

MONROE CAPITAL Corp
Form 10-Q
August 08, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the quarterly period ended June 30, 2017

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934**

Commission file number: 814-00866

MONROE CAPITAL CORPORATION

(Exact Name of Registrant as Specified in its Charter)

**Maryland
(State or Other Jurisdiction of**

**27-4895840
(I.R.S. Employer**

Incorporation or Organization) Identification No.)

311 South Wacker Drive, Suite 6400

60606

Chicago, Illinois

(Address of Principal Executive Office) (Zip Code)

(312) 258-8300

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (check one):

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Edgar Filing: MONROE CAPITAL Corp - Form 10-Q

As of August 8, 2017, the registrant had 20,239,957 shares of common stock, \$0.001 par value, outstanding.

TABLE OF CONTENTS

	Page
<u>PART I. FINANCIAL INFORMATION</u>	3
Item 1. <u>Consolidated Financial Statements</u>	3
<u>Consolidated Statements of Assets and Liabilities as of June 30, 2017 (unaudited) and December 31, 2016</u>	3
<u>Consolidated Statements of Operations for the three and six months ended June 30, 2017 (unaudited) and 2016 (unaudited)</u>	4
<u>Consolidated Statements of Changes in Net Assets for the six months ended June 30, 2017 (unaudited) and 2016 (unaudited)</u>	5
<u>Consolidated Statements of Cash Flows for the six months ended June 30, 2017 (unaudited) and 2016 (unaudited)</u>	6
<u>Consolidated Schedules of Investments as of June 30, 2017 (unaudited) and December 31, 2016</u>	7
<u>Notes to Consolidated Financial Statements (unaudited)</u>	16
Item 2. <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	34
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	48
Item 4. <u>Controls and Procedures</u>	48
<u>PART II. OTHER INFORMATION</u>	49
Item 1. <u>Legal Proceedings</u>	49
Item 1A. <u>Risk Factors</u>	49
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	49
Item 3. <u>Defaults Upon Senior Securities</u>	49
Item 4. <u>Mine Safety Disclosures</u>	49
Item 5. <u>Other Information</u>	49
Item 6. <u>Exhibits</u>	50

Signatures

51

2

Part I. Financial Information**Item 1. Consolidated Financial Statements****MONROE CAPITAL CORPORATION****CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES****(in thousands, except per share data)**

	June 30, 2017 (unaudited)	December 31, 2016
ASSETS		
Investments, at fair value:		
Non-controlled/non-affiliate company investments	\$ 392,787	\$ 353,980
Non-controlled affiliate company investments	43,290	50,041
Controlled affiliate company investments	9,472	8,899
Total investments, at fair value (amortized cost of: \$456,772 and \$413,242, respectively)	445,549	412,920
Cash	9,904	5,958
Restricted cash	5,344	2,373
Interest receivable	3,562	2,643
Other assets	653	651
Total assets	465,012	424,545
LIABILITIES		
Debt:		
Revolving credit facility	93,845	129,000
SBA debentures payable	85,600	51,500
Total debt	179,445	180,500
Less: Unamortized deferred financing costs	(4,641)	(3,945)
Total debt, less unamortized deferred financing costs	174,804	176,555
Secured borrowings, at fair value (proceeds of: \$0 and \$1,320, respectively)	-	1,314
Interest payable	870	735
Management fees payable	1,903	1,749
Incentive fees payable	1,210	1,222
Accounts payable and accrued expenses	1,917	2,120
Total liabilities	180,704	183,695

Edgar Filing: MONROE CAPITAL Corp - Form 10-Q

Net assets	\$ 284,308	\$ 240,850
------------	------------	------------

Commitments and contingencies (See Note 10)

ANALYSIS OF NET ASSETS

Common stock, \$0.001 par value, 100,000 shares authorized, 20,240 and 16,582 shares issued and outstanding, respectively	\$ 20	\$ 17
Capital in excess of par value	286,269	233,526
Undistributed net investment income (accumulated distributions in excess of net investment income)	6,278	7,037
Accumulated net realized gain (loss) on investments and secured borrowings	2,981	587
Accumulated net unrealized gain (loss) on investments, secured borrowings and foreign currency borrowings	(11,240)	(317)
Total net assets	\$ 284,308	\$ 240,850
Net asset value per share	\$ 14.05	\$ 14.52

See Notes to Consolidated Financial Statements.

