



# NINEPOINT TRADE FINANCE FUND

Performance as of June 30, 2021

## MANAGER

Ninepoint Partners LP

## ADVISOR

Highmore Group Advisors LLC

- Led by Dipak Jogia who has over 20 years of experience in sourcing and managing alternative investments. He was most recently Head of Alternative Investments Research at Oppenheimer Co and Partner at FrontPoint Partners.
- Highmore is a global alternative asset management firm, investing in both public and private market investments, directly and indirectly, across asset classes and investment structures.

## FUND OBJECTIVE

The Fund seeks to achieve attractive risk-adjusted returns with the downside protection associated with investing in trade finance and other asset-based and receivable-based secured private credit opportunities in a manner that is decoupled from public markets volatility.

## FUND DETAILS

Issuer	Ninepoint Partners LP
Fund Type	Open-ended unincorporated investment trust
Fund Status	OM, Exempt Market, Continuous Offering
Inception Date	April 5, 2019
Fund AUM	\$49,535,095
Registered Tax Plan Status	Eligible
Min. Initial Investment	\$10,000 accredited* \$150,000 non-accredited**
Min. Subsequent Investment	\$5,000
Valuations	Monthly
Redemptions	Monthly, with 90 days notice
Management Fee	Class F Units: 0.10% Class FH Units: 0.10% <b>All Classes are charged a 1.55% advisory fee at Master Fund Level</b>
Performance Fee <sup>†</sup>	20% over 7% Preferred Rate
Min. Investment Term	None

## FUND CODES

Class F	NPP 910
Class PF	NPP 913

\*For accredited investor requirements please consult a financial advisor or the Fund's offering documents.

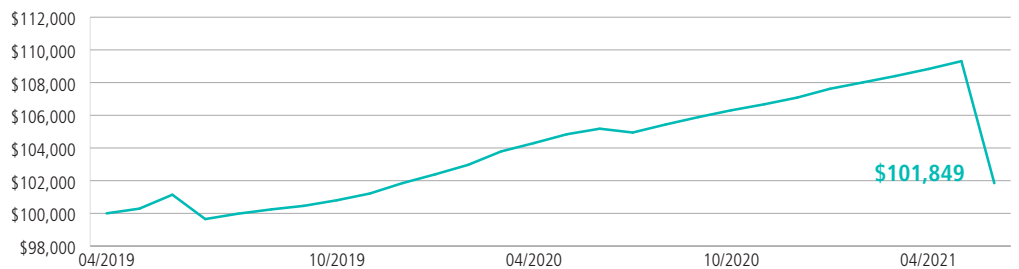
\*\*\$150,000 for non-individual.

The Master Fund may invest up to 10% of the Target AUM in government receivables that are uninsured or not secured by Letter of Credit.

## WHY INVEST IN THIS FUND?

- **Short Duration Receivables** – Diversified portfolio of accounts receivable factoring, supply chain (inventory) and purchase order financing accounts to U.S. SMEs with terms ranging from 30-120 days.
- **Fully Collateralized and Insured** – Fully secured by accounts receivables and inventory with factoring accounts 100% insured and supply chain (inventory) & purchase order accounts 90% insured.<sup>^</sup>
- **Senior Secured** – Security interests are primarily 1<sup>st</sup> lien against eligible receivables, inventory and/ or purchase orders.
- **Established National Infrastructure** – Partnered with multiple originators that have focuses on specific regions across the U.S.

## GROWTH OF \$100,000 INVESTED OF CLASS F (APR. 5, 2019)<sup>1</sup>



## MONTHLY RETURNS OF CLASS F (%)<sup>2</sup>

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
<b>2021</b>	0.50	0.36	0.37	0.40	0.44	-6.83							-4.89
<b>2020</b>	0.54	0.57	0.79	0.49	0.52	0.33	-0.23	0.47	0.43	0.40	0.34	0.38	5.13
<b>2019</b>				0.30	0.85	-1.48	0.33	0.26	0.22	0.34	0.40	0.63	1.85

## TOP 10 ISSUERS<sup>3</sup>

NUMBER	INDUSTRY	GEOGRAPHY	UNIQUE LOANS (#)	% OF TPV
1	Industrials	USA	2	26.84%
2	Energy	CANADA	6	20.44%
3	Consumer Discretionary	USA	14	8.26%
4	Energy	USA	19	3.64%
5	Consumer Discretionary	USA	25	3.51%
6	Materials	USA	93	2.51%
7	Consumer Staples	USA	12	2.43%
8	Communication Services	USA	4	2.40%
9	Consumer Staples	USA	9	2.34%
10	Materials	USA	32	1.19%

**AVERAGE LOAN AMOUNT OUTSTANDING: \$149,650**

<sup>†</sup> Fund returns between 7% and 8.75% are payable to the General Partner as a Performance Allocation plus applicable taxes. In addition, 20% of returns in excess of 8.75% are payable to the General Partner as a Performance Allocation.

