

## Palmer Square Opportunistic Income Fund (PSOIX)

April 2026

### Fund Refresher

As a refresher, the Palmer Square Opportunistic Income Fund (“PSOIX” or the “Fund”) seeks to not only capture a high level of current income, but also long-term capital appreciation by investing with a flexible mandate to find the best relative value opportunities across both corporate credit and structured credit.

### Performance Summary

**The Fund returned -1.72% (net of fees) for the first quarter of 2026.**

We remain confident in our positioning in CLO (Collateralized Loan Obligation) debt, bank loans and high yield bonds as well as believe the total return outlook still remains very attractive. The current yield on the Fund is now 8.29%.\*

### Fund Performance Net of Fees as of 3/31/2026 (inception 8/29/2014)

	Q1 '26	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014 <sup>1</sup>
PSOIX	-1.72%	6.32%	11.51%	18.94%	-4.48%	6.66%	5.92%	7.59%	-0.47%	11.04%	12.10%	-5.32%	-0.76%
		<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>	<b>Since Inception Annualized<sup>1</sup></b>							
PSOIX		3.20%	10.31%	6.60%	7.99%	5.57%							

<sup>1</sup>Inception date is August 29, 2014. Annual Expense Ratio: Gross 2.01%/Net 2.01% with expense waivers that are in effect until December 1, 2026. See expense waiver details in Notes and Disclosures. The performance returns shown above are calculated by comparing the net asset value (NAV) on the first day of the time period to the NAV on the last day of the time period and reflect reinvested dividends and capital gains. Returns less than 1 year are not annualized. **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 1-800-736-1145.**

### Portfolio Snapshot

Please refer to the table below for a portfolio snapshot by quarter.

	3/31/2025	6/30/2025	9/30/2025	12/31/2025	3/31/2026
Interest Rate Duration	0.43 yrs	0.43 yrs	0.39 yrs	0.45 yrs	0.43 yrs
Spread Duration	2.15 yrs	2.24 yrs	2.30 yrs	2.41 yrs	2.72 yrs
Credit Spread	346	356	349	437	565
Weighted Average Price	\$99.3	\$99.5	\$99.8	\$99.6	\$97.3
Yield to Expected Call	7.06%	6.97%	6.73%	7.67%	9.10%
Yield to Maturity	7.15%	7.02%	6.97%	7.92%	8.81%
Current Yield	7.48%	7.52%	7.51%	8.05%	8.29%
30-day SEC Yield (subsidized)*	7.81%	6.25%	7.43%	6.08%	4.91%
30-day SEC Yield (unsubsidized)*	7.81%	6.25%	7.43%	6.08%	4.91%

*Past performance does not guarantee future results.*

### Allocation / Attribution Summary

#### Select Portfolio Attribution and Characteristic Dashboard

Allocation	3/31/2026 Allocation	Q1 2026 Gross Attribution	Average Price	Yield to Expected Call*
CLO Debt	66.4%	-0.20%	\$98.0	8.40%
Bank Loans	14.5%	-0.15%	\$95.9	8.58%
High Yield Bonds	6.5%	-0.08%	\$95.0	8.02%
CLO Equity	9.0%	-0.44%	n/a	19.03%
ABS/MBS/CMBS	1.7%	0.01%	\$91.4	13.91%

*Asset-backed Securities (ABS), Mortgage-backed Securities (MBS), Commercial Mortgage-backed Securities (CMBS).*

*\*Please see Notes and Disclosures for definitions.*

---

**Historic Positioning Detail by Asset Type:**

	3/31/2025 Allocation	6/30/2025 Allocation	9/30/2025 Allocation	12/31/2025 Allocation	3/31/2026 Allocation	Q1 2026 Gross Attribution
CLO Debt	71%	76%	77%	73%	66.4%	-0.20%
Bank Loans	17%	15%	15%	14%	14.5%	-0.15%
High Yield Bonds	9%	6%	5%	6%	6.5%	-0.08%
CLO Equity	2%	1%	1%	6%	9.0%	-0.44%
ABS/MBS/CMBS	1%	1%	1%	1%	1.7%	0.01%

Please note the allocation above is on a gross exposure basis as a percent of NAV and does not include cash. Gross attribution does not include hedges, expenses and fees if applicable. 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. Attribution refers to the process of measuring returns generated by various sources.

