

OXSQ

Oxford Square Capital Corp.
Investor Presentation
Quarter Ended September 30, 2019

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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 as actual realized returns will depend on, among other factors, 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 many instances, the Company will not determine the timing or manner of sale of the Company’s portfolio companies.

Statements included herein may constitute “forward-looking statements,” which relate to future events or our future performance or financial condition. These statements are not guarantees of future performance, condition or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in our 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)¹</i>	<u>Q3-19</u>	<u>Q2-19</u>	<u>Q1-19</u>	<u>Q4-18</u>	<u>Q3-18</u>
GAAP net investment income	\$ 0.19	\$ 0.27	\$ 0.18	\$ 0.18	\$ 0.18
Distributions declared and paid	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20
Net realized (losses) gains	\$ (0.01)	\$ (0.00)	\$ (0.03)	\$ (0.06)	\$ 0.00
Net unrealized (losses) gains	\$ (0.87)	\$ (0.43)	\$ 0.12	\$ (0.82)	\$ (0.05)
Net (decrease) increase in net assets resulting from operations	\$ (0.69)	\$ (0.16)	\$ 0.27	\$ (0.71)	\$ 0.13
Net asset value	\$ 5.42	\$ 6.31	\$ 6.67	\$ 6.60	\$ 7.49

<i>(\$ in millions)</i>	<u>Q3-19</u>	<u>Q2-19</u>	<u>Q1-19</u>	<u>Q4-18</u>	<u>Q3-18</u>
Total fair value of investments	\$ 398.4	\$ 447.8	\$ 448.6	\$ 445.0	\$ 505.4
Number of portfolio investments	65	67	65	70	73
Net assets	\$ 259.0	\$ 300.8	\$ 317.9	\$ 314.7	\$ 368.3
Debt outstanding at carrying value	\$ 154.0	\$ 158.8	\$ 140.0	\$ 148.2	\$ 150.1
Debt to equity	0.59x	0.53x	0.44x	0.47x	0.41x

Note: Certain figures may not 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)	Q3-19	Q2-19	Q1-19	Q4-18	Q3-18
New investments	\$ -	\$ 46.4	\$ 4.4	\$ 39.2	\$ 91.8
Exits	4.9	30.9	4.0	49.4	36.3
Net investment activity	\$ (4.9)	\$ 15.5	\$ 0.4	\$ (10.2)	\$ 55.5
Weighted average yield of debt investments at current cost ¹	9.7%	10.0%	9.8%	9.7%	9.4%
Weighted average effective yield of CLO equity investments at current cost	11.9%	13.1%	14.6%	15.6%	14.8%
Weighted average yield of total investments at current cost	10.6%	11.3%	11.7%	12.2%	11.7%
Weighted average cash distribution yield of debt investments at current cost ²	9.4%	9.4%	9.7%	9.3%	8.8%
Weighted average cash distribution yield of cash income producing CLO equity investments at current cost	19.9%	19.9%	18.4%	17.4%	18.6%
Weighted average cash yield of cash income producing securities at current cost	13.5%	13.5%	13.0%	12.7%	12.2%

Total Investments by Asset Type^{3,4}

	Q3-19	Q2-19	Q1-19	Q4-18	Q3-18
First-lien secured debt	27%	25%	26%	28%	25%
Second-lien secured debt	39%	36%	36%	36%	33%
CLO equity	33%	36%	34%	33%	38%
CLO debt	<1%	<1%	<1%	<1%	1%
Other ⁵	2%	3%	4%	3%	4%

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

1. Includes non-cash amortization of OID.

2. Represents the cash interest received in the respective quarter annualized and divided by the average of the total cost basis (exclusive of OID accretion) of debt investments outstanding at the beginning and end of such respective quarter.

