YTM Capital Credit Opportunities Fund

Strategy
Long / short hedge fund delivering Canadian investment grade credit exposure

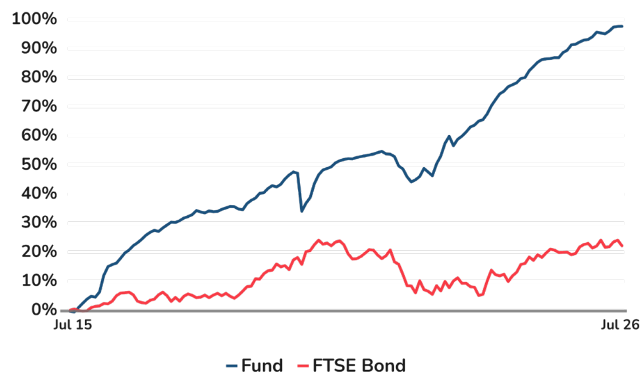
Target
Long-term net returns of 6% - 8% with low volatility

Portfolio
Short maturity investment grade credit with neutralized interest rate risk

Uncorrelated
Compelling fixed-income alternative

Net Performance

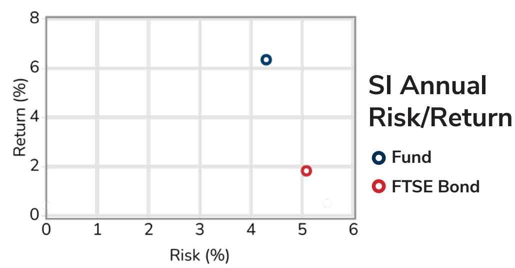
	1 year	3 year	5 year	10 year	S.I.
Fund	3.34%	6.63%	5.23%	5.30%	6.34%
FTSE Bond	2.60%	4.17%	0.22%	1.44%	1.82%



Risk

LOW | MEDIUM | HIGH

CR01 as a percent of NAV	0.037%	Months Positive	79%
Average Weighted Maturity	1.5 years	Best Month	5.33%
Modified Duration	1.25	Worst Month	-8.89%
Annualized Standard Deviation	4.3%	Maximum Drawdown	-9.18%
Sharpe Ratio	1.05	Upside Capture - FTSE Bond	58
Correlation to FTSE Bond	0.22	Downside Capture - FTSE Bond	-27



Portfolio Manager Commentary

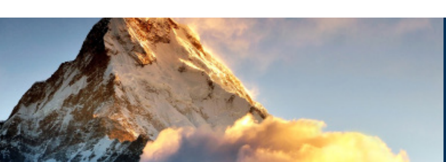
Daniel Child CA, CPA, CFA **Edward Winiarz** CFA

Canadian credit weakened modestly in July, but the move was primarily driven by higher government yields rather than a material deterioration in credit fundamentals. The Canadian corporate index widened by two basis points to an option-adjusted spread of 88 basis points, while its yield increased by 25 basis points to 4.22%. This produced a monthly total return of -1.19%, compared with an excess return of only -0.12%, confirming that duration caused most of the loss. Higher oil prices, renewed inflation concerns and bear-steepening in Canadian and US government curves placed the greatest pressure on long bonds.

Sector performance was highly dispersed. REITs, infrastructure and transportation issuers, and credit unions or mid-sized financial institutions each tightened by three basis points, while energy and mining tightened by one basis point. NVCC was the weakest segment, widening by five basis points, while bail-in debt, insurance, telecommunications and utilities widened by three basis points. AA-rated corporate spreads widened nine basis points, compared with only two basis points for both A and BBB credit. The limited deterioration in BBB spreads indicates that July was not a conventional flight from lower investment-grade quality. Nevertheless, the wider US high-yield market, where spreads increased by 15 basis points to 279 basis points, remains an important risk because sustained US weakness could eventually transmit into Canadian BBB, subordinated financial and cyclical corporate securities.

Primary issuance slowed to approximately $10 billion, the lowest monthly total of 2026, following a record June. Year-to-date issuance nevertheless reached $130.4 billion, 54% above the comparable prior-year level. Banks accounted for approximately $3.35 billion, or 33.7% of July supply, followed by industrials at $1.83 billion and REITs at $1.15 billion. Approximately $4.68 billion, or 47% of issuance, was concentrated in five-to-seven-year maturities, while roughly 65% was issued between three and seven years. The detailed rating figures indicate that A-rated securities represented approximately 52.2% of supply, rather than the rounded 49% cited in the source narrative. Over the next six months, approximately $65.68 billion of maturities and call dates are expected, with banks representing $30.82 billion, or 46.9%, suggesting that recurring refinancing supply should create opportunities to purchase new issues at concessions.

Credit sensitivity expressed as a percentage declined from 3.9 basis points at the beginning of July and 4.0 basis points at mid-month to 3.7 basis points by the end of the month. Running yield declined from 4.97% at the beginning of July to 4.70% at mid-month and approximately 4.63% by month-end, consistent with a deliberate sacrifice of some carry to improve resilience. This evolution leaves the Fund better positioned for an uncertain August while retaining meaningful capacity to benefit from attractive credit income.