MONROE CAPITAL CORPORATION**CONSOLIDATED STATEMENTS OF OPERATIONS****(unaudited)****(in thousands, except per share data)**

	Three months ended June 30,		Six months ended June 30,	
	2017	2016	2017	2016
Investment income:				
Interest income:				
Non-controlled/non-affiliate company investments	\$ 10,053	\$ 8,449	\$ 20,108	\$ 16,722
Non-controlled affiliate company investments	1,111	1,092	2,307	2,165
Controlled affiliate company investments	217	10	394	10
Total interest income	11,381	9,551	22,809	18,897
Dividend income:				
Non-controlled/non-affiliate company investments	250	250	500	500
Non-controlled affiliate company investments	-	801	-	2,413
Total dividend income	250	1,051	500	2,913
Fee income:				
Non-controlled/non-affiliate company investments	637	516	965	847
Total fee income	637	516	965	847
Total investment income	12,268	11,118	24,274	22,657
Operating expenses:				
Interest and other debt financing expenses	2,184	1,773	4,194	3,464
Base management fees	1,903	1,504	3,708	3,004
Incentive fees	1,460	1,319	2,750	3,059
Professional fees	286	238	577	445
Administrative service fees	301	304	631	632
General and administrative expenses	259	182	468	346
Excise taxes	-	-	-	87
Directors' fees	37	39	74	74
Expenses before incentive fee waiver	6,430	5,359	12,402	11,111
Incentive fee waiver	(250)	-	(250)	-
Total expenses, net of incentive fee waiver	6,180	5,359	12,152	11,111
Net investment income	6,088	5,759	12,122	11,546

Edgar Filing: MONROE CAPITAL Corp - Form 10-Q

Net gain (loss) on investments, secured borrowings and foreign currency borrowings:

Net realized gain (loss):

Non-controlled/non-affiliate company investments	2,161	-	2,328	587
Secured borrowings	66	-	66	-
Net realized gain (loss)	2,227	-	2,394	587

Net change in unrealized gain (loss):

Non-controlled/non-affiliate company investments	497	(261)	689	(1,120)
Non-controlled affiliate company investments	(7,192)	1,368	(9,356)	3,196
Controlled affiliate company investments	(575)	(1,648)	(2,234)	(1,075)
Secured borrowings	(5)	59	(6)	87
Foreign currency borrowings	(16)	-	(16)	-
Net change in unrealized gain (loss)	(7,291)	(482)	(10,923)	1,088

Net gain (loss) on investments, secured borrowings and foreign currency borrowings

(5,064)	(482)	(8,529)	1,675
----------	--------	----------	-------

Net increase (decrease) in net assets resulting from operations \$ 1,024 \$ 5,277 \$ 3,593 \$ 13,221

Per common share data:

Net investment income per share - basic and diluted	\$ 0.35	\$ 0.44	\$ 0.71	\$ 0.89
Net increase in net assets resulting from operations per share - basic and diluted	\$ 0.06	\$ 0.41	\$ 0.21	\$ 1.02
Weighted average common shares outstanding - basic and diluted	17,369	13,008	16,984	13,008

See Notes to Consolidated Financial Statements.

MONROE CAPITAL CORPORATION

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

(unaudited)

(in thousands)

