event takes place, such as the sale or recapitalization of a portfolio company. Occasionally, we may sell some or all of our investment interests in a portfolio company to a third party in a privately negotiated transaction to manage our credit or sector exposures or to enhance our portfolio yield.Competitive AdvantagesA large number of entities compete with us and make the types of investments that we seek to make in lower middle market privately-owned businesses. Such competitors include other BDCs, registered investment companies, private investment funds, and other financing sources, including traditional financial services companies such as commercial banks. Many of our competitors are substantially larger than we are and have considerably greater funding sources or are able to access capital more cost effectively. In addition, certain of our competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments, serve a broader customer base, and establish a greater market share. Furthermore, many of these competitors are not subject to the regulatory restrictions that the 1940 Act imposes on us as a BDC or the regulatory requirements we must comply with as a publicly traded company. However, we believe that we have the following competitive advantages over many other providers of financing to lower middle market companies.Management ExpertiseOur Adviser has a separate investment committee for the Company and each of the Affiliated Public Funds. The Adviserâ€™s investment committee for the Company is comprised of Messrs. Gladstone, Brubaker, Marcotte and Sateri and Ms. Gladstone, each of whom have a wealth of experience in our area of operation. Ms. Gladstone and Messrs. Gladstone, Brubaker and Sateri also serve on the Adviserâ€™s investment committee for the other Affiliated Public Funds. Ms. Gladstone has over 20 years of experience in investing in middle market companies and continues to hold the role of managing director with the Company and the Adviser. Each of Messrs. Gladstone, Marcotte and Sateri have over 30 years of experience in investing in middle market companies and with operating in the BDC marketplace in general. Messrs. Gladstone and Brubaker also have principal management responsibility for the Adviser as its executive officers, and have worked together at the Gladstone Companies for more than 20 years. Mr. Brubaker has over 30 years of experience in acquisitions and operations of companies. These five individuals dedicate a significant portion of their time to managing our investment portfolio. Our senior management has extensive experience providing capital to lower middle market companies. In addition, we have access to the resources and expertise of the Adviserâ€™s investment professionals and support staff who possess a broad range of transactional, financial, managerial, and investment skills. Increased Access to Investment Opportunities Developed Through Extensive Research Capability and Network of ContactsThe Adviser seeks to identify potential investments through active origination and due diligence and through its dialogue with numerous private equity firms and other members of the financial community with whom the Adviserâ€™s investment professionals have long-term relationships. We believe that the Adviserâ€™s investment professionals have developed a broad 8Table of Contentsnetwork of contacts within the investment, commercial banking, private equity and investment management communities, and that their reputation, experience and focus on investing in lower middle market companies enables us to source and identify well-positioned prospective portfolio companies that provide attractive investment opportunities. Additionally, the Adviser expects to generate information from its professionalsâ€™ network of accountants, consultants, lawyers and management teams of portfolio companies and other contacts to support the Adviserâ€™s investment activities.Disciplined, Value and Income-Oriented Investment Philosophy with a Focus on Preservation of CapitalIn making its investment decisions, the Adviser focuses on the risk and reward profile of each prospective portfolio company, seeking to minimize the risk of capital loss without foregoing the potential for capital appreciation. We expect the Adviser to use the same investment philosophy that its professionals use in the management of the other Affiliated Public Funds and to commit resources to manage downside exposure. The Adviserâ€™s approach seeks to reduce our risk in investments by using some or all of the following approaches:â€¢focusing on companies with sustainable market positions and cash flow;â€¢investing in businesses with experienced and established management teams;â€¢engaging in extensive due diligence from the perspective of a long-term investor;â€¢investing in businesses backed by successful private equity sponsors or owner operators; andâ€¢adopting flexible transaction structures by drawing on the experience of the investment professionals of the Adviser and its affiliates.Longer Investment HorizonUnlike private equity and private credit funds that are often organized as finite-life partnerships (generally seven to ten years), we are not subject to standard periodic capital return requirements. These structures often force private equity and private credit funds to seek returns on their investments by causing their portfolio companies to pursue mergers, public equity offerings, or other liquidity events more quickly than might otherwise be optimal or desirable, potentially resulting in a lower overall return to investors and/or an adverse impact on their portfolio companies. In contrast, we are an exchange-traded corporation of perpetual duration. We believe that our flexibility to make investments with a long-term view and without the capital return requirements of traditional private investment vehicles provides us with the opportunity to achieve greater long-term returns on invested capital.Flexible Transaction StructuringWe believe our management teamâ€™s broad expertise and years of combined experience enable the Adviser to identify, assess, and structure investments successfully across all levels of a companyâ€™s capital structure and manage potential risk and return at all stages of the economic cycle. We are not subject to many of the regulatory limitations that govern traditional lending institutions, such as banks. As a result, we are flexible in selecting and structuring investments, adjusting investment criteria and transaction structures and, in some cases, the types of securities in which we invest. We believe that this approach enables the Adviser to craft a financing structure which best fits the investment and growth profile of the underlying business and yields attractive investment opportunities that will continue to generate current income and capital gain potential throughout the economic cycle, including during turbulent periods in the capital markets.Ongoing Management of Investments and Portfolio Company RelationshipsThe Adviserâ€™s investment professionals actively oversee each investment by continuously evaluating the portfolio companyâ€™s performance and, although generally not expected to control such companies or become involved in day-to-day operations, will work collaboratively with the portfolio companyâ€™s management, either at the portfolio companyâ€™s request or in connection with any board observer rights, to identify and incorporate best resources and practices that help us achieve our projected investment performance.MonitoringThe Adviserâ€™s investment professionals monitor the financial performance, trends, and changing risks of each portfolio company on an ongoing basis to determine if each company is performing within expectations and to guide the portfolio 9Table of Contentscompanyâ€™s management in taking the appropriate courses of action. The Adviser employs various methods of evaluating and monitoring the performance of our investments in portfolio companies, which can include the following:â€¢monthly or quarterly analysis of financial and operating performance;â€¢frequent assessment of the portfolio companyâ€™s performance against its business plan and our investment expectations;â€¢attendance at and/or participation in the portfolio companyâ€™s board of directors or management meetings;â€¢assessment of portfolio company management, sponsor, governance, and strategic direction;â€¢assessment of the portfolio companyâ€™s industry and competitive environment; andâ€¢review and assessment of the portfolio companyâ€™s operating outlook and financial projections.Relationship ManagementThe Adviserâ€™s investment professionals interact with various parties involved with a portfolio company, or investment, by actively engaging with internal and external constituents, including:â€¢management;â€¢boards of directors;â€¢private equity sponsors;â€¢capital partners; andâ€¢advisers and consultants.Managerial Assistance and ServicesAs a BDC, we make available significant managerial assistance, as defined in the 1940 Act, to our portfolio companies and provide other services (other than such managerial assistance) to such portfolio companies. Neither we, nor the Adviser, currently receive fees in connection with the managerial assistance we make available. At times, the Adviser may also provide other services to our portfolio companies under certain agreements and may receive fees for services other than managerial assistance. Such services may include: (i) assistance obtaining, sourcing or structuring credit facilities, long term loans or additional equity from unaffiliated third parties; (ii) negotiating important contractual financial relationships; (iii) consulting services regarding restructuring of the portfolio company and financial modeling as it relates to raising additional debt and equity capital from unaffiliated third parties; and (iv) taking a primary role in interviewing, vetting and negotiating employment contracts with candidates in connection with adding and retaining key portfolio company management team members. The Adviser non-contractually, unconditionally, and irrevocably credits 100% of any fees received for such services against the base management fee that we would otherwise be required to pay to the Adviser as discussed below in â€œâ€”Transactions with Related Parties â€“ Investment Advisory and Management Agreement â€“ Base Management Fee.â€ However, pursuant to the terms of the Advisory Agreement, a small percentage of certain of such fees is retained by the Adviser in the form of reimbursement, at cost, for tasks completed by personnel of the Adviser, primarily for the valuation of portfolio companies.Gladstone Securities also provides other services (such as investment banking and due diligence services) to certain of our portfolio companies and receives fees for the provision of such services; see â€œâ€”Transactions with Related Parties â€“ Other Transactionsâ€ below.Valuation ProcessOur Board of Directors has approved investment valuation policies and procedures pursuant to Rule 2a-5 (the â€œPolicyâ€)and, in July 2022, designated the Adviser to serve as the Board of Directorsâ€™ valuation designee (â€œValuation Designeeâ€)under the 1940 Act.The following is a general description of the Policy that the professionals of the Adviser and Administrator, with oversight and direction from our chief valuation officer, an employee of the Administrator that reports directly to our Board of Directors (collectively, the â€œValuation Teamâ€), use each quarter to determine the fair value of our investment portfolio. In accordance with the 1940 Act, our Board of Directors has the ultimate responsibility for reviewing the good faith fair value determination of our investments for which market quotations are not readily available based on our Policy and for overseeing the Valuation Designee. The Adviser values our investments in accordance with the requirements of the 1940 10Table of ContentsAct and accounting principles generally accepted in the U.S. (â€œGAAPâ€). There is no single standard for determining fair value (especially for privately-held businesses), as fair value depends upon the specific facts and circumstances of each individual investment. Each quarter, our Board of Directors reviews the Policy to determine if changes thereto are advisable and whether the Valuation Team has applied the Policy consistently. With respect to the valuation of our investment portfolio, the Valuation Team performs the following steps each quarter:â€¢Each investment is initially assessed by the Valuation Team using the Policy, which may include:â€¢obtaining fair value quotes or utilizing valuation inputs from third party valuation firms; andâ€¢using techniques, such as total enterprise value, yield analysis, market quotes and other factors, including but not limited to: the nature and realizable value of the collateral, including external partiesâ€™ guaranties; any relevant offers or letters of intent to acquire the portfolio company; and the markets in which the portfolio company operates.â€¢Preliminary valuation conclusions are then discussed amongst the Valuation Team and with our management and documented for review by our Board of Directors. Fair value determinations and supporting material are sent to the Board of Directors in advance of its quarterly meetings.â€¢The Valuation Committee of the Board of Directors (comprised entirely of independent directors) meets to review the valuation determinations and supporting materials, discusses the information provided by the Valuation Team, determines whether the Valuation Team has followed the Policy and reviews other facts and circumstances, including current valuation risks, conflicts of interest, material valuation matters, appropriateness of valuation methodologies, back-testing results, price challenges/overides, and ongoing monitoring and oversight of pricing services. After the Valuation Committee concludes its meeting, it and the chief valuation officer, representing the Valuation Designee, present the Valuation Committeeâ€™s findings on the Valuations Designee's determinations to the entire Board of Directors so that the full Board of Directors may review the Valuation Designee's determined fair values of such investments in accordance with the Policy.Fair value measurements of our investments may involve subjective judgment and estimates. Due to the uncertainty inherent in valuing these securities, the determinations of fair value may fluctuate from period to period and may differ materially from the values that could be obtained if a ready market for these securities existed. Our net asset value (â€œNAVâ€) could be materially affected if the determinations regarding the fair value of our investments are materiallydifferent from the values that we ultimately realize upon our disposal of such securities. Our valuation policies, procedures and processes are more fully described in Note 2â€”Summary of Significant Accounting Policies in our accompanying Notes to Consolidated Financial Statements included elsewhere in this Annual Report.Transactions with Related PartiesInvestment Advisory and Management AgreementIn 2006, we entered into the Advisory Agreement, which was most recently amended and restated in April 2022. In accordance with the Advisory Agreement, we pay the Adviser fees as compensation for its services, consisting of a base management fee and an incentive fee. On July 9, 2024, our Board of Directors, including a majority of the directors who are not parties to the Advisory Agreement or interested persons of such party, unanimously approved the renewal of the Advisory Agreement through August 31, 2025. Mr. Gladstone, our chairman and chief executive officer, controls the Adviser. The Board of Directors considered the following factors as the basis for its decision to renew the Advisory Agreement: (1) the nature, extent and quality of services provided by the Adviser to our shareholders; (2) the investment performance of the Company and the Adviser; (3) the costs of the services to be provided and profits to be realized by the Adviser and its affiliates from the relationship with the Company; (4) the extent to which economies of scale will be realized as the Company and the Affiliated Public Funds grow and whether the fee level under the Advisory Agreement reflects the economies of scale for the Companyâ€™s investors; (5) the fee structure of the advisory and administrative agreements of comparable funds; (6) indirect profits to the Adviser created through the Company; and (7) in light of the foregoing considerations, the overall fairness of the advisory fees paid under the Advisory Agreement.Based on the information reviewed and the considerations detailed above, our Board of Directors, including all of the directors who are not â€œinterested personsâ€ as that term is defined in the 1940 Act, concluded that the investment advisory fee rates and terms are fair and reasonable in relation to the services provided and approved the Advisory Agreement, as being in the best interests of our stockholders.11Table of ContentsBase Management FeeThe base management fee is payable quarterly to the Adviser pursuant to our Advisory Agreement and is assessed at an annual rate of 1.75%, computed on the basis of the value of our average total assets at the end of the two most recently-completed quarters (inclusive of the current quarter), which are total assets, including investments made with proceeds of borrowings, less any uninvested cash or cash equivalents resulting from borrowings and adjusted appropriately for any share issuances or repurchases during the period. Our Board of Directors may (as it has for the years ended SeptemberÂ 30, 2024, 2023, and 2022) accept a non-contractual, unconditional and irrevocable credit from the Adviser to reduce the annual 1.75% base management fee on syndicated loan participations to 0.5%, to the extent that proceeds resulting from borrowings were used to purchase such syndicated loan participations.Additionally, pursuant to the requirements of the 1940 Act, the Adviser makes available significant managerial assistance to our portfolio companies. The Adviser may also provide other services to our portfolio companies under certain agreements and may receive fees for services other than managerial assistance. The Adviser non-contractually, unconditionally, and irrevocably credits 100% of these fees against the base management fee that we would otherwise be required to pay to the Adviser; however, pursuant to the terms of the Advisory Agreement, a small percentage of certain of such fees is retained by the Adviser in the form of reimbursement, at cost, for tasks completed by personnel of the Adviser, primarily for the valuation of portfolio companies. Loan servicing fees that are payable to the Adviser pursuant to our revolving line of credit with KeyBank National Association (â€œKeyBankâ€), as administrative agent, lead arranger and lender (as amended and restated from time to time, our â€œCredit Facility") are also 100% credited against the base management fee as discussed below, â€œâ€”Loan Servicing Fee Pursuant to Credit Agreement.â€Incentive FeeThe incentive fee consists of two parts: an income-based incentive fee and a capital gains-based incentive fee. The income-based incentive fee rewards the Adviser if our quarterly net investment income (before giving effect to any incentive fee) exceeds 1.75% of our net assets (2.0% during the period from April 1, 2020 through March 31, 2023), which we define as total assets less indebtedness and before taking into account any incentive fees payable or contractually due but not payable during the period, at the end of the immediately preceding calendar quarter, adjusted appropriately for any share issuances or repurchases during the period (the â€œhurdle rateâ€). The income-based incentive fee with respect to our pre-incentive fee net investment income is generally payable quarterly to the Adviser and is computed as follows:â€¢no incentive fee in any calendar quarter in which our pre-incentive fee net investment income does not exceed the hurdle rate;â€¢100.0% of our 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 2.1875% (2.4375% during the period from April 1, 2020 through March 31, 2022, and 2.50% from April 1, 2022 through March 31, 2023) of our net assets, adjusted appropriately for any share issuances or repurchases during the period, in any calendar quarter; andâ€¢20.0% of the amount of our pre-incentive fee net investment income, if any, that exceeds 2.1875% (2.4375% during the period from April 1, 2020 through March 31, 2022, and 2.50% from April 1, 2022 through March 31, 2023) of our net assets, adjusted appropriately for any share issuances or repurchases during the period, in any calendar quarter.12Table of ContentsQuarterly Incentive Fee Based on Net Investment Income Pre-incentive fee net investment income(expressed as a percentage of the value of net assets)Percentage of pre-incentive fee net investment incomeallocated to income-related portion of incentive feeThe second part of the incentive fee is a capital gains-based incentive fee that is determined and payable in arrears as of the end of each fiscal year (or upon termination of the Advisory Agreement, as of the termination date) and equals 20.0% of our â€œnet realized capital gainsâ€ (as defined below) as of the end of the fiscal year. In determining the capital gains-based incentive fee payable to the Adviser, we calculate â€œnet realized capital gainsâ€ at the end of each applicable year by subtracting the sum of our cumulative aggregate realized capital losses and our entire portfolio's aggregate unrealized capital depreciation from our cumulative aggregate realized capital gains. For this purpose, cumulative aggregate realized capital gains, if any, equals the sum of the differences between the net sales price of each investment, when sold, and the original cost of such investment since inception. Cumulative aggregate realized capital losses equals the sum of the amounts by which the net sales price of each investment, when sold, is less than the original cost of such investment since inception. The entire portfolioâ€™s aggregate unrealized capital depreciation, if any, equals the sum of the difference between the valuation of each investment as of the applicable calculation date and the original cost of such investment. At the end of the applicable fiscal year, the amount of capital gains that serves as the basis for our calculation of the capital gains-based incentive fee equals the cumulative aggregate realized capital gains less cumulative aggregate realized capital losses, less the entire portfolioâ€™s aggregate unrealized capital depreciation, if any. If this number is positive at the end of such fiscal year, then the capital gains-based incentive fee for such year equals 20.0% of such amount, less the aggregate amount of any capital gains-based incentive fees paid in respect of our portfolio in all prior years. No capital gains-based incentive fee has been recorded or paid since our inception through SeptemberÂ 30, 2024, as cumulative unrealized capital depreciation has exceeded cumulative realized capital gains net of cumulative realized capital losses.In accordance with GAAP, a capital gains-based incentive fee accrual is calculated using the aggregate cumulative realized capital gains and losses and aggregate cumulative unrealized capital appreciation and depreciation. If such amount is positive at the end of a period, then GAAP requires us to record a capital gains-based incentive fee equal to 20.0% of such amount, less the aggregate amount of actual capital gains-based incentive fees paid in all prior years. If such amount is negative, then there is no accrual for such period. GAAP requires that the capital gains-based incentive fee accrual consider the cumulative aggregate unrealized capital appreciation in the calculation, as a capital gains-based incentive fee would be payable if such unrealized capital appreciation were realized. There can be no assurance that such unrealized capital appreciation will be realized in the future. No GAAP accrual for a capital gains-based incentive fee has been recorded from our inception through SeptemberÂ 30, 2024.Our Board of Directors accepted non-contractual, unconditional and irrevocable credits from the Adviser to reduce the income-based incentive fee to the extent net investment income did not cover 100.0% of distributions to common stockholders for the years ended SeptemberÂ 30, 2024 and 2022, which credits totaled $0.2 million and $0.4 million, respectively. There were no such credits during the year ended SeptemberÂ 30, 2023.Loan Servicing Fee Pursuant to Credit AgreementThe Adviser also services the loans held by our wholly-owned subsidiary, Gladstone Business Loan, LLC (â€œBusiness Loanâ€) (the borrower under our Credit Facility), in return for which the Adviser receives a 1.5% annual fee payable monthly based on the monthly aggregate outstanding balance of loans pledged under our Credit Facility. Since Business Loan is a consolidated subsidiary of ours, and the total base management fee paid to the Adviser pursuant to the Advisory Agreement cannot exceed 1.75% of total assets (less any uninvested cash or cash equivalents resulting from borrowings and adjusted appropriately for any share issuances or repurchases during the period) during any given calendar year, we 13Table of Contentstreat payment of the loan servicing fee pursuant to our Credit Facility as a pre-payment of the base management fee under the Advisory Agreement. Accordingly, these loan servicing fees are 100% non-contractually, unconditionally, and irrevocably credited back to us by the Adviser.Administration AgreementWe reimburse the Administrator pursuant to the Administration Agreement for our allocable portion of the Administratorâ€™s expenses incurred while performing services to us, which are primarily rent and salaries and benefits expenses of the Administratorâ€™s employees, including our chief financial officer and treasurer, chief compliance officer, chief valuation officer and general counsel and secretary (who also serves as the Administratorâ€™s president), and their respective staffs.Our allocable portion of the Administratorâ€™s expenses are generally derived by multiplying the Administratorâ€™s total expenses by the approximate percentage of time during the current quarter the Administratorâ€™s employees performed services for us in relation to their time spent performing services for all companies serviced by the Administrator. On July 9, 2024, our Board of Directors, including a majority of the directors who are not parties to the Administration Agreement or interested persons of either party, approved the renewal of the Administration Agreement through August 31, 2025.Other TransactionsMr. Gladstone also serves on the board of managers of our affiliate, Gladstone Securities, a privately-held broker-dealer registered with the Financial Industry Regulatory Authority and insured by the Securities Investor Protection Corporation. Gladstone Securities is 100% indirectly owned and controlled by Mr. Gladstone and has provided other services, such as investment banking and due diligence services, to certain of our portfolio companies, for which Gladstone Securities receives a fee. Any such fees paid by portfolio companies to Gladstone Securities do not impact the fees we pay to the Adviser or the non-contractual, unconditional, and irrevocable credits against the base management fee or incentive fee. For additional information refer to Note 4 â€” Related Party Transactions of our accompanying Notes to Consolidated Financial Statements.Material U.S. Federal Income Tax ConsiderationsThis is a general summary of certain material U.S. federal income tax considerations applicable to us, to our qualification and taxation as a RIC for U.S. federal income tax purposes under Subchapter M of the Code and to the ownership and disposition of our shares. This summary does not purport to be a complete description of all of the tax considerations relating thereto. In particular, we have not described certain considerations that may be relevant to certain types of stockholders subject to special treatment under U.S. federal income tax laws. This summary does not discuss any aspect of state, local or foreign tax laws, or the U.S. estate or gift tax. Stockholders are urged to consult their tax advisors regarding their particular situations and the possible applicability of federal, state, local, non-U.S. or other tax laws, and any proposed tax law changes. A â€œU.S. stockholderâ€ is a beneficial owner of stock that is for U.S. federal income tax purposes:â€¢an individual who is a citizen or resident of the United States;â€¢a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States or any state thereof of the District of Columbia; â€¢a trust, if a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons (as defined in the Code) have the authority to control all of its substantial decisions, or if the trust has a valid election in effect under applicable U.S. Treasury regulations to be treated as a domestic trust for U.S. federal income tax purposes; orâ€¢an estate, the income of which is subject to U.S. federal income taxation regardless of its source.RIC StatusTo qualify for treatment as a RIC under Subchapter M of the Code, we must generally distribute to our stockholders, for each taxable year, at least 90.0% of our taxable ordinary income plus the excess of our realized net short-term capital gains over our realized net long-term capital losses (â€œInvestment Company Taxable Incomeâ€). We refer to this as the â€œannual distribution requirement.â€ We must also meet several additional requirements, including:â€¢Business Development Company status. At all times during the taxable year, we must maintain our status as a BDC.14Table of Contentsâ€¢Income source requirements. At least 90.0% of our gross income for each taxable year must be from dividends, interest, payments with respect to securities, loans, gains from sales or other dispositions of securities or other income (including certain deemed inclusions) derived with respect to our business of investing in securities, and net income derived from an interest in a qualified publicly traded partnership.â€¢Asset diversification requirements. As of the close of each quarter of our taxable year: (1) at least 50% of the value of our assets must consist of cash, cash items, U.S. government securities, the securities of other regulated investment companies and other securities to the extent that (a) we do not hold more than 10% of the outstanding voting securities of an issuer of such other securities and (b) such other securities of any one issuer do not represent more than 5% of our total assets, and (2) no more than 25% of the value of our total assets may be invested in the securities (other than U.S. government securities or the securities of other regulated investment companies) of (i) one issuer, (ii) two or more issuers that are controlled by us and are engaged in the same or similar or related trades or businesses, and (iii) one or more qualified publicly-traded partnerships.Failure to Qualify as a RICIf we were to fail to meet the income, diversification, or distribution tests described above, we could in some cases cure such failure, including by paying a fund-level tax, paying interest, making additional distributions, or disposing of certain assets. If we were ineligible to or otherwise did not cure such failure, or were otherwise unable to qualify for treatment as a RIC, we would be subject to U.S. federal income tax on all of our taxable income at the regular corporate income tax rate and would be subject to any applicable state and local taxes, even if we distributed all of our Investment Company Taxable Income to our stockholders. We would not be able to deduct distributions to our stockholders, nor would we be required to make such distributions for U.S. federal income tax purposes. Distributions would be taxable to our stockholders as ordinary dividend income and, subject to certain limitations under the Code, would be eligible for the current maximum rate applicable to qualifying dividend income of individuals and other non-corporate U.S. stockholders to the extent of our current or accumulated earnings and profits. Subject to certain limitations under the Code, corporate distributees would be eligible for the dividends received deduction, if applicable. Distributions in excess of our current and accumulated earnings and profits would be treated first as a return of capital to the extent of the stockholderâ€™s adjusted tax basis, and then as capital gain. If we fail to meet the RIC requirements for more than two consecutive years and then seek to requalify as a RIC, we generally would be subject to corporate-level U.S. federal income tax on any unrealized appreciation with respect to our assets unless we make a special election to pay corporate-level U.S. federal income tax on any such unrealized appreciation during the succeeding five-year period.Qualification as a RICIf we qualify as a RIC and meet the annual distribution requirement, we will not be subject to U.S. federal income tax on the portion of our Investment Company Taxable Income and net capital gain (realized net long term capital gain in excess of realized net short term capital loss) that we timely distribute (or are deemed to timely distribute) to our stockholders. If we fail to distribute in a timely manner an amount at least equal to the sum of (1) 98.0% of our ordinary income for the calendar year, (2) 98.2% of our net capital gains for the one-year period ending on October 31 of the calendar year (or November 30 or December 31 of that year if we are permitted to elect and so elect) and (3) any income realized, but not distributed, in the preceding period (to the extent that income tax was not imposed on such amounts), less certain reductions, as applicable (together, the â€œexcise tax distribution requirementsâ€), we will be subject to a 4% nondeductible federal excise tax on the portion of the undistributed amounts of such income that are less than the amounts required to be distributed based on the excise tax distribution requirements. For the calendar years ended December 31, 2023, 2022, and 2021, we did not incur any excise taxes. As of SeptemberÂ 30, 2024, our capital loss carryforward was $47.4 million.If we acquire debt obligations that (i) were originally issued at a discount, (ii) bear interest at rates that are not either fixed rates or certain qualified variable rates, or (iii) are not unconditionally payable at least annually over the life of the obligation, we will be required to include in taxable income each year a portion of the original issue discount (â€œOIDâ€) that accrues over the life of the obligation. Additionally, PIK interest, which is computed at the contractual rate specified in a loan agreement and is added to the principal balance of a loan, is also a non-cash source of income that we are required to include in taxable income each year. Both OID and PIK income will be included in our Investment Company Taxable Income even though we receive no cash corresponding to such amounts. As a result, we may be required to make additional distributions corresponding to such OID and PIK amounts in order to satisfy the annual distribution requirement and to continue to qualify as a RIC or to avoid the imposition of federal income and excise taxes. In this event, we may be required to sell investments or other assets to meet the RIC distribution requirements. For the year ended SeptemberÂ 30, 2024, we recorded $0.4 million of OID income and the unamortized balance of OID investments as of SeptemberÂ 30, 2024 15Table of Contentstotaled $0.6 million. As of SeptemberÂ 30, 2024, we had eight investments which had a PIK interest component and we recorded PIK interest income of $5.7 million during the year ended SeptemberÂ 30, 2024.Taxation of Our U.S. StockholdersDistributionsFor any period during which we qualify as a RIC for U.S. federal income tax purposes, distributions to our stockholders attributable to our Investment Company Taxable Income generally will be taxable as ordinary income to our stockholders to the extent of our current or accumulated earnings and profits. We first allocate our earnings and profits to distributions to our preferred stockholders, if any, and then to distributions to our common stockholders based on priority in our capital structure. Any distributions in excess of our earnings and profits will first be treated as a return of capital to the extent of the stockholderâ€™s adjusted basis in his or her shares of stock and thereafter as capital gain. Distributions of our long-term capital gains, reported by us as such, will be taxable to our stockholders as long-term capital gains regardless of the stockholderâ€™s holding period of the stock and whether the distributions are paid in cash or invested in additional stock. Corporate U.S. stockholders generally are eligible for the 50% dividends received deduction with respect to ordinary income dividends received from us, but only to the extent such amount is attributable to dividends received by us from taxable domestic corporations.A RIC that has two or more classes of stock generally is required to allocate to each class proportionate amounts of each type of its income (such as ordinary income, capital gains, qualified dividend income and dividends qualifying for the dividends-received deduction) based upon the percentage of total distributions paid to each class for the tax year. Accordingly, for any tax year in which we have common shares and preferred shares, we intend to allocate capital gain distributions, distributions of qualified dividend income, and distributions qualifying for the dividends-received deduction, if any, between our common shares and preferred shares in proportion to the total distributions paid to each class with respect to such tax year.Any distribution declared by us in October, November or December of any calendar year, payable to our stockholders of record on a specified date in such a month and actually paid during January of the following year, will be treated as if it were paid by us and received by our stockholders on December 31 of the previous year. In addition, we may elect (in accordance with Section 855(a) of the Code) to relate a distribution back to the prior taxable year if we (1) declare such distribution prior to the later of the extended due date for filing our return for that taxable year or the 15th day of the ninth month following the close of the taxable year, (2) make the election in that return, and (3) distribute the amount in the 12-month period following the close of the taxable year but not later than the first regular distribution payment of the same type following the declaration. Any such election will not alter the general rule that a stockholder will be treated as receiving a distribution in the taxable year in which the distribution is made, subject to the October, November, December rule described above.If a common stockholder participates in our â€œopt inâ€ dividend reinvestment plan, then the common stockholder will have their cash dividends and distributions automatically reinvested in additional shares of our common stock, rather than receiving cash dividends and distributions. Any distributions reinvested under the plan will be taxable to the common stockholder to the same extent, and with the same character, as if the common stockholder had received the distribution in cash. The common stockholder will have an adjusted basis in the additional common shares purchased through the plan equal to the dollar amount that would have been received if the U.S. stockholder had received the dividend or distribution in cash, unless we were to issue new shares that are trading at or above net asset value, in which case, the U.S. stockholderâ€™s basis in the new shares would generally be equal to their fair market value. The additional common shares will have a new holding period commencing on the day following the day on which the shares are credited to the common stockholderâ€™s account. The plan agent purchases shares in the open market in connection with the obligations under the plan.Sale of Our SharesA U.S. stockholder generally will recognize taxable gain or loss if the U.S. stockholder sells or otherwise disposes of the shares of our common stock. Any gain arising from such sale or disposition generally will be treated as long-term capital gain or loss if the U.S. stockholder has held the shares for more than one year. Otherwise, it will be classified as short-term capital gain or loss. However, any capital loss arising from the sale or disposition of shares of our stock held for six months or less will be treated as long-term capital loss to the extent of the amount of capital gain dividends received, or undistributed capital gain deemed received, with respect to such shares. All or a portion of any loss realized upon a taxable disposition of shares will be disallowed under the Codeâ€™s â€œwash saleâ€ rule if other substantially identical shares are 16Table of Contentspurchased within 30 days before or after the disposition. In such a case, the basis of the newly purchased shares will be adjusted to reflect the disallowed loss.Under the tax laws in effect as of the date of this filing, individual U.S. stockholders are subject to a maximum federal income tax rate of 20% on their net capital gain (i.e. the excess of realized net long-term capital gain over realized net short-term capital loss for a taxable year) including any long-term capital gain derived from an investment in our shares. Such rate is lower than the maximum rate on ordinary income currently payable by individuals. Corporate U.S. stockholders currently are subject to federal income tax on net capital gain at the same rates applied to their ordinary income. Capital losses are subject to limitations on use for both corporate and non-corporate stockholders. Certain U.S. stockholders who are individuals, estates or trusts generally are also subject to a 3.8% Medicare tax on, among other things, dividends on and capital gain from the sale or other disposition of shares of our stock.Backup Withholding and Other Required WithholdingWe may be required to withhold U.S. federal income tax (i.e. backup withholding) from all taxable distributions to any non-corporate U.S. stockholder (i) who fails to furnish us with a correct taxpayer identification number or a certificate that such stockholder is exempt from backup withholding, or (ii) with respect to whom the Internal Revenue Service (â€œIRSâ€) notifies us that such stockholder has failed to properly report certain interest and dividend income to the IRS and to respond to notices to that effect. An individualâ€™s taxpayer identification number is generally his or her social security number. Any amount withheld under backup withholding is allowed as a credit against the U.S. stockholderâ€™s federal income tax liability, provided that proper information is timely provided to the IRS.Sections 1471-1474 of the Code and the U.S. Treasury and IRS guidance issued thereunder (collectively, â€œFATCAâ€) generally require that we obtain information sufficient to identify the status of each shareholder under FATCA or under an applicable intergovernmental agreement (an â€œIGAâ€) between the United States and a foreign government. If a shareholder fails to provide the requested information or otherwise fails to comply with FATCA or an IGA, we may be required to withhold under FATCA at a rate of 30% with respect to that shareholder on ordinary dividends it pays. The IRS and the Department of Treasury have issued proposed regulations providing that these withholding rules will not apply to the gross proceeds of share redemptions or capital gain dividends we pay. If a payment is subject to FATCA withholding, we are required to withhold even if such payment would otherwise be exempt from withholding under the rules applicable to foreign shareholders described above (e.g., interest-related dividends). In addition, subject to certain exceptions, this legislation also imposes a 30% withholding on payments to foreign entities that are not financial institutions unless the foreign entity certifies that it does not have a greater than 10% U.S. owner or provides the withholding agent with identifying information on each greater than 10% U.S. owner. Depending on the status of a non-U.S. stockholder and the status of the intermediaries through which they hold their shares, non-U.S. stockholders could be subject to this 30% withholding tax with respect to distributions on their shares and proceeds from the sale of their shares. Under certain circumstances, a non-U.S. stockholder might be eligible for refunds or credits of such taxes.Information ReportingWe will send to each of our U.S. stockholders, after the end of each calendar year, a notice providing, on a per share and per distribution basis, the amounts includible in the U.S. stockholderâ€™s taxable income for such year as ordinary income and as long-term capital gain, if any. In addition, the U.S. federal tax status of each yearâ€™s distributions will generally be reported to the IRS (including the amount of dividends, if any, eligible for the preferential rates applicable to long-term capital gains).Regulation as a BDCWe are a closed-end, non-diversified management investment company that has elected to be regulated as a BDC under Section 54 of the 1940 Act. As such, we are subject to regulation under the 1940 Act. The 1940 Act contains prohibitions and restrictions relating to transactions between BDCs and their affiliates, principal underwriters and affiliates of those affiliates or underwriters and requires that a majority of the directors be persons other than â€œinterested persons,â€ as defined in the 1940 Act. In addition, the 1940 Act provides that we may not change the nature of our business so as to cease to be, or to withdraw our election as, a BDC unless approved by a â€œvote of a majority of outstanding voting securities,â€ as defined in the 1940 Act.In general, a BDC must have been organized and have its principal place of business in the U.S. and must be operated for the purpose of making investments in qualifying assets, as described in Sections 55(a)(1) through (a)(3) of the 1940 Act.17Table of ContentsQualifying AssetsUnder the 1940 Act, a BDC may not acquire any asset other than assets of the type listed in Section 55(a) of the 1940 Act, which are referred to as qualifying assets, unless, at the time the acquisition is made, qualifying assets, other than certain interests in furniture, equipment, real estate, or leasehold improvements (â€œOperating Assetsâ€) represent at least 70.0% of total assets, exclusive of Operating Assets. The types of qualifying assets in which we may invest under the 1940 Act include the following:(1)Securities purchased in transactions not involving any public offering from the issuer of such securities, which issuer is an eligible portfolio company. An eligible portfolio company is generally defined in the 1940 Act as any issuer which:(a)is organized under the laws of, and has its principal place of business in, any state or states in the U.S.;(b)is not an investment company (other than a small business investment company wholly owned by the BDC or otherwise excluded from the definition of investment company); and(c)satisfies one of the following:(i)it does not have any class of securities with respect to which a broker or dealer may extend margin credit;(ii)it is controlled by the BDC and for which an affiliate of the BDC serves as a director;(iii)it has total assets of not more than $4.0 million and capital and surplus of not less than $2 million;(iv)it does not have any class of securities listed on a national securities exchange; or(v)it has a class of securities listed on a national securities exchange, with an aggregate market value of outstanding voting and non-voting equity of less than $250.0 million.(2)Securities received in exchange for or distributed on or with respect to securities described in (1) above, or pursuant to the exercise of options, warrants or rights relating to such securities.(3)Cash, cash items, government securities or high quality debt securities maturing in one year or less from the time of investment.As of SeptemberÂ 30, 2024, 99.7% of our assets were qualifying assets.Asset CoveragePursuant to Section 61(a)(3) of the 1940 Act, we are permitted to issue multiple classes of â€œsenior securities representing indebtedness.â€ However, pursuant to Section 18(c) of the 1940 Act, we are permitted to issue only one class of â€œsenior securities that is stock.â€ In either case, we may only issue such senior securities if such class of senior securities, after such issuance, has an asset coverage, as defined in Section 18(h) of the 1940 Act, of at least 150%.In addition, our ability to pay dividends or distributions (other than dividends payable in our common stock) to holders of any class of our capital stock would be restricted if our â€œsenior securities representing indebtednessâ€ fail to have an asset coverage of at least 150% (measured at the time of declaration of such distribution and accounting for such distribution). The 1940 Act does not apply this limitation to privately arranged debt that is not intended to be publicly distributed, unless this limitation is specifically negotiated by the lender. In addition, our ability to pay dividends or distributions (other than dividends payable in our common stock) to our common stockholders would be restricted if our â€œsenior securities that are stockâ€ fail to have an asset coverage of at least 150% (measured at the time of declaration of such distribution and accounting for such distribution). If the value of our assets declines, we might be unable to satisfy these asset coverage requirements. To satisfy the 150% asset coverage requirement in the event that we are seeking to pay a distribution, we might either have to (i) liquidate a portion of our portfolio to repay a portion of our indebtedness or (ii) issue common stock. This may occur at a time when a sale of a portfolio asset may be disadvantageous, or when we have limited access to capital markets on agreeable terms. In addition, any amounts that we use to service our indebtedness or for offering costs will not be available for distributions to our stockholders. If we are unable to regain the requisite asset coverage through these methods, we may be forced to suspend the payment of such dividends or distributions.Significant Managerial AssistanceA BDC generally must make available significant managerial assistance to issuers of certain of its portfolio securities that the BDC counts as a qualifying asset for the 70.0% test described above. Making available significant managerial 18Table of Contentsassistance means, among other things, any arrangement whereby the BDC, through its directors, officers or employees, offers to provide, and, if accepted, does so provide, significant guidance and counsel concerning the management, operations or business objectives and policies of a portfolio company. Significant managerial assistance also includes the exercise of a controlling influence over the management and policies of the portfolio company. However, with respect to certain, but not all such securities, where the BDC purchases such securities in conjunction with one or more other persons acting together, one of the other persons in the group may make available such managerial assistance, or the BDC may exercise such control jointly.Summary Risk FactorsBelow is a summary of the principal risk factors associated with an investment in our securities. In addition to the below, you should carefully consider the information included in â€œRisk Factorsâ€ beginning on page 21 of this Annual Report together with all of the other information included in this Annual Report and the other reports and documents filed or furnished by us with the SEC for a more detailed discussion of the principal risks as well as certain other risks that you should carefully consider before deciding to invest in our securities.â€¢Market conditions could negatively impact our business, results of operations, cash flows and financial condition.â€¢Volatility in the capital markets may make it more difficult to raise capital and may adversely affect the valuations of our investments.â€¢We may experience fluctuations in our quarterly and annual results based on the impact of inflation in the U.S.â€¢Market interest rates may have an effect on the value of our securities.â€¢Changes in interest rates may negatively impact our investments and have an adverse effect on our business, financial condition, results of operations, and cash flows.â€¢The lack of liquidity of our privately held investments may adversely affect our business.â€¢Our investments in lower middle market companies are extremely risky and could cause you to lose all or a part of your investment.â€¢We often invest in transactions involving acquisitions, buyouts and recapitalizations of companies, which will subject us to the risks associated with change in control transactions.â€¢Our portfolio is concentrated in a limited number of companies and industries, which subjects us to an increased risk of significant loss if any one of these companies does not repay us or if the industries experience downturns.â€¢Any inability to renew, extend or replace our Credit Facility on terms favorable to us, or at all, could adversely impact our liquidity and ability to fund new investments or maintain distributions to our stockholders.â€¢We are subject to restrictions that may discourage a change of control. Certain provisions contained in our articles of incorporation and Maryland law may prohibit or restrict a change of control and adversely impact the price of our common stock.â€¢There are significant potential conflicts of interest, including with the Adviser, which could impact our investment returns.â€¢Our success depends on the Adviserâ€™s ability to attract and retain qualified personnel in a competitive environment.â€¢Our incentive fee may induce the Adviser to make certain investments, including speculative investments.â€¢We may be obligated to pay the Adviser incentive compensation even if we incur a loss.â€¢The Adviser is not obligated to provide a credit of the base management fee or incentive fee, which could negatively impact our earnings and our ability to maintain our current level of distributions to our stockholders.â€¢There is a risk that you may not receive distributions or that distributions may not grow over time.â€¢Investing in our securities may involve an above average degree of risk.â€¢Common shares of closed-end investment companies frequently trade at a discount to the NAV per share.â€¢The indentures under which our unsecured notes were issued contain limited protection for holders of such notes. â€¢Cybersecurity risks and cyber incidents may adversely affect our business by causing a disruption to our operations, or the operations of businesses in which we invest, a compromise or corruption of our confidential 19Table of Contentsinformation and/or damage to our business relationships, all of which could negatively impact our business, financial condition and operating results.Code of EthicsWe, and all of the Gladstone Companies, have adopted a code of ethics and business conduct applicable to all of the officers, directors and personnel of such companies that complies with the guidelines set forth in Item 406 of Regulation S-K and Rule 17j-1 of the 1940 Act. As required by the 1940 Act, this code establishes procedures for personal investments, restricts certain transactions by such personnel and requires the reporting of certain transactions and holdings by such personnel. This code of ethics and business conduct is publicly available on the Investors section of our website under â€œGovernance â€“ Governance Documentsâ€ at www.GladstoneCapital.com. Appendix A to the code of ethics and business conduct is our insider trading policy. We intend to provide any required disclosure of any amendments to or waivers of the provisions of this code by posting information regarding any such amendment or waiver to our website or in a Current Report on Form 8-K.Compliance Policies and ProceduresWe and the Adviser have adopted and implemented written policies and procedures reasonably designed to prevent violation of the federal securities laws, and our Board of Directors is required to review these compliance policies and procedures annually to assess their adequacy and the effectiveness of their implementation. We have designated a chief compliance officer, John Dellafiora, Jr., who also serves as chief compliance officer for all of the Gladstone Companies.StaffingWe do not currently have any employees and do not expect to have any employees in the foreseeable future. Currently, services necessary for our business are provided by individuals who are employees of the Adviser and the Administrator pursuant to the terms of the Advisory Agreement and the Administration Agreement, respectively. We expect that 25 to 30 full time employees of the Adviser and the Administrator will spend substantial time on our matters during the remainder of calendar year 2024 and all of calendar year 2025. As of SeptemberÂ 30, 2024, the Adviser and the Administrator collectively had 73 full-time employees. A breakdown of these employees is summarized by functional area in the table below:Number of IndividualsFunctional Area13Executive management23Accounting, administration, compliance, human resources, legal and treasury37Investment management, portfolio management and due diligenceThe Adviser and the Administrator aim to attract and retain capable advisory and administrative personnel, respectively, by offering competitive base salaries and bonus structure and by providing employees with appropriate opportunities for professional growth.Available InformationWe file with or furnish to the SEC copies of our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements and other information meeting the information requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the â€œExchange Actâ€), and make such reports and any amendments thereto available free of charge through the Investors section of our website at www.GladstoneCapital.com as soon as reasonably practicable after such materials are electronically filed with or furnished to the SEC. Information contained on our website is not incorporated by reference into this Annual Report. The SEC also maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at www.sec.gov.20Table of ContentsITEM 1A. RISK FACTORSYou should carefully consider these risk factors, together with all of the other information included in this Annual Report and the other reports and documents filed by us with the SEC. The risks set out below are not the only risks we face. Additional risks and uncertainties not presently known to us, or not presently deemed material by us, may also impair our operations and performance. If any of the following events occur, our business, financial condition, results of operations and cash flows could be materially and adversely affected. If that happens, the trading price of our securities and the NAV of our common stock could decline, and you may lose all or part of your investment. The risk factors described below are the principal risk factors associated with an investment in our securities as well as those factors generally associated with an investment company with investment objectives, investment policies, capital structure or trading markets similar to ours.Risks Related to the EconomyMarket conditions could negatively impact our business, results of operations, cash flows and financial condition.The market in which we operate is affected by a number of factors that are largely beyond our control but can nonetheless have a potentially significant, negative impact on us. These factors include, among other things:â€¢changes in interest rates and credit spreads and the effects of inflation on us and our portfolio companies;â€¢the availability of credit, including the price, terms, and conditions under which it can be obtained;â€¢the quality, pricing, and availability of suitable investments and credit losses with respect to our investments;â€¢the ability to obtain accurate market-based valuations;â€¢investment values relative to the value of the underlying assets;â€¢default rates on the loans underlying our investments and the amount of related losses;â€¢prepayment rates, delinquency rates and the timing and amount of servicer advances;â€¢competition;â€¢the actual and perceived state of the economy and capital markets generally;â€¢amendments or repeals of legislation, or changes in regulations or regulatory interpretations thereof, and transitions of government, including uncertainty regarding any of the foregoing;â€¢the national and global political environment, including war, armed conflicts, foreign relations and trading policies;â€¢the impact of potential changes to the Code; andâ€¢the attractiveness of other types of investments relative to investments in lower middle market companies generally.Changes in these factors are difficult to predict, and a change in one factor could affect other factors, which could result in adverse effects to our business, results of operations, financial condition, and cash flows.Volatility in the capital markets could make it more difficult to raise capital and may adversely affect the valuations of our investments.Given the volatility and dislocation that the capital markets have experienced from time to time, many BDCs have faced, and may in the future face, a challenging environment in which to raise capital. We may in the future have difficulty accessing debt and equity capital, and a severe disruption in U.S. or global financial markets or deterioration in credit and financing conditions could have a material adverse effect on our business, financial condition, results of operations, and cash flows. In addition, significant changes in the capital markets have had, and may in the future have, a negative effect on the valuations of our investments and on the potential for liquidity events involving our investments. An inability to raise capital, and any required sale of our investments for liquidity purposes or failure of our portfolio companies to realize liquidity events, could have a material adverse impact on our business, financial condition, results of operations, or cash flows.21Table of ContentsWe may experience fluctuations in our quarterly and annual results based on the impact of inflation in the U.S.Certain of our portfolio companies are in industries that have been and, in the future, may be impacted by inflation, such as consumer goods and services and manufacturing. Our portfolio companies may not be able to pass on to customers increases in their costs of operations which could greatly affect their operating results, impacting their ability to repay our loans. In addition, any projected future decreases in our portfolio companiesâ€™ operating results due to inflation could adversely impact the fair value of those investments. Any decreases in the fair value of our investments could result in future realized or unrealized losses and therefore reduce our net assets resulting from operations.Risks Related to Interest RatesMarket interest rates may have an effect on the value of our securities.One of the factors that influences the price of our securities is the distribution yield on our securities (as a percentage of the price of our securities) relative to market interest rates. An increase in market interest rates may lead prospective purchasers of our securities to expect a higher distribution yield. In addition, higher interest rates have increased our borrowing costs. As a result, higher market interest rates could cause the market price of our securities to decrease.Changes in interest rates may negatively impact our investments and have an adverse effect on our business, financial condition, results of operations, and cash flows.Generally, interest rate fluctuations and changes in credit spreads on floating rate loans may have a negative impact on our investments and investment opportunities and, accordingly, may have a material adverse effect on our rate of return on invested capital, our net investment income, our NAV and the market price of our securities. As interest rates increase, generally, the cost of borrowing under our Credit Facility increases, which may affect our ability to make new investments on favorable terms or at all. A substantial portion of our debt investments have variable interest rates that reset periodically and are generally based on SOFR. As interest rates increase, the operating performance of certain of our portfolio companies has been affected by increasing debt service obligations and, therefore, may affect our results of operations. In addition, to the extent that further increases in interest rates make it difficult or impossible to make payments on outstanding indebtedness to us or other financial sponsors or refinance debt that is maturing in the near term, some of our portfolio companies may be unable to repay such debt at maturity and may be forced to sell assets, undergo a recapitalization or seek bankruptcy protection. Elevated interest rates could also cause borrowers to shift cash from other productive uses to the payment of interest, which may have a material adverse effect on their business and operations and could, over time, lead to increased defaults. Additionally, as interest rates increase and the corresponding risk of a default by borrowers increases, the liquidity of higher interest rate loans may decrease as fewer investors may be willing to purchase such loans in the secondary market in light of the increased risk of a default by the borrower and the heightened risk of a loss of an investment in such loans. Decreases in credit spreads on debt that pays a floating rate of return would have an impact on the income generation of our floating rate assets. Trading prices for debt that pays a fixed rate of return tend to fall as interest rates rise. Trading prices tend to fluctuate more for fixed rate securities that have longer maturities. If interest rates remain elevated or rise again in the future, it could have a negative effect on our investments, which could negatively impact our operating results, financial condition, and cash flows.Conversely, reduced interest rates, including recent rate decreases, will result in a decrease in our total investment income unless offset by interest rate floors or an increase in the spread of our debt investments with variable interest rates. In addition, our net investment income could decrease if there is no reduction or credit to the base management or incentive fees that we pay to the Adviser or if we are unable to refinance our fixed rate debt obligations or issue new fixed rate debt at lower rates. In addition, when interest rates decline, borrowers may refinance their loans at lower interest rates, which could shorten the average life of the loans and reduce the associated returns on the investment, as well as require the Adviser and its investment professionals to incur management time and expense to re-deploy such proceeds, including on terms that may not be as favorable as our existing loans.A change in interest rates may adversely affect our profitability and any hedging strategy we adopt may expose us to additional risks.We anticipate using a combination of equity and long-term and short-term borrowings to finance our investment activities. As a result, a portion of our income will depend upon the spread between the rate at which we borrow funds and the rate at which we loan these funds. An increase or decrease in interest rates could reduce the spread between the rate at which we invest and the rate at which we borrow, and thus, adversely affect our profitability if we have not appropriately hedged against such event. Alternatively, interest rate hedging arrangements may limit our ability to participate in the benefits of lower interest rates with respect to the hedged portfolio.22Table of ContentsAs of SeptemberÂ 30, 2024, based on the total principal balance of debt outstanding, our portfolio consisted of approximately 93.9% of loans at variable rates with floors and approximately 6.1% at fixed rates.As of SeptemberÂ 30, 2024, we did not have any hedging arrangements, such as interest rate hedges, in place. While hedging arrangements may insulate us against adverse fluctuations in interest rates, they may also limit our ability to participate in the benefits of lower interest rates with respect to the hedged portfolio. Adverse developments resulting from changes in interest rates or any future hedging transactions could have a material adverse effect on our business, financial condition and results of operations. Our ability to receive payments pursuant to a hedging arrangement is linked to the ability of the counter-party to that hedging arrangement to make the required payments. To the extent that the counter-party to the hedging arrangement is unable to pay pursuant to the terms of the agreement, we may lose the hedging protection of the arrangement.Also, the fair value of certain of our debt investments is based, in part, on the current market yields or interest rates of similar securities. A change in interest rates could have a significant impact on our determination of the fair value of these debt investments. In addition, a change in interest rates could also have an impact on the fair value of any hedging arrangements then in effect that could result in the recording of unrealized appreciation or depreciation in future periods. Therefore, adverse developments resulting from changes in interest rates could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Refer to â€œQuantitative and Qualitative Disclosures About Market Riskâ€ for additional information on interest rate fluctuations.Risks Related to Our InvestmentsWe operate in a highly competitive market for investment opportunities.There is competitive pressure in the BDC and investment company marketplace for first and second lien secured debt, which can result in reduced yields on investment. A large number of entities compete with us and make the types of investments that we seek to make in lower middle market companies. We compete with public and private buyout funds, public and private credit funds and other BDCs, commercial and investment banks, commercial financing companies, and, to the extent that they provide an alternative form of financing, hedge funds. Many of our competitors are substantially larger and have considerably greater financial, technical and marketing resources than we do. For example, some competitors may have a lower cost of funds and access to funding sources that are not available to us. In addition, some of our competitors may have higher risk tolerances or different risk assessments, which would allow them to consider a wider variety of investments and establish more relationships than us. Furthermore, many of our competitors are not subject to the regulatory restrictions that the 1940 Act imposes on us as a BDC. The competitive pressures we face could have a material adverse effect on our business, financial condition and results of operations. Also, as a result of this competition, we may not be able to take advantage of attractive investment opportunities from time to time and we can offer no assurance that we will be able to identify and make investments that are consistent with our investment objectives. We do not seek to compete based on the interest rates we offer, and we believe that some of our competitors may make loans with interest rates that will be comparable to or lower than the rates we offer. We may lose investment opportunities if we do not match our competitorsâ€™ pricing, terms, and structure. However, if we match our competitorsâ€™ pricing, terms, and structure, we may experience decreased net interest income and increased risk of credit loss.Our investments in lower middle market companies are extremely risky and could cause you to lose all or a part of your investment.Investments in lower middle market companies are subject to a number of significant risks including the following:â€¢Lower middle market companies are likely to have greater exposure to economic downturns than larger businesses. Our portfolio companies may have fewer resources than larger businesses, and thus any economic downturns or recessions are more likely to have a material adverse effect on them. When the economy contracts, the financial results of lower middle market business, like those in which we invest, could experience deterioration or limited growth from current levels, which could ultimately lead to difficulty in meeting their debt service requirements and an increase in defaults. Consequently, for any portfolio company that is adversely impacted by an economic downturn or recession, its ability to repay our loan or engage in a liquidity event, such as a sale, recapitalization or initial public offering would be diminished.â€¢Lower middle market companies may have limited financial resources and may not be able to repay the loans we make to them. Our strategy includes providing financing to portfolio companies that typically do not have readily available access to financing. While we believe that this provides an attractive opportunity for us to generate profits, this may make it difficult for the portfolio companies to repay their loans to us upon maturity. A 23Table of Contentsborrowerâ€™s ability to repay its loan may be adversely affected by numerous factors, including the failure to meet its business plan, a downturn in its industry, or negative economic conditions, including those created by the current market environment. Deterioration in a borrowerâ€™s financial condition and prospects usually will be accompanied by deterioration in the value of any collateral and a reduction in the likelihood of us realizing on any guaranties we may have obtained from the borrowerâ€™s management. As of SeptemberÂ 30, 2024, our loans to B+T Group Acquisition, Inc. (â€œB&T Groupâ€), Edge Adhesives Holdings, Inc. (â€œEdge Adhesivesâ€), and WB Xcel Holdings, LLC (â€œWB Xcelâ€) were on non-accrual status with a cost basis of $28.3 million, or 4.1% of the cost basis of all debt investments in our portfolio, and a fair value of $12.8 million, or 1.9% of the fair value of all debt investments in our portfolio. For any loans that are placed on non-accrual status, we cannot assure you that our efforts to improve profitability and cash flows of these companies will prove successful. In some of our portfolio companies we expect to be subordinated to a senior lender, and our interest in any collateral would, accordingly, likely be subordinate to another lenderâ€™s security interest.â€¢Lower middle market companies typically have narrower product lines and smaller market shares than large businesses. Because our target portfolio companies are lower middle market businesses, they tend to be more vulnerable to competitorsâ€™ actions, supply chain issues and market conditions, as well as general economic downturns. In addition, our portfolio companies often face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing, and other capabilities and a larger number of qualified managerial, or technical personnel.â€¢There is generally little or no publicly available information about these businesses. Because we seek to invest in privately owned businesses, there is generally little or no publicly available operating and financial information about our potential portfolio companies. As a result, we rely on our officers, the Adviser and its employees, Gladstone Securities and certain consultants to perform due diligence investigations of these portfolio companies, their operations, and their prospects. We may not learn all of the material information we need to know regarding these businesses through our investigations to make a well-informed investment decision.â€¢Lower middle market companies generally have less predictable operating results. We expect that our portfolio companies may have significant variations in their operating results, may from time to time be exposed to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position, may otherwise have a weak financial position, or may be adversely affected by changes in the business cycle. Our portfolio companies may not meet net income, cash flow, and other coverage tests typically imposed by their senior lenders. A borrowerâ€™s failure to satisfy financial or operating covenants imposed by senior lenders could lead to defaults and, potentially, foreclosure on its senior credit facility, which could additionally trigger cross-defaults in other agreements. If this were to occur, it is possible that the borrowerâ€™s ability to repay any of our loans would be jeopardized.â€¢Lower middle market companies are more likely to be dependent on one or two persons. Typically, the success of a lower middle market business also depends on the management talents and efforts of one or two persons or a small group of persons. The death, disability, or resignation of one or more of these persons could have a material adverse impact on our certain of our portfolio companies and, in turn, on us.â€¢Lower middle market companies may have limited operating histories. While we focus on stable companies with proven track records, we may make loans to new companies that meet our other investment criteria. Portfolio companies with limited operating histories will be exposed to all of the operating risks that new businesses face and may be particularly susceptible to, among other risks, market downturns, competitive pressures and the departure of key executive officers.â€¢Debt securities of lower middle market companies typically are not rated by a credit rating agency. Typically, a lower middle market private business cannot or will not expend the resources to have its debt securities rated by a credit rating agency. We expect that most, if not all, of the debt securities we acquire will be unrated. Investors should assume that these loans would be at rates below â€œinvestment gradeâ€ quality. Investments rated below investment grade are often referred to as high yield securities or junk bonds and may be considered high risk as compared to investment-grade debt instruments.â€¢Lower middle market companies may be highly leveraged. Some of our portfolio companies are highly leveraged, which could have adverse consequences to these companies and to us as an investor. These companies may be subject to restrictive financial and operating covenants and the leverage could impair these companiesâ€™ ability to finance their future operations and capital needs. As a result, these companiesâ€™ flexibility to respond to changing business and economic conditions and to take advantage of business opportunities may be limited. Further, a 24Table of Contentsleveraged companyâ€™s income and net assets will tend to increase or decrease at a greater rate than if borrowed money were not used.â€¢Lower middle market companies may operate in regulated industries or provide services to governments. Some of our portfolio companies may operate in regulated industries and/or provide services to federal, state or local governments, or operate in industries that provide services to regulated industries or federal, state or local governments, any of which could lead to delayed payments for services or subject the company to changing payment and reimbursement rates or other terms.Because the majority of the loans we make and equity securities we receive when we make loans are not publicly traded, there is uncertainty regarding the value of our privately held securities.The majority of our portfolio investments are, and we expect will continue to be, in the form of securities that are not publicly traded. The fair value of securities and other investments that are not publicly traded may not be readily determinable. In valuing our investment portfolio, several techniques are used, including, a total enterprise value approach, a yield analysis, market quotes, and independent third party assessments. A third party valuation firm provides estimates of fair value on our proprietary debt investments. Another third party valuation firm is used to provide valuation inputs for our significant equity investments, including earnings multiple ranges, as well as other information. In addition to these techniques, other factors are considered when determining fair value of our investments, including: the nature and realizable value of the collateral, including external partiesâ€™ guaranties; any relevant offers or letters of intent to acquire the portfolio company; and the markets in which the portfolio company operates. Fair value measurements of our investments may involve subjective judgments and estimates and due to the inherent uncertainty of determining these fair values, the determination of fair value may fluctuate from period to period. Additionally, changes in the market environment and other events that may occur over the life of the investment may cause the gains or losses ultimately realized on these investments to be different than the valuations currently assigned. Further, such investments are generally subject to legal and other restrictions on resale or otherwise are less liquid than publicly traded securities, and any investments that include OID or PIK interest may have unreliable valuations because their continuing accruals require ongoing judgments about the collectability of their deferred payments and the value of their underlying collateral. If we were required to liquidate a portfolio investment in a forced or liquidation sale, we could realize significantly less than the value at which it is recorded.Our NAV would be adversely affected if the fair value of our investments are higher than the values that we ultimately realize upon the disposal of such securities.The valuation process for certain of our portfolio holdings creates a conflict of interest.A substantial portion of our portfolio investments are securities for which market quotations are not readily available. In connection with the determination of the fair value of these securities, our Valuation Team prepares portfolio company valuations based upon the most recent portfolio company financial statements available and projected financial results of each portfolio company. The participation of the Adviserâ€™s investment professionals in our valuation process, and Mr. Gladstoneâ€™s pecuniary interest in the Adviser may result in a conflict of interest, as the management fees that we pay our Adviser are based on average gross assets, less uninvested cash or cash equivalents from borrowings, and adjusted appropriately for any share issuances or repurchases during the period.The lack of liquidity of our privately held investments may adversely affect our business.We generally make investments in private companies whose securities are not traded in any public market. Substantially all of the investments we presently hold are, and the investments we expect to acquire in the future will be, subject to legal and other restrictions on resale and will otherwise be less liquid than publicly traded securities. The illiquidity of our investments may make it difficult for us to quickly obtain cash equal to the value at which we record our investments if the need arises. This could cause us to miss important investment opportunities to the extent we do not have other sources of capital available. In addition, if we are required to liquidate all or a portion of our portfolio quickly, we may record substantial realized losses upon liquidation. We may also face other restrictions on our ability to liquidate an investment in a portfolio company to the extent that we, the Adviser, the Administrator, or our respective officers, employees or affiliates have material non-public information regarding such portfolio company.Due to the uncertainty inherent in valuing these securities, the Adviserâ€™s determinations of fair value may differ materiallyfrom the values that could be obtained if a ready market for these securities existed. Our NAV could be materially affected25Table of Contentsif the Adviserâ€™s determinations regarding the fair value of our investments are materially different from the values that weultimately realize upon our disposal of such securities. When we are a debt or minority equity investor in a portfolio company, which we expect will generally be the case, we may not be in a position to control the entity, and its management may make decisions that could decrease the value of our investment.Most of our investments are, and we anticipate that most of our investments will continue to be, either debt or minority equity investments in our portfolio companies. Therefore, we generally will not be involved in the day-to-day operations and decision making of our portfolio companies, even though we may have board observation rights and our debt agreement may contain certain restrictive covenants. As a result, we are and will remain subject to the risk that a portfolio company may make business decisions with which we disagree, and the shareholders and management of such company may take risks or otherwise act in ways that do not serve our best interests. As a result, a portfolio company may make decisions that could decrease the value of our debt investments.We often invest in transactions involving acquisitions, buyouts and recapitalizations of companies, which will subject us to the risks associated with change in control transactions.Our strategy, in part, includes making debt and minority equity investments in companies in connection with acquisitions, buyouts, and recapitalizations, which subjects us to the risks associated with change in control transactions. Change in control transactions often present a number of uncertainties. Companies undergoing change in control transactions often face challenges retaining key employees and maintaining relationships with customers and suppliers. While we hope to avoid many of these difficulties by participating in transactions where the management team is retained and by conducting thorough due diligence in advance of our decision to invest, if our portfolio companies experience one or more of these problems, we may not realize the value that we expect in connection with our investments, which would likely harm our operating results, financial condition, and cash flows.Our portfolio companies may incur debt that ranks equally with, or senior to, our investments in such companies and/or we could be subject to lender liability claims.We invest primarily in debt securities issued by our portfolio companies. In some cases portfolio companies will be permitted to have other debt that ranks equally with, or senior to, the debt securities in which we invest. By their terms, such debt instruments may provide that the holders thereof are entitled to receive payment of interest and principal on or before the dates on which we are entitled to receive payments in respect of the debt securities in which we invest. Also, in the event of insolvency, liquidation, dissolution, reorganization, or bankruptcy of a portfolio company, holders of debt instruments ranking senior to our investment in that portfolio company would typically be entitled to receive payment in full before we receive any distribution in respect of our investment. Furthermore, in the case of debt ranking equally with debt securities in which we invest, we would have to share on an equal basis any distributions with other creditors holding such debt in the event of an insolvency, liquidation, dissolution, reorganization, or bankruptcy of a portfolio company.In addition, even though we have structured some of our investments as senior loans, if one of our portfolio companies were to go bankrupt, depending on the facts and circumstances, including the extent to which we actually provided managerial assistance to that portfolio company, a bankruptcy court might re-characterize our debt investments and subordinate all, or a portion, of our claims to that of other creditors. After repaying such senior creditors, such portfolio company may not have any remaining assets to use to repay its obligation to us. We may also be subject to lender liability claims for actions taken by us with respect to a borrowerâ€™s business, in instances in which we exercised control over the borrower or as a result of actions taken in rendering significant managerial assistance.Prepayments of our investments by our portfolio companies could adversely impact our results of operations and reduce our return on equity.In addition to risks associated with delays in investing our capital, we are also subject to the risk that investments we make in our portfolio companies may be repaid prior to maturity. For the year ended SeptemberÂ 30, 2024, we received unscheduled repayments of investments totaling $124.2 million. We will generally first use any proceeds from prepayments to repay any borrowings outstanding on our Credit Facility. In the event that funds remain after repayment of our outstanding borrowings, then we will generally reinvest these proceeds in government securities, pending their future investment in new debt and/or equity securities. These government securities will typically have substantially lower yields than the debt securities being prepaid and we could experience significant delays in reinvesting these amounts. In addition, 26Table of Contentsonce the proceeds have been reinvested in new portfolio companies, the yields on such new investments may also be lower than the yields on the debt securities being repaid. As a result, our results of operations could be materially adversely affected if one or more of our portfolio companies elect to prepay amounts owed to us. Additionally, prepayments could negatively impact our return on equity, which could result in a decline in the market price of our common stock.Our portfolio is concentrated in a limited number of companies and industries, which subjects us to an increased risk of significant loss if any one of these companies does not repay us or if the industries experience downturns.As of SeptemberÂ 30, 2024, we had investments in 49 portfolio companies, of which our five largest investments comprised approximately $232.7 million, or 29.2% of our total investment portfolio, at fair value. A consequence of a concentration in a limited number of investments is that the aggregate returns we realize may be substantially adversely affected by the unfavorable performance of a small number of such investments or a substantial write-down of any one investment. Beyond our regulatory and income tax diversification requirements, we do not have fixed guidelines for industry concentration and our investments could potentially be concentrated in relatively few industries. In addition, while we do not intend to invest 25.0% or more of our total assets in a particular industry or group of industries at the time of investment, it is possible that as the values of our portfolio companies change, one industry or a group of industries may comprise in excess of 25.0% of the value of our total assets. As of SeptemberÂ 30, 2024, our largest industry concentrations of our total investments at fair value were in diversified/conglomerate service companies, representing 22.5%; diversified/conglomerate manufacturing companies, representing 20.1%; and aerospace and defense companies, representing 19.2%. Therefore, we are susceptible to the economic circumstances in these industries, and a downturn in one or more of these industries could have a material adverse effect on our results of operations and financial condition.Investments in securities of foreign portfolio companies, if any, may involve significant risks in addition to the risks inherent in U.S. investments.We may make investments in securities of foreign companies. Investing in foreign companies may expose us to additional risks not typically associated with investing in U.S. companies. These risks include changes in exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, less developed bankruptcy laws, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.In addition, any investments that we make that are denominated in a foreign currency will be subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital gains, and political developments. We may employ hedging techniques to minimize these risks, but we cannot assure you that we will, in fact, hedge currency risk, or, that if we do, such strategies will be effective.We invest in equity securities, which involves a substantial degree of risk.We invest in common and other equity securities of portfolio companies. The returns on common stock have historically been significantly more volatile than fixed income securities. The value of such equity securities, which oftentimes are not publicly traded or liquid, will rise and fall in response to the activities of the company that issued the securities, general market conditions, and/or specific economic or political conditions. The equity securities that we acquire may fail to appreciate or may decline in value.Because preferred stock represents an equity ownership interest in a company and is typically subordinated to bonds and other debt instruments in a companyâ€™s capital structure, in terms of priority to corporate income, they are generally subject to greater credit risk than those debt instruments. Accordingly, their value usually will react more strongly than bonds and other debt instruments to actual or perceived changes in a companyâ€™s financial condition or prospects or to fluctuations in the equity markets. Preferred stockholders generally have no voting rights or their voting rights are limited to certain extraordinary transactions or events. Unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuerâ€™s board of directors. Preferred stock also may be subject to optional or mandatory redemption provisions.27Table of ContentsThe disposition of our investments may result in contingent liabilities.Currently, all of our investments involve private securities. In connection with the disposition of an investment in private securities, we may be required to make representations about the business and financial affairs of the underlying portfolio company typical of those made in connection with the sale of a business. We may also be required to indemnify the purchasers of such investment to the extent that any such representations turn out to be inaccurate or with respect to certain potential liabilities. These arrangements may result in contingent liabilities that ultimately yield funding obligations that must be satisfied through our return of certain distributions previously made to us.Portfolio company litigation or other litigation or claims against us or our personnel could result in additional costs and the diversion of management time and resources.In the course of investing in and providing significant managerial assistance to certain of our portfolio companies, certain persons employed by the Adviser may serve as directors on the boards of such companies. To the extent that litigation arises out of our investments in these companies or otherwise, even if without merit, we or such employees may be named as defendants in such litigation, which could result in additional costs, including defense costs, and the diversion of management time and resources. We may be unable to accurately estimate our exposure to litigation risk if we record balance sheet reserves for probable loss contingencies. As a result, any reserves we establish to cover any settlements or judgments may not be sufficient to cover our actual financial exposure, which may have a material impact on our results of operations, financial condition, or cash flows.While we believe we would have valid defenses to potential claims brought due to our investment in any portfolio company, and will defend any such claims vigorously, we may nevertheless expend significant amounts of money in defense costs and expenses. Further, if we enter into settlements or suffer an adverse outcome in any litigation, we could be required to pay significant amounts. In addition, if any of our portfolio companies become subject to direct or indirect claims or other obligations, such as defense costs or damages in litigation or settlement, our investment in such companies could diminish in value and we could suffer indirect losses. Further, these matters could cause us to expend significant management time and effort in connection with assessment and defense of any claims.Any unrealized depreciation we experience on our investment portfolio may be an indication of future realized losses, which could reduce our income available for distribution.As a BDC we are required to carry our investments at market value or, if no market value is ascertainable, at fair value. We will record decreases in the market values or fair values of our investments as unrealized depreciation. Since our inception, we have, at times, incurred a cumulative net unrealized depreciation of our portfolio. Any unrealized depreciation in our investment portfolio could result in realized losses in the future and ultimately in reductions of our income available for distribution to stockholders in future periods.Risks Related to Our External FinancingIn addition to regulatory limitations on our ability to raise capital, our Credit Facility contains various covenants which, if not complied with, could accelerate our repayment obligations under the facility, thereby materially and adversely affecting our liquidity, financial condition, results of operations and ability to pay distributions.We will have a continuing need for capital to finance our investments. As of SeptemberÂ 30, 2024, we had $70.6 million in borrowings, at cost, outstanding under our Credit Facility, which provides for maximum borrowings of $293.7 million, with a revolving period end date of OctoberÂ 31, 2025 (the â€œRevolving Period End Dateâ€). Our Credit Facility permits us to fund additional loans and investments as long as we are within the conditions set forth in the credit agreement. Our Credit Facility contains covenants that require our wholly-owned subsidiary, Business Loan, to maintain its status as a separate legal entity, prohibit certain significant corporate transactions (such as mergers, consolidations, liquidations or dissolutions) and restrict material changes to our credit and collection policies without lendersâ€™ consent. The Credit Facility also limits distributions to our stockholders on a fiscal year basis to the sum of our net investment income, net capital gains and amounts deemed to have been paid during the prior year in accordance with Section 855(a) of the Code. We are also subject to certain limitations on the type of loan investments we can make, including restrictions on geographic concentrations, sector concentrations, loan size, interest rate type, payment frequency and status, average life and lien property. Our Credit Facility further requires us to comply with other financial and operational covenants, which obligate us to, among other things, maintain certain financial ratios, including asset and interest coverage, and a minimum number of 25 obligors in the borrowing base. Additionally, we are required to maintain (i) a minimum net worth (defined in our Credit Facility to include any outstanding mandatorily redeemable preferred stock) of $325.0 million plus 50.0% of all 28Table of Contentsequity and subordinated debt raised after May 13, 2021 less 50% of any equity and subordinated debt retired or redeemed after May 13, 2021, which equates to $418.8 million as of SeptemberÂ 30, 2024, (ii) asset coverage with respect to â€œsenior securities representing indebtednessâ€ of at least 150% (or such percentage as may be set forth in Section 18 of the 1940 Act, as modified by Section 61 of the 1940 Act), and (iii) our status as a BDC under the 1940 Act and as a RIC under the Code. Continued compliance with the covenants in our Credit Facility depends on many factors, some of which are beyond our control.Any unrealized depreciation in our portfolio may increase in future periods and threaten our ability to comply with the minimum net worth covenant and other covenants under our Credit Facility. Our failure to satisfy these covenants could result in foreclosure by our lenders, which would accelerate our repayment obligations under the facility and thereby have a material adverse effect on our business, liquidity, financial condition, results of operations and ability to pay distributions to our stockholders.Any inability to renew, extend or replace our Credit Facility on terms favorable to us, or at all, could adversely impact our liquidity and ability to fund new investments or maintain distributions to our stockholders.If our Credit Facility is not renewed or extended by the Revolving Period End Date, all principal and interest will be due and payable on or before OctoberÂ 31, 2027. Subject to certain terms and conditions, our Credit Facility may be expanded to a total of $350.0 million pursuant to an accordion feature. However, if additional lenders are unwilling to join the facility on its terms, we will be unable to expand the facility and thus will continue to have limited availability to finance new investments under our Credit Facility. There can be no guarantee that we will be able to renew, extend or replace our Credit Facility by the Revolving Period End Date on terms that are favorable to us, if at all. Our ability to expand our Credit Facility, and to obtain replacement financing at or before the Revolving Period End Date, will be constrained by then-current economic conditions affecting the credit markets. In the event that we are not able to expand our Credit Facility, or to renew, extend or refinance our Credit Facility by the Revolving Period End Date, this could have a material adverse effect on our liquidity and ability to fund new investments, our ability to make distributions to our stockholders and our ability to qualify as a RIC under the Code.If we are unable to secure replacement financing, we may be forced to sell certain assets on disadvantageous terms, which may result in realized losses, and such realized losses could materially exceed the amount of any unrealized depreciation on these assets as of our most recent balance sheet date, which would have a material adverse effect on our results of operations. In addition to selling assets, or as an alternative, we may issue equity in order to repay amounts outstanding under our Credit Facility. Depending on the trading prices of our common stock, such an equity offering could have a substantial dilutive impact on our existing stockholdersâ€™ interest in our earnings, assets and voting interest in us. If we are not able to renew, extend or refinance our Credit Facility prior to its maturity, it could result in significantly higher interest rates and related charges and may impose significant restrictions on the use of borrowed funds to fund investments or maintain distributions to stockholders.Our business plan is dependent upon external financing, which is constrained by the limitations of the 1940 Act.There can be no assurance that we will be able to raise additional capital through issuing equity or debt in the near future. However, our business requires a substantial amount of cash to operate and grow. We may acquire such additional capital from the following sources:â€¢Senior Securities. We may issue â€œsenior securities representing indebtednessâ€ (such as borrowings under our Credit Facility and our notes payable) and â€œsenior securities that are stockâ€ (such as preferred stock) up to the maximum amount permitted by the 1940 Act. The 1940 Act currently permits us, as a BDC, to issue such senior securities in amounts such that our asset coverage, as defined in Section 18(h) of the 1940 Act, is at least 150% on such senior security immediately after each issuance of such senior security. As a result of issuing senior securities (in whatever form), we will be exposed to the risks associated with leverage. Although borrowing money for investments increases the potential for gain, it also increases the risk of a loss. A decrease in the value of our investments will have a greater impact on the value of our common stock to the extent that we have borrowed money to make investments. There is a possibility that the costs of borrowing could exceed the income we receive on the investments we make with such borrowed funds. In addition, our ability to pay distributions, issue senior securities or repurchase shares of our common stock would be restricted if the asset coverage on each of our senior securities is not at least 150%. If the aggregate value of our assets declines, we might be unable to satisfy that 150% requirement. To satisfy the 150%

