

WisdomTree Private Credit and Alternative Income Digital Fund

Ticker
CRDYX
Token Ticker
CRDT

Alternative investments like private equity, private credit and hedge funds have historically been limited to primarily institutional and ultra-high net worth individuals, also known as accredited investors. These funds typically have investor eligibility requirements, high investment minimums and fees, and are more illiquid than traditional investments. This has often made it difficult for some investors to gain broad-based exposure to a diversified set of managers.

Additionally, massive inflows into this space have contributed to significant growth of the asset class over the last two decades creating a wide dispersion in return opportunities across managers. In response, WisdomTree has collaborated with alternative credit specialist Gapstow Capital Partners to create one trade-access with no lock ups or minimums.

The WisdomTree Private Credit and Alternative Income Digital Fund (Ticker: CRDYX; Token Ticker: CRDT¹) seeks to track the price and yield performance, before fees and expenses, of the Gapstow Private Credit and Alternative Income Index (GLACI).

What Is Private and Alternative Credit?

Gapstow defines private and alternative credit as debt-based investments that offer higher yields and/or expected returns than traditional investment-grade fixed income. These debt investments include a range of securities across a broad universe of borrower segments, such as households, corporations and commercial real estate sponsors.

Since private funds are impractical for individual investors, tracking the Gapstow index offers an alternate way for access through Publicly Traded Alternative Credit Vehicles (PACs), which are the subset of business development companies (BDCs), closed-end credit-centric funds (CEFs) and mortgage real estate investment trusts (REITs) that specialize in alternative credit investing.

Business Development Companies (BDCs) make loans to small- and medium-sized companies, less than \$100 million in EBITDA, and typically invest in first-lien, senior-secured floating-rate loans issued to private equity sponsored middle-market corporations. BDCs offer the potential for high dividend yields and have a leverage of 1.25-1.75x debt-to-equity.

Closed-End Funds (CEFs) are pooled investment vehicles that can invest in alternative credit, including high-yield bonds, broadly syndicated leveraged loans, collateralized loan obligations, residential and commercial mortgage-backed securities, and some private credit assets. Leverage is capped at around 1.33x debt-to-equity.

Real Estate Investment Trusts (REITs) provide financing for income-producing real estate by purchasing or

¹ This is the ticker used for the digital representation of fund shares (i.e., tokenized sharesTM) that lives on a blockchain. It's what shows up in your digital wallet or blockchain explorer.

originating mortgages and mortgage-backed securities for commercial or residential properties. Leverage varies from 3-10x debt-to-equity.

