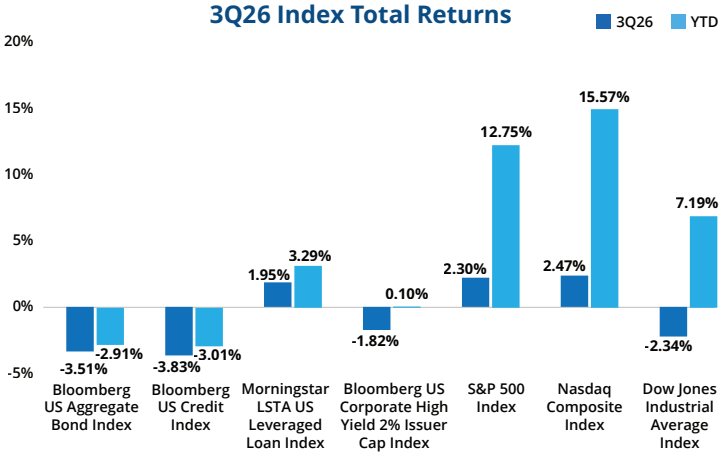
ARISTOTLE FUNDS & ETFs

ARISTOTLE FLOATING RATE INCOME FUND COMMENTARY

SEPTEMBER 30, 2026

SUB-ADVISED BY ARISTOTLE PACIFIC CAPITAL, LLC

Class A	Class C	Class I-2
PLFLX	**PLBCX**	**PLFDX**



Index	3Q26	YTD
Bloomberg US Aggregate Bond Index	-3.51%	-2.91%
Bloomberg US Credit Index	-3.83%	-3.01%
Morningstar LSTA US Leveraged Loan Index	1.95%	3.29%
Bloomberg US Corporate High Yield 2% Issuer Cap Index	-1.82%	0.10%
S&P 500 Index	2.30%	12.75%
Nasdaq Composite Index	2.47%	15.57%
Dow Jones Industrial Average Index	-2.34%	7.19%

Source: Bloomberg as of 9/30/26.

Market Review

U.S. equity and fixed-income markets generated mixed total returns in the third quarter of 2026 as rising Treasury yields, a re-engagement of hostilities between the U.S. and Iran, and weakness in the artificial intelligence (AI) theme were headwinds. Domestic large-cap equity index returns were positive; small-caps ended the period lower, while fixed-income performance was negative across the curve. Bank loans were one of the few exceptions, generating positive returns in the quarter.

Fixed-income investors weathered negative total returns during the third quarter, as rising yields and spread widening weighed on the asset class. The U.S. Treasury curve steepened as yields climbed across maturities; the five-year note's yield rose 90 basis points (bps) and the 30-year bond yield continued to march higher, rising 73 bps to end September at 5.64%. Bank loans, which are floating-rate, outperformed high yield and investment-grade corporates as rate volatility picked up speed in September. Loan buyers returned to software and services loans that had come under AI-induced selling pressure in the first half of the year.

AI and technology continued to play an outsized role in U.S. equity and debt markets. The third quarter witnessed a shift toward the broader public policy implications of AI model development and infrastructure buildout, while hyperscalers continued to grow their footprint within debt markets. The capital expenditures of the AI buildout continued to reshape the U.S. bond market, with technology representing the largest sector at roughly $300 billion of the investment-grade bond market's $1.5 trillion gross issuance year to date through mid-September.

The U.S.-Iran conflict, which paused on June 17 with the signing of a memorandum of understanding, reignited in July with intermittent fighting and Houthi militant attacks on energy infrastructure located on the Red Sea. Crude oil and refined products soared during the quarter as shipping challenges and limited refining capacity reverberated through energy markets. While the number of barrels of oil transiting the Strait of Hormuz has returned to about 80% of pre-conflict levels, the knock-on effects continue to be felt in refined products and fertilizer prices. Diesel prices soared over 47% during the quarter as limited global refining capacity, and the specter of a potential U.S. export ban underpinned a scramble for supply.

