

The image features a dark blue background with a faint grid pattern. In the center, the word "Accelerate" is written in a large, white, sans-serif font. The letter "A" is stylized with an orange outline. Below "Accelerate" is the tagline "— Powering Diversification —" in a smaller, white, italicized font. The background is decorated with faint, light blue line graphs and bar charts, suggesting a financial or data-driven theme.

Accelerate

— Powering Diversification —

Beyond Bonds: The Rise of Private Credit

DISCLAIMER

FORWARD LOOKING STATEMENTS

The communications of Accelerate Financial Technologies Inc. ("Accelerate" or the "Corporation") include written or oral statements which contain forward-looking information. Statements other than statements of historical fact contained in this corporate presentation may be forward-looking statements under applicable securities legislation, including, without limitation, management's expectations, intentions and beliefs concerning: the Corporation's objectives and priorities for the current fiscal year and beyond, our future strategies or actions, and the results of or outlook for our operations or for the Canadian and U.S. economies and markets. Many of these statements can be identified by looking for words such as "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof. In particular, this presentation contains forward-looking statements regarding expected strategy performance, expected Corporation performance, the Corporation's expected growth, in addition to other forward-looking statements. To the extent any forward-looking statements herein constitute a financial outlook, they were approved by management as of the date hereof and have been included to assist readers in understanding management's current expectations regarding financial performance and are subject to the same risks and assumptions disclosed herein. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur.

Statements containing forward-looking information by their nature involve numerous assumptions and significant known and unknown facts and uncertainties of both a general and a specific nature. Key assumptions include, but are not limited to assumptions that: certain regulatory changes will occur, the Canadian and U.S. economies will grow moderately over the next 12 to 24 months; interest rates will not rise in a material nature over the next 12 to 24 months; and the Corporation will obtain required regulatory approvals on a timely basis. In determining the Corporation's expectations for economic growth, management primarily considers historical economic data provided by the Canadian and U.S. governments and their agencies.

The forward-looking statements contained herein are subject to numerous known and unknown risks that may cause actual results to vary from those set forth in the forward-looking statements, including, but not limited to risks associated with: general economic conditions and changes in the financial markets; failure to obtain required regulatory approvals on a timely basis or at all; changes in legislation and regulations and interpretations thereof; a material change in Accelerate's capital structure or capital available to Accelerate. There are additional factors that could affect the operating results and performance of the Corporation and may cause the actual results of the Corporation to differ materially from those anticipated in forward-looking statements.

As forward-looking statements are subject to risks, uncertainties and assumptions and should not be read as guarantees or assurances of future performance. Accordingly, readers are cautioned not to place undue reliance on any forward-looking information contained in this corporate presentation as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. Statements containing forward-looking information reflect management's current beliefs and assumptions based on information in its possession on the date of this corporate presentation. Although management believes that the assumptions reflected in the forward-looking statements contained herein are reasonable, there can be no assurance that such expectations will prove to be correct.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this corporate presentation are made as of the date of this presentation and Accelerate does not undertake or assume any obligation to update or revise such statements to reflect new events or circumstances except as expressly required by applicable securities legislation.

The Case For Alternative Investments



Why Alternative Investments

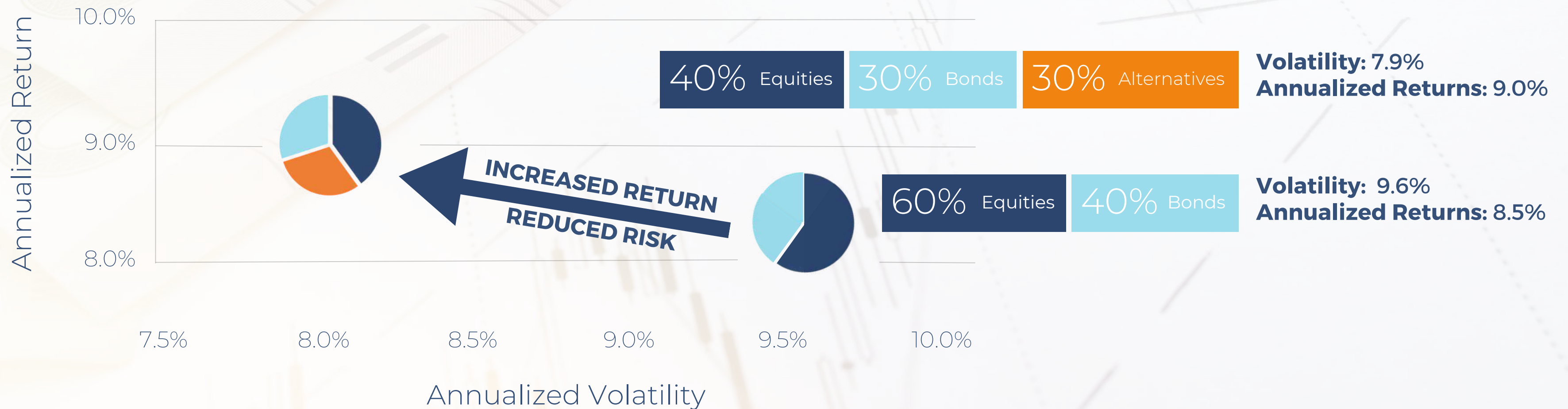
| | |
|------------------------------|--|
| ALPHA CREATION | PROVIDE ACCESS TO INVESTMENT RETURNS BEYOND STOCKS AND BONDS |
| YIELD GENERATION | PROVIDE INCOME IN A VOLATILE INTEREST RATE ENVIRONMENT |
| VOLATILITY MANAGEMENT | FORTIFY INVESTMENT PORTFOLIOS AGAINST SWINGS IN THE MARKET |
| REDUCE RISK | DIVERSIFY INVESTMENT PORTFOLIOS THROUGH UNCORRELATED ASSETS |
| INFLATION PROTECTION | SHELTER PORTFOLIOS FROM RISK OF INFLATION |

Potential to improve client outcomes with allocations to alternative investments

Upgrading Portfolios

Alternative and portfolio risk/return

Annualized volatility and returns, 1989 - 2023



Adding alternative investments can increase return while reducing risk

-JP MORGAN

A **30% allocation** to alternative investments in a traditional 60/40 stock/bond portfolio:

Increased returns by 50bps

Reduced risk by 18%

EXPECTATION VS. REALITY

Investor Expectation¹

10.9%

Analyst Forecast of
60/40 Portfolio²

2.8%

With **high** equity valuations and **volatile** bond yields, investors may not earn their expected 10.9% return using **traditional asset classes**

1. ADVISOR'S EDGE "INVESTORS EXPECT 10.9% RETURN OVER NEXT FIVE YEARS"

2. BUSINESS INSIDER: "MORGAN STANLEY WARNS THAT RETURNS FOR TRADITIONAL PORTFOLIOS WILL SLIDE NEAR 100-YEAR LOWS OVER THE NEXT DECADE"

THE EVOLUTION OF ASSET ALLOCATION

Retail Allocation to
Alternatives

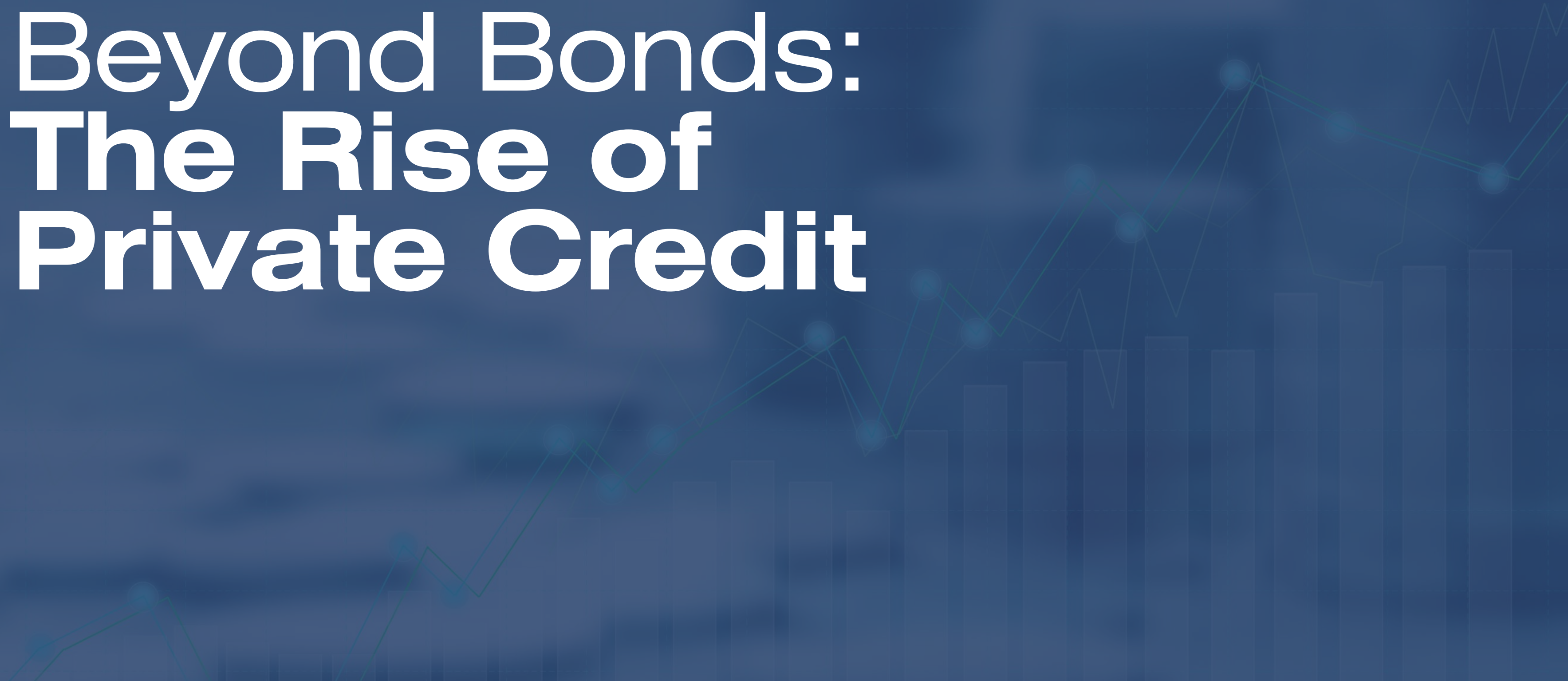
5%

Institutional Allocation to
Alternatives

52%

Institutions allocate to alternatives to **generate higher returns and reduce risk**
Individual investors are **significantly underweight alternatives**

Beyond Bonds: The Rise of Private Credit



Defining Private Credit

WHAT

Specialized non-bank financial institutions such as investment funds offer direct loans to corporate borrowers

WHY

A financing source that is more convenient than commercial banks for companies too small to raise debt in public markets

