

E A R N

ELLINGTON CREDIT COMPANY

Presentation to Debt Investors

As of June 30, 2026



Important Notice

Forward-Looking Statements

This presentation may contain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not historical in nature and can be identified by words such as "anticipate," "estimate," "will," "should," "may," "expect," "project," "believe," "intend," "seek," "plan" and similar expressions or their negative forms, or by references to strategy, plans, or intentions. Forward-looking statements are based on our beliefs, assumptions and expectations of our future operations, business strategies, performance, financial condition, liquidity and prospects, taking into account information currently available to us. These beliefs, assumptions, and expectations are subject to numerous risks and uncertainties and can change as a result of many possible events or factors, not all of which are known to us. If a change occurs, our business, financial condition, liquidity, results of operations and strategies may vary materially from those expressed or implied in our forward-looking statements.

The following factors are examples of those that could cause actual results to vary from those stated or implied by our forward-looking statements: changes in interest rates and the market value of our investments, market volatility, changes in the default rates on corporate loans, our ability to borrow to finance our assets, changes in government regulations affecting our business, a deterioration in the market for collateralized loan obligations, our ability to adapt to the new regulatory regime associated with our conversion to a closed-end fund/RIC, potential business disruption related to our conversion to a closed-end fund/RIC, ability to achieve the anticipated benefits of our conversion to a closed-end fund/RIC, the acceptance by the IRS of the proposed change to our tax year, and other changes in market conditions and economic trends, such as changes to fiscal or monetary policy, heightened inflation, increased tariffs, slower growth or recession, and currency fluctuations. Furthermore, as stated above, forward-looking statements are subject to numerous risks and uncertainties, including, among other things, those described under the heading "Risk Factors" in our Registration Statement on Form N-2 filed with the SEC on April 1, 2025, which can be accessed through the link to our SEC filings under "For Investors" on our website (at www.ellingtoncredit.com) or at the SEC's website (www.sec.gov). The information on, or otherwise available through, our website is not incorporated into, and does not form a part of, this presentation. Other risks, uncertainties, and factors that could cause actual results to differ materially from those projected or implied may be described from time to time in reports we file with the SEC and is not possible for us to predict or identify them all. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

This presentation and the information contained herein do not constitute an offer of any securities or solicitation of an offer to purchase securities.

Modeling

Some statements in this presentation may be derived from proprietary models developed by Ellington Management Group, L.L.C. ("Ellington"). Some examples provided may be based upon the hypothetical performance of such models. Models, however, are inherently imperfect and subject to a number of risks, including that the underlying data used by the models is incorrect, inaccurate, or incomplete, or that the models rely upon assumptions that may prove to be incorrect. The utility of model-based information is highly limited. The information is designed to illustrate Ellington's current view and expectations and is based on a number of assumptions and limitations, including those specified herein. Certain models make use of discretionary settings or parameters which can have a material effect on the output of the model. Ellington exercises discretion as to which settings or parameters to use in different situations, including using different settings or parameters to model different securities. Actual results and events may differ materially from those described by such models.

Example Analyses

The example analyses included herein are for illustrative purposes only and are intended to illustrate Ellington's analytic approach. They are not and should not be considered a recommendation to purchase or sell any security or a projection of our future results or performance. The example analyses are only as of the date specified and do not reflect changes since that time.

Projected Yields and Spreads

Any projected yields and spreads discussed herein are based upon Ellington models and rely on a number of assumptions, including as to prepayments, defaults, recoveries and interest rates. Such models are inherently imperfect and there is no assurance that any particular investment will perform as predicted by the models, or that any such investment will be profitable. Projected yields are presented for the purposes of (i) providing insight into the strategy's objectives, (ii) detailing anticipated risk and reward characteristics in order to facilitate comparisons with other investments, (iii) illustrating Ellington's current views and expectations, and (iv) aiding future evaluations of performance. They are not a guarantee of future performance. They are based upon assumptions regarding current and future events and conditions, which may not prove to be accurate. There can be no assurance that the projected yields will be achieved. Investments involve risk of loss.

Financial Information

All financial information included in this presentation is as of June 30, 2026 unless otherwise indicated. We undertake no duty or obligation to update this presentation to reflect subsequent events or developments. You should not view information related to our past performance as indicative of our future results, the achievement of which is dependent on many factors, many of which are beyond our or our adviser's control. There can be no assurances that future distributions will match or exceed historical rates or will be paid at all. Nothing contained herein shall be relied upon as a promise or representation whether as our past or future performance. Further, some of the information in this presentation is not complete and may be changed. Any summary information presented in this document is intended to be considered in the context of our SEC filings and other public announcements that we may make, by press release or otherwise, from time to time. We undertake no duty or obligation to publicly update or revise the information contained in this presentation.

This presentation contains both financial measures prepared and presented in accordance with generally accepted accounting principles ("GAAP") and Adjusted Net Investment Income, a non-GAAP financial measure, which is a measurement of financial performance that is not prepared and presented in accordance with GAAP. Accordingly, this measure should not be considered as a substitute for data prepared and presented in accordance with GAAP. Non-GAAP financial measures should not be construed as being more important than comparable GAAP measures. Although we use or have used this non-GAAP financial measure to assess the performance of our business and for other purposes, the use of this non-GAAP financial measure as an analytical tool has limitations, and you should not consider it in isolation, or as a substitute for analysis of our results of operations as reported in accordance with GAAP. In addition, please note, however, that: (I) our calculation of Adjusted Net Investment Income may differ from the calculation of similarly titled non-GAAP financial measures by our peers, with the result that these non-GAAP financial measures might not be directly comparable; and (II) Adjusted Net Investment Income excludes certain items that may impact the amount of cash that is actually available for distribution. Please see the Appendix within the presentation for a reconciliation of the non-GAAP financial measures included in this presentation to our most directly comparable financial measure calculated and presented in accordance with GAAP.

The information provided is for discussion purposes only and does not constitute an offer to sell, or a solicitation of an offer to buy, any securities or investment products, nor should it be relied upon as the basis for any investment decision.

I.	The Ellington Management Platform	4
II.	Ellington Credit Company (NYSE: EARN)	10
III.	Risk Management Framework	18
IV.	Portfolio & Financial Summary	24
V.	Appendix: Chronology of Conversion & Related Changes at EARN	30

E A R N

ELLINGTON CREDIT COMPANY

I. The Ellington Management Platform



The Ellington Management Platform

The Ellington Platform has deep experience in structured corporate credit and mortgages, and utilizes a data-driven approach to investing and risk management

Ellington

As of 6/30/2026

Founded:	1994
Employees:	>170
Investment Professionals:	~60
Global offices:	3

\$23.0B

Assets under management¹

10

Employee-partners own the firm²

31

Years of average industry experience of senior portfolio managers

20%

Employees dedicated to research and engineering

Summary

- Ellington Credit Company Management LLC is the investment adviser of Ellington Credit Company and is part of the Ellington platform of SEC-registered investment advisors³
 - Ellington manages EARN, Ellington Financial Inc. (“EFC”), multi-investor hedge funds, separately managed accounts, and opportunistic private funds

Investment Strategies

- Deploys a sophisticated technology-based investment strategy leveraging management’s deep expertise in diversified credit markets
- Devotes significant resources to credit modeling and analytics

Infrastructure & Technology

- Ellington is known for committing substantial operational resources to, and heavily investing in, research and analytics to support its complex, data-driven investment and risk management philosophy

Risk Management

- Dedicated risk oversight group utilizes a diverse array of tools to quickly identify and respond to emerging risks, aiming to protect against downside shocks, minimize interest-rate exposures, and deliver stable returns
- The risk oversight team is deeply integrated into Ellington’s organizational structure to maximize interaction with the investment team

Source: Company filings.

1. \$23.0 billion AUM includes uncalled capital commitments, if any, and accounts holding solely loans.

2. Does not include partners formerly employed by Ellington who may have residual capital balances but who no longer have voting rights in the partnership.

3. Registration with the SEC does not imply that the firm or any of its principals or employees possess a particular level of skill or training in the investment advisory or any other business.

Ellington's Risk Management Ethos is the Backbone of EARN's Strategy

Risk management strategy has been core to Ellington's investment philosophy since 1994, enabling Ellington to manage downside risk, preserve capital, and perform through market cycles

Diversified CLO Portfolio Construction

Diversification across sub-sectors, capital structure and geographies, enhanced by credit hedging, to support resilient performance across market environments

Active Trading Approach

Analytical, relative-value-driven trading, seeking to capture gains, manage risk, and continually optimize portfolio positioning

Sophisticated, Dynamic Credit Hedging Strategy

Targeted credit hedging designed to mitigate exposure to adverse credit events, reduce portfolio volatility and enhance liquidity management

Prudent Financial Leverage

Disciplined leverage framework that prioritizes durability and stability through periods of market stress

Disciplined Cash Management

Robust stress testing, detailed cash-flow forecasting, tail hedging and proactive liquidity management to protect Net Asset Value ("NAV") and maintain investment flexibility

Deeply Integrated Risk Management and Research Team

Dedicated risk oversight supported by extensive research and engineering resources (20% of employees), designed for identification of emerging risks, mitigation of credit exposures, and delivery of stable returns

Mark-to-Market Trading Election for Tax Purposes

We mark-to-market assets not just for GAAP purposes, but also for tax purposes, meaning unrealized gains/losses are converted to ordinary taxable income/loss – which in times of stress reduces RIC distribution requirement

Management Team with Structured Credit Experience and Foundation in Advanced Mathematics

