

## Investcorp Credit Management BDC, Inc. Announces Preliminary Financial Results for the Quarter Ended September 30, 2021 and Quarterly Distribution

Investcorp Credit Management BDC, Inc. (NASDAQ: ICMB) (“ICMB” or the “Company”) announced its financial results today for its fiscal first quarter ended September 30, 2021.

### HIGHLIGHTS

- **On November 3, 2021, the Company’s Board of Directors (the “Board”) declared a distribution for the quarter ending December 31, 2021 of \$0.15 per share, payable on January 4, 2022, to stockholders of record as of December 10, 2021.**
- **ICMB made two investments in new portfolio companies and four investments in existing portfolio companies. These investments totaled \$18.1 million. The weighted average yield of debt investments made in the quarter was 8.52%.**
- **ICMB fully realized two investments during the quarter, totaling \$12.1 million, and received proceeds from sales and partial repayments totaling \$ 8.1 million.**
- **The weighted average yield on debt investments, at cost, increased 8 basis points to 8.12%, compared to 8.04% as of June 30, 2021.**
- **Net asset value increased \$0.08 per share to \$7.00, compared to \$6.92 as of June 30, 2021. Net assets increased by \$4.3 million or 4.48% for the quarter ended September 30, 2021.**

Portfolio results, as of September 30, 2021:

Total assets	\$274.7mm
Investment portfolio, at fair value	\$245.3mm
Net assets	\$100.7mm
Weighted average yield on debt investments, at cost	8.12%
Net asset value per share	\$7.00
Portfolio activity in the current quarter:	
Number of new investments	6
Total capital invested	\$18.1mm
Proceeds from repayments, sales, and amortization	\$20.2mm
Number of portfolio companies, end of period	36
Net investment income (NII)	\$2.5mm
Net investment income per share	\$0.18
Net increase in net assets from operations	\$3.3mm
Net increase in net assets from operations per share	\$0.23
Quarterly per share distribution paid on October 14, 2021	\$0.15

Mr. Michael C. Mauer, the Company’s Chief Executive Officer, said “as we continue through an interesting market that has labor issues, supply chain issues and other tail effects of COVID, our portfolio is exhibiting diverse stability. In addition, we continue to see an interesting mix of new investments that support the outlook over the near to medium term.”

The Company’s dividend framework provides a quarterly base dividend and may be supplemented (when available) by additional dividends determined by the net investment income during the quarter.

On November 3, 2021, the Company’s Board declared a distribution for the quarter ending December 31, 2021 of \$0.15 per share, payable on January 4, 2022, to stockholders of record as of December 10, 2021.

This distribution represents an 11.01% yield on the Company’s \$5.45 share price as of market close on September 30, 2021. Distributions may include net investment income, capital gains and/or return of capital, however, the Company

does not expect these distributions to be comprised of a return of capital. The tax status of distributions will be determined at the end of the taxable year.

### **Portfolio and Investment Activities**

During the quarter, the Company made two investments in new portfolio companies and four investments in existing portfolio companies. The aggregate capital invested during the quarter totaled \$18.1 million, at cost, and the debt investments were made at a weighted average yield of 8.52%.

The Company received proceeds of \$20.2 million from repayments, sales and amortization during the quarter, primarily related to the realizations of Infrastructure & Energy Alternatives, Inc., Hyperion Materials & Technologies, Inc., and the sale of a portion of its position in Bioplan USA, Inc.

The Company's realized and unrealized gains and losses accounted for an increase in the Company's net investments of \$0.8 million, or \$0.05 per share. The total net increase in net assets resulting from operations for the quarter was \$3.3 million, or \$0.23 per share.

As of September 30, 2021, the Company's investment portfolio consisted of investments in 36 portfolio companies, of which 92.8% were first lien investments, 2.8% were second lien investments, and 4.4% were equity, warrants, and other investments. The Company's debt portfolio consisted of 96.1% floating rate investments and 3.9% fixed rate investments.