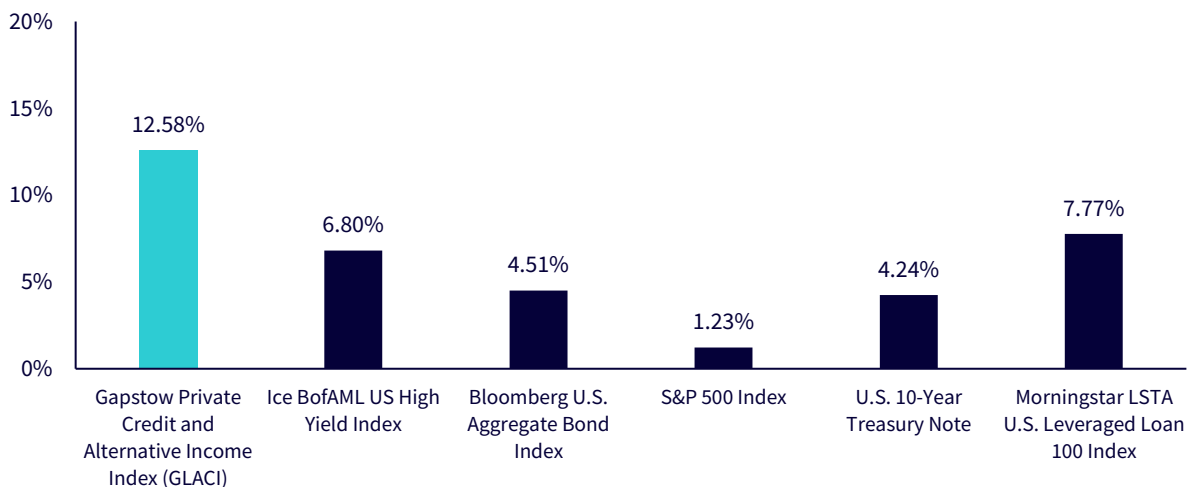
PACs Advantages over Private Funds

PACs	Private Funds
Trade intraday on major exchanges	Restrictive redemption options, if any, and limited potential for secondary sales
No investment minimums	Require large minimum investment amounts
Anyone with a brokerage account can invest	Investors must meet eligibility requirements
Gain immediate exposure to their underlying investments	Sometimes draw down investor capital over a multi-year commitment period
Capital stays fully invested	Return capital after a specified time period, usually three- to five-years
1099 tax reporting	Issue K-1s
More regulatory oversight	Less regulatory oversight
Monthly or quarterly reports detailing all investments	Less transparent about investments

What is the appeal of private and alternative credit?

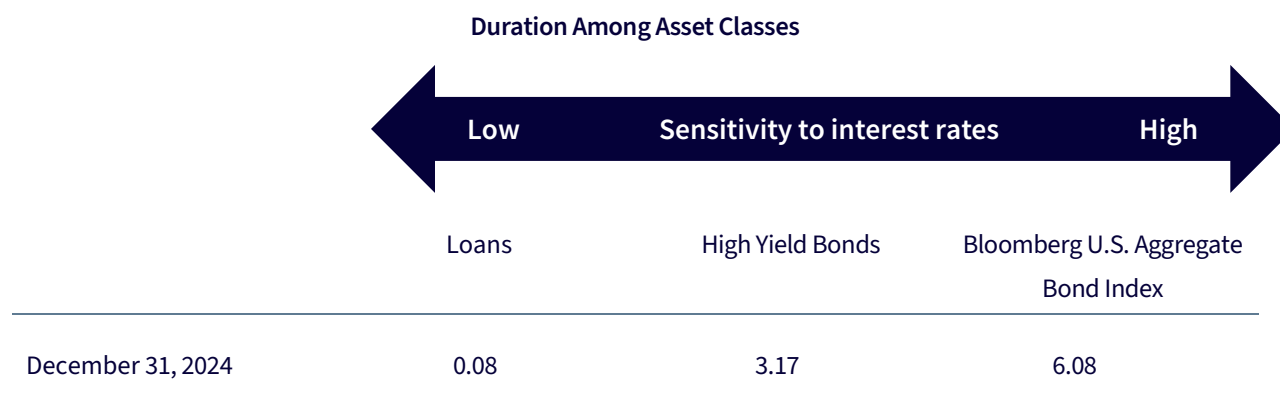
In the current uncertain environment, investors are increasingly favoring private and alternative credit for higher income as a substitute or a complement to traditional fixed income. As of June 30, 2025, GLACI had 834 basis points income advantage over the 10-year U.S. Government debt and 1.8x the income potential of U.S. High Yield.

Current Yields



Source: Gapstow, Bloomberg, WisdomTree as of 06/30/2025. **Past performance is not indicative of future results. You cannot invest directly in an index, and index returns do not reflect any fees, expenses or sales charges.**

Furthermore, private and alternative credit exhibit less sensitivity to changes in interest rates.



Source: Bloomberg. High Yield Bonds represented using the ICE BofA US High Yield Index; loans represented by Morningstar LSTA U.S. Leveraged Loan 100 Index.

The Gapstow Private Credit and Alternative Income Index offers diversification benefits as it has moderate correlation to traditional asset classes and very low correlation with Bloomberg U.S. Aggregate Bond Index.

