OFS CREDIT

OFS Credit Company, Inc.

NASDAQ: OCCI (common stock)

NASDAQ: OCCIP (preferred stock)

Before making an investment, you should read the summary of the principal risks of investing in our securities included on pages 18 and 19 of this presentation.

Investors are advised to carefully consider the investment objectives, risks and charges and expenses of the Company before investing. The Company's public filings with the Securities and Exchange Commission (the "SEC") contain this and other information about the Company and should be read carefully before investing.

The information herein is not complete and may be changed. These materials are not an offer to sell securities and are not soliciting an offer to buy securities in any jurisdiction where the offer or sale is not permitted or would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. These materials are not advice, a recommendation or an offer to enter into any transaction with the Company or any of its affiliates. There is no guarantee that any of the goals, targets or objectives described in these materials will be achieved. Past performance of the Company or any of its affiliates should not be viewed as indicative of the Company's future results.

Important Disclosures

These materials and any presentation of which they form a part are neither an offer to sell, nor a solicitation of an offer to purchase, securities of OFS Credit Company, Inc. (“OCCI”, the “Company”, “our”, and “we”). These materials are being provided for informational purposes only.

The Company’s securities do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution, and are not insured by the FDIC, the Federal Reserve Board or any other government agency. You or your clients may lose money by investing in the Company. The Company is not intended to be a complete investment program and, due to the uncertainty inherent in all investments, there can be no assurance that the Company will achieve its investment objectives.

The information contained herein is not intended to provide, and should not be relied upon for, accounting, legal or tax advice or investment recommendations. Prospective investors should also seek advice from their own independent tax, accounting, financial, investment and legal advisors to properly assess the merits and risks associated with an investment in the Company in light of their own financial condition and other circumstances.

These materials and the presentations of which they are a part, and the summaries contained herein, do not purport to be complete and no obligation to update or otherwise revise such information is being assumed. Nothing shall be relied upon as a promise or representation as to the future performance of the Company. Such information is qualified in its entirety by reference to the more detailed discussions contained elsewhere in the Company’s public filings with the SEC.

An investment in the Company is speculative and involves a high degree of risk. There can be no guarantee that the Company’s investment objective will be achieved. The Company may engage in other investment practices that may increase the risk of investment loss. An investor could lose all or substantially all of his, her or its investment. The Company may not provide periodic valuation information to investors, and there may be delays in distributing important tax information. The Company’s fees and expenses may be considered high and, as a result, such fees and expenses may offset the Company’s profits. A portion of the investments executed for the Company may take place in foreign markets. For a summary of certain of these and other risks, please see pages 18 and 19 of this presentation and the Company’s public filings with the SEC.

There is no guarantee that any of the estimates, targets or projections illustrated in these materials and any presentation of which they form a part will be achieved. Any references herein to any of the Company’s past or present investments or its past or present performance, have been provided for illustrative purposes only. It should not be assumed that these investments were or will be profitable or that any future investments by the Company will be profitable or will equal the performance of these investments.

This presentation contains "forward looking statements" that are subject to risks and uncertainties. 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 the Company’s public filings with the SEC. 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. The Company is providing the information as of this date and assumes no obligations to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

OFS Credit Company (NASDAQ: OCCI)

Overview	• OCCI is a Nasdaq listed closed-end fund that primarily invests in Collateralized Loan Obligation ("CLO") equity and debt securities • Net Asset Value of $18.95 per share as of April 30, 2019
Advisor	• OFS Capital Management, LLC ("OFS" or "OFS Capital Management") was established in 1994 and has $2.2 billion of assets under management[1] • Focused on: (1) structuring and investing in CLO equity and subordinated debt; (2) managing CLOs (investing in broadly syndicated loans financed through CLOs); and (3) direct loan origination
Alignment of Interest	• As of April 30, 2019, insiders own ~13% of OCCI's common shares[2]
CLOs are an attractive asset class	• Collateralized by floating rate loans of large, U.S. based corporations • Diversified by a large number of distinct underlying borrowers across various industry sectors with varying vintages • Attractively financed with matched funding (meaning that investments are planned to correspond to the timing of payments on financing)

Long-Standing CLO Manager With Expertise in Structuring CLOs and Investing in the Underlying Corporate Loans

OFS is an experienced CLO Equity Investor

Robust Credit Team with Analyst Coverage of the Senior Secured Loan Market

OFS has established Infrastructure

1 As of March 31, 2019. Calculated in accordance with the Investment Advisers Act of 1940, as amended.
2 Includes OFS Capital Management, LLC, its parent company, Orchard First Source Asset Management, LLC ("OFSAM"), as well as other wholly-owned subsidiaries of OFSAM.

