

Unaudited Financial Statements of

**FULCRA CREDIT
OPPORTUNITIES FUND**

Six months ended June 30, 2025

The auditor of the Fulcra Credit Opportunities Fund (the “Fund”) has not reviewed these interim financial statements. Fulcra Asset Management Inc., the manager of the Fund, appoints an independent auditor to audit the Fund’s annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Fund’s interim financial statements, this must be disclosed in an accompanying notice.

FULCRA CREDIT OPPORTUNITIES FUND

Statement of Financial Position (Unaudited)
(Expressed in Canadian Dollars)

June 30, 2025, with comparative information for December 31, 2024

	2025	2024
ASSETS		
Cash	\$ 924,261	\$ 7,834,341
Subscriptions receivable	200,000	20,000
Interest receivable	569,634	541,846
Dividends receivable	1,992	–
Other assets	5,537	1,416
Investments	41,879,682	40,069,059
Derivatives: Forward contracts (note 6)	2,782	–
	43,583,888	48,466,662
LIABILITIES		
Due to brokers	\$ 441,953	\$ –
Distributions payable	123,469	158,183
Management fees payable (note 5)	31,784	37,432
Performance fees payable (note 5)	37,100	19
Other liabilities	96,057	96,543
Derivatives: Forward contracts (note 6)	–	60,646
	730,363	352,823
Net assets attributable to holders of redeemable units	\$ 42,853,525	\$ 48,113,839

FULCRA CREDIT OPPORTUNITIES FUND

Statement of Financial Position (Unaudited) (Continued)
(Expressed in Canadian Dollars)

June 30, 2025, with comparative information for December 31, 2024

	2025	2024
Net assets attributable to holders of redeemable units per class:		
Class A - Master Series	\$ 6,790,148	\$ 7,096,777
Class C - Master Series	288,508	281,641
Class D - Master Series	1,214,063	2,217,917
Class D - January 2024 Series	25,217	24,496
Class D - March 2025 Series	9,202	—
Class F - Master Series	26,934,651	31,516,258
Class F - February 2022 Series	—	1,069,740
Class F - January 2024 Series	170,659	166,171
Class F - February 2024 Series	37,336	88,402
Class F - March 2024 Series	15,952	15,470
Class F - April 2024 Series	13,277	12,876
Class F - May 2024 Series	10,588	10,268
Class F - June 2024 Series	291,035	294,572
Class F - July 2024 Series	52,972	51,371
Class F - August 2024 Series	97,776	98,965
Class F - November 2024 Series	132,905	128,901
Class F - December 2024 Series	20,637	20,014
Class F - January 2025 Series	20,623	20,000
Class F - February 2025 Series	246,266	—
Class F - April 2025 Series	1,099,553	—
Class F - July 2025 Series	200,000	—
Class I - January 2025 Series	5,182,157	5,000,000
	\$ 42,853,525	\$ 48,113,839

Approved on behalf of the Manager:
Fulcra Asset Management Inc.

"Matt Shandro" (signed) Director

FULCRA CREDIT OPPORTUNITIES FUND

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited)
(Expressed in Canadian Dollars)

Six months ended June 30, 2025, with comparative information for 2024

		Increase / (decrease) in net assets attributable to	Proceeds from	Reinvestment of distribution	Cost of units redeemed	Series conversion	Distribution paid to holders of redeemable units	Net assets June 30, 2025
	Net assets January 1, 2025	holders of	units issued					
Class A - Master Series	\$ 7,096,777	\$ 197,377	\$ —	\$ 234,929	\$ (474,157)	\$ —	\$ (264,778)	\$ 6,790,148
Class C - Master Series	281,641	8,015	—	10,037	—	—	(11,185)	288,508
Class D - Master Series	2,217,917	39,989	—	41,103	(1,030,016)	—	(54,930)	1,214,063
Class D - January 2024 Series	24,496	721	—	1,015	—	—	(1,015)	25,217
Class D - March 2025 Series	—	137	9,065	219	—	—	(219)	9,202
Class F - Master Series	31,516,258	836,583	—	972,054	(5,223,846)	—	(1,166,398)	26,934,651
Class F - February 2022 Series	1,069,740	8,878	—	26,550	(1,078,618)	—	(26,550)	—
Class F - January 2024 Series	166,171	5,127	—	6,478	—	—	(7,117)	170,659
Class F - February 2024 Series	88,402	1,712	—	2,814	(52,778)	—	(2,814)	37,336
Class F - March 2024 Series	15,470	482	—	662	—	—	(662)	15,952
Class F - April 2024 Series	12,876	401	—	552	—	—	(552)	13,277
Class F - May 2024 Series	10,268	320	—	440	—	—	(440)	10,588
Class F - June 2024 Series	294,572	8,942	—	—	—	—	(12,479)	291,035
Class F - July 2024 Series	51,371	1,601	—	2,181	—	—	(2,181)	52,972
Class F - August 2024 Series	98,965	3,004	—	—	—	—	(4,193)	97,776
Class F - November 2024 Series	128,901	4,004	—	5,522	—	—	(5,522)	132,905
Class F - December 2024 Series	20,014	623	—	857	—	—	(857)	20,637
Class F - January 2025 Series	20,000	623	—	871	—	—	(871)	20,623
Class F - February 2025 Series	—	6,266	240,000	8,836	—	—	(8,836)	246,266
Class F - April 2025 Series	—	19,859	1,100,000	—	—	—	(20,306)	1,099,553
Class F - July 2025 Series	—	—	200,000	—	—	—	—	200,000
Class I - January 2025 Series	5,000,000	182,157	—	234,570	—	—	(234,570)	5,182,157
	\$ 48,113,839	\$ 1,326,821	\$ 1,549,065	\$ 1,549,690	\$ (7,859,415)	\$ —	\$ (1,826,475)	\$ 42,853,525

The accompanying notes are an integral part of these financial statements.

