# Fact Sheet
as of July 31, 2026

Prospect **Enhanced** Yield Fund

Class C Share Price: **$24.83** NAV per Share: **$24.83**

## Prospect Enhanced Yield Fund

Prospect Enhanced Yield Fund (the “Fund”) is a closed-end 1940 Act Interval Fund intended to generate income and long-term appreciation by investing in non-mortgage related structured credit instruments including Asset Backed Securities (“ABS”) and Collateralized Loan Obligations (“CLOs”).

| | |
|---|---|
| **Ticker / CUSIP** | PAYCX / 74350T 206 |
| **Inception** | August 6, 2025 |
| **Adviser** | Prospect Enhanced Yield Management, LLC |
| **Minimum Commitment** | $2,500 (Class C) |
| **Liquidity**[1] | Minimum 5.0% Quarterly Repurchases of Shares Outstanding at NAV |

**$31.2M**
Fund Net Assets

**36**
# of Investments

**~1,900**
# of Underlying Loans in CLOs

## Distributions

| Share Class | Monthly Distribution ($)[2] | Ann. Distribution Rate (%)[2] |
|---|---|---|
| Class C (PAYCX) | $0.23775 | 11.48% |

## Why Prospect Enhanced Yield Fund?

✓ **Enhanced Yield Potential**

CLO BBs have historically provided a **300–600bps yield premium**[3] to similarly-rated corporate bonds

✓ **Structural Insulation from Defaults**

BBs have high loss-taking ability (BB impairment generally requires **sustained +7% defaults**)[4]

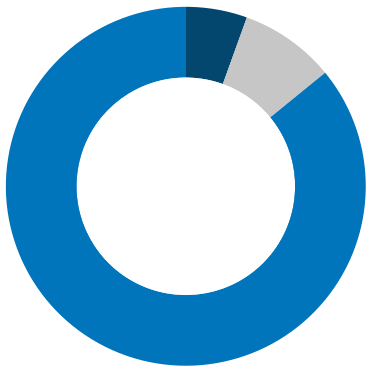
✓ **Predictable, Contractual Cash Flows**

CLO BBs earn defined spreads over SOFR

✓ **Fee Waiver & Expense Limitation**

PAYCX is **waiving fees** and **limiting operating expenses** through June 30, 2027[5]

## Portfolio Investments by Fair Market Value




## Monthly Net Total Return (%)

| Fund | Yr | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Class C (PAYCX) | '25 | – | – | – | – | – | – | – | 0.28 | 0.63 | 0.31 | 0.35 | 0.79 |
| | '26 | 1.15 | -3.17 | 0.08 | 2.28 | 2.41 | 0.44 | 0.71 | | | | | |
| ICE BofA US HY Index[6] | '25 | – | – | – | – | – | – | – | 0.98 | 0.76 | 0.20 | 0.46 | 0.69 |
| | '26 | 0.48 | 0.11 | -1.13 | 1.70 | 0.49 | 0.25 | -0.29 | | | | | |

**Total return calculated on NAV per share and net of 1.00% distribution and servicing fees. Performance data above represents past performance. Past performance is not indicative of future performance.** Current performance may be lower or higher than the performance data stated above, and investors should be aware that investment returns and principal value of an investment will fluctuate so that shares may be worth more or less at redemption than the performance data above suggests. Adviser has entered into an Expense Limitation Agreement pursuant to which it will reimburse the Fund, to limit Operating Expenses to an Annual Limit of 2.00% of Net Assets until June 30, 2027, subject to recoupment by the Adviser within three years.[5] Adviser has additionally agreed to reimburse Operating Expenses up to the Annual Limit of 2.00% of Net Assets until June 30, 2027. Class C Total Annual Expense Ratio is 7.28% Gross (estimated)/1.00% Net.

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as of July 31, 2026

Prospect **Enhanced** Yield Fund

**Investors should consider the investment objectives, risks, and charges and expenses of the Fund(s) before investing. The prospectus contains this and other information about the Fund(s) and should be read carefully before investing. The prospectus may be obtained at www.ProspectEnhanced.com. The Prospect Enhanced Yield Fund is distributed by Ultimus Fund Distributors, LLC, Member FINRA/SIPC. Past performance is neither indicative nor a guarantee of future results.**

1 We intend to limit the number of shares to be repurchased in any calendar quarter to 5% of the number of shares outstanding, priced at NAV as of the close of regular trading on the NYSE on the Repurchase Pricing Date. In order to provide some liquidity to our shareholders, we will offer to repurchase our outstanding shares on a quarterly basis. Our repurchase offers are conducted pursuant to a fundamental policy, pursuant to which we offer to repurchase no less than 5% of our outstanding shares on a non discretionary basis once each calendar quarter of each year. Although we will make quarterly repurchase offers, there is no guarantee that an investor will be able to sell all the shares that the investor desires to sell in the repurchase offer, and thus investors should consider our shares to be of limited liquidity.

2 The annualized distribution rate is based on the net asset value per share and is calculated by annualizing the monthly common share distributions. The annualized total cash distribution is $2.85 per share (11.48% annualized rate based on the July 31, 2026 net asset value of $24.83 per common share, or 9.18% annualized rate excluding undistributed catch-up for tax). Our distributions may exceed our earnings, and therefore, portions of the distributions that we make may be a return of the money that you originally invested and represent a return of capital to you for tax purposes. The Fund will ordinarily pay distributions from its net investment income, if any, on a monthly basis. Distributions are not guaranteed. Based on current estimates, July, August, and September 2026 distributions reflect a return of income, and the Fund does not expect any portion of the distributions to be a return of capital.

