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ELLINGTON CREDIT COMPANY

Update on Strategic Transformation

December 2024

Important Notice

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Forward-Looking Statements

Certain statements in this presentation constitute forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve numerous risks and uncertainties. Actual results may differ from our beliefs, expectations, estimates, and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. 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 or from our beliefs, expectations, estimates and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Forward-looking statements are not historical in nature and can be identified by words such as "believe," "expect," "anticipate," "estimate," "project," "plan," "continue," "intend," "should," "would," "could," "goal," "objective," "will," "may," "seek," or similar expressions or their negative forms, or by references to strategy, plans, or intentions.

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 mortgage default rates and prepayment rates, our ability to borrow to finance our assets, our ability to pivot our investment strategy to focus on CLOs, a deterioration in the CLO market, our ability to utilize our NOLs, our ability to convert to a closed end fund/RIC, including our ability to obtain shareholder approval of certain matters related to such conversion, changes in government regulations affecting our business, our ability to maintain our exclusion from registration under the Investment Company Act of 1940, and other changes in market conditions and economic trends, such as changes to fiscal or monetary policy, heightened inflation, slower growth or recession, and currency fluctuations. Furthermore, as stated above, forward-looking statements are subject to risks and uncertainties, including, among other things, those described under Item 1A of our Annual Report on Form 10-K, 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, including reports on Forms 10-Q, 10-K, and 8-K. New risks and uncertainties emerge from time to time, and it is not possible for us to predict or assess the impact of every factor that may cause our actual results to differ from those contained in any forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Modeling

Some statements in this presentation may be derived from proprietary models developed by Ellington Management Group, L.L.C. and its affiliates (collectively, "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.

Projected Yields and Spreads

Projected yields and spreads discussed herein are based upon Ellington models and rely on a number of assumptions, including as to prepayments, defaults, recoveries and interest rates. Such models are inherently imperfect and there is no assurance that any particular investment will perform as predicted by the models, or that any such investment will be profitable. Projected yields are presented for the purposes of (i) providing insight into the strategy's objectives, (ii) detailing anticipated risk and reward characteristics in order to facilitate comparisons with other investments, (iii) illustrating Ellington's current views and expectations, and (iv) aiding future evaluations of performance. They are not a guarantee of future performance. They are based upon assumptions regarding current and future events and conditions, which may not prove to be accurate. There can be no assurance that the projected yields will be achieved. Investments involve risk of loss.

Financial Information

All financial information included in this presentation is as of September 30, 2024 unless otherwise indicated. We undertake no duty or obligation to update this presentation to reflect subsequent events or developments.

This presentation is for information purposes only and is not an offer to sell any securities and is not soliciting an offer to buy any securities. The information contained in this presentation does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever.

This presentation relates to the definitive proxy statement on Schedule 14A (the "Proxy Statement") that we have filed with the SEC and will mail, or have mailed, to shareholders. The information relates to the proposals for which we seek shareholder approval for in our Proxy Statement (the "Proposals"). The Proxy Statement contains important information about us, Ellington, the Proposals and related matters. Shareholders are urged to read carefully and in their entirety all relevant documents filed with the SEC, including the Proxy Statement when it becomes available, as well as any amendments or supplements thereto, because they contain important information about us, Ellington, the Proposals and related matters. Shareholders will be able to obtain the documents filed with the SEC free of charge from the SEC's website (www.sec.gov).

Strategic Transformation Update

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Completed

1 CLO Proof of Concept

- Ellington[1] has a longstanding track record of investing in the CLO sector across a wide variety of market conditions
- EARN began acquiring corporate CLOs in Sept. 2023, in a sector that we believe will provide greater risk-adjusted return potential for our shareholders over the long term, with less volatility, compared to Agency MBS
- Generated positive returns on CLO debt and equity investments through year end 2023
- Size of CLO portfolio capped by REIT qualification testing
- Maintained $0.08 per common share regular monthly dividend
- CLO portfolio at 12/31/23: $17 million

Completed

2 Rotate Additional Capital to CLOs

- Revoked REIT election effective 1/1/24 to enable further accumulation of CLO investments
- CLO investments continued to generate positive returns
- Changed company name to Ellington Credit Company to reflect new strategy
- Continued to reallocate capital from liquid Agency MBS pools to CLO debt and equity, but size of CLO portfolio now restricted by maintaining exemption from 1940 Act
- Operate as a taxable C-Corp while taking advantage of significant existing net operating loss carryforwards to offset the majority of our U.S. federal taxable income
- Maintained $0.08 per common share regular monthly dividend
- CLO portfolio at 12/17/24: $169.9 million

