March 31, 2021

The 1WS Credit Income Fund (the “Fund”) is a closed-end interval fund launched in March 2019. As of March 31, 2021, the Fund has gross assets under management of approximately $132 million (approximately $106 million net assets). The Fund is a non-diversified, closed-end investment management company with an investment objective seeking attractive risk-adjusted total returns through generating income and capital appreciation by investing primarily in a wide array of predominantly structured credit and securitized debt instruments.

Overview

The Covid-19 recovery theme, which gained momentum during the fourth quarter of 2020, remained well entrenched throughout Q1 2021. Vaccine distribution within the U.S. has been progressing at a better than expected rate, and expectations for a general relaxing of business closures and stay at home orders have many economists forecasting near record strength in U.S. Gross Domestic Product (GDP) for the second half of the year. The asset inflation theme, supported by extremely accommodative monetary policies around the world, continues to swell. As the economy continues to recover, the challenge facing many investors is identifying attractively priced investment opportunities as the majority of credit sectors have largely rebounded from last year’s lows. Equity values are setting new highs while generic credit spreads in many cases have returned to historic lows.

Over the intermediate term, rising growth expectations for the U.S. economy should provide a supportive backdrop for credit, generally. Corporate borrowers continue to benefit from the unprecedented monetary policy support, which has kept interest rates relatively low and supported open and liquid capital markets. This has allowed many corporate borrowers to raise cash to bridge liquidity concerns, as well as refinance and term out existing debt, which continues to fuel record or near record gross issuance across corporate sectors. Citing the substantial reduction in default activity and levels of distressed debt over the last several months, a better than expected economic recovery to begin the year, sizeable fiscal stimulus package, and continued rollout of vaccines across the globe, JPMorgan revised down both their high-yield bond and leveraged loan default forecasts to 2% for 2021. This is down from a 3.5% forecast at the beginning of the year, and compares with long term averages of 3.4% and 3.0% for bonds and loans, respectively. Consumer sectors have been supported by unprecedented fiscal stimulus in the form of direct to individual payments, enhanced and extended unemployment benefits as well as a number of loan forbearance programs, all of which were intended to help individuals bridge the gap to recovery. In addition, with consumption impacted by pandemic driven behavioral changes we have seen significant declines in consumer debt balances with borrowers paying down outstanding liabilities with declines in discretionary spending.

As the broader U.S. economic outlook continues to improve, the fundamental backdrop over the intermediate term should remain accommodative, credit spreads, for the most part however, already reflect this constructive outlook. With benchmark Sovereign yields still relatively low, demand for yield/return remains strong. This is encouraging many investors to reach further out the risk spectrum, down in credit and longer in duration which is compressing risk premiums and flattening credit curves across many sectors (Exhibit 1). Finding attractively priced credit exposure for which investors are being adequately compensated for the embedded risk has become increasingly challenging in the generic securities markets.

Structured credit, after lagging broader credit markets in the second half of last year has outperformed and recaptured much of

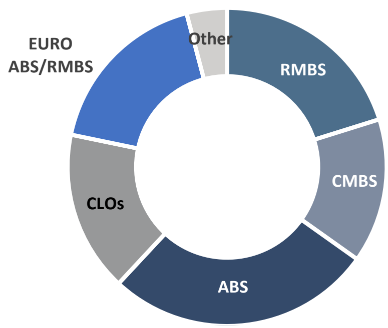
Net Return Performance as of 3/31/21	MTD	YTD	ITD (3/4/19)
OWSCX (Commencement of Operations 3/4/2019)	0.53%	4.41%	17.35%
Bloomberg Barclays U.S. Aggregate Bond Index[1]	-1.25%	-3.37%	11.83%
ICE BofAML U.S. High Yield Index[2]	0.17%	0.90%	15.19%

** OWSCX returns are presented net of all fees and expenses, benchmark returns are gross.*

Performance data quoted represents past performance, which is not a guarantee of future results. Current performance may be lower or higher than the performance quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. You can obtain performance data current to the most recent month end by calling (833) 834-4923 or visiting www.1wscapital.com. Investors cannot invest directly in an index.

