

Palmer Square Credit Opportunities ETF (PSQO)

October 2025

Fund Refresher

As a refresher, the Palmer Square Credit Opportunities ETF seeks a high level of current income, with a secondary objective of long-term capital appreciation. By investing with a flexible mandate with the goal of allocating to a more diverse mix of opportunities across corporate credit and structured credit. Given the current opportunity, the ETF is primarily focused on executing on relative value available in collateralized loan obligations (“CLOs”), investment grade corporate bonds (“IG Corps”), high yield corporate bonds (“HY Corps”), mortgage-backed securities (“MBS”), asset-backed securities (“ABS”) and bank loans.

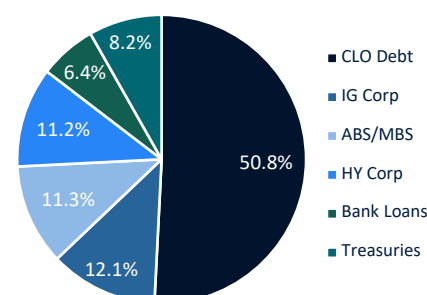
What makes the Palmer Square Credit Opportunities ETF Distinct?

- Access to a flexible approach which invests in an actively managed portfolio of CLOs, high-quality bonds across corporates, asset-backed securities, and bank loans
- Expanded set of credit opportunities coupled with low interest rate duration bias provides diversification potential for fixed income portfolios
- Low spread duration positioning should lessen susceptibility to spread widening risk and volatility, while still maintaining solid yield potential

Portfolio Snapshot

	9/30/2025
Interest Rate Duration	0.80 yrs
Spread Duration	2.04 yrs
Credit Spread	175
Weighted Average Price	\$100.2
Current Yield	6.11%
Yield to Expected Call	5.46%
Yield to Maturity	5.67%
30-Day SEC Yield (subsidized)	5.49%
30-Day SEC Yield (unsubsidized)	5.49%

Asset Allocation (as of 9/30/2025)



Performance Update, as of 9/30/2025

	Q3 2025	YTD	1 Year	Since Inception ¹
Palmer Square Credit Opportunities ETF (PSQO) (NAV)	1.70%	5.34%	7.08%	7.18%
Palmer Square Credit Opportunities ETF (PSQO) (Market Price)	1.80%	5.39%	6.76%	7.28%
Bloomberg U.S. Corporate 1-3 Year Index	1.43%	4.60%	4.81%	5.13%

The performance data quoted represents past performance and that past performance does not guarantee future results. Investment return and principal value will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. To obtain performance information current to the most recent month-end please call 866-933-9033. The Fund's gross/net expense ratio is 0.52%/0.52%.

¹Inception date: 9/11/2024

Please note the allocation above is a % of NAV and does not include hedges. Current and future portfolio holdings are subject to change and risk.

Performance and Attribution: PSQO has returned **1.70% (net of fees) at NAV during Q3 and 7.18% (net of fees) at NAV since inception.** We are pleased with the Fund's performance during the quarter as attractive current income was complemented by modestly tighter spreads and lower front-end interest rates. During the quarter, CLO Debt remains the largest performance contributor at +0.91%, followed by corporates at +0.40%, ABS at +0.14%, Bank Loans at +0.12% and US Treasuries at +0.08%. Below is a summary of major benchmark performance for comparison.

Selected Indices*	Q3 2025 Performance	YTD 2025 Performance
Bloomberg U.S. Treasury Index	+1.51% (Yield -0.09%)	+5.36% (-0.51%)
Bloomberg U.S. Aggregate Bond Index	+2.03% (spread -5bps)	+6.13% (-6bps)
Bloomberg U.S. Corporate Index	+2.60% (spread -11bps)	+6.88% (-7bps)
Bloomberg 1-3 Year U.S. Corporate Index	+1.43% (spread -7bps)	+4.60% (-7bps)
Bloomberg U.S. High Yield Index	+2.54% (spread -21bps)	+7.22% (-17bps)
iBoxx Liquid Leveraged Loan Index	+1.73% (DM -3bps)	+4.02% (-19bps)
Palmer Square CLO Senior Debt Index	+1.51% (DM -9bps)	+4.38% (-4bps)
Palmer Square CLO Debt Index	+2.10% (DM -14bps)	+6.02% (-9bps)
S&P 500 Index	+8.11%	+13.72%
STOXX 600 Index	+3.52%	+9.96%

Source: Bloomberg as of 9/30/2025.

Relative Value and Current Upside Potential

- **We see value in CLO debt at current levels, as spreads are still wide compared to other areas of corporate credit.** If CLO debt levels return to their tight post crisis spreads, total return potential is still attractive. We currently favor newer vintage issue CLO deals with cleaner portfolios. Please see the table of indices below highlighting current price and spreads as well as potential upside from current levels. Yield to Expected (YTE) illustrates the yields if spreads were to stay the same and the bonds pull to par by maturity. The Average 1yr Upside represents an opportunity for the 1-year total return if spreads return to their 10-year average levels, and the Tight 1yr Upside represents the opportunity for the 1-year total return if spreads return to their 10-year tight levels.^{1,2}

PALMER SQUARE CLO INDEX LEVELS AND 1YR UPSIDE TO AVERAGE/TIGHTS					
Rating	Current Average Price	Discount Margin	Yield to Expected	Average 1yr Upside ¹	Tight 1yr Upside ²
CLO AAA	\$100.18	110	4.71%	5.55%	5.92%
CLO AA	\$100.23	146	5.11%	5.93%	6.30%
CLO A	\$100.23	173	5.41%	6.25%	6.63%
CLO BBB	\$100.32	266	6.35%	6.61%	8.35%
CLO BB	\$97.86	618	9.89%	11.31%	14.38%
CLO B	\$66.80	1089	14.67%	29.28%	35.27%

Source: JPM/Intex/Palmer Square. As of 9/30/2025. Below investment grade ratings are subject to higher risks. Figures shown are not indicative of the performance of the Fund. ¹Refers to the potential increase in value of the investment in one year if spreads return to 10-year average levels. ²Refers to the potential increase in value of the investment in one year if spreads return to 10-year tight levels. The potential increase in value is calculated by determining the return resulting from the positive or negative difference between the current price of the securities and the price of the securities at the respective spread levels noted in the hypothetical performance (i.e., spread levels at 10-year averages) plus the income from anticipated coupon payments over the next 12 months. For purposes of this analysis, anticipated coupon payments incorporate the forward LIBOR/SOFR curve. The presented hypothetical performance does not reflect the impact of material economic and market factors on decision making, any changes to the Fund over time, and was prepared with the benefit of hindsight. Please see Notes and Disclosures for definitions.