In Progress/Upcoming

3 Complete Transition to CLO Closed-End Fund/RIC

- Shareholder approval of certain matters is required to convert to a closed-end fund/RIC and complete our portfolio rotation from Agency MBS to CLOs
- At the 2024 annual meeting, over 90% of votes received on the Conversion Proposals were cast in favor, but the proposals failed to pass due to insufficient attendance
- In response, we issued super-voting “mirror” preferred stock to amplify the vote of common shareholders who vote, and we scheduled a new special meeting for January 17, 2025
- Shortly before Conversion becomes effective, sell remaining liquid Agency MBS pools and reduce leverage to comply with 1940 Act limitations
- Expect to maintain $0.08 per common share regular monthly dividend

(1) “Ellington” refers, collectively, to Ellington Management Group, L.L.C. and its affiliates.

Anticipated Benefits to Shareholders of Pivot to CLOs and Conversion to RIC

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- Greater risk-adjusted return potential over the long term.
- As a RIC, anticipate more favorable cost of capital to support future earnings, enhanced access to the capital markets, and more channels for potential growth.
- Benefit from Ellington's longstanding experience investing in corporate CLOs.
- Lower leverage; significantly less interest rate hedging required.
- As a RIC, generally not subject to corporate income tax. If Conversion is not approved, we will remain subject to federal, state, and local income taxes[1].
- Afford shareholders the additional protections provided by the 1940 Act.

(1) As of September 30, 2024, before taking into account the benefit of its NOLs, we were subject to a federal income tax rate of 21% and a combined state and local income tax rate of approximately 8.8%. Our NOLs reduced our estimated effective federal tax rate to 3.5% and our combined state and local tax rate to 3.9% for the nine-month period ended September 30, 2024. If the Conversion Proposals are not approved, once the deferred benefit related to its NOLs is fully utilized, we will be subject to the full federal, state and local income tax rates.

Shareholder Approvals Required to Complete Strategic Transformation

Proposal 1:

Approve a change in our legal form from a Maryland real estate investment trust to a Delaware statutory trust

Proposal 2:

Approve our proposed Amended and Restated Declaration of Trust to better align with other CLO focused closed-end funds

Proposal 3:

Approve a 1940 Act-compliant investment advisory agreement with Ellington Credit Company Management LLC, our external Manager

About Ellington Management Group

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Ellington Profile

As of 9/30/2024

Founded:	1994
Employees:	>170
Investment Professionals:	>60
Global offices:	3

$13.7
Billion in assets under management[(1)]

9
Employee-partners own the firm[(2)]

29
Years of average industry experience of senior portfolio managers

20%
Employees dedicated to research and information technology

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 information technology
- Structured credit trading experience and analytical skills developed since the firm's founding 29 years ago
- Ellington's portfolio managers are among the most experienced in the structured products sector

(1) $13.7 billion in assets under management includes approximately $0.5 billion in Ellington-managed CLOs. For these purposes, the Ellington-managed CLO figure represents the aggregate outstanding balance of CLO notes and market value of CLO equity, excluding any notes and equity held by other Ellington-managed funds and accounts.
(2) Does not include partners formerly employed by Ellington who may have residual capital balances but who no longer have voting rights in the partnership.
(3) 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.