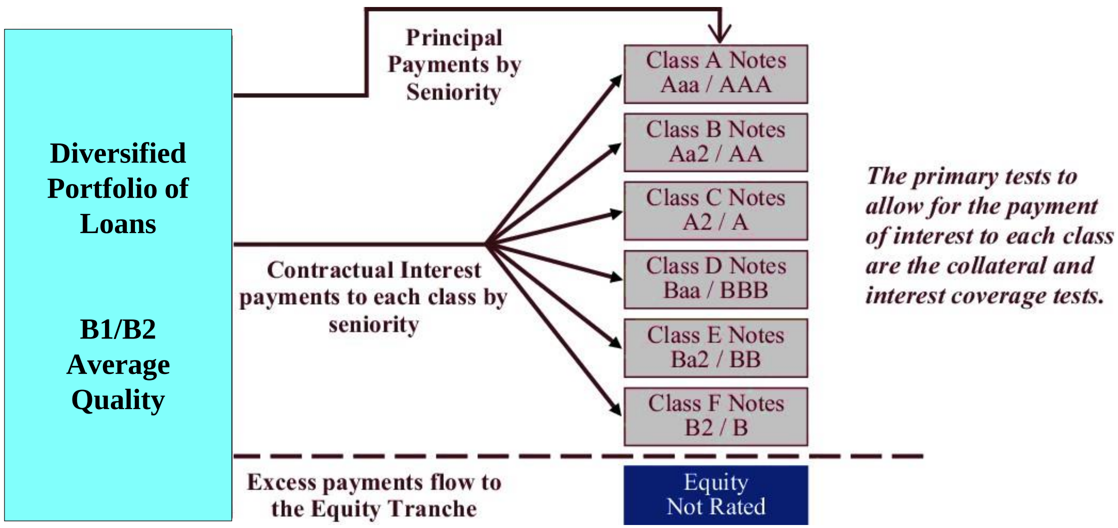
Investment Highlights

- **We believe CLO Equity Has The Potential to Generate High Cash Distributions Relative to Other High-Yielding Credit Investments**
  - Generally CLOs primarily invest in a diversified pool of loans to large, rated U.S. corporations
    - First lien senior secured
    - Floating rate
  - Deep asset class with ~$598 billion of CLOs outstanding[1]
- **Access To Infrastructure And Resources of Large Platform**
  - OFS Capital Management is focused on investing in corporate credit and has $2.2 billion in assets under management[2]
  - Senior management has worked together for over 10 years
- **OFS Capital Management is Uniquely Positioned to Manage OFS Credit Company**
  - OFS Capital Management has dual experience as both a CLO equity investor (structuring expertise) and CLO Manager (deep knowledge of underlying senior secured corporate loans)
  - OFS Capital Management has managed CLOs since its inception and closed over $12 billion in credit investments primarily through CLO vehicles

1 Source: Wells Fargo's CLO Monthly Market Overview as of April 1, 2019.
2 As of March 31, 2019. Calculated in accordance with the Investment Advisers Act of 1940, as amended.

CLO Opportunity

CLO Structure Overview – CLO Primer



- The vast majority of underlying CLO assets consist of first lien, senior secured rated loans of large U.S. corporations
- Broadly syndicated senior secured loans are typically originated and structured by banks on behalf of corporate borrowers
- On average, senior secured loans historically have had a loan-to-value ratio of approximately 50% – 75% at the time of origination[1]
- CLOs are generally required to hold a portfolio of assets that is diversified by underlying borrower and industry
- Many CLOs are structured to allow for reinvestment of proceeds of repayments of assets over a specific period of time (typically four to five years)
- The equity tranche can benefit from the difference between the interest received from the investment portfolio and the interest paid to the holders of debt tranches of the CLO structure

1 Source: LCD Global Review – US/Europe 2Q2018 and LCD Loan Primer "Syndicated Loans: The Market and the Mechanics -2017"

The CLO Opportunity

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CLOs have generated strong returns through multiple cycles