Allocation Summary (as of 9/30/2025)

Allocation	% Allocation	YTE	Rate Duration	Spread Duration
Corp IG	12.1%	4.19%	1.82 yrs	1.83 yrs
Corp HY	11.2%	5.63%	2.21 yrs	2.21 yrs
Bank Loans IG	0.4%	5.25%	0.25 yrs	4.98 yrs
Bank Loans HY (1L)	6.0%	6.40%	0.25 yrs	4.29 yrs
Bank Loans HY (2L)	0.0%	--	--	--
CLO AAA	19.6%	4.60%	0.25 yrs	2.38 yrs
CLO AA	1.1%	4.91%	0.25 yrs	3.00 yrs
CLO A	0.0%	--	--	--
CLO BBB	20.7%	5.84%	0.25 yrs	2.23 yrs
CLO BB	9.4%	8.79%	0.25 yrs	1.99 yrs
CLO B	0.0%	--	--	--
ABS/MBS/CMBS	11.3%	4.27%	0.85 yrs	0.86 yrs
Treasuries	8.2%	3.82%	0.90 yrs	--

- CLO Allocation/Opportunity to Capture Income and Total Return:** As of quarter-end, 50.8% of the portfolio was invested in CLO debt. When looking across corporate and structured credit, CLO debt is one of the few asset classes that are still trading close to their historical averages and continue to look compelling vs. corporates. Given wider spreads and high base rates, breakeven spread widening across the CLO capital stack is still very high. *We continue to add to CLO portfolios that are higher quality and more liquid as we believe they will continue to outperform portfolios with more risky collateral.*

Our exposure in the capital stack continues to be weighted towards AAA, which still offers tremendous value in the 120-130bps spread range and current yields in the 5.0-5.5% range. AAA spreads are still about 20bps wide of their YTD tights and are lagging corporate credit spreads, which are essentially back to their tights.

- Investment Grade Corporate Bond Allocation** – IG Corporate bond exposure was 12.1% at quarter end. Investment grade corporate bonds continued to garner strong demand from investors in the quarter, given attractive all-in yields and solid fundamentals from investment grade issuers. As a result of this demand backdrop, option-adjusted-spread (“OAS”) on the Bloomberg U.S. Corporate Index touched the lowest level (72bps) since 1998 during the quarter. On the positive side, spread valuations in the 1-3Y portion of the IG corporate market, which is where most of our exposure is concentrated, look more attractive, albeit still tight. Modest rotations during the quarter include selectively reducing duration as rates rallied and further improving credit quality. We remain conservatively positioned in IG corporate bonds but may seek to increase exposure or add spread duration in the event that spreads widen to more attractive levels.
- Bank Loan Allocation:** As of quarter-end, bank loan exposure was 6.4% of the portfolio. The beginning of the Federal Reserve’s rate cutting cycle has eroded some of the yield advantage enjoyed by bank loans over the last few years, although we believe BB bank loans still offer an attractive yield. Retail demand has moderated somewhat on the prospect of rate cuts, but CLO demand remains as strong as ever with CLO issuance reaching a record through the first nine months of year, providing a supportive technical for loans. Repricing activity has moderated somewhat but continues to apply downward pressure on loan spreads. We maintain our constructive stance on higher quality U.S. bank loans and expect to keep allocations near current levels in the near term.

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- **High Yield Bond Allocation:** As of quarter-end, HY corporate bond exposure was 11.2% of the portfolio. Modest increase in exposure was driven by an improvement in relative value versus bank loans and lower-rated IG corporate bonds. Overall, credit spreads remain low on a historical basis and we continue to focus on shorter duration, discounted bonds that we believe offer attractive risk-adjusted yields. The HY primary market was very active in the third quarter, particularly in September (\$58bn, record high September issuance), which resulted in several attractive new issue opportunities during the quarter as well. We are likely to keep HY allocations at or near current levels in the near term but will likely seek to add incremental spread duration at more attractive spread levels.
 - **ABS/MBS Allocation:** As of quarter-end, ABS exposure was 11.3% of the portfolio. In ABS, we continue to like prime consumer borrowers while subprime consumers continue to struggle with higher inflation.

