ninepoint
PARTNERS

Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged

Interim Financial Statements

June 30

2023

These interim financial statements for the six-month period ended June 30, 2023, were not reviewed by the Fund's auditors.

Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged

Statements of Financial Position

As at June 30, 2023 (unaudited) and December 31, 2022	**2023**	2022
	$	$
Assets		
Current assets		
Investments *(note 3, 5)*	**34,034,586**	25,252,589
Cash	**4,557,764**	3,537,091
Unrealized appreciation on forward currency contracts *(note 3, 5)*	**61,335**	-
Subscriptions receivable	**170,000**	680,000
Total assets	**38,823,685**	29,469,680
Liabilities		
Current liabilities		
Unrealized depreciation on forward currency contracts (*note 3, 5*)	**1,665**	4,314
Distribution payable to unitholders	**58,383**	101,764
Redemptions payable	**1,491,165**	-
Accrued expenses	**20,377**	23,125
Total liabilities	**1,571,590**	129,203
Net Assets attributable to holders of redeemable units	**37,252,095**	29,340,477
Net Assets attributable to holders of redeemable units per series		
Series F	**37,252,095**	29,340,477
Net Assets attributable to holders of redeemable units per series per unit *(note 3)*		
Series F	**10.04**	10.11

See accompanying notes which are an integral part of these financial statements

On behalf of the Manager, Ninepoint Partners LP,
by its General Partner, Ninepoint Partners GP Inc.

John Wilson
DIRECTOR

James Fox
DIRECTOR

Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged

Statements of Comprehensive Income (Loss)

For the six-month periods ended June 30 (unaudited)	**2023**	2022
	$	$
Income		
Distribution income *(note 3)*	**1,226,547**	820,188
Net realized gains (losses) on sales of investments	**137,055**	-
Net realized gains (losses) on forward currency contracts	**634,537**	(290,753)
Change in unrealized appreciation (depreciation) in the value of investments	**(1,000,032)**	217,802
Change in unrealized appreciation (depreciation) on forward currency contracts	**63,984**	(112,900)
Net realized gains (losses) on foreign exchange	**(94,950)**	(21,122)
Total income (loss)	**967,141**	613,215
Expenses *(note 10, 11)*		
Administrative fees	**8,193**	5,061
Unitholder reporting fees	**7,333**	6,218
Audit fees	**5,109**	4,400
Legal fees	**3,796**	4,695
Independent Review Committee fees *(note 12)*	**2,477**	2,057
Filing fees	**1,250**	1,699
Organization fees	**453**	302
Custodial fees	**65**	47
Management fees	**-**	14,401
Total expenses	**28,676**	38,880
Increase (Decrease) in Net Assets attributable to holders of redeemable units from operations	**938,465**	574,335
Increase (Decrease) in Net Assets attributable to holders of redeemable units from operations per series		
Series F	**938,465**	574,335
Weighted average number of redeemable units		
Series F	**3,342,852**	2,451,160
Increase (Decrease) in Net Assets attributable to holders of redeemable units from operations per series per unit *(note 3)*		
Series F	**0.28**	0.23

See accompanying notes which are an integral part of these financial statements

Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the six-month periods ended June 30 (unaudited)	**2023**	2022
	$	$
Net Assets attributable to holders of redeemable units, beginning of period		
Series F	**29,340,477**	24,670,632
	29,340,477	24,670,632
Increase (Decrease) in Net Assets attributable to holders of redeemable units from operations		
Series F	**938,465**	574,335
	938,465	574,335
Distributions to holders of redeemable units		
From net investment income		
Series F	**(1,194,045)**	(781,310)
	(1,194,045)	(781,310)
Redeemable unit transactions *(note 7)*		
Proceeds from redeemable units issued		
Series F	**11,590,000**	2,130,062
Reinvestments of distributions to holders of redeemable units		
Series F	**1,059,622**	668,899
Redemption of redeemable units		
Series F	**(4,482,424)**	-
	8,167,198	2,798,961
Net increase (decrease) in Net Assets attributable to holders of redeemable units		
Series F	**7,911,618**	2,591,986
	7,911,618	2,591,986
Net Assets attributable to holders of redeemable units, end of period		
Series F	**37,252,095**	27,262,618
	37,252,095	27,262,618

See accompanying notes which are an integral part of these financial statements

Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units *continued*

For the six-month periods ended June 30 (unaudited)	**2023**	2022
Units, beginning of period		
Series F	**2,900,795**	2,396,379
	2,900,795	2,396,379
Redeemable unit transactions *(note 7)*		
Redeemable units issued		
Series F	**1,147,934**	208,012
Reinvestments of distributions to holders of redeemable units		
Series F	**105,242**	66,667
Redemption of redeemable units		
Series F	**(444,725)**	-
	808,451	274,679
Units, end of period		
Series F	**3,709,246**	2,671,058
	3,709,246	2,671,058

See accompanying notes which are an integral part of these financial statements

Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged

Statements of Cash Flows

For the six-month periods ended June 30 (unaudited)	**2023**	2022
	$	$
Cash flows from operating activities		
Increase (Decrease) in Net Assets attributable to holders of redeemable units from operations	**938,465**	574,335
Adjustments for:		
Foreign exchange (gains) losses on cash	**75,390**	2,929
Distribution income	**(1,226,547)**	(820,188)
Net realized (gains) losses on sales of investments	**(137,055)**	-
Change in unrealized (appreciation) depreciation in the value of investments	**1,000,032**	(217,802)
Change in unrealized (appreciation) depreciation on forward currency contracts	**(63,984)**	112,900
Purchases of investments	**(11,662,026)**	(2,883,417)
Proceeds from sale of investments	**3,243,599**	-
Net increase (decrease) in other assets and liabilities	**(2,748)**	(21,246)
Net cash provided by (used in) operating activities	**(7,834,874)**	(3,252,489)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	**(177,804)**	(153,985)
Proceeds from redeemable units issued	**12,100,000**	3,580,062
Redemption of redeemable units	**(2,991,259)**	-
Net cash provided by (used in) financing activities	**8,930,937**	3,426,077
Foreign exchange gains (losses) on cash	**(75,390)**	(2,929)
Net increase (decrease) in cash	**1,096,063**	173,588
Cash (Bank indebtedness), beginning of period	**3,537,091**	806,173
Cash (Bank indebtedness), end of period	**4,557,764**	976,832

See accompanying notes which are an integral part of these financial statements

Ninepoint-Monroe U.S. Private Debt Fund - Canadian $ Hedged

Schedule of Investment Portfolio

As at June 30, 2023 (unaudited)		Average Cost	Fair Value
		$	$
UNITS	FUNDS [91.36%]		
245,696	Monroe (NP) U.S. Private Debt Fund LP	33,799,047	34,034,586
Total investments [91.36%]		**33,799,047**	**34,034,586**
Total unrealized appreciation on forward currency contracts [0.16%] (Schedule 1)			61,335
Total unrealized depreciation on forward currency contracts [0.00%] (Schedule 1)			(1,665)
Cash and other assets less liabilities [8.48%]			3,157,839
Total Net Assets attributable to holders of redeemable units [100.00%]			**37,252,095**

See accompanying notes which are an integral part of these financial statements

Ninepoint-Monroe U.S. Private Debt Fund - Canadian $ Hedged

Forward Currency Contracts (Schedule 1)

As at June 30, 2023 (unaudited)

Bought ($)		Sold ($)		Settlement Date	Contract Cost $(CAD)	Forward Value $(CAD)	Unrealized Appreciation (Depreciation) $(CAD)
33,837,480	Canadian Dollar	(25,500,000)	US Dollar	14-Jul-23	33,776,145	33,837,480	61,335
660,613	Canadian Dollar	(500,000)	US Dollar	14-Jul-23	662,277	660,612	(1,665)
Total							**59,670**

Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged
Notes to financial statements – Fund specific information *June 30, 2023 (unaudited)*

Financial Risk Management *(note 6)*

Investment Objective

The Fund's investment objective is to invest primarily in Monroe (NP) U.S. Private Debt Fund LP (the "Master Fund"), a Cayman Islands exempted limited partnership, in order to provide investors with attractive risk-adjusted returns with the downside protection associated with investing primarily in secured private credit opportunities in a manner that is intended to be decoupled from the volatility of the public markets.