[1] Bloomberg Barclays US Aggregate Bond Index is a market capitalization-weighted index, meaning the securities in the index are weighted according to the market size of each bond type. Investors cannot invest directly in an index.
[2] ICE BofAML US High Yield Master II TR Index value, which tracks the performance of US dollar denominated below investment grade rated corporate debt publically issued in the US domestic market. Investors cannot invest directly in an index

Portfolio Composition[1] and Gross Return Attribution[2]

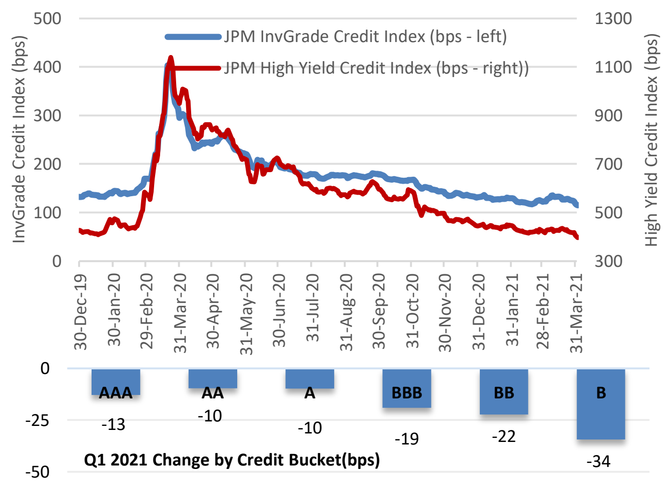


Asset Type	Portfolio Composition 3/31/2021	Gross Return Attribution YTD
Asset-Backed Securities (ABS)	24.1%	1.17%
Collateralized Loan Obligations (CLOs)	16.0%	0.73%
Commercial Mortgage-Backed Securities (CMBS)	12.5%	0.77%
European ABS & RMBS	19.8%	0.36%
Residential Mortgage-Backed Securities (RMBS)	20.6%	0.39%
Cash & Other	7.0%	0.61%
Interest Rate Hedges	-	0.93%
Total	**100.0%**	**4.95%**

[1] *The Portfolio composition as of 3/31/21 differs from the portfolio composition for any point prior to such date and is subject to change at any time.*
[2] *Returns by asset type are calculated by taking the specific asset type's contribution to the Fund's gross return for the period 2021 YTD through 3/31/21 and multiplying it by the gross return of the Fund over the same period. The Fund's gross return and returns by asset type are comprised of total investment income and realized and unrealized gain/loss on investments before taking into consideration fees and operating expenses.*

the implied discount. This spread tightening was most notable among investment grade credits and other exposures with little or no risk of future impairment.

Exhibit 1:
JPMorgan Corporate Bond Credit Spreads



Source: J.P. Morgan, OWS

However, there still remains fundamental uncertainty across many consumer and business sectors, those most impacted by the Covid-19 related lockdowns. Lingering effects will likely remain for some time into the future, even after headline risks dissipate and the economy adjusts to a new normal. The full impact of fiscal stimulus, loan forbearance, and other programs meant to help bridge the gap to recovery is yet unknown. Structural changes to how and where we live, work and travel have made forecasting future asset performance in many cases more challenging. As a result, there is far less consensus around loss adjusted expected returns across a range of asset classes, loans and structured securities lower in the capital structure with exposure to these varying expectations. We believe these differing fundamental expectations have widened risk premiums and offer attractive investment opportunities for those with the requisite underwriting expertise.

Our investment focus remains on identifying investments that will benefit from differentiated fundamental expectations. In our opinion, fundamental uncertainty leverages our long history of underwriting credit and securitization structures across the breadth of structured assets and can provide excess return opportunities.