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

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

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

CLO Equity Investment Highlights

<i>(\$ in millions)</i>	<u>Q3-19</u>	<u>Q2-19</u>	<u>Q1-19</u>	<u>Q4-18</u>	<u>Q3-18</u>
Cash income producing CLO equity at original cost ¹	\$ 206.2	\$ 201.5	\$ 188.4	\$ 201.4	\$ 160.9
Non-cash income producing CLO equity at original cost ^{2,3}	17.6	23.6	9.9	4.2	55.1
Total CLO Equity	<u>\$ 223.8</u>	<u>\$ 225.1</u>	<u>\$ 198.4</u>	<u>\$ 205.6</u>	<u>\$ 215.9</u>

Breakdown of Non-cash Income Producing CLO Equity as of September 30, 2019²

<i>(\$ in millions)</i>	
Inaugural distribution payment by Q4-19	\$ 17.6
Inaugural distribution payment by Q1-20	-
Inaugural distribution payment by Q2-20	-
Total non-cash income producing CLO equity at original cost	<u>\$ 17.6</u>

Note: Certain figures may not tie due to rounding.

1. Includes CLO equity investments which made a distribution payment to OXSQ during the quarter and investments that were fully or partially sold before quarter end. Excludes called deals.
2. Represents the amount of CLO equity investments purchased in either the primary or secondary market which did not make a distribution payment to OXSQ during the quarter. For newly issued CLOs, it can generally take up to three quarters from initial issuance to receive the inaugural distribution payment from a CLO equity investment.
3. Does not include CLO positions which had either partial or full interest diversion. For the quarter ending September 30, 2019, OXSQ's CLO portfolio had interest diversion of \$199,515.

CLO Portfolio Summary

OXSQ CLO Portfolio Information

As of September 30, 2019

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	2014	CLO Equity	Callable	July-18	0.92%	5.96%	4.96%	3.61%	3407	38	3.58
CLO Equity Position #2	2014	CLO Equity	Callable	October-18	1.22%	0.02%	NA	3.34%	3118	53	3.36
CLO Equity Position #3	2012	CLO Equity	Callable	January-19	0.88%	0.82%	NA	3.43%	3160	59	3.57
CLO Equity Position #4	2015	CLO Equity	Callable	April-19	0.82%	3.38%	2.38%	3.75%	2885	110	4.55
CLO Equity Position #5	2013	CLO Equity	Callable	July-19	1.30%	0.22%	-0.28%	3.98%	2947	56	4.26
CLO Equity Position #6	2014	CLO Equity	Callable	April-20	0.88%	3.63%	2.63%	3.77%	2821	113	4.75
CLO Equity Position #7	2014	CLO Equity	Callable	April-20	0.99%	1.16%	-0.07%	4.14%	NA	64	4.23
CLO Equity Position #8	2013	CLO Equity	Callable	January-21	0.89%	4.25%	3.75%	3.55%	2948	85	4.83
CLO Equity Position #9	2015	CLO Equity	Callable	January-21	1.25%	5.48%	4.42%	3.55%	2977	74	4.66
CLO Equity Position #10	2016	CLO Equity	October-19	February-21	1.09%	4.05%	3.05%	3.32%	2929	82	4.66
CLO Equity Position #11	2013	CLO Equity	Callable	June-21	1.23%	4.27%	3.27%	3.33%	NA	NA	4.64
CLO Equity Position #12	2017	CLO Equity	Callable	July-21	1.38%	4.12%	3.12%	4.06%	2979	96	4.99
CLO Equity Position #13	2016	CLO Equity	Callable	July-21	1.55%	5.45%	4.45%	3.66%	2775	75	4.73
CLO Equity Position #14	2013	CLO Equity	Callable	August-21	1.25%	2.08%	1.08%	3.78%	2764	110	4.75
CLO Equity Position #15	2013	CLO Equity	October-19	October-21	1.53%	2.56%	1.06%	4.68%	3831	58	4.04
CLO Equity Position #16	2013	CLO Equity	January-20	January-22	1.23%	1.74%	0.64%	4.14%	2959	63	4.25
CLO Equity Position #17	2017	CLO Equity	Callable	July-22	1.28%	4.72%	3.72%	3.75%	2787	75	4.98
CLO Equity Position #18	2013	CLO Equity	November-19	November-22	1.19%	3.68%	2.62%	3.35%	2749	92	4.54
CLO Equity Position #19	2015	CLO Equity	January-20	January-23	0.99%	2.47%	1.50%	3.41%	2802	81	4.83
CLO Equity Position #20	2019	CLO Equity	May-21	April-23	1.51%	4.40%	3.40%	4.21%	2801	85	5.13
CLO Equity Position #21	2012	CLO Equity	April-20	April-23	1.01%	4.11%	3.04%	3.34%	2704	95	4.39
CLO Equity Position #22	2018	CLO Equity	July-20	July-23	1.09%	4.42%	3.35%	3.26%	2902	79	4.87
CLO Equity Position #23	2018	CLO Equity	July-20	July-23	1.12%	3.69%	3.19%	3.62%	2791	81	5.29
CLO Equity Position #24	2018	CLO Equity	July-20	July-23	1.10%	4.55%	3.55%	3.58%	2806	76	5.22
CLO Equity Position #25	2014	CLO Equity	October-20	October-23	1.14%	2.12%	1.62%	3.49%	2745	84	4.90
CLO Equity Position #26	2014	CLO Equity	October-20	October-23	1.21%	5.99%	3.99%	3.51%	2908	85	4.48
Subtotal (Fair Value)	\$127,956,030⁴			January-22²	1.25%²	3.93%²	3.24%²	3.79%²	2907^{2,3}	77²	4.71²