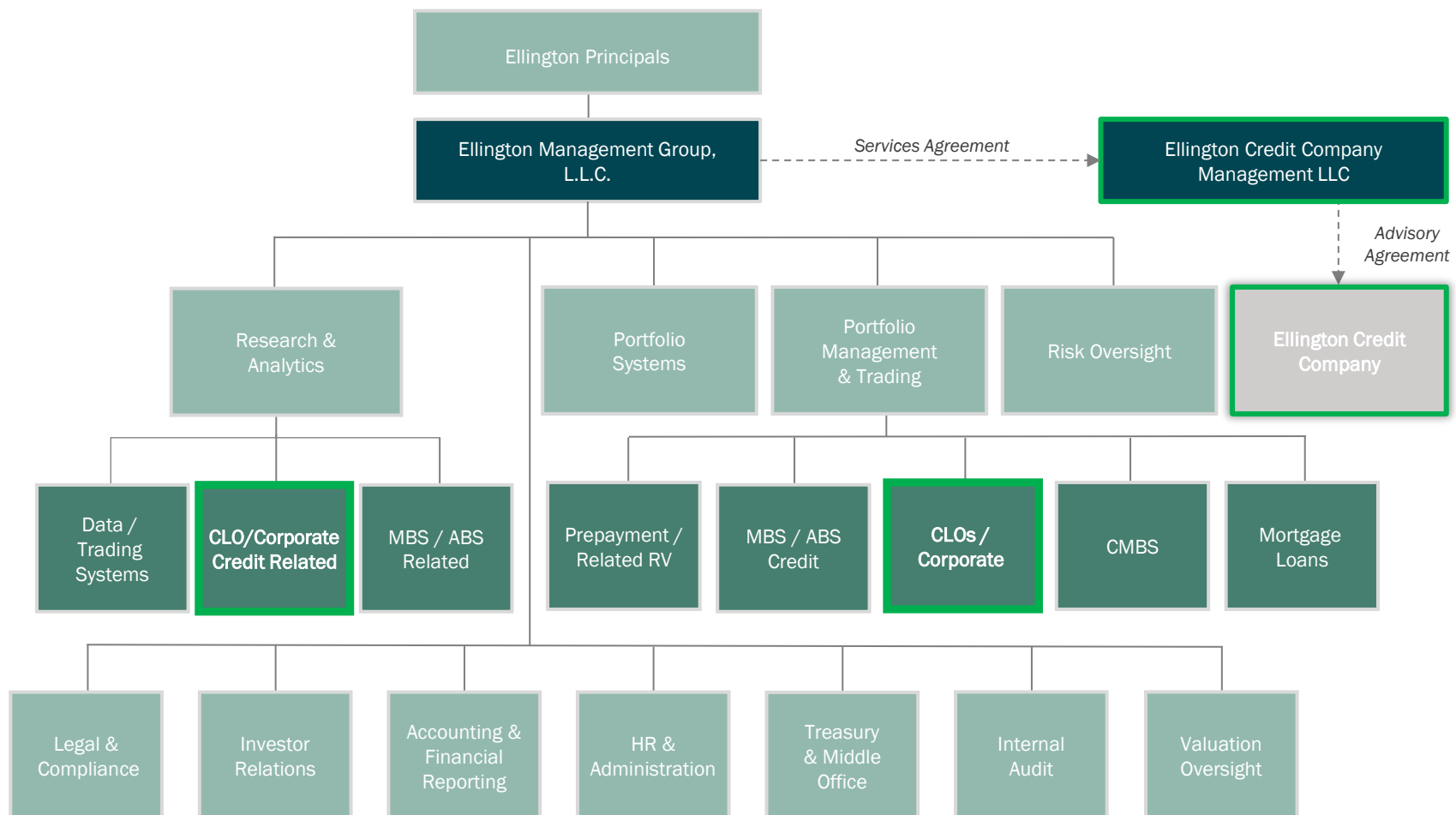
	Years of Experience	Years at Ellington	
Michael Vranos Portfolio Manager	43	31	• Founder and CEO of Ellington • Oversees portfolio construction and implementation of hedging strategies at Ellington • Former head of RMBS trading and origination at Kidder Peabody • B.A. in Mathematics from Harvard University
Laurence Penn Chief Executive Officer	42	31	• Vice Chairman of Ellington, CEO of EARN and EFC • Former Co-head of CMO origination and trading at Lehman Brothers • B.A. in Mathematics from Harvard University • Masters in Mathematics from Cambridge University
Greg Borenstein Portfolio Manager	19	14	• Managing Director and Head of Corporate Credit of Ellington • Responsible for Ellington's CLO investment business • Formerly member of the proprietary and secondary CLO trading desks at Goldman Sachs • B.A. in Applied Mathematics and Economics from Johns Hopkins University
JR Herlihy Chief Operating Officer	23	15	• COO of EARN and CFO of EFC • Managing Director of Ellington and former Co-CIO of Ellington Housing Inc. • Former Vice President of Acquisitions at GTIS Partners LP • B.A. in Economics and History from Dartmouth College
Christopher Smernoff Chief Financial Officer	26	19	• CFO of EARN and CAO of EFC • Formerly a manager in the assurance practice of PricewaterhouseCoopers LLP • Member of American Institute of CPAs • B.S. in Accounting and Finance from Boston College
Peter Green Head of Research	21	21	• Managing Director and Head of Research of Ellington • Leads Ellington's research initiatives across all of its strategies • Ph.D. in Mathematics from Harvard University • B.S. from McGill University
David Dubbert Head of Risk Management	21	21	• Managing Director and Head of Risk Management of Ellington • Leads development and oversight of risk management framework • Formerly served as a Treasurer of Ellington • B.S. from University of Pennsylvania

***Strong board with no controlling shareholder and well-structured governance standards
(no staggering, four out of six members are independent; all members are re-elected each year)***

Ellington's Infrastructure is a Competitive Advantage

Ellington has over 170 employees supporting approximately \$23.0 billion in assets under management

Sophisticated infrastructure supports rigorous management of credit, interest rate, liquidity, and other risks



Ellington's CLO Expertise and EARN's CLO Portfolio Growth

Ellington's CLO Expertise

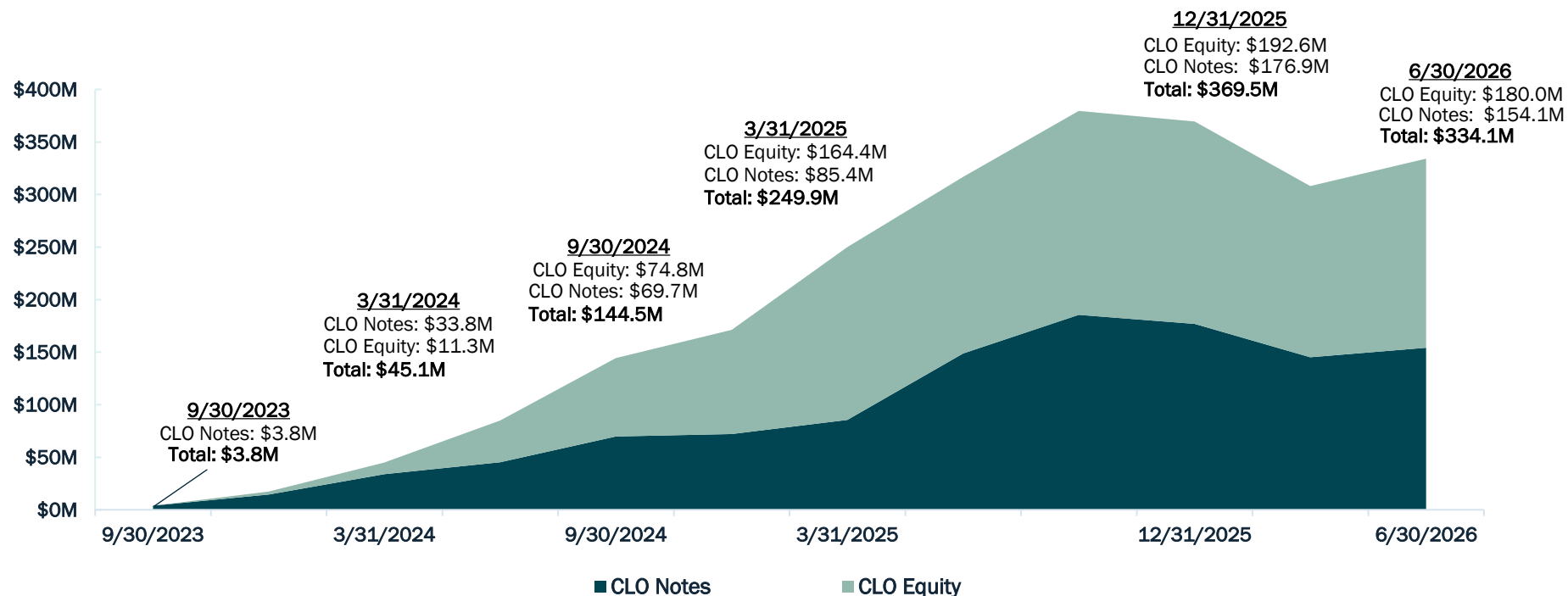
Strategy Inception: 2012

Portfolio Managers: 6

Avg. years of industry experience for senior portfolio managers: 25

- Ellington has extensive expertise managing CLO investments, including deep credit, structural, and fundamental analysis, understanding of market technicals and dynamics, and strong risk management
- Ellington employs both proprietary and third-party models and systems to guide its CLO investment process, enabling real-time analysis of investment opportunities and associated risks across various scenarios

EARN's CLO Portfolio Over Time



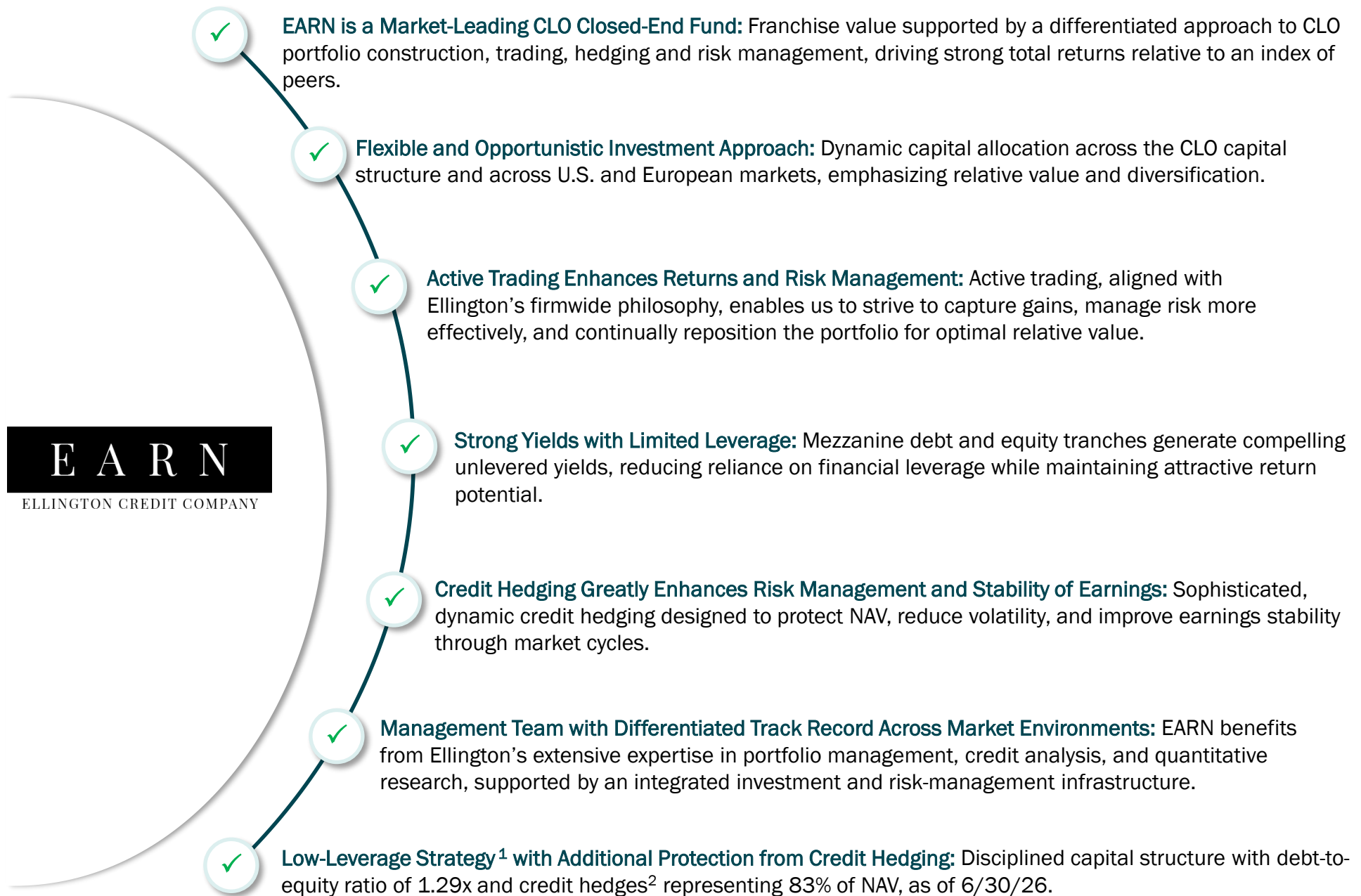
Note: Might not foot due to rounding.

