

# OXSQ

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Oxford Square Capital Corp.  
Investor Presentation  
Quarter Ended June 30, 2024

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Past performance is not indicative of future results. In addition, there can be no assurance that unrealized gains/losses will be realized at the expected multiples shown since actual realized returns will depend on, among other factors, the future operating results of each of the Company’s current portfolio companies, the value of the assets and economic conditions at the time of disposition, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions on which the Company’s expected returns are based. In certain instances, the Company will not determine the timing or manner of disposition of the Company’s portfolio companies.

Statements included herein may constitute “forward-looking statements,” which relate to future events or our future performance or financial condition. These statements are not guarantees of future performance, condition 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 from time to time in the Company’s filings with the Securities and Exchange Commission. The Company undertakes no duty to update any forward-looking statements made herein, except as may be required by law.

# Financial Highlights

<i>(\$ per share)</i>	<u>Q2-24</u>	<u>Q1-24</u>	<u>Q4-23</u>	<u>Q3-23</u>	<u>Q2-23</u>
Net investment income <sup>1</sup>	\$ 0.13	\$ 0.11	\$ 0.13	\$ 0.11	\$ 0.13
Distributions declared and paid	\$ 0.105	\$ 0.105	\$ 0.105	\$ 0.225	\$ 0.105
Net realized losses on investments <sup>1</sup>	\$ (0.50)	\$ (0.14)	\$ (0.00)	\$ (0.24)	\$ (0.07)
Net unrealized gains (losses) on investments <sup>1</sup>	\$ 0.46	\$ (0.00)	\$ (0.25)	\$ 0.24	\$ 0.16
Net increase (decrease) in net assets resulting from operations <sup>1</sup>	\$ 0.09	\$ (0.03)	\$ (0.13)	\$ 0.12	\$ 0.23
Net asset value	\$ 2.43	\$ 2.42	\$ 2.55	\$ 2.78	\$ 2.88

<i>(\$ in millions)</i>	<u>Q2-24</u>	<u>Q1-24</u>	<u>Q4-23</u>	<u>Q3-23</u>	<u>Q2-23</u>
Total fair value of investments	\$ 252.1	\$ 250.9	\$ 266.9	\$ 285.5	\$ 306.1
Number of portfolio investments	61	63	59	58	61
Net assets	\$ 152.4	\$ 144.3	\$ 151.3	\$ 160.9	\$ 162.4
Principal amount of debt outstanding	\$ 125.3	\$ 125.3	\$ 125.3	\$ 139.7	\$ 189.7
Debt to equity	0.82x	0.87x	0.83x	0.87x	1.17x

Note: Certain figures may not foot or tie to financial statements due to rounding.

1. Per share amounts based on weighted average shares outstanding for the respective quarter presented.

# Summary Portfolio Highlights

## Portfolio Activity

(\$ in millions)	<u>Q2-24</u>	<u>Q1-24</u>	<u>Q4-23</u>	<u>Q3-23</u>	<u>Q2-23</u>
New investments	\$ 28.8	\$ 12.1	\$ 3.5	\$ -	\$ -
Sales and Repayments	19.2	19.3	4.5	16.1	14.3
<b>Net investment activity</b>	<b>\$ 9.6</b>	<b>\$ (7.2)</b>	<b>\$ (1.0)</b>	<b>\$ (16.1)</b>	<b>\$ (14.3)</b>
Weighted average yield of debt investments at current cost <sup>1</sup>	13.7%	13.9%	13.3%	13.1%	12.8%
Weighted average effective yield of CLO equity investments at current cost	9.4%	9.5%	9.5%	9.7%	9.2%
<b>Weighted average yield of total investments at current cost</b>	<b>11.8%</b>	<b>12.0%</b>	<b>11.8%</b>	<b>11.7%</b>	<b>11.4%</b>
Weighted average cash distribution yield of debt investments at current cost <sup>2</sup>	10.1%	8.9%	11.1%	11.5%	11.1%
Weighted average cash distribution yield of cash income producing CLO equity investments at current cost <sup>3</sup>	16.2%	13.7%	16.3%	20.1%	18.4%
<b>Weighted average cash yield of cash income producing securities at current cost</b>	<b>12.3%</b>	<b>10.5%</b>	<b>13.0%</b>	<b>14.8%</b>	<b>13.9%</b>

## Total Investments by Asset Type<sup>4,5</sup>

	<u>Q2-24</u>	<u>Q1-24</u>	<u>Q4-23</u>	<u>Q3-23</u>	<u>Q2-23</u>
First-lien secured debt	34%	35%	30%	29%	27%
Second-lien secured debt	31%	29%	37%	39%	42%
CLO equity	33%	34%	31%	29%	29%
CLO debt	0%	0%	0%	0%	0%
Other <sup>6</sup>	2%	2%	2%	3%	3%

Note: Certain figures may not foot or tie to financial statements due to rounding.

