Ellington Credit Completes Conversion to Closed-end Fund

April 1, 2025

OLD GREENWICH, Conn.--(BUSINESS WIRE)--Apr. 1, 2025-- Ellington Credit Company (NYSE: EARN) (the “Fund”) announced today the completion of its conversion to a Delaware-domiciled closed-end fund registered under the Investment Company Act of 1940 (the “Conversion”). In conjunction with the Conversion, the Fund intends to sell its remaining Agency MBS pools, acquire additional corporate collateralized loan obligations (“CLOs”), and operate as a Regulated Investment Company (“RIC”) under U.S. federal tax law. The Fund also plans to change its fiscal and tax year to end on March 31, the day prior to the Conversion.

Cautionary Statement Regarding Forward-Looking Statements
This release contains 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, 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). 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 release and the information contained herein do not constitute an offer of any securities or solicitation of an offer to purchase securities.

About Ellington Credit Company
Ellington Credit Company (NYSE: EARN) is an externally managed, non-diversified closed-end fund that seeks to provide attractive current yields and risk-adjusted total returns by investing primarily in collateralized loan obligations (CLOs), with a focus on mezzanine debt and equity tranches. The Company is externally managed and advised by an affiliate of Ellington Management Group, L.L.C., a leading fixed-income investment manager founded in 1994. The Company benefits from Ellington’s extensive experience and deep expertise in portfolio management, credit analysis, and risk management.

For additional information, visit www.ellingtoncredit.com.

View source version on businesswire.com: https://www.businesswire.com/news/home/20250331783450/en/

Investors:
Ellington Credit Company
Investor Relations
(203) 409-3773
info@ellingtoncredit.com
or
Media:
Amanda Shpiner/Grace Cartwright
Gasthalter & Co.
for Ellington Credit Company
(212) 257-4170
Ellington@gasthalter.com

Source: Ellington Credit Company