asset coverage requirement in the event that we are seeking to pay a distribution, we might either have to (i) liquidate a portion of our loan portfolio to repay a portion of our indebtedness or (ii) issue common stock. This may occur at a time when a sale of a portfolio asset may be 29Table of Contentsdisadvantageous, or when we have limited access to capital markets on agreeable terms. In addition, any amounts that we use to service our indebtedness, pay dividends on our preferred stock, or for offering expenses will not be available for distributions to common stockholders. Furthermore, if we have to issue common stock at below NAV per common share, any non-participating stockholders will be subject to dilution, as described below. Pursuant to Section 61(a)(3) of the 1940 Act, we are permitted to issue multiple classes of â€œsenior securities representing indebtedness.â€ However, pursuant to Section 18(c) of the 1940 Act, we are permitted to issue only one class of â€œsenior securities that are stock.â€â€¢Common and Convertible Preferred Stock. Because we are constrained in our ability to issue debt or senior securities for the reasons given above, we are dependent on the issuance of equity as a financing source. If we raise additional funds by issuing more common stock, the percentage ownership of our common stockholders at the time of the issuance would decrease and our existing common stockholder may experience dilution. In addition, under the 1940 Act, we will generally not be able to issue additional shares of our common stock at a price below NAV per common share to purchasers, other than to our existing common stockholders through a rights offering, without first obtaining the approval of our stockholders and our independent directors. If we were to sell shares of our common stock below our then-current NAV per common share, such sales would result in an immediate dilution to the NAV per common share. This dilution would occur as a result of the sale of common shares at a price below the then-current NAV per share of our common stock and a proportionately greater decrease in a common stockholderâ€™s interest in our earnings and assets and voting percentage than the increase in our assets resulting from such issuance. For example, if we issue and sell an additional 10.0% of our common stock at a 5.0% discount to NAV, a common stockholder who does not participate in that offering for its proportionate interest will suffer NAV dilution of up to 0.5% or $5 per $1,000 of NAV. This imposes constraints on our ability to raise capital when our common stock is trading below NAV per common share. As noted above, the 1940 Act prohibits the issuance of multiple classes of â€œsenior securities that are stock.â€We financed certain of our investments with borrowed money and capital from the issuance of senior securities, which will magnify the potential for gain or loss on amounts invested and may increase the risk of investing in us.The use of leverage, including through the issuance of senior securities that are debt or stock, magnifies the potential for gain or loss on amounts invested, and, if we incur additional leverage, this potential will be further magnified. As of SeptemberÂ 30, 2024, we incurred leverage through the Credit Facility, the Series A Preferred Stock, the 2026 Notes, the 2027 Notes, and the 2028 Notes. From time to time, we intend to incur additional leverage to the extent permitted under the 1940 Act. The use of leverage is generally considered a speculative investment technique and increases the risks associated with investing in our securities. In the future, we may borrow from, and issue senior securities, to banks and other lenders. Holders of these senior securities will have fixed dollar claims on our assets that are superior to the claims of our common stockholders, and we would expect such holders to seek recovery against our assets in the event of a default.Assumed Return on Our Portfolio(Net of Expenses)(10.0)%(5.0)%0.0Â %5.0Â %10.0Â %Corresponding return to common stockholder(A) (21.55)%(12.92)%(4.29)%4.33Â %12.96Â %_____________(A)The hypothetical return to common stockholders is calculated by multiplying our total assets as of SeptemberÂ 30, 2024 by the assumed rates of return and subtracting all interest on our debt to be paid during the 12 months following SeptemberÂ 30, 2024, and then dividing the resulting difference by our total net assets attributable to common stock as of SeptemberÂ 30, 2024. Based on $812.5 million in total assets, $70.6 million drawn on our Credit Facility (at cost), $150.0 million in our 2026 Notes payable (at cost), $50.0 million in our 2027 Notes payable (at cost), $57.0 million in our 2028 Notes payable (at cost), $8.7 million in our Series A Preferred Stock (at cost), and $470.9 million in net assets, each as of SeptemberÂ 30, 2024.Based on an aggregate outstanding indebtedness of $336.3 million at cost as of SeptemberÂ 30, 2024 and the effective annual cash interest rate of 6.0% as of that date, our investment portfolio at fair value would have had to produce an annual return of at least 2.5% to cover annual interest payments on the outstanding debt.30Table of ContentsRisks Related to Our Regulation and StructureWe will be subject to corporate-level tax if we are unable to satisfy Code requirements for RIC qualification.To maintain our qualification as a RIC, we must meet income source, asset diversification, and annual distribution requirements. The annual distribution requirement is satisfied if we distribute at least 90.0% of our Investment Company Taxable Income to our stockholders on an annual basis. Because we use leverage, we are subject to certain asset coverage ratio requirements under the 1940 Act and could, under certain circumstances, be restricted from making distributions necessary to qualify as a RIC. Warrants we receive with respect to debt investments generally create OID, which we must recognize as ordinary income over the term of the debt investment. Similarly, PIK interest which is accrued generally over the term of the debt investment but not paid in cash, is recognized as ordinary income. Both OID and PIK interest will increase the amounts we are required to distribute to maintain our RIC status. Because such OIDs and PIK interest will not produce distributable cash for us at the same time as we are required to make distributions, we will need to use cash from other sources to satisfy such distribution requirements. For the year ended SeptemberÂ 30, 2024, we recognized $0.4 million of OID income and the unamortized balance of OID investments as of SeptemberÂ 30, 2024 totaled $0.6 million. As of SeptemberÂ 30, 2024, we had eight investments which had a PIK interest component and we recorded PIK interest income of $5.7 million during the year ended SeptemberÂ 30, 2024. We collected $0.2 million in PIK interest in cash for the year ended SeptemberÂ 30, 2024. Additionally, we must meet asset diversification and income source requirements at the end of each calendar quarter. If we fail to meet these tests, we may need to quickly dispose of certain investments to prevent the loss of RIC status. Since most of our investments will be illiquid, such dispositions, if even possible, may not be made at prices advantageous to us and may result in substantial losses. If we fail to qualify as a RIC as of a calendar quarter or annually for any reason and become fully subject to U.S. federal corporate income tax, the resulting corporate taxes could substantially reduce our net assets, the amount of income available for distribution, and the actual amount distributed. Such a failure would have a material adverse effect on us and our common stock. Some of our debt investments may include success fees that would generate payments to us if the business is ultimately sold. Because the satisfaction of these success fees, and the ultimate payment of these fees, is uncertain, we generally only recognize them as income when the payment is received. Success fee amounts are characterized as ordinary income for tax purposes and, as a result, we are required to distribute such amounts to our stockholders in order to maintain RIC status.If we do not invest a sufficient portion of our assets in qualifying assets, we could fail to qualify as a BDC or be precluded from investing according to our current business strategy.As a BDC, we may not acquire any assets other than qualifying assets unless, at the time of and after giving effect to such acquisition, at least 70% of our total assets, exclusive of Operating Assets, are qualifying assets, as defined in Section 55(a) of the 1940 Act.We believe that most of the investments that we may acquire in the future will constitute qualifying assets. However, we may be precluded from investing in what we believe to be attractive investments if such investments are not qualifying assets for purposes of the 1940 Act. If we do not invest a sufficient portion of our assets in qualifying assets, we could violate the 1940 Act provisions applicable to BDCs. As a result of such violation, specific rules under the 1940 Act could prevent us, for example, from making follow-on investments in existing portfolio companies (which could result in the dilution of our position) or could require us to dispose of investments at disadvantageous times in order to come into compliance with the 1940 Act. If we need to dispose of such investments quickly, it could be difficult to dispose of such investments on favorable terms. We may not be able to find a buyer for such investments and, even if we do find a buyer, we may have to sell the investments at a substantial loss. Any such outcomes would have a material adverse effect on our business, financial condition, results of operations and cash flows.If we do not maintain our status as a BDC, we would be subject to regulation as a registered closed-end investment company under the 1940 Act. As a registered closed-end investment company, we would be subject to substantially more regulatory restrictions under the 1940 Act, which would significantly decrease our operating flexibility. In addition, any such failure to maintain our status as a BDC could cause an event of default under out outstanding indebtedness, which could have a material adverse effect on our business, financial condition or results of operations. 31Table of ContentsWe are subject to restrictions that may discourage a change of control. Certain provisions contained in our articles of incorporation and Maryland law may prohibit or restrict a change of control and adversely impact the price of our common stock.Our Board of Directors is divided into three classes, with the term of the directors in each class expiring every third year. At each annual meeting of stockholders, the successors to the class of directors whose term expires at such meeting will be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election. After election, a director may only be removed by our stockholders for cause. Election of directors for staggered terms with limited rights to remove directors makes it more difficult for a hostile bidder to acquire control of us. The existence of this provision may negatively impact the price of our securities and may discourage third-party bids to acquire our securities. This provision may reduce any premiums paid to stockholders in a change in control transaction.Certain provisions of Maryland law applicable to us prohibit business combinations with:â€¢any person who beneficially owns 10.0% or more of the voting power of our stock (an â€œinterested stockholderâ€);â€¢an affiliate of ours who at any time within the two-year period prior to the date in question was an interested stockholder; orâ€¢an affiliate of an interested stockholder.These prohibitions last for five years after the most recent date on which the interested stockholder became an interested stockholder. Thereafter, any business combination with the interested stockholder must be recommended by our Board of Directors and approved by the affirmative vote of at least 80.0% of the votes entitled to be cast by holders of our outstanding shares of common stock and preferred stock, voting together as a single class, and two-thirds of the votes entitled to be cast by holders of our common stock other than shares held by the interested stockholder. These requirements could have the effect of inhibiting a change in control even if a change in control were in our stockholdersâ€™ interest. These provisions of Maryland law do not apply, however, to business combinations that are approved or exempted by our Board of Directors prior to the time that someone becomes an interested stockholder.Our articles of incorporation permit our Board of Directors to issue up to 50.0 million shares of capital stock. In addition, our Board of Directors, without any action by our stockholders, may amend our articles of incorporation from time to time to increase or decrease the aggregate number of shares or the number of shares of any class or series of stock that we have authority to issue. Our Board of Directors may classify or reclassify any unissued common stock or preferred stock and establish the preferences, conversion or other rights, voting powers, restrictions, limitations as to distributions, qualifications and terms or conditions of redemption of any such stock. Thus, our Board of Directors could authorize the issuance of preferred stock with terms and conditions that could have a priority as to distributions and amounts payable upon liquidation over the rights of the holders of our common stock. Preferred stock could also have the effect of delaying, deferring or preventing a change in control of us, including an extraordinary transaction (such as a merger, tender offer or sale of all or substantially all of our assets) that might provide a premium price for holders of our common stock.We may not be permitted to declare a dividend or make any distribution to stockholders or repurchase shares until such time as we satisfy the asset coverage tests under the provisions of the 1940 Act that apply to BDCs. Regulations governing our operation as a BDC and RIC will affect our ability to raise, and the way in which we raise, additional capital or borrow for investment purposes, which may have a negative effect on our growth. As a result of the annual distribution requirement to qualify as a RIC, we may need to periodically access the capital markets to raise cash to fund new investments. We may issue â€œsenior securities representing indebtedness,â€ including borrowing money from banks or other financial institutions or â€œsenior securities that are stock,â€ such as preferred stock, only in amounts such that our asset coverage on each senior security, as defined in the 1940 Act, equals at least 150% after each such incurrence or issuance. Further, we may not be permitted to declare a dividend or make any distribution to our outstanding stockholders or repurchase shares until such time as we satisfy these tests. Our ability to issue different types of securities is also limited. Compliance with these requirements may unfavorably limit our investment opportunities and reduce our ability in comparison to other companies to profit from favorable spreads between the rates at which we can borrow and the rates at which we can lend. As a BDC, therefore, we may issue equity at a rate more frequent than our privately owned competitors, which may lead to greater stockholder dilution. We have incurred leverage to generate capital to make additional investments. If the value of our assets declines, we may be unable to satisfy the asset coverage test under the 1940 Act, which could prohibit us from paying distributions and could prevent us from qualifying as a RIC. If we cannot satisfy the asset coverage test, we may be required to sell a portion of our investments and, depending on the nature of our debt financing, repay a portion of our indebtedness at a time when such sales and repayments may be disadvantageous. 32Table of ContentsSuch events, if they were to occur, could have a material adverse effect on our business, financial condition, results of operations and cash flows.Risks Related to Our External ManagementWe are dependent upon our key management personnel and the key management personnel of the Adviser, particularly David Gladstone, Terry Lee Brubaker and Robert L. Marcotte, and on the continued operations of the Adviser, for our future success.We have no employees. Our chief executive officer, chief operating officer, chief financial officer and treasurer, and the employees of the Adviser do not spend all of their time managing our activities and our investment portfolio. We are particularly dependent upon David Gladstone, Terry Lee Brubaker, and Robert L. Marcotte for their experience, skills and networks. Our executive officers and the employees of the Adviser allocate some, and in some cases a material portion, of their time to businesses and activities that are not related to our business. We have no separate facilities and are completely reliant on the Adviser, which has significant discretion as to the implementation and execution of our business strategies and risk management practices. We are subject to the risk of discontinuation of the Adviserâ€™s operations or termination of the Advisory Agreement and the risk that, upon such event, no suitable replacement will be found. We believe that our success depends to a significant extent upon the Adviser and that discontinuation of its operations or the loss of its key management personnel could have a material adverse effect on our ability to achieve our investment objectives.Our success depends on the Adviserâ€™s ability to attract and retain qualified personnel in a competitive environment.The Adviser experiences competition in attracting and retaining qualified personnel, particularly investment professionals and senior executives, and we may be unable to maintain or grow our business if we cannot attract and retain such personnel. The Adviserâ€™s ability to attract and retain personnel with the requisite credentials, experience and skills depends on several factors including its ability to offer competitive wages, benefits and professional growth opportunities. The Adviser competes with investment funds (such as private equity funds and mezzanine funds) and traditional financial services companies for qualified personnel, many of which have greater resources than us. Searches for qualified personnel may divert managementâ€™s time from the operation of our business. Strain on the existing personnel resources of the Adviser, in the event that it is unable to attract experienced investment professionals and senior executives, could have a material adverse effect on our business.The Adviser can resign on 60 daysâ€™ notice, and we may not be able to find a suitable replacement within that time, resulting in a disruption in our operations that could adversely affect our financial condition, business and results of operations.The Adviser has the right to resign under the Advisory Agreement at any time upon not less than 60 daysâ€™ written notice, whether we have found a replacement or not. If the Adviser resigns, we may not be able to find a new investment adviser or hire internal management with similar expertise and ability to provide the same or equivalent services on acceptable terms within 60 days, or at all. If we are unable to do so quickly, our operations are likely to experience a disruption, our financial condition, business and results of operations as well as our ability to pay distributions are likely to be adversely affected and the market price of our common stock may decline. In addition, the coordination of our internal management and investment activities is likely to suffer if we are unable to identify and reach an agreement with a single institution or group of executives having the expertise possessed by the Adviser and its affiliates. Even if we are able to retain comparable management, whether internal or external, the integration of such management and their lack of familiarity with our investment objective may result in additional costs and time delays that may adversely affect our business, financial condition, results of operations and cash flows.The Adviser's liability is limited under the Advisory Agreement, and we are required to indemnify our investment adviser against certain liabilities, which may lead the Adviser to act in a riskier manner on our behalf than it would when acting for its own account.The Adviser has not assumed any responsibility to us other than to render the services described in the Advisory Agreement, and it will not be responsible for any action of our Board of Directors in declining to follow the Adviserâ€™s advice or recommendations. Pursuant to the Advisory Agreement, the Adviser and its officers, managers, partners, agents, employees, controlling persons, members and any other person or entity affiliated with the Adviser will not be liable to us for their acts under the Advisory Agreement, absent willful misfeasance, bad faith or gross negligence in the performance of their duties or by reason of the reckless disregard of their duties and obligations under the Advisory Agreement. We have agreed to indemnify, defend and protect the Adviser and its officers, managers, partners, agents, employees, 33Table of Contentscontrolling persons, members and any other person or entity affiliated with the Adviser with respect to all damages, liabilities, costs and expenses arising out of or otherwise based upon the performance of any of the Adviserâ€™s duties or obligations under the Advisory Agreement or otherwise as an investment adviser for us, and not arising out of willful misfeasance, bad faith or gross negligence in the performance of their duties or by reason of the reckless disregard of their duties and obligations under the Advisory Agreement. These protections may lead the Adviser to act in a riskier manner when acting on our behalf than it would when acting for its own account.Our incentive fee may induce the Adviser to make certain investments, including speculative investments.The management compensation structure that has been implemented under the Advisory Agreement may cause the Adviser to invest in high-risk investments or take other risks. In addition to its management fee, the Adviser is entitled under the Advisory Agreement to receive incentive compensation based in part upon our achievement of specified levels of income. In evaluating investments and other management strategies, the opportunity to earn incentive compensation based on net investment income may lead the Adviser to place undue emphasis on the maximization of net investment income at the expense of other criteria, such as preservation of capital, maintaining sufficient liquidity, or management of credit risk or market risk, in order to achieve higher incentive compensation. Investments with higher yield potential are generally riskier or more speculative. This could result in increased risk to the value of our investment portfolio.In addition, the Adviser will receive a capital gains incentive fee based, in part, upon net capital gains realized on our investments. Unlike the portion of the incentive fee based on income, there is no hurdle rate applicable to the incentive fee based on capital gains. As a result, the Adviser may seek to invest more capital in investments that are likely to result in capital gains as compared to income producing securities. This practice could result in us investing in more speculative securities than would otherwise be the case, which could result in higher investment losses, particularly during economic downturns.We may be obligated to pay the Adviser incentive compensation even if we incur a loss.The Advisory Agreement entitles the Adviser to incentive compensation for each fiscal quarter in an amount equal to a percentage of the excess of our investment income for that quarter (before deducting incentive compensation, net operating losses and certain other items) above a threshold return for that quarter. When calculating our incentive compensation, our pre-incentive fee net investment income excludes realized and unrealized capital losses that we may incur in the fiscal quarter, even if such capital losses result in a net loss on our statement of operations for that quarter. Thus, we may be required to pay the Adviser incentive compensation for a fiscal quarter even if there is a decline in the value of our portfolio or we incur a net loss for that quarter. We may be required to pay the Adviser incentive compensation on income accrued, but not yet received in cash.That part of the incentive fee payable by us that relates to our net investment income is computed and paid on income that may include interest that has been accrued but not yet received in cash, such as debt instruments with PIK interest or OID. If a portfolio company defaults on a loan, it is possible that such accrued interest previously used in the calculation of the incentive fee will become uncollectible. Consequently, we may make incentive fee payments on income accruals that we may not collect in the future and with respect to which we do not have a clawback right against the Adviser. Our OID investments totaled $56.9 million as of SeptemberÂ 30, 2024, at cost. For the year ended SeptemberÂ 30, 2024, we recognized $0.4 million of OID income and the unamortized balance of OID investments as of SeptemberÂ 30, 2024 totaled $0.6 million. As of SeptemberÂ 30, 2024, we had eight investments which had a PIK interest component and we recorded PIK interest income of $5.7 million during the year ended SeptemberÂ 30, 2024. We collected $0.2 million in PIK interest in cash for the year ended SeptemberÂ 30, 2024.The Adviserâ€™s failure to identify and invest in securities that meet our investment criteria or perform its responsibilities under the Advisory Agreement would likely adversely affect our ability for future growth.Our ability to achieve our investment objectives will depend on our ability to grow, which in turn will depend on the Adviserâ€™s ability to identify and invest in securities that meet our investment criteria. Accomplishing this result on a cost-effective basis will be largely a function of the Adviserâ€™s structuring of the investment process, its ability to provide competent and efficient services to us, and our access to financing on acceptable terms. The Adviserâ€™s senior management team has substantial responsibilities under the Advisory Agreement. In order to grow, the Adviser will need to hire, train, supervise, and manage new employees successfully. Any failure to manage our future growth effectively would likely have a material adverse effect on our business, financial condition, and results of operations.34Table of ContentsThere are significant potential conflicts of interest, including with the Adviser, which could impact our investment returns.Our executive officers and directors, and the officers and directors of the Adviser, serve or may serve as officers, directors, or principals of entities that operate in the same or a related line of business as we do or of investment funds managed by our affiliates. Accordingly, they may have obligations to investors in those entities, the fulfillment of which might not be in our or our stockholdersâ€™ best interests. For example, Mr. Gladstone, our chairman and chief executive officer, is the chairman of the board and chief executive officer of each of the Gladstone Companies. In addition, Mr. Brubaker, our chief operating officer, is the vice chairman and chief operating officer of the Adviser and Administrator. Mr. Marcotte is an executive vice president of the Adviser. While portfolio managers and the officers and other employees of the Adviser devote as much time to the management of us as appropriate to enable the Adviser to perform its duties in accordance with the Advisory Agreement, the portfolio managers and other of the Adviser's officers may have conflicts in allocating their time and services among us, on the one hand, and other investment vehicles managed by the Adviser, on the other hand. These activities could be viewed as creating a conflict of interest insofar as the time and effort of the portfolio managers and the officers and employees of the Adviser will not be devoted exclusively to our business but will instead be allocated between our business and the management of these other investment vehicles. Moreover, the Adviser may establish or sponsor other investment vehicles which from time to time may have potentially overlapping investment objectives with ours and accordingly may invest in, whether principally or secondarily, asset classes we target. While the Adviser generally has broad authority to make investments on behalf of the investment vehicles that it advises, the Adviser has adopted investment allocation procedures to address these potential conflicts and intends to direct investment opportunities to us or the Affiliated Public Fund with the investment strategy that most closely fits the investment opportunity. Nevertheless, the management of the Adviser may face conflicts in the allocation of investment opportunities to other entities it manages. As a result, it is possible that we may not be given the opportunity to participate in certain investments made by other funds managed by the Adviser. In certain circumstances, we may make investments in a portfolio company in which one of our affiliates has or will have an investment, subject to satisfaction of any regulatory restrictions and, where required, to the prior approval of our Board of Directors. As of SeptemberÂ 30, 2024, our Board of Directors has approved the following types of co-investment transactions:â€¢Our affiliate, Gladstone Commercial, may, under certain circumstances, lease property to portfolio companies that we do not control. We may pursue such transactions only if (i) the portfolio company is not controlled by us or any of our affiliates, (ii) the portfolio company satisfies the tenant underwriting criteria of Gladstone Commercial, and (iii) the transaction is approved by a majority of our independent directors and a majority of the independent directors of Gladstone Commercial. We expect that any such negotiations between Gladstone Commercial and our portfolio companies would result in lease terms consistent with the terms that the portfolio companies would be likely to receive were they not portfolio companies of ours.â€¢We may invest simultaneously with our affiliates Gladstone Investment and/or Gladstone Alternative in senior loans in the broadly syndicated market whereby neither we nor any affiliate has the ability to dictate the terms of the loans.â€¢Pursuant to the Co-Investment Order, under certain circumstances, we may co-invest with Gladstone Investment, Gladstone Alternative and any future BDC or closed-end management investment company that is advised by the Adviser (or sub-advised by the Adviser if it controls the fund), or any combination of the foregoing, subject to the conditions included therein.Certain of our officers, who are also officers of the Adviser, may from time to time serve as directors of certain of our portfolio companies. If an officer serves in such capacity with one of our portfolio companies, such officer will owe fiduciary duties to stockholders of the portfolio company, which duties may from time to time conflict with the interests of our stockholders.In the course of our investing activities, we will pay base management and incentive fees to the Adviser and will reimburse the Administrator for certain expenses it incurs. As a result, investors in our common stock will invest on a â€œgrossâ€ basis and receive distributions on a â€œnetâ€ basis after expenses, resulting in, among other things, a lower rate of return than one might achieve through our investors themselves making direct investments. As a result of this arrangement, there may be times when the management team of the Adviser has interests that differ from those of our stockholders, giving rise to a conflict. In addition, as a BDC, we make available significant managerial assistance to our portfolio companies and provide other services to such portfolio companies. While, neither we nor the Adviser currently receives fees in connection with managerial assistance, the Adviser and Gladstone Securities have, at various times, provided other services to certain of our portfolio companies and received fees for these other services.35Table of ContentsThe Adviser is not obligated to provide a credit of the base management fee or incentive fee, which could negatively impact our earnings and our ability to maintain our current level of distributions to our stockholders.The Advisory Agreement provides for a base management fee based on our total assets and an incentive fee which consists of two parts: an income-based incentive fee and a capital gains-based incentive fee. Our Board of Directors has historically accepted and may accept in the future quarterly or annual non-contractual, unconditional and irrevocable credits to reduce the annual base management fee. Further, our Board of Directors has accepted on a quarterly basis non-contractual, unconditional and irrevocable credits from the Adviser to reduce the income-based incentive fee to the extent net investment income did not cover 100.0% of distributions to common stockholders. Any waived fees may not be recouped by the Adviser in the future. However, the Adviser is not required to issue these or other credits of fees under the Advisory Agreement, and to the extent our investment portfolio grows in the future, we expect these management and incentive fees will increase. If the Adviser does not issue these credits in future quarters, it could negatively impact our earnings and may compromise our ability to maintain our current level of distributions to our stockholders, which could have a material adverse impact on our stock price.Our business model is dependent upon developing and sustaining strong referral relationships with investment bankers, business brokers and other intermediaries and any change in our referral relationships may impact our business plan.We are dependent upon informal relationships with investment bankers, business brokers and traditional lending institutions to provide us with deal flow. If we fail to maintain our relationship with such funds or institutions, or if we fail to establish strong referral relationships with other funds, we will not be able to grow our portfolio of investments and fully execute our business plan.Our base management fee may induce the Adviser to incur leverage.The fact that our base management fee is payable based upon our total assets, which would include any investments made with proceeds of borrowings, may encourage the Adviser to use leverage to make additional investments. Under certain circumstances, the use of increased leverage may increase the likelihood of default, which would disfavor holders of our securities. Given the subjective nature of the investment decisions made by the Adviser on our behalf, we will not be able to monitor this potential conflict of interest.Risks Related to an Investment in Our SecuritiesThere is a risk that you may not receive distributions or that distributions may not grow over time.We intend to distribute at least 90.0% of our Investment Company Taxable Income to our stockholders by paying monthly distributions. We cannot assure you that we will achieve investment results that will allow us to make a specified level of cash distributions or year-to-year increases in cash distributions. Furthermore, we expect to retain some or all net realized long-term capital gains by first offsetting them with realized capital losses, and secondly through a deemed distribution to supplement our equity capital and support the growth of our portfolio, although our Board of Directors may determine in certain cases to distribute these gains to our common stockholders. In addition, our Credit Facility restricts the amount of distributions we are permitted to make. We cannot assure you that we will achieve investment results or maintain a tax status that will allow or require any specified level of cash distributions.Investing in our securities may involve an above average degree of risk.The investments we make in accordance with our investment objectives may result in a higher amount of risk than alternative investment options and a higher risk of volatility or loss of principal. Our investments in portfolio companies may be highly speculative, and therefore, an investment in our securities may not be suitable for someone with lower risk tolerance.Distributions to our stockholders have included and may in the future include a return of capital.Quarterly, our Board of Directors declares monthly distributions based on then-current estimates of taxable income for each fiscal year, which may differ, and in the past have differed, from actual results. Because our distributions are based on estimates of taxable income that may differ from actual results, future distributions payable to our stockholders may also include a return of capital. Moreover, to the extent that we distribute amounts that exceed our current and accumulated earnings and profits, these distributions constitute a return of capital to the extent of the common stockholderâ€™s adjusted tax basis in its shares of our common stock. A return of capital represents a return of a stockholderâ€™s original investment in 36Table of Contentsshares of our common stock and should not be confused with a distribution from earnings and profits. Although return of capital distributions may not be taxable, such distributions may increase an investorâ€™s tax liability for capital gains upon the sale of shares of our common stock by reducing the investorâ€™s tax basis in its shares of our common stock. Such returns of capital reduce our asset base and also adversely impact our ability to raise debt capital as a result of the leverage restrictions under the 1940 Act, which could have material adverse impact on our ability to make new investments.Common shares of closed-end investment companies frequently trade at a discount to NAV.Shares of closed-end investment companies frequently trade at a discount to NAV per common share. Since our inception, our common stock has at times traded above NAV, and at times below NAV per share. This characteristic of shares of closed-end investment companies is separate and distinct from the risk that our NAV per share will decline. As with any stock, the price of our common stock will fluctuate with market conditions and other factors. If shares are sold, the price received may be more or less than the original investment. Whether investors will realize gains or losses upon the sale of shares of our common stock will not depend directly upon our NAV, but will depend upon the market price of the shares at the time of sale. Since the market price of our common stock will be affected by such factors as the relative demand for and supply of the shares in the market, general market and economic conditions and other factors beyond our control, we cannot predict whether the shares will trade at, below, or above our NAV.Under the 1940 Act, we are generally not able to issue additional shares of our common stock at a price below NAV per share to purchasers other than our existing stockholders through a rights offering without first obtaining the approval of our common stockholders and our independent directors. Additionally, when our common stock is trading below its NAV per share, our dividend yield may exceed the weighted average returns that we would expect to realize on new investments that would be made with the proceeds from the sale of such stock, making it unlikely that we would determine to issue additional shares in such circumstances. Thus, for as long as our common stock may trade below NAV, we will be subject to significant constraints on our ability to raise capital through the issuance of common stock. Additionally, an extended period of time in which we are unable to raise capital may restrict our ability to grow and adversely impact our ability to increase or maintain our distributions.Risks Related to the 2026 Notes, 2027 Notes, and 2028 Notes (collectively, the â€œNotesâ€)The Notes are unsecured and therefore are effectively subordinated to any secured indebtedness we have incurred or may incur in the future and rank pari passu with, or equal to, all outstanding and future unsecured indebtedness issued by us and our general liabilities (total liabilities, less debt).The Notes are not secured by any of our assets or any of the assets of our subsidiaries. As a result, the Notes are subordinated to any secured indebtedness we or our subsidiaries have currently incurred and may incur in the future (or any indebtedness that is initially unsecured to which we subsequently grant security) to the extent of the value of the assets securing such indebtedness. In any liquidation, dissolution, bankruptcy or other similar proceeding, the holders of any of our existing or future secured indebtedness and the secured indebtedness of our subsidiaries may assert rights against the assets pledged to secure that indebtedness in order to receive full payment of their indebtedness before the assets may be used to pay other creditors, including the holders of the Notes. In addition, the Notes rank pari passu with, or equal to, all outstanding and future unsecured, unsubordinated indebtedness issued by us and our general liabilities (total liabilities, less debt).The Notes are structurally subordinated to the indebtedness and other liabilities of our subsidiaries.The Notes are obligations exclusively of the Company and not of any of our subsidiaries. None of our subsidiaries is a guarantor of the Notes and the Notes are not required to be guaranteed by any subsidiaries we may acquire or create in the future. Except to the extent we are a creditor with recognized claims against our subsidiaries, all claims of creditors of our subsidiaries will have priority over our equity interests in such subsidiaries (and therefore the claims of our creditors, including holders of the Notes) with respect to the assets of such subsidiaries. Even if we are recognized as a creditor of one or more of our subsidiaries, our claims would still be effectively subordinated to any security interests in the assets of any such subsidiary and to any indebtedness or other liabilities of any such subsidiary senior to our claims. Consequently, the Notes are structurally subordinated to all indebtedness and other liabilities of any of our subsidiaries and any subsidiaries that we may in the future acquire or establish. As of SeptemberÂ 30, 2024, there was $70.6 million outstanding under the Credit Facility. Borrowings under the Credit Facility are the obligation of Business Loan, and are structurally senior to the Notes. In addition, our subsidiaries may incur substantial additional indebtedness in the future, all of which would be structurally senior to the Notes.37Table of ContentsThe indentures under which the Notes were issued contain limited protection for holders of the Notes.The indentures under which the Notes were issued offer limited protection to holders of the Notes. The terms of the indentures do not restrict our or any of our subsidiariesâ€™ ability to engage in, or otherwise be a party to, a variety of corporate transactions, circumstances or events that could have an adverse impact on your investment in the Notes. In particular, the terms of the indenture and the Notes do not place any restrictions on our or our subsidiariesâ€™ ability to:â€¢issue securities or otherwise incur additional indebtedness or other obligations, including (1) any indebtedness or other obligations that would be equal in right of payment to the Notes, (2) any indebtedness or other obligations that would be secured and therefore rank effectively senior in right of payment to the Notes to the extent of the value of the assets securing such debt, (3) indebtedness that is guaranteed by one or more of our subsidiaries and which therefore is structurally senior to the Notes and (4) securities, indebtedness or obligations issued or incurred by our subsidiaries that would be senior to our equity interests in our subsidiaries and therefore rank structurally senior to the Notes with respect to the assets of our subsidiaries, in each case, other than an incurrence of indebtedness or other obligation that would cause a violation of Section 18(a)(1)(A) as modified by Section 61(a)(2) of the 1940 Act or any successor provisions, whether or not we continue to be subject to such provisions of the 1940 Act, which generally prohibit us from incurring additional debt or issuing additional debt or preferred securities, unless our asset coverage, as defined in the 1940 Act, equals at least 150% after such incurrence or issuance;â€¢pay dividends on, or purchase or redeem or make any payments in respect of, capital stock or other securities ranking junior in right of payment to the Notes, including preferred stock and any subordinated indebtedness, other than, dividends, purchases, redemptions or payments that would cause our asset coverage to fall below the threshold specified in Section 18(a)(1)(B) as modified by Section 61(a)(2) of the 1940 Act or any successor provisions, giving effect to any no-action relief granted by the SEC to another BDC and upon which we may reasonably rely (or to us if we determine to seek such similar SEC no-action or other relief) permitting the BDC to declare any cash dividend or distribution notwithstanding the prohibition contained in Section 18(a)(1)(B) as modified by Section 61(a)(2) of the 1940 Act in order to maintain the BDCâ€™s status as a RIC under Subchapter M of the Code;â€¢sell assets (other than certain limited restrictions on our ability to consolidate, merge or sell all or substantially all of our assets);â€¢enter into transactions with affiliates;â€¢create liens (including liens on the shares of our subsidiaries) or enter into sale and leaseback transactions;â€¢make investments; orâ€¢create restrictions on the payment of dividends or other amounts to us from our subsidiaries.In addition, the indenture with respect to the 2028 Notes does not require us to make an offer to purchase the 2028 Notes in connection with a change of control or any other event whereas, under the terms of the respective indentures governing the 2026 Notes and the 2027 Notes, the holders of the 2026 Notes and the 2027 Notes, respectively, may require us to repurchase 100% of such notes upon the occurrence of a â€œChange of Control Repurchase Event,â€ which would occur upon certain changes of control that result in a downgrade in such notes below investment grade.Furthermore, the terms of the indenture and the Notes do not protect holders of the Notes in the event that we experience changes (including significant adverse changes) in our financial condition, results of operations or credit ratings, if any, as they do not require that we or our subsidiaries adhere to any financial tests or ratios or specified levels of net worth, revenues, income, cash flow, or liquidity.Our ability to recapitalize, incur additional debt (including additional debt that matures prior to the maturity of the Notes), and take a number of other actions that are not limited by the terms of the Notes may have important consequences for you as a holder of the Notes, including making it more difficult for us to satisfy our obligations with respect to the Notes or negatively affecting the trading value of the Notes.Other debt we issue or incur in the future could contain more protections for its holders than the indenture and the Notes, including additional covenants and events of default. The issuance or incurrence of any such debt with incremental protections could affect the market for, trading levels and prices of the Notes.38Table of ContentsWe cannot assure you an active trading market for the Notes will develop or be maintained.We have not listed, and do not intend to list in the future, the 2026 Notes and 2027 Notes on any securities exchange or for quotation of the Notes on any automated dealer quotation system. Although the 2028 Notes are listed on Nasdaq, they may trade at a discount to their purchase price depending on prevailing interest rates, the market for similar securities, our credit ratings, our financial condition, performance and prospects, general economic conditions or other relevant factors. Accordingly, we cannot assure you that a liquid trading market will develop and/or be maintained for any of the Notes, that a holder will be able to sell its Notes at a particular time or that the price received when a holder sells its Notes will be favorable. To the extent an active trading market does not develop or is not maintained, the liquidity and trading price for the Notes may be harmed. Accordingly, the holder of a Note may be required to bear the financial risk of an investment in the Notes for an indefinite period of time.If we default on our obligations to pay our other indebtedness, we may not be able to make payments on the Notes.Any default under the agreements governing our indebtedness, including a default under the Credit Facility or other indebtedness to which we may be a party, that is not waived by the required lenders or holders, and the remedies sought by the holders of such indebtedness could make us unable to pay principal and interest on the Notes and substantially decrease the market value of such notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal and interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness, we could be in default under the terms of the agreements governing such indebtedness. In the event of such default, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest, the lenders under the Credit Facility or other debt we may incur in the future could elect to terminate their commitments, cease making further loans and institute foreclosure proceedings against our assets, and we could be forced into bankruptcy or liquidation. If our operating performance declines, we may in the future need to refinance or restructure our debt, including the Notes, sell assets, reduce or delay capital investments, seek to raise additional capital or seek to obtain waivers from the required lenders under the Credit Facility or other debt that we may incur in the future to avoid being in default. If we are unable to implement one or more of these alternatives, we may not be able to meet our payment obligations under the Notes or our other debt. If we breach our covenants under the Credit Facility or other debt and seek a waiver, we may not be able to obtain a waiver from the required lenders or holders. If this occurs, we would be in default under the Credit Facility or other debt, the lenders or holders could exercise their rights as described above, and we could be forced into bankruptcy or liquidation. If we are unable to repay debt, lenders having secured obligations, including the lenders under the Credit Facility, could proceed against the collateral securing the debt. Because the Credit Facility has, and any future credit facilities will likely have, customary cross-default provisions, if the indebtedness under the Notes or the Credit Facility or under any future credit facility is accelerated, we may be unable to repay or finance the amounts due.We may choose to redeem the Notes when prevailing interest rates are relatively low.The 2026 Notes and the 2027 Notes may be redeemed in whole or in part at any time or from time to time at the Companyâ€™s option prior to maturity at par plus a â€œmake-wholeâ€ premium, if applicable. In addition, the 2028 Notes may be redeemed in whole or in part at any time at our option on or after September 1, 2025. If prevailing rates are lower at the time of redemption, and we redeem the Notes, you likely would not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on the Notes being redeemed.We may not be able to repurchase the 2026 Notes or 2027 Notes upon a Change of Control Repurchase Event.We may not be able to repurchase the 2026 Notes or 2027 Notes upon a Change of Control Repurchase Event (as defined in the indenture governing such Notes) because we may not have sufficient funds. We would not be able to borrow under our Credit Facility to finance such a repurchase of the 2026 Notes or 2027 Notes, and we expect that any future credit facility would have similar limitations. Upon a Change of Control Repurchase Event, holders of the 2026 Notes or 2027 Notes may require us to repurchase for cash some or all of such Notes at a repurchase price equal to 100% of the aggregate principal amount of the Notes being repurchased, plus accrued and unpaid interest to, but not including, the repurchase date. The terms of our Credit Facility also provide that certain change of control events will constitute an event of default thereunder entitling the lenders to accelerate any indebtedness outstanding under our Credit Facility at that time and to terminate our Credit Facility. Our failure to purchase such tendered Notes upon the occurrence of such Change of Control Repurchase Event would cause an event of default under the indenture governing the Notes and a cross-default under the agreements governing the Credit Facility, which may result in the acceleration of such indebtedness requiring us to repay that indebtedness immediately. If the holders of the 2026 Notes or 2027 Notes exercise their right to require us to 39Table of Contentsrepurchase such Notes upon a Change of Control Repurchase Event, the financial effect of this repurchase could cause a default under our current and future debt instruments, and we may not have sufficient funds to repay any such accelerated indebtedness.A downgrade, suspension or withdrawal of the credit rating assigned by a rating agency to us or the Notes or change in the debt markets could cause the liquidity or market value of the Notes to decline significantly.Any credit rating assigned to us or the Notes represents an assessment by the assigning rating agency of our ability to pay our debts when due. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the Notes. These credit ratings may not reflect the potential impact of risks relating to the structure or marketing of the Notes. Credit ratings are paid for by the issuer and are not a recommendation to buy, sell or hold any security, and may be revised or withdrawn at any time by the issuing organization in its sole discretion.Risks Related to our Preferred StockThere will be no public market for the Series A Preferred Stock as we do not intend to apply for listing on a national securities exchange unless the Share Repurchase Program is terminated.There is currently no public market for our Series A Preferred Stock and we do not intend to apply to list the Series A Preferred Stock on a national securities exchange or to include the Series A Preferred Stock for listing on any national securities market. Unless shares of the Series A Preferred Stock are listed on a national securities exchange, holders of shares of Series A Preferred Stock may be unable to sell them at all or, if they are able to, only at substantial discounts from the liquidation preference of such shares. Even if the Series A Preferred Stock is listed on Nasdaq or another national securities exchange following the termination of any share repurchase program, there is a risk that such shares may be thinly traded, and the market for such shares may be relatively illiquid compared to the market for other types of securities, with the spread between the bid and asked prices considerably greater than the spreads of other securities with comparable terms and features. Also, since the Series A Preferred Stock does not have a stated maturity date, you may be forced to hold your Series A Preferred Stock with no assurance as to ever receiving the liquidation preference of such shares. Dividend payments on the Series A Preferred Stock are not guaranteed.Although dividends on the Series A Preferred Stock are cumulative, our Board of Directors must approve the actual payment of the dividends. Our Board of Directors can elect at any time or from time to time, and for an indefinite duration, not to pay any or all accrued dividends. Our Board of Directors could elect to suspend dividends for any reason, and may be prohibited from approving dividends in the following instances:â€¢poor historical or projected cash flows;â€¢the need to make payments on our indebtedness;â€¢concluding that payment of dividends on the Series A Preferred Stock would cause us to breach the terms of any indebtedness or other instrument or agreement; orâ€¢determining that the payment of dividends would violate applicable law regarding unlawful distributions to stockholders.The Series A Preferred Stock will bear a risk of redemption by us.Except in limited circumstances, including those related to us maintaining the asset coverage required by Sections 18 and 61 of the 1940 Act, we, at our option, may not redeem shares of the Series A Preferred Stock prior to the earlier of (1) the oneâ€'year anniversary of the earlier of (a) December 31, 2026 (unless earlier terminated or extended by our Board of Directors) or (b) the date on which all 6,000,000 shares of Series A Preferred Stock are sold (the â€œSeries A Termination Dateâ€) and (2) January 1, 2027. However, after such date, we may redeem the shares of Series A Preferred Stock at any time after such date and may do so at a time that is unfavorable to holders of the Series A Preferred Stock. We may have an incentive to voluntarily redeem the Series A Preferred Stock if market conditions allow us to issue other Preferred Stock or debt securities at a dividend or interest rate that is lower than the dividend rate on the Series A Preferred Stock. Your option to request that your shares of Series A Preferred Stock be repurchased is subject to a 5% quarterly limitation, the continuation of the share repurchase program and our availability of funds, and may also be limited by law.40Table of ContentsWe will only repurchase, in each quarter, up to 5% of our then outstanding Series A Preferred Stock (by number of shares outstanding), calculated as of the end of the previous calendar quarter. As a result, depending on the amount of repurchase requests, a stockholderâ€™s repurchase request may not be fulfilled in the amount requested. In addition, our Board of Directors may terminate or suspend the share repurchase program at any time for any reason in its sole and absolute discretion. Therefore, our obligation to repurchase shares at the request of a holder of Series A Preferred Stock is limited to the extent our Board of Directors suspends or terminates the optional repurchase right for any reason, including after delivery of a stockholder repurchase request but prior to the corresponding stockholder repurchase date. Our obligation to repurchase shares at the option of a holder of Series A Preferred Stock is also limited to the extent that our Board of Directors determines, in its sole and absolute discretion, that we do not have sufficient funds available to fund any such repurchase or we are restricted by applicable law from making such repurchase. If you deliver a request to repurchase your shares of Series A Preferred Stock, but our Board of Directors determines we do not have sufficient funds available to fund such repurchase (even if there is sufficient funding as determined under applicable law), only a portion, if any, of your shares of Series A Preferred Stock may be repurchased.Our ability to pay dividends on and/or repurchase shares of Series A Preferred Stock may be limited by Maryland law, the 1940 Act and the terms of our debt facilities as well as future agreements we may enter.Under Maryland law, a corporation may pay dividends on and repurchase stock as long as, after giving effect to the dividend payment or repurchase, the corporation is able to pay its debts as they become due in the usual course of business (the equity solvency test), or, except in limited circumstances, the corporationâ€™s total assets exceed the sum of its total liabilities plus, unless its charter permits otherwise, the amount that would be needed, if the corporation were to be dissolved at the time of the dividend payment or repurchase, to satisfy the preferential rights upon dissolution of stockholders whose preferential rights on dissolution are superior to those receiving the dividend or whose stock is being repurchased (the balance sheet solvency test). If we are insolvent at any time when a repurchase of shares of Series A Preferred Stock is desired or required to be made, we may not be able to effect such repurchase. Furthermore, the terms of our debt facilities may restrict our ability to repurchase shares of Series A Preferred Stock for cash during an event of default, and we expect to enter agreements in the future that may similarly restrict our ability to repurchase in cash in such instances.In addition, under the 1940 Act, we may not (1) declare any dividend with respect to any shares of preferred stock if, at the time of such declaration (and after giving effect thereto), our asset coverage with respect to any of our borrowings that are senior securities representing indebtedness (as defined in the 1940 Act) would be less than 150% (or such other percentage as may in the future be specified in or under the 1940 Act as the minimum asset coverage for senior securities representing indebtedness of a BDC as a condition of declaring dividends on its preferred stock) or (2) declare any other distribution on the preferred stock or purchase or redeem preferred stock if at the time of the declaration or redemption (and after giving effect thereto), our asset coverage with respect to such borrowings that are senior securities representing indebtedness would be less than 150% (or such other percentage as may in the future be specified in or under the 1940 Act as the minimum asset coverage for senior securities representing indebtedness of a BDC as a condition of declaring distributions, purchases or redemptions of its shares).The cash distributions you receive may be less frequent or lower in amount than you expect.Our Board of Directors intends to pay distributions on the Series A Preferred Stock monthly in arrears on or about the fifth day of each month for dividends accrued the previous month (or such later date as our Board of Directors may designate) in an amount equal to $1.5625 per share per year. However, our Board of Directors has ultimate discretion to determine the amount and timing of these distributions. In making this determination, our Board of Directors will consider all relevant factors, including the amount of cash available for distribution, capital expenditure and reserve requirements and general operational requirements. We cannot assure you that we will consistently be able to generate sufficient available cash flow to fund distributions on the Series A Preferred Stock at the stated dividend rate nor can we assure you that sufficient cash will be available to make distributions to you. We cannot predict the amount of distributions you may receive and we may be unable to pay distributions over time. Our inability to acquire additional investments or operate profitably may have a negative effect on our ability to generate sufficient cash flow from operations to pay distributions on the Series A Preferred Stock.If you elect to participate in the Share Repurchase Program, the cash payment that you receive as a result of your optional repurchase request may be a substantial discount to the price that you paid for the shares of Series A Preferred Stock.41Table of ContentsThe cash payment that stockholders who request to have their shares of Series A Preferred Stock repurchased will receive will be at a substantial discount if such request is made within three years of the purchase date. Repurchases under the share repurchase program for the Series A Preferred Stock will be at a price per share equal to the liquidation preference of the Series A Preferred Stock plus accrued and unpaid dividends, except that shares that have been outstanding for less than one year will be subject to an early repurchase discount of 10% (or at a price of $22.50 per share), shares that have been outstanding for at least one year but less than two years will be subject to an early repurchase discount of 6% (or at a price of $23.50 per share), and shares that have been outstanding for at least two years but less than three years will be subject to an early repurchase discount of 3% (or at a price of $24.25 per share). If you request to have your shares repurchased such request could cause you to lose a substantial portion of your investment.Holders of the Series A Preferred Stock will be subject to inflation risk.Inflation is the reduction in the purchasing power of money resulting from the increase in the price of goods and services. Inflation risk is the risk that the inflation-adjusted, or â€œreal,â€ value of an investment or the income from that investment will be worth less in the future. As inflation occurs, the real value of the Series A Preferred Stock and dividends payable on such Shares declines.An investment in the Series A Preferred Stock bears interest rate risk.The Series A Preferred Stock will pay dividends at a fixed dividend rate. Prices of fixed income investments vary inversely with changes in market yields. The market yields on securities comparable to the Series A Preferred Stock may increase, which could result in a decline in the value or secondary market price of the Series A Preferred Stock. Holders of the Series A Preferred Stock will bear reinvestment risk.Given the potential for redemption of the Series A Preferred Stock at our option commencing with the earlier of (1) first anniversary of the Series A Termination Date and (2) January 1, 2027, holders of such Shares may face an increased reinvestment risk, which is the risk that the return on an investment purchased with proceeds from the sale or redemption of the Series A Preferred Stock may be lower than the return previously obtained from the investment in such shares.General Risk FactorsCybersecurity risks and cyber incidents may adversely affect our business by causing a disruption to our operations, or the operations of businesses in which we invest, a compromise or corruption of our confidential information and/or damage to our business relationships, all of which could negatively impact our business, financial condition and operating results.Maintaining our network security is of critical importance because our systems store highly confidential financial models and portfolio company information. Although we have implemented, and will continue to implement, security measures, our technology platform may be vulnerable to intrusion, computer viruses, ransomware attacks, phishing schemes, or similar disruptive problems caused by cyber-attacks. A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of our information resources or those of our portfolio companies. These incidents may be an intentional attack or an unintentional event and could involve gaining unauthorized access to our information systems or those of our portfolio companies for purposes of misappropriating assets, stealing confidential information, corrupting data or causing

operational disruption. The result of these incidents may include disrupted operations, misstated or unreliable financial data, liability for stolen assets or information, costs to repair system damage, increased cybersecurity protection and insurance costs, litigation and damage to our business relationships or those of our portfolio companies. As our and our portfolio companiesâ€™ reliance on technology has increased, so have the risks posed to our information systems, both internal and those provided to us by third-party service providers, and the information systems of our portfolio companies. We have implemented processes, procedures and internal controls to help mitigate cybersecurity risks and cyber intrusions, but these measures, as well as our increased awareness of the nature and extent of a risk of a cyber incident, do not guarantee that a cyber incident will not occur and/or that our financial results, operations, stock price or confidential information will not be negatively impacted by such an incident. In addition, any such incident, disruption or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, and regulatory penalties, disrupt our operations, and damage our and our Adviserâ€™s reputations, resulting in a loss of confidence in our services and our Adviserâ€™s services, which could adversely affect our business.42Table of ContentsWe are dependent on information systems and systems failures could significantly disrupt our business, which may, in turn, negatively affect the market price of our common stock and our ability to pay dividends.Our business is dependent on our and third partiesâ€™ communications and information systems. Any failure or interruption of those systems, including as a result of the termination of an agreement with any third-party service providers, could cause delays or other problems in our activities. Our financial, accounting, data processing, backup or other operating systems and facilities may fail to operate properly or become disabled or damaged as a result of a number of factors including events that are wholly or partially beyond our control and adversely affect our business. There could be:â€¢sudden electrical or telecommunications outages;â€¢natural disasters such as earthquakes, tornadoes and hurricanes;â€¢disease pandemics;â€¢events arising from local or larger scale political or social matters, including terrorist acts; andâ€¢cyber-attacks.These events, in turn, could have a material adverse effect on our operating results and negatively affect the market price of our common stock and our ability to pay dividends to our stockholders.We are subject to risks associated with artificial intelligence and machine learning technology.Recent technological advances in artificial intelligence and machine learning technology, or Machine Learning Technology, pose risks to us and our portfolio companies. We and our portfolio companies could be exposed to the risks of Machine Learning Technology if third-party service providers or any counterparties use Machine Learning Technology in their business activities. We and the Adviser are not in a position to control the use of Machine Learning Technology in third-party products or services. Use of Machine Learning Technology could include the input of confidential information in contravention of applicable policies, contractual or other obligations or restrictions, resulting in such confidential information becoming part accessible by other third-party Machine Learning Technology applications and users. Machine Learning Technology and its applications continue to develop rapidly, and we cannot predict the risks that may arise from such developments.Machine Learning Technology is generally highly reliant on the collection and analysis of large amounts of data, and it is not possible or practicable to incorporate all relevant data into the model that Machine Learning Technology utilizes to operate. Certain data in such models will inevitably contain a degree of inaccuracy and error and could otherwise be inadequate or flawed, which would be likely to degrade the effectiveness of Machine Learning Technology. To the extent we or our portfolio companies are exposed to the risks of Machine Learning Technology use, any such inaccuracies or errors could adversely impact us or our portfolio companies. Changes in laws or regulations governing our operations, or changes in the interpretation thereof, and any failure by us to comply with laws or regulations governing our operations may adversely affect our business.We and our portfolio companies are subject to regulation by laws at the local, state and federal levels. These laws and regulations, as well as their interpretation, may be changed from time to time. Accordingly, any change in these laws or regulations, or their interpretation, or any failure by us or our portfolio companies to comply with these laws or regulations may adversely affect our business. For additional information regarding the regulations to which we are subject, see â€œBusinessâ€”Material U.S. Federal Income Tax Considerationsâ€ and â€œBusinessâ€”Regulation as a BDC.â€We are subject to risks related to corporate social responsibility.Our business (including that of our portfolio companies) may face public scrutiny related to environmental, social and governance (â€œESGâ€) activities. A variety of organizations measure the performance of companies on ESG topics, and the results of these assessments are widely publicized. Adverse incidents with respect to ESG activities could impact the value of our brand, our relationship with future portfolio companies, the cost of our operations and relationships with investors, all of which could adversely affect our business and results of operations.Additionally, new regulatory initiatives related to ESG that are applicable to us and our portfolio companies could adversely affect our business. The SEC has adopted rules that, among other matters, establish a framework for reporting of climate-related risks and other ESG-related rules have been proposed and these or similar rules may be adopted in the 43Table of Contentsfuture. Compliance with these rules may be onerous and expensive. Further, compliance with any new laws, regulations or disclosure obligations increases our regulatory burden and could make compliance more difficult and expensive, affect the manner in which we or our portfolio companies conduct our businesses and adversely affect our profitability.We and/or our portfolio companies may be subject to risks related to global climate change.Climate change is widely considered to be a significant threat to the global economy. Our business operations and our portfolio companies may face risks associated with climate change, including risks related to the impact of climate-related legislation and regulation (both domestically and internationally), risks related to climate-related business trends (such as the process of transitioning to a lower-carbon economy), and risks stemming from the physical impacts of climate change, such as the increasing frequency or severity of extreme weather events and rising sea levels and temperatures.We may experience fluctuations in our quarterly and annual operating results.We may experience fluctuations in our quarterly and annual operating results due to a number of factors, including, among others, variations in our investment income, the interest rates payable on the debt securities we acquire, the default rates on such securities, variations in and the timing of the recognition of realized and unrealized gains or losses, the level of our expenses, the degree to which we encounter competition in our markets, and general economic conditions, including the impacts of public health emergencies or elevated interest rates. The majority of our portfolio companies are in industries that are directly impacted by inflation, such as manufacturing and consumer goods and services. Our portfolio companies may not be able to pass on to customers increases in their costs of production which could greatly affect their operating results, impacting their ability to repay our loans. In addition, any projected future decreases in our portfolio companiesâ€™ operating results due to inflation could adversely impact the fair value of those investments. Any decreases in the fair value of our investments could result in future realized and unrealized losses and therefore reduce our net assets resulting from operations. As a result of these factors, results for any period should not be relied upon as being indicative of performance in future periods.Public health threats may adversely impact the businesses in which we invest and affect our business, operating results and financial condition.Public health threats, such as pandemics, may disrupt the operations of the businesses in which we invest. Such threats can create economic and political uncertainties and can contribute to global economic instability. In the event of a future public health threat, our portfolio companies may face limitations on their business activities for an unknown period of time, including shutdowns that may be requested or mandated by governmental authorities, or that they may experience disruptions in their supply chains or decreased consumer demand. Certain of our portfolio companies have experienced increases in health and safety expenses, payroll costs and other operating expenses and future increases are possible. These adverse economic impacts may decrease the value of the collateral securing our loans in such portfolio companies, as well as the value of our equity investments. In addition, these adverse impacts could cause certain of our portfolio companies to have difficulty meeting their debt service requirements, which in turn could lead to an increase in defaults, and/or could diminish the ability of certain of our portfolio companies to engage in liquidity events. These negative impacts on our portfolio companies and their performance may reduce the interest income we receive and/or increase realized and unrealized losses related to our investments, which may, in turn, adversely impact our business, financial condition or results of operations.ITEM 1B. UNRESOLVED STAFF COMMENTSNone.ITEM 1C. CYBERSECURITYRisk Management and StrategyOur Adviser and Administrator have implemented ongoing processes that are designed to continually identify, assess, manage, monitor and mitigate the dynamic and evolving material risks to us from cybersecurity threats. Our Adviserâ€™s and Administratorâ€™s resource management, information technology (â€œITâ€), and compliance department work in conjunction with an independent third-party information technology service provider (â€œISPâ€) engaged by our Adviser to manage our information technology strategy. The ISP regularly performs cyber assessments and assist our Adviser and Administrator 44Table of Contentsin monitoring our cyber and information security programs. The ISP proposes recommendations for improvements to our Adviserâ€™s Head of Resource Management, Director of IT, and Chief Compliance Officer (â€œCCOâ€), which then are considered by other relevant officers of our Adviser and Administrator before implementation.In addition, regular ongoing cybersecurity threat risk assessments, which also cover third-party business applications, are performed throughout the year and reported to our officers and Board of Directors by our CCO no less than quarterly. Cybersecurity risks are assessed in general as part of the overall enterprise risk management for us, but also specifically between the ISP and our Adviser and Administrator in monitoring and determining not only the risks but also in assessing corresponding processes and procedures to mitigate those risks appropriately.Our ISP constantly monitors information technology risk and cybersecurity threats globally. When risks are detected the Director of IT, Head of Resource Management, and CCO consult with the ISP to assess if the risk is a cybersecurity threat to our information technology systems or data. If a risk to our information systems or data is identified, we, through our Adviser and Administrator, work in conjunction with the ISP to implement recommended processes, improvements, or safeguards to our systems or processes to address the risks as needed. Relevant examples of such efforts include but are not limited to:â€¢implementation of industry leading Cloud solutions and business applications which possess integrated cybersecurity safeguards;â€¢anti-malware, antivirus and threat detection software;â€¢ransomware containment and isolation software;â€¢enhanced password requirements and multifactor authentication requirements;â€¢endpoint encryption;â€¢intrusion detection and response system conduct file integrity monitoring;â€¢email archiving, firewalls, and quarantine capabilities;â€¢mobile device management of business applications;â€¢frequent systems backups with recovery capabilities; andâ€¢regular vulnerability scans and penetration testing.Contractually, we require the ISP to annually provide a third-party report on its systems and on the suitability of the design and operating effectiveness of its controls relevant to information and cyber security. In addition to the ongoing dialogue and technology interaction between the director of IT, our Adviser and Administrator and the ISP, any significant findings in these reports are shared with us, including our Board of Directors and other officers, to enhance ongoing monitoring and assessment of our information technology and cybersecurity risk management.Our Adviser and Administrator also regularly trains employees working on our behalf on the evolving threats and educates them on cybersecurity risks to provide an additional protection barrier through end-user knowledge.Notwithstanding our risk management and strategy described above, we may not be successful in preventing or mitigating a cybersecurity incident that could have a material adverse effect on us. We are not currently aware of any known cybersecurity risks that may materially impact our operations and we may not be able to determine the likelihood of such risks. See â€œRisk Factors - Cybersecurity risks and cyber incidents may adversely affect our business by causing a disruption to our operations, or the operations of businesses in which we invest, a compromise or corruption of our confidential information and/or damage to our business relationships, all of which could negatively impact our business, financial condition and operating results.â€ for a discussion of risks related to cybersecurity and cyber incidents.GovernanceOur Board of Directors is actively engaged in overseeing our cybersecurity and information security program. Our Board of Directors receives regular reports during board meetings from our CCO on our and our Adviserâ€™s and Administratorâ€™s efforts concerning information security and addressing information technology and cybersecurity risks, no less than quarterly, and regularly receives updates from third parties on various business risks, which include cybersecurity matters. The reports are distributed to our Board of Directors, and our CCO engages in detailed discussions with the independent board members during the independent membersâ€™ session. The reports cover potentially material cybersecurity threats 45Table of Contentsfacing us, as well as key risks and mitigation efforts undertaken by us and our Adviser and Administrator. As significant threats or events are identified by management or the ISP between regular reporting periods, our CCO will inform our Board of Directors immediately and keep it informed as to the developments of assessing the risks, mitigating efforts, and potential disclosure. Appropriate members of management and third party providers will be involved as deemed necessary based on the potential impact.Our Head of Resources Management, who is also a member of our Board of Directors, and our CCO lead our cybersecurity program. Our Head of Resources Management has more than 30 years of overall experience and more than 20 years directly assessing and managing our cyber information technology and human resources systems, and the associated security concerns. Our CCO has more than 30 years of overall experience as a CPA, with more than 15 years managing information technology systems and databases, and more than 15 years supporting our Adviserâ€™s and Administratorâ€™s resource management department. This includes identifying, assessing, mitigating, and monitoring cyber information security risks. Our Director of IT has over 20 years of experience in IT, with a focus in the implementation of information security projects to enhance organizationsâ€™ resilience against emerging threats, and has collaborated closely with security vendors/partners to contain and address cybersecurity incidents. These managers, as well as other management personnel, attend various professional continuing education programs, which include cybersecurity matters. Certain members of our Board of Directors have, or previously held, positions with other companies, including other public companies, that involved managing risks associated with their cyber and information technology systems.ITEM 2. PROPERTIESWe do not own any real estate or other physical properties material to our operations. The Adviser is the current leaseholder of all properties in which we operate. We occupy these premises pursuant to the Advisory and Administration Agreements with the Adviser and Administrator, respectively.ITEM 3. LEGAL PROCEEDINGSWe are not currently subject to any material legal proceedings, nor, to our knowledge, is any material legal proceeding threatened against us.ITEM 4. MINE SAFETY DISCLOSURESNot applicable.46Table of ContentsPART IIITEM 5. Â Â Â Â MARKET FOR REGISTRANTâ€™S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIESOur common stock is traded on Nasdaq under the symbol â€œGLAD.â€ The following table reflects, by quarter, the high and low intraday sales prices per share of our common stock on the Nasdaq, the high and low intraday sales prices as a percentage of NAV per share and quarterly distributions declared per common share for each fiscal quarter during the last two completed fiscal years and the current fiscal year through NovemberÂ 12, 2024.Quarter Ended/ Ending(C)Sales PricesPremium / (Discount) of High to NAV(B)Premium (Discount) of Low to NAV(B)Declared Common Stock DistributionsNAV(A)HighLowFiscal Year ended September 30, 2023:12/31/2022$18.12Â $21.34Â $16.46Â 17.8Â %
(9.2)%$0.42Â 3/31/202318.38Â 21.74Â 17.74Â 18.3Â (3.5)0.45Â 6/30/202318.54Â 19.84Â 18.22Â 7.0Â (1.7)0.48Â 9/30/202318.78Â 22.56Â 19.08Â 20.1Â 1.6Â 0.54Â Fiscal Year ended September 30, 202412/31/2023$19.22Â $21.64Â $18.40Â 12.6Â %
(4.3)%$0.495Â 3/31/202419.80Â 22.48Â 19.40Â 13.5Â (2.0)0.495Â 6/30/202420.18Â 23.34Â 19.20Â 15.7Â (4.9)0.495Â 9/30/202421.18Â 24.73Â 21.40Â 16.8Â 1.0Â 0.495Â Fiscal Year ending September 30, 2025:12/31/2024 (through 11/12/2024)*$25.60Â $23.70Â **$0.895Â (A)NAV per share is determined as of the last day in the relevant quarter and therefore may not reflect the NAV per share on the date of the high and low intraday sales prices. The NAVs per share shown are based on outstanding shares at the end of each period.(B)The premiums (discounts) set forth in these columns represent the high or low, as applicable, intraday sale prices per share for the relevant quarter minus the NAV per share as of the end of such quarter, and therefore may not reflect the premium (discount) to NAV per share on the date of the high and low intraday sales prices.(C)Per share data has been adjusted on a retroactive basis to reflect the 1-for-2 reverse stock split (the â€œReverse Stock Splitâ€) effected on April 4, 2024 (effective April 5, 2024 for trading purposes) for all activity prior to that date, as described in See Note 2 â€” Summary of Significant Accounting Policies in the accompanying Consolidated Financial Statements included elsewhere in this Annual Report. *Â Â Â Â Not yet available, as the NAV per share as of the end of this quarter has not yet been determined.As of NovemberÂ 12, 2024, there were 28 record owners of our common stock.DistributionsWe generally intend to distribute in the form of cash distributions a minimum of 90.0% of our Investment Company Taxable Income, if any, on a quarterly basis to our stockholders in the form of monthly distributions. We generally intend to retain some or all of our long-term capital gains, if any, but generally intend to designate the retained amount as a deemed distribution, after giving effect to any prior year realized losses that are carried forward, to supplement our equity capital and support the growth of our portfolio. However, in certain cases, our Board of Directors may choose to distribute our net realized long-term capital gains, if any, by paying a one-time special distribution. Additionally, our Credit Facility contains a covenant that limits distributions to our stockholders on an annual basis to the sum of our net investment income, net capital gains and amounts deemed to have been paid during the prior year in accordance with Section 855(a) of the Code.47Table of ContentsRecent Sales of Unregistered SecuritiesWe did not sell any unregistered shares of stock during the fiscal year ended SeptemberÂ 30, 2024. See â€œCapital Raisingâ€ below for information regarding the unregistered sale of the 2027 Notes in November 2021.Purchases of Equity SecuritiesWe did not repurchase any shares of our stock during the fourth quarter ended SeptemberÂ 30, 2024.Stock Performance GraphThe following graph shows the total stockholder return on an investment of $100 in cash on September 30, 2019 for (i) our common stock, (ii) the Nasdaqâ€™s 100 total return index (â€œNasdaq 100 TRâ€), (iii) the Standard & Poorâ€™s 500 total return index (the â€œS&P 500 TRâ€) and (iv) the Standard and Poorâ€™s BDC index (â€œS&P BDCâ€).

The graph and other information furnished under the heading â€œStock Performance Graphâ€ shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that we specifically incorporate it by reference and shall not be deemed to be â€œsoliciting materialâ€ or to be â€œfiledâ€ with the SEC or subject to Regulation 14A or 14C under, or to the liabilities of Section 18 of, the Exchange Act. The returns on each investment assume reinvestment of dividends. This stock performance graph and the related textual information are not necessarily indicative of future performance. Per share data has been adjusted on a retroactive basis to reflect the Reverse Stock Split effected on April 4, 2024.GLADNasdaq100 TRS&P500 TRS&P BDC
Index9/30/2019$100.00Â $100.00Â $100.00Â $100.00Â 9/30/202084.76Â 148.75Â 115.15Â 80.26Â 9/30/2021139.80Â 192.74Â 149.70Â 123.88Â 9/30/2022113.01Â 145.09Â 126.54Â 105.51Â 9/2
of ContentsFees and ExpensesThe following table is intended to assist you in understanding the costs and expenses that an investor in the Company will bear directly or indirectly. We caution you that some of the percentages indicated in the table below are estimates and may vary. Except where the context suggests otherwise, whenever this Annual Report contains a reference to fees or expenses paid by â€œusâ€ or the â€œCompany,â€ or that â€œweâ€ will pay fees or expenses, stockholders will indirectly bear such fees or expenses. The following annualized percentages were calculated based on actual expenses incurred in the quarter ended SeptemberÂ 30, 2024 and average net assets for the quarter ended SeptemberÂ 30, 2024.Stockholder Transaction Expenses:Sales load (as a percentage of offering price)(1)â€”Â %Offering expenses (as a percentage of offering price)(1)â€”Â %Dividend reinvestment plan expenses(2)Up to a $25.00 Transaction FeeTotal stockholder transaction expenses(1)â€”Â %Annual expenses (as a percentage of net assets attributable to common stock)(3):Base Management fee(4) 3.07Â %Loan servicing fee(5) 1.97Â %Incentive fee (20% of realized capital gains and 20% of pre-incentive fee net investment income)(6)2.37Â %Interest payments on borrowed funds(7)5.29Â %Preferred stock dividends(8)0.10Â %Other expenses(9)1.04Â %Total annual expenses(10)13.84Â %__________(1)The amounts set forth in this table do not reflect the impact of any sales load, sales commission or other offering expenses borne by the Company and its stockholders. If applicable, the prospectus or prospectus supplement relating to an offering of our common stock will disclose the offering price and the estimated offering expenses and total stockholder transaction expenses borne by the Company and its common stockholders as a percentage of the offering price. In the event that shares of our common stock are sold to or through underwriters, the applicable prospectus or prospectus supplement will also disclose the applicable sales load.(2)The expenses of the dividend reinvestment plan, if any, are included in stock record expenses, a component of â€œother expenses.â€ If a participant elects by written notice to the plan agent prior to termination of his or her account to have the plan agent sell part or all of the shares held by the plan agent in the participantâ€™s account and remit the proceeds to the participant, the plan agent is authorized to deduct a transaction fee, plus per share brokerage commissions, from the proceeds. The participants in the dividend reinvestment plan will bear a pro rata share of brokerage commissions incurred with respect to open market purchases, if any. See â€œItem 7. Management's Discussion and Analysis of Financial Condition and Results of Operationsâ€”Liquidity and Capital Resourcesâ€”Distributions and Dividends to Stockholdersâ€”Dividend Reinvestment Planâ€ for information on the dividend reinvestment plan.(3)The percentages presented in this table are gross of credits to any fees.(4)In accordance with our Advisory Agreement, our annual base management fee is 1.75% (0.4375% quarterly) of our average gross assets, which are defined as total assets of the Company, including investments made with proceeds of borrowings, less any uninvested cash or cash equivalents resulting from borrowings, and adjusted appropriately for any share issuances or repurchases. In accordance with the requirements of the SEC, the table above shows the Companyâ€™s management fee as a percentage of average net assets attributable to common shareholders. For purposes of the table, the gross base management fee has been converted to 3.07% of the average net assets as of SeptemberÂ 30, 2024 by dividing the total dollar amount of the management fee by our average net assets. The base management fee for the quarter ended SeptemberÂ 30, 2024 before application of any credits was $3.5 million. From time to time, the Adviser has non-contractually, unconditionally and irrevocably agreed to reduce the 1.75% base management fee on syndicated loan participations to 0.5%, to the extent that proceeds resulting from borrowings were used to purchase such syndicated loan participations. For the quarter ended SeptemberÂ 30, 2024, this credit to the base management fee was $18 thousand.Under the Advisory Agreement, the Adviser has provided and continues to provide managerial assistance to our portfolio companies. It may also provide services other than managerial assistance to our portfolio companies and receive fees therefor. Such services may include: (i) assistance obtaining, sourcing or structuring credit facilities, long term loans or additional equity from unaffiliated third parties; (ii) negotiating important contractual financial 49Table of Contentsrelationships; (iii) consulting services regarding restructuring of the portfolio company and financial modeling as it relates to raising additional debt and equity capital from unaffiliated third parties; and (iv) primary role in interviewing, vetting and negotiating employment contracts with candidates in connection with adding and retaining key portfolio company management team members. Generally, at the end of each quarter, 100.0% of the fees for such services are non-contractually, unconditionally and irrevocably credited against the base management fee that we would otherwise be required to pay to the Adviser; however, a small percentage of certain of such fees, primarily for valuation of the portfolio company, is retained by the Adviser in the form of reimbursement at cost for certain tasks completed by personnel of the Adviser. For the quarter ended SeptemberÂ 30, 2024, the base management fee credit was $0.4 million. See â€œItem 1. Business â€” Transactions with Related Parties â€” Investment Advisory and Management Agreementâ€ for additional information.(5)The Adviser services, administers and collects on the loans held by Business Loan in return for which the Adviser receives a 1.5% annual loan servicing fee payable monthly by Business Loan based on the monthly aggregate balance of loans held by Business Loan in accordance with the Credit Facility. For the quarter ended SeptemberÂ 30, 2024, the total loan servicing fee was $2.2 million. The entire loan servicing fee paid to the Adviser by Business Loan is generally non-contractually, unconditionally and irrevocably credited against the base management fee otherwise payable to the Adviser since Business Loan is a consolidated subsidiary of the Company, and overall, the base management fee (including any loan servicing fee) cannot exceed 1.75% of total assets (including investments made with proceeds of borrowings, less any uninvested cash or cash equivalents resulting from borrowings) during any given fiscal year pursuant to the Advisory Agreement. See â€œItem 1. Businessâ€”Transactions with Related Partiesâ€”Loan Servicing Fee Pursuant to Credit Facilityâ€ and footnote 4 above for additional information.(6)In accordance with our Advisory Agreement, the incentive fee consists of two parts: an income-based fee and a capital gains-based fee. The income-based fee is payable quarterly in arrears, and equals 20.0% of the excess, if any, of our pre-incentive fee net investment income that exceeds a 1.75% quarterly (7.0% annualized) hurdle rate of our net assets (2.0% quarterly and 8.0% annualized during the period from April 1, 2020 through March 31, 2023), subject to a â€œcatch-upâ€ provision measured as of the end of each calendar quarter. The â€œcatch-upâ€ provision requires us to pay 100.0% of our pre-incentive fee net investment income with respect to that portion of such income, if any, that exceeds the hurdle rate but is less than 125.0% of the quarterly hurdle rate (or 2.1875%, 2.4375% during the period from April 1, 2020 through March 31, 2022, and 2.50% during the period from April 1, 2022 through March 31, 2023) in any calendar quarter (8.75% annualized, 9.75% annualized during the period from April 1, 2020 through March 31, 2022, 10.0% annualized during the period from April 1, 2022 through March 31, 2023). The catch-up provision is meant to provide the Adviser with 20.0% of our pre-incentive fee net investment income as if a hurdle rate did not apply when our pre-incentive fee net investment income exceeds 125.0% of the quarterly hurdle rate in any calendar quarter (8.75% annualized, 9.75% annualized during the period from April 1, 2020 through March 31, 2022, and 10.0% annualized during the period from April 1, 2022 through March 31, 2023). The income-based incentive fee is computed and paid on income that may include interest that is accrued but not yet received in cash. Our pre-incentive fee net investment income used to calculate this part of the income-based incentive fee is also included in the amount of our gross assets used to calculate the 1.75% base management fee (see footnote 4 above). The capital gains-based incentive fee equals 20.0% of our net realized capital gains since our inception, if any, computed net of all realized capital losses and unrealized capital depreciation since our inception, less any prior payments, and is payable at the end of each fiscal year. We have not recorded any capital gains-based incentive fee from our inception through SeptemberÂ 30, 2024. The income-based incentive fee for the quarter ended SeptemberÂ 30, 2024 was $2.7 million.From time to time, the Adviser has non-contractually, unconditionally and irrevocably agreed to waive a portion of the incentive fees, to the extent net investment income did not cover 100.0% of the distributions to common stockholders during the period. The incentive fee credit for the quarter ended SeptemberÂ 30, 2024 was $0.1 million. There can be no guarantee that the Adviser will continue to credit any portion of the fees under the Advisory Agreement in the future.Examples of how the incentive fee would be calculated are as follows:â€¢Assuming pre-incentive fee net investment income of 0.55%, there would be no income-based incentive fee because such income would not exceed the hurdle rate of 1.75%.â€¢Assuming pre-incentive fee net investment income of 2.00%, the income-based incentive fee would be as follows:= 100% x (2.00% - 1.75%)= 0.25%â€¢Assuming pre-incentive fee net investment income of 2.30%, the income-based incentive fee would be as follows:= (100% x (â€œcatch - upâ€: 2.1875% - 1.75%)) + (20% x (2.30% - 2.1875%))50Table of Contents= (100% x 0.4375%) + (20% x 0.1125%)= 0.4375%+ 0.0225%= 0.46%â€¢Assuming net realized capital gains of 6% and realized capital losses and unrealized capital depreciation of 1%, the capital gains-based incentive fee would be as follows:= 20% x (6% - 1%)= 20% x 5%= 1%For a more detailed discussion of the calculation of the two-part incentive fee, see â€œItem 1. Business â€” Transactions with Related Parties â€” Investment Advisory and Management Agreement.â€(7)Includes amortization of deferred financing costs. As of SeptemberÂ 30, 2024, we had $70.6 million in borrowings outstanding under our Credit Facility and $254.0 million in notes payable, net. See â€œItem 7. Managementâ€™s Discussion and Analysis of Financial Condition and Results of Operationsâ€”Liquidity and Capital Resourcesâ€” Revolving Line of Creditâ€ for additional information regarding the Credit Facility and â€œItem 7. Managementâ€™s Discussion and Analysis of Financial Condition and Results of Operationsâ€” Liquidity and Capital Resourcesâ€”Notes Payableâ€ for additional information regarding our notes payable.(8)Includes amounts paid to preferred stockholders.(9)Includes our overhead expenses, including payments under the Administration Agreement based on our projected allocable portion of overhead and other expenses estimated to be incurred by the Administrator in performing its obligations under the Administration Agreement for the current fiscal year. See â€œItem 1. Businessâ€”Transactions with Related Partiesâ€”Administration Agreementâ€ for additional information.(10)Total annualized gross expenses, based on actual amounts incurred for the quarter ended SeptemberÂ 30, 2024 (except as set forth in footnote 10), would be $62.6 million. After all non-contractual, unconditional and irrevocable credits described in footnote 4, footnote 5, and footnote 6 above are applied to the base management fee, the loan servicing fee, and the incentive fee, total annualized expenses, based on actual amounts incurred for the quarter ended SeptemberÂ 30, 2024, would be $51.5 million or 11.39% as a percentage of net assets.ExamplesThe following examples demonstrate the projected dollar amount of total cumulative expenses that would be incurred over various periods with respect to a hypothetical investment in our common stock. In calculating the following expense amounts, we have assumed we would have no additional leverage and that our quarterly operating expenses would remain at the levels set forth in the table above and are gross of credits to any fees. The amounts set forth below do not reflect the impact of sales load or offering expenses to be borne by the Company or its stockholders. In the prospectus supplement relating to an offering of securities pursuant to the applicable prospectus, the examples below will be restated to reflect the impact of the estimated offering expenses borne by the Company and its stockholders and, if applicable, the impact of the applicable sales load. The examples below and the expenses in the table above should not be considered a representation of our future expenses, and actual expenses (including the cost of debt, incentive fees, if any, and other expenses) may be greater or less than those shown. While the example assumes, as required by the SEC, a 5% annual return, our performance will vary and may result in a return greater or less than 5%.1 Year3 Years5 Years10 YearsYou would pay the following expenses on a $1,000 investment: assuming a 5% annual return consisting entirely of ordinary income (1)(2)$121Â $339Â $527Â $890Â assuming a 5% annual return consisting entirely of capital gains (2)(3) $130Â $360Â $555Â $920Â (1)While the example assumes, as required by the SEC, a 5% annual return, our performance will vary and may result in a return greater or less than 5%. Additionally, we have assumed that the entire amount of such 5% annual return would constitute ordinary income as we have not historically realized positive capital gains (computed net of all realized capital losses) on our investments. Because the assumed 5% annual return is significantly below the hurdle rate of 7% 51Table of Contentsthat we must achieve under the Advisory Agreement to trigger the payment of an income-based incentive fee, we have assumed, for purposes of this example, that no income-based incentive fee would be payable if we realized a 5% annual return on our investments.(2)While the example assumes reinvestment of all dividends and distributions at NAV, participants in our dividend reinvestment plan will receive a number of shares of our common stock, determined by dividing the total dollar amount of the dividend payable to a participant by the average cost of shares of our common stock purchased in the open market in the period beginning on or before the payment date of the distribution and ending when the plan agent has expended for such purchases all of the cash that would have been otherwise payable to participants. See â€œItem 7. Managementâ€™s Discussion and Analysis of Financial Condition and Results of Operationsâ€”Liquidity and Capital Resourcesâ€”Distributions and Dividends to Stockholdersâ€”Dividend Reinvestment Planâ€ for additional information regarding our dividend reinvestment plan.(3)For purposes of this example, we have assumed that the entire amount of such 5% annual return would constitute capital gains and that no accumulated capital losses or unrealized depreciation exist that would have to be overcome first before a capital gains based incentive fee is payable.52Table of ContentsSenior SecuritiesInformation about our senior securities is shown in the following table for the audited periods as of our last ten fiscal years. The information has been derived from our audited financial statements for each respective period, which have been audited by PricewaterhouseCoopers LLP, our independent registered public accounting firm. The report of our independent registered public accounting firm, PricewaterhouseCoopers LLP, on the senior securities table as of SeptemberÂ 30, 2024, is included elsewhere in this Annual Report.
Â Class and YearTotal AmountOutstanding(1)Asset Coverage per Unit (2)Involuntary Liquidating Preference per Unit (3)AverageMarket Value per Unit (4)Revolving Credit FacilitiesSeptember 30, 202470,600,000Â $2,436Â $â€”Â N/ASeptember 30, 202347,800,000Â 2,311Â â€”Â N/ASeptember 30, 2022141,800,000Â 1,904Â â€”Â N/ASeptember 30, 202150,500,000Â 2,307Â â€”Â N/ASeptember 30, 2020128,000,000Â 2,026Â â€”Â N/ASeptember 30, 201966,900,000Â 3,369Â â€”Â N/ASeptember 30, 2018110,000,000Â 3,590Â â€”Â N/ASeptember 30, 201793,000,000Â 3,882Â â€”Â N/ASeptember 30, 201671,300,000Â 4,623Â â€”Â N/ASeptember 30, 2015127,300,000Â 2,946Â â€”Â N/ASeries 2021 Term Preferred Stock (5)September 30, 2016$61,000,000Â $2,495Â $25.00Â $25.55Â September 30, 201561,000,000Â 1,993Â 25.00Â 25.02Â Series 2024 Term Preferred Stock (6)September 30, 2019$51,750,000Â $2,385Â $25.00Â $24.99Â September 30, 201851,750,000Â 2,444Â 25.00Â 25.63Â September 30, 201751,750,000Â 2,496Â 25.00Â 25.09Â 6.25% Series A Cumulative Redeemable Preferred StockSeptember 30, 2024$8,748,275Â $2,373Â $25.00Â N/ASeptember 30, 2023â€”Â 2,311Â 25.00Â N/A6.125% Notes due 2023 (7)September 30, 202057,500,000Â 2,026Â â€”Â 25.28Â September 30, 201957,500,000Â 3,369Â â€”Â 26.18Â 5.375% Notes due 2024 (8)September 30, 2021$38,812,500Â $2,307Â $â€”Â $25.33Â September 30, 202038,812,500Â 2,026Â â€”Â 24.49Â 5.125% Notes due 2026September 30, 2024$150,000,000Â $2,436Â $â€”Â N/ASeptember 30, 2023150,000,000Â 2,311Â â€”Â N/ASeptember 30, 2022150,000,000Â 1,904Â â€”Â N/ASeptember 30, 2021150,000,000Â 2,307Â â€”Â N/A3.75% Notes due 2027September 30, 202450,000,000Â $2,436Â $â€”Â N/ASeptember 30, 202350,000,000Â 2,311Â â€”Â N/ASeptember 30, 202250,000,000Â 1,904Â â€”Â N/A7.75% Notes due 2028September 30, 2024$57,000,000Â $2,436Â $25.00Â $25.55Â September 30, 202357,000,000Â $2,311Â 25.00Â 25.06Â 53Table of Contents(1)Total amount of each class of senior securities outstanding at the end of the period presented.(2)Asset coverage ratio for a class of our â€œsenior securities representing indebtednessâ€ means the ratio of the value of our total assets, less all liabilities and indebtedness not represented by senior securities, to the aggregate amount of â€œsenior securities representing indebtednessâ€ and asset coverage ratio for a class of our â€œsenior securities that are stockâ€ means the ratio of the value of our total assets, less all liabilities and indebtedness not represented by senior securities, to the aggregate amount of â€œsenior securities representing indebtednessâ€ plus the aggregate involuntary liquidation preference of a class of â€œsenior security that is stock.â€ Asset coverage per unit is the asset coverage ratio expressed in terms of dollar amounts per one thousand dollars of indebtedness.(3)The amount to which such class of senior security would be entitled upon the involuntary liquidation of the issuer in preference to any security junior to it.(4)Only applicable to our Term Preferred Stock, 6.125% notes due 2023 (the â€œ2023 Notesâ€), 5.375% notes due 2024 (â€œthe 2024 Notesâ€), and 7.75% notes due 2028 (the â€œ2028 Notesâ€) because the other senior securities are not registered for public trading. Average market value per unit is the average of the closing prices of the securities on the Nasdaq during the last 10 trading days of the period. Average market value per unit for our Series 2024 Term Preferred Stock for September 30, 2017 is the average of the closing prices of the shares on the Nasdaq during the last seven trading days of the period as the stock began trading on September 21, 2017.(5)In May 2014, we issued 2,440,000 shares of 6.75% Series 2021 Term Preferred Stock (the â€œSeries 2021 Term Preferred Stockâ€) through a public offering and subsequent exercise of an overallotment option. In September 2017, we voluntarily redeemed all outstanding shares of our Series 2021 Term Preferred Stock and therefore had no Series 2021 Term Preferred Stock outstanding at September 30, 2017.(6)In September 2017, we issued 2,070,000 shares of 6.0% Series 2024 Term Preferred Stock through a public offering and subsequent exercise of an overallotment option. In October 2019, we voluntarily redeemed all outstanding shares of our Series 2024 Term

