

Fulcra Credit Opportunities Fund

Portfolio Commentary & Attribution
OCTOBER 31, 2025



Return *of* Capital > Return *on* Capital



COMMENTARY

Dear Investors,

The Fulcra Credit Opportunities Fund (“the Fund”) returned -0.1%¹ for October and has returned 5.8% year-to-date.

Most investments in the fund performed well last month; however, mark-to-market volatility in some of the post-bankruptcy securities that we own contributed to the small negative performance.

We continue to see strength in public credit markets. New issuance and secondary trading levels in the high yield segment indicate a healthy and well-functioning market.

However, further signs of deterioration in private credit portfolios continue to emerge. For example, Renovo Home Partners, a serial acquirer of home-improvement businesses, filed for Chapter 7 bankruptcy protection with listed net liabilities in the range of \$100 million to \$500 million.

Merger and acquisition activity continues to be a key theme for 2025. Sunoco LP recently closed its \$9.1 billion acquisition of Canadian retail fuel distributor Parkland Corporation. We continue to own our Parkland bonds, which are now direct obligations of Sunoco.

Portfolio Update

Canadian credit investors have been closely following Corus Entertainment Inc. for information on how the company plans to deal with its overleveraged balance sheet, and on November 3rd, the company announced a proposed recapitalization transaction to exchange \$500 million of senior unsecured notes into equity.

As part of the transaction, both Class A and Class B shares will be exchanged into new common voting shares representing 1% of the equity in the new capital structure. This change will eliminate the voting power imbalance of the dual class share structure that allowed the Shaw Family Living Trust to control the business. Importantly, this transaction is projected to generate annual cash interest savings of up to \$40 million that will allow Corus to continue operating as a key player in the Canadian media landscape with a more suitable capital structure for the current operating environment.

The Fund owns both tranches of Corus senior unsecured notes, which were purchased at a substantial discount to par. We expect the company to focus on debt reduction through asset sales and cash from operations after the recapitalization transaction is completed.

Outlook

The US Supreme Court is currently debating the legality of many Trump administration tariffs. Any lightening of the tariff burden on Canadian exporters will be a large positive development.

Central bank monetary policy continues to trend towards lower base interest rates, thereby reducing the debt burden of corporate borrowers.

With supportive monetary and fiscal policy, index-level credit spreads will likely remain low, and this will be positive for credit market primary activity and the ability for companies to refinance their upcoming maturities at favorable rates.

We are actively monitoring developments in the private credit markets for any “spillover effect,” but have yet to see any material impact on the public credit markets from the recent headline-catching bankruptcies in private credit portfolios.

Sincerely,

Fulcra Asset Management

¹ Class F units of the fund (net of fees)



Fulcrum Credit Opportunities Fund

AS OF OCTOBER 31, 2025

ATTRIBUTION

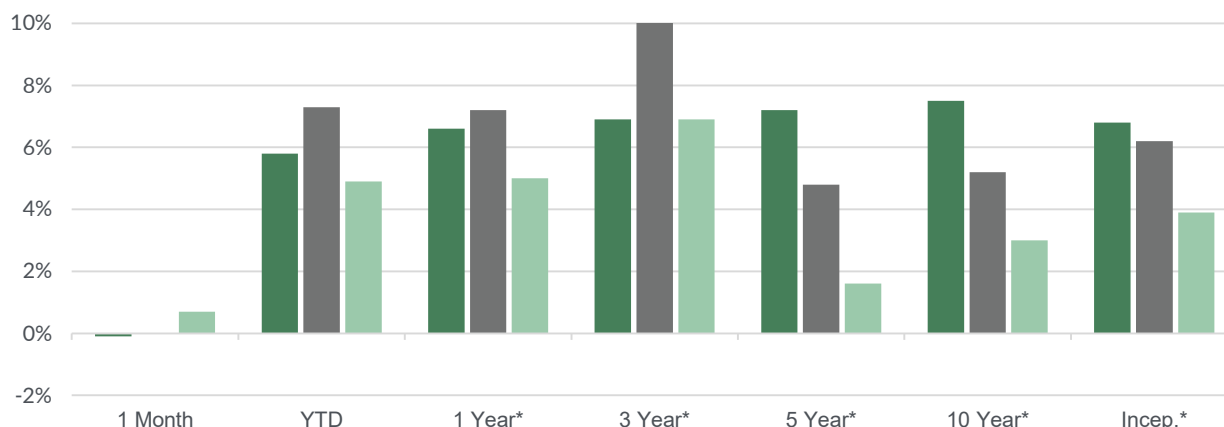
FUND PORTFOLIO CHARACTERISTICS

YTM (%)	9.1%
Current Yield (%)	7.3%
Distribution Yield	6.6%
12-M Distribution Yield	6.0%
Average Bond Price (\$)	96.62
Maturity (Yrs.)	2.8
Duration (Yrs.)	2.1

TOP 10 ISSUER LIST BY WEIGHTS

Optiva Inc	3.7%
Dye & Durham Limited	3.7%
Getty Images Inc	3.5%
New Flyer Holdings	3.2%
Pyxus International Inc	3.2%
Premium Brands Holdings Corp	3.1%
EG Global Finance PLC	3.0%
WildBrain Ltd	2.8%
NORTH AMER CONSTRUCTION	2.4%
Tidewater Midstream and Infrastructure Ltd	2.3%

COMPOUND PERFORMANCE



¹ iShares Iboxx HY Corporate Bond ETF

² iShares Core Canadian Corporate Bond Index ETF

* Annualized
Inception date June 30, 2009

RETURN CORRELATION MATRIX

	1	2	3	4	5	6
1 Fulcrum Credit Opportunities Fund (Class F)	1.00					
2 S&P 500 CAD (SPXHCD)	0.46	1.00				
3 S&P/TSX Capped Composite CAD (T00CAR)	0.58	0.82	1.00			
4 ICE BofA US High Yield Index USD (H0A0)	0.64	0.77	0.75	1.00		
5 ICE BofA US Corporate USD (C0A0)	0.39	0.48	0.51	0.70	1.00	
6 ICE BofA Canada Corporate CAD (F0C0)	0.35	0.32	0.40	0.52	0.83	1.00

Time Period: Since Common Inception - 09/30/2009

Source: Bloomberg LP



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The indices are used for broad market performance comparisons. The ICE BofA Canada Corporate Index is comprised of Canadian investment grade corporate bonds. The ICE BofA Canada High Yield Index is comprised of a basket of Canadian dollar issued high yield bonds. The ICE BofA US Corporate Index is comprised of US IG corporate bonds. The ICE BofA US High Yield Index is comprised of US High Yield bonds. The S&P 500 Index is comprised of a basket of US equities. The S&P/TSX Capped Composite is comprised of a basket of Canadian equities. The indices are presented on a total return basis.

Commissions, trailing commissions, management fees and expenses all may be associated with investment fund investments. The indicated rates of return are historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Investment funds are not guaranteed, their values change frequently, and past performance may not be repeated.

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