OFS CREDIT

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

March 5, 2026

CHICAGO--(BUSINESS WIRE)--Mar. 5, 2026-- OFS Credit Company, Inc. (Nasdaq: OCCI, OCCIO, 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 January 31, 2026.

FIRST QUARTER HIGHLIGHTS

- Net investment income ("NII") of $5.5 million, or $0.19 per common share, for the fiscal quarter ended January 31, 2026. This compares to NII of $6.2 million, or $0.22 per common share, for the fiscal quarter ended October 31, 2025. NII decreased for the fiscal quarter ended January 31, 2026, primarily due to 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 $9.1 million, or $0.32 per common share, for the fiscal quarter ended January 31, 2026. This compares to Core NII of $8.8 million, or $0.32 per common share, for the fiscal quarter ended October 31, 2025. Core NII increased for the fiscal quarter ended January 31, 2026, due to a modest increase in recurring CLO equity investment cashflows, while Core NII per common share was stable. *See* additional information under "Supplemental Information Regarding Core Net Investment Income" below.
- Net asset value ("NAV") per common share of $4.36 at January 31, 2026, a decrease of $1.10 from NAV of $5.46 at October 31, 2025. The decrease in NAV was primarily due to a net loss on investments of $0.96 per common share and distributions of $0.345 per common share paid during the quarter which exceeded our quarterly NII of $0.19 per common share. *See* additional information under "Results of Operations" below.
- During the fiscal quarter ended January 31, 2026, the interest income yield[1] of our investment portfolio was 13.16%, based on average amortized cost.
- During the fiscal quarter ended January 31, 2026, we issued 825,444 shares of common stock through our At-the-Market offering, for net proceeds of $4.1 million, after deducting commissions, fees and offering costs.

OTHER RECENT EVENTS

- On February 18, 2026, we caused notice to be issued to the holder of the Series D Term Preferred Stock regarding the exercise of our option to fully redeem the $3.0 million of issued and outstanding Series D Term Preferred Stock on February 27, 2026. On February 27, 2026, all outstanding shares of the Series D Term Preferred Stock were redeemed at 100% of their principal amount ($25 per share). In accordance with the provisions of the Certificate of Designation of the Series D Term Preferred Stock, dividends declared on the Series D Term Preferred Stock for the month of February 2026 were paid on the February 27, 2026 to the holder of record of the Series D Term Preferred Stock at the close of business on the record date, and were not paid as part of the redemption price.
- On February 19, 2026, we caused notices to be issued to the holders of the Series C Term Preferred Stock regarding the exercise of our option to partially redeem $5.0 million of the issued and outstanding Series C Term Preferred Stock on March 31, 2025. The Series C Term Preferred Stock will be redeemed at 100% of their principal amount ($25 per share). In accordance with the provisions of the Certificate of Designation of the Series C Term Preferred Stock, dividends declared on the Series C Preferred Shares for the month of March 2026 shall be paid on the dividend payment date to the holders of record of the Series C Term Preferred Stock at the close of business on the record date, and shall not be payable as part of the redemption price.
- As previously announced, on February 23, 2026, our board of directors (the "Board") declared monthly cash distributions of $0.05 per common share for the months of March and April 2026, which implies an annualized cash distribution rate of 18.9% based on the closing market price of $3.17 per common share on the declaration date. *See* additional information under "Distributions" below.

