

NOTE TO READER

Correction from Source

August 9, 2024

Fulcra Asset Management Inc., as the manager of Fulcra Credit Opportunities Fund (the "Fund"), is refiling the enclosed 2023 Annual Management Report of Fund Performance for the Fund for the period ended December 31, 2023 ("MRFP") that was originally filed on SEDAR+ on April 1, 2024.

The originally filed MRFP has been corrected to include additional disclosure within Financial Highlights, amended charts under Year-by-Year Returns, and certain other housekeeping and clarification amendments. The MRFP is therefore being refiled solely to make these corrections.



**FULCRA CREDIT
OPPORTUNITIES FUND**
Annual Management Report of Fund Performance

For the period ended December 31, 2023



This management report of fund performance contains financial highlights but does not contain the complete financial statements of the Fulcra Credit Opportunities Fund (the "Fund").

You can get a copy of the Fund's financial statements at your request, and at no cost, by calling (604) 683-8365, by writing to us at 1201-333 Seymour St., Vancouver B.C. V6B 5A6 or by visiting our website at www.fulcraam.com or SEDAR+ at www.sedarplus.com.

Securityholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

Forward-Looking Statements ("FLS")

This Management Report of Fund Performance includes certain statements that are "forward looking statements". All statements, other than statements of historical fact, included in this document that address activities, events or developments that the Fund expects or anticipates will or may occur in the future, including such things as anticipated financial performance, are forward looking statements. The words "may", "could", "would", "should", "believe", "plan", "anticipate", "expect", "intend", "forecast", "objective" and similar expressions are intended to identify forward looking statements.

These forward looking statements are subject to various risks and uncertainties, including the risks described in the simplified prospectus of the Fund, which could cause actual financial performance and expectations to differ materially from the anticipated performance or other expectations expressed.

Readers are cautioned not to place undue reliance on these forward looking statements. All opinions contained in forward looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

The Fund has no specific intention of updating any forward looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation. Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice.

FULCRA CREDIT OPPORTUNITIES FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the period ended December 31, 2023

Investment Objective and Strategies

The investment objective of the Fulcra Credit Opportunities Fund (the "Fund") is to generate income and long-term capital appreciation by primarily investing in corporate debt securities.

In seeking to achieve the Fund's investment objective, Fulcra Asset Management Inc. ("Fulcra" or the "Manager") employs a value-based fundamental research process. Fulcra believes that private and public securities are priced inefficiently and, as a result, the price of any given security only occasionally coincides with its intrinsic value. The Manager attempts to identify and exploit these inaccuracies using internal analyses. Fulcra believes that concentrating the portfolio in fewer companies affords the best opportunity to achieve its investment objective of maximizing returns while preserving capital.

Risk

The risks associated with investing in the Fund remain as discussed in the Fund's most recent Simplified Prospectus.

Results of Operations

For the year ended December 31, 2023, Class B and Class D units of the Fund returned 9.0% and 8.7%, respectively.

During 2023, the Telesat 5.625% bonds due 2026 had the greatest positive impact to Fund performance. Negatively, the Dundee equity had the greatest negative impact. As of end of 2023, the Fund is Yielding 9.88% to Maturity with a 1.79-year duration.

The US dollar denominated ICE BofAML US High Yield Index (H0A0) performed 13.46% YTD, with a duration of 3.95 years YTD. The ICE BofAML Canada Corporate Index (F0C0) performed 8.32% YTD, with a duration of 5.86 years YTD. The FTSE Canada Universe Bond Index returned 6.69% in 2023 and ended 2023 with a duration of 7.33 years.

There were no unusual changes to the components of revenue and expenses of the Fund and there were no unusual events or transactions, economic changes or market conditions that affected performance beyond what would be reasonably expected or have been described below.

The Fund did not borrow money during the period.

FULCRA CREDIT OPPORTUNITIES FUND

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Management Discussion of Fund Performance for the period ended December 31, 2023

Recent Developments

Markets are keenly watching when the Federal Reserve would shift to a looser monetary policy, begin cutting rates and how large these cuts will be. Investors need to be mindful of the implications that higher interest rates may have on asset values. The Fund isn't in the business of predicting where interest rates are going but we are clearly not in unprecedented times as far as the absolute level of interest rates is concerned.