Preferred Stock.(7)In November 2018, we completed a public debt offering of $57.5 million aggregate principal amount of the 2023 Notes, inclusive of the overallotment option. In January 2021, we voluntarily redeemed all of the 2023 Notes.(8)In October 2019, we completed a public debt offering of $38.8 million aggregate principal amount of the 2024 Notes, inclusive of the overallotment option. In November 2021, we voluntarily redeemed all of the 2024 Notes.ITEM 6. RESERVEDITEM 7.Â Â Â Â MANAGEMENTâ€™S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONSThe following analysis of our financial condition and results of operations should be read in conjunction with our accompanying Consolidated Financial Statements and the notes thereto contained elsewhere in this Annual Report. Historical financial condition and results of operations and percentage relationships among any amounts in the financial statements are not necessarily indicative of financial condition, results of operations or percentage relationships for any future periods. Except per share amounts, dollar amounts in the tables included herein are in thousands unless otherwise indicated.OVERVIEWGeneralWe were incorporated under the Maryland General Corporation Law on May 30, 2001. We operate as an externally managed, closed-end, non-diversified management investment company, and have elected to be treated as a BDC under the 1940 Act. In addition, for federal income tax purposes we have elected to be treated as a RIC under the Code. To continue to qualify as a RIC for federal income tax purposes and obtain favorable RIC tax treatment, we must meet certain requirements, including certain minimum distribution requirements.We were established for the purpose of investing in debt and equity securities of established private businesses operating in the U.S. Our investment objectives are to: (1) achieve and grow current income by investing in debt securities of established lower middle market companies in the U.S. that we believe will provide stable earnings and cash flow to pay expenses, make principal and interest payments on our outstanding indebtedness and make distributions to stockholders that grow over time; and (2) provide our stockholders with long-term capital appreciation in the value of our assets by investing in equity securities, in connection with our debt investments, that we believe can grow over time to permit us to sell our equity investments for capital gains. To achieve our investment objectives, our primary investment strategy is to invest in several categories of debt and equity securities, with each investment generally ranging from $8 million to $40 54Table of Contentsmillion, although investment size may vary, depending upon our total assets or available capital at the time of investment. We expect that our investment portfolio over time will consist of approximately 90.0% debt investments and 10.0% equity investments, at cost. As of SeptemberÂ 30, 2024, our investment portfolio was made up of approximately 90.1% debt investments and 9.9% equity investments, at cost.We focus on investing in lower middle market companies (which we generally define as companies with annual earnings before interest, taxes, depreciation and amortization of $3 million to $25 million) in the U.S. that meet certain criteria, including the following: the sustainability of the businessâ€™ free cash flow and its ability to grow it over time, adequate assets for loan collateral, experienced management teams with a significant ownership interest in the borrower, reasonable capitalization of the borrower, including an ample equity contribution or cushion based on prevailing enterprise valuation multiples and, to a lesser extent, the potential to realize appreciation and gain liquidity in our equity position, if any. We lend to borrowers that need funds for growth capital or to finance acquisitions or recapitalize or refinance their existing debt facilities. We seek to avoid investing in high-risk, early-stage enterprises. Our targeted portfolio companies are generally considered too small for the larger capital marketplace.We invest by ourselves or jointly with other funds and/or management of the portfolio company, depending on the opportunity. In July 2012, the SEC granted us the Co-Investment Order that expanded our ability to co-invest, under certain circumstances, with certain of our affiliates, including Gladstone Investment, a BDC also managed by the Adviser, Gladstone Alternative, an interval fund also managed by the Adviser, and any future BDC or registered closed-end management investment company that is advised (or sub-advised if it controls the fund) by the Adviser, or any combination of the foregoing, subject to the conditions in the Co-Investment Order. We believe the Co-Investment Order has enhanced and will continue to enhance our ability to further our investment objectives and strategies. If we are participating in an investment with one or more co-investors, whether or not an affiliate of ours, our investment is likely to be smaller than if we were investing alone.BusinessPortfolio and Investment ActivityIn general, our investments in debt securities have a term of no more than seven years, accrue interest at variable rates (generally based on one-month Term SOFR), and, to a lesser extent, at fixed rates. We seek debt instruments that pay interest monthly or, at a minimum, quarterly, may have a success fee or deferred interest provision and are primarily interest only, with all principal and any accrued but unpaid interest due at maturity. Generally, success fees accrue at a set rate and are contractually due upon a change of control of a portfolio company, typically from an exit or sale. Some debt securities have deferred interest whereby some portion of the interest payment is added to the principal balance so that the interest is paid, together with the principal, at maturity. This form of deferred interest is often called PIK interest.Typically, our equity investments consist of common stock, preferred stock, limited liability company interests, or warrants to purchase the foregoing. Often, these equity investments occur in connection with our original investment, recapitalizing a business, or refinancing existing debt.From our initial public offering in August 2001 through SeptemberÂ 30, 2024, we have made 667 different loans to, or investments in, 277 companies for a total of approximately $2.8 billion, before giving effect to principal repayments on investments and divestitures.During the year ended SeptemberÂ 30, 2024, we invested $53.3 million in four new portfolio companies and extended $124.4 million in investments to existing portfolio companies. In addition, we received a total of $136.3 million in combined net proceeds and principal repayments from portfolio company exits and principal repayments by existing portfolio companies during the year ended SeptemberÂ 30, 2024.During the year ended SeptemberÂ 30, 2024, the following significant transactions occurred:Proprietary Investmentsâ€¢In November 2023, we invested $11.0Â million in Quality Environmental Midco, Inc. (â€œQualityâ€) through secured first lien debt and preferred equity. We also extended Quality a $2.0Â million secured first lien line of credit commitment, which was unfunded at close. In February 2024, we invested an additional $5.0Â million in Quality 55Table of Contentsthrough new secured first lien debt and preferred equity and increased the secured first lien line of credit commitment to $3.0Â million. â€¢In November 2023, we extended Cafe Zupas, an existing portfolio company, a new $10.5Â million secured first lien delayed draw term loan commitment, which was unfunded at close. We funded $1.4Â million on the delayed draw term loan in December 2023. In addition, our existing term loan was paid down by $7.3Â million. â€¢In November 2023, our remaining investment in PIC 360, LLC was sold resulting in a net realized gain of $0.3Â million. â€¢In December 2023, we invested an additional $14.3Â million in ALS Education, LLC, an existing portfolio company, through secured first lien debt.â€¢In December 2023, we invested an additional $12.0Â million in Leadpoint Business Services, LLC, an existing portfolio company, through secured first lien debt.â€¢In December 2023, we invested an additional $7.0Â million in Salt & Straw, LLC, an existing portfolio company, through preferred equity. We also increased our delayed draw term loan commitment to Salt & Straw, LLC by $2.9Â million. â€¢In February and March 2024, we invested a total of an additional $13.5Â million in SpaceCo Holdings, LLC (â€œSpaceCoâ€), an existing portfolio company, through secured first lien debt. â€¢In February 2024, we invested $15.0Â million in Perimeter Solutions Group through secured second lien debt.â€¢In March 2024, we received net cash proceeds of $8.4Â million from the sale of Trowbridge Chicago, LLC (â€œTrowbridgeâ€), an existing portfolio company. In conjunction with the sale, we received $0.2Â million in prepayment fees and recorded a net realized gain of $0.2Â million on our equity. In September 2024, our remaining debt investment in Trowbridge paid off at par for net cash proceeds of $0.3Â million. â€¢In April 2024, we invested $7.3Â million in Total Access Elevator, LLC (â€œTotal Accessâ€) through secured first lien debt and common equity. We also extended Total Access a $3.0Â million line of credit commitment and a $2.5Â million delayed draw term loan commitment, both of which were unfunded at close.â€¢In April 2024, our debt investment in Giving Home Healthcare, LLC (â€œGiving Homeâ€) paid off at par for net cash proceeds of $29.7Â million including a $0.9Â million prepayment penalty. We also exercised our warrant position for common equity in Giving Home, which we continue to hold, and received a $2.5Â million distribution associated with this investment. â€¢In May 2024, our debt investment in Gray Matter Systems, LLC paid off at par for net cash proceeds of $14.0Â million including a $0.2Â million prepayment penalty. â€¢In May 2024, our debt investment in Pansophic Learning, Ltd. (â€œPansophicâ€) paid off at par for net cash proceeds of $33.0Â million. â€¢In May 2024, we invested $20.0Â million in RPM Freight Systems, LLC (â€œRPMâ€) through secured second lien debt. We also extended RPM a $5.0Â million delayed draw term loan commitment, which was unfunded at close.â€¢In May 2024, our remaining shares in Funko were sold representing an exit of our investment and a return of our equity cost basis of $21Â thousand and a realized gain of $2Â thousand.â€¢In June 2024, we invested an additional $7.4Â million in Workforce QA, LLC, an existing portfolio company, through secured first lien debt.â€¢In July 2024, we invested an additional $6.5Â million in Turn Key Health Clinics, LLC (â€œTurn Keyâ€), an existing portfolio company, through secured first lien debt. We also extended Turn Key an additional $2.0Â million line of credit commitment which was funded in July 2024.â€¢In September 2024, we invested an additional $13.5Â million in Arc Drilling Holdings LLC, an existing portfolio company, through secured first lien debt and common equity. We also extended Arc Drilling an additional $4.0Â million line of credit commitment and funded $0.9 million under the line of credit at close.56Table of ContentsSyndicated Investmentsâ€¢In January 2024, our investment in CHA Holdings, Inc. paid off at par for net proceeds of $3.0Â million.â€¢In July 2024, our investment in Tailwind Smith Cooper Immediate Corporation paid off at par for net proceeds of $5.0Â million. Refer to Note 14â€"Subsequent Events in the accompanying Consolidated Financial Statements included elsewhere in this Annual Report for portfolio activity occurring subsequent to SeptemberÂ 30, 2024.Capital RaisingWe have been able to meet our capital needs through extensions of and increases to our line of credit under the Credit Facility and by accessing the capital markets in the form of public equity offerings of common stock and public and private debt offerings. We have successfully extended the Credit Facilityâ€™s revolving period multiple times, most recently to October 2025, and currently have a total commitment amount of $293.7 million. We sold 476,138 and 8,774,101 common shares under our at-the-market program during the years ended SeptemberÂ 30, 2024 and 2023, respectively. In August 2023, we completed an offering of $57.0 million aggregate principal amount of the 2028 Notes. In November 2021, we completed a private placement of $50.0 million aggregate principal amount of the 2027 Notes. Refer to â€œLiquidity and Capital Resources â€" Revolving Line of Credit,â€ â€œLiquidity and Capital Resources â€" Equity â€" Common Stock,â€ and â€œLiquidity and Capital Resources â€" Notes Payableâ€ for further discussion.Although we were able to access the capital markets historically and in recent years, market conditions may affect the trading price of our capital stock and thus may inhibit our ability to finance new investments through the issuance of equity in the future. When our common stock trades below NAV per common share, our ability to issue equity is constrained by provisions of the 1940 Act, which generally prohibits the issuance and sale of our common stock below NAV per common share without first obtaining approval from our stockholders and our independent directors, other than through sales to our then-existing stockholders pursuant to a rights offering. On SeptemberÂ 30, 2024, the closing market price of our common stock was $24.05 per share, a 13.6% premium to our SeptemberÂ 30, 2024 NAV per share of $21.18.Regulatory ComplianceOur ability to seek external debt financing, to the extent that it is available under current market conditions, is further subject to the asset coverage limitations of the 1940 Act, which require us to have an asset coverage (as defined in Sections 18 and 61 of the 1940 Act) of at least 150% on our â€œsenior securities representing indebtednessâ€ and our â€œsenior securities that are stock.â€On April 10, 2018, our Board of Directors, including a â€œrequired majorityâ€ (as such term is defined in Section 57(o) of the 1940 Act) thereof, approved the modified asset coverage requirements set forth in Section 61(a)(2) of the 1940 Act. As a result, the Companyâ€™s asset coverage requirements for senior securities changed from 200% to 150%, effective April 10, 2019.As of SeptemberÂ 30, 2024, our asset coverage on our â€œsenior securities representing indebtednessâ€ was 243.6% and our asset coverage on our â€œsenior securities that are stockâ€ was 237.3%. Recent DevelopmentsDistributionsOn October 8, 2024, our Board of Directors declared the following distributions to common and preferred stockholders:Record DatePayment DateDistribution per Common ShareOctober 22, 2024October 31, 2024$0.1650Â November 20, 2024November 29, 20240.1650Â December 20, 2024December 31, 20240.1650Â Total for the Quarter$0.4950Â 57Table of ContentsRecord DatePayment DateDistribution per Series A Preferred StockOctober 24, 2024November 4, 2024$0.130208Â November 27, 2024December 4, 20240.130208Â December 23, 2024January 3, 20250.130208Â Total for the Quarter$0.390624Â In November 2024, our Board of Directors declared the following supplemental distribution to common stockholders: Record DatePayment DateDistribution per Common ShareDecember 4, 2024December 18, 2024$0.4000Â 58Table of ContentsRESULTS OF OPERATIONSComparison of the Year Ended SeptemberÂ 30, 2024 to the Year Ended SeptemberÂ 30, 2023For the Year Ended September 30,20242023$ Change% ChangeINVESTMENT INCOMEInterest income$93,294Â $83,030Â $10,264Â 12.4Â %Other income 3,327Â 3,404Â (77)(2.3)Total investment income 96,621Â 86,434Â 10,187Â 11.8Â EXPENSESBase management fee13,609Â 11,998Â 1,611Â 13.4Â Loan servicing fee 8,862Â 8,053Â 809Â 10.0Â Incentive fee11,410Â 10,255Â 1,155Â 11.3Â Administration fee 1,970Â 1,716Â 254Â 14.8Â Interest expense21,715Â 20,847Â 868Â 4.2Â Amortization of deferred financing costs1,864Â 1,529Â 335Â 21.9Â Other expenses3,165Â 2,458Â 707Â 28.8Â Expenses, before credits from Adviser62,595Â 56,856Â 5,739Â 10.1Â Credit to base management fee â€" loan servicing fee(8,862)(8,053)(809)10.0Â Credit to fees from Adviser â€" other(3,171)(3,389)218Â (6.4)Total expenses, net of credits50,562Â 45,414Â 5,148Â 11.3Â NET INVESTMENT INCOME46,059Â 41,020Â 5,039Â 12.3Â NET REALIZED AND UNREALIZED GAIN (LOSS)Net realized gain (loss) on investments2,008Â 12,345Â (10,337)NMNet realized gain (loss) on other3,951Â 319Â 3,632Â NMNet unrealized appreciation (depreciation) of investments42,703Â (11,016)53,719Â NMNet gain (loss) from investments and other 48,662Â 1,648Â 47,014Â NMPREFERRED STOCK DIVIDENDS215Â â€"Â 215Â NMNET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS $94,506Â $42,668Â $51,838Â 121.5Â %PER BASIC AND DILUTED COMMON SHARENet investment income(A)$2.11Â $2.20Â $(0.09)(4.1)%Net increase (decrease) in net assets resulting from operations(A)$4.34Â $2.29Â $2.05Â 89.5Â %NM Not Meaningful(A) Per share amounts have been adjusted on a retroactive basis to reflect the Reverse Stock Split effected on April 4, 2024. Refer to Note 2â€"Summary of Significant Accounting Policies in the accompanying Notes to Consolidated Financial Statements for additional information.Investment IncomeInterest income increased by 12.4% for the year ended SeptemberÂ 30, 2024, as compared to the prior year. Generally, the level of interest income from investments is directly related to the principal balance of our interest-bearing investment portfolio outstanding during the period multiplied by the weighted-average yield. The weighted average principal balance of our interest-bearing investment portfolio for the year ended SeptemberÂ 30, 2024 was $665.5 million, compared to $626.5 million for the year ended SeptemberÂ 30, 2023, an increase of $39.0 million, or 6.2%. The weighted average yield on our interest-bearing investments is based on the current stated interest rate on interest-bearing investments, which increased to 13.9% for the year ended SeptemberÂ 30, 2024, compared to 13.3% for the year ended SeptemberÂ 30, 2023, inclusive of any allowances on interest receivables made during those periods. The increase in the weighted average yield was driven mainly by increases in interest rates.59Table of ContentsAs of SeptemberÂ 30, 2024, our loans to B+T Group, Edge Adhesives, and WB Xcel were on non-accrual status with a cost basis of $28.3 million, or 4.1% of the cost basis of all debt investments in our portfolio, and a fair value of $12.8 million, or 1.9% of the fair value of all debt investments in our portfolio. As of SeptemberÂ 30, 2023, our loan to Edge Adhesives was on non-accrual status with a cost basis of $6.1 million, or 0.9% of the cost basis of all debt investments in our portfolio, and a fair value of $2.9 million, or 0.5% of the fair value of all debt investments in our portfolio. Other income decreased by 2.3% during the year ended SeptemberÂ 30, 2024, as compared to the prior year period primarily due to a $0.6 million decrease in success fees received and a $0.1 million decrease in dividend income year over year, partially offset by a $0.7 million increase in prepayment fees received year over year. As of SeptemberÂ 30, 2024, our investment in Antenna Research Associates, Inc. represented 11.4% of the total investment portfolio at fair value. As of SeptemberÂ 30, 2023, no single investment represented greater than 10% of the total investment portfolio at fair value.ExpensesExpenses, net of any non-contractual, unconditional and irrevocable credits to fees from the Adviser, increased $5.1 million, or 11.3%, for the year ended SeptemberÂ 30, 2024 as compared to the prior year. This increase was primarily due to a $2.0 million increase in the net base management fee, a $1.0 million increase in the net incentive fee, and a $0.9 million increase in interest expense.Total interest expense on borrowings and notes payable increased by $0.9 million, or 4.2%, during the year ended SeptemberÂ 30, 2024 as compared to the prior year. This increase was driven primarily by a shift in the composition of our debt outstanding. Interest expense on notes payable increased by $3.9 million period over period with the issuance of our 2028 Notes in August 2023. Interest expense on our Credit Facility decreased by $3.0 million period over period, driven primarily by a decrease in the weighted average balance outstanding on our Credit Facility, partially offset by an increase in the effective interest rate on our Credit Facility and an increase in unused commitment fees, period over period. The effective interest rate on our Credit Facility, including unused commitment fees incurred, but excluding the impact of deferred financing costs, was 11.0% during the year ended SeptemberÂ 30, 2024, compared to 8.0% during the prior year. The increase in the effective interest rate was driven primarily by an increase in unused commitment fees. The weighted average balance outstanding on our Credit Facility was $70.6 million during the year ended SeptemberÂ 30, 2024, as compared to $133.7 million in the prior year, a decrease of 47.2%. The net base management fee earned by the Adviser increased by $2.0 million, or 23.6%, during the year ended SeptemberÂ 30, 2024, as compared to the prior year, resulting from an increase in average total assets subject to the base management fee and a decrease in credits to the base management fee from the Adviser for new deal origination fees, year over year.The income-based incentive fee increased by $1.2 million, or 11.3%, for the year ended SeptemberÂ 30, 2024, as compared to the prior year, primarily due to an increase in pre-incentive fee net investment income, coupled with an increase in net assets, which drives the hurdle rate. 60Table of ContentsThe base management, loan servicing and incentive fees, and associated non-contractual, unconditional and irrevocable credits, are computed quarterly, as described under â€œTransactions with the

Adviserâ€ in Note 4â€” Related Party Transactions of the Notes to Consolidated Financial Statements and are summarized in the following table:Year Ended September 30,20242023Average total assets subject to base management fee(A) $777,657Â $685,600Â Multiplied by annual base management fee of 1.75%1.75Â %1.75Â %Base management fee(B)13,609Â 11,998Â Portfolio company fee credit(2,866)(3,263)Syndicated loan fee credit(101)(126)Net Base Management Fee$10,642Â $8,609Â Loan servicing fee(B)$8,862Â $8,053Â Credit to base management fee - loan servicing fee(B)(8,862)(8,053)Net Loan Servicing Fee$â€”Â $â€”Â Incentive fee (B) $11,410Â $10,255Â Incentive fee credit(204)â€”Â Net Incentive Fee$11,206Â $10,255Â Portfolio company fee credit$(2,866)$(3,263)Syndicated loan fee credit(101)(126)Incentive fee credit(204)â€”Â Credit to Fees from Adviserâ€”Other(B) $(3,171)$(3,389)(A)Average total assets subject to the base management fee is defined as total assets, including investments made with proceeds of borrowings, less any uninvested cash or cash equivalents resulting from borrowings, valued at the end of the two most recently completed quarters within the respective years and adjusted appropriately for any share issuances or repurchases during the period.(B)Reflected, on a gross basis, as a line item on our accompanying Consolidated Statement of Operations located elsewhere in this Annual Report.Net Realized Gain (Loss) on InvestmentsFor the year ended SeptemberÂ 30, 2024, we recorded a net realized gain on investments of $2.0 million, which resulted primarily from a $1.5 million realized gain recognized on our investment in Giving Home.For the year ended SeptemberÂ 30, 2023, we recorded a net realized gain on investments of $12.3 million, which resulted primarily from a $5.9 million realized gain recognized on the sale of our investment in Targus Cayman HoldCo, Ltd. (â€œTargusâ€), a $4.1 million realized gain recognized on our investment in Leeds Novamark Capital I, L.P. (â€œLeedsâ€), and a $3.7 million realized gain recognized on our investment in PIC 360, LLC.61Table of ContentsNet Unrealized Appreciation (Depreciation) of InvestmentsDuring the year ended SeptemberÂ 30, 2024, we recorded net unrealized appreciation of investments in the aggregate amount of $42.7 million. The net realized gain (loss) and unrealized appreciation (depreciation) across our investments for the year ended SeptemberÂ 30, 2024 were as follows:Year Ended September 30, 2024Portfolio CompanyRealized Gain(Loss)Unrealized Appreciation (Depreciation)Reversal of Unrealized Depreciation (Appreciation)Net Gain(Loss)Antenna Research Associates, Inc.$â€”Â $40,987Â $â€”Â $40,987Â Lonestar EMS, LLCâ€”Â 8,284Â â€”Â 8,284Â MCG Energy Solutions, LLCâ€”Â 3,555Â â€”Â 3,555Â Salt & Straw, LLCâ€”Â 3,041Â â€”Â 3,041Â Giving Home Health Care, LLC1,465Â 1,220Â â€”Â 2,685Â Sokol & Company Holdings, LLCâ€”Â 1,520Â â€”Â 1,520Â TNCP Intermediate HoldCo, LLCâ€”Â 1,239Â â€”Â 1,239Â CafÃ© Zupasâ€”Â 996Â â€”Â 996Â Quality Environmental Midco, Inc.â€”Â 972Â â€”Â 972Â Ohio Armor Holdings, LLCâ€”Â 850Â â€”Â 850Â NeoGraf Solutions, LLCâ€”Â 839Â â€”Â 839Â Arc Drilling Holdings LLCâ€”Â 784Â â€”Â 784Â 8th Avenue Food & Provisions, Inc.â€”Â 746Â â€”Â 746Â Total Access Elevator, LLCâ€”Â 679Â â€”Â 679Â Leadpoint Business Services, LLCâ€”Â 636Â â€”Â 636Â Canopy Safety Brands, LLCâ€”Â 629Â â€”Â 629Â ENET Holdings, LLCâ€”Â 576Â â€”Â 576Â Tailwind Smith Cooper Intermediate Corporationâ€”Â 683Â (121)562Â OCI, LLCâ€”Â 549Â â€”Â 549Â Trowbridge Chicago, LLC332Â (23)109Â 418Â SpaceCo Holdings, LLCâ€”Â 414Â â€”Â 414Â Axios Industrial Group, LLCâ€”Â 367Â â€”Â 367Â ALS Education, LLCâ€”Â 317Â â€”Â 317Â Viva Railings, L.L.C.â€”Â 311Â â€”Â 311Â Sea Link International IRB, Inc.â€”Â 252Â â€”Â 252Â DKI Ventures, LLCâ€”Â (668)â€”Â (668)Technical Resource Management, LLCâ€”Â (829)â€”Â (829)Defiance Integrated Technologies, Inc.â€”Â (1,000)â€”Â (1,000)Encore Dredging Holdings, LLCâ€”Â (1,097)â€”Â (1,097)Engineering Manufacturing Technologies, LLCâ€”Â (1,173)â€”Â (1,173)Edge Adhesives Holdings, Inc.â€”Â (2,515)â€”Â (2,515)HH-Inspire Acquisition, Inc.â€”Â (2,817)â€”Â (2,817)B+T Group Acquisition Inc.â€”Â (3,586)â€”Â (3,586)Eegee's LLCâ€”Â (4,568)â€”Â (4,568)FES Resources Holdings LLCâ€”Â (4,670)â€”Â (4,670)WB Xcel Holdings, LLCâ€”Â (4,830)â€”Â (4,830)Other, net (<$500)211Â 257Â (212)256Â Total:$2,008Â $42,927Â (224)44,711Â The primary driver of net unrealized appreciation of $42.7 million for the year ended SeptemberÂ 30, 2024 was improvement in the financial and operational performance of certain of our portfolio companies partially offset by the 62Table of Contentsdecrease in comparable transaction multiples used to estimate the fair value of certain of our other portfolio companies, and the decline in the financial and operational performance of certain of our other portfolio companies.During the year ended SeptemberÂ 30, 2023, we recorded net unrealized depreciation of investments in the aggregate amount of $11.0 million. The net realized gain (loss) and unrealized appreciation (depreciation) across our investments for the year ended SeptemberÂ 30, 2023 were as follows:Year Ended September 30, 2023Portfolio CompanyRealized Gain(Loss)Unrealized Appreciation (Depreciation)Reversal of Unrealized Depreciation (Appreciation)Net Gain(Loss)Antenna Research Associates, Inc.$â€”Â $4,702Â $â€”Â $4,702Â FES Resources Holdings LLCâ€”Â 4,508Â â€”Â 4,508Â Defiance Integrated Technologies, Inc.â€”Â 2,801Â â€”Â 2,801Â Giving Home Health Care, LLCâ€”Â 2,775Â â€”Â 2,775Â Encore Dredging Holdings, LLCâ€”Â 1,495Â 840Â 2,335Â Imperative Holdings Corporation510Â 1,094Â â€”Â 1,604Â Canopy Safety Brands, LLCâ€”Â 1,316Â â€”Â 1,316Â HH-Inspire Acquisition, Inc.â€”Â 1,496Â (200)1,296Â Triple H Food Processors, LLCâ€”Â 990Â â€”Â 990Â TNCP Intermediate HoldCo, LLCâ€”Â 736Â â€”Â 736Â PIC 360, LLC3,700Â 1,092Â (4,262)530Â Targus Cayman HoldCo, Ltd.5,916Â â€”Â (5,916)â€”Â Circuitronics EMS Holdings LLC(921)â€”Â 921Â â€”Â NetFortris Holdings LLC(789)(206)526Â (469)8th Avenue Food & Provisions, Inc.â€”Â (510)â€”Â (510)MCG Energy Solutions, LLCâ€”Â (685)â€”Â (685)Leeds Novamark Capital I, L.P.4,118Â 75Â (5,018)(825)Technical Resource Management, LLCâ€”Â (960)â€”Â (960)DKI Ventures, LLCâ€”Â (1,393)â€”Â (1,393)Salvo Technologies, Inc.â€”Â (1,959)â€”Â (1,959)NeoGraf Solutions, LLCâ€”Â (3,154)â€”Â (3,154)Engineering Manufacturing Technologies, LLCâ€”Â (3,181)â€”Â (3,181)B+T Group Acquisition Inc.â€”Â (3,751)â€”Â (3,751)WB Xcel Holdings, LLCâ€”Â (5,687)â€”Â (5,687)Other, net (<$500) (189)108Â 391Â 310Â Total:$12,345Â $1,702Â $(12,718)$1,329Â The primary driver of net unrealized depreciation of $11.0 million for the year ended SeptemberÂ 30, 2023 was the reversal of unrealized appreciation associated with the exit of our investment in Targus, the reversal of unrealized appreciation associated with our investment in PIC 360, and the sale of underlying assets within Leeds, as well as the decrease in comparable transaction multiples used to estimate the fair value of certain of our other portfolio companies, and the decline in the financial and operational performance of certain of our other portfolio companies.As of SeptemberÂ 30, 2024, the fair value of our investment portfolio was greater than its cost basis by approximately $25.2 million and our entire investment portfolio was valued at 103.3% of cost, as compared to cumulative net unrealized depreciation of $17.5 million and a valuation of our entire portfolio at 97.6% of cost as of SeptemberÂ 30, 2023. Comparison of the Year Ended September 30, 2023 to the Year Ended September 30, 2022The comparison of the fiscal year ended SeptemberÂ 30, 2023 to the fiscal year ended SeptemberÂ 30, 2022 can be found in our Annual Report on Form 10-K for the fiscal year ended SeptemberÂ 30, 2023, as filed with the SEC on November 13, 2023, located within Item 7. Managementâ€™s Discussion and Analysis of Financial Condition and Results of Operations.63Table of ContentsLIQUIDITY AND CAPITAL RESOURCESOperating ActivitiesOur cash flows from operating activities are primarily generated from the interest payments on debt securities that we receive from our portfolio companies, as well as net proceeds received through repayments or sales of our investments. We utilize this cash primarily to fund new investments, make interest payments on our Credit Facility and notes payable, make distributions to our stockholders, pay management and administrative fees to the Adviser and Administrator, and for other operating expenses.Net cash provided by operating activities for the year ended SeptemberÂ 30, 2024 was $3.2 million as compared to net cash used in operating activities of $10.9 million for the year ended SeptemberÂ 30, 2023. The change was primarily due to an increase in repayments and net proceeds from sales year over year. Repayments and net proceeds from sales were $140.2 million during the year ended SeptemberÂ 30, 2024 compared to $125.5 million during the year ended SeptemberÂ 30, 2023.As of SeptemberÂ 30, 2024, we had loans to, syndicated participations in or equity investments in 49 companies, with an aggregate cost basis of approximately $771.0 million. As of SeptemberÂ 30, 2023, we had loans to, syndicated participations in or equity investments in 51 companies, with an aggregate cost basis of approximately $722.3 million. The following table summarizes our total portfolio investment activity during the years ended SeptemberÂ 30, 2024 and 2023:Year Ended September 30,20242023Beginning investment portfolio, at fair value$704,815Â $649,615Â New investments53,250Â 103,916Â Disbursements to existing portfolio companies124,399Â 71,561Â Scheduled principal repayments(9,288)(8,311)Unscheduled principal repayments(124,183)(99,194)Net proceeds from sales of investments(2,799)(17,686)Net unrealized appreciation (depreciation) of investments 42,927Â 1,702Â Reversal of prior period net depreciation (appreciation) of investments (224)(12,718)Net realized gain (loss) on investments(A)2,008Â 12,345Â Increase in investment balance due to PIK interest (B)5,525Â 3,699Â Net change in premiums, discounts and amortization (170)(114)Ending Investment Portfolio, at Fair Value $796,260Â $704,815Â (A)Excludes net realized gain (loss) on other.(B)PIK interest is a non-cash source of income and is calculated at the contractual rate stated in a loan agreement and added to the principal balance of a loan.64Table of ContentsThe following table summarizes the contractual principal repayment and maturity of our investment portfolio by fiscal year, assuming no voluntary prepayments, as of SeptemberÂ 30, 2024.Year Ending September 30,Amount2025(A)$16,322Â 2026160,366Â 2027227,287Â 2028193,374Â 202978,697Â Thereafter20,000Â Total contractual repayments$696,046Â Adjustments to cost basis of debt investments(1,421)Investments in equity securities76,386Â Investments held as of September 30, 2024 at cost:$771,011Â (A)Includes debt investments with contractual principal amounts totaling $0.2 million for which the maturity date has passed as of SeptemberÂ 30, 2024.Financing ActivitiesNet cash used in financing activities for the year ended SeptemberÂ 30, 2024 was $2.3 million, which consisted primarily of $43.1 million in distributions to common shareholders, partially offset by $22.8 million in net borrowings on our Credit Facility, $11.0 million in gross proceeds from the issuance of common stock, and $7.8 million in net proceeds from the issuance of preferred stock.Net cash provided by financing activities for the year ended SeptemberÂ 30, 2023 was $10.2 million, which consisted primarily of $87.4 million in gross proceeds from the issuance of common stock and $57.0 million in gross proceeds from the issuance of notes payable, partially offset by $94.0 million in net repayments on our Credit Facility and $35.4 million in distributions to common shareholders.Net cash provided by financing activities for the year ended SeptemberÂ 30, 2022 was $77.7 million, which consisted primarily of $91.3 million in net borrowings on our Credit Facility and $50.0 million in gross proceeds from the issuance of notes payable, partially offset by $38.8 million used in the redemption of our 2024 Notes and $27.3 million in distributions to common shareholders.Distributions to StockholdersCommon Stock DistributionsTo qualify to be taxed as a RIC and thus avoid corporate level federal income tax on the income we distribute to our stockholders, we are required to distribute to our stockholders on an annual basis at least 90.0% of our Investment Company Taxable Income. Additionally, our Credit Facility has a covenant that generally restricts the amount of distributions to stockholders that we can pay out to be no greater than our aggregate net investment income, net capital gains and amounts elected to have been paid during the prior year in accordance with Section 855(a) of the Code. In accordance with these requirements, during the year ended SeptemberÂ 30, 2024, we paid monthly cash distributions of $0.165 per common share. These distributions totaled an aggregate of $43.1 million. In October 2024, our Board of Directors declared a monthly distribution of $0.165 per common share for each of October, November, and December 2024. In November 2024, our Board of Directors declared a supplemental distribution of $0.40 per common share payable in December 2024. Our Board of Directors declared these distributions to our stockholders based on our estimates of our Investment Company Taxable Income for the fiscal year ended September 30, 2025. For the fiscal years ended SeptemberÂ 30, 2024 and SeptemberÂ 30, 2023, our current and accumulated earnings and profits exceeded common stock distributions declared and paid, and, in accordance with Section 855(a) of the Code, we elected to treat $6.6 million and $5.0 million, respectively, of the first common distributions paid to common stockholders in the subsequent fiscal year as having been paid in the prior year. For the fiscal year ended SeptemberÂ 30, 2022 distributions 65Table of Contentsdeclared and paid exceeded taxable income available for common distributions resulting in a partial return of capital of approximately $1.4 million.Preferred Stock DividendsWe paid monthly cash dividends of $0.130208 per share to holders of our Series A Preferred Sock for each month from January through September during the year ended SeptemberÂ 30, 2024, which totaled an aggregate of $0.2Â million. In October 2024, our Board of Directors declared monthly cash dividends of $0.130208 per share to holders of our Series A Preferred stock for each of October, November, and December 2024. Dividend payments to our preferred stockholders are included in preferred stock dividends on our Consolidated Statements of Operations. For federal income tax purposes, the dividends paid by us to preferred stockholders generally constitute ordinary income to the extent of our current and accumulated earnings and profits and is reported after the end of the calendar year based on tax information for the full fiscal year. Dividend Reinvestment PlanOur common stockholders who hold their shares through our transfer agent, Computershare, Inc. (â€œComputershareâ€), have the option to participate in a dividend reinvestment plan offered by Computershare, as the plan agent. This is an â€œopt inâ€ dividend reinvestment plan, meaning that common stockholders may elect to have their cash distributions automatically reinvested in additional shares of our common stock. Common stockholders who do make such election will receive their distributions in cash. Common stockholders who receive distributions in the form of stock will be subject to the same federal, state and local tax consequences as stockholders who elect to receive their distributions in cash. The common stockholder will have an adjusted basis in the additional common shares purchased through the plan equal to the amount of the reinvested distribution. The additional shares will have a new holding period commencing on the day following the date on which the shares are credited to the common stockholderâ€™s account. Computershare purchases shares in the open market in connection with the obligations under the plan.EquityRegistration StatementOur shelf registration statement on Form N-2 (File No. 333-275934) (the â€œ2024 Registration Statementâ€), which was declared effective on January 17, 2024, permits us to issue, through one or more transactions, up to an aggregate of $700.0 million in securities, consisting of common stock, preferred stock, subscription rights, debt securities and warrants to purchase common stock or preferred stock. As of SeptemberÂ 30, 2024, we had the ability to issue up to $689.0 million in securities under the 2024 Registration Statement.Common StockIn August 2024, we entered into an equity distribution agreement with Jefferies LLC and Huntington Securities, Inc, (the â€œ2024 Sales Agreementâ€) under which we have the ability to issue and sell, from time to time, shares of our common stock with an aggregate offering price of up to $150.0Â million in an â€œat the market offeringâ€ (the â€œ2024 ATM Programâ€). During the year ended SeptemberÂ 30, 2024, we sold 476,138 shares of our common stock under the 2024 Sales Agreement, at a weighted-average price of $23.10 per share and raised $11.0 million of gross proceeds. Net proceeds, after deducting commissions and offering costs borne by us, were approximately $10.8 million. As of SeptemberÂ 30, 2024, we had a remaining capacity to sell up to an additional $139.0 million of our common stock under the 2024 ATM Program.We anticipate issuing equity securities to obtain additional capital in the future. However, we cannot determine the timing or terms of any future equity issuances or whether we will be able to issue equity on terms favorable to us, or at all. To the extent that our common stock trades at a market price below our NAV per share, we will generally be precluded from raising equity capital through public offerings of our common stock, other than pursuant to stockholder and independent director approval or a rights offering to existing common stockholders.Revolving Line of CreditOn May 13, 2021, we, through Business Loan, entered into a sixth amended and restated credit agreement with KeyBank as administrative agent, lead arranger, managing agent and lender, the Adviser, as servicer, and certain other lenders party thereto (the â€œCredit Facilityâ€).66Table of ContentsAs of SeptemberÂ 30, 2024, our Credit Facility had a total commitment amount of $293.7Â million with an â€œaccordionâ€ feature that permits us to increase the size of the facility to $350.0Â million. The Credit Facility has a revolving period end date of October 31, 2025 and a final maturity date of October 31, 2027 (at which time all principal and interest will be due and payable if the Credit Facility is not extended by the revolving period end date). The interest rate margin is 3.00% during the revolving period and 3.50% thereafter (in each case plus a 10 basis point SOFR credit spread adjustment).Interest is payable monthly during the term of our Credit Facility. Available borrowings are subject to various constraints imposed under our Credit Facility, based on the aggregate loan balance pledged by Business Loan, which varies as loans are added and repaid, regardless of whether such repayments are prepayments or made as contractually required. Our Credit Facility also requires that any interest or principal payments on pledged loans be remitted directly by the borrower into a lockbox account with KeyBank and with The Bank of New York Mellon Trust Company, N.A. as custodian. KeyBank, which also serves as the trustee of the account, generally remits the collected funds to us once a month.Our Credit Facility contains covenants that require Business Loan to maintain its status as a separate legal entity, prohibit certain significant corporate transactions (such as mergers, consolidations, liquidations or dissolutions), and restrict material changes to our credit and collection policies without the lendersâ€™ consents. Our Credit Facility generally limits distributions to our stockholders on a fiscal year basis to the sum of our net investment income, net capital gains and amounts elected to have been paid during the prior year in accordance with Section 855(a) of the Code. Business Loan is also subject to certain limitations on the type of loan investments it can apply as collateral towards the borrowing base to receive additional borrowing availability under our Credit Facility, including restrictions on geographic concentrations, sector concentrations, loan size, payment frequency and status, average life, portfolio company leverage and lien property. Our Credit Facility further requires Business Loan to comply with other financial and operational covenants, which obligate Business Loan to, among other things, maintain certain financial ratios, including asset and interest coverage and a minimum number of 25 obligors required in the borrowing base.Additionally, we are required to maintain (i) a minimum net worth (defined in our Credit Facility to include any outstanding mandatorily redeemable preferred stock) of $325.0 million plus 50.0% of all equity and subordinated debt raised after May 13, 2021 less 50% of any equity and subordinated debt retired or redeemed after May 13, 2021, which equates to $418.8 million as of SeptemberÂ 30, 2024, (ii) asset coverage with respect to â€œsenior securities representing indebtednessâ€ of at least 150% (or such percentage as may be set forth in Section 18 of the 1940 Act, as modified by Section 61 of the 1940 Act), and (iii) our status as a BDC under the 1940 Act and as a RIC under the Code.As of SeptemberÂ 30, 2024, and as defined in our Credit Facility, we had a net worth of $723.9 million, asset coverage on our â€œsenior securities representing indebtednessâ€ of 243.6% and an active status as a BDC and RIC. In addition, as of SeptemberÂ 30, 2024, we had 33 obligors in our Credit Facilityâ€™s borrowing base and we were in compliance with all of our Credit Facility covenants. Refer to Note 5â€”Borrowings of the notes to our Consolidated Financial Statements included elsewhere in this Annual Report for additional information regarding our Credit Facility.Notes PayableIn August 2023, we completed an offering of $57.0Â million aggregate principal amount of 7.75% Notes due 2028 (the â€œ2028 Notesâ€) for net proceeds of approximately $55.1Â million after deducting underwriting discounts, commissions and offering expenses borne by us. The 2028 Notes are traded under the ticker symbol â€œGLADZâ€ on the Nasdaq Global Select Market. The 2028 Notes will mature on September 1, 2028 and may be redeemed in whole or in part at any time or from time to time at our option on or after September 1, 2025. The 2028 Notes bear interest at a rate of 7.75% per year. Interest is payable quarterly on March 1, June 1, September 1, and December 1 of each year (which equates to approximately $4.4Â million per year). In November 2021, we completed a private placement of $50.0 million aggregate principal amount of 3.75% Notes due 2027 (the â€œ2027 Notesâ€) for net proceeds of approximately $48.5 million after deducting initial purchasersâ€™ costs, commissions and offering expenses borne by us. The 2027 Notes will mature on May 1, 2027 and may be redeemed in whole or in part at any time or from time to time at the Companyâ€™s option prior to maturity at par plus a â€œmake-wholeâ€ premium, if applicable. The 2027 Notes bear interest at a rate of 3.75% per year. Interest is payable semi-annually on May 1 and November 1 of each year (which equates to approximately $1.9 million per year). In April 2022, pursuant to the registration rights agreement we entered into in connection with the 2027 Notes, we conducted an exchange offer through which we offered to exchange all of our then outstanding 2027 Notes (the â€œRestricted Notesâ€) that were issued on November 4, 2021, for an equal aggregate principal amount of our new 3.75% Notes due 2027 (the â€œExchange Notesâ€) that had been registered with the SEC under the Securities Act. The terms of the Exchange Notes 67Table of Contentsare identical to those of the Restricted Notes, except that the transfer restrictions and registration rights relating to the Restricted Notes do not apply to the Exchange Notes, and the Exchange Notes do not provide for the payment of additional interest in the event of a registration default.In December 2020, we completed an offering of $100.0 million aggregate principal amount of 5.125% Notes due 2026 (the â€œ2026 Notesâ€) for net proceeds of approximately $97.7 million after deducting underwriting discounts, commissions and offering expenses borne by us. In March 2021, we completed an offering of an additional $50.0 million aggregate principal amount of the 2026 Notes for net proceeds of approximately $50.6 million after adding premiums and deducting underwriting costs, commissions and offering expenses borne by us. The 2026 Notes will mature on January 31, 2026 and may be redeemed in whole or in part at any time or from time to time at the Companyâ€™s option prior to maturity at par plus a â€œmake-wholeâ€ premium, if applicable. The 2026 Notes bear interest at a rate of 5.125% per year. Interest is payable semi-annually on January 31 and July 31 of each year (which equates to approximately $7.7 million per year).In October 2019, we completed an offering of $38.8 million aggregate principal amount of 5.375% Notes due 2024 (the â€œ2024 Notesâ€), inclusive of the overallotment option exercised by the underwriters, for net proceeds of approximately $37.5 million after deducting underwriting discounts, commissions and offering expenses borne by us. On November 1, 2021, we voluntarily redeemed the 2024 Notes with an aggregate principal amount outstanding of $38.8 million. The 2024 Notes would have otherwise matured on November 1, 2024.The indenture relating to the 2028 Notes, the 2027 Notes and the 2026 Notes contains certain covenants, including (i) an inability to incur additional debt or issue additional debt or preferred securities unless the Companyâ€™s asset coverage meets the threshold specified in the 1940 Act after such borrowing, (ii) an inability to declare any dividend or distribution (except a dividend payable in our stock) on a class of our capital stock or to purchase shares of our capital stock unless the Companyâ€™s asset coverage meets the threshold specified in the 1940 Act at the time of (and giving effect to) such declaration or purchase, and (iii) if, at any time, we are not subject to the reporting requirements of the Exchange Act, we will provide the holders of the 2028 Notes, the 2027 Notes and the 2026 Notes, as applicable, and the trustee with audited annual consolidated financial statements and unaudited interim consolidated financial statements. Off-Balance Sheet ArrangementsWe generally recognize success fee income when the payment has been received. As of SeptemberÂ 30, 2024 and 2023, we had off-balance sheet success fee receivables on our accruing debt investments of $5.8 million and $4.0 million (or approximately $0.26 per common share and $0.18 per common share), respectively, that would be owed to us, generally upon a change of control of the portfolio companies. Consistent with GAAP, we generally have not recognized our success fee receivables and related income in our Consolidated Financial Statements until earned. Due to the contingent nature of our success fees, there are no guarantees that we will be able to collect all of these success fees or know the timing of such collections.Contractual ObligationsWe have lines of credit, delayed draw term loans, and an uncalled capital commitment with certain of our portfolio companies that have not been fully drawn. Since these commitments have expiration dates and we expect many will never be fully drawn, the total commitment amounts do not necessarily represent future cash requirements. We estimate the fair value of the combined unused lines of credit, the unused delayed draw term loans, and the uncalled capital commitment as of SeptemberÂ 30, 2024 and 2023 to be immaterial.68Table of ContentsThe following table shows our contractual obligations as of SeptemberÂ 30, 2024, at cost:Contractual Obligations(A)Payments Due by PeriodLess than1 Year1-3 Years3-5 YearsMore than5 YearsTotalCredit Facility(B)$â€”Â $â€”Â $70,600Â $â€”Â $70,600Â Notes Payableâ€”Â 200,000Â 57,000Â â€”Â 257,000Â Interest expense on debt obligations(C)20,457Â 28,102Â 6,308Â â€”Â 54,867Â Total$20,457Â $228,102Â $133,908Â $â€”Â $382,467Â (A)Excludes our unused line of credit commitments, unused delayed draw term loans, and uncalled capital commitments to our portfolio companies in an aggregate amount of $57.6 million, at cost, as of SeptemberÂ 30, 2024.(B)Principal balance of borrowings outstanding under our Credit Facility, based on the maturity date following the current contractual revolver period end date.(C)Includes estimated interest payments on our Credit Facility, 2028 Notes, 2027 Notes, and 2026 Notes. The amount of interest expense calculated for purposes of this table was based upon rates and balances as of SeptemberÂ 30, 2024.Critical Accounting EstimatesThe preparation of financial statements and related disclosures in conformity with GAAP requires management to make estimates and assumptions that affect the reported consolidated amounts of assets and liabilities, including disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the period reported. Actual results could differ materially from those estimates under different assumptions or conditions. We have identified our investment valuation policy (which has been approved by our Board of Directors) as our most critical accounting policy, which is described in Note 2â€”Summary of Significant Accounting Policies in the accompanying notes to our Consolidated Financial Statements included elsewhere in this Annual Report. Additionally, refer to Note 3â€”Investments in our accompanying Notes to Consolidated Financial Statements included elsewhere in this Annual Report for additional information regarding fair value measurements and our application of Financial Accounting Standards Board Accounting Standards Codification Topic 820, â€œFair Value Measurements and Disclosures.â€ We have also identified our revenue recognition policy as a critical accounting policy, which is described in Note 2â€”Summary of Significant Accounting Policies in our accompanying Notes to Consolidated Financial Statements included elsewhere in this Annual Report.Investment ValuationCredit Monitoring and Risk RatingThe Adviser monitors a wide variety of key credit statistics that provide information regarding our portfolio companies to help us assess credit quality and portfolio performance and, in some instances, used as inputs in our valuation techniques. Generally, we, through the Adviser, participate in periodic board meetings of our portfolio companies in which we hold board seats and also require them to provide annual audited and monthly unaudited financial statements. Using these statements or comparable information and board discussions, the Adviser calculates and evaluates certain credit statistics.The Adviser risk rates all of our investments in debt securities. The Adviser does not risk rate our equity securities. For syndicated loans that have been rated by an SEC registered Nationally Recognized Statistical Rating Organization (â€œNRSRO"), the Adviser generally uses the average of two corporate level NRSROâ€™s risk ratings for such security. For all other debt securities, the Adviser uses a proprietary risk rating system. While the Adviser seeks to mirror the NRSRO systems, we cannot provide any assurance that the Adviserâ€™s risk rating system will provide the same risk rating as an NRSRO would for these securities. The Adviserâ€™s risk rating system is used to estimate the probability of default on debt securities and the expected loss if there is a default. The Adviserâ€™s risk rating system uses a scale of 0 to >10, with >10 being the lowest probability of default. It is the Adviserâ€™s understanding that most debt securities of medium-sized companies do not exceed the grade of BBB on an NRSRO scale, so there would be no debt securities in the middle market that would meet the definition of AAA, AA or A. Therefore, the Adviserâ€™s scale begins with the designation >10 as the best risk rating which may be equivalent to a BBB from an NRSRO; however, no assurance can be given that a >10 on the Adviserâ€™s scale is equal to a BBB or Baa2 on an NRSRO scale. The Adviserâ€™s risk rating system covers both qualitative and quantitative aspects of the business and the securities we hold.69Table of ContentsThe following table reflects risk ratings for all proprietary loans in our portfolio as of SeptemberÂ 30, 2024 and 2023, representing approximately 99.5% and 98.2%, respectively, of the principal balance of all debt investments in our portfolio at the end of each period:As of September 30,Rating20242023Highest10.010.0Average7.87.1Weighted Average8.17.5Lowest3.03.0The following table reflects the risk ratings for all syndicated loans in our portfolio that were rated by an NRSRO as of SeptemberÂ 30, 2024 and 2023, representing approximately 0.5% and 1.3%, respectively, of the principal balance of all debt investments in our portfolio at the end of each period:As of September 30,Rating20242023Highest3.05.0Average3.03.5Weighted Average3.04.2Lowest3.03.0The following table reflects the risk ratings for all syndicated loans in our portfolio that were not rated by an NRSRO as of SeptemberÂ 30, 2023 representing approximately 0.5% of the principal balance of all debt investments in our portfolio at the end of the period:RatingAs of September 30, 2023Highest5.0Average5.0Weighted Average5.0Lowest5.0There were no syndicated loans in our portfolio that were not rated by an NRSRO as of September 30, 2024. Tax StatusWe intend to continue to maintain our qualification as a RIC under Subchapter M of the Code for federal income tax purposes and also to limit certain federal excise taxes imposed on RICs. Refer to Note 10â€”Federal and State Income Taxes in our accompanying Notes to Consolidated Financial Statements included elsewhere in this Annual Report for additional information regarding our tax status.Recent Accounting PronouncementsRefer to Note 2â€”Summary of Significant Accounting Policies in the notes to our accompanying Consolidated Financial Statements included elsewhere in this Annual Report for a description of recent accounting pronouncements.ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKMarket risk includes risks that arise from changes in interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market sensitive instruments. The prices of securities held by us may decline in response to certain events, including those directly involving the companies whose securities are owned by us; conditions affecting the general economy; overall market changes, including due to inflation; local, regional or global political, social or economic instability; and interest rate fluctuations.The primary risk we believe we are exposed to is interest rate risk. Because we borrow money to make investments, our net investment income is dependent upon the difference between the rate at which we borrow funds and the rate at which we 70Table of Contentsinvest those funds. 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. We use a combination of debt and equity capital to finance our investing activities. We may use interest rate risk management techniques from time to time to limit our exposure to interest rate fluctuations. Such techniques may include various interest rate hedging activities to the extent permitted by the 1940 Act.All of our variable-rate debt investments have rates generally associated with the current SOFR rate. As of SeptemberÂ 30, 2024, our portfolio of debt investments on a principal basis consisted of the following:Variable rates93.9Â %Fixed rates6.1Â Total100.0Â %To illustrate the potential impact of changes in market interest rates on our net increase in net assets resulting from operations, we have performed the following hypothetical analysis, which assumes that our balance sheet and contractual interest rates remain constant as of SeptemberÂ 30, 2024 and no further actions are taken to alter our existing interest rate sensitivity.Basis Point Change(A)Increase (Decrease) in Interest IncomeIncrease (Decrease) in Interest ExpenseNet Increase (Decrease) inNet Assets Resulting fromOperations(B)Up 200 basis points$13,058Â $1,412Â $11,646Â Up 100 basis points6,523Â 706Â 5,817Â Up 50 basis points3,256Â 353Â 2,903Â Down 50 basis points(3,229)(353)(2,876)Down 100 basis points(6,458)(706)(5,752)Down 200 basis points(12,917)(1,412)(11,505)(A)Illustrates the potential impact of changes in market rates as compared to one-month SOFR of 4.85% as of SeptemberÂ 30, 2024. (B)Excludes the potential impact of changes in incentive fees. Although management believes that this analysis is indicative of our existing interest rate sensitivity, it does not adjust for potential changes in credit quality, size and composition of our loan portfolio on the balance sheet and other business developments, that could affect net increase in net assets resulting from operations or otherwise impact our results or operations. Accordingly, actual results could differ significantly from those in the hypothetical analysis in the table above.We may also experience risk associated with investing in securities of companies with foreign operations. Some of our portfolio companies have operations located outside the U.S. These risks include fluctuations in foreign currency exchange rates, imposition of foreign taxes, changes in exportation regulations and political and social instability.71Table of ContentsITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATAIndex to Consolidated Financial StatementsManagementâ€™s Annual Report on Internal Control over Financial Reporting73Report of Independent Registered Public Accounting Firm (PCAOB ID 238)74Consolidated Statements of Assets and Liabilities as of September 30, 2024 and 202376Consolidated Statements of Operations for the years ended September 30, 2024, 2023 and 202277Consolidated Statements of Changes in Net Assets for the years ended September 30, 2024, 2023 and 202279Consolidated Statements of Cash Flows for the years ended September 30, 2024, 2023 and 202280Consolidated Schedules of Investments as of September 30, 2024 and 202381Notes to Consolidated Financial Statements9372Table of ContentsManagementâ€™s Annual Report on Internal Control over Financial ReportingTo the Stockholders and Board of Directors of Gladstone Capital Corporation:Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting is designed 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 and include those policies and procedures that: (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect our transactions and the dispositions of our assets; (2) provide reasonable assurance that our transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with appropriate authorizations; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.Under the supervision and with the participation of our management, we assessed the effectiveness of our internal control over financial reporting as of SeptemberÂ 30, 2024, using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Controlâ€”Integrated Framework (2013). Based on its assessment, management has concluded that our internal control over financial reporting was effective as of SeptemberÂ 30, 2024.NovemberÂ 13, 202473Table of ContentsReport of Independent Registered Public Accounting FirmTo the Board of Directors and Stockholders of Gladstone Capital CorporationOpinion on the Financial StatementsWe have audited the accompanying consolidated statements of assets and liabilities, including the consolidated schedules of investments, of Gladstone Capital Corporation and its subsidiaries (the â€œCompanyâ€) as of SeptemberÂ 30, 2024 and 2023, and the related consolidated statements of operations, of changes in net assets and of cash flows for each of the three years in the period ended SeptemberÂ 30, 2024, including the related notes and financial statement schedule listed in the index appearing under Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of SeptemberÂ 30, 2024 and 2023, and the results of its operations, changes in its net assets and its cash flows for each of the three years in the period ended SeptemberÂ 30, 2024 in conformity with accounting principles generally accepted in the United States of America.We have also previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated statements of assets and liabilities, including the consolidated schedules of investments, of the Company as of September 30, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, and the related consolidated statements of operations, changes in net assets and cash flows for the years ended September 30, 2021, 2020, 2019, 2018, 2017, 2016, and 2015 (none of which are presented herein), and we expressed unqualified opinions on those consolidated financial statements. In our opinion, the information set forth in the Senior Securities table of the Company for each of the ten years in the period ended SeptemberÂ 30, 2024, appearing on pages 53-54 under Item 5 of this Form 10-K, is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.Basis for OpinionThese consolidated financial statements are the responsibility of the Companyâ€™s management. Our responsibility is to express an opinion on the Companyâ€™s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our procedures included confirmation of securities owned as of SeptemberÂ 30, 2024 and 2023 by correspondence with the custodian, agent banks and portfolio company investees; when replies were not received, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.Critical Audit MattersThe critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.74Table of ContentsValuation of Level 3 InvestmentsAs described in Notes 2 and 3 to the consolidated financial statements, the Company held $796.22 million of total level 3 investments at fair value as of September 30, 2024. Management uses significant unobservable inputs in estimating the fair value of its level 3 investments, including (i) with respect to investments valued using a total enterprise value, portfolio company earnings before interest, taxes, depreciation and amortization (â€œEBITDAâ€) and EBITDA multiples, revenue and revenue multiples, or a discounted cash flow analysis using estimated risk-adjusted discount rates; (ii) with respect to investments valued using a yield analysis, a modified discount rate; and (iii) with respect to investments valued using market quotations for which a limited market exists, the lower indicative bid price in the bid-to-ask price range. The principal considerations for our determination that performing procedures relating to the valuation of level 3 investments is a critical audit matter are (i) the significant judgment by management to determine the fair value of these level 3 investments using a total enterprise value or yield analysis due to the use of significant unobservable inputs, which in turn led to a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating audit evidence related to the EBITDA and EBITDA multiples and revenue and revenue multiples used in a total enterprise value and the modified discount rate used in a yield analysis, and (ii) the audit effort involved the use of professionals with specialized skill and knowledge.Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others, either (i) testing managementâ€™s process for determining the fair value estimate, including testing the completeness and accuracy of data provided by management, evaluating the appropriateness of managementâ€™s valuation methods, and evaluating the reasonableness of the EBITDA and EBITDA multiples and revenue and revenue multiples used in a total enterprise value and the modified discount rate used in a yield analysis by considering current and past performance of the investment, consistency of the unobservable inputs with external market data and evidence obtained in other areas of the audit, and managementâ€™s historical forecasting accuracy, or (ii) the involvement of professionals with specialized skill and knowledge to assist in developing an independent fair value estimate for certain level 3 investments and comparison of managementâ€™s estimate to the independently developed estimate. Developing an independent fair value estimate involved testing the completeness and accuracy of data provided by management and independently developing significant unobservable inputs related to the modified discount rate for those investments valued using a yield analysis and the EBITDA and EBITDA multiples or revenue and revenue multiples for those investments valued using a total enterprise value./s/ PricewaterhouseCoopers LLPWashington, District of ColombiaNovemberÂ 13, 2024We have served as the Companyâ€™s auditor since 2002.75Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES(DOLLAR AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)September 30,2024September 30,2023ASSETSInvestments, at fair value:Non-Control/Non-Affiliate investments (Cost of $716,481 and $671,397, respectively)$750,904Â $663,544Â Affiliate investments (Cost of $16,746 and $16,746, respectively)7,438Â 10,421Â Control investments (Cost of $37,784 and $34,126, respectively)37,918Â 30,850Â Cash and cash equivalents2,172Â 1,306Â Restricted cash and cash equivalents132Â 95Â Interest receivable, net5,923Â 6,100Â Due from administrative agent2,802Â 2,936Â Deferred financing costs, net1,053Â 1,335Â Other assets, net4,126Â 2,911Â TOTAL ASSETS $812,468Â $719,498Â LIABILITIESLine of credit at fair value (Cost of $70,600 and $47,800, respectively)$70,600Â $47,800Â Notes payable, net of unamortized deferred financing costs of $2,990 and $3,886, respectively254,010Â 253,114Â Accounts payable and accrued expenses1,230Â 1,006Â Interest payable2,916Â 2,956Â Fees due to Adviser(A)3,889Â 3,872Â Fee due to Administrator(A)569Â 479Â Other liabilities513Â 1,576Â TOTAL LIABILITIES $333,727Â $310,803Â Commitments and contingencies(B)Preferred stock, $0.001 par value per share, 6,000,000 and 6,000,000 shares authorized, respectively, and 349,931 and 0 shares issued and outstanding, respectively$7,846Â $â€”Â NET ASSETSCommon stock, $0.001 par value per share, 44,000,000 and 44,000,000 shares authorized, respectively, and 22,230,587 and 21,754,449 shares issued and outstanding, respectively(C)$44Â $44Â Capital in excess of par value492,305Â 481,480Â Cumulative net unrealized appreciation (depreciation) of investments25,249Â (17,454)Under distributed net investment income6,144Â 4,741Â Accumulated net realized losses(52,847)(60,116)Total distributable loss(21,454)(72,829)TOTAL NET ASSETS $470,895Â $408,695Â NET ASSET VALUE PER COMMON SHARE(C) $21.18Â $18.79Â (A)Refer to Note 4â€”Related Party Transactions for additional information.(B)Refer to Note 11â€”Commitments and Contingencies for additional information.(C)Issued and outstanding shares of common stock and net asset value per share have been adjusted on a retroactive basis to reflect the 1-for-2 reverse stock split (the â€œReverse Stock Splitâ€) effected on April 4, 2024. Refer to Note 2â€”Summary of Significant Accounting Policies for additional information.THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.76Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED STATEMENTS OF OPERATIONS(DOLLAR AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)Year ended September 30,202420232022INVESTMENT INCOMEInterest incomeNon-Control/Non-Affiliate investments$85,698Â $72,656Â $43,771Â Affiliate investmentsâ€”Â 3,799Â 3,523Â Control investments1,784Â 2,889Â 2,454Â Cash and cash equivalents136Â 136Â 11Â Total interest income (excluding PIK interest income)87,618Â 79,480Â 49,759Â PIK interest incomeNon-Control/Non-Affiliate investments5,429Â 2,737Â 4,014Â Affiliate investmentsâ€”Â 510Â 215Â Control investments247Â 303Â â€”Â Total PIK interest income5,676Â 3,550Â 4,229Â Total interest income93,294Â 83,030Â 53,988Â Success fee incomeNon-Control/Non-Affiliate investments380Â 935Â 3,231Â Affiliate investmentsâ€”Â â€”Â 1,563Â Total success fee income380Â 935Â 4,794Â Dividend incomeNon-Control/Non-Affiliate investments1,417Â 830Â 2,181Â Control investmentsâ€”Â 691Â 1,281Â Total dividend income1,417Â 1,521Â 3,462Â Other income1,530Â 948Â 906Â Total investment income96,621Â 86,434Â 63,150Â EXPENSESBase management fee(A)13,609Â 11,998Â 10,247Â Loan servicing fee(A)8,862Â 8,053Â 6,329Â Incentive fee(A)11,410Â 10,255Â 7,511Â Administration fee(A)1,970Â 1,716Â 1,610Â Interest expense on line of credit and notes payable21,715Â 20,847Â 12,966Â Amortization of deferred financing costs1,864Â 1,529Â 1,175Â Professional fees948Â 980Â 803Â Other general and administrative expenses2,217Â 1,478Â 1,362Â Expenses, before credits from Adviser62,595Â 56,856Â 42,003Â Credit to base management fee - loan servicing fee(A)(8,862)(8,053)(6,329)Credit to fees from Adviser - other(A)(3,171)(3,389)(4,803)Total expenses, net of credits50,562Â 45,414Â 30,871Â NET INVESTMENT INCOME 46,059Â 41,020Â 32,279Â NET REALIZED AND UNREALIZED GAIN (LOSS)Net realized gain (loss):Non-Control/Non-Affiliate investments1,749Â 9,661Â 504Â Affiliate investmentsâ€”Â â€”Â 13,408Â Control investments259Â 2,684Â (8,496)Other3,951Â 319Â (243)Total net realized gain (loss)5,959Â 12,664Â 5,173Â THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.77Table of ContentsNet unrealized appreciation (depreciation): Non-Control/Non-Affiliate investments42,276Â (10,928)(3,960)Affiliate investments(2,983)3,996Â (21,920)Control investments3,410Â (4,084)8,342Â Otherâ€”Â â€”Â â€”Â Total net unrealized appreciation (depreciation)42,703Â (11,016)(17,538)Net realized and unrealized gain (loss)48,662Â 1,648Â (12,365)PREFERRED STOCK DIVIDENDS215Â â€”Â â€”Â NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS $94,506Â $42,668Â $19,914Â BASIC AND DILUTED PER COMMON SHARE:Net investment income(B)$2.11Â $2.20Â $1.88Â Net increase (decrease) in net assets resulting from operations(B)$4.34Â $2.29Â $1.16Â WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING:Basic and Diluted(B)21,781,07418,657,96117,175,832(A)Refer to Note 4â€”Related Party Transactions for additional information.(B)Per share amounts and weighted average common shares outstanding have been adjusted on a retroactive basis to reflect the Reverse Stock Split effected on April 4, 2024. Refer to Note 2â€”Summary of Significant Accounting Policies for additional information.THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.78Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS(DOLLAR AMOUNTS IN THOUSANDS)Year ended September 30,202420232022OPERATIONSNet investment income$46,059Â $41,020Â $32,279Â Net realized gain (loss) on investments2,008Â 12,345Â 5,416Â Net realized gain (loss) on other3,951Â 319Â (243)Net unrealized appreciation (depreciation) of investments42,703Â (11,016)(17,538)Preferred stock dividends(215)â€”Â â€”Â Net increase (decrease) in net assets from operations94,506Â 42,668Â 19,914Â DISTRIBUTIONSDistributions to common stockholders from net investment income ($1.98, $1.89, and $1.52 per share, respectively)(A)(B)(43,141)(35,407)(25,916)Distributions to common stockholders from return of capital ($0.00, $0.00, and $0.08 per share, respectively)(A)(B)â€”Â â€”Â (1,406)Net decrease in net assets from distributions(43,141)(35,407)(27,322)CAPITAL TRANSACTIONSIssuance of common stock10,998Â 87,394Â 4,533Â Offering costs for issuance of common stock (163)(1,447)(77)Net increase (decrease) in net assets from capital transactions10,835Â 85,947Â 4,456Â NET INCREASE (DECREASE) IN NET ASSETS62,200Â 93,208Â (2,952)NET ASSETS, BEGINNING OF YEAR408,695Â 315,487Â 318,439Â NET ASSETS, END OF YEAR$470,895Â $408,695Â $315,487Â (A)Refer to Note 9 â€“ Distributions to Common Stockholders for additional information.(B)Per share amounts have been adjusted on a retroactive basis to reflect the Reverse Stock Split effected on April 4, 2024. Refer to Note 2â€”Summary of Significant Accounting Policies for additional information.THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.79Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED STATEMENTS OF CASH FLOWS(DOLLAR AMOUNTS IN THOUSANDS)Year ended September 30,202420232022CASH FLOWS FROM OPERATING ACTIVITIESNet increase (decrease) in net assets resulting from operations$94,506Â $42,668Â $19,914Â Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:Purchase of investments(177,649)(175,477)(274,898)Principal repayments on investments133,471Â 107,505Â 159,992Â Proceeds from sale of investments6,750Â 18,005Â 15,848Â Increase in investments due to paid-in-kind interest or other(5,525)(3,699)(4,532)Net change in premiums, discounts and amortization170Â 114Â (445)Net realized gain on investments(2,008)(12,345)(5,416)Net unrealized depreciation (appreciation) of investments(42,703)11,016Â 17,538Â Net realized loss (gain) on other(3,951)(319)243Â Amortization of deferred financing costs 1,864Â 1,529Â 1,175Â Changes in assets and liabilities:Decrease (increase) in interest receivable, net177Â (3,363)(376)Decrease (increase) in funds due from administrative agent134Â 263Â (248)Decrease (increase) in other assets, net(1,224)(572)(787)Increase (decrease) in accounts payable and accrued expenses224Â 506Â 10Â Increase (decrease) in interest payable(40)439Â 720Â Increase (decrease) in fees due to Adviser(A)17Â 1,768Â (151)Increase (decrease) in fee due to Administrator(A)90Â 56Â 41Â Increase (decrease) in other liabilities(1,063)1,046Â (5,029)Net cash provided by (used in) operating activities3,240Â (10,860)(76,401)CASH FLOWS FROM FINANCING ACTIVITIESProceeds from line of credit221,200Â 149,000Â 328,900Â Repayments on line of credit(198,400)(243,000)(237,600)Proceeds from issuance of notes payableâ€”Â 57,000Â 50,000Â Redemption of notes payableâ€”Â â€”Â (38,813)Financing costs(686)(3,522)(1,968)Proceeds from issuance of common stock10,998Â 87,394Â 4,533Â Proceeds from issuance of preferred stock7,846Â â€”Â â€”Â Offering costs for issuance of common stock(154)(1,311)(68)Distributions paid to common stockholders(43,141)(35,407)(27,322)Net cash provided by (used in) financing activities(2,337)10,154Â 77,662Â NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS 903Â (706)1,261Â CASH, CASH EQUIVALENTS, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS, BEGINNING OF YEAR 1,401Â 2,107Â 846Â CASH, CASH EQUIVALENTS, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS, END OF YEAR $2,304Â $1,401Â $2,107Â CASH PAID DURING YEAR FOR INTEREST $21,755Â $20,408Â $12,246Â NON-CASH ACTIVITIES(B) â€”Â 2,416Â 7,489Â (A)Refer to Note 4â€”Related Party Transactions for additional information.(B)Non-cash activities relate to estimated tax liabilities and escrows associated with portfolio company exits and the following transactions:â€¢In October 2022, our investment in Targus Cayman HoldCo Ltd. was sold for net proceeds of approximately $8.0Â million, resulting in a realized gain of approximately $5.9Â million. As part of the proceeds, we received an interest in B. Riley Financial, Inc. 6.75% senior notes in the amount of $2.4Â million.â€¢In June 2022, our investment in LWO Acquisitions Company LLC was restructured, resulting in non-cash activity of $6.8Â million and new investments in Lonestar EMS, LLC, which are listed on the accompanying Consolidated Schedule of Investments as of September 30, 2022.THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.80Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED SCHEDULE OF INVESTMENTSSEPTEMBER 30, 2024(DOLLAR AMOUNTS IN THOUSANDS)Company and Investment(A)(B)(K)(Q)Principal/Shares/Units(I)(J)CostFair ValueNON-CONTROL/NON-AFFILIATE INVESTMENTS(M) â€“ 159.5%Secured First Lien Debt â€“ 114.8%Aerospace and Defense â€“ 19.7%Antenna Research Associates, Inc. â€“ Term Debt (S + 10.0%, 14.8% Cash, 4.0% PIK, Due 11/2026)(E)(U)$31,267Â $31,267Â $31,267Â Ohio Armor Holdings, LLC â€“ Term Debt (S + 8.0%, 12.8% Cash, Due 2/2026)(C)16,563Â 16,563Â 16,563Â SpaceCo Holdings, LLC â€“ Line of Credit, $0 available (S + 6.4%, 11.0% Cash, Due 12/2025)(C)(H)2,000Â 2,000Â 2,000Â SpaceCo Holdings, LLC â€“ Term Debt (S + 6.4%, 11.0% Cash, Due 12/2025)(C)(H)42,757Â 42,376Â 42,757Â 92,206Â 92,587Â Beverage, Food, and Tobacco â€“ 15.2%CafÃ© Zupas â€“ Line of Credit, $700 available (S + 7.5%, 12.3% Cash, Due 12/2027)(C)1,050Â 1,050Â 1,061Â CafÃ© Zupas â€“ Delayed Draw Term Loan, $3,150 available (S + 7.5%, 12.3% Cash, Due 12/2027)(C)7,350Â 7,350Â 7,424Â CafÃ© Zupas â€“ Term Debt (S + 7.5%, 12.3% Cash, Due 12/2027)(C)26,250Â 26,074Â 26,513Â Egeeeâ€™s LLC â€“ Line of Credit, $500 available (S + 7.8%, 12.6% Cash, Due 6/2026)(C)1,500Â 1,500Â 1,135Â Egeeeâ€™s LLC â€“ Delayed Draw Term Loan, $0 available (S + 7.8%, 8.0% Cash, 4.6% PIK, Due 6/2026)(C)3,145Â 3,145Â 2,380Â Egeeeâ€™s LLC â€“ Term Debt (S + 7.8%, 8.0% Cash, 4.6% PIK, Due 6/2026)(C)17,824Â 17,824Â 13,486Â Salt & Straw, LLC â€“ Line of Credit, $2,000 available (S + 9.1%, 13.9% Cash, Due 9/2027)(C)â€”Â â€”Â â€”Â Salt & Straw, LLC â€“ Delayed Draw Term Loan, $3,500 available (S + 9.1%, 13.9% Cash, Due 9/2027)(C)10,850Â 10,693Â 10,850Â Sokol & Company Holdings, LLC â€“ Term Debt (S + 6.8%, 11.6% Cash, Due 8/2027)(C)8,500Â 8,500Â 8,500Â 76,136Â 71,349Â Buildings and Real Estate â€“ 0.5%GFRC 360, LLC â€“ Line of Credit, $95 available (S + 8.0%, 12.8% Cash, Due 9/2025)(C)1,355Â 1,355Â 1,355Â GFRC 360, LLC â€“ Term Debt (S + 8.0%, 12.8% Cash, Due 9/2025)(C)1,000Â 1,000Â 1,000Â 2,355Â 2,355Â Diversified/Conglomerate Manufacturing â€“ 24.2%Engineering Manufacturing Technologies, LLC â€“ Line of Credit, $3,000 available (S + 8.3%, 13.1% Cash, Due 10/2026)(E)â€”Â â€”Â â€”Â Engineering Manufacturing Technologies, LLC â€“ Term Debt (S + 8.3%, 10.0% Cash, 3.1% PIK, Due 10/2026)(E)22,230Â 22,230Â 19,283Â NeoGraf Solutions LLC â€“ Line of Credit, $4,500 available (S + 7.0%, 11.0% Cash, 0.8% PIK, Due 1/2028)(C)â€”Â â€”Â â€”Â NeoGraf Solutions LLC â€“ Term Debt (S + 7.0%, 11.0% Cash, 0.8% PIK, Due 1/2028)(C)27,524Â 27,524Â 26,350Â OCI, LLC â€“ Term Debt (S + 7.5%, 12.3% Cash, Due 5/2028)(C)18,500Â 18,500Â 18,685Â Torrent Photonics Holdco LLC â€“ Term Debt (S + 9.5%, 14.3% Cash, Due 4/2027)(C)12,149Â 12,128Â 12,265Â Unirac Holdings, Inc. â€“ Line of Credit, $1,244 available (S + 6.5%, 11.3% Cash, Due 9/2027)(C)978Â 978Â 978Â Unirac Holdings, Inc. â€“ Delayed Draw Term Loan, $0 available (S + 6.5%, 11.3% Cash, Due 9/2027)(C)1,097Â 1,097Â 1,108Â Unirac Holdings, Inc. â€“ Term Debt (S + 6.5%, 11.3% Cash, Due 9/2027)(C)14,738Â 14,494Â 14,885Â Viva Railings, LLC â€“ Line of Credit, $4,000 available (S + 7.1%, 11.9% Cash, Due 5/2027)(C)â€”Â â€”Â â€”Â Viva Railings, LLC â€“ Term Debt (S + 7.1%, 11.9% Cash, Due 5/2027)(C)20,202Â 20,202Â 20,202Â 117,153Â 113,756Â Diversified/Conglomerate Service â€“ 30.9%Axios Industrial Group, LLC â€“ Term Debt (S + 9.6%, 14.4% Cash, Due 10/2027)(C)11,325Â 11,301Â 11,357Â Axios Industrial Group, LLC â€“ Term Debt (S + 12.6%, 17.4% Cash, Due 10/2027)(C)3,000Â 2,925Â 3,008Â DKI Ventures, LLC â€“ Line of Credit, $25 available (9.0% Cash, Due 12/2025)(E)(F)350Â 350Â 159Â DKI Ventures, LLC â€“ Term Debt (9.0% Cash, Due 12/2025)(E)(F)5,915Â 5,915Â 2,684Â ENET Holdings, LLC â€“ Line of Credit, $2,500 available (S + 7.3%, 12.1% Cash, Due 4/2025)(C)â€”Â â€”Â â€”Â ENET Holdings, LLC â€“ Term Debt (S + 7.3%, 12.1% Cash, Due 4/2028)(C)22,289Â 22,289Â 21,973Â THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.81Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED SCHEDULE OF INVESTMENTSSEPTEMBER 30, 2024(DOLLAR AMOUNTS IN THOUSANDS)Company and Investment(A)(B)(K)(Q)Principal/Shares/Units(I)(J)CostFair ValueFix-It Group, LLC â€“ Line of Credit, $3,000 available (S + 7.1%, 11.9% Cash, Due 12/2026)(C)â€”Â â€”Â â€”Â Fix-It Group, LLC â€“ Term Debt (S + 7.1%, 11.9% Cash, Due