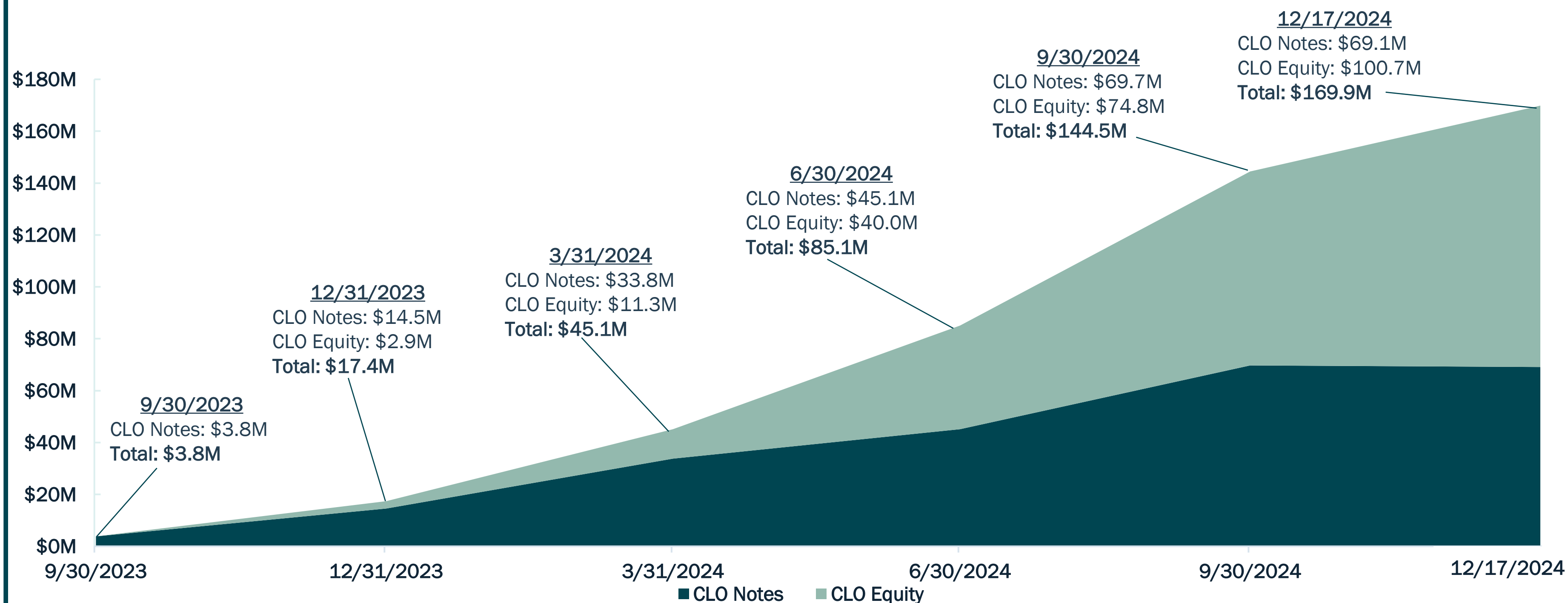
Ellington's CLO Experience and EARN's CLO Portfolio Growth

Ellington's CLO Experience

Strategy Inception:	2012
Investment Professionals:	6
Avg. years of industry experience for senior investment professionals(1):	21

- Ellington has extensive experience successfully managing CLO investments, including deep credit, structural, and fundamental analysis, understanding of market technicals and dynamics, and strong risk management
- Ellington employs both proprietary and third-party models and systems to guide its CLO investment process, enabling real-time analysis of investment opportunities and associated risks across various scenarios

EARN's CLO Portfolio Growth Over Time



- EARN's CLO portfolio has grown to $169.9 million as of 12/17/24, representing approximately 71% of our capital allocation(2)

(1) As of September 30, 2024.
(2) Percentages shown are as of net assets, as opposed to gross assets, deployed in each strategy.

Key Personnel

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Proposed Portfolio Managers

Name	Years of Experience	Years at Ellington	
Michael Vranos	41	29	• Founder and CEO of Ellington, and existing co-CIO of EARN • Oversees portfolio construction and implementation of hedging strategies at Ellington • Former head of RMBS trading and origination at Kidder Peabody • B.A. in Mathematics from Harvard University (magna cum laude, Phi Beta Kappa)
Greg Borenstein	17	12	• Head of Corporate Credit of Ellington • Responsible for Ellington's CLO investment business • Formerly member of the proprietary and secondary CLO trading desks at Goldman Sachs • Holds degrees in Applied Mathematics and Economics from Johns Hopkins University

Existing Management Team

Name	Years of Experience	Years at Ellington	
Laurence Penn Chief Executive Officer	40	29	• Vice Chairman of Ellington, CEO of EARN and EFC • Former Co-head of CMO origination and trading at Lehman Brothers • B.A. in Mathematics from Harvard University (summa cum laude, Phi Beta Kappa) • Masters in Mathematics from Cambridge University
Christopher Smernoff Chief Financial Officer	24	17	• CFO of EARN and CAO of EFC • Formerly a manager in the assurance practice of PricewaterhouseCoopers LLP • Member of American Institute of CPAs • B.S. in Accounting and Finance from Boston College
JR Herlihy Chief Operating Officer	21	13	• COO of EARN and CFO of EFC • Managing Director of EMG and former Co-Chief Investment Officer of Ellington Housing Inc. • Formerly Vice President of acquisitions at GTIS Partners LP • B.A. in Economics and History from Dartmouth College (summa cum laude, Phi Beta Kappa)