Whether through the realization that rates may stay higher than expectations and/or an earnings recession it would appear the potential for market disruption is still quite high.

This can cast a shadow over high yield bonds generally, depressing the price of all bonds, creating shorter term trading opportunities. In addition, attractive investment opportunities can result from a liquidation or balance sheet restructuring for price patient / sensitive investors. If executed properly, an investor can benefit from a more immediate return of capital through the liquidation of a company's assets or the future economic benefits that can result from a de-levered balance sheet and streamlined operations.

In the world of investing, we're inevitably faced with the cyclical nature of markets. Having the flexibility to shift, where there is the greatest opportunity is critical to long term performance. Not only does this to apply to specific areas of credit markets but also to specific parts of companies' balance sheets.

Currently, the Fund has found the best opportunities in shorter duration Investment Grade corporates, event driven situations, and idiosyncratic stressed high yield situations.

The investment portfolio of the Fund as of the end of the year possessed a 9.88% yield to maturity with a duration of 1.79 years.

There have been no changes to the Manager or Portfolio Manager, or change of control of the Manager, or of the Fund in the year. There have been no actual or planned reorganizations, mergers, or similar transactions.

The Fund's Independent Review Committee ("IRC") was formed on November 27, 2023. There were no changes to the membership of the IRC since its formation.

On July 29, 2024, the Fund's declaration of trust was amended and restated to rename Class B of the Fund to Class F to align with industry norm.

FULCRA CREDIT OPPORTUNITIES FUND

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Management Discussion of Fund Performance for the period ended December 31, 2023

Related Party Transactions

Management fees:

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

- (i) 1/12 of 0.75% of the aggregate Net Asset Value of the Class B Units; and
- (ii) 1/12 of 1.15% of the aggregate Net Asset Value of the Class D Units.
- (iii) No management fees are charged to Class I units. Class I unitholders pay management fees directly to the Manager.

Management fee rebates are offered to all investors in the Fund based on the size of the account and tenure as an investor in the Fund. The fee rebates are paid in the form of special distributions at the manager's discretion and the fee rebate program may be revised or cancelled at any time.

The investment management fees incurred during the year amounted to \$455,227 (2022 - \$562,300). Management fees payable as at December 31, 2023 were \$49,874 (2022 - \$48,371). The investment management contract can be terminated by the Fund at any time.

Performance fees:

The Manager shall be entitled to receive from the Fund an annual performance fee in respect of Class B redeemable units and Class D redeemable units equal to 15% of the amount by which the Net Asset Value per Class B redeemable unit and Class D redeemable unit exceed a threshold annualized increase of 5% over the High Water Mark. Performance fees for the year ended December 31, 2023 were \$112,103 (2022 - \$64). Performance fees payable as at December 31, 2023 were \$112,167 (2022 - \$32).

The High Water Mark for a Class B redeemable units and Class D redeemable units 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.

FULCRA CREDIT OPPORTUNITIES FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the period ended December 31, 2023

