EARN

ELLINGTON CREDIT COMPANY

May 21, 2025

Earnings Conference Call

Three-Month Period Ended March 31, 2025

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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.

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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.

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Financial Information

All financial information included in this presentation is as of 3/31/25 unless otherwise indicated. We undertake no duty or obligation to update this presentation to reflect subsequent events or developments.

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In addition, this presentation is not a solicitation of votes or proxies. Any such solicitation will only be made pursuant to a proxy statement or other appropriate proxy materials filed with the SEC and labeled as such.

Highlights

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On 4/1/25, completed conversion to CLO closed-end fund

Results	• Net Loss: $(7.9) million or $(0.23) per share • Economic Return[1]: (3.2)% for the calendar Q1 • Adjusted Distributable Earnings[2]: $9.0 million or $0.26 per share • Net Interest Margin[3]: 11.13% on credit, 2.29% on Agency, and 5.27% overall
Shareholders' Equity & BVPS[4]	• Shareholders' Equity: $228.5 million • Book Value Per Share: $6.08

Investment Portfolio	• Capital Allocation[5]: 81% to CLOs as of 3/31/25, compared to 72% as of 12/31/24
	• CLOs:
	  • Portfolio loss: $(8.5) million or $(0.24) per share
	  • CLO portfolio grew to $249.9 million as of 3/31/25, from $171.1 million as of 12/31/24
	• Agency RMBS:
	  • Portfolio income: $2.9 million or $0.08 per share
	  • Agency RMBS portfolio: $503.9 million[4][6]
	  • Weighted average constant prepayment speed on fixed-rate specified pools[7] decreased quarter over quarter to 7.2 CPR from 9.5 CPR
	  • Average pay-ups on fixed-rate specified pools increased slightly to 0.23% from 0.20%
	  • **Sold entirety of Agency RMBS and covered related TBA hedges, following conversion in early April**

Leverage[5]	• Debt-to-Equity Ratio, adjusted for unsettled sales of Agency pools: 2.2:1 • Net Mortgage Assets-to-Equity Ratio of 0.0:1[8] • Cash and cash equivalents of $17.4 million, in addition to other unencumbered assets of $151.5 million
Dividends[9]	• Dividend rate of 17.1% based on 5/19/25 closing price of $5.62 and monthly dividend of $0.08 per common share declared on 5/7/25

Market Update

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Calendar Quarter Ended	3/31/25	Q1/Q4	12/31/24	Q4/Q3	9/30/24	Q3/Q2	6/30/24	3/31/24
UST (%)(1)								
3M UST	4.29	-0.02	4.31	-0.30	4.62	-0.74	5.35	5.36
2Y UST	3.88	-0.36	4.24	+0.60	3.64	-1.11	4.75	4.62
5Y UST	3.95	-0.43	4.38	+0.82	3.56	-0.82	4.38	4.21
10Y UST	4.21	-0.36	4.57	+0.79	3.78	-0.62	4.40	4.20
30Y UST	4.57	-0.21	4.78	+0.66	4.12	-0.44	4.56	4.34
3M10Y Spread	-0.09	-0.34	0.25	+1.09	-0.84	+0.12	-0.96	-1.16
2Y10Y Spread	0.32	-0.01	0.33	+0.19	0.14	+0.50	-0.36	-0.42
SOFR (%)(1)								
1M	4.32	-0.01	4.33	-0.51	4.85	-0.49	5.34	5.33
3M	4.29	-0.02	4.31	-0.29	4.59	-0.73	5.32	5.30
1M3M Spread	-0.03	-0.00	-0.03	+0.23	-0.25	-0.24	-0.01	-0.03
CLO Tranche Spreads (2)								
CLO BBB Tranche Spread	300.0	+15.0	285.0	-15.0	300.0	-30.0	330.0	330.0
CLO BB Tranche Spread	625.0	+50.0	575.0	-50.0	625.0	-25.0	650.0	680.0
CLO B Tranche Spread	1125.0	+75.0	1050.0	-50.0	1100.0	+25.0	1075.0	1125.0
Corporate Credit Spreads (1)								
Markit CDX NA HY Index - Spread	376.3	+64.8	311.5	-17.7	329.2	-14.7	343.9	330.3
Markit CDX NA IG Index - Spread	61.5	+11.6	49.8	-2.9	52.7	-0.7	53.5	51.5
Morningstar/LSTA Leveraged Loan Index	96.31	-1.02	97.33	0.62	96.71	0.12	96.59	96.73
Leveraged Loan Default Rates(3)								
U.S Trailing-Twelve-Month Default Rate	0.82%	-0.09%	0.91%	0.11%	0.80%	-0.12%	0.92%	1.14%
EU Trailing-Twelve-Month Default Rate	0.29%	-0.12%	0.42%	-0.38%	0.79%	-0.49%	1.29%	1.65%
Leveraged Loan Prepayment Rates(3)								
U.S Trailing-Twelve-Month Prepayment Rate	26.26%	-1.62%	27.88%	1.58%	26.30%	1.00%	25.30%	20.51%
EU Trailing-Twelve-Month Prepayment Rate	13.64%	0.52%	13.11%	-0.41%	13.53%	-0.39%	13.92%	12.46%
TSY-based OAS (bps)(4) (5)								
FNMA30Y2.5 OAS	32.6	+0.6	32.0	+7.9	24.1	-7.7	31.8	34.9
FNMA30Y4.5 OAS	12.3	+0.9	11.4	-7.5	18.9	-5.0	23.9	28.6
FNMA30Y6.0 OAS	22.7	-4.3	27.0	+11.4	15.6	-9.8	25.4	28.5
TSY-based ZSpread (bps)(4) (6)								
FNMA30Y2.5 ZSpread	48.7	+0.8	47.9	+5.0	42.9	-6.6	49.5	51.5
FNMA30Y4.5 ZSpread	71.3	+4.3	67.0	-16.7	83.7	+0.4	83.3	85.4
FNMA30Y6.0 ZSpread	132.4	+5.0	127.4	+36.6	90.8	-43.2	134.0	123.0
FNMA Pass-Thrus(1)								
30Y2.5	$83.22	$1.80	$81.41	-$4.91	$86.32	$4.60	$81.72	$82.77
30Y4.5	$95.72	$1.66	$94.06	-$4.31	$98.38	$4.30	$94.08	$95.29
30Y6.0	$101.52	$1.04	$100.48	-$1.70	$102.19	$1.98	$100.20	$100.95