	Common Stock		Capital in excess	Undistributed net investment income (accumulated distributions in excess of net investment income)	Accumulated net realized gain (loss) on investments and secured borrowings	Accumulated net unrealized gain (loss) on investments, secured borrowings and foreign currency borrowings	Total net assets
	Number of shares	Par value	of par value				
Balances at December 31, 2015	13,008	\$ 13	\$ 184,419	\$ 1,692	\$ -	\$ (1,589)	\$ 184,535
Net increase (decrease) in net assets resulting from operations	-	-	-	11,546	587	1,088	13,221
Distributions to stockholders:							
Distributions from net investment income	-	-	-	(9,106)	-	-	(9,106)
Balances at June 30, 2016	13,008	\$ 13	\$ 184,419	\$ 4,132	\$ 587	\$ (501)	\$ 188,650
Balances at December 31, 2016	16,582	\$ 17	\$ 233,526	\$ 7,037	\$ 587	\$ (317)	\$ 240,850
Net increase (decrease) in net assets resulting from operations	-	-	-	12,122	2,394	(10,923)	3,593
Issuance of common stock, net of offering and underwriting costs	3,624	3	52,218	-	-	-	52,221
Distributions to stockholders:							
Stock issued in connection with dividend reinvestment plan	34	-	525	(525)	-	-	-
Distributions from net investment income	-	-	-	(12,356)	-	-	(12,356)
Balances at June 30, 2017	20,240	\$ 20	\$ 286,269	\$ 6,278	\$ 2,981	\$ (11,240)	\$ 284,308

See Notes to Consolidated Financial Statements.

5

MONROE CAPITAL CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

(in thousands)

	Six months ended June 30,	
	2017	2016
Cash flows from operating activities:		
Net increase (decrease) in net assets resulting from operations	\$ 3,593	\$ 13,221
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Net change in unrealized (gain) loss on investments	10,901	(1,001)
Net change in unrealized (gain) loss on secured borrowings	6	(87)
Net change in unrealized (gain) loss on foreign currency borrowings	16	-
Net realized (gain) loss on investments	(2,328)	(587)
Net realized (gain) loss on secured borrowings	(66)	-
Payment-in-kind interest income	(1,018)	(830)
Net accretion of discounts and amortization of premiums	(746)	(754)
Proceeds from principal payments and sales of investments	75,460	47,383
Purchases of investments	(114,898)	(45,928)
Amortization of deferred financing costs	486	381
Changes in operating assets and liabilities:		
Interest receivable	(919)	(435)
Other assets	(2)	168
Payable for open trades	-	(5,297)
Interest payable	135	(43)
Management fees payable	154	1
Incentive fees payable	(12)	303
Accounts payable and accrued expenses	(203)	67
Directors' fees payable	-	(74)
Net cash provided by (used in) operating activities	(29,441)	6,488
Cash flows from financing activities:		
Borrowings on revolving credit facility	68,329	24,000
Repayments of revolving credit facility	(103,500)	(20,500)
SBA debentures borrowings	34,100	-
Payments of deferred financing costs	(1,182)	(849)

Edgar Filing: MONROE CAPITAL Corp - Form 10-Q

Repayments on secured borrowings	(1,254)	(277)
Proceeds from shares sold, net of offering and underwriting costs	52,221	-
Stockholder distributions paid, net of stock issued under the dividend reinvestment plan of \$525 and \$0, respectively	(12,356)	(9,106)
Net cash provided by (used in) financing activities	36,358	(6,732)
Net increase (decrease) in Cash and Restricted Cash	6,917	(244)
Cash and Restricted Cash, beginning of period ⁽¹⁾	8,331	13,866
Cash and Restricted Cash, end of period ⁽²⁾	\$ 15,248	\$ 13,622
Supplemental disclosure of cash flow information:		
Cash interest paid during the period	\$ 3,473	\$ 2,974
Cash paid for excise taxes during the period	\$ 495	\$ 167

Represents cash and restricted cash of \$5,958 and \$2,373, respectively, from the consolidated statement of assets (1) and liabilities as of December 31, 2016. Represents cash and restricted cash of \$5,278 and \$8,588, respectively, from the consolidated statement of assets and liabilities as of December 31, 2015.

Represents cash and restricted cash of \$9,904 and \$5,344, respectively, from the consolidated statement of assets (2) and liabilities as of June 30, 2017. Represents cash and restricted cash of \$5,483 and \$8,139, respectively, from the consolidated statement of assets and liabilities as of June 30, 2016.

See Notes to Consolidated Financial Statements.