FULCRA CREDIT OPPORTUNITIES FUND

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited) (Continued)
(Expressed in Canadian Dollars)

Six months ended June 30, 2025, with comparative information for 2024

	Net assets January 1, 2024	Increase / (decrease) in net assets attributable to holders of	Proceeds from units issued	Reinvestment of distribution	Cost of units redeemed	Series conversion	Distribution paid to holders of redeemable units	Net assets June 30, 2024
Class A - Master Series	\$ 10,121,986	\$ 137,379	\$ —	\$ 187,396	\$ (238,475)	\$ —	\$ (215,181)	\$ 9,993,105
Class C - Master Series	300,897	3,584	—	165	(13,989)	—	(6,511)	284,146
Class D - Master Series	3,860,725	58,792	—	50,730	(1,084,538)	117,735	(74,947)	2,928,497
Class D - May 2023 Series	23,334	—	—	—	—	(23,334)	—	—
Class D - July 2023 Series	94,400	—	—	—	—	(94,400)	—	—
Class D - January 2024 Series	25,000	343	—	—	—	—	(625)	24,718
Class F - Master Series	29,628,738	502,987	—	513,988	(1,401,199)	3,018,693	(704,968)	31,558,239
Class F - January 2022 Series	107,051	—	—	—	—	(107,051)	—	—
Class F - February 2022 Series	1,024,607	16,175	—	22,151	—	—	(22,151)	1,040,782
Class F - March 2022 Series	372,598	—	—	—	—	(372,598)	—	—
Class F - May 2022 Series	44,241	—	—	—	—	(44,241)	—	—
Class F - September 2022 Series	964,271	3	—	—	—	(964,274)	—	—
Class F - October 2022 Series	104,600	—	—	—	—	(104,600)	—	—
Class F - January 2023 Series	21,733	—	—	—	—	(21,733)	—	—
Class F - April 2023 Series	1,069,676	3	—	—	—	(1,069,679)	—	—
Class F - September 2023 Series	29,831	—	—	—	—	(29,831)	—	—
Class F - October 2023 Series	102,109	—	—	—	—	(102,109)	—	—
Class F - December 2023 Series	202,577	1	—	—	—	(202,578)	—	—
Class F - January 2024 Series	15,160,000	234,784	—	397,168	—	—	(397,558)	15,394,394
Class F - February 2024 Series	—	559	85,450	1,860	—	—	(1,860)	86,009
Class F - March 2024 Series	—	52	15,000	260	—	—	(260)	15,052
Class F - April 2024 Series	—	27	12,500	161	—	—	(161)	12,527
Class F - May 2024 Series	—	(10)	10,000	88	—	—	(88)	9,990
Class F - June 2024 Series	—	(993)	300,000	—	—	—	(1,457)	297,550
Class F - July 2024 Series	—	—	50,000	—	—	—	—	50,000
	\$ 63,258,374	\$ 953,686	\$ 472,950	\$ 1,173,967	\$ (2,738,201)	\$ —	\$ (1,425,767)	\$ 61,695,009

The accompanying notes are an integral part of these financial statements.

FULCRA CREDIT OPPORTUNITIES FUND

Statement of Comprehensive Income (Unaudited)
(Expressed in Canadian Dollars)

Six months ended June 30, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Interest income	\$ 1,513,674	\$ 1,948,895
Dividend income	497,019	31,195
Other income	120,697	–
Net foreign currency gains (losses) on cash	6,687	8,545
Net realized gains (losses) on investments	(978,555)	388,833
Net change in unrealized appreciation (depreciation) on investments	508,962	(990,558)
	1,668,484	1,386,910
Expenses:		
Management fees (note 5)	\$ 175,670	\$ 284,866
Performance fees (note 5)	38,001	–
Fund administrator fees	49,697	42,083
Legal fees	19,401	13,750
Audit fees (note 7)	14,102	28,825
Unitholder transaction fees	11,349	9,498
Filing fees	8,302	17,422
Portfolio transaction fees	8,053	5,015
Custodian fees	7,865	11,106
Independent review committee fees	5,707	4,972
Other expenses	3,516	15,687
	341,663	433,224
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 1,326,821	\$ 953,686

FULCRA CREDIT OPPORTUNITIES FUND

Statement of Comprehensive Income (Unaudited) (Continued)
(Expressed in Canadian Dollars)

Six months ended June 30, 2025, with comparative information for 2024

	2025	2024
Increase (decrease) in net assets attributable to holders of redeemable units		
Class A - Master Series	\$ 197,377	\$ 137,379
Class C - Master Series	8,015	3,584
Class D - Master Series	39,989	58,792
Class D - January 2024 Series	721	343
Class D - March 2025 Series	137	—
Class F - Master Series	836,583	502,987
Class F - February 2022 Series	8,878	16,175
Class F - September 2022 Series	—	3
Class F - April 2023 Series	—	3
Class F - December 2023 Series	—	1
Class F - January 2024 Series	5,127	234,784
Class F - February 2024 Series	1,712	559
Class F - March 2024 Series	482	52
Class F - April 2024 Series	401	27
Class F - May 2024 Series	320	(10)
Class F - June 2024 Series	8,942	(993)
Class F - July 2024 Series	1,601	—
Class F - August 2024 Series	3,004	—
Class F - November 2024 Series	4,004	—
Class F - December 2024 Series	623	—
Class F - January 2025 Series	623	—
Class F - February 2025 Series	6,266	—
Class F - April 2025 Series	19,859	—
Class I - January 2025 Series	182,157	—
	\$ 1,326,821	\$ 953,686