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Seasoned

More than 41 combined years of portfolio management and fixed-income experience

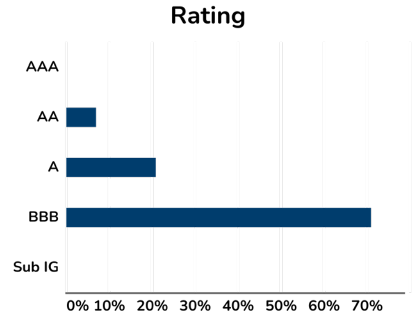
Accomplished

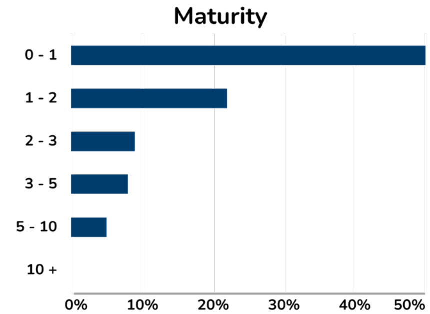
Head Corporate Trader and Director at major Canadian dealers responsible for billions of at-risk capital

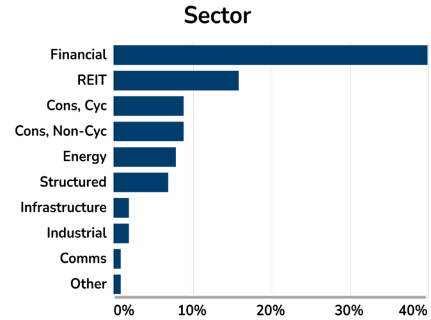
Conservative

Focused on downside protection, putting capital preservation first while delivering strong risk-adjusted returns

Portfolio







Monthly Net Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2026	0.81	-0.14	-0.15	0.49	0.70	0.12	0.02						1.85
2025	0.13	0.06	0.17	-0.01	0.94	0.42	0.98	0.12	0.42	0.33	0.11	0.48	4.22
2024	1.25	1.15	0.52	0.89	0.37	0.38	0.83	0.19	1.31	0.79	0.80	0.49	9.34
2023	2.84	1.55	-2.03	1.41	0.67	0.89	1.07	0.41	0.85	0.28	1.19	1.68	11.28
2022	-0.54	-2.09	-0.68	-1.83	-1.22	0.52	0.78	1.91	-0.85	-0.85	2.80	1.79	-0.40
2021	0.30	0.18	-0.05	0.29	0.22	0.18	0.18	0.20	0.34	0.27	-0.55	-0.09	1.48
2020	0.69	-0.29	-8.89	2.07	1.43	3.47	2.08	1.14	0.36	0.38	0.92	0.47	3.33
2019	1.55	0.82	0.55	1.18	0.17	1.04	0.69	-0.36	0.66	0.42	0.87	0.95	8.86
2018	1.06	-0.37	-0.23	0.53	-0.16	0.07	0.47	0.38	0.39	-0.09	-0.58	-0.16	1.32
2017	1.14	0.84	0.52	-0.28	0.94	0.77	0.74	-0.09	0.44	0.73	0.41	0.46	6.82
2016	-0.30	1.74	5.33	2.66	0.64	0.38	1.50	1.54	0.84	1.25	0.79	0.94	18.62
2015							-0.43	-0.13	1.52	1.44	1.41	0.96	4.84

Fund Details

Transactions	Semi-Monthly	**Distributions**	*Monthly (4%/yr target; TA,TF) Quarterly (A,F)*
Redemptions	30 days notice	**Reg Plans**	Yes
Management fee	2.00% (A, TA) 1.50% (F, TF)	**Fundserv**	YTM501 (A) YTM531 (TA) YTM511 (F) YTM541 (TF)
Performance fee	15%, Highwater Mark		

YTM Capital

YTM is a credit fund manager established in 2010, based in Oakville, Ontario that focuses on providing better fixed income solutions.

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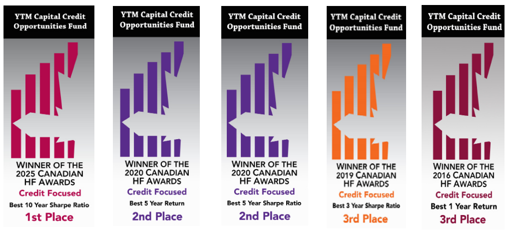

As of JULY 31, 2026. FTSE Bond = FTSE Canada Universe Bond Index. CR01 measures the impact on a Fund's value of a 1 basis point change in credit spreads. Sharpe Ratio is calculated using a 3 month GOC T-Bill as the risk free rate. Drawdown is the Fund's loss from peak to trough. In the risk/return chart, risk = standard deviation since inception ("SI" = July 1, 2015) and returns are SI. The Canadian Hedge Fund Awards are administered by Alternative IQ. The awards are based on a quantitative measure of a fund's performance in the Credit Focused category. Of the 33 funds considered, the Fund had the 3rd highest return for the year ending June 30, 2016. Of the 27 funds considered, the Fund had the 3rd highest Sharpe ratio for the 3 years ending June 30, 2019. Of the 18 funds considered, the Fund had the 2nd highest Sharpe ratio and 2nd highest return for the 5 years ending June 30, 2020. Of the 10 funds considered, the Fund had the highest Sharpe ratio for the 10 years ending June 30, 2025. This document is for information only and is not intended to solicit orders for the Fund. Investors should read the Offering Memorandum (OM), including the risk section before investing. You can obtain the OM from YTM Capital Asset Management Ltd. Fund data will change and past performance may not be repeated. There is no guarantee the Fund will provide returns similar to its target. Performance is net of fees and expenses, is for Class F, Initial Series, distributions reinvested, and the SI figure is annualized. Rating and maturity information exclude cash and GOC securities. YTM rates unrated securities by using third party data and judgment. Maturity and CR01 are calculated using the expected maturity date for securities with call features. www.ytmcapital.com

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