MONROE CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS

(unaudited)

June 30, 2017

(in thousands, except for shares and units)

Portfolio Company ^(a)	Industry	Spread Above Index ^(b)	Interest Rate	Maturity	P
Senior Secured Loans					
AdTheorent, Inc.	Media: Advertising, Printing & Publishing	L+8.50%	9.55	% 12/22/2021	4
AdTheorent, Inc. (Revolver) ^(e)	Media: Advertising, Printing & Publishing	L+8.50%	9.55	% 12/22/2021	5
All Holding Company, LLC ^(f)	Beverage, Food & Tobacco	L+7.00%	8.23	% 11/15/2021	5
American Community Homes, Inc. ^(g)	Banking, Finance, Insurance & Real Estate	L+8.00%	9.50	% 7/22/2019	7
American Community Homes, Inc. ^(g)	Banking, Finance, Insurance & Real Estate	L+12.50%	9.50% Cash/ 4.50% PIK	7/22/2019	4
American Community Homes, Inc. ^(g)	Banking, Finance, Insurance & Real Estate	L+12.50%	9.50% Cash/ 4.50% PIK	n/a	(h)
American Community Homes, Inc. ^(g)	Banking, Finance, Insurance & Real Estate	L+8.00%	9.50	% 7/22/2019	4
American Community Homes, Inc. ^(g)	Banking, Finance, Insurance & Real Estate	L+12.50%		7/22/2019	2

Edgar Filing: MONROE CAPITAL Corp - Form 10-Q

	Banking, Finance, Insurance & Real Estate			9.50% Cash/ 4.50% PIK		
American Community Homes, Inc. (Delayed Draw) ^{(e) (g) (l)}	Banking, Finance, Insurance & Real Estate	L+8.00%	9.50	%	7/22/2019	4
American Community Homes, Inc. (Delayed Draw) ^{(e) (g) (l)}	Banking, Finance, Insurance & Real Estate	L+12.50%	9.50% Cash/ 4.50% PIK		7/22/2019	2
Answers Finance, LLC	High Tech Industries	L+5.00%	6.23	%	4/15/2021	2
APCO Worldwide, Inc.	Services: Business	L+8.00%	9.23	%	6/30/2022	5
Bartlett Reserve Durham, LLC ^(j)	Banking, Finance, Insurance & Real Estate	L+9.00%	10.16	%	6/1/2018	6
BC Equity Ventures LLC	Hotels, Gaming & Leisure	L+6.50%	7.73	%	8/31/2022	2
BCC Software, LLC ^(f)	High Tech Industries	L+8.00%	9.23	%	6/20/2019	3
BCC Software, LLC (Revolver) ^(e)	High Tech Industries	L+8.00%	9.23	%	6/20/2019	4
Beaver-Visitec International Holdings, Inc.	Healthcare & Pharmaceuticals	L+5.00%	6.30	%	8/19/2023	4
Bluestem Brands, Inc.	Consumer Goods: Non-Durable	L+7.50%	8.73	%	11/6/2020	2
Cali Bamboo, LLC	Construction & Building	L+8.50%	9.73	%	7/10/2020	5
Cali Bamboo, LLC (Revolver) ^(e)	Construction & Building	L+8.50%	9.73	%	7/10/2020	1
California Pizza Kitchen, Inc.	Beverage, Food & Tobacco	L+6.00%	7.30	%	8/23/2022	6
Corbett Technology Solutions, Inc. ^(f)	High Tech Industries	L+7.00%	8.23	%	11/7/2021	4
Corbett Technology Solutions, Inc. (Revolver) ^(e)	High Tech Industries	L+7.00%	8.23	%	11/7/2021	8
Cornerstone Detention Products, Inc. ^(k)	Construction & Building	L+10.50%	10.73% Cash/ 1.00% PIK		4/8/2019	3
Cornerstone Detention Products, Inc. (Revolver) ^(e)	Construction & Building	L+9.50%	10.73	%	4/8/2019	4
CRCI Holdings, Inc.	Utilities: Electric	L+5.50%	6.80	%	8/31/2023	2
Cyalume Technologies Holdings, Inc. ^(f)	Aerospace & Defense	L+9.00%	10.23	%	5/18/2020	3
Cyalume Technologies Holdings, Inc.	Aerospace & Defense	L+9.00%	10.23	%	5/18/2020	3
Cyalume Technologies Holdings, Inc. (Revolver) ^(e)		L+9.00%	10.23	%	5/18/2020	1