E A R N

ELLINGTON CREDIT COMPANY

II. Ellington Credit Company (NYSE: EARN)

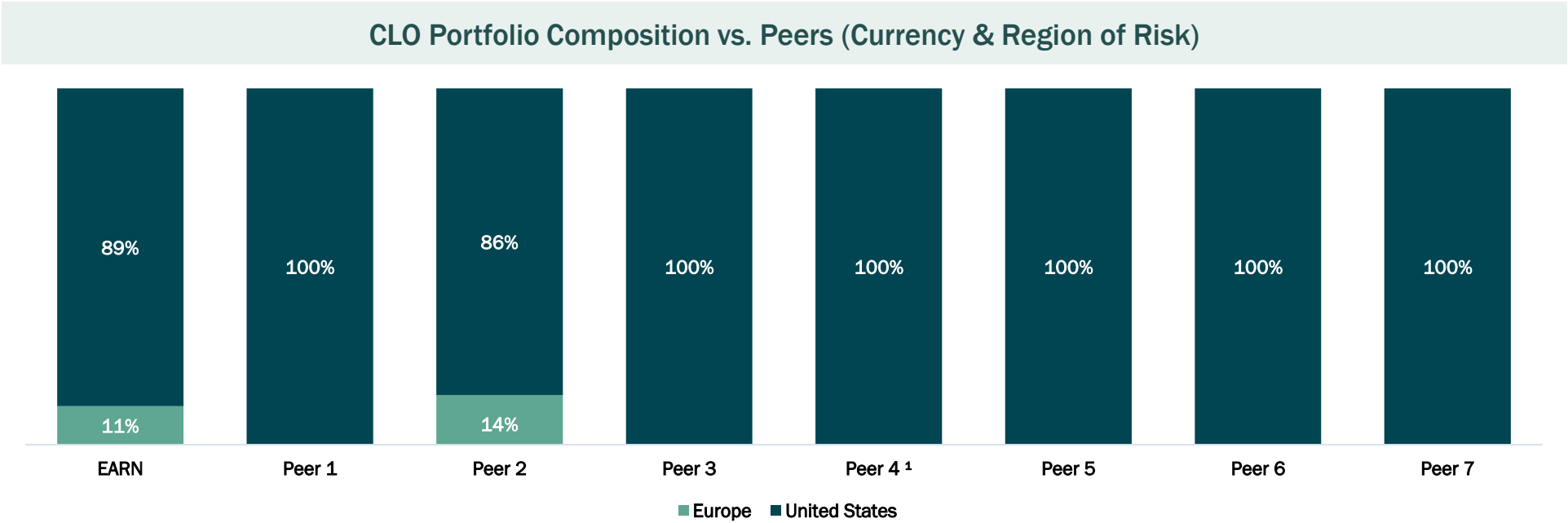
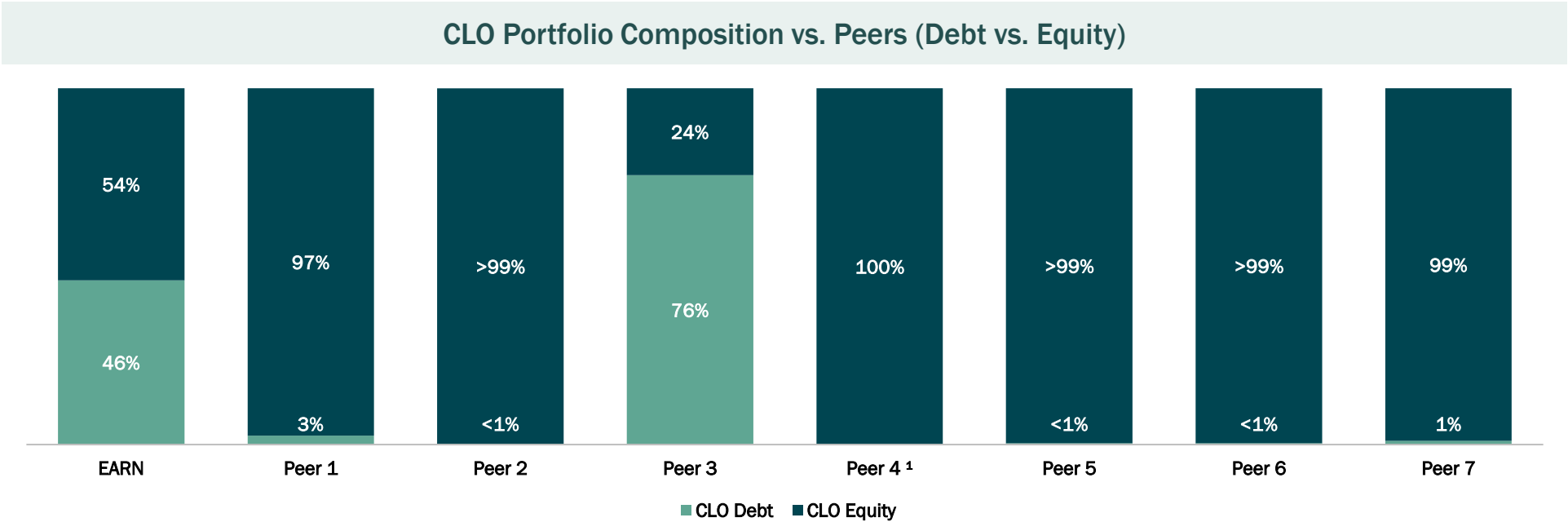




1. Any such leverage is in addition to leverage embedded or inherent in the CLO structures or derivative instruments in which the Fund may invest.

2. Corporate credit hedges may include CDS, ETFs, equities, total return swaps, and similar instruments referencing both single issuers and indices, as well as options, tranches, and other derivatives on such instruments. In particular, our credit hedging strategy extensively uses CDX and iTraxx indices, CDX and iTraxx tranches and options, ETFs, and ETF options.

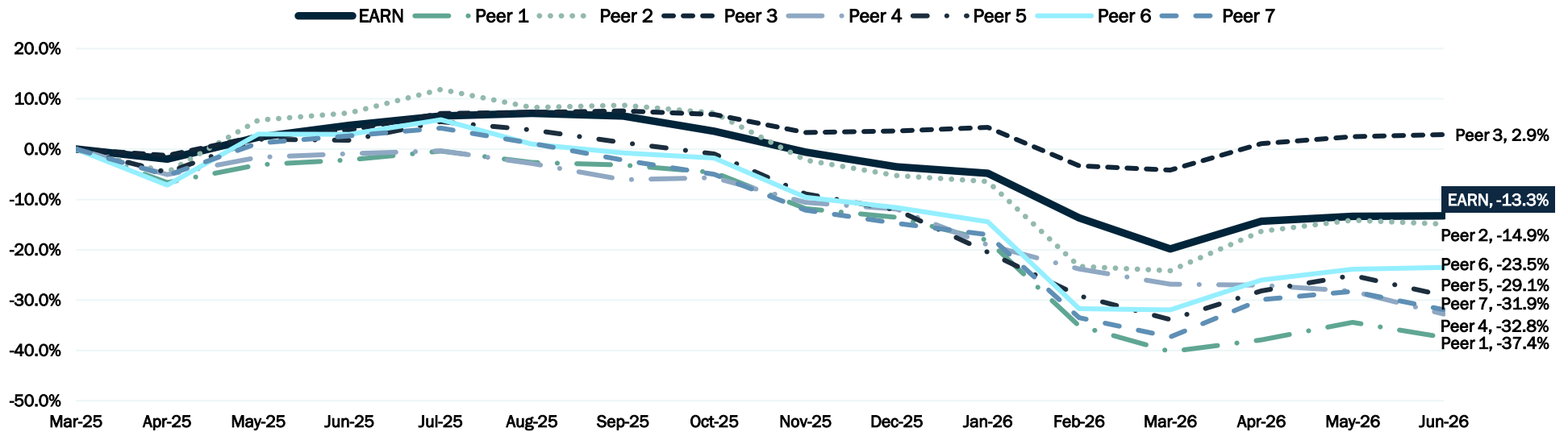
Portfolio Composition – Comparison to Peers