FULCRA CREDIT OPPORTUNITIES FUND

Statement of Cashflows (Unaudited)
(Expressed in Canadian Dollars)

Six months ended June 30, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 1,326,821	\$ 953,686
Adjustments for non-cash items:		
Net realized (gains) losses on investments	978,555	(388,833)
Net change in unrealized (appreciation) depreciation on investments	(508,962)	990,558
Change in non-cash balances:		
(Increase) decrease in interest receivable	(27,788)	(122,678)
(Increase) decrease in dividends receivable	(1,992)	—
(Increase) decrease in other assets	(4,121)	(4,737)
Increase (decrease) in due to brokers	441,953	675,056
Increase (decrease) in management fees payable	(5,648)	3,607
Increase (decrease) in other liabilities	(486)	(1,657)
Increase (decrease) in performance fees payable	37,081	(112,167)
Proceeds from sale of investments	20,337,518	35,722,523
Purchase of investments	(22,681,162)	(48,870,953)
Net cash from operating activities	(108,231)	(11,155,595)
Financing activities:		
Proceeds from issuance of redeemable units	1,369,065	15,607,950
Payments on redemption of redeemable units	(7,859,415)	(2,738,201)
Distributions paid to holders of redeemable units	(311,499)	(770,286)
Net cash from financing activities	(6,801,849)	12,099,463
Net increase (decrease) in cash during the period	\$ (6,910,080)	\$ 943,868
Cash, beginning of period	7,834,341	1,655,434
Cash, end of period	\$ 924,261	\$ 2,599,302
Supplemental information:		
Interest paid	\$ —	\$ 73
Interest received	1,485,886	1,826,217
Dividends received, net of withholding taxes	495,027	31,195

FULCRA CREDIT OPPORTUNITIES FUND

Statement of Investment Portfolio (Unaudited)
(Expressed in Canadian Dollars)

As at June 30, 2025

Number of shares / units	Description of security	Average cost	Fair value
	U.S. fixed income:		
335,000	1261229 BC Ltd. 10.567% 25SEP30	\$ 468,000	\$ 439,477
735,000	Alta Equipment Group Inc. 9.000% 01JUN29	883,602	934,386
250,000	Avation Capital SA 8.250% 31OCT26	333,540	331,719
800,000	Bausch Health Americas Inc. 9.250% 01APR26	1,120,711	1,087,871
200,000	Borr Drilling Ltd. 5.000% 08FEB28	207,626	201,494
185,437	Borr IHC Ltd / Borr Finance LLC 10.375% 15NOV30	247,281	222,920
2,100,000	Briggs & Stratton Corp. 6.875% 15DEC20	1,412,678	21,453
174,000	Calumet Specialty Products Partners LP 11.000%	243,832	237,322
757,000	CNG Holdings Inc. 14.500% 30JUN26	981,570	953,776
46,729	Connacher Term Loan B 30JUL28	57,763	67,071
515,000	Conuma Resources Ltd. 13.125% 01MAY28	666,250	690,959
586,086	Diamond Sports Net LLC 12.000% 03JAN28	777,699	734,443
311,943	Directv Financing LLC 10.324% 02AUG27	426,356	427,287
900,000	eG Global Finance PLC 12.000% 30NOV28	1,262,889	1,354,583
474,000	Enova International Inc. 11.250% 15DEC28	661,910	694,061
275,000	Eventbrite Inc. 5.000% 01DEC25	380,076	369,193
150,000	First Quantum Minerals Ltd. 8.625% 01JUN31	180,515	212,232
150,000	fuboTV Inc. 3.250% 15FEB26	205,219	199,820
550,000	Golar LNG Ltd. 7.000% 20OCT25	652,243	752,361
200,000	GrafTech Finance Inc. 4.625% 23DEC29	186,497	187,970
400,000	Guitar Center Inc. 8.500% 15JAN26	539,373	438,596
252,000	Herbalife Nutrition Ltd / HLF Financing Inc. 7.875%	364,719	344,606
200,000	Microsoft Corp. 2.675% 01JUN60	157,258	161,235
450,000	National CineMedia LLC 5.750% 15AUG26	197,439	5,066
1,000,000	New Flyer Holdings Inc. 9.250% 01JUL30	1,370,300	1,438,405
1,411,994	Optiva Inc. 9.750% 20JUL25	1,440,099	1,923,277
250,000	Parkland Corp. 5.875% 15JUL27	345,091	340,939
250,000	Phoenix Aviation Capital Ltd. 9.250% 15JUL30	342,088	352,957
367,026	Pyxus Holdings Inc. 13.441% 27DEC27	483,438	476,179
244,684	Pyxus Holdings / Intabex Netherlands 13.441% 31DEC27	322,292	334,950
516,562	Pyxus Holdings Inc. 8.500% 31DEC27	651,561	640,284
101,148	Rite Aid Corp. 12.057% 30AUG31	71,157	61,998
301,101	Rite Aid Corp. 15.000% 30AUG31 PIK Series A	30,710	41,013
219,233	Rite Aid Corp. 15.000% 30AUG31 PIK Series B	296,504	14,931
475,000	Seaspan Corp. 5.500% 01AUG29	551,895	615,622
600,000	Spanish Broadcasting System Inc. 9.750% 01MAR26	507,781	541,435
347,375	Spencer Spirit IH LLC 9.035% 15JUL31	470,852	473,159
250,000	Telesat Canada / Telesat LLC 4.875% 01JUN27	202,009	200,822
625,000	Telesat Canada / Telesat LLC 5.625% 06DEC26	504,587	515,044
329,852	The GEO Group Inc. 10.570% 14APR29	449,239	451,537
50,000	The GEO Group Inc. 8.625% 15APR29	67,470	72,147
250,000	The Hertz Corp. 12.625% 15JUL29	316,384	356,500
97,886	The Hertz Corp. 8.930% 30JUN28 TLB	122,722	110,581
498,621	The Hertz Corp. 8.930% 30JUN28 TLC	625,133	562,864
350,000	Venture Global LNG Inc. 8.125% 01JUN28	483,997	493,025
400,000	Venture Global LNG Inc. 9.000%	513,288	530,211
100,000	VF Corp. 2.800% 23APR27	130,301	130,208
300,000	VF Corp. 2.950% 23APR30	339,278	345,085
400,000	Walgreens Boots Alliance Inc. 8.125% 15AUG29	590,381	578,190
	Balance to carry forward	23,843,603	22,671,264

