OFS CREDIT

OFS Credit Company Announces Financial Results for the Third Fiscal Quarter 2026

September 17, 2026

CHICAGO--(BUSINESS WIRE)--Sep. 17, 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 July 31, 2026.

THIRD QUARTER HIGHLIGHTS

- Net investment income ("NII") of $4.2 million, or $0.14 per common share, for the fiscal quarter ended July 31, 2026. This compares to NII of $4.4 million, or $0.15 per common share, for the fiscal quarter ended April 30, 2026. NII decreased for the fiscal quarter ended July 31, 2026, primarily due to a smaller investment portfolio, at cost, and a decrease in the interest income yield[1] on our investment portfolio. *See* additional information under "Results of Operations" below.
- Core net investment income ("Core NII") [2] of $6.3 million, or $0.21 per common share, for the fiscal quarter ended July 31, 2026. This compares to Core NII of $5.5 million, or $0.19 per common share, for the fiscal quarter ended April 30, 2026. Core NII increased for the fiscal quarter ended July 31, 2026, primarily due to an increase in cash flows from issuers making their first payments subsequent to our initial investment. *See* additional information under "Supplemental Information Regarding Core Net Investment Income" below.
- Net asset value ("NAV") per common share of $3.32 at July 31, 2026, which decreased by $0.40 from the April 30, 2026 NAV of $3.72. The decrease in NAV was primarily due to a net loss on investments of $0.38 per common share. *See* additional information under "Results of Operations" below.
- During the fiscal quarter ended July 31, 2026, the interest income yield[1] of our investment portfolio was 11.43%, based on average amortized cost.
- During the fiscal quarter ended July 31, 2026, we issued 13,500 shares of common stock through our At-the-Market offering, for net proceeds of $0.1 million, after deducting commissions, fees and offering costs.

OTHER RECENT EVENTS

- On July 31, 2026, we caused notices to be issued to the holders of the 5.25% Series E Term Preferred Stock regarding the exercise of our option to partially redeem $5.0 million of issued and outstanding 5.25% Series E Term Preferred Stock on August 31, 2026. The 200,000 shares of 5.25% Series E Term Preferred Stock were redeemed on August 31, 2026 at 100% of their principal amount ($25 per share).
- As previously announced, on August 17, 2026, our board of directors (the "Board") declared monthly cash distributions of $0.05 per common share for each of September and October 2026, which implies an annualized cash distribution rate of 24.4% based on the closing market price of $2.46 per common share on July 31, 2026. *See* additional information under "Distributions" below.

SELECTED FINANCIAL HIGHLIGHTS
(in millions, except per share data)

	At	
	July 31, 2026	**April 30, 2026**
Balance Sheet Highlights		
Total investments, at fair value	$ 181.5	$ 197.4
Total outstanding preferred stock - principal	89.9	89.9
Total net assets	98.0	109.0
NAV per common share	3.32	3.72
Asset coverage ratio[3]	209.1%	221.3%

	For the Fiscal Quarter Ended	
Operating Highlights		
(Per common share)	**July 31, 2026**	**April 30, 2026**
Net investment income	$ 0.14	$ 0.15
Net realized loss on investments	(0.08)	(0.26)
Net change in unrealized depreciation on investments	(0.30)	(0.30)
Loss on redemption of preferred stock[4]	—	—
Net earnings (loss)	$ (0.24)	$ (0.41)
Reconciliation of Core NII — Non-GAAP[2]		
Net investment income	$ 0.14	$ 0.15
CLO equity adjustments	0.07	0.04

Core NII	$ 0.21	$ 0.19

MANAGEMENT COMMENTARY

"While our third quarter results were impacted by continued pressure on our investment fair values, we observed a slowing pace of spread compression and valuation pressure towards the end of the third quarter," said Bilal Rashid, Chief Executive Officer. "During the third quarter, Core NII increased to $0.21 per common share, a 14.9% increase from the prior quarter, providing ample coverage of our quarterly distribution of $0.15 per common share."

PORTFOLIO AND INVESTMENT ACTIVITIES

As of July 31, 2026, the total fair value of our investment portfolio was $181.5 million, comprised of broadly syndicated loan CLOs and middle-market loan CLOs with a total fair value of $177.7 million and $3.8 million, respectively. For the fiscal quarter ended July 31, 2026, our CLO equity cash flow yield[5] was 14.46% based on amortized cost.

	At	
Portfolio Overview ($ in millions)	**July 31, 2026**	**April 30, 2026**
Total investments, at fair value	$ 181.5	$ 197.4
Total number of issuers	78	81
Weighted-average effective yield[6]	11.67%	11.64%

	For the Fiscal Quarter Ended	
Portfolio Purchases ($ in millions)	**July 31, 2026**	**April 30, 2026**
CLO equity investments	$ 0.9	$ —
Total investments	$ 0.9	$ —
Weighted-average effective yield - period end	13.05%	N/A

	At July 31, 2026	
Portfolio Composition ($ in millions)	**Amortized Cost**	**Fair Value**
CLO equity investments	$ 293.3	$ 179.4
Other CLO equity-related investments (i.e., fee rebates)	1.6	2.1
Total investments	$ 294.9	$ 181.5

RESULTS OF OPERATIONS

Interest Income

During the fiscal quarter ended July 31, 2026, interest income decreased to $8.6 million from $9.2 million during the prior quarter. The decrease in interest income was primarily due to a smaller average investment portfolio, at cost, and a decrease in the interest income yield[1] on our investment portfolio.

Expenses

During the fiscal quarter ended July 31, 2026, total expenses decreased by $0.4 million to $4.4 million, primarily due to a decrease of $0.4 million in interest expense. The decrease in interest expense related to aggregate preferred stock redemptions of $26.0 million during the prior quarter.

