

## Investcorp Credit Management BDC, Inc. Announces Financial Results for the Quarter and Fiscal Year Ended June 30, 2024, and Quarterly Distribution

Investcorp Credit Management BDC, Inc. (NASDAQ: ICMB) (“ICMB” or the “Company”) announced its financial results today for its fourth quarter and fiscal year ended June 30, 2024.

### **HIGHLIGHTS**

- **On September 18, 2024, the Company’s Board of Directors (the “Board”) declared a distribution of \$0.12 per share for the quarter ending September 30, 2024, payable in cash on November 6, 2024, to stockholders of record as of October 16, 2024.**
- **During the quarter, ICMB made investments in two new portfolio companies and three existing portfolio companies. These investments totaled \$17.9 million, at cost. The weighted average yield (at origination) of debt investments made in the quarter was 10.23%.**
- **ICMB fully realized its investments in three portfolio companies during the quarter, totaling \$22.1 million in proceeds. The internal rate of return on these investments was 11.27%.**
- **During the quarter, the Company had net repayments of \$0.41 million on its existing delayed draw and revolving credit commitments to portfolio companies.**
- **The weighted average yield on debt investments, at cost, for the quarter ended June 30, 2024, was 12.33%, compared to 12.36% for the quarter ended March 31, 2024.**
- **Net asset value decreased \$0.28 per share to \$5.21, compared to \$5.49 as of March 31, 2024. Net assets decreased by \$4.1 million, or 5.17%, during the quarter ended June 30, 2024 compared to March 31, 2024.**

Portfolio results, as of and for the three months ended June 30, 2024:

Total assets	\$192.2mm
Investment portfolio, at fair value	\$184.6mm
Net assets	\$75.01mm
Weighted average yield on debt investments, at cost <sup>(1)</sup>	12.33%
Net asset value per share	\$5.21
Portfolio activity in the current quarter:	
Number of investments in new portfolio companies during the period	2
Number of portfolio companies invested in, end of period	41
Total capital invested in existing portfolio companies <sup>(2)</sup>	\$8.5mm
Total proceeds from repayments, sales, and amortization <sup>(3)</sup>	\$23.5mm
Net investment income (NII)	\$1.3mm
Net investment income per share	\$0.09
Net decrease in net assets from operations	\$(2.5)mm
Net decrease in net assets from operations per share	\$(0.17)
Quarterly per share distribution paid on June 30, 2024	\$0.15

(1) Represents weighted average yield on total debt investments for the three months ended June 30, 2024. Weighted average yield on total debt investments is the annualized rate of interest income recognized during the period divided by the average amortized cost of debt investments in the portfolio during the period. The weighted average yield on total debt investments reflected above does not represent actual investment returns to the Company’s stockholders.

(2) Includes gross advances to existing revolving credit commitments to portfolio companies and PIK interest

(3) Includes gross repayments on existing delayed draw and revolving credit commitments to portfolio companies

Mr. Suhail A. Shaikh said “During the quarter, we navigated a persistently challenging market environment characterized by subdued new deal activity and heightened competition for high-quality assets. Despite these headwinds, we remained disciplined in our investment approach, focusing on opportunities that align with our rigorous underwriting standards. While refinancing activity provided some avenues for capital deployment, we are maintaining a highly selective stance on new deals. Our priority continues to be preserving the stability of our portfolio and positioning the company for long-term growth as market conditions evolve.”

The Company's dividend framework provides a quarterly base dividend and may be supplemented, at the discretion of the Board, by additional dividends as determined to be available by the Company's net investment income and performance during the quarter.

On September 18, 2024, the Board declared a distribution for the quarter ended September 30, 2024 of \$0.12 per share payable on November 6, 2024 to stockholders of record as of October 16, 2024.

This distribution represents a 14.29% yield on the Company's \$3.36 share price as of market close on June 28, 2024. Distributions may include net investment income, capital gains and/or return of capital, however, the Company does not expect the dividend for the quarter ending June 30, 2024, to be comprised of a return of capital. The Company's investment adviser monitors available taxable earnings, including net investment income and realized capital gains, to determine if a return of capital may occur for the year. The Company estimates the source of its distributions as required by Section 19(a) of the Investment Company Act of 1940 to determine whether payment of dividends are expected to be paid from any other source other than net investment income accrued for the current period or certain cumulative periods, but the Company will not be able to determine whether any specific distribution will be treated as taxable earnings or as a return of capital until after at the end of the taxable year.

### **Portfolio and Investment Activities**

During the quarter, the Company made investments in two new portfolio companies and three existing portfolio companies. The aggregate capital invested during the quarter totaled \$17.9 million, at cost, and the debt investments were made at a weighted average yield of 10.23%.