FULCRA CREDIT OPPORTUNITIES FUND

Statement of Investment Portfolio (Unaudited) (Continued)
(Expressed in Canadian Dollars)

As at June 30, 2025

Number of shares / units	Description of security	Average cost	Fair value
U.S. fixed income (continued):			
	Balance carried forward	\$ 23,843,603	\$ 22,671,264
886,060	WildBrain Ltd 11.283% 23JUL29	1,194,748	1,206,903
19,277	WildBrain Ltd 11.283% 23JUL29 (Revolving)	26,839	26,257
78,000	Wolfspeed Inc. 0.250% 15FEB28	27,281	26,694
480,000	Wolfspeed Inc. 1.750% 01MAY26	545,972	164,269
300,000	Wolfspeed Inc. 1.875% 01DEC29	103,236	102,668
429,468	WW International Inc. 11.120% 24JUN30	520,798	532,330
		26,262,477	24,730,385
Canadian fixed income:			
234,600	Aimia Inc. 9.750% 14JAN30	\$ 228,735	\$ 227,563
342,500	Chemtrade Logistics Income Fund 7.000% 30JUN28	336,527	373,753
90,000	Chorus Aviation Inc. 6.000% 30JUN26	86,454	90,950
300,000	Cineplex Inc. 7.750% 01MAR30	296,166	399,900
1,450,000	Corus Entertainment Inc. 5.000% 11MAY28	791,890	494,489
1,340,000	Corus Entertainment Inc. 6.000% 28FEB30	744,675	452,955
1,476,000	Dye & Durham Ltd. 3.750% 01MAR26	1,430,030	1,439,062
367,500	Dye & Durham Ltd. 6.500% 01NOV28	344,944	341,550
1,000,000	Gibson Energy Inc. 5.250% 22DEC80	857,438	979,604
700,000	Keyera Corp. 5.950% 10MAR81	627,900	707,020
1,201,000	NFI Group Inc. 5.000% 15JAN27	1,012,391	1,188,871
500,000	Nissan Canada Inc. 2.103% 22SEP25	494,480	498,230
800,000	North American Construction Group Ltd. 7.750% 01MAY30	800,000	834,000
500,000	Obsidian Energy Ltd. 11.950% 27JUL27 (144A)	526,250	518,750
500,000	Obsidian Energy Ltd. 11.950% 27JUL27 (REGS)	520,125	517,500
1,296,000	Premium Brands Holdings Corp. 4.200% 30SEP27	1,186,796	1,283,509
100,000	Premium Brands Holdings Corp. 5.400% 30SEP29	90,000	100,000
1,000,000	Rogers Communications Inc. 5.000% 17DEC81	934,224	1,003,414
300,000	Royal Bank of Canada 4.200%	300,000	271,063
1,560,000	Sheritt International Corp. 9.250% 30NOV31	902,304	772,200
414,000	SNC-Lavalin Group Inc. 7.000% 12JUN26	414,978	427,997
1,075,000	Tamarack Valley Energy Ltd. 7.250% 10MAY27	1,061,586	1,093,813
1,275,000	Tidewater Midstream and Infrastructure Ltd. 8.000%	1,180,008	918,000
500,000	Whitecap Resources Inc. 3.761% 19JUN28	500,000	502,405
		15,667,901	15,436,598
U.S. equities:			
6,475	Altera Infrastructure LP	\$ 688,054	\$ 233,702
4,730	Diamond Sports Net LLC	60,249	99,862
75,095	Eventbrite Inc.	310,574	269,015
50,000	GrafTech International Ltd.	77,010	66,239
8,000	Guitar Center Holdings, Inc. (Preferred)	1,143,089	272,420
147,142	Mood Media LLC	153,001	—
1,398	Rite Aid Corp.	140,324	1,904
95,304	Rite Aid Corp. CSMR Trust Units	62,808	1,298
3,512	WW International Inc.	72,240	144,468
		2,707,349	1,088,908

FULCRA CREDIT OPPORTUNITIES FUND

Statement of Investment Portfolio (Unaudited) (Continued)
(Expressed in Canadian Dollars)

As at June 30, 2025

Number of shares / units	Description of security		Average cost		Fair value
	Canadian equities:				
8,000	BCE Inc. Preferred Shares 3.904%	\$	145,520	\$	154,160
5,000	BCE Inc. Preferred Shares 4.150%		81,500		87,000
5,800	BCE Inc. Preferred Shares 5.496%		109,097		113,912
9,406	Connacher Oil and Gas Ltd		129,253		206,932
377,700	Sherritt International Corp.		190,428		54,767
2,700	Tidewater Renewables Ltd.		5,930		7,020
			661,728		623,791
Total investments owned (gross)		\$	45,299,455	\$	41,879,682
Less: Commissions and other portfolio transaction costs			(2,345)		–
Total investments		\$	45,297,110	\$	41,879,682
Derivatives: Forward contracts (note 6)					2,782
Other assets, net					971,061
Net assets attributable to holders of redeemable units				\$	42,853,525

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

1. Organization:

Fulcra Credit Opportunities Fund (the “Fund”) is a mutual fund trust formed under the laws of the Province of British Columbia. The Fund is domiciled in Canada and the address of the Fund’s registered office is Suite 1201 - 333 Seymour Street, Vancouver, B.C., V6B 5A6. The Fund is managed by Fulcra Asset Management Inc. (the “Manager”).

