Private Credit

TSX INCM | TSX INCM.U | TSX INCM.B

Accelerate Diversified Credit Income Fund

As of August 31, 2026

INCM Highlights

INCM returned 7.0% (8.5% in CAD-hedged terms) in August, primarily due to NAV discounts tightening on the back of better than expected second quarter BDC results. The Fund's average NAV discount tightened to -18.6% from -26.6% at the end of July as prices modestly recovered.

BDCs completed their Q2 reporting during the first half of the month, and we noted our thoughts on the results in our latest private credit report, Last Cycle's Bill, Next Cycle's Terms. In the memo, we discussed the favourable current setup for BDCs: "Higher base rates, wider spreads, greater upfront fees, lower leverage, tighter documentation, reduced origination competition — the forward economics of new lending turned favourable for the first time in years." Moreover, the SaaSpocalypse scare and the deeply negative sentiment toward software lending appears behind us, and when combined with several fundamental factors inflecting positively (as noted above), make for a tailwind for a continued recovery in BDCs.

Currently, INCM is allocated to 20 private credit portfolios (through listed BDCs), totalling more than 5,000 loans and investments, of which 86.6% are senior secured and 92.6% are floating rate. The current yield on the INCM portfolio is 11.9%, and it trades at an 18.6% discount to its net asset value. INCM's exposure to software loans is 16.4% of its portfolio.

Type Private credit	**Structure** ETF	**Date Started** May 15, 2024	**INCM/INCM.U NAV** C$13.58/US$9.80	**INCM.B NAV** C$12.88
Investment Manager Accelerate	**Distribution** $0.13 per month	**Exchange** TSX	**Distribution Yield** 11.5%	**Distribution Yield** 12.1%
Risk Rating Medium	**Performance Fee** NA	**Management Fee** 0.75%	**Currency** CAD/USD/CAD-hedged	

INCM/INCM.U

1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Inception
7.0%	5.3%	-0.8%	-8.5%	NA	NA	-6.2%

INCM.B

1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Inception
8.5%	4.5%	-3.0%	-11.9%	NA	NA	-6.6%

INCM/INCM.U Monthly Return

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2026	-3.1%	-8.6%	3.9%	6.5%	-3.8%	2.3%	-3.8%	7.0%					-0.8%
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%	-9.2%	1.8%	9.1%	-5.5%	-0.7%	-3.1%	8.5%					-3.0%
2025					6.2%	-1.2%	-0.2%	-1.1%	-9.1%	1.5%	1.4%	-3.0%	-5.9%

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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%+	5,000+	86.3%	92.2%
Forecast yield paid monthly	Loans in the fund	Secured loans	Floating rate

Top 20 Holdings	Weight		Weight
Ares Capital Corporation	10.8%	Bain Capital Specialty Finance, Inc.	4.1%
Golub Capital BDC Inc	9.8%	Nuveen Churchill Direct Lending Corp	3.6%
Blue Owl Capital Corp	9.6%	Kayne Anderson BDC, Inc.	3.5%
Carlyle Secured Lending	8.3%	New Mountain Finance Corp	3.1%
Goldman Sachs BDC Inc	8.1%	Crescent Capital BDC, Inc.	1.6%
Morgan Stanley Direct Lending Fund	7.9%	PennantPark Floating Rate Capital Ltd	1.4%
Blackstone Secured Lending	6.8%	Palmer Square Capital BDC Inc.	1.3%
Oaktree Specialty Lending Corp	6.0%	SLR Investment Corp	1.1%
FS KKR Capital Corp.	5.4%	Barings BDC Inc	0.8%
MidCap Financial Investment Corp	5.2%	Blue Owl Technology Finance Corp	0.6%