

Fulcra Credit Opportunities Fund

Portfolio Commentary & Attribution
JANUARY 31, 2026



Return *of* Capital > Return *on* Capital



COMMENTARY

Dear Investors,

The Fulcrum Credit Opportunities Fund (the “Fund”) returned 0.6%¹ for the month of January.

The Bloomberg US Corporate High Yield index credit spread traded below 300 basis points throughout the month, mirroring the complacency we saw at the start of 2025.

With index level credit spreads trading near 20-year lows, this year is setting up to be a “bond picker’s market.”

Portfolio Update

It was a relatively quiet month in terms of trading activity in the fund as we let our liquidity positions grow with the view of being able to find more attractive opportunities.

The fund ended the month with an approximate weight of 10% in cash and equivalents and has several top positions that are likely to generate a return of capital within the next six months.

Some examples include our investment in Dye and Durham 3.75% 03/01/2026 convertible bonds (3.1% weight) that mature on the first of March and are backed by an escrow account holding \$185 million.

Another is our investment in the Term Loan of WildBrain (2.5% weight), which announced in December that Sony would be acquiring its 41% stake in Peanuts Holdings LLC for \$630 million cash. The deal is expected to close in the first quarter of 2026, and proceeds will be used to repay the loan fully.

A third example is our investment in the secured bond of EG Global Finance (2.7% weight). The company issued a 12% coupon bond maturing on November 31, 2028, back in 2023. The bond becomes callable at 106 on May 30, 2026, and the market expects the company to refinance this bond as the company’s credit profile has improved from the date of issuance.

Outlook

In an environment of tight credit spreads, the indiscriminate holding of bonds until maturity will likely prove to be a painful strategy at some point.

We continue to avoid buying new bond issues, keep the duration of the fund’s portfolio short, and comb the secondary markets for opportunities to purchase attractively priced debt with an observable catalyst that allows capital to be returned in a short period of time.

Fulcrum investors know that we believe a focus on return of capital is more important than return on capital. That ethos becomes even more important when we see other market participants pricing risk as if good times will last forever.

We thank you for your continued support and always welcome the opportunity to talk to new investors who may be interested in our fund and investment philosophy.

Sincerely,

Fulcrum Asset Management

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



ATTRIBUTION

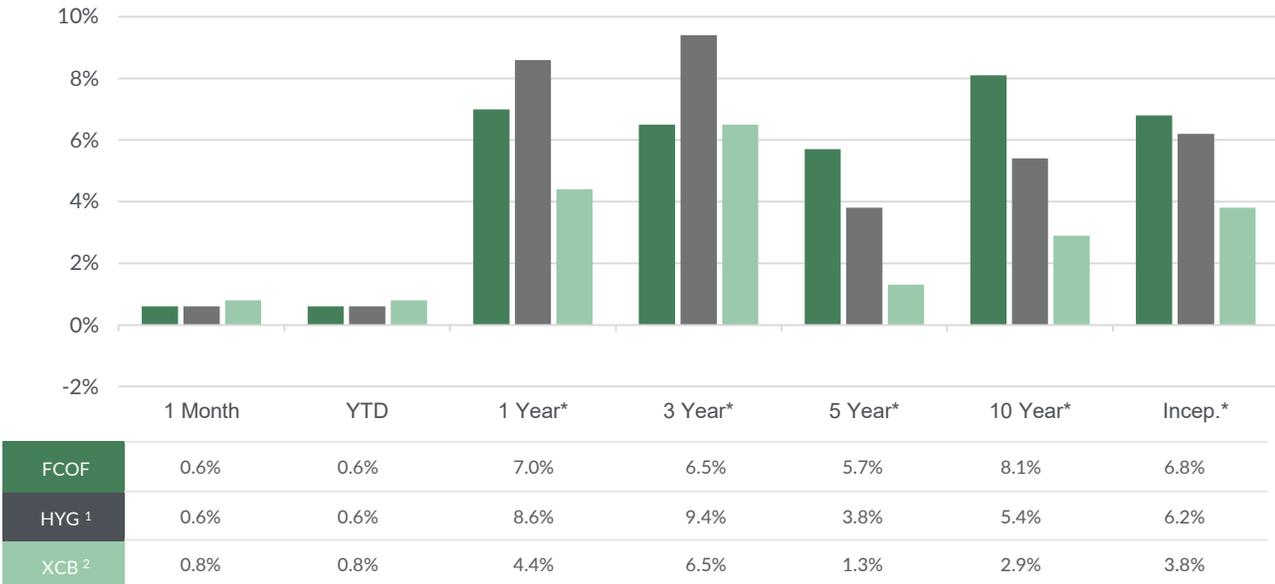
FUND PORTFOLIO CHARACTERISTICS

YTM (%)	10.7%
Current Yield (%)	7.3%
Distribution Yield	6.6%
12-M Distribution Yield	6.0%
Average Bond Price (\$)	\$92.98
Maturity (Yrs.)	2.8
Duration (Yrs.)	2.0

TOP 10 ISSUER LIST BY WEIGHTS

New Flyer Industries Inc	5.2%
Dye & Durham Limited	4.7%
Getty Images Inc	4.3%
Premium Brands Holdings Corp	4.0%
QVANTELOY	3.6%
BAUSCH HEALTH	3.2%
Pyxus International Inc	3.0%
EG Global Finance PLC	2.8%
WildBrain Ltd	2.8%
Sherritt International Corp	2.6%

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 - 06/30/2009
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.

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