The investment objective of the Fund is to generate income and long-term capital appreciation through investing primarily in debt and income-generating equity securities.

On November 27, 2023, the Fund filed a simplified prospectus with the British Columbia Securities Commission. The receipt of the final filing completed the conversion of the Fund into an Alternative Mutual Fund under the rules of National Instrument 81-102 – Investment Funds.

2. Basis of preparation:

(a) Statement of compliance:

These interim financial statements have been prepared in compliance with IFRS Accounting Standards as published by the International Accounting Standards Board. These financial statements do not include all of the information and disclosures required in the annual financial statements. These financial statements should be read in conjunction with the Fund’s annual financial statements and accompanying note disclosures.

The financial statements were authorized for issue by the Manager on August 19, 2025.

(b) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Fund’s functional currency.

(c) Use of estimates and judgment:

The preparation of financial statements in conformity with IFRS Accounting Standards requires the Manager to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the year in which the estimates are revised and in any future period affected.

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

3. Material accounting policy information:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Financial instruments:

(i) Recognition and measurement:

Financial instruments are recognized initially on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. All financial instruments are measured at fair value on initial recognition. Measurement in subsequent periods depends on the classification of the financial instrument.

Financial instruments are required to be classified into one of the following categories: amortized cost, fair value through other comprehensive income, or fair value through profit or loss.

(ii) Amortized cost:

A financial instrument is measured at amortized cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial instruments classified as amortized cost are recognized initially at fair value plus any directly attributable transaction costs. The Fund uses the expected credit loss model as the impairment model for financial assets measured at amortized cost.

At each reporting date, the Fund measures the loss allowance on such financial instruments classified as amortized cost at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund measures the loss allowance at an amount equal to the 12 month expected credit losses.

The Fund classifies all financial instruments other than investments and derivatives as amortized cost.

(iii) Fair value through other comprehensive income ("FVOCI"):

A financial instrument is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Fund has not classified any of its financial instruments as FVOCI.

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

3. Material accounting policy information (continued):

(a) Financial instruments (continued):

(iv) Fair value through profit or loss ("FVTPL"):

All financial instruments not classified as measured at amortized cost or FVOCI (as described above) are measured at FVTPL. Financial instruments classified as FVTPL are subsequently measured at fair value at each reporting period with changes in fair value recognized in the statement of comprehensive income in the period in which they occur.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial instruments traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date.

The Fund uses the last traded market price where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The Fund may, on initial recognition, irrevocably elect to measure financial instruments that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL when doing so results in more relevant information.

The Fund's derivatives and investments are classified as FVTPL.

(b) Transaction costs:

Transaction costs are included in the initial carrying amount of financial instruments, except for financial instruments classified as fair value through profit or loss, in which case transaction costs are expensed as incurred.

(c) Redeemable units:

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Fund has designated redeemable units as financial liabilities at FVTPL because they are managed and their performance is evaluated on a fair value basis. The Fund's redeemable units are measured at their redemption amount, provide investors with the right to require redemption, subject to available liquidity, for cash at a unit price based on the Fund's valuation policies at each redemption date. Distributions to holders of redeemable units are recognized in statement of changes in net assets attributable to holders of redeemable units when they are authorized and no longer at the discretion of the Manager. The Fund issues multiple classes of redeemable units, which are redeemable at the holder's option and do not have identical features and, therefore, are classified as financial liabilities.

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

3. Material accounting policy information (continued):

(d) Foreign exchange:

The financial statements of the Fund are denominated in Canadian dollars. Foreign denominated investments and other foreign denominated assets and liabilities are translated into Canadian dollars using the exchange rates prevailing on each valuation date. Purchases and sales of investments, as well as income and expense transactions denominated in foreign currencies, are translated using exchange rates prevailing on the date of the transaction. Foreign currency gains and losses are recognized in the statement of comprehensive income.

(e) Income recognition:

Interest income is accounted for on an accrual basis. Dividend income is recognized on the date that the right to receive payment is established, which for quoted equity securities is usually the ex-dividend date. Portfolio transactions are recorded on the trade date. Realized gains and losses arising from the sale of investments are determined on the average cost basis of the respective investments.

(f) Income taxes:

The Fund qualifies as a mutual fund trust under the Income Tax Act (Canada). All of the Fund's net income for tax purposes and net capital gains realized in any period are required to be distributed to unitholders such that no income tax is payable by the Fund. As a result, the Fund does not record income taxes.

4. Withholding taxes:

Certain dividend and interest income received by the Fund are subject to withholding tax imposed in the country of origin. During the six months ended June 30, 2025, the Fund incurred \$nil (2024 - \$nil) withholding taxes.

5. Related party transactions:

(a) Management fees:

The Manager receives a monthly management fee, payable in arrears, equal to:

- (i) 1/12 of 1.50% of the aggregate Net Asset Value of the Class A Units;
- (ii) 1/12 of 1.50% of the aggregate Net Asset Value of the Class C Units;
- (iii) 1/12 of 1.15% of the aggregate Net Asset Value of the Class D Units; and
- (iv) 1/12 of 0.75% of the aggregate Net Asset Value of the Class F Units.

No management fees are charged to Class I units. Class I unit holders pay management fees directly to the Manager. The Manager may, at its sole discretion, offer management fee rebates to unitholders, payable in the form of special distributions.