Financial Highlights

Class B - Master Series	2023	2022	2021	2020	2019
Net assets per unit⁽¹⁾					
Net assets, beginning of period ⁽²⁾	\$ 12.60	\$ 13.36	\$ 12.37	\$ 12.37	\$ 12.11
Operations:					
Total revenue	\$ 0.86	\$ 0.87	\$ 0.92	\$ 0.68	\$ 0.80
Total expenses	(0.18)	(0.17)	(0.31)	(0.19)	(0.17)
Realized gains (losses)	0.32	0.02	0.11	0.51	0.40
Unrealized gains (losses)	0.10	(0.97)	0.79	(0.43)	(0.31)
Total increase (decrease) from operations⁽³⁾	\$ 1.10	\$ (0.25)	\$ 1.51	\$ 0.57	\$ 0.72
Distributions:					
From income (excluding dividends)	\$ (0.79)	\$ (0.49)	\$ (0.41)	\$ (0.26)	\$ (0.28)
From dividends	(0.04)	(0.01)	(0.01)	(0.01)	(0.03)
From capital gains	(0.33)	(0.01)	(0.07)	(0.19)	(0.19)
Return of capital	-	-	(0.03)	-	-
Total distributions⁽⁴⁾	\$ (1.16)	\$ (0.52)	\$ (0.53)	\$ (0.46)	\$ (0.49)
Net assets, end of period⁽³⁾⁽⁵⁾	\$ 12.42	\$ 12.60	\$ 13.36	\$ 12.37	\$ 12.37
Ratios and supplemental data⁽¹⁾					
Net asset value ⁽⁵⁾	\$ 29,628,738	\$ 36,793,480	\$ 39,093,569	\$ 23,352,595	\$ 20,651,152
Units outstanding ⁽⁵⁾	2,385,779	2,920,324	2,926,955	1,887,568	1,669,770
Management expense ratio ⁽⁶⁾	1.22%	0.98%	2.23%	1.49%	1.19%
Portfolio turnover rate ⁽⁷⁾	85.82	75.90	100.70	147.13	240.16
Trading expense ratio ⁽⁸⁾	0.02%	0.00%	0.00%	0.01%	0.01%
Net asset value per unit ⁽⁵⁾	\$ 12.42	\$ 12.60	\$ 13.36	\$ 12.37	\$ 12.37

Notes:

- (1) Information is derived from the Fund's audited annual financial statements. All per unit figures presented are referenced to net assets determined in accordance with IFRS Accounting Standards.
- (2) Information is provided at the beginning of the period shown. In the case where a class is created during the period, the value is the beginning net assets per unit of that class.
- (3) Increase (decrease) from operations per unit is based on the weighted average number of units outstanding over the period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
- (4) Distributions per unit is based on the actual number of units outstanding at the time the distributions were made. Distributions were paid in cash and/or reinvested in additional units.
- (5) This information is provided at the end of the period shown.
- (6) The management expense ratio is based on the total expenses of the period ended and is expressed as an annualized percentage of average net asset value of the Fund during the period. The Manager has not waived or absorbed any fees or operating expenses of the Fund in the periods indicated.
- (7) The portfolio turnover rate indicates how actively the Manager buys and sells the Fund's investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all the securities in its portfolio once during the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of portfolio securities, excluding short term securities.
- (8) The trading expense ratio represents total brokerage commissions and other transaction costs incurred by the Fund expressed as an annualized percentage of average net asset value of the Fund during the period.

FULCRA CREDIT OPPORTUNITIES FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the period ended December 31, 2023

Financial Highlights (Continued)

Class D - Master Series	2023	2022	2021	2020	2019
Net assets per unit⁽¹⁾					
Net assets, beginning of period ⁽²⁾	\$ 12.24	\$ 13.03	\$ 12.11	\$ 12.16	\$ 11.95
Operations:					
Total revenue	\$ 0.83	\$ 0.84	\$ 0.87	\$ 0.67	\$ 0.79
Total expenses	(0.18)	(0.16)	(0.30)	(0.18)	(0.17)
Realized gains (losses)	0.31	0.02	0.10	0.50	0.40
Unrealized gains (losses)	0.09	(0.94)	0.75	(0.42)	(0.30)
Total increase (decrease) from operations⁽³⁾	\$ 1.05	\$ (0.24)	\$ 1.42	\$ 0.57	\$ 0.72
Distributions:					
From income (excluding dividends)	\$ (0.71)	\$ (0.48)	\$ (0.40)	\$ (0.25)	\$ (0.27)
From dividends	(0.04)	(0.01)	(0.01)	(0.01)	(0.03)
From capital gains	(0.29)	(0.01)	(0.07)	(0.19)	(0.18)
Return of capital	-	-	(0.03)	-	-
Total distributions⁽⁴⁾	\$ (1.03)	\$ (0.50)	\$ (0.52)	\$ (0.45)	\$ (0.48)
Net assets, end of period⁽³⁾⁽⁵⁾	\$ 12.12	\$ 12.24	\$ 13.03	\$ 12.11	\$ 12.16
Ratios and supplemental data⁽¹⁾					
Net asset value ⁽⁵⁾	\$ 3,860,725	\$ 3,639,806	\$ 4,065,387	\$ 1,854,440	\$ 1,822,531
Units outstanding ⁽⁵⁾	318,505	297,376	311,998	153,095	149,881
Management expense ratio ⁽⁶⁾	1.64%	1.40%	2.65%	1.91%	1.61%
Portfolio turnover rate ⁽⁷⁾	85.82	75.90	100.70	147.13	240.16
Trading expense ratio ⁽⁸⁾	0.02%	0.00%	0.00%	0.01%	0.01%
Net asset value per unit ⁽⁵⁾	\$ 12.12	\$ 12.24	\$ 13.03	\$ 12.11	\$ 12.16

