CI Alternative Credit Opportunities Fund

Management Report of Fund Performance for the period/year ended June 30, 2026

This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual or annual financial statements of the investment fund. You can get a copy of the semi-annual or annual financial statements at your request, and at no cost, by calling 1-800-792-9355, by writing to us at CI Investments Inc., 15 York Street, Second Floor, Toronto, ON, M5J 0A3 or by visiting our website at www.ci.com or SEDAR+ at www.sedarplus.ca.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

RESULTS OF OPERATIONS

The Fund's net assets increased by $2.4 million to $74.9 million from December 31, 2025 to June 30, 2026. The Fund had net sales of $2.1 million for the period. The portfolio's performance increased assets by $2.4 million. The Fund paid distributions totalling $2.1 million. Series I returned 3.6% after fees and expenses for the six-month period ended June 30, 2026. Over the same time period, the Fund's benchmark returned 1.3%. The benchmark is a combination of the ICE BofA Canada Corporate Index (TR) - 40%, the ICE BofA US Corporate Index (TR) (CAD-Hedged) - 30% and the ICE BofA U.S. High Yield Index (TR) (CAD-Hedged) - 30% (the Blended Benchmark or the Blended Index).

The performance of the Fund's other Series is substantially similar to that of Series I, except for differences in the structure of fees and expenses. For the returns of the Fund's other Series, please refer to the "Past Performance" section.

U.S. economic growth held up well over the period, with real gross domestic product growth around 2% and resilient labour markets. However, inflation continued to be sticky. In Canada, the Bank of Canada (BoC) held its overnight lending rate steady at 2.25%.

The Fund outperformed its benchmark for the period, largely as a result of exposure to corporate bonds. The Fund's holding in Venture Global LNG Inc. 9.0% perpetual preferred shares was a top contributor to performance. This positive performance was driven by higher earnings estimates from higher prices for liquefied natural gas (LNG) due to near-term shortage in LNG supplies and damages to Qatar LNG export capacity. Also, a favourable arbitration ruling and settlement for the company contributed to the outperformance. A holding in APLD ComputeCo LLC 9.25% Dec. 15, 2030 bonds also contributed to the Fund's performance. It saw strong price performance since issuance as investors embraced high-yield data centre financing.

Exposure to government bonds detracted from the Fund's performance. United States Treasury Bond 3.875% Jun. 30, 2030 and 4.25% May 15, 2035 bonds were the largest individual detractors from performance as long-term bond yields increased.

We added a number of new holdings to the Fund based on their attractive relative value, including Brookfield Office Properties Inc. 7.625% May 18, 2056, CoreWeave Inc. 9.75% Oct. 1, 2031 and 9.625% Jul. 15, 2032, Edged Compute LLC 7.5% Apr. 30, 2031, FMC Corp. 8.0% Jun. 1, 2031 and 6.375% May 18, 2053, MGM China Holdings Ltd. 6.25% May 15, 2033, Pioneer OpCo LLC 7.0% May 15, 2033 and Six Flags Entertainment Corp. 8.625% Jan. 15, 2032. Term loans issued by Calcasieu Pass Funding LLC Apr. 11, 2033, Electronic Arts Inc. Mar. 24, 2033 and The Venetian Resort May 7, 2033 were also added to the Fund.

We sold holdings in Global Medical Response 7.375% Oct. 1, 2032, Skeena Resources Ltd. 8.5% Apr. 1, 2031 and a term loan issued by Hologic Inc. Jan. 14, 2033, in favour of attractive relative value holdings in the Fund. A holding in TopBuild Corp. 5.625% Jan. 31, 2034 was eliminated from the Fund as it was redeemed in connection with the company's acquisition by QXO Inc.

RECENT DEVELOPMENTS

Markets currently expect the U.S. Federal Reserve Board (Fed) to raise interest rates once before year-end, up from expecting two interest-rate cuts prior to the conflict in the Middle East. The ceasefire between the U.S. and Iran has had little impact on market expectations for the Fed as concern remains over inflation beyond the impact of the war in the Middle East, especially related to artificial intelligence (AI) investment.

