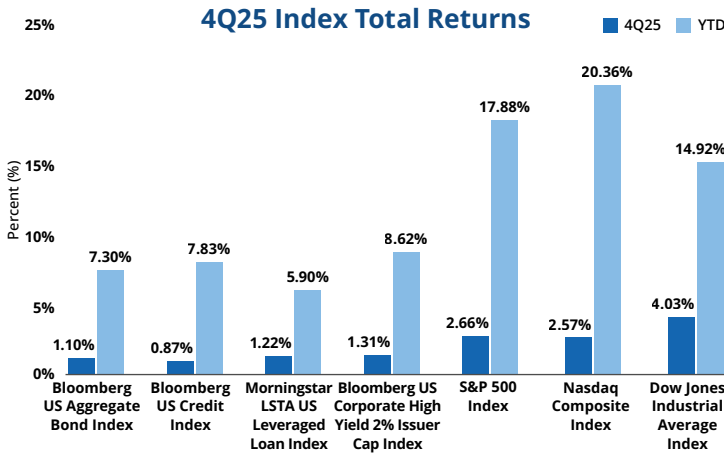




Class A
PLIAX

Class C
PLNCX

Class I-2
PLIDX



Index	4Q25	YTD
Bloomberg US Aggregate Bond Index	1.10%	7.30%
Bloomberg US Credit Index	0.87%	7.83%
Morningstar LSTA US Leveraged Loan Index	1.22%	5.90%
Bloomberg US Corporate High Yield 2% Issuer Cap Index	1.31%	8.62%
S&P 500 Index	2.66%	17.88%
Nasdaq Composite Index	2.57%	20.36%
Dow Jones Industrial Average Index	4.03%	14.92%

Source: Bloomberg as of 12/31/25.

Market Review

U.S. equity and fixed-income markets generated positive total returns in the final quarter of 2025, but softening macro data muddled the economic outlook heading into the new year. Domestic equity indices ended the period higher, while fixed income performance favored intermediate maturities and high yield sectors.

- The economy is expected to expand between 1.0%-1.5% real growth in the fourth quarter, which is in line with forecasts. Full-year growth is expected to be ~2%. Inflation, meanwhile, has proven more stubborn as the Consumer Price Index (CPI) ended the year at 2.7% in December. Several tailwinds supported markets in 2025. With inflation being manageable, the Federal Reserve continued the rate-cutting cycle it began in 2024, lowering financing costs. Companies in the S&P 500 Index grew earnings by roughly 12% last year, and capital expenditure on artificial intelligence continued at a robust pace.

- The Fed lowered the federal funds rate by 50 basis points (bps), with cuts in October and December, and ended the year with a target range of 3.5% to 3.75%. Fed Chair Jerome Powell looked to thread the needle of addressing labor softness without stoking inflation expectations, but the number of dissenting votes grew from one to three members by December.
- Artificial intelligence (AI) continued to captivate markets during the fourth quarter, but a dynamic of have and have not has developed among companies. One chip manufacturer briefly became the first company to cross the \$5 trillion market cap threshold, while pessimism weighed on AI infrastructure builders in light of large debt issuance and spending plans.
- Energy and precious metals charted distinctly different paths during the quarter, raising questions about global growth and a diminishing reserve status of the U.S. dollar. Gold enjoyed a fourth consecutive quarterly gain, rising over 12%, while oil (as represented by West Texas Intermediate) fell 7.9% during the period to mark a full year of losses.

While the Fed kept rates steady for much of the year, the tempo of easing accelerated in the final months of 2025. In explaining the rate cut at the December press conference, Powell stated that most of the above target inflation seen today is driven by tariffs, while the labor market faces significant downside risks. Recently appointed Governor Stephen Miran continued to press for a 50-point cut, while Chicago Fed President Austan Goolsbee and Kansas City Fed President Jeffrey Schmid voted for no change in the target rate. Concurrently, the Fed announced a program to purchase \$40 billion monthly in T-bills through April 2026 to ensure ample bank reserves going forward. These actions are supportive of risk assets in the near term. March 2026 will represent a full five years since we have seen the Fed's preferred inflation metric, core Personal Consumption Expenditures, at their target of 2%, and we are two to three years away from the Fed's own projections of 2% inflation.