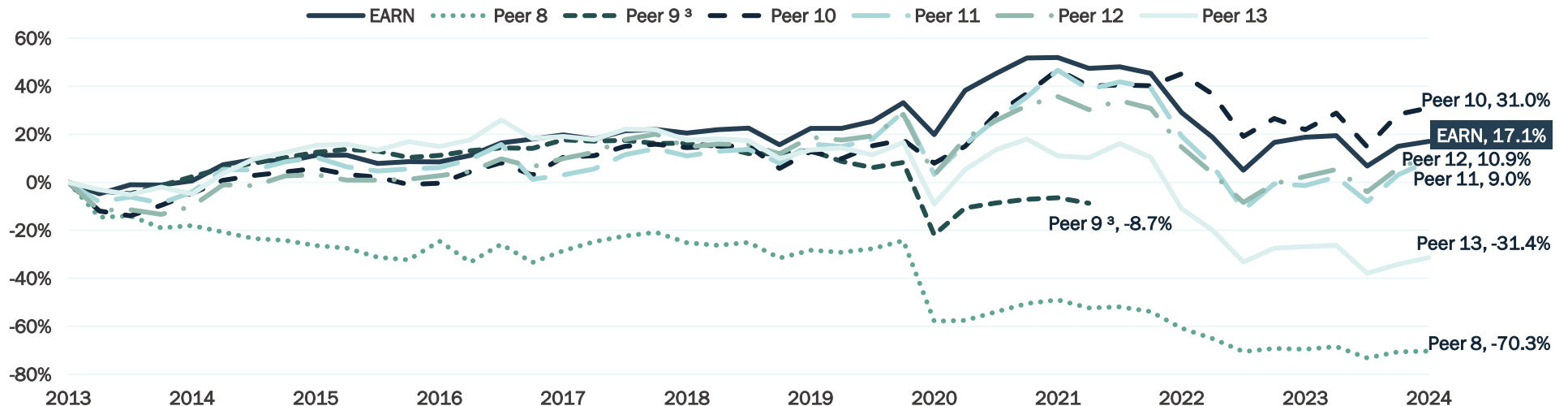
Source: Public Filings. | Note: CLO Debt and Equity as well as Currency and Country of Risk breakouts are as of 6/30/2026, unless otherwise noted; Portfolio composition does not include cash or other investments.
1. As of 4/30/2026

History of Outperformance to Peers, Before & After CLO Conversion

Cumulative Economic Returns Since 4/1/2025, CLO Closed-End Funds¹



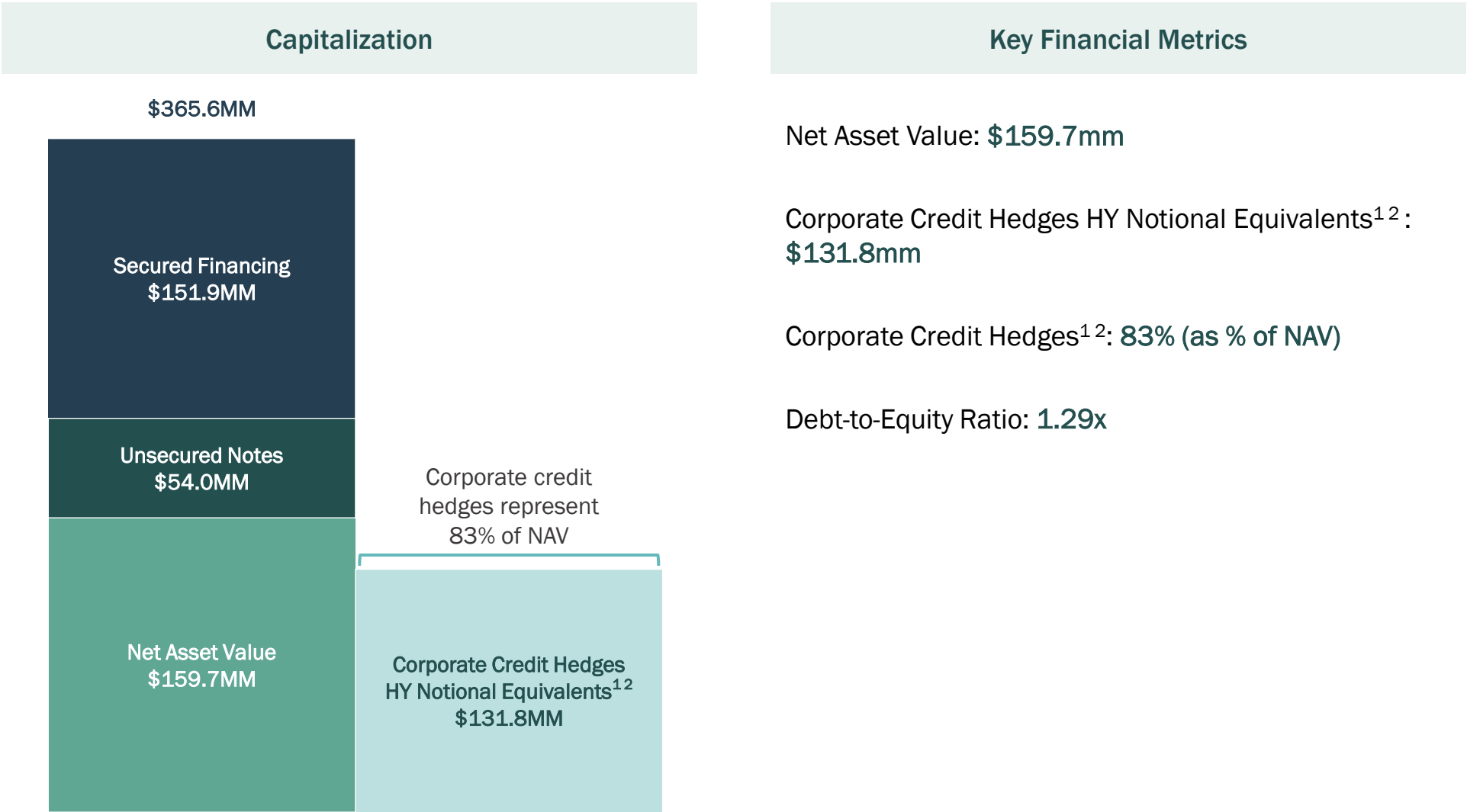
Cumulative Economic Returns, 3/31/13 – 3/31/24, Agency Mortgage REITs²



Source: Company Press Releases and Monthly and/or Quarterly Reports. Economic return is computed by adding back distributions to ending book value or NAV per share and comparing that amount to book value or NAV per share as of the beginning of the period and is compounded for multi-period horizons.

1. When an estimate range for NAV is provided, midpoint of the range is used within the table. Cumulative economic returns are calculated monthly and have been normalized for stock splits.
2. Peers depicted are mortgage REITs focused on Agency MBS. Performance data is through March 31, 2024, corresponding with the strategic transformation of EARN's investment strategy to focus on corporate collateralized loan obligations announced on April 1, 2024. Cumulative economic returns are calculated quarterly and have been normalized for stock splits.
3. Peer 9 was acquired in a merger that completed during the year.

Diversified, Well-Positioned Capital Structure and Credit Hedging Portfolio



As of 6/30/2026

1. There can be no assurance that instruments in the Credit Hedging Portfolio will be effective portfolio hedges. The Fund manages the risk of its overall portfolio, including the Credit Hedging Portfolio, through a broader risk management process that includes compliance with a Value-at-Risk ("VaR") limit under Rule 18f-4 of the Investment Company Act of 1940. VaR is an estimate of potential losses on a portfolio over a specified time horizon and at a given confidence level. For purposes of Rule 18f-4, the Fund calculates VaR at a 99% confidence level for a 20-trading-day horizon using a model calibrated to historical market data to estimate the distribution of portfolio returns. Under Rule 18f-4, the VaR of the Fund (expressed as a percentage of the Fund's net asset value) may not exceed 200% of the VaR of the Fund's designated reference portfolio (expressed as a percentage of the value of the designated reference portfolio). The Fund's "designated reference portfolio" is defined as the Fund's portfolio of securities, cash, and other investments, excluding derivatives transactions. As of June 30, 2026: (i) the VaR of the Fund was 29.3%, (ii) the VaR of the designated reference portfolio was 20.7%, and therefore (iii) the Relative VaR Ratio was 141%. VaR is model-based and is only an estimate of potential loss. The estimated VaR of the same portfolio may change over time as new data becomes available and models are updated. Models are inherently imperfect and rely on assumptions that may prove to be inaccurate. As a result, VaR has significant limitations and should be considered accordingly.

2. Corporate credit hedges are shown in notional equivalents of the Markit CDX North America High Yield Index ("CDX HY"). CDX HY equivalents are estimated using models calibrated to historical price relationships. Our models change over time, and realized returns may differ from our model projections.

The “Derivatives Rule”: What It Is and Why It Matters for EARN

EARN operates as a derivatives user under Rule 18f-4 of the Investment Company Act (the “Derivatives Rule”)

- Derivatives Risk Management Program implemented and overseen by a designated derivatives risk manager.
- Reverse repurchase agreements designated as derivatives under the Derivatives Rule.
- Value at Risk (“VaR”) limitations govern EARN’s risk, leverage, and derivatives exposure.
- The Derivatives Rule requires that EARN’s Relative VaR Ratio not exceed 200% (“Relative VaR Test”)¹, meaning that the fund’s VaR should be less than 2x that of its reference portfolio, which consists of its CLO holdings without leverage.

Difference from traditional leverage tests

- Traditional tests only cover balance sheet leverage and don’t account for the differences in asset risk profiles or the impact of hedges.
- In contrast, VaR seeks to capture all sources of market-to-market risk at the fund level, including the credit, spread, and interest risks of each position, diversification of holdings, and the effect of including derivatives.
- Under the traditional leverage test, the question was: “How many dollars of assets back each dollar of debt?”
- Under the VaR framework, we directly address risk: “What’s the loss that we expect to exceed only with a specified, small probability over a given time period?”
- Hedged and unhedged portfolios with identical notional leverage may have materially different VaR profiles.
- EARN’s portfolio must pass both a VaR test and a traditional leverage test.

EARN’s results

- EARN’s credit hedging program helps protect NAV during periods of economic stress, reducing VaR and supporting EARN’s compliance with the Relative VaR Test.
- This allows EARN to target attractive relative-value opportunities between investments and hedges, use leverage judiciously, and capture upside potential within a disciplined risk-management framework.

1. Uses 20-day 99% confidence VaR. 200% ratio is based on EARN’s current liability structure and would increase to 250% with the issuance of preferred stock.