WHERE

About three-quarters of the global private credit market is in the United States

INVESTOR OPPORTUNITY

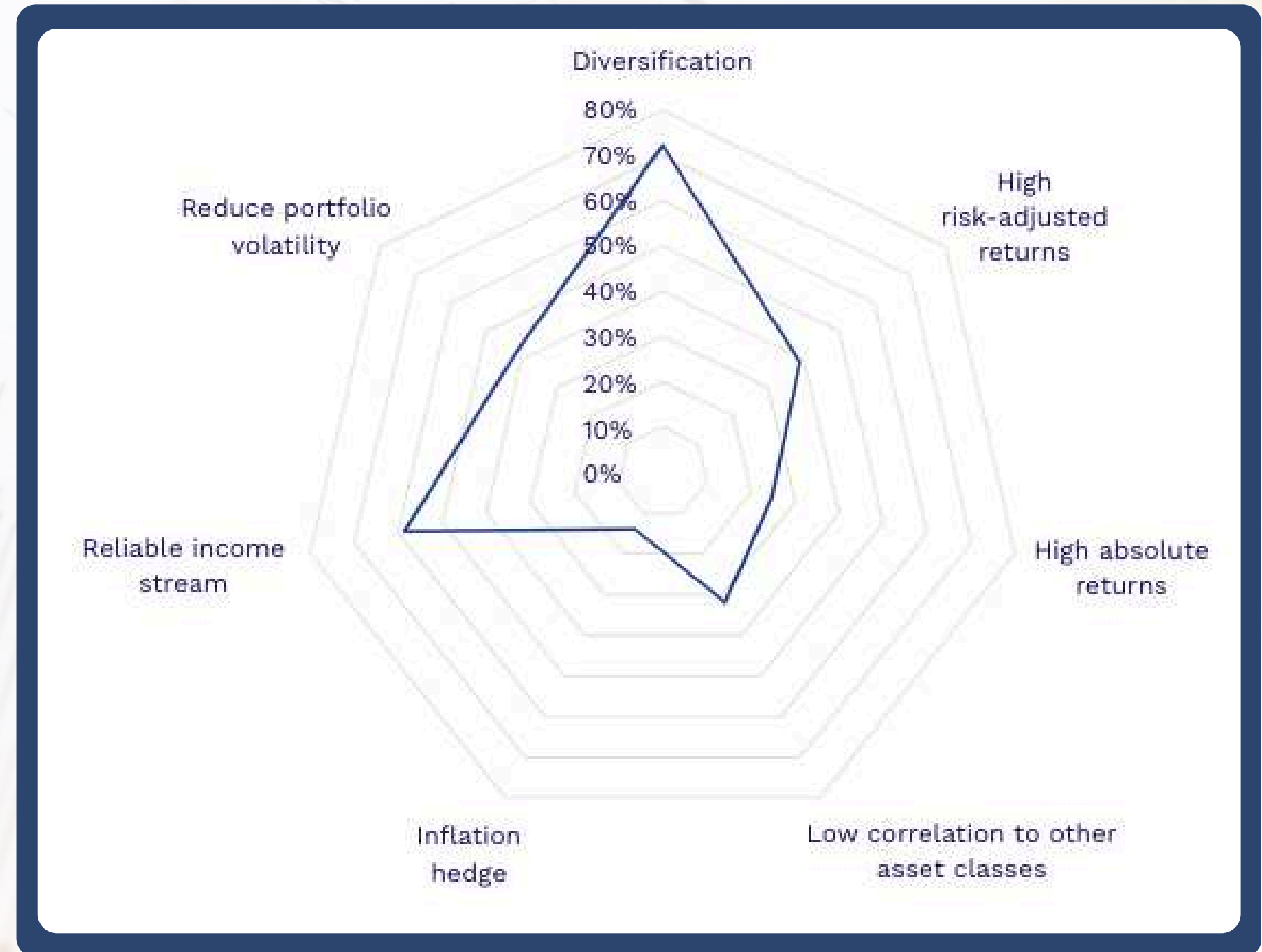
Typically offers higher yields than bonds through senior secured floating rate loans

The private credit asset class now **exceeds \$1.5 trillion globally**¹, similar in size compared to the high-yield bond and leveraged loan markets

Why Invest in Private Credit?

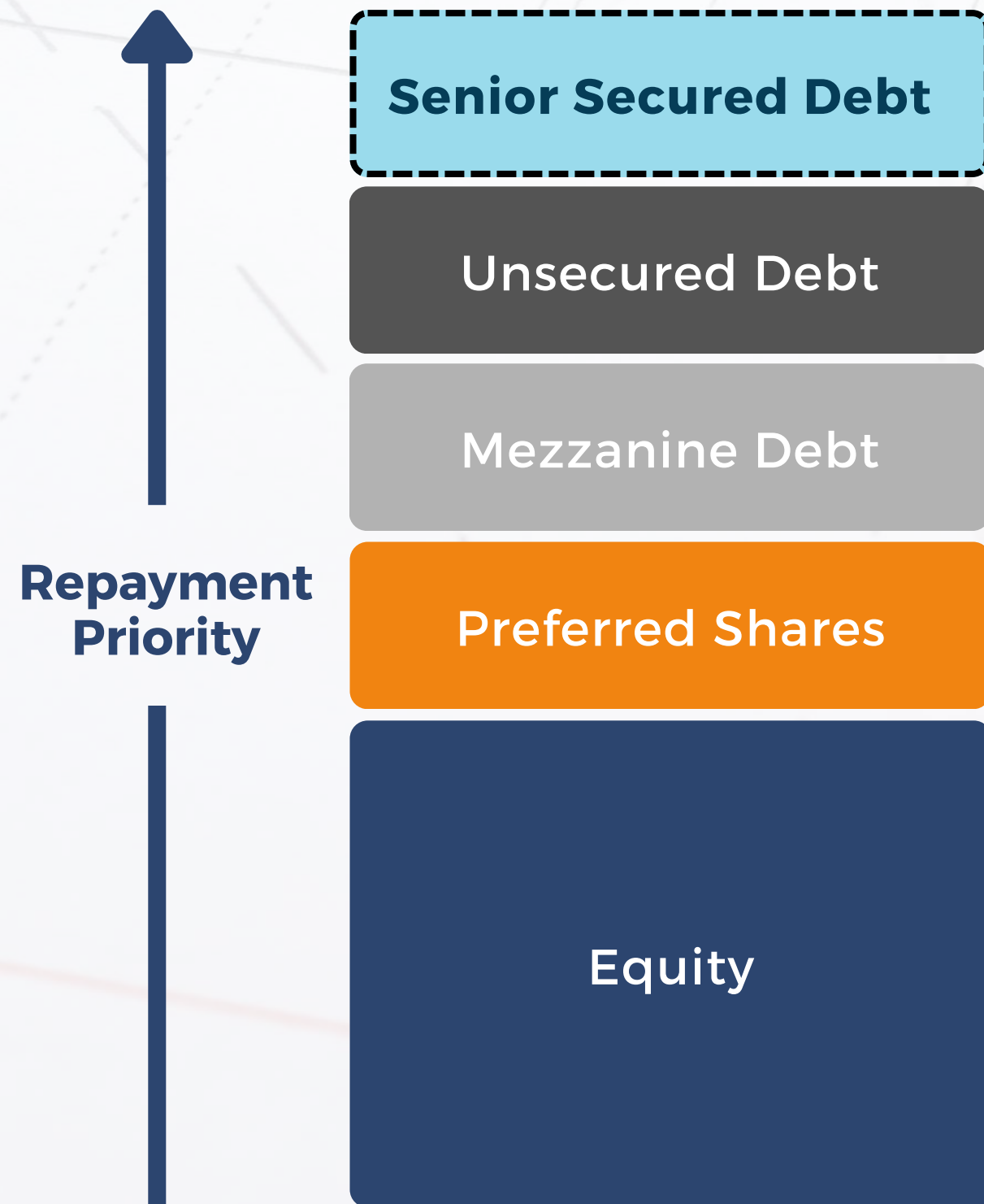
Private credit presents the following attractive characteristics:

- Portfolio diversification
- Attractive risk-adjusted returns
- Predictable and contractual returns based on interest rate charged
- Lower risk than private equity, since debt sits higher than equity in the capital structure
- Floating rate alternative to fixed-income investments



Investors allocate to private credit primarily for **diversification and a reliable income stream**

Focus on Capital Preservation



← Private credit investment focus

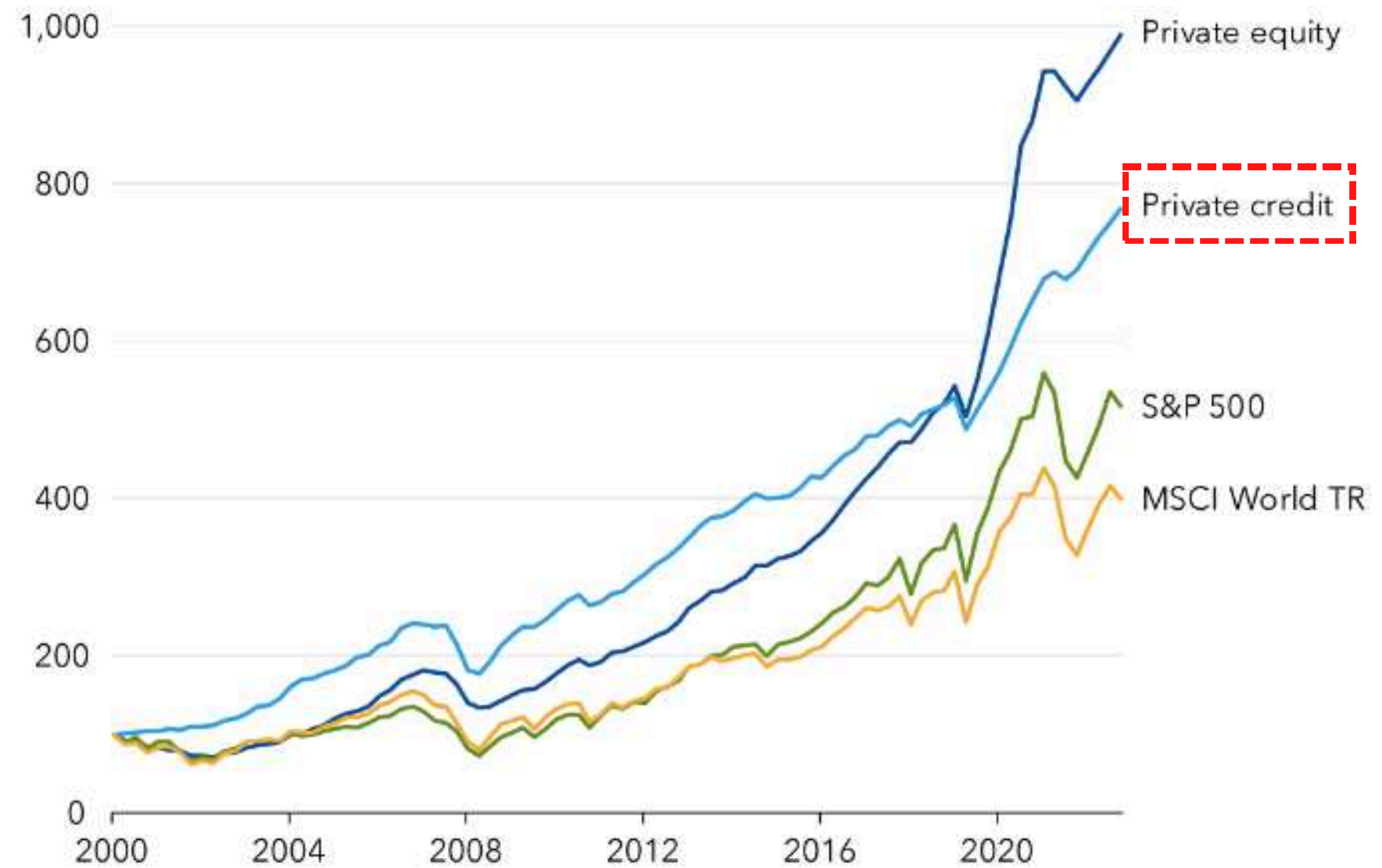
Private credit enhances capital preservation and safety of principal through a focus on senior secured loans to U.S. companies

Historical Performance

Historically, private credit has **outperformed equities**

Returns of private equity, private credit, and equity benchmarks

(indices, December 2000 = 100)