1. Represents accrued interest divided by amortized cost of interest earning debt investments (excluding investments on non-accrual status) held on 6/30/2024.
2. Represents the cash interest received or entitled to be received on interest earning debt investments (excluding PIK interest and OID) in the respective quarter annualized, divided by the average of the total cost basis at the beginning and end of such respective quarter of total debt investments.
3. The CLO equity cash distribution yield shown is calculated by taking the quarterly distributions received, or were entitled to be received, for the CLO equity investments which were scheduled to make a distribution to OXSQ (which includes investments where there was full cashflow diversion), annualizing such amount and dividing by the current cost basis of those investments. It does not include CLO equity which had not made its initial distribution by quarter-end or CLO investments which have been optionally redeemed.
4. As a percentage of the total invested portfolio fair value as of quarter end. Excludes cash and equivalents.
5. Due to rounding, totals may not add up to 100%.
6. "Other" includes common stock, preferred equity, and warrants.

# CLO Equity & Initial Distribution Schedule

(\$ in millions)	<u>Q2-24</u>	<u>Q1-24</u>	<u>Q4-23</u>	<u>Q3-23</u>	<u>Q2-23</u>
CLO equity which has made its initial distribution to OXSQ (at original cost) <sup>1</sup>	\$ 187.7	\$ 190.9	\$ 208.2	\$ 217.4	\$ 243.1
CLO equity which has not made its initial distribution to OXSQ (at original cost) <sup>2</sup>	6.7	-	-	-	-
Total CLO Equity <sup>1</sup>	<u>\$ 194.3</u>	<u>\$ 190.9</u>	<u>\$ 208.2</u>	<u>\$ 217.4</u>	<u>\$ 243.1</u>

## CLO Equity Holdings Making Initial Distributions as of the Dates Below<sup>2</sup>

(\$ in millions)	
CLO equity expected to make initial distribution to OXSQ by 9-30-24 (at original cost)	\$ 6.7
CLO equity expected to make initial distribution to OXSQ by 12-31-24 (at original cost)	-
CLO equity expected to make initial distribution to OXSQ by 3-31-25 (at original cost)	-
Total	<u>\$ 6.7</u>

## Cash Flow Diversion Amount

(\$ in millions)	<u>Q2-24</u>	<u>Q1-24</u>	<u>Q4-23</u>	<u>Q3-23</u>	<u>Q2-23</u>
Cash flow diversion amount <sup>3,4</sup>	\$ 0.9	\$ 1.3	\$ 1.4	\$ 0.2	\$ 0.9

Note: Totals may not sum due to rounding.

1. Excludes called deals.
2. Represents the amount of CLO equity investments (purchased in either the primary or secondary market) which had not yet made an initial distribution to OXSQ during the quarter. For newly issued CLOs, it can generally take up to three quarters from issuance to receive initial distribution payments from those respective CLO equity investments.
3. These figures represent the total cash diverted from investments by the CLO vehicle as a result of failure to comply with their respective overcollateralization and/or interest diversion tests.
4. As reported by CLO trustee.