3 Yield premium reflects the difference in effective yields between the Palmer Square CLO BB Index and, respectively, the Morningstar LSTA US Leveraged Loan Index and the ICE BofA BB US High Yield Index, measured as of the period ending 06/30/2026. The 300–600bps range reflects the spread between these measures and is not a forecast. Index yields are gross of fees and expenses. Indices are unmanaged, and do not reflect the deduction of fees or expenses and are not available for direct investment. CLO BB tranches and corporate bonds differ materially in structure, liquidity, capital structure position, and loss profile; identical ratings do not imply identical risk.

4 CLO BB Par Breakeven Rate calculated using Intex, assuming 20% prepayment and 70% recovery. Representative bond used is Carlyle 2026-2, as of 03/06/2026.

5 "Operating Expenses" with respect to the Fund, is defined to include all expenses necessary or appropriate for the operation of the Fund, including but not limited to any and all costs and expenses that qualify as line item "organization and offering" expenses in the financial statements of the Fund as the same are filed with the SEC and other expenses described in the Investment Advisory Agreement, but does not include the Adviser's base management fee and incentive fee, any portfolio transaction or other investment-related costs (including brokerage commissions, dealer and underwriter spreads, prime broker fees and expenses and dividend expenses related to short sales), distribution and shareholder servicing fees, interest expenses and other financing costs, extraordinary expenses and acquired fund fees and expenses. Amounts waived by the Adviser are subject to reimbursement to the Advisor for a period of up to three years of the date of on which the waiver was made, subject to the terms and conditions of the expense limitation agreement.

6 Source: Bloomberg, ICE BofA BB US High Yield Index, as of 07/31/2026. There are material differences between the Fund offering and ICE BofA BB US High Yield Index. It is not possible to invest in an index. Individuals cannot invest directly in an index and unmanaged indices do not reflect fees, expenses or sales charges. There are differences between an investment in the Fund and the securities comprising the ICE BofA BB US High Yield Index ("HY Index"). For example, the Fund invests at least 80% of its net assets in non-mortgage related structured credit instruments, including asset-backed securities, collateralized loan obligations and other securitized investments representing interests in cashflows from various assets, such as loans, leases, and warehouse facilities, whose debt is rated below investment grade, or in limited circumstances unrated, which have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal, may be difficult to value and illiquid. Conversely, the HY Index is a subset of the ICE BofA US High Yield Master II Index and is comprised of market capitalization-weighted U.S. dollar-denominated high-yield or below investment grade corporate bonds and includes all securities with a given investment grade rating BB and have at least one year to maturity and have a minimum outstanding par amount of $100 million. Further, there may be different costs and expenses, liquidity, safety, guarantees or insurance, fluctuation of principal or return, and tax features for the securities comprising the HY Index and the Fund.

### Important Risk Factors to Consider

An investment in shares of the Fund involve a high degree of risk and may be considered speculative. You should carefully consider the information found in "Important Risk Factors to Consider" before deciding to invest in our shares. The following are some of the risks an investment in us involves:

- Global economic, political, or financial market conditions including changes in interest rates or economic recessions or downturns
- Limited liquidity and lack of transferability
- Reinvestment risk
- No assurance that distributions will be made or that any particular rate of distributions will be maintained
- Risk that the Fund's operating results will be affected by economic and regulatory changes, including legislative change to taxes
- Risks related to failing to qualify as a regulated investment company for U.S. federal income tax purposes
- Exposure to leveraged credit risk and interest rate risk
- Potential uncertainty as to the value of the Fund's assets
- Structured credit securities involve certain risks in addition to the general risks typically associated with investing in debt securities
- Risks associated with ABS investments including default, valuation, prepayment, extension, and interest rate risk
- Interruption and deferral of cash flow to our investments in structured credit instruments
- Risks related to the CLO primary market including negative market environments hampering a CLO collateral manager's ability to meet diversification
- Investments in foreign securities may involve significant risks in addition to the risks inherent in U.S. securities
- Investment concentration risk
- CLOs typically will have no significant assets other than their underlying Senior Secured Loans
- Risk associated with credit derivatives including liquidity, volatility, pricing, leverage, and credit risks of the underlying assets and counterparty
- Risks associated with CMBS investments including lack of standardized terms, maturity, and repayment risks
- Our investments in Target Securities may be illiquid.
- May invest in assets with limited or no performance or operating history
- Risks associated with lending activities, including underlying borrower fraud and risk of increased leverage
- Non-investment grade debt involves a greater risk of default and higher price volatility than investment grade debt
- Absence of investments identified for acquisition
- Payment of significant fees to the Fund's Adviser and its affiliates
- Potential Conflicts of Interest
- Risk of investment professional turnover
- Restricted entry into transactions with our affiliates
- Ability to invest net proceeds on acceptable terms in an acceptable timeframe
- Purchasers of our shares are subject to dilution as a result of expenses we will incur in connection with this offering. In addition, we intend to continue to issue shares, which subjects your ownership percentage in us to further dilution.

**For more information, visit us at:**

**Website:**
ProspectEnhanced.com

**Toll-Free Phone:**
833-404-2747

These and other risks may impact the Fund's financial condition, operating results, returns to its investors, and ability to make distributions as stated in the Fund's prospectus.



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