Potential Returns	• We believe CLO equity has the potential to generate attractive risk-adjusted returns relative to other high-yielding credit investments
Broad Diversification of Collateral	• CLOs are generally secured by diversified portfolios of first senior secured term loans that have specified thresholds for their terms, including average life and weighted average ratings factor.
Potential for Higher Quarterly Cash Flows	• CLO equity has the potential to provide higher current returns relative to other high-yielding credit investments which should result in shorter durations and reduced pay back periods
Assets and liabilities match funded	• Investments are match funded with liabilities
Reinvestment Ability Creates Opportunity	• CLO Manager may improve performance through collateral selection and trading to build par • Tightening credit spreads – opportunity to originate new CLOs or refinance <u>or</u> reset existing CLOs • Widening credit spreads – opportunity to reinvest repayments into higher yielding loans
Deep Market	• The CLO market is one of the primary sources of funding / capital for the senior secured loan market • ~$598 billion of CLOs outstanding[1] • ~$127 billion of CLO issuance in 2018[1]

1 Source: Wells Fargo's CLO Monthly Market Overview as of April 1, 2019.

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Deep Investable Market

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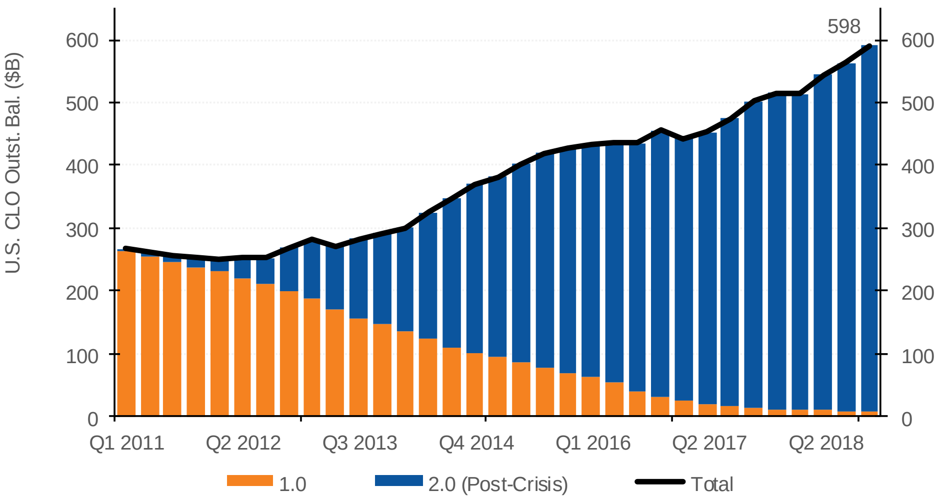
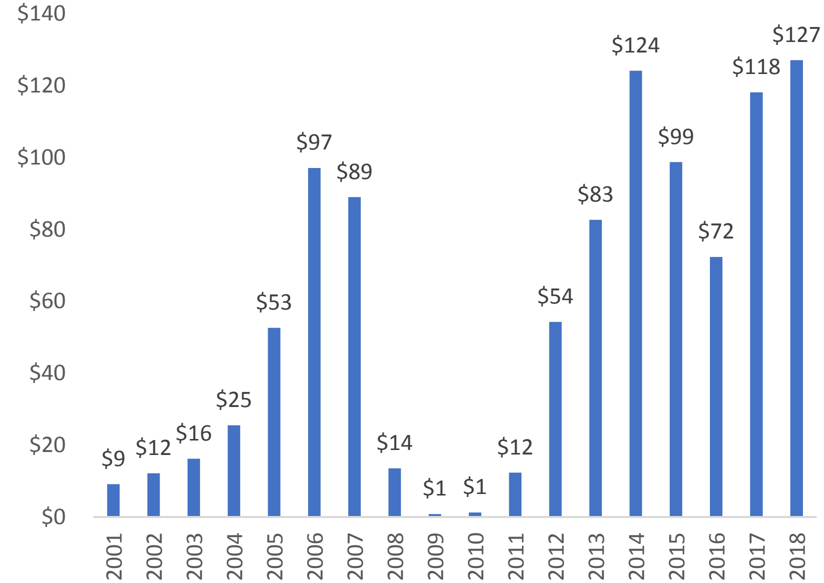
U.S. CLOs – Outstanding ($bn)[1]



1.0 – Reflects CLOs issued prior to the economic recession, which generally began in 2007.
2.0 – Reflects CLOs issued after June 2009.