# CLO Portfolio Summary

## OXSQ CLO Portfolio Information as of 06/30/2024

CLO Equity Positions	CLO Vintage Year <sup>1</sup>	Tranche Type	Non-Call Period End*	Reinvestment Period End*	AAA Spread (Over Index)*	Junior Tranche Overcollateralization Cushion*	Interest Diversion Overcollateralization Cushion*	Weighted Average Portfolio Spread*	Weighted Average Rating Factor*	Diversity Score*	Weighted Average Portfolio Life (Years)*
CLO Equity Position #1	2013	CLO Equity	Callable	July-19	NA	-36.72%	NR	4.81%	4367	9	1.85
CLO Equity Position #2	2014	CLO Equity	Callable	April-20	1.14%	-2.41%	NR	3.91%	2969	43	1.76
CLO Equity Position #3	2014	CLO Equity	Callable	April-20	NA	-17.77%	NR	3.84%	NA	19	2.31
CLO Equity Position #4	2017	CLO Equity	Callable	July-21	1.67%	-0.54%	NR	4.28%	3412	40	2.44
CLO Equity Position #5	2017	CLO Equity	Callable	July-22	1.24%	-0.38%	NR	3.81%	3175	66	3.24
CLO Equity Position #6	2015	CLO Equity	Callable	October-22	1.20%	0.71%	NR	3.75%	2983	71	3.60
CLO Equity Position #7	2018	CLO Equity	Callable	July-23	1.36%	0.09%	NR	3.64%	3395	64	3.60
CLO Equity Position #8	2014	CLO Equity	Callable	October-23	1.41%	0.42%	NR	3.67%	2959	93	3.82
CLO Equity Position #9	2014	CLO Equity	Callable	October-23	1.47%	2.29%	NR	3.58%	3060	87	3.73
CLO Equity Position #10	2018	CLO Equity	Callable	October-23	1.46%	0.26%	NR	3.93%	2642	93	3.91
CLO Equity Position #11	2017	CLO Equity	Callable	April-26	1.35%	4.03%	3.53%	3.59%	2908	84	4.63
CLO Equity Position #12	2021	CLO Equity	Callable	April-26	1.42%	5.99%	5.49%	3.63%	2743	94	4.49
CLO Equity Position #13	2013	CLO Equity	Callable	April-26	1.34%	3.09%	2.61%	3.49%	NA	NA	4.28
CLO Equity Position #14	2016	CLO Equity	Callable	April-26	1.31%	3.58%	3.08%	3.47%	2933	86	4.27
CLO Equity Position #15	2016	CLO Equity	Callable	April-26	1.30%	2.76%	1.76%	3.53%	2600	101	4.58
CLO Equity Position #16	2021	CLO Equity	Callable	July-26	1.43%	4.96%	4.46%	3.60%	2719	90	4.75
CLO Equity Position #17	2021	CLO Equity	Callable	July-26	1.46%	2.06%	1.56%	3.50%	2847	73	4.38
CLO Equity Position #18	2013	CLO Equity	Callable	July-26	1.44%	2.56%	2.06%	3.62%	2834	101	4.41
CLO Equity Position #19	2015	CLO Equity	January-26	January-29	1.60%	5.60%	5.10%	3.65%	2887	68	4.41
CLO Equity Position #20	2021	CLO Equity	February-26	April-29	1.52%	5.01%	4.51%	3.67%	2783	87	4.62
<b>Subtotal (Fair Value)</b>	<b>\$81,109,693<sup>2</sup></b>			<b>July-26<sup>3</sup></b>	<b>1.39%<sup>3</sup></b>	<b>3.76%<sup>3</sup></b>	<b>3.46%<sup>3</sup></b>	<b>3.59%<sup>3</sup></b>	<b>2763<sup>3,4</sup></b>	<b>90<sup>3</sup></b>	<b>4.46<sup>3</sup></b>

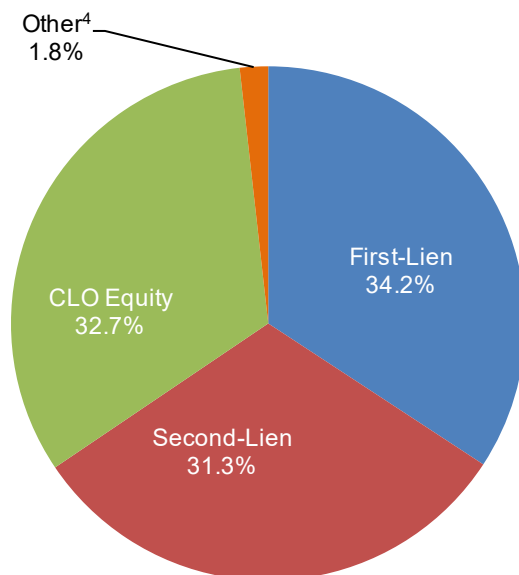
Note: OXSQ did not hold any CLO debt positions as of 6/30/2024.