- **Performance and Attribution: The Fund returned -1.72% (net of fees) for the first quarter of 2026.** The negative absolute performance was driven by a broad-based widening in credit mainly driven by fears around the war in Iran and AI disruption risks. The Fund's exposure to CLO Debt and CLO Equity provided the largest detraction at -0.64%, followed by bank loans at -0.15% and HY (High Yield) bonds at -0.08%.

Below is a summary of major benchmark performance for comparison.

Selected Indices*	Q1 2026 Performance	YTD 2026 Performance
Bloomberg U.S. Treasury Index	-0.04% (Yield +0.25%)	-0.04% (+0.25%)
Bloomberg U.S. Aggregate Bond Index	-0.05% (Spread +4bps)	-0.05% (+4bps)
Bloomberg U.S. Corporate Index	-0.54% (Spread +11bps)	-0.54% (+11bps)
Bloomberg 1-3 Year U.S. Corporate Index	+0.30% (Spread +10bps)	+0.30% (+10bps)
Bloomberg U.S. High Yield Index	-0.50% (Spread +52bps)	-0.50% (+52bps)
iBoxx Liquid Leveraged Loan Index	-1.33% (DM +59bps)	-1.33% (+59bps)
Palmer Square CLO Senior Debt Index	+1.13% (DM +6bps)	+1.13% (+6bps)
Palmer Square CLO Debt Index	-0.38% (DM +55bps)	-0.38% (+55bps)
S&P 500 Index	-4.35%	-4.35%
STOXX 600 Index	-0.83%	-0.83%

Source: Bloomberg as of 3/31/2026. Bps = basis points or 0.01%. Past performance does not guarantee future results.

---

## Quarter Recap and Current Themes:

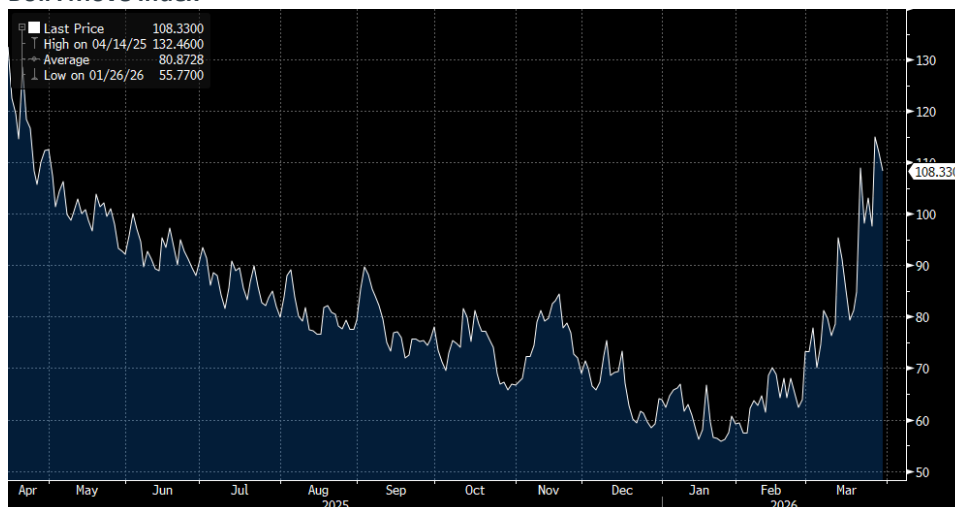
### I. Quarter Recap: War in Iran, Higher Rates, AI Fears, and Rotation

### II. Current Themes: Higher for Longer Energy Prices, AI Software, AI Capex, Rotational Flexibility

#### I. Quarter Recap: War in Iran, Higher Rates, AI Fears, and Rotation

- **Will the Iran War and Oil Price Spike Lead to Rate Hikes?:** The Iran War dominated the news cycle during the first quarter, with energy prices and financial markets swinging sharply since late February. The closure of the Strait of Hormuz threatens the supply of oil, natural gas and key chemicals the global economy depends on, which has subsequently led to a sharp increase in commodity prices as well as fears over shortages. This reintroduces inflationary pressures into the global economy at a time when central banks were ready to move on from COVID-era inflation. As such, interest rates have repriced materially – 2Yr yields rose +42bps in March – as investors abandoned expectations for near-term rate cuts and braced for potential rate hikes instead. The BofA Move Index, a measure of bond market volatility, spiked to the highest level since April of last year (tariff announcements), which subsequently led to broad underperformance of duration product. While we are not in the hike camp, and still think Warsh, if confirmed, would look to cut rates later this year, this is yet another example of rate volatility impacting fixed income allocations.