In Canada, core inflation is well contained, and risk remains concerning Canada-United States-Mexico Agreement negotiations, after the U.S. chose not to extend the agreement on July 1, 2026. While the economy is performing better than headlines suggest, it remains fragile. Until immigration stabilizes and more progress is made on trade negotiations, stronger growth may not be apparent until later in the year. In the meantime, we expect the BoC to wait for more clarity before deciding on the path for interest rates.

Though corporate earnings remain solid and growth forecasts for the year have even been raised as corporate fundamentals continue to improve, hyperscaler funding is expected to add to primary issuance volumes in the second half of the year. The global AI infrastructure buildout continues, and companies continue to expand their funding source geographies. Pre-funding of 2027 maturities and an increase in merger and acquisition activities could also add to this. Already narrow corporate spreads leave limited room for further narrowing. We believe spreads could drift wider over the remainder of the year, but supportive all-in yields should limit the magnitude of spread widening.

We emphasize high-quality credit and disciplined high-yield exposure while maintaining a cautious stance towards sectors most exposed to higher refinancing risk and valuation compression. With spread and interest-rate volatility elevated, security selection will likely remain the dominant driver of excess returns.

Independent Review Committee

Effective May 15, 2026, Tom Eisenhauer is no longer a member of the Independent Review Committee (IRC) of CI Funds.

Effective March 10, 2026, Ross Kappele and Jaclyn Moody were appointed as members of the IRC of CI Funds.

RELATED PARTY TRANSACTIONS

Manager, Portfolio Adviser and Trustee

CI Investments Inc. is the Manager, Portfolio Adviser and Trustee of the Fund. CI Investments Inc. is a subsidiary of CI Financial Corp. The Manager, in consideration of management fees, provided management services required in the day-to-day operations of the Fund. The Manager bears all of the operating expenses of the Fund (other than taxes, borrowing costs, new governmental/regulatory fees, new types of costs and operating expenses considered outside of the normal business) in return for an administration fee.

Management fee and administration fee rates as at June 30, 2026, for the Series/Class or for each of the Series/Classes, as applicable, is/are shown below:

	Annual management fee rate (%):	Annual administration fee rate (%):
Series I	Paid directly by investor	Paid directly by investor
Series IN*	0.250	0.17

*Series IN is not available to retail or institutional investors.

The Fund only offers Series I, thus management and administration fees are negotiated directly with each investor and paid directly to the Manager as per Series I Account Agreement Fee. Please refer to Part A of the simplified prospectus for further details.

The Manager received $0.1 million in management fees and $0.1 million in administration fees for the period.

As at June 30, 2026, the Fund accrued $163,000 in performance fees.

Management Fees

Approximately 24% of total management fees were used to pay for sales and trailing commissions. The remaining 76% of management fees were used to pay for investment management and other general administration.

Independent Review Committee

The Manager, in respect of the Fund, received the following standing instructions from the IRC with respect to related party transactions:

The applicable standing instructions require, amongst others, that related party transactions be conducted in accordance with the Manager's policies and procedures and applicable law and that the Manager reports related party transactions periodically to the IRC and advise the IRC of any material breach of such policies. The Manager's policies and procedures require that investment decisions in respect of related party transactions (a) are free from any influence by an entity related to the Manager and without taking into account any consideration relevant to an entity related to the Manager; (b) represent the business judgment of the Manager, uninfluenced by considerations other than the best interests of the Fund; (c) do not exceed the limitations of the applicable legislation; and (d) achieve a fair and reasonable result for the Fund.

Except as otherwise noted above under Related Party Transactions section, the Fund was not a party to any related party transactions during the period/year ended June 30, 2026. If the Fund invested in related party transactions, it relied on the IRC's standing instructions regarding related party transactions during this reporting period/year.