Correlation Matrix: January 31, 2020 – June 30, 2025

	ICE BofA US Treasury Index	ICE BofA US Corporate Index	ICE BofA US Fixed Rate CMBS Index (USD Unhedged)	ICE BofA US High Yield Index	Morningstar LSTA US Leveraged Loan Index	S&P 500 Index	Gapstow Private Credit and Alternative Income Index	Bloomberg U.S. Aggregate Bond Index
ICE BofA US Treasury Index	1.00	0.71	0.68	0.30	-0.10	0.29	0.10	0.93
ICE BofA US Corporate Index	0.71	1.00	0.92	0.81	0.57	0.70	0.69	0.90
ICE BofA US Fixed Rate CMBS Index (USD Unhedged)	0.68	0.92	1.00	0.73	0.57	0.54	0.64	0.85
ICE BofA US High Yield Index	0.30	0.81	0.73	1.00	0.81	0.83	0.87	0.59
Morningstar LSTA US Leveraged Loan Index	-0.10	0.57	0.57	0.81	1.00	0.61	0.86	0.21
S&P 500 Index	0.29	0.70	0.54	0.83	0.61	1.00	0.80	0.52
Gapstow Private Credit and Alternative Income Index	0.10	0.69	0.64	0.87	0.86	0.80	1.00	0.41
Bloomberg U.S. Aggregate Bond Index	0.93	0.90	0.85	0.59	0.21	0.52	0.41	1.00

GLACI inception date is January 28, 2020. **Past performance is not indicative of future results. You cannot invest in an Index, and index returns do not reflect any fees, expenses or sales charges.**

Gapstow Private Credit and Alternative Income Index Methodology

WisdomTree has sought to leverage the knowledge and expertise of select strategic partners to expand our suite of thematic investment opportunities.

The Gapstow Private Credit and Alternative Credit Index (GLACI) was developed by Gapstow Capital Partners, an expert in alternative credit with a successful ten-year track record as a credit allocator. The Index is designed to measure the performance of a portfolio of diversified, investable and liquid private and alternative credit exposures.

GLACI is an equal-weighted index comprised of 35 Publicly Traded Alternative Credit Vehicles (PACs) using an objective, rules-based methodology. PACs are selected based on their exposure to a range of U.S. alternative credit sectors (tradeable high yield, structured and private credit) and borrower segments (households, corporations, and commercial real estate sponsors). The Index is constructed using the following selection criteria:

Methodology	
	To be eligible for inclusion in GLACI, a PAC must have:
	+ Traded for at least 90 days
	+ An average daily trading volume above \$750,000 USD over the last six months
	+ An average market capitalization above \$100,000,000 USD over the last six months
Company Selection	Match the definition of one of six sectors:
	<ul style="list-style-type: none"> • Private Corporate Lending • Public Corporate Debt • Commercial Real Estate Lending • Agency Real Estate Debt • Non-Agency Real Estate Debt • Multi-Sector Alternative Credit
Weighting	+ Equal weighted
Reconstitution	+ Semi-annually, effective on the first business day of April and October
Rebalancing	+ Quarterly, effective on the first business day of January, April, July, October

Sources: Gapstow, WisdomTree

Placing Private and Alternative Credit in Your Portfolio

Private and alternative credit may be used as a powerful tool to provide meaningful current yield or to serve as a complement to existing high yield bond exposures.

BDCs, CEFs and REITs held in the portfolio are managed by well known, established firms that have historically provided high levels of income. In our view, investing in the WisdomTree Private Credit and Alternative Income

Digital Fund, represents a compelling alternative for investors seeking income and total returns versus traditional investments.

