



OFS Credit Company Announces Financial Results for the Fourth Fiscal Quarter 2025

December 10, 2025

CHICAGO--(BUSINESS WIRE)--Dec. 10, 2025-- 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 October 31, 2025.

FOURTH QUARTER HIGHLIGHTS

- Net investment income ("NII") of \$6.2 million, or \$0.22 per common share, for the fiscal quarter ended October 31, 2025. This compares to NII of \$6.1 million, or \$0.22 per common share, for the fiscal quarter ended July 31, 2025. NII moderately increased for the fiscal quarter ended October 31, 2025, primarily due to an increase in the size of our average investment portfolio, at cost, and a decrease in total expenses. See additional information under "Results of Operations" below.
- Core net investment income ("Core NII") ¹ of \$8.8 million, or \$0.32 per common share, for the fiscal quarter ended October 31, 2025. This compares to Core NII of \$8.5 million, or \$0.31 per common share, for the fiscal quarter ended July 31, 2025. Core NII increased for the fiscal quarter ended October 31, 2025, primarily due to an increase in cashflows from issuers making their first payments since our investment.
- Net asset value ("NAV") per common share of \$5.46 at October 31, 2025, a decrease of \$0.67 from NAV of \$6.13 at July 31, 2025. The decrease in NAV was primarily due to a net loss on investments of \$0.55 per common share and distributions of \$0.345 per common share paid during the quarter which exceeded our quarterly NII of \$0.22 per common share. See additional information under "Results of Operations" below.
- During the fiscal quarter ended October 31, 2025, the interest income yield² of our investment portfolio was 14.35%, based on average amortized cost.
- During the fiscal quarter ended October 31, 2025, we issued 96,810 shares of common stock through our At-the-Market offering, for net proceeds of \$0.6 million, after deducting commissions, fees and offering costs.

OTHER RECENT EVENTS

- As previously announced, on October 16, 2025, our board of directors (the "Board") declared monthly cash distributions of \$0.115 per common share for each of the three months in the fiscal quarter ending January 31, 2026, which implies an annualized cash distribution rate of 28.6% based on the closing market price of \$4.82 per common share on October 31, 2025. See additional information under "Distributions" below.
- As previously announced, on November 4, 2025, we entered into a Master Repurchase Agreement ("MRA") with Nomura Securities International, Inc. for the purchase and sale of CLO securities that may be effected pursuant to transaction confirmations entered into under the MRA (the "Repurchase Facility"). We are authorized to enter into up to \$25 million in transactions, from time to time, under the Repurchase Facility.

SELECTED FINANCIAL HIGHLIGHTS

(in millions, except per share data)

Balance Sheet Highlights

	At	
	October 31, 2025	July 31, 2025
	(Unaudited)	
Total investments, at fair value	\$ 256.5	\$ 279.4
Total outstanding preferred stock - principal	115.9	115.9
Total net assets	153.0	170.0
NAV per common share	5.46	6.13

Operating Highlights

(Per common share)

	For the Fiscal Quarter Ended	
	October 31, 2025	July 31, 2025
Net investment income	\$ 0.22	\$ 0.22
Net realized loss on investments	(0.03)	(0.07)
Net change in unrealized appreciation (depreciation) on investments	(0.52)	0.14
Net earnings (loss)	\$ (0.33)	\$ 0.29

Reconciliation of Core NII — Non-GAAP³

Net investment income	\$ 0.22	\$ 0.22
CLO equity adjustments	0.10	0.09
Core NII	\$ 0.32	\$ 0.31

MANAGEMENT COMMENTARY

"We closed out our fiscal year 2025, which saw significant growth in the fund, with our net investment income and total investments, at fair value, increasing 29.5% and 19.4% respectively, year-over-year," said Bilal Rashid, Chief Executive Officer. "During the fourth quarter, we also executed a number of reset and refinancing transactions which we believe will extend the cash flow streams of these CLO equity securities."

PORTFOLIO AND INVESTMENT ACTIVITIES

As of October 31, 2025, the total fair value of our investment portfolio was \$256.5 million, which was equal to 78.8% of amortized cost. For the quarter ended October 31, 2025, our CLO equity cash flow yield³ was 17.30% based on amortized cost.