LEVERAGE

When a Fund makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities or other portfolio assets, leverage may be introduced into the Fund. Leverage occurs when the Fund's notional exposure to underlying assets is greater than the amount invested. It is an investment technique the magnifies gains and losses. Consequently, any adverse change in the value or level of the underlying asset, rate or index may amplify losses compared to those that would have been incurred if the underlying asset had been directly held by the Fund and may result in losses greater than the amount invested in the derivative itself. Leverage may increase volatility, may impair the Fund's liquidity and may cause the Fund to liquidate positions at unfavorable times.

To achieve its investment objective the Fund exercise leverage through participating in short selling transactions.

The Fund's aggregated amount of leverage must not exceed three times the Fund's net asset value.

During the period/year ended June 30, 2026, the lowest aggregated fair value amount of the leverage exercised by the Fund was $53.9 million (73.2% of net asset value) and the highest aggregated fair value amount of the leverage used during the period/year was $82.9 million (111.1% of net asset value).

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FINANCIAL HIGHLIGHTS

The following table/tables shows/show selected key financial information about the Fund and is/are intended to help you understand the Fund's financial performance for the past six period(s)/year(s), as applicable.

Net Assets per Unit ($)		**Increase (decrease) from operations:**					**Distributions:**					
	Net assets at the beginning of period/ year	Total revenue	Total expenses (excluding distributions)	Realized gains (losses) for the period/ year	Unrealized gains (losses) for the period/ year	**Total increase (decrease) from operations**	From net investment income (excluding dividends)	From dividends	From capital gains	Return of capital	**Total distributions**	**Net assets at the end of the period/ year shown**
	$	$	$	$	$	$	$	$	$	$	$	$
Series I [1][2][3][4]												
Commencement of operations March 25, 2025												
Jun. 30, 2026	10.19	0.38	(0.09)	0.08	(0.01)	0.36	(0.22)	(0.01)	(0.07)	-	(0.30)	10.24
Dec. 31, 2025	10.00	0.57	(0.15)	0.26	0.13	0.81	(0.46)	(0.01)	(0.15)	-	(0.62)	10.19
Series IN [1][2][3][4]*												
Commencement of operations March 25, 2025												
Jun. 30, 2026	10.19	0.38	(0.11)	0.08	(0.01)	0.34	(0.21)	(0.01)	(0.07)	-	(0.29)	10.25
Dec. 31, 2025	10.00	0.57	(0.17)	0.07	0.33	0.80	(0.43)	(0.02)	(0.14)	-	(0.59)	10.19

(1) This information is derived from the Fund's semi-annual and audited annual financial statements.

(2) Net assets per unit and distributions per unit are based on the actual number of units outstanding for the relevant Series/Class at the relevant time. The increase (decrease) in net assets from operations per unit is based on the weighted average number of units outstanding for the relevant Series/Class over the fiscal period/year.

(3) Distributions are automatically reinvested in additional units of the Fund.

(4) This information is provided for the period(s)/year(s) ended June 30, 2026 and December 31.

*Series IN is not available to retail or institutional investors.

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FINANCIAL HIGHLIGHTS (cont'd)

Ratios and Supplemental Data

	Total net assets	Number of units outstanding	Management expense ratio before taxes	Harmonized sales tax	Management expense ratio after taxes	Effective HST rate for the period/ year	Management expense ratio excluding performance fees and applicable taxes, after taxes	Trading expense ratio	Portfolio turnover rate
	$000's	000's	%	%	%	%	%	%	%
Series I [1][2][3][4][5]									
Commencement of operations March 25, 2025									
Jun. 30, 2026	168	16	0.60	0.03	0.63	13.00	0.35	0.21	127.05
Dec. 31, 2025	162	16	1.12	0.06	1.18	13.00	0.68	0.36	195.13
Series IN [1][2][3][4][5]*									
Commencement of operations March 25, 2025									
Jun. 30, 2026	74,747	7,292	1.00	0.08	1.08	12.08	0.82	0.21	127.05
Dec. 31, 2025	72,288	7,091	1.43	0.09	1.52	11.79	1.15	0.36	195.13

(1) This information is derived from the Fund's semi-annual and audited annual financial statements.