Economic data was choppy during the final quarter, and the outlook was complicated by the longest government shutdown in U.S. history (43 days), which prompted the cancellation of multiple reports. Non-farm payrolls oscillated with a gain of 108,000 in September, a negative print of roughly the same

amount in October, and a return to modest growth of 64,000 in November. Softening was evident in the unemployment rate, which rose 20 bps to 4.6%, marking the highest reading since the fall of 2021. The University of Michigan Consumer Sentiment Survey, which measures confidence and future expectations, reflected the weakening job outlook and muted business conditions as well. Sentiment remains 30% below the year-end 2024 reading, and nearly 63% of consumers expect unemployment to rise in 2026. One bright spot among consumers was the easing of long-run inflation expectations, which fell from 3.4% to 3.2% at year end. This aligned with the 2.7% CPI in December. The future of tariffs and their knock-on effect to inflation remain to be seen as the U.S. Supreme Court is set to rule in 2026 if the Trump administration exceeded its authority to impose tariffs under the International Emergency Economic Powers Act (IEEPA).

Coupons and rate sensitivity were the deciding factors for performance during the quarter. The U.S. Treasury curve steepened as front-end yields fell in response to Fed easing, while the 30-year bond yield rose 11 bps. In 2025 the belly of the curve experienced the largest decline in yields, as yields on two and three-year notes fell 78 bps and 72 bps, respectively. Credit markets generated positive total returns, with high yield corporates and loans outpacing investment-grade securities largely on account of lower interest rate exposure as long-end yields rose in December. Credit spreads were flat to modestly wider during the quarter but stand near the lower band of history. Looking specifically at U.S. investment grade corporates, the 77 bps of option adjusted spread (OAS) as of year-end was 38 bps below the 10-year average as strong fundamentals, such as robust revenue and EBITDA growth, have underpinned the grind lower.

The U.S. dollar eked out a small gain of 0.56% during the fourth quarter but ended the year down 9.37% as lower Treasury yields and lingering effects from the spring trade war likely weighed on the reserve currency. Gold was a primary beneficiary of dollar weakness as central bank and retail buying drove spot prices for an ounce of gold up almost 65% to end 2025 at \$4,431. Oil prices fell during the final months and chalked up a nearly 20% decline in 2025, in spite of dollar weakness and volatility leading up to the U.S. invasion of OPEC member Venezuela in early January 2026.

Asset Class Overview

Investment-grade bonds generated positive total returns during the quarter, with performance favoring intermediate maturities

and higher-rated bonds within the universe. Investment-grade corporate bonds remained on solid footing, supported by positive fundamentals and technicals. While 2025 was marked by large debt deals in support of AI capital spending, it's worth noting that the supply of investment-grade bonds grew 3.9% in 2025, well below the 6.6% average over the past 10 years. Overall credit quality remained strong, with upgrades outpacing downgrades by a two-to-one ratio in 2025. The yield-to-worst of the Bloomberg US Aggregate Bond Index (Agg) tightened over the quarter by 5 bps to end at 4.32%, whereas spreads compressed 1 bp, ending with an option-adjusted spread (OAS) of 27 bps. The total return for investment-grade bonds (represented by the Bloomberg U.S. Aggregate Bond Index) in the fourth quarter was 1.10%, while the average price was \$94.07, up from \$93.84 at the end of September.

	4Q25 Return	OAS	OAS to Start Year	YTW	YTW to Start Year	Duration	Duration to Start Year
US Aggregate Index	1.10%	27	34	4.32%	4.91%	5.98	6.08
AAA	1.12%	31	34	4.02%	4.72	4.14	4.22
AA	1.16%	9.5	17	4.16%	4.76%	5.82	5.95
A	0.95%	65	70	4.68%	5.22%	6.80	6.75
BBB	0.85%	99	100	5.02%	5.54%	6.70	6.73

Source: Bloomberg as of 12/31/25.