Summary of Financial Results

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(in thousands except per share amounts)		Three-Month Period Ended 3/31/25		Three-Month Period Ended 12/31/24
Interest Income	$	15,462	$	12,849
Interest Expense		(6,215)		(6,707)
Total Net Interest Income (Expense)	**$**	**9,247**	**$**	**6,142**
Total Other Gain (Loss)[1]		1,802		3,490
Total Expenses		(2,582)		(2,269)
Add back: Strategic Transformation costs		303		479
Add back: Catch-up Amortization Adjustment[2]		183		-
Adjusted Distributable Earnings[3]	**$**	**8,953**	**$**	**7,842**
Per Share[4]	**$**	**0.26**	**$**	**0.27**
Net Realized and Unrealized Gain (Loss):				
RMBS and CLOs		(8,819)		(17,736)
Long TBAs Held for Investment		(426)		(9,405)
Interest Rate and Credit Hedges and Other Activities, Net		(7,098)		17,592
Total Net Realized and Unrealized Gain (Loss)	**$**	**(16,343)**	**$**	**(9,549)**
Deduct : Strategic Transformation costs		(303)		(479)
Deduct: Catch-up Amortization Adjustment[2]		(183)		-
Net income (loss) before income taxes	**$**	**(7,876)**	**$**	**(2,186)**
Income tax expense (benefit)		(6)		(181)
Net Income (Loss)	**$**	**(7,870)**	**$**	**(2,005)**
Per Share[4]	**$**	**(0.23)**	**$**	**(0.07)**
Weighted Average Yield[5]		8.58%		7.44%
Cost of Funds		-3.31%		-2.37%
Net Interest Margin[6]		5.27%		5.07%
Average Pay-Ups		0.23%		0.20%
Shareholders' Equity	**$**	**228,501**	**$**	**193,726**
Book Value Per Share[4]	**$**	**6.08**	**$**	**6.53**

Operating Results by Strategy

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($ in thousands, except share amounts and per share amounts)	Three-Month Period Ended 3/31/25	Per Share	Three-Month Period Ended 12/31/24	Per Share
Credit:				
CLOs				
Interest and other income[1]	$ 8,435	$ 0.24	$ 5,651	$ 0.20
Interest expense	(826)	(0.02)	(671)	(0.02)
Realized gain (loss), net	(73)	-	867	0.03
Unrealized gain (loss), net	(16,355)	(0.47)	(2,803)	(0.10)
Credit hedges and other activities, net[2]	342	0.01	(223)	(0.01)
Total CLO profit (loss)	**(8,477)**	**(0.24)**	**2,821**	**0.10**
Non-Agency RMBS[3]				
Interest income	-	-	62	-
Interest expense	-	-	(26)	-
Realized gain (loss), net	-	-	1,696	0.06
Unrealized gain (loss), net	-	-	(1,604)	(0.06)
Interest rate hedges, net	-	-	29	-
Total non-Agency RMBS profit (loss)	**-**	**-**	**157**	**-**
Total Credit profit (loss)	**(8,477)**	**(0.24)**	**2,978**	**0.10**
Agency RMBS[3]				
Interest income	6,334	0.18	6,454	0.22
Interest expense	(4,937)	(0.14)	(5,651)	(0.20)
Realized gain (loss), net	(1,092)	(0.03)	(545)	(0.02)
Unrealized gain (loss), net	8,706	0.25	(15,347)	(0.53)
Interest rate hedges and other activities, net[4]	(6,136)	(0.18)	11,754	0.41
Total Agency RMBS profit (loss)	**2,875**	**0.08**	**(3,335)**	**(0.12)**
Total Credit and Agency RMBS profit (loss)	**(5,602)**	**(0.16)**	**(357)**	**(0.02)**
Other interest income (expense), net	308	0.01	440	0.02
Income tax (expense) benefit	6	-	181	0.01
General and administrative expenses	(2,582)	(0.08)	(2,269)	(0.08)
Net income (loss)	**$ (7,870)**	**$ (0.23)**	**$ (2,005)**	**$ (0.07)**
Weighted average shares outstanding	**34,811,555**		**28,733,893**	

Consolidated Balance Sheet (Unaudited)

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(In thousands except share amounts and per share amounts)		3/31/25		12/31/24[1]
Assets				
Cash and cash equivalents	$	17,375	$	31,840
Securities, at fair value		754,241		683,915
Due from brokers		4,308		21,517
Financial derivative-assets, at fair value		476		41,867
Reverse repurchase agreements		-		23,000
Receivable for securities sold		336		11,077
Interest and principal receivable		6,414		10,536
Other assets		407		340
Total Assets	**$**	**783,557**	**$**	**824,092**
Liabilities and Shareholders' Equity				
Liabilities				
Repurchase agreements	$	517,538	$	562,974
Payable for securities purchased		27,439		1,997
Due to brokers		914		30,671
Financial derivatives-liabilities, at fair value		957		5,681
U.S. Treasury securities sold short, at fair value		-		22,578
Dividend Payable		3,005		2,372
Accrued expenses and other liabilities		2,416		1,488
Management fee payable to affiliate		860		729
Interest payable		1,927		1,876
Total Liabilities	**$**	**555,056**	**$**	**630,366**
Shareholders' Equity				
Preferred shares, par value $0.01 per share, 100,000,000 shares authorized; (0 and 1,000 shares issued and outstanding, respectively)[2]		-		1
Common shares, par value $0.01 per share, 500,000,000 shares authorized; (37,559,195 and 29,651,553 shares issued and outstanding, respectively)[3]		376		297
Additional paid-in-capital		399,869		348,587
Accumulated deficit		(171,744)		(155,159)
Total Shareholders' Equity		**228,501**		**193,726**
Total Liabilities and Shareholders' Equity	**$**	**783,557**	**$**	**824,092**
Supplemental Per Share Information				
Book Value Per Share	$	6.08	$	6.53