First Quarter Review

At the beginning of the year we highlighted that we believed 2021 would likely be especially challenging for long-only fixed income investors, particularly those constrained to investment grade credits and those lacking the flexibility to actively manage risk exposures. The Federal Reserve continues to reiterate its commitment to low rates. However, investors are forward looking and as the path to economic recovery gains momentum, investors have begun pricing the eventual end of these historically accommodative monetary policies. During the first quarter, 10-year Treasury yields increased 83 basis points, nearly doubling from where they began the year. Despite tighter credit spreads, fixed income total returns were eroded by duration losses from rising Treasury yields. For instance, the total return for the Bloomberg/Barclays investment grade credit index was down –4.65% in Q1. Higher rated benchmarks, which are generally backed by longer maturity loans, realized the largest duration losses. Our investment mandate provides the flexibility to use select leverage and derivatives to manage risk exposures and optimize risk-adjusted return opportunities.

We have been selling out of a number of positions more recently, as the economy continues to recover and security valuations have appreciated significantly. In large part we have been reducing those positions which we believe have realized their expected return potential and currently offer little more than generic market risk exposure. Many of these were in investment grade credits, primarily in U.S. consumer ABS, which have repriced significantly and no longer offer acceptable returns. We have been reinvesting proceeds into European ABS and RMBS sectors whereby we continue to find what we believe are attractive opportunities, both outright and risk-adjusted relative to U.S. comparables. Consistent across all of our cash bond portfolios, we have been actively selling down positions reaching target return expectations. However, spreads have thus far lagged the recovery in the U.S. and credit curves remain meaningfully steeper in our opinion. We have been adding a diverse mix of securities across both the ABS and RMBS sectors from both the new issue as well as secondary markets. Within the ABS sector, we have been adding predominantly consumer and auto loans with a diverse set of European country exposures. Our focus within the RMBS sector continues to be in the U.K. Nonconforming and Buy-To-Let (BTL) sectors, but we also continue to find tactical opportunities in both Dutch and Irish RMBS.

We continue to believe that commercial real estate (CRE) debt and select sectors within CMBS represent some of the best intermediate and longer term fundamental opportunities. We have largely exited higher credits and conduit exposures, which we had added last year, as market spreads returned to pre-Covid-19 lows. While valuations have improved across all sectors, uncertainty continues to resonate within many of the hardest hit CRE sectors including retail and hospitality. In many cases we expect CRE opportunities to be property specific as the economic reopening evolves**.**

Within the securities market our current focus is in fulcrum exposures of primarily single asset single borrower (SASB) deals. This is where we can best leverage our fundamental credit underwriting. Our approach has centered on identifying individual properties or portfolios that have experienced some degree of operating stress during the pandemic. In many cases, the uncertainty in forecasting future property level economics has led to substantial declines in the value of the mortgage debt (CMBS) used to finance the real estate. We have significant resources dedicated to re-underwriting properties and existing capital structures. This is necessary when trying to identify situations whereby our basis in the real estate (LTV), adjusted for a potentially difficult operating environment over the intermediate term, and the returns offered by buying bonds at material discounts with expectations of par recovery. In our opinion, opportunities exist across property types. Hospitality, retail and select office sectors have experienced the most or expected future underperformance. Any number of factors influence outcomes and a detailed understanding of debt structure, sponsor, mezzanine, special servicer and control dynamics are areas we believe we add significant value in identifying attractive risk adjusted opportunities**.**

Fundamentally, we believe U.S. consumer backed sectors both ABS as well as RMBS continue to offer attractive relative value opportunities. The challenge is finding the right opportunities which offer credit convexity whereby we can leverage our fundamental credit outlook and underwriting. Despite the significant economic dislocation and rise in unemployment as a result of Covid-19 lockdowns and business closures, consumer fundamentals have remained much stronger than early concerns and in many cases relative to pre-Covid-19 experience in our opinion. Of course, unprecedented fiscal stimulus has gone far in supporting many of hardest hit consumer sectors including direct payments to individuals, extended and enhanced unemployment benefits as well as loan forbearance programs. These have all helped to bridge the gap for many consumers until the economy recovers. This is not to say that there has not been nor that there is not any significant consumer distress within the economy, but, in aggregate, delinquencies and losses have remained well below early expectations and this has supported the recovery of credit spreads across most sectors. In the RMBS sector we continue to focus on fulcrum exposures primarily off of legacy pools whereby differentiated fundamental views can continue to offer attractive upside credit convexity.

