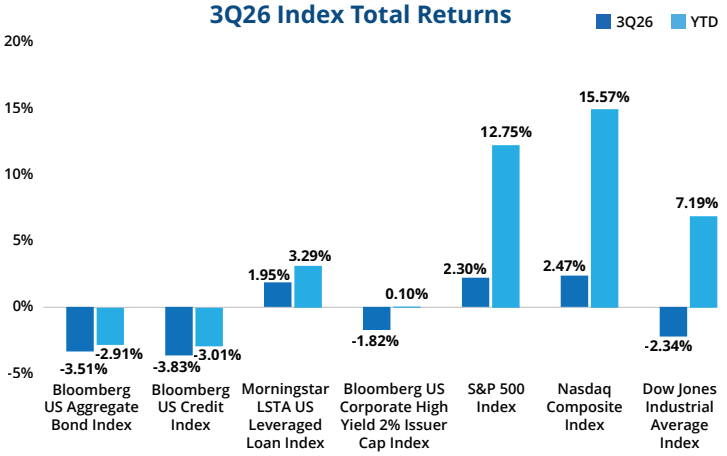
ARISTOTLE
FUNDS & ETFs

ARISTOTLE CORE INCOME FUND COMMENTARY

SEPTEMBER 30, 2026

SUB-ADVISED BY ARISTOTLE PACIFIC CAPITAL, LLC

Class A	Class C	Class I-2
PLIAX	**PLNCX**	**PLIDX**



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, high-level economic data has been resilient in 2026, but with

No bank guarantee • May lose value • Not FDIC insured

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

Investment-grade bonds were challenged in the third quarter, generating negative performance as carry did not offset the impact of rising yields. However, despite interest rate volatility and geopolitical influences, investment-grade corporate bonds remained on solid footing, supported by positive fundamentals for most sectors. Revenue and EBITDA have grown by 10.5% and 15.8% year over year, respectively, and net leverage fell to 2.7 times. Investment-grade corporates had strong issuance year to date, representing over 30% year-over-year growth, with much of that in support of AI capital spending. Credit selection will continue to play an important role in the months ahead as robust hyperscaler issuance has caused a negative technical in 2026. For context, hyperscaler debt has grown 92% versus 4% for other issuers, but the counterargument is their ability to service the debt, as evidenced by interest coverage of over 46 times relative to 9.1 times for other investment-grade corporate issuers. The yield-to-worst of the Bloomberg US Aggregate Bond Index (Agg) rose 83 bps over the quarter to end at 5.56%, whereas spreads widened by 5 bps, ending with an option-adjusted spread (OAS) of 31 bps. The total return for investment-grade bonds (represented by the Agg) in the third quarter was -3.51%, while the average price was $88.96, down from $93.06 at the end of June.

	3Q26 Return	OAS	OAS to Start Year	YTW	YTW to Start Year	Duration	Duration to Start Year
US Aggregate Index	-3.51%	31	27	5.56%	4.35%	5.77	6.04
AAA	-2.01%	27	31	5.32%	4.05%	3.96	4.19
AA	-3.46%	15	10	5.42%	4.20%	5.68	5.88
A	-3.93%	69	65	5.92%	4.72%	6.36	6.86
BBB	-3.80%	99	98	6.23%	5.06%	6.27	6.71

Source: Bloomberg as of 9/30/26.

The high yield market gave back much of the second quarter's robust performance as geopolitical turmoil and interest rate volatility negatively impacted fixed-rate leveraged credit. The Bloomberg US High Yield 2% Issuer Capped Bond Index returned -1.82% during the period with spreads widening 42 bps as a resumption of fighting in the Middle East, rising rates, and heavy issuance weighed on the asset class. High yield corporates remained well supported by fundamentals and default activity was 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 2.68%, below the 25-year monthly average of 3.25%. High yield issuance slowed down quarter over quarter as companies raised a total of $80 billion across 76 tranches with much of that associated with AI and M&A activity. One defining feature of the third quarter was back-to-back records for high yield new issuance deal size in late September, as SoftBank tapped the bond market for $11.1 billion to invest in OpenAI, while Paramount came to the market for $12.4 billion a week later as part of a larger financing package to fund the purchase of Warner Bros. Discovery.