Edgar Filing: MONROE CAPITAL Corp - Form 10-Q

Destination Media, Inc. ^(f)	Aerospace & Defense Media: Advertising, Printing & Publishing	L+6.50%	7.73	%	4/7/2022	7
Destination Media, Inc. (Revolver) ^(e)	Media: Advertising, Printing & Publishing	L+6.50%	7.73	%	4/7/2022	5
Diesel Direct Holdings, Inc. ^(f)	Energy: Oil & Gas	L+7.00%	8.23	%	2/17/2020	5
EB Employee Solutions, LLC ^(f)	Services: Business Banking, Finance, Insurance & Real Estate	L+8.50%	10.00	%	2/28/2019	3
Echelon Funding I, LLC (Delayed Draw) ^{(e) (j) (l)}	Healthcare & Pharmaceuticals	L+10.25%	11.30	%	2/24/2021	1
Edge Systems Holdings Corp.	Healthcare & Pharmaceuticals	L+8.00%	9.23	%	12/1/2021	3
Edge Systems Holdings Corp. (Revolver) ^(e)	Healthcare & Pharmaceuticals	L+8.00%	9.23	%	12/1/2021	2
Energy Services Group, LLC	High Tech Industries	L+9.82%	10.99	%	5/4/2022	4
Energy Services Group, LLC ^{(j) (m)}	High Tech Industries	L+9.82%	10.82	%	5/4/2022	2
Energy Services Group, LLC (Delayed Draw) ^{(e) (l)}	High Tech Industries	L+9.82%	11.00	%	5/4/2022	1
Familia Dental Group Holdings, LLC ^(f)	Healthcare & Pharmaceuticals	L+8.00%	9.23	%	4/8/2021	5
Familia Dental Group Holdings, LLC	Healthcare & Pharmaceuticals	L+8.00%	9.23	%	4/8/2021	5
Familia Dental Group Holdings, LLC (Revolver) ^(e)	Healthcare & Pharmaceuticals	L+8.00%	9.23	%	4/8/2021	5
Forman Mills, Inc. ^(f)	Retail	L+7.50%	8.73	%	10/4/2021	8
InMobi Pte, Ltd. (Delayed Draw) ^{(e) (j) (l) (n)}	Media: Advertising, Printing & Publishing	L+10.17%	11.36	%	9/1/2018	1
Jerry Lee Radio, LLC	Media: Broadcasting & Subscription	L+9.50%	10.73	%	12/17/2020	1
Landpoint, LLC	Energy: Oil & Gas	L+12.75%	12.00% Cash/ 2.25% PIK	^(o)	12/20/2019	2
Landpoint, LLC (Revolver) ^(e)	Energy: Oil & Gas	L+10.50%	12.00	%	12/20/2019	3
L.A.R.K. Industries, Inc.	Construction & Building	L+8.50%	9.55	%	9/3/2019	8
Liftforward SPV II, LLC ^{(e) (j)}	Banking, Finance, Insurance &	L+10.75%	11.98	%	11/10/2020	1

See Notes to Consolidated Financial Statements.

7

MONROE CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS – (continued)

(unaudited)

June 30, 2017

(in thousands, except for shares and units)