SELECTED FINANCIAL HIGHLIGHTS

(in millions, except per share data)	**At**	
	January 31, 2026	**October 31, 2025**
Balance Sheet Highlights		
Total investments, at fair value	$ 235.9	$ 256.5
Total outstanding preferred stock - principal	115.9	115.9
Total net assets	126.8	153.0
NAV per common share	4.36	5.46
Asset coverage ratio[3]	209.4%	232.0%

Operating Highlights	For the Fiscal Quarter Ended	
(Per common share)	**January 31, 2026**	**October 31, 2025**
Net investment income	$ 0.19	$ 0.22
Net realized loss on investments	(0.02)	(0.03)
Net change in unrealized depreciation on investments	(0.94)	(0.52)
Net earnings (loss)	$ (0.77)	$ (0.33)
Reconciliation of Core NII — Non-GAAP[1]		
Net investment income	$ 0.19	$ 0.22
CLO equity adjustments	0.13	0.10
Core NII	$ 0.32	$ 0.32

MANAGEMENT COMMENTARY

"Amid the ongoing market volatility in CLO equity, we remain focused on prudently positioning our balance sheet and taking actions to preserve capital, including our recent announcement to reduce our monthly common stock distribution rate," said Bilal Rashid, Chief Executive Officer. "We continue to proactively manage our portfolio, evaluating accretive reset and refinancing transactions, and we maintained our weighted average remaining reinvestment period at 3.4 years at quarter end. In addition, we continued to selectively deploy capital in what we believe are attractive risk-adjusted return opportunities, which carried a weighted average yield of 16.51% at quarter end."

PORTFOLIO AND INVESTMENT ACTIVITIES

As of January 31, 2026, the total fair value of our investment portfolio was $235.9 million, which was equal to 71.2% of amortized cost. For the quarter ended January 31, 2026, our CLO equity cash flow yield[4] was 17.40% based on amortized cost.

	At	
Portfolio Overview ($ in millions)	**January 31, 2026**	**October 31, 2025**
Total investments, at fair value	$ 235.9	$ 256.5
Total number of issuers	85	85
Weighted-average effective yield[5]	12.39%	13.02%

	For the Fiscal Quarter Ended	
Portfolio Purchases ($ in millions)	**January 31, 2026**	**October 31, 2025**
CLO equity investments	$ 12.0	$ 4.0
CLO debt investments	—	—
Loan accumulation facility investments	3.1	3.5
Other CLO equity-related investments (i.e., fee rebates)	—	—
Total investments	$ 15.1	$ 7.5
Weighted-average effective yield - period end	16.51%	15.48%

	At January 31, 2026	
Portfolio Composition ($ in millions)	**Amortized Cost**	**Fair Value**
CLO equity investments	$ 318.5	$ 222.5
CLO debt investments	0.1	0.1
Loan accumulation facility investments	11.5	11.5
Other CLO equity-related investments (i.e., fee rebates)	1.3	1.8
Total investments	$ 331.4	$ 235.9

RESULTS OF OPERATIONS

Interest Income

During the fiscal quarter ended January 31, 2026, interest income decreased to $11.0 million from $12.0 million during the prior quarter. The decrease in interest income was primarily due to a decrease in the interest income yield[1] on our investment portfolio.

Expenses

During the fiscal quarter ended January 31, 2026, total expenses decreased by $0.3 million to $5.5 million, primarily due to an aggregate decrease of $0.3 million in base management and incentive fees.

Net Realized and Unrealized Gain (Loss) on Investments

During the fiscal quarter ended January 31, 2026, net loss on investments of $27.2 million was primarily due to net unrealized depreciation on our CLO equity investments of $26.3 million, primarily attributable to ongoing spread compression in underlying loan collateral, resulting weaker cashflow arbitrage, and declines in loan prices.