12/2026)(C)13,324Â 13,324Â 13,457Â Fix-It Group, LLC â€“ Delayed Draw Term Loan, $0 available (S + 7.1%, 11.9% Cash, Due 12/2026)(C)6,781Â 6,781Â 6,781Â Leadpoint Business Services, LLC â€“ Term Debt (S + 8.5%, 13.3% Cash, Due 2/2028)(C)25,500Â 25,475Â 26,010Â MCG Energy Solutions, LLC â€“ Term Debt (S + 7.6%, 12.4% Cash, 3.5% PIK, Due 3/2026)(E)20,290Â 20,264Â 20,290Â Quality Environmental Midco, Inc. â€“ Line of Credit, $3,000 available (12.0% Cash, Due 11/2028)(C)(F)â€”Â â€”Â â€”Â Quality Environmental Midco, Inc. â€“ Term Debt (12.0% Cash, Due 11/2028)(C)(F)13,000Â 13,000Â 13,390Â Total Access Elevator, LLC â€“ Line of Credit, $3,000 available (S + 6.9%, 11.7% Cash, Due 4/2029)(C)â€”Â â€”Â â€”Â Total Access Elevator, LLC â€“ Term Debt (S + 6.9%, 11.7% Cash, Due 4/2029)(C)6,500Â 6,500Â 6,695Â Total Access Elevator, LLC â€“ Delayed Draw Term Loan, $2,500 available (S + 6.9%, 11.7% Cash, Due 4/2029)(C)â€”Â â€”Â â€”Â WorkforceQA, LLC â€“ Line of Credit, $800 available (S + 6.5%, 11.3% Cash, Due 12/2026)(C)1,200Â 1,200Â 1,200Â WorkforceQA, LLC â€“ Term Debt (S + 6.5%, 11.3% Cash, Due 12/2026)(C)16,306Â 16,286Â 16,306Â WorkforceQA, LLC â€“ Term Debt (S + 7.5%, 12.3% Cash, Due 12/2026)(C)2,406Â 2,403Â 2,406Â 148,013Â 145,716Â Healthcare, Education, and Childcare â€“ 20.2%ALS Education, LLC â€“ Line of Credit, $3,000 available (S + 6.8%, 11.6% Cash, Due 12/2028)(C)â€”Â â€”Â â€”Â ALS Education, LLC â€“ Term Debt (S + 6.8%, 11.6% Cash, Due 12/2028)(C)31,680Â 31,680Â 31,997Â HH-Inspire Acquisition, Inc. â€“ Line of Credit, $110 available (S + 8.0%, 12.8% Cash, Due 4/2028)(C)(H)1,727Â 1,727Â 1,677Â HH-Inspire Acquisition, Inc. â€“ Term Debt (S + 8.0%, 12.8% Cash, Due 4/2028)(C)(H)15,852Â 15,852Â 15,399Â HH-Inspire Acquisition, Inc. â€“ Term Debt (S + 8.0%, 12.8% Cash, Due 4/2028)(C)(H)3,193Â 3,193Â 3,102Â Technical Resource Management, LLC â€“ Line of Credit, $1,000 available (S + 8.0%, 12.8% Cash, Due 4/2028)(C)2,000Â 2,000Â 2,008Â Technical Resource Management, LLC â€“ Term Debt (S + 8.0%, 12.8% Cash, 2.5% PIK, Due 4/2028)(C)23,234Â 23,158Â 23,327Â Turn Key Health Clinics, LLC â€“ Line of Credit, $4,000 available (S + 7.3%, 12.1% Cash, Due 6/2026)(C)â€”Â â€”Â â€”Â Turn Key Health Clinics, LLC â€“ Term Debt (S + 7.3%, 12.1% Cash, Due 6/2026)(C)17,500Â 17,500Â 17,500Â 95,110Â 95,010Â Machinery â€“ 3.6%Arc Drilling Holdings LLC â€“ Line of Credit, $4,000 available (S + 7.0%, 11.8% Cash, Due 9/2029)(C)1,000Â 1,000Â 1,000Â Arc Drilling Holdings LLC â€“ Term Debt (S + 7.0%, 11.8% Cash, Due 9/2029)(C)16,000Â 16,000Â 16,000Â 17,000Â 17,000Â Oil and Gas â€“ 0.0%FES Resources Holdings LLC â€“ Term Debt (4.5% Cash, Due 12/2024)(E)(F)325Â 325Â 163Â Telecommunications â€“ 0.5%B+T Group Acquisition, Inc.(S) â€“ Line of Credit, $0 available (S + 2.0%, 7.0% Cash, Due 12/2026)(E)(P)1,320Â 1,320Â 471Â B+T Group Acquisition, Inc.(S) â€“ Line of Credit, $127 available (S + 2.0%, 7.0% Cash, Due 6/2025)(E)(P)323Â 323Â 115Â B+T Group Acquisition, Inc.(S) â€“ Term Debt (S + 2.0%, 7.0% Cash, Due 12/2026)(E)(P)6,000Â 6,000Â 2,139Â 7,643Â 2,725Â Total Secured First Lien Debt$555,941Â $540,661Â Secured Second Lien Debt â€“ 22.3%Automobile â€“ 3.4%Sea Link International IRB, Inc. â€“ Term Debt (11.3% Cash, 2.0% PIK, Due 12/2025)(C)(F)12,331Â 12,314Â 12,331Â Sea Link International IRB, Inc. â€“ Term Debt (12.0% Cash, 2.0% PIK, Due 12/2025)(C)(F)4,079Â 4,079Â 4,079Â 16,393Â 16,410Â Beverage, Food, and Tobacco â€“ 0.7%8th Avenue Food & Provisions, Inc. â€“ Term Debt (S + 7.9%, 12.7% Cash, Due 10/2026)(D)3,683Â 3,683Â 3,241Â THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.82Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED SCHEDULE OF INVESTMENTSSEPTEMBER 30, 2024(DOLLAR AMOUNTS IN THOUSANDS)Company and Investment(A)(B)(K)(Q)Principal/Shares/Units(I)(J)CostFair ValueCargo Transportation â€“ 4.3%RPM Freight Systems, LLC â€“ Term Debt (S + 7.7%, 12.5% Cash, Due 11/2029)(C)20,000Â 20,000Â 20,200Â RPM Freight Systems, LLC â€“ Delayed Draw Term Loan, $5,000 available (S + 7.7% 12.5% Cash, Due 11/2029)(C)â€”Â â€”Â â€”Â 20,000Â 20,200Â Diversified/Conglomerate Manufacturing â€“ 6.9%OCI, LLC â€“ Term Debt (7.0% Cash, 7.0% PIK, Due 11/2028)(C)(F)2,159Â 2,159Â 2,303Â Springfield, Inc. â€“ Term Debt (S + 11.1%, 15.9% Cash, Due 12/2026)(C)30,000Â 30,000Â 30,000Â 32,159Â 32,303Â Diversified/Conglomerate Service â€“ 3.2%Perimeter Solutions Group â€“ Term Debt (S + 8.5%, 13.3% Cash, Due 2/2029)(C)(U)15,000Â 15,000Â 15,000Â Oil and Gas â€“ 3.8%Imperative Holdings Corporation â€“ Term Debt (S + 9.8%, 14.6% Cash, Due 8/2028)(C)18,015Â 17,909Â 18,015Â Total Secured Second Lien Debt$105,144Â $105,169Â Unsecured Debt â€“ 0.1%Diversified/Conglomerate Service â€“ 0.1%Frontier Financial Group Inc. â€“ Convertible Debt (6.0% Cash, Due 6/2022)(E)(F)198Â 198Â 32Â Preferred Equity â€“ 5.8%Automobile â€“ 0.1%Sea Link International IRB, Inc. â€“ Preferred Stock(E)(G)98,039Â 98Â 220Â Beverage, Food, and Tobacco â€“ 2.0%Salt & Straw, LLC â€“ Preferred Equity(E)(G)7,000,000Â 7,000Â 9,450Â Triple H Food Processors, LLC â€“ Preferred Stock(E)(G)75Â 75Â 167Â 7,075Â 9,617Â Buildings and Real Estate â€“ 0.0%GFRC 360, LLC â€“ Preferred Stock(E)(G)1,000Â 1,025Â â€”Â Diversified/Conglomerate Manufacturing â€“ 0.1%Torrent Photonics Holdco LLC â€“ Preferred Stock(E)(G)2,650Â 2,650Â 552Â Diversified/Conglomerate Service â€“ 2.9%Frontier Financial Group Inc. â€“ Preferred Stock(E)(G)766Â 500Â â€”Â Frontier Financial Group Inc. â€“ Preferred Stock Warrant(E)(G)168Â â€”Â â€”Â MCG Energy Solutions, LLC â€“ Preferred Stock(E)(G)7,000,000Â 7,000Â 9,954Â Quality Environmental Midco, Inc. â€“ Preferred Equity(E)(G)3,000,000Â 3,000Â 3,582Â 10,500Â 13,536Â Healthcare, Education, and Childcare â€“ 0.2%HH-Inspire Acquisition, Inc. â€“ Preferred Stock(E)(G)1,329,054Â 2,251Â 1,047Â Oil and Gas â€“ 0.5%FES Resources Holdings LLC â€“ Preferred Equity Units(E)(G)6,350Â 6,350Â â€”Â Imperative Holdings Corporation â€“ Preferred Equity Units(E)(G)972,569Â 488Â 2,275Â 6,838Â 2,275Â Telecommunications â€“ 0.0%B+T Group Acquisition, Inc.(S) â€“ Preferred Stock(E)(G)6,130Â 2,024Â â€”Â Total Preferred Equity$32,461Â $27,247Â Common Equity â€“ 16.5%Aerospace and Defense â€“ 12.8%Â Antenna Research Associates, Inc. â€“ Common Equity Units(E)(G)(U)4,283Â 4,283Â 59,423Â Â Ohio Armor Holdings, LLC â€“ Common Equity(E)(G)100Â 1,000Â 1,086Â 5,283Â 60,509Â Automobile â€“ 0.1%Sea Link International IRB, Inc.â€“ Common Equity Units(E)(G)823,333Â 823Â 160Â Beverage, Food, and Tobacco â€“ 0.9%Salt & Straw, LLC â€“ Common Warrant(E)(G)0.4Â %â€”Â 47Â Sokol & Company Holdings, LLC â€“ Common Stock(E)(G)1,500,000Â 1,500Â 2,727Â Triple H Food Processors, LLC â€“ Common Stock(E)(G)250,000Â 250Â 1,346Â 1,750Â 4,120Â THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.83Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED SCHEDULE OF INVESTMENTSSEPTEMBER 30, 2024(DOLLAR AMOUNTS IN THOUSANDS)Company and Investment(A)(B)(K)(Q)Principal/Shares/Units(I)(J)CostFair ValueBuildings and Real Estate â€“ 0.0%GFRC 360, LLC â€“ Common Stock Warrants(E)(G)45.0Â %â€”Â â€”Â Diversified/Conglomerate Manufacturing â€“ 0.2%Â Engineering Manufacturing Technologies, LLC â€“ Common Stock(E)(G)6,000Â 3,000Â â€”Â Â OCI, LLC â€“ Common Units (E)(G)306Â â€”Â â€”Â Â NeoGraf Solutions LLC â€“ Common Stock(E)(G)2,000,000Â 2,000Â 859Â 5,000Â 859Â Diversified/Conglomerate Service â€“ 0.3%Â Total Access Elevator, LLC â€“ Common Equity(E)(G)750,000Â 750Â 1,234Â Â WorkforceQA, LLC â€“ Common Stock(E)(G)532Â 532Â 346Â 1,282Â 1,580Â Healthcare, Education, and Childcare â€“ 1.2%Giving Home Health Care, LLC â€“ Warrant(E)(G)10,667Â â€”Â 3,995Â GSM MidCo LLC â€“ Common Stock(E)(G)767Â 767Â 1,583Â Â Â Leeds Novamark Capital I, L.P. â€“ Limited Partnership Interest ($843 uncalled capital commitment)(G)(L)(R)3.5Â %â€”Â 38Â Technical Resource Management, LLC â€“ Common Stock(E)(G)2,000,000Â 2,000Â 34Â 2,767Â 5,650Â Machinery â€“ 1.0%Arc Drilling Holdings LLC â€“ Common Stock(E)(G)53,333Â 5,333Â 4,816Â Oil and Gas â€“ 0.0%FES Resources Holdings LLC â€“ Common Equity Units(E)(G)6,233Â â€”Â â€”Â Total Safety Holdings, LLC â€“ Common Equity(E)(G)435Â 499Â 101Â 499Â 101Â Telecommunications â€“ 0.0%B+T Group Acquisition, Inc.(S) â€“ Common Stock Warrant(E)(G)1.5Â %â€”Â â€”Â Total Common Equity$22,737Â $77,795Â Total Non-Control/Non-Affiliate Investments$716,481Â $750,904Â AFFILIATE INVESTMENTS(N) â€“ 1.6%Secured First Lien Debt â€“ 0.1%Diversified/Conglomerate Manufacturing â€“ 0.1%Edge Adhesives Holdings, Inc. (S) â€“ Term Debt (S + 5.5%, 10.3% Cash, Due 8/2026)(E)(P)6,140Â 6,140Â 380Â Preferred Equity â€“ 0.9%Diversified/Conglomerate Manufacturing â€“ 0.0%Edge Adhesives Holdings, Inc.(S) â€“ Preferred Stock(E)(G)5,466Â 5,466Â $â€”Â Diversified/Conglomerate Serviceâ€“ 0.7%Encore Dredging Holdings, LLC â€“ Preferred Stock(E)(G)3,840,000Â 3,840Â 3,168Â Personal and Non-Durable Consumer Products (Manufacturing Only) â€“ 0.2%Canopy Safety Brands, LLC â€“ Preferred Stock(E)(G)500,000Â 500Â 931Â Total Preferred Equity$9,806Â $4,099Â Common Equity â€“ 0.6%Personal and Non-Durable Consumer Products (Manufacturing Only) â€“ 0.6%Canopy Safety Brands, LLC â€“ Common Stock(E)(G)1,170,370Â 800Â 2,959Â Total Affiliate Investments$16,746Â $7,438Â CONTROL INVESTMENTS(O) â€“ 8.0%Secured First Lien Debt â€“ 3.0%Diversified/Conglomerate Manufacturing â€“ 0.9%Lonestar EMS, LLC â€“ Term Debt (12.0% Cash, Due 6/2027)(E)(F)4,200Â 4,130Â 4,200Â Personal and Non-Durable Consumer Products (Manufacturing Only) â€“ 2.1%WB Xcel Holdings, LLC â€“ Line of Credit, $0 available (S + 10.5%, 15.3% Cash, Due 11/2026)(E)(P)4,750Â 4,750Â 3,171Â WB Xcel Holdings, LLC â€“ Term Debt (S + 10.5%, 15.3% Cash, Due 11/2026)(E)(P)9,775Â 9,775Â 6,525Â 14,525Â 9,696Â THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.84Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED SCHEDULE OF INVESTMENTSSEPTEMBER 30, 2024(DOLLAR AMOUNTS IN THOUSANDS)Company and Investment(A)(B)(K)(Q)Principal/Shares/Units(I)(J)CostFair ValuePrinting and Publishing â€“ 0.0%TNCP Intermediate HoldCo, LLC â€“ Line of Credit, $2,000 available (11.0% Cash, Due 10/2027)(E)(F)â€”Â â€”Â â€”Â Total Secured First Lien Debt$18,655Â $13,896Â Secured Second Lien Debt â€“ 1.8%Automobile â€“ 1.8%Defiance Integrated Technologies, Inc. â€“ Term Debt (S + 9.6%, 14.4% Cash, Due 1/2027)(E)8,547Â 8,547Â 8,547Â Preferred Equity â€“ 0.0%Personal and Non-Durable Consumer Products (Manufacturing Only) â€“ 0.0%WB Xcel Holdings, LLC â€“ Preferred Stock(E)(G)333Â 2,750Â $â€”Â Common Equity â€“ 3.2%Automobile â€“ 0.6%Defiance Integrated Technologies, Inc. â€“ Common Stock(E)(G)33,321Â 581Â 2,949Â Diversified/Conglomerate Manufacturing â€“ 1.7%Lonestar EMS, LLC â€“ Common Units(E)(G)100.0Â %6,750Â 8,214Â Personal and Non-Durable Consumer Products (Manufacturing Only) â€“ 0.0%WB Xcel Holdings, LLC â€“ Common Warrant(E)(G)1Â 1Â $â€”Â Printing and Publishing â€“ 0.9%TNCP Intermediate HoldCo, LLC â€“ Common Equity Units(E)(G)790,000Â 500Â 4,312Â Total Common Equity$7,832Â $15,475Â Total Control Investments$37,784Â $37,918Â TOTAL INVESTMENTS(T) â€“ 169.1%$771,011Â $796,260Â (A)Certain of the securities listed in this schedule are issued by affiliate(s) of the indicated portfolio company. The majority of the securities listed, totaling $714.4 million at fair value, are pledged as collateral under our revolving line of credit, as described further in Note 5â€”Borrowings in the accompanying Notes to Consolidated Financial Statements. Under the Investment Company Act of 1940, as amended (the â€œ1940 Actâ€), we may not acquire any non-qualifying assets unless, at the time such acquisition is made, qualifying assets represent at least 70% of our total assets. As of SeptemberÂ 30, 2024, our investment in Leeds Novamark Capital I, L.P. (â€œLeedsâ€) is considered a non-qualifying asset under Section 55 of the 1940 Act. Such non-qualifying assets represent less than 0.1% of total investments, at fair value, as of SeptemberÂ 30, 2024. (B)Unless indicated otherwise, all cash interest rates are indexed to one-month Secured Overnight Financing Rate (â€œSOFRâ€ or â€œSâ€), which was 4.85% as of SeptemberÂ 30, 2024. If applicable, paid-in-kind (â€œPIKâ€) interest rates are noted separately from the cash interest rate. Certain securities are subject to an interest rate floor. The cash interest rate is the greater of the floor or SOFR plus a spread. Due dates represent the contractual maturity date.(C)Fair value was based on an internal yield analysis or on estimates of value submitted by a third party valuation firm.(D)Fair value was based on the indicative bid price on or near SeptemberÂ 30, 2024, offered by the respective syndication agentâ€™s trading desk.(E)Fair value was based on the total enterprise value of the portfolio company, which was then allocated to the portfolio companyâ€™s securities in order of their relative priority in the capital structure.(F)Debt security has a fixed interest rate.(G)Security is non-income producing.(H)The cash interest rate on this investment was indexed to 90-day SOFR, which was 4.59% as of SeptemberÂ 30, 2024.(I)Represents the principal balance for debt investments and the number of shares/units held for equity investments. Warrants are represented as a percentage of ownership, as applicable.(J)Where applicable, aggregates all shares of a class of stock owned without regard to specific series owned within such class (some series of which may or may not be voting shares) or aggregates all warrants to purchase shares of a class of stock owned without regard to specific series of such class of stock such warrants allow us to purchase.(K)Category percentages represent the fair value of each category and subcategory as a percentage of net assets as of SeptemberÂ 30, 2024.(L)There are certain limitations on our ability to withdraw our partnership interest prior to dissolution of the entity, which must occur no later than May 9, 2024 or two years after all outstanding leverage has matured.(M)Non-Control/Non-Affiliate investments, as defined by the 1940 Act, are those that are neither Control nor Affiliate investments and in which we own less than 5.0% of the issued and outstanding voting securities.(N)Affiliate investments, as defined by the 1940 Act, are those in which we own, with the power to vote, between and inclusive of 5.0% and 25.0% of the issued and outstanding voting securities.(O)Control investments, as defined by the 1940 Act, are those where we have the power to exercise a controlling influence over the management or policies of the portfolio company, which may include owning, with the power to vote, more than 25.0% of the issued and outstanding voting securities.(P)Debt security is on non-accrual status. THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.85Table of Contents(Q)Unless indicated otherwise, all of our investments are valued using Level 3 inputs within the Financial Accounting Standards Board (â€œFASBâ€) Accounting Standard Codification (â€œASCâ€) Topic 820, â€œFair Value Measurements and Disclosuresâ€ (â€œASC 820â€) fair value hierarchy. Refer to Note 3â€”Investments in the accompanying Notes to Consolidated Financial Statements for additional information.(R)Fair value was based on net asset value provided by the fund as a practical expedient.(S)One of our affiliated funds, Gladstone Investment Corporation, co-invested with us in this portfolio company pursuant to an exemptive order granted by the U.S. Securities and Exchange Commission. (T)Cumulative gross unrealized depreciation for federal income tax purposes is $66.1 million; cumulative gross unrealized appreciation for federal income tax purposes is $85.8 million. Cumulative net unrealized appreciation is $19.7 million, based on a tax cost of $776.5 million.(U)Investment was exited subsequent to SeptemberÂ 30, 2024. Refer to Note 14 â€“ Subsequent Events for additional information. THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.86Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED SCHEDULE OF INVESTMENTSSEPTEMBER 30, 2023(DOLLAR AMOUNTS IN THOUSANDS)Company and Investment(A)(B)(K)(Q)Principal/Shares/Units(I)(J)CostFair ValueNON-CONTROL/NON-AFFILIATE INVESTMENTS(M) â€“ 162.4%Secured First Lien Debt â€“ 120.3%Aerospace and Defense â€“ 19.3%Antenna Research Associates, Inc. â€“ Term Debt (S + 10.0%, 15.3% Cash, 4.0% PIK, Due 11/2026)(E)$30,048Â $30,048Â $30,048Â Ohio Armor Holdings, LLC â€“ Term Debt (S + 8.0%, 13.3% Cash, Due 2/2026)(C)17,738Â 17,738Â 17,294Â SpaceCo Holdings, LLC â€“ Line of Credit, $550 available (S + 7.2%, 12.5% Cash, Due 12/2025)(C)(U)1,450Â 1,450Â 1,434Â SpaceCo Holdings, LLC â€“ Term Debt (S + 7.2%, 12.5% Cash, Due 12/2025)(C)(U)30,284Â 29,961Â 29,944Â 79,197Â 78,720Â Beverage, Food, and Tobacco â€“ 17.8%CafÃ© Zupas â€“ Line of Credit, $1,500 available (S + 6.8%, 12.1% Cash, Due 12/2024)(C)â€”Â â€”Â â€”Â CafÃ© Zupas â€“ Delayed Draw Term Loan, $2,070 available (S + 6.8%, 12.1% Cash, Due 12/2024)(C)7,970Â 7,970Â 7,850Â CafÃ© Zupas â€“ Term Debt (S + 6.8%, 12.1% Cash, Due 12/2024)(C)23,460Â 23,460Â 23,108Â Egeeeâ€™s LLC â€“ Line of Credit, $1,000 available (S + 7.8%, 13.1% Cash, Due 6/2026)(C)â€”Â â€”Â â€”Â Egeeeâ€™s LLC â€“ Delayed Draw Term Loan, $4,500 available (S + 7.8%, 13.1% Cash, Due 6/2026)(C)3,000Â 3,000Â 2,865Â Egeeeâ€™s LLC â€“ Term Debt (S + 7.8%, 13.1% Cash, Due 6/2026)(C)17,000Â 17,000Â 16,235Â Salt & Straw, LLC â€“ Line of Credit, $2,000 available (S + 9.1%, 14.4% Cash, Due 9/2027)(C)â€”Â â€”Â â€”Â Salt & Straw, LLC â€“ Delayed Draw Term Loan, $1,300 available (S + 9.1%, 14.4% Cash, Due 9/2027)(C)10,200Â 10,133Â 9,715Â Sokol & Company Holdings, LLC â€“ Term Debt (S + 7.0%, 12.3% Cash, Due 8/2027)(C)13,500Â 13,500Â 13,095Â 75,063Â 72,868Â Buildings and Real Estate â€“ 0.5%GFRC 360, LLC â€“ Line of Credit, $175 available (S + 8.0%, 13.3% Cash, Due 9/2024)(C)1,275Â 1,275Â 1,205Â GFRC 360, LLC â€“ Term Debt (S + 8.0%, 13.3% Cash, Due 9/2024)(C)1,000Â 1,000Â 945Â 2,275Â 2,150Â Diversified/Conglomerate Manufacturing â€“ 27.9%Engineering Manufacturing Technologies, LLC â€“ Line of Credit, $3,000 available (S + 8.3%, 13.6% Cash, Due 10/2026)(C)â€”Â â€”Â â€”Â Engineering Manufacturing Technologies, LLC â€“ Term Debt (S + 8.3%, 13.6% Cash, Due 10/2026)(C)21,500Â 21,500Â 19,726Â NeoGraf Solutions LLC â€“ Line of Credit, $4,500 available (S + 7.0%, 11.0% Cash, 1.3% PIK, Due 1/2028)(C)â€”Â â€”Â â€”Â NeoGraf Solutions LLC â€“ Term Debt (S + 7.0%, 11.0% Cash, 1.3% PIK, Due 1/2028)(C)27,154Â 27,154Â 26,000Â OCI, LLC â€“ Term Debt (S + 7.5%, 12.8% Cash, Due 5/2028)(C)20,000Â 20,000Â 19,800Â Salvo Technologies, Inc. â€“ Term Debt (S + 9.5%, 14.8% Cash, Due 4/2027)(C)11,768Â 11,768Â 10,900Â Unirac Holdings, Inc. â€“ Line of Credit, $1,244 available (S + 6.5%, 11.8% Cash, Due 9/2027)(C)978Â 978Â 980Â Unirac Holdings, Inc. â€“ Delayed Draw Term Loan, $1,669 available (S + 6.5%, 11.8% Cash, Due 9/2027)(C)1,108Â 1,108Â 1,111Â Unirac Holdings, Inc. â€“ Term Debt (S + 6.5%, 11.8% Cash, Due 9/2027)(C)14,888Â 14,577Â 14,925Â Viva Railings, LLC â€“ Line of Credit, $4,000 available (S + 7.1%, 12.4% Cash, Due 5/2027)(C)â€”Â â€”Â â€”Â Viva Railings, LLC â€“ Term Debt (S + 7.1%, 12.4% Cash, Due 5/2027)(C)20,747Â 20,747Â 20,436Â 117,832Â 113,878Â Diversified/Conglomerate Service â€“ 25.5%Axios Industrial Group, LLC â€“ Term Debt (S + 8.6%, 13.9% Cash, Due 10/2027)(C)11,550Â 11,519Â 11,291Â DKI Ventures, LLC â€“ Line of Credit, $170 available (9.0% Cash, Due 12/2025)(C)(F)205Â 205Â 113Â DKI Ventures, LLC â€“ Term Debt (9.0% Cash, Due 12/2025)(C)(F)5,915Â 5,915Â 3,253Â ENET Holdings, LLC â€“ Term Debt (S + 8.3%, 13.6% Cash, Due 4/2025)(C)22,289Â 22,289Â 21,397Â Fix-It Group, LLC â€“ Line of Credit, $2,500 available (S + 8.1%, 13.4% Cash, Due 12/2026)(C)500Â 500Â 499Â Fix-It Group, LLC â€“ Term Debt (S + 8.1%, 13.4% Cash, Due 12/2026)(C)12,200Â 12,200Â 12,170Â Fix-It Group, LLC â€“ Delayed Draw Term Loan, $0 available (S + 8.1%, 13.4% Cash, Due 12/2026)(C)6,911Â 6,911Â 6,894Â THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.87Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED SCHEDULE OF INVESTMENTSSEPTEMBER 30, 2023(DOLLAR AMOUNTS IN THOUSANDS)Company and Investment(A)(B)(K)(Q)Principal/Shares/Units(I)(J)CostFair ValueLeadpoint Business Services, LLC â€“ Term Debt (S + 8.5%, 13.8% Cash, Due 2/2028)(C)13,500Â 13,500Â 13,399Â MCG Energy Solutions, LLC â€“ Term Debt (S + 7.6%, 12.9% Cash, 3.5% PIK, Due 3/2026)(C)20,146Â 20,107Â 17,628Â Trowbridge Chicago, LLC â€“ Line of

Credit, $2,000 available (S + 7.0%, 12.3% Cash, Due 6/2029)(C)â€”Â â€”Â â€”Â Trowbridge Chicago, LLC â€“ Term Debt (S + 7.0%, 12.3% Cash, Due 6/2029)(C)5,750Â 5,750Â 5,664Â WorkforceQA, LLC â€“ Line of Credit, $1,600 available (S + 6.5%, 11.8% Cash, Due 12/2026)(C)400Â 400Â 400Â WorkforceQA, LLC â€“ Term Debt (S + 8.4%, 13.7% Cash, Due 12/2026)(C)(H)10,000Â 9,971Â 9,987Â WorkforceQA, LLC â€“ Term Debt (S + 9.3%, 14.6% Cash, Due 12/2026)(C)(H)1,600Â 1,595Â 1,598Â 110,862Â 104,293Â Healthcare, Education, and Childcare â€“ 26.5%ALS Education, LLC â€“ Line of Credit, $3,000 available (S + 7.0%, 12.3% Cash, Due 5/2025)(C)â€”Â â€”Â â€”Â ALS Education, LLC â€“ Term Debt (S + 7.0%, 12.3% Cash, Due 5/2025)(C)18,700Â 18,700Â 18,700Â HH-Inspire Acquisition, Inc. â€“ Line of Credit, $478 available (S + 8.0%, 13.4% Cash, Due 4/2028)(C)(U)1,359Â 1,359Â 1,347Â HH-Inspire Acquisition, Inc. â€“ Term Debt (S + 8.0%, 13.4% Cash, Due 4/2028)(C)(U)16,013Â 16,013Â 15,872Â HH-Inspire Acquisition, Inc. â€“ Term Debt (S + 8.0%, 13.4% Cash, Due 4/2028)(C)(U)3,225Â 3,225Â 3,197Â Pansophic Learning, Ltd. â€“ Term Debt (S + 7.5%, 12.9% Cash, Due 3/2027)(C)(U)28,000Â 27,968Â 27,965Â Pansophic Learning, Ltd. â€“ Term Debt (S + 7.5%, 12.9% Cash, Due 3/2027)(C)(U)5,000Â 4,994Â 4,994Â Technical Resource Management, LLC â€“ Line of Credit, $1,000 available (S + 8.0%, 13.3% Cash, Due 4/2028)(C)2,000Â 2,000Â 1,970Â Technical Resource Management, LLC â€“ Term Debt (S + 8.0%, 13.3% Cash, Due 4/2028)(C)23,000Â 23,000Â 22,655Â Technical Resource Management, LLC â€“ Delayed Draw Term Loan, $2,500 available (S + 8.0%, 13.3% Cash, Due 4/2028)(C)â€”Â â€”Â â€”Â Turn Key Health Clinics, LLC â€“ Line of Credit, $1,500 available (S + 7.3%, 12.6% Cash, Due 6/2026)(C)500Â 500Â 499Â Turn Key Health Clinics, LLC â€“ Term Debt (S + 7.3%, 12.6% Cash, Due 6/2026)(C)11,000Â 11,000Â 10,986Â 108,759Â 108,185Â Machinery â€“ 1.4%Arc Drilling Holdings LLC â€“ Line of Credit, $1,000 available (S + 11.5%, 10.5% Cash, 6.3% PIK, Due 2/2024)(C)â€”Â â€”Â â€”Â Arc Drilling Holdings LLC â€“ Term Debt (S + 11.5%, 10.5% Cash, 6.3% PIK, Due 2/2024)(C)5,928Â 5,928Â 5,724Â 5,928Â 5,724Â Telecommunications â€“ 1.4%B+T Group Acquisition, Inc.(S) â€“ Line of Credit, $0 available (S + 2.0%, 7.3% Cash, Due 12/2024)(C)1,200Â 1,200Â 978Â B+T Group Acquisition, Inc.(S) â€“ Term Debt (S + 2.0%, 7.3% Cash, Due 12/2024)(C)6,000Â 6,000Â 4,890Â 7,200Â 5,868Â Total Secured First Lien Debt$507,116Â $491,686Â Secured Second Lien Debt â€“ 29.5%Automobile â€“ 3.8%Sea Link International IRB, Inc. â€“ Term Debt (11.3% Cash, 2.0% PIK, Due 12/2025)(C)(F)12,083Â 12,053Â 11,675Â Sea Link International IRB, Inc. â€“ Term Debt (12.0% Cash, 2.0% PIK, Due 12/2025)(C)(F)4,000Â 4,000Â 4,000Â 16,053Â 15,675Â Beverage, Food, and Tobacco â€“ 0.6%8th Avenue Food & Provisions, Inc. â€“ Term Debt (S + 7.9%, 13.2% Cash, Due 10/2026)(D)3,683Â 3,683Â 2,495Â Diversified/Conglomerate Manufacturing â€“ 8.9%OCI, LLC â€“ Term Debt (7.0% Cash, 7.0% PIK, Due 11/2028)(C)(F)2,012Â 2,012Â 1,992Â Springfield, Inc. â€“ Term Debt (S + 10.1%, 15.4% Cash, Due 12/2026)(C)30,000Â 30,000Â 29,850Â Tailwind Smith Cooper Intermediate Corporation â€“ Term Debt (S + 9.0%, 14.4% Cash, Due 5/2027)(D)(U)5,000Â 4,856Â 4,294Â 36,868Â 36,136Â Diversified/Conglomerate Service â€“ 4.0%CHA Holdings, Inc. â€“ Term Debt (S + 9.0%, 14.4% Cash, Due 4/2026)(D)(U)3,000Â 2,974Â 2,820Â THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.88Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED SCHEDULE OF INVESTMENTSSEPTEMBER 30, 2023(DOLLAR AMOUNTS IN THOUSANDS)Company and Investment(A)(B)(K)(Q)Principal/Shares/Units(I)(J)CostFair ValueGray Matter Systems, LLC â€“ Term Debt (12.0% Cash, 2.0% PIK, Due 12/2026)(C)(F)13,645Â 13,578Â 13,645Â 16,552Â 16,465Â Healthcare, Education, and Childcare â€“ 7.1%Giving Home Health Care, LLC â€“ Term Debt (12.5% Cash, Due 2/2028)(C)(F)28,800Â 28,800Â 28,800Â Oil and Gas â€“ 5.1%Imperative Holdings Corporation â€“ Term Debt (S + 9.8%, 15.1% Cash, Due 8/2028)(C)21,015Â 20,871Â 20,858Â Total Secured Second Lien Debt$122,827Â $120,429Â Unsecured Debt â€“ 0.0%Diversified/Conglomerate Service â€“ 0.0%Frontier Financial Group Inc. â€“ Convertible Debt (6.0% Cash, Due 6/2022)(E)(F)198Â 198Â 24Â Preferred Equity â€“ 5.3%Automobile â€“ 0.0%Sea Link International IRB, Inc. â€“ Preferred Stock(E)(G)98,039Â 98Â 183Â Beverage, Food, and Tobacco â€“ 0.0%Triple H Food Processors, LLC â€“ Preferred Stock(E)(G)75Â 75Â 141Â Buildings and Real Estate â€“ 0.1%GFRC 360, LLC â€“ Preferred Stock(E)(G)1,000Â 1,025Â 253Â Diversified/Conglomerate Manufacturing â€“ 0.3%Salvo Technologies, Inc. â€“ Preferred Stock(E)(G)2,500Â 2,500Â 1,225Â Diversified/Conglomerate Service â€“ 2.4%Frontier Financial Group Inc. â€“ Preferred Stock(E)(G)766Â 500Â â€”Â Frontier Financial Group Inc. â€“ Preferred Stock Warrant(E)(G)168Â â€”Â â€”Â MCG Energy Solutions, LLC â€“ Preferred Stock(E)(G)7,000,000Â 7,000Â 8,904Â Trowbridge Chicago, LLC â€“ Preferred Stock(E)(G)242,105Â 750Â 750Â 8,250Â 9,654Â Healthcare, Education, and Childcare â€“ 0.8%HH-Inspire Acquisition, Inc. â€“ Preferred Stock(E)(G)1,329,054Â 2,251Â 3,451Â Oil and Gas â€“ 1.7%FES Resources Holdings LLC â€“ Preferred Equity Units(E)(G)6,350Â 6,350Â 4,508Â Imperative Holdings Corporation â€“ Preferred Equity Units(E)(G)972,569Â 488Â 2,318Â 6,838Â 6,826Â Telecommunications â€“ 0.0%B+T Group Acquisition, Inc.(S) â€“ Preferred Stock(E)(G)6,130Â 2,024Â â€”Â Total Preferred Equity$23,061Â $21,733Â Common Equity â€“ 7.3%Aerospace and Defense â€“ 4.7%Â Antenna Research Associates, Inc. â€“ Common Equity Units(E)(G)4,283Â 4,283Â 18,436Â Â Ohio Armor Holdings, LLC â€“ Common Equity(E)(G)100Â 1,000Â 680Â 5,283Â 19,116Â Automobile â€“ 0.1%Sea Link International IRB, Inc.â€“ Common Equity Units(E)(G)823,333Â 823Â 340Â Beverage, Food, and Tobacco â€“ 0.8%Salt & Straw, LLC â€“ Common Warrant(E)(G)0.4Â %â€”Â 31Â Sokol & Company Holdings, LLC â€“ Common Stock(E)(G)1,500,000Â 1,500Â 1,612Â Triple H Food Processors, LLC â€“ Common Stock(E)(G)250,000Â 250Â 1,641Â 1,750Â 3,284Â Buildings and Real Estate â€“ 0.0%GFRC 360, LLC â€“ Common Stock Warrants(E)(G)45.0Â %â€”Â â€”Â Diversified/Conglomerate Manufacturing â€“ 0.0%Â Engineering Manufacturing Technologies, LLC â€“ Common Stock(E)(G)6,000Â 3,000Â â€”Â Â OCI, LLC â€“ Common Units (E)(G)306Â â€”Â â€”Â Â NeoGraf Solutions LLC â€“ Common Stock(E)(G)2,000,000Â 2,000Â â€”Â 5,000Â â€”Â Diversified/Conglomerate Service â€“ 0.1%Â WorkforceQA, LLC â€“ Common Stock(E)(G)532Â 532Â 359Â THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.89Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED SCHEDULE OF INVESTMENTSSEPTEMBER 30, 2023(DOLLAR AMOUNTS IN THOUSANDS)Company and Investment(A)(B)(K)(Q)Principal/Shares/Units(I)(J)CostFair ValueHealthcare, Education, and Childcare â€“ 1.5%Giving Home Health Care, LLC â€“ Warrant(E)(G)10,667Â 19Â 2,794Â GSM MidCo LLC â€“ Common Stock(E)(G)767Â 767Â 1,562Â Â Â Leeds Novamark Capital I, L.P. â€“ Limited Partnership Interest ($843 uncalled capital commitment)(G)(L)(R)3.5Â %â€”Â 231Â Technical Resource Management, LLC â€“ Common Stock(E)(G)2,000,000Â 2,000Â 1,415Â 2,786Â 6,002Â Machinery â€“ 0.1%Arc Drilling Holdings LLC â€“ Common Stock(E)(G)15,000Â 1,500Â 403Â Oil and Gas â€“ 0.0%FES Resources Holdings LLC â€“ Common Equity Units(E)(G)6,233Â â€”Â â€”Â Total Safety Holdings, LLC â€“ Common Equity(E)(G)435Â 499Â 146Â 499Â 146Â Personal and Non-Durable Consumer Products (Manufacturing Only) â€“ 0.0%Funko Acquisition Holdings, LLC(S) â€“ Common Units(G)(T)4,239Â 22Â 22Â Telecommunications â€“ 0.0%B+T Group Acquisition, Inc.(S) â€“ Common Stock Warrant(E)(G)1.5Â %â€”Â â€”Â Total Common Equity$18,195Â $29,672Â Total Non-Control/Non-Affiliate Investments$671,397Â $663,544Â AFFILIATE INVESTMENTS(N) â€“ 2.6%Secured First Lien Debt â€“ 0.7%Diversified/Conglomerate Manufacturing â€“ 0.7%Edge Adhesives Holdings, Inc. (S) â€“ Term Debt (S + 5.5%, 10.8% Cash, Due 8/2024)(E)(P)6,140Â 6,140Â 2,895Â Preferred Equity â€“ 1.3%Diversified/Conglomerate Manufacturing â€“ 0.0%Edge Adhesives Holdings, Inc.(S) â€“ Preferred Stock(E)(G)5,466Â 5,466Â $â€”Â Diversified/Conglomerate Serviceâ€“ 1.1%Encore Dredging Holdings, LLC â€“ Preferred Stock(E)(G)3,840,000Â 3,840Â 4,265Â Personal and Non-Durable Consumer Products (Manufacturing Only) â€“ 0.2%Canopy Safety Brands, LLC â€“ Preferred Stock(E)(G)500,000Â 500Â 857Â Total Preferred Equity$9,806Â $5,122Â Common Equity â€“ 0.6%Personal and Non-Durable Consumer Products (Manufacturing Only) â€“ 0.6%Canopy Safety Brands, LLC â€“ Common Stock(E)(G)1,170,370Â 800Â 2,404Â Total Affiliate Investments$16,746Â $10,421Â CONTROL INVESTMENTS(O) â€“ 7.5%Secured First Lien Debt â€“ 3.9%Diversified/Conglomerate Manufacturing â€“ 0.9%Lonestar EMS, LLC â€“ Term Debt (8.0% PIK, Due 6/2027)(E)(F)3,927Â 3,927Â 3,927Â Personal and Non-Durable Consumer Products (Manufacturing Only) â€“ 2.8%WB Xcel Holdings, LLC â€“ Line of Credit, $32 available (S + 10.5%, 15.8% Cash, Due 11/2026)(E)1,468Â 1,468Â 1,468Â WB Xcel Holdings, LLC â€“ Term Debt (S + 10.5%, 15.8% Cash, Due 11/2026)(E)9,825Â 9,825Â 9,825Â 11,293Â 11,293Â Printing and Publishing â€“ 0.2%TNCP Intermediate HoldCo, LLC â€“ Line of Credit, $1,100 available (8.0% Cash, Due 10/2024)(E)(F)900Â 900Â 900Â Total Secured First Lien Debt$16,120Â $16,120Â Secured Second Lien Debt â€“ 1.8%Automobile â€“ 1.8%Defiance Integrated Technologies, Inc. â€“ Term Debt (S + 9.6%, 14.9% Cash, Due 5/2026)(E)7,425Â 7,425Â 7,425Â Preferred Equity â€“ 0.0%Personal and Non-Durable Consumer Products (Manufacturing Only) â€“ 0.0%THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.90Table of ContentsGLADSTONE CAPITAL CORPORATIONCONSOLIDATED SCHEDULE OF INVESTMENTSSEPTEMBER 30, 2023(DOLLAR AMOUNTS IN THOUSANDS)Company and Investment(A)(B)(K)(Q)Principal/Shares/Units(I)(J)CostFair ValueWB Xcel Holdings, LLC â€“ Preferred Stock(E)(G)333Â 2,750Â $â€”Â Common Equity â€“ 1.8%Automobile â€“ 1.0%Defiance Integrated Technologies, Inc. â€“ Common Stock(E)(G)33,321Â 580Â 3,948Â Diversified/Conglomerate Manufacturing â€“ 0.0%Lonestar EMS, LLC â€“ Common Units(E)(G)100.0Â %6,750Â â€”Â Machinery â€“ 0.1%PIC 360, LLC â€“ Common Equity Units(E)(G)750Â 1Â 284Â Printing and Publishing â€“ 0.7%TNCP Intermediate HoldCo, LLC â€“ Common Equity Units(E)(G)790,000Â 500Â 3,073Â Total Common Equity$7,831Â $7,305Â Total Control Investments$34,126Â $30,850Â TOTAL INVESTMENTS(V) â€“ 172.5%$722,269Â $704,815Â (A)Certain of the securities listed in this schedule are issued by affiliate(s) of the indicated portfolio company. The majority of the securities listed, totaling $628.3 million at fair value, are pledged as collateral under our revolving line of credit, as described further in Note 5â€”Borrowings in the accompanying Notes to Consolidated Financial Statements. Under the Investment Company Act of 1940, as amended (the â€œ1940 Actâ€), we may not acquire any non-qualifying assets unless, at the time such acquisition is made, qualifying assets represent at least 70% of our total assets. As of SeptemberÂ 30, 2023, our investments in Leeds Novamark Capital I, L.P. (â€œLeedsâ€) and Funko Acquisition Holdings, LLC (â€œFunkoâ€) are considered non-qualifying assets under Section 55 of the 1940 Act. Such non-qualifying assets represent less than 0.1% of total investments, at fair value, as of SeptemberÂ 30, 2023. (B)Unless indicated otherwise, all cash interest rates are indexed to one-month Secured Overnight Financing Rate (â€œSOFRâ€ or â€œSâ€), which was 5.32% as of SeptemberÂ 30, 2023. If applicable, paid-in-kind (â€œPIKâ€) interest rates are noted separately from the cash interest rate. Certain securities are subject to an interest rate floor. The cash interest rate is the greater of the floor or SOFR plus a spread. Due dates represent the contractual maturity date.(C)Fair value was based on an internal yield analysis or on estimates of value submitted by a third party valuation firm.(D)Fair value was based on the indicative bid price on or near SeptemberÂ 30, 2023, offered by the respective syndication agentâ€™s trading desk.(E)Fair value was based on the total enterprise value of the portfolio company, which was then allocated to the portfolio companyâ€™s securities in order of their relative priority in the capital structure.(F)Debt security has a fixed interest rate.(G)Security is non-income producing.(H)The Company has entered into an agreement that entitles it to the "last out" tranche of the first lien secured loans, whereby the "first out" tranche will receive priority as to the "last out" tranche with respect to payments of principal, interest, and any other amounts due thereunder. (I)Represents the principal balance for debt investments and the number of shares/units held for equity investments. Warrants are represented as a percentage of ownership, as applicable.(J)Where applicable, aggregates all shares of a class of stock owned without regard to specific series owned within such class (some series of which may or may not be voting shares) or aggregates all warrants to purchase shares of a class of stock owned without regard to specific series of such class of stock such warrants allow us to purchase.(K)Category percentages represent the fair value of each category and subcategory as a percentage of net assets as of SeptemberÂ 30, 2023.(L)There are certain limitations on our ability to withdraw our partnership interest prior to dissolution of the entity, which must occur no later than May 9, 2024 or two years after all outstanding leverage has matured.(M)Non-Control/Non-Affiliate investments, as defined by the 1940 Act, are those that are neither Control nor Affiliate investments and in which we own less than 5.0% of the issued and outstanding voting securities.(N)Affiliate investments, as defined by the 1940 Act, are those in which we own, with the power to vote, between and inclusive of 5.0% and 25.0% of the issued and outstanding voting securities.(O)Control investments, as defined by the 1940 Act, are those where we have the power to exercise a controlling influence over the management or policies of the portfolio company, which may include owning, with the power to vote, more than 25.0% of the issued and outstanding voting securities.(P)Debt security is on non-accrual status. (Q)Unless indicated otherwise, all of our investments are valued using Level 3 inputs within the Financial Accounting Standards Board (â€œFASBâ€) Accounting Standard Codification (â€œASCâ€) Topic 820, â€œFair Value Measurements and Disclosuresâ€ (â€œASC 820â€) fair value hierarchy. Refer to Note 3â€”Investments in the accompanying Notes to Consolidated Financial Statements for additional information.(R)Fair value was based on net asset value provided by the fund as a practical expedient.(S)One of our affiliated funds, Gladstone Investment Corporation, co-invested with us in this portfolio company pursuant to an exemptive order granted by the U.S. Securities and Exchange Commission. (T)Our investment in Funko was valued using Level 2 inputs within ASC 820 of the fair value hierarchy. Our common units in Funko are convertible to class A common stock in Funko, Inc. upon meeting certain requirements. Fair value was based on the closing market price of THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.91Table of Contentsshares of Funko, Inc. as of the reporting date, less a discount for lack of marketability. Funko, Inc. is traded on the Nasdaq Global Select Market under the trading symbol â€œFNKO.â€ Refer to Note 3â€”Investments in the accompanying Notes to Consolidated Financial Statements for additional information.(U)The cash interest rate on this investment was indexed to 90-day SOFR, which was 5.40% as of SeptemberÂ 30, 2023. (V)Cumulative gross unrealized depreciation for federal income tax purposes is $56.9 million; cumulative gross unrealized appreciation for federal income tax purposes is $33.7 million. Cumulative net unrealized depreciation is $23.2 million, based on a tax cost of $728.0 million.THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.92Table of ContentsGLADSTONE CAPITAL CORPORATIONNOTES TO CONSOLIDATED FINANCIAL STATEMENTSSEPTEMBERÂ 30, 2024(DOLLAR AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA AND AS OTHERWISEINDICATED)NOTE 1. ORGANIZATIONGladstone Capital Corporation was incorporated under the Maryland General Corporation Law on May 30, 2001 and completed an initial public offering on August 24, 2001. The terms â€œthe Company,â€ â€œwe,â€ â€œourâ€ and â€œusâ€ all refer to Gladstone Capital Corporation and its consolidated subsidiaries. We are an externally managed, closed-end, non-diversified management investment company that has elected to be treated as a business development company (â€œBDCâ€) under the Investment Company Act of 1940, as amended (the â€œ1940 Actâ€), and are applying the guidance of the Financial Accounting Standards Board (â€œFASBâ€) Accounting Standards Codification (â€œASCâ€) Topic 946 â€œFinancial Services-Investment Companiesâ€ (â€œASC 946â€). In addition, we have elected to be treated for U.S. federal income tax purposes as a regulated investment company (â€œRICâ€) under the Internal Revenue Code of 1986, as amended (the â€œCodeâ€). We were established for the purpose of investing in debt and equity securities of established private businesses operating in the United States (â€œU.S.â€). Our investment objectives are to: (1) achieve and grow current income by investing in debt securities of established lower middle market companies (which we generally define as companies with annual earnings before interest, taxes, depreciation and amortization (â€œEBITDAâ€) of $3 million to $25 million) in the U.S. that we believe will provide stable earnings and cash flow to pay expenses, make principal and interest payments on our outstanding indebtedness and make distributions to stockholders that grow over time; and (2) provide our stockholders with long-term capital appreciation in the value of our assets by investing in equity securities, in connection with our debt investments, that we believe can grow over time to permit us to sell our equity investments for capital gains.Gladstone Business Loan, LLC (â€œBusiness Loanâ€), a wholly-owned subsidiary of ours, was established on February 3, 2003, for the sole purpose of holding certain investments pledged as collateral under our line of credit. The financial statements of Business Loan are consolidated with those of Gladstone Capital Corporation. We are externally managed by Gladstone Management Corporation (the â€œAdviserâ€), an affiliate of ours and an SEC registered investment adviser, pursuant to an investment advisory and management agreement (as amended and/or restated from time to time, the â€œAdvisory Agreementâ€). Administrative services are provided by Gladstone Administration, LLC (the â€œAdministratorâ€), an affiliate of ours and the Adviser, pursuant to an administration agreement (the â€œAdministration Agreementâ€). Refer to Note 4â€”Related Party Transactions for additional information regarding these arrangements.NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIESBasis of PresentationWe prepare our Consolidated Financial Statements and the accompanying notes in accordance with accounting principles generally accepted in the U.S. (â€œGAAPâ€) and conform to Regulation S-X. Management believes it has made all necessary adjustments so that our accompanying Consolidated Financial Statements are presented fairly and that all such adjustments are of a normal recurring nature. Our accompanying Consolidated Financial Statements include our accounts and the accounts of our wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.ConsolidationIn accordance with Article 6 of Regulation S-X, we do not consolidate portfolio company investments. Under the investment company rules and regulations pursuant to the American Institute of Certified Public Accountants Audit and Accounting Guide for Investment Companies, codified in ASC 946, we are precluded from consolidating any entity other than another investment company, except that ASC 946 provides for the consolidation of a controlled operating company that provides substantially all of its services to the investment company or its consolidated subsidiaries.Retroactive Adjustments for Reverse Stock SplitThe outstanding shares and per share amounts of the Companyâ€™s common stock in this Annual Report have been retroactively adjusted for the 1-for-2 reverse stock split (the â€œReverse Stock Splitâ€) effected on April 4, 2024 (effective April 5, 2024 for trading purposes) for all activity prior to that date, unless stated otherwise.93Table of ContentsUse of EstimatesPreparing financial statements requires management to make estimates and assumptions that affect the amounts reported in our accompanying Consolidated Financial Statements and these Notes to Consolidated