CLO Debt Positions	CLO Vintage Year ¹	Tranche Type	Non-Call Period End*	Reinvestment Period End*	AAA Spread (L+)*	Junior Tranche Overcollateralization Cushion*	Reinvestment Overcollateralization Cushion*	Weighted Average Portfolio Spread*	Weighted Average Rating Factor*	Diversity Score*	Weighted Average Portfolio Life (Years)*
CLO Debt Position #1	2018	CLO Debt	July-20	July-23	1.09%	4.42%	3.35%	3.26%	2902 ³	79	4.87
Subtotal (Fair Value)	\$865,600										

Total (Fair Value) **\$128,821,630⁴** **January-22²**

1. Year in which the deal was initially issued prior to any related refinancings and/or resets.

2. Shown on a weighted average basis (based on Fair Value).

3. Weighted Average Rating Factor Score of 2907 and 2902, for OXSQ's CLO equity and debt tranche positions, respectively, are equivalent to a Moody's corporate debt rating of between B2 and B3 (B2 = 2720, B3 = 3490).

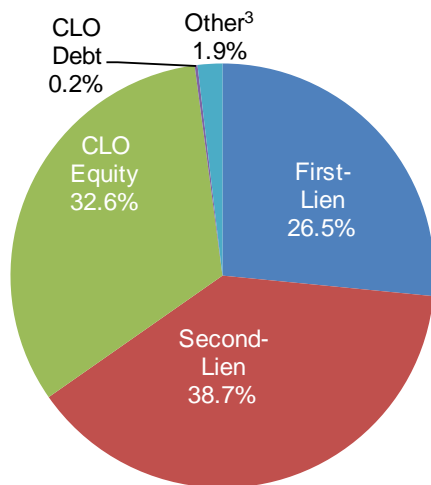
4. Excludes called deals and CLO equity side letter related investments.

* Source: As reported by Intex.