The Fund is exposed to risks that are associated with the Master Fund's investment strategies, financial instruments, and markets in which it invests. The extent of risk within the Master Fund is largely contingent upon its investment policy and guidelines as stated in the Master Fund's offering memorandum, and the management of such risks is contingent upon the qualification and diligence of the investment manager and sub-advisor designated to manage the Master Fund.

The Schedule of Investment Portfolio represents the securities held by the Fund as at June 30, 2023. Significant risks that are relevant to the Fund are discussed here. As the Fund invests in the Master Fund, it may be indirectly exposed to other price risk, currency risk, interest rate risk, credit risk and concentration risk from these holdings. As at June 30, 2023, 91.36% (December 31, 2022 – 86.07%) of the Fund's Net Assets attributable to holders of redeemable units were invested in the Master Fund. Only direct exposure to significant risks that are relevant to the Fund are discussed here. For more information regarding the risks of the Master Fund, refer to the Master Fund's financial statements. General information on risks and risk management is described in *Note 6 Financial Risk Management* of the Generic Notes.

On February 28, 2022, the Manager announced that it had determined that it would be in the best interest of all unitholders to suspend redemptions in the Fund due to tensions in the marketplace and the illiquid nature of the asset class. Unitholders of the Fund continued to receive distributions and their units remained fully invested. On June 15, 2022, a special meeting of the Funds was held and by way of unitholder voting and approval, redemptions privileges resumed under the new redemption terms as of June 30, 2023. Among other things, the new redemption terms shorten the redemption notice period from 180 to 120 days, and limit quarterly redemptions to 5% of prior quarter's net assets. Refer to *Note 6 Financial Risk Management* - *Liquidity Risk* of the Generic Notes for further details.

Currency Risk

As at June 30, 2023 and December 31, 2022, the Fund's direct exposure to currency risk and potential impact to the Fund's Net Assets attributable to holders of redeemable units as a result of a 1% change in these currencies relative to the Canadian dollar, with all other variables held constant, are shown in the tables below.

June 30, 2023

Currency	**Fair Value**	**Forward Currency Contracts**	**Net Exposure**	**% of Net Assets attributable to holders of redeemable units**	**Impact on Net Assets attributable to holders of redeemable units**
	$	$	$	%	$
U.S. Dollar	34,670,889	(34,438,422)	232,467	0.62	2,325

December 31, 2022

Currency	Fair Value	Forward Currency Contracts	Net Exposure	% of Net Assets attributable to holders of redeemable units	Impact on Net Assets attributable to holders of redeemable units
	$	$	$	%	$
U.S. Dollar	25,252,589	(24,885,412)	367,177	1.25	3,672

Credit Risk

As at June 30, 2023 and December 31, 2022, the Fund was exposed to credit risk from over-the-counter derivative contracts with counterparties. The credit risk is considered minimal as these counterparties have a minimum credit rating of A by Standard & Poor's or equivalent.

Concentration Risk

As at June 30, 2023 and December 31, 2022, the Fund's concentration risk as a percentage of Net Assets attributable to holders of redeemable units is shown in the table below.

	June 30, 2023	December 31, 2022
	%	%
Master Fund	91.36	86.07
Unrealized (depreciation) appreciation on forward currency contracts	0.16	(0.01)
Cash and other assets less liabilities	8.48	13.94
Total Net Assets attributable to holders of redeemable units	100.00	100.00

Fair Value Measurements *(note 5)*

As at June 30, 2023 and December 31, 2022, the Fund's financial assets and liabilities which are measured at fair value, have been categorized based upon the fair value hierarchy as shown in the tables below.

June 30, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Master Fund	–	34,034,586	–	34,034,586
Forward Currency Contracts	–	59,670	–	59,670
Total	–	34,094,256	–	34,094,256

December 31, 2022	Level 1	Level 2	Level 3	Total
	$	$	$	$
Master Fund	–	25,252,589	–	25,252,589
Forward Currency Contracts	–	(4,314)	–	(4,314)
Total	–	25,248,275	–	25,248,275

During the period ended June 30, 2023 and year ended December 31, 2022, there were no significant transfers between levels.

Investments in Underlying Funds

The Master Fund invests in a portfolio of assets to achieve risk-adjusted returns for its unitholders. The Master Fund finances its operations primarily through the issuance of redeemable units, which are puttable at the unitholder's option and entitle the unitholder to a proportionate share of the Master Fund's net assets attributable to holders of redeemable units. The Fund's interest in the Master Fund, held in the form of redeemable units, is reported in its Schedule of Investment Portfolio at fair value, which represents the Fund's maximum exposure to this investment. Distributions earned from the Master Fund are included in "Distribution income" in the Statement of Comprehensive Income (Loss). The total realized gains and change in unrealized depreciation arising from the Master Fund as included in the Statement of Comprehensive Income (Loss) for the period ended June 30, 2023 are $137,055 and $1,000,032 respectively (December 31, 2022 – realized gains of $181,453 and change in unrealized appreciation of $1,108,001). The Fund does not provide any additional significant financial or other support to the Master Fund. The interest held by the Fund in the Underlying Fund is shown in the tables below.

June 30, 2023

Underlying Fund	**Country of establishment and principal place of business**	**Ownership interest**	**Total Net Assets of Underlying Fund**	**Carrying amount included in Statement of Financial Position**
		%	**$**	**$**
Monroe (NP) U.S. Private Debt Fund LP	Cayman Islands	12.72	267,521,433	34,034,586

December 31, 2022

Underlying Fund	Country of establishment and principal place of business	Ownership interest	Total Net Assets of Underlying Fund	Carrying amount included in Statement of Financial Position
		%	$	$
Monroe (NP) U.S. Private Debt Fund LP	Cayman Islands	9.38	269,313,749	25,252,589

Management Fees *(note 10)*

The Fund will pay the Manager a quarterly management fee, calculated and paid quarterly, equal to ¼ of 0.10% of the Net Asset attributable to holders of redeemable units of Series F or Series PF, plus applicable taxes. For Series PF units, the management fees payable will be reduced by ¼ of 0.20% of the Net Asset attributable to holders of redeemable units, plus applicable taxes. From July 1, 2022 to June 30, 2023, the Management Fee will be temporarily suspended and will not be payable by the Fund in respect of Series F Units or Series PF Units.

Tax Loss Carryforwards *(note 3)*

For the taxation year ended December 31, 2022, the Fund had capital and non-capital losses available for tax purposes as shown in the table below.

Capital losses	**Non-capital losses**	**Non-capital losses year of expiry**
$	$	
1,287,738	–	–

See accompanying generic notes which are an integral part of these financial statements

Generic Notes to Financial Statements *June 30, 2023 (unaudited)*

1. Formation of the Trusts

Ninepoint Credit Income Opportunities Fund, Ninepoint Alternative Income Fund, Ninepoint-TEC Private Credit Fund, Ninepoint Canadian Senior Debt Fund, Ninepoint-Monroe U.S. Private Debt Fund, Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged and Ninepoint-TEC Private Credit Fund II (the “Funds” and each a “Fund”) were formed under the laws of the Province of Ontario pursuant to a Trust Agreement. Ninepoint Partners LP (the "Manager") is the manager of the Funds. The Manager has retained Third Eye Capital Management Inc. (“TEC”) as the sub-advisor of Ninepoint-TEC Private Credit Fund and Ninepoint-TEC Private Credit Fund II. The address of the Funds’ registered office is 200 Bay Street, Toronto, Ontario.

