



OFS Credit Company Announces Fourth Quarter and Year-End 2018 Financial Results

December 20, 2018

CHICAGO--(BUSINESS WIRE)--Dec. 20, 2018-- OFS Credit Company, Inc. (NASDAQ:OCCI) ("OFS Credit," the "Company," "we," "us" or "our"), an investment company, that primarily invests in collateralized loan obligation ("CLO") equity and subordinated debt securities, today announced its financial results for the fiscal quarter and the fiscal year ended October 31, 2018.

HIGHLIGHTS

- Commenced operations on October 10, 2018 upon consummation of its initial public offering.
- Net asset value increased from \$20.00 per share on October 10, 2018 to \$20.11 per share at October 31, 2018.
- Raised \$50 million in initial public offering on October 10, 2018 by offering 2.5 million shares at \$20 per share.
- Closed investments totaling approximately \$43.0 million during the period ended October 31, 2018.
- Declared monthly distributions on common stock through January 2019, implying an annualized distribution of \$2.00 per share.
- Fourth quarter net investment income of \$0.2 million, or \$0.09 per share for the period October 10, 2018 through October 31, 2018.

Management Commentary

"We are pleased that OFS Credit had a strong start from an operational perspective," said Bilal Rashid, OFS Credit's Chairman and Chief Executive Officer. "After the closing of our \$50 million IPO in October 2018, we were able to deploy a majority of the offering proceeds in the same month. Subsequent to October 31, 2018 we deployed another \$3.42 million. Also in October, the Board declared monthly distributions through January 2019."

"During the quarter ended October 31, 2018, our net asset value increased to \$20.11 per share. Looking forward, we believe we have capacity to increase the asset base and grow net investment income. We believe our commitment to capital preservation and strong long-term performance is aligned with the interests of OFS Capital Management, LLC (the "Advisor"), our investment advisor, who together with other insiders own approximately 13% of our common stock. In addition, the Advisor paid for the sales and commission and organizational and offering costs related to our IPO."

"We believe the Advisor is uniquely positioned to advise OFS Credit given its expertise in both structuring and investing in CLO equity, combined with its long-standing experience investing in the underlying corporate loans that serve as the collateral in CLOs. We believe OFS Credit is one of the few options today for investors to access the CLO asset class, in an exchanged-traded vehicle."

Distributions

On October 15, 2018, the Board declared the following distributions on common shares.

Record Date	Payable Date	Dividend Per Common Share
November 5, 2018	November 16, 2018	\$0.113
November 12, 2018	November 30, 2018	\$0.167
December 10, 2018	December 31, 2018	\$0.167
January 14, 2019	January 31, 2019	\$0.167

PORTFOLIO AND INVESTMENT ACTIVITIES

During the period ending October 31, 2018, OFS Credit closed twenty-one investments, totaling \$43.0 million of CLO subordinated/income note securities in nineteen unique CLO deals. OFS Credit's portfolio has exposure to thirteen separate collateral managers.

RESULTS OF OPERATIONS

Interest Income

Interest income for the period ending October 31, 2018 was \$350,832.

Management fee

Management fee expense for the period ending October 31, 2018 was \$52,931. The Advisor agreed to waive the management fee for the period commencing on the date of our IPO through January 31, 2019, without recourse against or reimbursement by the Company.

Net Gain (Loss) on Investments

Net gains for the period ending October 31, 2018 were \$69,470 due to stronger than expected cash flows on the portfolio.

LIQUIDITY AND CAPITAL RESOURCES

As of October 31, 2018, we had \$9.1 million in cash. We have no restrictions or limitations on the use of our cash.

Condensed Balance Sheet

	October 31, 2018
Assets:	
Investments at fair value (cost of \$41,806,470)	\$ 41,875,940
Cash	9,056,303
Investment distribution receivable	155,443
Prepaid expenses and other assets	13,555
Total assets	51,101,241
Liabilities:	
Administrative fee payable	10,000
Accrued professional fees	96,946
Payable for investment purchased	590,000
Other accrued expenses	17,788
Total liabilities	714,734
Commitments and contingencies	
Net assets	\$ 50,386,507
Net assets consists of:	
Common stock, par value of \$0.001 per share; 90,000,000 shares authorized and 2,505,000 shares issued and outstanding as of October 31, 2018	2,505
Paid-in capital in excess of par	49,963,923
Total distributable earnings	420,079
Total net assets	50,386,507
Total liabilities and net assets	\$ 51,101,241
Number of shares outstanding	2,505,000
Net asset value per share	\$ 20.11

Condensed Income Statement

	Period from October 10 (commencement of operations) through October 31, 2018
Investment income	
Interest income	\$ 350,832
Operating expenses	
Management fees	52,931
Professional fees	95,000
Administrative fees	10,000
Board of directors fees	10,645
Other expenses	11,278
Total operating expenses	186,726
Less: Waiver of management fee	(52,931)
Net operating expenses	133,795
Net investment income	217,037
Realized and unrealized gain on investments	
Net unrealized appreciation on investments	69,470
Net gain on investments	69,470
Net increase in net assets resulting from operations	\$ 286,507

About OFS Credit Company, Inc.

OFS Credit Company, Inc. is a non-diversified, externally managed closed-end management investment company. The Company's investment objective is to generate current income, with a secondary objective to generate capital appreciation primarily through investment in collateralized loan obligation ("CLO") equity and subordinated 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, as amended, and headquartered in Chicago, Illinois 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: management's beliefs regarding its capacity to increase the asset base and grow net investment income; management's beliefs related to its commitment to capital preservation and long-term performance; the Advisor's expertise in both structuring and investing in CLO equity; management's belief that OFS Credit is one of a few options for investors to access the CLO equity asset class; and other factors may constitute forward-looking statements for purposes of the safe harbor protection under applicable securities laws. Forward-looking statements can be identified by terminology such as "anticipate," "believe," "could," "could increase the likelihood," "estimate," "expect," "intend," "is planned," "may," "should," "will," "will enable," "would be expected," "look forward," "may provide," "would" or similar terms, variations of such terms or the negative of those terms. Such forward-looking statements involve known and unknown risks, uncertainties and other factors including those risks, uncertainties and factors referred to in documents that may be filed by OFS Credit from time to time with the Securities and Exchange Commission. As a result of such risks, uncertainties and factors, actual results may differ materially from any future results, performance or achievements discussed in or implied by the forward-looking statements contained herein. OFS Credit is providing the information in this press release as of this date and assumes no obligations to update the information included in this press release or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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