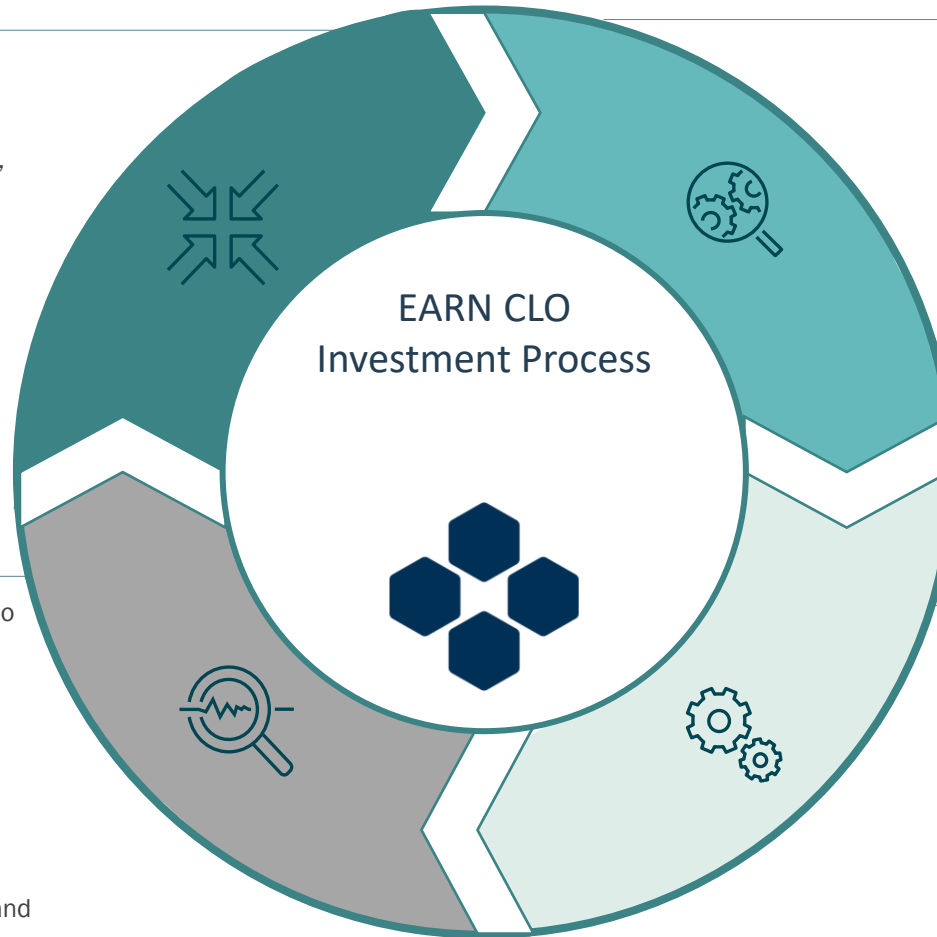
EARN's investment process involves a combination of top-down and bottom-up approaches that seek to identify and capitalize on market opportunities

Sourcing

- Deep and broad relationships across Wall Street
- Streamlined investment screening based on market dynamics, structure, legal docs, portfolio reviews, relative value and liquidity analysis, financing terms, strategic relationships, and attractive exit opportunities

Due Diligence

- Review of CLO underlying loan portfolio characteristics, including market spreads, credit ratings, liquidity, and deal documentation, including benchmark replacement language, waterfalls, quality and coverage test details
- Review of recent trading activities, indentures and trustee reports, including reinvestment, redemption, and ratings actions
- Focus on portfolio tails, defaulted credits, and reorg equities with high outcome variability, applying haircuts to less liquid credits
- Understanding of equity holder dynamics and incentives



Monitoring

- Automated daily tranche-by-tranche analysis, flagging major loan price movements, rating changes, changes in tests or triggers, payments, or market value coverage changes via email alerts
- Daily portfolio risk reporting, including sensitivity to macro credit shocks and underlying idiosyncratic loan risks
- Portfolio look-through report, measuring portfolio sector exposure and single-name issuer concentrations
- Regular collateral manager communication, ongoing evaluation of CLO collateral managers' trading strategies and performance

Analysis

- Proprietary sensitivity analysis to default, prepayment and recovery stress scenarios, including repetitions of historical macroeconomic shocks and various forward shocks, incorporating both fundamental and mark-to-market risk information
- In depth analysis of forward deal tests and triggers and projected deleveraging
- Underwriting of underlying collateral based on price, maturity, ratings, depth, and more in conjunction with single name credit desks
- Relative value not only across CLOs, but also vs. CDX index tranches and other corporate credit instruments

Ellington's proprietary model interface allows for real-time, multi-scenario analysis of trade opportunities and associated risks



E A R N

ELLINGTON CREDIT COMPANY

III. Risk Management Framework



Assess current and emerging risks

Key exposures include:

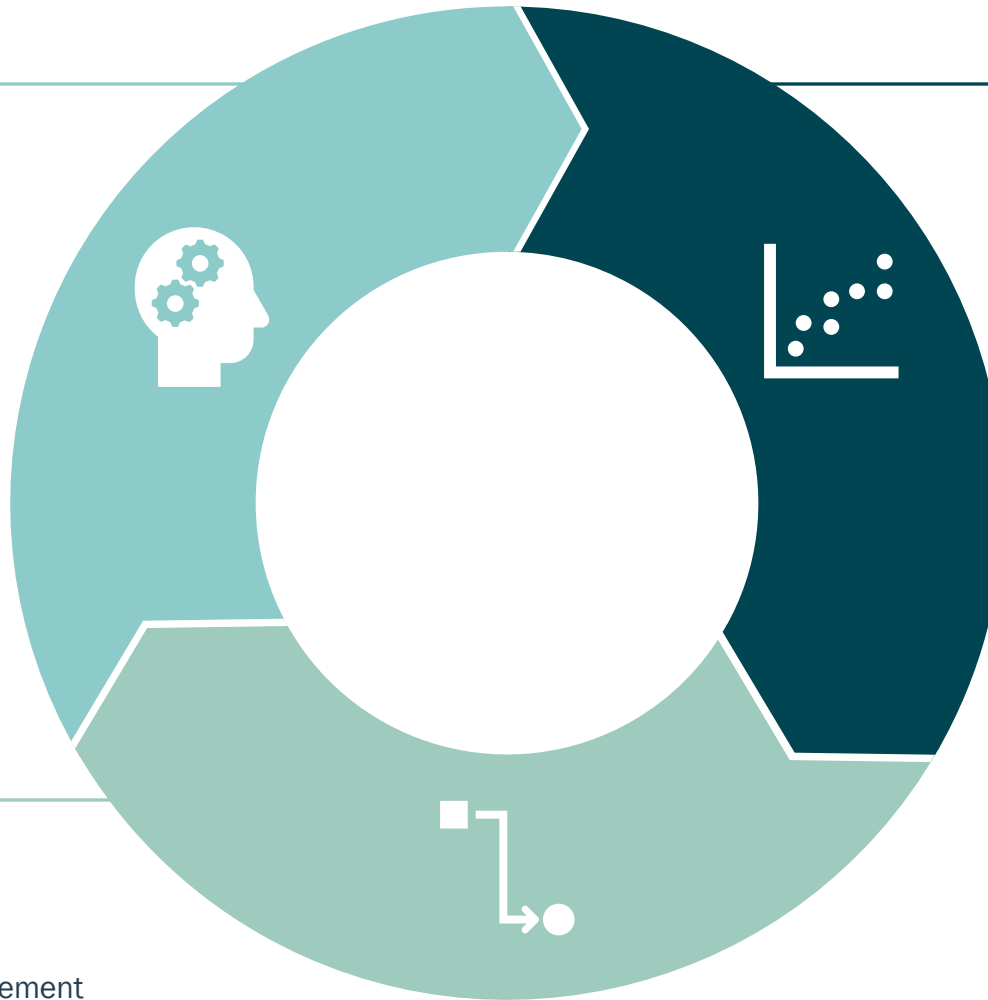
- Macro credit risk
- Idiosyncratic and concentration risks
- Liquidity risk

Analyze with extensive data and deep models

- Billions of corporate debt performance metric records and decades of trading data available for calibration
- Models capture a wide range of stress scenarios

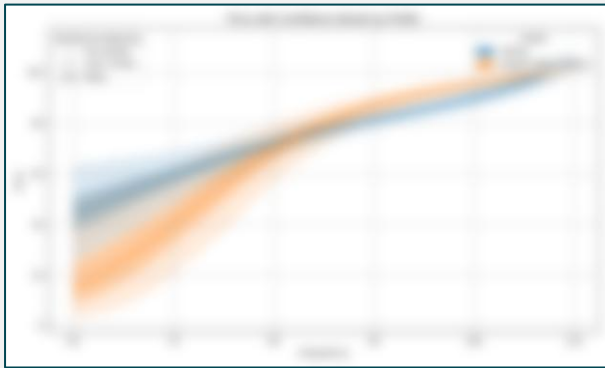
Act on the results

- Portfolio construction
- Hedge optimization
- Cash and liability management



Our portfolio analytics seek to quantify impacts from a wide range of shocks

Managing negative credit convexity is central to risk management



The portfolio analytics translate into bottom-up liquidity modeling executed at security level

Understanding the timeline of liquidity shocks is crucial to prudent management



Reports and tools supporting trading and operations integrate model results and risk guidelines

Coherent, prompt delivery of information to users is central to our disciplined process



Fundamental Models

Mark-to-Market Models

Macro and Idiosyncratic Risk

Liquidity Timeline Models

Bid/Ask Models

Prescriptive Hedging Analytics

Prescriptive Liquidity Analytics

Reports and Dashboards

Trading Tools

Operational Tools

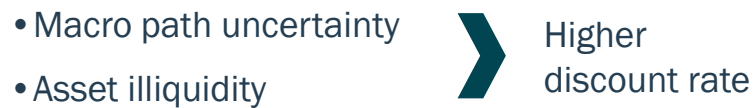
We use rich, long datasets to train coherent models across all investments and hedges.