Financial Statements. Actual results may differ from those estimates.ReclassificationsCertain prior period amounts have been reclassified to conform to the current period presentation in the Consolidated Financial Statements and the accompanying Notes to Consolidated Financial Statements. Reclassifications did not impact net increase in net assets resulting from operations, total assets, total liabilities, or total net assets, or Consolidated Statements of Cash Flows classifications.Classification of InvestmentsIn accordance with the provisions of the 1940 Act applicable to BDCs, we classify portfolio investments on our accompanying Consolidated Financial Statements into the following categories:â€¢Control Investmentsâ€”Control investments are those where we have the power to exercise a controlling influence over the management or policies of the portfolio company, which may include owning, with the power to vote, more than 25.0% of the issued and outstanding voting securities of such portfolio company;â€¢Affiliate Investmentsâ€”Affiliate investments are those in which we own, with the power to vote, between 5.0% and 25.0% of the issued and outstanding voting securities that are not classified as Control investments; andâ€¢Non-Control/Non-Affiliate Investmentsâ€”Non-Control/Non-Affiliate investments are those that are neither control nor affiliate investments and in which we own less than 5.0% of the issued and outstanding voting securities.Cash and cash equivalentsWe consider all short-term, highly liquid investments that are both readily convertible to cash and have a maturity of three months or less at the time of purchase to be cash equivalents. Cash is carried at cost, which approximates fair value. We place our cash with financial institutions, and at times, cash held in checking accounts may exceed the Federal Deposit Insurance Corporation insured limit. We seek to mitigate this concentration of credit risk by depositing funds with major financial institutions.Restricted Cash and Cash EquivalentsRestricted cash is cash held in escrow that was generally received as part of an investment exit. Restricted cash is carried at cost, which approximates fair value.Investment Valuation PolicyAccounting RecognitionWe record our investments at fair value in accordance with the FASB ASC Topic 820, â€œFair Value Measurements and Disclosuresâ€ (â€œASC 820â€) and the 1940 Act. Investment transactions are recorded on the trade date. Realized gains or losses are generally measured by the difference between the net proceeds from the repayment or sale and the cost basis of the investment, without regard to unrealized appreciation or depreciation previously recognized, and include investments charged off during the period, net of recoveries. Unrealized appreciation or depreciation primarily reflects the change in investment fair values, including the reversal of previously recorded unrealized appreciation or depreciation when gains or losses are realized.Board ResponsibilityOur board of directors (the â€œBoard of Directorsâ€) has approved investment valuation policies and procedures pursuant to Rule 2a-5 under the 1940 Act (the â€œPolicyâ€) and, in July 2022, designated the Adviser to serve as the Board of Directorsâ€™ valuation designee (â€œValuation Designeeâ€) under the 1940 Act.94Table of ContentsIn accordance with the 1940 Act, our Board of Directors has the ultimate responsibility for reviewing the good faith fair value determination of our investments for which market quotations are not readily available based on our Policy and for overseeing the Valuation Designee. Such review and oversight includes receiving written fair value determinations and supporting materials provided by the Valuation Designee, in coordination with the Administrator and with the oversight by the Company's chief valuation officer (collectively, the â€œValuation Teamâ€). The Valuation Committee of our Board of Directors (comprised entirely of independent directors) meets to review the valuation determinations and supporting materials, discusses the information provided by the Valuation Team, determines whether the Valuation Team has followed the Policy, and reviews other facts and circumstances, including current valuation risks, conflicts of interest, material valuation matters, appropriateness of valuation methodologies, back-testing results, price challenges/overrides, and ongoing monitoring and oversight of pricing services. After the Valuation Committee concludes its meeting, it and the chief valuation officer, representing the Valuation Designee, present the Valuation Committeeâ€™s findings on the Valuation Designee's determinations to the entire Board of Directors so that the full Board of Directors may review the Valuation Designee's determined fair values of such investments in accordance with the Policy.There is no single standard for determining fair value (especially for privately-held businesses), as fair value depends upon the specific facts and circumstances of each individual investment. In determining the fair value of our investments, the Valuation Team, led by the chief valuation officer, uses the Policy, and each quarter the Valuation Committee and Board of Directors review the Policy to determine if changes thereto are advisable and whether the Valuation Team has applied the Policy consistently.Use of Third Party Valuation FirmsThe Valuation Team engages third-party valuation firms to provide independent assessments of fair value of certain of our investments.A third-party valuation firm generally provides estimates of fair value on our debt investments. The Valuation Team generally assigns the third-party valuation firmâ€™s estimates of fair value to our debt investments where we do not have the ability to effectuate a sale of the applicable portfolio company. The Valuation Team corroborates this third-party valuation firmâ€™s estimates of fair value using one or more of the valuation techniques discussed below. The Valuation Teamâ€™s estimate of value on a specific debt investment may significantly differ from the third-party valuation firmâ€™s. When this occurs, our Valuation Committee and Board of Directors review whether the Valuation Team has followed the Policy and the Valuation Committee reviews whether the Valuation Designeeâ€™s determined fair value is reasonable in light of the Policy and other relevant facts and circumstances.We may engage other independent valuation firms to provide earnings multiple ranges, as well as other information, and evaluate such information for incorporation into the total enterprise value (â€œTEVâ€) of certain of our investments. Generally, at least once per year, we engage an independent valuation firm to value or review the valuation of each of our significant equity investments, which includes providing the information noted above. The Valuation Team evaluates such information for incorporation into our TEV, including review of all inputs provided by the independent valuation firm. The Valuation Team then presents a determination to our Valuation Committee as to the fair value. Our Valuation Committee reviews the determined fair value and whether it is reasonable in light of the Policy and other relevant facts and circumstances.Valuation TechniquesIn accordance with ASC 820, the Valuation Team uses the following techniques when valuing our investment portfolio:â€¢Total Enterprise Value â€” In determining the fair value using a TEV, the Valuation Team first calculates the TEV of the portfolio company by incorporating some or all of the following factors: the portfolio companyâ€™s ability to make payments and other specific portfolio company attributes; the earnings of the portfolio company (the trailing or projected twelve month revenue or EBITDA); EBITDA multiples obtained from our indexing methodology whereby the original transaction EBITDA multiple at the time of our closing is indexed to a general subset of comparable disclosed transactions and EBITDA multiples from recent sales to third parties of similar securities in similar industries; a comparison to publicly traded securities in similar industries; and other pertinent factors. The Valuation Team generally reviews industry statistics and may use outside experts when gathering this information. Once the TEV is determined for a portfolio company, the Valuation Team generally allocates the TEV to the portfolio companyâ€™s securities based on the facts and circumstances of the securities, which typically results in the allocation of fair value to securities based on the order of their relative priority in the capital structure. Generally, the Valuation Team uses TEV to value our equity investments and, in the circumstances where we have the ability to effectuate a sale of a portfolio company, our debt investments. When there is equity 95Table of Contentsvalue or sufficient TEV to cover the principal balance of our debt securities, the fair value of our senior secured debt generally equals or approximates cost.TEV is primarily calculated using EBITDA and EBITDA multiples; however, TEV may also be calculated using revenue and revenue multiples or a discounted cash flow (â€œDCFâ€) analysis whereby future expected cash flows of the portfolio company are discounted to determine a net present value using estimated risk-adjusted discount rates, which incorporate adjustments for nonperformance and liquidity risks. â€¢Yield Analysis â€” The Valuation Team generally determines the fair value of our debt investments for which we do not have the ability to effectuate a sale of the applicable portfolio company using the yield analysis, which includes a DCF calculation and assumptions that the Valuation Team believes market participants would use, including, estimated remaining life, current market yield, current leverage, and interest rate spreads. This technique develops a modified discount rate that incorporates risk premiums including increased probability of default, increased loss upon default and increased liquidity risk. Generally, the Valuation Team uses the yield analysis to corroborate both estimates of value provided by our third party valuation firm and market quotes. â€¢Market Quotes â€” For our investments for which a limited market exists, we generally base fair value on readily available and reliable market quotations which are corroborated by the Valuation Team (generally by using the yield analysis described above). In addition, the Valuation Team assesses trading activity for similar investments and evaluates variances in quotations and other market insights to determine if any available quoted prices are reliable. Typically, the Valuation Team uses the lower indicative bid price (â€œIBPâ€) in the bid-to-ask price range obtained from the respective originating syndication agentâ€™s trading desk on or near the valuation date. The Valuation Team may take further steps to consider additional information to validate that price in accordance with the Policy. For securities that are publicly traded, the Valuation Team generally bases fair value on the closing market price of the securities we hold as of the reporting date. For restricted securities that are publicly traded, the Valuation Team generally bases fair value on the closing market price of the securities we hold as of the reporting date less a discount for the restriction, which includes consideration of the nature and term to expiration of the restriction and the lack of marketability of the security.â€¢Investments in Funds â€” For equity investments in other funds for which we cannot effectuate a sale of the fund, the Valuation Team generally determines the fair value of our invested capital at the net asset value (â€œNAVâ€) provided by the fund. Any invested capital that is not yet reflected in the NAV provided by the fund is valued at par value. The Valuation Team may also determine fair value of our investments in other investment funds based on the capital accounts of the underlying entity.In addition to the valuation techniques listed above, the Valuation Team may also consider other factors when determining the fair value of our investments, including: the nature and realizable value of the collateral, including external partiesâ€™ guaranties, any relevant offers or letters of intent to acquire the portfolio company, timing of expected loan repayments, and the markets in which the portfolio company operates. Fair value measurements of our investments may involve subjective judgments and estimates and due to the uncertainty inherent in valuing these securities, the determinations of fair value may fluctuate from period to period and may differ materially from the values that could be obtained if a ready market for these securities existed. Our NAV could be materially affected if the determinations regarding the fair value of our investments are materially different from the values that we ultimately realize upon our disposal of such securities. Additionally, changes in the market environment and other events that may occur over the life of the investment may cause the gains or losses ultimately realized on these investments to be different than the valuations currently assigned. Further, such investments are generally subject to legal and other restrictions on resale or otherwise are less liquid than publicly traded securities. If we were required to liquidate a portfolio investment in a forced or liquidation sale, we could realize significantly less than the value at which it is recorded.Refer to Note 3â€”Investments for additional information regarding fair value measurements and our application of ASC 820. 96Table of ContentsRevenue RecognitionInterest Income RecognitionInterest income, including the amortization of premiums, acquisition costs and amendment fees, the accretion of original issue discounts (â€œOIDâ€), and paid-in-kind (â€œPIKâ€) interest, is recorded on the accrual basis to the extent that such amounts are expected to be collected. Generally, when a loan becomes 90 days or more past due or if our qualitative assessment indicates that the debtor is unable to service its debt or other obligations, we 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, we remain contractually entitled to this interest. Interest payments received on non-accrual loans may be recognized as income or applied to the cost basis depending upon management's judgment. Generally, non-accrual loans are restored to accrual status when past due principal and interest are paid and, in managementâ€™s judgment, are likely to remain current, or due to a restructuring such that the interest income is deemed to be collectible. As of SeptemberÂ 30, 2024, our loans to B+T Group Acquisition, Inc., Edge Adhesives Holdings, Inc., and WB Xcel Holdings, LLC were on non-accrual status with a cost basis of $28.3 million, or 4.1% of the cost basis of all debt investments in our portfolio, and a fair value of $12.8 million, or 1.9% of the fair value of all debt investments in our portfolio. As of SeptemberÂ 30, 2023, our loan to Edge Adhesives Holdings, Inc. was on non-accrual status with a cost basis of $6.1 million, or 0.9% of the cost basis of all debt investments in our portfolio, and a fair value of $2.9 million, or 0.5% of the fair value of all debt investments in our portfolio. We currently hold, and we expect to hold in the future, some loans in our portfolio that contain OID or PIK provisions. We recognize OID for loans originally issued at discounts and recognize 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. Thus, the actual collection of PIK income may be deferred until the time of debt principal repayment. To maintain our ability to be taxed as a RIC, we may need to pay out both OID and PIK non-cash income amounts in the form of distributions, even though we have not yet collected the cash on either.As of SeptemberÂ 30, 2024 and 2023, we held two and four OID loans, respectively. We recorded OID income of $0.4 million, $0.2 million, and $0.5 million during the years ended SeptemberÂ 30, 2024, 2023, and 2022, respectively. The unamortized balance of OID investments as of SeptemberÂ 30, 2024 and 2023 totaled $0.6 million and $0.7 million, respectively. As of each of SeptemberÂ 30, 2024 and 2023, we had eight investments which had a PIK interest component. We recorded PIK interest income of $5.7 million, $3.6 million, and $4.2 million during the years ended SeptemberÂ 30, 2024, 2023, and 2022, respectively. We collected $0.2 million, $1.1 million, and $2.4 million of PIK interest in cash during the years ended SeptemberÂ 30, 2024, 2023, and 2022, respectively.Success Fee Income RecognitionWe record success fees as income when earned, which often occurs upon receipt of cash. Success fees are generally contractually due upon a change of control in a portfolio company, typically resulting from an exit or sale, and are non-recurring.Dividend Income RecognitionWe accrue dividend income on preferred and common equity securities to the extent that such amounts are expected to be collected and if we have the option to collect such amounts in cash or other consideration.Deferred Financing and Offering CostsDeferred financing and offering costs consist of costs incurred to obtain financing, including lender fees and legal fees. Certain costs associated with our Credit Facility (as defined below) are deferred and amortized using the straight-line method, which approximates the effective interest method, over the term of our Credit Facilityâ€™s revolving period. Costs associated with the issuance of our notes payable are presented as discounts to the principal amount of the notes payable and are amortized using the straight-line method, which approximates the effective interest method, over the term of the notes. Refer to Note 5 â€” Borrowings for further discussion.97Table of ContentsRelated Party FeesWe are party to the Advisory Agreement with the Adviser, which is indirectly owned and controlled by our chairman and chief executive officer. In accordance with the Advisory Agreement, we pay the Adviser fees as compensation for its services, consisting of a base management fee and an incentive fee. Additionally, we pay the Adviser a loan servicing fee as compensation for its services as servicer under the terms of our revolving line of credit with KeyBank National Association (â€œKeyBankâ€), as administrative agent, lead arranger and lender (as amend and/or restated from time to time, our â€œCredit Facilityâ€). These fees are accrued at the end of the quarter when the services are performed and generally paid the following quarter.We are also party to the Administration Agreement with the Administrator, which is indirectly owned and controlled by our chairman and chief executive officer, whereby we pay separately for administrative services. Refer to Note 4â€” Related Party Transactions for additional information regarding these related party fees and agreements.Income TaxesWe intend to continue to qualify for treatment as a RIC under subchapter M of the Code, which generally allows us to avoid paying corporate income taxes on any income or gains that we distribute to our stockholders. We intend to continue to distribute sufficient dividends to eliminate taxable income. Refer to Note 10â€” Federal and State Income Taxes for additional information regarding our RIC requirements.ASC 740, â€œIncome Taxesâ€ requires the evaluation of tax positions taken or expected to be taken in the course of preparing our tax returns to determine whether the tax positions are â€œmore-likely-than-notâ€ of being sustained by the applicable tax authorities. Tax positions not deemed to satisfy the â€œmore-likely-than-notâ€ threshold would be recorded as a tax benefit or expense in the current fiscal year. We have evaluated the implications of ASC 740, for all open tax years and in all major tax jurisdictions, and determined that there is no material impact on our accompanying Consolidated Financial Statements. Our federal tax returns for fiscal years 2021 to 2023 remain subject to examination by the Internal Revenue Service (â€œIRSâ€).DistributionsDistributions to stockholders are recorded on the ex-dividend date. We are required to pay out at least 90.0% of our Investment Company Taxable Income (as defined below), which is generally our net ordinary income plus the excess of our net short-term capital gains over net long-term capital losses for each taxable year as a distribution to our stockholders in order to maintain our ability to be taxed as a RIC under Subchapter M of the Code. It is our policy to pay out as a distribution up to 100.0% of those amounts. The amount to be paid is determined by our Board of Directors each quarter and is based on the annual earnings estimated by our management. Based on that estimate, a distribution is declared each quarter and is paid out monthly over the course of the respective quarter. Refer to Note 9â€”Distributions to Common Stockholders for further information.Our transfer agent, Computershare, Inc., offers a dividend reinvestment plan for our common stockholders. This is an â€œopt inâ€ dividend reinvestment plan, meaning that common stockholders may elect to have their cash distributions automatically reinvested in additional shares of our common stock. Common stockholders who do not make such election will receive their distributions in cash. Common stockholders who receive distributions in the form of stock will be subject to the same federal, state and local tax consequences as stockholders who elect to receive their distributions in cash. As plan agent, Computershare, Inc. purchases shares in the open market in connection with the obligations under the plan.Recent Accounting PronouncementsIn June 2022, the FASB issued Accounting Standards Update 2022-03, â€œFair Value Measurement (Topic 820): Fair ValueMeasurement of Equity Securities Subject to Contractual Sale Restrictionsâ€ (â€œASU 2022-03â€), which clarifies the measurement and presentation of fair value for equity securities subject to contractual restrictions that prohibit the sale of the equity security. ASU 2022-03 is effective for annual reporting periods beginning after December 15, 2023, including interim periods within those fiscal years, with early adoption permitted. Our early adoption of ASU 2022-03 did not have a material impact on our financial position, results of operations or cash flows.98Table of ContentsNOTE 3. INVESTMENTSIn accordance with ASC 820, the fair value of each investment is determined to be the price that would be received for an investment in a current sale, which assumes 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 following 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.â€¢Level 1 â€” inputs to the valuation methodology are quoted prices (unadjusted) for identical financial instruments in active markets;â€¢Level 2 â€” inputs to the valuation methodology include quoted prices for similar financial instruments in active or inactive markets, and inputs that are observable for the financial instrument, either directly or indirectly, for substantially the full term of the financial instrument. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists or instances where prices vary substantially over time or among brokered market makers; andâ€¢Level 3 â€” inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs are those inputs that reflect assumptions that market participants would use when pricing the financial instrument and can include the Valuation Teamâ€™s assumptions based upon the best available information.When a determination is made to classify our investments within Level 3 of the valuation hierarchy, such determination is based upon the significance of the unobservable factors to the overall fair value measurement. However, Level 3 financial instruments typically include, in addition to the unobservable, or Level 3, inputs, observable inputs (or components that are actively quoted and can be validated to external sources). The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement. Investments in funds measured using NAV as a practical expedient are not categorized within the fair value hierarchy.As of SeptemberÂ 30, 2024, all of our investments were valued using Level 3 inputs within the ASC 820 fair value hierarchy, except for our investment in Leeds Novamark Capital I, L.P. (â€œLeedsâ€), which was valued using NAV as a practical expedient. As of SeptemberÂ 30, 2023, all of our investments were valued using Level 3 inputs within the ASC 820 fair value hierarchy, except for our investment in Funko Acquisition Holdings, LLC (â€œFunkoâ€), which was valued using Level 2 inputs, and our investment in Leeds, which was valued using NAV as a practical expedient.We transfer investments in and out of Level 1, 2, and 3 of the valuation hierarchy as of the beginning balance sheet date, based on changes in the use of observable and unobservable inputs utilized to perform the valuation for the period. During the years ended SeptemberÂ 30, 2024 and 2023, there were no investments transferred into or out of Levels 1, 2 or 3 of the valuation hierarchy.As of SeptemberÂ 30, 2024 and 2023, our investments, by security type, at fair value were categorized as follows within the ASC 820 fair value hierarchy:Fair Value MeasurementsFair ValueQuoted Prices in Active Markets for Identical Assets (Level 1)Significant Other Observable Inputs (Level 2)Significant Unobservable Inputs (Level 3)As of September 30, 2024:Secured first lien debt$554,937Â $â€”Â $â€”Â $554,937Â Secured second lien debt 113,716Â â€”Â â€”Â 113,716Â Unsecured debt32Â â€”Â â€”Â 32Â Preferred equity 31,346Â â€”Â â€”Â 31,346Â Common equity/equivalents96,191Â (A)â€”Â â€”Â 96,191Â Total Investments as of September 30, 2024:$796,222Â $â€”Â $â€”Â $796,222Â 99Table of ContentsFair ValueFair Value MeasurementsQuoted Prices in Active Markets for Identical Assets (Level 1)Significant Other Observable Inputs (Level 2)Significant Unobservable Inputs (Level 3)As of September 30, 2023:Secured first lien debt$510,701Â $â€”Â $â€”Â $510,701Â Secured second lien debt 127,854Â â€”Â â€”Â 127,854Â Unsecured debt24Â â€”Â â€”Â 24Â Preferred equity 26,855Â â€”Â â€”Â 26,855Â Common equity/equivalents39,150Â (A)â€”Â 22Â (B)39,128Â Total Investments as of September 30, 2023:$704,584Â $â€”Â $22Â $704,562Â (A)Excludes our investment in Leeds with a fair value of $38 thousand and $0.2 million as of SeptemberÂ 30, 2024 and 2023, respectively. Leeds was valued using NAV as a practical expedient.(B)Fair value was determined based on the closing market price of shares of Funko, Inc. (our units in Funko can be converted into common shares of Funko, Inc.) at the reporting date less a discount for lack of marketability as our investment was subject to certain restrictions.100Table of ContentsThe following table presents our portfolio investments, valued using Level 3 inputs within the ASC 820 fair value hierarchy and carried at fair value as of SeptemberÂ 30, 2024 and 2023 by caption on our accompanying Consolidated Statements of Assets and Liabilities, and by security type:Total Recurring Fair Value Measurements Reported in Consolidated Statements of Assets and Liabilities Using Significant Unobservable Inputs (Level 3)September 30,2024September 30,2023Non-Control/Non-Affiliate InvestmentsSecured first lien debt$540,661Â $491,686Â Secured second lien debt105,169Â 120,429Â Unsecured debt32Â 24Â Preferred equity27,247Â 21,733Â Common equity/equivalents77,757Â (A)29,419Â (B)Total Non-Control/Non-Affiliate Investments$750,866Â $663,291Â Affiliate InvestmentsSecured first lien debt$380Â $2,895Â Preferred equity4,099Â 5,122Â Common equity/equivalents2,959Â 2,404Â Total Affiliate Investments $7,438Â $10,421Â Control InvestmentsSecured first lien debt$13,896Â $16,120Â Secured second lien debt8,547Â 7,425Â Preferred equityâ€”Â â€”Â Common equity/equivalents15,475Â 7,305Â Total Control Investments $37,918Â $30,850Â Total Investments at Fair Value Using Level 3 Inputs$796,222Â $704,562Â (A)Excludes our investment in Leeds with fair value of $38 thousand as of SeptemberÂ 30, 2024. Leeds was valued using NAV as a practical expedient.(B)Excludes our investments in Leeds and Funko with fair values of $0.2 million and $22 thousand, respectively, as of SeptemberÂ 30, 2023. Leeds was valued using NAV as a practical expedient, and Funko was valued using Level 2 inputs.101Table of ContentsIn accordance with ASC 820, the following table provides quantitative information about our Level 3 fair value measurements of our investments as of SeptemberÂ 30, 2024 and 2023. The table below is not intended to be all-inclusive, but rather provides information on the significant Level 3 inputs as they relate to our fair value measurements. The weighted average calculations in the table below are based on the principal balances for all debt related calculations and on the cost basis for all equity related calculations for the particular input.Quantitative Information about Level 3 Fair Value MeasurementsRange / Weighted Average as ofSeptember 30,2024September 30,2023Valuation Techniques/ MethodologiesUnobservableInputSeptember 30,2024September 30,2023Secured first lien debt$464,090Â $461,638Â Yield AnalysisDiscount Rate10.8%â€“17.3% / 12.6%11.8%â€“29.9% / 14.8%90,847Â 49,063Â TEVEBITDA multiple4.1xâ€“13.9x / 10.0x4.7xâ€“6.8x / 6.7xEBITDA$3,020â€“$16,211 / $10,309$995â€“$14,002 / $13,624Revenue multiple0.2xâ€“4.6x / 2.1x0.3xâ€“0.8x / 0.6xRevenue$6,336â€“$21,118 / $13,981$14,934â€“$16,283 / $15,361Secured second lien debt101,928Â 110,820Â Yield AnalysisDiscount Rate12.2%â€“16.0% / 14.1%12.5%â€”15.6% / 14.5%3,241Â 9,609Â Market QuoteIBP88.0%â€“88.0% / 88.0%67.8%â€“94.0% / 82.2%8,547Â 7,425Â TEVEBITDA multiple5.4xâ€“5.4x / 5.4x5.6xâ€“5.6x / 5.6xEBITDA$3,343â€“$3,343 / $3,343$3,690â€“$3,690 / $3,690Unsecured debt32Â 24Â TEVRevenue multiple1.0xâ€“1.0x / 1.0x1.0xâ€“1.0x / 1.0xRevenue$7,834â€“$7,834 / $7,834$5,044â€“$5,044 / $5,044Preferred and common equity / equivalents(A)127,537Â 65,983Â TEVEBITDA multiple4.1xâ€“13.9x / 8.0x4.7xâ€“13.0x / 6.9xEBITDA$1,182â€“$144,458 / $10,847$995â€“$112,841 / $10,570Revenue multiple0.2xâ€“4.6x / 2.0x0.3xâ€“3.0x / 1.2xRevenue$4,672â€“$21,118 / $12,587$4,213â€“$16,283 / $14,959Total Level 3 Investments, at Fair Value$796,222Â $704,562Â (A)Fair value as of September 30, 2024 excludes our investment in Leeds with fair value of $38Â thousand. Fair value as of September 30, 2023 excludes our investments in Leeds and Funko with fair values of $0.2Â million and $22Â thousand, respectively. Leeds was valued using NAV as a practical expedient as of both September 30, 2024 and 2023, and Funko was valued using Level 2 inputs as of September 30, 2023. Fair value measurements can be sensitive to changes in one or more of the valuation inputs. Changes in discount rates, EBITDA or EBITDA multiples (or revenue or revenue multiples), each in isolation, may change the fair value of certain of our investments. Generally, an increase/(decrease) in market yields, discount rates, or a (decrease)/increase in EBITDA or EBITDA multiples (or revenue or revenue multiples) may result in a (decrease)/increase, respectively, in the fair value of certain of our investments.102Table of ContentsChanges in Level 3 Fair Value Measurements of InvestmentsThe following tables provide the changes in fair value, broken out by security type, during the years ended SeptemberÂ 30, 2024 and 2023 for all investments for which we determine fair value using unobservable (Level 3) inputs.Fair Value Measurements Using Significant Unobservable Inputs (Level 3)Year Ended September 30, 2024Secured First Lien DebtSecured Second Lien DebtUnsecured DebtPreferred EquityCommon Equity/ EquivalentsTotalFair Value as of September 30, 2023$510,701Â $127,854Â $24Â $26,855Â $39,128Â $704,562Â Total gains (losses):Net realized gain (loss)(A) (50)â€”Â â€”Â 332Â 1,724Â 2,006Â Net unrealized appreciation (depreciation)(B)(7,071)2,445Â 8Â (5,039)52,781Â 43,124Â Reversal of prior period net depreciation (appreciation) on realization(B)(53)(22)â€”Â 130Â (283)(228)New investments, repayments and settlements:(C)Issuances/originations131,462Â 36,978Â â€”Â 10,150Â 4,585Â 183,175Â Settlements/repayments(80,102)(53,539)â€”Â â€”Â â€”Â (133,641)Net proceeds from sales50Â â€”Â â€”Â (1,082)(1,744)(2,776)Transfers â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â Fair Value as of September 30, 2024$554,937Â $113,716Â $32Â $31,346Â $96,191Â $796,222Â Fair Value Measurements Using Significant Unobservable Inputs (Level 3)Year Ended September 30, 2023Secured First Lien DebtSecured Second Lien DebtUnsecured DebtPreferred EquityCommon Equity/ EquivalentsTotalFair Value as of September 30, 2022$463,858Â $115,928Â $55Â $27,046Â $36,273Â $643,160Â Total gains (losses):Net realized gain (loss)(A) (107)â€”Â (95) (279)8,695Â 8,214Â Net unrealized appreciation (depreciation)(B)(7,577)617Â (31)(1,829)10,563Â 1,743Â Reversal of prior period net depreciation (appreciation) on realization(B)850Â 6Â 95Â 526Â (9,257)(7,780)New investments, repayments and settlements: (C)Issuances/originations154,762Â 15,421Â â€”Â 2,045Â 4,532Â 176,760Â Settlements/repayments(101,085)(4,118)â€”Â â€”Â â€”Â (105,203)Net proceeds from salesâ€”Â â€”Â â€”Â (654) (11,678)(12,332)Transfersâ€”Â â€”Â â€”Â â€”Â â€”Â â€”Â Fair Value as of September 30, 2023$510,701Â $127,854Â $24Â $26,855Â $39,128Â $704,562Â (A)Included in net realized gain (loss) on investments on our accompanying Consolidated Statements of Operations for the corresponding period.(B)Included in net unrealized appreciation (depreciation) on investments on our accompanying Consolidated Statements of Operations for the corresponding period.(C)Includes increases in the cost basis of investments resulting from new portfolio investments, accretion of discounts, PIK, and other non-cash disbursements to portfolio companies, as well as decreases in the cost basis of investments resulting from principal repayments or sales, the amortization of premiums and acquisition costs and other cost-basis adjustments.103Table of ContentsInvestment ActivityProprietary InvestmentsAs of SeptemberÂ 30, 2024 and 2023, we held 47 and 47 proprietary investments with an aggregate fair value of $792.9 million and $695.1 million, or 99.6% and 98.6% of the total portfolio at fair value, respectively. The following significant proprietary investment transactions occurred during the year ended SeptemberÂ 30, 2024:â€¢In November 2023, we invested $11.0Â million in Quality Environmental Midco, Inc. (â€œQualityâ€) through secured first lien debt and preferred equity. We also extended Quality a $2.0Â million secured first lien line of credit commitment, which was unfunded at close. In February 2024, we invested an additional $5.0Â million in Quality through new secured first lien debt and preferred equity and increased the secured first lien line of credit commitment to $3.0Â million. â€¢In November 2023, we extended Cafe Zupas, an existing portfolio company, a new $10.5Â million secured first lien delayed draw term loan commitment, which was unfunded at close. We funded $1.4Â million on the delayed draw term loan in December 2023. In addition, our existing term loan was paid down by $7.3Â million. â€¢In November 2023, our remaining investment in PIC 360, LLC was sold resulting in a net realized gain of $0.3Â million. â€¢In December 2023, we invested an additional $14.3Â million in ALS Education, LLC, an existing portfolio company, through secured first lien debt.â€¢In December 2023, we invested an additional $12.0Â million in Leadpoint Business Services, LLC, an existing portfolio company, through secured first lien debt.â€¢In December 2023, we invested an additional $7.0Â million in Salt & Straw, LLC, an existing portfolio company, through preferred equity. We also increased our delayed draw term loan commitment to Salt & Straw, LLC by $2.9Â million. â€¢In February and March 2024, we invested a total of an additional $13.5Â million in SpaceCo Holdings, LLC (â€œSpaceCoâ€), an existing portfolio company, through secured first lien debt. â€¢In February 2024, we invested $15.0Â million in Perimeter Solutions Group through secured second lien debt.â€¢In March 2024, we received net cash proceeds of $8.4Â million from the sale of Trowbridge Chicago, LLC (â€œTrowbridgeâ€), an existing portfolio company. In conjunction with the sale, we received $0.2Â million in prepayment fees and recorded a net realized gain of $0.2Â million on our equity. In September 2024, our remaining debt investment in Trowbridge paid off at par for net cash proceeds of $0.3Â million. â€¢In April 2024, we invested $7.3Â million in Total Access Elevator, LLC (â€œTotal Accessâ€) through secured first lien debt and common equity. We also extended Total Access a $3.0Â million line of credit commitment and a $2.5Â million delayed draw term loan commitment, both of which were unfunded at close.â€¢In April 2024, our debt investment in Giving Home Healthcare, LLC (â€œGiving Homeâ€) paid off at par for net cash proceeds of $29.7Â million including a $0.9Â million prepayment penalty. We also exercised our warrant position for common equity in Giving Home, which we continue to hold, and received a $2.5Â million distribution associated with this investment. â€¢In May 2024, our debt investment in Gray Matter Systems, LLC paid off at par for net cash proceeds of $14.0Â million including a $0.2Â million prepayment penalty. â€¢In May 2024, our debt investment in Pansophic Learning, Ltd. (â€œPansophicâ€) paid off at par for net cash proceeds of $33.0Â million. â€¢In May 2024, we invested $20.0Â million in RPM Freight Systems, LLC (â€œRPMâ€) through secured second lien debt. We also extended RPM a $5.0Â million delayed draw term loan commitment, which was unfunded at close.â€¢In May 2024, our remaining shares in Funko were sold representing an exit of our investment and a return of our equity cost basis of $21Â thousand and a realized gain of $2Â thousand.104Table of Contentsâ€¢In June 2024, we invested an additional $7.4Â million in Workforce QA, LLC, an existing portfolio company, through secured first lien debt.â€¢In July 2024, we invested an additional $6.5Â million in Turn Key Health Clinics, LLC (â€œTurn Keyâ€), an existing portfolio company, through secured first lien debt. We also extended Turn Key an additional $2.0Â million line of credit commitment which was funded in July 2024.â€¢In September 2024, we invested an additional $13.5Â million in Arc Drilling Holdings LLC, an existing portfolio company, through secured first lien debt and common equity. We also extended Arc Drilling an additional $4.0Â million line of credit commitment and funded $0.9Â million under the line of credit at close.Syndicated InvestmentsAs of SeptemberÂ 30, 2024 and 2023, we held two and four syndicated investments with an aggregate fair value of $3.3 million and $9.7 million, or 0.4% and 1.4% of the total portfolio at fair value, respectively. The following significant syndicated investment transactions occurred during the year ended SeptemberÂ 30, 2024:â€¢In January 2024, our investment in CHA Holdings, Inc. paid off at par for net proceeds of $3.0Â million.â€¢In July 2024, our investment in Tailwind Smith Cooper Immediate Corporation paid off at par for net proceeds of $5.0Â million. Investment ConcentrationsAs of SeptemberÂ 30, 2024, our investment portfolio consisted of investments in 49 portfolio companies located in 22 states in 13 different industries, with an aggregate fair value of $796.3 million. The five largest investments at fair value as of SeptemberÂ 30, 2024 totaled $232.7 million, or 29.2% of our total investment portfolio, as compared to the five largest investments at fair value as of SeptemberÂ 30, 2023 totaling $176.9 million, or 25.1% of our total investment portfolio. As of SeptemberÂ 30, 2024 and 2023, our average investment by obligor was $15.7 million and $14.2 million at cost, respectively.The following table outlines our investments by security type as of SeptemberÂ 30, 2024 and 2023:September 30, 2024September 30, 2023CostFair ValueCostFair ValueSecured first lien debt$580,736Â 75.3Â %$554,937Â 69.7Â %$529,376Â 73.3Â %$510,701Â 72.5Â %Secured second lien debt113,691Â 14.8Â 113,716Â 14.3Â 130,252Â 18.1Â 127,854Â 18.1Â Unsecured debt198Â 0.0Â 32Â 0.0Â 198Â 0.0Â 24Â 0.0Â Total debt investments 694,625Â 90.1Â 668,685Â 84.0Â 659,826Â 91.4Â 638,579Â 90.6Â Preferred equity45,017Â 5.8Â 31,346Â 3.9Â 35,617Â 4.9Â 26,855Â 3.8Â Common equity/equivalents 31,369Â 4.1Â 96,229Â 12.1Â 26,826Â 3.7Â 39,381Â 5.6Â Total equity investments 76,386Â 9.9Â 127,575Â 16.0Â 62,443Â 8.6Â 66,236Â 9.4Â Total Investments $771,011Â 100.0Â %$796,260Â 100.0Â %$722,269Â 100.0Â %$704,815Â 100.0Â %105Table of ContentsOur investments at fair value consisted of the following industry classifications as of SeptemberÂ 30, 2024 and 2023:Industry ClassificationSeptember 30, 2024September 30, 2023Fair ValuePercentage of Total InvestmentsFair ValuePercentage of Total InvestmentsDiversified/Conglomerate Service$179,032Â 22.5Â %$135,060Â 19.2Â %Diversified/Conglomerate Manufacturing160,264Â 20.1Â 158,061Â 22.4Â Aerospace and Defense153,096Â 19.2Â 97,836Â 13.9Â Healthcare, Education, and Childcare101,707Â 12.8Â 146,438Â 20.8Â Beverage, Food, and Tobacco88,327Â 11.1Â 78,788Â 11.2Â Automobile28,286Â 3.6Â 27,571Â 3.9Â Machinery21,816Â 2.7Â 6,411Â 0.9Â Oil and Gas20,554Â 2.6Â 27,830Â 3.9Â Cargo Transportation20,200Â 2.5Â â€”Â â€”Â Personal and Non-Durable Consumer Products13,586Â 1.7Â 14,576Â 2.1Â Other, < 2.0%9,392Â 1.2Â 12,244Â 1.7Â Total Investments$796,260Â 100.0Â %$704,815Â 100.0Â %Our investments at fair value were included in the following U.S. geographic regions as of SeptemberÂ 30, 2024 and 2023:LocationSeptember 30, 2024September 30, 2023Fair ValuePercentage of Total InvestmentsFair ValuePercentage of Total InvestmentsSouth$314,010Â 39.4Â %$273,181Â 38.8Â %West249,082Â 31.3Â 224,235Â 31.8Â Midwest192,897Â 24.2Â 145,122Â 20.6Â Northeast40,271Â 5.1Â 62,277Â 8.8Â Total Investments$796,260Â 100.0Â %$704,815Â 100.0Â %The geographic composition indicates the location of the headquarters for our portfolio companies. A portfolio company may have additional locations in other geographic regions.Investment Principal RepaymentsThe following table summarizes the contractual principal repayment and maturity of our investment portfolio by fiscal year, assuming no voluntary prepayments, as of SeptemberÂ 30, 2024:Year Ending September 30,Amount2025(A)$16,322Â 2026160,366Â 2027227,287Â 2028193,374Â 202978,697Â Thereafter20,000Â Total contractual repayments$696,046Â Adjustments to cost basis of debt investments(1,421)Investments in equity securities76,386Â Investments held as of September 30, 2024 at cost:$771,011Â (A)Includes debt investments with contractual principal amounts totaling $0.2 million for which the maturity date has passed as of SeptemberÂ 30, 2024.106Table of ContentsReceivables from Portfolio CompaniesReceivables from portfolio companies represent non-recurring costs incurred on behalf of such portfolio companies and are included in other assets on our accompanying Consolidated Statements of Assets and Liabilities. We generally maintain an allowance for uncollectible receivables from portfolio companies when the receivable balance becomes 90 days or more past due or if it is determined, based upon managementâ€™s judgment, that the portfolio company is unable to pay its obligations. We write-off accounts receivable when we have exhausted collection efforts and have deemed the receivables uncollectible. As of SeptemberÂ 30, 2024 and 2023, we had gross receivables from portfolio companies of $1.7 million and $0.8 million, respectively. The allowance for uncollectible receivables was $75 thousand and $9 thousand as of SeptemberÂ 30, 2024 and 2023, respectively.NOTE 4. RELATED PARTY TRANSACTIONSTransactions with the AdviserWe have been externally managed by the Adviser pursuant to the Advisory Agreement since October 1, 2004 pursuant to which we pay the Adviser a base management fee and an incentive fee for its services. On July 9, 2024, our Board of Directors, including a majority of the directors who are not parties to the Advisory Agreement or interested persons of such party, unanimously approved the renewal of the Advisory Agreement through August 31, 2025.We also pay the Adviser a loan servicing fee for its role of servicer pursuant to our Credit Facility. The entire loan servicing fee paid to the Adviser by Business Loan is non-contractually, unconditionally and irrevocably credited against the base management fee otherwise payable to the Adviser, since Business Loan is a consolidated subsidiary of ours, and overall, the base management fee (including any loan servicing fee) cannot exceed 1.75% of total assets (including investments made with proceeds of borrowings, less any uninvested cash or cash equivalents resulting from borrowings) during any given fiscal year pursuant to the Advisory Agreement.Two of our executive officers, David Gladstone (our chairman and chief executive officer) and Terry Lee Brubaker (our chief operating officer), serve as directors and executive officers of the Adviser, which is 100% indirectly owned and controlled by Mr. Gladstone. Robert Marcotte (our president) also serves as executive vice president of private equity (debt) of the Adviser. Michael LiCalsi, our general counsel and secretary (who also serves as the Administratorâ€™s president, general counsel and secretary), is also the executive vice president of administration of our Adviser.107Table of ContentsThe following table summarizes the base management fee, incentive fee, and loan servicing fee and associated non-contractual, unconditional and irrevocable credits reflected in our accompanying Consolidated Statements of Operations:Year Ended September 30,202420232022Average total assets subject to base management fee(A) $777,657Â $685,600Â $585,543Â Multiplied by annual base management fee of 1.75%1.75Â %1.75Â %1.75Â %Base management fee(B)13,609Â 11,998Â 10,247Â Portfolio company fee credit(2,866)(3,263)(4,196)Syndicated loan fee credit(101)(126)(170)Net Base Management Fee$10,642Â $8,609Â $5,881Â Loan servicing fee(B)$8,862Â $8,053Â $6,329Â Credit to base management fee - loan servicing fee(B)(8,862)(8,053)(6,329)Net Loan Servicing Fee$â€”Â $â€”Â $â€”Â Incentive fee (B) $11,410Â $10,255Â $7,511Â Incentive fee credit(204)â€”Â (437)Net Incentive Fee$11,206Â $10,255Â $7,074Â Portfolio company fee credit$(2,866)$(3,263)$(4,196)Syndicated loan fee credit(101)(126)(170)Incentive fee credit(204)â€”Â (437)Credit to Fees from Adviserâ€”Other(B) $(3,171)$(3,389)$(4,803)(A)Average total assets subject to the base management fee is defined in the Advisory Agreement as total assets, including investments made with proceeds of borrowings, less any uninvested cash or cash equivalents resulting from borrowings, valued at the end of the two most recently completed quarters within the respective years and adjusted appropriately for any share issuances or repurchases during the period.(B)Reflected as a line item on our accompanying Consolidated Statements of Operations.Base Management FeeThe base management fee is payable quarterly to the Adviser pursuant to our Advisory Agreement and is assessed at an annual rate of 1.75%, computed on the basis of the value of our average total assets at the end of the two most recently-completed quarters (inclusive of the current quarter), which are total assets, including investments made with proceeds of borrowings, less any uninvested cash or cash equivalents resulting from borrowings and adjusted appropriately for any share issuances or repurchases during the period.Additionally, pursuant to the requirements of the 1940 Act, the Adviser makes available significant managerial assistance to our portfolio companies. The Adviser may also provide other services to our portfolio companies under certain agreements and may receive fees for services other than managerial assistance. Such services may include: (i) assistance obtaining, sourcing or structuring credit facilities, long term loans or additional equity from unaffiliated third parties; (ii) negotiating important contractual financial relationships; (iii) consulting services regarding restructuring of the portfolio company and financial modeling as it relates to raising additional debt and equity capital from unaffiliated third parties; and (iv) taking a primary role in interviewing, vetting and negotiating employment contracts with candidates in connection with adding and retaining key portfolio company management team members. The Adviser non-contractually, unconditionally, and irrevocably credits 100% of any fees for such services against the base management fee that we would otherwise be required to pay to the Adviser; however, pursuant to the terms of the Advisory Agreement, a small percentage of certain of such fees, totaling $8Â thousand, $0, and $8Â thousand for the years ended SeptemberÂ 30, 2024, 2023, and 2022, respectively, was retained by the Adviser in the form of reimbursement, at cost, for tasks completed by personnel of the Adviser primarily for the valuation of portfolio companies.108Table of ContentsOur Board of Directors accepted a non-contractual, unconditional, and irrevocable credit from the Adviser to reduce the annual base management fee on syndicated loan participations to 0.5%, to the extent that proceeds resulting from borrowings were used to purchase such syndicated loan participations, for each of the years ended SeptemberÂ 30, 2024 and 2023.Loan Servicing FeeThe Adviser also services the loans held by Business Loan (the borrower under the Credit Facility), in return for which the Adviser receives a 1.5% annual fee payable monthly based on the aggregate outstanding balance of loans pledged under our Credit Facility. As discussed in the notes to the table above, we treat payment of the loan servicing fee pursuant to the Credit Facility as a pre-payment of the base management fee under the Advisory Agreement. Accordingly, these loan servicing fees are 100% non-contractually, unconditionally and irrevocably credited back to us by the Adviser.Incentive FeeThe incentive fee consists of two parts: an income-based incentive fee and a capital gains-based incentive fee. The income-based incentive fee rewards the Adviser if our quarterly net investment income (before giving effect to any incentive fee) exceeds 1.75% (2.0% during the period from April 1, 2020 through March 31, 2023) of our net assets, which we define as total assets less indebtedness and before taking into account any incentive fees payable or contractually due but not payable during the period, at the end of the immediately preceding calendar quarter, adjusted appropriately for any share issuances or repurchases during the period (the â€œhurdle rateâ€). The income-based incentive fee with respect to our pre-incentive fee net investment income is generally payable quarterly to the Adviser and is computed as follows:â€¢no incentive fee in any calendar quarter in which our pre-incentive fee net investment income does not exceed the hurdle rate;â€¢100.0% of our 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 2.1875% (2.4375% during the period from April 1, 2020 through March 31, 2022 and 2.50% from April 1, 2022 through March 31, 2023) of our net assets, adjusted appropriately for any share issuances or repurchases during the period, in any calendar quarter; andâ€¢20.0% of the amount of our pre-incentive fee net investment income, if any, that exceeds 2.1875% (2.4375% during the period from April 1, 2020 through March 31, 2022 and 2.50% from April 1, 2022 through March 31, 2023) of our net assets, adjusted appropriately for any share issuances or repurchases during the period, in any calendar quarter.The second part of the incentive fee is a capital gains-based incentive fee that is determined and payable in arrears as of the end of each fiscal year (or upon termination of the Advisory Agreement, as of the termination date) and equals 20.0% of our â€œnet realized capital gainsâ€ (as defined herein) as of the end of the fiscal year. In determining the capital gains-based incentive fee payable to the Adviser, we calculate â€œnet realized capital gainsâ€ at the end of each applicable year by subtracting the sum of our cumulative aggregate realized capital losses and our entire portfolioâ€™s aggregate unrealized capital depreciation from our cumulative aggregate realized capital gains. For this purpose, cumulative aggregate realized capital gains, if any, equals the sum of the differences between the net sales price of each investment, when sold, and the original cost of such investment since inception. Cumulative aggregate realized capital losses equals the sum of the amounts by which the net sales price of each investment, when sold, is less than the original cost of such investment since inception. The entire portfolioâ€™s aggregate unrealized capital depreciation, if any, equals the sum of the difference between the valuation of each investment as of the applicable calculation date and the original cost of such investment. At the end of the applicable fiscal year, the amount of capital gains that serves as the basis for our calculation of the capital gains-based incentive fee equals the cumulative aggregate realized capital gains less cumulative aggregate realized capital losses, less the entire portfolioâ€™s aggregate unrealized capital depreciation, if any. If this number is positive at the end of such fiscal year, then the capital gains-based incentive fee for such year equals 20.0% of such amount, less the aggregate amount of any capital gains-based incentive fees paid in respect of our portfolio in all prior years. No capital gains-based incentive fee has been recorded or paid since our inception through SeptemberÂ 30, 2024, as cumulative unrealized capital depreciation has exceeded cumulative realized capital gains net of cumulative realized capital losses.In accordance with GAAP, a capital gains-based incentive fee accrual is calculated using the aggregate cumulative realized capital gains and losses and aggregate cumulative unrealized capital appreciation and depreciation. If such amount is positive at the end of a period, then GAAP requires us to record a capital gains- based incentive fee equal to 20.0% of such amount, less the aggregate amount of actual capital gains-based incentive fees paid in all prior years. If such amount is negative, then there is no accrual for such period. GAAP requires that the capital gains-based incentive fee accrual consider the cumulative aggregate unrealized capital appreciation in the calculation, as a capital gains-based incentive fee would be 109Table of Contentspayable if such unrealized capital appreciation were realized. There can be no assurance that such unrealized capital appreciation will be realized in the future. No GAAP accrual for a capital gains-based incentive fee has been recorded from our inception through SeptemberÂ 30, 2024.Our Board of Directors accepted non-contractual, unconditional and irrevocable credits from the Adviser to reduce the income-based incentive fee to the extent net investment income did not 100.0% cover distributions to common stockholders for the years ended SeptemberÂ 30, 2024 and 2022, which credits totaled $0.2 million and $0.4 million, respectively. There were no such credits during the year ended SeptemberÂ 30, 2023.Transactions with the AdministratorWe have entered into the Administration Agreement with the Administrator to provide administrative services. We reimburse the Administrator pursuant to the Administration Agreement for the portion of expenses the Administrator incurs while performing services for us. The Administratorâ€™s expenses are primarily rent and the salaries, benefits and expenses of the Administratorâ€™s employees, including: our chief financial officer and treasurer, chief compliance officer, chief valuation officer, and general counsel and secretary (who also serves as the Administratorâ€™s president, general counsel and secretary) and their respective staffs. Two of our executive officers, David Gladstone (our chairman and chief executive officer) and Terry Lee Brubaker (our chief operating officer) serve as members of the board of managers and executive officers of the Administrator, which is 100% indirectly owned and controlled by Mr. Gladstone. Another of our officers, Michael LiCalsi (our general counsel and secretary), serves as the Administratorâ€™s president as well as the executive vice president of administration for the Adviser.Our allocable portion of the Administratorâ€™s expenses is generally derived by multiplying the Administratorâ€™s total expenses by the approximate percentage of time during the current quarter the Administratorâ€™s employees performed services for us in relation to their time spent performing services for all companies serviced by the Administrator. On July 9, 2024, our Board of Directors, including a majority of the directors who are not parties to the Administration Agreement or interested persons of either party, approved the renewal of the Administration Agreement through August 31, 2025.Other TransactionsGladstone Securities, LLC (â€œGladstone Securitiesâ€), a privately-held broker-dealer registered with the Financial Industry Regulatory Authority and insured by the Securities Investor Protection Corporation, which is 100% indirectly owned and controlled by Mr. Gladstone, our chairman and chief executive officer, has provided other services, such as investment banking and due diligence services, to certain of our portfolio companies, for which Gladstone Securities receives a fee. Any such fees paid by portfolio companies to Gladstone Securities do not impact the fees we pay to the Adviser or the non-contractual, unconditional and irrevocable credits against the base management fee or incentive fee. Gladstone Securities received fees from portfolio companies totaling $0.4 million, $0.8 million, and $1.1 million during the years ended SeptemberÂ 30, 2024, 2023, and 2022, respectively.We entered into a dealer manager agreement (the â€œDealer Manager Agreementâ€) with Gladstone Securities pursuant to which Gladstone Securities serves as our exclusive dealer manager in connection with the offering of our Series A Preferred Stock (as defined in Note 6â€”Cumulative Redeemable Preferred Stock Offering). Under the Dealer Manager Agreement, Gladstone Securities provides certain sales, promotional and marketing services to us in connection with the offering of the Series A Preferred Stock (the â€œSeries A Offeringâ€), and we pay Gladstone Securities (i) selling commissions of up to 7.0% of the gross proceeds from sales of Series A Preferred Stock in the offering, and (ii) a dealer manager fee of up to 3.0% of the gross proceeds from sales of Series A Preferred Stock in the offering. Gladstone Securities may, in its sole discretion, reallow a portion of the dealer manager fee to participating broker-dealers in support of the Series A Offering. The terms of the Dealer Manager Agreement were approved by our board of directors, including its independent directors. During the year ended SeptemberÂ 30, 2024, we paid Gladstone Securities selling commissions and dealer manager fees totaling $0.9 million related to the offering of Series A Preferred Stock, which are netted against gross proceeds from the sales. There were no such fees paid in the prior year. 110Table of ContentsRelated Party Fees DueAmounts due to related parties on our accompanying Consolidated Statements of Assets and Liabilities were as follows:September 30, 2024September 30, 2023Base management fee due to (from) Adviser$809Â $670Â Loan servicing fee due to Adviser509Â 455Â Incentive fee due to (from) Adviser2,571Â 2,747Â Total fees due to (from) Adviser3,889Â 3,872Â Fee due to Administrator569Â 479Â Total Related Party Fees Due$4,458Â $4,351Â In addition to the above fees, other operating expenses due to the Adviser as of SeptemberÂ 30, 2024 and 2023 totaled $52 thousand and $65 thousand, respectively. In addition, net expenses payable to Gladstone Investment Corporation (for reimbursement purposes), which includes certain co-investment expenses, totaled $75 thousand and $19 thousand as of SeptemberÂ 30, 2024 and 2023, respectively. These amounts are generally settled in the quarter subsequent to being incurred and are included in other liabilities on the accompanying Consolidated Statements of Assets and Liabilities as of SeptemberÂ 30, 2024 and 2023.NOTE 5. BORROWINGSRevolving Line of CreditOn May 13, 2021, we, through Business Loan, entered into a sixth amended and restated credit agreement with KeyBank as administrative agent, lead arranger, managing agent and lender, the Adviser, as servicer, and certain other lenders party thereto (the â€œCredit Facilityâ€).As of SeptemberÂ 30, 2024, our Credit Facility had a total commitment amount of $293.7Â million with an â€œaccordionâ€ feature that permits us to increase the size of the facility to $350.0Â million. The Credit Facility has a revolving period end date of October 31, 2025 and a final maturity date of October 31, 2027 (at which time all principal and interest will be due and payable if the Credit Facility is not extended by the revolving period end date). The interest rate margin is 3.00% during the revolving period and 3.50% thereafter (in each case plus a 10 basis point SOFR credit spread adjustment).The following tables summarize noteworthy information related to our Credit Facility:As of September 30,20242023Commitment amount$293,659Â $223,659Â Borrowings outstanding, at cost70,600Â 47,800Â Availability(A)200,381Â 169,060Â Year Ended September 30,202420232022Weighted average borrowings outstanding, at cost$70,572Â $133,692Â $56,122Â Weighted average interest rate(B)11.0Â %8.0Â %6.1Â %Commitment (unused) fees incurred$1,696Â $624Â $1,105Â (A)Available borrowings are subject to various constraints imposed under our Credit Facility, based on the aggregate loan balance pledged by Business Loan, which varies as loans are added and repaid, regardless of whether such repayments are prepayments or made as contractually required.(B)Includes unused commitment fees and excludes the impact of deferred financing costs.Our Credit Facility also requires that any interest or principal payments on pledged loans be remitted directly by the borrower into a lockbox account with KeyBank. KeyBank is also the trustee of the account and generally remits the 111Table of Contentscollected funds to us once each month. Amounts collected in the lockbox account with KeyBank are presented as Due from administrative agent on the accompanying Consolidated Statement of Assets and Liabilities as of SeptemberÂ 30, 2024 and 2023.Our Credit Facility contains covenants that require Business Loan to maintain its status as a separate legal entity, prohibit certain significant corporate transactions (such as mergers, consolidations, liquidations or dissolutions), and restrict material changes to our credit and collection policies without the lendersâ€™ consent. Our Credit Facility also generally limits distributions to our stockholders on a fiscal year basis to the sum of our net investment income, net capital gains and amounts elected to have been paid during the prior year in accordance with Section 855(a) of the Code. Business Loan is also subject to certain limitations on the type of loan investments it can apply as collateral towards the borrowing base to receive additional borrowing availability under our Credit Facility, including restrictions on geographic concentrations, sector concentrations, loan size, payment frequency and status, average life and lien property. Our Credit Facility further requires Business Loan to comply with other financial and operational covenants, which obligate Business Loan to, among other things, maintain certain financial ratios, including asset and interest coverage and a minimum number of 25 obligors required in the borrowing base.Additionally, we are required to maintain (i) a minimum net worth (defined in our Credit Facility to include any outstanding mandatorily redeemable preferred stock) of $325.0Â million plus 50.0% of all equity and subordinated debt raised after May 13, 2021 less 50% of any equity and subordinated debt retired or redeemed after May 13, 2021, which equates to $418.8 million as of SeptemberÂ 30, 2024, (ii) asset coverage with respect to â€œsenior securities representing indebtednessâ€ of at least 150% (or such percentage as may be set forth in Section 18 of the 1940 Act, as modified by Section 61 of the 1940 Act), and (iii) our status as a BDC under the 1940 Act and as a RIC under the Code.As of SeptemberÂ 30, 2024, and as defined in our Credit Facility, we had a net worth of $723.9 million, asset coverage on our â€œsenior securities representing indebtednessâ€ of 243.6%, calculated in accordance with the requirements of Section 18 and 61 of the 1940 Act, and an active status as a BDC and RIC. In addition, we had 33 obligors in our Credit Facilityâ€™s borrowing base as of SeptemberÂ 30, 2024. As of SeptemberÂ 30, 2024, we were in compliance with all of our Credit Facility covenants.Fair ValueWe elected to apply the fair value option of ASC 825, â€œFinancial Instruments,â€ specifically for the Credit Facility, which was consistent with our application of ASC 820 to our investments. Generally, the fair value of our Credit Facility is determined using a yield analysis which includes a DCF calculation and the assumptions that the Valuation Team believes market participants would use, including the estimated remaining life, counterparty credit risk, current market yield and interest rate spreads of similar securities as of the measurement date. As of SeptemberÂ 30, 2024, the discount rate used to determine the fair value of our Credit Facility was one-month Term SOFR, plus 3.10% per annum, plus a 1.00% unused commitment fee. As of SeptemberÂ 30, 2023, the discount rate used to determine the fair value of our Credit Facility was one-month Term SOFR, plus 3.10% per annum, plus a 1.00% unused commitment fee. Generally, an increase or decrease in the discount rate used in the DCF calculation may result in a corresponding decrease or increase, respectively, in the fair value of our Credit Facility. As of SeptemberÂ 30, 2024 and 2023, our Credit Facility was valued using Level 3 inputs and any changes in its fair value are recorded in net unrealized depreciation (appreciation) of other on our accompanying Consolidated Statements of Operations.The following tables present our Credit Facility carried at fair value as of SeptemberÂ 30, 2024 and 2023, on our accompanying Consolidated Statements of Assets and Liabilities for Level 3 of the hierarchy established by ASC 820 and the changes in fair value of our Credit Facility during the years ended SeptemberÂ 30, 2024 and 2023:Total Recurring Fair Value Measurement Reported in Consolidated Statements of Assets and Liabilities Using Significant Unobservable Inputs (Level 3) As of September 30,20242023Credit Facility$70,600Â $47,800Â 112Table of ContentsFair Value Measurements Using Significant Unobservable Data Inputs (Level 3)Year Ended September 30,20242023Fair value as of September 30, 2023 and 2022, respectively$47,800Â $141,800Â Borrowings221,200Â 149,000Â Repayments(198,400)(243,000)Net unrealized (appreciation) depreciation (A) â€”Â â€”Â Fair Value as of September 30, 2024 and 2023, respectively$70,600Â $47,800Â (A)Included in net unrealized (appreciation) depreciation of other on our accompanying Consolidated Statements of Operations for the years ended SeptemberÂ 30, 2024 and 2023.The fair value of the collateral under our Credit Facility totaled approximately $714.4 million and $628.3 million as of SeptemberÂ 30, 2024 and 2023, respectively.Notes PayableIn August 2023, we completed an offering of $57.0Â million aggregate principal amount of 7.75% Notes due 2028 (the â€œ2028 Notesâ€) for net proceeds of approximately $55.1Â million after deducting underwriting discounts, commissions and offering expenses borne by us. The 2028 Notes are traded under the ticker symbol â€œGLADZâ€ on the Nasdaq Global Select Market. The 2028 Notes will mature on September 1, 2028 and may be redeemed in whole or in part at any time or from time to time at our option on or after September 1, 2025. The 2028 Notes bear interest at a rate of 7.75% per year. Interest is payable quarterly on March 1, June 1, September 1, and December 1 of each year beginning December 1, 2023 (which equates to approximately $4.4Â million per year). In November 2021, we completed a private placement of $50.0Â million aggregate principal amount of 3.75% Notes due 2027 (the â€œ2027 Notesâ€) for net proceeds of approximately $48.5Â million after deducting initial purchasersâ€™ costs, commissions and offering expenses borne by us. The 2027 Notes will mature on May 1, 2027 and may be redeemed in whole or in part at any time or from time to time at the Companyâ€™s option prior to maturity at par plus a â€œmake-wholeâ€ premium, if applicable. The 2027 Notes bear interest at a rate of 3.75% per year. Interest is payable semi-annually on May 1 and November 1 of each year (which equates to approximately $1.9Â million per year). In April 2022, pursuant to the registration rights agreement we entered into in connection with the 2027 Notes, we conducted an exchange offer through which we offered to exchange all of our then outstanding 2027 Notes (the â€œRestricted Notesâ€) that were issued on November 4, 2021, for an equal aggregate principal amount of our new 3.75% Notes due 2027 (the â€œExchange Notesâ€) that had been registered with the SEC under the Securities Act of 1933, as amended. The terms of the Exchange Notes are identical to those of the Restricted Notes, except that the transfer restrictions and registration rights relating to the Restricted Notes do not apply to the Exchange Notes, and the Exchange Notes do not provide for the payment of additional interest in the event of a registration default.In December 2020, we completed an offering of $100.0Â million aggregate principal amount of 5.125% Notes due 2026 (the â€œ2026 Notesâ€) for net proceeds of approximately $97.7Â million after deducting underwriting discounts, commissions and offering expenses borne by us. In March 2021, we completed an offering of an additional $50.0Â million aggregate principal amount of the 2026 Notes for net proceeds of approximately $50.6Â million after adding premiums and deducting underwriting costs, commissions and offering expenses borne by us. The 2026 Notes will mature on January 31, 2026 and may be redeemed in whole or in part at any time or from time to time at the Companyâ€™s option prior to maturity at par plus a â€œmake-wholeâ€ premium, if applicable. The 2026 Notes bear interest at a rate of 5.125% per year. Interest is payable semi-annually on January 31 and July 31 of each year (which equates to approximately $7.7Â million per year).The indenture relating to the 2028 Notes, the 2027 Notes, and the 2026 Notes contains certain covenants, including (i) an inability to incur additional debt or issue additional debt or preferred securities unless the Companyâ€™s asset coverage meets the threshold specified in the 1940 Act after such borrowing, (ii) an inability to declare any dividend or distribution (except a dividend payable in our stock) on a class of our capital stock or to purchase shares of our capital stock unless the Companyâ€™s asset coverage meets the threshold specified in the 1940 Act at the time of (and giving effect to) such declaration or purchase, and (iii) if, at any time, we are not subject to the reporting requirements of the Exchange Act, we 113Table of Contentswill provide the holders of the 2028 Notes, the 2027 Notes, and the 2026 Notes, as applicable, and the trustee with audited annual consolidated financial statements and unaudited interim consolidated financial statements. The 2028 Notes, 2027 Notes, and 2026 Notes are recorded at the principal amount, plus applicable premiums, less discounts and offering costs, on our Consolidated Statements of Assets and Liabilities.The fair value, based on the last quoted closing price, of the 2028 Notes as of SeptemberÂ 30, 2024 was $58.3Â million. We consider the trading price of the 2028 Notes to be a Level 1 input within the ASC 820 hierarchy. The fair value, based on a DCF analysis, of the 2027 Notes as of SeptemberÂ 30, 2024 was $47.0Â million. The fair value, based on a DCF analysis, of the 2026 Notes as of SeptemberÂ 30, 2024 was $147.8Â million. We consider the 2027 Notes and 2026 Notes to be Level 3 within the ASC 820 fair value hierarchy.NOTE 6. CUMULATIVE REDEEMABLE PREFERRED STOCK OFFERINGIn May 2023, we entered into a Dealer Manager Agreement pursuant to which we may sell a maximum of 6,000,000 shares of 6.25% Series A Cumulative Redeemable Preferred Stock (the â€œSeries A Preferred Stockâ€), par value $0.001 per share, on a â€œreasonable best effortsâ€ basis through our affiliated dealer manager, Gladstone Securities, at a public offering price of $25.00 per share. Pursuant to the Dealer Manager Agreement, the offering will terminate on the date that is the earlier of (1) December 31, 2026 (unless earlier terminated or extended by our Board of Directors) and (2) the date on which all 6,000,000 shares of Series A Preferred Stock offered are sold. See Note 4, â€œRelated-Party Transactionsâ€”Other Transactions,â€ for a discussion of the commissions and fees to be paid to Gladstone Securities in connection with the Series A Offering. The Series A Preferred Stock is being sold pursuant to our shelf registration statement on Form N-2 (File No. 333-261398) (the â€œ2021 Registration Statementâ€), under the Securities Act of 1933, as amended, and a prospectus supplement, dated May 31, 2023, and a base prospectus dated December 22, 2021. As of SeptemberÂ 30, 2024, we had the ability to issue up to an additional $142.3Â million in securities under the 2021 Registration Statement. During the year ended SeptemberÂ 30, 2024, we sold 349,931 shares of Series A Preferred Stock for gross proceeds of $8.7Â million and net proceeds of $7.8Â million. There were no shares sold during the year ended SeptemberÂ 30, 2023. There were 349,931 and 0 shares of Series A Preferred Stock outstanding as of SeptemberÂ 30, 2024 and SeptemberÂ 30, 2023, respectively.In accordance with ASC 480-10-S99-3A, the Companyâ€™s Series A Preferred Stock has been classified in temporary equity on the Consolidated Statements of Assets and Liabilities. The Preferred Stock is recorded net of offering and issuance costs. Dividend payments to our preferred stockholders are included in preferred stock dividends on our Consolidated Statements of Operations, which totaled $0.2Â million during the year ended SeptemberÂ 30, 2024.We may be required to mandatorily redeem some or all of the shares of our Series A Preferred Stock if we fail to maintain asset coverage of at least the minimum amount required by Sections 18 and 61 of the 1940 Act (which is currently 150%). The asset coverage on our â€œsenior securities that are stockâ€ as of SeptemberÂ 30, 2024 was 237.3%, calculated in accordance with Sections 18 and 61 of the 1940 Act.We paid monthly cash dividends of $0.130208 per share to holders of our Series A Preferred Sock for each month from January through September during the year ended September 30, 2024.NOTE 7. REGISTRATION STATEMENT AND COMMON EQUITY OFFERINGSReverse Stock SplitOn April 4, 2024, we completed a 1-for-2 Reverse Stock Split of the Companyâ€™s issued and outstanding common stock, by the filing of Articles of Amendment with the State Department of Assessments and Taxation of Maryland pursuant to the Maryland General Corporation Law. The Reverse Stock Split became effective at 4:05 p.m. Eastern Time on April 4, 2024. The Reverse Stock Split was effective for purposes of trading as of the opening of business on the Nasdaq Global Select Market on April 5, 2024.114Table of ContentsAs a result of the Reverse Stock Split, every two shares of common stock issued and outstanding were automatically combined into one new share of common stock. The Reverse Stock Split did not modify any rights or preferences of the shares of common stock. The common stock issued pursuant to the Reverse Stock Split remains fully paid and non-assessable. The Reverse Stock Split did not affect the number of authorized shares of common stock or the par value of the common stock.Common Stock At-the-Market OfferingsIn August 2024, we entered into an equity distribution agreement with Jefferies LLC and Huntington Securities, Inc, (the â€œ2024 Sales Agreementâ€) under which we have the ability to issue and sell, from time to time, shares of our common stock with an aggregate offering price of up to $150.0Â million in an â€œat the market offeringâ€ (the â€œ2024 ATM Programâ€). During the year ended SeptemberÂ 30, 2024, we sold 476,138 shares of our common stock under the 2024 Sales Agreement, at a weighted-average price of $23.10 per share and raised $11.0 million of gross proceeds. Net proceeds, after deducting commissions and offering costs borne by us, were approximately $10.8 million. As of SeptemberÂ 30, 2024, we had a remaining capacity to sell up to an additional $139.0Â million of our common stock under the 2024 ATM Program.In May 2021, we entered into an equity distribution agreement with Jefferies LLC, as amended in August 2022 (the â€œSales Agreementâ€), under which we had the ability to issue and sell, from time to time, shares of our common stock with an aggregate offering price of up to $100.0 million in an â€œat the market offeringâ€ (the â€œATM Programâ€). In July 2023, we amended and restated the Sales Agreement to add Huntington Securities, Inc. as a sales agent under the ATM Program in addition to Jefferies LLC. During the year ended September 30, 2023, we sold 8,774,101 shares of our common stock under the Sales Agreement, at a weighted-average price of $9.96 per share and raised $87.4 million of gross proceeds. Net proceeds, after deducting commissions and offering costs borne by us, were approximately $85.9 million. This ATM program terminated in connection with our entry into the 2024 ATM Program. Shelf Registration Statement Our shelf registration statement on Form N-2 (File No. 333-275934) (the â€œ2024 Registration Statementâ€), which was declared effective on January 17, 2024, permits us to issue, through one or more transactions, up to an aggregate of $700.0 million in securities, consisting of common stock, preferred stock, subscription rights, debt securities and warrants to purchase common stock or preferred stock. As of SeptemberÂ 30, 2024, we had the ability to issue up to $689.0 million in securities under the 2024 Registration Statement.NOTE 8. NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS PER COMMON SHAREThe following table sets forth the computation of basic and diluted net increase (decrease) in net assets resulting from operations per weighted average common share for the years ended SeptemberÂ 30, 2024, 2023, and 2022:Year Ended September 30,202420232022Numerator for basic and diluted net increase (decrease) in net assets resulting from operations per common share$94,506Â $42,668Â $19,914Â Denominator for basic and diluted weighted average common shares(A) 21,781,07418,657,96117,175,832Basic and diluted net increase (decrease) in net assets resulting from operations per common share(A) $4.34Â $2.29Â $1.16Â (A)Â Â Â Â Per share data and shares outstanding have been adjusted on a retroactive basis to reflect the Reverse Stock Split effected on April 4, 2024, as described in Note 2â€" Summary of Significant Accounting Policies.NOTE 9. DISTRIBUTIONS TO COMMON STOCKHOLDERSTo qualify to be taxed as a RIC under Subchapter M of the Code, we must generally distribute to our stockholders, for each taxable year, at least 90% of our taxable ordinary income plus the excess of our net short- term capital gains over net long-term capital losses (â€œInvestment Company Taxable Incomeâ€). The amount to be paid out as distributions to our stockholders is determined by our Board of Directors quarterly and is based on managementâ€™s estimate of Investment Company Taxable Income. Based on that estimate, our Board of Directors declares three monthly distributions to common stockholders each quarter.115Table of ContentsThe federal income tax characteristics of all distributions will be reported to stockholders on the IRS Form 1099 after the end of each calendar year. Estimates of tax characterization made on a quarterly basis may not be representative of the actual tax characterization of cash distributions for the full year. Estimates made on a quarterly basis are updated as of each interim reporting date.For the calendar year ended DecemberÂ 31, 2023, 100.0% of distributions to common stockholders were deemed to be paid from ordinary income for 1099 stockholder reporting purposes. For the calendar year ended DecemberÂ 31, 2022, 93.2% of distributions to common stockholders were deemed to be paid from ordinary income and 6.8% of distributions were deemed to be return of capital for 1099 stockholder reporting purposes.We paid the following monthly distributions to common stockholders for the years ended SeptemberÂ 30, 2024 and 2023:Fiscal YearDeclaration DateRecord DatePayment DateDistribution perCommon Share(A)2024October 10, 2023October 20, 2023October 31, 2023$0.165Â October 10, 2023November 20, 2023November 30, 20230.165Â October 10, 2023December 18, 2023December 29, 20230.165Â January 9, 2024January 23, 2024January 31, 20240.165Â January 9, 2024February 21, 2024February 29, 20240.165Â January 9, 2024March 21, 2024March 29, 20240.165Â April 9, 2024April 19, 2024April 30, 20240.165Â April 9, 2024May 17, 2024May 31, 20240.165Â April 9, 2024June 19, 2024June 28, 20240.165Â July 9, 2024July 22, 2024July 31, 20240.165Â July 9, 2024August 21, 2024August 30, 20240.165Â July 9, 2024September 20, 2024September 30, 20240.165Â Year Ended September 30, 2024:$1.98Â 2023October 11, 2022October 21, 2022October 31, 2022$0.14Â October 11, 2022November 18, 2022November 30, 20220.14Â October 11, 2022December 20, 2022December 30, 20220.14Â January 10, 2023January 20, 2023January 31, 20230.15Â January 10, 2023February 17, 2023February 28, 20230.15Â January 10, 2023March 17, 2023March 31, 20230.15Â April 11, 2023April 21, 2023April 28, 20230.16Â April 11, 2023May 23, 2023May 31, 20230.16Â April 11, 2023June 21, 2023June 30, 20230.16Â July 11, 2023July 21, 2023July 31, 20230.165Â July 11, 2023August 23, 2023August 31, 20230.165Â July 11, 2023September 7, 2023September 15, 2023(B)0.04Â July 11, 2023September 21, 2023September 29, 20230.165Â Year Ended September 30, 2023:$1.89Â (A)Â Â Â Â Per share data has been adjusted on a retroactive basis to reflect the Reverse Stock Split effected on April 4, 2024, as described in Note 2â€" Summary of Significant Accounting Policies. (B)Â Â Â Â Represents a supplemental distribution to common stockholders. Aggregate distributions declared and paid to our common stockholders were approximately $43.1 million and $35.4 million for the years ended SeptemberÂ 30, 2024 and 2023, respectively, and were declared based on estimates of Investment Company Taxable Income. For the fiscal years ended SeptemberÂ 30, 2024 and SeptemberÂ 30, 2023, our current and accumulated earnings and profits exceeded common stock distributions declared and paid, and, in accordance with Section 855(a) of the Code, we elected to treat $6.6 million and $5.0 million, respectively of the first common distributions paid to common stockholders in the subsequent fiscal year as having been paid in the prior year. For the fiscal year ended 116Table of ContentsSeptemberÂ 30, 2022 distributions declared and paid exceeded taxable income available for common distributions resulting in a partial return of capital of approximately $1.4 million.The components of our net assets on a tax basis were as follows:Year EndedSeptember 30,20242023Common stock$44Â $44Â Capital in excess of par value492,305Â 481,480Â Cumulative net unrealized appreciation (depreciation) of investments 25,249Â (17,454)Undistributed ordinary income6,590Â 4,978Â Capital loss carryforward (47,435)(54,425)Other temporary differences(5,858)(5,928)Net Assets$470,895Â $408,695Â We intend to retain some or all of our realized capital gains first to the extent we have available capital loss carryforwards and second, through treating the retained amount as a â€œdeemed distribution.â€ As of SeptemberÂ 30, 2024, we had $47.4 million of capital loss carryforwards that do not expire.For the years ended SeptemberÂ 30, 2024 and 2023, we recorded the following adjustments for permanent book-tax differences to reflect tax character. Results of operations, total net assets, and cash flows were not affected by these adjustments.Year EndedSeptember 30,20242023Undistributed net investment income$(1,299)$(373)Accumulated net realized losses1,310Â 373Â Capital in excess of par value(11)â€"Â NOTE 10. FEDERAL AND STATE INCOME TAXESWe intend to continue to maintain our qualifications as a RIC for federal income tax purposes. As a RIC, we are generally not subject to federal income tax on the portion of our taxable income and gains that we distribute to stockholders. To maintain our qualification as a RIC, we must meet certain source-of-income and asset diversification requirements. In addition, to qualify to be taxed as a RIC, we must also meet certain annual stockholder distribution requirements. To satisfy the RIC annual distribution requirement, we must distribute to stockholders at least 90.0% of our Investment Company Taxable Income. Our policy generally is to make distributions to our stockholders in an amount up to 100.0% of our Investment Company Taxable Income. Because we have distributed more than 90.0% of our Investment Company Taxable Income, no income tax provisions have been recorded for the years ended SeptemberÂ 30, 2024, 2023, and 2022.In an effort to limit certain federal excise taxes imposed on RICs, a RIC has to distribute to stockholders, during each calendar year, an amount close to the sum of (1) 98.0% of our ordinary income for the calendar year, (2) 98.2%, of our capital gains in excess of capital losses for the one-year period ending on October 31 of the calendar year and (3) any ordinary income and capital gains in excess of capital losses for preceding years that were not distributed during such years. No excise tax provisions have been recorded for the years ended SeptemberÂ 30, 2024, 2023, and 2022.Under the RIC Modernization Act, we are permitted to carry forward capital losses that we may incur in taxable years beginning after September 30, 2011 for an unlimited period, and such capital loss carryforwards will retain their character as either short-term or long-term capital losses.117Table of ContentsNOTE 11. COMMITMENTS AND CONTINGENCIESLegal ProceedingsWe are party to certain legal proceedings incidental to the normal course of our business. We are required to establish reserves for litigation matters where those matters present loss contingencies that are both probable and estimable. When loss contingencies are not both probable and estimable, we do not establish reserves. Based on current knowledge, we do not believe that loss contingencies, if any, arising from pending investigations, litigation or regulatory matters will have a material adverse effect on our financial condition, results of operations or cash flows. Additionally, based on our current knowledge, we do not believe such loss contingencies are both probable and estimable and therefore, as of SeptemberÂ 30, 2024 and 2023, we had no established reserves for such loss contingencies.Escrow HoldbacksFrom time to time, we enter into arrangements relating to exits of certain investments whereby specific amounts of the proceeds are held in escrow to be used to satisfy potential obligations, as stipulated in the sales agreements. We record escrow amounts in Restricted cash and cash equivalents, if received in cash but subject to potential obligations or other contractual restrictions, or as escrow receivables in Other assets, net, if not yet received in cash, on our accompanying Consolidated Statements of Assets and Liabilities. We establish reserves and holdbacks against escrow amounts if we determine that it is probable and estimable that a portion of the escrow amounts will not ultimately be released or received at the end of the escrow period. Reserves and holdbacks against escrow amounts were $0.1 million and $0.6 million as of SeptemberÂ 30, 2024 and SeptemberÂ 30, 2023, respectively.Financial Commitments and ObligationsWe have lines of credit, delayed draw term loans, and an uncalled capital commitment with certain of our portfolio companies that have not been fully drawn. Since these commitments have expiration dates and we expect many will never be fully drawn, the total commitment amounts do not necessarily represent future cash requirements. We estimate the fair value of the combined unused lines of credit, the unused delayed draw term loans and the uncalled capital commitment as of SeptemberÂ 30, 2024 and 2023 to be immaterial.The following table summarizes the amounts of our unused lines of credit, delayed draw term loans and uncalled capital commitment, at cost, as of SeptemberÂ 30, 2024 and 2023, which are not reflected as liabilities in the accompanying Consolidated Statements of Assets and Liabilities:As of September 30,20242023Unused line of credit commitments(A)$42,601Â $32,349Â Delayed draw term loans(A)14,150Â 12,039Â Uncalled capital commitment843Â 843Â Total$57,594Â $45,231Â (A)There may be specific covenant requirements that temporarily limit a portfolio companyâ€™s availability to draw on an unused line of credit commitment or a delayed draw term loan.118Table of ContentsNOTE 12. FINANCIAL HIGHLIGHTSAs of and for the Year Ended September 30,2024202320222021202020192018201720162015Per Common Share Data:Net asset value at beginning of year(A)$18.79Â $18.16Â $18.56Â $14.80Â $16.44Â $16.64Â $16.80Â $17.24Â $18.12Â $19.02Â Income from operations(B)Net investment income 2.11Â 2.20Â 1.88Â 1.58Â 1.62Â 1.68Â 1.70Â 1.68Â 1.68Â 1.68Â Net realized and unrealized gain (loss) on investments2.05Â 0.07Â (0.70)3.58Â (1.68)(0.30)(0.32)(0.24)(0.70)(1.00)Net realized and unrealized gain (loss) on other0.18Â 0.02Â (0.02)(0.08)(0.06)(0.02)â€”Â (0.10)â€”Â 0.12Â Total from operations4.34Â 2.29Â 1.16Â 5.08Â (0.12)1.36Â 1.38Â 1.34Â 0.98Â 0.80Â Distributions to common stockholders from(B)(C)Net Investment Income (1.98)(1.89)(1.52)(1.50)(1.60)(1.64)(1.68)(1.68)(1.40)(1.68)Realized gains â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â (0.28)â€”Â Return of capitalâ€”Â â€”Â (0.08)(0.06)(0.02)(0.04)â€”Â â€”Â â€”Â â€”Â Total distributions(1.98)(1.89)(1.60)(1.56)(1.62)(1.68)(1.68)(1.68)(1.68)(1.68)Capital share transactions(B)Issuance of common stockâ€”Â â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â 0.12Â Discounts, commissions, and offering costs â€”Â â€”Â â€”Â (0.02)â€”Â (0.02)(0.02)(0.08)(0.10)(0.02)Repurchase of common stockâ€”Â â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â 0.04Â â€”Â Net anti-dilutive (dilutive) effect of equity offering(D)0.05Â 0.26Â 0.04Â 0.30Â 0.10Â 0.14Â 0.16Â (0.04)(0.10)(0.12)Total capital share transactions0.05Â 0.26Â 0.04Â 0.28Â 0.10Â 0.12Â 0.14Â (0.12)(0.16)(0.02)Other, net(B)(E)(0.02)(0.03)â€”Â (0.04)â€”Â â€”Â â€”Â 0.02Â (0.02)â€”Â Net asset value at end of period / year(A)$21.18Â $18.79Â $18.16Â $18.56Â $14.80Â $16.44Â $16.64Â $16.80Â $17.24Â $18.12Â Per common share market value at beginning of year$19.28Â $16.98Â $22.60Â $14.82Â $19.50Â $19.00Â $19.00Â $16.26Â $16.26Â $17.54Â Per common share market value at end of year24.05Â 19.28Â 16.98Â 22.60Â 14.82Â 19.50Â 19.00Â 19.00Â 16.26Â 16.26Â Total return(F)36.61Â %24.85Â %(19.16)%64.93Â %(15.75)%12.55Â %9.53Â %27.90Â %11.68Â %2.40Â %Common stock outstanding at end of year(A)22,230,58721,754,44917,367,39817,152,18615,783,42515,172,96214,250,99013,080,34211,672,21110,565,811Statement of Assets and Liabilities Data:Net assets at end of year$470,895Â $408,695Â $315,487Â $318,439Â $233,743Â $249,330Â $237,092Â $219,650Â $201,207Â $191,444Â Average net assets(G)431,796Â 349,518Â 320,838Â 275,509Â 235,266Â 239,851Â 234,092Â 215,421Â 193,228Â 198,864Â Senior Securities Data:Borrowings under line of credit, at cost$70,600Â $47,800Â $141,800Â $50,500Â $128,000Â $66,900Â $110,000Â $93,000Â $71,300Â $127,300Â Mandatorily redeemable preferred stock8,748Â â€”Â â€”Â â€”Â â€”Â 51,750Â 51,750Â 51,750Â 61,000Â 61,000Â Notes Payable257,000Â 257,000Â 200,000Â 188,813Â 96,313Â 57,500Â â€”Â â€”Â â€”Â â€”Â Ratios/Supplemental Data:Ratio of net expenses to average net assets(H)(I)11.71Â %12.99Â %9.62Â %10.04Â %9.69Â %10.61Â %9.61Â %8.26Â %10.16Â %10.24Â %Ratio of net investment income to average net assets(J)10.67Â 11.74Â 10.06Â 9.48Â 10.70Â 10.25Â 9.86Â 9.95Â 10.08Â 8.90Â 119Table of Contents(A)Based on actual shares outstanding at the beginning or end of the corresponding year, as appropriate. Per share data and shares outstanding have been adjusted on a retroactive basis to reflect the 1-for-2 Reverse Stock Split effected on April 4, 2024, as described in Note 2â€” Summary of Significant Accounting Policies. (B)Based on weighted average basic per share data.(C)The tax character of distributions is determined based on taxable income calculated in accordance with income tax regulations, which may differ from amounts determined under GAAP.(D)During the fiscal years ended September 30, 2023, 2022, 2021, 2020, 2019, and 2018, the anti-dilution was a result of issuing common shares during the period at a price above the then-current NAV per share. During the fiscal years ended September 30, 2017, 2016, and 2015, the net dilution was a result of issuing common shares during the period at a price below the then-current NAV per share.(E)Represents the impact of the different share amounts (weighted average shares outstanding during the fiscal year and shares outstanding at the end of the fiscal year) in the per share data calculations and rounding impacts.(F)Total return equals the change in the ending market value of our common stock from the beginning of the fiscal year, taking into account distributions reinvested in accordance with the terms of our dividend reinvestment plan. Total return does not take into account distributions that may be characterized as a return of capital or any sales load paid by a stockholder. For further information on the estimated character of our distributions to common stockholders, refer to Note 9â€”Distributions to Common Stockholders.(G)Computed using the average of the balance of net assets at the end of each month of the fiscal year.(H)Ratio of net expenses to average net assets is computed using total expenses, net of credits from the Adviser, to the base management, loan servicing, and incentive fees.(I)Had we not received any non-contractual, unconditional and irrevocable credits of fees from the Adviser, the ratio of net expenses to average net assets would have been 14.53%, 16.31%, 13.13%, 13.17%, 14.36%, 14.18%, 13.12%, 12.14%, 13.40%, and 13.65% for the fiscal years ended SeptemberÂ 30, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, respectively.(J)Had we not received any non-contractual, unconditional and irrevocable credits of fees from the Adviser, the ratio of net investment income to average net assets would have been 7.90%, 8.49%, 6.61%, 6.40%, 6.11%, 6.74%, 6.41%, 6.13%, 6.90%, and 5.55% for the fiscal years ended SeptemberÂ 30, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, respectively.120Table of ContentsNOTE 13. UNCONSOLIDATED SIGNIFICANT SUBSIDIARIESIn accordance with the SECâ€™s Regulation S-X, we do not consolidate portfolio company investments. Further, in accordance with ASC 946, we are precluded from consolidating any entity other than another investment company, except that ASC 946 provides for the consolidation of a controlled operating company that provides substantially all of its services to the investment company or its consolidated subsidiaries.We did not have any unconsolidated subsidiaries that met any of the significance conditions under Rule l-02(w)(2) of the SECâ€™s Regulation S-X as of or during at least one of the years ended SeptemberÂ 30, 2024, 2023, and 2022.NOTE 14. SUBSEQUENT EVENTSPortfolio ActivityIn October 2024, our debt investment in Perimeter Solutions Group paid off at par for net cash proceeds of $15.5Â million, including a $0.5Â million prepayment penalty. In October 2024, our investment in Antenna Research Associates, Inc. was sold which resulted in a realized gain of approximately $59.3 million and the repayment of our debt investment of $31.3Â million at par. In November 2024, we invested an additional $28.9Â million in Giving Home, an existing portfolio company, through secured first lien debt. DistributionsOn October 8, 2024, our Board of Directors declared the following distributions to common and preferred stockholders:Record DatePayment DateDistribution per Common ShareOctober 22, 2024October 31, 2024$0.1650Â November 20, 2024November 29, 20240.1650Â December 20, 2024December 31, 20240.1650Â Total for the Quarter$0.4950Â Record DatePayment DateDistribution per Series A Preferred StockOctober 24, 2024November 4, 2024$0.130208Â November 27, 2024December 4, 20240.130208Â December 23, 2024January 3, 20250.130208Â Total for the Quarter$0.390624Â In November 2024, our Board of Directors declared the following supplemental distribution to common stockholders: Record DatePayment DateDistribution per Common ShareDecember 4, 2024December 18, 2024$0.4000Â 121Table of ContentsITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURENone.ITEM 9A. CONTROLS AND PROCEDURESa) Disclosure Controls and ProceduresAs of September 30, 2024 (the end of the period covered by this report), we, 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 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 evaluating 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.b) Managementâ€™s Annual Report on Internal Control Over Financial ReportingRefer to the Managementâ€™s Annual Report on Internal Control over Financial Reporting located in Item 8 of this Form 10-K.c) Attestation Report of the Registered Public Accounting FirmNot Applicable.d) Change in Internal Control over Financial ReportingThere were no changes in internal controls for the three months ended September 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.ITEM 9B. OTHER INFORMATIONDuring the three months ended September 30, 2024, none of our officers or directors adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) (â€œRule 10b5-1 trading arrangementâ€) or any â€œnon-Rule 10b5-1 trading arrangement.â€ In addition, during the three months ended September 30, 2024, we did not adopt or terminate any Rule 10b5-1 trading arrangement.ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONSNot applicable.122Table of ContentsPART IIIWe will file a definitive Proxy Statement for our 2025 Annual Meeting of Stockholders (the â€œ2025 Proxy Statementâ€) with the SEC, pursuant to Regulation 14A, not later than 120 days after the end of our fiscal year. Accordingly, certain information required by Part III has been omitted under General Instruction G(3) to Form 10-K. Only those sections of the 2025 Proxy Statement that specifically address the items set forth herein are incorporated herein by reference.ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCEThe information required by Item 10 is hereby incorporated by reference from our 2025 Proxy Statement.We have adopted a Code of Business Conduct and Ethics (the â€œCode of Conductâ€) that applies to all of our officers and directors and to the employees of our Adviser and our Administrator. The Code of Conduct is available in the Investors section of our website under â€œGovernance â€“ Governance Documentsâ€ at www.GladstoneCapital.com.ITEM 11. EXECUTIVE COMPENSATIONThe information required by Item 11 is hereby incorporated by reference from our 2025 Proxy Statement.ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERSThe information required by Item 12 is hereby incorporated by reference from our 2025 Proxy Statement.ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCEThe information required by Item 13 is hereby incorporated by reference from our 2025 Proxy Statement.ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICESThe information required by Item 14 is hereby incorporated by reference from our 2025 Proxy Statement.123Table of ContentsPART IVITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULESa.DOCUMENTS FILED AS PART OF THIS ANNUAL REPORT ON FORM 10-K1.The following financial statements are filed herewith:Managementâ€™s Annual Report on Internal Controls over Financial Reporting73Report of Independent Registered Public Accounting Firm74Consolidated Statements of Assets and Liabilities as of September 30, 2024 and 202376Consolidated Statements of Operations for the years ended September 30, 2024, 2023 and 202277Consolidated Statements of Changes in Net Assets for the years ended September 30, 2024, 2023 and 202279Consolidated Statements of Cash Flows for the years ended September 30, 2024, 2023 and 202280Consolidated Schedules of Investments as of September 30, 2024 and 202381Notes to Consolidated Financial Statements932.The following financial statement schedule is filed herewith:Schedule 12-14 Investments in and Advances to Affiliates as of September 30, 2024 and 2023129No other financial statement schedules are filed herewith because (1) such schedules are not required or (2) the information has been presented in the aforementioned financial statements.3.ExhibitsThe following exhibits are filed as part of this report or are hereby incorporated by reference to exhibits previously filed with the SEC:3.1Articles of Amendment and Restatement to the Articles of Incorporation, incorporated by reference to ExhibitÂ 99.a.2 to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-63700), filed July 27, 2001.3.2Articles Supplementary Establishing and Fixing the Rights and Preferences of Term Preferred Shares, including Appendix A thereto relating to the Term Preferred Shares, 7.125% Series 2016, incorporated by reference to Exhibit 2.a.2 to Post-Effective Amendment No. 5 to the Registration Statement on Form N-2 (File No. 333-162592), filed October 31, 2011.3.3Certificate of Correction to Articles Supplementary Establishing and Fixing the Rights and Preferences of Term Preferred Shares, incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 814-00237), filed October 29, 2015.3.4Articles Supplementary, incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (FileÂ No.Â 814-00237), filed September 21, 2017.3.5Articles Supplementary for 6.25% Series A Cumulative Redeemable Preferred Stock, incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 814-00237), filed on June 1, 2023.3.6Articles of Amendment to the Articles of Incorporation, incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 814-00237), filed April 5, 2024.3.7Articles of Amendment to the Articles of Incorporation, incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K (File No. 814-00237), filed April 5, 2024.3.8Bylaws, incorporated by reference to Exhibit 99.b to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-63700), filed July 27, 2001.3.9Amendment to Bylaws, incorporated by reference to Exhibit 3.3 to the Quarterly Report on Form 10-Q (File No. 814-00237), filed February 17, 2004.124Table of Contents3.10Second Amendment to Bylaws, incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K (File No. 814-00237), filed July 10, 2007.3.11Third Amendment to Bylaws, incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K (File No. 814-00237), filed June 10, 2011.3.12Fourth Amendment to Bylaws, incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 814-00237), filed November 29, 2016.3.13Fifth Amendment to Bylaws, incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 814-00237), filed October 10, 2023.4.1Form of Certificate for Common Stock, incorporated by reference to Exhibit 99.d.2 to Pre-Effective Amendment No. 3 to the Registration Statement on Form N-2 (File No. 333-63700), filed August 23, 2001.4.2Form of Certificate for 6.25% Series A Cumulative Redeemable Preferred Stock, incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 814-00237), filed on June 1, 2023.4.3Indenture between the Registrant and U.S. Bank National Association, dated as of November 6, 2018, incorporated by reference to Exhibit 2.d.l0 to Post-Effective Amendment No. 7 to the Registration Statement on Form N-2 (File No. 333-208637), filed November 6, 2018.4.4Third Supplemental Indenture between Gladstone Capital Corporation and U.S. Bank National Association, dated as of December 15, 2020, incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 814-00237), filed December 15, 2020.4.5Fourth Supplemental Indenture between Gladstone Capital Corporation and U.S. Bank National Association, dated as of November 4, 2021, incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 814-00237), filed November 4, 2021.4.6Fifth Supplemental Indenture between Gladstone Capital Corporation and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), dated as of August 17, 2023, incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K (File No. 814-00237), filed August 17, 2023.4.7*Description of Securities10.1Stock Transfer Agency Agreement between the Registrant and The Bank of New York, incorporated by reference to Exhibit 99.k.1 to Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-63700), filed July 27, 2001.10.2Custody Agreement between the Registrant and The Bank of New York, dated as of May 5, 2006, incorporated by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q (File No. 814-00237), filed August 1, 2006.10.3Administration Agreement between the Registrant and Gladstone Administration, LLC, dated as of October 1, 2006, incorporated by reference to Exhibit 99.2 to the Current Report on Form 8-K (File No. 814-00237), filed October 5, 2006.10.4Custodial Agreement, incorporated by reference to Exhibit 2.j.2 to Post-Effective Amendment No. 1 to Form N-2 (File No. 333-185191), filed December 23, 2013.10.5Amendment No. 1

