

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

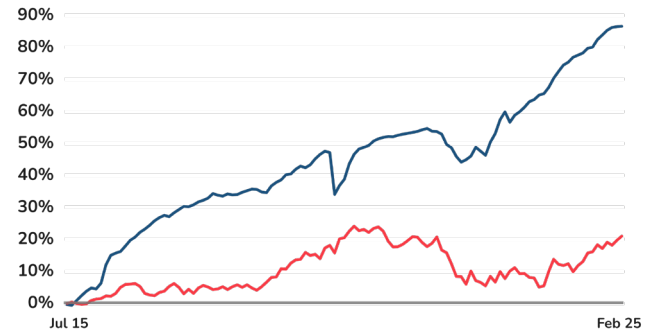


Uncorrelated

Compelling fixed-income alternative

Net Performance

	1 month	1 year	3 year	5 year	S.I.
Fund	0.06%	6.95%	7.63%	4.87%	6.66%
FTSE Bond	1.10%	8.21%	1.48%	0.48%	1.99%

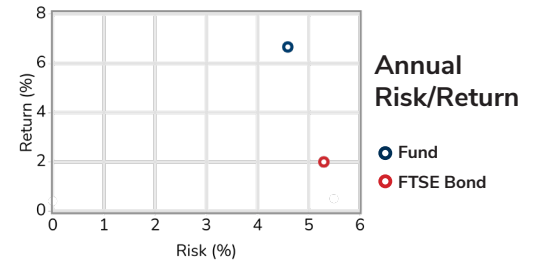


Risk

LOW	MEDIUM	HIGH
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CR01 as a percent of NAV	0.02%	Months Positive	78%
Average Weighted Maturity	1.3 years	Best Month	5.33%
Modified Duration	0.35	Worst Month	-8.89%
Annualized Standard Deviation	4.6%	Maximum Drawdown	-9.18%
Sharpe Ratio	1.07	Upside Capture - FTSE Bond	58
Correlation to FTSE Bond	0.23	Downside Capture - FTSE Bond	-28

— Fund — FTSE Bond



Portfolio Manager Commentary

Daniel Child CA, CPA, CFA

Edward Winiarz CFA

Tariffs have and will continue to dominate market focus. Driven by tariffs, at the end of February the Canadian IG index was 10 bps wider for 2025. The healthy new issue market - 13 billion is the 2nd busiest February on record, with about 5% ahead of last year – was a secondary contributor to spread widening.

On the back of uncertainty and weakening Canadian spreads, we reduced risk in the Funds to our lowest levels since COVID during the month.

There are mixed signals for the IG market. Investor inflows remained strong, supporting demand, and outside of tariffs there are positive macro signs: Q4 US earnings beat expectations by a large margin and there are more U.S. jobs than people to fill them. That said, consumer confidence is low and US policy uncertainty is at its highest in decades, outside of COVID.

The consensus 2025Q3 earnings forecast hasn't moved much, underscoring that the market does not expect tariffs to last. If the forecast is correct, consumer confidence should rebound and policy uncertainty reduce – less uncertainty is always good for risk markets. Our view remains consistent with the forecast: as expected, almost halfway through the first 100 days of the new US federal government chaos dominates and, at some point, the chaos will lessen. The waning of uncertainty combined by solid underlying fundamentals should generate a more positive credit market, at which time we will deploy our dry powder.



Portfolio Managers



Seasoned

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



Accomplished

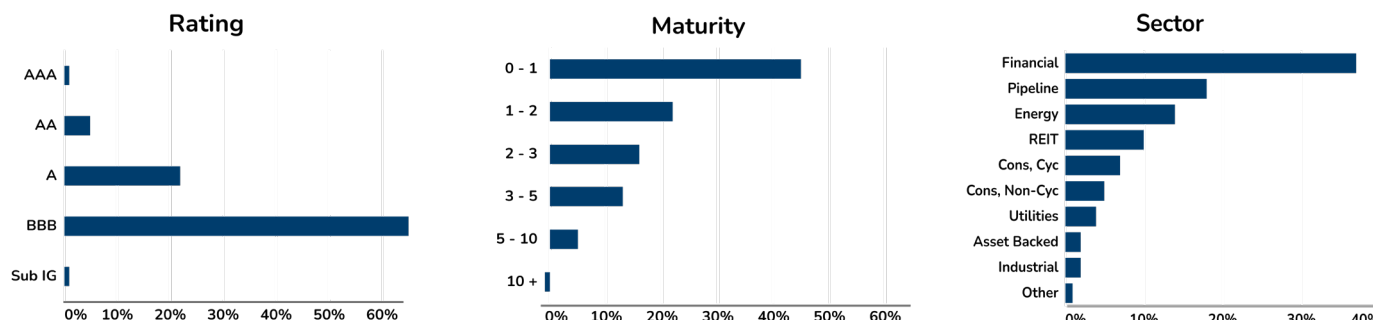
Head Corporate Trader and Director at major Canadian dealers responsible for billions of at-risk capital



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
2025	0.13	0.06											0.19
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	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	YTM500 (A) YTM530 (TA) YTM510 (F) YTM540 (TF)
Performance fee	15%, Highwater Mark		

YTM Capital

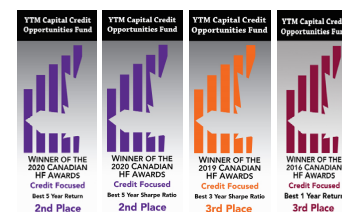
YTM is a credit fund manager established in 2010, based in Oakville, Ontario that focuses on providing better fixed income solutions.

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As of FEBRUARY 28, 2025. 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 represents the loss for the Fund from peak to trough. In risk/return chart, risk is represented by 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. 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