<sup>^</sup> Insurance is provided on individual factoring accounts and supply chain purchases. Credit protection on 90% of capital outlay and accrued fees (interest) on supplier chain finance. Credit protection on 100% of principal on factoring accounts as insurance companies insure 90% of invoices and therefore up to 90% of the face value of invoices are funded.

# NINEPOINT TRADE FINANCE FUND

## INVESTMENT PROCESS

- **Deal Origination** – Established national network of 8 originators that focus on specific regions in the United States with predetermined eligibility criteria.
- **Underwriting & Due Diligence** – Three levels of underwriting. Highmore co-underwrites each transaction with the originator and the transaction is also independently underwritten by insurance carriers. The Ninepoint Trade Finance Fund uses insurance to enhance credit of all non-government borrowers. Financial and business assessments will be supported by collateral verification.
- **Servicing & Monitoring** – Monthly financial assessments will be supplemented by weekly aging reports and daily reconciliation of cash.
- **Portfolio & Risk Management** – Portfolio concentration risk is managed based on sector, industry, obligor and tenor.

## NINEPOINT PARTNERS OVERSIGHT

- Oversight provides enhanced transparency and is monitored by a seasoned team with institutional experience.
- In depth review and discussions on borrowers on a monthly basis for early indications of portfolio trends and issues.
- Loan valuations and operation audits conducted by third-party experts as required.
- Identify, select, and oversee best-in-class managers.

## TYPICAL LOAN CHARACTERISTICS (For illustrative purposes only)

Target Term	30-120 Days
Median Financing Size	~US\$900,000
Insured	Yes
Seniority	1 <sup>st</sup> Lien
Currency	USD

## CORRELATION TO BROAD MARKET INDICIES<sup>(36 Mths)</sup>

	NINEPOINT TRADE FINANCE FUND
Corporate Bonds	N/A
High Yield	N/A
Leveraged Loan	N/A
U.S. Equities	N/A
HFRX	N/A

## STATISTICAL ANALYSIS<sup>2</sup>

STATISTICS	NINEPOINT TRADE FINANCE FUND
Annualized Return Since Inception	0.83%
Standard Deviation (36 Mths)	N/A
Sharpe Ratio (36 Mths)	N/A
Max Drawdown	-6.83%
Total Positive Months	23
Total Negative Months	3

## [www.ninepoint.com](http://www.ninepoint.com)

<sup>1</sup> All returns and fund details are a) based on Class F units; b) net of fees; c) annualized if period is greater than one year; d) as at June 30, 2021.

<sup>2</sup> As at June 30, 2021. All returns and fund details are a) based on Class F units; b) net of fees.

<sup>3</sup> As at June 30, 2021.

## Ninepoint Partners LP is the investment manager to the Ninepoint Funds (collectively, the "Funds").

The Ninepoint Trade Finance Fund is offered on a private placement basis pursuant to an offering memorandum and is only available to investors who meet certain eligibility or minimum purchase amount requirements under applicable securities legislation. The offering memorandum contains important information about the Fund including its investment objective and strategies, purchase options, applicable management fees, performance fees, other charges and expenses, and should be read carefully before investing. Performance data represents past performance of the Fund and is not indicative of future performance. Data based on performance history of less than five years may not give prospective investors enough information to base investment decisions on. Please contact your own personal advisor on your particular circumstance. This communication does not constitute an offer to sell or solicitation to purchase securities of the Fund. The information contained herein does not constitute an offer or solicitation by anyone in the United States or in any other jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. Prospective investors who are not resident in Canada should contact their financial advisor to determine whether securities of the Fund may be lawfully sold in their jurisdiction.

**The Ninepoint Trade Finance Fund (the "Fund") is generally exposed to the following risks. See the offering memorandum of the Fund for a description of these risks: overall risk; not a complete investment program; general investment risk; limited operating history; changes in investment strategy; limited ability to liquidate investment; capital depletion risk; redemptions; fluctuations in net asset value and valuation of the Master Fund's investments; Foreign currency risk exposure of series FH Units; unitholders not entitled to participate in management; reliance on the Manager; dependence of the Advisor on key personnel; taxation of the Fund; no ownership interest in the Portfolio; distributions; potential indemnification obligations; liability of unitholders; lack of independent experts representing unitholders; no involvement of unaffiliated selling agent; not a public mutual fund; charges to the Fund; All Risks associated with the Master Fund and investments by the Master Fund.**