

SEPTEMBER 30, 2025

Class A
POAAX

Class C
POACX

Class I-2
PLCDX

Market Review

With the futures market anticipating more Federal Reserve (Fed) rate easing, equity markets rose sharply throughout the third quarter of 2025, with the S&P 500 Index up 8.12% for the quarter. The positive sentiment favored small-cap stocks, especially small-cap value (encompassing many regional banks that benefit from a steepening yield curve). International markets underperformed domestic markets, as the MSCI EAFE gained only 4.77%.

Within fixed income, long-duration bonds outperformed their shorter-duration counterparts, as the yield on 10-year Treasuries fell over the quarter. Optimism also spread throughout the credit space, with EM debt and high yield delivering positive gains and outperforming the Bloomberg U.S. Aggregate Bond Index for the quarter.

Fund Performance

The fund returned 3.21% during the third quarter of 2025 and 6.54% for the trailing 12-month period (Class A at NAV).

Performance Review

As markets started to recover in the second half of the year, the fund delivered competitive results, ranking in the 25th percentile versus peers over the trailing 12-month period as of September 30, 2025, according to Morningstar.

Among the domestic equity group, our strategic overweight to equities contributed to performance over the third quarter and the trailing 12-month period. The exposure to large-growth companies contributed to performance as tech stocks regained their upward momentum. Regarding underlying funds, selections across most asset classes contributed to performance.

Within the international equity group, our strategic allocation to international equities contributed to performance. Our overweight to international value and underweight to international growth also contributed to performance throughout the trailing 12-month period. On the other hand,

underlying fund selections were generally negative among international funds.

Among the fixed-income group, the exposure to short-term bonds and core bonds contributed to performance for the third quarter and the trailing 12-month period. While Aristotle Core Income and Aristotle Short Duration Income outperformed their respective benchmarks for the quarter and the trailing 12-month period, Aristotle High Yield Bond modestly detracted from performance over the trailing 12-month period.

Outlook

Revived optimism heading into the second half of 2025 jolted the U.S. equity market to record levels. Despite prolonged geopolitical conflicts and uncertainties around fiscal and monetary policies, risk assets maintained upward momentum. Economic data, political developments, and Fed communications contributed to the quick market recovery. Furthermore, corporate earnings remained more stable than many analysts had anticipated, as inflation remained relatively consistent and has yet to show through official economic reports.

According to GDP growth (which is a lagging indicator) estimates, the U.S. economy has shown stable expansion in recent quarters. While many companies have been freezing new hiring activity (likely due to the lack of clarity on global trade and domestic and international politics), we have not yet observed any concerning signs of widespread layoffs despite numerous headlines covering layoffs at prominent companies. Further supporting the U.S. economy, the Fed initiated its easing cycle by cutting the fed funds rate by 25 basis points to a 4.00% to 4.25% range in September. Market expectations of more rate cuts in late October and December have increased risk-taking activity. However, if the Fed votes to pause in October and/or December, market volatility will likely reemerge and intensify.

Past Performance is not indicative of future results. Returns reflect reinvestment of dividends/distribution. 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 quoted. Performance current to the most recent month end may be found at www.AristotleFunds.com/performance or by calling 1-844-274-7885. The investment advisor has contractually agreed to limit certain expenses through 7/31/28. Please see the current prospectus for detailed information.

PORTFOLIO OPTIMIZATION CONSERVATIVE FUND

COMMENTARY

SEPTEMBER 30, 2025

Additional rate cuts should provide relief for borrowers and should help offset the negative effects of the tariffs. So far, corporate earnings have largely exceeded expectations, aided by disciplined expense management and improved productivity.

Technology, utilities, and industrial sectors have benefited from the renewed interest and increased spending on developing infrastructure to support artificial intelligence (AI). However, this widespread interest in AI has led to some extremely elevated valuations in certain growth-oriented companies. This merits selective investing as well as balancing between alpha generation and risk management. It also suggests investors may place more emphasis on quality, as defined by companies with strong balance sheets, stable cash flows, and pricing power.

International markets continue to remain mixed. Economic recovery in Europe has been uneven, as weak manufacturing continues to weigh on consumer sentiment. Meanwhile, Asian economies have been more balanced. China's stimulative policy measures may be starting to show some economic stabilization, although consumer and corporate confidence remain fragile. Elsewhere, shifting supply chains have boosted economic growth in India and Southeast Asia, as these regions are realizing their long-term structural advantages and potential.

Similar to domestic equities, managing international exposures will require balancing between alpha opportunities and portfolio risk.

Fixed-income markets have become more relevant after years of suppressed yields of sub-3%. The yield on 10-year Treasury bonds has generally stabilized in the 4% to 5% range in recent quarters, offering investors decent yield and defensive characteristics. Furthermore, spread products such as high yield bonds offer attractive carry as long as the economy remains healthy and default rates remain low.