With the Consumer Price Index (CPI) still above target, the Federal Reserve in September opted to raise the fed funds rate by a quarter point, to a range of 3.75%-4.00%, and market expectations have priced in at least one more hike for the balance of 2026. In the September FOMC statement that accompanied its rate hike, the committee showed resolve to break inflation while also noting that both a demand shock from a strong economy and a supply shock from oil prices have the potential to sustain higher inflation. The U.S. dollar gained 0.27% during the quarter as a hawkish stance in Fed messaging supported performance.

Despite the disruptions within energy and interest rates,

No bank guarantee • May lose value • Not FDIC insured

high-level economic data has been resilient in 2026, but with signs of weakness continuing to permeate. Monthly non-farm payrolls were disjointed with a modestly negative July print, a large August beat that was revised down to 133,000, and a below-consensus report of 29,000 in September. The University of Michigan Consumer Sentiment Survey, which measures confidence and future expectations, fell in September to the lowest level in four months as concerns over affordability remain top of mind. Consumer inflation expectations diverged from current CPI, with survey respondents forecasting year-ahead inflation to rise to 4.6%, while CPI was 3.7% in September. The outlook was not all dour though, as the Fed's Beige Book noted that manufacturing activity rose across most of the 12 districts surveyed on account of robust defense and datacenter construction orders.

Asset Class Overview

The floating-rate loan market was one of the few bright spots during the third quarter as rising interest rates and renewed buying in software loans underpinned performance. The Morningstar LSTA Leveraged Loan Index returned 1.95% with carry the primary performance driver as secondary prices rallied in the first two months of the quarter but gave ground in September. The average bid for loans in the index rose 35 cents to end September at $95.32. The four-year discounted spread for the index tightened 11 bps to end at 442 bps, while the effective yield rose 24 bps to 8.50%. The impact of AI disruption on software loans, which had marked the first half of 2026, subsided with loans gaining over two dollars during the quarter to end at $87.74 as investors parsed out the winners and losers within the industry. The re-evaluation of the segment within the loan market may also be seen in new issuance, with software's share of new deals falling from an average of 18.5% over the past 10 years to 7.4% year to date. The industry leading new issuance thus far in 2026 is media at 17.5%, with much of that associated with Paramount's $8.5 billion term loan as part of a broader financing package for Warner Bros. Discovery. Retail investors gravitated toward floating-rate securities, with $1.2 billion in inflows during the third quarter, and CLOs remained active buyers of loans with $46 billion in new tranche issuance during the period.

	3Q26 Return	3Yr DM	3Yr DM to Start Year	3Yr Life Yield	3Yr Life Yield to Start Year
Morningstar LSTA US Leveraged Loan Index	1.95%	481	428	8.49%	8.28%
BB	1.59%	264	262	6.32%	6.62%
B	2.53%	445	414	8.13%	8.14%
CCC	-2.64%	2188	1690	25.57%	20.90%

Source: Bloomberg and PitchBook as of 9/30/26.

Fund Performance

The Aristotle Floating Rate Income Fund (Class I-2) returned 1.76% versus the Morningstar LSTA Leveraged Loan Index return of 1.95%.

Fund Allocation

During the third quarter, the investment team made changes to the credit quality and industry exposure of the Fund. CCC exposure, predominately in second lien loans, was reduced by five percentage points, while single B exposure rose by roughly the same amount. Looking at Morningstar GICS level II industry exposure, the portfolio reduced exposure to insurance, healthcare equipment & services, and capital goods, and increased exposure to consumer services, software & services, and media and entertainment.

Portfolio Review

For the quarter, the Fund performed generally in line with the benchmark and ahead of the Morningstar (Bank Loan) category average. Security selection in the software & services, consumer services, and telecommunications sectors benefited performance, while selection in commercial & professional services detracted. An overweight to telecommunication services detracted from performance, while an underweight to transportation was additive. The Fund's underweight to stressed CCC issuers and an overweight to CCC rated second lien bank loans benefited performance. The Fund's focus on performing credits and those priced above $90 benefited relative return.