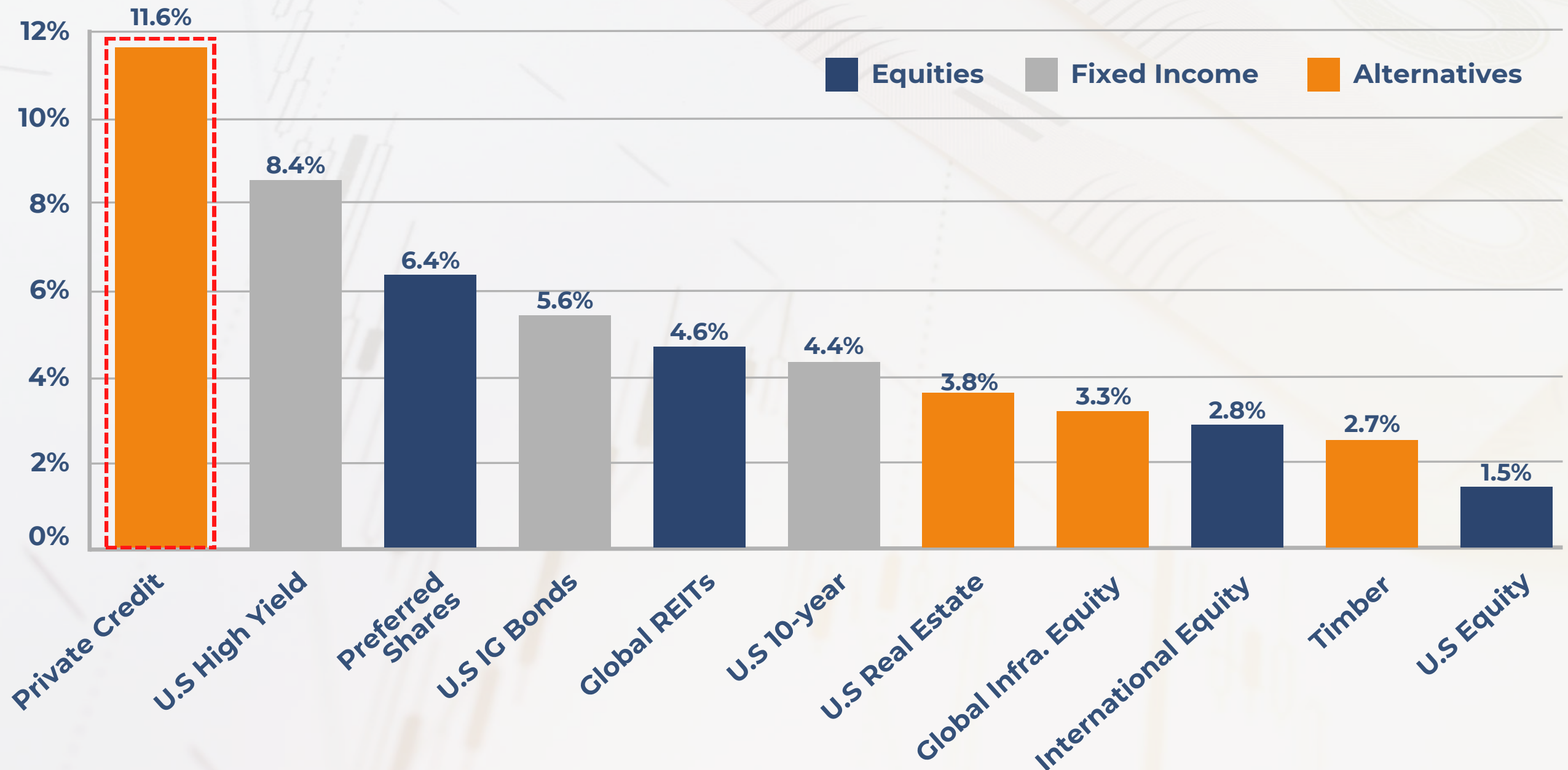


Source: Preqin and IMF staff calculations.

Note: Private capital indices are rebased to 100 as of Dec. 31, 2000, and are available until June 2023.

Highest Yielding Asset Class

Asset class yields



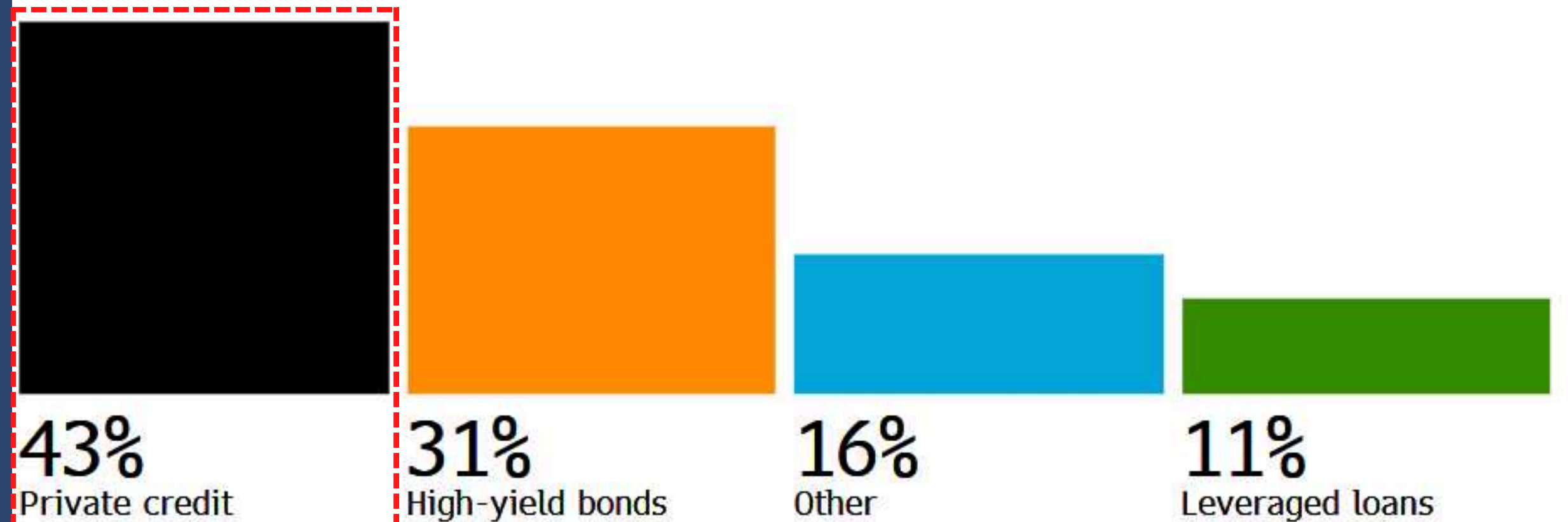
Private credit is the **highest yielding asset class**, suitable for some income-seeking investors

Highest Expected Performance

Investors forecast that private credit is **most likely to outperform** over the next 12 months

Private Credit Is Top Choice

We asked: Which will perform best in credit over the next 12 months?



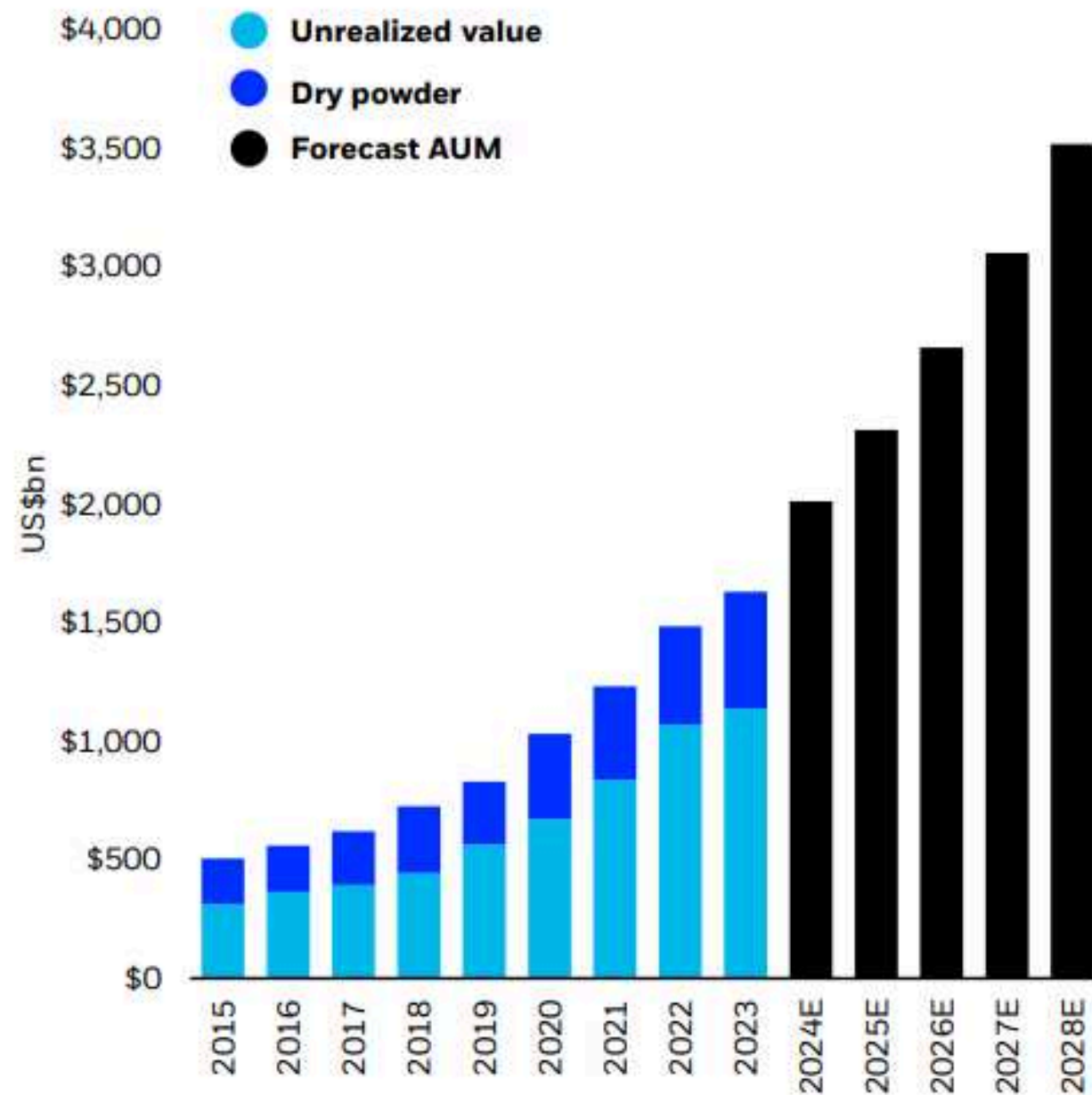
Source: Bloomberg MLIV Pulse survey Feb. 26- March 1 with 387 respondents