Fundamentals of CLO Collateral and Structure

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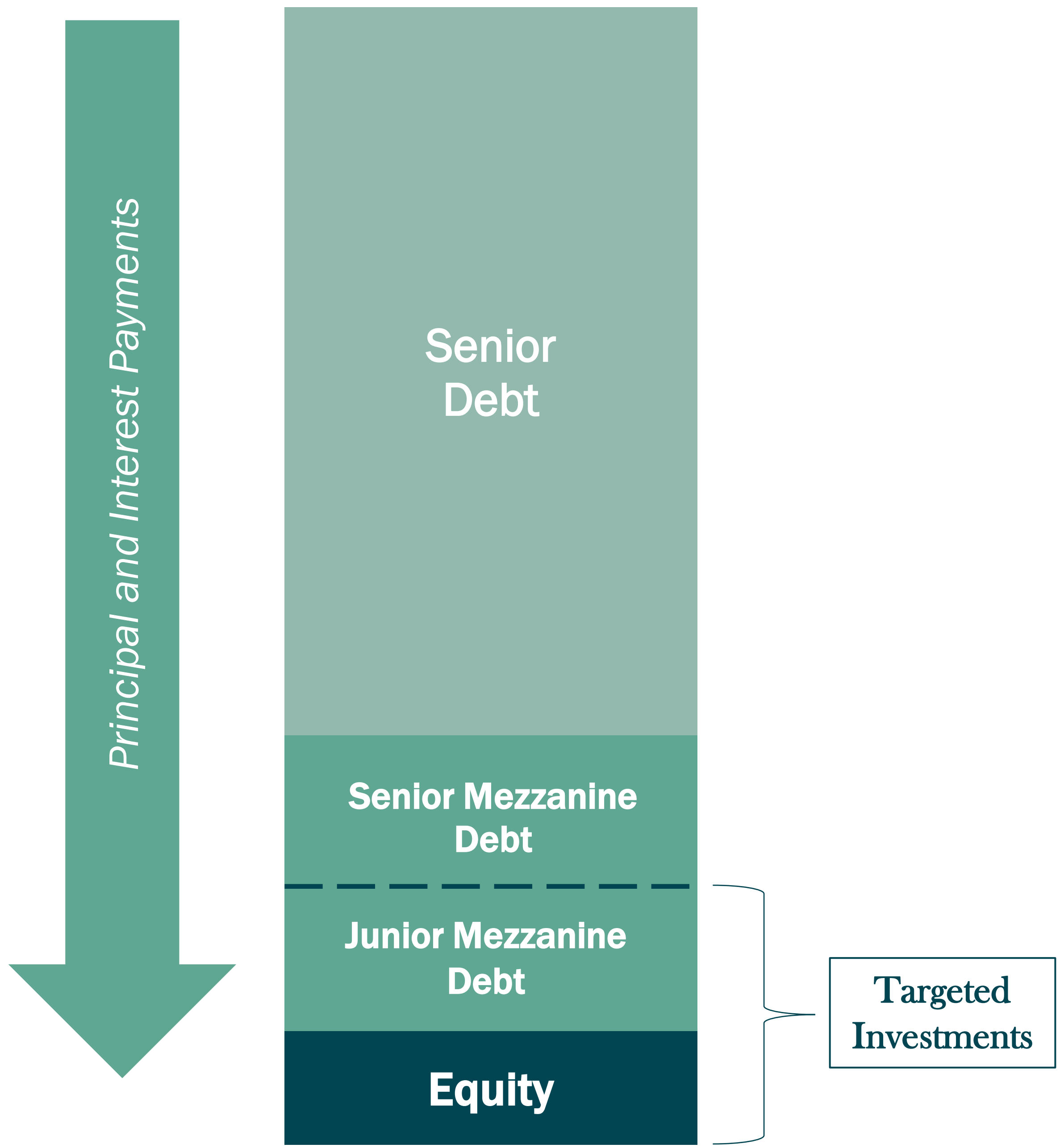
- **Collateralized loan obligations are securitizations typically backed by well-diversified pools of corporate loans.**
  - Underlying loans are typically senior secured, floating rate loans with an average issuance size of ~$1.5 billion
  - Vast majority of loans carry public credit ratings from major rating agencies such as S&P, Moody's, and Fitch
  - Underlying borrowers are typically large, established businesses
- **CLOs receive principal and interest cash flows from their underlying assets and typically distribute them quarterly.**
  - Senior debt tranches are paid first, then mezzanine debt tranches, then equity

