



Oxford Square Capital Corp.
Investor Presentation
Quarter Ended December 31, 2021

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There is no guarantee that any of the estimates, targets or projections illustrated in this presentation 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 past or present investments.

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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, including the impact of the COVID-19 pandemic and related changes in base interest rates and significant market volatility on the Company’s business, its portfolio companies, its industry and the global economy. 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 public filings with the Securities and Exchange Commission. OXSQ 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>Q4-21</u>	<u>Q3-21</u>	<u>Q2-21</u>	<u>Q1-21</u>	<u>Q4-20</u>
GAAP net investment income ¹	\$ 0.09	\$ 0.08	\$ 0.06	\$ 0.10	\$ 0.10
Distributions declared and paid	\$ 0.105	\$ 0.105	\$ 0.105	\$ 0.105	\$ 0.105
Net realized (losses) gains on investments ¹	\$ (0.08)	\$ 0.03	\$ 0.02	\$ (0.28)	\$ (0.02)
Net unrealized (losses) gains on investments ¹	\$ (0.01)	\$ 0.11	\$ 0.05	\$ 0.63	\$ 0.72
Net increase in net assets resulting from operations ¹	\$ 0.00	\$ 0.23	\$ 0.13	\$ 0.44	\$ 0.80
Net asset value	\$ 4.92	\$ 5.03	\$ 4.91	\$ 4.88	\$ 4.55

<i>(\$ in millions)</i>	<u>Q4-21</u>	<u>Q3-21</u>	<u>Q2-21</u>	<u>Q1-21</u>	<u>Q4-20</u>
Total fair value of investments	\$ 420.8	\$ 421.1	\$ 404.8	\$ 320.6	\$ 294.7
Number of portfolio investments	60	61	59	53	54
Net assets	\$ 244.6	\$ 249.6	\$ 243.5	\$ 242.0	\$ 225.4
Principal amount of debt outstanding	\$ 189.7	\$ 189.7	\$ 189.7	\$ 109.2	\$ 109.2
Debt to equity	0.78x	0.76x	0.78x	0.45x	0.48x

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)	Q4-21	Q3-21	Q2-21	Q1-21	Q4-20
New investments	\$ 23.3	\$ 23.1	\$ 99.5	\$ 32.9	\$ 46.9
Exits	11.9	5.7	3.7	18.3	76.5
Net investment activity	\$ 11.4	\$ 17.4	\$ 95.8	\$ 14.6	\$ (29.6)
Weighted average yield of debt investments at current cost ¹	7.7%	7.5%	7.6%	7.7%	8.0%
Weighted average effective yield of CLO equity investments at current cost	9.1%	9.1%	10.4%	9.4%	8.0%
Weighted average yield of total investments at current cost	8.3%	8.2%	9.0%	8.5%	8.0%
Weighted average cash distribution yield of debt investments at current cost ²	6.6%	6.4%	5.9%	6.8%	6.1%
Weighted average cash distribution yield of cash income producing CLO equity investments at current cost ³	21.2% ⁴	19.6% ⁴	18.8% ⁴	17.9% ⁴	19.2%
Weighted average cash yield of cash income producing securities at current cost	12.0%	11.6%	11.2%	11.8%	12.0%

Total Investments by Asset Type^{5,6}

	Q4-21	Q3-21	Q2-21	Q1-21	Q4-20
First-lien secured debt ⁷	22%	26%	27%	23%	21%
Second-lien secured debt	41%	36%	33%	37%	37%
CLO equity	37%	39%	40%	40%	42%
CLO debt	0%	0%	0%	0%	0%
Other ⁸	<1%	<1%	0%	0%	0%

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 12/31/2021.

2. Represents the cash interest received or entitled to be received and recognized as income 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 yield shown is calculated by taking the quarterly distributions received for the CLO equity investments which were scheduled to make a distribution to OXSQ (which includes investments where there was full diversion for the quarters ending 12/31/2021 and 9/30/2021), annualizing such amount and dividing by the current cost basis of those investments for the quarters ending 12/31/2021 and 9/30/2021, respectively. It does not include CLO equity which had not made its initial distribution by 12/31/2021.