#### BofA Move Index



Source: Bloomberg, as of March 31, 2026

- **AI Fears Over Software:** The widespread adoption of Claude Code and AI's rapid evolution has prompted fears over disruption in the software industry, causing a broad sell-off in software equities and credit to start the year. We've been discussing these risks since early 2025 and as a result, the Fund's overall exposure to the sector was low ahead of the sell-off. At the same time, we have a more nuanced view of the potential risks to the sector and think this broad-based weakness has created opportunities in certain sub sectors and companies. As AI continues to evolve, this is likely to remain a recurring theme in the market.
- **Conservative Positioning leads to Ample Rotational Flexibility:** The Fund was defensively positioned heading into 2026, which provided ample dry powder to quickly respond when heightened volatility created opportunities during the quarter. In addition, our preference for liquid credit allowed us to react quickly in March when credit presented a narrow window of opportunity – a window which has already begun to close in April as markets rebound. Heading into Q2, we believe we remain well positioned to take advantage of further opportunities.

---

## II. Current Themes: Higher for Longer Energy (and Rates), AI Capex, and the Case for Floating Income

- **Opportunity for Higher for Longer Energy Prices:** Entering the second quarter of 2026, “Higher for Longer” is a trend we expect to continue not only for rates but also energy prices. Even if the conflict is fully resolved in the near term, and the Strait of Hormuz is somehow “opened”, it will likely take months for energy prices to return to pre-war levels. Moreover, the market will now price in a lingering chance the Strait could be reclosed at any given moment. Higher energy prices will eventually bleed into core inflation (food, electricity, goods) and may influence the Federal Reserve (“the Fed”) to pause its current easing stance and lead to a steepening of the yield curve.
- **Fed on Hold:** The Fed finds itself in a challenging position as Kevin Warsh navigates the nomination process and is set to take over as Fed Chair in May. On one hand, the Iran conflict has emerged as a meaningful inflation risk with higher energy costs quickly filtering through the economy in the form of higher: gasoline, freight, and raw material costs. On the other hand, the labor market’s fragile low-growth equilibrium supports the idea of further rate cuts. The most likely path forward is a continuation of the current 3.50-3.75% Fed Funds Rate and a slower pace of cuts than originally expected for 2026.
- **AI Capex Boom Continues:** On the positive side, the buildout of AI infrastructure continues to be a significant tailwind for U.S. growth and corporate earnings. The much-anticipated IPOs of OpenAI, Anthropic, SpaceX – slated for the second half of 2026 – are expected to inject fresh capital and momentum in the space, setting up further acceleration in infrastructure spending. That said, rising political pressure remains a potential headwind to the sector as fears surrounding rising utility prices and potential job losses intensify. We fully expect data centers to be an election day issue come November.
- **Floating Rate as a Core Allocation:** With all this uncertainty and rate volatility, we continue to support floating rate credit and low duration strategies as a core allocation to fixed income portfolios. As demonstrated by the volatility experienced in first quarter, the path of interest rates remains uncertain and floating rate exposure can help neutralize volatility while providing stable income. In addition, we believe CLO Debt continues to offer a compelling spread advantage versus comparable fixed rate assets such as corporate credit.

