

## OFS Credit Company Announces Financial Results for the Second Fiscal Quarter 2026

June 9, 2026

CHICAGO--(BUSINESS WIRE)--Jun. 9, 2026-- OFS Credit Company, Inc. (Nasdaq: OCCI, OCCIN, OCCIM) ("OFS Credit," the "Company," "we," "us" or "our"), an investment company that primarily invests in collateralized loan obligation ("CLO") equity and debt securities, today announced its financial results for the fiscal quarter ended April 30, 2026.

### SECOND QUARTER HIGHLIGHTS

- Net investment income ("NII") of \$4.4 million, or \$0.15 per common share, for the fiscal quarter ended April 30, 2026. This compares to NII of \$5.5 million, or \$0.19 per common share, for the fiscal quarter ended January 31, 2026. NII decreased for the fiscal quarter ended April 30, 2026, primarily due to a decrease in the interest income yield<sup>1</sup> on our investment portfolio. See additional information under "Results of Operations" below.
- Core net investment income ("Core NII")<sup>2</sup> of \$5.5 million, or \$0.19 per common share, for the fiscal quarter ended April 30, 2026. This compares to Core NII of \$9.1 million, or \$0.32 per common share, for the fiscal quarter ended January 31, 2026. Core NII decreased for the fiscal quarter ended April 30, 2026, primarily due to a \$3.4 million decrease in recurring CLO equity cashflows from spread compression in the underlying loan collateral, resulting in weaker cashflow arbitrage. See additional information under "Supplemental Information Regarding Core Net Investment Income" below.
- Net asset value ("NAV") per common share of \$3.72 at April 30, 2026, which decreased by \$0.64 from the January 31, 2026 NAV of \$4.36. The decrease in NAV was primarily due to a net loss on investments of \$0.56 per common share and distributions of \$0.215 per common share paid during the quarter which exceeded our quarterly NII of \$0.15 per common share. See additional information under "Results of Operations" below.
- During the fiscal quarter ended April 30, 2026, the interest income yield<sup>1</sup> of our investment portfolio was 11.82%, based on average amortized cost.
- During the fiscal quarter ended April 30, 2026, we did not issue shares of common stock through our At-the-Market offering.

### OTHER RECENT EVENTS

- During the fiscal quarter ended April 30, 2026, we redeemed \$23.0 million of 6.125% Series C Term Preferred Stock due April 2026 and \$3.0 million of 6.00% Series D Term Preferred Stock due June 2026.
- As previously announced, on April 16, 2026, our board of directors (the "Board") declared monthly cash distributions of \$0.05 per common share for each of the three months in the fiscal quarter ending July 31, 2026, which implies an annualized cash distribution rate of 19.0% based on the closing market price of \$3.15 per common share on April 30, 2026. See additional information under "Distributions" below.

### SELECTED FINANCIAL HIGHLIGHTS

(in millions, except per share data)

#### Balance Sheet Highlights

	At	
	April 30, 2026	January 31, 2026
Total investments, at fair value	\$ 197.4	\$ 235.9
Total outstanding preferred stock - principal	89.9	115.9
Total net assets	109.0	126.8
NAV per common share	3.72	4.36
Asset coverage ratio <sup>3</sup>	221.3%	209.4%

#### Operating Highlights

(Per common share)

	For the Fiscal Quarter Ended	
	April 30, 2026	January 31, 2026
Net investment income	\$ 0.15	\$ 0.19
Net realized loss on investments	(0.26)	(0.02)
Net change in unrealized depreciation on investments	(0.30)	(0.94)
Loss on redemption of preferred stock <sup>4</sup>	—	—
Net earnings (loss)	\$ (0.41)	\$ (0.77)

#### Reconciliation of Core NII — Non-GAAP<sup>5</sup>

Net investment income	\$ 0.15	\$ 0.19
CLO equity adjustments	0.04	0.13
Core NII	\$ 0.19	\$ 0.32

## MANAGEMENT COMMENTARY

“Amid the ongoing market volatility, we took action to strengthen our balance sheet by redeeming in the aggregate \$26.0 million of preferred stock during our second fiscal quarter,” said Bilal Rashid, Chief Executive Officer. “Additionally, as previously announced, commencing in March 2026, we reduced our monthly common stock distribution rate from \$0.115 per share to \$0.05 per share in an effort to preserve capital and provide more stability to our NAV. During the second fiscal quarter, we also continued to proactively manage our portfolio, including through the execution of eight reset and refinancing transactions, which we expect will bolster cashflow returns on these deals and helped preserve our weighted average remaining reinvestment period<sup>5</sup> at 3.1 years as of April 30, 2026.”

