

## EAGLE POINT CREDIT COMPANY INC. ANNOUNCES SECOND QUARTER 2020 FINANCIAL RESULTS

GREENWICH, Conn. – August 17, 2020 – Eagle Point Credit Company Inc. (the “Company”) (NYSE: ECC, ECCB, ECCX, ECCY) today announced financial results for the quarter ended June 30, 2020, net asset value (“NAV”) as of June 30, 2020 and certain additional activity through August 7, 2020.

### SECOND QUARTER HIGHLIGHTS

- Net investment income (“NII”) and realized losses of \$0.28 per weighted average common share<sup>1</sup> for the second quarter of 2020.
- NAV per common share of \$7.45 as of June 30, 2020.
- Second quarter 2020 GAAP net income (inclusive of unrealized mark-to-market gains) of \$51.7 million, or \$1.71 per weighted average common share.
- Weighted average effective yield of the Company’s collateralized loan obligation (“CLO”) equity portfolio (excluding called CLOs) was 12.33% as of June 30, 2020. Weighted average expected yield of the Company’s CLO equity portfolio (excluding called CLOs), based on fair market value, was 33.57% as of June 30, 2020<sup>2</sup>.
- Deployed \$26.6 million in net capital and received \$20.4 million in recurring cash distributions<sup>3</sup> from the Company’s investment portfolio in the second quarter of 2020.
- Issued approximately 1.9 million shares of common stock at a premium to NAV during the second quarter for total net proceeds to the Company of approximately \$13.1 million pursuant to the Company’s “at-the-market” offering program.
- Repurchased and retired \$0.3 million of the Company’s unsecured 6.6875% Notes due 2028 (“ECCX”).

### SUBSEQUENT EVENTS

- NAV per common share estimated to be between \$7.82 and \$7.92 as of July 31, 2020.
- Deployed \$5.6 million in net capital from July 1, 2020 through August 7, 2020; received \$15.7 million of recurring cash distributions from the Company’s investment portfolio over the same period.
- Issued 78,679 shares of common stock at a premium to NAV from July 1, 2020 through August 7, 2020 for total net proceeds to the Company of approximately \$0.6 million pursuant to the Company’s “at-the-market” offering program.

“The second quarter saw a strong rebound in the value of our investment portfolio and our portfolio continues to generate meaningful cash flow,” said Thomas Majewski, Chief Executive Officer. “During the quarter, we opportunistically sourced investments at discounted prices in the secondary market. Our

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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.

balance sheet remains strong, with no maturities prior to October 2026 and over \$22 million of cash as of August 7, 2020.”

“For the second quarter, our net investment income and realized losses of \$0.28 per share exceeded our common distribution level by over 10%,” added Mr. Majewski. “We believe the Company is well positioned going into the second half of the year.”

## **SECOND QUARTER 2020 RESULTS**

The Company’s NII and realized losses for the quarter ended June 30, 2020 was \$0.28 per weighted average common share. This compared to \$0.33 of NII and realized losses per weighted average common share for the quarter ended March 31, 2020, and \$0.07 of NII and realized losses per weighted average common share for the quarter ended June 30, 2019.

For the quarter ended June 30, 2020, the Company recorded GAAP net income of \$51.7 million, or \$1.71 per weighted average common share. Net income was comprised of total investment income of \$15.4 million and total net unrealized appreciation (or unrealized mark-to-market changes in the value of the Company’s investments and certain liabilities at fair value) of \$43.3 million, partially offset by net expenses of \$7.0 million.

NAV as of June 30, 2020 was \$235.9 million, or \$7.45 per common share, which is \$1.33 per common share higher than the Company’s NAV as of March 31, 2020, and \$6.00 per common share lower than the Company’s NAV as of June 30, 2019.

During the quarter ended June 30, 2020, the Company deployed \$26.6 million in net capital, and partially converted two of its existing loan accumulation facilities into CLOs. 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 22.00% as measured at the time of investment.

During the quarter ended June 30, 2020, the Company received \$20.4 million of recurring cash distributions from its investment portfolio, or \$0.68 per weighted average common share, which was in excess of the Company’s aggregate quarterly common distribution and other recurring operating costs. Proceeds received during the quarter from called investments were minimal.

As of June 30, 2020, based on amortized cost, the weighted average effective yield on the Company’s CLO equity portfolio (excluding called CLOs) was 12.33%, compared to 14.77% as of March 31, 2020 and 13.49% as of June 30, 2019.

Pursuant to the Company’s “at-the-market” offering program, the Company issued 1,860,775 shares of common stock at a premium to NAV during the second quarter for total net proceeds to the Company of approximately \$13.1 million. This issuance resulted in \$0.03 per share of NAV accretion for the quarter.

## **PORTFOLIO STATUS**

As of June 30, 2020, 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 1,513 unique corporate obligors. The largest look-through obligor represented 0.9% of the Company’s CLO equity and loan accumulation facility portfolio. The top-ten largest look-through obligors together represented 5.8% 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 3.55% as of June 2020, a decrease of 2 basis points from 3.57% as of March 2020.

As of June 30, 2020, the Company had debt and preferred securities outstanding which totaled approximately 38.2% 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.

### **THIRD QUARTER 2020 PORTFOLIO ACTIVITY THROUGH AUGUST 7, 2020 AND OTHER UPDATES**

From July 1, 2020 through August 7, 2020, the Company received \$15.7 million of recurring cash distributions from its investment portfolio. As of August 7, 2020, some of the Company's investments had not yet reached their payment date for the quarter. Also, from July 1, 2020 through August 7, 2020, the Company deployed \$5.6 million in net capital.

As of August 7, 2020, the Company has approximately \$22.6 million of cash available for investment.

As previously published on the Company's website, management's estimate of the Company's range of NAV per common share as of July 31, 2020 was \$7.82 to \$7.92.

### **DISTRIBUTIONS**

The Company paid a monthly distribution of \$0.08 per common share on July 31, 2020 to stockholders of record as of July 13, 2020. Additionally, and as previously announced, the Company declared distributions of \$0.08 per share of common stock payable on August 31, 2020, September 30, 2020, October 30, 2020, November 30, 2020 and December 31, 2020 to stockholders of record as of August 12, 2020, September 11, 2020, October 13, 2020, November 12, 2020 and December 11, 2020, 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 July 31, 2020, to stockholders of record as of July 13, 2020. 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 Series B Term Preferred Stock, payable on each of August 31, 2020, September 30, 2020, October 30, 2020, November 30, 2020 and December 31, 2020 to stockholders of record as of August 12, 2020, September 11, 2020, October 13, 2020, November 12, 2020 and December 11, 2020, 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 June 30, 2020, as well as a portfolio update.

All interested parties may participate in the conference call by dialing (877) 407-0789 (domestic) or (201) 689-8562 (international), and referencing Conference ID 13707135 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 September 17, 2020. To hear the replay, please dial (844) 512-2921 (toll-free) or (412) 317-6671 (international). For the replay, enter Conference ID 13707135.

## **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 semiannual stockholder report for the period ended June 30, 2020 (which includes the Company's unaudited consolidated financial statements as of and for the period ended June 30, 2020). 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 June 30, 2020.

## **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 net asset value ("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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