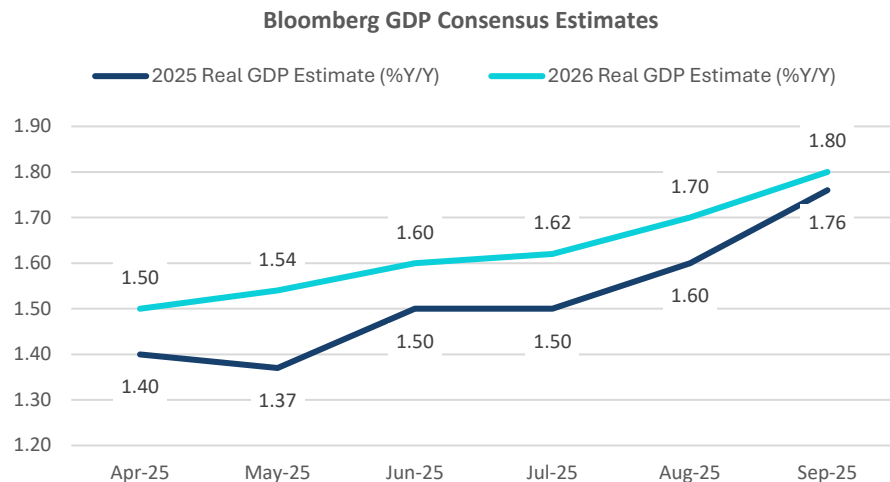
**Please see Notes and Disclosure for definitions.*

Summary Themes:

- I. Q3 Recap: Economic Growth Defies Expectations; Fed Starts Cutting Cycle
- II. AI Spending Continues, Merger and Acquisition (M&A), Capital Markets Wide Open, Q4 Outlook

Theme I. Q3 Recap: Economic Growth Defies Expectations, Fed Starts Cutting Cycle:

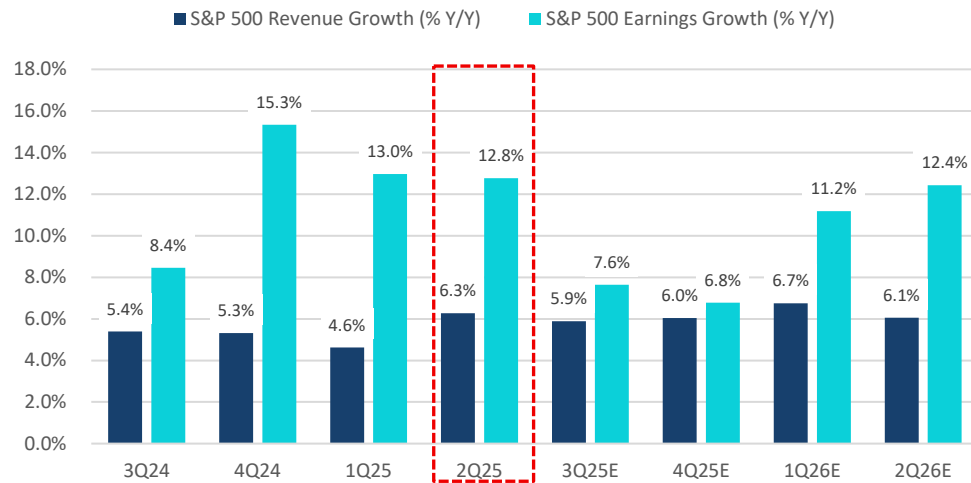
- The US economy remained resilient, exceeding expectations despite the myriad headwinds thrown in its way since Liberation Day in early April. GDP growth clocked in at 3.8% during the second quarter, handily beating consensus expectations of 2.2%. In addition, we've seen 2025 GDP estimates consistently move higher over the last several months, increasing from a nadir of 1.40% at the end of April to 1.80% at the end of September. Although there may be some tariff-related distortions in play in the Q2 numbers, we believe robust consumer spending points to underlying strength in the economy.



Source: Bloomberg

- Corporate Earnings Remain Strong:** The strength of the US economy has also been apparent in corporate earnings, most notably for large companies. For the second consecutive quarter, S&P 500 companies reported double-digit year-over-year earnings growth and accelerating sales growth. Although the “Magnificent 7” gets all the attention, it’s important to highlight that 8 of 11 sectors in the S&P reported year-over-year earning growth with a median of 8.3% (per Bloomberg). This underlying strength in corporate fundamentals, along with a robust technical environment, helped underpinned further spread compression in corporate credit during the quarter.

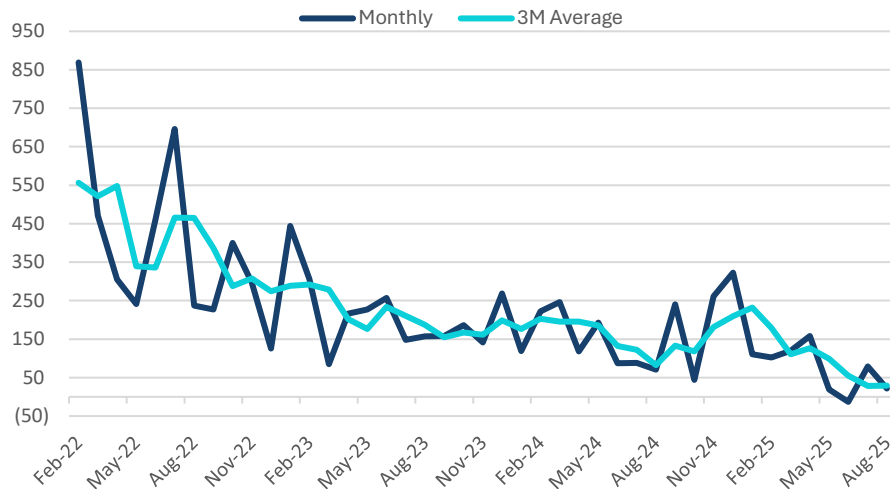
S&P 500 Revenue + Earnings Growth (%Y/Y)