## PORTFOLIO AND INVESTMENT ACTIVITIES

As of April 30, 2026, the total fair value of our investment portfolio was \$197.4 million, comprised of broadly syndicated loan CLOs and middle-market loan CLOs with a total fair value of \$193.6 million and \$3.8 million, respectively. For the fiscal quarter ended April 30, 2026, our CLO equity cash flow yield<sup>6</sup> was 13.79% based on amortized cost.

<b>Portfolio Overview (\$ in millions)</b>	<b>At</b>	
	<b>April 30, 2026</b>	<b>January 31, 2026</b>
Total investments, at fair value	\$ 197.4	\$ 235.9
Total number of issuers	81	85
Weighted-average effective yield <sup>7</sup>	11.64%	12.39%

During the fiscal quarter ended April 30, 2026, we received net proceeds of \$21.0 million from the repayment and sale of portfolio investments, which were primarily used to redeem shares of our 6.125% Series C Term Preferred Stock due April 2026 and 6.00% Series D Term Preferred Stock due June 2026.

<b>Portfolio Purchases (\$ in millions)</b>	<b>For the Fiscal Quarter Ended</b>	
	<b>April 30, 2026</b>	<b>January 31, 2026</b>
CLO equity investments	\$ —	\$ 12.0
CLO debt investments	—	—
Loan accumulation facility investments	—	3.1
Other CLO equity-related investments (i.e., fee rebates)	—	—
Total investments	\$ —	\$ 15.1
Weighted-average effective yield - period end	N/A	16.51%

<b>Portfolio Composition (\$ in millions)</b>	<b>At April 30, 2026</b>	
	<b>Amortized Cost</b>	<b>Fair Value</b>
CLO equity investments	\$ 298.8	\$ 193.9
Loan accumulation facility investments	1.3	1.3
Other CLO equity-related investments (i.e., fee rebates)	1.8	2.2
Total investments	\$ 301.9	\$ 197.4

## RESULTS OF OPERATIONS

### Interest Income

During the fiscal quarter ended April 30, 2026, interest income decreased to \$9.2 million from \$11.0 million during the prior quarter. The decrease in interest income was primarily due to a decrease in the interest income yield<sup>1</sup> on our investment portfolio and a smaller average investment portfolio, at cost.

### Expenses

During the fiscal quarter ended April 30, 2026, total expenses decreased by \$0.7 million to \$4.8 million, primarily due to an aggregate decrease of \$0.5 million in base management and incentive fees.

### Net Realized and Unrealized Gain (Loss) on Investments

During the fiscal quarter ended April 30, 2026, net loss on investments of \$16.5 million was due to net realized losses of \$7.5 million and net unrealized depreciation of \$9.0 million. The net unrealized depreciation was primarily driven by significant declines in loan prices, a challenging CLO equity cash flow arbitrage environment and a modest increase in loan defaults.

## DISTRIBUTIONS

### Third Fiscal Quarter 2026 Common Stock Distributions

The following schedule applies to distributions for common stockholders of record on the close of business of each specific record date:

<b>Month</b>	<b>Record Date</b>	<b>Payment Date</b>	<b>Cash Distribution Per Share</b>	
May 2026	May 15, 2026	May 29, 2026	\$	0.05
June 2026	June 15, 2026	June 30, 2026	\$	0.05
July 2026	July 15, 2026	July 31, 2026	\$	0.05

**Dividend Reinvestment Plan (“DRIP”) – DRIP Shares Issued at 95% of Market Price**

Common stockholders who participate in our DRIP have the opportunity to receive a 5% discount to the market price per share of common stock at the close of regular trading on The Nasdaq Capital Market on the valuation date fixed by the Board for each distribution (i.e., the payment date).

Common stockholders that are interested in participating in our DRIP should contact their broker or financial intermediary.

Additional information about our DRIP and how to participate can be found at <https://ir.ofscreditcompany.com/shareholder-services/dividend-reinvestment-plan>. We make our website content available for informational purposes only. It should not be relied upon for investment purposes, nor is it incorporated by reference into this press release.

**OFS Credit Company, Inc.  
Statement of Assets and Liabilities  
(Unaudited)**

	<u>As of April 30, 2026</u>	
<b>Assets:</b>		
Investments, at fair value (amortized cost of \$301,855,800)	\$	197,361,071
Cash and cash equivalents		2,334,934
Interest receivable		349,082
Other assets		325,198
<b>Total assets</b>		<u>200,370,285</u>
<b>Liabilities:</b>		
Preferred stock (net of deferred issuance costs of \$1,578,081)		88,321,919
Payable to adviser and affiliates		2,453,566
Other liabilities		560,600
<b>Total liabilities</b>		<u>91,336,085</u>
<b>Net assets</b>	<u>\$</u>	<u>109,034,200</u>
<b>Net assets consist of:</b>		
Common stock, par value of \$0.001 per share; 90,000,000 shares authorized and 29,314,350 shares issued and outstanding	\$	29,314
Paid-in capital in excess of par		224,638,255
Total accumulated losses		(115,633,369)
<b>Total net assets</b>	<u>\$</u>	<u>109,034,200</u>
Net asset value per common share	\$	3.72