4. Excludes CLO investments which have been optionally redeemed.

5. As a percentage of the total invested portfolio fair value as of quarter end. Excludes cash and equivalents.

6. Due to rounding, totals may not add up to 100%.

7. Assumes a portfolio investment's revolving credit facility is fully funded in Q3-21 and Q4-21.

8. "Other" includes common stock and preferred equity.

CLO Equity & Initial Distribution Schedule

(\$ in millions)	<u>Q4-21</u>	<u>Q3-21</u>	<u>Q2-21</u>	<u>Q1-21</u>	<u>Q4-20</u>
CLO equity which has made its initial distribution to OXSQ (at original cost) ¹	\$ 203.7	\$ 209.1	\$ 187.2	\$ 199.1	\$ 212.1
CLO equity which has not made its initial distribution to OXSQ (at original cost) ²	33.5	33.5	40.3	21.9	23.3
Total CLO Equity ¹	<u>\$ 237.1</u>	<u>\$ 242.5</u>	<u>\$ 227.5</u>	<u>\$ 221.0</u>	<u>\$ 235.5</u>

CLO Equity Holdings Making Initial Distributions as of the Dates Below²

(\$ in millions)	
CLO equity expected to make initial distribution to OXSQ by 3-31-22 (at original cost)	\$ 33.5
CLO equity expected to make initial distribution to OXSQ by 6-30-22 (at original cost)	-
CLO equity expected to make initial distribution to OXSQ by 9-30-22 (at original cost)	-
Total	<u>\$ 33.5</u>

Cash Flow Diversion Amount

(\$ in millions)	<u>Q4-21</u>	<u>Q3-21</u>	<u>Q2-21</u>	<u>Q1-21</u>	<u>Q4-20</u>
Cash flow diversion amount ^{3,4}	\$ -	\$ -	\$ 0.0	\$ 0.3	\$ 0.8

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 Trustee, includes record date payments as of quarter-end.

CLO Portfolio Summary

OXSQ CLO Portfolio Information

As of December 31, 2021

CLO Equity Positions	CLO Vintage Year ¹	Tranche Type	Non-Call Period End*	Reinvestment Period End*	AAA Spread (L+)*	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	2015	CLO Equity	Callable	April-19	0.82%	3.90%	NR	3.46%	3031	82	3.37
CLO Equity Position #2	2013	CLO Equity	Callable	July-19	NA	2.11%	NR	3.95%	3903	28	3.32
CLO Equity Position #3	2014	CLO Equity	Callable	April-20	0.88%	0.83%	NR	3.38%	2705	87	3.31
CLO Equity Position #4	2014	CLO Equity	Callable	April-20	1.09%	2.57%	NR	3.51%	NA	44	3.41
CLO Equity Position #5	2015	CLO Equity	Callable	January-21	0.92%	3.76%	NR	3.38%	2892	67	3.61
CLO Equity Position #6	2017	CLO Equity	Callable	July-21	1.16%	1.54%	NR	3.67%	2837	77	3.73
CLO Equity Position #7	2013	CLO Equity	Callable	January-22	1.24%	1.23%	0.13%	3.33%	2710	72	4.60
CLO Equity Position #8	2017	CLO Equity	March-22	July-22	0.98%	1.50%	0.50%	3.44%	2680	86	4.32
CLO Equity Position #9	2015	CLO Equity	September-22	October-22	0.94%	NA	NA	3.60%	NA	NA	NA
CLO Equity Position #10	2015	CLO Equity	Callable	January-23	0.99%	1.30%	0.35%	3.48%	2831	96	4.75
CLO Equity Position #11	2019	CLO Equity	September-22	April-23	1.35%	2.22%	1.22%	3.71%	2745	96	4.63
CLO Equity Position #12	2018	CLO Equity	Callable	July-23	1.10%	1.92%	0.92%	3.40%	2841	80	4.73
CLO Equity Position #13	2014	CLO Equity	Callable	October-23	1.15%	1.67%	1.17%	3.47%	2792	98	4.99
CLO Equity Position #14	2014	CLO Equity	Callable	October-23	1.21%	2.94%	2.47%	3.40%	3009	97	4.62
CLO Equity Position #15	2018	CLO Equity	Callable	October-23	1.20%	1.88%	0.88%	3.62%	2402	106	4.86
CLO Equity Position #16	2021	CLO Equity	January-22	January-24	1.22%	5.63%	5.13%	3.64%	2667	77	5.18
CLO Equity Position #17	2019	CLO Equity	Callable	October-24	1.33%	6.10%	5.10%	3.63%	2840	83	4.90
CLO Equity Position #18	2020	CLO Equity	April-22	April-25	1.29%	5.02%	4.52%	3.64%	2523	103	5.03
CLO Equity Position #19	2013	CLO Equity	April-23	April-26	1.08%	5.19%	4.68%	3.25%	NA	NA	4.40
CLO Equity Position #20	2016	CLO Equity	April-23	April-26	1.05%	4.87%	4.37%	3.26%	2790	85	4.43
CLO Equity Position #21	2016	CLO Equity	April-23	April-26	1.04%	5.23%	4.23%	3.32%	2622	99	4.92
CLO Equity Position #22	2021	CLO Equity	August-23	July-26	1.17%	5.75%	5.25%	3.57%	2688	82	5.53
Subtotal (Fair Value)	\$152,517,280⁴			April-24²	1.13%²	4.07%²	3.54%²	3.52%²	2723^{2,3}	84²	4.79²