Portfolio Summary

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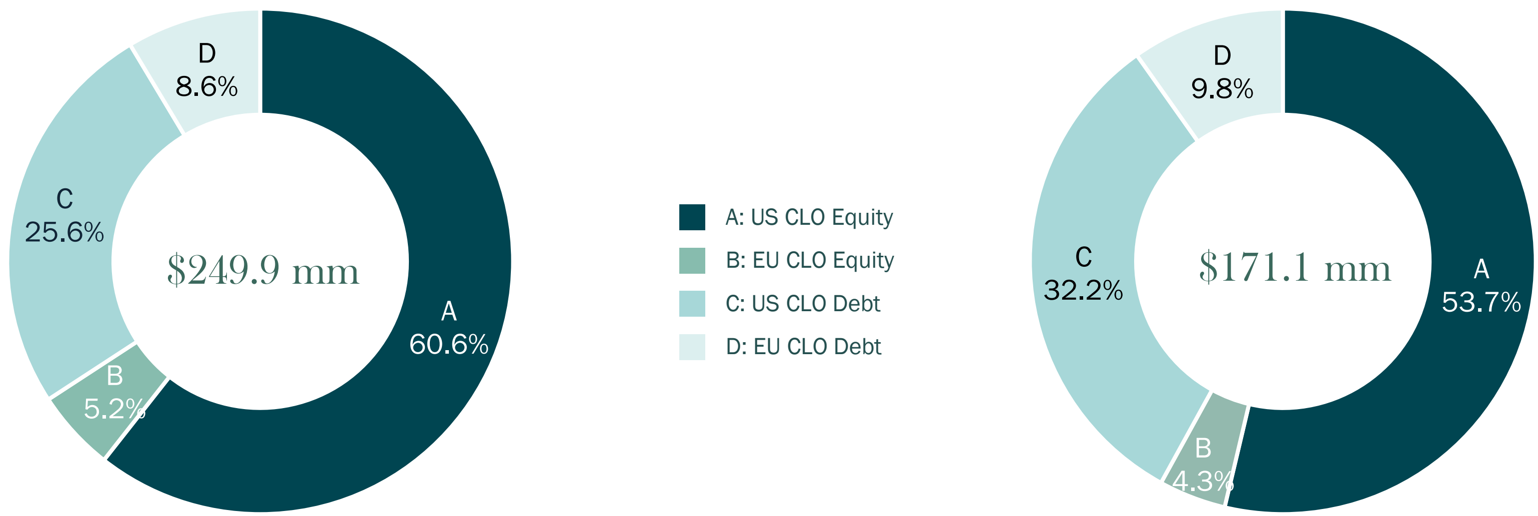
	3/31/25					12/31/24				
($ in thousands)	Current Principal	Fair Value	Average Price[1]	Cost	Average Cost[1]	Current Principal	Fair Value	Average Price[1]	Cost	Average Cost[1]
Credit Portfolio:										
Dollar Denominated:										
CLOs										
CLO Notes	$ 74,818	$ 63,998	85.54	$ 68,402	91.42	$ 65,954	$ 55,157	83.63	$ 55,363	83.94
CLO Equity	n/a	151,323	n/a	167,649	n/a	n/a	91,832	n/a	97,267	n/a
Total Dollar Denominated CLOs		**215,321**		**236,051**			**146,989**		**152,630**	
Corporate Debt	1,814	434	23.93	397	21.89	1,787	428	23.95	398	22.27
Corporate Equity	n/a	56	n/a	76	n/a	n/a	56	n/a	75	n/a
Total Dollar Denominated Credit		**215,811**		**236,524**			**147,473**		**153,103**	
Non-Dollar Denominated:										
CLOs										
CLO Notes	22,479	21,450	95.42	21,405	95.22	17,368	16,835	96.93	17,219	99.14
CLO Equity	n/a	13,086	n/a	13,962	n/a	n/a	7,298	n/a	7,995	n/a
Total non-Dollar Denominated CLOs		**34,536**		**35,367**			**24,133**		**25,214**	
Total Credit		**250,347**		**271,891**			**171,606**		**178,317**	
Agency Portfolio:										
Agency RMBS[2]										
30-year fixed rate mortgages	519,109	503,892	97.07	502,508	96.80	536,948	512,307	95.41	519,628	96.77
Total Agency RMBS	**519,109**	**503,892**	**97.07**	**502,508**	**96.80**	**536,948**	**512,307**	**95.41**	**519,628**	**96.77**
Agency IOs	n/a	2	n/a	2	n/a	n/a	2	n/a	2	n/a
Total Agency		**503,894**		**502,510**			**512,309**		**519,630**	
Total		**$ 754,241**		**$ 774,401**			**$ 683,915**		**$ 697,947**	

- CLO portfolio grew by 46% to $249.9 million as of 3/31/25; capital allocated to CLOs increased to 81%
- Agency RMBS holdings decreased slightly to $503.9 million as of 3/31/25
  - Substantially increased our net short TBA position, which by quarter end almost entirely offset our Agency RMBS holdings
  - Sold entirety of Agency RMBS and covered related TBA hedges, following conversion in early April

CLO Portfolio



As of 3/31/25

As of 12/31/24

Our CLO holdings grew by 46% to $249.9 million as of 3/31/25, compared to $171.1 million as of 12/31/24, while our capital allocation to CLOs increased to 81% from 72%.

The growth was primarily driven by an increase in the size of our US CLO equity holdings, which increased by 66% during the quarter.

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.

Fixed-Rate Agency Portfolio by Coupon

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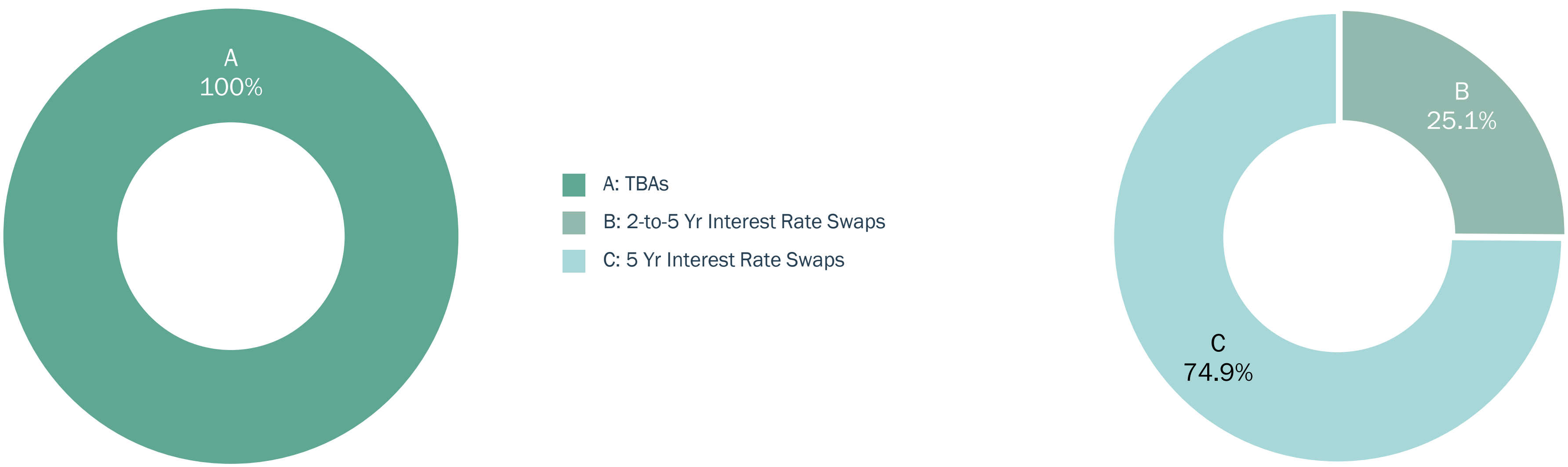
	3/31/25				12/31/24			
($ in thousands)	Current Principal	Fair Value	WALA (Mos)	WAC	Current Principal	Fair Value	WALA (Mos)	WAC
30-year fixed rate mortgages								
2.00-2.99 coupon	$ 24,459	$ 20,375	40	2.50%	$ 25,728	$ 20,980	37	2.50%
3.00-3.99 coupon	55,108	49,701	35	3.50%	55,966	49,505	32	3.50%
4.00-4.99 coupon	112,671	106,419	22	4.24%	149,660	138,337	15	4.19%
5.00-5.99 coupon	242,826	241,030	17	5.28%	190,859	186,620	18	5.25%
6.00-6.99 coupon	84,045	86,367	12	6.28%	114,735	116,865	11	6.30%
Total fixed-rate Agency RMBS	**$ 519,109**	**$ 503,892**	**20**	**4.90%**	**$ 536,948**	**$ 512,307**	**18**	**4.86%**

- Continued to hold a core portfolio of liquid Agency RMBS during the quarter in order to maintain our exemption from registration as an investment company under the 1940 Act, prior to conversion
- Sold entirety of Agency RMBS and covered related TBA hedges, following conversion in early April