Bloomberg

High Growth Asset Class

Steady growth

Private debt's expansion is poised to continue in the years ahead

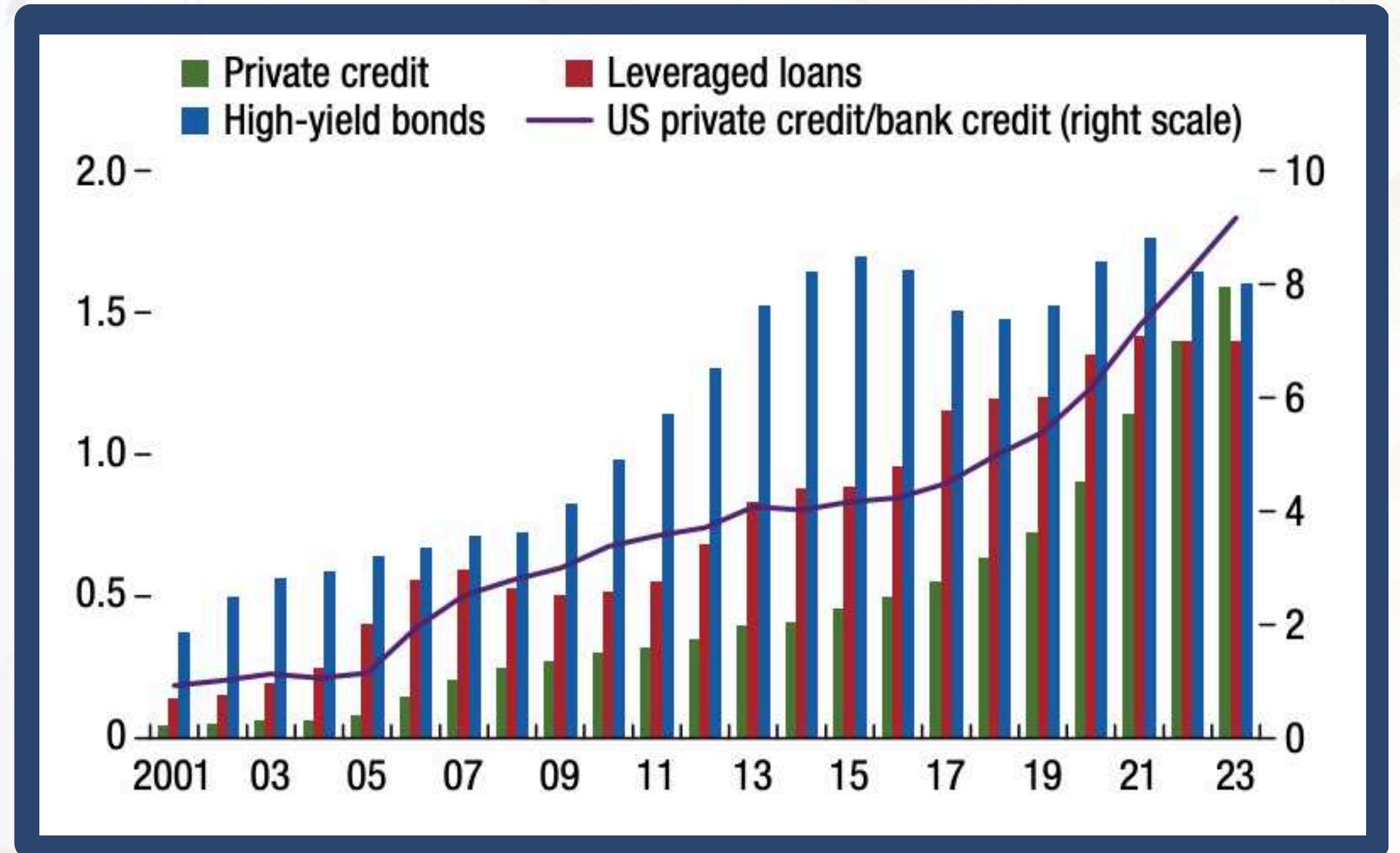


Source: BlackRock, Preqin. Historical (actual) data from Preqin, as of each calendar year-end, through March 31, 2023. 2024E to 2028E are BlackRock estimates.

Private credit is growing rapidly, now exceeding **\$1.5 trillion**

Private Credit Market Share

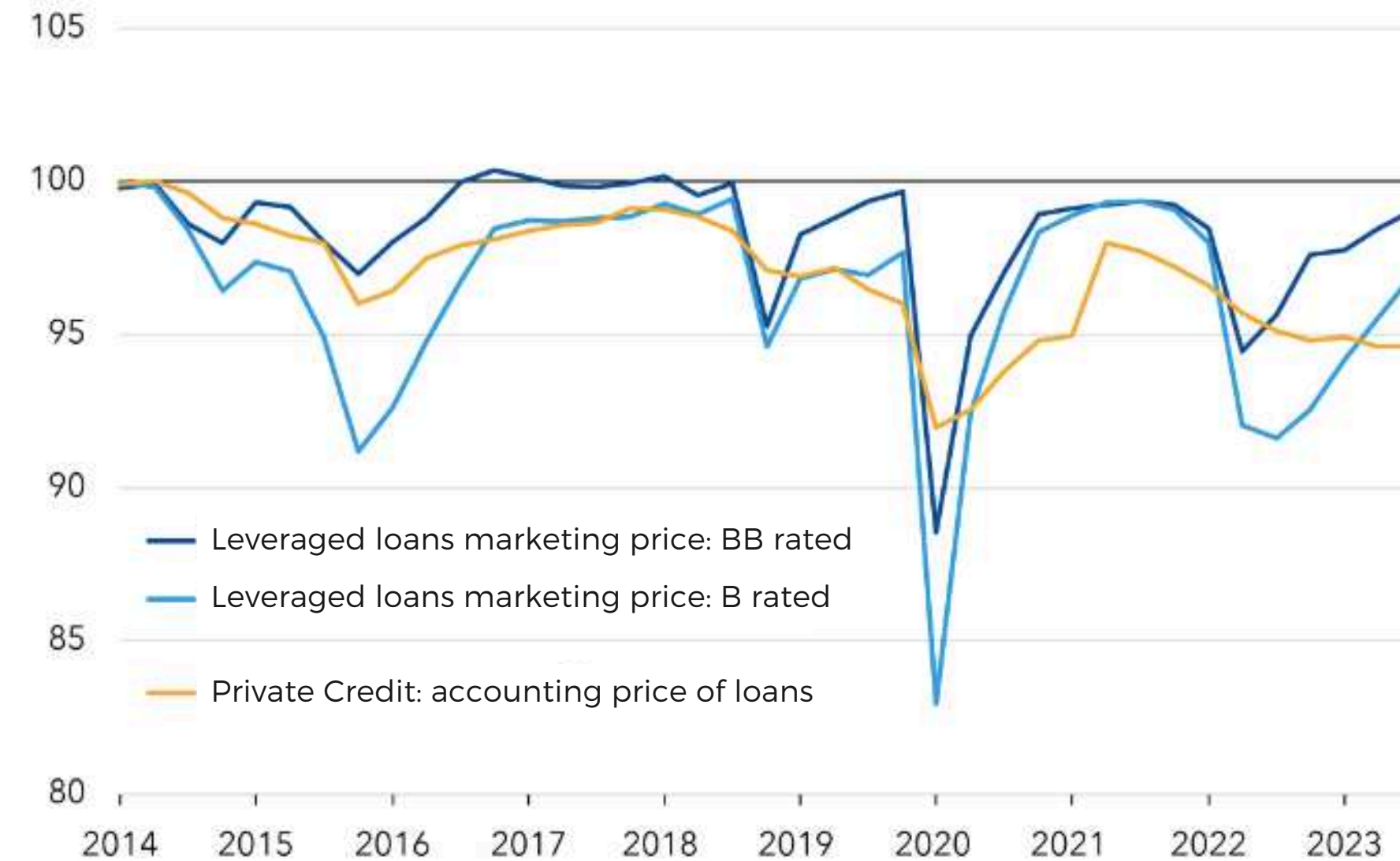
Private credit now accounts for **7% of the credit market** of nonfinancial corporations in North America, comparable with the shares of leveraged loans and high-yield corporate bonds



Private Credit Volatility

Accounting fair value of business development companies first-lien loans

(index)



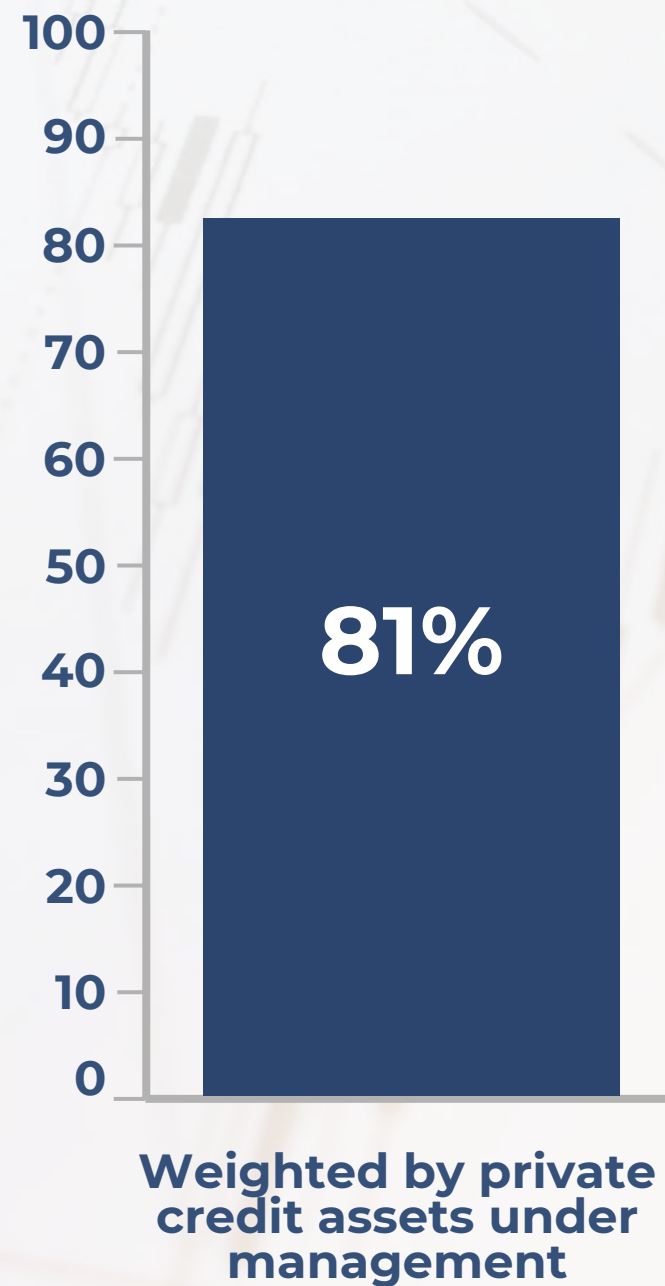
Source: 10-Q/10-K disclosures; Bloomberg Finance LP; S&P Capital IQ; and IMF staff calculations.