## 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 hypothetical upside from current levels. The Yield to Expected (YTE) illustrates the hypothetical yields if spreads were to stay the same and the bonds pull to par by maturity. The Average 1yr Upside represents the hypothetical opportunity for the 1-year total return if spreads return to their 10-year average levels, and the Tight 1yr Upside represents the hypothetical opportunity for the 1-year total return if spreads return to their 10-year tight levels.<sup>1,2</sup>

PALMER SQUARE CLO INDEX LEVELS AND 1YR UPSIDE TO AVERAGE/TIGHTS					
Rating	Current Average Price	Discount Margin	Yield to Expected	Average 1yr Upside <sup>1</sup>	Tight 1yr Upside <sup>2</sup>
CLO AAA	\$100.02	119	4.85%	5.29%	5.66%
CLO AA	\$99.86	164	5.31%	5.87%	6.25%
CLO A	\$99.84	191	5.60%	6.21%	6.59%
CLO BBB	\$98.28	334	7.05%	8.35%	9.88%
CLO BB	\$90.89	814	11.98%	15.27%	19.67%

Source: JPM / Intex / Palmer Square. As of 3/31/2026. The figures presented above represent hypothetical performance and does not reflect any actual performance. The hypothetical performance was not achieved by any investor, including the Fund. Actual results may vary substantially. Below investment grade ratings are subject to higher risks. <sup>1</sup>Refers to the potential increase in value of the investment in one year if spreads return to 10-year average levels. <sup>2</sup>Refers 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 above 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 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.

- CLO Allocation/Opportunity to Capture Income and Total Return:** As of quarter-end, CLO Debt and CLO Equity accounted for 75% of the portfolio, down about 4% quarter-over-quarter. Most of the rotation throughout the quarter was out of AAAs which were flat to positive on a total return basis and rotating into more mezz profiles which are trading at the widest levels since Liberation Day. CLO BBBs are currently trading on average at a spread of 342bps and CLO BBs are at a spread of 688bps for higher quality portfolios. *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.*

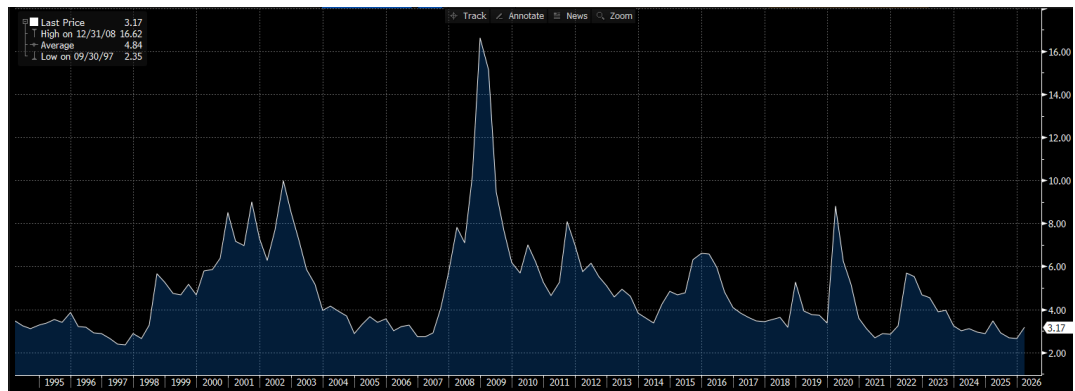
CLO BBs remain a significant allocation in the portfolio and we believe at current valuations offer a lot of potential value on an absolute and relative basis. As compared to high yield (“HY”) opportunities, CLO BBs on a historical basis still look very cheap. As indicated in Exhibit 1 below, CLO BBs currently pick up 529bps of spread versus HY, which looking back to 2012 is a 93rd percentile reading (meaning CLO BBs have been relatively cheaper only 7% of the time). The median spread differential over the same time period is 321bps, which means CLO BBs need to tighten\* about 218bps just to get back to historical average levels vs HY. Also, HY Corporate Index spreads widened during the quarter, but still sit at historically low levels (see Exhibit 2 below).

**Exhibit 1: CLO BB vs HY Spreads**



Source: Bloomberg as of 3/31/2026. Current performance is not a guarantee of future performance of the Fund. LF980AS is the Bloomberg U.S. Corporate High Yield Option-Adjusted Index. PSBBDMSF is the Palmer Square CLO BB Discount Margin Index.

**Exhibit 2: High Yield Corporate Index Spreads**



Source: Bloomberg as of 3/31/2026. Current performance is not a guarantee of future performance of the Fund. LF980AS is the Bloomberg U.S. Corporate High Yield Option-Adjusted Index.