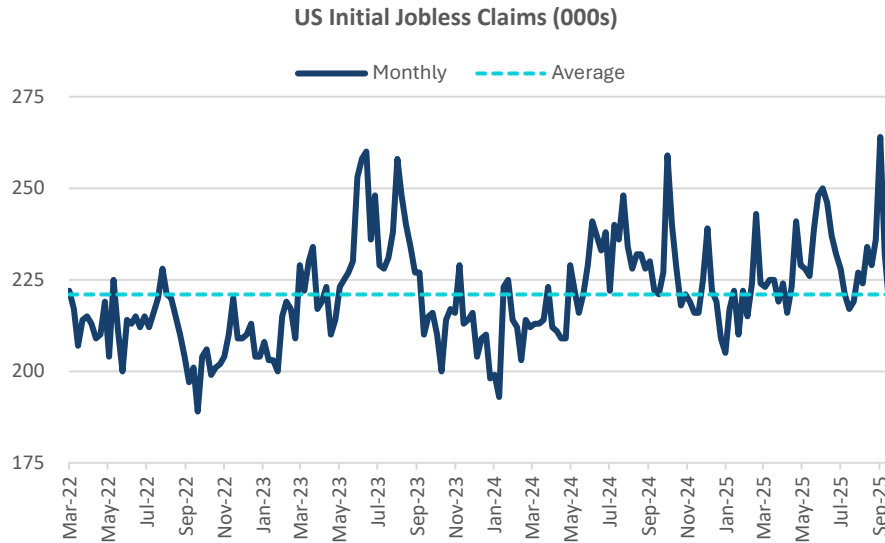
Source: Bloomberg

- Labor Market...No Hire, No Fire:** Despite better than expected corporate and macroeconomic fundamentals, the labor market has become the confounding piece of the economic equation. Non-farm payroll growth slowed to a three-month average of 29k in August, the lowest level since the pandemic; however, we are not seeing any concurrent rise in weekly jobless claims or JOLTS involuntary separation data (layoffs and discharges). The combination of accelerating economic growth and slowing job growth is historically anomalous in the US but appears to be holding...for now. Confluence of lower net migration and the nascent adoption of AI seem to be contributing to the current labor environment. The ongoing Government shutdown has the market flying blind without official economic data, but third-party data suggests more job growth weakness *may* be in store.

Nonfarm Payrolls M/M Net Change (000s)



Source: Bloomberg



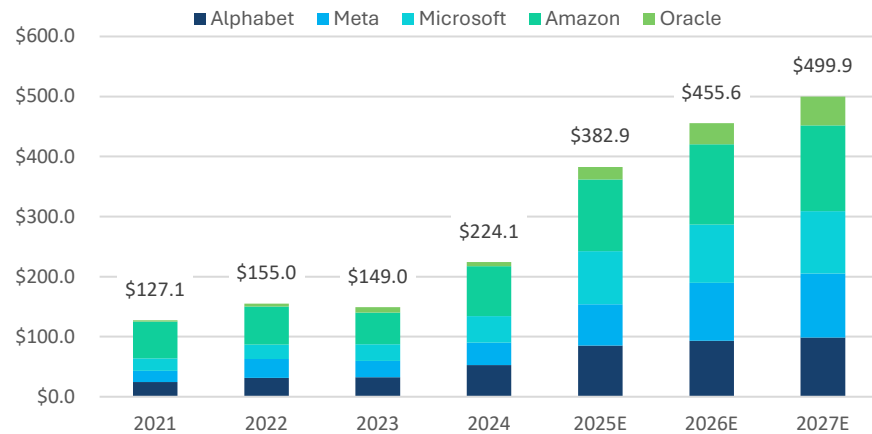
Source: Bloomberg

- **Fed Starts Cutting Cycle:** On the monetary front, the Federal Reserve embarked on a new cutting cycle with a 25bp (basis point) cut at the September meeting with the Dot plot showing the potential for another two cuts in 2025. Fed Chair Powell's press conference highlighted the incongruity of the current environment – the softening of the labor market was the primary impetus for the 25bp cut, while the US economy is admittedly doing well. This tension, along with stubbornly high inflation, makes the path of monetary policy uncertain. As such, we expect the interest rate market to remain volatile and continue to view floating rate credit as an integral part of a credit investor's portfolio.
- **Positioning:** The Fund stayed conservatively positioned throughout the quarter as strong corporate fundamentals and a favorable technical environment contributed to already challenging spread valuations. In addition, the lack of credit market volatility during the quarter limited our ability to add value through tactically rotating the portfolio. Nevertheless, we did make some moderate allocation changes to further improve the defensive positioning of the Fund – lowering spread duration and reducing exposure in IG corporate bonds, selectively reducing exposure in CLO BBB/BBs, and adding incremental exposure to high quality AAA ABS. Overall, we remain focused on offering investors a compelling yield, while managing downside risk and minimizing interest rate volatility in light of a historically tight credit spread environment.

Theme II. AI Spending Continues, M&A Activity Improving, Capital Markets Wide Open, Q4 Outlook

- **The AI Capex Boom Shows No Signs of Slowing:** AI boom continues to play a pivotal role in the US economy, driving hundreds of billions of dollars in investment and powering the US equity market higher. This boom appears to have more room to run with equity analysts expecting a 19% increase in Hyperscaler capex (GOOGL, META, MSFT, AMZN, ORCL) in 2026 followed by an additional 10% increase in 2027 (source: Bloomberg). These figures undoubtedly underestimate the true size of the AI spend given all the ancillary industries positively impacted by the trend – power generation / utilities, construction, capital goods, etc. AI spending's impact on US GDP has grown in parallel with potential concerns about an investment bubble, a tension that could portend future problems for the US economy if proven correct.

