



OFS Credit Company Announces Second Quarter 2019 Financial Results

June 18, 2019

CHICAGO--(BUSINESS WIRE)--Jun. 18, 2019-- 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 debt securities, today announced its financial results for the fiscal quarter ended April 30, 2019.

HIGHLIGHTS

- Net asset value increased to \$18.95 per share from \$18.82 at January 31, 2019.
- Closed \$21.3 million Series A Term Preferred Stock offering during March and April, 2019.
- Closed investments totaling approximately \$21.6 million during the three months ended April 30, 2019.
- Declared monthly cash distributions for common stockholders through July 2019, implying an annualized distribution of \$2.00 per share.
- Net investment income during the three months ended April 30, 2019 of \$0.9 million, or \$0.38 per share.

Management Commentary

"Our net asset value increased to \$18.95 per share at the end of the second quarter," said Bilal Rashid, OFS Credit's Chairman and Chief Executive Officer. "In March and April, we closed a \$21.3 million Series A Term Preferred Stock offering. We invested the majority of the proceeds in the month following the offering and anticipate realizing the full benefit of this accretive offering in the third fiscal quarter."

"We continue to see attractive investment opportunities. We believe our commitment to strong, long-term performance is aligned with the interests of OFS Capital Management, LLC, our investment advisor who, together with other insiders, owns approximately 13% of our common stock," said Bilal Rashid.

Distributions

On April 11, 2019, the Company's Board of Directors declared the following distributions on common shares.

| Record Date | Payable Date | Dividend Per Common Share |
|---------------|---------------|---------------------------|
| May 24, 2019 | May 31, 2019 | \$0.167 |
| June 21, 2019 | June 28, 2019 | \$0.167 |
| July 24, 2019 | July 31, 2019 | \$0.167 |

RESULTS OF OPERATIONS

During the six months ended April 30, 2019, OFS Credit closed ten new investments, totaling \$27.5 million, as well as two follow-on investments, totaling \$1.7 million, in CLO equity securities. OFS Credit's portfolio currently has exposure to twenty-nine separate collateral managers.

Interest income increased \$344,000 for the three months ended April 30, 2019, due to the deployment of \$20.4 million in offering proceeds from our Series A Term Preferred Stock. The preferred stock transaction closed on March 25, 2019, and therefore the Company did not realize the full benefit of these investments in the quarter ended April 30, 2019 since the offering occurred in the second half of the quarter.

The \$344,000 increase in interest investment income for the three months ended April 30, 2019 was offset by a \$402,000 increase in net operating expenses over the prior fiscal quarter principally related to a \$220,000 voluntary waiver of management fees in the prior quarter. Additionally, the Company incurred \$166,000 in interest expense for the three months ended April 30, 2019 related to its Series A Term Preferred Stock. As with investment income, the Company did not incur this expense for the full fiscal quarter.

Investments appreciated \$631,000 during the three months ended April 30, 2019, as markets recovered from the downturn that occurred during December of 2018.

Statement of Assets and Liabilities

April 30, 2019

(unaudited)

Assets:

| | |
|--|-------------------|
| Investments at fair value (cost of \$66,883,042) | \$ 64,870,172 |
| Cash | 4,299,692 |
| Prepaid expenses and other assets | 29,648 |
| Total assets | 69,199,512 |

Liabilities:

| | |
|---|------------|
| 6.875% Series A Term Preferred Stock (net of deferred debt issuance costs of \$817,416) | 20,499,084 |
|---|------------|

| | |
|---|----------------------|
| Payable to adviser and affiliates | 1,071,938 |
| Accrued professional fees | 116,975 |
| Other liabilities | 32,713 |
| Total liabilities | 21,720,710 |
| Commitments and contingencies | |
| Net assets | \$ 47,478,802 |
| Net assets consists of: | |
| Common stock, par value of \$0.001 per share; 90,000,000 shares authorized and 2,505,044 shares issued and outstanding as of April 30, 2019 | \$ 2,505 |
| Paid-in capital in excess of par | 49,964,646 |
| Total distributable earnings | (2,488,349) |
| Total net assets | 47,478,802 |
| Total liabilities and net assets | \$ 69,199,512 |
| Net asset value per share | \$ 18.95 |

Statement of Operations
Six Months Ended April 30, 2019
(unaudited)

| | |
|---|----------------------|
| Investment income | |
| Interest income | \$ 3,550,099 |
| Operating expenses | |
| Interest expense | 165,696 |
| Management fees | 468,472 |
| Incentive fees | 472,523 |
| Administration fees | 311,201 |
| Professional fees | 157,583 |
| Board of directors fees | 90,000 |
| Other expenses | 148,238 |
| Total operating expenses | 1,813,713 |
| Less: waiver of management fee | (220,441) |
| Net operating expenses | 1,593,272 |
| Net investment income | 1,956,826 |
| Realized and unrealized gain (loss) on investments | |
| Net realized gain on investments | 10,175 |
| Net unrealized depreciation on investments | (2,082,340) |
| Net loss on investments | (2,072,165) |
| Net decrease in net assets resulting from operations | \$ (115,339) |

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 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 expectations regarding the realization of benefits of invested capital from the Company's preferred stock offering; management's belief that its commitment to strong, long-term performance is aligned with the interests of OFS Capital Management, LLC; 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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INVESTOR RELATIONS:

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