- 
- **Bank Loan Allocation:** As of quarter-end, bank loan exposure was 15% of the portfolio, up from 14% the previous quarter. Investor concerns surrounding AI disruption, most notably in the software sector, caused market-wide volatility in loans – including sectors and companies seemingly immune to the disruption fears. The Fund was not immune to this volatility, but it did provide the opportunity to reposition exposure and selectively add new loans at more attractive valuations. Volatility in February and March also created opportunities in the primary market as issuers were forced to offer investors more attractive pricing on new transactions. In addition, the higher-for-longer rate environment has bolstered the yield outlook for the asset class and enhanced relative value compared to HY corporate bonds. The Fund has maintained a bias towards higher quality issuers and strategically limited exposure to cyclical sectors such as chemicals and building products. *We believe loans remain attractive and will likely maintain exposure at or near current levels, focusing on opportunities in both the primary and secondary markets.*
  - **High Yield Bond Allocation:** As of quarter-end, HY corporate bond exposure was 7% of the portfolio, up modestly from the prior quarter. Interest rate and credit spread volatility in March resulted in a challenging quarter for HY corporate bonds; however, we came into the quarter with limited exposure given low spread valuations. On the positive side, volatility provided the opportunity to reposition the Fund and add new HY corporate positions at more compelling valuations. The Fund remains focused on finding idiosyncratic credit opportunities – in primary and secondary markets – that we believe offer attractive total return potential. *The HY corporate bond allocation is likely to remain at or near current levels but will seek to increase exposure if spread were to widen to more attractive levels.*

#### Outlook / Focus on CLO Relative Value

- **CLO Issuance Forecast and Outlook:** CLO issuance set a new record in 2025 with \$211bn in new issuance (+4% year-over-year) as well as \$326bn in refi/reset activity (+7% year-over-year). 2026 started off at a similar pace but briefly slowed in late February and March given broader macro volatility. New issuance ended the quarter at \$45.2bn (-7% year-over-year). Since quarter end, we have seen more deals start to get announced and still expect a busy remainder of the year. Refi and Reset activity pace should also remain elevated as 2024 deals come out of non-call with liability levels still wide of current market levels.

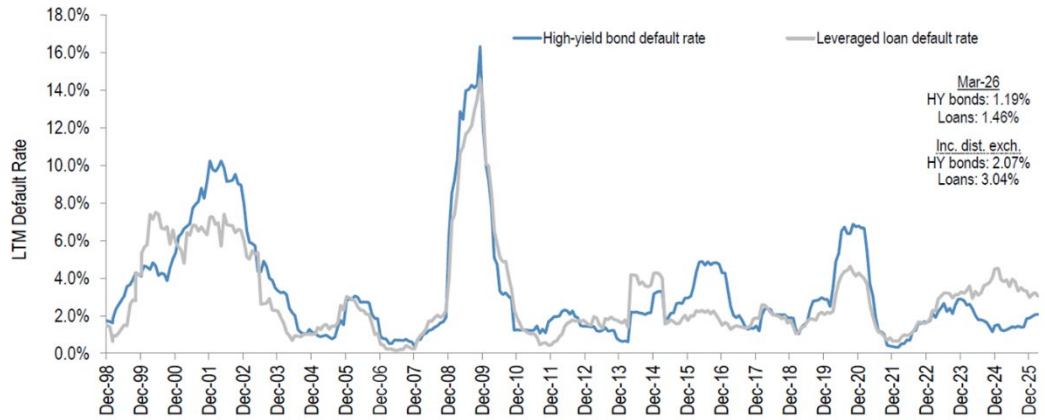
#### Fundamentals

- During Q1 2026, \$10.1bn in loans were impacted by default / liability management exercise (“LME”), down from \$25.4bn in Q4. This brought the US loan default rate to 3.04% on a par-weighted basis, the lowest reading since April 2024. Loans trading below \$80 price within CLOs trended upward to 5.98% versus 4.49% in Q4. CCC+ assets held in CLOs also decreased slightly to 4.2%. CLO issuance continues to drive loan demand with \$34.6bn in new issue and \$39bn in reset/refi activity in BSL CLOs.