The date of inception and class structure of each of the Funds are as follows:

Name of the Fund	Declaration of Trust Agreement Date	Class Information
Ninepoint Credit Income Opportunities Fund	January 2, 2013	A multi-series fund since inception, having four classes, A, B, F, and O. On June 1, 2015, Class I was introduced and Class O was closed. On June 1, 2018, Class I1 was introduced.
Ninepoint Alternative Income Fund	August 31, 2016	A multi-series fund since inception, having three classes, A, F and I. On September 1, 2019, Class T was introduced. On October 1, 2019, Class FT was introduced. On January 27, 2022, Class I4 was introduced.
Ninepoint-TEC Private Credit Fund	June 1, 2016	A continuous offering of Class A units, Class A1 units, Class D units, Class E units, Class F units, Class F1 units, Class FD units, Class FT units, Class I units, Class I1 units and Class T units.
Ninepoint Canadian Senior Debt Fund	May 1, 2017	A multi-series fund since inception, having four classes, A, F, I and S. On June 30, 2022, Class F1 was introduced.
Ninepoint-Monroe U.S. Private Debt Fund	April 5, 2019	A multi-series fund since inception, having two classes, F and PF.
Ninepoint-Monroe U.S. Private Debt Fund - Canadian $ Hedged	September 30, 2020	A multi-series fund since inception, having three classes, F, I and PF.
Ninepoint-TEC Private Credit Fund II	October 1, 2022	A continuous offering of Class A units, Class A1 units, Class D units, Class E units, Class F units, Class F1 units, Class FD units, Class FT units, Class I units, Class I1 units and Class T units.

The differences among the classes of units are the different eligibility criteria, fee structures and administrative expenses associated with each class.

The Statements of Financial Position of each of the Funds are as at June 30, 2023 and December 31, 2022, unless otherwise noted. The Statements of Comprehensive Income (Loss), Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and Statements of Cash Flows for each Fund are for the periods ended June 30, 2023 and 2022, except for Funds and series of a Fund established during either year, in which case the information for the applicable Fund and series of a Fund is provided for the period from the start date of the Fund and series of the Fund to June 30 of the applicable year. The Schedule of Investment Portfolio for each Fund is as at June 30, 2023.

These financial statements were approved for issuance by the Manager on August 29, 2023. Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

2. Basis of Presentation

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”) as published by the International Accounting Standards Board (“IASB”) and include estimates and assumptions made by the Manager that may affect the reported amounts of assets, liabilities, income, expenses and the reported amounts of changes in Net Assets during the reporting periods. Actual results could differ from those estimates.

These interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements including IAS 34, Interim Financial Reporting (“IAS 34”). The financial statements have been prepared on a going concern basis.

The financial statements have been prepared using the historical cost convention. However, each Fund is an investment entity, other than Ninepoint-TEC Private Credit Fund and Ninepoint-TEC Private Credit Fund II, and primarily all financial assets and financial liabilities are measured at fair value in accordance with IFRS.

The financial statements are presented in Canadian dollars, which is each Fund's functional currency, except for the financial statements of Ninepoint-Monroe U.S. Private Debt Fund, which are presented in U.S. dollars, which is that Fund's functional currency.

3. Summary of Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Funds:

CLASSIFICATION AND MEASUREMENT OF INVESTMENTS

The Funds classify and measure financial instruments in accordance with IFRS 9, *Financial Instruments* ("IFRS 9"). Based on the Funds' business model for managing the financial assets and the contractual cash flow characteristics of these assets, it requires financial assets to be classified as amortized cost, fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income ("FVOCI"). The contractual cash flow assessment examines the contractual features of the assets to determine if they give rise to cash flow that are consistent with a basic lending arrangement. Contractual cash flows are consistent with a basic lending arrangement if they comprise solely payment of interest and principal outstanding ("SPPI"). For the purpose of the SPPI interest, interest represents payment on account of the time value of money, the credit risk associated with a particular instrument, other basic lending risk and costs and profit margin. Debt instruments are measured at amortized cost if they are held within a business model which aims to hold them for a collection of contractual cash flows that meet the SPPI test.

The Funds' investments, investments sold short and derivative assets and liabilities are measured at FVTPL, other than loans held by Ninepoint-TEC Private Credit Fund and Ninepoint-TEC Private Credit Fund II, and receivables which are classified and measured at amortized cost.

The Funds' accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its Net Asset Value ("NAV") for transactions with unitholders. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets and liabilities are recorded in the Statements of Financial Position at fair value upon initial recognition. All transaction costs such as brokerage commissions incurred in the purchase and sale of such securities are recognized directly in the Statements of Comprehensive Income (Loss). Subsequent to initial measurement, financial assets and liabilities at FVTPL are recorded at fair value which, as at the financial reporting period end, is determined as follows:

1. Securities listed upon a recognized public stock exchange are valued at the closing price recorded by the exchange on which the security is principally traded, where the last traded price falls within that day's bid-ask spread. In circumstances where the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.
2. Common shares of unlisted companies and warrants that are not traded on an exchange are valued using valuation techniques established by the Manager. Restricted securities are valued in a manner that the Manager determines represents fair value.
3. Short-term notes and treasury bills are valued at their cost. The cost, together with accrued interest, approximates fair value using closing prices.
4. Bonds, debentures and other debt obligations are valued at the mean of bid/ask prices provided by recognized fixed income vendors. Listed convertible debentures are priced using the last traded or closing sale price from a primary publicly recognized exchange however, if the last traded or closing sale price is not available, the mean of the bid price and ask price (evaluated mean) provided by fixed income vendors is used. Unlisted bonds, debentures and convertible debentures are valued using valuation techniques established by the Manager.
5. Fund units held as investments are fair valued using their respective NAV per unit on the relevant valuation dates, as these values are most readily and regularly available.

Asset Based Loans ("ABLs") held by Ninepoint-TEC Private Credit Fund and Ninepoint-TEC Private Credit Fund II are measured at amortized cost using the effective interest method, less impairment. IFRS 9 requires that an entity recognize a loss allowance for expected credit losses on financial assets which are measured at amortized cost or FVOCI. Financial assets held by the Fund, which are measured at FVTPL, are not subject to impairment requirements. Expected credit losses are a probability-weighted estimate of future credit losses. Credit losses are measured as the present value of the difference between the cash flows due to the Fund in accordance with the contract and the cash flows the Fund expects to receive. At each reporting date, management assesses the probability of default and the loss given default using economic and market trends, quoted credit ratings of the borrower, market value of the asset, and appraisals, if any, of the security underlying the loan. IFRS 9 establishes a three-stage approach for loan impairment tied to whether the underlying credit risk of the borrower has deteriorated since inception. At initial recognition of the loan, the loan is in Stage 1, and the lender recognizes a loss provision equal to the credit loss that is expected to result from default events possible within 12 months. If, at the reporting date, there has been no significant increase in credit risk, the loan continues to be classified in Stage 1. If there has been a significant increase in credit risk the loan is classified in Stage 2 and the lender recognizes a loss provision equal to the credit loss that is expected to result from default events possible within the lifetime of the loan. If there is objective evidence as at a reporting date of credit impairment, then the loan is classified in Stage 3 A loss provision will be recognized equal to the credit loss that is expected to result from default events possible within the lifetime of the loan and the interest is recognized based on the impaired loan amount. Expected credit losses are recognized in profit and loss and reflected in a provision account against the loan investment. When a subsequent event causes the amount of an impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss. The loans are assessed monthly to identify if there has been a significant increase in credit risk since initial recognition. The determination is based on macroeconomic outlook, borrower specific qualitative and quantitative factors, the delinquency and monitoring of the investments and management's judgment.

The difference between the fair value of investments and the cost of investments represents the unrealized appreciation or depreciation in the value of investments. The cost of investments for each security is determined on an average cost basis.

All other financial assets and financial liabilities are classified at amortized cost. They are recognized at fair value upon initial recognition and subsequently measured at amortized cost. The Funds' obligation for Net Assets attributable to holders of redeemable units is presented at the redemption amount.