Note: OXSQ did not hold any CLO debt positions as of 12/31/2021.

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).

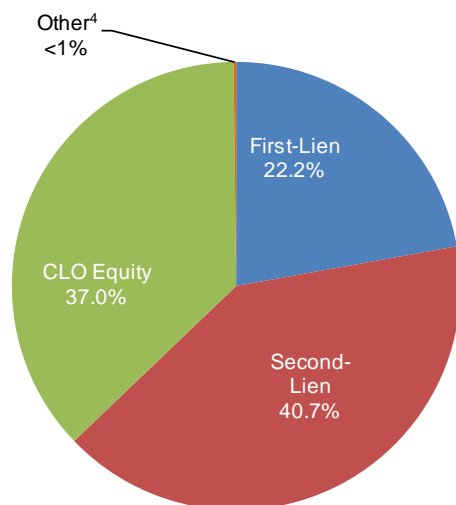
4. Weighted Average Rating Factor of 2723, for underlying loans of OXSQ's CLO equity tranche positions, is equivalent to a Moody's corporate debt rating of between B2 and B3 (B2 = 2720, B3 = 3490).

* Source: As reported by Intex.

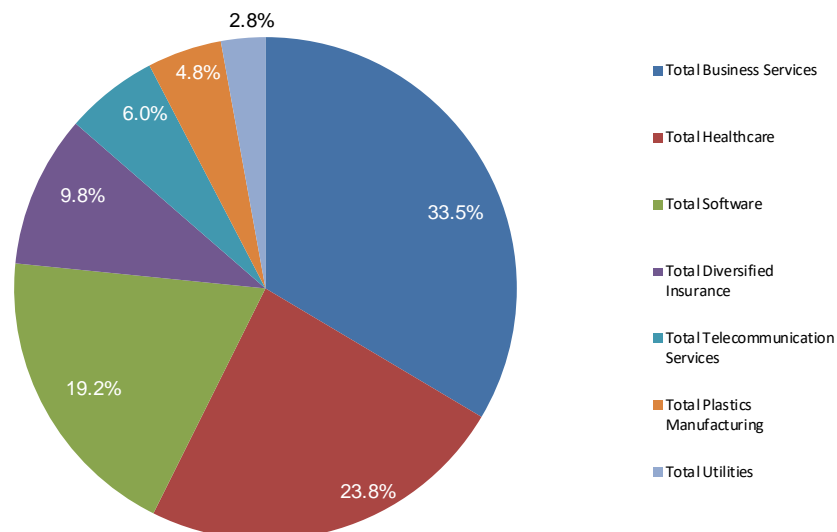
Investment Portfolio

- \$420.8 million portfolio composed of 60 portfolio investments¹
- Average investment by fair value represents 1.7% of total portfolio
- Top 10 portfolio investments by fair value represent 43.0% of total portfolio²