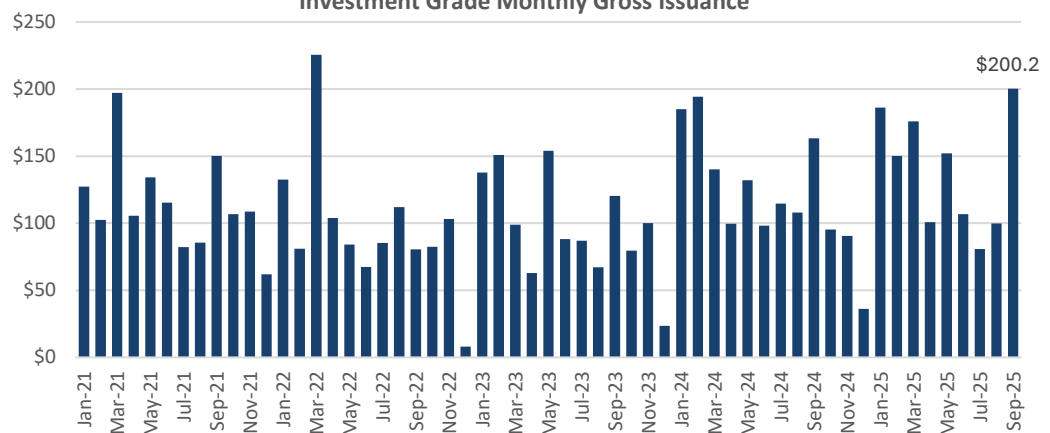
AI Hyperscaler Capex Spend (\$Bn)



Source: Bloomberg

- M&A Activity Improving; Mega-LBOs are Back:** As confidence in the US economy and capital markets improves, we've seen a meaningful rebound in M&A activity in 2025 that accelerated in the third quarter to the highest levels since 2021. This trend was highlighted by Union Pacific's announced acquisition of Norfolk Southern (\$85bn) and Electronic Arts' \$53bn announced Leveraged Buyout ("LBO") by a private equity consortium, which would be the largest LBO of all time. An improving M&A and LBO market should be favorable for the investment grade and high yield credit markets as it provides much needed issuance to credit investors. A favorable economy, improving tariff visibility, and lower funding costs all play a role in the improving M&A environment.
- Capital Market Wide Open:** Capital market activity was robust across the credit spectrum in the third quarter, culminating with an especially strong September that resulted in record monthly gross issuance volumes in both the Investment Grade and High Yield bond markets. Strong issuance has been driven by the confluence of low borrowing costs versus recent history (at lows since 2022), strong investor demand, and increasing M&A borrowing needs. CLO creation is on pace to beat a record year in 2024 and currently sits at +\$159.3B YTD (+10% YoY).

Investment Grade Monthly Gross Issuance



Source = Bank of America

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- **Q4 Outlook:** As we move into the final quarter of 2025, we face a similar push and pull that we have seen throughout the year. On one hand, we have a resilient economic environment that has been able to power through the tariff- and policy-induced uncertainty, solid corporate fundamentals, and robust investor demand for credit as all-in yields remain attractive. Conversely, we're still dealing with challenging credit spread valuations and several potential economic headwinds: slowing job growth, stubborn inflation, trade uncertainty with China, and an ongoing government shutdown, to name a few.

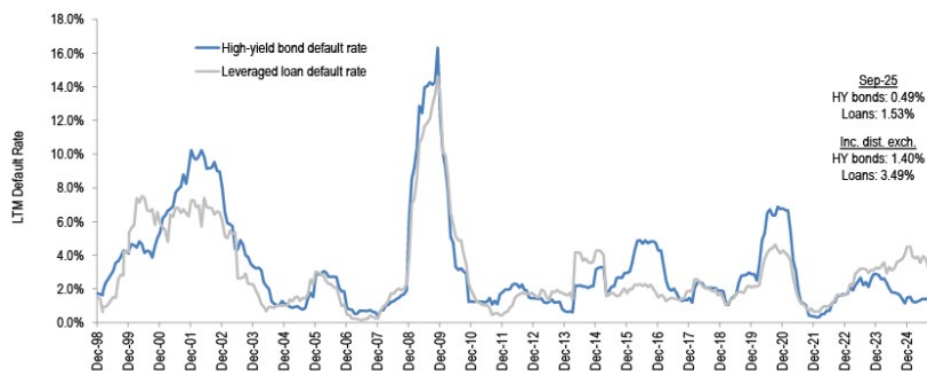
Summary

The diverse portfolio across corporate and structured credit is positioned in predominately investment grade securities, yet has offered a strong current yield and potential opportunity for capital appreciation. We believe we are opportune in our approach to relative value and are excited about how this portfolio is positioned and its outlook.

Please do not hesitate to contact us at investorrelations@palmerssquarecap.com or (816)994-3200 should you desire more information. We would also be happy to set up a call and/or meeting at your convenience.

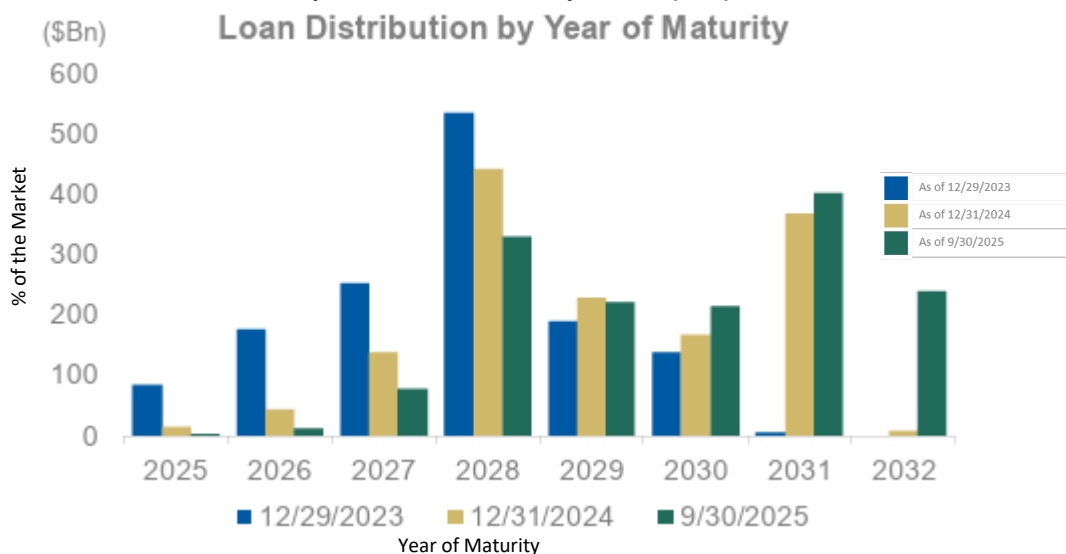
For your reference, the following pages include several charts regarding the corporate and structured credit markets.