The management fees incurred during the period amounted to \$175,670 (2024 - \$284,866). Management fees payable as at June 30, 2025 were \$31,784 (December 31, 2024 - \$37,432).

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

5. Related party transactions (continued):

(b) Performance fees:

In addition to management fees, the Manager is entitled to receive from the Fund an annual performance fee in respect of Class D and Class F redeemable units equal to 15% of the amount by which the Net Asset Value per Class D and Class F redeemable unit exceed a threshold annualized increase of 5% over the High Water Mark.

The High Water Mark for a Class D and Class F redeemable unit as at any date means: (i) during the fiscal year in which the redeemable unit is issued, its subscriptions price; (ii) during the subsequent fiscal year, the greater of its subscription price or the net asset value per redeemable unit as of the first day of such subsequent fiscal year if the Manager received a performance fee in respect of such redeemable unit for the prior fiscal year; and (iii) during all subsequent fiscal years, the higher of the net asset value per redeemable unit as at the first day of such fiscal year and any previous fiscal year.

Performance fees for the six months ended June 30, 2025 were \$38,001 (2024 - \$nil). Performance fees payable as at June 30, 2025 were \$37,100 (December 31, 2024 - \$19).

(c) Unit holdings:

As at June 30, 2025, directors and officers of the Manager owned 54,295 units of the Fund (December 31, 2024 – 52,009). In addition, the Lysander-Fulcra Corporate Securities Fund, an investment fund for which the Manager acts as portfolio advisor, owned 523,728 Class I units of the Fund as at June 30, 2025 (December 31, 2024 – 500,000).

6. Derivative financial instruments:

The Fund enters into various forward contracts as part of its investment strategy. Generally, a forward contract is a customized contract between two parties to purchase or sell an asset at a specified price on a future date. The Fund may use forward contracts to gain exposure to, or hedge against, changes in the value of equities, commodities, interest rates or foreign currencies. If market conditions move unexpectedly, the anticipated benefits of forward contracts may not be achieved and a loss may be realized. The use of forward contracts involves the risk of imperfect correlation in movements in the price of forward contracts and the underlying instruments or commodities.

Forward contracts are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The following table details the Fund's investments in forward contracts as at June 30, 2025 and December 31, 2024 related to hedging of the Fund's investments:

	Settlement date	Currency bought	Currency sold	Forward rate	Fair value	Notional amount	Unrealized gain (loss)
June 30, 2025	07/30/25	CAD	USD	1.3602	\$ (24,891,623)	\$ (24,894,405)	\$ 2,782
December 31, 2024	01/30/25	CAD	USD	1.4389	\$ (24,072,814)	\$ (24,012,168)	\$ (60,646)

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

7. Fees paid to auditors:

For the six months ended June 30, 2025, fees paid or payable to KPMG LLP and its network firms for the audit services to the Fund was \$14,102 (2024 - \$28,825).

8. Capital management:

The redeemable units issued by the Fund represent the capital of the Fund. The Fund is not subject to any internally or externally imposed restrictions on its capital. The Fund's objectives in managing the redeemable units are to ensure a stable base to maximize returns to all investors, and to manage liquidity risk arising from redemptions.

9. Redeemable units:

The Fund is authorized to issue an unlimited number of units in five distinct classes of units - Class A, Class C, Class D, Class F, and Class I. Class I units are only available to investors who have separately entered into an agreement with the Manager and who meet certain other conditions as may be determined by the Manager from time to time. Unit transactions for the Fund for the six months ended June 30, 2025 and 2024 were as follows:

2025	Outstanding redeemable units, beginning of period	Redeemable units issued for cash	Redeemable units redeemed	Redeemable units issued on reinvestment of distributions	Series conversion	Outstanding redeemable units, end of period
Class A - Master Series	603,041	—	(40,726)	20,895	—	583,210
Class C - Master Series	24,768	—	—	893	—	25,661
Class D - Master Series	186,332	—	(86,107)	3,513	—	103,738
Class D - January 2024 Series	2,062	—	—	87	—	2,149
Class D - March 2025 Series	—	751	—	18	—	769
Class F - Master Series	2,580,027	—	(427,646)	80,574	—	2,232,955
Class F - February 2022 Series	88,270	—	(90,488)	2,218	—	—
Class F - January 2024 Series	13,443	—	—	530	—	13,973
Class F - February 2024 Series	7,232	—	(4,343)	235	—	3,124
Class F - March 2024 Series	1,260	—	—	55	—	1,315
Class F - April 2024 Series	1,055	—	—	45	—	1,100
Class F - May 2024 Series	838	—	—	36	—	874
Class F - June 2024 Series	23,940	—	—	—	—	23,940
Class F - July 2024 Series	4,210	—	—	180	—	4,390
Class F - August 2024 Series	8,034	—	—	—	—	8,034
Class F - November 2024 Series	10,501	—	—	455	—	10,956
Class F - December 2024 Series	1,622	—	—	71	—	1,693
Class F - January 2025 Series	1,637	—	—	72	—	1,709
Class F - February 2025 Series	—	19,551	—	728	—	20,279
Class F - April 2025 Series	—	91,170	—	—	—	91,170
Class F - July 2025 Series	—	16,580	—	—	—	16,580
Class I - January 2025 Series	500,000	—	—	23,728	—	523,728