TRANSACTION COSTS

Transaction costs are expensed and are included in "Transaction costs" in the Statements of Comprehensive Income (Loss). Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

INVESTMENT TRANSACTIONS AND INCOME RECOGNITION

Investment transactions are accounted for on the business day following the date the order to buy or sell is executed, with the exception of short-term investments, which are accounted for on the date the order to buy or sell is executed. Realized gains and losses arising from the sale of investments and unrealized appreciation and depreciation on investments are calculated with reference to the average cost of the related investments. Investments in ABLs are recorded on the closing date of the respective transaction.

Interest income for distribution purposes represents the coupon interest recognized daily on an accrual basis. It also includes payment-in-kind ("PIK") interest on certain ABLs. Any default interest on ABLs is only recognized upon collection or when collection is reasonably assured.

Dividend income is recognized on the ex-dividend date, presented gross of any non-recoverable withholding taxes, which are disclosed separately in the Statements of Comprehensive Income (Loss).

Commitment, closing, monitoring, placement and standby fees are amortized and recognized evenly over the investment term of the loan. Waiver and amendment fees are recognized in the period in which the waiver or amendment was granted. All other portfolio fees, such as advisory fees and monitoring fees, are recognized when earned.

SHORT SELLING

The Funds may make short sales whereby a security that they do not own is sold short in anticipation of a decline in the market value of that security. To enter a short sale, the Funds may need to borrow the security for delivery to the buyer. The cost of entering into short positions is recorded in the Statements of Comprehensive Income (Loss) under "Securities borrowing fees". The short positions are secured by the assets owned by the Funds. The Funds can realize a gain on short sale, if the price of the security decreases from the date the security was sold short until the date at which the Funds close out their short position, by buying that security at a lower price. A loss will be incurred if the price of the security increases. While the transaction is open, the Funds will also incur a liability for any accrued dividends or interest, which is paid to the lender of the security.

FOREIGN CURRENCY TRANSLATION

The fair value of foreign currency denominated investments are translated into Canadian dollars (or U.S. dollars for Ninepoint-Monroe U.S. Private Debt Fund) using the prevailing rate of exchange on each valuation date. Income, expenses and investment transactions in foreign currencies are translated into Canadian dollars (or U.S. dollars for Ninepoint-Monroe U.S. Private Debt Fund) at the rate of exchange prevailing on the respective dates of such transactions.

The Funds do not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in “Change in unrealized appreciation (depreciation) in the value of investments” in the Statements of Comprehensive Income (Loss). Realized foreign exchange gains or losses from sales of investments and cash in foreign currencies are included in “Net realized gains (losses) on foreign exchange” in the Statements of Comprehensive Income (Loss). Any difference between the recorded amounts of dividends, interest and foreign withholding taxes and the Canadian dollar (or U.S. dollars for Ninepoint-Monroe U.S. Private Debt Fund) equivalent of the amounts actually received is reported as part of the investment income in the Statements of Comprehensive Income (Loss).

CASH

Cash is comprised of cash on deposit with financial institutions.

CALCULATION OF NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER CLASS PER UNIT

The Net Assets attributable to holders of redeemable units per unit of a class of the Funds is based on the fair value of the proportionate share of the assets and liabilities of the Fund common to all classes, less any liabilities of the Fund attributable only to that class, divided by the total outstanding units of that class. Income, non-class specific expenses, realized and unrealized gains (losses) on investments and transaction costs are allocated to each class of the Fund based on the pro-rata share of Net Assets attributable to holders of redeemable units of that Fund. Expenses directly attributable to a class are charged directly to that class.

FORWARD CURRENCY CONTRACTS

The fair value of a forward currency contract is the gain or loss that would be realized if, on the date that the valuation is made, the position was closed out. It is reflected in the Statements of Financial Position as part of “Unrealized appreciation (depreciation) on forward currency contracts” and the change in value over the period is reflected in the Statements of Comprehensive Income (Loss) as part of “Change in unrealized appreciation (depreciation) on forward currency contracts”. When the forward currency contracts are closed out, gains and losses are realized and are included in “Net realized gains (losses) on forward currency contracts” in the Statements of Comprehensive Income (Loss).

OPTION CONTRACTS

When the Funds purchase options, the premiums paid for purchasing options are included as an asset and are subsequently adjusted each valuation day to the fair value of the option contract. Premiums received from writing options are included as a liability and are subsequently adjusted each valuation day to the fair value of the option contract. These amounts are reflected in the Statements of Financial Position as part of “Options purchased” or “Options written”. Option contracts are valued each valuation day according to the gain or loss that would be realized if the contracts were closed out on that day. All unrealized gains (losses) arising from option contracts are recorded as “Change in unrealized appreciation (depreciation) on option contracts” in the Statements of Comprehensive Income (Loss), until the contracts are closed out or expire, at which time the gains (losses) are realized and reflected in the Statements of Comprehensive Income (Loss) as “Net realized gains (losses) on option contracts”.

TOTAL RETURN SWAP CONTRACTS, INTEREST RATE SWAP CONTRACTS & CREDIT DEFAULT SWAP CONTRACTS

The fair value of total return swap contracts is determined based on agreements between the Fund and another party to exchange the return from an underlying asset. In the agreement, one party makes payments based on an agreed upon rate that may be fixed or variable, while the other party makes payments based on total returns of the underlying asset. The underlying asset may be a basket of bonds and/or equities.

The fair value of interest rate swap contracts is determined based on agreements that involve the exchange by the Fund with another party for their respective commitment to pay or receive interest on the notional amount of principal.

The fair value of credit default swap contracts with exposures to underlying marketable issuers is determined using indicative values obtained by vendors from third party-broker dealers. Pricing vendors determine the fair value using valuation models that are based on assumptions that are supported by observable market inputs such as credit spreads. The fair value is independently assessed by valuation specialists to ensure that they are reasonable. The fair values of credit default swaps are affected by the perceived credit risk of the underlying issuers, movements in credit spreads and the length of time to maturity.

The fair value of interest rate swap contracts, total return swap contracts and credit default swap contracts are reflected in the Statements of Financial Position as part of “Unrealized appreciation (depreciation) on swap contracts”.

Any interest paid or received on the swap contracts is recorded as "Interest received (paid) on swap contracts" in the Statements of Comprehensive Income (Loss). The unrealized gain or loss on swaps contracts is reflected in the Statements of Comprehensive Income (Loss) as part of "Change in unrealized appreciation (depreciation) on swap contracts". When the swap contracts are closed out, any gains (losses) are recorded as "Net realized gain (loss) on swap contracts" in the Statements of Comprehensive Income (Loss).

INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT

"Increase (decrease) in net assets from operations per unit" in the Statements of Comprehensive Income (Loss) represents the increase (decrease) in Net Assets attributable to holders of redeemable units from operations per class, divided by the weighted average number of units outstanding in that class during the period, which is presented in the Statements of Comprehensive Income (Loss).

INCOME TAXES

The Trusts are not taxed on that portion of income and net realized capital gains that is paid or payable to unitholders. No provision for income taxes has been recorded in the Trusts as sufficient income and net realized capital gains are paid to unitholders. Non-capital losses may be carried forward for up to 20 years, and can be offset against future taxable income. Capital losses may be carried forward indefinitely to be applied against future capital gains.

Ninepoint Credit Income Opportunities Fund, Ninepoint Alternative Income Fund, Ninepoint-TEC Private Credit Fund, and Ninepoint-TEC Private Credit Fund II each qualifies as a "mutual fund trust" under the Income Tax Act (Canada) (the "Tax Act"). Accordingly, these Trusts may retain some net capital gains by utilizing the capital gains refund mechanism available to mutual fund trusts without incurring any income taxes.

Ninepoint Canadian Senior Debt Fund, Ninepoint-Monroe U.S. Private Debt Fund and Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged are not expected to qualify as "unit trusts" under the Tax Act. Accordingly, each of these Trusts (i) is not eligible for the capital gains refund mechanism, (ii) will be deemed to dispose of all of its assets on the twenty-first anniversary of its creation, (iii) may be liable for alternative minimum tax, (iv) may be subject to the "mark-to-market" rules in the Tax Act and (v) may be subject to tax under Part XII.2 of the Tax Act.

OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and liabilities are disclosed net if there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and liability simultaneously. Where applicable, additional information is disclosed in the Offsetting of Financial Instruments section of the *Notes to Financial Statements – Fund Specific Information*.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Funds have determined there are no IFRS standards that are issued but not yet effective that could materially impact the Funds' financial statements.

4. Critical Accounting Estimates and Judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements:

FAIR VALUE MEASUREMENT OF DERIVATIVES AND SECURITIES NOT QUOTED IN AN ACTIVE MARKET

The Funds hold financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Where no market data is available, the Funds may value investments using valuation models, which are usually based on methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Funds consider observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Common shares of unlisted companies may be valued at cost and adjusted based on the last known transaction. Refer to *Note 5: Fair Value Measurement* for further information about the fair value measurement of the Funds' financial instruments.

CLASSIFICATION AND MEASUREMENT OF INVESTMENTS AND APPLICATION OF THE FAIR VALUE OPTION

In classifying and measuring financial instruments held by the Funds, the Manager is required to make significant judgments in determining the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Funds' business models and concluded that FVTPL, in accordance with IFRS 9, provides the most appropriate classification of the Funds' financial instruments.

RENEGOTIATED LOANS

From time to time, contractual terms of ABLs may be modified due to less favourable financial and/or legal conditions of the borrower. Modifications that are considered to be significant, would result in the derecognition of the original ABL and recognition of the restructured ABL at fair value. Modifications that are not considered significant do not require the derecognition of the ABL and the gross carrying of the modified ABL are recalculated based on the present value of the difference between the modified cash flows due to the Fund in accordance with the amended contract and the cash flows the Fund expects to receive.

ASSESSMENT AS AN INVESTMENT ENTITY

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* ("IFRS 10") are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria which define an investment entity are as follows:

- an entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- an entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- an entity that measures and evaluates the performance of substantially all its investments on a fair value basis.

The Manager has assessed the characteristics of an investment entity as they apply to the Funds and such assessment requires significant judgements. Based on the assessment, the Manager concluded that the Funds, other than Ninepoint-TEC Private Credit Fund and Ninepoint-TEC Private Credit Fund II, meet the definition of an investment entity.

IFRS 10 further requires the preparation and presentation of consolidated financial statements when a Fund has control over any of its investments. A Fund has control over its investments if all the following criteria are met:

- existing right that gives the Fund the ability to direct the activities of the investments it holds and particularly, activities that impact the returns of those investments held;
- exposure or rights to variable returns from its involvement with the investments; and
- ability to use its power over any of its investments to affect the amount of returns received.

Ninepoint-TEC Private Credit Fund and Ninepoint-TEC Private Credit Fund II do not possess influence over the strategies of the investments they hold that may impact returns of those investments. Ninepoint-TEC Private Credit Fund and Ninepoint-TEC Private Credit Fund II each hold voting rights in some of the investments alongside other investors, some of whom may be to be related parties of TEC, however, as none of the investors can unilaterally take action regarding an investment, any power over the investments is considered to be shared which thereby precludes Ninepoint-TEC Private Credit Fund and Ninepoint-TEC Private Credit Fund II from having control.

The Manager has assessed whether Ninepoint-TEC Private Credit Fund and Ninepoint-TEC Private Credit Fund II have control over any of their investments and has determined that they do not and as a result, they are not required to present consolidated financial statements.

PROVISIONS

Due to the nature of provisions, a considerable part of their determination is based on estimates and judgments, including assumptions concerning the likelihood of future events occurring. The actual outcome of these uncertain events may be materially different from the initial provision in the Fund's financial statements. Management exercises judgment to determine whether indicators of loan or receivables impairment exist, and if so, management must estimate the timing and amount of future cash flows from loans and receivables.

5. Fair Value Measurements

The Funds use a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Funds' investments. The fair value hierarchy has the following levels:

Level 1 Unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities that the Funds have the ability to access at the measurement date;

Level 2 Quoted prices which are not active, or inputs that are observable (either directly or indirectly) for substantially the full term of the asset or liability; and

Level 3 Prices, inputs or complex modeling techniques that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The hierarchy of investments and derivatives for each Fund is included in the *Notes to Financial Statements – Fund Specific Information* of each Fund.

All fair value measurements above are recurring. The carrying values of cash, subscriptions receivable, interest receivable, payable for investments purchased, redemptions payable, distributions payable, accrued expenses and each Fund's obligations for Net Assets attributable to holders of redeemable units approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of their fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Loans held by Ninepoint-TEC Private Credit Fund and Ninepoint-TEC Private Credit Fund II would be classified as Level 3 if they were accounted for at fair value.

The following provides details of the categorization in the fair value hierarchy by asset classes:

Level 1 securities include:

- Equity securities and options using quoted market prices (unadjusted).
- Investments in other mutual funds valued at their respective NAV per unit on relevant valuation dates.

Level 2 securities include:

- Equity securities that are not frequently traded in active markets. In such cases, fair value is determined based on observable market data (e.g., transactions for similar securities of the same issuer).
- Fixed-income securities valued at evaluated bid prices provided by recognized investment dealers (i.e. third-party pricing vendor based on a variety of factors including broker input, financial information on the issuer and other observable market inputs).
- Derivative assets and liabilities such as forward currency contracts and swaps, which are valued based on observable inputs such as the notional amount, forward market rate, contract rates, interest and credit spreads. To the extent that the inputs used are observable and reliable, these derivatives are included in Level 2.

Level 3 securities include:

- Investments valued using valuation techniques that are based on unobservable market data. These techniques are determined pursuant to procedures established by the Manager. Quantitative information about unobservable inputs and related sensitivity of the fair value measurement are disclosed in the Notes to financial statements – Fund specific information.

Additional disclosures relating to transfers between levels and a reconciliation of the beginning and ending balances in Level 3 are also disclosed in the Notes to financial statements – Fund specific information.

For the periods ended June 30, 2023 and 2022, Level 2 securities consisted of bonds, asset-backed securities, short-term investments, structured notes, investments in underlying funds, common shares acquired pursuant to a private placement and subject to a hold period following the closing date of the purchase, and warrants received in consideration of the private placement purchase. Upon the expiry of the hold period on the common shares, the shares become freely traded and, as such, would be moved from Level 2 to Level 1. The warrants would be Level 2 until either the warrant expired, at which time the security would be removed from the Level 2 balance, or the warrant was exercised, at which time the warrant would be converted into a Level 1 common share. There were no other material transfers between Level 1 and Level 2 during the years.

6. Financial Risk Management

The Funds are exposed to risks that are associated with their investment strategies, financial instruments and markets in which they invest. The extent of risk within a Fund is largely contingent upon its investment policy and guidelines as stated in its offering documents, and the management of such risks is contingent upon the qualification and diligence of the portfolio manager designated to manage the Fund. The Schedule of Investment Portfolio groups securities by asset type and market segment. Significant risks that are relevant to the Funds are discussed below. Refer to the *Notes to Financial Statements – Fund Specific Information* of each Fund for specific risk disclosures.