1. Year in which the deal was initially issued prior to any related refinancings and/or resets.
  2. Excludes called deals and CLO equity side letter related investments.
  3. Shown on a weighted average basis (based on fair value).
  4. Weighted Average Rating Factor of 2763, for underlying loans of OXSQ's CLO equity tranche positions, is equivalent to a Moody's corporate debt rating of between B2 and B3 (B2 = 2720, B3 = 3490).
- \* Source: As reported by Intex.

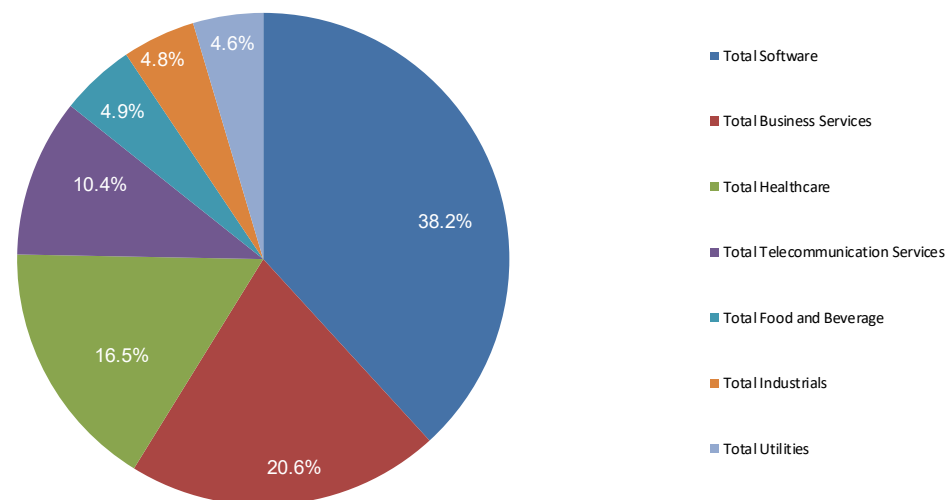
# Investment Portfolio

- \$252.1 million portfolio composed of 61 portfolio investments<sup>1</sup>
- Average investment by fair value represents 1.6% of total portfolio
- Top 10 portfolio investments by fair value represent 51.6% of total portfolio<sup>2</sup>
  - Top 3 portfolio investments by fair value represent 7.5%, 6.4%, and 6.2%, respectively, of total portfolio<sup>2</sup>

**Total Investments by Asset Type<sup>1,3,4,5</sup>**



**Corporate Loan Portfolio by Industry<sup>1,6</sup>**

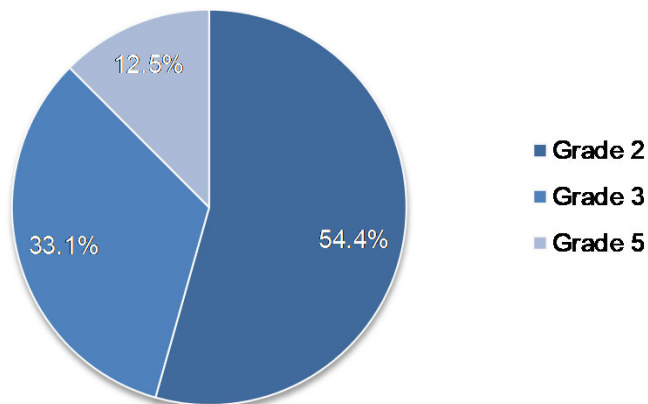


**65.6% of OXSQ's investments are in senior secured debt<sup>1</sup>**

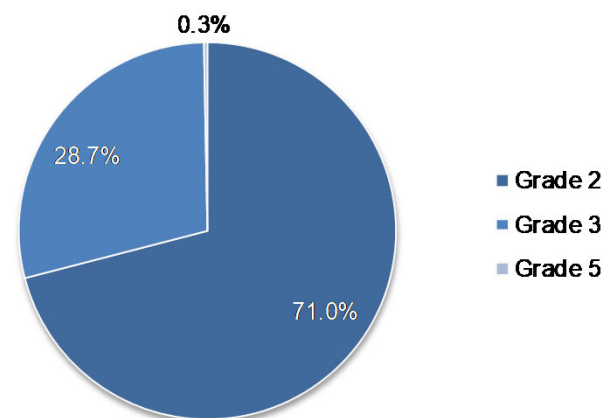
1. At fair value as of 6/30/2024. Totals may not sum due to rounding. Excludes cash and equivalents.  
 2. Does not combine different investments in the same company or CLO vehicle.  
 3. As a percentage of the total invested portfolio fair value as of quarter end.  
 4. "Other" includes common stock, preferred equity, and warrants.  
 5. Assumes a portfolio investment's revolving credit facility is fully funded.  
 6. Excludes CLO equity and CLO debt investments.