Notes:

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- The trading expense ratio represents total brokerage commissions and other transaction costs incurred by the Fund expressed as an annualized percentage of average net asset value of the Fund during the period.

FULCRA CREDIT OPPORTUNITIES FUND

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Management Discussion of Fund Performance for the period ended December 31, 2023

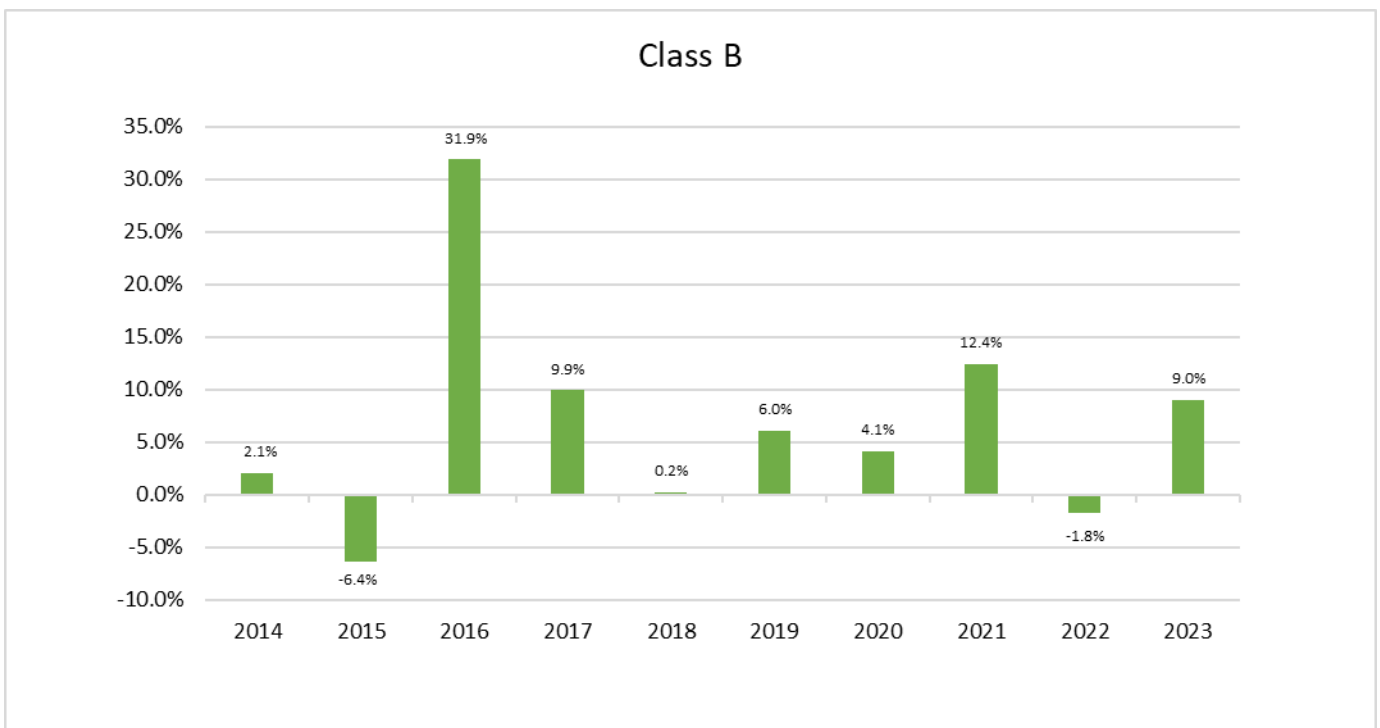
Past Performance

The Fund commenced operations as a reporting issuer on November 30, 2023. Prior to this date, the Fund offered Class B and Class D units privately since July 1, 2009 and March 1, 2012, respectively. In conjunction with the filing of the Fund's simplified prospectus, the Manager