MARKET RISK

Each Fund's investments are subject to market risk, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market variables such as equity prices, currency rates and interest rates.

a) Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk). The sensitivity analysis disclosed is estimated based on the historical correlation between the return of a Fund as compared to the return of a Fund's benchmark. The analysis assumes that all other variables remain unchanged. The historical correlation may not be representative of future correlation and, accordingly the impact on net assets could be materially different. The investments of a Fund are subject to normal market fluctuations and the risks inherent in the financial markets. The maximum risk resulting from purchased securities held by the Funds is limited to the fair value of these investments. The Funds manage their exposure to market risk through the selection and monitoring of companies within the portfolio of securities, as well as through the diversification of the investment portfolio. Each Fund's portfolio is invested according to the portfolio manager's assessment of the macroeconomic environment, the prospects for various industry sectors, and specific company analyses. As a result, the portfolio manager may accept above-average market volatility if the portfolio continues to be positioned in a manner that is consistent with the portfolio manager's outlook as discussed above.

b) Currency Risk

Currency risk is the risk that arises from the change in price of one currency against another. The Funds hold securities that are denominated in currencies other than the Canadian dollar (or U.S. dollars for Ninepoint-Monroe U.S. Private Debt Fund). These securities are converted to the Funds' functional currency (Canadian dollars or U.S. dollars) in determining fair value, and the fair value is subject to fluctuations relative to the strengthening or weakening of the functional currency. The Funds may enter into foreign exchange contracts for hedging purposes to reduce its foreign currency exposure, or to establish exposure to foreign currencies.

c) Interest Rate Risk

Interest rate risk is the risk borne by an interest-bearing financial instrument that is attributed to interest rate fluctuations. Cash does not expose the Funds to significant amounts of interest rate risk. Excess cash amounts and amounts held as collateral for securities sold short may be invested in Government of Canada treasury bills with maturities of less than three months.

The publication of London Interbank Offered Rate (LIBOR) has ceased for all Pound Sterling, Japanese Yen, Swiss Franc, and Euro settings as well as the 1-week and 2-month U.S. LIBOR settings. In addition, the overnight one-month, three-month, six-month and twelve-month U.S. LIBOR settings will cease to be published after June 30, 2023.

On May 16, 2022, Refinitiv Benchmark Services (UK) Limited, the administrator of Canadian Dollar Offered Rate (CDOR), announced that the calculation and publication of all tenors of CDOR will permanently cease following a final publication on June 28, 2024.

The global benchmark rate reform initiative to transition from LIBOR or CDOR to alternative reference rates may impact a Fund that holds investments that are referenced to LIBOR or CDOR. Market risks arise as the new reference rates are likely to differ from the existing U.S. LIBOR or CDOR rates, which may impact the volatility or liquidity in markets for instruments that currently rely on U.S. LIBOR or CDOR settings. In order to manage these risks, the Manager continues to closely monitor the industry development and is taking all necessary steps to identify, measure and manage the risks relating to the Fund's U.S. LIBOR or CDOR exposure from its portfolio holdings.

CREDIT RISK

Credit risk is the risk of loss due to the failure of a counterparty to satisfy its obligations.

The Funds maintain accounts with prime brokers. Although the Manager monitors the prime brokers and believes that they are appropriate custodians, there is no guarantee that they will not become bankrupt or insolvent. While laws seek to protect customer property in the event of a bankruptcy, insolvency, failure, or liquidation of a broker dealer, it is likely that, in the event of a failure of a broker dealer that has custody of Fund assets, the Fund would incur losses due to its assets being unavailable for a period of time, the ultimate receipt of less than full recovery of its assets, of both.

The Funds may be exposed to credit risk from the counterparties to the derivative instruments used by it. Credit risk associated with these transactions is considered minimal as all counterparties have an approved credit rating equivalent to a Standard & Poor's credit rating of A on their long-term debt. The Funds endeavor to minimize their counterparty credit risk by monitoring the credit exposure with, and the creditworthiness of, counterparties.

The carrying value of ABLs includes consideration of the credit worthiness of the debt issuer. The carrying amount of ABLs represents the maximum credit risk exposure to the Funds related to those investments.

All transactions executed by the Funds in listed securities are settled upon delivery using approved brokers. The risk of default is considered minimal, as the delivery of those securities sold is made only when the broker has received payment. Payment is made on purchase only when the security is received by the broker. The trade will fail to consummate if either party fails to meet its obligations.

LIQUIDITY RISK

Liquidity risk is the risk that the Funds will not be able to generate sufficient cash resources to fulfill their payment obligations. Under the terms of the Trust agreement of each Fund, the Manager has the ability to suspend or defer redemptions in certain circumstances, including the receipt of redemption notices in excess of certain thresholds, or where the Manager determines that conditions exist which render impractical the sale of the assets of the Fund or which impair the ability of the Fund to determine the value of the assets of the Fund.

Ninepoint Credit Income Opportunities Fund predominantly invests in liquid securities that are readily tradable in an active market and consequently, is able to readily dispose of securities if necessary, to fund redemptions in the course of operations. Although Ninepoint Credit Income Opportunities Fund may, from time to time, invest in illiquid or restricted securities such as private placements, private companies and warrants as identified in the Schedule of Investment Portfolio, such investments do not comprise a significant portion of its investment portfolio. Redemptions are permitted on the last business day of each month, provided the written request for redemption, in form satisfactory to the Manager and all necessary documents relating thereto, is submitted to the Manager at least 30 calendar days prior to such redemption date.

For Ninepoint-TEC Private Credit Fund, as of September 30, 2022, the investment objective was changed to provide for an orderly liquidation and winding down of the Fund. As of September 30, 2022, no new redemption requests will be accepted.

For Ninepoint Canadian Senior Debt Fund, redemptions are permitted on the last day of each calendar quarter, provided the request for redemption, in form satisfactory to the Manager and all necessary documents relating thereto, is submitted to the Manager at least 180 days prior to such redemption date. In the case of redemption requests submitted on or after January 1, 2023, at least 120 days notice is required.

For Ninepoint-Monroe U.S Private Debt Fund and Ninepoint-Monroe U.S Private Debt Fund – Canadian $ Hedged, subject to the Manager's right to suspend redemptions and the redemption cap, redemptions are permitted on the last day of each calendar quarter, provided the request for redemption, in form satisfactory to the Manager and all necessary documents relating thereto, is submitted to the Manager at least 180 days prior to such redemption date. In the case of redemption requests submitted on or after January 1, 2023, at least 120 days notice is required. Quarterly redemptions are limited to 5% of prior quarter's net assets.

For Ninepoint-TEC Private Credit Fund II, due to the nature of the Fund's investment strategy and portfolio, certain investments may have to be held for a substantial period of time before they can be liquidated to the Fund's greatest advantage or, in some cases, at all. Ninepoint-TEC Private Credit Fund II manages its cash flow through a 120-day notice for redemption of units. The Manager may, in its sole discretion, accept a redemption request submitted 30 days prior to a Redemption Date, provided the Manager has received a concurrent subscription from the Unitholder's discretionary account manager or investment adviser which, at minimum, offsets Net Asset Value of the Fund that would be redeemed in connection with the redemption request. Quarterly redemptions are limited to 5% of prior quarter's net assets. Units redeemed on December 31, 2022, March 31, 2023, June 30, 2023 and September 30, 2023 will (subject to certain exceptions) be subject to a 5% early redemption fee payable to the Fund regardless of the date of purchase. For any redemption requests submitted after September 30, 2023, the Manager may, in its sole discretion, impose an early redemption fee equal to 2% of the aggregate Net Asset Value of Units redeemed if such units are redeemed within 12 months of their date of purchase. Where the sum of cash distributions and redemption requests for any calendar quarter exceeds 5% of the Net Asset Value as at the prior quarter's end, redemption requests exceeding this amount will be cancelled unless redeeming Unitholders request to receive from the Fund, redemption notes of the Fund. Redemption Notes will be issued at 10% discount to the Net Asset Value of the Units on the Redemption Date, will have a maturity of 5 years or less, will be non-interest bearing and will be callable on demand by the Fund. On direction from the Manager, the record-keeper of the Fund shall hold back up to 20% of the Redemption Amount on any redemption to provide for an orderly disposition of assets. Any Redemption Amount which is held back shall be paid within a reasonable time period, having regard for applicable circumstances.

For Ninepoint Alternative Income Fund, redemptions are permitted on the last day of each calendar quarter, provided the request for redemption, in form satisfactory to the Manager and all necessary documents relating thereto, is submitted to the Manager at least 30 days prior to such redemption date. Quarterly redemptions are limited to 5% of prior quarter's net assets. Where the sum of cash distributions and redemption requests for any calendar quarter exceeds 5% of the Net Asset Value as at the prior quarter's end, redemption requests exceeding this amount will be cancelled unless redeeming Unitholders request to receive from the Fund, redemption notes of the Fund. Redemption Notes will be issued at 10% discount to the Net Asset Value of the Units on the Redemption Date, will have a maturity of 5 years or less, will be non-interest bearing and will be callable on demand by the Fund.