Overall, the investment landscape for the remainder of 2025 appears constructive, although certain risks and challenges remain. Earnings growth continues to remain relatively robust, which supports the market. However, valuations have become highly inflated, which has become a primary risk. Furthermore, the collective and interactive effects from government policies, inflation, global trade, and military conflicts will remain central themes to monitor and examine. Despite the markets proving their resilience, complacency should be thoroughly avoided. For now, we maintain a cautiously optimistic stance – prepared to participate in identified opportunities but disciplined in adjusting exposures as risks arise and evolve.

PORTFOLIO OPTIMIZATION CONSERVATIVE FUND

COMMENTARY

SEPTEMBER 30, 2025

Performance as of 9/30/25

	Total Returns (%)			Annualized Total Returns (%)			
	3-Month	YTD	1-Year	3-Year	5-Year	10-Year	Since Fund Inception 12/31/03
Class A—NAV	3.21	8.15	6.54	9.14	3.23	4.29	4.12
Class A—MOP	-2.48	2.22	0.72	7.09	2.07	3.70	3.85
Bloomberg US Aggregate Bond Index	2.03	6.13	2.88	4.93	-0.45	1.84	3.25
S&P 500® Index	8.12	14.83	17.60	24.94	16.47	15.30	10.71
ICE BofA US 3-Month Treasury Bill Index	1.08	3.17	4.38	4.77	2.98	2.08	1.73
MSCI EAFE Index	4.77	25.14	14.99	21.70	11.15	8.17	6.40

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Returns shown at net asset value (NAV) have all distributions reinvested. Returns shown at maximum offering price (MOP) for Class A shares reflect payment of the maximum sales charge of 5.50%. When a sales charge is illustrated, it is applied at the beginning of the period.

Indexes are unmanaged and cannot be invested in directly. Further, they hold no cash and incur no expenses.

All share classes may not be available at all firms, and not all investors may be eligible for all share classes.

ARISTOTLE PORTFOLIO OPTIMIZATION CONSERVATIVE FUND COMMENTARY

SEPTEMBER 30, 2025

Definitions

Alpha is a measure of risk-adjusted performance.

The **Bloomberg US Aggregate Bond Index** is composed of investment-grade U.S. government and corporate bonds, mortgage pass-through securities, and asset-backed securities and is commonly used to track the performance of U.S. investment-grade bonds.

The **ICE BofA Merrill Lynch US 3-Month Treasury Bill Index** is comprised of a single issue with approximately three months to final maturity, purchased at the beginning of the month and held for a full month.

The **MSCI EAFE Index** is designed to measure the equity-market performance of developed markets in Europe, Australasia, and the Far East.

The **S&P 500 Index** is a market capitalization-weighted index of 500 widely held stocks often used as a proxy for the U.S. stock market.

Morningstar Category™ is a proprietary Morningstar data point. Percentile Rank in Category is the fund's total return percentile rank relative to all funds that have the same Morningstar Category. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. The top performing fund in a category will always receive a rank of 1. Percentile Rank in Category is based on total returns which include reinvested dividends and capital gains. Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance, placing more emphasis on downward variations and rewarding consistent performance. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. The top 10% of funds in each category receive five stars, the next 22.5% receive four stars, the next 35% receive three stars, the next 22.5% receive two stars, and the bottom 10% receive one star. Morningstar Ratings for other share classes may have different performance characteristics. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. © 2025 Morningstar Investment Management, LLC. All Rights Reserved. For Overall, three-, five-, and 10-year Morningstar Ratings for other share classes, visit [AristotleFunds.com/Performance](https://www.AristotleFunds.com/Performance). Morningstar Ratings are objective, based entirely on a mathematical evaluation of past performance. They're a useful tool for identifying investments worthy of further research but shouldn't be considered buy or sell recommendations.

Investing involves risk. Principal loss is possible. Asset allocation and diversification do not guarantee future results, ensure a profit or protect against loss. Although diversification among asset classes can help reduce volatility over the long term, this assumes that asset classes do not move in tandem and that positive returns in one or more asset classes will help offset negative returns in other asset classes. There is a risk that you could achieve better returns by investing in an individual fund or multiple funds representing a single asset class rather than using asset allocation. A fund-of-funds does not guarantee gains, may incur losses and/or experience volatility, particularly during periods of broad market declines, and is subject to its own expenses along with the expenses of the underlying funds. It is typically exposed to the same risks as the underlying funds in which it invests in proportion to their allocations.

Investors should consider a fund's investment goal, risk, charges and expenses carefully before investing. The prospectus contains this and other information about the fund and can be obtained at www.AristotleFunds.com. It should be read carefully before investing.

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4 of 4