(2) Management expense ratio is calculated based on expenses charged to the Fund (excluding commissions and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net assets for the period/year, including the Fund's proportionate share of any underlying fund(s) expenses, if applicable. The Effective HST tax rate is calculated using the attribution percentage for each province based on unitholder residency and can be different from 13%.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs including securities borrowing fees expressed as an annualized percentage of daily average net assets during the period/year, including the Fund's proportionate share of such expenses of any underlying fund(s), if applicable. As of Jun. 30, 2026 and Dec. 31, 2025 the trading expense ratio including interest and dividends on short positions was 1.82% and 3.19%, respectively.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the fiscal period/year. The higher a Fund's portfolio turnover rate in a period/year, the greater the trading costs payable by the Fund in the period/year, and the greater the chance of an investor receiving taxable capital gains in the period/year. There is not necessarily a relationship between a higher turnover rate and the performance of a Fund. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period/year, and excluding cash and short-term investments maturing in less than one year, and before assets acquired from a merger, if applicable, by the average of the monthly fair value of investments during the period/year.

(5) This information is provided for the period(s)/year(s) ended June 30, 2026 and December 31.

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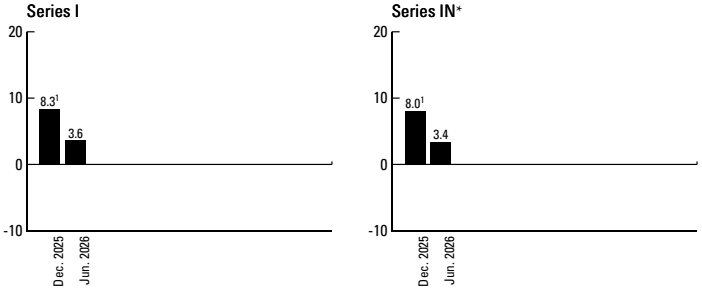
PAST PERFORMANCE

This section describes how the Fund has performed in the past. Remember, past returns do not indicate how the Fund will perform in the future. The information shown assumes that distributions made by the Fund in the period(s)/year(s) shown were reinvested in additional units of the Fund or relevant Series/Class of the Fund, as applicable. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

Year-by-Year Returns

The following chart/charts shows/show the Fund's semi-annual and annual performance for each of the period(s)/year(s) shown and illustrates/illustrate how the Fund's performance has changed from period/year to period/year. In percentage terms, the chart/charts shows/show how much an investment made on the first day of each financial period/year would have grown or decreased by the last day of each financial period/year, except where noted.



1 2025 return is for the period from March 25, 2025 to December 31, 2025.

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SUMMARY OF INVESTMENT PORTFOLIO as at June 30, 2026

Category	% of Net Assets
Country allocation	
Long Positions	
Canada	109.2
U.S.A.	95.6
U.K.	3.7
France	3.1
Ireland	2.2
Denmark	1.6
Other Net Assets (Liabilities)	1.1
Israel	0.9
Hong Kong	0.7
Congo	0.6
Macau	0.6
Netherlands	0.5
Others (Individually less than 0.5%)	0.4
Futures Contract(s)	0.1
Option Contract(s)	0.0
Swaps Contract(s)	(0.9)
Foreign Currency Forward Contract(s)	(0.9)
Cash & Cash Equivalents	(21.4)
Total Long Positions	**197.1**
Short Positions	
Option Contract(s)	(0.0)
Canada	(47.8)
U.S.A.	(49.3)
Total Short Positions	**(97.1)**

