



# NINEPOINT CANADIAN SENIOR DEBT FUND

Performance as of October 31, 2024

## MANAGER

Ninepoint Partners LP

## LOAN CONSULTANT

Waygar Capital Inc.

- Led by Wayne Ehgoetz who has over 30 years of experience in Canadian asset-based lending and was most recently the Group Head of asset-based lending at Scotiabank.
- Waygar Capital is an asset-based lender that provides financial solutions to Canadian mid-market companies.
- In underwriting loans, Waygar focuses on the integrity of the ownership/management team and collateral pledged in support of the loan.

## FUND STRATEGY

The Fund will primarily invest, directly or indirectly, in a portfolio of first priority or first lien senior secured, traditional asset based loans to Canadian companies. Loans comprising the Portfolio are expected to be supported by senior liens on collateral assets of the borrower companies.

## FUND DETAILS

Issuer	Ninepoint Partners LP
Fund Type	Open-ended unincorporated investment trust
Fund Status	OM, Exempt Market, Continuous Offering
Inception Date	Class F: May 2018
Fund NAV	\$240,131,026
Master Fund AUM**	\$270,768,590
Registered Tax Plan Status	Not eligible
Min. Initial Investment	\$5,000 accredited <sup>5</sup> \$150,000 non-accredited <sup>11</sup>
Min. Subsequent Investment	\$5,000
Valuations	Monthly
Redemptions <sup>^</sup>	Quarterly with 120 days notice.  (Where redemption requests for any quarter exceed 5% of NAV of the Master Fund as at the prior quarter end, the redemption cap will apply pro rata across all investors in the Master Fund.)
Management Fee	Class A: 2.45% Class F: 1.45% Class S: 0.85%
Performance Fee	20% over 7% preferred return <sup>†</sup>
Min. Investment Term	Early redemption fee of 2%, if redeemed within the first 12 months
Target Pay-out for 2024	The Manager believes that a target pay-out of approximately 10-12% of the Fund's average NAV in a calendar year, if required, would allow for the manager to effectively execute on its investment strategy. Given a number of variables, the actual amount of redemptions paid out in 2024 could be greater or less than that range.

## FUND CODES

Class A	NPP 800
Class F	NPP 801

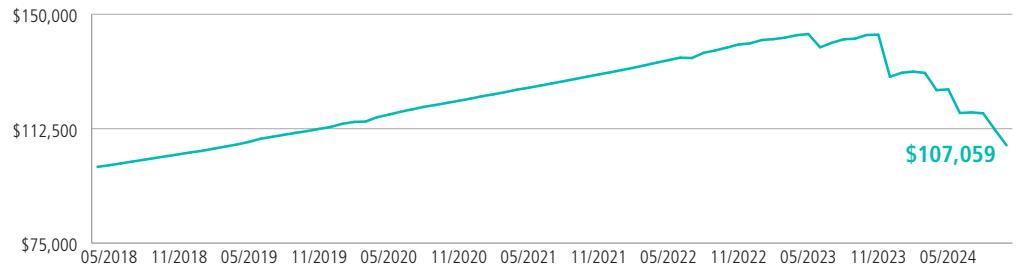
<sup>11</sup>\$150,000 for non-individual. <sup>^</sup>Please review OM for details.

<sup>\*\*</sup>Represents total fund assets as at October 31, 2024. Master Fund AUM also includes leverage.

## WHY INVEST IN THIS FUND?

- **Senior Secured & Collateralized Asset-Based Loans** – Traditional asset-based loans that have security interests which are primarily 1<sup>st</sup> lien, sit at the top of the capital structure, and are secured by assets such as accounts receivable, inventory, machinery & equipment and real estate.
- **Experienced Lending Team** – Senior management team collectively has over 150 years of experience in Canadian mid-market lending.
- **Lending Void in Canadian Mid-Market** – Absence of financing for Canadian SMEs allow for strong pricing, robust loan structures and covenants.

## GROWTH OF \$100,000 INVESTED IN CLASS F (MAY, 2018)<sup>1</sup>



## MONTHLY RETURNS OF CLASS F (%)<sup>1</sup>

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2024	1.01	0.29	-0.32	-4.31	0.20	-6.17	0.15	-0.25	-4.54	-4.59			-17.34
2023	0.78	0.21	0.35	0.57	0.24	-3.02	1.04	0.81	0.17	0.84	0.07	-9.63	-7.80
2022	0.57	0.56	0.64	0.63	0.61	0.59	-0.08	1.25	0.57	0.68	0.72	0.28	7.24
2021	0.66	0.51	0.57	0.65	0.49	0.56	0.58	0.56	0.56	0.58	0.57	0.54	7.07
2020	0.91	0.55	0.10	1.25	0.72	0.80	0.66	0.70	0.51	0.57	0.57	0.57	8.20
2019	0.50	0.67	0.66	0.65	0.76	0.97	0.57	0.59	0.59	0.53	0.63	0.57	7.95
2018					0.53	0.59	0.61	0.57	0.61	0.58	0.58	0.59	4.75

