



## EAGLE POINT CREDIT COMPANY INC. ANNOUNCES FIRST QUARTER 2021 FINANCIAL RESULTS

GREENWICH, Conn. – May 18, 2021 – Eagle Point Credit Company Inc. (the “Company”) (NYSE: ECC, ECCB, ECCW, ECCX, ECCY) today announced financial results for the quarter ended March 31, 2021, net asset value (“NAV”) as of March 31, 2021 and certain additional activity through April 30, 2021.

### FIRST QUARTER 2021 HIGHLIGHTS

- Net investment income (“NII”) and realized capital gains of \$0.28 per weighted average common share<sup>1</sup> for the first quarter.
- NAV per common share of \$12.02 as of March 31, 2021, up from \$11.18 per common share as of December 31, 2020.
- First quarter GAAP net income (inclusive of unrealized mark-to-market gains) of \$35.2 million, or \$1.09 per weighted average common share.
- Weighted average effective yield of the Company’s collateralized loan obligation (“CLO”) equity portfolio (excluding called CLOs), based on amortized cost, was 14.40% as of March 31, 2021. Weighted average expected yield of the Company’s CLO equity portfolio (excluding called CLOs), based on fair market value, was 17.80% as of March 31, 2021<sup>2</sup>.
- Deployed \$41.7 million in net capital and received \$32.5 million in recurring cash distributions<sup>3</sup> from the Company’s investment portfolio.
- 3 of the Company’s CLO equity investments were reset and 7 of the Company’s CLO equity investments were refinanced.
- Issued 242,268 shares of Series B Term Preferred Stock, pursuant to the Company’s “at-the-market” offering program, for total net proceeds to the Company of approximately \$6.0 million.
- Completed an underwritten public offering of \$39.0 million in aggregate principal amount of 6.75% notes due 2031 (“ECCW”), resulting in net proceeds to the Company of approximately \$37.5 million.

### SUBSEQUENT EVENTS

- NAV per common share is estimated to be between \$12.62 and \$12.72 as of April 30, 2021.
- Received \$34.2 million of recurring cash distributions from the Company’s investment portfolio during April, an increase of 5% from the first quarter of 2021.
- Deployed \$62.5 million in net capital during April.

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<sup>1</sup> “Per weighted average common share” data are on a weighted average basis based on the average daily number of shares of common stock outstanding for the period and “per common share” refers to per share of the Company’s common stock.

<sup>2</sup> Weighted average effective yield is based on an investment’s amortized cost whereas weighted average expected yield is based on an investment’s fair market value as of the applicable period end as disclosed in the Company’s financial statements, which is subject to change from period to period. Please refer to the Company’s quarterly unaudited financial statements for additional disclosures.

<sup>3</sup> “Recurring cash distributions” refers to the quarterly distributions received by the Company from its CLO equity and debt investments and distributions from loan accumulation facilities in excess of capital invested and excludes funds received from CLOs called.

- In April, the underwriters of the ECCW offering fully exercised their overallotment option, resulting in additional net proceeds to the Company of approximately \$5.7 million.
- The Company issued 1,032,678 shares of its common stock, pursuant to the Company's "at-the-market" offering program, for total net proceeds to the Company of approximately \$12.6 million during April.
- Declared 25% increase in common stock monthly distributions to \$0.10 per share commencing in July 2021.

"Our strong momentum from the second half of 2020 continued throughout the first quarter, as our NAV per common share increased by 8% from the end of 2020," said Thomas Majewski, Chief Executive Officer. "For the quarter, we generated NII and realized capital gains of \$0.28 per common share, after giving effect to a charge of \$0.04 per share related to non-recurring expenses from our ECCW issuance. Excluding these items, we would have generated NII and realized capital gains of \$0.32 per common share, in excess of our distribution. Our investment portfolio remained resilient and recurring cash flows from the portfolio increased. Given the strength of the Company's recent financial performance and our outlook for the future, we were pleased to increase our monthly distributions by 25% to \$0.10 per common share beginning in July."

"Additionally, we further strengthened our liquidity position during the quarter as we successfully completed the offering of our 6.75% ECCW Notes due 2031, providing us with net proceeds of \$43.2 million and lengthening our average debt maturity," added Mr. Majewski. "With no debt maturities prior to October 2026 and over \$13 million of cash on our balance sheet as of April 30, we are well positioned to take advantage of investment opportunities and generate attractive risk-adjusted returns."