Portfolio Overview (\$ in millions)	At	
	October 31, 2025	July 31, 2025
Total investments, at fair value	\$ 256.5	\$ 279.4
Total number of issuers	85	89
Weighted-average effective yield ⁴	13.02%	14.04%

Portfolio Purchases (\$ in millions)	For the Fiscal Quarter Ended	
	October 31, 2025	July 31, 2025
CLO equity investments	\$ 4.0	\$ 36.8
CLO debt investments	—	2.0
Loan accumulation facility investments	3.5	2.2
Other CLO equity-related investments (i.e., fee rebates)	—	0.2
Total investments	\$ 7.5	\$ 41.2
Weighted-average effective yield - period end	15.48%	19.05%

Portfolio Composition (\$ in millions)	At October 31, 2025	
	Amortized Cost	Fair Value
CLO equity investments	\$ 310.8	\$ 241.2
CLO debt investments	3.8	3.9
Loan accumulation facility investments	9.5	9.5
Other CLO equity-related investments (i.e., fee rebates)	1.4	1.9
Total investments	\$ 325.5	\$ 256.5

RESULTS OF OPERATIONS

Interest Income

During the fiscal quarter ended October 31, 2025, interest income increased to \$12.0 million from \$11.9 million during the prior quarter. The increase in interest income was primarily due to an increase in the size of our average investment portfolio, at cost.

Expenses

During the fiscal quarter ended October 31, 2025, total expenses decreased by \$0.1 million to \$5.8 million, primarily due to a \$0.1 million decrease in administration fees.

Net Realized and Unrealized Gain (Loss) on Investments

During the fiscal quarter ended October 31, 2025, net loss on investments of \$15.3 million was primarily due to net unrealized depreciation on our CLO equity investments, primarily attributable to weaker cashflows related to spread compression on the underlying collateral.

DISTRIBUTIONS

First 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:

Month	Record Date	Payment Date	Cash Distribution Per Share
November 2025	November 17, 2025	November 28, 2025	\$0.115
December 2025	December 12, 2025	December 31, 2025	\$0.115
January 2026	January 15, 2026	January 30, 2026	\$0.115

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

	As of October 31, 2025
Assets:	
Investments, at fair value (amortized cost of \$325,494,574)	\$ 256,537,117
Cash and cash equivalents	13,506,490
Interest receivable	422,588
Other assets	355,606
Total assets	270,821,801
Liabilities:	
Preferred stock (net of deferred issuance costs of \$1,985,366)	113,914,634
Payable to adviser and affiliates	3,383,435
Other liabilities	500,428
Total liabilities	117,798,497
Net assets	\$ 153,023,304
Net assets consist of:	
Common stock, par value of \$0.001 per share; 90,000,000 shares authorized and 28,025,822 shares issued and outstanding	\$ 28,026
Paid-in capital in excess of par	218,825,175
Total accumulated losses	(65,829,897)
Total net assets	\$ 153,023,304
Net asset value per common share	\$ 5.46

OFS Credit Company, Inc.
Statements of Operations

	Three Months Ended October 31, 2025 (Unaudited)	Year Ended October 31, 2025
Investment income:		
Interest income	\$ 11,973,551	\$ 44,151,443
Operating expenses:		
Interest expense	2,148,046	7,692,431
Incentive fees	1,552,386	5,645,871
Base management fees	1,188,531	4,797,664
Administration fees	319,774	1,406,334
Professional fees	256,544	1,048,081
Other expenses	298,726	977,577
Total operating expenses	5,764,007	21,567,958
Net investment income	6,209,544	22,583,485
Net realized and unrealized gain (loss) on investments:		
Net realized loss on investments	(831,438)	(3,606,533)
Net change in unrealized depreciation on investments	(14,445,640)	(28,889,461)
Net loss on investments	(15,277,078)	(32,495,994)
Net decrease in net assets resulting from operations	\$ (9,067,534)	\$ (9,912,509)
Weighted-average common shares outstanding	27,835,139	25,553,971

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 1940⁵, 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: the Company's results of operations, including NII, Core NII, earnings per share and net asset value and the factors that may affect such results; the belief that executing reset and refinancing transactions will extend the cash flow streams of CLO equity securities; 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 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, 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 quarters ended October 31, 2025 and July 31, 2025:

	For the Fiscal Quarter Ended October 31, 2025		For the Fiscal Quarter Ended July 31, 2025	
	Amount	Per Common Share Amount	Amount	Per Common Share Amount
Net investment income	\$ 6,209,544	\$ 0.22	\$ 6,050,783	\$ 0.22
CLO equity adjustments	2,593,985	0.10	2,476,308	0.09
Core NII	\$ 8,803,529	\$ 0.32	\$ 8,527,091	\$ 0.31

The following table provides a reconciliation of GAAP NII to Core NII for the fiscal years ended October 31, 2025 and 2024:

	For the Fiscal Year Ended October 31, 2025		For the Fiscal Year Ended October 31, 2024	
	Amount	Per Common Share Amount	Amount	Per Common Share Amount
Net investment income	\$ 22,583,485	\$ 0.88	\$ 17,436,507	\$ 1.04
CLO equity adjustments	11,485,189	0.45	16,491,028	0.99
Core NII	\$ 34,068,674	\$ 1.33	\$ 33,927,535	\$ 2.03

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¹ 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.

² 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).

³ 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.

⁴ Based on amortized cost at period end; excludes discount accretion on CLO debt investments.

⁵ Registration does not imply a certain level of skill or training.

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