DISTRIBUTIONS

March and April 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
March 2026	March 16, 2026	March 31, 2026	$0.05
April 2026	April 15, 2026	April 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 January 16, 2026, our Board declared monthly cash distributions on preferred shares through July 31, 2026, if applicable. The following schedule applies to the 6.125% Series C Term Preferred Stock (Nasdaq: OCCIO), 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 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
6.125% Series C Term Preferred Stock (Nasdaq: OCCIO)	March 2026	March 16, 2026	March 31, 2026	$0.1276042
	April 2026	April 15, 2026	April 30, 2026	$0.1233507
5.25% Series E Term Preferred Stock (Nasdaq: OCCIN)	March 2026	March 16, 2026	March 31, 2026	$0.109375
	April 2026	April 15, 2026	April 30, 2026	$0.109375
	May 2026	May 15, 2026	May 29, 2026	$0.109375
	June 2026	June 15, 2026	June 30, 2026	$0.109375
	July 2026	July 15, 2026	July 31, 2026	$0.109375
7.875% Series F Term Preferred Stock (Nasdaq: OCCIM)	March 2026	March 16, 2026	March 31, 2026	$0.1640625
	April 2026	April 15, 2026	April 30, 2026	$0.1640625
	May 2026	May 15, 2026	May 29, 2026	$0.1640625
	June 2026	June 15, 2026	June 30, 2026	$0.1640625
	July 2026	July 15, 2026	July 31, 2026	$0.1640625
8.00% Series G Term Preferred Stock	March 2026	March 16, 2026	March 31, 2026	$0.16666667
	April 2026	April 15, 2026	April 30, 2026	$0.16666667
	May 2026	May 15, 2026	May 29, 2026	$0.16666667
	June 2026	June 15, 2026	June 30, 2026	$0.16666667
	July 2026	July 15, 2026	July 31, 2026	$0.16666667

OFS Credit Company, Inc.
Statement of Assets and Liabilities

	As of January 31, 2026
Assets:	
Investments, at fair value (amortized cost of $331,435,941)	$ 235,917,860
Cash and cash equivalents	7,082,187
Receivable for common stock sold	660,572
Interest receivable	703,982
Other assets	354,520
Total assets	244,719,121
Liabilities:	
Preferred stock (net of deferred issuance costs of $1,782,539)	114,117,461
Payable to adviser and affiliates	3,230,068

Other liabilities	611,000
Total liabilities	117,958,529
Net assets	$ 126,760,592
Net assets consist of:	
Common stock, par value of $0.001 per share; 90,000,000 shares authorized and 29,088,071 shares issued and outstanding	$ 29,088
Paid-in capital in excess of par	223,994,410
Total accumulated losses	(97,262,906)
Total net assets	$ 126,760,592
Net asset value per common share	$ 4.36

OFS Credit Company, Inc.
Statement of Operations

	Three Months Ended January 31, 2026
Investment income:	
Interest income	$ 10,979,551
Operating expenses:	
Interest expense	2,166,643
Incentive fees	1,369,623
Base management fees	1,072,324
Administration fees	387,106
Professional fees	273,838
Other expenses	231,524
Total operating expenses	5,501,058
Net investment income	5,478,493
Net realized and unrealized gain (loss) on investments:	
Net realized loss on investments	(611,927)
Net change in unrealized depreciation on investments	(26,560,624)
Net loss on investments	(27,172,551)
Net decrease in net assets resulting from operations	$ (21,694,058)
Weighted-average common shares outstanding	28,221,045

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[6], 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, amid the ongoing market volatility in CLO equity, management remains focused on prudently positioning our balance sheet and taking actions to preserve capital, including our recent announcement to reduce our monthly common stock; the assertion that management continues to proactively manage our portfolio, evaluating accretive reset and refinancing transactions; and the belief that management continues to selectively deploy capital in what management believes are attractive risk-adjusted return opportunities; 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, 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 quarters ended January 31, 2026 and October 31, 2025:

	For the Fiscal Quarter Ended January 31, 2026		For the Fiscal Quarter Ended October 31, 2025	
	Amount	Per Common Share Amount	Amount	Per Common Share Amount
Net investment income	$ 5,478,493	$ 0.19	$ 6,209,544	$ 0.22
CLO equity adjustments	3,631,157	0.13	2,593,985	0.10
Core NII	$ 9,109,650	$ 0.32	$ 8,803,529	$ 0.32

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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] 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.

[5] Based on amortized cost at period end; excludes discount accretion on CLO debt investments.

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

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