Fundamental Stress



+

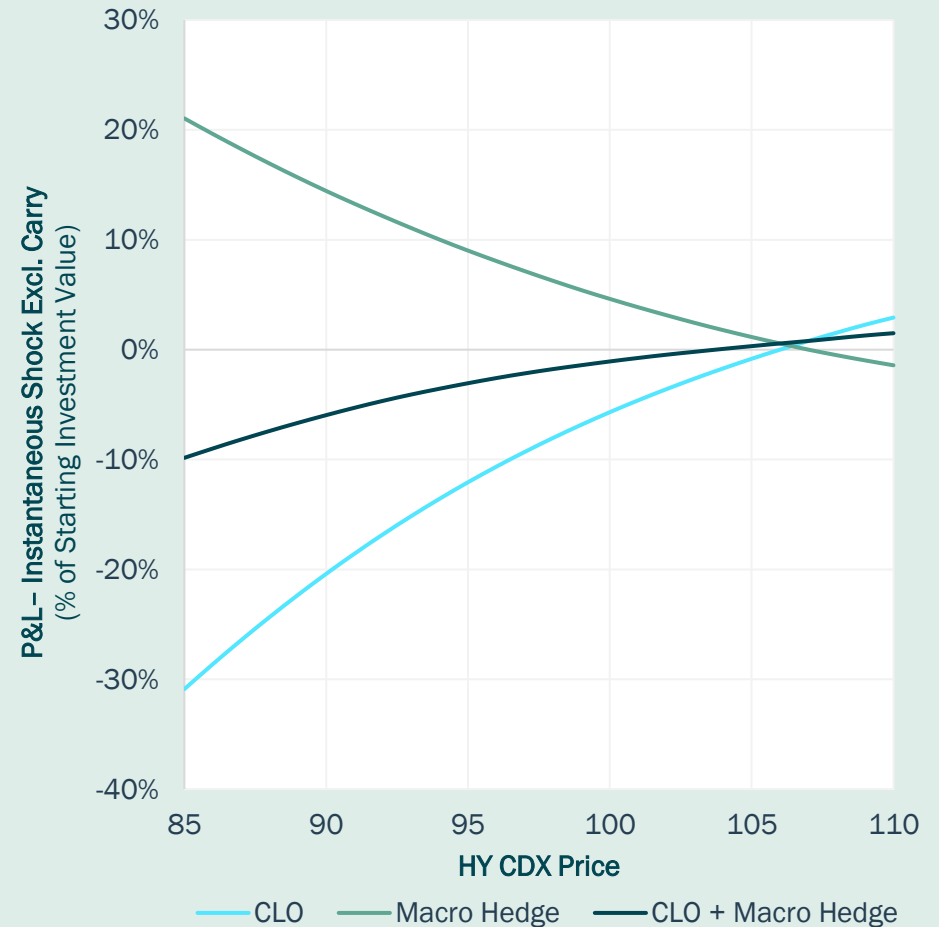
Risk Premium / Discount Spread Stress



=

Total Mark-to-Market Risk Profile

Illustrative CLO Mezzanine Holding¹ Risk Profile and Macro Hedge

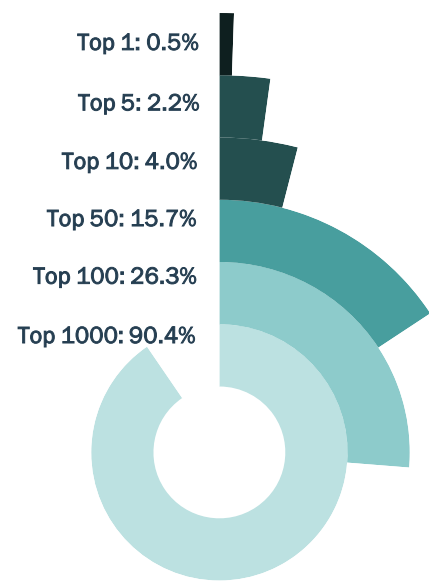


1. Illustrative holding is MDPK 2016-24A ER2. Risk profile represents instantaneous mark-to-market shock and excludes carry.

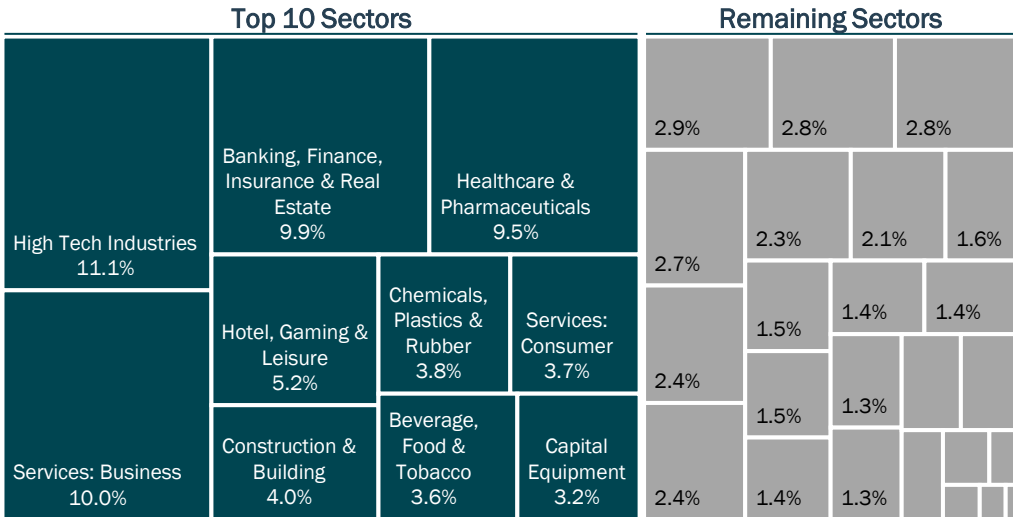
Idiosyncratic and Concentration Risks

Managing concentrations for a wide range of attributes allows us to reduce vulnerability to idiosyncratic shocks.

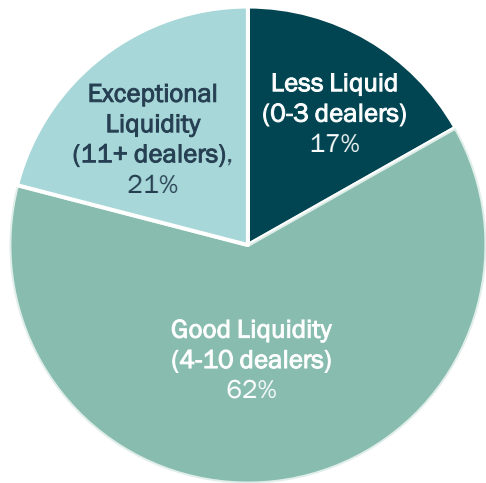
Underlying Loan Issuer Concentration¹



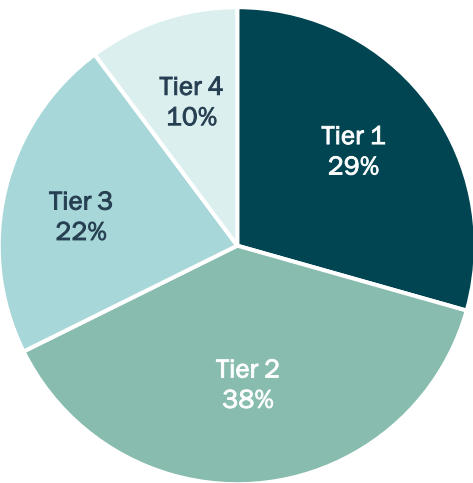
Sector Diversification¹



Price Depth Distribution¹



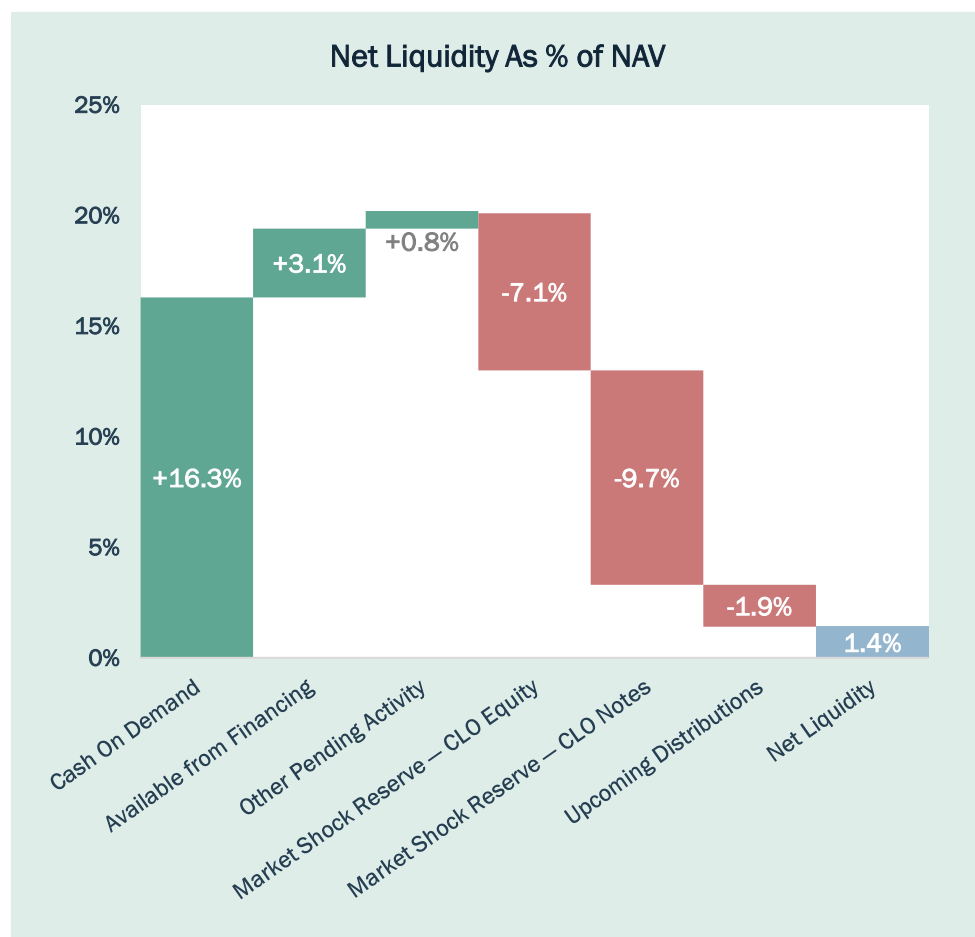
CLO Manager Tier Distribution¹



Note: Figures as of 6/30/2026. Figures may not foot due to rounding.
1. Look-through to CLO collateral based on collateral percentage of par and CLO holding market value.

Liquidity Risks

Our analytics allow us to simulate what-ifs, translating market shocks into a cash impact, which we hold as a reserve. We manage our portfolio to net liquidity, defined as cash on demand minus reserves, adjusted for pending activity.



Note: Figures as of 6/30/2026.