**OFS Credit Company, Inc.  
Statements of Operations  
(Unaudited)**

	<u>Three Months Ended April 30, 2026</u>	<u>Six Months Ended April 30, 2026</u>
<b>Investment income:</b>		
Interest income	\$ 9,202,393	\$ 20,181,944
<b>Operating expenses:</b>		
Interest expense	2,100,062	4,266,705
Incentive fees	1,094,930	2,464,554
Base management fees	878,973	1,951,297
Administration fees	258,539	645,645
Professional fees	252,312	526,151
Other expenses	237,855	469,378
<b>Total operating expenses</b>	<u>4,822,671</u>	<u>10,323,730</u>
<b>Net investment income</b>	<u>4,379,722</u>	<u>9,858,214</u>
<b>Net realized and unrealized gain (loss) on investments:</b>		
Net realized loss on investments	(7,491,118)	(8,103,045)
Net change in unrealized depreciation on investments	(8,976,648)	(35,537,271)
<b>Net loss on investments</b>	<u>(16,467,766)</u>	<u>(43,640,316)</u>

Loss on redemption of preferred stock	(13,360)	(13,360)
<b>Net decrease in net assets resulting from operations</b>	<b>\$ (12,101,404)</b>	<b>\$ (33,795,462)</b>
Weighted-average common shares outstanding	29,195,385	28,700,140

#### About OFS Credit Company, Inc.

OFS Credit is a non-diversified, externally managed closed-end management investment company. The Company's primary investment objective is to generate current income, with a secondary objective to generate capital appreciation, which we seek to achieve primarily through investments in CLO equity and debt securities. The Company's investment activities are managed by OFS Capital Management, LLC, an investment adviser registered under the Investment Advisers Act of 1940<sup>8</sup>, as amended, and headquartered in Chicago with additional offices in New York and Los Angeles.

#### Forward-Looking Statements

Statements in this press release regarding management's future expectations, beliefs, intentions, goals, strategies, plans or prospects, including statements relating to: our results of operations, including NII, Core NII, earnings per share and net asset value and the factors that may affect such results; management's belief that our balance sheet was strengthened by redeeming in the aggregate \$26.0 million of preferred stock; management's belief that the reduced monthly cash distribution rate will preserve capital and help provide stability to our net asset value, which cannot be guaranteed; the expectation that the execution of reset and refinancing transactions will bolster cashflow returns on these deals and help preserve our weighted average remaining reinvestment period, which cannot be guaranteed; and other factors may constitute forward-looking statements. These forward-looking statements are not historical facts, but rather are based on current expectations, estimates and projections about us, our current and prospective portfolio investments, our industry, our beliefs, and our assumptions. Words such as "anticipates," "expects," "intends," "plans," "will," "may," "continue," "believes," "seeks," "estimates," "would," "could," "should," "targets," "projects," and variations of these words and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements, including those risks, uncertainties and factors referred to in documents that may be filed by OFS Credit from time to time with the U.S. Securities and Exchange Commission ("SEC"), such as interest rate and inflation rate changes, the ongoing war between Russia and Ukraine, the escalated armed conflict and heightened regional tensions in the Middle East, activity in South America, the agenda of the U.S. presidential administration, including the impact of tariff enactment and tax reductions, trade disputes with other countries, instability in the U.S. and international banking systems, the risk of recession or the impact of the prolonged shutdown of U.S. government services and related market volatility, on our business, our portfolio companies, our industry and the global economy. Although we believe that the assumptions on which these forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, and, as a result, the forward-looking statements based on those assumptions also could be inaccurate. In light of these and other uncertainties, the inclusion of a projection or forward-looking statement in this press release should not be regarded as a representation by us that our plans and objectives will be achieved. You should not place undue reliance on these forward-looking statements, which apply only as of the date of this press release. Except as required by the federal securities laws, 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 in the future may file with the SEC, including Annual and Semi-Annual Reports on Form N-CSR and monthly portfolio investments reports filed on Form N-PORT for the third month of each of our fiscal quarters.