Total Investments by Asset Type^{1,3,4,5}



Corporate Loan Portfolio by Industry^{1,6}

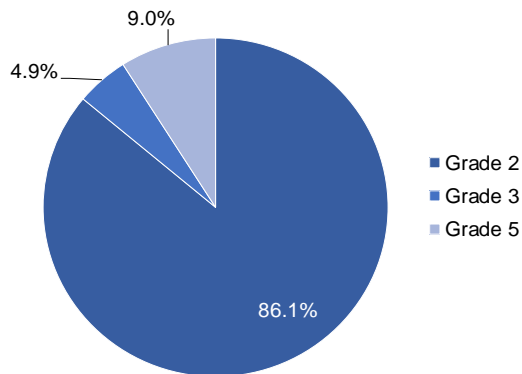


62.8% of OXSQ's investments are in senior secured debt¹

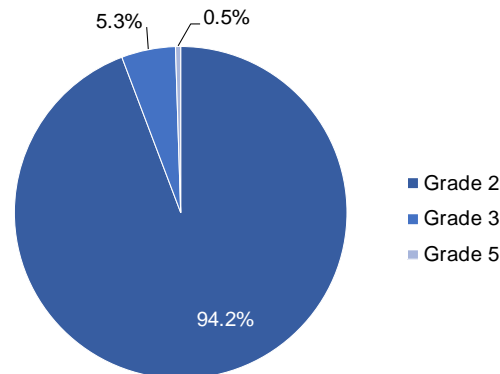
1. At fair value as of 12/31/2021. Totals may not sum due to rounding. Excludes cash and equivalents.
2. Does not combine different investments in the same company or CLO vehicle.
3. As a percentage of the total invested portfolio fair value as of quarter end.
4. "Other" includes common stock and preferred equity.
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 2.3 on a principal value basis



OXSQ's debt portfolio has a weighted-average credit rating of 2.1 on a fair value basis



Portfolio Grading

Grade 1

Company is ahead of expectations and/or outperforming financial covenant requirements of the specific tranche and this trend is expected to continue.

Grade 2

Full repayment of the outstanding amount of OXSQ's cost basis and interest is expected for the specific tranche.

Grade 3

Closer monitoring is required. Full repayment of the outstanding amount of OXSQ's cost basis and interest is expected for the specific tranche.

Grade 4

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.

Grade 5

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>	<u>Q4-21</u>	<u>Q3-21</u>	<u>Q2-21</u>	<u>Q1-21</u>	<u>Q4-20</u>
Non-accrual debt investments at current cost	\$ 23.7	\$ 23.7	\$ 23.7	\$ 9.8	\$ 23.4
Non-accrual preferred equity investments at current cost	\$ 16.2	\$ 16.2	\$ 16.2	\$ 16.2	\$ 16.2
Total non-accrual investments at current cost	\$ 39.8	\$ 39.8	\$ 39.8	\$ 26.0	\$ 39.6
Non-accrual debt investments at fair value	\$ 1.3	\$ 3.7	\$ 7.8	\$ 3.6	\$ 4.2
Non-accrual preferred equity investments at fair value	\$ 0.8	\$ 0.1	\$ 0.0	\$ 0.0	\$ 0.0
Total non-accrual investments at fair value	\$ 2.1	\$ 3.8	\$ 7.8	\$ 3.6	\$ 4.2

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

Outstanding Debt

(\$ in thousands)

	Principal Amount Outstanding ¹	Carrying Value ¹	Cost of Debt	Maturity
Unsecured Notes due 2024	\$ 64,370	\$ 63,640	6.50%	Mar-24
Unsecured Notes due 2026	\$ 44,791	\$ 43,781	6.25%	Apr-26
Unsecured Notes due 2028	\$ 80,500	\$ 77,961	5.50%	Jul-28
Total Debt	\$ 189,661	\$ 185,381		
Total Equity	\$ 244,595			
Debt to Equity	0.78x			

