

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name NEXPOINT CAPITAL, INC.		2 Issuer's employer identification number (EIN) 38-3926499	
3 Name of contact for additional information NEXPOINT CAPITAL, INC.	4 Telephone No. of contact 214-276-6300	5 Email address of contact	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 300 CRESCENT COURT, SUITE 700		7 City, town, or post office, state, and ZIP code of contact DALLAS, TX 75201	
8 Date of action CALENDAR YEAR 2023		9 Classification and description Regulated Investment Company (RIC)	
10 CUSIP number 65341M102	11 Serial number(s) N/A	12 Ticker symbol N/A	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► **Certain distributions made by the Fund during the calendar year ended December 31, 2023 were determined to be a non-taxable return of capital. See attachment to this form for details.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► **The non-taxable return of capital amount will reduce a U.S. taxpayer's cost basis of shares held in the Fund.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► **The tax basis of the shareholders' shares is decreased by the per share amount of non-taxable return of capital, on the attached schedule, multiplied by the number of shares the shareholder owns. See attachment.**

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Pursuant to IRC Sec. 301(C)(1), the portion of a distribution which is a dividend (as defined in IRC. 316) is includable in gross income. Pursuant to IRC Sec. 301(C)(2), the portion of a distribution which is not a dividend shall be applied against and reduce the adjusted tax basis of the stock.

18 Can any resulting loss be recognized? ▶ No loss will be recognized as a result of any non-taxable return of capital. A loss may be realized upon the disposition of the shares.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Pursuant to IRC Sec. 6045, brokers are required to reflect these adjustments in the cost basis reporting of the shareholders' shares and should be adjusted as of the distribution date to reflect the return of capital described above. The final amount of taxable dividends and non-taxable return of capital (i.e. non-dividend distributions) will be reported to the shareholders on their 2023 form 1099-DIV. See attachment.

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

Sign Here Signature ▶  Date ▶ 4/8/2024

Print your name ▶ Frank Waterhouse Title ▶

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

Attachment to Form 8937

NEXPOINT CAPITAL, INC.
Character of Distributions

Ex-Dividend Date	Record Date	Payable Date	Ordinary Income		Return of Capital		Total Distribution	
			Distribution	Per Share	Distribution	Per Share	Distribution	Per Share
12/31/2022	12/31/2022	1/24/2023	551,600	0.056997844	319,381	0.033002156	870,981	0.090000000
3/31/2023	3/31/2023	4/27/2023	544,267	0.056997844	315,134	0.033002156	859,401	0.090000000
6/30/2023	6/30/2023	7/24/2023	537,042	0.056997844	310,951	0.033002156	847,993	0.090000000
9/30/2023	9/30/2023	10/20/2023	533,272	0.056997844	308,768	0.033002156	842,040	0.090000000
			2,166,181	0.227991376	1,254,234	0.132008624	3,420,415	0.360000000