U.S. CLOs – Annual Issuance ($bn)[1]



~$598 Billion of US CLOs outstanding[1]

US CLO issuance in 2018 was over $127 Billion[1] which implies demand for ~$11 billion of CLO equity[2]

1 Source: Wells Fargo's CLO Monthly Market Overview as of April 1, 2019.
2 CLOs typically have debt to equity ratios of ~10:1.

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Limited Options for Investors To Access Market

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Limited # of CLO Equity Investors	+	Large Pool of CLO Managers Seeking Equity	→	Seek to Provide Ability for CLO Equity Investors to Negotiate Attractive Terms and Enhance Returns

- There are limited options for public investors to access the CLO equity asset class – currently only two other publicly traded vehicles dedicated to the asset class

+

- The CLO manager "industry" is large and fragmented – OFS Capital Management believes there are 80+ U.S. CLO managers
- Competition to source CLO equity funding is intense

→

- Enhanced Economics
  - CLO equity investors may receive a portion of CLO management fee - improves returns
  - Lower bank arrangement fees results in cost savings - improves returns
- Voting control gives ability to call, refinance or reset
  - Select optimal call date as leverage declines (to maintain strong returns)
  - Opportunistically call, refi or reset to take advantage of tighter spreads and/or market conditions

OFS Capital Management

Access To Infrastructure And Resources of Large Platform

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$2.2 Billion
Assets Under Management[1,2]
45 Professionals
Based in Chicago with offices in New York and Los Angeles

Middle Market Lending	Structured Credit Investing	Broadly Syndicated Loans
• Primarily invests in senior secured, floating rate loans to US based middle-market borrowers • “OFS” - Publicly listed BDC • “HPCI” - Non-listed BDC	• Structure and invest in CLO equity and debt • “OCCI” - Publicly-listed closed end fund	• Invests in broadly syndicated loans, primarily in the 1st lien, senior secured tranches of the capital structure. • 5 Active CLO's

OFS Platforms

BDCs	Closed-end Listed Fund	Co-Investments/ SMAs	CLOs

- Investing across the U.S. corporate loan market
- Seasoned investment team with diverse skill set - dedicated industry analysts and loan and CLO structuring expertise

1. As of March 31, 2019. Calculated in accordance with the Investment Advisers Act of 1940, as amended.
2. Includes approximately $90.4 million of AUM in separately managed accounts, including proprietary investments.

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Access To Infrastructure And Resources of Large Platform

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Senior Investment Professionals - Structured Credit

Bilal Rashid	• President and Senior Managing Director of OFS Capital Management • Chairman and Chief Executive Officer of OCCI	• 24+ years of experience (10+ with OFS) • Formerly Managing Director of Global Structured Credit at Merrill Lynch, which included CLO structuring and origination • Actively involved in originating, structuring and managing CLOs throughout most of his career
Jeff Cerny	• Senior Managing Director of OFS Capital Management • Chief Financial Officer of OCCI	• 30+ years experience (19+ with OFS) • Actively involved in structuring and managing CLOs since 2000
Glen Ostrander	• Managing Director of OFS Capital Management	• 18+ years of experience (9+ with OFS) • Previously worked in Structured Credit group at Merrill Lynch • Actively involved in originating, structuring and managing CLOs throughout career
Ken Brown	• Managing Director of OFS Capital Management – Broadly Syndicated Loan Portfolio Manager	• 20+ years experience (14+ with OFS) • Previously Vice President at GE Antares Capital • Actively managed leveraged loans for over 20 years • Actively involved in managing CLOs since 2011

The Senior Investment Team of OFS Capital Management averages over 20 years of experience structuring and investing in CLOs, debt securities, and loans

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OFS Capital Mgt. – Uniquely Positioned Given Dual Expertise

Uniquely Positioned Given Dual Expertise as both a CLO Equity Investor and CLO Manager