The high-yield bond market was the top performer relative to credit peers in both the fourth quarter and calendar year 2025, as attractive all-in yields, strong capital market activity, and Fed easing policy were all tailwinds during the quarter. The Bloomberg US High Yield 2% Issuer Capped Bond Index returned 1.31% in the fourth quarter, with coupon carrying the day and helping to offset price weakness in October. Option-adjusted spreads (OAS) compressed 1 bp, but the move belies the challenging start to the quarter. Spreads initially widened 14 bps in October on account of rising credit concerns and the impact of the U.S. government shutdown but largely retraced the move in the final months of 2025. The asset class remained well supported by corporate fundamentals, and while default activity ticked up in 2025, it remained low relative to history as many weaker borrowers have migrated to private credit lenders. According to J.P. Morgan, the 12-month par-weighted U.S. high-yield bond default rate (including distressed exchanges) ended the quarter at 1.88%, well below the 25-year monthly average of 3.3%. High-yield companies issued \$65.9 billion in new bonds across 78 tranches, capping off the strong year of \$328.9 billion in aggregate and the highest point since 2021 with 70% of proceeds earmarked for refinancing.

ARISTOTLE CORE INCOME FUND COMMENTARY

DECEMBER 31, 2025

	4Q25 Return	OAS	OAS to Start Year	YTW	YTW to Start Year	Duration	Duration to Start Year
US HY 2% Issuer Cap Index	1.31%	266	287	6.53%	7.49%	2.77	3.11
BB	1.51%	165	179	5.56%	6.39%	3.00	3.33
B	1.58%	268	277	6.53%	7.43%	2.51	2.89
CCC	0.18%	615	558	9.83%	10.16%	2.46	2.94

Source: Bloomberg as of 12/31/25.

The floating-rate loan market generated a positive total return in the fourth quarter, though two rounds of fed funds rate cuts and weakness in specific sectors weighed on the asset class. The Morningstar LSTA US Leveraged Loan Index returned 1.22%, with carry the primary driver of returns and offsetting secondary price softness in October and November. The four-year discounted spread for the index widened 8 bps to end at 404 bps, while the effective yield declined 31 bps to 7.69%. The average secondary price for the Morningstar LSTA US Leveraged Loan Index declined 42 cents during the fourth quarter to end at \$96.64. Market conditions were more muted in the final months of 2025, with \$156 billion in total loan market activity relative to the three-month record of \$404 billion set the prior quarter. Much of the decline in loan activity came from repricings, which fell from 56% of total loan activity to 40% quarter over quarter. Investor sentiment improved as the quarter progressed, as evident in the number of loans that traded above par, which rose from 37% in September to 58% as of year-end. In 2025, a push/pull dynamic developed in terms of demand from individual and institutional buyers. Retail loan mutual fund flows were negative \$3.1 billion in the fourth quarter as the prospect of further Fed easing in 2026 weighed on future yields. CLOs remained active buyers of loans, with \$55 billion of new tranche issuance during the period.

	4Q25 Return	3Yr DM	3Yr DM to Start Year	3Yr Life Yield	3Yr Life Yield to Start Year
Morningstar LSTA US Leveraged Loan Index	1.22%	429	424	8.30%	8.93%
BB	1.47%	263	254	6.64%	7.23%
B	1.40%	414	426	8.15%	8.95%
CCC	-1.59%	1689	1379	20.89%	18.48%

Source: Bloomberg and PitchBook as of 12/31/25.

Fund Performance

For the quarter, the Aristotle Core Income Fund (Class I-2) returned 0.97% versus the Bloomberg US Aggregate Bond Index return of 1.10%.

Portfolio Review

The Federal Reserve was active in the final quarter of 2025, with two fed funds cuts that caused the Treasury yield curve to steepen while investment grade credit spreads were largely unchanged. Credit markets have recouped the losses from the April trade war volatility, but lingering effects from tariffs and inflation, softening employment data, and credit concerns in pockets of high yield and private credit are just a few reasons that we are attuned to potential challenges that may lie ahead.

Lower yields and historically tight spreads have reduced the margin of error for fixed corporate risk. We believe falling compensation for risk warrants a continued conservative posture. However, while we believe cautious positioning remains prudent, through our relative value framework we continue to maintain spread in excess of the index along with a yield advantage. The fund's investment-grade corporate-bond exposure is focused on BBB rated securities. Credit selection has been fine-tuned towards sectors and issuers we believe will be more resilient should a slowdown occur. We continue to find attractive yield and relative value in investment-grade collateralized loan obligation (CLO) debt and senior asset-backed securities (ABS). We are still finding interesting spreads and yields in certain bank-loan credits, despite the potential impact from lower overall SOFR rates.