received exemptive regulatory relief to include the Fund's performance as private issuer prior to November 30, 2023 in the calculation of its returns. The returns below are for master series only because the performance of sub-series are substantially similar.

The performance information assumes that any distributions are reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. Past performance does not necessarily indicate how the class will perform in the future.

Year by Year Returns

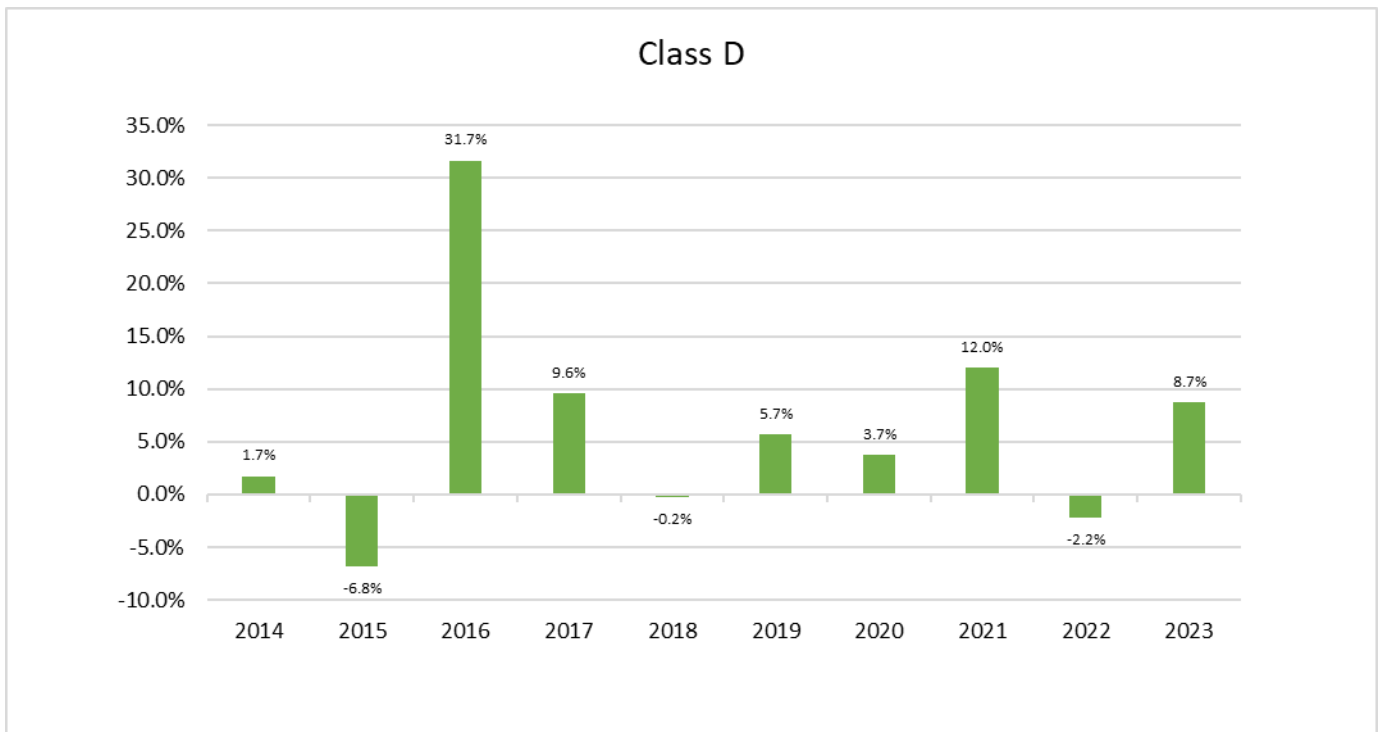
The charts below indicate the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The charts show, in percentage terms, how much an investment made on the first day of each period would have increased or decreased by the last day of each period.