CLO Equity Investor **Structuring and investing in equity and mezzanine tranches of CLOs**	• Structuring expertise - OFS and its senior management has been active in the CLO market since its inception • As a result, management has a deep understanding of CLO details (i.e., indentures; capital structures; over-collateralization tests; collateral quality tests; cash flow waterfalls; call, refinance and redemption features) • OFS has long-standing, deep relationships with CLO market participants. Relationships with these investment banks, investors and CLO managers bolsters sourcing capabilities • Manager Selection - OFS has been a co-lender with many CLO managers over multiple credit cycles and has insight on how others approach their underwriting process; this deep expertise helps to provide an advantage in manager selection • Well developed investment process; senior management has worked together for over 10 years
CLO Manager **Managing CLOs and investing in the underlying corporate loans**	• As of March 31, 2019, OFS has 5 CLOs under management representing ~$1.7 billion of corporate loans, which consists of 300 distinct borrowers • The CLO team is comprised of a portfolio manager, CLO strategist, and eight industry specific analysts, with average work experience of 15 Years • The capability to underwrite, analyze and value underlying loan portfolios of CLOs represents a significant competitive advantage - particularly when investing in the inefficient secondary market

OFS Capital Mgt. – Uniquely Positioned Given Dual Expertise

CLO Equity Investor

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Secondary

- ✓ Invest in the secondary market
- ✓ CLO manager capabilities allow OFS Capital Management to underwrite underlying loans in the CLO
- ✓ We believe these capabilities are a significant competitive advantage

Primary

- ✓ Proactive sourcing and identification of investment opportunities
- ✓ Utilization of methodical and rigorous investment analysis and due diligence process
- ✓ Active involvement at the warehousing, CLO structuring and formation stage
- ✓ Potential to take significant stakes in CLO equity and junior debt tranches

Portfolio Manager Biographies

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Richard S. Ressler

Richard S. Ressler is the founder and President of Orchard Capital Corp. ("Orchard Capital"), a firm that provides consulting and advisory services to companies in which Orchard Capital or its affiliates invest. Through his affiliation with Orchard Capital, Mr. Ressler serves in various senior capacities with, among others, CIM Group, L.P. (together with its controlled affiliates, "CIM"), a real estate and infrastructure investment and management company, Orchard First Source Asset Management, LLC (together with its controlled affiliates, “OFSAM”), an investment adviser focusing on middle market debt investments, and OCV Management, LLC (“OCV”), an investment adviser focusing on controlled investments in technology companies. Mr. Ressler also serves as a board member for various public and private companies in which Orchard Capital or its affiliates invest, including as chairman of j2 Global, Inc. (NASDAQ "JCOM"), and chairman of CIM Commercial Trust Corporation (NASDAQ “CMCT”). Mr. Ressler co-founded CIM in 1994 and, through an agreement with Orchard Capital, chairs its executive, investment, allocation and asset management committees and serves on its credit committee. CIM is a full service urban real estate and infrastructure fund manager with in-house research, acquisition, investment, development, finance, leasing and management capabilities. CIM Capital, LLC, an affiliate of CIM, is registered with the United States Securities and Exchange Commission (“SEC”) as a registered investment adviser[1].

Mr. Ressler co-founded the predecessor of OFSAM in 2001 and, through an agreement with Orchard Capital, chairs its executive committee. Both OFS Capital Management, LLC, a wholly owned subsidiary of OFSAM, and OCV are registered with the SEC as registered investment advisers[1].

Prior to founding Orchard Capital, from 1988 until 1994, Mr. Ressler co-founded and served as Vice Chairman of Brooke Group Limited, the predecessor of Vector Group, Ltd. (NYSE "VGR") and served in various capacities at VGR and its subsidiaries. Prior to VGR, Mr. Ressler was with Drexel Burnham Lambert, Inc., where he focused on merger and acquisition transactions and the financing needs of middle-market companies. Mr. Ressler began his career in 1983 with Cravath, Swaine and Moore, working on public offerings, private placements, and merger and acquisition transactions. Mr. Ressler holds a B.A. from Brown University, and J.D. and M.B.A. degrees from Columbia University.

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

Bilal Rashid

Bilal Rashid is the Chairman of the Board and Chief Executive Officer of OFS Capital Corporation and Chairman, President, Chief Executive Officer of the Company and Hancock Park Corporate Income, Inc., President and a Senior Managing Director of Orchard First Source Capital, Inc., Chief Executive Officer of OFSAM, and a member of OFSAM's investment and executive committees.