Private credit loans generally have volatility similar to leveraged loans

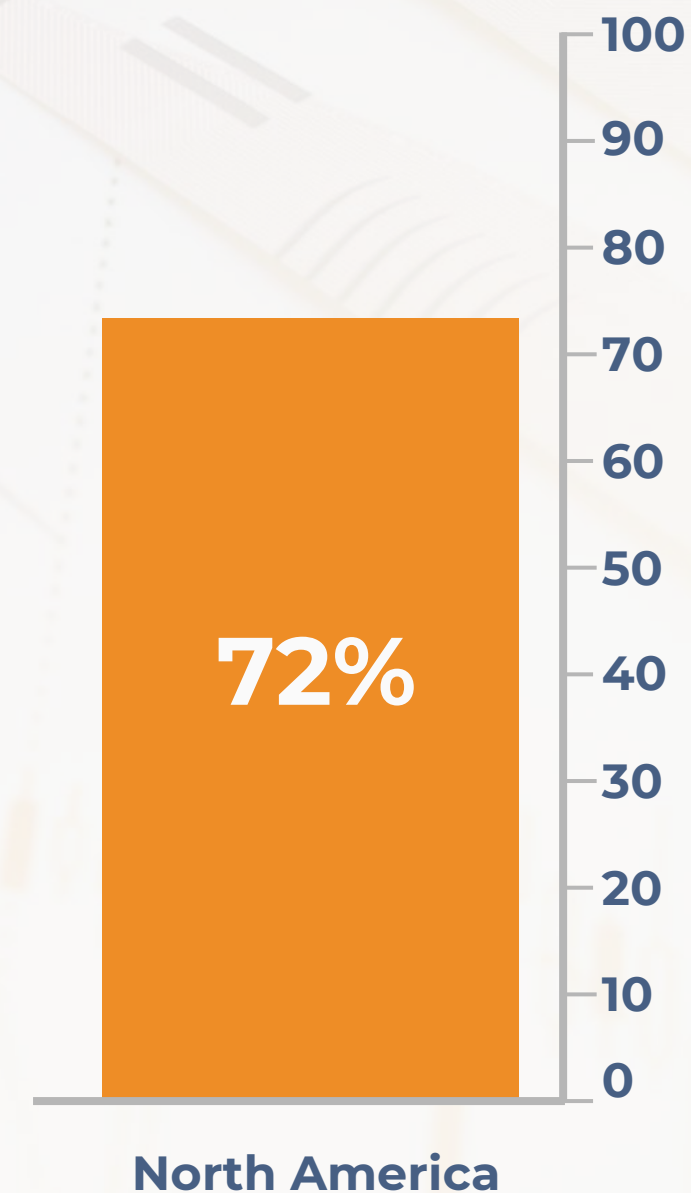
Market Structure

81% of private credit assets are managed by private equity funds, while 72% of private credit loans are to sponsor-backed (private equity owned) companies

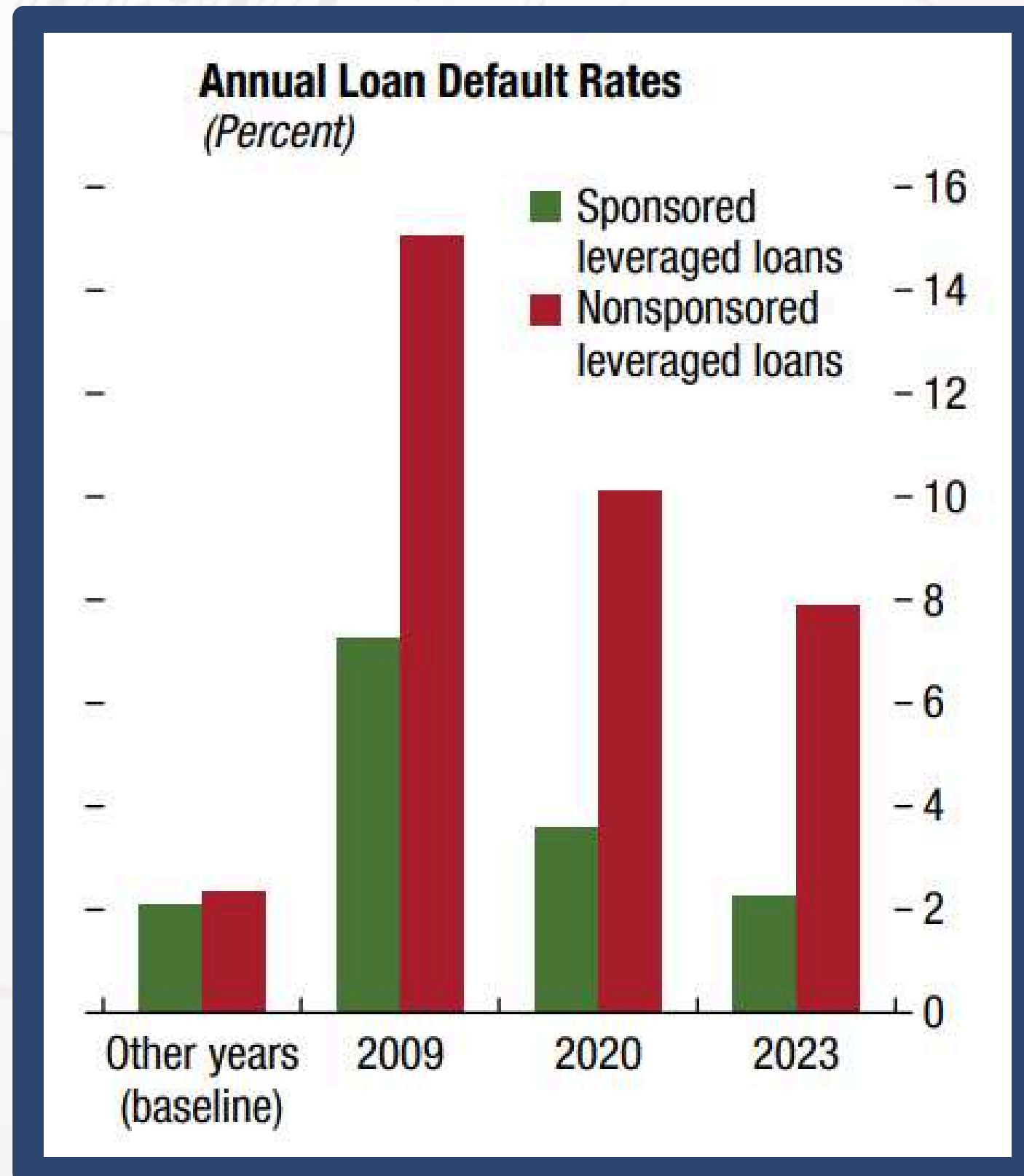
Share of Private Credit Funds Managed by Firms that Also Manage Private Equity Funds



Share of Sponsored Private Credit Deals (2021-2023)



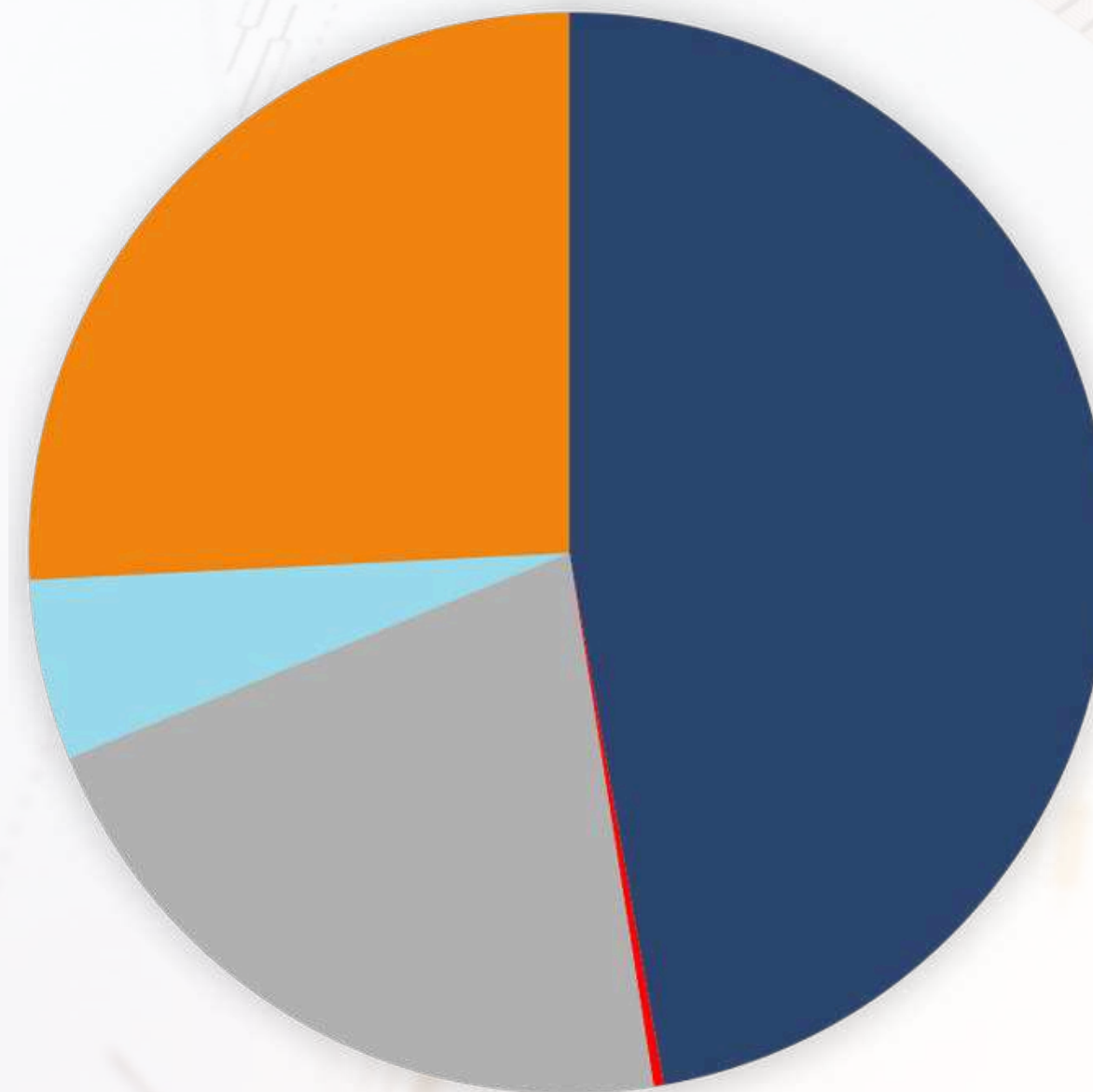
Lending to Sponsor-Backed Companies



Sponsor-backed companies (private equity-owned) have had lower default rates, implying fewer defaults on direct loans

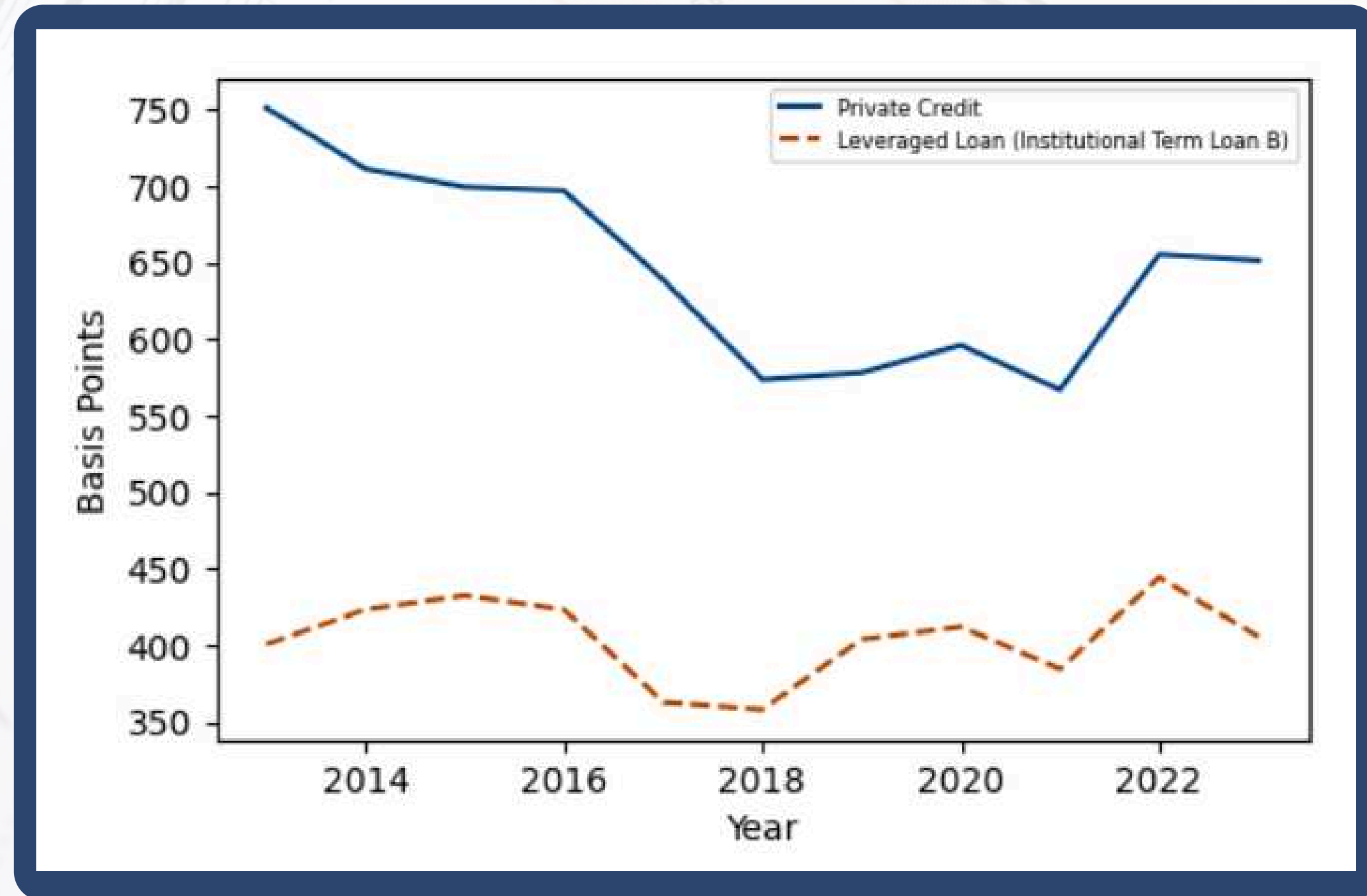
Private Credit Use of Proceeds

Private companies utilize private credit to fund general debt, buyout, growth opportunities/M&A, and debt refinancing opportunities