Short $327.3MM 10-yr equivalents(1)
As of 3/31/25

Short $372.9MM 10-yr equivalents(1)
As of 12/31/24



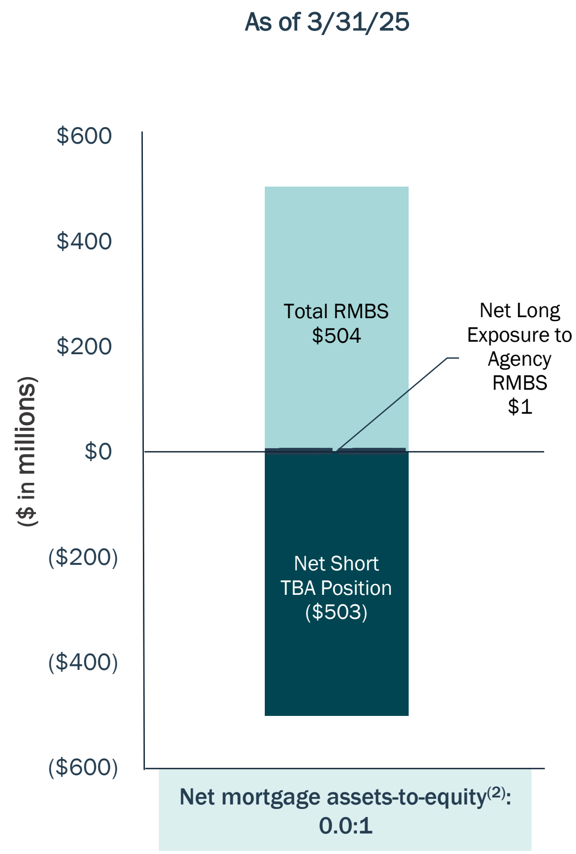
Shorting “generic” pools (in the form of TBAs) allows EARN to significantly reduce interest rate risk and basis risk in Agency portfolio.

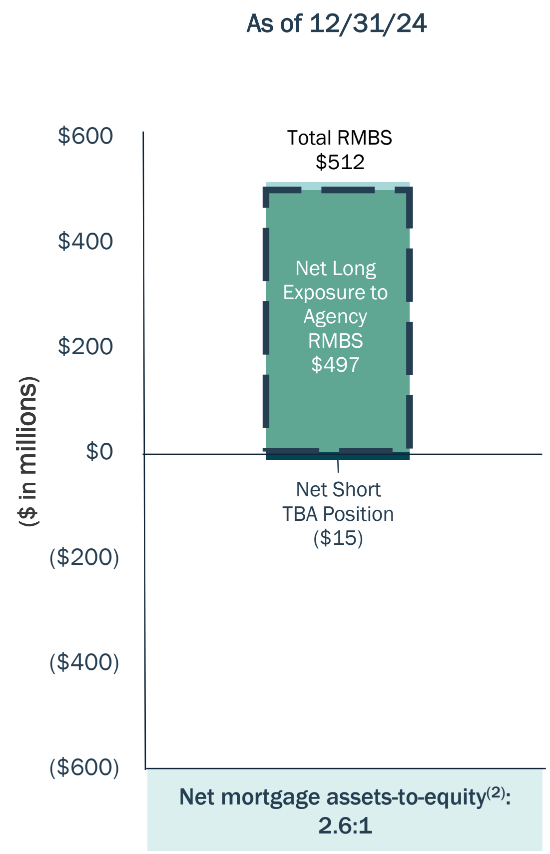
By quarter end, our net short TBA position almost entirely offset our Agency RMBS holdings.

In addition to using short positions in TBAs, we also hedged our interest rate risk during the quarter using interest rate swaps, U.S. Treasury securities and futures.

However, at March 31st, all of our interest rate hedges consisted of short TBA positions.

Net RMBS Exposure Based on Fair Value(1)





- Our net mortgage assets-to-equity(2) ratio decreased significantly quarter over quarter, as we substantially increased our net short TBA position, which by March 31st almost entirely offset our Agency RMBS holdings.
- Positioning proved advantageous, considering recent spike in interest rates and spread volatility.

Corporate CLO Underlying Corporate Loans— Detail as of 3/31/25[1]

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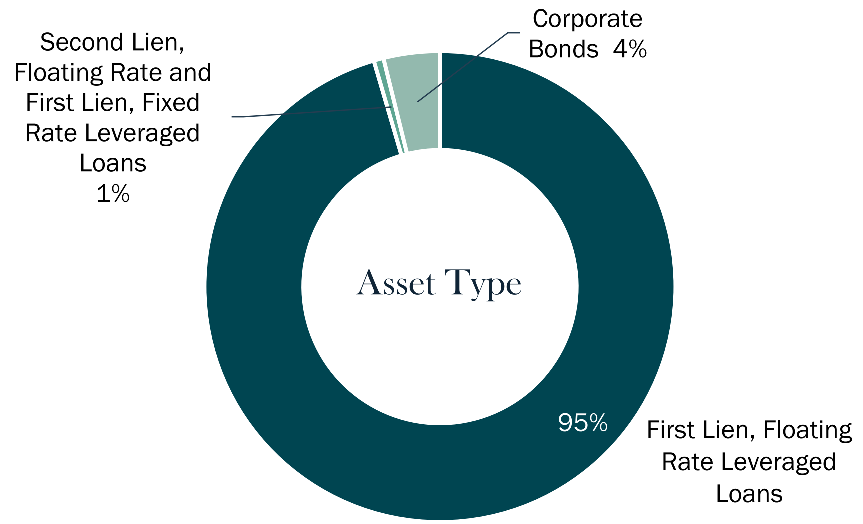