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Management Discussion of Fund Performance for the period ended December 31, 2023



Annual Compound Returns

The following table below shows the Fund's annual compound returns for each year indicated:

For the year ended December 31, 2023

Annual Compound Return	1 Year	3 Year	5 Year	10 Year	Since Inception
Class B	9.0%	6.4%	5.8%	6.3%	6.9%
Class D	8.7%	6.0%	5.5%	5.9%	5.6%
Index	5.0%	5.0%	5.0%	5.0%	5.0%

Notes:

1. Returns are based on the net asset value per unit of the relevant series of the Fund and assume that all distributions were reinvested.
2. Compound period returns are annualized.
3. Inception dates of Class B and Class D are July 31, 2009 and November 31, 2012, respectively.
4. The Fund aims to exceed an absolute annual return of 5% per annum. Therefore, an annual return of 5% has been used as the Fund's benchmark.

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Summary of Investment Portfolio as at December 31, 2023

The following table shows selected key financial information about the Fund and is intended to assist in the understanding of the Fund's financial performance for the period ended December 31, 2023. The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available on the Fund's website: www.fulcraam.com.

Summary of Top 25 Holdings

<u>Security</u>	<u>% of Net Assets</u>
The GEO Group Inc. 12.4603% 23MAR27	2.8%
NFI Group Inc. 5% 15JAN27	2.5%
Rite Aid Corp. 7.50% 01JUL25	2.3%
CSC Holdings LLC 5.25% 01JUN24	2.2%
Telesat Canada / Telesat LLC 5.625% 06DEC26	2.1%
Russel Metals Inc. 5.75% 27OCT25	2.0%
Cineplex Inc. 5.75% 30SEP25	2.0%
KAR Auction Services Inc. 5.125% 01JUN25	2.0%
Enova International Inc. 8.50% 01SEP24	1.9%
Guitar Center Holdings, Inc. - Series A PFD	1.9%
Directv Financing LLC 10.3241% 02AUG27	1.7%
Source Energy Services Canada LP / Source Energy Services Canada Holdings Ltd. 10.50% 15MAR25	1.7%
Conuma Resources Ltd. 13.125% 01MAY28	1.6%
Bell Canada Inc. 2.70% 27FEB24	1.6%
Aecon Group Inc. 5% 31DEC23	1.5%
Tidewater Midstream and Infrastructure Ltd. 5.50% 30SEP24	1.4%
Ford Credit Canada Co. 8.6325% 21MAR24	1.4%
Optiva Inc. 9.75% 20JUL25	1.4%
Premium Brands Holdings Corp. 4.20% 30SEP27	1.3%
AMC Entertainment Holdings Inc. 8.4455% 22APR26	1.3%
WW International Inc. 8.9353% 13APR28	1.3%
CNG Holdings Inc. 14.50% 30JUN26	1.3%
NuVista Energy Ltd. 7.875% 23JUL26	1.2%
Rogers Communications Inc. 5% 17DEC81	1.2%
Sherritt International Corp. 8.50% 30NOV26	1.2%
Top Holdings (Long)	42.6%

Summary of Composition of the Portfolio

<u>Asset Mix</u>	
HY Corp Bonds	56.6%
Convertible Bonds	13.8%
IG Corp Bonds	4.0%
Term Loans	12.9%
Preferred Stock	3.3%
Common Stock	3.8%
Cash and Equivalents	5.6%
	100.0%
Sector Mix	
Communication Services	24.9%
Consumer Discretionary	18.4%
Consumer Staples	8.2%
Diversified Holdings	1.1%
Energy	14.4%
Financials	6.0%
Materials	11.3%
Information Technology	1.8%
Industrials	8.3%
Cash and Equivalents	5.6%
	100.0%

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