Portfolio Company ^(a)	Industry	Spread Above Index ^(b)	Interest Rate	Maturity	Principal
Luxury Optical Holdings Co.	Retail	L+11.50%	9.23% Cash/ 3.50% PIK	9/12/2019	4,08
Luxury Optical Holdings Co. (Revolver) ^(e)	Retail	L+8.00%	9.23	% 9/12/2019	273
Madison Logic, Inc. ^(f)	Services: Business	L+8.00%	9.23	% 11/30/2021	10,3
Madison Logic, Inc. (Delayed Draw) ^{(e)(l)}	Services: Business	L+8.00%	9.23	% 11/30/2021	4,81
Madison Logic, Inc. (Revolver) ^(e)	Services: Business	L+8.00%	9.23	% 11/30/2021	988
MFG Chemical, LLC ^(f)	Chemicals, Plastics, & Rubber	L+6.00%	7.23	% 6/23/2022	8,85
MFG Chemical, LLC (Revolver) ^(e)	Chemicals, Plastics, & Rubber	L+6.00%	7.23	% 6/23/2022	1,78
Mid-West Wholesale Hardware Co. ^(f)	Wholesale	L+7.50%	8.73	% 2/9/2022	11,9
Mid-West Wholesale Hardware Co. (Revolver) ^(e)	Wholesale	L+7.50%	8.73	% 2/9/2022	4,42
Miles Partnership LLC	Hotels, Gaming & Leisure	L+11.00%	10.30% Cash/ 2.00% PIK	3/24/2021	5,92
Miles Partnership LLC (Delayed Draw) ^{(e)(l)}	Hotels, Gaming & Leisure	L+11.00%	10.30% Cash/ 2.00% PIK	3/24/2021	1,41
Miles Partnership LLC (Revolver) ^(e)	Hotels, Gaming & Leisure	L+11.00%	10.30% Cash/ 2.00% PIK	3/24/2021	320
Newforma, Inc. ^(f)	High Tech Industries	L+7.50%	8.73	% 6/30/2022	15,0
Newforma, Inc. (Revolver) ^(e)	High Tech Industries	L+7.50%	8.73	% 6/30/2022	1,23
O'Brien Industrial Holdings, LLC	Metals & Mining	L+7.75%	8.98	% 5/13/2019	5,28
Peerless Network, Inc. ^(f)	Telecommunications	L+9.25%	9.55% Cash/ 0.75% PIK	^(p) 12/11/2020	3,50
PeopleConnect Intermediate, LLC (formerly Intelius, Inc.)	Services: Consumer	L+5.50%	6.80	% 7/1/2020	4,56
PeopleConnect Intermediate, LLC (formerly Intelius, Inc.)	Services: Consumer	L+11.50%	12.80	% 7/1/2020	4,78
PeopleConnect Intermediate, LLC (formerly Intelius, Inc.) (Revolver) ^(e)	Services: Consumer	L+8.50%	9.50	% 8/11/2017	236

Edgar Filing: MONROE CAPITAL Corp - Form 10-Q

Precision Toxicology, LLC ^(f)	Healthcare & Pharmaceuticals	L+10.00%	9.73% Cash/ 1.50% PIK		3/24/2020	3,72
Priority Ambulance, LLC ^(f)	Healthcare & Pharmaceuticals	L+7.00%	8.30	%	4/12/2022	7,00
Priority Ambulance, LLC (Revolver) ^(e)	Healthcare & Pharmaceuticals	L+7.00%	8.30	%	4/12/2022	3,34
Q-Tragon Holdings, LLC ^(f)	Services: Business	L+7.00%	8.23	%	5/2/2022	4,00
Q-Tragon Holdings, LLC (Revolver) ^(e)	Services: Business	L+7.00%	8.23	%	5/2/2022	308
Repay Holdings, LLC	Banking, Finance, Insurance & Real Estate	L+7.75%	8.98	%	9/1/2021	11,7
Repay Holdings, LLC (Revolver) ^(e)	Banking, Finance, Insurance & Real Estate	L+7.75%	8.98	%	9/1/2021	1,20
Rockdale Blackhawk, LLC ^(g)	Healthcare & Pharmaceuticals	L+11.00%	12.23	%	3/31/2020	10,9
Rockdale Blackhawk, LLC (Capex) ^(g)	Healthcare & Pharmaceuticals	L+11.00%	12.23	%	3/31/2020	549
Rockdale Blackhawk, LLC (Revolver) ^(g)	Healthcare & Pharmaceuticals	L+11.00%	12.23	%	3/31/2020	1,84
Rocket Dog Brands, LLC ^(g)	Consumer Goods: Non-Durable	n/a	12.00% PIK	(i)	8/29/2019	1,15
Rocket Dog Brands, LLC ^(g)	Consumer Goods: Non-Durable	n/a	15.00% PIK	(i)	8/29/2019	422
Rocket Dog Brands, LLC ^(g)	Consumer Goods: Non-Durable	n/a	17.00% PIK	(i)	9/30/2017	235
SHI Holdings, Inc. ^{(f) (g)}	Healthcare & Pharmaceuticals	L+9.75%	10.98	%	7/10/2019	2,62
SHI Holdings, Inc. (Revolver) ^{(e) (g)}	Healthcare & Pharmaceuticals	L+9.75%	10.98	%	7/10/2019	2,04
Solaray, LLC	Consumer Goods: Non-Durable	L+6.50%	7.72	%	9/9/2023	3,27
Solaray, LLC (Delayed Draw) ^{(e) (l)}	Consumer Goods: Non-Durable	L+6.50%	7.79	%	9/9/2023	703
Summit Container Corporation ^{(f) (g)}	Containers, Packaging & Glass	L+12.00%	12.00% Cash/ 2.00% PIK		1/6/2019	3,55
Synergy Environmental Corporation ^(f)	Environmental Industries	L+8.00%	9.23	%	4/29/2021	3,09
Synergy Environmental Corporation ^(f)	Environmental Industries	L+8.00%	9.23	%	4/29/2021	517
Synergy Environmental Corporation (Delayed Draw) ^{(e) (l)}	Environmental Industries	L+8.00%	9.23	%	4/29/2018	1,34
Synergy Environmental Corporation (Revolver) ^(e)	Environmental Industries	L+8.00%	9.23	%	4/29/2021	671
The Worth Collection, Ltd. ^(f)	Retail	L+8.50%	9.73	%	9/29/2021	10,7
TPP Operating, Inc. ^(q)	Retail	L+6.00%	7.50% PIK	(i)	11/8/2018	9,37
TPP Operating, Inc. ^(q)	Retail	L+6.00%	7.50	% ⁽ⁱ⁾	11/8/2018	5,32
TPP Operating, Inc. ^(q)	Retail	L+9.61%	11.11	% ⁽ⁱ⁾	11/8/2018	4,58
TRG, LLC	Hotels, Gaming & Leisure	L+14.10%	8.55% Cash/ 6.60% PIK	(r)	3/31/2021	11,8
TRG, LLC (CapEx) ^(e)		L+9.50%			3/31/2021	1,61