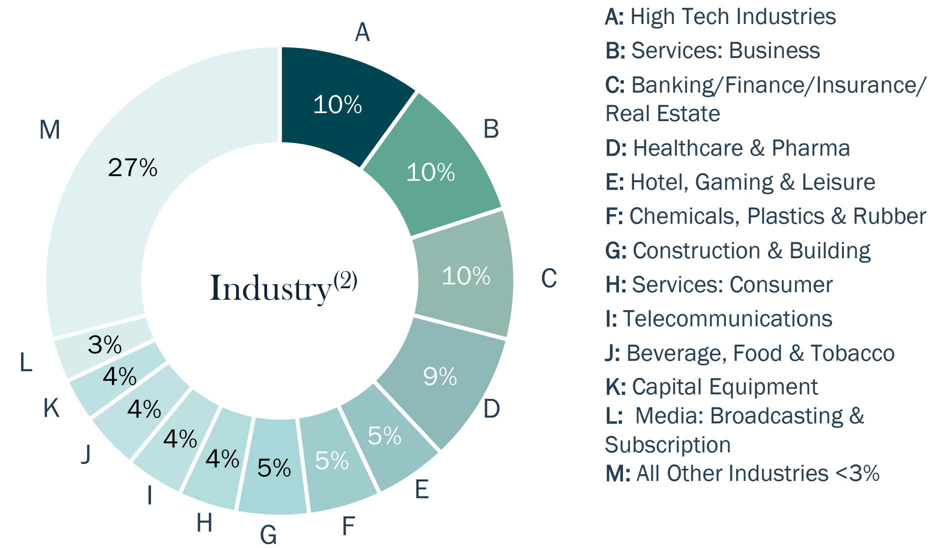

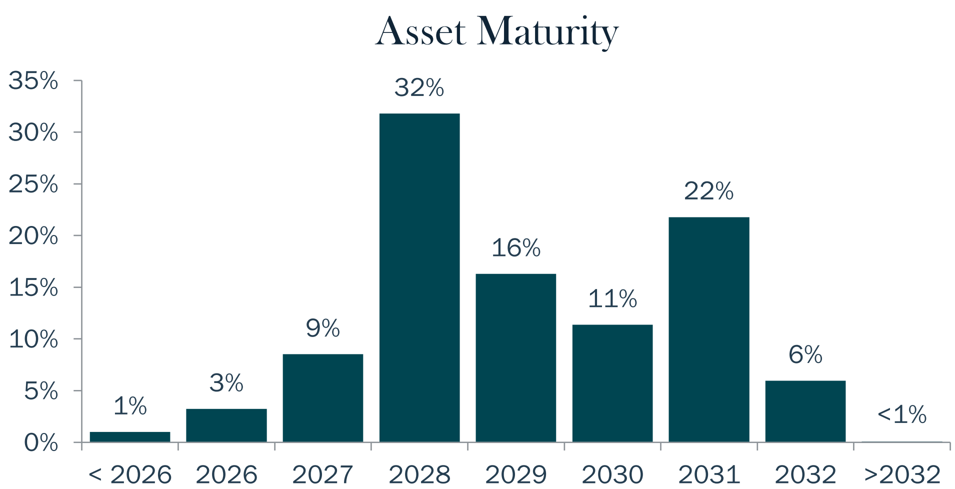

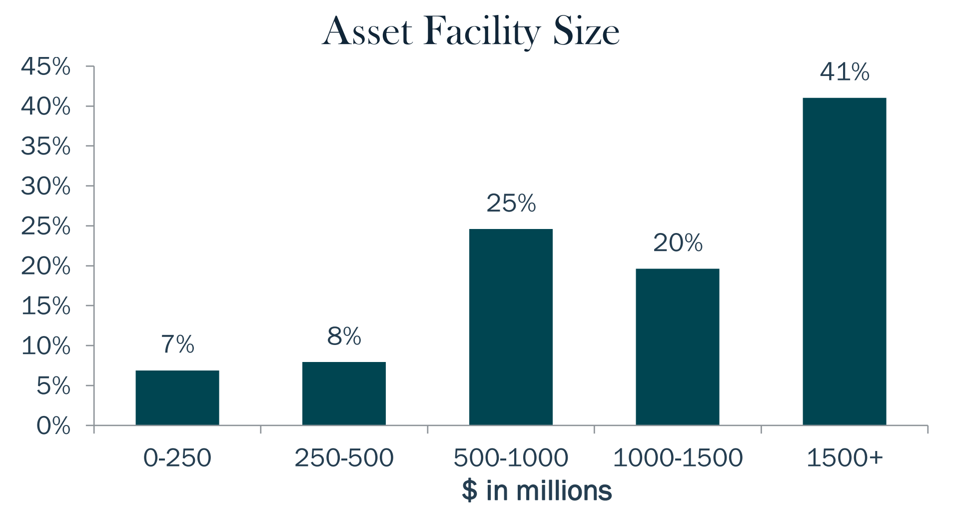

- Corporate CLO underlying asset portfolio spans 33 distinct industries, with no one industry comprising more than 10% of the total asset mix
- The overwhelming majority of assets are first lien, senior secured leveraged loans from larger corporate borrowers (approximately 7% of loans are below $250mm in size)
- Approximately 97% of the underlying assets are floating rate
- There are few near term asset maturities (approximately 1% of total prior to 2026)
- We selectively hedge a portion of the credit risk of our CLO portfolio using a variety of derivative instruments

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Supplemental Slides

Commitment to ESG

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Environmental

- Our offices are conveniently located near mass transportation.
- We provide financial support and incentives to our employees who use public transit.
- To reduce energy usage, we use Energy Star® certified desktops, monitors and printers; and utilize motion sensor lighting and cooling to reduce energy usage in non-peak hours.
- To reduce waste and promote a cleaner environment, we use green cleaning supplies and kitchen products; recycle electronics, ink cartridges, and packaging; provide recycling containers to employees; and use water coolers to reduce waste.
- We have reduced the number of single use cups and plastic water bottles in our offices.

Social

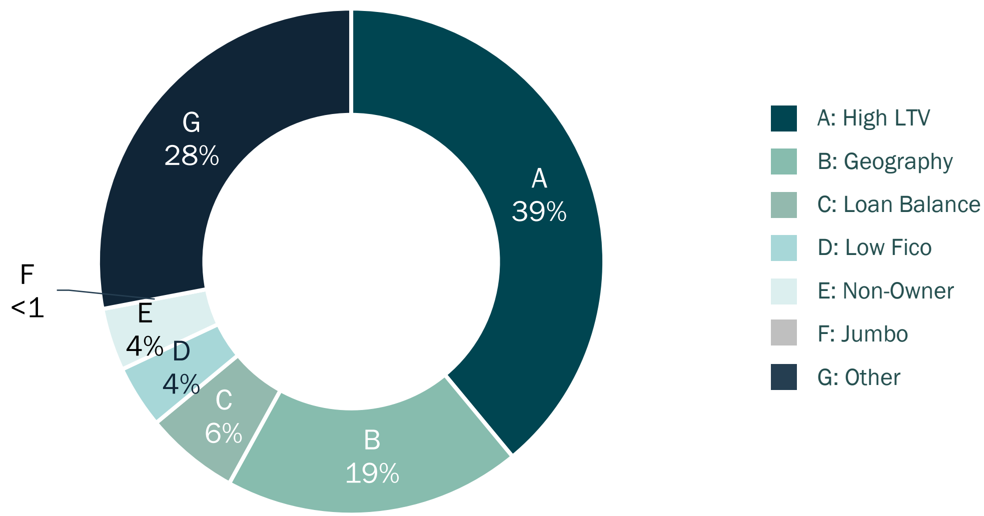
- Ellington and senior members of management sponsor numerous charitable causes, including several devoted to diversity and children in need. We also support employee charitable contributions through matching gift programs, hosting food drives, and other community events.
- Our employees have access to robust health and wellness programs. Ellington also supports various events that support health and wellness.
- We provide opportunities for personal growth with training, including facilitating a lunch & learn series, and reimbursing professional continuing education. We also support professional development through mentorship programs and affinity groups, such as a women's networking group.
- We are in compliance with applicable employment codes and guidelines, including ADA, Equal Opportunity Employment, Non-Discrimination, Anti-Harassment and Non-Retaliation codes.

Governance

- We operate under a Code of Business Conduct and Ethics.
- EARN has a separate independent Chairman, and the majority of Board members are independent.
- We hold annual elections of Trustees.
- We are committed to providing clear and consistent disclosure and maintaining a high level of transparency
- We foster regular employee engagement, and have an established Whistleblower policy.
- Robust process for shareholder engagement.