Prior to joining OFS in 2008, Mr. Rashid was a managing director in the global markets and investment banking division at Merrill Lynch. Mr. Rashid has more than 20 years of experience in investment banking, debt capital markets and investing as it relates to structured credit and corporate credit. Over the years, he has advised and arranged financing for investment management companies and commercial finance companies including business development companies. Before joining Merrill Lynch in 2005, he was a vice president at Natixis Capital Markets, which he joined as part of a large team move from Canadian Imperial Bank of Commerce ("CIBC"). Prior to CIBC, he worked as an investment analyst in the project finance area at the International Finance Corporation, which is part of the World Bank. Prior to that, Mr. Rashid was a financial analyst at Lehman Brothers.

Mr. Rashid has a B.S. in Electrical Engineering from Carnegie Mellon University and an MBA from Columbia University.

Jeffrey A. Cerny

Jeffrey A. Cerny is the Chief Financial Officer, Treasurer and a Director of the Company and OFS Capital Corporation and Chief Financial Officer and Treasurer of Hancock Park Corporate Income, Inc. Mr. Cerny also serves as a Senior Managing Director of Orchard First Source Capital, Inc., as a Vice President of OFSAM, and as a member of OFSAM's investment and executive committees. Mr. Cerny oversees the finance and accounting functions of OFS as well as underwriting, credit monitoring, CLO portfolio compliance for OFS's syndicated senior loan business.

Prior to joining OFS in 1999, Mr. Cerny held various positions at Sanwa Business Credit Corporation, American National Bank and Trust Company of Chicago and Charter Bank Group, a multi-bank holding company.

Mr. Cerny holds a B.S. in Finance from Northern Illinois University, a Masters of Management in Finance and Economics from Northwestern University's J.L. Kellogg School of Management, and a J.D. from DePaul University's School of Law.

Portfolio Manager Biographies (continued)

Glen Ostrander

Mr. Ostrander is a Managing Director of OFS Capital Management, LLC. He focuses on structured credit, capital markets related activities, and strategic initiatives of the firm. Mr. Ostrander has more than 18 years of experience in corporate finance, structured credit, banking and debt capital markets.

Prior to joining OFS Capital Management, Mr. Ostrander worked within the Global Markets & Investment Banking division at Merrill Lynch. Prior to joining Merrill Lynch, he was a Vice President at Wachovia Capital Markets from 1998 to 2006, and worked at International Business Machines and Koch Industries.

Mr. Ostrander holds a Bachelor of Science in Accounting from Belmont Abbey College.

Ken Brown

Mr. Brown is a Managing Director of OFS Capital Management, LLC, and serves as a member of the Investment Committee with respect to its services to OFSI Fund V, Ltd., OFSI Fund VI, Ltd., OFSI Fund VII, Ltd., OFSI BSL VIII, Ltd. and OFSI BSL IX, Ltd. He is responsible for leading the trading, underwriting and credit monitoring functions of OFS's Broadly Syndicated Loan Group, as well as maintaining relationships with agent/investment banks.

Mr. Brown has approximately 24 years of experience in leveraged finance and public accounting. Prior to joining OFS in 2007, Mr. Brown was a Vice President at GE Antares Capital, a unit of General Electric Capital Corporation and a leading middle market agent lender for private equity sponsored transactions. Prior to GE Antares, Mr. Brown was at First Source Financial, Inc., a middle market lender focused on direct and participation interests in private equity sponsored transactions, and Arthur Andersen LLP, a national public accounting firm. Mr. Brown has also earned his CPA certification.

Mr. Brown holds a Bachelor of Science in Accountancy from the University of Illinois at Urbana-Champaign and a Masters of Business Administration, with concentrations in Finance and Strategic Management, from The University of Chicago Booth School of Business.

Summary Risk Factors

The following is a summary of certain principal risks of an investment in the Company. See the Company's public filings with the SEC for a more complete discussion of the risks of investing in its common stock, including certain risks not summarized below.

Limited Operating History. The Company is a non-diversified, closed-end management investment company with a limited operating history as such. Additionally, OFS Advisor has never previously managed a registered closed-end investment company.

Fair Valuation of the Company's Portfolio Investments. Typically, there will not be a public market for the type of investments in which the Company invests. As a result, the Company will value these securities at least quarterly, or more frequently as may be required from time to time, at fair value. The Company's determinations of the fair value of its investments have a material impact on its net earnings through the recording of unrealized appreciation or depreciation of investments and may cause its net asset value on a given date to materially understate or overstate the value that the Company may ultimately realize on one or more of its investments.