Illustrative CLO Capital Structure



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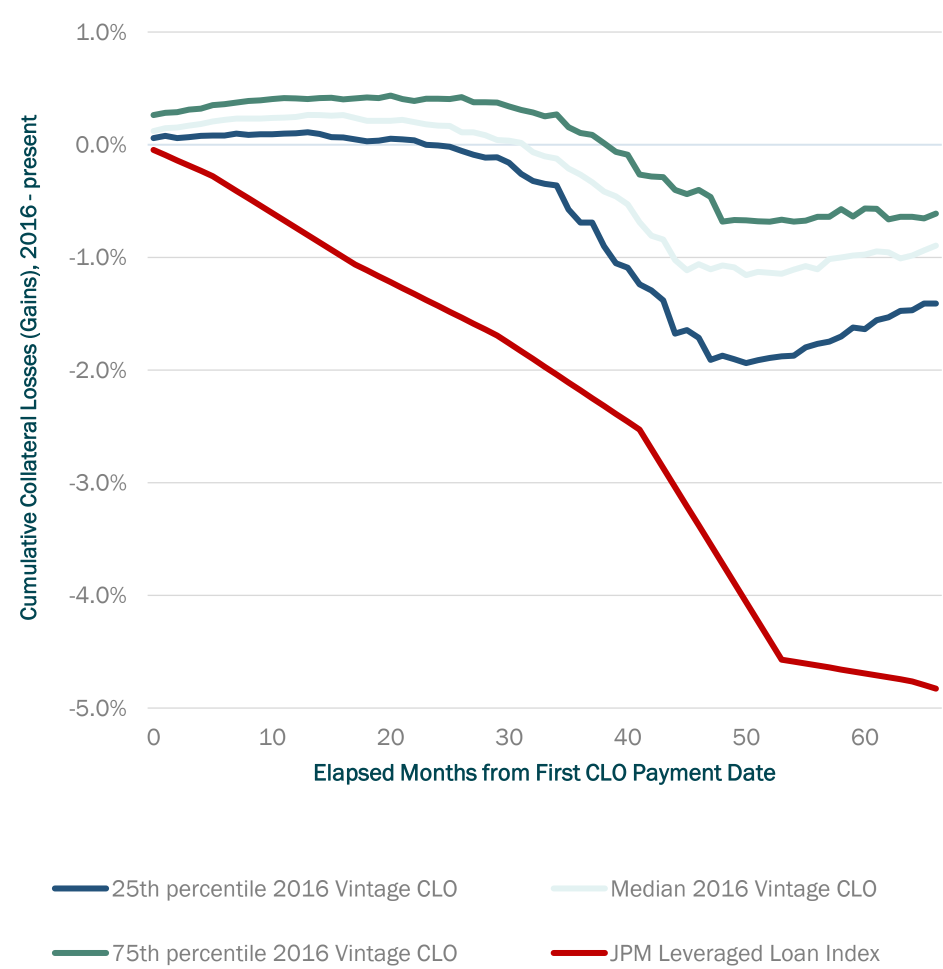
Favorable Characteristics of Corporate CLOs

- **CLOs present a compelling, well-diversified way to access the broadly syndicated bank loan market, a seasoned, $1.4 trillion[(1)] market with over $650 billion in gross issuance in 2024 YTD[(2)]**
  - CLOs are the largest asset class within the private-label securitized products universe, eclipsing $100 billion in issuance every year since 2016[(3)] and totaling over $1.3 trillion[(4)] in outstanding notional amount
- **Historically, CLO debt tranches have demonstrated resiliency to corporate defaults due to structural features that preserve cash flows in times of stress, such as:**
  - Floating rate notes with excess spread
  - Credit enhancement in the form of subordinate securities and overcollateralization
  - Deal triggers that divert excess interest to protect debt tranches
- **Attractive opportunities exist in CLO debt tranches that are in a deleveraging phase, when they tend to trade to maturity as opposed to a near term call**
  - Mispriced call options offer meaningful upside in scenarios where loans rally even slightly
  - Deleveraging tranches are more likely to obtain credit rating upgrades, enhancing total return by improving liquidity
- **CLO equity tranches also offer attractive return profiles for credit investors, often providing strong current interest carry, positive credit convexity, and optionality**
  - High barriers to entry limit competition
  - Valuable options such as deal calls and refinancings are often mispriced or ignored

CLOs have historically experienced better credit performance than the benchmark leveraged loan index[(5)(6)]



Sources: [1,2,3]LCD. Loan market size based on the size of the Morningstar LSTA US Leveraged Loan Index as of December 18, 2024. Gross loan issuance data calculated through December 18, 2024, [4,5]BofA Global Research. CLO market size data as of December 18, 2024, [6]J.P. Morgan