\*Please see Notes and Disclosure for definitions.

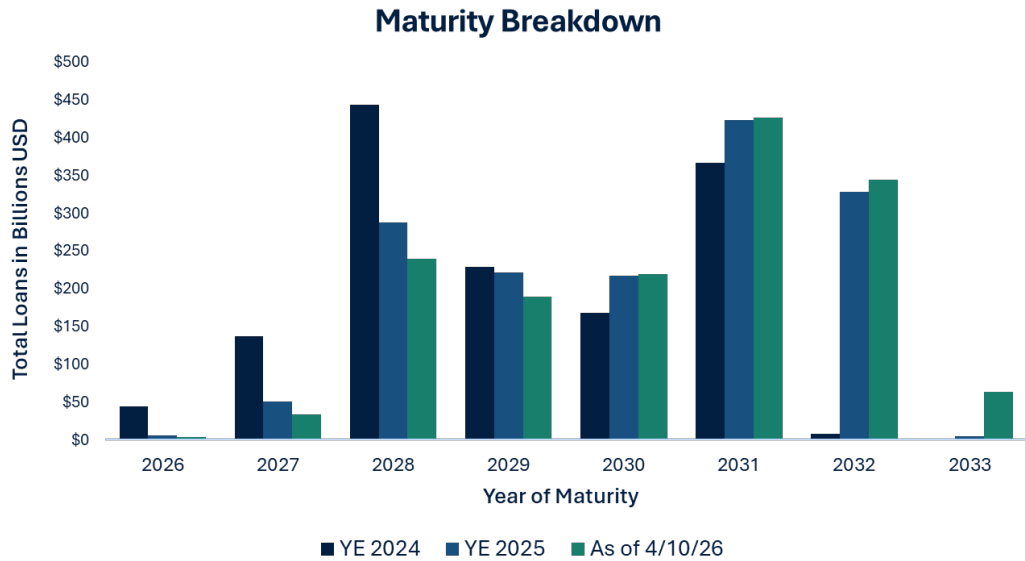
**Exhibit 3: Loan default rates below recent highs**

The high-yield bond default rate ticked higher for a sixth consecutive month, while the leveraged loan default rate declined



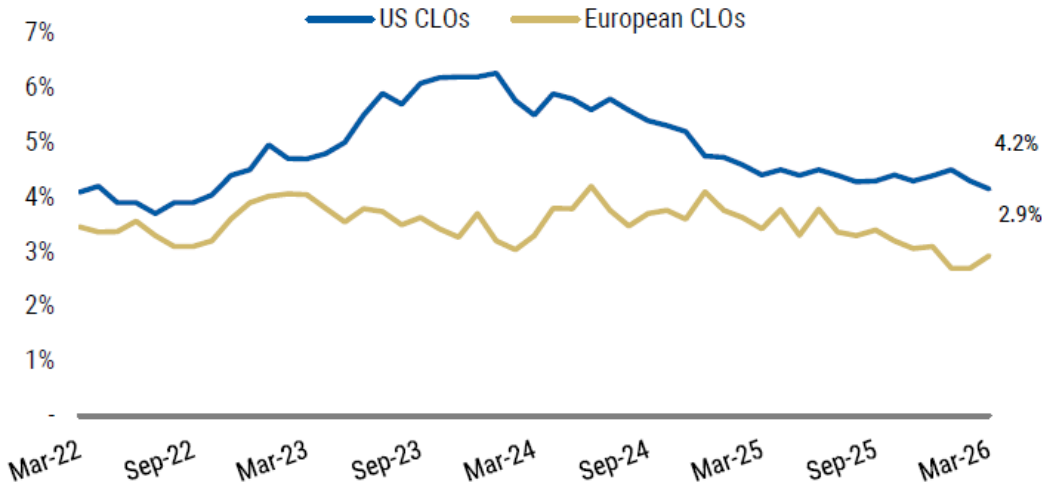
Source: J.P. Morgan; PitchBook Data, Inc; Bloomberg Finance L.P.; S&P/IHSMark; Data as of 3/31/2026.