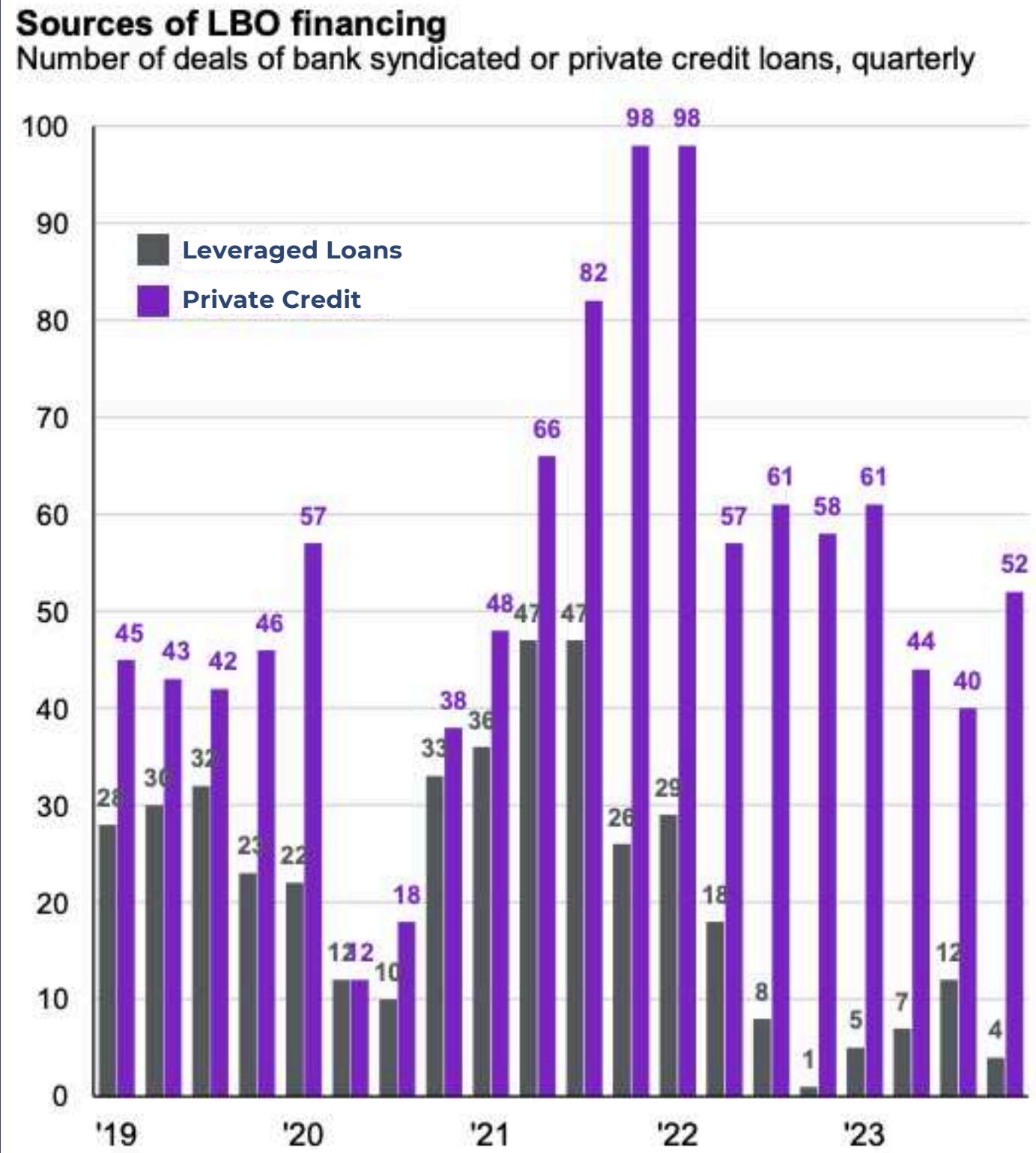
Private Credit vs Leveraged Loans Interest Rate Spreads

Historically, private credit loans have offered a 300bps higher spread above the benchmark interest rate than leveraged loans

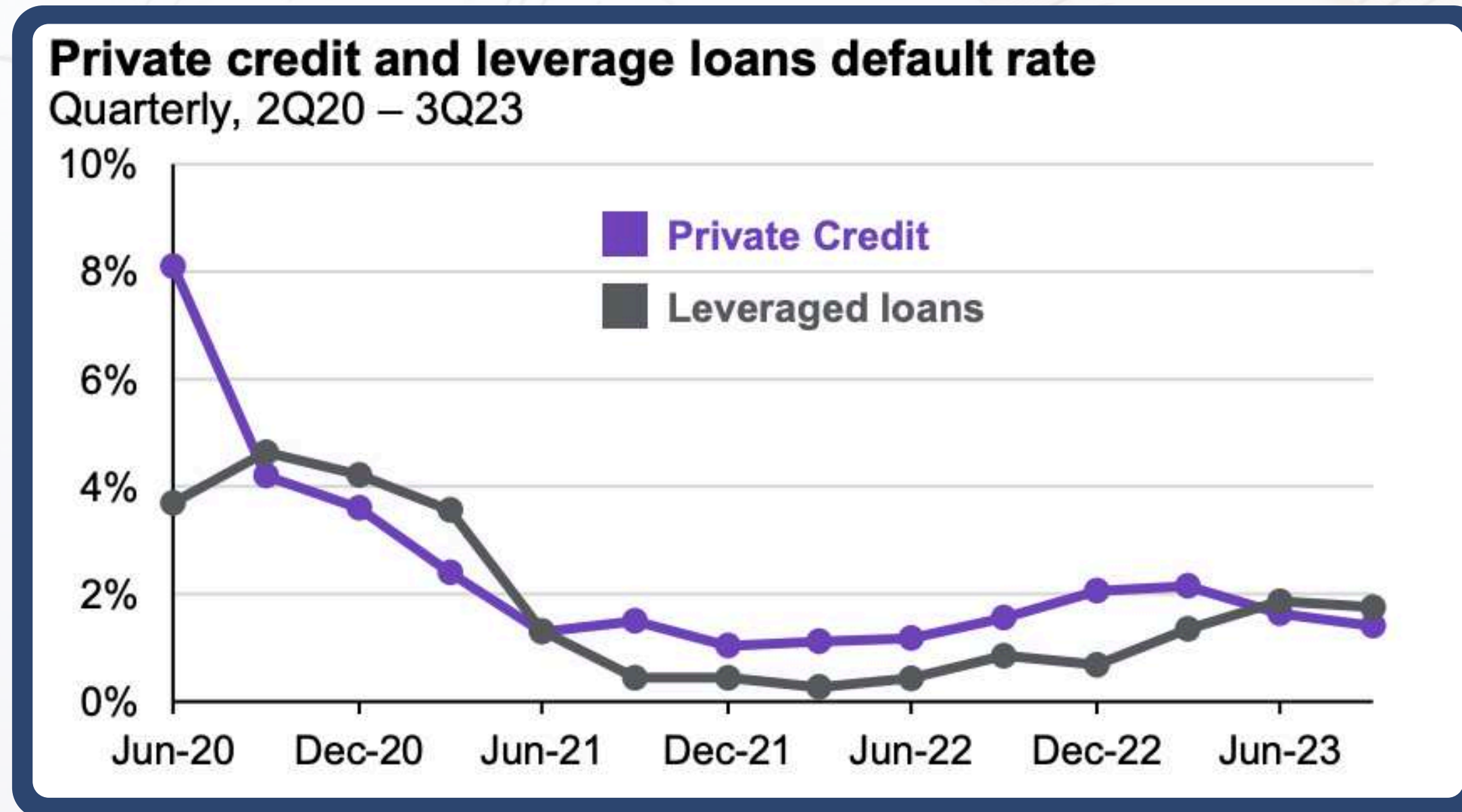


Private Credit vs Leveraged Loans Market Share

Private credit has taken market share from leveraged loans in the financing of leveraged buyouts



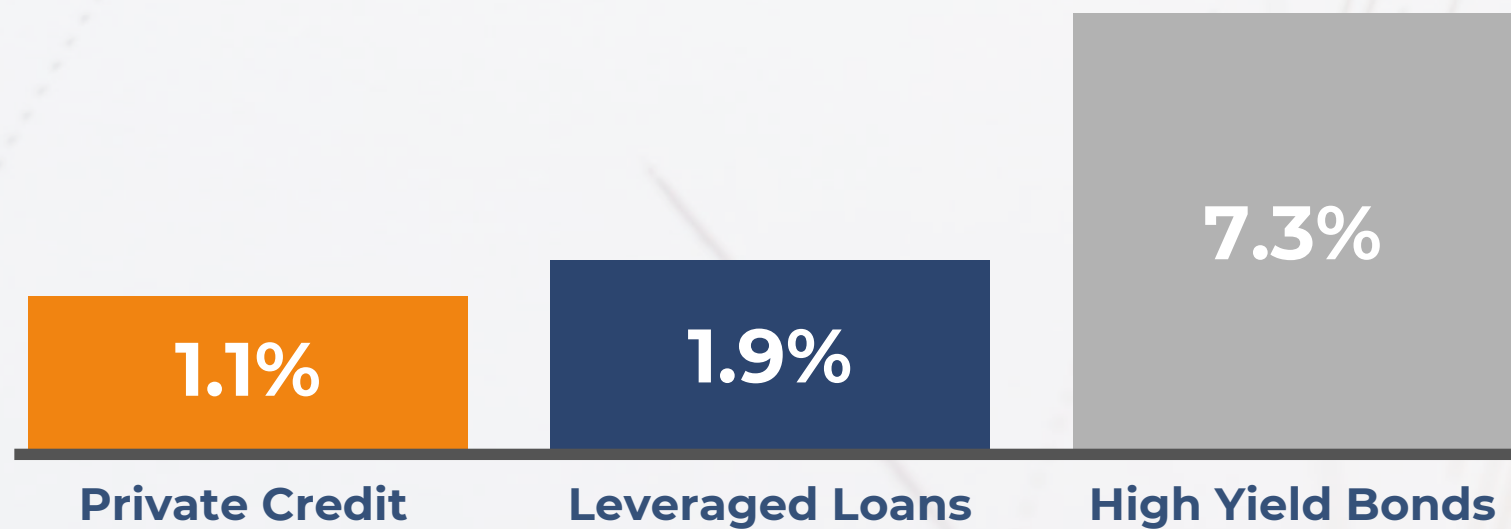
Private Credit vs Leveraged Loans Default Rates