# Portfolio Grading

OXSQ's debt portfolio has a weighted-average credit rating of 2.7 on a principal value basis



OXSQ's debt portfolio has a weighted-average credit rating of 2.3 on a fair value basis



Portfolio Grading	
<b>Grade 1</b>	Company is ahead of expectations and/or outperforming financial covenant requirements of the specific tranche and this trend is expected to continue.
<b>Grade 2</b>	Full repayment of the outstanding amount of OXSQ's cost basis and interest is expected for the specific tranche.
<b>Grade 3</b>	Closer monitoring is required. Full repayment of the outstanding amount of OXSQ's cost basis and interest is expected for the specific tranche.
<b>Grade 4</b>	A loss of interest income has occurred or is expected to occur and, in most cases, the investment is placed on non-accrual status. Full repayment of the outstanding amount of OXSQ's cost basis is expected for the specific tranche.
<b>Grade 5</b>	Full repayment of the outstanding amount of OXSQ's cost basis is not expected for the specific tranche and the investment is placed on non-accrual status.



# Investments on Non-Accrual Status

<i>(\$ in millions)</i>	<b>Q2-24</b>	<b>Q1-24</b>	<b>Q4-23</b>	<b>Q3-23</b>	<b>Q2-23</b>
Non-accrual debt investments at current cost	\$ 23.7	\$ 55.0	\$ 35.2	\$ 23.7	\$ 23.7
Non-accrual preferred equity investments at current cost	\$ 16.2	\$ 16.2	\$ 16.2	\$ 16.2	\$ 16.2
<b>Total non-accrual investments at current cost</b>	<b>\$ 39.8</b>	<b>\$ 71.2</b>	<b>\$ 51.4</b>	<b>\$ 39.8</b>	<b>\$ 39.8</b>
Non-accrual debt investments at fair value	\$ 0.5	\$ 2.0	\$ 1.7	\$ 0.5	\$ 0.5
Non-accrual preferred equity investments at fair value	\$ 2.5	\$ 4.9	\$ 5.3	\$ 7.7	\$ 8.4
<b>Total non-accrual investments at fair value</b>	<b>\$ 3.0</b>	<b>\$ 6.9</b>	<b>\$ 7.0</b>	<b>\$ 8.2</b>	<b>\$ 8.9</b>

Note: Certain numbers may not foot or tie to financial statements due to rounding.

# Outstanding Debt

(\$ in thousands)

	Principal Amount Outstanding <sup>1</sup>	Carrying Value <sup>1</sup>	Cost of Debt	Maturity
Unsecured Notes due 2026 (OXSQZ)	\$ 44,791	\$ 44,363	6.25%	Apr-26
Unsecured Notes due 2028 (OXSQG)	\$ 80,500	\$ 78,924	5.50%	Jul-28
<b>Total Debt</b>	<b>\$ 125,291</b>	<b>\$ 123,287</b>		
<b>Total Equity</b>	<b>\$ 152,412</b>			
<b>Debt to Equity</b>	<b>0.82x</b>			

Note: Certain figures may not foot or tie to financial statements due to rounding.

1. As of 6/30/2024.

# Quarterly Balance Sheet

(\$ in millions, except per share)