Net Realized and Unrealized Gain (Loss) on Investments

During the fiscal quarter ended July 31, 2026, net loss on investments of $11.3 million was due to net realized losses of $2.4 million and net unrealized depreciation of $8.9 million. The net unrealized depreciation was primarily driven by continued spread compression coupled with concerns and price volatility surrounding software exposure in CLO portfolios, resulting in lower trading prices in market which impacted fair values.

DISTRIBUTIONS

September and October 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:

Month	Record Date	Payment Date	Cash Distribution Per Share
September 2026	September 15, 2026	September 30, 2026	$ 0.05
October 2026	October 15, 2026	October 30, 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.

Preferred Stock Distributions

As previously announced, on July 16, 2026, the Board declared monthly cash distributions for our 5.25% Series E Term Preferred Stock (Nasdaq: OCCIN), 7.875% Series F Term Preferred Stock (Nasdaq: OCCIM) and 8.00% Series G Term Preferred Stock through January 31, 2027. Given that the shares of 5.25% Series E Term Preferred Stock are mandatorily redeemable on December 31, 2026, dividends for this series of preferred stock have been declared up to, but not including, its date of redemption.

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

Preferred Stock Series	Month	Record Date	Payment Date	Cash Distribution Per Share
5.25% Series E Term Preferred Stock (Nasdaq: OCCIN)	August 2026	August 14, 2026	August 31, 2026	$ 0.109375
	September 2026	September 15, 2026	September 30, 2026	$ 0.109375
	October 2026	October 15, 2026	October 30, 2026	$ 0.109375
	November 2026	November 16, 2026	November 30, 2026	$ 0.109375
	December 2026	December 15, 2026	December 31, 2026	$ 0.109375
7.875% Series F Term Preferred Stock (Nasdaq: OCCIM)	August 2026	August 14, 2026	August 31, 2026	$ 0.1640625
	September 2026	September 15, 2026	September 30, 2026	$ 0.1640625
	October 2026	October 15, 2026	October 30, 2026	$ 0.1640625
	November 2026	November 16, 2026	November 30, 2026	$ 0.1640625
	December 2026	December 15, 2026	December 31, 2026	$ 0.1640625
	January 2027	January 15, 2027	January 29, 2027	$ 0.1640625
8.00% Series G Term Preferred Stock	August 2026	August 14, 2026	August 31, 2026	$ 0.1666667
	September 2026	September 15, 2026	September 30, 2026	$ 0.1666667
	October 2026	October 15, 2026	October 30, 2026	$ 0.1666667
	November 2026	November 16, 2026	November 30, 2026	$ 0.1666667
	December 2026	December 15, 2026	December 31, 2026	$ 0.1666667
	January 2027	January 15, 2027	January 29, 2027	$ 0.1666667

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

	As of July 31, 2026
Assets:	
Investments, at fair value (amortized cost of $294,905,754)	$ 181,500,267
Cash and cash equivalents	7,779,807
Other assets	328,614
Total assets	189,608,688
Liabilities:	
Preferred stock (net of deferred issuance costs of $1,420,588)	88,479,412
Payable to adviser and affiliates	2,429,792
Other liabilities	650,700
Total liabilities	91,559,904
Net assets	$ 98,048,784
Net assets consist of:	
Common stock, par value of $0.001 per share; 90,000,000 shares authorized and 29,492,216 shares issued and outstanding	$ 29,492
Paid-in capital in excess of par	225,116,515
Total accumulated losses	(127,097,223)

Total net assets	$	98,048,784
Net asset value per common share	$	3.32

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

	Three Months Ended July 31, 2026	Nine Months Ended July 31, 2026
Investment income:		
Interest income	$ 8,645,616	$ 28,827,560
Operating expenses:		
Interest expense	1,724,853	5,991,558
Incentive fees	1,058,191	3,522,745
Base management fees	830,539	2,781,836
Administration fees	328,962	974,607
Professional fees	241,902	768,052
Other expenses	228,405	697,784
Total operating expenses	4,412,852	14,736,582
Net investment income	4,232,764	14,090,978
Net realized and unrealized gain (loss) on investments:		
Net realized loss on investments	(2,379,240)	(10,482,285)
Net change in unrealized depreciation on investments	(8,910,758)	(44,448,029)
Net loss on investments	(11,289,998)	(54,930,314)
Loss on redemption of preferred stock	—	(13,360)
Net decrease in net assets resulting from operations	$ (7,057,234)	$ (40,852,696)
Weighted-average common shares outstanding	29,378,371	28,928,701

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[7], 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; 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 July 31, 2026		**For the Fiscal Quarter Ended April 30, 2026**	
	Amount	**Per Common Share Amount**	**Amount**	**Per Common Share Amount**
Net investment income	$ 4,232,764	$ 0.14	$ 4,379,722	$ 0.15
CLO equity adjustments	2,066,595	0.07	1,103,694	0.04
Core NII	$ 6,299,359	$ 0.21	$ 5,483,416	$ 0.19

The following table provides a reconciliation of GAAP NII to Core NII for the nine months ended July 31, 2026 and 2025:

	For the Nine Months Ended July 31, 2026		**For the Nine Months Ended July 31, 2025**	
	Amount	**Per Common Share Amount**	**Amount**	**Per Common Share Amount**
Net investment income	$ 14,090,978	$ 0.49	$ 16,373,941	$ 0.66
CLO equity adjustments	6,801,447	0.23	8,891,204	0.36
Core NII	$ 20,892,425	$ 0.72	$ 25,265,145	$ 1.02

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[1] 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).

[2] 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.

[3] 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.

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

[5] 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).

[6] Based on amortized cost at period end; excludes discount accretion on CLO debt investments, if applicable.

[7] Registration does not imply a certain level of skill or training.

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