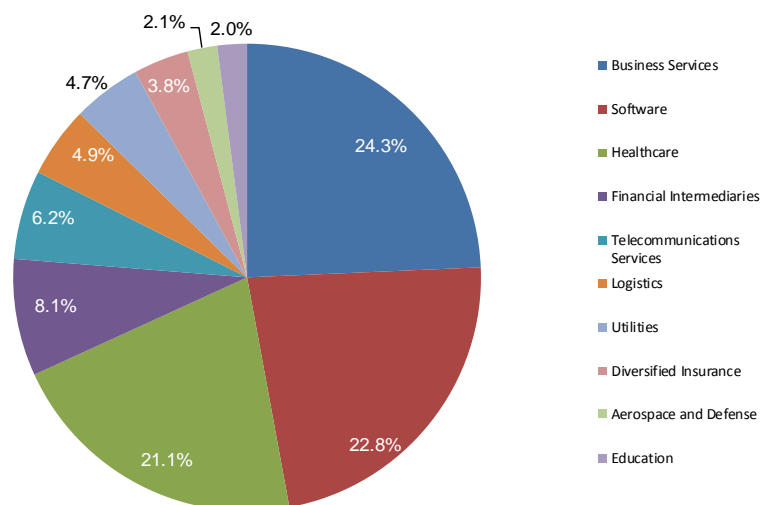
Investment Portfolio

- \$398.4 million portfolio composed of 65 portfolio investments¹
- Average investment by fair value represents 1.5% of total portfolio
- Top 10 portfolio investments by fair value represent 40.62% of total portfolio²

Total Investments by Asset Type¹



Corporate Loan Portfolio by Industry^{1,4}

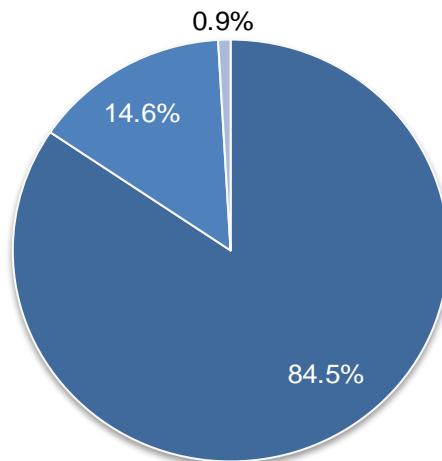


65.3% of OXSQ's investments are in senior secured debt¹

1. At fair value as of 9/30/19. Due to rounding, totals may not add up to 100%. Excludes cash and equivalents.
 2. Does not combine different investments in the same company or CLO vehicle.
 3. "Other" includes common stock and preferred equity.
 4. Excludes CLO equity and CLO debt investments.

Quality Portfolio

OXSQ's debt portfolio has a weighted-average internal credit grade of 2.2¹



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.

1. At fair value as of 9/30/19.

Investments on Non-Accrual Status

<i>(\$ in millions)</i>	<u>Q3-19</u>	<u>Q2-19</u>	<u>Q1-19</u>	<u>Q4-18</u>	<u>Q3-18</u>
Non-accrual investments at current cost	\$ 9.8	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Non-accrual investments at fair value	\$ 2.4	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Non-accrual investments at fair value / total investment portfolio at fair value	0.6%	0.0%	0.0%	0.0%	0.0%

Outstanding Debt

(\$ in thousands)

	Principal Amount ¹	Carrying Value ¹	Cost of Debt	Maturity
Credit Facility	\$ 47,846	\$ 47,808	L + 2.25% ²	Jun-20
Unsecured Notes due 2024	\$ 64,370	\$ 62,908	6.50%	Mar-24
Unsecured Notes due 2026	\$ 44,791	\$ 43,257	6.25%	Apr-26
Total Debt	\$ 157,007	\$ 153,973		
Total Equity		\$ 258,960		
Debt to Equity		0.59x		