**Exhibit 4: Loan maturities continue to get pushed out**



Source: Pitchbook LCD, as of 4/10/2026

Exhibit 5: Median CCC assets in CLO portfolios



Source: Morgan Stanley Research, Intex. Data as of 3/31/2026

---

## Notes and Disclosures

Forward-looking statements: Certain information contained herein constitutes “forward-looking statements,” which can be identified by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “estimate,” “intend,” “continue,” or “believe,” or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events, results or actual performance may differ materially from those reflected or contemplated in such forward-looking statements. Nothing contained herein may be relied upon as a guarantee, promise, assurance or a representation as to the future.

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 Opportunistic Income Fund, the (“Fund”), and/or any other securities, or to provide any other advisory services. Any offer to invest in the funds 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.

The Palmer Square Opportunistic Income Fund is a closed-end interval fund. You should not expect to be able to sell your Shares other than through the Fund’s repurchase policy, regardless of how the Fund performs.

The Fund’s advisor has contractually agreed to waive or reduce its management fees and/or reimburse expenses of the Fund to ensure that total annual Fund operating expenses (excluding taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses, expenses incurred in connection with any merger or reorganization, and extraordinary expenses such as litigation expenses) do not exceed 1.50% of the Fund’s average daily net assets. This agreement is in effect until December 1, 2026, and it may be terminated before that date only by the Fund’s Board of Trustees. The Fund’s advisor is permitted to seek reimbursement from the Fund, subject to certain limitations, of fees waived or payments made to the Fund for a period of three years from the date of the waiver or payment.

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. Palmer Square is under no obligation to verify its accuracy.

The performance presented here is past performance and not indicative of future returns. 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 these returns. Past performance does not guarantee future results.

**Collateralized Loan Obligations Risk** – The Fund may invest in CLOs. The Fund is subject to asset manager, legal and regulatory, limited recourse, liquidity, redemption, and reinvestment risks as a result of the structure of CLOs in which the Fund may invest. A CLO’s performance is linked to the expertise of the CLO manager and its ability to manage the CLO portfolio. Changes in the regulation of CLOs may adversely affect the value of the CLO investments held by the Fund and the ability of the Fund to execute its investment strategy. CLO debt is payable solely from the proceeds of the CLO’s underlying assets and, therefore, if the income from the underlying loans is insufficient to make payments on the CLO debt, no other assets will be available for payment. CLO debt securities may be subject to redemption and the timing of redemptions may adversely affect the returns on CLO debt.

The CLO manager may not find suitable assets in which to invest and the CLO manager’s opportunities to invest may be limited. The risks of an investment in a collateralized debt obligation depend largely on the type of the collateral securities and the class of the debt obligation in which the Fund invests. Collateralized debt obligations are generally subject to credit, interest rate, valuation, prepayment and extension risks. These securities are also subject to risk of default on the underlying asset, particularly during periods of economic downturn. Defaults, downgrades, or perceived declines in creditworthiness of an issuer or guarantor of a debt security held by the Fund, or a counterparty to a financial contract with the Fund, can affect the value of the Fund’s portfolio. Credit loss can vary depending on subordinated securities and non-subordinated securities.

If interest rates fall, an issuer may exercise its right to prepay their securities. If this happens, the Fund will not benefit from the rise in market price, and will reinvest prepayment proceeds at a later time. The Fund may lose any premium it paid on the security. If interest rates rise, repayments of fixed income securities may occur more slowly than anticipated by the market which may result in driving the prices of these securities down. The Fund is “non-diversified,” meaning 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 among the securities of a greater number of issuers.

Foreign investments present additional risk due to currency fluctuations, economic and political factors, government regulations, differences in accounting standards and other factors. Investments in emerging markets involve even greater risks. 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).

The allocation and credit quality distribution figures shown are used for illustrative purposes only. Palmer Square does not guarantee to execute that allocation and credit quality distribution. Allocation 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. 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.

Market opportunities and/or 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.