Exhibit 1: Loan default rates below recent highs



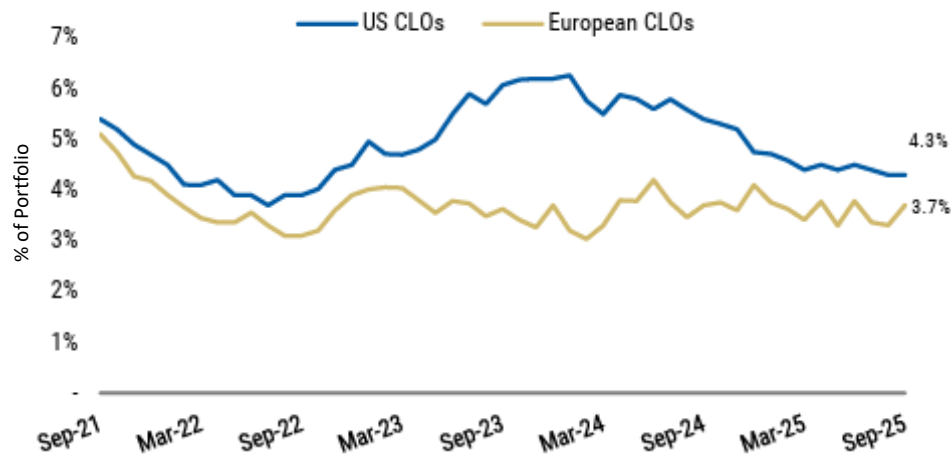
Source: J.P. Morgan; PitchBook Data, Inc; Bloomberg Finance L.P.; S&P/IHSMark; Data as of 9/30/2025

Exhibit 2: Loan maturities by YE 2026 came down by \$215bn (79%) in 2024 and continue to decline



Source: ICE, Pitchbook LCD, Morgan Stanley Research as of /30/2025

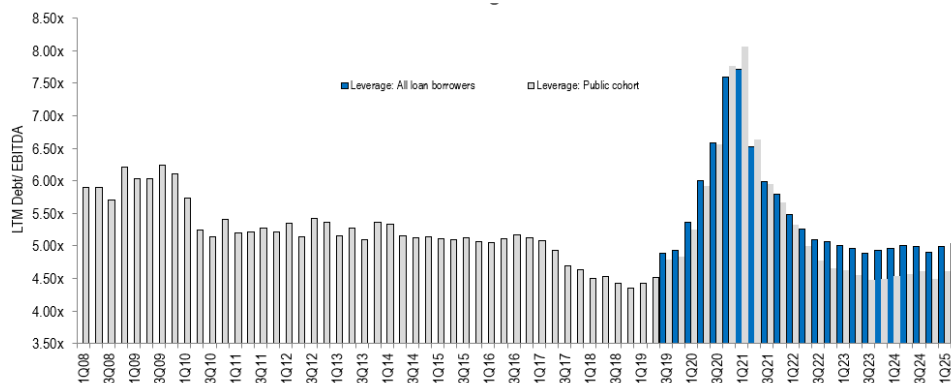
Exhibit 3: Median CCC assets in CLO portfolios



Source: Morgan Stanley Research, Intex. Data as of 6/30/2025

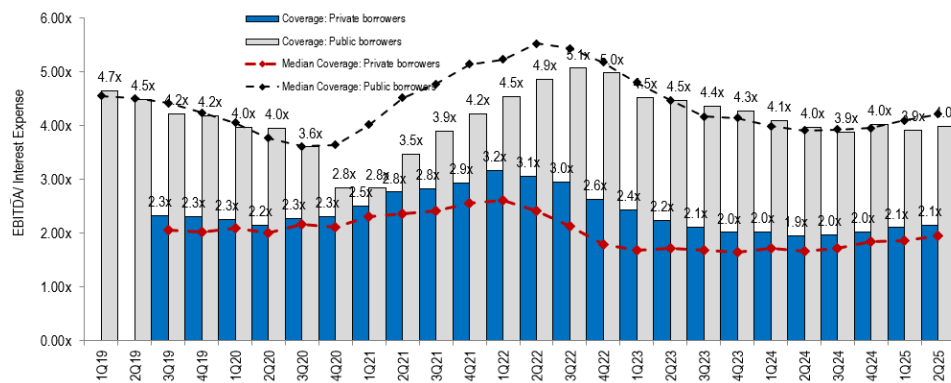
Exhibit 4: Loan gross leverage still near multi year low

Bank Loan Net Leverage (TM)



Source: J.P. Morgan, Capital IQ; Bixby Research and Analytics, Inc.

Exhibit 5: Interest coverage ratios in line with historical averages, larger companies outperform



Source: J.P. Morgan, Capital IQ; Bixby Research and Analytics, Inc.

Notes and Disclosures

This overview is for informational and comparative purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any interests in the Palmer Square Credit Opportunities ETF, ("PSQO" or the "Fund") or any other securities, or to provide any other advisory services. Any offer to invest in PSQO will be made pursuant to the Fund's prospectus, which will contain material information not contained herein and to which prospective investors are directed. Before investing, you should carefully read such materials in their entirety. This overview is not intended to replace such materials, and any information herein should not be relied upon for the purposes of investing in the Funds or for any other purpose. This overview is a summary and does not purport to be complete.