to Custodial Agreement, incorporated by reference to Exhibit 2.j.3 to Post-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-185191), filed December 23, 2013.10.6Amendment No. 2 to Custodial Agreement, incorporated by reference to Exhibit 2.j.4 to Post-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-185191), filed December 23, 2013.10.7Fourth Amended and Restated Investment Advisory and Management Agreement between the Registrant and Gladstone Management Corporation, dated as of April 12, 2022, incorporated by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q (File No. 814-00237), filed on May 3, 2022.125Table of Contents10.8Sixth Amended and Restated Credit Agreement dated as of May 13, 2021 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, KeyBank National Association, as Administrative Agent and the financial institutions from the time to time party thereto, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 814-00237), filed May 13, 2021.10.9Amendment No. 1 to the Sixth Amended and Restated Credit Agreement dated as of September 12, 2022 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, KeyBank National Association, as Administrative Agent and the financial institutions from the time to time party thereto, incorporated by reference to Exhibit 10.9 to the Annual Report on Form 10-K (File No. 814-00237), filed November 11, 2022.10.10Amendment No. 2 to the Sixth Amended and Restated Credit Agreement dated as of September 20, 2022 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, KeyBank National Association, as Administrative Agent and the financial institutions from the time to time party thereto, incorporated by reference to Exhibit 10.10 to the Annual Report on Form 10-K (File No. 814-00237), filed November 11, 2022.10.11Amendment No. 3 to the Sixth Amended and Restated Credit Agreement dated as of October 31, 2022 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, KeyBank National Association, as Administrative Agent and the financial institutions from the time to time party thereto, incorporated by reference to Exhibit 10.11 to the Annual Report on Form 10-K (File No. 814-00237), filed November 11, 2022.10.12Amendment No. 4 to Sixth Amended and Restated Credit Agreement, dated as of June 16, 2023 by and among Gladstone Business Loan, LLC, as Borrower, Gladstone Management Corporation, as Servicer, KeyBank National Association, as administrative agent, swingline lender, managing agent and lead arranger and certain other lenders party thereto, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 814-00237), filed on June 22, 2023.10.13Amendment No. 5 to the Sixth Amended and Restated Credit Agreement dated as of December 13, 2023 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, KeyBank National Association, as administrative agent, swingline lender, managing agent and lead arranger and certain other lenders party thereto, incorporated by reference to Exhibit 10.7 to the Quarterly Report on Form 10-Q (File No. 814-00237), filed February 5, 2024.10.14Amendment No. 6 to Sixth Amended and Restated Credit Agreement dated as of March 28, 2024 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, KeyBank National Association, as administrative agent, swingline lender, managing agent and lead arranger and certain other lenders party thereto, incorporated by reference to Exhibit 10.8 to the Quarterly Report on Form 10-Q (File No. 814-00237), filed May 1, 2024. 10.15Amendment No. 7 to Sixth Amended and Restated Credit Agreement dated as of June 27, 2024 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, KeyBank National Association, as administrative agent, swingline lender, managing agent and lead arranger and certain other lenders party thereto, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 814-00237), filed June 27, 2024. 10.16Amendment No. 8 to Sixth Amended and Restated Credit Agreement dated as of August 12, 2024 by and among Gladstone Business Loan, LLC as Borrower, Gladstone Management Corporation as Servicer, KeyBank National Association, as administrative agent, swingline lender, managing agent and lead arranger and certain other lenders party thereto, incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 814-00237), filed August 12, 2024.14*Code of Ethics19Insider Trading Policy For Gladstone Capital Corporation, incorporated by reference to Exhibit 14 filed herewith. 21*Subsidiaries of the Registrant.23.1*Consent of PricewaterhouseCoopers LLP.31.1*Certification of Chief Executive Officer pursuant to section 302 of The Sarbanes-Oxley Act of 2002.126Table of Contents31.2*Certification of Chief Financial Officer pursuant to section 302 of The Sarbanes-Oxley Act of 2002.32.1**Certification of Chief Executive Officer pursuant to section 906 of The Sarbanes-Oxley Act of 2002.32.2**Certification of Chief Financial Officer pursuant to section 906 of The Sarbanes-Oxley Act of 2002.97.1*Clawback Policy99.1*Estimated Value methodology for Series A Cumulative Redeemable Preferred Stock at September 30, 2024101.INSXBRL Instance Document101.SCHXBRL Taxonomy Extension Schema Document101.LABXBRL Taxonomy Extension Label Linkbase Document101.PREXBRL Taxonomy Extension Presentation Linkbase Document101.DEFXBRL Definition Linkbase104Cover Page Interactive Data File (formatted in iXBRL and contained in Exhibit 101)*Â Â Â Â Filed herewith**Â Â Â Â Furnished herewithAttached as Exhibit 101 to this Annual Report on Form 10-K are the following materials, formatted in Inline eXtensible Business Reporting Language (iXBRL): (i) the Consolidated Statements of Assets and Liabilities as of September 30, 2024 and 2023, (ii) the Consolidated Statements of Operations for the years ended September 30, 2024, 2023 and 2022, (iii) the Consolidated Statements of Changes in Net Assets for the years ended September 30, 2024, 2023 and 2022, (iv) the Consolidated Statements of Cash Flows for the years ended September 30, 2024, 2023 and 2022, (v) the Consolidated Schedules of Investments as of September 30, 2024 and 2023 and (vi) the Notes to Consolidated Financial Statements.ITEM 16. FORM 10-K SUMMARYNone.127Table of ContentsSIGNATURESPursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.GLADSTONE CAPITAL CORPORATIONDate: NovemberÂ 13, 2024By:/s/ NICOLE SCHALTENBRANDNicole SchaltenbrandChief Financial Officer and TreasurerPursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.Date: NovemberÂ 13, 2024By:/s/ DAVID GLADSTONEDavid GladstoneChief Executive Officer and Chairman of the Board of Directors (principal executive officer)Date: NovemberÂ 13, 2024By:/s/ NICOLE SCHALTENBRANDNicole SchaltenbrandChief Financial Officer and Treasurer (principal financial and accounting officer)Date: NovemberÂ 13, 2024By:/s/ ANTHONY W. PARKERAnthony W. ParkerDirectorDate: NovemberÂ 13, 2024By:/s/ JOHN OUTLANDJohn OutlandDirectorDate: NovemberÂ 13, 2024By:/s/ MICHELA A. ENGLISHMichela A. EnglishDirectorDate: NovemberÂ 13, 2024By:/s/ PAUL ADELGRENPaul AdelgrenDirectorDate: NovemberÂ 13, 2024By:/s/ WALTER H. WILKINSON, JR.Walter H. Wilkinson, Jr.DirectorDate: NovemberÂ 13, 2024By:/s/ PAULA NOVARAPaula NovaraDirectorDate: NovemberÂ 13, 2024By:/s/ KATHARINE CORNELL GORKAKatharine Cornell GorkaDirector128Table of ContentsSCHEDULE 12-14GLADSTONE CAPITAL CORPORATIONINVESTMENTS IN AND ADVANCES TO AFFILIATES(AMOUNTS IN THOUSANDS)Company and Investment(A)(B)(I)(L)(M)Principal/Shares/Units(K)NetRealizedGain (Loss) for PeriodAmount ofInvestmentIncome(C)Value as ofSeptember 30,2023GrossAdditions(D)GrossReductions(E)NetUnrealizedAppreciation(Depreciation)Value as ofSeptember 30,2024AFFILIATE INVESTMENTSâ€”1.6%Secured First Lien Debtâ€”0.1%Diversified/Conglomerate Manufacturingâ€”0.1%Edge Adhesives Holdings, Inc.â€”Term Debt (S + 5.5%. 10.3% Cash, Due 8/2026)$6,140Â â€”Â â€”Â $2,895Â â€”Â â€”Â $(2,515)$380Â Preferred Equity â€”0.9%Diversified/Conglomerate Manufacturing â€”0.0%Edge Adhesives Holdings, Inc.â€”Preferred Stock5,466Â â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â Diversified/Conglomerate Serviceâ€”0.7%Encore Dredging Holdings, LLCâ€”Preferred Stock3,840,000Â â€”Â â€”Â 4,265Â â€”Â â€”Â (1,097)3,168Â Personal and Non-Durable Consumer Products (Manufacturing Only)â€”0.2%Canopy Safety Brands, LLCâ€”Preferred Stock500,000Â â€”Â â€”Â 857Â â€”Â â€”Â 74Â 931Â Total Preferred Equity$â€”Â $â€”Â $5,122Â $â€”Â $â€”Â $(1,023)$4,099Â Common Equityâ€”0.6%Personal and Non-Durable Consumer Products (Manufacturing Only)â€”0.6%Canopy Safety Brands, LLCâ€”Common Stock1,170,370Â â€”Â â€”Â $2,404Â â€”Â â€”Â $555Â $2,959Â TOTAL AFFILIATE INVESTMENTS$â€”Â $â€”Â $10,421Â $â€”Â $â€”Â $(2,983)$7,438Â CONTROL INVESTMENTSâ€”8.0%Secured First Lien Debtâ€”3.0%Diversified/Conglomerate Manufacturingâ€”0.9%Lonestar EMS, LLCâ€”Term Debt (12.0% Cash, Due 6/2027)(F)4,200Â â€”Â $394Â $3,927Â $203Â â€”Â $70Â $4,200Â Lonestar EMS, LLC â€” Delayed Draw Term Loan(G)â€”Â â€”Â 8Â â€”Â 100Â $(100)â€”Â â€”Â $â€”Â $402Â $3,927Â $303Â (100)70Â $4,200Â 129Table of ContentsCompany and Investment(A)(B)(I)(L)(M)Principal/Shares/Units(K)NetRealizedGain (Loss) for PeriodAmount ofInvestmentIncome(C)Value as ofSeptember 30,2023GrossAdditions(D)GrossReductions(E)NetUnrealizedAppreciation(Depreciation)Value as ofSeptember 30,2024Personal and Non-Durable Consumer Products (Manufacturing Only) â€” 2.1%WB Xcel Holdings, LLCâ€”Line of Credit, $0 available (S + 10.5%, 15.3% Cash, Due 11/2026)4,750Â â€”Â $59Â $1,468Â $3,282Â â€”Â $(1,579)$3,171Â WB Xcel Holdings, LLCâ€”Term Loan (S + 10.5%, 15.3% Cash, Due 11/2026)9,775Â â€”Â 402Â 9,825Â â€”Â $(50)(3,250)6,525Â $â€”Â $461Â $11,293Â $3,282Â (50)(4,829)$9,696Â Printing and Publishing â€” 0.0%TNCP Intermediate HoldCo, LLCâ€”-Line of Credit, $2,000 available (11.0% Cash, Due 10/2027)(F)â€”Â â€”Â $68Â $900Â â€”Â $(900)â€”Â â€”Â Total Secured First Lien Debt$â€”Â $931Â $16,120Â $3,585Â $(1,050)$(4,759)$13,896Â Secured Second Lien Debtâ€”1.8%Automobileâ€”1.8%Defiance Integrated Technologies, Inc.â€”Term Debt (S + 9.6%, 14.4% Cash, Due 1/2027)8,547Â â€”Â $1,143Â $7,425Â $1,362Â $(240)â€”Â $8,547Â Preferred Equityâ€”0.0%Personal and Non-Durable Consumer Products (Manufacturing Only) â€”0.0%WB Xcel Holdings, LLC - Preferred Stock333Â â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â â€”Â Common Equityâ€”3.2%Automobileâ€“ 0.6%Defiance Integrated Technologies, Inc.â€”Common Stock33,321Â â€”Â â€”Â 3,948Â 1Â â€”Â $(1,000)2,949Â Diversified/Conglomerate Manufacturingâ€”1.7%Lonestar EMS, LLC - Common Units 100Â %â€”Â â€”Â â€”Â â€”Â â€”Â 8,214Â 8,214Â Machineryâ€”0.0%PIC 360, LLCâ€”Common Equity Units(G)â€”Â $259Â â€”Â 284Â â€”Â (1)(283)â€”Â Personal and Non-Durable Consumer Products (Manufacturing Only) â€”0.0%WB Xcel Holdings, LLC - Common Warrant1Â â€”Â â€”Â â€”Â 1Â â€”Â (1)â€”Â Printing and Publishingâ€”0.9%TNCP Intermediate HoldCo, LLCâ€”Common Equity Units790,000Â â€”Â â€”Â 3,073Â â€”Â â€”Â 1,239Â 4,312Â Total Common Equity$259Â $â€”Â $7,305Â $2Â (1)8,169Â $15,475Â TOTAL CONTROL INVESTMENTS$259Â $2,074Â $30,850Â $4,949Â $(1,291)$3,410Â $37,918Â (A)Certain of the securities listed in this schedule are issued by affiliate(s) of the indicated portfolio company.(B)Common stock, warrants, options, membership units and, in some cases, preferred stock are generally non-income producing and restricted.(C)Represents the total amount of interest, dividends and other income credited to investment income for the portion of the fiscal year an investment was a control or affiliate investment, as appropriate.(D)Gross additions include increases in investments resulting from new portfolio investments, paid-in-kind interest or dividends, the amortization of discounts and fees, and the exchange of one or more existing securities for one or more new securities.130Table of Contents(E)Gross reductions include decreases in investments resulting from principal collections related to investment repayments or sales, the amortization of premiums and acquisition costs, and the exchange of one or more existing securities for one or more new securities.(F)Debt security has a fixed interest rate.(G)Investment was exited/paid off during the year ended SeptemberÂ 30, 2024.(H)Reserved.(I)Interest rate percentages represent cash interest rates in effect at SeptemberÂ 30, 2024, and due dates represent the contractual maturity date. Unless indicated otherwise, all cash interest rates are indexed to one-month Secured Overnight Financing Rate (â€œSOFRâ€ or â€œSâ€), which was 4.85% as of SeptemberÂ 30, 2024. If applicable, paid-in-kind interest rates are noted separately from the cash interest rate. Certain securities are subject to an interest rate floor. The cash interest rate is the greater of the floor or SOFR plus a spread. Due dates represent the contractual maturity date.(J)Reserved.(K)Represents the principal balance for debt investments and the number of shares/units held for equity investments as of SeptemberÂ 30, 2024. Warrants are represented as a percentage of ownership, as applicable.(L)Unless indicated otherwise, all of our investments are valued using Level 3 inputs within the FASB Accounting Standard Codification Topic 820, â€œFair Value Measurements and Disclosuresâ€ fair value hierarchy. Refer to Note 3â€”Investments in the accompanying Notes to Consolidated Financial Statements for additional information.(M)Category percentages represent the fair value of each category and subcategory as a percentage of net assets as of SeptemberÂ 30, 2024.**Â Â Â Â Information related to the amount of equity in the net profit and loss for the year for the investments listed has not been included in this schedule. This information is not considered to be meaningful due to the complex capital structures of the portfolio companies, with different classes of equity securities outstanding with different preferences in liquidation. These investments are not consolidated, nor are they accounted for under the equity method of accounting.131 EX-4.7 2 exhibit47-fy2024.htm EX-4.7 DocumentExhibit 4.7DESCRIPTION OF SECURITIES Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Annual Report on Form 10-K to which this Description of Securities is an exhibit. (a) Capital StockCommon Stock, $0.001 par value per share As of September 30, 2024, we had 22,230,587 shares of common stock outstanding. All shares of our common stock have equal rights as to earnings, assets, dividends and voting privileges and, when issued, will be duly authorized, validly issued, fully paid and nonassessable. Shares of our common stock have no preemptive, conversion or redemption rights and are freely transferable, except where their transfer is restricted by federal and state securities laws. Distributions may be paid to the holders of our common stock if, as and when authorized by our Board of Directors and declared by us out of funds legally available therefor. In the event of our liquidation, dissolution or winding up, each share of our common stock is entitled to share ratably in all of our assets that are legally available for distribution after we pay all debts and other liabilities and subject to any preferential rights of holders of our preferred stock, if any is outstanding at the time. Each share of our common stock is entitled to one vote and does not have cumulative voting rights, which means that holders of a majority of such shares, if they so choose, could elect all of the directors, and holders of less than a majority of such shares would, in that case, be unable to elect any director. Our common stock is listed on the Nasdaq Global Select Market (â€œNasdaqâ€) under the ticker symbol â€œGLAD.â€ 6.25% Series A Cumulative Redeemable Preferred Stock, par value $0.001 per share (â€œSeries A Preferred Stockâ€)As of September 30, 2024, we had 349,931 shares of Series A Preferred Stock outstanding. At the time of issuance, the Series A Preferred Stock will be fully paid and nonâ€‘assessable and will have no preemptive, conversion, or exchange rights or rights to cumulative voting. The Series A Preferred Stock will rank equally with shares of all other series of preferred stock (collectively, â€œPreferred Stockâ€) that we may issue in the future as to payment of dividends and the distribution of our assets upon dissolution, liquidation or winding up of our affairs. The Series A Preferred Stock is, and all other Preferred Stock that we may issue in the future will be, senior as to dividends and distributions to our common stock. We may issue additional series of Preferred Stock in the future. The Series A Preferred Stock will be effectively subordinated to our existing and future indebtedness, including the Notes and borrowings under the Credit Facility.The following summary of the terms and provisions of the Series A Preferred Stock does not purport to be complete and is qualified in its entirety by reference to the pertinent sections of our charter including the articles supplementary (the â€œArticles Supplementaryâ€), which supplement our charter by classifying the Series A Preferred Stock. DividendsHolders of shares of the Series A Preferred Stock (â€œSharesâ€) will be entitled to receive, when, as and if authorized by our Board of Directors (or a duly authorized committee of the board) and declared by us, out of funds legally available for the payment of dividends, preferential cumulative cash dividends at the rate of 6.25% per annum of the Liquidation Preference (equivalent to a fixed annual amount of $1.5625 per share) (the â€œDividend Rateâ€). Dividends on shares of the Series A Preferred Stock will accrue and be paid on the basis of a 360â€‘day year consisting of twelve 30â€‘day months. Dividends on outstanding shares of the Series A Preferred Stock will accrue and be cumulative from the end of the most recent dividend period for which dividends have been paid or, if no dividends have been paid and except as otherwise provided in the following sentence, from the date of issuance. If a share of Series A Preferred Stock is issued after the record date for the dividend period in which such share is issued, dividends on such share will accrue and be cumulative from the beginning of the first dividend period commencing after its issuance. Dividends will be payable monthly in arrears, on or about the fifth day of each month for dividends accrued the previous month or such other date as our Board of Directors may designate, to holders of record as they appear in our stock records at the close of business on the applicable record date. The record date for each dividend will be designated by our Board of Directors and will be a date that is prior to the dividend payment date. We currently anticipate the record date will be on or about the 25th of each month, but such date is subject to determination by our Board of Directors.RankingThe Series A Preferred Stock will rank, with respect to dividend rights and rights upon our liquidation, windingâ€‘up or dissolution:â€¢senior to our common stock in priority of payment of dividends and as to the distribution of assets upon dissolution, liquidation or the windingâ€‘up of our affairs;â€¢equal in priority with all other series of Preferred Stock we may issue in the future as to priority of payment of dividends and as to distributions of assets upon dissolution, liquidation or the windingâ€‘up of our affairs; andâ€¢effectively subordinated to our existing and future indebtedness, including the Notes and borrowings under the Credit Facility.Share Repurchase ProgramGeneralSubject to certain restrictions and procedures, commencing on the date of original issuance (or, if after the date of original issuance our Board of Directors suspends the share repurchase program of the Series A Preferred Stock, on the date our Board of Directors reinstates such program) and terminating on the earlier to occur of (1) the date upon which our Board of Directors, by resolution, suspends or terminates the share repurchase program, and (2) the date on which shares of the Series A Preferred Stock are listed on a national securities exchange, holders of the Series A Preferred Stock may, at their option, require us to repurchase any or all of their shares of Series A Preferred Stock for a cash payment.Quarterly Repurchase Limit Repurchases made under the Share Repurchase Program will be subject to a quarterly repurchase limit of 5% of our then outstanding Series A Preferred Stock (by number of shares outstanding), calculated as of the end of the previous calendar quarter.Applicable Repurchase Discounts As a general matter, Shares repurchased under the Share Repurchase Program will be made at the liquidation preference of the Series A Preferred Stock (â€œLiquidation Preferenceâ€), or $25.00 per share. plus an amount equal to accrued and unpaid dividends to, but excluding, the â€œStockholder Repurchase Dateâ€, which is the tenth calendar day following delivery of such holderâ€™s request that we repurchase shares of the Series A Preferred Stock, or if such tenth calendar day is not a business day, on the next succeeding business day; provided however, the share repurchase amount will be subject to the limitations set forth below:(1.)Shares that have not been outstanding for at least one year will be subject to an early repurchase discount of 10% (or at a price of $22.50 per Share); (2.)Shares that have been outstanding for at least one year but not more than two years will be subject to an early repurchase discount of 6% (or at a price of $23.50 per Share); and(3.)Shares that have been outstanding for at least two years but not more than three years will be subject to an early repurchase discount of 3% (or at a price of $24.25 per Share).Additional Limitations Our obligation to repurchase the Shares is limited to the extent that our Board of Directors determines, in its sole and absolute discretion, that it does not have sufficient funds available, it is restricted by applicable law from making such repurchases, or otherwise suspends or terminates the Share Repurchase Program in its sole and absolute discretion. In the event that our Board of Directors elects to terminate the Share Repurchase Program and subject to satisfaction of any applicable listing requirements, we intend to apply to list the Shares on Nasdaq or another national securities exchange within one calendar year of the termination, however, there can be no assurance that a listing will be achieved in such timeframe, or at all.Repurchase Upon Death Subject to certain conditions, including the limitations described above, commencing on the date of original issuance, Shares held by a natural person upon his or her death may be repurchased at the written request of the holderâ€™s estate for a cash payment equal to the Liquidation Preference, or $25.00 per share, plus an amount equal to accrued and unpaid dividends to, but excluding, the â€œDeath Repurchase Dateâ€, which is the fifteenth calendar day of such estateâ€™s request that we repurchase the Shares, or, if such fifteenth calendar day is not a business day, on the next succeeding business day.RedemptionMandatory Redemption for Asset Coverage If we fail to maintain â€œAsset Coverageâ€ (as defined below) of at least the minimum amount required by Sections 18 and 61 of the 1940 Act (which is currently 150%) as of the time of declaration of dividends or other distributions on our common stock (other than dividends payable in shares of common stock), after deducting the amount of such dividend or other distribution, as of the time of purchase of the Companyâ€™s common stock or issuance of any senior security as defined in the 1940 Act, and such failure is not cured as of the close of business on the â€œAsset Coverage Cure Dateâ€ (which is defined as the close of business on the date that is 90 calendar days following the date of such failure), the Series A Preferred Stock may become subject to mandatory redemption.â€œAsset Coverageâ€ means asset coverage of a class of senior security which is a stock, as defined for purposes of Sections 18(h) and 61 of the 1940 Act as in effect on the date of the Articles Supplementary, determined on the basis of values calculated as of a time within 48 hours (not including Sundays or holidays) next preceding the time of such determination.Optional Redemption by the Company Except in certain limited circumstances, we cannot redeem the Series A Preferred Stock prior to the earlier of (1) first anniversary of the Termination Date and (2) January 1, 2027. The â€œTermination Dateâ€ is the date that is the earlier of (1) December 31, 2026 (unless earlier terminated or extended by our Board of Directors) or (2) the date on which all 6,000,000 shares of Series A Preferred Stock are soldOn and after the earlier of (1) first anniversary of the Termination Date and (2) January 1, 2027, at our sole option upon not less than 30 nor more than 60 daysâ€™ written notice, we may redeem shares of the Series A Preferred Stock, in whole or in part, at any time or from time to time, for cash at a redemption price of $25.00 per share, plus an amount equal to all accumulated and unpaid dividends on such shares to, but excluding, the date fixed for redemption, without interest. Holders of Series A Preferred Stock to be redeemed must then surrender such Series A Preferred Stock at the place designated in the notice. Upon surrender of the Series A Preferred Stock, the holders will be entitled to the redemption price. If notice of redemption of any shares of Series A Preferred Stock has been given and if we have deposited the funds necessary for such redemption with the paying agent for the benefit of the holders of any of the shares of Series A Preferred Stock to be redeemed, then from and after the redemption date, dividends will cease to accumulate on those shares of Series A Preferred Stock, those shares of Series A Preferred Stock will no longer be deemed outstanding and all rights of the holders of such shares will terminate, except the right to receive the redemption price. If less than all of the outstanding Series A Preferred Stock is to be redeemed, the Series A Preferred Stock to be redeemed will be selected (1) pro rata, (2) by lot or (3) by any other fair and equitable method that our Board of Directors may choose.1940 Act Restrictions on Dividends and RepurchasesFor so long as any shares of Preferred Stock are outstanding, we will not: (x) declare any dividend or other distribution (other than a dividend or distribution paid in our common stock) in respect of our common stock, (y) call for redemption, redeem, purchase or otherwise acquire for consideration any such common stock, or (z) pay any proceeds of the liquidation of the Company in respect of such common stock, unless, in each case, (A) immediately thereafter, we will be in compliance with the Asset Coverage limitations applicable to us under the 1940 Act (currently 150%) after deducting the amount of such dividend or distribution or redemption or purchasing price or liquidation proceeds, (B) all cumulative dividends and distributions of shares of all series of Preferred Stock, if any, ranking on parity with the Series A Preferred Stock due on or prior to the date of the applicable dividend, distribution, redemption, purchase or acquisition shall have been declared and paid (or shall have been declared and sufficient funds or deposit securities as permitted by the terms of such Preferred Stock for the payment thereof shall have been deposited irrevocably with the applicable paying agent) and (C) we have deposited deposit securities with the redemption and paying agent in accordance with certain requirements with respect to outstanding Preferred Stock of any series to be redeemed pursuant an Asset Coverage mandatory redemption resulting from the failure to comply with the Asset Coverage for which a notice of redemption shall have been given or shall have been required to be given on or prior to the date of the applicable dividend, distribution, redemption, purchase or acquisition.Liquidation RightsIn the event of our voluntary or involuntary liquidation, dissolution or winding up, the holders of shares of Series A Preferred Stock will be entitled to be paid, out of our assets legally available for distribution to our stockholders, a liquidation distribution equal to the Liquidation Preference, plus an amount equal to any accumulated and unpaid dividends on such shares to, but excluding, the date of payment, but without interest, before any distribution of assets is made to holders of our common stock. If our assets legally available for distribution to stockholders are insufficient to pay in full the Liquidation Preference plus an amount equal to any accumulated and unpaid dividends on the Series A Preferred Stock and the amounts due upon liquidation with respect to such other shares of Preferred Stock, then the available assets will be distributed among the holders of the Series A Preferred Stock and such other series of Preferred Stock ratably so that the amount of assets distributed per share of Series A Preferred Stock and such other series of Preferred Stock will in all cases bear to each other the same ratio that the Liquidation Preference per share on the Series A Preferred Stock and the liquidation preference on such other series of Preferred Stock bear to each other. Written notice of any such liquidation, dissolution or winding up of us, stating the payment date or dates when, and the place or places where, the amounts distributable in such circumstances will be payable, will be given by first class mail, postage preâ€‘paid, not less than 30 nor more than 60 days prior to the payment date stated therein, to each record holder of the Series A Preferred Stock at the respective addresses of such holders as the same appear on the stock transfer records of the Company. After payment of the full amount of the liquidation preference, plus an amount equal to any accumulated and unpaid dividends to which they are entitled, the holders of Series A Preferred Stock will have no right or claim to any of our remaining assets. If we convert into or consolidate or merge with or into any other corporation, trust or entity, effect a statutory share exchange or sell, lease, transfer or convey all or substantially all of our property or business, we will not be deemed to have liquidated, dissolved or wound up.Voting RightsExcept as otherwise provided in our charter, including the terms of the Series A Preferred Stock, each holder of a share of Series A Preferred Stock will be entitled to one vote for each share of Series A Preferred Stock held by such holder on each matter submitted to a vote of our stockholders and the holders of outstanding shares of any Preferred Stock, including the Series A Preferred Stock, will vote together with holders of common stock as a single class. Under applicable rules of Nasdaq and Maryland law, we are currently required to hold annual meetings of stockholders.In addition, the holders of outstanding shares of any Preferred Stock, including the Series A Preferred Stock, will be entitled, as a class, to the exclusion of the holders of all other securities and the common stock, to elect two of our directors at all times (regardless of the total number of directors serving on the Board of Directors). We refer to these directors as the â€œPreferred Directorsâ€. The holders of outstanding shares of common stock and Preferred Stock, including Series A Preferred Stock, voting together as a single class, will elect the balance of our directors. Under our bylaws, our directors are divided into three classes. At each annual meeting of our stockholders, the successors to the class of directors whose term expires at such meeting will be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election. Our Preferred Directors will be up for election in 2026.Notwithstanding the foregoing, if: (1) at the close of business on any dividend payment date for dividends on any outstanding share of any Preferred Stock, including any outstanding shares of Series A Preferred Stock, accumulated dividends (whether or not earned or declared) on the shares of Preferred Stock, including the Series A Preferred Stock, equal to at least two full yearsâ€™ dividends shall be due and unpaid and sufficient cash or specified securities shall not have been deposited with the redemption and paying agent or other applicable paying agent for the payment of such accumulated dividends; or (2) at any time holders of any shares of Preferred Stock are entitled under the 1940 Act to elect a majority of our directors (a period when either of the foregoing conditions exists, a â€œVoting Periodâ€), then the number of members constituting our Board of Directors will automatically be increased by the smallest number that, when added to the two directors elected exclusively by the holders of shares of any Preferred Stock, including the Series A Preferred Stock, as described above, would constitute a majority of our Board of Directors as so increased by such smallest number; and the holders of the shares of Preferred Stock, including the Series A Preferred Stock, will be entitled as a class on a oneâ€‘voteâ€‘perâ€‘share basis, to elect such additional directors. The terms of office of the individuals who are directors at the time of that election will not be affected by the election of the additional directors. If we thereafter shall pay, or declare and set apart for payment, in full all dividends payable on all outstanding shares of Preferred Stock, including Series A Preferred Stock, for all past dividend periods, or the Voting Period is otherwise terminated, (1) the voting rights stated above shall cease, subject always, however, to the revesting of such voting rights in the holders of shares of Preferred Stock upon the further occurrence of any of the events described herein, and (2) the terms of office of all of the additional directors so elected will terminate automatically. Any Preferred Stock, including Series A Preferred Stock, issued after the date hereof will vote with Series A Preferred Stock as a single class on the matters described above, and the issuance of any other Preferred Stock, including Series A Preferred Stock, by us may reduce the voting power of the holders of Series A Preferred Stock.As soon as practicable after the accrual of any right of the holders of shares of Preferred Stock to elect additional directors as described above, we will call a special meeting of such holders and notify the Redemption and Paying Agent and/or such other person as is specified in the terms of such Preferred Stock to receive notice, (i) by mailing or delivery by electronic means or (ii) in such other manner and by such other means as are specified in the terms of such Preferred Stock, a notice of such special meeting to such holders, such meeting to be held not less than 10 nor more than 30 calendar days after the date of the delivery by electronic means or mailing of such notice. If we fail to call such a special meeting, it may be called at our expense by any such holder on like notice. The record date for determining the holders of shares of Preferred Stock entitled to notice of and to vote at such special meeting shall be the close of business on the fifth business day preceding the calendar day on which such notice is mailed. At any such special meeting and at each meeting of holders of shares of Preferred Stock held during a Voting Period at which directors are to be elected, such holders, voting together as a class (to the exclusion of the holders of all our other securities and classes of capital stock), will be entitled to elect the number of additional directors prescribed above on a oneâ€‘voteâ€‘perâ€‘share basis.Except as otherwise permitted by the terms of the Series A Preferred Stock, so long as any shares of Series A Preferred Stock are outstanding, we will not, without the affirmative vote or consent of the holders of at least twoâ€‘thirds of shares of Series A Preferred Stock, voting as a separate class, amend, alter or repeal the provisions of the charter, including the terms of the Series A Preferred Stock, whether by merger, consolidation or otherwise, so as to materially and adversely affect any privilege, preference, right or power of the Series A Preferred Stock; provided, however, that (i) a change in our capitalization as described under the heading â€œâ€”Issuance of Additional Preferred Stockâ€ will not be considered to materially and adversely affect the privileges, preferences, rights or powers of Series A Preferred Stock, and (ii) a division of a share of Series A Preferred Stock will be deemed to affect such preferences, rights or powers only if the terms of such division materially and adversely affect the holders of shares of Series A Preferred Stock. For purposes of the foregoing, no matter shall be deemed to adversely affect any privilege, preference, right or power of a share of Series A Preferred Stock or the holder thereof unless such matter (i) alters or abolishes any preferential right of such share of Series A Preferred Stock, or (ii) creates, alters or abolishes any right in respect of redemption of such Series A Preferred Stock (other than as a result of a division of such Series A Preferred Stock).So long as any shares of Preferred Stock are outstanding, we will not, without the affirmative vote or consent of the holders of at least 662 / 3% of the shares of Preferred Stock outstanding at the time, voting as a separate class, file a voluntary application for relief under federal bankruptcy law or any similar application under state law for so long as we are solvent and do not foresee becoming insolvent. No amendment, alteration or repeal of our obligation to redeem the Series A Preferred Stock or to accumulate dividends at the Dividend Rate will be effected without, in each case, the prior unanimous vote or consent of the holders of shares of Series A Preferred Stock.The affirmative vote of the holders of at least a â€œmajority of the outstanding shares of Preferred Stock,â€ including the shares of Series A Preferred Stock outstanding at the time, voting as a separate class, will be required (i) to approve us ceasing to be, or to withdraw our election as, a BDC, or (ii) to approve any plan of â€œreorganizationâ€ (as such term is defined in Section 2(a)(33) of the 1940 Act) adversely affecting such shares of Preferred Stock.For purposes of the foregoing, the vote of a â€œmajority of the outstanding shares of Preferred Stockâ€ means the vote at an annual or special meeting duly called of (a) 67% or more of such shares present at a meeting, if the holders of more than 50% of such outstanding shares are present or represented by proxy at such meeting, or (b) more than 50% of such outstanding shares, whichever is less.For purposes of determining any rights of the holders of shares of Series A Preferred Stock to vote on any matter, whether such right is created by our charter, including the terms of the Series A Preferred Stock, by statute or otherwise, no holder of Series A Preferred Stock will be entitled to vote any shares of Series A Preferred Stock and no share of Series A Preferred Stock will be deemed to be â€œoutstandingâ€ for the purpose of voting or determining the number of shares required to constitute a quorum if, prior to or concurrently with the time of determination of shares entitled to vote or the time of the actual vote on the matter, as the case may be, the requisite Notice of Redemption with respect to such shares of Series A Preferred Stock will have been given in accordance with the terms of the Series A Preferred Stock, and the Redemption Price for the redemption of such shares of Series A Preferred Stock will have been irrevocably deposited with the Redemption and Paying Agent for that purpose. No shares of Series A Preferred Stock held by us will have any voting rights or be deemed to be outstanding for voting or for calculating the voting percentage required on any other matter or other purposes.Unless otherwise required by law or our charter, holders of shares of Series A Preferred Stock will not have any relative rights or preferences or other special rights with respect to voting other than those specifically set forth in the â€œVoting Rightsâ€ section of the Articles Supplementary. The holders of shares of Series A Preferred Stock will have no rights to cumulative voting. In the event that we fail to declare or pay any dividends on Series A Preferred Stock, the exclusive remedy of the holders will be the right to vote for additional directors as discussed above.Issuance of Additional Preferred StockSo long as any shares of Series A Preferred Stock are outstanding, we may, without the vote or consent of the holders thereof, authorize, establish and create and issue and sell shares of one or more series of a class of our senior securities representing stock under Sections 18 and 61 of the 1940 Act, ranking on parity with the Series A Preferred Stock as to the payment of dividends and distribution of assets upon dissolution, liquidation or the winding up of our affairs, in addition to then outstanding shares of Series A Preferred Stock, including additional series of Preferred Stock, and authorize, issue and sell additional shares of any such series of Preferred Stock then outstanding or so established and created, including additional shares of the Series A Preferred Stock, in each case in accordance with applicable law, provided that we will, immediately after giving effect to the issuance of such additional Preferred Stock and to our receipt and application of the proceeds thereof, including to the redemption of Preferred Stock with such proceeds, have Asset Coverage as required by Sections 18 and 61 of the 1940 Act (which is currently 150%).ModificationThe Board of Directors, without the vote of the holders of shares of Series A Preferred Stock, may interpret or correct the provisions of the Articles Supplementary to supply any omission, resolve any inconsistency or ambiguity or to cure or correct any defective or inconsistent provision, including any provision that becomes defective after the date hereof because of impossibility of performance or any provision that is inconsistent with any provision of any other Preferred Stock or the common stock.(b) Debt Securities7.75% Notes due 2028 (the â€œ2028 Notesâ€)The following is a summary description of the material terms of the 2028 Notes and the indenture. The following summary is qualified in its entirety by reference to the indenture (as defined below), the components of which are attached as exhibits to this Annual Report.GeneralThe 2028 Notes were issued under a base indenture dated as of November 6, 2018 and a fifth supplemental indenture thereto dated August 17, 2023, between us and U.S. Bank Trust Company, National Association, as trustee (collectively, the â€œindentureâ€). The 2028 Notes will mature on September 1, 2028. The principal payable at maturity will be 100% of the aggregate principal amount. The interest rate of the 2028 Notes is 7.75% per year and will be paid every March 1, June 1, September 1 and December 1, commencing December 1, 2023, and the regular record dates for interest payments will be every February 15, May 15, August 15 and November 15, commencing November 15, 2023. If an interest payment date falls on a nonâ€‘business day, the applicable interest payment will be made on the next business day and no additional interest will accrue as a result of such delayed payment. The 2028 2028 Notes are listed on Nasdaq under the symbol â€œGLADZ.â€The 2028 Notes were issued in denominations of $25 and integral multiples of $25 in excess thereof. The 2028 Notes are not subject to any sinking fund and holders of the 2028 Notes do not have the option to have the 2028 Notes repaid prior to the stated maturity date.The indenture does not limit the amount of debt (including secured debt) that may be issued by us or our subsidiaries under the indenture or otherwise, but does contain a covenant regarding our asset coverage that would have to be satisfied at the time of our incurrence of additional indebtedness.CovenantsIn addition to standard covenants relating to payment of principal and interest, maintaining an office where payments may be made or securities can be surrendered for payment and related matters, the following covenants will apply to the 2028 Notes: â€¢We agree that for the period of time during which the 2028 Notes are outstanding, we will not violate Section 18(a)(1)(A) as modified by Section 61(a)(2) of the 1940 Act or any successor provisions, whether or not we continue to be subject to such provisions of the 1940 Act, but giving effect, in either case, to any exemptive relief granted to us by the SEC. Currently, these provisions generally prohibit us from incurring additional indebtedness, including through the issuance of additional debt securities, unless our asset coverage, as defined in the 1940 Act, equals at least 150% after such borrowings. â€¢We agree that for the period of time during which 2028 Notes are outstanding, we will not declare any dividend (except a dividend payable in our stock), or declare any other distribution, upon a class of our capital stock, or purchase any such capital stock, unless, in every such case, at the time of the declaration of any such dividend or distribution, or at the time of any such purchase, we have an asset coverage, as defined in the 1940 Act, of at least the threshold specified under Section 18(a)(1)(B) as modified by Section 61(a)(2) of the 1940 Act or any successor provisions thereto of the 1940 Act, after deducting the amount of such dividend, distribution or purchase price, as the case may be, and in each case giving effect to any noâ€˜action relief granted by the SEC to another BDC and upon which we may reasonably rely (or to us if we determine to seek such similar noâ€˜action or other relief) permitting the BDC to declare any cash dividend or distribution notwithstanding the prohibition contained in Section 18(a)(1)(B) as modified by Section 61(a)(2) of the 1940 Act, in order to maintain such BDCâ€™s status as a RIC under Subchapter M of the Code. â€¢If, at any time, we are not subject to the reporting requirements of Sections 13 or 15(d) of the Exchange Act to file any periodic reports with the SEC, we agree to furnish to holders of the 2028 Notes and the trustee, for the period of time during which the 2028 Notes are outstanding, our audited annual consolidated financial statements, within 90 days of our fiscal year end, and unaudited interim consolidated financial statements, within 45 days of our fiscal quarter end (other than our fourth fiscal quarter). All such financial statements will be prepared, in all material respects, in accordance with applicable GAAP. Optional RedemptionThe 2028 Notes may be redeemed in whole or in part at any time or from time to time at our option on or after September 1, 2025, upon not less than 30 days nor more than 60 days written notice by mail prior to the date fixed for redemption thereof, at a redemption price of 100% of the outstanding principal amount of the 2028 Notes to be redeemed plus accrued and unpaid interest payments otherwise payable thereon for the then-current quarterly interest period accrued to, but excluding, the date fixed for redemption.Conversion and ExchangeThe 2028 Notes are not convertible into or exchangeable for other securities. Events of Default The term â€œEvent of Defaultâ€ in respect of the 2028 Notes means any of the following: â€¢We do not pay the principal of any 2028 Note when due and payable at maturity; â€¢We do not pay interest on any 2028 Note when due and payable, and such default is not cured within 30 days of its due date; â€¢We remain in breach of any other covenant in respect of the 2028 Notes for 60 days after we receive a written notice of default stating we are in breach (the notice must be sent by either the trustee or holders of at least 25% of the principal amount of the outstanding 2028 Notes); â€¢We file for bankruptcy or certain other events of bankruptcy, insolvency or reorganization occur and remain undischarged or unstayed for a period of 90 days; or â€¢On the last business day of each of twenty-four consecutive calendar months, the 2028 Notes have an asset coverage (as such term is defined in the 1940 Act) of less than 100%. An Event of Default for the 2028 Notes may, but does not necessarily, constitute an Event of Default for any other series of debt securities issued under the same or any other indenture. The trustee may withhold notice to the holders of the 2028 Notes of any default, except in the payment of principal or interest, if it in good faith considers the withholding of notice to be in the best interests of the holders. Remedies if an Event of Default OccursIf an Event of Default has occurred and is continuing, the trustee or the holders of not less than 25% in principal amount of the 2028 Notes may declare the entire principal amount of all the 2028 Notes to be due and immediately payable, but this does not entitle any holder of 2028 Notes to any redemption payout or redemption premium. This is called a declaration of acceleration of maturity. In certain circumstances, a declaration of acceleration of maturity may be canceled by the holders of a majority in principal amount of the 2028 Notes if (1) we have deposited with the trustee all amounts due and owing with respect to the 2028 Notes (other than principal or any payment that has become due solely by reason of such acceleration) and certain other amounts, and (2) any other Events of Default have been cured or waived.Except in cases of default, where the trustee has some special duties, the trustee is not required to take any action under the indenture at the request of any holders unless the holders offer the trustee indemnity, security or both against costs, expenses and liability reasonably satisfactory to it (called an â€œindemnityâ€). If indemnity reasonably satisfactory to the trustee is provided, the holders of a majority in principal amount of the 2028 Notes may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. The trustee may refuse to follow those directions in certain circumstances. No delay or omission in exercising any right or remedy will be treated as a waiver of that right, remedy or Event of Default.Waiver of DefaultThe holders of a majority in principal amount of the 2028 Notes may waive any past defaults other than a default:â€¢in the payment of principal (or premium, if any) or interest; orâ€¢in respect of a covenant that cannot be modified or amended without the consent of each holder of the 2028 NotesEach year, we will furnish to the trustee a written statement of certain of our officers certifying that to their knowledge we are in compliance with the indenture and the 2028 Notes, or else specifying any default.Modification or WaiverThere are three types of changes we can make to the indenture and the 2028 Notes issued thereunder.Changes Requiring Approval of Each HolderFirst, there are changes that we cannot make to the 2028 Notes without the specific approval of each holder thereof. The following is a list of those types of changes:â€¢change the stated maturity of the principal of (or premium, if any, on) or any installment of principal of or interest on the 2028 Notes;â€¢reduce any amounts due on the 2028 Notes or reduce the rate of interest on the 2028 Notes;â€¢reduce the amount of principal payable upon acceleration of the maturity of a 2028 Note following a default;â€¢change the place or currency of payment on a 2028 Note;â€¢impair a holderâ€™s right to sue for payment;â€¢reduce the percentage of holders of 2028 Notes whose consent is needed to modify or amend the indenture; andâ€¢reduce the percentage of holders of 2028 Notes whose consent is needed to waive compliance with certain provisions of the indenture or to waive certain defaults or reduce the percentage of holders of 2028 Notes required to satisfy quorum or voting requirements at a meeting of holders of the 2028 Notes.Changes Not Requiring ApprovalThe second type of change does not require any vote by the holders of the 2028 Notes. This type is limited to clarifications and certain other changes that would not adversely affect holders of the 2028 Notes in any material respect.Changes Requiring Majority ApprovalAny other change to the indenture and the 2028 Notes would require the following approval:â€¢if the change affects only the 2028 Notes, it must be approved by the holders of a majority in principal amount of the 2028 Notes; andâ€¢if the change affects more than one series of debt securities issued under the same indenture, it must be approved by the holders of a majority in principal amount of all of the series affected by the change, with all affected series voting together as one class for this purpose.In each case, the required approval must be given by written consent. The holders of a majority in principal amount of all of the series of debt securities issued under the indenture, voting together as one class for this purpose, may waive our compliance with some of our covenants in that indenture. However, we cannot obtain a waiver of a payment default or of any of the matters covered by the bullet points included above under â€œâ€” Changes Requiring Approval of Each Holder.â€Further Details Concerning VotingWhen taking a vote, we will use the following rules to decide how much principal to attribute to the 2028 Notes:The 2028 Notes will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust money for their payment or redemption or if we or any affiliate of ours own any 2028 Notes. The 2028 Notes will also not be eligible to vote if they have been fully defeased as described below.We will generally be entitled to set any day as a record date for the purpose of determining the holders of the 2028 Notes that are entitled to vote or take other action under the indenture. However, the record date may not be earlier than 30 days before the date of the first solicitation of holders to vote on or take such action and not later than the date such solicitation is completed. If we set a record date for a vote or other action to be taken by holders of the 2028 Notes, that vote or action may be taken only by persons who are holders of the 2028 Notes on the record date and must be taken within eleven months following the record date.Defeasance and Covenant DefeasanceThe 2028 Notes are subject to defeasance by us. â€œDefeasanceâ€ means that, by depositing with a trustee an amount of cash and/or government securities sufficient to pay all principal and interest, if any, on the 2028 Notes when due and satisfying any additional conditions required under the indenture relating to the 2028 Notes, we will be deemed to have been discharged from our obligations under the 2028 Notes. The 2028 Notes are subject to covenant defeasance by us. In the event of a â€œcovenant defeasance,â€ upon depositing such funds and satisfying conditions similar to those for defeasance we would be released from certain covenants under the indenture relating to the 2028 Notes. The consequences to the holders of the 2028 Notes would be that, while they would no longer benefit from certain covenants under the indenture, and while the 2028 Notes could not be accelerated for any reason, the holders of the 2028 Notes nonetheless could look to the Company for repayment of the 2028 Notes if there were a shortfall in the funds deposited with the trustee or the trustee is prevented from making a payment. RankingThe 2028 Notes will be our direct unsecured obligations and will rank: â€¢pari passu with our existing and future unsecured, unsubordinated indebtedness, including our 2026 Notes and our 2027 Notes; â€¢senior to our Series A Preferred Stock and any series of preferred stock that we may issue in the future; â€¢senior to any of our future indebtedness that expressly provides it is subordinated to the 2028 Notes; â€¢effectively subordinated to any future secured indebtedness of Gladstone Capital Corporation (including indebtedness that is initially unsecured to which we subsequently grant security), to the extent of the value of the assets securing such indebtedness; and â€¢structurally subordinated to all existing and future indebtedness and other obligations of any of our subsidiaries and any other future subsidiaries of Gladstone Capital Corporation, including borrowings under the Credit Facility. The Trustee under the IndentureU.S. Bank Trust Company, National Association serves as the trustee, paying agent and security registrar under the indenture. (c) Provisions of our Certificate of Incorporation or Bylaws that may have the effect of delaying, deferring or preventing a change of control Classified Board of Directors In accordance with our bylaws, our Board of Directors is divided into three classes of directors serving staggered three-year terms, with the term of directors in each class expiring at the annual meeting of stockholders held in the third year following the year of their election. One class has three directors and two classes have two directors. A classified board may render more difficult a change in control of us or removal of our incumbent management. We believe, however, that the longer time required to elect a majority of a classified board of directors will help to ensure continuity and stability of our management and policies. Our classified board could have the effect of making the replacement of incumbent directors more time consuming and difficult. Because our directors may only be removed for cause, at least two annual meetings of stockholders, instead of one, will generally be required to effect a change in a majority of our Board of Directors. Thus, our classified board could increase the likelihood that incumbent directors will retain their positions. The staggered terms of directors may delay, defer or prevent a tender offer or an attempt to change control of us or another transaction that might involve a premium price for our common stock that might be in the best interest of our stockholders. Number of Directors; Removal; Vacancies Our charter provides that the number of directors will be determined pursuant to our bylaws and our bylaws provide that a majority of our entire Board of Directors may at any time increase or decrease the number of directors. In addition, our bylaws provide that the number of directors shall not be increased by 50% or more in any 12-month period without the approval of two-thirds of the members of our Board of Directors then in office. Our bylaws provide that any vacancies may be filled only by the vote of a majority of the remaining directors, even if less than a quorum, and the directors so appointed shall hold office for the remainder of the full term of the class of directors in which the vacancy occurred and until their successors are elected and qualified. Our directors may only be removed for cause and only by the affirmative vote of at least a majority of all the votes entitled to be cast by our stockholders generally in the election of directors. This provision, when coupled with the power of our Board of Directors to fill vacancies on our Board of Directors, precludes stockholders from removing incumbent directors except for cause and upon a substantial affirmative vote and could preclude stockholders from filling the vacancies created by such removal with their own nominees. Advance Notice Provisions for Stockholder Nominations and Stockholder Proposals Our bylaws establish an advance notice procedure for stockholders to make nominations of candidates for election as directors or to bring other business before an annual or special meeting of our stockholders, which we refer to as the stockholder notice procedure. The stockholder notice procedure provides that with respect to an annual meeting of stockholders, nominations of individuals for election to our Board of Directors and the proposal of business to be considered by our stockholders at an annual meeting may be made only (1) pursuant to our notice of the meeting, (2) by or at the direction of our Board of Directors or (3) by a stockholder who was a stockholder of record at the time of giving of notice, who is entitled to vote at the meeting and who has complied with the advance notice procedures set forth in our bylaws, including a requirement to provide certain information about the stockholder and the nominee or business proposal, as applicable. With respect to special meetings of stockholders, only the business specified in our notice of meeting may be brought before the meeting. Nominations of individuals for election to our Board of Directors may be made at a special meeting of stockholders at which directors are to be elected only (1) by or at the direction of our Board of Directors or (2) by a stockholder who was a stockholder of record at the time of giving of notice, who is entitled to vote at the meeting and who has complied with the advance notice provisions set forth in our bylaws, including a requirement to provide certain information about the stockholder and the nominee. The purpose of requiring stockholders to give us advance notice of nominations and other business is to afford our Board of Directors a meaningful opportunity to consider the qualifications of the proposed nominees and the advisability of the other proposed business and, to the extent deemed necessary or desirable by the Board of Directors, to inform stockholders and make recommendations about such qualifications or business, as well as to provide a more orderly procedure for conducting meetings of stockholders. Although our bylaws do not give our Board of Directors any power to disapprove stockholder nominations for the election of directors or proposals for action, they may have the effect of precluding a contest for the election of directors or the consideration of stockholder proposals if proper procedures are not followed and of discouraging or deterring a third party from conducting a solicitation of proxies to elect its own slate of directors or to approve its own proposal without regard to whether consideration of such nominees or proposals might be harmful or beneficial to us and our stockholders. Authority to Issue Preferred Stock without Stockholder Approval As of September 30, 2024, our charter permits our Board of Directors to issue up to 50,000,000 shares of capital stock. Our Board of Directors may classify or reclassify any unissued common stock or preferred stock into other classes or series of stock and establish the preferences, conversion or other rights, voting powers, restrictions, limitations as to distributions, qualifications and terms or conditions of redemption of any such stock. Thus, our Board of Directors could authorize the issuance of preferred stock with terms and conditions that could have a priority as to distributions and amounts payable upon liquidation over the rights of the holders of our common stock. Amendment of Charter and Bylaws Our charter may be amended, altered, changed or repealed, subject to the terms of any class or series of preferred stock, only if advised by our Board of Directors and approved by our stockholders by the affirmative vote of two-thirds of all the votes entitled to be cast on the matter. Our charter also provides that the bylaws may be adopted, amended, altered, changed or repealed by our Board of Directors. Any action taken by our stockholders with respect to adopting, amending, altering, changing or repealing our bylaws may be taken only by the affirmative vote of the holders of at least 75% of our capital stock, voting together as a single class. These provisions are intended to make it more difficult for stockholders to circumvent certain other provisions contained in our charter and bylaws, such as those that provide for the classification of our Board of Directors. These provisions, however, also will make it more difficult for stockholders to amend the charter or bylaws without the approval of the Board of Directors, even if a majority of the stockholders deems such amendment to be in the best interests of all stockholders. Indemnification and Limitation of Liability of Directors and Officers Maryland law permits a Maryland corporation to include in its charter a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages, except for liability resulting from (a) actual receipt of an improper benefit or profit in money, property or services or (b) active and deliberate dishonesty that is established by a final judgment and is material to the cause of action. Our charter contains a provision that eliminates the liability of our directors and officers to the maximum extent permitted by Maryland law. The Maryland General Corporation Law (the â€œMGCLâ€) requires us (unless our charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made a party by reason of his or her service in that capacity. The MGCL permits us to indemnify our present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a party by reason of their service in those or other capacities unless it is established that: â€¢the act or omission of the director or officer was material to the matter giving rise to the proceeding and (1) was committed in bad faith or (2) was the result of active and deliberate dishonesty; â€¢the director or officer actually received an improper personal benefit in money, property or services; or â€¢in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. Under the MGCL, we may not indemnify a director or officer in a suit by us or on our behalf in which the director or officer was adjudged liable to us or in a suit in which the director or officer was adjudged liable on the basis that personal benefit was improperly received. A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct or was adjudged liable on the basis that personal benefit was improperly received. However, indemnification for an adverse judgment in a suit by us or on our behalf, or for a judgment of liability on the basis that personal benefit was improperly received, is limited to expenses. In addition, the MGCL permits us to advance reasonable expenses to a director or officer upon our receipt of: â€¢a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by us; and â€¢a written undertaking by or on behalf of the director or officer to repay the amount paid or reimbursed by us if it is ultimately determined that the director or officer did not meet the standard of conduct. Our bylaws permit us to advance expenses so long as, in addition to the requirements above, we obtain security for the advance from the director or officer, we obtain insurance against losses arising by reason of lawful advances or we determine that there is reason to believe that the director or officer will be found entitled to indemnification. Subject to the 1940 Act, or any valid rule, regulation or order of the SEC thereunder, our charter obligates us, to the maximum extent permitted by Maryland law in effect from time to time, to indemnify and pay or reimburse reasonable expenses in advance of final disposition of a proceeding to any director or officer, whether serving our company or at our request any other entity. Our charter also permits us to indemnify and advance expenses to any employee or agent of our company to the extent authorized by our Board of Directors or the bylaws and permitted by law. Our bylaws obligate us, to the maximum extent required by Maryland law or the charter, to indemnify any person who was or is a party or is threatened to be made a party to any threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was our director, officer, employee or agent, or is or was serving at our request as a director, officer, manager, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise if our Board of Directors determines that such person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of our company, and, in the case of any criminal action or proceeding, that such person had no reasonable cause to believe that such personâ€™s conduct was unlawful. However, our bylaws permit us to advance expenses only so long as, in addition to the requirements above, we obtain security for the advance from the director or officer, we obtain insurance against losses arising by reason of lawful advances or we determine that there is reason to believe that the director or officer will be found entitled to indemnification. These provisions on indemnification and limitation of liability are subject to the limitations of the 1940 Act that prohibit us from protecting any director or officer against any liability to us or our stockholders arising from willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of such personâ€™s office. EX-14 3 exhibit14fy2024.htm EX-14 exhibit14fy2024 1 Code of Ethics and Business Conduct For Gladstone Capital Corporation Gladstone Commercial Corporation Gladstone Investment Corporation Gladstone Land Corporation Gladstone Alternative Income Fund Gladstone Management Corporation Gladstone Administration LLC Gladstone Securities, LLC and their subsidiaries (UPDATED OCTOBER 8, 2024) I. Core Values: This Code of Ethics and Business Conduct (hereafter referred to as the â€œCodeâ€) reflects our commitment to our Core Values, our Valued Relationships and to the Standards of Ethics and Business Conduct that support these values and relationships. We expect every employee, officer and director to read and understand this Code and its application to the performance of his or her business responsibilities. We are committed to the highest standards of ethical and professional conduct in all of our business operations, as well as in our interactions with customers, business partners and employees. The following are the values we hold in highest esteemâ€¦the values that we propose to use as our guide in our quest for excellence and success. To assist and encourage you to apply our Core Values in your day-to-day activities, each Core Value includes amplifying and implementing guidance. A. Golden Rule and Respect a. Following the Golden Rule means we will strive to always do the right thing...the thing we would want others to do to us. b. Treating others the way we would like to be treated is our foundational value and the golden rule is a good summary of our other core values. c. Respect means we respect the rights, opinions and beliefs of others so long as they are consistent with our other core values. Amplifying and implementing guidance: - Be a good listener, encourage diverse opinions and be willing to accept them. - Recognize the achievement of others. Â 2 - Donâ€™t prejudge another personâ€™s qualities or intentions. - Respect confidences. - Recognize each individualâ€™s human dignity and value. B. Honesty and Openness a. Honesty means we refuse to lie, cheat, steal or deceive in any way. b. We will never deliberately mislead, or misrepresent the truth. c. We will always to do the legal and fair thing, fulfilling the intent of our commitments and the law. d. Openness means we will be free, forthright and sincere in our discussions, as candid as possible, and will openly share appropriate information in each relationship. Amplifying and implementing guidance: - Be forthright and never use information as a source of power. - Strive for clarity: avoid â€œslipperyâ€ words. - Focus on issues, not personalities. - Carry no hidden agendas. - Be willing to admit your own mistakes and be tolerant of otherâ€™s mistakes. C. Integrity a. Integrity means we will refuse to be corrupted or unfaithful to our values. b. We will do what we say we will do, and we will conduct ourselves in accordance with our values and our code of ethics. c. We will always try to do the right thing. d. We will operate within both the letter and the spirit of the law. Amplifying and implementing guidance: - Act and speak ethically. - What you do when no one is looking should agree with your professed ethics. D. Teamwork and Innovation a. Teamwork means working together to achieve our goals and values as a group and not working at cross purposes. b. Innovation means encouraging each other to seek new ways of doing our business to improve our quality and efficiency. Amplifying and implementing guidance: - Acknowledge all co-workers as valuable team members. - Show confidence in the character and truthfulness of others. - Practice solidarity by respecting and supporting team decisions. - Encourage initiative and participation. - Be accountable to the team. - Lead by example. - Recognize that taking and accepting reasonable risks is necessary business conduct. E. Responsibility a. Responsibility means we are morally and legally accountable for our actions. Â 3 b. We are determined to do the right thing, and to be good stewards of the things that have been entrusted into our care. Amplifying and implementing guidance: - Accept responsibility for your own mistakes, and give credit to others for their accomplishments. - Keep commitments. F. Loyalty and Hard work a. We will be loyal to our Company and protect its assets and trade secrets. We will be faithful in carrying out our duties. b. We will always work hard and do our best. Amplifying and implementing guidance: - Demand excellence from yourself, and seek and encourage it from others. - Demonstrate a sense of urgency in all that you do. - Our success is directly related to our loyalty to each other and to our company. Always remember that at our companies, your ethical behavior is the ultimate â€œbottom lineâ€. We are committed to do what is right even when it does not seem to be profitable, expedient or conventional. We are committed to following the above core values in everything we doâ€¦ that means we will be truthful, ethical, law-abiding, and respectful in all of our dealings with others. II. Our Valued Relationships We will deal fairly and honestly in all of our relationships, treating all our business associates as long-term valued partners. We will operate our business based on the practical application of the Golden Rule, our other values, and all other provisions of our Code of Ethics and Business Conduct, for the mutual benefit of all our valued relationships. We will strive to be dependable and respectable in all our dealings with our business associates and our employees, value each shareholder and lender to our company, and we will be faithful stewards of their funds. We are committed to providing a work environment where there is no conflict between work and moral or ethical values, or family responsibilities, and where everyone is treated justly and with respect. We have certain relationships that we hold dear and they are: â€¢ Customers and clients are the reason we are in business. We seek to help our customers and clients to achieve their goals. We know that if we help them reach their goals, they will help us reach our goals too. â€¢ Employees are the full extent of our company. We are no greater than our employees. Each employee is an integral part of our team. We seek to have the best employees and the best organization to support the growth of each employee. Â 4 â€¢ Shareholders have entrusted us with their assets. We seek to increase the value of those assets. As trustees we will do our best to protect and grow the assets that have been entrusted to us. â€¢ Suppliers provide us with the things we need to achieve our goals. They have the goods and services we need to grow our business. We will treat each supplier as a valued partner in the growth of our business. â€¢ Our government is part of our operations. We seek to fulfill the regulatory aspects of our business operations in a timely and accurate manner. â€¢ Our relationship with God is one that is valued highest. We will do our best to perform in a way that will be pleasing to God. III. Code of Ethics Implementing Guidance and Procedures As with any written guidance, this Code of Ethics may not clearly address every situation you may encounter. If concerns or questions that you have about a course of action are not addressed specifically by this Code, you should ask yourself the following six questions to begin your evaluation process: Ethics â€œQuick Testâ€ 1. Is it legal? 2. Would doing it make me feel bad or ashamed in any way? 3. Is it consistent with our Core Values? 4. Would I want my family or friends to read about it in the newspaper? 5. Would failing to act make the situation worse or allow a â€œwrongâ€ to continue? 6. Does it follow the Golden Rule set out above? If you still have questions or concerns, do not act until your questions and concerns have been raised and resolved. Our employee handbook, your supervisor, our Chief Compliance Officer (â€œCCOâ€) and staff (the â€œCompliance Officersâ€) or the Ethics Committee are all available to help you. Additionally, if you are not comfortable addressing potential violations of this Code with any of these persons directly, you may also raise your concerns by anonymously contacting Global Compliance Services (See Part V, Section 15 of this Code for contact and other information regarding the compliance resources available to you). If you are aware of a suspected or actual violation of Code standards by others, you have a responsibility to report it. You are expected to promptly notify a Compliance Officer or contact another compliance reporting resource to provide a specific description of the violation that you believe has occurred, including any information you have about the persons involved and the time of the violation. Whether you choose to speak with your supervisor or one of the Compliance Â 5 Officers, you should do so without fear of any form of retaliation. We will take prompt disciplinary action against any employee who retaliates against you. Supervisors must promptly report any complaints or observations of Code violations to the CCO. If you believe your supervisor has not taken appropriate action, you should contact one of our Compliance Officers directly. The Compliance Officers will investigate all reported possible Code violations promptly and with the highest degree of confidentiality that is possible under the specific circumstances. Neither you nor your supervisor may conduct any preliminary investigation, unless authorized to do so by the CCO. Your cooperation in the investigation will be expected. As needed, the CCO will consult with the Ethics Committee and the Audit Committee of the Board of Directors. It is our policy to employ a fair process by which to determine violations of this Code. With respect to any complaints or observations of Code violations that may involve accounting, internal accounting controls and auditing concerns, the CCO shall promptly inform the chair of the Ethics Committee, who will then turn over such information to the Audit Committee or such other persons as the Audit Committee of the Board of Directors determines to be appropriate under the circumstances shall be responsible for supervising and overseeing the inquiry and any investigation that is undertaken. If any investigation indicates that a potential violation of this Code has occurred, we will take such action as we believe to be appropriate under the circumstances. Violations of this Code will not be tolerated. Any employee who violates this Code may be subject to disciplinary action, which, depending on the nature of the violation and the history of the employee, may range from a warning or reprimand to and including termination of employment and, in appropriate cases, civil legal action or referral for regulatory enforcement action. Appropriate action may also be taken to deter any future Code violations. IV. Code of Ethics References in this Code to employees are intended to cover all employees including officers and, as applicable, directors. References to â€œour companiesâ€ mean all the affiliated companies in the Gladstone group of companies, including Gladstone Capital Corporation (â€œGladstone Capitalâ€), Gladstone Commercial Corporation (â€œGladstone Commercialâ€), Gladstone Investment Corporation (â€œGladstone Investmentâ€), Gladstone Land Corporation (â€œGladstone Landâ€), Gladstone Alternative Income Fund (the â€œInterval Fundâ€), Gladstone Management Corporation (the â€œAdviserâ€), Gladstone Administration LLC (the â€œAdministratorâ€), Gladstone Securities, LLC (â€œGladstone Securitiesâ€) and their subsidiaries. References to Gladstone Capital, Gladstone Commercial, Gladstone Investment, Gladstone Land, the Interval Fund, the Adviser, and the Administrator shall include all subsidiaries of those companies. References to the Board of Directors mean the Boards of Directors of all of the affiliated companies in the Gladstone group of companies, as applicable. References to the Ethics Committee mean the Ethics, Nominating and Corporate Governance Committees of Gladstone Capital, Gladstone Commercial, Gladstone Land, Gladstone Investment or the Interval Fund, as applicable. Â 6 Officers, managers and other supervisors are expected to develop in employees a sense of commitment not only to the letter, but to the spirit of this Code. Supervisors are also expected to ensure that all agents and contractors conform to this Codeâ€™s standards when working for or on behalf of our companies. The environment regarding compliance with this Code within each supervisorâ€™s assigned area of responsibility will be a significant factor in evaluating the quality of that individualâ€™s performance. In addition, any employee who makes an exemplary effort to implement and uphold our Core Values, Valued Relationships and Standards of Business Conduct and Ethics will be recognized for that effort in his or her performance review. Nothing in this Code alters the at-will employment policy of our companies. The Code addresses conduct that is particularly important to proper dealings with the people and entities with which we interact, but may not address every aspect of our commitment to honest and ethical conduct. From time to time we may adopt additional policies and procedures with which our employees, officers and directors are expected to comply, if applicable to them. However, it is the responsibility of each employee to apply common sense, together with his or her own highest personal ethical standards, in making business decisions where there is no stated guideline in this Code. Action by members of your immediate family or other persons who live in your household also may potentially result in ethical issues to the extent that they involve our companiesâ€™ business. For example, acceptance of inappropriate gifts by a family member from one of our suppliers or portfolio companies could create a conflict of interest and result in a Code violation attributable to you. Consequently, in complying with this Code, you should consider not only your own conduct, but also that of your immediate family members and other persons who live in your household. PLEASE NOTE THAT YOU WILL BE ASKED TO CERTIFY COMPLIANCE WITH THIS CODE ON AN ANNUAL BASIS. THUS, YOU SHOULD NOT HESITATE TO ASK QUESTIONS, VOICE CONCERNS OR CLARIFY GRAY AREAS ABOUT WHETHER ANY CONDUCT MAY VIOLATE THIS CODE. THE APPENDICES CONTAIN RESOURCES AVAILABLE TO YOU TO DETERMINE COMPLIANCE WITH THIS CODE. IN ADDITION, YOU ARE RESPONSIBLE FOR REPORTING SUSPECTED OR ACTUAL VIOLATIONS OF THIS CODE BY OTHERS. YOU SHOULD BE ALERT TO POSSIBLE VIOLATIONS OF THIS CODE BY OTHERS, AND MUST REPORT SUSPECTED VIOLATIONS, WITHOUT FEAR OF ANY FORM OF RETALIATION, AS FURTHER DESCRIBED IN PART V, SECTION 15 OF THIS CODE. V. Standards of Ethics and Business Conduct Underlying our Core Values, described in Part I above, is our commitment to maintain the highest standards of ethics and business conduct. 1. Honest and Ethical Conduct It is the policy of our companies to promote high standards of integrity by conducting our affairs in an honest and ethical manner. The integrity and reputation of our companies depends on Â 7 the honesty, fairness and integrity brought to the job by each person associated with us. Unyielding personal integrity is the foundation of corporate integrity. 2. Legal Compliance Obeying the law, both in letter and in spirit, is the foundation of this Code. Our success depends upon each employeeâ€™s operating within legal guidelines and cooperating with local, national and international authorities. We expect employees to understand the legal and regulatory requirements applicable to their business units and areas of responsibility. We hold periodic training sessions to ensure that all employees comply with this Code, the compliance policies and procedures of our companies, and other relevant laws, rules and regulations associated with their employment. While we do not expect you to know every detail of these laws, rules and regulations, we expect you to be familiar with this Code and our compliance policies and procedures, so that you are able to determine when to seek advice from others. If you do have a question in the area of legal compliance, it is important that you not hesitate to seek answers from your supervisor or one of the Compliance Officers (see Section 15 of this Part IV below for more information about the Compliance Officers). Disregard of the law will not be tolerated. Violation of domestic or foreign laws, rules and regulations may subject an individual, as well as our companies, to civil or criminal penalties. You should be aware that conduct and records, including emails, are subject to internal and external audits and to discovery by third parties in the event of a government investigation or civil litigation. It is in everyoneâ€™s best interest to know and comply with our legal obligations. 3. Insider Trading Employees who have access to confidential (or â€œinsideâ€) information are not permitted to use or share that information for stock trading purposes or for any other purpose except to conduct our business. All non-public information about our companies or about companies with which we do business is considered confidential information. To use material non-public information in connection with buying or selling securities, including â€œtippingâ€ others who might make an investment decision on the basis of this information, is not only unethical, it is illegal. You must exercise the utmost care when handling material inside information. The Companyâ€™s Insider Trading Policy (the â€œTrading Policyâ€), which is attached to this Code as Appendix A and is incorporated by reference into this Code, has been instituted to help you avoid prohibited insider trading, and to ensure that our companies comply with the separate requirements of Rules 17j-1 of the Investment Company Act of 1940 and 204A of the Investment Advisersâ€™ Act of 1940. All employees are expected to understand and comply with all Trading Policy provisions applicable to them. The Trading Policy addresses detailed legal provisions of the Act and imposes requirements, and in some cases, restrictions, on certain securities trades that you may wish to make. The Trading Policy contains provisions that require you to obtain pre-clearance for all investments in any initial public offering, and for securities trades for which you may have insider information, especially the Gladstone Funds. To request pre-clearance of a securities transaction, Â 8 you should complete Schedule A (for limited offering transactions) or schedule B (for transactions involving Gladstone Funds) of the attached Appendix A and forward it to our CCO. The Trading Policy also requires all employees to provide certain reports of their holdings or transactions in certain securities. The particular reports you will be required to provide are described more fully in the Trading Policy. If you have questions regarding the requirements or compliance procedures under the Trading Policy, or if you donâ€™t know whether your situation requires pre-clearance or reporting, you should contact one of our Compliance Officers. 4. International Business Laws You are expected to comply with the applicable laws in all countries to which you travel, in which we operate and where we otherwise do business, including laws prohibiting bribery, corruption or the conduct of business with specified individuals, companies or countries. The fact that, in some countries, certain laws are not enforced or that violation of those laws is not subject to public criticism will not be accepted as an excuse for noncompliance. In addition, we expect you to comply with U.S. laws, rules and regulations governing the conduct of business by its citizens and corporations outside the U.S. If you have a question as to whether an activity is restricted or prohibited, seek assistance before taking any action, including giving any verbal assurances that might be regulated by international laws. 5. Environmental Compliance It is our policy to conduct our business in an environmentally responsible way that minimizes environmental impacts. We are committed to minimizing and, if practicable, eliminating the use of any substance or material that may cause environmental damage, reducing waste generation and disposing of all waste through safe and responsible methods, minimizing environmental risks by employing safe technologies and operating procedures, and being prepared to respond appropriately to accidents and emergencies. 6. Conflicts of Interest We respect the rights of our employees to manage their personal affairs and investments and do not wish to impinge on their personal lives. At the same time, you should avoid conflicts of interest that occur when your personal interests may interfere in any way with the performance of your duties or the best interests of our companies. A conflicting personal interest could result from an expectation of personal gain now or in the future or from a need to satisfy a prior or concurrent personal obligation. We expect you to be free from influences that conflict with the best interests of our companies, or might deprive our companies of your undivided loyalty in business dealings. Even the appearance of a conflict of interest where none actually exists can be damaging and should be avoided. Whether or not a conflict of interest exists or will exist can be unclear. If you have any questions about a potential conflict or if you become aware of an actual or potential conflict, and you are not an officer or director of one of our companies, you should Â 9 discuss the matter with your supervisor or with one of our Compliance Officers. Supervisors may not authorize conflict of interest matters or make determinations as to whether a problematic conflict of interest exists without first seeking the approval of the CCO and providing the CCO with a written description of the activity. If the supervisor is involved in the potential or actual conflict, you should discuss the matter directly with the CCO. Officers and directors may seek authorizations and determinations from the Ethics Committee of the Board of Directors. Factors that may be considered in evaluating a potential conflict of interest are, among others: â€¢ whether it may interfere with the employeeâ€™s job performance, responsibilities or morale; â€¢ whether the employee has access to confidential information; â€¢ whether it may interfere with the job performance, responsibilities or morale of others within the organization; â€¢ any potential adverse or beneficial impact on our business; â€¢ any potential adverse or beneficial impact on our relationships with our customers or suppliers or other service providers; â€¢ whether it would enhance or support a competitorâ€™s position; â€¢ the extent to which it would result in financial or other benefit (direct or indirect) to the employee; â€¢ the extent to which it would result in financial or other benefit (direct or indirect) to one of our customers, suppliers or other service providers; and â€¢ the extent to which it would appear improper to an outside observer. Although no list can include every possible situation in which a conflict of interest could arise, the following are examples of situations that may, depending on the facts and circumstances, involve problematic conflicts of interests: â€¢ Employment by (including consulting for) or service on the board of a competitor, customer or supplier or other service provider. Activity that enhances or supports the position of a competitor to the detriment of one or more of our companies is prohibited, including employment by or service on the board of a competitor. Employment by or service on the board of a customer or supplier or other service provider is generally discouraged and you must seek authorization in advance if you plan to take such a position. â€¢ Owning, directly or indirectly, a significant financial interest in any entity that does business, seeks to do business or competes with us. In addition to the factors described above, persons evaluating ownership in other entities for conflicts of interest will consider the size and nature of the investment; the nature of the relationship between the other entity Â 10 and any one of our companies; the employeeâ€™s access to confidential information and the employeeâ€™s ability to influence one of our companies decisions. If you would like to acquire a financial interest of any kind, you must seek written approval in advance from the CCO. â€¢ Soliciting or accepting gifts, favors, loans or preferential treatment from any person or entity that does business or seeks to do business with us. See Section 10 for further discussion of the issues involved in this type of conflict. â€¢ Soliciting contributions to any charity or for any political candidate from any person or entity that does business or seeks to do business with us. â€¢ Taking personal advantage of corporate opportunities. See Section 7 for further discussion of the issues involved in this type of conflict. â€¢ Working at a second job without permission. â€¢ Conducting business transactions between any one of our companies and your family member or a business in which you or a family member has a significant financial interest. Material related-party transactions must be approved by the Audit Committee and the Ethics Committee and, if that activity involves any executive officer or director, that activity will be required to be publicly disclosed as required by applicable laws and regulations. Loans to, or guarantees of obligations of, employees or their family members by our companies could constitute an improper personal benefit to the recipients of these loans or guarantees, depending on the facts and circumstances. Some loans are expressly prohibited by law and applicable law requires that our Board of Directors approve all loans and guarantees to employees. As a result, all loans and guarantees by our companies must be approved in advance by the Board of Directors. 7. Corporate Opportunities. You may not take personal advantage of the opportunities of our companies that are presented to you or discovered by you as a result of your position with us or through your use of corporate property or information, unless authorized by the Board of Directors. Even opportunities that are acquired privately by you may be questionable if they are related to our existing or proposed lines of business. Significant participation in an investment or outside business opportunity that is directly related to our lines of business must be pre-approved by the board of directors of our company that is affected. You may not use your position with us or corporate property or information for improper personal gain, nor should you compete with us in any way. 8. Maintenance of Corporate Books, Records, Documents and Accounts; Financial Integrity; Public Reporting Â 11 The integrity of our records and public disclosure depends upon the validity, accuracy and completeness of the information supporting the entries to our books of account. Therefore, our corporate and business records should be completed accurately and honestly. The making of false or misleading entries, whether they relate to financial results or test results, is strictly prohibited. Our records serve as a basis for managing our business and are important in meeting our obligations to customers, suppliers, creditors, employees and others with whom we do business. As a result, it is important that our books, records and accounts accurately and fairly reflect, in reasonable detail, our assets, liabilities, revenues, costs and expenses, as well as all transactions and changes in assets and liabilities. We require that: â€¢ no entry be made in our books and records that intentionally hides or disguises the nature of any transaction or of any of our liabilities or misclassifies any transactions as to accounts or accounting periods; â€¢ transactions be supported by appropriate documentation; â€¢ the terms of sales and other commercial transactions be reflected accurately in the documentation for those transactions and all such documentation be reflected accurately in our books and records; â€¢ employees comply with our system of internal controls; and â€¢ no cash or other assets be maintained for any purpose in any unrecorded or â€œoff-the-booksâ€ fund. Our accounting records are also relied upon to produce reports for our management, stockholders and creditors, as well as for governmental agencies. In particular, we rely upon our accounting and other business and corporate records in preparing the periodic and current reports that we file with the Securities and Exchange Commission (the â€œSECâ€). Securities laws require that these reports provide full, fair, accurate, timely and understandable disclosure and fairly present our financial condition and results of operations. Employees who collect, provide or analyze information for or otherwise contribute in any way in preparing or verifying these reports should strive to ensure that our financial disclosure is accurate and transparent and that our reports contain all of the information about the Gladstone group of companies that would be important to enable stockholders and potential investors to assess the soundness and risks of our business and finances and the quality and integrity of our accounting and disclosures. In addition: â€¢ no employee may take or authorize any action that would intentionally cause our financial records or financial disclosure to fail to comply with generally accepted accounting principles, the rules and regulations of the SEC or other applicable laws, rules and regulations; â€¢ all employees must cooperate fully with our Accounting Department and, when one is established, Internal Auditing Departments, as well as our independent public accountants and counsel, respond to their questions with candor and provide them with complete and Â 12 accurate information to help ensure that our books and records, as well as our reports filed with the SEC, are accurate and complete; and â€¢ no employee should knowingly make (or cause or encourage any other person to make) any false or misleading statement in any of our reports filed with the SEC or knowingly omit (or cause or encourage any other person to omit) any information necessary to make the disclosure in any of our reports accurate in all material respects. Any employee who becomes aware of any departure from these standards has a responsibility to report his or her knowledge promptly to a supervisor, a Compliance Officer, the Audit Committee or one of the other compliance resources described in Section 15. 9. Fair Dealing We strive to outperform our competition fairly and honestly. Advantages over our competitors are to be obtained through superior performance of our products and services, not through unethical or illegal business practices. Acquiring proprietary information from others through improper means, possessing trade secret information that was improperly obtained, or inducing improper disclosure of confidential information from past or present employees of other companies is prohibited, even if motivated by an intention to advance our interests. If information is obtained by mistake that may constitute a trade secret or other confidential information of another business, or if you have any questions about the legality of proposed information gathering, you must consult your supervisor or one of our Compliance Officers, as further described in Section 15. You are expected to deal fairly with our customers, suppliers, employees and anyone else with whom you have contact in the course of performing your job. Be aware that the Federal Trade Commission Act provides that â€œunfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce, are declared unlawful.â€ It is a violation of this Act to engage in deceptive, unfair or unethical practices and to make misrepresentations in connection with sales activities. Employees involved in procurement have a special responsibility to adhere to principles of fair competition in the purchase of products and services by selecting suppliers based exclusively on normal commercial considerations, such as quality, cost, availability, service and reputation, and not on the receipt of special favors. 10. Gifts and Entertainment Business gifts and entertainment are meant to create goodwill and sound working relationships and not to gain improper advantage with customers or facilitate approvals from government officials. The exchange, as a normal business courtesy, of meals or entertainment (such as tickets to a game or the theatre or a round of golf) is a common and acceptable practice as long as it is not extravagant. Unless express written permission is received from a supervisor, the CCO or the Ethics Committee, gifts and entertainment cannot be offered, provided or accepted by any employee unless consistent with customary business practices and not (a) of more than Â 13 token or nominal monetary value, (b) in cash, (c) susceptible of being construed as a bribe or kickback, (d) made or received on a regular or frequent basis or (e) in violation of any laws. This principle applies to our transactions everywhere in the world, even where the practice is widely considered â€œa way of doing business.â€ Employees should not accept gifts or entertainment that may reasonably be deemed to affect their judgment or actions in the performance of their duties. Our customers, suppliers and the public at large should know that our employeesâ€™ judgment is not for sale. 11. Protection and Proper Use of Company Assets All employees are expected to protect our assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on our profitability. Our property, such as office supplies, computer equipment, buildings and products, are expected to be used only for legitimate business purposes, although incidental personal use may be permitted. You may not, however, use our corporate name, any brand name or trademark owned or associated with our companies or any letterhead stationery for any personal purpose. We each have personal responsibility to guard and ensure the security of our information systems and data. Our employees will exercise reasonable cyber security awareness by managing their access to our equipment, systems and information/data assets with the utmost care, confidentiality and professionalism. These assets are intended to advance the success of the company. Our assets include facilities, equipment, computers and information systems, smartphones, information and data assets. â€¢ Protect company assets from loss or harm. â€¢ Donâ€™t appropriate, borrow or loan company assets without permission. â€¢ Use care when transferring confidential information via email. â€¢ Use care when transferring confidential information onto a portable storage device such as a memory stick. â€¢ Keep computer equipment safe and secure at all times and protect your user IDs and passwords. â€¢ Keep confidential and proprietary information safe and secure. Exercise cyber security by looking after our intellectual property and be vigilant of potential attempts (ex., phishing/spam/fraudulent emails, unusual system activity, etc.) to breach our computer systems by notifying compliance, resource management, or our IT service when suspicion arises. You may not, while acting on behalf of our companies or while using our computing or communications equipment or facilities, either: â€¢ Permit an external entity to access our computer systems without authorization from compliance or resource management; or Â 14 â€¢ access the internal computer system (also known as â€œhackingâ€) or other resource of another entity without express written authorization from the entity responsible for operating that resource; or â€¢ if you receive authorization to access another entityâ€™s internal computer system or other resource, you must make a permanent record of that authorization so that it may be retrieved for future reference, and you may not exceed the scope of that authorization; or â€¢ commit any unlawful or illegal act, including harassment, libel, fraud, sending of unsolicited bulk email (also known as â€œspamâ€) in violation of applicable law, trafficking in contraband of any kind or espionage. Unsolicited bulk email is regulated by law in a number of jurisdictions. If you intend to send unsolicited bulk email to persons outside of our companies, either while acting on our behalf or using our computing or communications equipment or facilities, you should contact your supervisor or the CCO for approval. All data residing on or transmitted through our computing and communications facilities, including email and word processing documents, is the property of our companies and subject to inspection, retention and review by us, with or without an employeeâ€™s or third partyâ€™s knowledge, consent or approval, in accordance with applicable law. Any misuse or suspected misuse of our assets must be immediately reported to your supervisor or a Compliance Officer. 12. Confidentiality One of our most important assets is our confidential information. As an employee of our companies, you may learn of information about our business that is confidential and proprietary. You also may learn of information before that information is released to the general public. Employees who have received or have access to confidential information should take care to keep this information confidential. Confidential information includes non-public information that might be of use to competitors or harmful to our companies or its customers if disclosed, such as business, marketing and service plans, financial information, product architecture, source codes, designs, databases, customer lists, pricing strategies, personnel data, personally identifiable information pertaining to our employees, customers or other individuals, and similar types of information provided to us by our customers, suppliers and partners. This information may be protected by patent, trademark, copyright and trade secret laws. In addition, because we interact with other companies and organizations, there may be times when you learn confidential information about other companies before that information has been made available to the public. You must treat this information in the same manner as you are required to treat our confidential and proprietary information. There may even be times when you must treat as confidential the fact that we have an interest in, or are involved with, another company. You are expected to keep confidential and proprietary information confidential unless and until that information is released to the public through approved channels (usually through a press Â 15 release, an SEC filing or a formal communication from a member of senior management, as further described in Section 13). Every employee has a duty to refrain from disclosing to any person confidential or proprietary information about us or any other company learned in the course of employment here, until that information is disclosed to the public through approved channels. This policy requires you to refrain from discussing confidential or proprietary information with outsiders and even with other of our companiesâ€™ employees, unless those fellow employees have a legitimate need to know the information in order to perform their job duties. Unauthorized use or distribution of this information could also be illegal and result in civil liability or criminal penalties. You should also take care not to inadvertently disclose confidential information. Materials that contain confidential information, such as memos, notebooks, computer disks and laptop computers, should be stored securely. Unauthorized posting or discussion of any information concerning our business, information or prospects on the Internet is prohibited. You may not discuss our business, information or prospects in any â€œchat room,â€ regardless of whether you use your own name or a pseudonym. Be cautious when discussing sensitive information in public places like elevators, airports, restaurants and â€œquasi-publicâ€ areas within the Gladstone group of companies. All our companies emails, voicemails and other communications are presumed confidential and should not be forwarded or otherwise disseminated outside of our companies, except where required for legitimate business purposes. In addition to the above responsibilities, if you are handling information protected by any privacy policy published by us, such as our website privacy policy, then you must handle that information in accordance with the applicable policy. 13. Media and Public Discussions It is our policy to disclose material information concerning our companies to the public only through specific limited channels to avoid inappropriate publicity and to ensure that all those with an interest in the company will have equal access to information. All inquiries or calls from the press and financial analysts should be referred to the Chief Executive Officer (â€œCEOâ€) or our Investor Relations Manager. We have designated our CEO as our official spokesperson for financial matters. We have designated the President of one of our companies or our Chief Investment Officer (â€œCIOâ€) as our official spokesperson for marketing, and other related information. Unless a specific exception has been made by the CEO, these designees are the only people who may communicate with the press on behalf of our companies. In addition, our compliance policies and procedures require that communications of this nature, including advertisements, presentations or speeches and website content, be reviewed by the CCO. You also may not provide any information to the media about us off the record, for background, confidentially or secretly. 14. Waivers Any waiver of this Code for executive officers (including our principal executive officer, principal financial officer, principal accounting officer or controller (or persons performing similar Â 16 functions) or directors may be authorized only by the Board of Directors of our companies, and will be disclosed to stockholders as required by applicable laws, rules and regulations. 15. Compliance Standards and Procedures Compliance Resources; Compliance Officers To facilitate compliance with this Code, we have implemented a program of Code awareness, training and review. We have designated our CCO to oversee this program. The CCO will have staff to assist in oversight of the program. The Compliance Officers are persons to whom you can address any questions or concerns. Please contact your manager or the head of Human Resources to determine who has been appointed as a Compliance Officer. In addition to fielding questions or concerns with respect to potential violations of this Code, the CCO is responsible for: â€¢ investigating possible violations of this Code; â€¢ training new employees in Code policies; â€¢ conducting annual training sessions to refresh employeesâ€™ familiarity with this Code; â€¢ reviewing all personal securities transactions and holdings reports required by Appendix A to this Code; â€¢ distributing this Code by hard copy or by email to each employee upon initial hire and annually thereafter, and upon any amendment of this Code, and requiring written acknowledgement of the receipt of this Code and any such amendments as a reminder that each employee is responsible for reading, understanding and complying with this Code; â€¢ updating this Code as needed and alerting employees to any updates, with appropriate approval of the Ethics Committee, to reflect changes in the law, our companies operations and in recognized best practices, and to reflect our companies experience; and â€¢ otherwise promoting an atmosphere of responsible and ethical conduct. â€¢ Your most immediate resource for any matter related to this Code is your supervisor. He or she may have the information you need or may be able to refer the question to another appropriate source. There may, however, be times when you prefer not to go to your supervisor. In these instances, you should feel free to discuss your concern with a Compliance Officer. If you are uncomfortable speaking with a Compliance Officer because he or she works in your department or is one of your supervisors, please contact a member of the Ethics Committee. You may also report violations directly to members of the Ethics Committee by either sending a letter to Global Compliance Services, 13950 Ballantyne Corporate Place, Suite 300, Charlotte, NC 28277 or by calling our companiesâ€™ toll-free hotline run by Global Compliance Services at 1-888-475-4914 and speaking with a representative who will transmit the information to the Ethics Committee. The Â 17 Ethics Committee will pass on to the Audit Committee of the Board of Directors all information related to complaints or observations that involve accounting, internal accounting controls and auditing concerns. You may call the toll-free number anonymously if you prefer as it is not equipped with caller identification, although Global Compliance Services will be unable to obtain follow-up details from you that may be necessary to investigate the matter. Whether you identify yourself or remain anonymous, your telephonic contact with Global Compliance Services through the toll- free number will be kept strictly confidential to the extent reasonably possible within the objectives of this Code. 16. Amendments and Modifications This Code of Ethics and Business Conduct may not be amended or modified except in a written form which is specifically approved by majority vote of the independent directors of the applicable entities. This Code of Ethics and Business Conduct was adopted by the Board of Directors of Gladstone Capital, Gladstone Investment, Gladstone Land, Gladstone Commercial and the Interval Fund, including the independent directors, on January 28, 2013. 17. Pay to Play Policy In light of recent scandals involving public pension plans and the practice of making campaign contributions to elected officials in order to influence the awarding of lucrative contracts for the management of public pension plan assets and similar government investment accounts, so-called â€œpay to play,â€ the Securities and Exchange Commission adopted Rule 206(4)-5 amending the Investment Advisers Act of 1940 (hereinafter â€œRule 206(4)-5â€ or the â€œRuleâ€) prohibiting investment advisors from receiving compensation for advisory services rendered to a public pension plan or other government investment account if certain political contributions are made by the adviser, or certain of its executives and employees. The Rule covers, among other things, all direct contributions made to incumbent state or local officials, or candidates for state or local office, direct contributions to state or local political party committees, and indirect contributions such as in-kind contributions, and soliciting or coordinating contributions. Rule 206(4)-5 applies to the Adviser because it is a registered investment adviser under the Investment Advisers Act of 1940 and to Gladstone Securities because it is a registered broker dealer soliciting Government Entities on behalf of the Adviser.1 Although the Adviser may not 1 The Rule makes it unlawful for any investment adviser subject to the Rule or any of the adviserâ€™s covered associates to make direct or indirect payment to any person to solicit government clients for investment advisory services on the investment adviserâ€™s behalf unless the â€œsolicitorâ€ is subject to prohibitions against participating in pay to play practices and subject to oversight by the Securities and Exchange Commission or a registered national securities association Â 18 currently be providing advisory services to a public pension plan or other government investment account, the Rule has a two year look back provision which could impact the ability of the Adviser to provide such services in the coming years. This policy is being adopted to avoid inadvertent violations of the Rule which would result in loss of business for the Adviser. Any questions regarding this policy or activities discussed herein should be directed to the CCO or his designee. Please refer to Appendix B for further information. such as FINRA. The SEC adopted this Rule to prevent a third party placement agent from being used as an indirect means of making political contributions on the investmentâ€™s advisers behalf. Under the Rule, FINRAâ€™s rules must be at least as restrictive as Rule 206(4)-5 for a broker dealer to be able to solicit government clients on the investment adviserâ€™s behalf. While Gladstone Securities is not a registered investment adviser under the Investment Advisers Act of 1940, any contributions made by a Covered Associate of Gladstone Securities could be deemed to have been made by the Adviser, thus prohibiting the Adviser from providing investment advisory services to the applicable Government Entity. Likewise, contributions made by a newly hired employee prior to his or her employment at the Adviser or Gladstone Securities could be deemed to have been made by the Adviser, triggering the prohibitions on the Adviser providing advisory services to a Government Entity. Â Appendix A-1 Appendix A Insider Trading Policy For Gladstone Capital Corporation Gladstone Commercial Corporation Gladstone Investment Corporation Gladstone Land Corporation Gldastone Alternative Income Fund Gladstone Management Corporation Gladstone Administration LLC Gladstone Securities, LLC and their subsidiaries This Insider Trading Policy (the â€œPolicyâ€) has been adopted to comply with Rules 17j-l under the Investment Company Act of 1940 (the â€œInvestment Company Actâ€) and 204A under the Investment Advisersâ€™ Act of 1940 (the â€œAdvisersâ€™ Actâ€) (the â€œRulesâ€). The Policy establishes standards and procedures designed to address conflicts of interest and detect and prevent abuse of fiduciary duty by persons with knowledge of the investments and investment intentions of Gladstone Management Corporation (the â€œAdviserâ€), Gladstone Administration LLC (the â€œAdministratorâ€), Gladstone Securities, LLC, Gladstone Capital Corporation, Gladstone Commercial Corporation, Gladstone Investment Corporation, Gladstone Land Corporation, Gladstone Alternative Income Fund, their subsidiaries, and other funds managed and administered by the Adviser and the Administrator (collectively, the â€œFundsâ€). THIS POLICY WAS ORIGINALLY INCORPORATED BY REFERENCE INTO AND MADE A PART OF THE CODE OF ETHICS AND BUSINESS CONDUCT ADOPTED BY THE BOARDS OF DIRECTORS OF THE ADVISER AND THE FUNDS ON OCTOBER 11, 2005 (THE â€œCODE OF ETHICSâ€). ANY VIOLATION OF THIS POLICY IS SUBJECT TO SANCTIONS DESCRIBED IN THE CODE OF ETHICS. (a) General Policy (i) It is the policy of the Adviser, the Administrator and the Funds to oppose the unauthorized disclosure of any non-public information acquired in the workplace and the misuse of Material Non-public Information in securities trading. It is also the policy of the Adviser, the Administrator and the Funds to restrict trading of the Fundâ€™s securities in a manner that minimizes the possibility of any unintentional violation of the securities laws. We have adopted several specific restrictions, outlined in this Policy, to effect the Companyâ€™s general policy. Â Appendix A-2 (ii) This Policy acknowledges the general principles that officers, directors and employees of the Adviser, the Administrator, the Funds or any other company in a Control relationship to the Adviser, the Administrator or the Funds, referred to in this Policy as â€œCovered Persons,â€ (A) owe a fiduciary obligation to the Funds, the Administrator and the Adviser; (B) have the duty at all times to protect the interests of stockholders; (C) must conduct all personal securities transactions in such a manner as to avoid any actual or potential conflict of interest or abuse of an individualâ€™s position of trust and responsibility; and (D) should not take inappropriate advantage of their positions in relation to the Funds, the Administrator or the Adviser. In recognition of the relationship between Covered Persons and members of their immediate family sharing a household with the Covered Person and entities whose investment decisions are influenced or controlled by such individuals, this Policy also applies to such persons, who are referred to in this Policy as â€œInsiders.â€ (iii) The Rules make it unlawful for Covered Persons to engage in conduct which is deceitful, fraudulent or manipulative, or which involves false or misleading statements, in connection with the purchase or sale of securities by an investment company. Accordingly, under the Rules and this Policy no Covered Person shall use any information concerning the investments or investment intentions of the Funds, or his or her ability to influence such investment intentions, for personal gain or in a manner detrimental to the interests of the Funds. In addition, the Rules and this Policy also contain additional restrictions for Covered Persons who are involved in or have access to information regarding securities recommendations made to the Funds, referred to in this Policy as Access Persons. (iv) Generally speaking, the restrictions in this Policy are time-based, to take account of events we know will occur on a regular basis, such as quarterly earnings releases, and circumstance-based, to address situations where information such as anticipated significant investment transactions, securities offerings, or any other such information that would likely affect the price of the Fundsâ€™ securities, is not yet known to the general public. (b) Definitions. For purposes of this Policy, (i) â€œAccess Personâ€ means any officer, employee director or managing director of the Adviser, the Administrator or the Funds, or any other company in a Control relationship to the Adviser, the Administrator or the Funds who is involved in or has access to information regarding securities recommendations made to the Funds. (ii) â€œAdministrative Officerâ€ means the CCO of the Relevant Fund, or, if the CCO of the Relevant Fund is not available, then the General Counsel of the Relevant Fund, or if the CCO and General Counsel of the Relevant Fund are not available, then the Chief Financial Officer of the Relevant Fund. Notwithstanding the foregoing, in the case of the pre-clearance of a Covered Transaction within the meaning of Section (b)(viii)(2) below, â€œAdministrative Officerâ€ means the CCO of the Adviser, or, if the CCO of the Adviser is not available, then the General Counsel of the Adviser, or if the CCO and General Counsel of the Adviser are not available, then the Chief Financial Officer of the Adviser. Â Appendix A-3 (iii) â€œBeneficial Interestâ€ means any interest by which a Covered Person or any member of his or her Immediate Family, can directly or indirectly derive a monetary benefit from the purchase, sale (or other acquisition or disposition) or ownership of a Security, except such interests as Clearing Officers (defined below) shall determine to be too remote for the purpose of this Policy. (A transaction in which a Covered Person acquires or disposes of a Security in which he or she has or thereby acquires a direct or indirect Beneficial Interest is sometimes referred to in this Code of Ethics as a â€œpersonal securitiesâ€ transaction or as a transaction for the personâ€™s â€œown accountâ€). (iv) â€œCCOâ€ means Chief Compliance Officer, as duly appointed. (v) â€œControlâ€ means the power to exercise a controlling influence over the management or policies of a company (unless such power is solely the result of an official position with such company). Any person who owns beneficially, directly or through one or more controlled companies, more than 25% of the voting securities of a company shall be presumed to control such company. For purposes of this Policy, natural persons and portfolio companies of the Funds shall be presumed not to be controlled persons. (vi) â€œCovered Personâ€ means any officer, director or employee of the Adviser, the Administrator, the Funds or any other company in a Control relationship to the Adviser, the Administrator or the Funds, but does not include portfolio companies of the Funds. (vii) â€œCovered Securityâ€ includes any Fund Securities and all debt obligations, stock and other instruments comprising the investments of the Funds, including any warrant or option to acquire or sell a security and financial futures contracts, but excludes securities issued by the U.S. government or its agencies, bankersâ€™ acceptances, bank certificates of deposit, commercial paper and shares of a mutual Company. References to a â€œCovered Securityâ€ in this Policy shall include any warrant for, option in, or security convertible into that â€œCovered Security.â€ (viii) â€œCovered Transactionâ€ means any of the following transactions: (1) A transaction in which such Covered Person knows or should know at the time of entering into the transaction that: (i) any of the Funds has engaged in a transaction in the same Security within the last 180 days, or is engaging in a transaction or is going to engage in a transaction in the same Security in the next 180 days; or (ii) the Adviser has within the last 180 days considered a transaction in the same Security for any of the Funds or is considering such a transaction in the Security or within the next 180 days is going to consider such a transaction in the Security; (2) a transaction that involves the direct or indirect acquisition of Securities in an initial public offering or Limited Offering of any issuer; or (3) a transaction in any Fund Security. Â Appendix A-4 (ix) â€œFund Securityâ€ means any security issued by any of the Funds. References to a â€œFund Securityâ€ in this Policy shall include any warrant for, option in, or security convertible into that â€œFund Security.â€ (x) â€œImmediate Familyâ€ includes any children, stepchildren, grandchildren, parents, stepparents, grandparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law, or sisters-in-law, including adoptive relationships, who live in the same household. (xi) â€œIndependent Officerâ€ means an officer of the Relevant Fund other than the Administrative Officer who is not a party to the transaction or a relative of a party to the transaction. Notwithstanding the foregoing, in the case of the pre-clearance of a Covered Transaction within the meaning of Section (b)(viii)(2) below, â€œIndependent Officerâ€ means an officer of the Adviser other than the Administrative Officer who is not a party to the transaction or a relative of a party to the transaction. (xii) â€œInsidersâ€ means Covered Persons, their Immediate Family and entities whose investment decisions are influenced or controlled by such individuals. (xiii) â€œLimited Offeringâ€ means an offering that is exempt from registration under Sections 4(2) or 4(6 of, or Regulation D under, the Securities Act of 1933. Limited Offerings may include, among other things, limited partnership or limited liability company interests, or other Securities purchased through private placements. (xiv) â€œLoan Officerâ€ means an Access Person who is responsible for making decisions as to Securities to be bought or sold for the Fundsâ€™ portfolio. (xv) â€œNon-Access Personâ€ means any employee of the Adviser, the Administrator, the Funds, or any other company in a Control relationship to the Adviser or the Funds, which employee is not an â€œAccess Person.â€ (xvi) â€œRelevant Fundâ€ means the Fund to which the relevant Covered Securities relate. (xvii) A â€œSecurity held or to be acquiredâ€ by the Funds means any Security which, within the most recent 180 days is or has been held by the Funds or is being or has been considered for purchase by the Funds. (xviii) A Security is â€œbeing considered for purchase or saleâ€ from the time an amendment letter is signed by or on behalf of the Funds until the closing with respect to that Security is completed or aborted. (xix) â€œSecurityâ€ means any note, stock, treasury stock, security future, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional Â Appendix A-5 undivided interest in oil, gas, or other mineral rights, any put, call, straddle, option, or privilege on any security (including a certificate of deposit) or on any group or index of securities (including any interest therein or based on the value thereof), or any put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency, or, in general, any interest or instrument commonly known as a â€œsecurityâ€, or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. (xx) â€œTrading Dayâ€ means a day on which the Nasdaq Global Market is open for trading. A Trading Day begins at the time trading begins on such day following the date of public disclosure of the financial results for that quarter. (c) Material Non-public Information. Material Non-public Information means any information that a reasonable investor would likely consider important in a decision to buy, hold or sell Covered Securities that has not already been disclosed generally to the public. Either positive or negative information may be material. (i) Materiality. While it may be difficult to determine whether particular information is material, there are various categories of information that are particularly sensitive and, as a general rule, should always be considered material. Examples of such information include, but are not limited to: (1) a Fundâ€™s financial results, (2) known but unannounced large deviations in planned future earnings or losses, (3) execution or termination of significant investment transactions, (4) news of a pending or proposed merger or other acquisition, (5) changes in a Fundâ€™s dividend rate or dividend policy, (6) news of the disposition, construction or acquisition of significant assets, (7) impending bankruptcy or financial liquidity problems, (8) significant developments involving corporate relationships, (9) new equity or debt offerings, (10) security buyback programs, (11) positive or negative developments in significant outstanding litigation, (12) significant litigation exposure due to actual or threatened litigation, (13) significant changes to existing debt facilities and (14) major changes in senior management. (ii) Non-public. Information about the Adviser, the Administrator and the Funds that is not yet in general circulation should be considered non-public. It is important to note that information is not necessarily public merely because it has been discussed in the press, which will sometimes report rumors. All information that a Covered Person learns about the Adviser, the Administrator or the Funds or their business plans in connection with his or her employment is non-public information unless you can point to its official release by the Adviser, the Administrator or the Funds in a press release, a filing with the Securities and Exchange Commission (the â€œSECâ€) or a publicly available webcast or similar broadcast sponsored by the Adviser, the Administrator or the Funds. If you are considering engaging in a Covered Transaction and have any question as to whether information of which you are aware has been made public, contact the CCO of the Relevant Fund.