Key Personnel Risk. The Company is dependent upon the key personnel of OFS Advisor for its future success.

Conflicts of Interest Risk. The Company's executive officers and directors, and the Advisor and its officers and employees, including the Senior Investment Team, have several conflicts of interest as a result of the other activities in which they engage. See "Conflicts of Interest" in the Company's public filings with the SEC.

Incentive Fee Risk. The Company's incentive fee structure may incentivize the Advisor to pursue investments on its behalf that are riskier or more speculative than would be the case in the absence of such compensation arrangement and use leverage in a manner that adversely impacts its performance.

Tax Risks. If the Company fails to qualify for tax treatment as a RIC under the Code for any reason or becomes subject to corporate-level income tax, the resulting corporate taxes could substantially reduce its net assets, the amount of income available for distribution and the amount of its distributions**.**

Distributions and Dividend Risk. There is a risk that the Company's stockholders may not receive distributions or dividends and that its distributions or dividends may not grow over time.

Market Risks. A disruption or downturn in the capital markets and the credit markets could impair the Company's ability to raise capital, impair the availability of suitable investment opportunities for the Company and negatively affect its business.

Non-Diversification Risk. The Company is a non-diversified investment company under the 1940 Act and may hold a narrower range of investments than a diversified fund under the 1940 Act.

Leverage Risk. The use of leverage, whether directly or indirectly through investments such as CLO equity or subordinated debt securities that inherently involve leverage, may magnify its risk of loss. CLOs are typically highly leveraged (typically 9 – 13 times), and therefore the CLO equity of subordinated debt securities in which the Company intends to invest are subject to a higher risk of loss since the use of leverage magnifies losses.

Risks of Investing in CLOs and Other Structured Finance Securities. CLO and structured finance securities present risks similar to other credit investments, including default (credit), interest rate and prepayment risks. In addition, CLOs and other structured finance securities are typically governed by a complex series of legal documents and contracts, which increases the possibility of disputes over the interpretation and enforceability of such documents. In addition, a collateral manager or trustee of a CLO may not properly carry out its duties to the CLO, potentially resulting in loss to the CLO. CLOs are also leveraged vehicles and are subject to leverage risk**.**

Risks of Investing in the Subordinated or Equity Tranche of CLOs. The Company may invest in the subordinated notes that comprise a CLO's equity tranche, which are junior in priority of payment and are subject to certain payment restrictions generally set forth in an indenture governing the notes. In addition, CLO equity and subordinated notes generally do not benefit from any creditors' rights or ability to exercise remedies under the indenture governing the notes. The subordinated notes are not guaranteed by another party. Subordinated notes are subject to greater risk than the secured notes issued by the CLO. CLOs are typically highly levered, typically utilizing 9 – 13 times leverage, and therefore the CLO equity and subordinated debt securities in which the Company intends to invest are subject to a higher risk of loss. There can be no assurance that distributions on the assets held by the CLO will be sufficient to make any distributions or that the yield on the subordinated notes will meet the Company's expectations.

First Loss Risk of CLO Equity and Subordinated Securities. CLO equity and subordinated debt securities that the Company may acquire are subordinated to more senior tranches of CLO debt. If a CLO breaches a covenant, excess cash flow that would otherwise be available for distribution to the CLO equity tranche investors is diverted to prepay CLO debt investors in order of seniority until such time as the covenant breach is cured. If the covenant breach is not or cannot be cured, the CLO equity investors (and potentially other debt tranche investors) may experience a partial or total loss of their investment. For this reason, CLO equity investors are often referred to as being in a first loss position. CLO equity and subordinated debt securities are subject to increased risks of default relative to the holders of superior priority interests in the same securities. In addition, at the time of issuance, CLO equity securities are under-collateralized in that the liabilities of a CLO at inception exceed its total assets. Though not exclusively, the Company will typically be in a first loss or subordinated position with respect to realized losses on the assets of the CLOs in which it is invested.