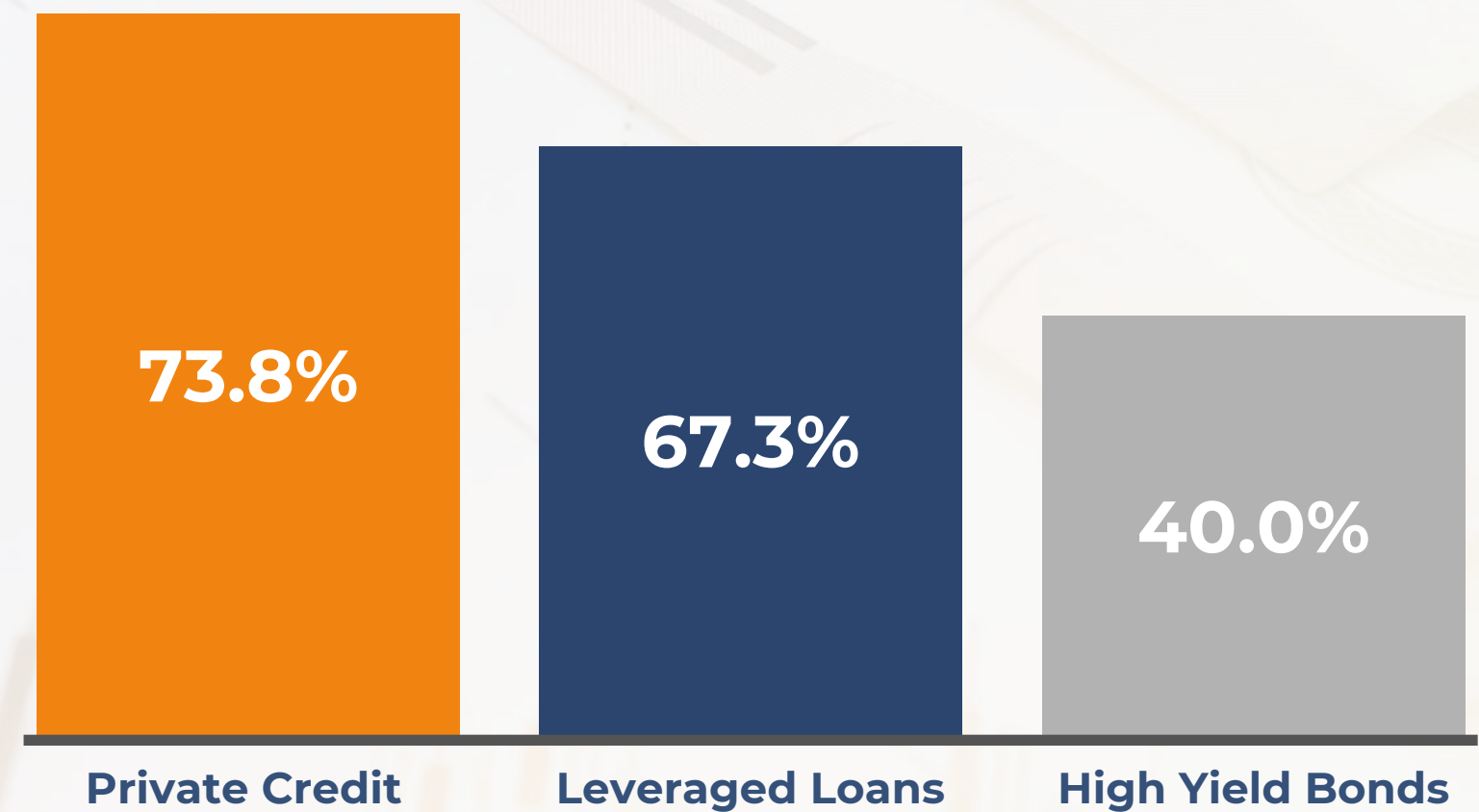
Private credit loan defaults have been low, averaging below 2% in 2023

Safety of Principal

Average Annual Default by Loan Class

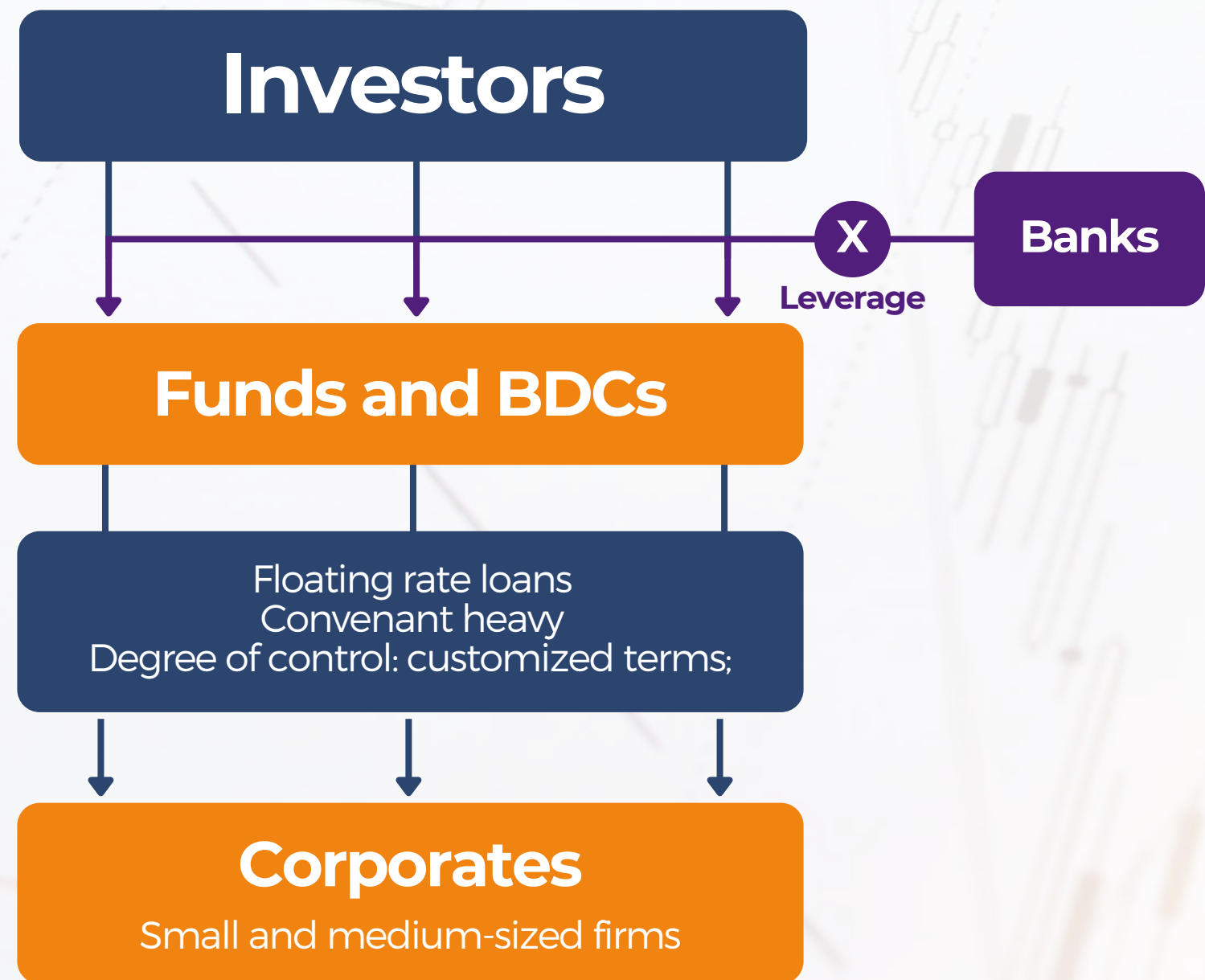


Average Annual Recovery by Loan Class



Due to stronger covenants and lower leverage, private credit loans have experienced fewer defaults and higher recoveries compared to leveraged loans and high yield bonds

Accessing Private Credit

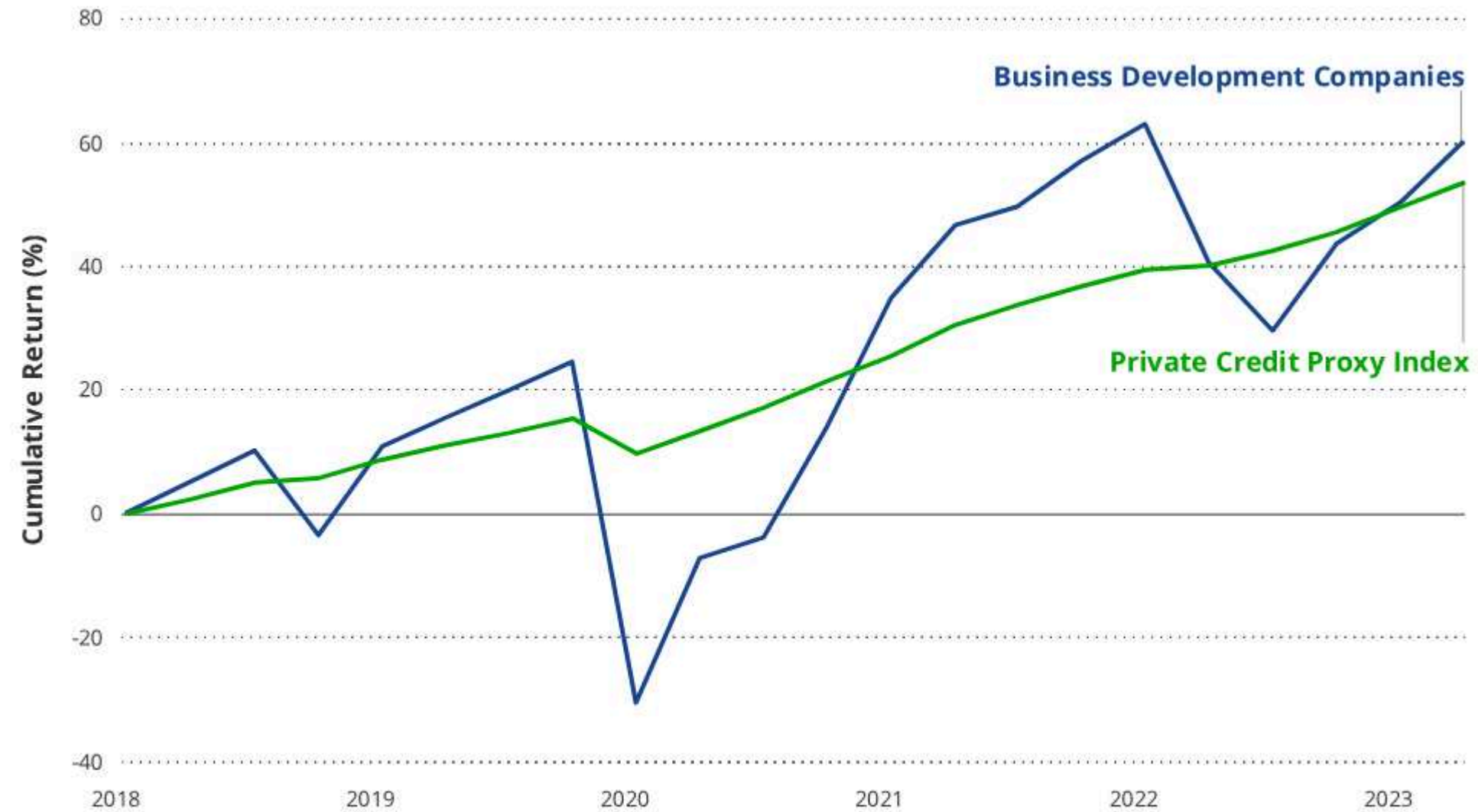


Most private credit funds are structured as BDCs (business development companies) which have a tax-efficient structure to flow through income

Liquid vs Illiquid

Private credit funds are usually structured as BDCs, with some publicly-listed (liquid) and some unlisted (semi-liquid)

BDCs Perform in Line with Private Credit Index | 3/31/2018 - 6/30/2023



Source: Bloomberg, Morningstar Direct. US Business Development Companies represented by the MVIS US Business Development Company Index. Private Credit Proxy Index represented by the Cliffwater Direct Lending Index.