(d) Specific Requirements for Trading in Fund Securities (i) Trading Window. Except as permitted in Section (e)(iii) of this Policy, Insiders may only conduct transactions involving the purchase or sale of a Fund Security during Â Appendix A-6 the period commencing at the open of the market on the third Trading Day following the date of the Relevant Fundâ€™s filing of its Form 10-Q or 10-K for the most recently completed fiscal period and continuing until the close of the market on the fifteenth (15th) calendar day prior to the last day of the fiscal quarter (the â€œTrading Windowâ€), after which time the Trading Window will be closed until it re-opens on the third Trading Day following the date of filing of the Form 10-Q or 10-K for the subsequent period. Notwithstanding anything in this Policy to the contrary, in certain special circumstances involving a high level of market volatility, Insiders may conduct transactions involving the purchase or sale of a Fund Security outside the Trading Window, but not later than the last day of the fiscal quarter, provided that each such trade complies with the pre-clearance procedures outlined in Section (e)(i) of this Policy and is also approved in advance by the Relevant Fundâ€™s Chief Executive Officer or President who is not placing the particular trade. In the event that the Insider and the Relevant Fundâ€™s Chief Executive Officer and President are the same person, he or she must receive the approval of the Chief Operating Officer. In special circumstances, when insiders may have Material Non-public information, the CCO, General Counsel or the Chief Financial Officer of the Relevant Fund may, upon the concurrence of any two of such persons, close or open Trading Window or prevent a scheduled Trading Window from opening as originally scheduled. Upon determination that any such information no longer constitutes Material Non-public Information, the CCO, General Counsel or Chief Financial Officer of the Relevant Fund may, upon the concurrence of any two of such persons, re-open a Trading Window. (ii) Reserved. (iii) No Safe Harbor for Possession of Material Non-Public Information. Regardless of whether the Trading Window is open, the Funds and Insiders may not trade in Fund Securities while in possession of any Material Non-public Information (with the exception of trades pursuant to Rule 10b5-1 Trading Plans established in accordance with this Policy). Trading in Fund Securities during the Trading Window should not be considered a â€œsafe harborâ€ from liability, and all Insiders should use good judgment at all times. (iv) Limit Orders. The prohibition against trading during the closed Trading Windows encompasses the fulfillment of â€œlimit ordersâ€ (often referred to as â€œgood until canceled ordersâ€) by any broker with whom any such limit order is placed. Any unfilled limit orders in Fund Securities must be immediately canceled whenever (A) a Trading Window closes, including upon the imposition of a special circumstances closed Trading Window, or (B) the Insider comes into possession of Material Non-public Information. (v) Short Sales and Derivative Securities. No Insiders shall engage in a short sale of any Fund Security. A short sale is a sale of securities not owned by the seller or, if owned, not delivered against such sale within 20 days thereafter. In addition, trading in options to buy or sell Fund Securities (including put or call options), warrants, convertible securities, stock appreciation rights, or other similar rights with an exercise or conversion privilege at a price related to an equity security or with a value derived from the value of an equity security relating to a Fund Security (collectively, â€œDerivative Securitiesâ€), whether or not issued by the Funds, such as Â Appendix A-7 exchange-traded options, are prohibited. Short sales and Derivative Security trading are prohibited by this Policy even when the Trading Window is open. (vi) Other Prohibited Activities. In addition, no Covered Person shall, directly or indirectly in connection with the purchase or sale of a â€œsecurity held or to be acquiredâ€ (as defined in Section (b)(xvii) of this Policy) by the Funds: (a) employ any device, scheme or artifice to defraud the Funds; or (b) make to the Funds or the Adviser any untrue statement of a material fact or omit to state to any of the foregoing a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading; or (c) engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon the Funds; or (d) engage in any manipulative practice with respect to the Funds. In addition, no Fund shall, directly or indirectly in connection with the purchase or sale of its securities: (a) employ any device, scheme or artifice to defraud; or (b) make any untrue statement of a material fact or omit to state to any of the foregoing a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading; or (c) engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person. (e) Pre-Clearance of Covered Transactions (i) Pre-Clearance of Transactions in Fund Securities. Except for transactions that are exempted under Section (e)(iii) below, all Covered Persons must obtain pre- clearance for any transactions in Fund Securities using the following procedures: (1) From Whom Obtained. Before any Insider engages in any transaction in Fund Securities, the relevant Covered Person must pre-clear the proposed transaction with the Administrative Officer (the CCO of the Relevant Fund, or, if the CCO of the Relevant Fund is not available, then the General Counsel of the Relevant Fund, or if the CCO and General Counsel of the Relevant Fund are not available, then the Chief Financial Officer of the Relevant Fund). Until the Administrative Officer provides pre-clearance for the proposed transaction, such Insider shall not execute the proposed transaction. The Administrative Officer may consult management and counsel in reviewing and pre-clearing transactions, although the primary responsibility to assess whether a proposed transaction complies with this Policy and applicable law will lie with the Covered Person. (2) Pre-clearance Period. The Covered Person will have until the end of fourteen (14) calendar days following the day pre-clearance is received, or until such earlier time that the Trading Window closes or the Insider comes into possession of Material Non-Public Information, to execute the transaction. If for any reason the transaction is not completed within this period of time, pre-clearance must be re-obtained from the Administrative Officer. Execution of a trade shall include the actual sale or purchase, rather than simply placing of an order to do so. (3) Form. To initiate pre-clearance, you must contact the Administrative Officer in person, by phone, or email. After discussing the proposed trade, pre- clearance can be obtained by (i) completing and signing Schedule B, and obtaining the approval Â Appendix A-8 and signature of the Administrative Officer; or (ii) responding affirmatively to an email sent by the Administrative Officer containing all the required information of Schedule B and receiving a reply email from the Administrative Officer indicating such approval. Schedule B may be amended from time to time by the CCO of the Relevant Fund, with the permission of the Chairman of the Ethics Committee of the Relevant Fund. The Administrative Officer is the CCO of the Relevant Fund, or, if the CCO is not available, then the General Counsel of the Relevant Fund, or if the CCO and General Counsel are not available, then the CFO of the Relevant Fund. (4) Filing. A copy of all completed pre-clearance forms, with all required signatures (or, as applicable, email correspondence), shall be retained by the CCO of the Relevant Fund. (5) Insiderâ€™s Responsibility. Notwithstanding the foregoing, even if a proposed trade is pre-cleared, the Insider is prohibited from trading any Fund Securities while in possession of Material Non-public Information. (ii) Pre-Clearance of Non-Fund Securities Covered Transactions. With the exception of transactions in Fund Securities (covered in Section (e)(i) above) and transactions that are exempted under Section (e)(iii) below, Insiders proposing to engage in Covered Transactions must obtain pre-clearance of such Covered Transaction using the following procedures: (1) From Whom Obtained. Pre-clearance must be obtained from the Administrative Officer and one Independent Officer. (2) Pre-clearance Period. In the case of a proposed Covered Transaction, if the relevant Covered Person receives pre-clearance, the Insider will have until the end of fourteen (14) calendar days following the day pre-clearance is received to execute the transaction. If for any reason the transaction is not completed within this period of time, pre- clearance must be re-obtained before the transaction can be executed. (3) Form. Pre-clearance must be obtained in writing by completing and signing the â€œRequest for Permission to Engage in a Non-Fund Securities Covered Transactionâ€ form attached hereto as Schedule A, which form shall set forth the details of the proposed transaction, and obtaining the signatures of the Administrative Officer and one Independent Officer. Schedule A may be amended from time to time by the CCO of the Relevant Fund, with the permission of the Chairman of the Ethics Committee of the Relevant Fund. (4) Filing. A copy of all completed pre-clearance forms, with all required signatures, shall be retained by the CCO of the Relevant Fund. (5) Factors to be Considered in Pre-clearance of Non-Fund Securities Covered Transactions. The persons responsible for pre-clearance may refuse to grant pre-clearance of a Covered Transaction in their absolute discretion. Generally, such persons will consider the following factors in determining whether or not to clear a Covered Transaction: (1) whether the Insider is in possession of Material Non-Public Information, (2) whether the amount or nature of the transaction or person making it is likely to affect the price or market for the Â Appendix A-9 Security; (3) whether the individual making the proposed purchase or sale is likely to benefit from purchases or sales being made or being considered by the Funds; (4) whether the Security proposed to be purchased or sold is one that would qualify for purchase or sale by the Funds; (5) whether the transaction is non-volitional on the part of the individual, such as receipt of a stock dividend, bequest or inheritance; (6) whether potential harm to the Funds from the transaction is remote; (7) whether the transaction would be likely to affect a highly institutional market; and (8) whether the transaction is related economically to Securities being considered for purchase or sale (as defined in Section (b)(xviii) of this Policy) by the Funds. (iii) Exemptions From Pre-Clearance Requirements The following transactions are exempt from the pre-clearance provisions of this Policy: (1) Not Controlled Securities. Purchases, sales or other acquisitions or dispositions of Securities for an account over which the Insider has no direct influence or Control and does not exercise indirect influence or Control; (2) Involuntary Transactions. Involuntary purchases or sales made by an Insider; (3) DRPs. Purchases which are part of an automatic dividend reinvestment plan; (4) Rights Offerings. Purchases or other acquisitions or dispositions resulting from the exercise of rights acquired from an issuer as part of a pro rata distribution to all holders of a class of Securities of such issuer and the sale of such rights; and (5) Rule 10b5-1 Plans. a. Trades Pursuant to Trading Plan Exempted from Compliance with Trading Windows and Pre-clearance Requirements. A transaction in Fund Securities in accordance with a trading plan adopted in accordance with the SECâ€™s Rule 10b5-1(c) and this Section (e)(iii)(5) (the â€œTrading Planâ€) shall not be required to be effected during an open Trading Window nor shall it require pre-clearance, even though such transaction takes place during a closed Trading Window or while the Insider was aware of Material Non-public Information. b. Adoption and Approval of Trading Plan. The Trading Plan must be adopted during (i) an open Trading Window and (ii) at a time when such Insider is not in possession of Material Non-public Information. Each Trading Plan must be pre-approved by the Administrative Officer to confirm compliance with this Policy and applicable securities laws, and such approval is subject to the sole discretion of the Administrative Officer. Approval of a Trading Plan shall not be deemed a representation by the Adviser, Administrator or the applicable Fund that such plan complies with Rule 10b5-1, nor an assumption by the Adviser, Administrator or the applicable Fund of any liability or responsibility to the individual or any other party if the plan does not comply with Rule 10b5-1. The initial trades under such Trading Plan Â Appendix A-10 shall not be permitted until at least thirty calendar days have passed following the establishment of the Trading Plan. c. Amendment of Trading Plan. An Insider may amend or replace his or her Trading Plan only during periods when trading is permitted in accordance with this Policy, and the relevant Covered Person must submit any proposed amendment or replacement of a Trading Plan to the Administrative Officer for approval prior to adoption. The relevant Covered Person must provide notice to the Administrative Officer prior to an Insider terminating a Trading Plan. d. Form. Pre-clearance of a Trading Plan must be obtained in writing by (i) completing and signing the â€œRequest for Permission to Establish Rule 10b5-1 Trading Planâ€ form attached hereto as Schedule C, and (ii) obtaining the signature of the Administrative Officer. Schedule C may be amended from time to time by the CCO of the Relevant Fund, with the permission of the Chairman of the Ethics Committee of the Relevant Fund. e. Filing. A copy of all completed pre-clearance forms, with all required signatures, shall be retained by the CCO of the Relevant Fund. (f) Reporting Requirements. (i) Access Persons. (1) Holdings Reports. a. Initial Holdings Report. Within ten (10) days of becoming an Access Person, each Access Person shall make a written report to the CCO of the Relevant Fund of all Securities in which such Access Person holds a direct or indirect Beneficial Interest. Access Persons need not report any such Securities that are exempt under subsection (i)(1)(d) of this Section (f). The initial holdings report shall be made on the form provided for such purpose by the CCO of the Relevant Fund. Each initial holdings report must be current as of a date no more than forty-five (45) days prior to the date that the reporting person became an Access Person. b. Annual Holdings Reports. No later than February 13th of each year, each Access Person shall make a written report to the CCO of the Relevant Fund of all Securities in which such Access Person holds a direct or indirect Beneficial Interest. Access Persons need not report any such Securities that are exempt under subsection (i)(1)(d) of this Section (f). The annual holdings report shall be made on the form provided for such purpose by the CCO of the Relevant Fund. Each annual holdings report must be current as of a date no later than December 31st of the prior year. c. Contents of Holdings Reports. Holdings reports must contain, at a minimum, the following information with respect to each Security: (i) the title and type of each Security for which an Access Person holds a direct or indirect Beneficial Interest; (ii) for publicly traded Securities, the ticker symbol or CUSIP number for each such Security; (iii) the Â Appendix A-11 principal amount of each Security; (iv) the name of any broker, dealer or bank with whom you, or any members of your Immediate Family, maintain an account in which any Securities are held for your direct or indirect benefit; and (v) the date of submission of the report. d. Exemptions from Holdings Reports. The following Securities are not required to be included in holdings reports made by Access Persons: i. Securities held in accounts over which an Access Person has no direct or indirect influence or control; ii. Direct obligations of the Government of the United States; iii. Bankersâ€™ acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, including repurchase agreements; and iv. Shares issued by open-end funds. (2) Transaction Reports. a. Quarterly Report. Within thirty (30) days of the end of each calendar quarter, each Access Person must submit a quarterly report to the CCO of the Relevant Fund, on the form provided for such purpose by the CCO of the Relevant Fund, of all transactions during the calendar quarter in any Securities in which such Access Person has any direct or indirect Beneficial Interest. b. Contents of Transaction Reports. Quarterly Transaction Reports must contain, at a minimum, the following information with respect to each transaction in a Security: (i) the title and type of each Security involved; (ii) for publicly traded Securities, the ticker symbol or CUSIP number for each such Security; (iii) the number of shares, interest rate, and maturity date and principal amount, as applicable, of each Security involved; (iv) the price of the Security at which the transaction was effected; (v) the name of any broker, dealer or bank through which the transaction was effected; and (vi) the date of submission of the report. c. Exemptions from Transaction Reports. The following transactions are not required to be included in Quarterly transactions reports of Access Persons: i. Transactions in Securities over which an Access Person has no direct or indirect influence or control; ii. Transactions in Direct obligations of the Government of the United States; iii. Transactions in Bankersâ€™ acceptances, bank certificates of deposit, commercial paper and high Â Appendix A-12 quality short-term debt instruments, including repurchase agreements; iv. Transactions in shares issued by open-end funds; and v. Transactions which are part of an automatic dividend reinvestment plan. (ii) Non-Access Persons. (1) Annual Transactions Report. Within 10 days of the end of each calendar year, each Non-Access Person shall make a written report to the CCO of the Relevant Fund of all transactions by which they acquired or disposed of a direct or indirect Beneficial Interest in any Covered Security. (2) Form. Each annual report shall be provided on the form â€œAnnual Securities Transactions Confidential Report of Non-Access Personsâ€ form attached hereto as Schedule D, which form shall set forth the information regarding each transaction requested in the form. Schedule D may be amended from time to time by the CCO of the Relevant Fund, who shall promptly provide any form so amended to all Non-Access Persons. (3) Filing. A copy of all reports submitted pursuant to this Section (f), with all required signatures, shall be retained by the CCO of the Relevant Fund. (iii) Disclaimer. Any report made by an Access Person or Non-Access Person under this Section (e) may contain a statement that the report is not to be construed as an admission that the person making it has or had any direct or indirect Beneficial Interest in any Security or Covered Security to which the report relates. (iv) Responsibility to Report. It is the responsibility of all Covered Persons to take the initiative to provide each report required to be made by them under this Policy. Any effort by the Adviser, the Administrator or the Funds to facilitate the reporting process does not change or alter that responsibility. (g) Confidentiality of Transactions Until disclosed in a public report to stockholders or to the SEC in the normal course, all information concerning Securities being considered for purchase or sale (as defined in Section (b)(xv) of this Policy) by the Funds shall be kept confidential by all Access Persons and disclosed by them only on a â€œneed to knowâ€ basis. It shall be the responsibility of the CCO to report any inadequacy found by him or her to the Board of Directors of the Company or any committee appointed by the Board of Directors to deal with such information. (h) Sanctions Â Appendix A-13 Any violation of this Policy shall be subject to the imposition of such sanctions by the Funds or the Adviser as may be deemed appropriate under the circumstances to achieve the purposes of the Rules and this Policy, which may include suspension or termination of employment, a letter of censure or restitution of an amount equal to the difference between the price paid or received by the Funds and the more advantageous price paid or received by the offending person. Sanctions for violation of this Policy by a director of the Funds will be determined by a majority vote of the independent directors of the applicable Fund. (i) Administration and Construction (i) Administration. The administration of this Policy shall be the responsibility of the CCO of the Adviser and the Funds. (ii) Duties. The duties of the CCO under this Policy include: (1) continuous maintenance of a current list of the names of all Access and Non-Access Persons, with an appropriate description of their title or employment; (2) providing each Covered Person a copy of this Policy and informing them of their duties and obligations hereunder, and assuring that Covered Persons are familiar with applicable requirements of this Appendix; (3) supervising the implementation of this Policy and its enforcement by the Adviser, the Administrator and the Funds; (4) maintaining or supervising the maintenance of all records and reports required by this Policy; (5) preparing listings of all transactions effected by any Access Person within thirty (30) days of the date on which the same security was held, purchased or sold by any of the Funds; (6) issuing either personally or with the assistance of counsel, as may be appropriate, any interpretation of this Policy which may appear consistent with the objectives of the Rules and this Policy; (7) conducting of such inspections or investigations, including scrutiny of the listings referred to in the preceding subparagraph, as shall reasonably be required to detect and report, with recommendations, any apparent violations of this Policy to the Board of Directors of the Funds or any Committee appointed by them to deal with such information; and (8) submitting a quarterly report to the directors of the Funds containing a description of any (i) violation and the sanction imposed; (ii) transactions which suggest the possibility of a violation of interpretations issued by the CCO of the Relevant Fund; and (iii) any other significant information concerning the appropriateness of this Policy. (j) Required Records. The CCO shall maintain and cause to be maintained in an easily accessible place, the following records: (i) Code of Ethics and Policies. Copies of the Code of Ethics into which this Policy has been incorporated, this Policy, and any other codes of ethics or insider trading policies adopted pursuant to the Rules (â€œRule 17 and Rule 204A Codesâ€) which have been in effect during the past five (5) years; (ii) Violations. A record of any violation of any such Rule 17 and Rule 204A Codes and of any action taken as a result of such violation; Â Appendix A-14 (iii) Reports. A copy of each report made by the CCO within two (2) years from the end of the fiscal year of the Funds in which such report or interpretation is made or issued, and for an additional three (3) years in a place which need not be easily accessible; and (iv) List. A list of all persons who are, or within the past five (5) years have been, required to make reports pursuant to the Rules and any Rule 17 Code. (k) Amendments and Modifications This Policy may not be amended or modified except in a written form which is specifically approved by majority vote of the independent directors of the applicable Funds. This Policy was adopted by the Fundsâ€™ Boards of Directors, including the independent directors, on January 28, 2013. Â Request to Engage in a Non-Fund Securities Covered Transaction Appendix A - 14 Updated March 17, 2020 SCHEDULE A REQUEST FOR PERMISSION TO ENGAGE IN A NON-FUND SECURITIES COVERED TRANSACTION I hereby request permission to effect a transaction in securities as indicated below for my own account or other account in which I have a beneficial interest or legal title. I acknowledge that if I am granted pre-clearance for my Transaction Request, I will have until the end of fourteen (14) calendar days following the day pre-clearance is received to execute the transaction. I also acknowledge that, if for any reason the transaction is not completed within this period of time, pre-clearance must be re-obtained before the transaction can be executed. (Use approximate dates and amounts of proposed transactions.) PURCHASES AND ACQUISITIONS Date IPO or Limited Offering? No. of Shares or Principal Amount Name and Trading Symbol of Security Unit Price Total Price Brokerage Firm SALES AND OTHER DISPOSITIONS Name: Request Date: Signature: Permission Granted ï¨ Permission Denied ï¨ Signature: (Administrative Officer) Date: Signature: Date: (Independent Officer or President/CEO) Â Request for Pre-Clearance and Certification in Connection with a Transaction in Fund Securities Appendix A â€“ 15 SCHEDULE B REQUEST FOR PRE-CLEARANCE AND CERTIFICATION IN CONNECTION WITH A TRANSACTION IN FUND SECURITIES Instructions: To initiate pre-clearance, you must contact the Administrative Officer in person, by phone, or email. After discussing the proposed trade, pre-clearance can be obtained by (1) completing and signing this Schedule B, and obtaining the approval and signature of the Administrative Officer; or (2) responding affirmatively to an email sent by the Administrative Officer containing all the required information of this Schedule B and receiving a reply email from the Administrative Officer indicating such approval. The Administrative Officer is the CCO of the Relevant Fund, or, if the CCO is not available, then the General Counsel of the Relevant Fund, or if the CCO and General Counsel are not available, then the CFO of the Relevant Fund. Capitalized terms used in this Schedule B have the meanings given them in the Insider Trading Policy as adopted by the Boards of Directors of the Funds on January 28, 2013 (the â€œPolicyâ€). REQUEST FOR PRE-CLEARANCE I hereby request permission to effect a transaction in Fund Securities as indicated below for my own account or other account in which I have a beneficial interest or legal title. Requestorâ€™s name: ________________________________ Transaction type (Buy or Sell):______________ Proposed order date: __________________ Approximate number of shares (if debt securities, principal dollar amount) of trade: __________ Name and trading symbol of Fund Security: ___________________________________ CERTIFICATION Pursuant to the Policy, and in connection with the above request for pre-clearance (the â€œTransaction Requestâ€), I, _________________, hereby certify that I am not in possession of any Material Non-public Information, as defined in the Policy. I further certify I have read and understand the Insider Trading Policy as adopted by the Boards of Directors of the Funds and am personally responsible for abiding by all the policies and procedures contained within the Policy and aware of the consequences of failing to do so. Signature: _________________________ Date: _____________________ Â Request for Pre-Clearance and Certification in Connection with a Transaction in Fund Securities PRE-CLEARANCE CONSIDERATIONS AND DECISION 1) Is the Fund involved in a stock offering (overnight, ATM, etc.)? If yes, consider whether requestor is an Affiliated Purchaser under Regulation M and precluded from trading in securities of Fund during offering period. 2) Is the trader currently subject to any lockup agreements resulting from recent stock offerings for this fund? Confirm with legal and compliance. If yes, determine if proposed trade is not allowed during the proposed trade period. Pre-clearance Granted ï¨ Pre-clearance Denied ï¨ Administrative Officer Signature: ____________________ Pre-clearance Granted/Denied Date: __________________ Â Certification/Request For Pre-Approval Of Rule 10b5-1 Trading Plan Appendix A â€“ 16 SCHEDULE C CERTIFICATION/REQUEST FOR PRE-APPROVAL OF RULE 10B5-1 TRADING PLAN Instructions: Contact the Administrative Officer to discuss your eligibility for a Rule 10b5-1 Trading Plan. The Administrative Officer is the CCO of the Relevant Fund, or, if the CCO is not available, then the General Counsel of the Relevant Fund, or if the CCO and General Counsel are not available, then the CFO of the Relevant Fund. Capitalized terms used in this Schedule C have the meanings given them in the Insider Trading Policy as adopted by the Boards of Directors of the Funds on January 28, 2013 (the â€œPolicyâ€). REQUEST FOR PRE-CLEARANCE Pursuant to the Policy, I hereby request permission to enter into a Trading Plan pursuant to Rule 10b5- 1 under the Exchange Act. In connection with this request, I, _________________, hereby certify that: 1. I have delivered herewith the form of Trading Plan to the Administrative Officer. 2. I am not in possession of any Material Non-public Information, as defined in the Policy. 3. I further certify I have read and understand the Insider Trading Policy as adopted by the Boards of Directors of the Funds and am personally responsible for abiding by all the policies and procedures contained within the Policy and aware of the consequences of failing to do so. Signature: Date: ___________________ PRE-CLEARANCE CONSIDERATION AND DECISION 1) Is the Fund involved in a stock offering (overnight, ATM, etc.)? If yes, consider whether requestor is an Affiliated Purchaser under Regulation M and precluded from trading in securities of Fund during offering period. 2) Is the trader currently subject to any lockup agreements resulting from recent stock offerings for this fund? Confirm with legal and compliance. If yes, determine if proposed trade is not allowed during the proposed trade period. Pre-approval Granted ï¨ Pre-approval Denied ï¨ Administrative Officer Signature: ____________________ Pre-approval Granted/Denied Date: __________________ Â Annual Securities Transactions Confidential Report of Non-Access Persons Appendix A â€“ 17 SCHEDULE D ANNUAL SECURITIES TRANSACTIONS CONFIDENTIAL REPORT OF NON-ACCESS PERSONS The following schedule lists all transactions during the year ending December 31, ____ in which I had any direct or indirect Beneficial Interest in any Covered Security. Capitalized terms used in this schedule have the meanings given them in the Insider Trading Policy as adopted by the Boards of Directors of the Funds on January 28, 2013. (If no transactions took place you may write â€œNoneâ€) PURCHASES AND ACQUISITIONS Date No. of Shares or Principal Amount Name of Security Unit Price Total Price Brokerage Firm SALES AND OTHER DISPOSITIONS If you wish to disclaim Beneficial Ownership of any of the Covered Securities listed above, please check the statement below and describe the Securities for which you disclaim Beneficial Ownership. __ This report is not to be construed as an admission that the person making it has or had any direct or indirect Beneficial Interest in the following Securities to which this report relates: For the year ending Name: Date: Signature: Â Annual Securities Transactions Confidential Report of Non-Access Persons Appendix A â€“ 17 Â Appendix B - 1 Pay to Play Policy For Gladstone Capital Corporation Gladstone Commercial Corporation Gladstone Investment Corporation Gladstone Land Corporation Gladstone Alternative Income Fund Gladstone Management Corporation Gladstone Securities, LLC Appendix B A. Prohibited Conduct 1. Covered Associates (as defined in Section C. and explained further in the accompanying footnote) may not make any Political Contribution (defined Section C.) to any Official of a Government Entity (defined in Section C.), unless such Political Contribution has first been approved in writing by the CCO or his designee. This prohibition includes â€œin-kindâ€ contributions, e.g., contributions of GMC or Gladstone Securities property, services or other assets including employee work time spent on political activities and the solicitation of contributions by an employee. Failure to comply with this requirement may result in GMC's being barred from receiving compensation for supplying advisory services to such Government Entity or to a Covered Investment Pool (defined below) in which such Government Entity invests for a two-year period. This prohibition applies to fundraising activities, including soliciting or making Political Contributions, either monetary or in-kind. Please note, nothing in this Policy is meant to discourage Covered Associates from participating in the political process by expressing support for political candidates2 or voting. Covered Associates may support candidates in other ways, such as volunteering their time, so long as such volunteering occurs during non-work hours or on vacation time. Additionally, to avoid potentially problematic in-kind contributions, Covered Associates are prohibited from using GMC or Gladstone Securities resources, including telephones, copiers, personnel, or other facilities to conduct political activities. Individuals who are Covered Associates may make a de minimis Political Contribution to an Official of a Government Entity for whom the Covered Associate is entitled to vote at the time of the contribution, provided that the Political Contribution does not exceed $350 in the aggregate to any one Official, per election. Individuals who are Covered Associates may also make a de minimis Political Contribution to an Official of a Government Entity for whom the Covered Associate is not 2 Please note, not all political candidates or incumbent politicians are included within the definition of Official of a Government Entity. Incumbent federal officeholders and candidates for federal office who do not hold a state or local office while running for federal office are not Officials of a Government Entity. Â Appendix B - 2 entitled to vote, provided that the Political Contribution does not exceed $150 in the aggregate to any one Official, per election. Under both exceptions, primary and general elections would be considered separate elections. All de minimis contributions must also be disclosed to the CCO. Please note that broker dealers and individuals who are municipal finance professionals are subject to a lower de minimis contribution limit of $250 under MSRB Rule G-37. 2. A Covered Associate may not, without the prior written consent of the CCO or his designee, solicit or co-ordinate: (i) Political Contributions to Officials of a Government Entity, or (ii) payments to a state or local political party. For purposes of this Policy, solicitation or coordination of a Political Contribution or payment includes communicating, directly or indirectly, for the purpose of obtaining or arranging a Political Contribution or payment and would include asking, directing, or suggesting that a Political Contribution be made. For example, use of an individualâ€™s name on fundraising literature for a candidate would be soliciting Political Contributions for that candidate. Similarly, even forwarding a solicitation to friends or family on behalf of a candidate or political party would be coordinating Political Contributions for that candidate or political party. 3. A Covered Associate may not compensate a third party placement agent or â€œfinderâ€ to solicit advisory business3 from a Government Entity on behalf of the Covered Associate, unless the third party is a registered broker-dealer or SEC-registered investment adviser subject to Rule 206(4)- 5. 4. Covered Associates may not circumvent these prohibitions by requesting, directing or causing contributions or payments to be made through other parties, including, but not limited to, spouses, family members or friends, or in any other way. B. Quarterly Reports Within 30 days after the end of each calendar quarter, each Covered Associate must submit a Political Contribution Report to the CCO in such form as he shall prescribe. As part of the hiring process, each newly-hired Covered Associate will be required to report information on any Political Contribution or other activity covered by this Policy. C. Definitions A Covered Associate4 includes: (i) GMC, (ii) Gladstone Securities, (ii) GMC's or Gladstone Securitiesâ€™ President; (iii) any Vice-President or similar executive officer of GMC or Gladstone Securities in charge of a business unit, division or function (such as sales, administration or finance); (iv) any other person who performs a policy-making function; (v) an employee who solicits a government entity for GMC; (vi) any person who directly or indirectly supervises an employee described in (v); or (vii) any political action committee controlled by GMC, Gladstone Securities or any of their covered associates. 3 â€œSoliciting advisory businessâ€ means engaging in a communication that is reasonably calculated to obtain or retain a Government Entity as an advisory client. 4 Although Gladstone Securities employees are not employees of the investment adviser GMC, for purposes of this policy and Rule 206(4)-5â€™s restrictions regarding third party placement agents discussed in footnote 1, Gladstone Securities and certain of its employees will be deemed to be Covered Associates. Â Appendix B - 3 In addition to the positions listed above, as of the date of this Policy, the following shall be considered Covered Associates: â€¢ Individuals holding Series 7 or 79 License â€¢ Individuals designated or acting in the position of Managing Director or higher; â€¢ Individuals designated as the head of a department; â€¢ Individuals having marketing responsibilities/Individuals designated as part of the Marketing Department; and â€¢ Individuals who solicit business from government entities or who supervise those who do. For internal reference only, on a quarterly basis, the CCO or his designee shall update Exhibit A hereto (delineating each individual he believes to be included within the definition of Covered Associate). A Covered Investment Pool includes an investment company registered under the Investment Company Act of 1940 that is an investment option of a plan or program of a Government Entity or any company that would be an investment company under section 3(a) of the Investment Company Act of 1940 but for the exclusion provided from that definition by 3(c)(1), 3(c)(7) or 3(c)(11) of the Investment Company Act of 1940.5 A Government Entity means any state or political subdivision thereof, including public pension funds and retirement systems. This includes such an entity's agency, authority or instrumentality; a pool of assets sponsored or established by the state or political subdivision, agency, authority or instrumentality thereof; a plan or program of a government entity; and officers, agents or employees of the government entity acting in their official capacity. An Official of a Government Entity is someone who can influence the hiring of an investment adviser for a government entity. This term includes someone who has the sole authority to select investment advisers for the government entity; someone who serves on a governing board that selects investment advisers; or someone who appoints those who select the investment advisers. It includes an incumbent, a candidate, or a successful candidate for state or local elective office. Note that it can also include a candidate for federal office, if that person is a covered state or local official at the time the Political Contribution is made. In certain circumstances, a national political party committee may be considered an Official of a Government Entity after the partyâ€™s nominating convention has concluded if at least one of the partyâ€™s nominees for president or vice president is a covered state or local official.6 5 Please note, at the time of writing this Policy, a Covered Investment Pool would include any private fund that GMC may wish to manage and raise capital from any state or political subdivision thereof, including public pension funds and retirement systems. It would also include a pooled investment vehicle sponsored or advised by an investment adviser as a funding vehicle or investment option in a government sponsored plan, such as a 529 plan (qualified tuition plan), 403(b) plan (tax-deferred employee benefit retirement plan), or a 457 plan (tax-deferred employee benefit retirement plan) that typically allow participants to select among pre-established investment options or particular investment pools (often invested in registered investment companies or funds of funds, such as target date funds). 6 The national political party committees are the RNC, DNC, NRSC, DSCC, NRCC, and DCCC. Contributions or solicitations for contributions to a national political party committee may violate Rule 206(4)-5 if one or more of the partyâ€™s nominees for president or vice president is a covered state or local official. For example, in 2008, contributions Â Appendix B - 4 A Political Contribution means a gift, subscription, loan, advance, deposit of money or anything of value made for the purpose of influencing an election. Political Contributions include not only monetary donations but also the provision of goods and services provided to a campaign, or on behalf of a campaign, without charge. This includes payments for debts incurred in such an election, as well as transition or inaugural expenses. to the RNC after the nominating convention which chose Sarah Palin, then incumbent Governor of Alaska, as vice presidential nominee were subject to then in effect pay to play restrictions of $250. Similarly, contributions to McCain-Palin were also subject to the $250 limit. On August 13, 2011, Governor Rick Perry of Texas announced his candidacy for president of the United States. As an Official of a Government Entity, individuals who are Covered Associates may only contribute $350 per election to Governor Perryâ€™s campaign and may not solicit contributions on Perryâ€™s behalf. Depending on the outcome of the republican nominating convention in 2012, if Governor Perry or another incumbent state or local official becomes the republican party nominee for president or vice president, contributions to the RNC after the convention would be subject to the de minimis limits, as would contributions to the campaign committee for the presidential/vice presidential nominees. Â Appendix B - 5 Quarterly Political Contribution Report GMC, as a registered investment adviser under the Investment Advisers Act of 1940, is required by law to maintain books and records regarding certain political contributions made by its Covered Associates. Pursuant to our Pay to Pay Policy, please provide information regarding your Political Contributions. If you are unsure whether to report a Political Contribution, please contact the CCO or General Counsel for assistance. All terms in bold/italics used on this report have the same definitions as they appear in the Pay to Pay Policy included as Appendix B to our Code of Ethics. For more guidance regarding this report specifically, or our Pay to Play Policy generally, please contact our CCO or General Counsel. Period Covered by the Report - 20 ï‚¨ First Quarter ï‚¨ Second Quarter ï‚¨ Third Quarter ï‚¨ Fourth Quarter ï‚¨ Other Period Covered Activity Except as otherwise described below, during the period covered by this report, I have not, directly or indirectly (including, but not limited to, through a family member or political action committee): a. Made or caused to be made a Political Contribution to any Official of a Government Entity; b. Solicited or coordinated: (i) Political Contributions to any Official of a Government Entity, or (ii) payments to a state or local political party; or c. Compensated any third parties for â€œsoliciting advisory businessâ€ from a Government Entity. Describe each Political Contribution, including those de minimis contributions made to candidates for whom you are eligible to vote. Include name, title and city/county/state or other political subdivision of each recipient and the amounts and dates of each Political Contribution: ______________________________ Name Date Â Appendix B - 6 Initial Political Contribution Report GMC, as a registered investment adviser under the Investment Advisers Act of 1940, is required by law to maintain books and records regarding certain political contributions made by its executives and employees. Please provide information regarding Political Contributions made after March 14, 2011 until now. If you are unsure whether to report a Political Contribution, please contact the CCO or General Counsel for assistance.

All terms in bold/italics used on this report have the same definitions as they appear in the Pay to Pay Policy included as Appendix B to our Code of Ethics. For more guidance regarding this report specifically, or our Pay to Play Policy generally, please contact our CCO or General Counsel. Except as otherwise described below, during the period from March 14, 2011 until the date of this report, I have not, directly or indirectly (including through a family member or political action committee): a. Made a Political Contribution to any Official of a Government Entity; b. Solicited or coordinated: (i) Political Contributions to an Official of a Government Entity, or (ii) payments to a political party of a state or locality; or c. Compensated any third parties for â€œsoliciting advisory businessâ€ from Government Entities. Describe any exceptions. Include name, title and city/county/state or other political subdivision of each recipient and the amounts and dates of each contribution or payment: ___________________________ Name Date Â Appendix B - 7 Political Contribution Pre-Clearance Form Name and Title of Contributor: Recipient Information Name: Title: City/County/State/Other Political Subdivision: Amount of Contribution: Proposed Date of Contribution: Contribution is for: ï‚¨ Primary Election ï‚¨ General Election Is this Contributor able to vote for this Recipient? ï‚¨ Yes ï‚¨ No Has this Contributor made other contributions to this recipient during this election cycle? ï‚¨ Yes ï‚¨ No If yes, describe: Has this Contributor ever had a contribution returned because the Contributor was not eligible to vote for the recipient candidate and it was more than the $150 de minimis allowed? ï‚¨ Yes ï‚¨ No If yes, describe: ï‚¨ Contribution Approved ï‚¨ Contribution Denied ______________________ Name Date Â EX-21 4 exhibit21-fy2024.htm EX-21 DocumentExhibit 21SUBSIDIARIES OF THE REGISTRANTGladstone Business Loan, LLC (organized in Delaware) EX-23.1 5 exhibit231-fy2024.htm EX-23.1 DocumentExhibit 23.1CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMWe hereby consent to the incorporation by reference in the Registration Statements on Forms N-2 (No. 333-275934) and (No. 333-261398) of Gladstone Capital Corporation of our report dated November 13, 2024 relating to the financial statements, financial statement schedule, and senior securities table, which appears in this Form 10-K.We also consent to the reference to us under the heading â€œSenior Securitiesâ€ in this Form 10-K./s/ PricewaterhouseCoopers LLPWashington, District of ColumbiaNovemberÂ 13, 2024 EX-31.1 6 exhibit311-fy2024.htm EX-31.1 DocumentExhibit 31.1CERTIFICATIONPursuant to Section 302 of The Sarbanes-Oxley Act of 2002I, David Gladstone, certify that:1.I have reviewed this annual report on Form 10-K of Gladstone Capital Corporation;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 registrantâ€™s other certifying officer(s) 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 13aâ€“15(f) and 15dâ€“15(f)) for the registrant and have:1)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;2)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;3)Evaluated the effectiveness of the registrantâ€™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; and4)Disclosed in this report any change in the registrantâ€™s internal control over financial reporting that occurred during the registrantâ€™s most recent fiscal quarter (the registrantâ€™s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrantâ€™s internal control over financial reporting; and5.The registrantâ€™s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrantâ€™s auditors and the audit committee of the registrantâ€™s board of directors (or persons performing the equivalent functions):1)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 registrantâ€™s ability to record, process, summarize and report financial information; and2)Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrantâ€™s internal control over financial reporting.Date: NovemberÂ 13, 2024/s/ DAVID GLADSTONEDavid GladstoneChief Executive Officer EX-31.2 7 exhibit312-fy2024.htm EX-31.2 DocumentExhibit 31.2CERTIFICATIONPursuant to Section 302 of The Sarbanes-Oxley Act of 2002I, Nicole Schaltenbrand, certify that:1.I have reviewed this annual report on Form 10-K of Gladstone Capital Corporation;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 registrantâ€™s other certifying officer(s) 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 13aâ€“15(f) and 15dâ€“15(f)) for the registrant and have:1)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;2)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;3)Evaluated the effectiveness of the registrantâ€™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; and4)Disclosed in this report any change in the registrantâ€™s internal control over financial reporting that occurred during the registrantâ€™s most recent fiscal quarter (the registrantâ€™s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrantâ€™s internal control over financial reporting; and5.The registrantâ€™s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrantâ€™s auditors and the audit committee of the registrantâ€™s board of directors (or persons performing the equivalent functions):1)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 registrantâ€™s ability to record, process, summarize and report financial information; and2)Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrantâ€™s internal control over financial reporting.Date: NovemberÂ 13, 2024/s/ NICOLE SCHALTENBRANDNicole SchaltenbrandChief Financial Officer EX-32.1 8 exhibit321-fy2024.htm EX-32.1 DocumentExhibit 32.1CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,AS ADOPTED PURSUANT TOSECTION 906 OF THE SARBANES-OXLEY ACT OF 2002The undersigned, the Chief Executive Officer and Chairman of the Board of Gladstone Capital Corporation (the â€œCompanyâ€), hereby certifies on the date hereof, pursuant to 18 U.S.C. Â§1350(a), as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002, that the Annual Report on Form 10-K for the fiscal year ended SeptemberÂ 30, 2024 (the â€œForm 10-Kâ€), filed concurrently herewith by the Company, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.Dated: NovemberÂ 13, 2024/s/ DAVID GLADSTONEDavid GladstoneChief Executive Officer EX-32.2 9 exhibit322-fy2024.htm EX-32.2 DocumentExhibit 32.2CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,AS ADOPTED PURSUANT TOSECTION 906 OF THE SARBANES-OXLEY ACT OF 2002The undersigned, the Chief Financial Officer of Gladstone Capital Corporation (the â€œCompanyâ€), hereby certifies on the date hereof, pursuant to 18 U.S.C. Â§1350(a), as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002, that the Annual Report on Form 10-K for the fiscal year ended SeptemberÂ 30, 2024 (the â€œForm 10-Kâ€), filed concurrently herewith by the Company, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.Dated: NovemberÂ 13, 2024/s/ NICOLE SCHALTENBRANDNicole SchaltenbrandChief Financial Officer EX-97.1 10 exhibit971-fy2024.htm EX-97.1 DocumentGladstone Capital CorporationCompensation Recoupment Policy1. Purpose. The purpose of this Compensation Recoupment Policy of the Company (as amended from time to time, the â€œPolicyâ€), dated as of October 10, 2023 (the â€œAdoption Dateâ€) is to describe the circumstances in which current and former Executive Officers will be required to repay or return Erroneously Awarded Compensation to members of the Company Group. The Company has adopted this Policy to comply with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as codified by Section 10D of the Exchange Act, Exchange Act Rule 10D-1 promulgated thereunder, and the rules and requirements of Nasdaq (including Nasdaq Listing Rule 5608) (such legal requirements, and rules and requirements of Nasdaq, collectively, the â€œSEC/Nasdaq Clawback Rulesâ€). Each Executive Officer shall be required to sign and return to the Company an acknowledgment to this Policy in the form attached hereto as Exhibit A pursuant to which such Executive Officer will agree to be bound by the terms and comply with this Policy. 2. Administration. This Policy shall be administered by the Committee. The Committee is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy, and any such determinations made by the Committee shall be in the Committeeâ€™s sole discretion, and shall be final and binding on all affected individuals. Subject to applicable legal requirements and the rules and requirements of Nasdaq, the Committee may delegate any or all of its powers and duties under the Policy to authorized officers of the Company, subject to such limitations on such delegated powers and duties as the Committee may impose, if any. Except as otherwise required by applicable legal requirements or the rules and requirements of the Nasdaq, any determinations of the Committee hereunder need not be uniform with respect to one or more Executive Officers (whether current or former).3. Definitions. For purposes of this Policy, the following capitalized terms shall have the meanings set forth below: (a) â€œAccounting Restatementâ€ shall mean an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement (i) to correct an error in previously issued financial statements that is material to the previously issued financial statements (a â€œBig Râ€ restatement), or (ii) that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (a â€œlittle râ€ restatement). (b) â€œBoardâ€ shall mean the Board of Directors of the Company. (c) â€œClawback Eligible Incentive Compensationâ€ shall mean all Incentive-Based Compensation Received by any current or former Executive Officer on or after the Nasdaq Effective Date, provided that: i.such Incentive-Based Compensation is Received after such individual began serving as an Executive Officer;ii.such individual served as an Executive Officer at any time during the performance period for such Incentive-Based Compensation; iii.such Incentive-Based Compensation is Received while the Company has a class of securities listed on Nasdaq; andiv.such Incentive-Based Compensation is Received during the applicable Clawback Period.(d) â€œClawback Periodâ€ shall mean, with respect to any Accounting Restatement, the three completed fiscal years of the Company immediately preceding the Restatement Date and any transition period (that results from a change in the Companyâ€™s fiscal year) of less than nine months within or immediately following those three completed fiscal years. (e) â€œCommitteeâ€ shall mean the Compensation Committee of the Board. (f) â€œCommon Stockâ€ shall mean the common stock, par value $0.001 per share, of the Company.(g) â€œCompanyâ€ shall mean Gladstone Capital Corporation , a Maryland corporation. (h) â€œCompany Groupâ€ shall mean the Company, together with each of its direct and indirect subsidiaries. (i) â€œErroneously Awarded Compensationâ€ shall mean, with respect to any current or former Executive Officer in connection with any Accounting Restatement, the amount of Clawback Eligible Incentive Compensation Received by such current or former Executive Officer that exceeds the amount of Clawback Eligible Incentive Compensation that otherwise would have been Received by such current or former Executive Officer had such Clawback Eligible Incentive Compensation been determined based on the restated amounts as reflected in connection with such Accounting Restatement, computed without regard to any taxes paid.(j) â€œExchange Actâ€ means the Securities Exchange Act of 1934, as amended.(k) â€œExecutive Officerâ€ shall mean any officer as defined in Rule 10D-1(d) (or any successor provision thereof) under the Exchange Act.(l) â€œFinancial Reporting Measuresâ€ shall mean measures that are determined and presented in accordance with the accounting principles used in preparing the Companyâ€™s financial statements, and any other measures that are derived wholly or in part from such measures. For purposes of this Policy, stock price and total shareholder return (and any measures that are derived wholly or in part from stock price or total shareholder return) shall be considered Financial Reporting Measures. For the avoidance of doubt, a Financial Reporting Measure need not be presented within the Companyâ€™s financial statements or included in a filing with the SEC.(m) â€œIncentive-Based Compensationâ€ shall mean any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure.(n) â€œNasdaqâ€ shall mean the Nasdaq Stock Market.(o) â€œNasdaq Effective Dateâ€ shall mean October 2, 2023. (p) â€œReceivedâ€ shall mean when Incentive-Based Compensation is received, and Incentive-Based Compensation shall be deemed received in the Companyâ€™s fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if payment or grant of the Incentive-Based Compensation occurs after the end of that period. (q) â€œRestatement Dateâ€ shall mean the earlier to occur of (i) the date the Board, a committee of the Board or the officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (ii) the date a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement.(r) â€œSECâ€ shall mean the U.S. Securities and Exchange Commission. 4. Recoupment of Erroneously Awarded Compensation.(a) In the event that the Company is required to prepare an Accounting Restatement, (i) the Committee shall determine the amount of any Erroneously Awarded Compensation for each applicable current or former Executive Officer (whether or not such individual is serving as an Executive Officer at such time) (the â€œApplicable Executivesâ€) in connection with such Accounting Restatement, and (ii) the Company will reasonably promptly require the recoupment of such Erroneously Awarded Compensation from any such Applicable Executive, and any such Applicable Executive shall surrender such Erroneously Awarded Compensation to the Company, at such time(s), and via such method(s), as determined by the Committee in accordance with the terms of this Policy. In such event, any such Applicable Executive shall enter into any recoupment or similar agreement as may be requested by the Committee in connection with the Companyâ€™s recoupment of Erroneously Awarded Compensation from such Applicable Executive pursuant to the terms of this Policy.(b) For Incentive-Based Compensation based on (or derived from) stock price or total shareholder return where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in the applicable Accounting Restatement, (i) such amount shall be determined by the Committee based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was Received, and (ii) the Company will maintain documentation of the determination of that reasonable estimate and provide such documentation to Nasdaq.(c) The Committee shall determine, in its sole discretion, the method(s) for recouping any Erroneously Awarded Compensation from any Applicable Executive, which may include one or more of the following:(i) requiring one or more cash payments to the Company Group from such Applicable Executive, including, but not limited to, the repayment of cash Incentive-Based Compensation previously paid by the Company Group to such Applicable Executive;(ii) seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer or other disposition of any equity-based awards previously made by the Company to such Applicable Executive and/or otherwise requiring the delivery to the Company of shares of Common Stock held by such Applicable Executive; (iii) withholding, reducing or eliminating future cash compensation (including cash incentive payments), future equity awards and/or other benefits or amounts otherwise to be paid or awarded by the Company Group to such Applicable Executive;(iv) offsetting amounts against compensation or other amounts otherwise payable by the Company Group to such Applicable Executive; (v) cancelling, adjusting or offsetting against some or all outstanding vested or unvested equity awards of the Company held by such Applicable Executive; and/or (vi) taking any other remedial and recovery actions with respect to such Applicable Executive permitted by applicable legal requirements and the rules and regulations of Nasdaq, as determined by the Committee.(d) Notwithstanding anything herein to the contrary, the Company shall not be required to recover Erroneously Awarded Compensation from any Applicable Executive pursuant to the terms of this Policy if (1) the Committee determines that such recovery would be impracticable, and (2) any of the following conditions is met:(i) the direct expenses paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered, provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on expense of enforcement pursuant to this clause (i), the Company has (x) made a reasonable attempt to recover such Erroneously Awarded Compensation, (y) documented such reasonable attempt(s) to recover, and (z) provided such documentation to Nasdaq; (ii) recovery would violate home country law where that law was adopted prior to November 28, 2022, provided that, before determining that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on violation of home country law, the Company has obtained an opinion of home country counsel, acceptable to Nasdaq, that recovery would result in such a violation, has provided copy of the opinion is provided to Nasdaq; or(iii) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company Group, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder. 5. No Indemnification, Etc. The Company Group shall not (x) indemnify any current or former Executive Officer against the loss of any Erroneously Awarded Compensation that is repaid, returned or recovered pursuant to the terms of this Policy, or (y) pay or reimburse any current or former Executive Officers for insurance premiums to recover losses incurred under this Policy. 6. Supersedure. This Policy will supersede any provisions in (x) any agreement, plan or other arrangement applicable to any member of the Company Group, and (y) any organizational documents of any entity that is part of Company Group that, in any such case, (a) exempt any Incentive-Based Compensation from the application of this Policy, (b) waive or otherwise prohibit or restrict the Company Groupâ€™s right to recover any Erroneously Awarded Compensation, including, without limitation, in connection with exercising any right of setoff as provided herein, and/or (c) require or provide for indemnification to the extent that such indemnification is prohibited under Section 5 above. 7. Amendment; Termination; Interpretation. The Committee may amend or terminate this Policy at any time, subject to compliance with all applicable legal requirements and the rules and requirements of Nasdaq. It is intended that this Policy be interpreted in a manner that is consistent with the SEC/Nasdaq Clawback Rules.8. Other Recoupment Rights; No Additional Payments.(a) Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company Group pursuant to (i) the terms of any recoupment provisions in any employment agreement, incentive or equity compensation plan or award or other agreement, (ii) any other legal requirements, including, but not limited to, Section 304 of Sarbanes-Oxley Act of 2002 (subject to Section 8(b) of this Policy below), and (iii) any other legal rights or remedies available to the Company.(b) Notwithstanding anything herein to the contrary, to the extent that the Committee determines that any Erroneously Awarded Compensation includes any amounts that have been actually reimbursed to the Company Group from any Applicable Executive pursuant to Section 304 of the Sarbanes-Oxley Act (any such amounts that have been reimbursed to the Company Group, the â€œApplicable SOX Recoupment Amountâ€), in order to prevent duplicative recovery, the amount of any Erroneously Awarded Compensation to be recovered from any such Applicable Executive shall be reduced by the Applicable SOX Recoupment Amount. (c) To the extent so determined by the Committee, the Company shall be entitled to recover from any Applicable Executive all fees and expenses incurred by the Company Group in connection with enforcing its rights under this Policy against any Applicable Executive.9. Successors. This Policy shall be binding and enforceable against all current and former Executive Officers and their beneficiaries, heirs, executors, administrators or other legal representatives. Exhibit AForm of Acknowledgment By signing below, the undersigned acknowledges and confirms that the undersigned has received and reviewed a copy of the Gladstone Capital Corporation Compensation Recoupment Policy (the â€œPolicyâ€). Capitalized terms used but not otherwise defined in this acknowledgment shall have the meanings ascribed to such terms in the Policy. By signing this acknowledgment, the undersigned acknowledges and agrees that the undersigned is and will continue to be subject to the Policy and that the Policy will apply both during and after the undersignedâ€™s employment with the Company Group. Further, by signing below, the undersigned agrees to abide by the terms of the Policy, including, without limitation, by returning any Erroneously Awarded Compensation to the Company Group to the extent required by the Policy. ______________________________ Signature______________________________ Print Name ______________________________ Date EX-99.1 11 exhibit991-fy2024.htm EX-99.1 DocumentExhibit 99.1Pursuant to FINRA Rule 2231(c), Gladstone Capital Corporation (the â€œCompanyâ€) determined the estimated value as of September 30, 2024, of its 6.25% Series A Cumulative Redeemable Preferred Stock (the â€œSeries A Preferred Stockâ€), $25.00 stated value per share, with the assistance of a third-party valuation service. In particular, the third-party valuation service reviewed the amount resulting from the consolidated total equity of the Company (as reflected on the Companyâ€™s Condensed Consolidated Balance Sheet within its Annual Report on Form 10-K for the period ended September 30, 2024 (the â€œForm 10-Kâ€), which was prepared in accordance with U.S. generally accepted accounting principles), adjusted for the fair value of its long-term assets (i.e., its real estate holdings) and long-term liabilities (each as disclosed within the Form 10-K (to which this exhibit is attached) under â€œNon-GAAP Financial Informationâ€”Net Asset Valueâ€), divided by the number of shares of the Company's Series A Preferred Stock outstanding. Based on this methodology and because the result from the calculation above is greater than the $25.00 per share stated value of the Company's Series A Preferred Stock, the Company has determined that the estimated value of its Series A Preferred Stock as of September 30, 2024, is $25.00 per share. EX-101.SCH 12 glad-20240930.xsd XBRL TAXONOMY EXTENSION SCHEMA DOCUMENT 0000001 - Document - Cover link:presentationLink link:calculationLink link:definitionLink 0000002 - Document - Audit Information link:presentationLink link:calculationLink link:definitionLink 0000003 - Statement - CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES link:presentationLink link:calculationLink link:definitionLink 0000004 - Statement - CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES (Parenthetical) link:presentationLink link:calculationLink link:definitionLink 0000005 - Statement - CONSOLIDATED STATEMENTS OF OPERATIONS link:presentationLink link:calculationLink link:definitionLink 0000006 - Statement - CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS link:presentationLink link:calculationLink link:definitionLink 0000007 - Statement - CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (Parentheticals) link:presentationLink link:calculationLink link:definitionLink 0000008 - Statement - CONSOLIDATED STATEMENTS OF CASH FLOWS link:presentationLink link:calculationLink link:definitionLink 0000009 - Statement - CONSOLIDATED STATEMENTS OF CASH FLOWS (Parenthetical) link:presentationLink link:calculationLink link:definitionLink 0000010 - Statement - CONSOLIDATED SCHEDULE OF INVESTMENTS link:presentationLink link:calculationLink link:definitionLink 0000010 - Statement - CONSOLIDATED SCHEDULE OF INVESTMENTS link:presentationLink link:calculationLink link:definitionLink 0000011 - Statement - CONSOLIDATED SCHEDULE OF INVESTMENTS (Parentheticals) link:presentationLink link:calculationLink link:definitionLink 0000011 - Statement - CONSOLIDATED SCHEDULE OF INVESTMENTS (Parentheticals) link:presentationLink link:calculationLink link:definitionLink 0000012 - Disclosure - ORGANIZATION link:presentationLink link:calculationLink link:definitionLink 0000013 - Disclosure - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES link:presentationLink link:calculationLink link:definitionLink 0000014 - Disclosure - INVESTMENTS link:presentationLink link:calculationLink link:definitionLink 0000015 - Disclosure - RELATED PARTY TRANSACTIONS link:presentationLink link:calculationLink link:definitionLink 0000016 - Disclosure - BORROWINGS link:presentationLink link:calculationLink link:definitionLink 0000017 - Disclosure - CUMULATIVE REDEEMABLE PREFERRED STOCK OFFERING link:presentationLink link:calculationLink link:definitionLink 0000018 - Disclosure - REGISTRATION STATEMENT AND COMMON EQUITY OFFERINGS link:presentationLink link:calculationLink link:definitionLink 0000019 - Disclosure - NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS PER COMMON SHARE link:presentationLink link:calculationLink link:definitionLink 0000020 - Disclosure - DISTRIBUTIONS TO COMMON STOCKHOLDERS link:presentationLink link:calculationLink link:definitionLink 0000021 - Disclosure - FEDERAL AND STATE INCOME TAXES link:presentationLink link:calculationLink link:definitionLink 0000022 - Disclosure - COMMITMENTS AND CONTINGENCIES link:presentationLink link:calculationLink link:definitionLink 0000023 - Disclosure - FINANCIAL HIGHLIGHTS link:presentationLink link:calculationLink link:definitionLink 0000024 - Disclosure - UNCONSOLIDATED SIGNIFICANT SUBSIDIARIES link:presentationLink link:calculationLink link:definitionLink 0000025 - Disclosure - SUBSEQUENT EVENTS link:presentationLink link:calculationLink link:definitionLink 0000026 - Disclosure - INVESTMENTS IN AND ADVANCES TO AFFILIATES link:presentationLink link:calculationLink link:definitionLink 9954701 - Disclosure - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Policies) link:presentationLink link:calculationLink link:definitionLink 9954702 - Disclosure - INVESTMENTS (Tables) link:presentationLink link:calculationLink link:definitionLink 9954703 - Disclosure - RELATED PARTY TRANSACTIONS (Tables) link:presentationLink link:calculationLink link:definitionLink 9954704 - Disclosure - BORROWINGS (Tables) link:presentationLink link:calculationLink link:definitionLink 9954705 - Disclosure - NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS PER COMMON SHARE (Tables) link:presentationLink link:calculationLink link:definitionLink 9954706 - Disclosure - DISTRIBUTIONS TO COMMON STOCKHOLDERS (Tables) link:presentationLink link:calculationLink link:definitionLink 9954707 - Disclosure - COMMITMENTS AND CONTINGENCIES (Tables) link:presentationLink link:calculationLink link:definitionLink 9954708 - Disclosure - FINANCIAL HIGHLIGHTS (Tables) link:presentationLink link:calculationLink link:definitionLink 9954709 - Disclosure - SUBSEQUENT EVENTS (Tables) link:presentationLink link:calculationLink link:definitionLink 9954710 - Disclosure - INVESTMENTS IN AND ADVANCES TO AFFILIATES (Tables) link:presentationLink link:calculationLink link:definitionLink 9954711 - Disclosure - ORGANIZATION (Details) link:presentationLink link:calculationLink link:definitionLink 9954712 - Disclosure - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Details) link:presentationLink link:calculationLink link:definitionLink 9954713 - Disclosure - INVESTMENTS - Fair Value, Assets Measured on Recurring Basis (Details) link:presentationLink link:calculationLink link:definitionLink 9954714 - Disclosure - INVESTMENTS - Fair Value Measurement Inputs and Valuation Techniques (Details) link:presentationLink link:calculationLink link:definitionLink 9954715 - Disclosure - INVESTMENTS - Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation (Details) link:presentationLink link:calculationLink link:definitionLink 9954716 - Disclosure - INVESTMENTS - Narrative (Details) link:presentationLink link:calculationLink link:definitionLink 9954717 - Disclosure - INVESTMENTS - Summary Investment Holdings (Details) link:presentationLink link:calculationLink link:definitionLink 9954718 - Disclosure - INVESTMENTS - Investments Classified by Contractual Maturity Date (Details) link:presentationLink link:calculationLink link:definitionLink 9954719 - Disclosure - RELATED PARTY TRANSACTIONS - Narrative (Details) link:presentationLink link:calculationLink link:definitionLink 9954720 - Disclosure - RELATED PARTY TRANSACTIONS - Schedule of Related Party Transactions (Details) link:presentationLink link:calculationLink link:definitionLink 9954721 - Disclosure - RELATED PARTY TRANSACTIONS - Schedule of Related Party Fees Due (Details) link:presentationLink link:calculationLink link:definitionLink 9954722 - Disclosure - BORROWINGS - Revolving Line of Credit Narrative (Details) link:presentationLink link:calculationLink link:definitionLink 9954723 - Disclosure - BORROWINGS - Schedule of Line of Credit Facilities (Details) link:presentationLink link:calculationLink link:definitionLink 9954724 - Disclosure - BORROWINGS - Fair Value Narrative (Details) link:presentationLink link:calculationLink link:definitionLink 9954725 - Disclosure - BORROWINGS - Fair Value, Liabilities Measured on Recurring Basis, Unobservable Input Reconciliation (Details) link:presentationLink link:calculationLink link:definitionLink 9954726 - Disclosure - BORROWINGS - Notes Payable Narrative (Details) link:presentationLink link:calculationLink link:definitionLink 9954727 - Disclosure - CUMULATIVE REDEEMABLE PREFERRED STOCK OFFERING (Details) link:presentationLink link:calculationLink link:definitionLink 9954728 - Disclosure - REGISTRATION STATEMENT AND COMMON EQUITY OFFERINGS (Details) link:presentationLink link:calculationLink link:definitionLink 9954729 - Disclosure - NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS PER COMMON SHARE (Details) link:presentationLink link:calculationLink link:definitionLink 9954730 - Disclosure - DISTRIBUTIONS TO COMMON STOCKHOLDERS - Narrative (Details) link:presentationLink link:calculationLink link:definitionLink 9954731 - Disclosure - DISTRIBUTIONS TO COMMON STOCKHOLDERS - Dividends Declared (Details) link:presentationLink link:calculationLink link:definitionLink 9954732 - Disclosure - DISTRIBUTIONS TO COMMON STOCKHOLDERS - Components of Our Net Assets on a Tax Basis (Details) link:presentationLink link:calculationLink link:definitionLink 9954733 - Disclosure - DISTRIBUTIONS TO COMMON STOCKHOLDERS - Adjustments for Book-tax Differences to Reflect Tax Character (Details) link:presentationLink link:calculationLink link:definitionLink 9954734 - Disclosure - FEDERAL AND STATE INCOME TAXES (Details) link:presentationLink link:calculationLink link:definitionLink 9954735 - Disclosure - COMMITMENTS AND CONTINGENCIES - Narrative (Details) link:presentationLink link:calculationLink link:definitionLink 9954736 - Disclosure - COMMITMENTS AND CONTINGENCIES - Schedule of Principal Balances of Unused Line of Credit and Delayed Draw Term Debt Commitments and Guaranties (Details) link:presentationLink link:calculationLink link:definitionLink 9954737 - Disclosure - FINANCIAL HIGHLIGHTS (Details) link:presentationLink link:calculationLink link:definitionLink 9954738 - Disclosure - SUBSEQUENT EVENTS - Narrative (Details) link:presentationLink link:calculationLink link:definitionLink 9954739 - Disclosure - SUBSEQUENT EVENTS - Schedule of Subsequent Events (Details) link:presentationLink link:calculationLink link:definitionLink 9954740 - Disclosure - INVESTMENTS IN AND ADVANCES TO AFFILIATES (Details) link:presentationLink link:calculationLink link:definitionLink 9954740 - Disclosure - INVESTMENTS IN AND ADVANCES TO AFFILIATES (Details) link:presentationLink link:calculationLink link:definitionLink EX-101.CAL 13 glad-20240930_cal.xml XBRL TAXONOMY EXTENSION CALCULATION LINKBASE DOCUMENT EX-101.DEF 14 glad-20240930_def.xml XBRL TAXONOMY EXTENSION DEFINITION LINKBASE DOCUMENT EX-101.LAB 15 glad-20240930_lab.xml XBRL TAXONOMY EXTENSION LABEL LINKBASE DOCUMENT Total interest income (excluding PIK interest income) Interest Income, Operating, Paid in Cash Statistical Measurement [Domain] Statistical Measurement [Domain] RELATED PARTY TRANSACTIONS Related Party Transactions Disclosure [Text Block] Redemption of notes payable Repayments of Long-Term Debt Collateral Held [Domain] Collateral Held [Domain] Debt Securities Debt Securities [Member] Syndicated loan fee credit Investment Company, Syndicated Loan Fee Credit Investment Company, Syndicated Loan Fee Credit NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents, Period Increase (Decrease), Including Exchange Rate Effect Discount Rate Measurement Input, Discount Rate [Member] Turn Key Health Clinics, LLC Turn Key Health Clinics, LLC [Member] Turn Key Health Clinics, LLC Leadpoint Business Services, LLC Leadpoint Business Services, LLC [Member] Leadpoint Business Services, LLC Trading Symbol Beverage, Food, and Tobacco Beverage, Food, and Tobacco [Member] Beverage, Food, and Tobacco All Trading Arrangements All Trading Arrangements [Member] Compensation Actually Paid vs. Net Income Compensation Actually Paid vs. Net Income [Text Block] Non-NEOs Non-NEOs [Member] Schedule of Earnings Per Share, Basic and Diluted Schedule of Earnings Per Share, Basic and Diluted [Table Text Block] Investment company, percentage of ordinary income distribution Investment Company, Percentage Of Ordinary Income Distribution Investment Company, Percentage Of Ordinary Income Distribution REGISTRATION STATEMENT AND COMMON EQUITY OFFERINGS Registration Statement And Common Equity Offerings [Text Block] Registration Statement And Common Equity Offerings 5.125% Notes due 2026 5.125% Notes due 2026 [Member] 5.125% Notes due 2026 Rule 10b5-1 Arrangement Adopted Rule 10b5-1 Arrangement Adopted [Flag] Dividends declared (in dollars per share) Common Stock, Dividends, Per Share, Declared Long-Term Debt Long-Term Debt [Member] Awards Close in Time to MNPI Disclosures Awards Close in Time to MNPI Disclosures [Table] Salt & Straw, LLC Salt & Straw, LLC [Member] Salt & Straw, LLC Other Commitments [Line Items] Other Commitments [Line Items] Capital loss carryforward Capital loss carryforward Investment Company, Distributable Earnings (Loss), Accumulated Capital Loss Carryforward Investment Company, Financial Highlights [Roll Forward] Investment Company, Financial Highlights [Roll Forward] Pay vs Performance Disclosure [Line Items] Net anti-dilutive (dilutive) effect of equity offering (in USD per share) Antidilutive (Dilutive) Securities Excluded From Computation of Net Income, Per Outstanding Unit, Amount Antidilutive (Dilutive) Securities Excluded From Computation of Net Income, Per Outstanding Unit, Amount Under distributed net investment income Investment Company, Distributable Earnings (Loss), Accumulated Ordinary Income (Loss) Investment, reference rate and spread Investment, Basis Spread, Variable Rate Peer Group Total Shareholder Return Amount Peer Group Total Shareholder Return Amount Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Table] Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Table] Financial support to investee Investment Company, Financial Support to Investee Contractually Required, Amount ORGANIZATION Organization, Consolidation and Presentation of Financial Statements Disclosure [Text Block] Non-Rule 10b5-1 Arrangement Adopted Non-Rule 10b5-1 Arrangement Adopted [Flag] LWO Acquisitions Company LLC LWO Acquisitions Company LLC [Member] LWO Acquisitions Company LLC Award Timing Disclosures [Line Items] Proceeds from issuance of preferred stock Proceeds from Issuance of Preferred Stock and Preference Stock Investment, Name [Domain] Investment, Name [Domain] Risks Related To The 2026 Notes And The 2027 Notes [Member] Risks Related To The 2026 Notes And The 2027 Notes Other Performance Measure, Amount Other Performance Measure, Amount Incentive fee Incentive Fee Expense Common stock, shares, outstanding (in shares) Common stock outstanding at end of year (in shares) Common Stock, Shares, Outstanding Documents Incorporated by Reference Increase (decrease) in interest payable Increase (Decrease) in Interest Payable, Net Ratio of expenses to average net assets - annualized Investment Company, Expense Ratio before Incentive Allocation CAPITAL TRANSACTIONS Investment Company, Capital Share Transaction, Increase (Decrease) [Abstract] Diversified/Conglomerate Services Diversified/Conglomerate Services [Member] Diversified/Conglomerate Services Fair Value Measurement Inputs and Valuation Techniques [Line Items] Fair Value Measurement Inputs and Valuation Techniques [Line Items] Interest receivable, net Interest Receivable Realized gains (in USD per share) Investment Company, Distribution To Shareholders From Realized Gains, Per Share Investment Company, Distribution To Shareholders From Realized Gains, Per Share Industry Sector [Domain] Industry Sector [Domain] Preferred equity Preferred equity Preferred Equity [Member] Preferred Equity Sale of stock, price (in USD per share) Sale of Stock, Price Per Share Investment company, capital gains-based incentive fees Investment Company, Capital Gains-based Incentive Fees, Percentage Investment Company, Capital Gains-based Incentive Fees, Percentage Net change in premiums, discounts and amortization Net Change in Premiums, Discounts and Amortization Net Change in Premiums, Discounts and Amortization Entity Tax Identification Number Preferred stock, shares, issued (in shares) Temporary Equity, Shares Issued Risks Related To Our External Management [Member]

Risks Related To Our External Management Collateral Pledged Collateral Pledged [Member] Cost percentage Investment Owned, Percent of Cost Basis Investment Owned, Percent of Cost Basis Investment, interest rate, paid in kind Investment, Interest Rate, Paid in Kind Investment company, net investment income to common stockholder distributions ratio, threshold Investment Company, Net Investment Income To Common Stockholder Distributions Ratio, Threshold Investment Company, Net Investment Income To Common Stockholder Distributions Ratio, Threshold Net cash provided by (used in) operating activities Net Cash Provided by (Used in) Operating Activities Sale of stock, consideration received on transaction Sale of Stock, Consideration Received on Transaction Multiplied by annual base management fee of 1.75% Management and Service Fees, Rate CASH FLOWS FROM OPERATING ACTIVITIES Net Cash Provided by (Used in) Operating Activities [Abstract] Dealer manager fees percentage Dealer Manager Fee Percentage Dealer Manager Fee Percentage 2028 Principal Repayment And Maturity Of Investments, Year Four Principal Repayment And Maturity Of Investments, Year Four Cumulative gross unrealized appreciation (depreciation) for federal income tax purposes Investment, Tax Basis, Unrealized Gain (Loss) Award Timing Method Award Timing Method [Text Block] Trading Arrangements, by Individual Trading Arrangements, by Individual [Table] Administration fee Administrative Fees Expense Percentage of pre-incentive fee net investment income is less than the hurdle rate Investment Company, Percentage Of Pre-incentive Fee Net Investment Income Exceeds The Hurdle Rate Investment Company, Percentage Of Pre-incentive Fee Net Investment Income Exceeds The Hurdle Rate Measurement Frequency [Axis] Measurement Frequency [Axis] Entity Common Stock, Shares Outstanding Insider Trading Policies and Procedures [Line Items] Beginning balance Ending balance Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Asset Value Use of Estimates Use of Estimates, Policy [Policy Text Block] Investments in and Advances to Affiliates [Table] Investments in and Advances to Affiliates [Table] Gross Reductions Investments in and Advances to Affiliates, at Fair Value, Gross Reductions Adjustment to Compensation, Amount Adjustment to Compensation Amount Investments [Domain] Investments [Domain] Compensation Amount Outstanding Recovery Compensation Amount Aggregate Change in Present Value of Accumulated Benefit for All Pension Plans Reported in Summary Compensation Table Aggregate Change in Present Value of Accumulated Benefit for All Pension Plans Reported in Summary Compensation Table [Member] Personal and Non-Durable Consumer Products (Manufacturing Only) Personal and Non-Durable Consumer Products (Manufacturing Only) [Member] Personal and Non-Durable Consumer Products (Manufacturing Only) Entity Small Business Company Selected Measure Amount Company Selected Measure Amount Geographical [Axis] Geographical [Axis] Tabular List, Table Tabular List [Table Text Block] Significant Unobservable Inputs (Level 3) Fair Value, Inputs, Level 3 [Member] OID Originally Issued at Discounts [Member] Originally Issued at Discounts Revolving Line of Credit Revolving Line of Credit [Member] Revolving Line of Credit Weighted Average Weighted Average [Member] Fair Value Measurement Inputs and Valuation Techniques [Table] Fair Value Measurement Inputs and Valuation Techniques [Table] Aggregate Grant Date Fair Value of Equity Award Amounts Reported in Summary Compensation Table Aggregate Grant Date Fair Value of Equity Award Amounts Reported in Summary Compensation Table [Member] Chief Executive Officer Chief Executive Officer [Member] Net unrealized (appreciation) depreciation Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Liability, Unrealized Appreciation (Depreciation) Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Liability, Unrealized Appreciation (Depreciation) Net realized gain (loss) on investments Realized Gain (Loss), Investment, Derivative, and Foreign Currency Transaction Price Change, Operating, before Tax Base management fee due to (from) Adviser Base Management Fee Due to Adviser [Member] Base Management Fee Due to Adviser Credit Facility [Domain] Credit Facility [Domain] CASH, CASH EQUIVALENTS, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS, BEGINNING OF YEAR CASH, CASH EQUIVALENTS, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS, END OF YEAR Cash, Cash Equivalents, Restricted Cash, and Restricted Cash Equivalents Thereafter Principal Repayment And Maturity Of Investments, After Year Four Principal Repayment And Maturity Of Investments, After Year Four Based on a tax cost Investment, Tax Basis, Cost Buildings and Real Estate Buildings and Real Estate [Member] Buildings and Real Estate Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation, Calculation [Roll Forward] Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation, Calculation [Roll Forward] Investment owned, at cost Cost Investment owned, at cost Investment Owned, Cost Risks Related To Our Regulation And Structure [Member] Risks Related To Our Regulation And Structure Common stock, dividends, declared, ordinary (in USD per share) Common Stock, Dividends, Per Share, Declared, Ordinary Common Stock, Dividends, Per Share, Declared, Ordinary Perimeter Solutions Group Perimeter Solutions Group [Member] Perimeter Solutions Group Debt investments with maturity dates prior to period end Debt Investments With Maturity Dates Prior To Period End, Amount Debt Investments With Maturity Dates Prior To Period End, Amount Aerospace and Defense Aerospace and Defense [Member] Aerospace and Defense Allowance for uncollectible receivables Investment Company, Allowance For Uncollectible Receivables Investment Company, Allowance For Uncollectible Receivables Forgone Recovery due to Disqualification of Tax Benefits, Amount Forgone Recovery due to Disqualification of Tax Benefits, Amount Gladstone Securities Gladstone Securities [Member] Gladstone Securities TEV Total Enterprise Value [Member] Total Enterprise Value Employee Stock Option Share-Based Payment Arrangement, Option [Member] Five Largest Portfolio Investments Five Largest Portfolio Investments [Member] Five Largest Portfolio Investments Number of obligors Investment Company, Number of Obligors Investment Company, Number of Obligors South US South Region [Member] Common equity/equivalents Common equity/equivalents Common Equity/ Equivalents Common Equity/Equivalents [Member] Common Equity/Equivalents Repayments on line of credit Repayments of Lines of Credit Other, net (in USD per share) Investment Company, Net Asset Value Per Share, Other Increase (Decrease), Net Investment Company, Net Asset Value Per Share, Other Increase (Decrease), Net Tailwind Smith Cooper Immediate Corporation Tailwind Smith Cooper Immediate Corporation [Member] Tailwind Smith Cooper Immediate Corporation Security Exchange Name Debt instrument, basis spread on variable rate Debt Instrument, Basis Spread on Variable Rate Schedule of Investments Classified by Contractual Maturity Date Investments Classified by Contractual Maturity Date [Table Text Block] Award Type Award Type [Axis] Related Party Transaction [Domain] Related Party Transaction [Domain] Schedule of Investment Company, Financial Highlights Investment Company, Financial Highlights [Table Text Block] Incentive fee base on minimum rate of return required on investment Investment Company, Incentive Fee When Pre-Incentive Fee Net Investment Income Does Not Exceed Hurdle Rate Investment Company, Incentive Fee When Pre-Incentive Fee Net Investment Income Does Not Exceed Hurdle Rate Restricted Cash and Cash Equivalents Cash and Cash Equivalents, Restricted Cash and Cash Equivalents, Policy [Policy Text Block] Decrease (increase) in interest receivable, net Increase (Decrease) in Accrued Interest Receivable, Net Number of states which have invested in the company location Number Of States Where Portfolio Company Investments Are Located Number Of States Where Portfolio Company Investments Are Located Average total assets subject to base management fee Assets under Management, Average Balance Investment, Unaffiliated and Affiliated Issuer, Excluding Other Investment, Unaffiliated and Affiliated Issuer, Excluding Other [Member] Investment, Unaffiliated and Affiliated Issuer, Excluding Other ICFR Auditor Attestation Flag TOTAL LIABILITIES Liabilities Investment, Issuer Affiliation [Domain] Investment, Issuer Affiliation [Domain] Distribution per Common Share (in USD per share) Common Stock, Dividends, Per Share, Cash Paid Adjustments to cost basis of debt investments Principal Repayment And Maturity Of Investments, Adjustments to Cost Basis of Debt Investments Principal Repayment And Maturity Of Investments, Adjustments to Cost Basis of Debt Investments Common stock, par value (in USD per share) Common Stock, Par or Stated Value Per Share Forgone Recovery, Explanation of Impracticability Forgone Recovery, Explanation of Impracticability [Text Block] Credit Facility Revolving Credit Facility [Member] Realized investment gains Realized Investment Gains (Losses) Expiration Date Trading Arrangement Expiration Date Mandatorily redeemable preferred stock Financial Instruments Subject to Mandatory Redemption, Settlement Terms, Share Value, Amount Schedule of Investments in and Advances to Affiliates Schedule of Investments in and Advances to Affiliates, Schedule of Investments [Table Text Block] Net proceeds from sales Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Asset, Sales Covenant, required minimum net worth of mandatory redeemable term preferred stock, plus percent of all equity and subordinated debt raised, minus percent of any equity or subordinated debt redeemed or retired Debt Instrument, Covenant, Net Worth Of Mandatory Redeemable Term Preferred Stock, Plus Percent of All Equity and Subordinated Debt Raised, Minus Any Equity Or Subordinated Debt Redeemed or Retired Debt Instrument, Covenant, Net Worth Of Mandatory Redeemable Term Preferred Stock, Plus Percent of All Equity and Subordinated Debt Raised, Minus Any Equity Or Subordinated Debt Redeemed or Retired Shares Investment Owned, Balance, Shares Personal and Non-Durable Consumer Products Personal and Non-Durable Consumer Products [Member] Personal and Non-Durable Consumer Products Investment owned, measurement input Investment Company, Investment Owned, Measurement Input Investment Company, Investment Owned, Measurement Input Net investment income (in USD per share) Net investment income (in USD per share) Investment Company, Distribution to Shareholders from Net Investment Income, Per Share Investment Company, Distribution to Shareholders from Net Investment Income, Per Share Cargo Transportation Cargo Transportation [Member] Cargo Transportation Total Shareholder Return Amount Total Shareholder Return Amount Common stock, shares, issued (In shares) Common Stock, Shares, Issued Gross receivables from portfolio companies Investment Company, Gross Receivables From Portfolio Companies Investment Company, Gross Receivables From Portfolio Companies Equity Awards Adjustments, Footnote Equity Awards Adjustments, Footnote [Text Block] Commitment amount Line of Credit Facility, Maximum Borrowing Capacity Concentration risk, percentage Concentration Risk, Percentage ALS Education, LLC ALS Education, LLC [Member] ALS Education, LLC Interest expense on line of credit and notes payable Interest Expense, Borrowings Commitment (unused) fees incurred Line of Credit Facility, Commitment Fee Amount Insider Trading Policies and Procedures Adopted Insider Trading Policies and Procedures Adopted [Flag] Subsequent Event [Line Items] Subsequent Event [Line Items] Common stock, dividends, declared supplemental (in USD per share) Common Stock, Dividends, Per Share, Declared, Supplemental Common Stock, Dividends, Per Share, Declared, Supplemental Secured second lien debt Secured second lien debt Debt Securities, Secured Second Lien Debt [Member] Debt Securities, Secured Second Lien Debt Debt Instrument [Line Items] Debt Instrument [Line Items] Named Executive Officers, Footnote Named Executive Officers, Footnote [Text Block] Other assets, net Other Assets Common stock, shares authorized (in shares) Common Stock, Shares Authorized Other Other Investment Companies [Member] Number of proprietary investments Number of Proprietary Investments Number of Proprietary Investments Deferred Financing and Offering Costs Financing Receivable, Fee and Interest Income [Policy Text Block] Basis of Presentation Basis of Accounting, Policy [Policy Text Block] Diluted (in shares) Denominator for diluted weighted average common shares (in shares) Weighted Average Number of Shares Outstanding, Diluted B+T Group Acquisition, Inc., Edge Adhesives Holdings, Inc,. And WB Xcel Holdings, LLC B+T Group Acquisition, Inc., Edge Adhesives Holdings, Inc,. And WB Xcel Holdings, LLC [Member] B+T Group Acquisition, Inc., Edge Adhesives Holdings, Inc,. And WB Xcel Holdings, LLC Secured first lien debt Secured first lien debt Secured First Lien Debt Debt Securities, Secured First Lien Debt [Member] Debt Securities, Secured First Lien Debt MNPI Disclosure Timed for Compensation Value MNPI Disclosure Timed for Compensation Value [Flag] Long-Term Debt, Type [Axis] Long-Term Debt, Type [Axis] TOTAL NET ASSETS NET ASSETS, beginning balance NET ASSETS, ending balance Equity, Attributable to Parent Entity Voluntary Filers Total distributions (in USD per share) Investment Company, Distribution to Shareholders, Per Share Related Party Related Party [Member] Concentration Risk Type [Domain] Concentration Risk Type [Domain] Total contractual repayments Principal Repayment And Maturity Of Investments Principal Repayment And Maturity Of Investments, Line of credit outstanding, at cost Borrowings outstanding, at cost Letters of Credit Outstanding, Amount Ratio of net investment income (loss) to average net assets â€“ annualized Investment Company, Investment Income (Loss) Ratio, before Incentive Allocation Fair Value, Recurring Fair Value, Recurring [Member] Noncontrolling interest, ownership percentage by parent Subsidiary, Ownership Percentage, Parent Sale of Stock [Domain] Sale of Stock [Domain] Increase (decrease) in other liabilities Increase (Decrease) in Other Operating Liabilities Pension Adjustments Prior Service Cost Pension Adjustments Prior Service Cost [Member] Base management fee, percent fee Management And Service Fees, Percent Of Fee Credits Against Base Management Fee Management And Service Fees, Percent Of Fee Credits Against Base Management Fee Total expenses, net of credits Investment Company, Expense, after Reduction of Fee Waiver and Reimbursement Document Fiscal Period Focus Dealer Manager Agreement Dealer Manager Agreement [Member] Dealer Manager Agreement All Executive Categories All Executive Categories [Member] Fair Value, Net Derivative Asset (Liability) Measured on Recurring Basis, Unobservable Input Reconciliation [Roll Forward] Fair Value, Net Derivative Asset (Liability) Measured on Recurring Basis, Unobservable Input Reconciliation [Roll Forward] Incentive fee credit Incentive fee credit Investment Company , Incentive Fee Credit Investment Company , Incentive Fee Credit Equity Securities Equity Securities [Member] Changed Peer Group, Footnote Changed Peer Group, Footnote [Text Block] ASSETS Assets [Abstract] Investment Holdings [Table] Investment Holdings [Table] Document Type Pension Benefits Adjustments, Footnote Pension Benefits Adjustments, Footnote [Text Block] Total Shareholder Return Vs Peer Group Total Shareholder Return Vs Peer Group [Text Block] Net realized and unrealized gain (loss) on investments (in USD per share) Investment Company, Gain (Loss) on Investment, Per Share Gray Matter Systems, LLC Gray Matter Systems, LLC [Member] Gray Matter Systems, LLC Expenses, before credits from Adviser Investment Income, Investment Expense Document Annual Report Investment company, percentage of net capital gains distribution Investment Company, Percentage Of Net Capital Gains Distribution Investment Company, Percentage Of Net Capital Gains Distribution Net decrease in net assets from distributions Investment Company, Dividend Distribution Healthcare, Education, and Childcare Healthcare, Education, and Childcare [Member] Healthcare, Education, and Childcare Base management fee due to (from) Adviser Investment Company, Base Management Fee Due to Adviser Investment Company, Base Management Fee Due to Adviser Investment, Identifier [Axis] Investment, Identifier [Axis] Subsequent Event [Table] Subsequent Event [Table] Maximum Maximum [Member] Equity Valuation Assumption Difference, Footnote Equity Valuation Assumption Difference, Footnote [Text Block] Financing costs Payments of Financing Costs Weighted average borrowings outstanding, at cost Long-Term Debt, Average Amount Outstanding Accounting Policies [Abstract] Investment Type [Axis] Investment Type [Axis] LIABILITIES Liabilities [Abstract] INVESTMENT INCOME Revenues [Abstract] NON-CASH ACTIVITIES Non-cash activities Investment Company, Non-Cash Activities Investment Company, Non-cash Activities Capital in excess of par value Additional Paid in Capital Adjustments Additional Paid in Capital Adjustments Current Fiscal Year End Date Statistical Measurement [Axis] Statistical Measurement [Axis] PEO Name PEO Name Non-Rule 10b5-1 Arrangement Terminated Non-Rule 10b5-1 Arrangement Terminated [Flag] Senior securities, asset coverage ratio Senior Securities, Asset Coverage Ratio Senior Securities, Asset Coverage Ratio Non-PEO NEO Average Total Compensation Amount Non-PEO NEO Average Total Compensation Amount All Award Types Award Type [Domain] Name Outstanding Recovery, Individual Name Per Common Share Data: Investment Company, Per Share Data [Abstract] Investment Company, Per Share Data Quality Environmental Midco, Inc. Quality Environmental Midco, Inc. [Member] Quality Environmental Midco, Inc. Preferred stock, shares authorized (in shares) Temporary Equity, Shares Authorized Compensation Actually Paid vs. Company Selected Measure Compensation Actually Paid vs. Company Selected Measure [Text Block] Trowbridge Chicago, LLC Trowbridge Chicago, LLC [Member] Trowbridge Chicago, LLC Non-PEO NEO Non-PEO NEO [Member] Title and Position [Axis] Title and Position [Axis] Preferred stock, par or stated value per share (in USD per share) Temporary Equity, Par or Stated Value Per Share Number of industries that have made investments Number Of Industries Invested In Number Of Industries Invested In Investments at fair value Investments, Fair Value Disclosure Workforce QA LLC Workforce QA LLC [Member] Workforce QA LLC Award Timing Predetermined Award Timing Predetermined [Flag] Syndicated Investments Syndicated Investments [Member] Syndicated Investments Subsequent Event Type [Domain] Subsequent Event Type [Domain] Distributions paid to common stockholders Payments of Ordinary Dividends, Common Stock Accumulated net realized losses Investment Company, Accumulated Net Realized Gain In Excess Of Distribution Investment Company, Accumulated Net Realized Gain In Excess Of Distribution Notes payable, net of unamortized deferred financing costs of $2,990 and $3,886, respectively Notes Payable Class of Stock [Line Items] Class of Stock [Line Items] Investment, Name [Axis] Investment, Name [Axis] Recent Accounting Pronouncements New Accounting Pronouncements, Policy [Policy Text Block] Series A Preferred Stock Series A Preferred Stock [Member] Net investment income, diluted (in USD per share) Earnings Per Share, Diluted Other general and administrative expenses Other General and Administrative Expense Class of Stock [Axis] Title and Position [Domain] Title and Position [Domain] Counterparty Name [Domain] Counterparty Name [Domain] Name Measure Name Entity Interactive Data Current Financial support to investee, not provided Total Investment Company, Financial Support to Investee Contractually Required, Not Provided, Amount Restatement does not require Recovery Restatement Does Not Require Recovery [Text Block] Ownership [Axis] Ownership [Axis] Number of investment portfolio company Number Of Investment Portfolio Company Number Of Investment Portfolio Company Customer [Axis] Customer [Axis] Investment Portfolio Benchmark Investment Portfolio Benchmark [Member] Investment Portfolio Benchmark NET ASSET VALUE PER COMMON SHARE (in USD per share) Net asset value at beginning of period / year (in USD per share) Net asset value at end of period / year (in USD per share) Statement of Financial Position [Abstract] Net realized gain (loss) Debt and Equity Securities, Realized Gain (Loss) [Member] Debt and Equity Securities, Realized Gain (Loss) Investment company, prepayment fee Investment Company, Prepayment Fee Investment Company, Prepayment Fee Credits to base management fee â€“ loan servicing fee Investment Company, Credits To Base Management Fee, Loan Servicing Fee Investment Company, Credits To Base Management Fee, Loan Servicing Fee Total gain (loss) Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Asset, Gain (Loss) Included in Earnings Investment Owned, At Cost Investment Owned, At Cost [Member] Investment Owned, At Cost Net increase (decrease) in net assets from operations Net Income (Loss), Including Portion Attributable to Noncontrolling Interest Investment Company, Net Assets [Roll Forward] Investment