---

## Notes and Disclosures (cont'd)

**Benchmarks:** Any indices and other financial benchmarks shown are provided for illustrative purposes only, are unmanaged, reflect reinvestment of income and dividends and do not reflect the impact of advisory fees. Investors cannot invest directly in an index. Comparisons to indexes have limitations because indexes have volatility and other material characteristics that may differ from a particular hedge fund. For example, a hedge fund may typically hold substantially fewer securities than are contained in an index. **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. **Yield To Call** is the yield of a bond or note if you were to buy and hold the security until the call date. **Yield To Maturity** is the rate of return anticipated on a bond if held until the end of its lifetime. **Current Yield** is a weighted calculation of the annual coupon rate divided by the price of each individual security within the portfolio and represents the return an investor would expect if the securities were held for a year and the price did not change. **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. **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. **Credit Spreads** are often a good barometer of economic health - **wide or widening (bearish sentiment)** and **narrowing/tight or tightening (bullish sentiment)**. The **option-adjusted spread (OAS)** is the measurement of the spread of a fixed-income security rate and the risk-free rate of return, which is then adjusted to take into account an embedded option. Typically, an analyst uses Treasury yields for the risk-free rate. The **original issue discount (OID)** is the difference between the original face value amount and the discounted price paid for a bond. The option-adjusted spread (OAS) is the measurement of the spread of a fixed-income security rate and the risk-free rate of return. **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. **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 1-3 Year US 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. **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. **Bloomberg U.S. High Yield Option-Adjusted Index** measures the option-adjusted spread for USD-denominated, high yield, fixed-rate corporate bond market. **Bloomberg U.S. HY BB Corporates Index** tracks the performance of USD-denominated below investment grade rated corporate debt publicly issued in the U.S. domestic market. **Credit Suisse Leveraged Loan Index** tracks the investable market of the U.S. dollar denominated leveraged loan market. 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. CLODI is comprised of original rated A, BBB, and BB debt issued after January 1, 2009 subject to certain inclusion criteria. **Palmer Square CLO BB TR Index (PCLOBBTR)** seeks to reflect the investable universe for U.S. dollar denominated CLOs. The index is comprised of original rated BB debt issued after January 1, 2009 subject to certain inclusion criteria. **Palmer Square CLO BB Discount Margin Index (PSBDDMSF)** seeks to reflect the discount margin on the investable universe for U.S. dollar denominated CLOs. The index is comprised of original rated BB debt issued after January 1, 2009 subject to certain inclusion criteria. **LIBOR** (London Interbank Offered Rate) 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. A **Reference Rate** is an interest rate benchmark used to set other interest rates. Various types of transactions use different reference rate benchmarks, but the most common include the Fed Funds Rate, LIBOR, the prime rate, and the rate on benchmark U.S. Treasury securities. Unlike mutual funds, indices are not managed and do not incur fees or expenses. It is not possible to invest directly in an index. **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.

The Palmer Square Opportunistic Income Fund is distributed by Foreside Fund Services LLC.

Palmer Square Capital Management LLC ("Palmer Square") is an SEC registered investment adviser with its principal place of business in the State of Kansas. Registration of an investment adviser does not imply a certain level of skill or training. Palmer Square and its representatives are in compliance with the current registration and notice filing requirements imposed upon registered investment advisers by those states in which Palmer Square maintains clients. Palmer Square may only transact business in those states in which it is notice filed, or qualifies for an exemption or exclusion from notice filing requirements. Any subsequent, direct communication by Palmer Square with a prospective client shall be conducted by a representative that is either registered or qualifies for an exemption or exclusion from registration in the state where the prospective client resides. For additional information about Palmer Square, including fees and services, send for our disclosure statement as set forth on Form ADV using the contact information herein or refer to the Investment Adviser Public Disclosure web site ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)). Please read the disclosure statement carefully before you invest or send money.

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a **prospectus** that contains this and other information about the Funds, call 1-800-736-1145 or visit our **website** at [www.palmersquarefunds.com](http://www.palmersquarefunds.com). Please read the prospectus carefully before investing. An investment in the Fund is not designed to be a complete investment program and should be considered speculative. Investing in the Fund entails substantial risk and may result in a loss of some or all of the amount invested. An investment in the Fund is not appropriate for investors with a short-term investing horizon and/or cannot bear the loss of some or all of their investment.

©Palmer Square Capital Management LLC. All rights reserved.