CPR Breakout of Agency Fixed Long Portfolio

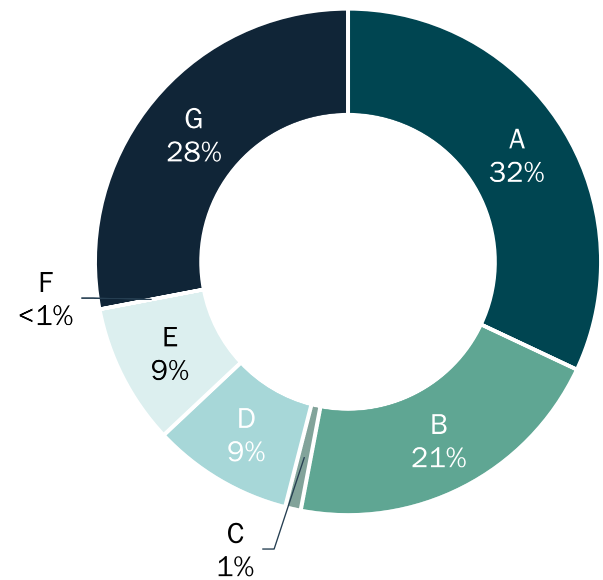
Average for Quarter Ended 3/31/25[1]



Collateral Characteristics and Historical 3-Mo CPR

Characteristic[2]	Fair Value[1][3]	3-Month CPR %[4]
High LTV	$191.7	5.3
Geography	93.5	8.8
Loan Balance	29.6	14.7
Low FICO	21.6	8.6
Non-Owner	18.9	0.7
Jumbo	0.9	0.4
Other	141.5	7.9
Total	**$497.7**	**7.2**

Average for Quarter Ended 12/31/24[1]



Collateral Characteristics and Historical 3-Mo CPR

Characteristic[2]	Fair Value[1][3]	3-Month CPR %[4]
High LTV	$158.3	11.3
Geography	106.4	5.7
Loan Balance	3.7	2.1
Low FICO	46.7	14.9
Non-Owner	43.8	4.2
Jumbo	1.1	0.4
Other	142.9	10.4
Total	**$502.9**	**9.5**

Repo Borrowings[1]

	3/31/25				12/31/24			
			Weighted Average				Weighted Average	
Remaining Days to Maturity	Borrowings Outstanding		Interest Rate	Remaining Days to Maturity	Borrowings Outstanding		Interest Rate	Remaining Days to Maturity
	(in thousands)				*(in thousands)*			
30 days or less	$	486,568	4.55%	9	$	538,614	4.78%	15
31-60 days		30,970	4.84%	45		24,360	5.57%	43
Total	$	517,538	4.56%	11	$	562,974	4.81%	16

- Outstanding borrowings with 13 counterparties as of 3/31/25
- The weighted average interest rate on our repo borrowings decreased to 4.56% as of 3/31/25, from 4.81% as of 12/31/24
- The weighted average interest rate on our repo borrowings for our Agency RMBS strategy was 4.47% as of 3/31/25, compared to 5.17% for our credit strategy

Interest Rate Sensitivity Analysis[1]

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($ in thousands)

	Estimated Change in Fair Value					
	50 Basis Point Decline in Interest Rates			50 Basis Point Increase in Interest Rates		
Category of Instruments		Market Value	% of Total Equity		Market Value	% of Total Equity
Agency RMBS Fixed Pools and IOs	$	9,849	4.31%	$	(11,526)	-5.04%
Short TBAs		(10,181)	-4.46%		11,853	5.19%
CLOs		413	0.18%		(414)	-0.18%
Corporate Securities and Derivatives on Corporate Securities		(6)	0.00%		6	0.00%
Repurchase and Reverse Repurchase Agreements		(101)	-0.04%		101	0.04%
Total	$	(26)	-0.01%	$	20	0.01%

Financial Derivatives as of 3/31/25

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(In thousands)

Fixed Payer Interest Rate Swaps Maturity	Notional Amount	Fair Value	Weighted Average Pay Rate	Weighted Average Receive Rate	Weighted Average Years to Maturity
2040	$ 500	$ 181	0.90%	4.33%	15.57
Total	$ 500	$ 181	0.90%	4.33%	15.57

Fixed Receiver Interest Rate Swaps Maturity	Notional Amount	Fair Value	Weighted Average Pay Rate	Weighted Average Receive Rate	Weighted Average Years to Maturity
2040	$ 500	$ (187)	4.41%	0.84%	15.57
Total	$ 500	$ (187)	4.41%	0.84%	15.57

TBA Securities Coupon	Notional Amount[1]	Cost Basis[2]	Market Value[3]	Net Carrying Value[4]
2.00-2.99	$ (25,000)	$ (20,744)	$ (20,763)	$ (19)
3.00-3.99	(55,000)	(49,511)	(49,556)	(45)
4.00-4.99	(113,800)	(107,422)	(107,309)	113
5.00-5.99	(242,811)	(240,204)	(240,310)	(106)
6.00-6.99	(83,005)	(84,916)	(85,003)	(87)
Total	$ (519,616)	$ (502,797)	$ (502,941)	$ (144)

Currency Futures Type	Notional Amount	Fair Value	Remaining Months to Expiration
Euro FX Futures	$ (19,125)	$ 157	2.57
Total	$ (19,125)	$ 157	2.57

Credit Default Swaps Type	Notional Amount	Fair Value	Remaining Years to Expiration
Credit default swaps on corporate bond indices	$ 9,104	$ (487)	5.22
Total	$ 9,104	$ (487)	5.22

Consolidated Statement of Operations (Unaudited)

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ELLINGTON CREDIT COMPANY

(In thousands except share amounts and per share amounts)	Three-Month Period Ended 3/31/25		12/31/24	
Interest Income (Expense)				
Interest income	$	15,462	$	12,849
Interest expense		(6,215)		(6,707)
Total net interest income (expense)	**$**	**9,247**	**$**	**6,142**
Expenses				
Management fees to affiliate		860		729
Professional fees		603		417
Compensation expense		427		355
Insurance expense		93		91
Other operating expenses		599		677
Total expenses	**$**	**2,582**	**$**	**2,269**
Other Income (Loss)				
Net realized gains (losses) on securities		377		1,118
Net realized gains (losses) on financial derivatives		17,594		4,578
Change in net unrealized gains (losses) on securities		(8,026)		(19,362)
Change in net unrealized gains (losses) on financial derivatives		(25,514)		8,847
Other, net		1,028		(1,240)
Total other income (loss)		(14,541)		(6,059)
Net income (loss) before income taxes		(7,876)		(2,186)
Income tax expense (benefit)		(6)		(181)
Net Income (Loss)	**$**	**(7,870)**	**$**	**(2,005)**
Net Income (Loss) per Common Share:				
Basic and Diluted	**$**	**(0.23)**	**$**	**(0.07)**
Weighted Average Shares Outstanding		34,811,555		28,733,893
Cash Dividends Declared per Share	$	0.24	$	0.24

Consolidated Balance Sheet (Unaudited)

