

INCM Highlights

INCM declined -3.1% (-3.0% in CAD-hedged terms) as private credit continues to face negative sentiment and widening NAV discounts for BDCs. There is a significant focus by the media and investors on software loans, which account for approximately 20% of the loans in private credit. Specifically, the perceived threat from artificial intelligence has punished both software equities and lenders, with BDCs declining in price amid negative headlines. While there is an estimated \$300 billion of private credit loans to software companies, there is more than \$500 billion of private equity capital invested in those same companies subordinated in the capital stack. The typical private credit loan to sponsor-backed software companies is at 30-40% loan-to-value. So, in order to see material impairment in software private credit loans, the private equity owners would need to see \$500 billion+ of equity capital vapourized. It seems doubtful that these firms will sit idly and wait for their investments to be disrupted by AI. But even if they do, it is questionable that the private credit lenders will also do so once they get the keys handed to them. This scenario also ignores the fact that AI may be additive and accretive to software companies. In any event, an 80% impairment to all software companies due to AI, which is being priced in currently, seems like an improbable scenario, however, is presently assumed as a baseline.

Currently, INCM is allocated to 20 private credit portfolios (through listed BDCs), accounting for more than 5,000 loans and investments, of which 88.0% are senior secured and 93.7% are floating rate. The current yield on the INCM portfolio is 13.5%, and it trades at a -22% discount to its net asset value.

Type Private credit	Structure ETF	Date Started May 15, 2024	INCM/INCM.U NAV C\$14.24/US\$10.46	INCM.B NAV C\$13.94
Investment Manager Accelerate	Distribution \$0.155 per month	Exchange TSX	Distribution Yield 12.6%	Distribution Yield 12.9%
Risk Rating Medium	Performance Fee NA	Management Fee 0.75%	Currency CAD/USD/CAD-hedged	

INCM/INCM.U

1 Month -3.1%	3 Months -5.5%	YTD -3.1%	1 Year -22.0%	3 Years NA	5 Years NA	Inception -9.4%
-------------------------	--------------------------	---------------------	-------------------------	----------------------	----------------------	---------------------------

INCM.B

1 Month -3.0%	3 Months -4.5%	YTD -3.0%	1 Year NA	3 Years NA	5 Years NA	Inception NA
-------------------------	--------------------------	---------------------	---------------------	----------------------	----------------------	------------------------

INCM/INCM.U Monthly Return

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2026	-3.1%												-3.1%
2025	5.3%	-1.0%	-4.9%	-10.2%	4.0%	-1.4%	2.6%	-1.9%	-7.5%	2.2%	1.4%	-3.8	-15.3%
2024					1.0%	-1.3%	-0.1%	-4.3%	0.0%	3.1%	4.4%	2.2%	4.9%

INCM.B Monthly Return

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2026	-3.0%												-3.0%
2025					6.2%	-1.2%	-0.2%	-1.1%	-9.1%	1.5%	1.4%	-3.0%	-5.9%

DISCLAIMER: Past performance is not indicative of future results. Performance is net of all estimated trading fees and performance fees. Investing involves varying degrees of risk and there can be no assurance that the future performance of any investment strategy will be profitable. This does not constitute investment advice. For a full list of securities, please go to www.AccelerateShares.com.

About the Fund

The Accelerate Diversified Credit Income Fund delivers an alternative source of yield to traditional fixed income by focusing on the private credit market. The Fund aims to generate an attractive income stream through exposure to a diversified portfolio of primarily secured, floating-rate loans through allocations to leading liquid private credit vehicles.

Investment Objectives

- Provide an attractive monthly income stream
- Diversify yield
- Provide liquid exposure to the private credit asset class

1

Access to private credit

Seeks returns primarily generated by current income from private credit investments and targets monthly distributions

2

Income diversifier

An attractive and complementary income opportunity generated primarily through exposure to floating rate loans

3

Liquid and easy to implement

Provides diversified exposure to the private credit asset class through a listed ETF

4

Diversified credit exposure

Diversifies portfolios through exposure to thousands of secured direct loans to mainly sponsor-backed, middle market private companies

5

High yield potential

Direct loans have historically provided higher yield than traditional fixed income investments

High Yield Income Solution

10%+

Forecast yield paid monthly

5,000+

Loans in the fund

88%

Secured loans

94%

Floating rate

Top 20 Holdings	Weight		Weight
Ares Capital Corporation	10.3%	Bain Capital Specialty Finance, Inc.	4.3%
Golub Capital BDC Inc	9.6%	Nuveen Churchill Direct Lending Corp	3.8%
Blue Owl Capital Corp	9.6%	Kayne Anderson BDC, Inc.	3.5%
Morgan Stanley Direct Lending Fund	8.0%	New Mountain Finance Corp	3.3%
Carlyle Secured Lending	7.9%	Crescent Capital BDC, Inc.	2.1%
Goldman Sachs BDC Inc	7.1%	PennantPark Floating Rate Capital Ltd	1.6%
Blackstone Secured Lending	6.6%	Palmer Square Capital BDC Inc.	1.4%
FS KKR Capital Corp.	5.8%	SLR Investment Corp	1.3%
MidCap Financial Investment Corp	5.7%	Cion Investment Corp	1.0%
Oaktree Specialty Lending Corp	5.4%	BlackRock TCP Capital Corp.	1.0%

DISCLAIMER: Past performance is not indicative of future results. Performance is net of all estimated trading fees and performance fees. Investing involves varying degrees of risk and there can be no assurance that the future performance of any investment strategy will be profitable. This does not constitute investment advice. For a full list of securities, please go to www.AccelerateShares.com.