With the exception of derivative contracts and investments sold short, where applicable, all of the Funds' financial liabilities are short-term liabilities maturing within 90 days after the period end. For Funds that hold investments sold short, these investments have no specific maturity date. For Funds that hold derivative contracts with a term to maturity that exceeds 90 days from the period end, further information related to those contracts can be found in the derivatives schedules included in the Schedule of Investment Portfolio of those Funds.

Expected credit losses on ABLs are reassessed at regular intervals during the period. Refer to *Note 3: Summary of Significant Accounting Policies* for further information on the measurement of expected credit losses.

Restructuring and revision to redemption terms

The Manager has explored various options to manage the Funds' liquidity upon the termination of the suspension of redemptions, in the best interest of the unitholders, including through subscriptions, sales of portfolio investments, borrowings, and possible restructuring of the Funds. For Ninepoint Canadian Senior Debt Fund, Ninepoint-Monroe U.S. Private Debt Fund and Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged, on June 15, 2022, a special meeting of the Funds was held and by way of unitholder voting and approval, redemptions privileges resumed under the new redemption terms as of June 30, 2022. For Ninepoint Alternative Income Fund, on September 1 a special meeting of the Funds was held and by way of unitholder voting and approval, redemption privileges resumed under the new redemption terms as of September 30, 2022. For Ninepoint-TEC Private Credit Fund, on September 1, 2022, a special meeting of the Funds was held and by way of unitholder voting and approval, unitholders were offered the choice to remain in Ninepoint-TEC Private Credit Fund or move to the new Fund, Ninepoint-TEC Private Credit Fund II, as of September 30, 2022. For Unitholders participating in Ninepoint-TEC Private Credit Fund II, all classes of units of Ninepoint-TEC Private Credit Fund were converted into corresponding classes of units of NTPC2 and total assets of Ninepoint-TEC Private Credit Fund attributable to such units amounting to $1,263,565,407 were transferred to Ninepoint-TEC Private Credit Fund II.

CONCENTRATION RISK

Concentration risk arises as a result of the concentration of financial instrument exposures within the same category, whether it is geographic region, asset type or industry sector.

7. Redeemable Units

Each Fund is authorized to issue an unlimited number of classes of units and an unlimited number of units in each class. Class A units, Class A1 units, Class B units and Class D units are issued to qualified purchasers (other than Ninepoint Credit Income Opportunities Fund which has closed Class A to subscriptions and Ninepoint-TEC Private Credit Fund II whose Class A units are only issued to unitholders who held that fund prior to its merger with Sprott Private Credit Trust). Class D units will be issued to qualified purchasers and will receive monthly distributions. Class E units will be issued to qualified purchasers who are directors, officers and employees of the Manager, the sub-advisors and their respective affiliates and associates. Class F units, Class F1 units and Class FD units are issued to (i) purchasers who participate in fee-based programs through eligible registered dealers; (ii) qualified purchasers in respect of whom the Fund does not incur distribution costs; and (iii) qualified individual purchasers at the discretion of the Manager (other than Ninepoint-TEC Private Credit Fund II whose Class F units are only available to those unitholders who held that fund prior to its merger with Sprott Private Credit Trust). Class FT units have the same features as Class F units other than its distribution policy which is the same as that of Class T units. Class I units are issued to institutional investors at the discretion of the Manager. Class I1 units are issued to institutional investors at the discretion of the Manager for Ninepoint-TEC Private Credit Fund II to qualified individual purchasers or discretionary accounts of an advisor holding, in aggregate, $50,000,000 or more in the Fund. Class PF are issued at the discretion of the Manager for Ninepoint-Monroe U.S. Private Debt Fund and Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged to qualified individual purchasers or discretionary accounts of an advisor holding, in a aggregate, $15,000,000 or more in the Fund and the Manager may reject a subscription for Class PF units for any reason. Class T units for Ninepoint Alternative Income Fund are issued to qualified purchasers and is designated to provide cash flow to investors by making targeted monthly distributions of cash of approximately 5% per annum. Class T units for Ninepoint-TEC Private Credit Fund II are issued to qualified purchasers and is designated to provide cash flow to investors by making targeted monthly distributions of cash of approximately 6% per annum. Class S units are issued to initial investors who provided seed capital to Ninepoint Canadian Senior Debt Fund to construct the initial Portfolio. Units of the Funds are redeemable at their Net Assets attributable to holders of redeemable units per unit for the applicable class.

The Funds have multiple classes of redeemable units that do not have identical features and therefore, do not qualify as equity under IAS 32, *Financial Instruments: Presentation* ("IAS 32").

CAPITAL MANAGEMENT

The capital of each Fund is represented by the issued and outstanding units and the net asset value attributable to participating unitholders. The Manager utilizes the capital of the Funds in accordance with the Funds' investment objectives, strategies and restrictions, as outlined in each Fund's offering memorandum, while maintaining sufficient liquidity to meet normal redemptions. The Funds do not have any externally imposed capital requirements.

8. Distribution of Income and Capital Gains

Net investment income and net realized capital gains are distributed to unitholders annually at the end of the calendar year by the Funds. Ninepoint Credit Income Opportunities Fund, Ninepoint Alternative Income Fund, and Ninepoint-TEC Private Credit Fund II also make monthly distributions. Ninepoint-Monroe U.S. Private Debt Fund and Ninepoint-Monroe U.S. Private Debt Fund - Canadian $ Hedged also make quarterly distributions. Ninepoint-TEC Private Credit Fund made monthly distributions until August 31, 2022. All distributions paid to unitholders will be reinvested automatically in additional units of the respective Trust, unless an investor elects to receive cash for series that offer cash distributions.

9. Restricted Cash and Investments

Cash, investments and broker margin include balances with prime brokers held as collateral for securities sold short and other derivatives. This collateral is not available for general use by the Funds. The value of any restricted cash and investments held for each of the Funds is disclosed in the Notes to financial statements – Fund specific information.

10. Related Party Transactions

MANAGEMENT FEES

The Funds pay the Manager a monthly management fee, calculated and paid monthly other than Ninepoint-Monroe U.S. Private Debt Fund and Ninepoint-Monroe U.S. Private Debt Fund – Canadian $ Hedged which pay the Manager a quarterly management fee, calculated and paid quarterly. Management fees are unique to each Fund and each class and are subject to applicable taxes. To the extent that an underlying fund is a Ninepoint Partners managed fund and pays a management fee to the Manager, the Funds do not duplicate management fees with respect to the investment in the underlying Ninepoint Partners Funds. From July 1, 2022 to June 30, 2023, the Management Fee will be temporarily suspended and will not be payable by the Fund in respect of any series of Ninepoint-Monroe U.S Private Debt Fund, and in respect of Series F Units or Series PF Units of Ninepoint-Monroe U.S Private Debt Fund – Canadian $ Hedged. For Ninepoint Canadian Senior Debt Fund, from July 1, 2022 to June 30, 2023, the Management Fee in respect of Class A Units and Class F Units is temporarily reduced. For *Ninepoint-TEC Private Credit Fund*: Management Fees will be reduced by 15 basis points on April 1, 2023 and further reduced by another 15 basis points on October 1, 2023.

PERFORMANCE FEES

For *Ninepoint Credit Income Opportunities Fund:* The Manager is entitled to receive from the Fund for each fiscal year an annual performance fee attributable to Class B units, Class F units and Class I units. Each such class of units is charged a performance fee equal to 15% of the amount by which the NAV per unit of the particular class of units (including any distributions paid on such units, but before calculation and accrual for the performance fee) at the end of the current fiscal year exceeds the High-Water Mark (equal to the NAV of the particular class of units on such date a performance fee was payable adjusted for subscriptions and redemptions subsequent to such date, plus 4% for the same period. The Performance Fee shall be prorated based on the number of months for the calculation.), plus applicable HST. For purposes of the foregoing calculation in respect of the Class I units of the Fund, the NAV of such class of units will also be reduced by any management fee paid directly to the Manager. If the performance of a particular class of units in any year is negative, such negative return will be added to the subsequent year's High-Water Mark for that class of units. If the performance of a particular class of units in any year is positive, but below the hurdle, the subsequent year's High-Water Mark will be the prior fiscal year's ending NAV of the particular class of units. The performance fees are calculated and accrued monthly and paid annually for each such class of units.