GLACI Company Examples

	Company	Sector	Weight	Dividend Yield/ Distribution Rate*	Description
BDCs	Ares Capital Corp	Private Corporate Lending	2.97%	8.74%	Leading specialty finance company that sources and invests in high-quality borrowers that need capital
	Blue Owl Capital Corp	Private Corporate Lending	2.81%	10.32%	Specialty finance company focused on providing direct lending solutions to middle market companies
	Blackstone Secured Lending Fund	Private Corporate Lending	2.75%	10.32%	Primarily invests in the first lien senior secured debt of private U.S. companies
	FS KKR Capital Corp	Private Corporate Lending	2.95%	13.49%	Provides customized credit solutions to private middle market U.S. companies
	Main Street Capital Corp	Private Corporate Lending	3.01%	7.06%	Provides flexible private equity and debt capital solutions
CEFs	PIMCO Dynamic Income Fund	Multi-Sector Alternative Credit	2.85%	13.95%	Seeks current income as a primary objective and capital appreciation as a secondary objective by investing worldwide in a portfolio of debt obligations and other income-producing securities
	Guggenheim Strategic Opportunities Fund	Multi-Sector Alternative Credit	2.79%	14.68%	Seeks to maximize total return through a combination of current income and capital appreciation
	PIMCO Corporate & Income Opportunity Fund	Multi-Sector Alternative Credit	2.89%	10.25%	Seeks maximum total return through a combination of current income and capital appreciation by investing in corporate debt obligations, corporate and non-corporate income-producing securities
	Oxford Lane Capital Corp	Public Corporate Debt	2.72%	25.71%	Seeks an attractive risk-adjusted total return by investing primarily in debt and equity tranches of CLO vehicles
	BlackRock Corporate High Yield Fund Inc	Public Corporate Debt	3.03%	9.59%	Seeks to provide shareholders with current income and capital appreciation by investing in domestic and foreign high yield securities
REITs	Annaly Capital Management Inc	Agency Real Estate Debt	2.60%	14.35%	Diversified capital manager that invests in and finances residential and commercial assets
	AGNC Investment Corp	Agency Real Estate Debt	2.71%	15.67%	Invests predominantly in agency residential mortgage-backed securities
	Starwood Property Trust Inc	Commercial Real Estate Lending	3.00%	9.57%	Focuses on originating, acquiring, financing and managing commercial mortgage loans and other commercial real estate debt investments
	Rithm Capital Corp	Non-Agency Real Estate Debt	2.86%	8.86%	Provider of capital and services to the real estate and financial services sectors
	Blackstone Mortgage Trust Inc	Commercial Real Estate Lending	2.79%	9.77%	Real estate finance company that originates senior loans collateralized by commercial real estate in North America, Europe and Australia

Source: Gapstow, Bloomberg as of 06/30/2025. Companies ranked by market cap in each category. *Dividend yields apply to BDCs and REITs; Distribution rate for CEFs.

Conclusion

We believe the WisdomTree Private Credit and Alternative Income Digital Fund is well positioned to provide an attractive source of income as well as diversification benefits for investors.

Quick Facts	
Ticker	CRDYG
Token Ticker	CRDT
Management Fee	0.50%
Acquired Fund Fees and Expenses ²	3.66%
Total Expense Ratio	4.16%
Structure	40 Act Mutual Fund
Exposure	BDCs, CEFs and REITs
Rebalancing	Quarterly
Reconstitution	Semi-annually

²Acquired Fund Fees and Expenses are fees and expenses incurred indirectly by the Fund through its investments in certain underlying investment companies. The number reflects the estimated amount for the current fiscal year.

For more information about WisdomTree Digital Funds, visit [WisdomTree Prime](#) for retail investors or [WisdomTree Connect](#) for institutional investors.

Unless otherwise stated, data source is WisdomTree.

Please see the [WisdomTree Glossary](#) for definition of terms and indexes.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. For a prospectus or, if available, the summary prospectus containing this and other important information about the fund, call 866.909.9473 or visit WisdomTree.com/investments. Read the prospectus or, if available, the summary prospectus carefully before investing.

There are risks associated with investing, including the possible loss of principal.

The Fund invests in alternative credit sectors through investments in underlying closed-end investment companies (“CEFs”), including those that have elected to be regulated as business development companies (“BDCs”), and real estate investment trusts (“REITs”). The value of a CEF can decrease due to movements in the overall financial markets. BDCs generally invest in less mature private companies, which involve greater risk than well-established, publicly traded companies and are subject to high failure rates among the companies in which they invest. By investing in REITs, the Fund is exposed to the risks of owning real estate, such as decreases in real estate values, overbuilding, increased competition and other risks related to local or general economic conditions. The Fund invests in the securities included in, or representative of, its Index regardless of their investment merit, and the Fund does not attempt to outperform its Index or take defensive positions in declining markets.

Please read the Fund’s prospectus for specific details regarding the Fund’s risk profile.

You cannot invest directly in an index.

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