The Company received proceeds of \$23.5 million from repayments, sales and amortization during the quarter, primarily related to the realization of Empire Office Inc., Northstar Group Services, Inc., and Potpourri Group, Inc.

During the quarter, the Company had net repayments of \$0.4 million on its existing delayed draw and revolving credit commitments to portfolio companies.

The Company's net realized, and unrealized gains and losses accounted for a decrease in the Company's net investments of approximately \$3.8 million, or \$0.26 per share. The total net decrease in net assets resulting from operations for the quarter was \$(2.5) million, or \$(0.17) per share.

As of June 30, 2024, the Company's investment portfolio consisted of investments in 41 portfolio companies, of which 85.02% were first lien investments and 14.98% were equity, warrants, and other investments. The Company's debt portfolio consisted of 97.4% floating rate investments and 2.6% fixed rate investments.

### **Capital Resources**

As of June 30, 2024, the Company had \$5.1 million in cash, of which \$4.95 million was restricted cash, and \$57.0 million of unused and available capacity under its revolving credit facility with Capital One, N.A.

### **Subsequent Events**

Subsequent to June 30, 2024 and through September 25, 2024, the Company invested a total of \$12.9 million, which included investments in three new portfolio companies and two existing portfolio companies. As of September 25, 2024, the Company had investments in 44 portfolio companies.

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

	June 30, 2024	June 30, 2023
<b>Assets</b>		
Non-controlled, non-affiliated investments, at fair value (amortized cost of \$189,319,802 and \$219,319,251, respectively)	\$ 181,948,376	\$ 210,150,018
Affiliated investments, at fair value (amortized cost of \$15,149,238 and \$23,979,565, respectively)	2,621,154	9,961,311
Total investments, at fair value (amortized cost of \$204,469,040 and \$243,298,816, respectively)	184,569,530	220,111,329
Cash	158,768	1,093,758
Cash, restricted	4,950,036	8,057,458
Principal receivable	50,609	93,581
Interest receivable	1,301,516	2,041,877
Payment-in-kind interest receivable	66,625	46,088
Long-term receivable	631,667	—
Escrow receivable	97,173	—
Other receivables	—	1,050
Prepaid expenses and other assets	411,821	361,719
<b>Total Assets</b>	<b>\$ 192,237,745</b>	<b>\$ 231,806,860</b>
<b>Liabilities</b>		
Notes payable:		
Revolving credit facility	\$ 43,000,000	\$ 71,900,000
2026 Notes payable	65,000,000	65,000,000
Deferred debt issuance costs	(1,654,870)	(1,220,556)
Unamortized discount	(124,443)	(195,553)
Notes payable, net	106,220,687	135,483,891
Payable for investments purchased	7,425,000	1,795,297
Dividend payable	—	2,590,520
Income-based incentive fees payable	128,876	576,023
Base management fees payable	816,777	906,218
Interest payable	1,950,925	2,293,766
Directors' fees payable	—	15,755
Accrued expenses and other liabilities	685,271	445,082
<b>Total Liabilities</b>	<b>117,227,536</b>	<b>144,106,552</b>
Commitments and Contingencies (see Note 6)		
<b>Net Assets</b>		
Common stock, par value \$0.001 per share (100,000,000 shares authorized and 14,403,752 and 14,391,775 shares issued and outstanding, respectively)	14,404	14,392
Additional paid-in capital	203,103,263	203,327,714
Distributable earnings (loss)	(128,107,458)	(115,641,798)
<b>Total Net Assets</b>	<b>75,010,209</b>	<b>87,700,308</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 192,237,745</b>	<b>\$ 231,806,860</b>
Net Asset Value Per Share	\$ 5.21	\$ 6.09