## TOP 10 ISSUERS<sup>2</sup>

ISSUER	INDUSTRY	GEOGRAPHY	LIEN	% OF TPV <sup>3</sup>
10	Defence	United States	First	18.3%
9	Media & Entertainment	Canada	First	16.2%
2	Diversified Industries	Canada	First	15.5%
17	Automobile Leasing	Canada	First	8.4%
12	Luxury Clothing	Canada	First	8.1%
25	Energy Equipment Rental	Canada	First	6.1%
21	Toy Distributor	Canada	First	6.0%
6	Real Estate	Canada	First	5.1%
22	Retail Clothing	Canada	First	4.2%
15	Flooring	Canada	First Lien Last Out	3.9%

**AVERAGE WEIGHTED PORTFOLIO LTV: 90.0%**

TPV is total portfolio valuation and is representative of the sum of the loan portfolio as fair market value plus cash.

<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.

# NINEPOINT CANADIAN SENIOR DEBT FUND

## INVESTMENT PROCESS

- **Deal Origination** – Senior originators on average have over 25 years of experience in Canadian mid-market lending and have developed extensive relationships with strategic partners, sponsors, intermediaries and Tier I Banks.
- **Screening** – Businesses must have sufficient high-quality unencumbered tangible assets that can be lent against and be led by experienced management teams that demonstrate high integrity.
- **Underwriting & Due Diligence** – Collateral appraisals and field audits are conducted by pre-approved independent third party valuers. Business and financial risks are thoroughly analyzed by Waygar’s team of underwriters.
- **Structuring** – Financial and non-financial covenants in place to provide ability for early intervention and minimize the potential of loan loss.
- **Portfolio Monitoring** – Designated account managers have ongoing dialogue with borrowers on business trends and issues. Supported by additional collateral valuations and field audits based on manager discretion.

## 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.

## CORRELATION TO BROAD MARKET INDICIES<sup>4</sup> (36 Months)

	NINEPOINT CANADIAN SENIOR DEBT FUND
Canada Universe Bonds	-0.25
High Yield	-0.24
Leveraged Loan	0.06
Canadian Equities	-0.10
U.S. Equities	-0.11
Hedge Funds	0.05

## STATISTICAL ANALYSIS<sup>1</sup>

STATISTICS	NINEPOINT CANADIAN SENIOR DEBT FUND
Annualized Return Since Inception	1.1%
Standard Deviation	6.0%
Sharpe Ratio	-0.43
Max Drawdown	-25.4%
Total Positive Months	69
Total Negative Months	9

An investment in the Fund requires the financial ability and willingness to accept the high risks and lack of liquidity inherent in an investment in the Fund. Investors in the Fund must be prepared to bear such risks for an extended period of time. No assurance can be given that the Fund’s investment objectives will be achieved or that investors will receive a return of their capital. Investors should have the financial ability and willingness to accept the risk characteristics of the Fund’s investments. The Fund is available to accredited investors only and Advisors should review the offering documents and the financial ability of their clients in order to ensure investment suitability.

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

<sup>1</sup> Inception: May, 2018. As at October 31, 2024. 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.

<sup>2</sup> As at October 31, 2024.

<sup>3</sup> TPV is total portfolio valuation and is representative of the sum of the loan portfolio and cash.

<sup>4</sup> All returns are converted to CAD. The index proxies for each category are: Bloomberg Barclays Canada Aggregate TR Index; ICE BofAML US High Yield TR Index; S&P/LSTA Leveraged Loan TR Index; S&P/TSX Composite TR; S&P 500 TR USD; HFRX Global Hedge Fund Index. Indexes are computed by Ninepoint Partners LP based on available index information.

<sup>5</sup> For accredited investor requirements please consult a financial advisor or the Fund's offering documents.

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

The Ninepoint Canadian Senior Debt 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 Canadian Senior Debt 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; Class Risk; 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; Unitholders not Entitled to Participate in Management; Reliance on the Manager; Dependence of the Manager on Key Personnel; Reliance on the Loan Consultant; Dependence of Loan Consultant 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; Risks Associated with the Master Fund and Investments by the Master Fund; Overall Investment Risk; Changes in Investment Strategy; General Economic and Market Conditions; Risks of Executing Investment Strategies; Foreign Currency Risk; Market Liquidity; Discretion of the Manager; Concentration of Investments; Charges to the Master Fund; Risk of Taxation; Availability of Investment Strategies; Credit Risk and Default in Repayment Obligations by Borrowers; Liquidity of Underlying Investments; Impaired Loans; Inability to Realize on or Dispose of Security Granted by Borrowers on a Defaulted Loan.**