Liquid private credit provides yields and returns in line with illiquid private credit, albeit with volatility exhibited by liquid mark-to-market valuations

Accelerate Diversified Credit Income Fund

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Accelerate Diversified Credit Income Fund

WHAT

10%+ yield from senior secured floating-rate loans to U.S. private middle market companies

HOW

Allocates to top-tier U.S. private credit managers through the secondary market

WHY

Generates higher yields than traditional fixed-income through senior floating-rate direct loans while providing intraday liquidity

ADVISOR BENEFITS

Provides a high monthly income solution with minimal interest rate risk and a medium risk rating to augment fixed income allocations

Accelerate Diversified Credit Income Fund invests in direct loans of U.S. private middle market companies via top-tier private credit managers

Accelerate Diversified Credit Select Portfolio Allocations



11.2% yield through direct lending solutions to U.S. middle-market companies



11.2% yield from floating rate debt of private U.S. companies



9.6% yield from direct loans in private middle market companies in the U.S.



11.7% yield produced by flexible financing solutions to middle market companies in the U.S.



12.8% yield from customized credit solutions to private middle market U.S. companies



12.1% yield from financing solutions including first and second lien loans, unsecured and mezzanine loans, and preferred equity



12.3% yield through direct originations of secured debt, including first lien, second lien, and unsecured debt

Accelerate Diversified Credit Income Fund allocates to leading private credit managers

Diversified Private Credit Allocations

Exposure to **4,000+ direct loans, of which >85% are secured**, through allocations to leading private credit managers

| Portfolio Holdings as at April 15, 2024 | | | | | | | |
|---|--------------------|--------------|--------------|----------------------------|--------------|-----------------------------|---------------|
| Allocation | Number of Holdings | % 1st Lien | % Secured | % of Debt at Floating Rate | Yield | Premium / (Discount) to NAV | Weight |
| Ares Capital | 505 | 44.1% | 60.0% | 69.0% | 9.5% | 5.2% | 9.5% |
| FS KKR Capital | 204 | 58.2% | 66.4% | 89.3% | 14.9% | -23.1% | 9.5% |
| Blue Owl Capital | 193 | 68.1% | 82.1% | 97.4% | 11.2% | -1.0% | 9.5% |
| Blackstone Secured Lending | 196 | 98.5% | 99.0% | 99.9% | 10.1% | 14.2% | 9.5% |
| Golub Capital | 357 | 93.8% | 94.6% | 99.0% | 11.1% | 10.6% | 8.5% |
| Morgan Stanley Direct Lending | 172 | 94.1% | 98.2% | 99.9% | 11.5% | 1.0% | 8.5% |
| Goldman Sachs | 144 | 95.3% | 97.2% | 99.9% | 12.0% | 2.2% | 8.5% |
| Oaktree Specialty Lending | 146 | 77.9% | 86.3% | 84.3% | 11.4% | 0.5% | 8.5% |
| Prospect Capital | 126 | 58.7% | 82.1% | 82.9% | 13.3% | -39.2% | 6.0% |
| Carlyle Secured Lending | 173 | 71.3% | 95.0% | 99.0% | 11.8% | -4.0% | 6.0% |
| BlackRock TCP Capital | 142 | 77.6% | 89.3% | 95.6% | 13.5% | -15.1% | 5.0% |
| Bain Capital Specialty Finance | 137 | 82.0% | 85.0% | 93.8% | 10.8% | -11.5% | 3.0% |
| New Mountain Finance | 111 | 55.6% | 70.2% | 88.0% | 11.6% | -3.7% | 2.0% |
| Nuveen Churchill Direct Lending | 179 | 87.0% | 87.0% | 94.6% | 12.7% | -4.3% | 1.0% |
| SLR Investment | 790 | 97.7% | 98.9% | 65.3% | 11.0% | -17.8% | 1.0% |
| Crescent Capital | 186 | 89.4% | 93.1% | 98.7% | 12.0% | -15.4% | 1.0% |
| Cion Investment | 111 | 85.0% | 86.6% | 92.5% | 12.5% | -33.2% | 1.0% |
| Runway Growth Finance | 29 | 94.0% | 95.0% | 100.0% | 15.1% | -7.7% | 1.0% |
| Palmer Square Capital | 191 | 85.9% | 96.0% | 98.0% | 12.3% | -6.8% | 1.0% |
| Weighted Average | | 76.9% | 85.8% | 92.1% | 11.7% | -3.8% | |
| Total | 4,092 | | | | | | 100.0% |

When listed, the Accelerate Diversified Credit Income Fund will trade on the TSX under the symbol "INCM"

High Yield Income Solution

10%

Forecast yield
paid monthly

4,000+

Loans in the
fund

85%

Secured loans

92%








Floating rate

The Accelerate Diversified Credit Income Fund is a high-yield income solution focused on diversification and capital preservation in private credit

Accessing Private Credit

Most traditional U.S. private credit funds are unlisted BDCs, which have similar loan portfolios to their listed brethren

Accessing private credit through a portfolio of listed BDCs offers numerous investor benefits compared to traditional private credit funds

| | | Accelerate Diversified Credit Income Fund | Traditional Private Credit Fund |
|--|--|---|---------------------------------|
|  Liquidity | | Intra-day | Monthly |
|  Gating risk | | No | Yes |
|  Risk rating | | Medium | High |
|  Minimum investment | | None | \$5,000+ |
|  Diversification | | Higher | Lower |
|  Transparency | | Significant | Variable |
|  Volatility | | Marked-to-market | Marked-to-model |

Accelerate Diversified Credit Income Fund

10%+ Yield

Paid monthly and sourced through direct loans to 4,000+ private U.S. companies

High-Quality

Floating rate interest income provided by top-tier U.S. private credit managers

Intraday Liquidity

Will be listed as an ETF on the Toronto Stock Exchange

Medium Risk Rating

Facilitates alternative investment without high risk rating, platform approvals, or gating risk

Accelerate Diversified Credit Income Fund is
Canada's first liquid private credit solution

Accelerate is
**Powering
Diversification**

The background features a dark blue gradient with a faint, light blue graphic of a bar chart and a line graph. The bar chart is positioned in the lower right, showing a series of vertical bars of varying heights. The line graph is overlaid on the bar chart, with several data points connected by thin lines, showing an overall upward trend with some fluctuations.

Accelerate is *Powering Diversification*

Accelerate helps investment advisors, institutions, and individual investors:



**DIVERSIFY INVESTMENT
PORTFOLIOS**



MITIGATE RISK



**IMPROVE PORTFOLIO RISK
ADJUSTED RETURNS**

Investment Solutions

Alternative Investment Solutions

| Solution | Strategy | Key Features | Risk Rating |
|---|---------------------|---|--------------|
|  | Arbitrage | Tax-efficient fixed-income alternative | ➤ Low |
|  | Multi-strategy | “One choice” alternative portfolio solution | ➤ Low-Medium |
|  | Absolute Return | Uncorrelated portfolio hedge | ➤ Medium |
|  | Canadian Long-Short | Equity upside with reduced volatility | ➤ Medium |
|  | Private Credit | High monthly income | ➤ Medium |

Diversifying investor portfolios to improve client outcomes

Alternative ETFs: Portfolio friendly



Accelerate Awards



ETF Express 2023 Canadian ETF awards - Most Innovative ETF Issuer in Canada



Wealth Professional Finalist - Alternative Investment Solutions Provider of the Year



HFM 2023 US Performance Award Shortlisted - Best Merger Arbitrage Fund - Accelerate Arbitrage Fund



Top 10 Global Ranking - Arbitrage Hedge Funds, 2023-24
Top 10 Global Ranking - Equity Long/Short, 2023-24
Performance Award - Event Driven, 2015



3rd Place Best 3 Year Sharpe Ratio, 2013



2nd Place Best 5 Year Sharpe Ratio, 2016



1st Place Best 5 Year Sharpe Ratio, 2015
3rd Place Best 5 Year Return, 2015



2nd Place Best 5 Year Sharpe Ratio, 2017



Most Consistent Performing Relative Value Strategies Funds, June 2010 - June 2015

Experienced Team



Julian Klymochko, CFA | CEO, CIO & Director

- Former Chief Investment Officer of Ross Smith Asset Management with over 15 years of experience running alternative investment strategies
- Managed six-time award winning market neutral fund and founded award-winning event driven arbitrage fund
- Featured in Bloomberg, CNBC, The Wall Street Journal, BNN, Business Insider and The Globe and Mail



Fred Mannix, CIM | EVP, Associate Portfolio Manager

- Director at Chinook Valley Inc., View West Foundation and Gryphon Corp. Gryphon is a private family bank based out of Barbados
- Graduated from Florida Atlantic University with a degree in Business Administration. He is a Chartered Investment Manager (CIM),



Michael Kesslering | CFO & Head of Capital Markets, Associate Portfolio Manager

- Former Senior Analyst and Trader at Ross Smith Asset Management and investment banking analyst at FirstEnergy Capital
- Assisted in managing award winning market neutral fund and top performing cryptocurrency fund



Michael Lee Hing, MBA | COO & Chief Compliance Officer

- Two decades of financial and investment experience including roles in fund valuation at BMO and DeJardins, risk management at BCE Inc., and Chief Compliance Officer for Auspice Capital and most recently Carecana Management Corp.
- Former Chief Compliance Officer for Ross Smith Asset Management



Derek Euale, CIM | CTO & EVP, Portfolio Manager, Systematic Equity Strategies

- Delivered proprietary equity trading strategies, structured products and quantitative strategy research at CIBC World Markets
- Managed Investment Risk & Research for a large public pension plan
- Manager of Securitization Programs for EPCOR Energy Securitizations, Master of Mathematics - Applied Mathematics - U of Waterloo

Corporate Governance

Independent Board of Directors



Tom Simons | Director

-Former Director, President and Chief Executive Officer of TSX-listed CES Energy Solutions Corp. and its predecessor



Lonny Tetley | Director & Corporate Secretary

-Partner at Burnet, Duckworth and Palmer LLP
-Director of Certarus Ltd. and Beyond Energy Services & Technology Corp



Jai Hawker | Director

-Decades of experience in capital markets including roles in corporate finance at RBC Dominion Securities, merchant capital at Enron Canada, equities research at Peters & Co, and 13 years at FirstEnergy Capital, most recently as a Director supervising their Private Client Division
-Former VP Business Development at Ross Smith Asset Management

About Accelerate



Arbitrage as a fixed-income alternative



Upside participation with downside protection



150/50 Canadian equity exposure



One choice diversification



Monthly income through private credit



Experienced team with over six decades of combined track record in alternative investments



Inventor of the hedge fund ETF and innovator in alternative investment solutions



Offering the tools needed for an endowment-style asset allocation to diversify client portfolios

Contact Information

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