The Company has and will continue to closely monitor its portfolio companies throughout this period, including assessing portfolio companies' operational and liquidity exposure and outlook, and continues to assess the impact of the COVID-19 pandemic on its portfolio companies. For additional information about the COVID-19 pandemic and its potential impact on the Company's results of operations and financial condition, please refer to the disclosure in the Company's quarterly report on Form 10-Q for the quarter ended September 30, 2021.

### **Capital Resources**

As of September 30, 2021, the Company had \$16.3 million in cash, of which \$7.7 million was in restricted cash and \$20.0 million of capacity under its revolving credit facility with UBS AG, London Branch.

On August 23, 2021, the Company, through Investcorp Credit Management BDC SPV, LLC, entered into a five-year, \$115 million senior secured revolving credit facility (the "Capital One Revolving Financing") with Capital One, N.A., which is secured by collateral consisting primarily of loans in the Company's investment portfolio. The Capital One Revolving Financing, which will expire on August 22, 2026 (the "Maturity Date"), features a three-year reinvestment period and a two-year amortization period. The Capital One Revolving Financing will be used to pay off the \$102.0 million UBS term loan and revolver.

### **Subsequent Events**

Subsequent to September 30, 2021 and through November 5, 2021, the Company invested a total of \$10.8 million, which included investments in two new portfolio companies and one existing portfolio company and received \$8 million in repayments. As of November 5, 2021, the Company had 37 portfolio companies.

**Investcorp Credit Management BDC, Inc. and Subsidiaries**  
**Consolidated Statements of Assets and Liabilities**

	<b>September 30, 2021 (Unaudited)</b>	<b>June 30, 2021</b>
<b>Assets</b>		
Non-controlled, non-affiliated investments, at fair value (amortized cost of \$297,260,432 and \$297,797,756, respectively) .....	\$ 245,315,441	\$ 245,855,620
Cash .....	8,594,080	5,845,249
Cash, restricted.....	7,721,548	6,759,954
Receivable for investments sold .....	10,209,114	5,875,293
Interest receivable .....	2,132,483	2,501,591
Payment-in-kind interest receivable.....	6,674	41,747
Other receivables .....	427,208	427,208
Prepaid expenses and other assets.....	250,606	376,197
<b>Total Assets</b> .....	<b>\$ 274,657,154</b>	<b>\$ 267,682,859</b>
<b>Liabilities</b>		
Notes payable:		
Term loan.....	\$ 102,000,000	\$ 102,000,000
Revolving credit facility .....	—	—
2026 Notes payable .....	65,000,000	65,000,000
Deferred debt issuance costs.....	(2,433,889)	(1,235,000)
Unamortized discount.....	(319,995)	(337,773)
Notes payable, net .....	164,246,116	165,427,227
Payable for investments purchased .....	3,003,425	—
Dividend payable .....	2,157,501	2,088,265
Income-based incentive fees payable.....	647,885	647,885
Base management fees payable.....	1,011,569	1,070,580
Interest payable .....	1,808,733	949,360
Directors' fees payable .....	24,984	28,859
Accrued expenses and other liabilities .....	1,086,817	1,114,834
<b>Total Liabilities</b> .....	<b>173,987,030</b>	<b>171,327,010</b>
<b>Commitments and Contingencies (Note 6)</b>		
<b>Net Assets</b>		
Common stock, par value \$0.001 per share (100,000,000 shares authorized, 14,383,340 and 13,921,767 shares issued and outstanding, respectively) .....	14,384	13,922
Additional paid-in capital .....	203,842,758	200,657,892
Distributable earnings (losses) .....	(103,186,018)	(104,315,965)
<b>Total Net Assets</b> .....	<b>100,670,124</b>	<b>96,355,849</b>
<b>Total Liabilities and Net Assets</b> .....	<b>\$ 274,657,154</b>	<b>\$ 267,682,859</b>
Net Asset Value Per Share .....	\$ 7.00	\$ 6.92