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

1. As of 9/30/19.

2. Pricing under the Facility is based on 3-month LIBOR.

Quarterly Balance Sheet

(\$ in millions, except per share)	As of				
	<u>9/30/2019</u>	<u>6/30/2019</u>	<u>3/31/2019</u>	<u>12/31/2018</u>	<u>9/30/2018</u>
Assets					
Total investments at fair value	\$ 398.4	\$ 447.8	\$ 448.6	\$ 445.0	\$ 505.4
Cash and cash equivalents	8.9	10.3	10.1	13.9	8.6
Restricted cash	2.5	2.3	2.4	3.2	3.5
Securities sold not settled	-	-	-	-	-
Other assets	5.9	4.9	5.0	5.1	5.2
Total Assets	\$ 415.8	\$ 465.3	\$ 466.1	\$ 467.1	\$ 522.7
Liabilities and Net Assets					
Debt	\$ 154.0	\$ 158.8	\$ 140.0	\$ 148.2	\$ 150.1
Securities purchased not settled	-	-	4.4	-	-
Investment advisory and incentive fee payable	1.7	4.2	2.8	3.2	3.4
Interest payable	0.7	1.0	0.3	0.5	0.4
Other liabilities	0.4	0.4	0.6	0.5	0.6
Total Liabilities	156.8	164.5	148.2	152.4	154.5
Total Net Assets	259.0	300.8	317.9	314.7	368.3
Total Liabilities and Net Assets	\$ 415.8	\$ 465.3	\$ 466.1	\$ 467.1	\$ 522.7
Net Asset Value per Share	\$ 5.42	\$ 6.31	\$ 6.67	\$ 6.60	\$ 7.49
Debt to Equity	0.59x	0.53x	0.44x	0.47x	0.41x

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				
	9/30/2019	6/30/2019	3/31/2019	12/31/2018	9/30/2018
Investment Income					
Interest income	\$ 7.1	\$ 7.4	\$ 7.2	\$ 7.0	\$ 6.5
Dividend income - PIK	0.7	6.3	-	-	-
Income from Securitization Vehicles	6.1	6.6	6.8	7.7	7.2
Fee and other income	0.2	0.5	0.2	0.4	1.5
Total Investment Income	14.1	20.9	14.2	15.2	15.2
Expenses					
Interest and other debt financing expenses	2.5	2.8	2.1	2.5	2.3
Investment advisory fees	1.7	1.9	1.6	2.1	1.8
Net investment income incentive fees	-	2.4	1.2	1.2	1.6
Other operating expenses	0.9	1.1	0.9	0.9	0.9
Total Expenses	5.1	8.1	5.9	6.7	6.6
Net Investment Income	8.9	12.8	8.4	8.5	8.6
Net Gain (Loss) on Investments					
Net change in unrealized (depreciation) appreciation on investments	(41.6)	(20.3)	5.7	(39.8)	(2.3)
Net realized (loss) gain on investments	(0.4)	(0.0)	(1.3)	(2.8)	0.2
Net (loss) gain on investments	(42.0)	(20.3)	4.4	(42.6)	(2.1)
Net (decrease) increase in Net Assets resulting from operations	\$ (33.1)	\$ (7.5)	\$ 12.7	\$ (34.1)	\$ 6.5
Per Share					
GAAP net investment income	\$ 0.19	\$ 0.27	\$ 0.18	\$ 0.18	\$ 0.18
Distributions declared and paid	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20
Weighted average common shares outstanding (in millions)	47.7	47.7	47.7	48.2	49.2
Common shares outstanding at end of period (in millions)	47.8	47.7	47.7	47.7	49.1

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

Corporate Information

Board of Directors

Independent

Steven P. Novak - Chairman
Richard W. Neu
George "Chip" Stelljes III

Non-Independent

Jonathan H. Cohen
Charles M. Royce

Corporate Offices

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Corporate Website

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Investor Relations

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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

Executive Corporate Officers

Jonathan H. Cohen	Board Member and Chief Executive Officer
Saul B. Rosenthal	President and Chief Operating Officer
Bruce L. Rubin	Chief Financial Officer
Jerry Cummins	Chief Compliance Officer