## **FIRST QUARTER 2021 RESULTS**

The Company's NII and realized capital gains for the quarter ended March 31, 2021 was \$0.28 per weighted average common share. This compared to (\$0.80) of NII and realized capital losses per weighted average common share for the quarter ended December 31, 2020, and \$0.33 of NII and realized capital losses per weighted average common share for the quarter ended March 31, 2020.

The Company's NII and realized capital gains for the quarter ended March 31, 2021 was reduced by \$0.04 per weighted average common share due to the non-recurring expenses associated with the ECCW offering.

For the quarter ended March 31, 2021, the Company recorded GAAP net income of \$35.2 million, or \$1.09 per weighted average common share. Net income was comprised of total investment income of \$17.2 million, total net unrealized appreciation (or unrealized mark-to-market gains in the value of the Company's investments and certain liabilities at fair value) of \$26.0 million and realized capital gains of \$1.1 million, partially offset by expenses of \$9.1 million.

NAV as of March 31, 2021 was \$388.9 million, or \$12.02 per common share, which is \$0.84 per common share higher than the Company's NAV as of December 31, 2020, and \$5.90 per common share higher than the Company's NAV as of March 31, 2020.

During the quarter ended March 31, 2021, the Company deployed \$41.7 million in net capital, and converted 1 of its existing loan accumulation facilities into a CLO. The weighted average effective yield of new CLO equity investments made by the Company during the quarter, which includes a provision for credit losses, was 20.9% as measured at the time of investment.

During the quarter ended March 31, 2021, the Company received \$32.5 million of recurring cash distributions from its investment portfolio, or \$1.00 per weighted average common share, which was in

excess of the Company's aggregate distributions on its common stock and operating costs for the quarter. When including proceeds from called investments, the Company received cash distributions of \$1.06 per weighted average common share during the quarter.

During the quarter ended March 31, 2021, 3 of the Company's CLO equity investments were reset and 7 of the Company's CLO equity investments were refinanced.

As of March 31, 2021, based on amortized cost, the weighted average effective yield on the Company's CLO equity portfolio (excluding called CLOs) was 14.40%, compared to 11.05% as of December 31, 2020 and 14.77% as of March 31, 2020.

Pursuant to the Company's "at-the-market" offering, the Company sold 242,268 shares of Series B Term Preferred Stock during the first quarter for total net proceeds to the Company of approximately \$6.0 million.

## **PORTFOLIO STATUS**

As of March 31, 2021, on a look-through basis, and based on the most recent CLO trustee reports received by such date, the Company had indirect exposure to approximately 1,620 unique corporate obligors. The largest look-through obligor represented 0.8% of the Company's CLO equity and loan accumulation facility portfolio. The top-ten largest look-through obligors together represented 5.9% of the Company's CLO equity and loan accumulation facility portfolio.

The look-through weighted average spread of the loans underlying the Company's CLO equity and related investments was 3.56% as of March 2021, a decrease of 5 basis points from 3.61% as of December 2020.

As of March 31, 2021, the Company had debt and preferred securities outstanding which totaled approximately 32.6% of its total assets (less current liabilities). Over the long-term, management expects to operate the Company generally with leverage within a range of 25% to 35% of total assets under normal market conditions. Based on applicable market conditions at any given time, or should significant opportunities present themselves, the Company may incur leverage outside of this range, subject to applicable regulatory limits.

## **SECOND QUARTER 2021 PORTFOLIO ACTIVITY THROUGH APRIL 30, 2021 AND OTHER UPDATES**

During April, the Company received \$34.2 million of recurring cash distributions from its investment portfolio. As of April 30, 2021, some of the Company's investments had not yet reached their payment date for the quarter. During April, the Company deployed \$62.5 million in net capital.

As of April 30, 2021, the Company had approximately \$13.4 million of cash available for investment.

Pursuant to the Company's "at-the-market" offerings, the Company issued 1,032,678 shares of common stock during April for total net proceeds to the Company of approximately \$12.6 million.