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

9. Redeemable units (continued):

2024	Outstanding redeemable units, beginning of period	Redeemable units issued for cash	Redeemable units redeemed	Redeemable units issued on reinvestment of distributions	Series conversion	Outstanding redeemable units, end of period
Class A - Master Series	842,572	—	(19,701)	17,172	—	840,043
Class C - Master Series	25,961	—	(1,207)	14	—	24,768
Class D - Master Series	318,505	—	(88,741)	4,239	9,711	243,714
Class D - May 2023 Series	1,897	—	—	—	(1,897)	—
Class D - July 2023 Series	7,648	—	—	—	(7,648)	—
Class D - January 2024 Series	2,062	—	—	—	—	2,062
Class F - Master Series	2,385,779	—	(112,184)	41,474	243,073	2,558,142
Class F - January 2022 Series	8,571	—	—	—	(8,571)	—
Class F - February 2022 Series	83,248	—	—	1,802	—	85,050
Class F - March 2022 Series	29,836	—	—	—	(29,836)	—
Class F - May 2022 Series	3,534	—	—	—	(3,534)	—
Class F - September 2022 Series	77,296	—	—	—	(77,296)	—
Class F - October 2022 Series	8,416	—	—	—	(8,416)	—
Class F - January 2023 Series	1,735	—	—	—	(1,735)	—
Class F - April 2023 Series	85,065	—	—	—	(85,065)	—
Class F - September 2023 Series	2,323	—	—	—	(2,323)	—
Class F - October 2023 Series	8,001	—	—	—	(8,001)	—
Class F - December 2023 Series	15,785	—	—	—	(15,785)	—
Class F - January 2024 Series	1,220,720	—	—	32,147	—	1,252,867
Class F - February 2024 Series	—	6,818	—	150	—	6,968
Class F - March 2024 Series	—	1,193	—	21	—	1,214
Class F - April 2024 Series	—	1,003	—	13	—	1,016
Class F - May 2024 Series	—	800	—	7	—	807
Class F - June 2024 Series	—	23,940	—	—	—	23,940
Class F - July 2024 Series	—	4,053	—	—	—	4,053

10. Financial risk management:

(a) Risk management framework:

The Manager has discretionary authority to manage the assets in accordance with the Fund's investment objectives.

The investment objective of the Fund is to generate income and long-term capital appreciation through investments primarily in debt and income generating equity securities. In seeking to achieve the Fund's investment objective, the Manager will employ a value-based fundamental research process.

The Manager does not subscribe to the academic and conventional view that the risk of a security is best measured in terms of the volatility of its quoted market price, and hence, in order to minimize risk, one must endeavor to minimize volatility. Rather, the Manager believes that permanent capital impairment risk is minimized when the discount between the true intrinsic value of the portfolio and its quoted market price is maximized. As a result, the Manager endeavors to minimize risk by maximizing this "margin of safety"; thereby minimizing the downside risk and maximizing the upside potential.

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

10. Financial risk management (continued):

(b) Credit risk:

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. It arises principally from debt securities held, cash and cash equivalents, and other receivables due to the Fund. The carrying value of these financial instruments as recorded in the statement of financial position reflects the Fund's maximum exposure to credit risk.

The Fund may engage in transactions pursuant to which it will enter into forward contracts with a counterparty. Either the Fund or the counterparty to the Fund may default on their obligations and cause losses to the Fund. To minimize the Fund's counterparty risk, the Fund's forward contracts are held at a financial institution with a credit rating of A.

Credit risk is monitored on a daily basis by the Manager. The majority of the credit risk to which the Fund is exposed is concentrated in debt securities. Credit risk arising from other financial instruments is not considered significant.

As of June 30, 2025, and December 31, 2024, the Fund was invested in debt securities with the following credit quality:

	June 30 2025	December 31 2024	June 30 2025	December 31 2024
AAA	\$ 161,235	\$ 1,477,988	0%	4%
A	1,201,465	499,807	3%	1%
BBB	6,898,118	2,508,277	17%	7%
BB	9,822,559	6,277,658	24%	17%
B	3,921,881	5,302,124	10%	14%
CCC	715,866	3,912,741	2%	10%
Not Rated	17,445,859	17,853,576	43%	47%
Total	\$ 40,166,983	\$ 37,832,172	100%	100%

(c) Liquidity risk:

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, including estimated redemptions of units, without incurring unacceptable losses or risking damage to the Fund's reputation.

Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily disposed of. The Fund retains sufficient cash and cash equivalent positions to maintain adequate liquidity.

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

10. Financial risk management (continued):

(c) Liquidity risk (continued):

The Fund's redeemable units are due on demand. The Fund's remaining non-derivative liabilities are due within one year of the end of the reporting period of the Fund. The following were the contractual maturities of derivative instruments as at June 30, 2025 and December 31, 2024:

	Carrying amount	Gross nominal inflow (outflow)	Less than 1 month
June 30, 2025	\$ 2,782	\$ 2,782	\$ 2,782
December 31, 2024	(60,646)	(60,646)	(60,646)

(d) Market risk:

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Fund's income or the fair value of its holdings of financial instruments.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market interest rates. The Manager manages interest rate risk through careful selection of securities and diversification within the Fund.

A summary of the Fund's fixed income investments categorized by the earlier of contractual re-pricing or maturity date, is as follows:

	Less than 1 year	1 to 3 years	3 to 5 years	Greater than 5 years	Total
June 30, 2025	\$ 8,445,492	\$ 13,240,374	\$ 10,799,278	\$ 7,681,839	\$ 40,166,983
December 31, 2024	9,730,645	12,898,261	9,639,611	5,563,654	37,832,171

If interest rates had increased or decreased by 1% at June 30, 2025, with all other variables remaining constant, net assets of the Fund attributable to redeemable units would have decreased or increased by approximately \$1,004,175 (December 31, 2024 - \$718,811) or 2.3% (December 31, 2024 – 1.5%) of the Fund's net assets attributable to redeemable units.