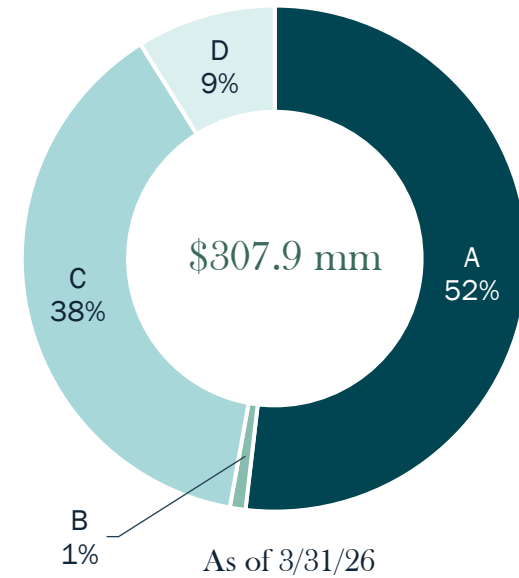
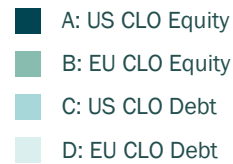
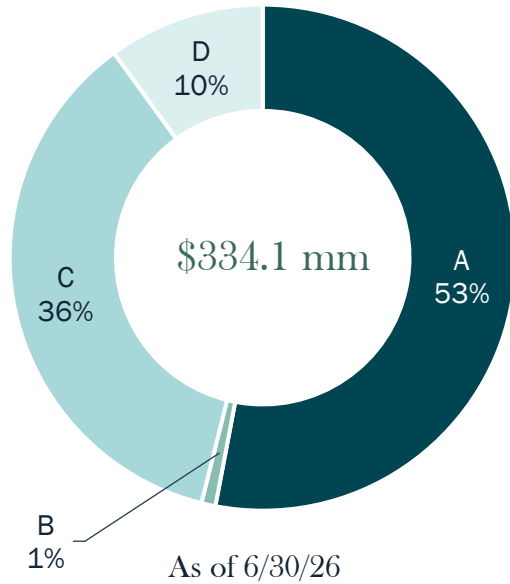
1. Market shock reserve reflects investment risk net of hedge benefit.

E A R N

ELLINGTON CREDIT COMPANY

IV. Portfolio & Financial Summary





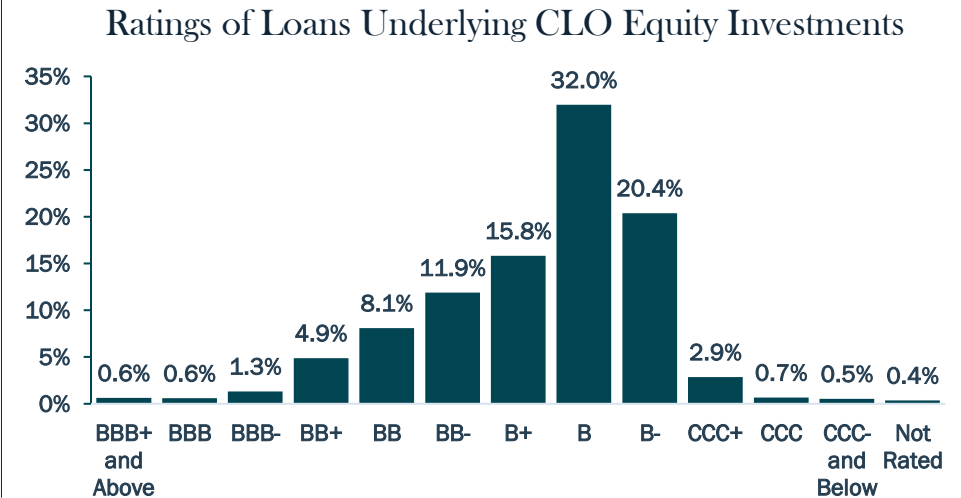
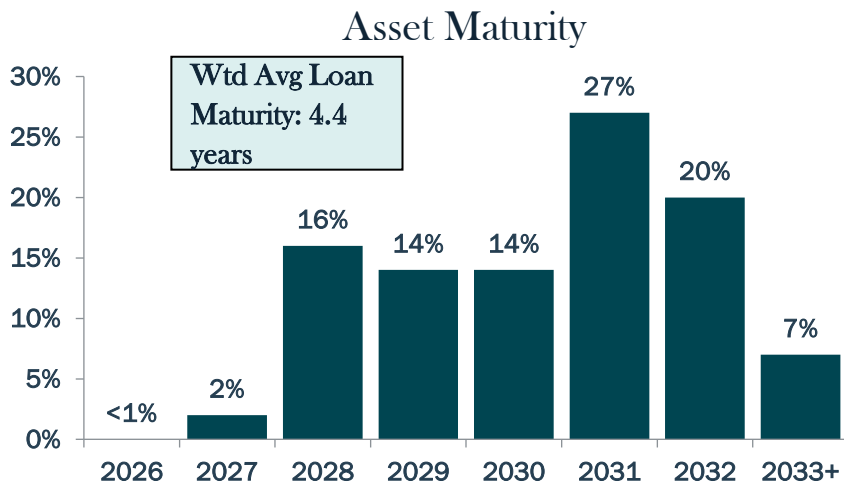
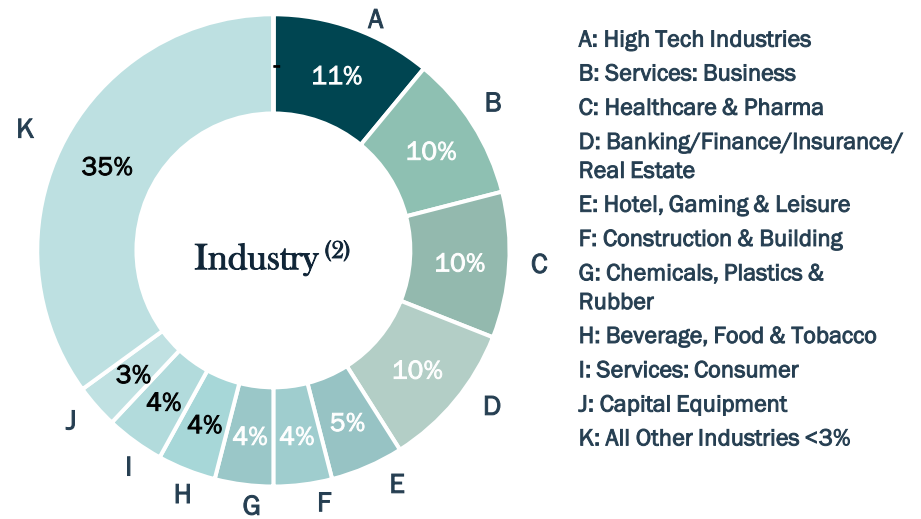
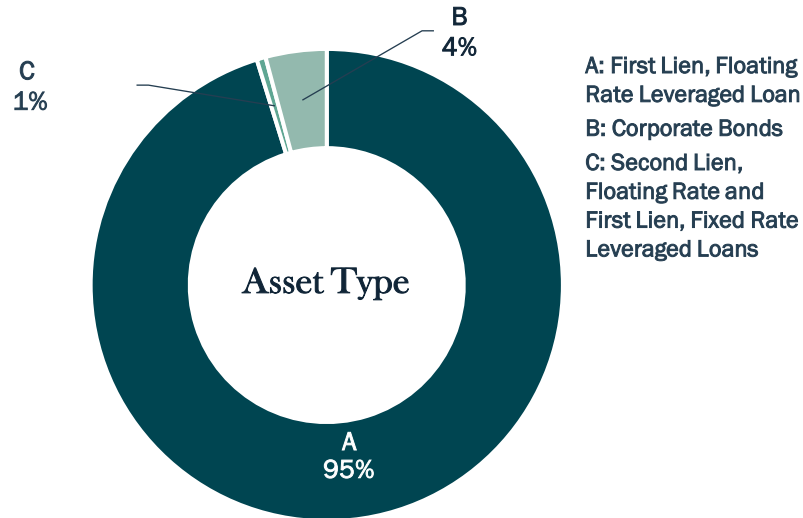
CLO portfolio increased by 8.5% sequentially to \$334.1 million as of 6/30/26, as purchases and mark-to-market gains exceeded paydowns and sales.

Consistent with our active trading approach, we executed 64 trades during the period, purchasing \$64.8 million of investments, 65% in CLO debt and 35% in CLO equity, and selling \$35.1 million.

We aim to maintain a diversified portfolio of CLO equity and debt investments, with allocations between equity and debt adjusted based on market opportunities.

While we plan to invest in both dollar- and non-dollar-denominated CLOs based on relative value, we expect that the majority of our CLO holdings will remain dollar-denominated.

Corporate CLO Underlying Corporate Loans – Detail as of 6/30/26¹



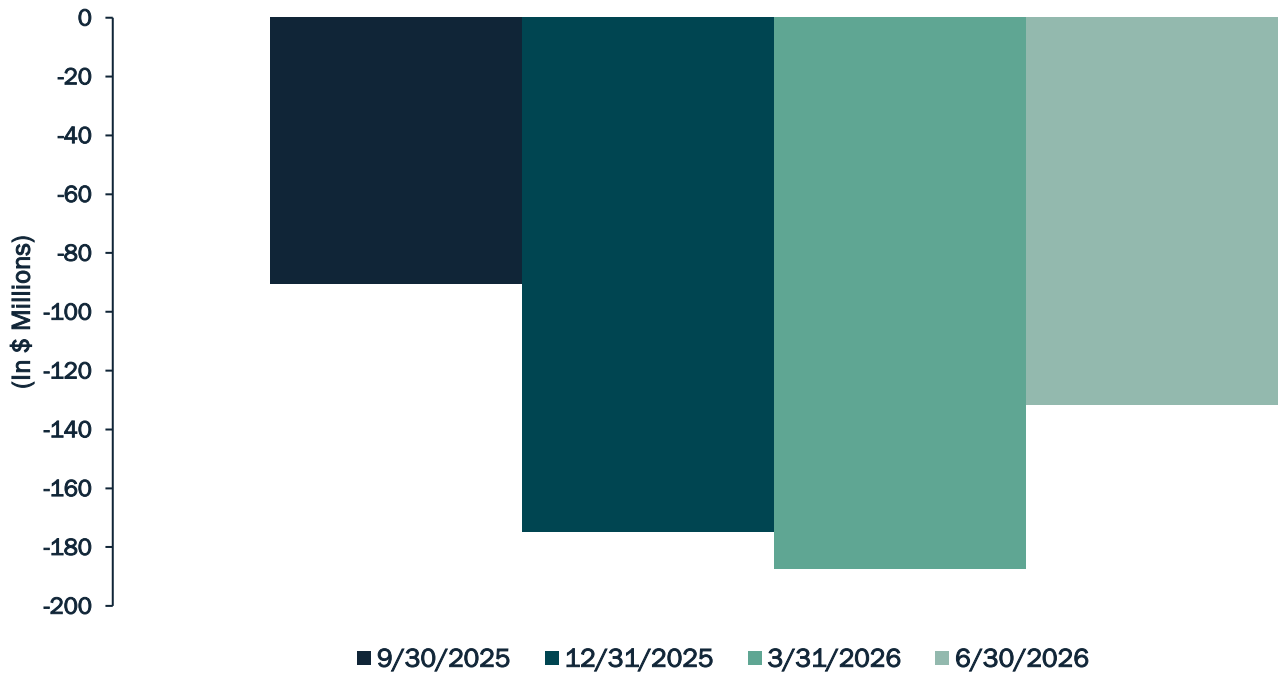
- Corporate CLO underlying asset portfolio spans 32 distinct industries, with no one industry comprising more than 11% of the total asset mix
- The majority of assets are first lien, senior secured leveraged loans from larger corporate borrowers (only ~6% of loans are below \$250mm)
- Approximately 97% of the underlying assets are floating rate
- There are few near-term asset maturities (only ~2% of the total have maturities prior to 2028)

1. Includes corporate bonds.

2. Industry classifications are based on Moody's industry categorization of each obligor as reported in CLO trustee reports, to the extent such information is available. In cases where CLO trustee reports do not provide an industry classification for an underlying obligor, it is included under "All Other Industries". As a result, the Fund's actual exposure to certain industries may be higher than what is presented if industry categories were available for all obligors.