This overview is confidential and proprietary. Accordingly, except as described below, this overview is to be treated as strictly confidential and not disclosed, directly or indirectly, to any party other than the person to whom it has been delivered and such person's professional advisors. Any distribution of this overview, in whole or in part, or the divulgence of any of its contents, is unauthorized. Prospective investors should not construe this overview or any other communication received in connection with the Fund as legal, accounting, tax, investment or other advice, and each prospective investor should consult with its own counsel and advisors as to all legal, tax, regulatory, financial and related matters concerning an investment in the Fund. Notwithstanding the foregoing, please note the following with respect to investment funds managed by Palmer Square: Investments in the funds are meant for sophisticated investors and involve a high degree of risk. Investors can lose all or a substantial portion of their investment. Investment returns may be volatile. Investments in the funds are subject to significant restrictions on transfers and have fees and expenses that may offset profits. There is no secondary market for interests in the Funds and none is expected to develop. The Fund's use of leverage in the course of their trading could exacerbate losses.

The views expressed herein are for informational purposes only. There is no guarantee that the views and opinions expressed in this letter will come to pass.

The allocation, portfolio characteristics, and credit quality distribution figures shown are for illustrative purposes only. Palmer Square does not guarantee to execute those portfolio characteristics, that allocation, and credit quality distribution. Allocation, portfolio characteristics, and exposures information, as well as other referenced categorizations, reflect classifications determined by Palmer Square as well as certain Palmer Square assumptions based on estimated portfolio characteristic information, including but not limited to, look through analysis for certain structured credit securities. Allocation and credit quality distribution figures may not sum to 100%. Ratings listed herein are assigned by Standard & Poor's (S&P) and Moody's Investor Service (Moody's). Credit quality ratings are measured on a scale with S&P's credit quality ratings ranging from AAA (highest) to D (lowest) and Moody's credit quality ratings ranging from Aaa (highest) to C (lowest). We use the higher of the two ratings. Credit ratings listed are subject to change. Please contact Palmer Square for more information.

Position level data in the portfolio snapshot sections assume a 20% annual prepayment rate and a 2 percent default rate for the underlying institutional bank loan collateral.

Market opportunities and yields shown are for illustration purposes only and are subject to change without notice. Palmer Square does not represent that these or any other strategy/opportunity will prove to be profitable or that the Fund's investment objective will be met. This material represents an assessment of the market environment at a specific point in time, is subject to change without notice, and should not be relied upon by the reader as research or investment advice. With regard to sources of information, certain of the economic and market information contained herein has been obtained from published sources and/or prepared by third parties. While such sources are believed to be reliable, Palmer Square or their employees or representatives do not assume any responsibility for the accuracy of such information. Yield data is sourced from Bloomberg and JPMorgan Markets.

Interest Rate Duration measures a portfolio's sensitivity to changes in interest rates. **Spread Duration** measures the sensitivity of a bond price based on basis point changes of more than 100. **Potential Pull to Par (\$)** is the dollar difference between a bond's current price and par. **Potential Pull to Par (%)** is the percentage difference between a bond's current price and par. **Yield to Expected Call** is a Yield to Call metric that assumes callable bonds are not called on their call date, but at some later date prior to maturity. Yield to Expected Call considers contractual terms in a bond's indenture or other similar governing document. A bond may be called before or after this date, which has the potential to increase or decrease the Yield to Expected Call calculation. All else equal, when a bond's price is below par, Yield to Expected Call is a more conservative yield metric than Yield to Call. If a bond is not callable, Yield to Expected Call calculates the bond's Yield to Maturity. **Yield To Maturity** is the rate of return anticipated on a bond if held until the end of its lifetime. **Current Yield** is annual income divided by price paid. **30-Day SEC Yield** represents net investment income earned by the Fund over the 30-day period, expressed as an annual percentage rate based on the Fund's share price at the end of the 30-day period. The **subsidized SEC yield** is calculated with a standardized formula mandated by the SEC. The formula is based on maximum offering price per share and includes the effect of any fee waivers. Without waivers, yields would be reduced. The **unsubsidized SEC yield** is calculated with a standardized formula mandated by the SEC. The formula is based on maximum offering price per share and does not reflect waivers in effect. **Sharpe Ratio** is used to measure risk-adjusted performance. The Sharpe ratio is calculated by subtracting the risk-free rate - such as that of the 10-year U.S. Treasury bond - from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. **Beta** describes an investment's volatility in relation to that of the stock or bond market as a whole. For example, the S&P 500 is typically considered to be 'the equity market' and it has a beta of 1.0. Credit Spreads are often a good barometer of economic health - wide or widening (bearish sentiment) and narrowing/tight or tightening (bullish sentiment). **Basis points (BPS)** refers to a common unit of measure for interest rates and other percentages in finance. The relationship between percentage changes and basis points can be summarized as follows: 1% change = 100 basis points and 0.01% = 1 basis point. The **option-adjusted-spread ("OAS")** is the measurement of the difference or spread of a fixed-income security interest rate and the risk-free rate of return, which is then adjusted to take into account an embedded option(s). **EPS growth** refers to the increase in a company's earnings per share (EPS) over a period of time. **Return on Invested Capital ("ROIC")** is a financial metric used to evaluate a company's efficiency and profitability in generating returns from the capital it has invested in the business.