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

10. Financial risk management (continued):

(d) Market risk (continued):

(ii) Currency risk:

Currency risk is the risk that the value of financial instruments denominated in currencies other than the Canadian dollar, which is the functional currency of the Fund, will fluctuate due to changes in foreign exchange rates. Trading in foreign markets exposes the Fund to currency risk as the price in local terms is converted to Canadian dollars to determine fair value.

Investments denominated in currencies other than the Canadian dollar, which is the Fund's functional currency, expose the Fund to fluctuations in foreign exchange rates. Trading in foreign markets exposes the Fund to currency risk as the price in local terms is converted to Canadian dollars to determine fair value. The Fund's currency risk is managed on a daily basis by the Manager through careful selection of securities and diversification within the Fund, as well as the use of foreign currency forward contracts to hedge currency risk.

The Fund actively seeks investment opportunities in the U.S., subject to maintaining the investment mandate of the Fund. At the reporting date, the carrying value of the Fund's financial instruments held in individual foreign currencies expressed in Canadian dollars and as a percentage of its net assets were as follows:

Total exposure	Cash and other net assets	Investments	Derivatives: Forward contracts	Net
U.S. Dollars:				
June 30, 2025	\$ 1,088,908	\$ 24,605,602	\$ (24,891,623)	\$ 802,887
December 31, 2024	\$ 1,119,396	\$ 23,068,437	\$ (24,072,814)	\$ 115,019
As % of the Fund:				
June 30, 2025	2.5%	57.4%	(58.1%)	1.8%
December 31, 2024	2.3%	47.9%	(50.0%)	0.2%

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

10. Financial risk management (continued):

(d) Market risk (continued):

(ii) Currency risk (continued):

At the reporting date, had the Canadian dollar strengthened or weakened by 5% in relation to all foreign currencies, with all other factors remaining constant, net assets attributable to holders of redeemable units would have approximately decreased or increased as follows:

Approximate impact	Cash and other net assets	Investments	Derivatives: Forward contracts	Net
U.S. Dollars:				
June 30, 2025	\$ 54,445	\$ 1,230,280	\$ (1,244,581)	\$ 40,144
December 31, 2024	\$ 55,970	\$ 1,153,422	\$ (1,203,641)	\$ 5,751
% of the Fund:				
June 30, 2025	0.1%	2.9%	(2.9%)	0.1%
December 31, 2024	0.1%	2.4%	(2.5%)	0.0%

In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(iii) Other price risk:

Other price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market.

Price risk is managed by the Manager by diversifying the portfolio and economically hedging using derivative financial instruments such as options or futures contracts.

There were no significant concentrations of risk to issuers at June 30, 2025. No exposure to any individual issuer (other than governments) exceeded 10% of the net assets attributable to the holders of redeemable units.

As at June 30, 2025, had equity prices increased or decreased by 5%, with all other variables held constant, net assets attributable to redeemable units would have increased or decreased, respectively, by approximately \$85,635 (December 31, 2024 - \$111,844) or 0.2% (December 31, 2024 - 0.2%) of net assets attributable to redeemable units.

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

11. Fair value of financial instruments:

(a) Valuation models:

The fair values of financial instruments that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Fund determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs that are unobservable.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Fund uses widely recognized valuation models for determining the fair value of common and more simple financial instruments, such as forward currency contracts that use only observable market data and require little management judgment and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple over-the-counter derivatives such as forward currency contracts. The availability of observable market prices and model inputs reduces the need for management judgment and estimation and reduces the uncertainty associated with the determination of fair values. The availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

11. Fair value of financial instruments (continued):

(a) Valuation models (continued):

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Fund believes that a third-party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Fund and the counterparty where appropriate. For measuring derivatives that might change classification from being an asset to a liability or vice versa, such as interest rate swaps, fair values include adjustment for both own credit risk and counterparty credit risk.

Model inputs and values are calibrated against historical data and published forecasts and, when possible, against current or recent observed transactions and broker quotes. This calibration process is inherently subjective and it yields ranges of possible inputs and estimates of fair value, and management judgment is required to select the most appropriate point in the range.

(b) Valuation framework:

The Fund has an established control framework with respect to the measurement of fair values. The Fund's investments are categorized in a three-tier hierarchy based on inputs to value the investments. Third party information, such as broker quotes or pricing services, is used to measure fair value. The Manager obtains evidence from the third parties to support the fair value assessment obtained. This includes:

- verifying that the broker or pricing service is approved by the Fund for use in pricing the relevant type of financial instrument;
- understanding how the fair value has been arrived at and the extent to which it represents actual market transactions;
- when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
- if a number of quotes for the same financial instrument have been obtained, then how fair value has been determined using those quotes.

FULCRA CREDIT OPPORTUNITIES FUND

Notes to Financial Statements (Unaudited)

Six months ended June 30, 2025

11. Fair value of financial instruments (continued):

(c) Fair value hierarchy - financial instruments measured at fair value:

The table below analyzes financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

June 30, 2025	Level 1	Level 2	Level 3	Total
Assets:				
Investments	\$ 3,574,834	\$ 38,304,848	\$ -	\$ 41,879,682
Derivatives: Forward contracts	-	2,782	-	2,782
	\$ 3,574,834	\$ 38,307,630	\$ -	\$ 41,882,464
December 31, 2024	Level 1	Level 2	Level 3	Total
Assets:				
Investments	\$ 8,861,411	\$ 31,207,648	\$ -	\$ 40,069,059
	\$ 8,861,411	\$ 31,207,648	\$ -	\$ 40,069,059
Liabilities:				
Derivatives: Forward contracts	\$ -	\$ 60,646	\$ -	\$ 60,646
	\$ -	\$ 60,646	\$ -	\$ 60,646

There were no transfers between levels during the six months ended June 30, 2025 and 2024. The Fund did not have any level 3 financial instruments at June 30, 2025 and December 31, 2024.