Corporate Credit Hedges¹

Instrument Category	Corporate CDS Indices / Tranches / Options
Units	HY CDX Bond Equivalent Value ^{2 3}



- We selectively hedge a portion of the credit risk of our CLO portfolio using a variety of derivative instruments.
- EARN’s dynamic credit hedging strategy is designed to protect against downside risk.
- During market-wide negative credit shocks, our credit hedges seek not only to help stabilize our net asset value, but also to bolster our liquidity, as we have daily access in cash to the mark-to-market gains on these positions.

1. There can be no assurance that instruments in the Credit Hedging Portfolio will be effective portfolio hedges.

2. Corporate credit hedges are shown in notional equivalents of the Markit CDX North America High Yield Index (“CDX HY”). CDX HY equivalents are estimated using models calibrated to historical price relationships. Our models change over time, and realized returns may differ from our model projections.

3. Corporate credit hedges may include CDS, ETFs, equities, total return swaps, and similar instruments referencing both single issuers and indices, as well as options, tranches, and other derivatives on such instruments. In particular, our credit hedging strategy extensively uses CDX and iTraxx indices, CDX and iTraxx tranches and options, ETFs, and ETF options.

Consolidated Statement of Assets and Liabilities (Unaudited)

<i>(In thousands, except share and per share amounts)</i>			June 30, 2026	March 31, 2026 ¹
Assets				
Investments, at fair value (cost \$388,267 and \$372,939, respectively)	\$	334,478	\$	308,363
Cash and cash equivalents		23,469		57,726
Due from brokers		15,395		13,542
Financial derivatives—assets, at fair value (Net upfront premiums paid (received) \$1,943 and \$2,585, respectively)		1,114		2,398
Receivable for securities sold		3,387		-
Interest and principal receivable		4,093		4,531
Other assets		606		367
Total Assets	\$	382,542	\$	386,927
Liabilities				
Reverse repurchase agreements		151,935		166,274
Unsecured borrowings, at fair value (principal amount \$54,000)		53,830		54,000
Payable for securities purchased and financial derivatives		1,343		2,157
Due to brokers		254		7
Financial derivatives—liabilities, at fair value (Net upfront premiums paid (received) \$(9,248) and \$(4,573), respectively)		7,935		3,228
Distributions payable		3,054		3,006
Performance fee payable to affiliate		1,215		1,074
Management fee payable to affiliate		606		583
Interest payable		678		624
Accrued expenses and other liabilities		1,980		2,152
Total Liabilities		222,830		233,105
NET ASSETS applicable to common stock, no par value, unlimited shares authorized, 38,171,182 and 37,579,569 shares issued and outstanding, respectively	\$	159,712	\$	153,822
Composition of Net Assets				
Paid-in-capital		196,414		193,775
Total distributable earnings/(accumulated losses)		(36,702)		(39,953)
Total Net Assets	\$	159,712	\$	153,822
Supplemental per Share Information				
Net asset value per share of common share	\$	4.18	\$	4.09
Key Financial Metrics				
Corporate Credit Hedges HY Notional Equivalents, as % of NAV ²		83%		122%
Debt-to-Equity Ratio		1.29x		1.43x

Source: Ellington. | Company filings. | Note: Might not foot due to rounding.

1. Figures are derived from audited financial statements as of March 31, 2026.

2. Corporate credit hedges are shown in notional equivalents of the Markit CDX North America High Yield Index ("CDX HY"). CDX HY equivalents are estimated using models calibrated to historical price relationships. Our models change over time, and realized returns may differ from our model projections.

Income Statement (Unaudited)

	3 Months Ended June 30, 2026		Year Ended March 31, 2026	
(In thousands except share amounts and per share amounts)				
Investment Income				
Interest income	\$	11,757	\$	51,056
Other income		202		749
Total investment income	\$	11,959	\$	51,805
Expenses				
Interest expense	\$	3,005	\$	8,312
Performance fees to affiliate		1,215		5,901
Management fees to affiliate		606		3,047
Compensation expense		370		1,580
Professional fees		200		1,550
Underwriters' fees		-		1,688
Other operating expenses		476		1,903
Total expenses	\$	5,872	\$	23,981
Net investment income	\$	6,087	\$	27,824
Net Realized Gain (Loss) and Change in Unrealized Appreciation (Depreciation)				
Net realized gain (loss) on investments	\$	(142)	\$	2,186
Net realized gain (loss) on financial derivatives and foreign currency transactions		(4,141)		(5,876)
Change in net unrealized appreciation (depreciation) on investments		11,294		(64,971)
Change in net unrealized appreciation (depreciation) on financial derivatives, foreign currency transactions, and unsecured borrowings		(779)		1,986
Total net realized gain (loss) and change in unrealized appreciation (depreciation)	\$	6,232	\$	(66,675)
Net Increase (Decrease) in Net Assets Resulting from Operations Attributable to Common Shareholders	\$	12,319	\$	(38,851)
Net Investment Income Per Share	\$	0.16	\$	0.74
Net Income (Loss) per Share	\$	0.33	\$	(1.03)
Adjusted Net Investment Income ¹				
Net investment income	\$	6,087	\$	27,824
Adjustments:				
Less: Non-capitalized transaction costs and non-recurring expenses		-		(2,409)
Plus: Net realized and change in net appreciation (depreciation) on periodic settlements of interest rate swaps and net interest and dividend income (expense) on total return swaps		(359)		(3)
Adjusted Net Investment Income	\$	5,728	\$	30,230
Adjusted Net Investment Income Per Share	\$	0.15	\$	0.80
Weighted Average Shares Outstanding		37,628,975		37,566,273

Source: Ellington. | Company filings. | Note: Might not foot due to rounding.

- Adjusted Net Investment Income is a supplemental non-GAAP financial measure. We believe that the presentation of Adjusted Net Investment Income provides information useful to investors, because: (i) we believe that it is a useful indicator of both current and projected long-term financial performance, in that it excludes the impact of certain expenses and non-capitalized transaction costs that we believe are less useful in forecasting long-term performance and distribution-paying ability; and (ii) we believe that realized and accrued periodic settlements on interest rates swaps and interest and dividend income (expense) net of transaction fees on total return swaps are similar to net investment income and are more appropriately classified as recurring. Our calculation of Adjusted Net Investment Income may differ from the calculation of similarly titled non-GAAP financial measures by our peers, with the result that these non-GAAP financial measures might not be directly comparable. In addition, because Adjusted Net Investment Income is an incomplete measure of our financial results and differs from net investment income computed in accordance with U.S. GAAP, it should be considered supplementary to, and not as a substitute for, net investment income computed in accordance with U.S. GAAP. In setting our distributions, our Board of Trustees considers our earnings, liquidity, financial condition, distribution requirements, and financial covenants, along with other factors that the Board of Trustees may deem relevant from time to time.

E A R N

ELLINGTON CREDIT COMPANY

V. Appendix

Chronology of Conversion & Related Changes at EARN



Chronology of Conversion & Related Changes at Ellington Credit Company

Phase I: Proof of Concept <i>Beginning September 2023</i>	• EARN began acquiring corporate collateralized loan obligations (“CLOs”) in Sept. 2023, a sector that management believes will provide greater risk-adjusted returns for EARN’s shareholders over the long term, with less earnings volatility, compared to the Fund’s prior investment focus, Agency MBS • During this phase, EARN generated positive returns on CLO debt and equity investments through year end 2023, net of credit hedges • Size of CLO portfolio and credit hedging portfolio was capped to maintain compliance with REIT qualification testing (\$17.4m portfolio at 12/31/23)
Phase II: Approval of CLO Strategy <i>Beginning January 2024</i>	• EARN revoked its REIT election effective 1/1/24 to enable further accumulation of CLO investments and operated as a taxable C Corporation, utilizing its significant net operating loss carryforwards (“NOLs”) to offset the majority of any U.S. federal tax liability, and a portion of any state income tax liability, incurred on future taxable income it generated while operating as a taxable C Corporation. Its CLO investments continued to generate positive returns, net of credit hedges • The Fund changed name to “Ellington Credit Company” (from Ellington Residential Mortgage REIT) to reflect its new strategy • Continued to reallocate capital from liquid Agency MBS pools to CLO debt and equity, but size of CLO portfolio and credit hedging portfolio was restricted by maintaining exemption from 1940 Act
Phase III: Proxy Solicitation and Shareholder Approval <i>Beginning August 2024</i>	• EARN prepared a proxy statement and obtained shareholder approval to complete its conversion (the “Conversion”) to a CLO-focused closed-end fund, including approval of: – a change in the Fund’s legal form from a Maryland real estate investment trust to a Delaware statutory trust and, relatedly, adoption of a new Declaration of Trust; and – a new investment advisory agreement with Ellington Credit Company Management LLC, the Fund’s investment adviser, to replace the existing management agreement • Management prepared Fund to complete the Conversion, including satisfying the new regulatory requirements of the 1940 Act
Phase IV: Conversion to a CLO-Focused ‘40 Act Fund <i>Beginning April 2025</i>	• EARN completed the Conversion on April 1, 2025 • As part of the Conversion, EARN completed the following steps: – Filed a registration statement with the SEC officially subjecting it to the rules of the 1940 Act; – Converted to a Delaware statutory trust (from Maryland); and – Elected to be treated as a RIC (as defined below) under the Internal Revenue Code (see “Regulated Investment Company (“RIC”) Requirements” below) • EARN also changed its fiscal and tax years to end on March 31 (from December 31), the day prior to the Conversion, to align its reporting cycle with the Conversion and facilitate more efficient accounting, tax, and reporting processes • EARN adopted new policies and procedures in order to comply with the 1940 Act