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ELLINGTON CREDIT COMPANY

(In thousands except share amounts and per share amounts)		3/31/25		12/31/24[1]
Assets				
Cash and cash equivalents	$	17,375	$	31,840
Securities, at fair value		754,241		683,915
Due from brokers		4,308		21,517
Financial derivative-assets, at fair value		476		41,867
Reverse repurchase agreements		-		23,000
Receivable for securities sold		336		11,077
Interest and principal receivable		6,414		10,536
Other assets		407		340
Total Assets	**$**	**783,557**	**$**	**824,092**
Liabilities and Shareholders' Equity				
Liabilities				
Repurchase agreements	$	517,538	$	562,974
Payable for securities purchased		27,439		1,997
Due to brokers		914		30,671
Financial derivatives-liabilities, at fair value		957		5,681
U.S. Treasury securities sold short, at fair value		-		22,578
Dividend Payable		3,005		2,372
Accrued expenses and other liabilities		2,416		1,488
Management fee payable to affiliate		860		729
Interest payable		1,927		1,876
Total Liabilities	**$**	**555,056**	**$**	**630,366**
Shareholders' Equity				
Preferred shares, par value $0.01 per share, 100,000,000 shares authorized; (0 and 1,000 shares issued and outstanding, respectively)[2]		-		1
Common shares, par value $0.01 per share, 500,000,000 shares authorized; (37,559,195 and 29,651,553 shares issued and outstanding, respectively)[3]		376		297
Additional paid-in-capital		399,869		348,587
Accumulated deficit		(171,744)		(155,159)
Total Shareholders' Equity		**228,501**		**193,726**
Total Liabilities and Shareholders' Equity	**$**	**783,557**	**$**	**824,092**
Supplemental Per Share Information				
Book Value Per Share	$	6.08	$	6.53

Reconciliation of Adjusted Distributable Earnings to Net Income (Loss)[1]

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ELLINGTON CREDIT COMPANY

(In thousands except share amounts and per share amounts)	Three-Month Period Ended 3/31/25		12/31/24	
Net Income (Loss)	**$**	**(7,870)**	**$**	**(2,005)**
Income tax expense (benefit)		(6)		(181)
Net Income (Loss) before income taxes	**$**	**(7,876)**	**$**	**(2,186)**
Adjustments:				
Net realized (gains) losses on securities		(377)		(1,118)
Change in net unrealized (gains) losses on securities		8,026		19,362
Net realized (gains) losses on financial derivatives		(17,594)		(4,578)
Change in net unrealized (gains) losses on financial derivatives		25,514		(8,847)
Net realized gains (losses) on periodic settlements of interest rate swaps		8,060		4,814
Change in net unrealized gains (losses) on accrued periodic settlements of interest rate swaps		(6,340)		(1,412)
Strategic Transformation costs and other adjustments[2]		(643)		1,807
Negative (positive) component of interest income represented by Catch-up Amortization Adjustment		183		-
Subtotal		16,829		10,028
Adjusted Distributable Earnings	**$**	**8,953**	**$**	**7,842**
Weighted Average Shares Outstanding		34,811,555		28,733,893
Adjusted Distributable Earnings Per Share	**$**	**0.26**	**$**	**0.27**

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Ellington Profile

As of 3/31/25

Founded:	1994
Employees:	>160
Investment Professionals:	>60
Global offices:	3

$14.9
Billion in assets under management

9
Employee-partners own the firm[2]

30
Years of average industry experience of senior portfolio managers

20%
Employees dedicated to research and engineering

Ellington and its Affiliated Management Companies

- Our external manager Ellington Credit Company Management LLC is part of the Ellington family of SEC-registered investment advisors[3].
- Ellington Management Group and its affiliates manage Ellington Credit Company (EARN), Ellington Financial Inc. (EFC), multi-investor hedge funds, separately managed accounts, and opportunistic private funds
- Time-tested infrastructure and proprietary resources in trading, research, risk management, and operational support

Industry-Leading Research & Trading Expertise

- Sophisticated proprietary models for prepayment and credit analysis
- Approximately 20% of employees dedicated to research and engineering
- Structured credit trading experience and analytical skills developed since the firm's founding 30 years ago
- Ellington's portfolio managers are among the most experienced in the structured products sector

Endnotes

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Slide 3 – Highlights

(1) Economic return is based on book value per share.
(2) Adjusted Distributable Earnings is a non-GAAP financial measure. See slide 22, endnote 1 for an explanation regarding the renaming and calculation of Adjusted Distributable Earnings, and the definition of the Catch-up Amortization Adjustment.
(3) Net interest margin of a group of assets represents the weighted average asset yield less the weighted average cost of borrowings secured by those assets (including the effect of net interest income (expense) related to U.S. Treasury securities and actual and accrued payments on interest rate swaps used to hedge such borrowings); net interest margin excludes the effect of the Catch-up Amortization Adjustment.
(4) As of 3/31/25.
(5) Percentages shown are of net assets, as opposed to gross assets, deployed in each strategy.
(6) Includes IOs.
(7) Excludes recent purchases of fixed rate Agency specified pools with no prepayment history.
(8) We define our net mortgage assets-to-equity ratio as the net aggregate market value of our mortgage-backed securities (including the underlying market values of our long and short TBA positions) divided by total shareholders' equity. As of 3/31/25 the market value of our mortgage-backed securities and our net short TBA position was $503.9 million and $(502.9) million, respectively, and total shareholders' equity was $228.5 million.
(9) Dividend payments are not guaranteed and may be modified at the board's discretion. They are also sourced from income, capital gains, and return of capital. Return of capital to investors will result in the Fund having less money to invest, which could lower its overall return.

Slide 4 –Market Update

(1) Source: Bloomberg
(2) Source: BofA Global Research
(3) Pitchbook | LCD, Morningstar
(4) Source: J.P. Morgan Markets
(5) TSY-based OAS measures the additional yield spread over TSY that an asset provides at its current market price after taking into account any interest rate options embedded in the asset.
(6) TSY-based Zero-volatility spread (Z-spread) measures the additional yield spread over TSY that the projected cash flows of an asset provide at the current market price of the asset.

Slide 5 – Summary of Financial Results

(1) Total Other Gain (Loss) represents net realized and unrealized gains (losses) on periodic settlements of interest rate swaps and distributions from fee rebate agreements.
(2) See slide 22, endnote 1 for definition of Catch-up Amortization Adjustment.
(3) Adjusted Distributable Earnings is a non-GAAP financial measure. See slide 22 for a reconciliation of Adjusted Distributable Earnings to Net Income (Loss).
(4) Book Value per share is calculated using shares outstanding at the end of the period. All other per share amounts are calculated using the weighted average shares outstanding for the quarter.
(5) Weighted Average Yield excludes the effect of the Catch-up Amortization Adjustment.
(6) Net interest margin of a group of assets represents the weighted average asset yield less the weighted average cost of borrowings secured by those assets (including the effect of net interest income (expense) related to U.S. Treasury securities and actual and accrued payments on interest rate swaps used to hedge such borrowings); net interest margin excludes the effect of the Catch-up Amortization Adjustment.

Slide 6 – Operating Results by Strategy

(1) Includes distributions from fee rebate agreements.
(2) Other activities includes currency hedges as well as net realized and unrealized gains (losses) on foreign currency.
(3) Includes IOs.
(4) Includes U.S. Treasury securities.

Slide 7 – Consolidated Balance Sheet (Unaudited)

(1) Derived from audited financial statements as of December 31, 2024.
(2) Following the special meeting of shareholders held on January 17, 2025, we fully redeemed the 1,000 Series A Preferred Shares in accordance with the terms of the previously announced Subscription and Investment Representation Agreement entered into on December 9, 2024.
(3) Common shares issued and outstanding at March 31, 2025, includes 8,075,118 common shares issued under our at-the market common share offering program and excludes 167,476 of common shares repurchased during the quarter.