High Yield Investment Risks. The CLO equity and subordinated debt securities that the Company will acquire are typically unrated or rated below investment grade and are therefore considered "high yield" or "junk" securities and are considered speculative with respect to timely payment of distributions or interest and reinvestment or repayment of principal. The senior secured loans and other credit-related assets underlying CLOs are also typically high yield investments that are below investment grade. Investing in CLO equity and subordinated debt securities and other high yield investments involves greater credit and liquidity risk than investment grade obligations, which may adversely impact the Company's performance. High-yield investments, including collateral held by CLOs in which the Company invests, generally have limited liquidity. As a result, prices of high-yield investments have at times experienced significant and rapid decline when a substantial number of holders (or a few holders of a significantly large "block" of the securities) decide to sell. In addition, the Company (or the CLOs in which it invests) may have difficulty disposing of certain high-yield investments because there may be a thin trading market for such securities.

Summary Risk Factors

OFS

The following is a summary of certain principal risks of an investment in the Company. See the Company's public filings with the SEC for a more complete discussion of the risks of investing in its common stock, including certain risks not summarized below.

Limited Investment Opportunities Risk. The market for CLO securities is more limited than the market for other credit related investments. Sufficient investment opportunities for the Company's capital may not be available.

Interest Rate Risk. The price of certain of the Company's investments may be significantly affected by changes in interest rates. Although interest rates in the United States continue to be relatively low compared to historic averages, a continuation of the current rising interest rate environment may increase its exposure to risks associated with interest rates. Moreover, interest rate levels may be impacted by extraordinary monetary policy initiatives, the effect of which is impossible to predict with certainty. Additionally, there may be a mismatch in the rate at which CLOs earn interest and the rate at which CLOs pay interest on their debt tranches, which can negatively impact the cash flows on a CLO's equity tranche and may in turn adversely affect its cash flows and results of operations.

Credit Risk. If (1) a CLO in which the Company invests, (2) an underlying asset of any such CLO or (3) any other type of credit investment in its portfolio declines in price or fails to pay interest or principal when due because the issuer or debtor, as the case may be, experiences a decline in its financial status, the Company's income, net asset value and/or market price may be adversely impacted.

Prepayment Risk. The assets underlying the CLO securities in which the Company invests are subject to prepayment by the underlying corporate borrowers. In addition, the CLO securities and related investments in which the Company invests are subject to prepayment risk. If the Company or a CLO collateral manager are unable to reinvest prepaid amounts in a new investment with an expected rate of return at least equal to that of the investment repaid, its investment performance will be adversely impacted.

Liquidity Risks. To the extent the Company invests in illiquid instruments, it would not be able to sell such investments at prices that reflect its assessment of their fair value or the amount paid for such investments by the Company. Specifically, the subordinated or equity tranche CLO securities the Company intends to acquire are illiquid investments and subject to extensive transfer restrictions, and no party is under any obligation to make a market for subordinated notes. At times, there may be no market for subordinated notes, and the Company may not be able to sell or otherwise transfer subordinated notes at their fair value, or at all, in the event that the Company determines to sell them.

Counterparty Risks. The Company may be exposed to counterparty risk, which could make it difficult for it or the CLOs in which it invests to collect on obligations, thereby resulting in potentially significant losses.

Loan Accumulation Facilities Risk. Investments in loan accumulation facilities, which acquire loans on an interim basis that are expected to form part of a CLO, may expose the Company to market, credit and leverage risks. In particular, in the event a planned CLO is not consummated, or the loans held in a loan accumulation facility are not eligible for purchase by the CLO, the Company may be responsible for either holding or disposing of the loans. This could expose the Company primarily to credit and/or mark-to-market losses and other risks.

Hedging Risks. Hedging transactions seeking to reduce risks may result in poorer overall performance than if the Company had not engaged in such hedging transactions, and they may also not properly hedge its risks.

Derivatives Risks. Derivative instruments in which the Company may invest may be volatile and involve various risks different from, and in certain cases greater than, the risks presented by more traditional instruments. A small investment in derivatives could have a large potential impact on the Company's performance, effecting a form of investment leverage on its portfolio. In certain types of derivative transactions, the Company could lose the entire amount of its investment; in other types of derivative transactions the potential loss is theoretically unlimited.

Currency Risk. Although the Company intends to primarily make investments denominated in U.S. dollars, it may make investments denominated in other currencies. The Company's investments denominated in currencies other than U.S. dollars will be subject to the risk that the value of such currency will decrease in relation to the U.S. dollar.

Shares Volatility Risks. The market price of the Company's shares of common stock and preferred stock may be volatile and may decrease substantially.