	3Q26 Return	OAS	OAS to Start Year	YTW	YTW to Start Year	Duration	Duration to Start Year
US HY 2% Issuer Cap Index	-1.82%	311	268	8.35%	6.57%	3.20	2.80
BB	-1.95%	186	166	7.11%	5.60%	3.42	3.04
B	-1.18%	301	270	8.30%	6.56%	2.98	2.53
CCC	-3.44%	1007	614	15.05%	9.84%	2.68	2.47

Source: Bloomberg as of 9/30/26.

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

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

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 Core Income Fund (Class I-2) returned -3.68% versus the Bloomberg US Aggregate Bond Index return of -3.51%.

Portfolio Review

The third quarter of 2026 was characterized by continued upward pressure on Treasury yields, as persistent inflation concerns and uncertainty surrounding the Federal Reserve's policy trajectory weighed on fixed income markets. While elevated all-in yields continue to provide an attractive source of income, relatively tight credit spreads leave limited room for fundamental deterioration or unexpected volatility. Against this backdrop, we believe maintaining a disciplined approach to credit selection and prudent risk management remains appropriate. We continue to favor investments offering attractive risk-adjusted income potential while remaining mindful of interest rate sensitivity, spread valuations, and the potential for increased dispersion across credit markets.

Within investment-grade corporates, we maintained a selective approach, with an emphasis on BBB rated issuers offering attractive incremental yield and resilient underlying fundamentals. Our positioning continues to favor businesses with durable cash flow generation, manageable leverage, and the financial flexibility to navigate an environment of elevated borrowing costs and potentially moderating economic growth. While our overweight allocation to investment-grade corporates detracted from relative performance during the quarter, we continue to identify opportunities where valuations adequately compensate investors for underlying credit risk. We remain focused on balancing the portfolio's spread and yield advantages against the potential for increased volatility, particularly as elevated Treasury yields and tight credit spreads influence relative value across fixed income sectors.

We continued to emphasize diversification across securitized credit markets, including investment-grade collateralized loan obligation (CLO) debt, asset-backed securities (ABS), and select non-agency residential mortgage-backed securities (RMBS). Within CLOs, we remain focused on senior tranches, where structural protections, credit enhancement, and floating-rate income characteristics continue to offer attractive relative value compared with similarly rated corporate securities. In ABS, we favor senior positions supported by strong collateral performance and structural protections while remaining cautious toward consumer-sensitive segments exhibiting signs of credit deterioration. Select bank-loan exposures also remain an important component of the portfolio, providing floating-rate income and diversification benefits. Bank loans contributed positively during the quarter, reinforcing the value of maintaining flexibility across traditional and nontraditional fixed income sectors. Looking ahead, we believe disciplined security selection, active sector allocation, and an emphasis on higher-quality credit will remain critical to generating attractive risk-adjusted returns while navigating an evolving interest rate and economic environment.

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.*

Fund Allocation

The portfolio's composition was largely stable during the quarter, with the number of holdings declining from 474 to 448. Investment-grade corporate bonds remained the Fund's largest allocation, though exposure decreased from 40.01% to 38.01% as we selectively trimmed positions. U.S. government and agency exposure was reduced by approximately 2 percentage points to 18.56%, while allocations to asset-backed securities and floating-rate loans were essentially unchanged at 11.15% and 8.03%, respectively. Within securitized sectors, we modestly increased exposure to agency mortgage-backed securities and non-agency MBS, which ended the quarter at 15.77% and 6.97%, respectively. Portfolio duration was little changed over the period, ending the quarter at 6.02 years, a level we believe appropriately balances income generation and interest rate sensitivity given the uncertain policy outlook.