Edgar Filing: MONROE CAPITAL Corp - Form 10-Q

	Hotels, Gaming & Leisure		8.55% Cash/ 2.00% PIK			
TRG, LLC (Revolver)	Hotels, Gaming & Leisure	L+9.50%	10.55	%	3/31/2021	131
Vacation Innovations, LLC ^(s)	Hotels, Gaming & Leisure	L+8.79%	8.23% Cash/ 1.79% PIK	(t)	8/20/2020	10,0
Vacation Innovations, LLC (Delayed Draw) ^{(e) (l)}	Hotels, Gaming & Leisure	L+7.50%	8.23% Cash/ 0.50% PIK		8/20/2020	2,03
Vacation Innovations, LLC (Revolver) ^(e)	Hotels, Gaming & Leisure	L+7.50%	8.23% Cash/ 0.50% PIK		8/20/2020	342
Yandy Holding, LLC	Retail	L+9.00%	10.23	%	9/30/2019	5,36
Yandy Holding, LLC (Revolver) ^(e)	Retail	L+9.00%	10.23	%	9/30/2019	907
Total Senior Secured Loans						400
Unitranche Loans						
Collaborative Neuroscience Network, LLC	Healthcare & Pharmaceuticals	L+11.50%	13.00	%	12/27/2017	6,12
Collaborative Neuroscience Network, LLC	Healthcare & Pharmaceuticals	n/a	12.00% Cash/ 3.00% PIK		n/a	^(h) 290
Collaborative Neuroscience Network, LLC (Revolver)	Healthcare & Pharmaceuticals	L+10.00%	11.23	%	12/27/2017	200

See Notes to Consolidated Financial Statements.