Company, Net Assets [Roll Forward] General Risk Factors [Member] General Risk Factors 3.75% Notes due 2027 3.75% Notes due 2027 [Member] 3.75% Notes due 2027 Investments, at fair value Fair Value Investments owned, fair value Beginning Balance Ending Balance Investment Owned, Fair Value Income tax provisions Income Tax Expense (Benefit) Sale of stock, aggregate value of securities authorized Sale of Stock, Aggregate Value of Securities Authorized Sale of Stock, Aggregate Value of Securities Authorized Borrowings Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Liability, Purchases Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items] Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Line Items] Interest rate Debt Instrument, Interest Rate, Stated Percentage Schedule of Investments [Line Items] Schedule of Investments [Line Items] Net proceeds from the sale of investments Proceeds from Disposition of Investment, Operating Activity Investments in and Advances to Affiliates [Abstract] Changes in assets and liabilities: Increase (Decrease) in Operating Liabilities [Abstract] Distributions to common stockholders from net investment income Investment Company, Distribution, Ordinary Income Concentration Risk Benchmark [Domain] Concentration Risk Benchmark [Domain] Auditor Firm ID Selling commissions, percentage Selling Commissions, Percentage Selling Commissions, Percentage Variable Rate [Domain] Variable Rate [Domain] NET INCREASE (DECREASE) IN NET ASSETS Stockholders' Equity, Period Increase (Decrease) Schedule of Subsequent Events Schedule of Subsequent Events [Table Text Block] SUBSEQUENT EVENTS Subsequent Events [Text Block] Rule 10b5-1 Arrangement Terminated Rule 10b5-1 Arrangement Terminated [Flag] All Adjustments to Compensation All Adjustments to Compensation [Member] EBITDA multiple Measurement Input, EBITDA Multiple [Member] Fair Value Hierarchy and NAV [Axis] Fair Value Hierarchy and NAV [Axis] Capital in excess of par value Capital in excess of par value Additional Paid in Capital Issuance of common stock (in USD per share) Investment Company, Share Issuance, Per Share Commitments and Contingencies Disclosure [Abstract] Targus Cayman HoldCo Ltd. Targus Cayman HoldCo Ltd. [Member] Targus Cayman HoldCo Ltd. Per common share market value at beginning of year (in USD per share) Per common share market value at end of year (in USD per share) Investment Company, Market Value, Per Share Distributions to common stockholders from Effect Of Equity Capital Activity [Abstract] Effect Of Equity Capital Activity Amount of Investment Income Interest and Dividend Income, Securities, Operating Total net unrealized appreciation (depreciation) Net unrealized depreciation (appreciation) of investments Debt and Equity Securities, Unrealized Gain (Loss) Antenna Research Associates, Inc Antenna Research Associates, Inc [Member] Antenna Research Associates, Inc Sale of stock, remaining capacity of aggregate value of securities authorized Sale of Stock, Remaining Capacity of Aggregate Value of Securities Authorized Sale of Stock, Remaining Capacity of Aggregate Value of Securities Authorized Industry Sector [Axis] Industry Sector [Axis] Underlying Security Market Price Change Underlying Security Market Price Change, Percent 2027 Principal Repayment And Maturity Of Investments, Year Three Principal Repayment And Maturity Of Investments, Year Three Measurement Input Type [Axis] Measurement Input Type [Axis] Individual: Individual [Axis] Related Party Transaction [Axis] Related Party Transaction [Axis] Net Loan Servicing Fee Net Loan Servicing Fee Net Loan Servicing Fee Industry Concentration Risk Industry Concentration Risk [Member] Industry Concentration Risk Gross Additions Investments in and Advances to Affiliates, at Fair Value, Gross Additions Increase in investments due to paid-in-kind interest or other Increase in Investments Due to PIK Interest Or Other Increase in Investments Due to PIK Interest Or Other Dividends [Domain] Dividends [Domain] Long-Term Debt, Type [Domain] Long-Term Debt, Type [Domain] Entity Address, State or Province Risks Related To The Economy [Member] Risks Related To The Economy Statement [Line Items] Statement [Line Items] Measurement Input Type [Domain] Measurement Input Type [Domain] Erroneous Compensation Analysis Erroneous Compensation Analysis [Text Block] Schedule of Related Party Transactions Schedule of Related Party Transactions [Table Text Block] PIK interest income Interest Income, Operating, Paid in Kind Schedule of Components of Net Assets Schedule of Stockholders Equity [Table Text Block] Fees due to related party Accounts Payable, Other EXPENSES Operating Expenses [Abstract] Risks Related To Our Investments [Member] Risks Related To Our Investments Compensation Actually Paid vs. Total Shareholder Return Compensation Actually Paid vs. Total Shareholder Return [Text Block] Financial Instruments [Domain] Financial Instruments [Domain] Net Unrealized Appreciation (Depreciation) Investments in and Advances to Affiliates, at Fair Value, Period Increase (Decrease) Credits to fees from Adviser - other Investment Company, Credits To Fees From Adviser, Other Investment Company, Credits To Fees From Adviser, Other Beginning balance Ending balance Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Liability Value Number of monthly distributions Investment Company, Number Of Monthly Distributions Investment Company, Number Of Monthly Distributions Schedule of Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation Fair Value, Assets Measured on Recurring Basis, Unobservable Input Reconciliation [Table Text Block] Secured Overnight Financing Rate (SOFR) _90 day Secured Overnight Financing Rate (SOFR) _90 day [Member] Secured Overnight Financing Rate (SOFR) _90 day [Member] Related Party Fees Related Party Fees [Policy Text Block] Related Party Fees Minimum Minimum [Member] Restatement Determination Date Restatement Determination Date Sale of stock, aggregate offering price authorized Sale of Stock, Aggregate Offering Price Authorized Sale of Stock, Aggregate Offering Price Authorized Reversal of prior period net depreciation (appreciation) on realization Fair Value, Measurement With Unobservable Inputs Reconciliation, Recurring Basis, Asset, Reversal Of Previously Recorded (Appreciation) Depreciation Upon Realization Fair Value, Measurement With Unobservable Inputs Reconciliation, Recurring Basis, Asset, Reversal Of Previously Recorded (Appreciation) Depreciation Upon Realization Notes payable, fair value disclosure Notes Payable, Fair Value Disclosure Proceeds from interest received Proceeds from Interest Received NET INVESTMENT INCOME Net Investment Income Adoption Date Trading Arrangement Adoption Date Pay vs Performance Disclosure Pay vs Performance Disclosure [Table] Related Party Transactions [Abstract] Investments in and Advances to Affiliates, Activity [Line Items] Investments in and Advances to Affiliates, Activity [Line Items] Financial Support to Nonconsolidated Legal Entity [Domain] Financial Support to Nonconsolidated Legal Entity [Domain] Other temporary differences Investment Company, Distributable Earnings (Loss), Accumulated Other Temporary Differences Investment Company, Distributable Earnings (Loss), Accumulated Other Temporary Differences Erroneously Awarded Compensation Recovery Erroneously Awarded Compensation Recovery [Table] Government Assistance [Abstract] Investment company, excess expense reimbursable Investment Company, Reimbursable Excess Expense Change in Fair Value as of Vesting Date of Prior Year Equity Awards Vested in Covered Year Change in Fair Value as of Vesting Date of Prior Year Equity Awards Vested in Covered Year [Member] O 2024 Q4 Regular Dividends O 2024 A Regular Dividends [Member] O 2024 A Regular Dividends Aggregate principal amount Notes Payable Long-Term Debt, Gross Market Quote Market Quote [Member] Market Quote Exercise Price Award Exercise Price Proceeds from disposition of investment, prepayment fees Proceeds From Disposition Of Investment, Prepayment Fees Proceeds From Disposition Of Investment, Prepayment Fees Line of credit at fair value (Cost of $70,600 and $47,800, respectively) Credit Facility Lines of Credit, Fair Value Disclosure Investment company, pre-incentive fee net investment income, percent threshold of net assets Investment Company, Pre-Incentive Fee Net Investment Income, Percent Threshold of Net Assets Investment Company, Pre-Incentive Fee Net Investment Income, Percent Threshold of Net Assets West US West Region [Member] NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS PER COMMON SHARE Earnings Per Share [Text Block] Arrangement Duration Trading Arrangement Duration Covenant, senior security, indebtedness, required minimum asset coverage ratio Debt Instrument, Covenant, Senior Security, Indebtedness, Required Minimum Asset Coverage Ratio Debt Instrument, Covenant, Senior Security, Indebtedness, Required Minimum Asset Coverage Ratio Risks Related To Our External Financing [Member] Risks Related To Our External Financing Subsequent Event Subsequent Event [Member] Net increase (decrease) in net assets resulting from operations, basic (in USD per share) Basic net increase (decrease) in net assets resulting from operations per common share (in USD per share) Income (Loss) from Continuing Operations, Per Basic Share Net realized gain (loss) Net realized loss (gain) on investments and other Net Realized Gain (Loss) for Period Debt and Equity Securities, Realized Gain (Loss) Covenant, required minimum net worth of mandatory redeemable term preferred stock Debt Instrument, Covenant, Required Minimum Net Worth Of Mandatory Redeemable Term Preferred Stock Debt Instrument, Covenant, Required Minimum Net Worth Of Mandatory Redeemable Term Preferred Stock Cumulative net unrealized appreciation Investment, Tax Basis, Unrealized Gain PREFERRED STOCK DIVIDENDS Preferred stock dividends Preferred stock dividends Dividends, Preferred Stock NET ASSETS Equity, Attributable to Parent [Abstract] Income Taxes Income Tax, Policy [Policy Text Block] Credits to base management fee â€“ loan servicing fee Investment Company, Contractual Fee Waived Peer Group Issuers, Footnote Peer Group Issuers, Footnote [Text Block] Other income Other Income Material Terms of Trading Arrangement Material Terms of Trading Arrangement [Text Block] All Individuals All Individuals [Member] Financial Support to Nonconsolidated Legal Entity [Axis] Financial Support to Nonconsolidated Legal Entity [Axis] Cumulative net unrealized appreciation (depreciation) of investments Cumulative net unrealized appreciation (depreciation) of investments Investment Company, Distributable Earnings (Loss), Accumulated Appreciation (Depreciation) Accumulated net realized losses Investment Company, Accumulated Net Realized Gain (Loss) In Excess Of Distributions Adjustments Investment Company, Accumulated Net Realized Gain (Loss) In Excess Of Distributions Adjustments Proceeds from line of credit Proceeds from Lines of Credit FINANCIAL HIGHLIGHTS Investment Company, Financial Highlights [Text Block] Net increase (decrease) in net assets from capital transactions Investment Company, Capital Activity, Increase (Decrease) Investment Company, Capital Activity, Increase (Decrease) PEO PEO [Member] Uncalled capital commitment Financial Support, Capital Contributions [Member] Government Assistance [Line Items] Government Assistance [Line Items] Variable Rate [Axis] Variable Rate [Axis] Name Trading Arrangement, Individual Name Amount funded Investment Company, Financial Support to Investee Contractually Required, Amount Funded Investment Company, Financial Support to Investee Contractually Required, Amount Funded B. Riley Financial, Inc. â€“ Term Debt B. Riley Financial, Inc. â€“ Term Debt [Member] B. Riley Financial, Inc. â€“ Term Debt Statement of Stockholders' Equity [Abstract] Investment company, cash distributions paid to common stockholders from capital gains Investment Company, Cash Distributions Paid To Common Stockholders From Capital Gains, Percent Investment Company, Cash Distributions Paid To Common Stockholders From Capital Gains, Percent Number of investments Number of Investment Number of Investment Entity Public Float Covenant, required minimum net worth of mandatory redeemable term preferred stock, minus percent of any equity or subordinated debt redeemed or retired Debt Instrument, Covenant, Required Minimum Net Worth Of Mandatory Redeemable Term Preferred Stock, Minus Percent of Any Equity Or Subordinated Debt Redeemed Or Retired Debt Instrument, Covenant, Required Minimum Net Worth Of Mandatory Redeemable Term Preferred Stock, Minus Percent of Any Equity Or Subordinated Debt Redeemed Or Retired Interest payable Interest Payable Schedule of Line of Credit Facilities Schedule of Line of Credit Facilities [Table Text Block] Investment Owned, At Fair Value Investment Owned, At Fair Value [Member] Investment Owned, At Fair Value Uncollectible receivables allowance, minimum required day for uncollectible adjustment Uncollectible Receivables Allowance, Minimum Required Day For Uncollectible Adjustment Uncollectible Receivables Allowance, Minimum Required Day For Uncollectible AdjustmentÂ Unused fee percentage Line of Credit Facility, Unused Capacity, Commitment Fee Percentage DISTRIBUTIONS Investment Company, Distribution to Shareholders [Abstract] Awards Close in Time to MNPI Disclosures, Table Awards Close in Time to MNPI Disclosures [Table Text Block] Total from operations (in USD per share) Investment Company, Investment Income (Loss) from Operations, Per Share Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities: Adjustments To Reconcile Net Assets From Operations To Cash Provided by (Used in) Operating Activities [Abstract] Adjustments To Reconcile Net Assets From Operations To Cash Provided by (Used in) Operating Activities Investments in and Advances to Affiliates, at Fair Value [Roll Forward] Investments in and Advances to Affiliates, at Fair Value [Roll Forward] Prior Year End Fair Value of Equity Awards Granted in Any Prior Year that Fail to Meet Applicable Vesting Conditions During Covered Year Prior Year End Fair Value of Equity Awards Granted in Any Prior Year that Fail to Meet Applicable Vesting Conditions During Covered Year [Member] Related Party [Domain] Related and Nonrelated Parties [Domain] O 2024 M1 Dividends O 2025 M1 Dividends [Member] O 2025 M1 Dividends Aggregate Erroneous Compensation Amount Aggregate Erroneous Compensation Amount Revenue multiple Measurement Input, Revenue Multiple [Member] Proceeds from sale of investments Proceeds From Sale and Recapitalization of Investments, Net, Operating Activity Proceeds From Sale and Recapitalization of Investments, Net, Operating Activity Schedule of Dividends Declared Investment Company, Cash Distributions Paid To Common Stockholders [Table Text Block] Investment Company, Cash Distributions Paid To Common Stockholders Distributions to common stockholders from return of capital Tax return of capital distribution Investment Company, Tax Return of Capital Distribution Local Phone Number Liability Class [Axis] Liability Class [Axis] Aggregate Erroneous Compensation Not Yet Determined Aggregate Erroneous Compensation Not Yet Determined [Text Block] Valuation Approach and Technique [Axis] Valuation Approach and Technique [Axis] Decrease (increase) in other assets, net Increase (Decrease) in Other Operating Assets Preferred stock, dividends, declared, ordinary (in USD per share) Preferred Stock, Dividends, Per Share, Declared, Ordinary Preferred Stock, Dividends, Per Share, Declared, Ordinary Secured Overnight Financing Rate (SOFR) Secured Overnight Financing Rate (SOFR) [Member] O 2024 M3 Dividends O 2025 M3 Dividends [Member] O 2025 M3 Dividends PEO Total Compensation Amount PEO Total Compensation Amount Covenant, required minimum net worth of mandatory redeemable term preferred stock, plus percent of all equity and subordinated debt raised Debt Instrument, Covenant, Required Minimum Net Worth Of Mandatory Redeemable Term Preferred Stock, Plus Percent of All Equity and Subordinated Debt Raised Debt Instrument, Covenant, Required Minimum Net Worth Of Mandatory Redeemable Term Preferred Stock, Plus Percent of All Equity and Subordinated Debt Raised RPM Freight Systems, LLC RPM Freight Systems, LLC [Member] RPM Freight Systems, LLC Cumulative gross unrealized depreciation Investment, Tax Basis, Unrealized Loss Preferred stock, dividend rate, percentage Temporary Equity, Dividend Rate, Percentage Temporary Equity, Dividend Rate, Percentage Investments in equity securities Equity Securities, FV-NI, Cost Diversified/Conglomerate Manufacturing Diversified/Conglomerate Manufacturing [Member] Diversified/Conglomerate Manufacturing Home Healthcare, LLC ("Giving Home") Home Healthcare, LLC ("Giving Home") [Member] Home Healthcare, LLC ("Giving Home") Statement of Income Location, Balance [Axis] Statement of Income Location, Balance [Axis] Cash and Cash Equivalents Cash and Cash Equivalents, Policy [Policy Text Block] Offering costs for issuance of common stock Payments of Stock Issuance Costs COMMITMENTS AND CONTINGENCIES Commitments and Contingencies Disclosure [Text Block] Debt Disclosure [Abstract] Diversified/Conglomerate Service Diversified/Conglomerate Service [Member] Diversified/Conglomerate Service Principal amount Investment Owned, Balance, Principal Amount Common Stock Common Stock [Member] Measure: Measure [Axis] Ratio of net expenses to average net assets Investment Company, Expense Ratio after Incentive Allocation OPERATIONS Net Income (Loss), Including Portion Attributable to Noncontrolling Interest [Abstract] Management and service fee, net of credit Management And Service Fee, Net of Credit Management And Service Fee, Net of Credit Sale of stock, gross proceeds from transaction Sale of Stock, Gross Proceeds From Transaction Sale of Stock, Gross Proceeds From Transaction Asset Class [Domain] Asset Class [Domain] Net realized and unrealized gain (loss) Gain (Loss), Investment and Derivative, Operating, and Foreign Currency Transaction, after Tax Reverse stock split, conversion ratio Stockholders' Equity Note, Stock Split, Conversion Ratio Forgone Recovery due to Expense of Enforcement, Amount Forgone Recovery due to Expense of Enforcement, Amount Schedule of Fair Value, Liabilities Measured on Recurring Basis, Unobservable Input Reconciliation Fair Value, Liabilities Measured on Recurring Basis, Unobservable Input Reconciliation [Table Text Block] Line of Credit Line of Credit [Member] Investment company, target percentage of taxable income to distribute to shareholders (up to) Investment Company, Target Percentage Of Taxable Income To Distribute To Shareholders Investment Company, Target Percentage Of Taxable Income To Distribute To Shareholders Entity Emerging Growth Company Purchase of investments Purchase of investments Payment for Purchase, Investment, Operating Activity Total Access Elevator, LLC Total Access Elevator, LLC [Member] Total Access Elevator, LLC Investment, Issuer Affiliation [Axis] Investment, Issuer Affiliation [Axis] 2026 Principal Repayment And Maturity Of Investments, Year Two Principal Repayment And Maturity Of Investments, Year Two Offering costs for issuance of common stock Adjustments to Additional Paid in Capital, Stock Issued, Issuance Costs 7.75% Notes due 2028 7.75% Notes due 2028 [Member] 7.75% Notes due 2028 Entity Central Index Key Debt instrument, leverage maturity, terms Debt Instrument, Leverage Maturity, Term Debt Instrument, Leverage Maturity, Term Undistributed ordinary income Investment Company, Distributions Paid Subsequent to Fiscal Year-End, Classified in Prior Year, Ordinary Income Investment Company, Distributions Paid Subsequent to Fiscal Year-End, Classified in Prior Year, Ordinary Income Affiliate investments Affiliate Investments Investment, Affiliated Issuer, Noncontrolled [Member] Non-GAAP Measure Description Non-GAAP Measure Description [Text Block] Non-PEO NEO Average Compensation Actually Paid Amount Non-PEO NEO Average Compensation Actually Paid Amount Personal and Non-Durable Consumer Products Telecommunications [Member] Telecommunications CUMULATIVE REDEEMABLE PREFERRED STOCK OFFERING DISTRIBUTIONS TO COMMON STOCKHOLDERS Equity [Text Block] Increase (decrease) in accounts payable and accrued expenses Increase (Decrease) in Accounts Payable and Accrued Liabilities Investment owned, percent of net assets Investment Owned, Net Assets, Percentage Award Timing, How MNPI Considered Award Timing, How MNPI Considered [Text Block] Financial Instrument [Axis] Financial Instrument [Axis] Preferred stock, shares, outstanding (in shares) Temporary Equity, Shares Outstanding Decrease (increase) in funds due from administrative agent Increase (Decrease) in Due From Administrative Agent Increase (Decrease) in Due From Administrative Agent Additional 402(v) Disclosure Additional 402(v) Disclosure [Text Block] Transfers Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Asset, Transfers, Net Professional fees Professional Fees Control investments Control Investments Investment, Affiliated Issuer, Controlled [Member] Entity Shell Company Entity Incorporation, State or Country Code Gladstone Securities, LLC Gladstone Securities, LLC [Member] Gladstone Securities, LLC Title Trading Arrangement, Individual

Title Summary of Investment Holdings [Line Items] Summary of Investment Holdings [Line Items] Principal repayments on investments Proceeds from Principal Repayments Of Investments, Operating Activity Proceeds from Principal Repayments Of Investments, Operating Activity Unsecured debt Unsecured Debt [Member] Statement [Table] Statement [Table] Sale of stock remaining available Sale Of Stock, Remaining Authorized Issuance Amount Sale Of Stock, Remaining Authorized Issuance Amount Other Other Sectors [Member] Other Sectors Revenue Measurement Input, Revenue [Member] Measurement Input, Revenue Accounts payable and accrued expenses Accounts Payable and Accrued Liabilities Measurement Frequency [Domain] Measurement Frequency [Domain] SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Significant Accounting Policies [Text Block] Counterparty Name [Axis] Counterparty Name [Axis] SOFR, Tranche One Secured Overnight Financing Rate (SOFR), Tranche One [Member] Secured Overnight Financing Rate (SOFR), Tranche One Net unrealized appreciation (depreciation) of investments Unrealized Gain (Loss), Investment, Derivative, and Foreign Currency Transaction Price Change, Operating, before Tax City Area Code Management and service fees, loans Management and Service Fees, Loans Management and Service Fees, Loans Auditor Location Portfolio company fee credit Investment Company , Portfolio Company Fee Credit Investment Company , Portfolio Company Fee Credit Total Investments [Member] Settlements/repayments Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Asset, Settlements 2025 Principal Repayment And Maturity Of Investments, Year One Principal Repayment And Maturity Of Investments, Year One UNCONSOLIDATED SIGNIFICANT SUBSIDIARIES Unconsolidated Significant Subsidiaries [Text Block] Unconsolidated Significant Subsidiaries Risks Related To An Investment In Our Securities [Member] Risks Related To An Investment In Our Securities CASH PAID DURING YEAR FOR INTEREST Interest Paid, Excluding Capitalized Interest, Operating Activities Revenue Recognition Revenue [Policy Text Block] Insider Trading Policies and Procedures Not Adopted Insider Trading Policies and Procedures Not Adopted [Text Block] Repurchase of common stock (in USD per share) Investment Company, Share Repurchase, Per Share Concentration Risk Benchmark [Axis] Concentration Risk Benchmark [Axis] Quoted Prices in Active Markets for Identical Assets (Level 1) Fair Value, Inputs, Level 1 [Member] Statement of Cash Flows [Abstract] Line of credit facility, available Availability Line of Credit Facility, Remaining Borrowing Capacity Document Information [Line Items] Audit Information [Abstract] Audit Information [Abstract] Audit Information Schedule of Long-Term Debt Instruments [Table] Schedule of Long-Term Debt Instruments [Table] Percentage of acquired non-qualifying assets of total assets Percentage of Acquired Non-qualifying Assets of Total Assets Percentage of Acquired Non-qualifying Assets of Total Assets Schedule of Fair Value Measurement Inputs and Valuation Techniques Fair Value Measurement Inputs and Valuation Techniques [Table Text Block] Entity Well-known Seasoned Issuer Subsequent Event Type [Axis] Subsequent Event Type [Axis] Weighted average investment owned, at cost, amount Weighted Average Investment Owned, at Cost, Amount Weighted Average Investment Owned, at Cost, Amount FEDERAL AND STATE INCOME TAXES Income Tax Disclosure [Text Block] INVESTMENTS Investment [Text Block] Net unrealized appreciation (depreciation) and Reversal of prior period net depreciation (appreciation) on realization Debt and Equity Securities, Unrealized Gain (Loss) [Member] Debt and Equity Securities, Unrealized Gain (Loss) BASIC AND DILUTED PER COMMON SHARE: Earnings Per Share [Abstract] Equity [Abstract] Total capital share transactions (in USD per share) Investment Company, Capital Share Transactions, Per Share Investment Company, Capital Share Transactions, Per Share Total distributable loss Retained Earnings (Accumulated Deficit) 2028 Notes, 2027 Notes, and 2026 Notes [Member] 2028 Notes, 2027 Notes, and 2026 Notes Indebtedness asset coverage on our senior securities Investment Company, Senior Security, Indebtedness, Asset Coverage Ratio Class of Stock [Domain] Class of Stock [Domain] Related Party Transaction [Line Items] Related Party Transaction [Line Items] Arc Drilling Holdings LLC â€“ Common Stock Arc Drilling Holdings LLC â€“ Common Stock [Member] Arc Drilling Holdings LLC â€“ Common Stock Supplemental Cash Flow Elements Supplemental Cash Flow Elements [Abstract] Edge Adhesives Holdings, Inc. Edge Adhesives Holdings, Inc. [Member] Edge Adhesives Holdings, Inc. Notes payable, net of unamortized deferred financing costs Debt Issuance Costs, Gross Number of loans Number of Loan Receivable Number of Loan Receivable Dividend income Dividend Income, Operating, Paid in Cash Organization, Consolidation and Presentation of Financial Statements [Abstract] Aggregate Available Trading Arrangement, Securities Aggregate Available Amount Equity Awards Adjustments Equity Awards Adjustments [Member] Net cash provided by (used in) financing activities Net Cash Provided by (Used in) Financing Activities Underlying Securities Award Underlying Securities Amount Weighted average interest rate Line of Credit Facility, Interest Rate During Period New investments, repayments and settlements: Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Asset, Purchases, (Sales), Issuances, (Settlements) [Abstract] SOFR, Thereafter Secured Overnight Financing Rate (SOFR), Thereafter [Member] Secured Overnight Financing Rate (SOFR), Thereafter Credit Facility [Axis] Credit Facility [Axis] IBP IBP [Member] IBP Distributions Investment Company, Distribution [Policy Text Block] Amendment Flag Entity Registrant Name Adjustment to Non-PEO NEO Compensation Footnote Adjustment to Non-PEO NEO Compensation Footnote [Text Block] Stock Appreciation Rights (SARs) Stock Appreciation Rights (SARs) [Member] Debt instrument, covenant, borrowing base, minimum number of obligors Debt Instrument, Covenant, Borrowing Base, Minimum Number Of Obligors Debt Instrument, Covenant, Borrowing Base, Minimum Number Of Obligors Fair Value as of Grant Date Award Grant Date Fair Value Customer Concentration Risk Customer Concentration Risk [Member] Subsequent Events [Abstract] Sale of stock, number of shares issued in transaction (in shares) Sale of Stock, Number of Shares Issued in Transaction Senior security, indebtedness, asset coverage amount Investment Company, Senior Security, Indebtedness, Asset Coverage Amount Investment Company, Senior Security, Indebtedness, Asset Coverage Amount Significant Other Observable Inputs (Level 2) Fair Value, Inputs, Level 2 [Member] BORROWINGS Debt Disclosure [Text Block] Deferred financing costs, net Debt Issuance Costs, Net Fair Value Hierarchy and NAV [Domain] Fair Value Hierarchy and NAV [Domain] Collateral Held [Axis] Collateral Held [Axis] Base management fee Management and Service Fees, Base Rate Geographical [Domain] Geographical [Domain] Net investment income Investment Income, Operating, after Expense and Tax Recovery of Erroneously Awarded Compensation Disclosure [Line Items] Issuance of common stock Stock Issued During Period, Value, New Issues Entity Address, Postal Zip Code Consolidation Consolidation, Policy [Policy Text Block] Restatement Determination Date: Restatement Determination Date [Axis] Net realized and unrealized gain (loss) on other (in USD per share) Investment Company, Gain (Loss) On Other, Per Share Investment Company, Gain (Loss) On Other, Per Share Notes Payable Notes Payable, Other Payables [Member] Title of 12(b) Security Statement of Assets and Liabilities Data: Statement of Assets and Liabilities Data [Abstract] Statement of Assets and Liabilities Data Concentration Risk Type [Axis] Concentration Risk Type [Axis] Common stock, $0.001 par value per share, 44,000,000 and 44,000,000 shares authorized, respectively, and 22,230,587 and 21,754,449 shares issued and outstanding, respectively Common stock Common Stock, Value, Issued Document Financial Statement Error Correction [Flag] Sale of stock, remaining capacity of authorized offering price Sale of Stock, Remaining Capacity of Offering Price Authorized Sale of Stock, Remaining Capacity of Offering Price Authorized Yield Analysis Yield Analysis [Member] Yield Analysis Discounts, commissions, and offering costs (in USD per share) Investment Company, Discounts, Commissions, And Offering Costs, Per Share Investment Company, Discounts, Commissions, And Offering Costs, Per Share Cash and cash equivalents Cash and Cash Equivalents, at Carrying Value Line of credit facility, accordion feature maximum borrowing capacity Line Of Credit Facility, Accordion Feature, Maximum Borrowing Capacity Line Of Credit Facility, Accordion Feature, Maximum Borrowing Capacity Investment company, other operating expenses, due to advisor Investment Company, Other Operating Expenses, Due to Advisor Investment Company, Other Operating Expenses, Due to Advisor Schedule of Investments [Table] Schedule of Investments [Table] Schedule of Investments [Table] NET REALIZED AND UNREALIZED GAIN (LOSS) Net Realized Gains (Losses) [Abstract] Net Realized Gains (Losses) Schedule For Financial Support For Nonconsolidated Entity Schedule For Financial Support For Nonconsolidated Entity [Table Text Block] Schedule For Financial Support For Nonconsolidated Entity Year-over-Year Change in Fair Value of Equity Awards Granted in Prior Years That are Outstanding and Unvested Year-over-Year Change in Fair Value of Equity Awards Granted in Prior Years That are Outstanding and Unvested [Member] Net Base Management Fee Net Base Management Fee Net Base Management Fee Auditor Name Pansophic Learning, Ltd. Pansophic Learning, Ltd. [Member] Pansophic Learning, Ltd. Funko Acquisition Holdings, LLC Funko Acquisition Holdings, LLC [Member] Funko Acquisition Holdings, LLC Fair Value by Liability Class [Domain] Fair Value by Liability Class [Domain] Delayed Draw Term Loan (DDTL) Delayed draw term loans Delayed Draw Term Loan (DDTL) [Member] CASH FLOWS FROM FINANCING ACTIVITIES Net Cash Provided by (Used in) Financing Activities [Abstract] Year-end Fair Value of Equity Awards Granted in Covered Year that are Outstanding and Unvested Year-end Fair Value of Equity Awards Granted in Covered Year that are Outstanding and Unvested [Member] Automobile Automobile [Member] Automobile Excise tax Investment Company, Excise Tax Investment Company, Excise Tax Valuation Approach and Technique [Domain] Valuation Approach and Technique [Domain] Net investment income, basic (in USD per share) Earnings Per Share, Basic Northeast US Northeast Region [Member] PIK Payment in Kind (PIK) Note [Member] EBITDA Measurement Input, EBITDA [Member] Measurement Input, EBITDA Net realized gain (loss) on other Realized Gain (Loss), Other, Operating, Before Tax Realized Gain (Loss), Other, Operating, Before Tax Proceeds from issuance of common stock Proceeds from Issuance of Common Stock Cash and cash equivalents Cash and Cash Equivalents [Member] Adjustment To PEO Compensation, Footnote Adjustment To PEO Compensation, Footnote [Text Block] Award Timing MNPI Disclosure Award Timing MNPI Disclosure [Text Block] Leeds Acquisition Holdings, LLC Leeds Acquisition Holdings, LLC [Member] Leeds Acquisition Holdings, LLC Ownership [Domain] Ownership [Domain] Aggregate Pension Adjustments Service Cost Aggregate Pension Adjustments Service Cost [Member] Compensation Actually Paid vs. Other Measure Compensation Actually Paid vs. Other Measure [Text Block] Schedule of Investment Company, Components Of Distributable Earnings (Accumulated Losses) Investment Company, Components Of Distributable Earnings (Accumulated Losses) [Table Text Block] Investment Company, Components Of Distributable Earnings (Accumulated Losses) Stock, Class of Stock [Table] Stock, Class of Stock [Table] Vesting Date Fair Value of Equity Awards Granted and Vested in Covered Year Vesting Date Fair Value of Equity Awards Granted and Vested in Covered Year [Member] Preferred stock, $0.001 par value per share, 6,000,000 and 6,000,000 shares authorized, respectively, and 349,931 and 0 shares issued and outstanding, respectively Temporary Equity, Carrying Amount, Attributable to Parent TOTAL ASSETS Assets Proceeds from equity Proceeds from Equity Method Investment, Distribution Units Investment Owned, Percentage Investment Owned, Percentage Borrowings under line of credit, at cost Long-Term Line of Credit Schedule of Fair Value, Assets Measured on Recurring Basis Fair Value, Assets Measured on Recurring Basis [Table Text Block] Forgone Recovery due to Violation of Home Country Law, Amount Forgone Recovery due to Violation of Home Country Law, Amount Commitments and contingencies Commitments and Contingencies Principal or Proprietary Transactions Principal or Proprietary Transactions [Member] Termination Date Trading Arrangement Termination Date Title of 12(g) Security Related Party Transaction [Table] Related Party Transaction [Table] Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items] Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items] Repayments Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Liability, Sales Total return Investment Company, Total Return, Market Value Other liabilities Other Liabilities Entity Address, City or Town Proceeds from issuance of notes payable Proceeds from Issuance of Long-Term Debt Investment Type Concentration Risk Investment Type Concentration Risk [Member] Investment Type Concentration Risk Debt Instrument [Axis] Unused line of credit commitments Unused lines of Credit [Member] Oil and Gas Oil and Gas Industry [Member] Oil and Gas Industry Dividends [Axis] Dividends [Axis] NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS Net increase (decrease) in net assets resulting from operations Numerator for basic and diluted net increase (decrease) in net assets resulting from operations per common share Net Income (Loss) Attributable to Parent Trading Arrangement: Trading Arrangement [Axis] Investments, Debt and Equity Securities [Abstract] Other Commitments [Table] Other Commitments [Table] Pay vs Performance Disclosure, Table Pay vs Performance [Table Text Block] Capital gains-based incentive fee Capital Gains-Based Incentive Fee Capital Gains-Based Incentive Fee Gladstone Investment Corporation Gladstone Investment Corporation [Member] Gladstone Investment Corporation Schedule of Investments [Abstract] Equity Awards Adjustments, Excluding Value Reported in Compensation Table Equity Awards Adjustments, Excluding Value Reported in the Compensation Table [Member] Escrow holdbacks Escrow Deposit Dividends or Other Earnings Paid on Equity Awards not Otherwise Reflected in Total Compensation for Covered Year Dividends or Other Earnings Paid on Equity Awards not Otherwise Reflected in Total Compensation for Covered Year [Member] Credits to fees from Adviser - other Investment Company, Voluntary Fee Waived Securities Act File Number Payments for selling commissions and dealer-manager fees Payments For Selling Commissions And Dealer-Manager Fees Payments For Selling Commissions And Dealer-Manager Fees Ratio of net investment income to average net assets Investment Company, Investment Income (Loss) Ratio, after Incentive Allocation Document Fiscal Year Focus Income Statement [Abstract] Entity Address, Address Line One Incentive fee due to (from) Adviser Incentive Fee Due to Adviser [Member] Incentive Fee Due to Adviser PIC 360, LLC PIC 360, LLC [Member] PIC 360, LLC WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING: Weighted Average Number of Shares Outstanding Reconciliation [Abstract] Increase (decrease) in fee due to related party Increase (Decrease) in Due to Related Parties Entity Address, Address Line Two Undistributed net investment income Investment Company, Distributable Earnings (Loss), Accumulated Ordinary Income (Loss) Adjustments Investment Company, Distributable Earnings (Loss), Accumulated Ordinary Income (Loss) Adjustments Debt Instrument, Name [Domain] Debt Instrument, Name [Domain] Senior Securities Data: Senior Securities Data [Abstract] Senior Securities Data Cash distributions to common stockholders Dividends, Common Stock Fair value percentage Investment Owned, Percent of Fair Value Investment Owned, Percent of Fair Value Name Forgone Recovery, Individual Name Government Assistance [Table] Government Assistance [Table] Document Period End Date Sale of Stock [Axis] Sale of Stock [Axis] Pre-incentive fee net investment income exceeds the hurdle rate Investment Company, Percent of Pre-Incentive Fee Net Investment Income That Exceeds Net Assets Threshold Investment Company, Percent of Pre-Incentive Fee Net Investment Income That Exceeds Net Assets Threshold CPM Holdings, Inc CPM Holdings, Inc [Member] CPM Holdings, Inc Preferred and common equity / equivalents Preferred and Common Equity / Equivalents [Member] Preferred and Common Equity / Equivalents Classification of Investments and Investment Valuation Policy Investment, Policy [Policy Text Block] Award Timing MNPI Considered Award Timing MNPI Considered [Flag] 5.375% Notes due 2024 [Member] 5.375% Notes due 2024 Administrator Fee due to Administrator The Administrator [Member] The Administrator Asset Class [Axis] Asset Class [Axis] Insider Trading Arrangements [Line Items] Midwest US Midwest Region [Member] Investment Company [Abstract] Loan servicing fee due to Adviser Loan Servicing Fee Due to Adviser [Member] Loan Servicing Fee Due to Adviser Outstanding Aggregate Erroneous Compensation Amount Outstanding Aggregate Erroneous Compensation Amount Machinery Machinery [Member] Machinery Income from operations Investment Company, Investment Income (Loss) from Operations, Per Share [Abstract] Investment company, cash distributions paid to common stockholders from ordinary income Investment Company, Cash Distributions Paid To Common Stockholders From Ordinary Income, Percent Investment Company, Cash Distributions Paid To Common Stockholders From Ordinary Income, Percent Average net assets Investment Company, Average Net Assets PEO Actually Paid Compensation Amount PEO Actually Paid Compensation Amount Net increase (decrease) in net assets resulting from operations, diluted (in USD per share) Diluted net increase (decrease) in net assets resulting from operations per common share (in USD per share) Income (Loss) from Continuing Operations, Per Diluted Share Adviser Total fees due to (from) Adviser The Adviser [Member] The Adviser Total interest income Interest Income, Operating Adjustment to Compensation: Adjustment to Compensation [Axis] Common Stock At-the-Market Offerings Common Stock At-the-Market Offerings [Member] Common Stock Under Jefferies Sales Agreement Retroactive Adjustments for Reverse Stock Split and Reclassifications Reclassification, Comparability Adjustment [Policy Text Block] INVESTMENTS IN AND ADVANCES TO AFFILIATES Investments in and Advances to Affiliates, Schedule of Investments [Text Block] Risks Related To Interest Rates [Member] Risks Related To Interest Rates Net Incentive Fee Net Total Incentive Fee Net Total Incentive Fee Document Transition Report Earnings before interest, taxes, depreciation and amortization Investment Company, Earnings Before Interest, Taxes, Depreciation And Amortization Investment Company, Earnings Before Interest, Taxes, Depreciation And Amortization Cafe Zupas Cafe Zupas [Member] Cafe Zupas SpaceCo Holdings, LLC SpaceCo Holdings, LLC [Member] SpaceCo Holdings, LLC Issuances/originations Fair Value, Measurement with Unobservable Inputs Reconciliation, Recurring Basis, Asset, Issuances 2029 Principal Repayment And Maturity Of Investments, Year Five Principal Repayment And Maturity Of Investments, Year Five Customer [Domain] Customer [Domain] Fair Value, Recurring and Nonrecurring [Table] Fair Value, Recurring and Nonrecurring [Table] Entity Current Reporting Status Return of capital (in USD per share) Return of capital (in USD per share) Investment Company, Distribution To Shareholders From Return Of Capital, Per Share Investment Company, Distribution To Shareholders From Return Of Capital, Per Share Restricted cash and cash equivalents Restricted Cash and Cash Equivalents Pension Adjustments Service Cost Pension Adjustments Service Cost [Member] Non-Control/Non-Affiliate investments Non-Control/Non-Affiliate Investments Investment, Unaffiliated Issuer [Member] Total investment income Gross Investment Income, Operating Investment, interest rate, paid in cash Investment, Interest Rate, Paid in Cash Percentage threshold of qualified assets representing total assets in order to acquire non-qualified assets Percentage Threshold of Qualified Assets Representing Total Assets In Order To Acquire Non-Qualified Assets Percentage Threshold of Qualified Assets Representing Total Assets In Order To Acquire Non-Qualified Assets Basic (in shares) Denominator for basic weighted average common shares (in shares) Weighted Average Number of Shares Outstanding, Basic Related Party [Axis] Related and Nonrelated Parties [Axis] Stock Price or TSR Estimation Method Stock Price or TSR Estimation Method [Text Block] Loan servicing fee Loan Processing Fee Document Information [Table] Schedule of Investment Holdings Summary Investment Holdings [Table Text Block] Amortization of deferred financing costs Amortization of deferred financing costs Amortization of Debt Issuance Costs and Discounts Executive Category: Executive Category [Axis] Name Awards Close in Time to MNPI Disclosures, Individual Name Geographic Regions Risk Geographic Regions Concentration Risk [Member] Geographic Regions Concentration Risk Due from administrative agent Due From Administrative Agent Due From Administrative Agent Net investment income (in USD per share) Investment Company, Investment Income (Loss), Per Share Ratios/Supplemental Data: Investment Company, Financial Ratios [Abstract] Printing and Publishing Printing and Publishing [Member] Printing and Publishing Base management fee Management Fee Expense Entity Filer Category O 2024 M2 Dividends O 2025 M2 Dividends [Member] O 2025 M2 Dividends Success fee income Fee Income Statement of Income Location, Balance [Domain] Statement of Income Location, Balance [Domain] TOTAL NET ASSETS Net assets at end of year Net Assets Company Selected Measure Name Company Selected Measure Name EX-101.PRE 16 glad-20240930_pre.xml XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE DOCUMENT GRAPHIC 17 exhibit14fy2024001.jpg begin 644 exhibit14fy2024001.jpg

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M*** "BBB@ HHHH **** /*OVL?\ DUGXR?\ 8F:S_P"D,U%'[6/_ ":S\9/^ MQ,UG_P!(9J* #]D[_DUGX-_]B9HW_I##7JM?
AWX#_P""N'Q@^&/@?P[X.TOP MWX(N-,\/:=;Z1:S7EC>-,\,$2Q(TA6Z52Q5 20H&?\% XML 65 R1.htm IDEA: XBRL
DOCUMENT
```

~~Cover - USD ($)12 Months Ended~~

~~Sep. 30, 2024~~

~~Nov. 12, 2024~~

~~Mar. 28, 2024~~

~~Document Information [Line Items] Document Type10-K Document Annual Reporttrue Document Period End DateSep. 30, 2024 Current Fiscal Year End Date--09-30 Document Transition Reportfalse Securities Act File Number814-00237 Entity Registrant NameGLADSTONE CAPITAL CORP Entity Incorporation, State or Country CodeMD Entity Tax Identification Number54-2040781 Entity Address, Address Line One1521 Westbranch Drive Entity Address, Address Line TwoSuite 100 Entity Address, City or TownMcLean Entity Address, State or ProvinceVA Entity Address, Postal Zip Code22102 City Area Code703 Local Phone Number287-5800 Title of 12(g) Security 6.25% Series A Cumulative Redeemable Preferred Stock Entity Well-known Seasoned IssuerNo Entity Voluntary FilersNo Entity Current Reporting StatusYes Entity Interactive Data CurrentYes Entity Filer CategoryNon-accelerated Filer Entity Small Businessfalse Entity Emerging Growth Companyfalse ICFR Auditor Attestation Flagfalse Document Financial Statement Error Correction [Flag]false Entity Shell Companyfalse Entity Public Float $ 447,799,672Entity Common Stock, Shares Outstanding 22,329,852 Documents Incorporated by Reference~~

~~**Documents Incorporated by Reference.** Portions of the Registrant's definitive proxy statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A in connection with the Registrant's 2025 Annual Meeting of Stockholders, which will be filed subsequent to the date hereof, are incorporated by reference into Part III of this Form 10-K. Such proxy statement will be filed with the Securities and Exchange Commission not later than 120 days following the end of the Registrant's fiscal year ended September 30, 2024.~~ ~~Document Fiscal Year Focus2024 Entity Central Index Key0001143513 Amendment Flag false Document Fiscal Period FocusFY Common Stock Document Information [Line Items] Title of 12(b) SecurityCommon Stock, $0.001 par value per share Trading SymbolGLAD Security Exchange Name NASDAQ 7.75% Notes due 2028 Document Information [Line Items] Title of 12(b) Security 7.75% notes due 2028 Trading SymbolGLADZ Security Exchange NameNASDAQ~~

~~- Definition~~

~~Boolean flag that is true when the XBRL content amends previously-filed or accepted submission.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~

~~Name:dei_AmendmentFlag Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Area code of city~~

~~+ References~~

~~No definition available.~~

~~+ Details~~

~~Name:dei_CityAreaCode Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~End date of current fiscal year in the format --MM-DD.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_CurrentFiscalYearEndDate Namespace Prefix:dei_ Data Type:xbrli:gMonthDayItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Boolean flag that is true only for a form used as an annual report.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f~~

~~+ Details~~
~~Name:dei_DocumentAnnualReport Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicates whether any of the financial statement period in the filing include a restatement due to error correction.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Regulation S-K -Number 229 -Section 402 -Subsection wReference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 4: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f~~

~~+ Details~~
~~Name:dei_DocumentFinStmtErrorCorrectionFlag Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Fiscal period values are FY, Q1, Q2, and Q3. 1st, 2nd and 3rd quarter 10-Q or 10-QT statements have value Q1, Q2, and Q3 respectively, with 10-K, 10-KT or other fiscal year statements having FY.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_DocumentFiscalPeriodFocus Namespace Prefix:dei_ Data Type:dei:fiscalPeriodItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~This is focus fiscal year of the document report in YYYY format. For a 2006 annual report, which may also provide financial information from prior periods, fiscal 2006 should be given as the fiscal year focus. Example: 2006.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_DocumentFiscalYearFocus Namespace Prefix:dei_ Data Type:xbrli:gYearItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Line items represent financial concepts included in a table. These concepts are used to disclose reportable information associated with domain members defined in one or many axes to the table.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_DocumentInformationLineItems Namespace Prefix:dei_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~For the EDGAR submission types of Form 8-K: the date of the report, the date of the earliest event reported; for the EDGAR submission types of Form N-1A: the filing date; for all other submission types: the end of the reporting or transition period. The format of the date is YYYY-MM-DD.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_DocumentPeriodEndDate Namespace Prefix:dei_ Data Type:xbrli:dateItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Boolean flag that is true only for a form used as a transition report.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Forms 10-K, 10-Q, 20-F -Number 240 -Section 13 -Subsection a-1~~

~~+ Details~~
~~Name:dei_DocumentTransitionReport Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~The type of document being provided (such as 10-K, 10-Q, 485BPOS, etc). The document type is limited to the same value as the supporting SEC submission type, or the word 'Other'.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_DocumentType Namespace Prefix:dei_ Data Type:dei:submissionTypeItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Documents incorporated by reference.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-23~~

~~+ Details~~
~~Name:dei_DocumentsIncorporatedByReferenceTextBlock Namespace Prefix:dei_ Data Type: dtr-types:textBlockItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Address Line 1 such as Attn, Building Name, Street Name~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityAddressAddressLine1 Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Address Line 2 such as Street or Suite number~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityAddressAddressLine2 Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~*- Definition*~~

~~*Name of the City or Town*~~

~~*+ References*~~

~~*No definition available.*~~

~~*+ Details*~~
~~*Name:dei_EntityAddressCityOrTown Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration*~~

~~*- Definition*~~

~~*Code for the postal or zip code*~~

~~*+ References*~~

~~*No definition available.*~~

~~*+ Details*~~
~~*Name:dei_EntityAddressPostalZipCode Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration*~~

~~*- Definition*~~

~~*Name of the state or province.*~~

~~*+ References*~~

~~*No definition available.*~~

~~*+ Details*~~
~~*Name:dei_EntityAddressStateOrProvince Namespace Prefix:dei_ Data Type:dei:stateOrProvinceItemType Balance Type:na Period Type:duration*~~

~~*- Definition*~~

~~*A unique 10-digit SEC-issued value to identify entities that have filed disclosures with the SEC. It is commonly abbreviated as CIK.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2*~~

~~*+ Details*~~
~~*Name:dei_EntityCentralIndexKey Namespace Prefix:dei_ Data Type:dei:centralIndexKeyItemType Balance Type:na Period Type:duration*~~

~~*- Definition*~~

~~*Indicate number of shares or other units outstanding of each of registrant's classes of capital or common stock or other ownership interests, if and as stated on cover of related periodic report. Where multiple classes or units exist define each class/interest by adding class of stock items such as Common Class A [Member], Common Class B [Member] or Partnership Interest [Member] onto the Instrument [Domain] of the Entity Listings, Instrument.*~~

~~*+ References*~~

~~*No definition available.*~~

~~*+ Details*~~
~~*Name:dei_EntityCommonStockSharesOutstanding Namespace Prefix:dei_ Data Type:xbrli:sharesItemType Balance Type:na Period Type:instant*~~

~~*- Definition*~~

~~Indicate 'Yes' or 'No' whether registrants (1) have 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 registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. This information should be based on the registrant's current or most recent filing containing the related disclosure.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityCurrentReportingStatus Namespace Prefix:dei_ Data Type:dei:yesNoItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicate if registrant meets the emerging growth company criteria.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntityEmergingGrowthCompany Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Commission file number. The field allows up to 17 characters. The prefix may contain 1-3 digits, the sequence number may contain 1-8 digits, the optional suffix may contain 1-4 characters, and the fields are separated with a hyphen.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityFileNumber Namespace Prefix:dei_ Data Type:dei:fileNumberItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicate whether the registrant is one of the following: Large Accelerated Filer, Accelerated Filer, Non-accelerated Filer. Definitions of these categories are stated in Rule 12b-2 of the Exchange Act. This information should be based on the registrant's current or most recent filing containing the related disclosure.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntityFilerCategory Namespace Prefix:dei_ Data Type:dei:filerCategoryItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Two-character EDGAR code representing the state or country of incorporation.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityIncorporationStateCountryCode Namespace Prefix:dei_ Data Type:dei:edgarStateCountryItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Boolean flag that is true when 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).~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Regulation S-T -Number 232 -Section 405~~

~~+ Details~~
~~Name:dei_EntityInteractiveDataCurrent Namespace Prefix:dei_ Data Type:dei:yesNoItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityPublicFloat Namespace Prefix:dei_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~The exact name of the entity filing the report as specified in its charter, which is required by forms filed with the SEC.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntityRegistrantName Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Boolean flag that is true when the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntityShellCompany Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicates that the company is a Smaller Reporting Company (SRC).~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntitySmallBusiness Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~The Tax Identification Number (TIN), also known as an Employer Identification Number (EIN), is a unique 9-digit value assigned by the IRS.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntityTaxIdentificationNumber Namespace Prefix:dei_ Data Type:dei:employerIdItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicate 'Yes' or 'No' if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityVoluntaryFilers Namespace Prefix:dei_ Data Type:dei:yesNoItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicate 'Yes' or 'No' if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Is used on Form Type: 10-K, 10-Q, 8-K, 20-F, 6-K, 10-K/A, 10-Q/A, 20-F/A, 6-K/A, N-CSR, N-Q, N-1A.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Securities Act -Number 230 -Section 405~~

~~+ Details~~

~~Name:dei_EntityWellKnownSeasonedIssuer Namespace Prefix:dei_ Data Type:dei:yesNoItemType Balance Type:na Period Type:duration~~

~~- References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f~~

~~+ Details~~

~~Name:dei_IcfrAuditorAttestationFlag Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Local phone number for entity.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~

~~Name:dei_LocalPhoneNumber Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Title of a 12(b) registered security.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b~~

~~+ Details~~

~~Name:dei_Security12bTitle Namespace Prefix:dei_ Data Type:dei:securityTitleItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Title of a 12(g) registered security.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection g~~

~~+ Details~~
~~Name:dei_Security12gTitle Namespace Prefix:dei_ Data Type:dei:securityTitleItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Name of the Exchange on which a security is registered.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection d1-1~~

~~+ Details~~
~~Name:dei_SecurityExchangeName Namespace Prefix:dei_ Data Type:dei:edgarExchangeCodeItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Trading symbol of an instrument as listed on an exchange.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_TradingSymbol Namespace Prefix:dei_ Data Type:dei:tradingSymbolItemType Balance Type:na Period Type:duration~~

~~- Details~~
~~Name:us-gaap_StatementClassOfStockAxis=us-gaap_CommonStockMember Namespace Prefix: Data Type:na Balance Type: Period Type:~~
~~- Details~~
~~Name:us-gaap_StatementClassOfStockAxis=glad_A775NotesDue2028Member Namespace Prefix: Data Type:na Balance Type: Period Type: XML 66 R2.htm IDEA: XBRL DOCUMENT~~
~~Audit Information12 Months Ended~~
~~Sep. 30, 2024~~
~~Audit Information [Abstract] Auditor Firm ID238Auditor NamePricewaterhouseCoopers LLPAuditor LocationWashington, District of Colombia~~
~~- Definition~~

~~PCAOB issued Audit Firm Identifier~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f~~

~~*+ Details*~~

~~*Name:dei_AuditorFirmId Namespace Prefix:dei_ Data Type:dei:nonemptySequenceNumberItemType Balance Type:na Period Type:duration*~~

~~*- References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f*~~

~~*+ Details*~~

~~*Name:dei_AuditorLocation Namespace Prefix:dei_ Data Type:dei:internationalNameItemType Balance Type:na Period Type:duration*~~

~~*- References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f*~~

~~+ Details~~

~~Name:dei_AuditorName Namespace Prefix:dei_ Data Type:dei:internationalNameItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Audit Information~~

~~+ References~~

~~No definition available.~~

~~+ Details~~

~~Name:glad_AuditInformationAbstract Namespace Prefix:glad_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration XML 67 R3.htm IDEA: XBRL DOCUMENT CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES - USD ($) $ in ThousandsSep. 30, 2024Sep. 30, 2023 ASSETS Investments, at fair value$ 796,260[1]$ 704,815[2]Cash and cash equivalents2,1721,306 Restricted cash and cash equivalents13295Interest receivable, net5,9236,100Due from administrative agent2,8022,936Deferred financing costs, net1,0531,335Other assets, net4,1262,911TOTAL ASSETS812,468 719,498LIABILITIES Line of credit at fair value (Cost of $70,600 and $47,800, respectively)70,600 47,800Notes payable, net of unamortized deferred financing costs of $2,990 and $3,886, respectively 254,010253,114Accounts payable and accrued expenses1,2301,006Interest payable2,9162,956Other liabilities5131,576TOTAL LIABILITIES333,727310,803Commitments and contingencies[3] Preferred stock, $0.001 par value per share, 6,000,000 and 6,000,000 shares authorized, respectively, and 349,931 and 0 shares issued and outstanding, respectively7,8460NET ASSETS Common stock, $0.001 par value per share, 44,000,000 and 44,000,000 shares authorized, respectively, and 22,230,587 and 21,754,449 shares issued and outstanding, respectively[4]4444Capital in excess of par value492,305481,480 Cumulative net unrealized appreciation (depreciation) of investments25,249(17,454)Under distributed net investment income6,1444,741Accumulated net realized losses(52,847)(60,116)Total distributable loss(21,454)(72,829)TOTAL NET ASSETS470,895408,695TOTAL NET ASSETS$ 470,895$ 408,695NET ASSET VALUE PER COMMON SHARE (in USD per share)[4]$ 21.18$ 18.79Related Party LIABILITIES Fees due to related party$ 4,458$ 4,351Adviser | Related Party LIABILITIES Fees due to related party[5]3,8893,872 Administrator | Related Party LIABILITIES Fees due to related party[5]569479Non-Control/Non-Affiliate investments ASSETS Investments, at fair value750,904[6]663,544[7]Affiliate investments ASSETS Investments, at fair value7,438[8]10,421[9]Control investments ASSETS Investments, at fair value$ 37,918[10]$ 30,850[11]~~

~~[1] Cumulative gross unrealized depreciation for federal income tax purposes is $66.1 million; cumulative gross unrealized appreciation for federal income tax purposes is $85.8 million. Cumulative net unrealized appreciation is $19.7 million, based on a tax cost of $776.5 million.~~

~~[2] Cumulative gross unrealized depreciation for federal income tax purposes is $56.9 million; cumulative gross unrealized appreciation for federal income tax purposes is $33.7 million. Cumulative net unrealized depreciation is $23.2 million, based on a tax cost of $728.0 million.~~

~~[3] Refer to Note 11—Commitments and Contingencies for additional information.~~

~~[4] Issued and outstanding shares of common stock and net asset value per share have been adjusted on a retroactive basis to reflect the 1-for-2 reverse stock split (the “Reverse Stock Split”) effected on April 4, 2024. Refer to Note 2—Summary of Significant Accounting Policies for additional information.~~

~~[5] Refer to Note 4—Related Party Transactions for additional information.~~

~~[6] Non-Control/Non-Affiliate investments, as defined by the 1940 Act, are those that are neither Control nor Affiliate investments and in which we own less than 5.0% of the issued and outstanding voting securities.~~

~~[7] Non-Control/Non-Affiliate investments, as defined by the 1940 Act, are those that are neither Control nor Affiliate investments and in which we own less than 5.0% of the issued and outstanding voting securities.~~

~~[8] Affiliate investments, as defined by the 1940 Act, are those in which we own, with the power to vote, between and inclusive of 5.0% and 25.0% of the issued and outstanding voting securities.~~

~~[9] Affiliate investments, as defined by the 1940 Act, are those in which we own, with the power to vote, between and inclusive of 5.0% and 25.0% of the issued and outstanding voting securities.~~

~~[10] Control investments, as defined by the 1940 Act, are those where we have the power to exercise a controlling influence over the management or policies of the portfolio company, which may include owning, with the power to vote, more than 25.0% of the issued and outstanding voting securities.~~

~~[11] Control investments, as defined by the 1940 Act, are those where we have the power to exercise a controlling influence over the management or policies of the portfolio company, which may include owning, with the power to vote, more than 25.0% of the issued and outstanding voting securities.~~

~~- Definition~~

~~Due From Administrative Agent~~

~~+ References~~

~~No definition available.~~

~~*+ Details*~~
~~*Name:glad_DueFromAdministrativeAgent Namespace Prefix:glad_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant*~~

~~*- Definition*~~

~~*Investment Company, Accumulated Net Realized Gain In Excess Of Distribution*~~

~~*+ References*~~

~~*No definition available.*~~

~~*+ Details*~~
~~*Name:glad_InvestmentCompanyAccumulatedNetRealizedGainInExcessOfDistribution Namespace Prefix:glad_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant*~~

~~*- Definition*~~

~~*Sum of the carrying values as of the balance sheet date of obligations incurred through that date, including liabilities incurred and payable to vendors for goods and services received, taxes, interest, rent and utilities, compensation costs, payroll taxes and fringe benefits (other than pension and postretirement obligations), contractual rights and obligations, and statutory obligations.*~~

~~*+ References*~~

~~*Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-03(15)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478546/942-210-S99-1Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-03(15)(1)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478546/942-210-S99-1*~~

~~*+ Details*~~
~~*Name:us-gaap_AccountsPayableAndAccruedLiabilitiesCurrentAndNoncurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant*~~

~~*- Definition*~~

~~*Amount of obligations incurred and payable classified as other.*~~

~~*+ References*~~

~~*Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-03(15)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478546/942-210-S99-1*~~

~~+ Details~~

~~Name:us-gaap_AccountsPayableOtherCurrentAndNoncurrent Namespace Prefix:us-gaap_ Data Type: xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Amount of excess of issue price over par or stated value of stock and from other transaction involving stock or stockholder. Includes, but is not limited to, additional paid-in capital (APIC) for common and preferred stock.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/exampleRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481372/852-10-55-10Reference 2: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(18)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 3: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(30)(a)(1)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1~~

~~+ Details~~

~~Name:us-gaap_AdditionalPaidInCapital Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Amount of asset recognized for present right to economic benefit.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 48 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482785/280-10-55-48Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 49 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482785/280-10-55-49Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 270 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (i) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482964/270-10-50-1Reference 4:~~

http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (ee) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 5: http://fasb.org/us-gaap/role/ref/otherTransitionRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (d) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 22 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-22Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (bb) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481203/810-10-50-3Reference 8: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 25 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481231/810-10-45-25Reference 9: http://www.xbrl.org/2003/role/disclosureRef -Topic 235 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.4-08(g)(1)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480678/235-10-S99-1Reference 10: http://www.xbrl.org/2003/role/disclosureRef -Topic 323 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481687/323-10-50-3Reference 11: http://www.xbrl.org/2003/role/disclosureRef -Topic 825 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 28 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482907/825-10-50-28Reference 12: http://www.xbrl.org/2003/role/exampleRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481372/852-10-55-10Reference 13: http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 830 -Name Accounting Standards Codification -Section 55 -Paragraph 12 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479168/946-830-55-12Reference 14: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(12)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1Reference 15: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(8)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 16: http://www.xbrl.org/2003/role/disclosureRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(18)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 17: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 18: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 19: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 20: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 21: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 22: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 23: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 24: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 25: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(B)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 26: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 27: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(5)) -Publisher FASB -URI

~~+ Details~~

~~Name:us-gaap_Assets Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- References~~

~~No definition available.~~

~~+ Details~~

~~Name:us-gaap_AssetsAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Amount of net assets (liabilities).~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Section 50 -Paragraph 1 -SubTopic 30 -Topic 205 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479910/205-30-50-1~~

~~+ Details~~

~~Name:us-gaap_AssetsNet Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- Definition~~

~~Amount of currency on hand as well as demand deposits with banks or financial institutions. Includes other kinds of accounts that have the general characteristics of demand deposits. Also includes short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Excludes cash and cash equivalents within disposal group and discontinued operation.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(1)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 1 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483467/210-10-45-1Reference 3: http://fasb.org/us-~~

~~gaap/role/ref/legacyRef -Name Accounting Standards Codification -Topic 230 -SubTopic 10 -Section 45 -Paragraph 4 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482740/230-10-45-4~~

~~+ Details~~

~~Name:us-gaap_CashAndCashEquivalentsAtCarryingValue Namespace Prefix:us-gaap_ Data Type: xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- Definition~~

~~Represents the caption on the face of the balance sheet to indicate that the entity has entered into (1) purchase or supply arrangements that will require expending a portion of its resources to meet the terms thereof, and (2) is exposed to potential losses or, less frequently, gains, arising from (a) possible claims against a company's resources due to future performance under contract terms, and (b) possible losses or likely gains from uncertainties that will ultimately be resolved when one or more future events that are deemed likely to occur do occur or fail to occur.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-03(17)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478546/942-210-S99-1Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(25)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(19)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(15)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1~~

+ Details

Name:us-gaap_CommitmentsAndContingencies Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant

- Definition

Aggregate par or stated value of issued nonredeemable common stock (or common stock redeemable solely at the option of the issuer). This item includes treasury stock repurchased by the entity. Note: elements for number of nonredeemable common shares, par value and other disclosure concepts are in another section within stockholders' equity.

+ References

Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(29)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481372/852-10-55-10Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(22)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1

~~*+ Details*~~

~~*Name:us-gaap_CommonStockValue Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant*~~

~~*- Definition*~~

~~*Amount, after accumulated amortization, of debt issuance costs. Includes, but is not limited to, legal, accounting, underwriting, printing, and registration costs.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 835 -SubTopic 30 -Name Accounting Standards Codification -Section 45 -Paragraph 1A -Publisher FASB -URI https://asc.fasb.org/1943274/2147482925/835-30-45-1AReference 2: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 835 -SubTopic 30 -Name Accounting Standards Codification -Section 45 -Paragraph 2 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482925/835-30-45-2Reference 3: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 835 -SubTopic 30 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482900/835-30-50-1Reference 4: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 470 -SubTopic 20 -Name Accounting Standards Codification -Section 50 -Paragraph 1D -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481139/470-20-50-1D*~~

~~*+ Details*~~

~~*Name:us-gaap_DeferredFinanceCostsNet Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant*~~

~~*- Definition*~~

~~*Amount of interest payable on debt, including, but not limited to, trade payables.*~~

~~*+ References*~~

~~*Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-03(15)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478546/942-210-S99-1Reference 2: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(15)(a)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1*~~

~~*+ Details*~~

~~*Name:us-gaap_InterestPayableCurrentAndNoncurrent Namespace Prefix:us-gaap_ Data Type: xbrli:monetaryItemType Balance Type:credit Period Type:instant*~~

~~*- Definition*~~

~~*Carrying amount as of the balance sheet date of interest earned but not received. Also called accrued interest or accrued interest receivable.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 946 -SubTopic 310 -Name Accounting Standards Codification -Section 45 -Paragraph 1 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477802/946-310-45-1Reference 2: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(3)(a)(4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1*~~

~~*+ Details*~~

~~*Name:us-gaap_InterestReceivable Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance*~~

~~Type:debit Period Type:instant~~

~~- Definition~~

~~Amount of accumulated undistributed earnings (deficit) from unrealized appreciation (depreciation) of investment company.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 20 -Name Accounting Standards Codification -Section 50 -Paragraph 12 -Subparagraph (d) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480990/946-20-50-12~~

~~+ Details~~

~~Name:us-gaap_InvestmentCompanyDistributableEarningsLossAccumulatedAppreciationDepreciation Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Amount of accumulated undistributed earnings (deficit) from ordinary income (loss) of investment company.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 20 -Name Accounting Standards Codification -Section 50 -Paragraph 12 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480990/946-20-50-12~~

~~+ Details~~

~~Name:us-gaap_InvestmentCompanyDistributableEarningsLossAccumulatedOrdinaryIncomeLoss Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Fair value of investment in security owned.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(11)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section 50 -Paragraph 6 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478795/946-210-50-6Reference 3: http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section 55 -Paragraph 1 -Publisher FASB -URI https://asc.fasb.org/1943274/2147477439/946-210-55-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section 50 -Paragraph 6 -Subparagraph (a)(1) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478795/946-210-50-6Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section 50 -Paragraph 6 -Subparagraph (a)(2) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478795/946-210-50-6Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (a)(1) -Publisher FASB -URI~~

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Codification -Section 50 -Paragraph 1 -Subparagraph (b)(1) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147478795/946-210-50-1Reference 8:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards
Codification -Section 50 -Paragraph 1 -Subparagraph (b)(2) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147478795/946-210-50-1Reference 9:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards
Codification -Section 50 -Paragraph 1 -Subparagraph (c)(2) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147478795/946-210-50-1Reference 10:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards
Codification -Section 50 -Paragraph 2 -Publisher FASB -URI
https://asc.fasb.org/1943274/2147478795/946-210-50-2Reference 11:
http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 830 -Name Accounting Standards
Codification -Section 55 -Paragraph 12 -Publisher FASB -URI
https://asc.fasb.org/1943274/2147479168/946-830-55-12Reference 12:
http://www.xbrl.org/2009/role/commonPracticeRef -Topic 946 -SubTopic 210 -Name Accounting Standards
Codification -Section 50 -Paragraph 6 -Subparagraph (a)(3) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147478795/946-210-50-6Reference 13:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 10 -Name Accounting Standards
Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.6-03(d)) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147479886/946-10-S99-3Reference 14:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards
Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(1)) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 15:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards
Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(2)(a)) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 16:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards
Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(2)(b)) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 17:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.12-12(Column C)) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147477271/946-320-S99-1Reference 18:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.12-12(Column A)(Footnote 1)) -Publisher
FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-1Reference 19:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.12-12(Column C)(Footnote 5)) -Publisher
FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-1Reference 20:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.12-12(Column C)(Footnote 6)) -Publisher
FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-1Reference 21:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.12-12B(Column C)) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147477271/946-320-S99-3Reference 22:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.12-12B(Column C)(Footnote 2)) -
Publisher FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-3Reference 23:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.12-12B(Column A)(Footnote 6)) -
Publisher FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-3Reference 24:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.12-12B(Column A)(Footnote 7)) -
Publisher FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-3Reference 25:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.12-12B(Column C)(Footnote 9)) -
Publisher FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-3Reference 26:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 6 -Subparagraph (SX 210.12-14(Column F)) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147477271/946-320-S99-6Reference 27:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 6 -Subparagraph (SX 210.12-14(Column A)(Footnote 1)(b)(2)) -
Publisher FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-6Reference 28:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 6 -Subparagraph (SX 210.12-14(Column A)(Footnote 1)(b)(5)) -
Publisher FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-6Reference 29:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards
Codification -Section S99 -Paragraph 6 -Subparagraph (SX 210.12-14(Column F)(Footnote 4)) -Publisher
FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-6Reference 30:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards

~~+ Details~~

~~Name:us-gaap_InvestmentOwnedAtFairValue Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- Definition~~

~~Amount of liability recognized for present obligation requiring transfer or otherwise providing economic benefit to others.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(22)) -SubTopic 10 -Topic 210 -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(20)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 3: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(24)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 4: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(19)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 5: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(25)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 6: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(26)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 7: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(23)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 8: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(21)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 9: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481203/810-10-50-3Reference 10: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 25 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481231/810-10-45-25Reference 11: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (bb) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481203/810-10-50-3Reference 12: http://www.xbrl.org/2003/role/disclosureRef -Topic 235 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.4-08(g)(1)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480678/235-10-S99-1Reference 13: http://www.xbrl.org/2003/role/disclosureRef -Topic 323 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481687/323-10-50-3Reference 14: http://www.xbrl.org/2003/role/disclosureRef -Topic 825 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 28 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482907/825-10-50-28Reference 15: http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 830 -Name Accounting Standards Codification -Section 55 -Paragraph 12 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479168/946-830-55-12Reference 16: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards~~

http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(14)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 17: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 18: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 19: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 20: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 21: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 22: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 23: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 24: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(B)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 25: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 26: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 27: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481404/852-10-50-7Reference 28: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481404/852-10-50-7Reference 29: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 30 -Subparagraph (d) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-30

~~+ Details~~

~~Name:us-gaap_Liabilities Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- References~~

~~No definition available.~~

~~+ Details~~

~~Name:us-gaap_LiabilitiesAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Fair value portion of contractual arrangement with a lender under which borrowings can be made up to a specific amount at any point in time.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 820 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 2E -Publisher FASB -URI https://asc.fasb.org/1943274/2147482106/820-10-50-2EReference 2: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 820 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 2 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482106/820-10-50-2~~

~~+ Details~~

~~Name:us-gaap_LinesOfCreditFairValueDisclosure Namespace Prefix:us-gaap_ Data Type: xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Net asset value per share or per unit of investments in certain entities that calculate net asset value per share. Includes, but is not limited to, by unit, membership interest, or other ownership interest. Investment includes, but is not limited to, investment in certain hedge funds, venture capital funds, private equity funds, real estate partnerships or funds. Excludes fair value disclosure.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 830 -Name Accounting Standards Codification -Section 55 -Paragraph 12 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479168/946-830-55-12Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section 45 -Paragraph 4 -Publisher FASB -URI https://asc.fasb.org/1943274/2147477796/946-210-45-4Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 205 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478494/946-205-50-7Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 205 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (h) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478494/946-205-50-7Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 505 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Publisher FASB -URI https://asc.fasb.org/1943274/2147478448/946-505-50-1Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(19)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.6-05(4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-2~~

~~***+ Details***~~

~~***Name:us-gaap_NetAssetValuePerShare Namespace Prefix:us-gaap_ Data Type:dtr-types:perShareItemType Balance Type:na Period Type:instant***~~

~~***- Definition***~~

~~***Including the current and noncurrent portions, aggregate carrying amount of all types of notes payable, as of the balance sheet date, with initial maturities beyond one year or beyond the normal operating cycle, if longer.***~~

~~***+ References***~~

~~***Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(22)) -SubTopic 10 -Topic 210 -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-03(16)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478546/942-210-S99-1Reference 3: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(16)(a)(2)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1Reference 4: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(17)) -Publisher FASB -URI***~~

~~*Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(17)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1*~~

~~*+ Details*~~

~~*Name:us-gaap_NotesPayable Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type: credit Period Type:instant*~~

~~*- Definition*~~

~~*Amount of assets classified as other.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 49 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482785/280-10-55-49Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-03(10)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478546/942-210-S99-1Reference 3: http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 830 -Name Accounting Standards Codification -Section 55 -Paragraph 12 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479168/946-830-55-12Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(10)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(17)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1*~~

~~***+ Details***~~

~~***Name:us-gaap_OtherAssets Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type: debit Period Type:instant***~~

~~***- Definition***~~

~~***Amount of liabilities classified as other.***~~

~~***+ References***~~

~~***Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-03(15)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478546/942-210-S99-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(15)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1Reference 3: http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 830 -Name Accounting Standards Codification -Section 55 -Paragraph 12 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479168/946-830-55-12Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(12)(b)(2)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(12)(b)(3)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 6: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(12)(b)(1)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 7: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 944 -SubTopic 210 -Name Accounting Standards***~~

~~http://www.xbrl.org/2009/role/commonPracticeRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(17)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1~~

~~+ Details~~

~~Name:us-gaap_OtherLiabilities Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Amount of cash and cash equivalents restricted as to withdrawal or usage. Cash includes, but is not limited to, currency on hand, demand deposits with banks or financial institutions, and other accounts with general characteristics of demand deposits. Cash equivalents include, but are not limited to, short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(1)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(2)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 230 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 8 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482913/230-10-50-8Reference 4: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-03(1)(a)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478546/942-210-S99-1Reference 5: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Topic 230 -SubTopic 10 -Section 45 -Paragraph 4 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482740/230-10-45-4~~

~~+ Details~~

~~Name:us-gaap_RestrictedCashAndCashEquivalents Namespace Prefix:us-gaap_ Data Type: xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- Definition~~

~~Amount of accumulated undistributed earnings (deficit).~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(30)(a)(3)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481372/852-10-55-10Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 40 -Name Accounting Standards Codification -Section 65 -Paragraph 2 -Subparagraph (g)(2)(i) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480016/944-40-65-2Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 40 -Name Accounting Standards Codification -Section 65 -Paragraph 2 -Subparagraph (h)(2) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480016/944-40-65-2Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 20 -Name Accounting Standards Codification -Section 50 -Paragraph 11 -Publisher FASB -URI https://asc.fasb.org/1943274/2147480990/946-20-50-11Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(23)(a)(4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(17)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 8: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 505 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.3-04) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480008/505-10-S99-1~~

~~*+ Details*~~

~~*Name:us-gaap_RetainedEarningsAccumulatedDeficit Namespace Prefix:us-gaap_ Data Type: xbrli:monetaryItemType Balance Type:credit Period Type:instant*~~

~~*- Definition*~~

~~*Amount of equity (deficit) attributable to parent. Excludes temporary equity and equity attributable to noncontrolling interest.*~~

~~*+ References*~~

~~*Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(29)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(30)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 3: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(31)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 4: http://www.xbrl.org/2003/role/exampleRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481372/852-10-55-10Reference 5: http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 830 -Name Accounting Standards Codification -Section 55 -Paragraph 12 -Publisher FASB -URI*~~

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https://asc.fasb.org/1943274/2147479168/946-830-55-12Reference 6:
http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards
Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(19)) -Publisher FASB -URI
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http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards
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https://asc.fasb.org/1943274/2147479170/946-210-S99-2Reference 8:
http://www.xbrl.org/2009/role/commonPracticeRef -Topic 946 -SubTopic 220 -Name Accounting Standards
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https://asc.fasb.org/1943274/2147479134/946-220-S99-3Reference 11:
http://www.xbrl.org/2009/role/commonPracticeRef -Topic 235 -SubTopic 10 -Name Accounting Standards
Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.4-08(g)(1)(ii)) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147480678/235-10-S99-1Reference 12:
http://www.xbrl.org/2009/role/commonPracticeRef -Topic 323 -SubTopic 10 -Name Accounting Standards
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https://asc.fasb.org/1943274/2147481687/323-10-50-3Reference 13:
http://www.xbrl.org/2009/role/commonPracticeRef -Topic 825 -SubTopic 10 -Name Accounting Standards
Codification -Section 50 -Paragraph 28 -Subparagraph (f) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147482907/825-10-50-28Reference 14: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 310 -SubTopic 10 -Name Accounting Standards Codification -Section S99
-Paragraph 2 -Subparagraph (SAB Topic 4.E) -Publisher FASB -URI
https://asc.fasb.org/1943274/2147480418/310-10-S99-2***

~~+ Details~~

~~Name:us-gaap_StockholdersEquity Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- References~~

~~No definition available.~~

~~+ Details~~

~~Name:us-gaap_StockholdersEquityAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na~~

~~*6]F0YX5AEE MGNG?>JYQD9P>0IQVQ61\4[6?4/ \]C;6EU=337%N1';1.[;5F1F/RCC"@T 9 MTUE?^'?~~
~~B7HEI;ZQJ=U8Z[!=)=Q75P9/+>- XD3/W"2<8&!TXZ5@Z3~~