The CLO sector has largely repriced from last year's correction as corporate default expectations have fallen significantly. As mentioned earlier, JPMorgan is now forecasting corporate defaults in both the bond and leveraged loan sectors to decline to 2% in 2021 and 2022. This has created a strong fundamental backdrop for the sector, generally, and supported the recovery in spreads. Despite the spread recovery, CLOs remain among the highest yielding securities within the credit sector. Retail flows into the loan market have been positive in part due to the floating rate coupons and concern over rising interest rates. We have begun to see several large institutional investors returning to the CLO sector after having stepped away following the correction last year. We continue to trade securities within the sector in an attempt to capture relative value opportunities. Our CLO portfolio strategy has generally been focused on shorter duration exposures where we believe we can capture credit spread roll-down as the securities approach the end of their reinvestment period and begin to deleverage.

Summary Conclusion

While structured credit has recovered from March 2020 lows, a significant percentage of consumer credit, real estate debt and below investment grade corporate credit backing the vast majority of securitized products have not repriced to the same degree as other credit alternatives in our opinion. Continued uncertainties around the magnitude and duration of Covid-19 shutdowns, the level and persistence of high unemployment and the ultimate effectiveness of fiscal programs in support of consumers and hard hit sectors of our economy have made forecasting fundamentals more difficult. In turn, this has led to higher risk premiums as compensation for many sectors and securities within structured credit. This fundamental uncertainty has led to a slower recovery in many structured credit sectors, in our opinion, while increasing relative returns available as compared to corporate debt and other alternatives. We believe we are well positioned to capitalize on these opportunities and that our investment mandate provides the flexibility to use select leverage and derivatives to manage risk exposures and optimize risk-adjusted return opportunities.

Investing in the Fund may be considered speculative and involves a high degree of risk, including the risk of possible substantial loss of your investment.

Prior to investing, Investors should carefully consider the investment objectives, risks, charges and expenses of 1WS Credit Income Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling (833) 834-4923 or visiting [www.1wscapital.com.](http://www.1wscapital.com) The prospectus should be read carefully before investing.

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RISK DISCLOSURES

Past performance is not a guarantee of future results. There is no assurance that the Fund will meet its investment objective.

Limited liquidity is provided to shareholders only through the Fund's quarterly repurchase offers for no less than 5% of the Fund's shares outstanding at net asset value. There is no guarantee that a shareholders will be able to sell all of the shares they desire to sell in a quarterly repurchase offer. The Fund is suitable only for investors who can bear the risks associated with the limited liquidity of the Fund and should be viewed as a long-term investment. The Fund's investments may be negatively affected by the broad investment environment in the real estate market, the debt market and/or the equity securities market. The value of the Fund's investments will increase or decrease based on changes in the prices of the investments it holds. This will cause the value of the Fund's shares to increase or decrease. The Fund is "non-diversified" under the Investment Company Act of 1940 and, thus, changes in the financial condition or market value of a single issuer may cause a greater fluctuation in the Fund's net asset value than in a "diversified" fund. Diversification does not eliminate the risk of experiencing investment losses. The Fund is not intended to be a complete investment program. The Fund expects most of its investments to be in securities that are rated below investment grade or would be rated below investment grade if they were rated. Below investment grade instruments or "junk securities" are particularly susceptible to economic downturns compared to higher rated investments. While the Fund may employ hedging techniques to seek to minimize interest rate risk, there can be no assurance that it will engage in such techniques at any given time or that such techniques would be successful. As such, the Fund is subject to interest rate risk and may decline in value as interest rates rise. The Fund may use leverage to achieve its investment objective, which involves risks, including the increased likelihood of net asset value volatility and the increased risk that fluctuations in interest rates on borrowings will reduce the return to investors. In addition to the normal risks associated with investing, investing in international and emerging markets involves risk of capital loss from unfavorable fluctuations in currency values, differences in generally accepted accounting principles or from social, economic or political instability in other nations. The Fund may employ hedging techniques to seek to minimize foreign currency risk. There can be no assurance that it will engage in such techniques at any given time or that such techniques would be successful. The Fund may invest in derivatives, which, depending on market conditions and the type of derivative, are more volatile than other investments and could magnify the Fund's gains or losses. An investment in shares should be considered only by investors who can assess and bear the illiquidity and other risks associated with such an investment.