Category	% of Net Assets
Sector allocation	
Long Positions	
Corporate Bonds	161.5
Foreign Government Bonds	26.5
Canadian Government Bonds	13.0
Asset-Backed Securities	8.9
Term Loans	3.5
Energy	1.8
Financials	1.6
Other Net Assets (Liabilities)	1.1
Utilities	0.9
Real Estate	0.8
Communication Services	0.6
Futures Contract(s)	0.1
Option Contract(s)	0.0
Swaps Contract(s)	(0.9)
Foreign Currency Forward Contract(s)	(0.9)
Cash & Cash Equivalents	(21.4)
Total Long Positions	**197.1**
Short Positions	
Option Contract(s)	(0.0)
Others (Individually less than 0.5%)	(0.4)
Canadian Government Bonds	(47.8)
Foreign Government Bonds	(48.9)
Total Short Positions	**(97.1)**

Category	% of Net Assets
Asset allocation	
Long Positions	
Corporate Bonds	170.4
Foreign Government Bonds	26.5
Canadian Government Bonds	13.0
Equities	5.7
Term Loans	3.5
Other Net Assets (Liabilities)	1.1
Futures Contract(s)	0.1
Option Contract(s)	0.0
Swaps Contract(s)	(0.9)
Foreign Currency Forward Contract(s)	(0.9)
Cash & Cash Equivalents	(21.4)
Total Long Positions	**197.1**
Short Positions	
Option Contract(s)	(0.0)
Others (Individually less than 0.5%)	(0.4)
Canadian Government Bonds	(47.8)
Foreign Government Bonds	(48.9)
Total Short Positions	**(97.1)**

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund and updates will be available on a quarterly basis.

CI Alternative Credit Opportunities Fund

Management Report of Fund Performance for the period/year ended June 30, 2026

SUMMARY OF INVESTMENT PORTFOLIO as at June 30, 2026 (cont'd)

Top 25 Holdings	% of Net Assets
United States Treasury Bond, 3.88%, April 30, 2031	6.0
United States Treasury Bond, 4.38%, May 15, 2036	4.3
United States Treasury Bond, 3.88%, March 31, 2031	3.7
Government of Canada, 1.25%, June 01, 2030	3.1
Sagicor Financial Co., Ltd., 6.36%, June 20, 2029	2.9
Amazon.com Inc., 4.35%, June 12, 2036	2.6
United States Treasury Bond, 4.13%, February 15, 2036	2.4
Avolon Holdings Funding Ltd., 4.95%, October 15, 2032	2.2
Original Wempi Inc., 7.79%, October 04, 2027	2.1
Royal Bank of Canada, Variable Rate, February 04, 2035	2.0
CARDS II Trust, Series C, 5.81%, June 15, 2029	2.0
Bell Canada, 5.15%, August 24, 2034	2.0
Bank of America Corp., Variable Rate, February 12, 2036	1.9
General Motors Financial Co., Inc., 5.45%, July 15, 2030	1.9
United States Treasury Bond, 3.88%, April 15, 2029	1.9
Royal Caribbean Cruises Ltd., 5.63%, September 30, 2031	1.9
Voya CLO Ltd., Class A1, Series 25-4A, Floating Rate, Callable, October 15, 2038	1.9
Bank of America Corp., Variable Rate, April 23, 2037	1.9
Enbridge Inc., Convertible, Variable Rate, January 19, 2082	1.9
Primaris REIT, 6.37%, June 30, 2029	1.7
Government of Canada, 2.75%, March 01, 2030	1.7
Pembina Pipeline Corp., 3.62%, April 03, 2029	1.6
Videotron Ltd., 3.63%, June 15, 2028	1.6
United States Treasury Bond, 3.63%, October 31, 2030	1.6
Enbridge Inc., Series 20-A, Convertible, Variable Rate, July 15, 2080	1.6
Total Net Assets (in $000's)	**$74,915**

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund and updates will be available on a quarterly basis.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective," and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made by the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchanges rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.