As previously published on the Company's website, management's estimate of the range of the Company's NAV per common share as of April 30, 2021 was \$12.62 to \$12.72.

## **DISTRIBUTIONS**

The Company paid a monthly distribution of \$0.08 per common share on April 30, 2021 to stockholders of record as of April 12, 2021. Additionally, and as previously announced, the Company declared distributions

of \$0.08 per share of common stock payable on May 28, 2021 and June 30, 2021 to stockholders of record as of May 10, 2021 and June 10, 2021, respectively, and distributions of \$0.10 per share of common stock payable on July 30, 2021, August 31, 2021 and September 30, 2021 to stockholders of record as of July 12, 2021, August 11, 2021 and September 10, 2021, respectively. The ability of the Company to declare and pay distributions is subject to a number of factors, including the Company's results of operations.

The Company paid a monthly distribution of \$0.161459 per share of the Company's Series B Term Preferred Stock due 2026 (NYSE: ECCB) on April 30, 2021, to stockholders of record as of April 12, 2021. The distribution represented a 7.75% annualized rate, based on the \$25 liquidation preference per share for the Series B Term Preferred Stock. Additionally, and as previously announced, the Company declared distributions of \$0.161459 per share on its Series B Term Preferred Stock, payable on each of May 28, 2021, June 30, 2021, July 30, 2021, August 31, 2021 and September 30, 2021 to stockholders of record as of May 10, 2021, June 10, 2021, July 12, 2021, August 11, 2021 and September 10, 2021, respectively.

## **CONFERENCE CALL**

The Company will host a conference call at 10:00 a.m. (Eastern Time) today to discuss the Company's financial results for the quarter ended March 31, 2021, as well as a portfolio update.

All interested parties may participate in the conference call by dialing (877) 407-0789 (toll-free) or (201) 689-8562 (international), and referencing Conference ID 13719176 approximately 10 to 15 minutes prior to the call.

A live webcast will also be available on the Company's website ([www.eaglepointcreditcompany.com](http://www.eaglepointcreditcompany.com)). Please go to the Investor Relations section at least 15 minutes prior to the call to register, download and install any necessary audio software.

An archived replay of the call will be available shortly afterwards until June 18, 2021. To hear the replay, please dial (844) 512-2921 (toll-free) or (412) 317-6671 (international). For the replay, enter Conference ID 13719176.

## **ADDITIONAL INFORMATION**

The Company has made available on the investor relations section of its website, [www.eaglepointcreditcompany.com](http://www.eaglepointcreditcompany.com) (in the financial statements and reports section), its unaudited consolidated financial statements as of and for the period ended March 31, 2021. The Company has also filed this report with the Securities and Exchange Commission. The Company also published on its website (in the presentations and events section) an investor presentation, which contains additional information about the Company and its portfolio as of and for the quarter ended March 31, 2021.

## **ABOUT EAGLE POINT CREDIT COMPANY**

The Company is a non-diversified, closed-end management investment company. The Company's primary investment objective is to generate high current income, with a secondary objective to generate capital appreciation, primarily through investment in equity and junior debt tranches of collateralized loan obligations. The Company is externally managed and advised by Eagle Point Credit Management LLC.

The Company makes certain unaudited portfolio information available each month on its website in addition to making certain other unaudited financial information available on its website ([www.eaglepointcreditcompany.com](http://www.eaglepointcreditcompany.com)). This information includes (1) an estimated range of the Company's net investment income ("NII") and realized gains or losses per share of common stock for each calendar

quarter end, generally made available within the first fifteen days after the applicable calendar month end, (2) an estimated range of the Company's NAV per share of common stock for the prior month end and certain additional portfolio-level information, generally made available within the first fifteen days after the applicable calendar month end, and (3) during the latter part of each month, an updated estimate of NAV, if applicable, and, with respect to each calendar quarter end, an updated estimate of the Company's NII and realized gains or losses per share for the applicable quarter, if available.

## **FORWARD-LOOKING STATEMENTS**

*This press release may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements other than statements of historical facts included in this press release may constitute forward-looking statements and are not guarantees of future performance or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described in the Company's filings with the U.S. Securities and Exchange Commission ("SEC"). The Company undertakes no duty to update any forward-looking statement made herein. All forward-looking statements speak only as of the date of this press release.*

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