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

1. As of 12/31/2021.

Quarterly Balance Sheet

(\$ in millions, except per share)	As of				
	<u>12/31/2021</u>	<u>9/30/2021</u>	<u>6/30/2021</u>	<u>3/31/2021</u>	<u>12/31/2020</u>
<u>Assets</u>					
Total investments at fair value	\$ 420.8	\$ 421.1	\$ 404.8	\$ 320.6	\$ 294.7
Cash and cash equivalents	9.0	19.5	63.6	39.7	59.1
Securities sold not settled	-	-	-	-	1.0
Other assets	3.7	4.1	4.1	2.3	2.9
Total assets	<u>\$ 433.5</u>	<u>\$ 444.7</u>	<u>\$ 472.5</u>	<u>\$ 362.7</u>	<u>\$ 357.7</u>
<u>Liabilities and Net Assets</u>					
Debt outstanding at carrying value	\$ 185.4	\$ 185.1	\$ 185.0	\$ 107.0	\$ 106.9
Securities purchased not settled	-	6.5	40.8	10.9	23.2
Investment advisory and incentive fee payable	1.7	1.8	1.4	1.4	1.2
Interest payable	1.2	1.2	1.0	0.5	0.5
Other liabilities	0.6	0.4	0.8	0.8	0.6
Total liabilities	<u>188.9</u>	<u>195.0</u>	<u>229.0</u>	<u>120.6</u>	<u>132.2</u>
Total net assets	<u>244.6</u>	<u>249.6</u>	<u>243.5</u>	<u>242.0</u>	<u>225.4</u>
Total liabilities and net assets	<u>\$ 433.5</u>	<u>\$ 444.7</u>	<u>\$ 472.5</u>	<u>\$ 362.7</u>	<u>\$ 357.7</u>
Net asset value per share	\$ 4.92	\$ 5.03	\$ 4.91	\$ 4.88	\$ 4.55
Debt (principal amount) to equity	0.78x	0.76x	0.78x	0.45x	0.48x

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				
	12/31/2021	9/30/2021	6/30/2021	3/31/2021	12/31/2020
<u>Investment Income</u>					
Interest income	\$ 5.1	\$ 4.5	\$ 3.6	\$ 4.2	\$ 5.2
Income from securitization vehicles	4.8	5.1	4.1	4.7	3.5
Fee and other income	0.2	0.2	0.1	0.5	(0.1)
Total investment income	10.2	9.8	7.8	9.4	8.6
<u>Expenses</u>					
Interest and other debt financing expenses	3.1	3.1	2.4	1.9	1.9
Investment advisory fees	1.7	1.8	1.4	1.4	1.2
Other operating expenses	0.9	1.0	1.2	1.3	0.8
Total expenses	5.7	5.8	5.1	4.5	3.9
Net investment income	4.5	4.0	2.8	4.8	4.7
<u>Net Gain (Loss) on Investments</u>					
Net change in unrealized (depreciation) appreciation on investments	(0.7)	5.6	2.5	31.0	35.7
Net realized (loss) gain on investments	(3.7)	1.7	1.2	(14.1)	(0.7)
Net (loss) gain on investments	(4.5)	7.3	3.7	17.0	34.9
Net increase in net assets resulting from operations	\$ 0.0	\$ 11.3	\$ 6.5	\$ 21.8	\$ 39.7
<u>Per Share</u>					
GAAP net investment income	\$ 0.09	\$ 0.08	\$ 0.06	\$ 0.10	\$ 0.10
Distributions declared and paid	0.105	0.105	0.105	0.105	0.105
Weighted average common shares outstanding (in millions)	49.7	49.6	49.6	49.6	49.6
Common shares outstanding at end of period (in millions)	49.7	49.7	49.6	49.6	49.6

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

Corporate Information

Board of Directors

Independent

Steven P. Novak - Chairman

Barry Osherow

George Stelljes III

Non-Disinterested

Jonathan H. Cohen

Charles M. Royce

Corporate Offices

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Fiscal Year End

December 31

Independent Audit Firm

PricewaterhouseCoopers LLP

Corporate Counsel

Eversheds Sutherland (US) LLP

Transfer Agent

Computershare Trust Company, N.A.

Tel: 1-877-498-8861 / www.computershare.com

Securities Listing

Common Stock:

"OXSQ" - NasdaqGS

Notes:

"OXSQL" - NasdaqGS

"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