For *Ninepoint-TEC Private Credit Fund*: The Manager is entitled to receive from the Fund a quarterly performance fee plus applicable HST attributable to Class A1 Units, Class D Units, Class F1 Units, Class FT Units, Class T Units, Class FD Units, Class I1 Units and Class I Units. Each such class of units is charged a performance fee plus applicable HST. If the return in the NAV per unit of the particular class of units (before calculation and accrual for the performance fee and after making necessary adjustments to account for distributions made by the Fund) from the beginning of the quarter (or inception date of the class of units) to the end of the quarter exceeds 2% (the "Hurdle Rate") (or prorated for partial quarters) and such return is between 2% and 2.5% on a quarterly basis, then any amount in excess of the Hurdle Rate shall be payable to the Manager as a Performance Fee, plus any applicable HST annualized. If the return in the NAV per unit of the particular class of units (before calculation and accrual for the performance fee and after making necessary adjustments to account for distributions made by the Fund) from the beginning of the quarter to the end of the quarter exceeds the Hurdle Rate of 2% and is 2.5% or more on a quarterly basis, then 20% of such return shall be payable to the Manager as performance fee, plus applicable HST. As of the restructuring of the Fund on September 30, 2022, there will be no change in hurdles or free structure, and the performance fee will be calculated in line with the NAV cycle, crystallized (paid to the Manager) only when units are being redeemed. The portion of accrued fee paid to the Manager is based on the number of units being redeemed and there will be no hurdle or NAV reset as there is no crystallization until an investor is redeemed out of the Fund.

For *Ninepoint Canadian Senior Debt Fund*: The Manager is entitled to receive from the Fund a quarterly performance fee attributable to the Class A units, Class F units and Class I units. Each such class of units is charged a performance fee. If the difference by which the return in the NAV per unit of the particular class of units (before calculation and accrual for the Performance Fee) from the beginning of the quarter (or inception date of the class of units) to the end of the quarter exceeds 7% annualized (the "Hurdle Rate") for the same period (or prorated for partial quarters), and such return is between 7% and 8.75% on an annualized basis, such amount in excess of the Hurdle Rate shall be payable to the Manager as a performance fee, plus applicable HST. If the difference by which the return in NAV per unit of the particular class of units (before calculation and accrual of the performance fee) in the particular quarter exceeds the Hurdle Rate and is 8.75% or more on an annualized basis, then such amount between the Hurdle Rate and 8.75%, plus 20% of the return above 8.75% shall be payable to the Manager as performance fee, plus applicable HST.

For *Ninepoint-TEC Private Credit Fund II*, the Manager is entitled to receive from the Fund a quarterly performance fee attributable to Class A units, Class A1 units, Class D units, Class E units, Class F units, Class F1 units, Class FT units, Class T units, Class FD units, Class I1 units and Class I units. Each class of units is charged a performance fee plus any applicable HST. If the return in the NAV per unit of the particular class of units (before calculation and accrual for the performance fee and after making necessary adjustments to account for distributions made by the Fund) from the beginning of the quarter (or inception date of the class of units) to the end of the quarter exceeds 2% (the "Hurdle Rate") (or prorated for partial quarters) and such return is between 2% and 2.5% on a quarterly basis, then any amount in excess of the Hurdle Rate shall be payable to the Manager as a performance fee, plus applicable HST, other than with respect to the Class E units where 60% of such amount in excess of the Hurdle Rate shall be payable to the Manager as a performance fee, plus applicable HST. If the return in the NAV per unit of the particular class of units (before calculation and accrual for the performance fee and after making necessary adjustments to account for distributions made by the Fund) in the particular quarter exceeds the Hurdle Rate and is 2.5% or more on a quarterly basis, then 20% of such return shall be payable to the Manager as a performance fee, plus applicable HST, other than with respect to the Class E Units where 12% of such return shall be payable to the Manager as a performance fee, plus applicable HST. If the performance of a particular class of Units in any quarter is positive but less than the Hurdle Rate, then no performance fee will be payable in that quarter for that class of units, however, the difference between such return of the Fund and the Hurdle Rate is not carried forward. If the performance of a particular class of units in any quarter is negative, such negative return will be added to the subsequent quarter's Hurdle Rate when calculating the performance fee for that class of units. The performance fee in respect of each class of units will be accrued monthly (such that the NAV per unit reflects such accrual) and will be payable quarterly.

For *Ninepoint-Monroe U.S Private Debt Fund* and *Ninepoint-Monroe U.S Private Debt Fund – Canadian $ Hedged,* the General Partner (or its designee) is entitled to receive from the Master Fund a quarterly performance allocation. If the difference by which the return in the Net Asset Value of the Master Fund (before calculation and accrual for the Performance Allocation) from the beginning of the quarter (or the actual contribution date as applicable) to the end of the quarter exceeds 7% annualized prorated (the "Preferred Return") for the same period (or prorated for partial quarters), and such return is between 7% and 8.75% on an annualized prorated basis, such amount in excess of the Preferred Return shall be payable to the General Partner (or its designee) as a Performance Allocation, plus applicable taxes. If the difference by which the return in the Net Asset Value of the Master Fund (before calculation and accrual of the Performance Allocation) in the particular quarter exceeds the Preferred Return and is 8.75% or more on an annualized basis, then all of such amount between the Preferred Return and 8.75%, plus 20% of the return amount above 8.75% shall be payable to the General Partner as a Performance Allocation, plus applicable taxes.

11. Operating Expenses and Sales Charges

Each Fund pays its own operating expenses, other than marketing costs and costs of dealer compensation programs, which are paid by the Manager. Operating expenses include, but are not limited to, audit, legal, safekeeping, trustee, custodial, fund administration expenses, preparation costs of financial statements and other reports to investors and Independent Review Committee ("IRC") member fees and expenses.

Operating expenses are charged to all Funds pro-rata, on the basis of net assets or another measure that provides a fair and reasonable allocation.

At its sole discretion, the Manager may waive or absorb a portion of the operating expenses of certain Funds. Amounts waived or absorbed by the Manager are reported in the Statements of Comprehensive Income (Loss). Waivers or absorptions can be terminated at any time without notice.

12. Independent Review Committee ("IRC")

The Funds have applied National Instrument 81-107, *Independent Review Committee for Investment Funds*, and the Manager has established an IRC for the Funds. The mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager is subject when managing the Funds. Each Fund subject to IRC oversight pays its pro rata share of the IRC member fees, costs and other fees in connection with operation of the IRC. The IRC reports annually to the unitholders of the Funds.

13. Sharing Arrangements

In addition to paying for the cost of brokerage services in respect of securities transactions, commissions paid to certain brokers may also cover research services provided to the portfolio manager. Sharing arrangements for each Fund are disclosed in the Notes to financial statements – Fund specific information, if applicable.

14. Filing Exemption

In reliance upon the exemption in Section 2.11 of NI 81-106, the financial statements of the Funds will not be filed with the securities regulatory authorities.

15. Economic Conditions

RUSSIA & UKRAINE

The escalating conflict between Russia and Ukraine has continued to increase financial market uncertainties and volatility which have greatly impacted the markets around the world. The impact of these circumstances on the global economy, especially in terms of geopolitical norms, supply chains and investment valuations, are still being felt. Although, the ultimate extent of the effects from this on the Funds is uncertain, the Manager has and will continually assess the performance of the portfolio and make investment decisions that are aligned with each Funds' mandates and the best interests of their unitholders.

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