MONROE CAPITAL CORPORATION

CONSOLIDATED SCHEDULE OF INVESTMENTS – (continued)

(unaudited)

June 30, 2017

(in thousands, except for shares and units)

Portfolio Company ^(a)	Industry	Spread Above Index ^(b)	Interest Rate		Maturity	Principal	Amortized Cost	Fair Value ^(c)	% of Net Assets ^(d)
Fabco Automotive Corporation	Automotive	L+4.50%	5.73	%	4/3/2019	3,538	\$1,852	\$3,430	1.2 %
Fabco Automotive Corporation	Automotive	L+11.25%	8.23% Cash/ 4.25% PIK		4/3/2019	8,774	8,747	2,817	1.0 %
Fabco Automotive Corporation (Revolver) ^(e)	Automotive	L+4.00%	5.23	%	4/3/2019	2,234	2,199	2,199	0.8 %
Gracelock Industries, LLC	Wholesale	L+13.74%	11.00% Cash/ 4.24% PIK	^(u)	5/7/2019	4,721	4,664	4,730	1.7 %
Incipio Technologies, Inc. ^(v)	Consumer Goods: Non-Durable	L+7.50%	8.73	%	12/26/2019	13,916	13,712	13,651	4.8 %
Playtime, LLC	Hotels, Gaming & Leisure	L+7.50%	9.00	%	12/31/2021	4,484	4,475	4,170	1.4 %
Total Unitranche Loans						44,277	42,198	37,302	13.1 %
Junior Secured Loans									
AIM Aerospace, Inc.	Aerospace & Defense	L+9.00%	10.17	%	8/2/2022	5,000	4,938	4,973	1.7 %
Answers Finance, LLC	High Tech Industries	P+7.90%	9.00	%	9/15/2021	396	381	388	0.1 %
Confie Seguros Holdings II Co.	Banking, Finance, Insurance & Real Estate	L+9.75%	11.05	%	5/8/2019	8,594	8,285	8,479	3.0 %
CSM Bakery Supplies LLC	Beverage, Food & Tobacco	L+7.75%	8.90	%	7/3/2021	5,792	5,792	5,054	1.8 %
		L+11.00%	12.30	%	9/30/2017	625	617	625	0.2 %

Edgar Filing: MONROE CAPITAL Corp - Form 10-Q

Education Corporation of America	Services: Consumer									
Mergermarket USA, Inc.	Media: Broadcasting & Subscription	L+6.50%	7.58	%	12/19/2021	4,500	4,409	4,500	1.6	%
Micro Holdings Corp.	High Tech Industries	L+7.50%	8.73	%	7/8/2022	5,590	5,485	5,672	2.0	%
Pre-Paid Legal Services, Inc. (Legal Shield)	Services: Consumer	L+9.00%	10.25	%	7/1/2020	3,000	3,000	3,024	1.1	%
Rocket Dog Brands, LLC ^(g)	Consumer Goods: Non-Durable	n/a	15.00% PIK	(i)	5/1/2020	2,011	2,011	—	0.0	%
SCP TPZ Acquisition, Inc.	Media: Diversified & Production	L+8.25%	9.47	%	5/29/2022	5,000	4,942	4,994	1.8	%
Total Junior Secured Loans						40,508	39,860	37,709	13.3	%
Equity Securities										
AdTheorent, Inc. (128,866 units) ^(w)	Media: Advertising, Printing & Publishing	—	—	(x)	—	—	129	173	0.1	%
American Community Homes, Inc. (warrant to purchase up to 9.0% of the equity) ^(g)	Banking, Finance, Insurance & Real Estate	—	—	(x)	10/9/2024	—	—	1,271	0.5	%
Answers Finance, LLC (76,539 shares of common stock) ^(w)	Services: Business	—	—	(x)	—	—	2,413	1,180	0.4	%
Collaborative Neuroscience Network, LLC (warrant to purchase up to 4 LLC units) ^(w)	Healthcare & Pharmaceuticals	—	—	(x)	12/27/2022	—	—	—	0.0	%
Cyalume Technologies Holdings, Inc.- Series D Preferred Stock (3.06 shares) ^(w)	Aerospace & Defense	—	—	(x)	—	—	—	615	0.2	%
Education Corporation of America - Series G Preferred Stock (8,333 shares) ^(w)	Services: Consumer	n/a	12.00	%	—	—	8,125	8,283	2.9	%
Fabco Automotive Corporation (warrant to purchase up to 1.87% of the equity) ^(w)	Automotive	—	—	(x)	—	—	—	—	0.0	%
InMobi Pte, Ltd. (represents the right to purchase 2.80% of the	Media: Advertising,									

equity) (j) (n) (w)