Manager Outlook

The leveraged loan market delivered a solid third quarter

***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.

Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest).

despite a more challenging macro backdrop, with the Morningstar LSTA Leveraged Loan Index returning 1.95% during the period, bringing the year to date return to 3.29%. Within fixed income, loans were a material outperformer as Treasury yields and the forward rate curve moved higher, particularly in September, allowing the asset class to significantly outperform high-yield and investment-grade bonds.

Underlying corporate fundamentals and technicals remain supportive. JP Morgan's universe of loan issuers reported the strongest revenue and EBITDA growth in three years for the second quarter of 2026, with revenue +10.8% year over year and EBITDA +6.8% year over year. However, growth was primarily driven by the higher quality cohorts (BBs and Bs), while CCC issuers reported EBITDA decline of -3%. This divergence is notable: While rising rates are a tailwind for the asset class, they may place further pressure on the lowest quality borrowers in the loan market – many of which were already struggling prior to the latest rate hike. These headwinds, along with recent recovery rates trending below long term averages, have reinforced our decision to avoid distressed borrowers.

For our portfolios, we continue to maintain a bias toward performing credits, as evidenced by the higher average dollar price of our holdings. During the third quarter, we reduced our exposure to second lien loans and insurance brokers, while adding more defensive yield to call loans. Outside of our insurance brokerage reduction, we continue to favor capital goods and healthcare, while remaining underweight materials. Within the software sector, we are positioned primarily in shorter-dated loans – many of which have upcoming refinancing catalysts (which often result in tightened docs and improved spreads). We are also carefully managing the amount of overall exposure we have to artificial intelligence – both directly and indirectly.

Performance as of 9/30/26

	Total Returns (%)			Annualized Total Returns (%)			
	3-Month	YTD	1-Year	3-Year	5-Year	10-Year	Since Fund Inception
Class A-NAV	1.81	2.85	4.59	6.76	5.93	4.91	4.70
Class A-MOP	-1.20	-0.22	1.47	5.69	5.29	4.59	4.49
Class I-2	1.76	3.05	4.75	7.02	6.20	5.17	4.95
Mornigstar LSTA US Leveraged Loan Index	1.95	3.29	4.55	7.03	6.19	5.38	4.98

Top 10 Issuers	Weight (%)
TK Elevator	4.11
RealPage, Inc.	4.01
Warner Bros. Discovery, Inc.	3.42
Covetrus, Inc.	3.31
TransDigm Group Incorporated	3.27
CRC Insurance Group LLC	3.13
Iridium Communications Inc.	2.80
CoreLogic, Inc.	2.72
Claritev Corporation	2.53
Ellucian Company L.P.	2.49
Total	**31.79**

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Class A shares at maximum offering price (MOP) reflect the deduction of the up-front 3.00% 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 1.06%/1.06%, inception date 12/30/11. Gross/Net annual operating expenses for Class I-2 are 0.81%/0.81%, 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.

The **Morningstar Bank Loan Category** includes portfolios that primarily invest in floating-rate bank loans and other below-investment-grade floating-rate securities. These investments carry credit risk and typically pay interest above a short-term reference rate, such as SOFR.

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.

A **yield curve** plots the interest rates of bonds that have equal credit quality but different maturity dates.

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.

This commentary represents the views of the portfolio managers at Aristotle Pacific Capital, LLC as of the publication date and are presented for informational purposes only. These views should not be construed as investment advice, an endorsement of any security, mutual fund, sector or index, or to predict performance of any investment. Any forward-looking statements are not guaranteed. All material is compiled from sources believed to be reliable, but accuracy cannot be guaranteed. The opinions expressed herein are subject to change without notice as market and other conditions warrant. Sector names in this commentary are provided by the Fund's portfolio managers and could be different if provided by a third party.

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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