Fund Allocation

At quarter-end, the fund's allocation was as follows: investment-grade corporate bonds (38.8%), bank loans (7.9%), high-yield bonds (2.2%), government bonds (21.6%), ABS (9.7%), and agency/non-agency MBS (18.8%). The fund reduced its exposure to government bonds by approximately 1.5% and increased its ABS allocation by over 1%. The fund remained well invested with cash at quarter-end of 0.69%.

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.

Contributors/Detractors

On an asset-class basis, investment-grade corporates, agency RMBS, non-agency RMBS, and U.S. governments were the most material contributors to the fund's total return over the quarter. While the fund maintained its lower exposure to bank loans and CLOs, as compared to historical levels, both asset classes continue to provide enhanced carry and aid in reducing rate volatility impact upon the portfolio. Additionally, the spread compression seen in the fund's mortgage exposure was notable and strengthened its total return. On a sector basis, the fund's allocation to the banking, MBS passthrough, and U.S. government sectors proved to be the most additive to total return. Conversely, the fund's exposure to the communications and technology sectors was a performance detractor. By credit quality, the fund's overweight to BBB rated securities versus the benchmark was additive to performance. The fund's barbell approach in duration management aided in its outperformance over the quarter as well.

Manager Outlook

2025 was a very strong year for overall fixed income returns. After rising 0.84% in the fourth quarter, the Bloomberg US Corporate Index gained 7.77% for the full year in 2025. This annual return outpaced the broader Bloomberg US Aggregate Index, which rose 7.30% for the year. The bigger winner in 2025 was Agency Mortgages, which gained 8.58% for the year and saw OAS on the Bloomberg US MBS Index drop by 21 basis points. Corporate earnings, a more dovish Fed, and economic data that came in better than expected (when we actually got it), were all supportive tailwinds for risk assets, including fixed income spread products. These factors allowed the market to shake off broader macro risks (including geopolitical risks) and concerns around AI valuations and hyper-scaler capex spend. These are risks the market will continue to contend with in 2026.

The technical backdrop continued to be supportive of credit spreads, as all-in yields remained high. The fourth quarter saw a continuation of the strong retail fund flows and solid institutional demand that we saw for most of the year. Fourth quarter corporate debt issuance remained active totaling over \$330 billion, which was up 143% year over year (YOY). For the full year, corporate issuance was up 8.5% YOY to ~\$1.64 trillion.

This was the second highest year on record outside of 2020. Continued issuance from hyper-scalers (up to \$200 billion to \$400 billion potentially in 2026) to fund large scale data-center build outs as well as growing M&A issuance should drive issuance higher in 2026. Whether or not demand will remain robust enough to absorb the higher expected issuance remains to be seen.

The OAS of Bloomberg Corporate Index widened by 4 bps in the fourth quarter, but ended the year tighter by 2 bps. The corporate index ended the year with an OAS of 78 bps, which is just a handful of basis points away from 15-year lows. While corporate spreads were tighter on the year, they underperformed Agency MBS spreads, which were 21 bps lower in 2025 and now sit at 22 basis points. This shifts the relative value marker closer to the corporate market. With a yield-to-worst of 4.81%, corporate yields remain elevated in the 81st percentile and should support investor demand into 2026.

Our fund's flexibility continues to be a key differentiator in navigating a complex macro backdrop. Historically tight spreads leave us cautious when seeking opportunities. However, the yield environment is still relatively attractive, and we are still finding areas of interesting all-in yields. Through our relative value framework we continue to maintain spread in excess of its index along with a yield advantage. The fund's investment-grade corporate-bond exposure is focused on BBB rated securities. Credit selection has been fine-tuned towards sectors and issuers we believe provide attractive spreads and will be more economically resilient. Within the securitized sectors, we believe our focus on deep and comprehensive underwriting and intentional allocation toward high-quality top-tier issuers gives us confidence in our exposures amid some concern over increased pressures on certain consumer demographics. We continue to seek and find value in non-agency securitized asset classes for not only offering spread and yield advantages over corporates, but as a diversifier to traditional credit. We continue to find attractive yield and relative value in investment-grade collateralized loan obligation (CLO) debt and senior asset-backed securities (ABS). We continue to favor industries such as U.S. global systemically important banks (G-SIBs), utilities, and certain REITs, including office-REITs. Additionally, we are holding a cautious tone toward consumer cyclical sectors, energy, and retail related sectors.