*See notes to unaudited consolidated financial statements.*

**Investcorp Credit Management BDC, Inc. and Subsidiaries**  
**Consolidated Statements of Operations (Unaudited)**

	<b>For the three months ended</b>	
	<b>September 30,</b>	
	<b>2021</b>	<b>2020</b>
<b>Investment Income:</b>		
Interest income.....	\$ 6,003,778	\$ 6,087,594
Payment in-kind interest income .....	79,114	840,327
Dividend income.....	296,126	—
Other fee income.....	104,284	43,060
<b>Total investment income.....</b>	<b>6,483,302</b>	<b>6,970,981</b>
<b>Expenses:</b>		
Interest expense .....	1,741,570	1,981,725
Base management fees.....	1,128,504	1,220,772
Income-based incentive fees.....	—	—
Professional fees .....	303,789	319,725
Allocation of administrative costs from advisor .....	351,700	354,000
Amortization of deferred debt issuance costs .....	101,111	—
Amortization of original issue discount – 2026 Notes.....	17,777	—
Insurance expense .....	121,134	108,186
Directors' fees.....	75,625	76,625
Custodian and administrator fees.....	75,332	65,927
Offering expense.....	—	85,227
Other expenses.....	155,856	125,272
<b>Total expenses.....</b>	<b>4,072,398</b>	<b>4,337,459</b>
Waiver of base management fees .....	(116,936)	(112,971)
Waiver of income-based incentive fees .....	—	—
<b>Net expenses.....</b>	<b>3,955,462</b>	<b>4,224,488</b>
<b>Net investment income.....</b>	<b>2,527,840</b>	<b>2,746,493</b>
<b>Net realized and unrealized gain/(loss) on investments:</b>		
Net realized gain from investments .....	761,463	3,693
Net change in unrealized appreciation (depreciation) in value of investments.....	(2,855)	52,131
<b>Total realized and unrealized gain (loss) on investments .....</b>	<b>758,608</b>	<b>55,824</b>
<b>Net increase (decrease) in net assets resulting from operations.....</b>	<b>\$ 3,286,448</b>	<b>\$ 2,802,317</b>
Basic and diluted:		
Net investment income per share .....	\$ 0.18	\$ 0.20
Earnings per share .....	\$ 0.23	\$ 0.20
Weighted average shares of common stock outstanding.....	14,066,370	13,893,725
<b>Distributions paid per common share.....</b>	<b>\$ 0.15</b>	<b>\$ 0.18</b>

*See notes to unaudited consolidated financial statements.*

## **About Investcorp Credit Management BDC, Inc.**

The Company is an externally-managed, closed-end, non-diversified management investment company that has elected to be regulated as a business development company under the Investment Company Act of 1940. The Company's investment objective is to maximize the total return to its stockholders in the form of current income and capital appreciation through debt and related equity investments by targeting investment opportunities with favorable risk-adjusted returns. The Company seeks to invest primarily in middle-market companies that have annual revenues of at least \$50mm and earnings before interest, taxes, depreciation, and amortization of at least \$15mm. The Company's investment activities are managed by its investment adviser, CM Investment Partners LLC. To learn more about Investcorp Credit Management BDC, Inc., please visit [www.icmbdc.com](http://www.icmbdc.com).

## **Forward-Looking Statements**

Statements included herein in this press release may contain "forward-looking statements," which relate to future performance or financial condition, are based upon current expectations and are inherently uncertain, and are subject to the completion of the Company's quarterly and year-end closing and related audit procedures. Any such statements, other than statements of historical fact, are likely to be affected by other unknowable future events and conditions, including elements of the future that are or are not under the Company's control and including the impact of COVID-19 and related changes in base interest rates and significant market volatility on our business, our portfolio companies, our industry and the global economy, and that the Company may or may not have considered; accordingly, such statements cannot be guarantees or assurances of any aspect of future performance. Statements other than statements of historical facts included in this press release may constitute forward-looking statements and are not guarantees of future performance or results and involve a number of assumptions, risks, and uncertainties, which change over time. Actual results may differ materially from those anticipated in any forward-looking statements as a result of a number of factors, including those described from time to time in filings by the Company with the Securities and Exchange Commission. All forward-looking statements speak only as of the date of this press release. The Company undertakes no duty to update any forward-looking statement made herein except as required by law.

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