Market risk may affect a single issuer, sector of the economy, industry or the market as a whole. Mortgage-backed and asset-backed securities are affected by interest rates, financial health of issuers/originators, creditworthiness of entities providing credit enhancements and the value of underlying assets. Fixed-income securities present issuer default risk. Prepayment and extension risk exists because a loan, bond or other investment may be called, prepaid or redeemed before maturity and similar yielding investments may not be available for purchase. Structured finance securities may present risks similar to those of the other types of debt obligations in which the Fund may invest and, in fact, such risks may be of greater significance in the case of structured finance securities. Investing in structured finance securities may be affected by a variety of factors, including priority in the capital structure of the issuer thereof, the availability of any credit enhancement, and the level and timing of payments and recoveries on and the characteristics of the underlying receivables, loans or other assets that are being securitized, among others. Market or other (e.g., interest rate) environments may adversely affect the liquidity of Fund investments, negatively impacting their price. Generally, the less liquid the market at the time the Fund sells a holding, the greater the risk of loss or decline of value to the Fund. See the Fund's prospectus for information on these and other risks.

There can be no assurance that the Fund will achieve its investment objective. Many of the Fund's investments may be considered speculative and subject to increased risk. Neither One William Street Capital Management, LP nor 1WS Capital Advisors, LLC has managed a 1940-Act registered product prior to managing the fund. Investing in the Fund involves risks, including the risk that you may receive little or no return on your investment or that you may lose part or all of your investment. The ability of the Fund to achieve its investment objective depends, in part, on the ability of the Adviser to allocate effectively the assets of the Fund among the various securities and investments in which the Fund invests. There can be no assurance that the actual allocations or investment selections will be effective in achieving the Fund's investment objective or delivering positive returns.

The information provided is not intended to be a forecast of future events, a guarantee of future results or investment advice, so actual outcomes and results may differ significantly from the views expressed. These views are subject to change at any time based upon economic, market or other conditions and the portfolio manager disclaims any responsibility to update such views. The views expressed in this report reflect the current views of the portfolio manager as of March 31st, 2020.

DEFINITIONS

ABS: *Asset-Backed Securities are instruments secured by financial, physical, and/or intangible assets (e.g., receivables or pools of receivables), and investments in any assets/instruments underlying the foregoing structured/secured obligations.*

Basis Points (bps): *A basis point is a common unit of measurement for interest rates and credit spreads and is equal to one hundredth of one percent.*

Bloomberg/Barclays U.S. aggregate bond index: *The index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate pass-throughs), ABS and CMBS (agency and non-agency).*

Bloomberg/Barclays U.S. Investment Grade Credit Index: *The index measures the investment grade, fixed-rate, taxable corporate bond market*

Bloomberg/Barclays U.S. High Yield Credit index: *The index measures the USD-denominated, high yield, fixed-rate corporate bond market.*

Buy-to-Let (BTL): *Buy-to-let mortgages are for landlords who want to buy property to rent it out.*

CLO: *Collateralized Loan Obligations are instruments that represent debt and equity tranches of collateralized loan obligations and collateralized debt obligations.*

CMBS: *Commercial Mortgage-Backed Securities are fixed income instruments that are secured by mortgage loans on commercial real property.*

CMBX: *CMBX indices are synthetic tradable indices referencing a basket of 25 commercial mortgage-backed securities (CMBS).*

HY CDX*: Markit CDX North America High Yield in composed of 100 non-investment grade, distributed among 2 sub-indices: B, BB. All entities are domiciled in North America. Market CDX indices roll every 6 months in March & September.*

RMBS: *Residential Mortgage-Backed Securities are securities that may be secured by interests in a single residential mortgage loan or a pool of mortgagee loans secured by residential property.*

S&P 500*: The S&P 500 index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.*

S&P CoreLogic Case-Shiller U.S. National Home Price Index: *The index tracks the value of single-family housing within the United States.*