ARISTOTLE CORE INCOME FUND COMMENTARY

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Performance as of 12/31/25

	Total Returns (%)			Annualized Total Returns (%)				Top 10 Issuers	Weight (%)
	3-Month	YTD	1-Year	3-Year	5-Year	10-Year	Since Fund Inception		
Class A-NAV	0.90	6.95	6.95	5.76	0.62	2.96	3.40	Government Of The United States Of America	21.85
Class A-MOP	-3.35	2.44	2.44	4.23	-0.25	2.52	3.10	FNMA	8.12
Class I-2	0.97	7.25	7.25	6.09	0.92	3.27	3.68	FHLMC	5.20
Bloomberg US Aggregate Bond Index	1.10	7.30	7.30	4.66	-0.36	2.01	2.42	JPMorgan Chase & Co.	1.79
								GNMA	1.75
								Onslow Bay Financial Mortgage Trusts	1.49
								Angel Oak Mortgage Trust	1.31
								SLM Corp Student Loan ABS Trusts	1.29
								Goldman Sachs Group, Inc.	1.17
								Morgan Stanley	1.11
								Total	45.08

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.

Class A shares at maximum offering price (MOP) reflect the deduction of the up-front 4.25% sales load. Performance reflects any applicable fee waivers and expense reimbursements. If a sales charge had been deducted, the results would have been lower.

Gross/Net annual operating expenses for Class A are 0.85%/0.85%, inception date 12/31/10. Gross/Net annual operating expenses for Class I-2 are 0.55%/0.55%, inception date 6/29/12.

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.

Definitions

One **basis point** equals 0.01%.

The **Bloomberg 1–3 Year US Government/Credit Bond Index** is a performance benchmark of U.S. investment-grade government and corporate bonds with maturities of one to three years.

The **Bloomberg Asset-Backed Securities (ABS) Index** is the ABS component of the Bloomberg U.S. Aggregate Index that measures the performance of ABS with the following collateral types: credit and charge card, auto and utility loans. All securities have an average life of at least one year.

The **Bloomberg Short Treasury Total Return Index** is a performance benchmark of all U.S. Treasuries that have a remaining maturity between one and twelve months.

The **Bloomberg US Aggregate Bond Index** is composed of investment-grade U.S. government bonds, investment-grade 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 **Bloomberg US Corporate Bond Index** includes publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements.

The **Bloomberg US Corporate High Yield Bond Index** measures the USD-denominated, high yield, fixed-rate corporate bond market.

The **Bloomberg US Credit Index** measures the investment grade, US dollar-denominated, fixed-rate, taxable corporate and government-related bond markets. It is composed of the US Corporate Index and a non-corporate component that includes non-US agencies, sovereigns, supranationals and local authorities.

The **Bloomberg US High-Yield 2% Issuer Capped Bond Index** measures the performance of high-yield bonds with a 2% maximum allocation to any one issuer.

The **Dow Jones Industrial Average index (DJIA)** tracks the share price of the top 30 large, publicly owned U.S. companies which is often used as an indicator of the overall condition of the U.S. stock market.

Duration is often used to measure a bond's or fund's sensitivity to interest rates. The longer a fund's duration, the more sensitive it is to interest-rate risk. The shorter a fund's duration, the less sensitive it is to interest-rate risk.

Morningstar LSTA US Leveraged Loan Index is a market-value weighted index designed to measure the performance of the US leveraged loan market.

The **Nasdaq Composite** is a stock market index that consists of the stocks that are listed on the Nasdaq stock exchange.

Option adjusted spread (OAS) is the measurement of the spread of a fixed-income security rate and the risk-free rate of return.

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.

Yield to worst is the lowest potential yield that can be received on a bond without the issuer actually defaulting.

Investing involves risk. Principal loss is possible. The Fund is subject to liquidity risk (the risk that an investment may be difficult to purchase, value, and sell particularly during adverse market conditions, because there is a limited market for the investment, or there are restrictions on resale) and credit risk (the risk an issuer may be unable or unwilling to meet its financial obligations, risking default). High-yield/high-risk bonds ("junk bonds") and floating-rate loans (usually rated below investment grade) have greater risk of default than higher-rated securities/higher-quality bonds that may have a lower yield. The Fund is also subject to foreign-markets risk.

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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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Diversification does not assure a profit, nor does it protect against a loss in a declining market.