#### Supplemental Information Regarding Core Net Investment Income

We provide information relating to Core NII (a non-GAAP measure) on a supplemental basis. This measure is not provided as a substitute for GAAP NII, but in addition to it. Our non-GAAP measures may differ from similar measures by other companies, even if similar terms are used to identify such measures. Core NII represents GAAP NII adjusted for differences in applicable cash distributions received on our CLO equity and equity-related investments that have not been optionally redeemed relative to income recognized in accordance with GAAP. OFS Capital Management, LLC, our investment adviser, uses this information in its internal analysis of results and believes that this information may be informative in gauging the quality of the Company's financial performance, identifying trends in its results, and providing meaningful period-to-period comparisons.

Income from investments in the "equity" class securities of CLO vehicles, for GAAP purposes, is recorded using the effective interest method; this is based on an estimated effective yield, at current amortized cost, to the expected redemption of the security utilizing assumed cash flows, including those CLO equity investments that have not made their inaugural distribution for the relevant period end. The result is an estimated effective yield for the investment in which the respective investment's cost basis is adjusted quarterly based on the difference between the actual cash received, or distributions entitled to be received, and the income recognized via the estimated effective yield calculation. Accordingly, investment income recognized on CLO equity and equity-related securities in the GAAP statement of operations differs from the cash distributions actually received by the Company during the period (referred to below as "CLO equity adjustments"). Therefore, management believes that Core NII may provide a useful indicator of distributable operating income, as this reflects a measure of potential cash availability, net of operating expenses, that could be utilized to cover distributions to common stockholders. We note that this non-GAAP measure has no bearing on the tax character of the common stock distributions made during the period, and future distributions are not guaranteed. A portion of current and future common stock distributions may consist of a return of capital for tax purposes. The actual tax character of our earnings cannot be finally determined until our tax return is prepared after the close of our taxable year.

The following table provides a reconciliation of GAAP NII to Core NII for the fiscal periods presented:

	For the Fiscal Quarter Ended April 30, 2026		For the Fiscal Quarter Ended January 31, 2026	
	Amount	Per Common Share Amount	Amount	Per Common Share Amount
Net investment income	\$ 4,379,722	\$ 0.15	\$ 5,478,493	\$ 0.19
CLO equity adjustments	1,103,694	0.04	3,631,157	0.13
Core NII	<u>\$ 5,483,416</u>	<u>\$ 0.19</u>	<u>\$ 9,109,650</u>	<u>\$ 0.32</u>

The following table provides a reconciliation of GAAP NII to Core NII for the six months ended April 30, 2026 and 2025:

	For the Six Months Ended April 30, 2026		For the Six Months Ended April 30, 2025	
	Amount	Per Common Share Amount	Amount	Per Common Share Amount
Net investment income	\$ 9,858,214	\$ 0.34	\$ 10,323,158	\$ 0.44
CLO equity adjustments	4,734,852	0.17	6,414,896	0.27
Core NII	<u>\$ 14,593,066</u>	<u>\$ 0.51</u>	<u>\$ 16,738,054</u>	<u>\$ 0.71</u>

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<sup>1</sup> Interest income yield is calculated as total investment income earned on the investment portfolio (excluding idle cash interest income) divided by the average total investments at cost (annualized).

<sup>2</sup> On a supplemental basis, we disclose Core NII, which is a financial measure calculated and presented on a basis of methodology other than in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Core NII represents NII adjusted for differences in applicable cash distributions received on our CLO equity and equity-related investments that have not been optionally redeemed relative to income recognized in accordance with GAAP. See additional information under "Supplemental Information Regarding Core Net Investment Income" above.

<sup>3</sup> Under the Investment Company Act of 1940, as amended, we are permitted to issue senior securities, including preferred stock, provided that we maintain an asset coverage of at least 200% for senior securities representing indebtedness plus preferred stock, and 300% in the case of senior securities representing indebtedness. Asset coverage of senior securities representing preferred stock is calculated as the ratio of our total consolidated assets, less all liabilities and indebtedness not represented by senior securities, divided by the aggregate amount of our outstanding preferred stock and debt. Asset coverage of senior securities representing indebtedness is calculated as the ratio of our total consolidated assets, less all liabilities and indebtedness not represented by senior securities, divided by the aggregate amount of our outstanding debt.

<sup>4</sup> For the fiscal quarter ended April 30, 2026, loss on redemption of preferred stock rounds to less than \$(0.01) per common share.

<sup>5</sup> Weighted based on fair value of total investments as of April 30, 2026. The reinvestment period for loan accumulation facilities is estimated assuming the conversion to a CLO.

<sup>6</sup> Calculated as CLO equity and equity-related cash distributions received during the quarter, excluding distributions on CLO equity investments that have been optionally redeemed, divided by average CLO equity and equity-related investments at amortized cost (annualized).

<sup>7</sup> Based on amortized cost at period end; excludes discount accretion on CLO debt investments, if applicable.

<sup>8</sup> Registration does not imply a certain level of skill or training.

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