The **Bloomberg U.S. Aggregate Bond Index** is an unmanaged index of publicly issued investment grade corporate, US Treasury and government agency securities with remaining maturities of one to three years. The **Bloomberg U.S. 1-3 Year Corporate Index** measures the performance of investment grade, US dollar-denominated, fixed-rate, taxable corporate and government-related debt with 1 to 2.9999 years to maturity. It is composed of a corporate and a non-corporate component that includes non-US agencies, sovereigns, supranationals and local authorities. **S&P 500 Index** is a market-capitalization-weighted index of 500 leading publicly traded companies in the U.S. **Bloomberg U.S. Treasury Index** is an index based on recent auctions of U.S. Treasury bills and is commonly used as a benchmark when determining interest rates, such as mortgage rates. **Bloomberg U.S. Corporate Bond Index** measures the investment grade, fixed-rate, taxable corporate bond market. **Bloomberg U.S. High Yield Index** measures the USD-denominated, high yield, fixed-rate corporate bond market. **iBoxx Liquid Leveraged Loan Index** is a subset of the benchmark Markit iBoxx USD Leveraged Loan Index ("USD LLI"). iBoxx Liquid LLI tracks the total return of the 100 most liquid loans from the USD LLI index universe, offering a powerful insight into the loan market. Unlike mutual funds, indices are not managed and do not incur fees or expenses. It is not possible to invest directly in an index. The **STOXX 600 Index** seeks to offer broader exposure to European companies. Thus, it's often cited as a close European alternative to Standard & Poor's 500 Index (S&P 500). **Palmer Square CLO Senior Debt Index (CLOSE)** seeks to reflect the investable universe for U.S. dollar denominated CLOs. CLOSE is comprised of original rated AAA and AA debt issued after January 1, 2009 subject to certain inclusion criteria. **Palmer Square CLO Debt Index (CLODI)** seeks to reflect the investable universe for U.S. dollar denominated CLOs.

Notes and Disclosures (cont'd)

CLODI is comprised of original rated A, BBB, and BB debt issued after January 1, 2009 subject to certain inclusion criteria. Past performance is not indicative of future results. Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will be profitable. Please note that the performance of the Fund may not be comparable to the performance of any index shown. Palmer Square has not verified, and is under no obligation to verify, the accuracy of these returns.

The securities issued under the CLO transactions have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This overview shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of such securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

CAPEX refers to capital expenditure or the money a company spends to buy, improve or maintain long-term assets. **Magnificent 7** is a common term used to represent seven specific technology companies (Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla). The **Atlanta Fed GDPNow** model forecast GDP (gross domestic product) growth by aggregating the 13 subcomponents that make up GDP with the chain-weighted methodology used by the U.S. Bureau of Economic Analysis. **Core CPI** (consumer price index) is a measure of inflation that excludes the price of food and energy. **Yield Curve** is a graph that plots the yield (or interest rate) across different maturity dates. **YTW** (yield-to-worst) is a financial metric that calculates the lowest possible return on a bond. **Put Strike**, also known as the exercise price, is the predetermined price at which the holder of a put option can sell the underlying security or asset.

London Interbank Offered Rate (LIBOR) is the benchmark interest rate at which major global banks lend to one another. As of January 1, 2022, many banks are no longer required to submit the data needed to calculate the LIBOR rate. In June 2023, LIBOR was replaced by SOFR. The **Secured Overnight Financing Rate (SOFR)** is a benchmark interest rate that reflects the cost of borrowing cash overnight, secured by U.S. Treasury securities. It's a reference rate used in financial contracts like loans and derivatives, and it replaced the LIBOR (London Interbank Offered Rate) as the primary benchmark rate.

Risks: The securities issued under the CLO transactions have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Investment in the Fund involves a high degree of risk and is suitable only for sophisticated investors. No assurance can be given that the Fund's investment objective will be achieved and investment results may vary substantially on a monthly, quarterly, annual and/or other periodic basis. Investments in underlying funds may not be diversified. Investments in the funds are subject to significant restrictions on transfers and have fees and expenses that may offset profits. There is no secondary market for interests in the Funds and none is expected to develop. The Funds' use of leverage in the course of their trading could exacerbate losses. The Master Fund and the Underlying Funds may invest in unrated or "distressed" securities, i.e., securities of companies that are experiencing significant financial or business difficulties, including, without limitation, companies involved in debt restructurings, in bankruptcy or other reorganization and liquidation proceedings. The Master Fund and the Underlying Funds may also purchase financial instruments of companies that have low credit quality, and purchase securities and loans that are in default. Many of the investments that are made by the Master Fund will lack liquidity. Accordingly, the Master Fund's ability to respond to market movements may be impaired and the Master Fund may experience adverse price movements upon liquidation of its investments. Certain inherent conflicts of interest arise from the fact that the Managing Member and the Investment Advisor act on behalf of the Fund and carry on investment activities for other clients. Consider the partnerships fees and charges, which may affect any amounts to be received by investors. Investors are advised to read the offering documents for further details, and consult their tax advisers, prior to making an investment.

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Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will be profitable. Please note that the performance of the funds may not be comparable to the performance of any index shown. Palmer Square has not verified, and is under no obligation to verify, the accuracy of index returns. Past performance does not guarantee future results.

The Fund is subject to liquidity risk and therefore may not be able to sell some or all of the investments that it holds due to a lack of demand in the marketplace or other factors. The Fund is subject to credit risk in that if an issuer or guarantor of a debt security held by the Fund or a counterparty to a financial contract with the Fund defaults or is downgraded or is perceived to be less creditworthy, or if the value of the assets underlying a security declines, the value of the Fund's portfolio will typically decline. The Fund is classified as "non-diversified," which means the Fund may invest a larger percentage of its assets in the securities of a smaller number of issuers than a diversified fund. Investment in securities of a limited number of issuers exposes the Fund to greater market risk and potential losses than if its assets were diversified. High yield securities, commonly referred to as "junk bonds", are rated below investment grade by at least one of Moody's, S&P or Fitch (or if unrated, determined by the Fund's advisor to be of comparable credit quality high yield securities). High yield funds are speculative, involve greater risks of default, downgrade, or price declines and are more volatile and tend to be less liquid than investment-grade securities. Generally fixed income securities decrease in value if interest rates rise and increase in value if interest rates fall, and longer-term and lower rated securities are more volatile than shorter-term and higher rated securities. Using derivatives exposes the Fund to additional or heightened risks, including leverage risk, liquidity risk, valuation risk, market risk, counterparty risk, and credit risk. Derivatives transactions can be highly illiquid and difficult to unwind or value and they can increase Fund volatility.

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