Endnotes

Slide 8 – Portfolio Summary

(1) Expressed as a percentage of current principal balance.
(2) Excludes IOs.

Slide 11 – Interest Rate Hedging Portfolio

(1) "10-year equivalents" for a group of positions represent the amount of 10-year U.S. Treasury securities that would be expected to experience a similar change in market value under a standard parallel move in interest rates.

Slide 12 – Dynamic Hedging Strategy

(1) Net short TBA positions represents the current market value of the underlying Agency RMBS (on a forward delivery basis) as of 3/31/25 and 12/31/24. The net carrying value of the TBA positions as of 3/31/25 and 12/31/24 on the Consolidated Balance Sheet was $(0.1) million and $(0.8) million, respectively.
(2) We define our net mortgage assets-to-equity ratio as the net aggregate market value of our mortgage-backed securities (including the underlying market values of our long and short TBA positions) divided by total shareholder's equity. As of 3/31/25 the market value of our mortgage-backed securities and our net short TBA position was $503.9 million and $(502.9) million, respectively, and total shareholders' equity was $228.5 million. As of 12/31/24 the market value of our mortgage-backed securities and our net short TBA position was $512.3 million and $(15.2) million, respectively, and total shareholders' equity was $193.7 million.

Slide 13 – Corporate CLO Underlying Corporate Loans— Detail as of 3/31/25

(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 treated as unavailable in the industry information shown. 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.

Slide 16 – CPR Breakout of Agency Fixed Long Portfolio

(1) Does not include long TBA positions, reverse mortgage pools, or fixed rate IOs. Fair values reflect the average of fair values at the beginning of each month during the quarter.
(2) Classification methodology may change over time as market practices change.
(3) Fair value shown in millions.
(4) Excludes recent purchases of fixed rate Agency pools with no prepayment history.

Slide 17 – Repo Borrowings

(1) As of 3/31/25 and 12/31/24, we had no outstanding borrowings other than under repurchase agreements.

Slide 18 – Interest Rate Sensitivity Analysis

(1) The table reflects the estimated effects on the value of our portfolio, both overall and by category, of hypothetical, immediate, 50 basis point downward and upward parallel shifts in interest rates, based on the market environment as of 3/31/25. The preceding analysis does not include sensitivities to changes in interest rates for instruments which we believe that the effect of a change in interest rates is not material to the value of the overall portfolio and/or cannot be accurately estimated. In particular, this analysis excludes certain corporate securities and derivatives on corporate securities and reflects only sensitivity to U.S. interest rates. Furthermore, the fair value of each of the instruments comprising our portfolio is impacted by many other factors, each of which may or may not be correlated, or may only be loosely correlated, with interest rates. Depending on the nature of the instrument, these additional factors may include credit spreads, yield spreads, option-adjusted spreads, real estate prices, collateral adequacy, borrower creditworthiness, inflation, unemployment, general macroeconomic conditions, and other factors. Our analysis makes many simplifying assumptions as to the response of each of these additional factors affecting fair value to a hypothetical immediate shift in interest rates, including, for many if not most such additional factors, that such factor is unaffected by such shift in interest rates. Results are based on forward-looking models, which are inherently imperfect, and incorporate various simplifying assumptions. Therefore, the table is for illustrative purposes only and actual changes in interest rates would likely cause changes in the actual value of our portfolio that would differ from those presented, and such differences might be significant and adverse.

Endnotes

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Slide 19 – Financial Derivatives as of 3/31/25

(1) Notional amount represents the principal balance of the underlying Agency RMBS.
(2) Cost basis represents the forward price to be paid for the underlying Agency RMBS.
(3) Market value represents the current market value of the underlying Agency RMBS (on a forward delivery basis) as of 3/31/25.
(4) Net carrying value represents the difference between the market value of the TBA contract as of 3/31/25 and the cost basis, and is included in Financial derivatives-assets, at fair value and Financial derivatives-liabilities, at fair value on the Consolidated Balance Sheet.

Slide 21 – Consolidated Balance Sheet (Unaudited)

(1) Derived from audited financial statements as of December 31, 2024.
(2) Following the special meeting of shareholders held on January 17, 2025, we fully redeemed the 1,000 Series A Preferred Shares in accordance with the terms of the previously announced Subscription and Investment Representation Agreement entered into on December 9, 2024.
(3) Common shares issued and outstanding at March 31, 2025, includes 8,075,118 common shares issued under our at-the market common share offering program and excludes 167,476 of common shares repurchased during the quarter.

Slide 22 – Reconciliation of Adjusted Distributable Earnings to Net Income (Loss)

(1) We calculate Adjusted Distributable Earnings as net income (loss) adjusted for: (i) net realized and change in net unrealized gains and (losses) on securities, financial derivatives, and foreign currency transactions; (ii) net realized and change in net unrealized gains (losses) associated with periodic settlements on interest rate swaps; (iii) other income or loss items that are of a non-recurring nature, if any (iv) Catch-up Amortization Adjustment (as defined below); and (v) provision for income taxes. The Catch-up Amortization Adjustment is a quarterly adjustment to premium amortization or discount accretion triggered by changes in actual and projected prepayments on our Agency RMBS (accompanied by a corresponding offsetting adjustment to realized and unrealized gains and losses). The adjustment is calculated as of the beginning of each quarter based on our then-current assumptions about cashflows and prepayments, and can vary significantly from quarter to quarter. Adjusted Distributable Earnings is a supplemental non-GAAP financial measure. We believe that the presentation of Adjusted Distributable Earnings 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 current-period earnings components that we believe are less useful in forecasting long-term performance and dividend-paying ability; (ii) we use it to evaluate the effective net yield provided by our portfolio, after the effects of financial leverage; and (iii), we believe that presenting Adjusted Distributable Earnings assists investors in measuring and evaluating our operating performance, and comparing our operating performance to that of our peers. Our calculation of Adjusted Distributable Earnings 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; adjusted Distributable Earnings excludes certain items, such as most realized and unrealized gains and losses, that may impact the amount of cash that is actually available for distribution. In addition, because Adjusted Distributable Earnings is an incomplete measure of our financial results and differs from net income (loss) computed in accordance with U.S. GAAP, it should be considered supplementary to, and not as a substitute for, net income (loss) computed in accordance with U.S. GAAP. The table above reconciles, for the three-month periods ended 3/31/25 and 12/31/24, our Adjusted Distributable Earnings to the line on our Consolidated Statement of Operations entitled Net Income (Loss), which we believe is the most directly comparable U.S. GAAP measure:
(2) For the three-month period ended March 31, 2025, includes $(0.9) million of net realized and unrealized (gains) losses on foreign currency translation, which is included in Other, net on the Consolidated Statement of Operations and $0.3 million of expenses incurred primarily in connection with our strategic transformation. For the three-month period ended December 31, 2024, includes $1.3 million of net realized and unrealized (gains) losses on foreign currency translation, which is included in Other, net on the Consolidated Statement of Operations and $0.5 million of expenses incurred primarily in connection with our strategic transformation.

Slide 23 – About Ellington Management Group

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

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