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

	For the Years Ended June 30,		
	2024	2023	2022
<b>Investment Income:</b>			
Interest income			
Non-controlled, non-affiliated investments	\$ 20,271,776	\$ 23,822,181	\$ 22,641,798
Affiliated investments	12,451	(20,611)	29,813
<b>Total interest income</b>	<b>20,284,227</b>	<b>23,801,570</b>	<b>22,671,611</b>
Payment in-kind interest income			
Non-controlled, non-affiliated investments	2,028,744	1,250,169	102,720
Affiliated investments	77,680	70,070	208,470
<b>Total payment-in-kind interest income</b>	<b>2,106,424</b>	<b>1,320,239</b>	<b>311,190</b>
Dividend income			
Non-controlled, non-affiliated investments	54,138	101,755	—
Affiliated investments	—	—	296,126
<b>Total dividend income</b>	<b>54,138</b>	<b>101,755</b>	<b>296,126</b>
Payment in-kind dividend income			
Non-controlled, non-affiliated investments	784,854	691,972	282,952
Affiliated investments	—	—	—
<b>Total payment-in-kind dividend income</b>	<b>784,854</b>	<b>691,972</b>	<b>282,952</b>
Other fee income			
Non-controlled, non-affiliated investments	648,659	768,617	868,727
Affiliated investments	—	—	759
<b>Total other fee income</b>	<b>648,659</b>	<b>768,617</b>	<b>869,486</b>
<b>Total investment income</b>	<b>23,878,302</b>	<b>26,684,153</b>	<b>24,431,365</b>
<b>Expenses:</b>			
Interest expense	8,606,309	8,413,409	6,633,587
Base management fees	3,800,693	4,201,394	4,594,588
Income-based incentive fees	(72,942)	401,597	(348,670)
Provision for tax expense	267,150	294,330	270,618
Professional fees	1,239,122	984,290	1,302,513
Allocation of administrative costs from Adviser	1,360,194	966,045	1,247,205
Amortization of deferred debt issuance costs	576,475	693,333	621,111
Amortization of original issue discount - 2026 Notes	71,110	71,110	71,110
Insurance expense	479,502	506,963	512,347
Directors' fees	294,907	302,500	302,500
Custodian and administrator fees	316,128	292,267	334,214
Other expenses	713,789	516,160	446,330
<b>Total expenses</b>	<b>17,652,437</b>	<b>17,643,398</b>	<b>15,987,453</b>
Waiver of base management fees	(365,225)	(387,311)	(480,032)
Waiver of income-based incentive fees	—	—	—
<b>Net expenses</b>	<b>17,287,212</b>	<b>17,256,087</b>	<b>15,507,421</b>
<b>Net investment income</b>	<b>6,591,090</b>	<b>9,428,066</b>	<b>8,923,944</b>
<b>Net realized and unrealized gain/(loss) on investments:</b>			
Net realized gain (loss) from investments			
Non-controlled, non-affiliated investments	(7,731,553)	(26,890,095)	(6,198,762)
Affiliated investments	(6,239,984)	—	(8,196,669)
Net realized gain (loss) from investments	(13,971,537)	(26,890,095)	(14,395,431)
Net change in unrealized appreciation (depreciation) in value of investments			
Non-controlled, non-affiliated investments	1,797,807	21,966,347	2,898,538
Affiliated investments	1,490,170	(1,269,815)	5,159,579
Net change in unrealized appreciation (depreciation) on investments	3,287,977	20,696,532	8,058,117
<b>Total realized gain (loss) and change in unrealized appreciation (depreciation) on investments</b>	<b>(10,683,560)</b>	<b>(6,193,563)</b>	<b>(6,337,314)</b>
<b>Net increase (decrease) in net assets resulting from operations</b>	<b>\$ (4,092,470)</b>	<b>\$ 3,234,503</b>	<b>\$ 2,586,630</b>
Basic and diluted:			
Net investment income per share	\$ 0.46	\$ 0.66	\$ 0.62
Earnings per share	\$ (0.28)	\$ 0.22	\$ 0.18
Weighted average shares of common stock outstanding	14,396,201	14,389,163	14,304,641
<b>Distributions paid per common share</b>	<b>\$ 0.60</b>	<b>\$ 0.63</b>	<b>\$ 0.60</b>

## **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 \$50 million and earnings before interest, taxes, depreciation, and amortization of at least \$15 million. 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 in this press release and made on the earnings call for the quarter ended December 31, 2023, may contain "forward-looking statements," which relate to future performance, operating results, events and/or financial condition. Words such as "anticipates," "expects," "intends," "plans," "will," "may," "continue," "believes," "seeks," "estimates," "would," "could," "should," "targets," "projects," and variations of these words and similar expressions are intended to identify forward-looking statements. Any forward-looking statements, including statements other than statements of historical facts, included in this press release or made on the earnings call are based upon current expectations, are inherently uncertain, and involve a number of assumptions and substantial risks and uncertainties, many of which are difficult to predict and are generally beyond the Company's control.

Investors are cautioned not to place undue reliance on these forward-looking statements. Any such statements are likely to be affected by other unknowable future events and conditions, which the Company may or may not have considered, including, without limitation, changes in base interest rates and the effects of significant market volatility on our business, our portfolio companies, our industry and the global economy. Accordingly, such statements cannot be guarantees or assurances of any aspect of future performance or events. Actual results may differ materially from those anticipated in any forward-looking statements as a result of a number of factors and risks. More information on these risks and other potential factors that could affect actual events and the Company's performance and financial results, including important factors that could cause actual results to differ materially from plans, estimates or expectations included herein or discussed on the earnings call, is or will be included in the Company's filings with the Securities and Exchange Commission, including in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. All forward-looking statements speak only as of the date they are made. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

## **Contacts**

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