Contributors/Detractors

The Fund's underweight to U.S. Treasuries, exposure to non-benchmark credit sectors, and security selection contributed positively to relative performance. Bank loans were a notable contributor, and allocations to high-yield corporates, non-agency RMBS, and select structured credit provided additional support. The primary detractors were the Fund's modestly longer effective duration relative to the benchmark, which weighed on returns as Treasury yields rose, and its overweight to investment-grade corporate bonds. Exposure to longer-duration securities also detracted amid the broader increase in rates.

Manager Outlook

A strong economic backdrop has defined 2026 but its durability is being tested by higher interest rates and energy prices, as well as overall elevated inflation. Chair Kevin Warsh followed through on hawkish messaging in the third quarter, with the first rate hike in three years, helping to assuage concerns over the Fed's political independence. That said, we are only three press conferences into Warsh's tenure, and it is fair to say that there are more questions than answers when it comes to future policy and the ability to balance the Fed's dual mandate of price stability and maximum employment.

Much has been said about AI infrastructure spending, with over $300 billion of investment grade issuance to support the massive data center buildout so far in 2026, and this is reshaping credit markets with tech moving to represent the largest issuers within indexes. This massive supply shock to markets has meant spreads have moved wider for these issuers, and we expect the shock to likely continue. We have dedicated meaningful time to credit research on these issuers and have added exposure to higher quality hyperscalers.

As we look forward, key questions to define the final months of the year will be the evolution of inflation and the ability of consumers to continue to sustain growth. Consumers have weathered tariffs, job uncertainty in the wake of AI, higher interest rates, and rising energy prices, but their ability to sustain spending in the months ahead warrants close attention. At the moment, despite higher energy prices, we see mixed signals on inflation while growth remains strong. We remain optimistic that continued AI capex will propel the economy forward, though it is likely to remain a headwind for fixed income markets.

The option-adjusted spread of the Bloomberg Barclays Corporate Index widened by 6 bps in the third quarter to end at 80 bps. In spite of the recent uptick, September's level was still well off the 10-year average of 109 bps, leaving a thinner margin of error. The significant issuance from the AI buildout has meant that technology companies are becoming some of the largest components of indexes, overtaking banks as the largest issuers year to date. Large issuance from this cohort led to notable spread widening in the sector. While spreads are wide, tech companies continue to have strong balance sheets, robust interest coverage, and durable cash flow streams. Away from some idiosyncratic stories, we continue to focus on cash flows we believe are resilient to the inflationary headwinds and potential slowing of the consumer. Core and Core Plus portfolios have remained overweight duration versus their benchmarks, while remaining toward their lower historical ranges for broad credit exposure.

Our Fund's flexibility continues to be a key differentiator in navigating a complex macro backdrop. Through our relative value framework, we continue to maintain spread in excess of our index along with a yield advantage. The Fund's investment-grade corporate-bond exposure is focused on BBB rated securities. We continue to seek and find value in non-agency securitized asset classes for not only offering spread and yield advantages over corporates, but also diversification to traditional credit. We also find attractive yield and relative value

in investment-grade collateralized loan obligation debt and senior asset-backed securities. Our fundamental research leads us to favor industries such as U.S. global systemically important banks, utilities, and select office REITs. Also, amidst the notable spread widening, we find value in many of the data center tech names. Additionally, we are cautious on consumer cyclical sectors, healthcare-related names due to M&A pressures, and retail-related sectors.

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	-3.76	-3.18	-2.31	4.18	0.07	1.93	3.02
Class A-MOP	-6.68	-7.26	-6.42	2.68	-0.79	1.48	2.74
Class I-2	-3.68	-2.95	-2.00	4.51	0.37	2.23	3.31
Bloomberg US Aggregate Bond Index	-3.51	-2.91	-1.84	4.06	-0.64	1.14	2.11

Top 10 Issuers	Weight (%)
Government Of The United States Of America	16.89
Federal National Mortgage Association	10.14
Freddie Mac	6.01
Ginnie Mae	1.69
JPMorgan Chase	1.65
National Grid PLC	1.13
Morgan Stanley	1.07
Sempra	1.03
Goldman Sachs	1.00
Gaming And Leisure Properties	0.81
Total	**41.42**

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 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 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.

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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