	<u>6/30/2024</u>	<u>3/31/2024</u>	<u>12/31/2023</u>	<u>9/30/2023</u>	<u>6/30/2023</u>
<b>Assets</b>					
Total investments at fair value	\$ 252.1	\$ 250.9	\$ 266.9	\$ 285.5	\$ 306.1
Cash and cash equivalents	30.0	20.9	5.7	12.4	43.0
Other assets	8.1	3.5	5.0	5.1	5.1
<b>Total assets</b>	<b>\$ 290.2</b>	<b>\$ 275.3</b>	<b>\$ 277.7</b>	<b>\$ 303.0</b>	<b>\$ 354.3</b>
<b>Liabilities and Net Assets</b>					
Debt outstanding at carrying value	\$ 123.3	\$ 123.1	\$ 123.0	\$ 137.2	\$ 186.8
Securities purchased not settled	10.9	4.0	-	-	-
Investment advisory and incentive fee payable	1.0	1.0	1.0	2.4	2.6
Interest payable	1.2	1.2	1.2	1.2	1.2
Other liabilities	1.4	1.6	1.2	1.4	1.3
<b>Total liabilities</b>	<b>137.8</b>	<b>130.9</b>	<b>126.4</b>	<b>142.1</b>	<b>191.8</b>
<b>Total net assets</b>	<b>152.4</b>	<b>144.3</b>	<b>151.3</b>	<b>160.9</b>	<b>162.4</b>
<b>Total liabilities and net assets</b>	<b>\$ 290.2</b>	<b>\$ 275.3</b>	<b>\$ 277.7</b>	<b>\$ 303.0</b>	<b>\$ 354.3</b>
Net asset value per share	\$ 2.43	\$ 2.42	\$ 2.55	\$ 2.78	\$ 2.88
Debt (principal amount) to equity	0.82x	0.87x	0.83x	0.87x	1.17x

Note: Certain numbers may not foot or tie to financial statements due to rounding.

# Quarterly Income Statement

(\$ in millions, except per share)	For the three months ended				
	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
<b>Investment Income</b>					
Interest income	\$ 7.0	\$ 6.4	\$ 8.0	\$ 8.5	\$ 8.8
Income from securitization vehicles	3.9	3.9	4.0	4.1	4.3
Fee and other income	0.5	0.3	0.3	0.5	0.4
Total investment income	11.4	10.7	12.3	13.0	13.5
<b>Expenses</b>					
Interest and other debt financing expenses	2.0	2.0	2.1	2.5	3.1
Investment advisory fees	1.0	1.0	1.0	1.2	1.3
Net investment income incentive fees	-	-	-	1.2	1.3
Other operating expenses	0.7	1.2	1.4	1.7	1.2
Total expenses	3.7	4.1	4.6	6.6	6.8
Net investment income	7.7	6.5	7.8	6.4	6.7
<b>Net Gains (Losses) on Investments</b>					
Net change in unrealized appreciation (depreciation) on investments	28.0	(0.2)	(14.8)	13.9	8.3
Net realized (losses) on investments	(30.4)	(8.1)	(0.3)	(13.6)	(3.3)
Net (losses) gains on investments	(2.5)	(8.3)	(15.1)	0.3	4.9
Net increase (decrease) in net assets resulting from operations	\$ 5.3	\$ (1.8)	\$ (7.3)	\$ 6.7	\$ 11.6
<b>Per Share</b>					
Net investment income	\$ 0.13	\$ 0.11	\$ 0.13	\$ 0.11	\$ 0.13
Distributions declared and paid	\$ 0.105	\$ 0.105	\$ 0.105	\$ 0.225	\$ 0.105
Weighted average common shares outstanding (in millions)	60.7	59.6	58.4	56.8	50.5
Common shares outstanding at end of period (in millions)	62.7	59.7	59.3	58.0	56.4

Note: Certain numbers may not foot or tie to financial statements due to rounding.

# Corporate Information

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## Board of Directors

### Independent

Steven P. Novak - Chairman

Barry Osherow

George Stelljes III

### Non-Disinterested

Jonathan H. Cohen

Charles M. Royce

## Corporate Offices

8 Sound Shore Drive  
Suite 255  
Greenwich, CT 06830

## Corporate Website

[www.oxfordsquarecapital.com](http://www.oxfordsquarecapital.com)

## Investor Relations

Bruce L. Rubin  
Oxford Square Capital Corp.  
Tel: (203) 983-5280  
[ir.oxfordsquarecapital.com](http://ir.oxfordsquarecapital.com)

## Fiscal Year End

December 31

## Independent Audit Firm

PricewaterhouseCoopers LLP

## Corporate Counsel

Dechert LLP

## Transfer Agent

Computershare Trust Company, N.A.  
Tel: 1-877-498-8861 / [www.computershare.com](http://www.computershare.com)

## Securities Listing

Common Stock:

"OXSQ" - NasdaqGS

Notes:

"OXSQZ" - NasdaqGS

"OXSQG" - NasdaqGS

## Executive Corporate Officers

Jonathan H. Cohen

Saul B. Rosenthal

Bruce L. Rubin

Gerald Cummins

Board Member and Chief Executive Officer

President and Chief Operating Officer

Chief Financial Officer

Chief Compliance Officer