

Fund Objective: The Next Edge Private Debt Fund (the “Fund”) aims to achieve consistent, risk-adjusted returns with minimal volatility and low correlation to most traditional asset classes by investing primarily in a diversified portfolio of trade finance, factoring and secured loan investments.

Investment Strategy: To achieve its investment objective the Fund will allocate capital to a select number of loan originators and credit advisors who are recognized leaders in the North American direct lending marketplace.

The Credit Advisor: The Fund’s primary Credit Advisor is LINE Financial Services (“LINE Financial”). Formed in 1999 as its predecessor firm Liquid Capital Corporation, LINE Financial is a trade finance company focused on factoring and secured asset-based lending (“ABL”).

INVESTMENT HIGHLIGHTS

Access	Through our Credit Advisors, the Fund provides access to a diversified portfolio of private loans and short-term secured receivables in a format not typically available to investors.
Experienced Lending Team	LINE Financial has been operating in the factoring and trade finance space since 1999 (previously as Liquid Capital Corp.) processing over \$3 billion in transactions through both its Canadian and US headquarters (in Toronto and Dallas respectively).
Strong Origination Network	The Fund is a primary capital provider to the Garrington Group of Companies (“Garrington”) with over 50 loan originators throughout North America.
Capital Preservation	The risk of capital loss is low through a diversified portfolio of loans that are generally secured by assets or insured against default.
Attractive Yield	The Fund has a distribution of 8% per annum, payable to investors on a monthly basis.
Low Correlation	The Fund is expected to have low correlation to traditional asset classes.
Loan Security	Loans are generally secured by assets.
Dual Diligence & Monitoring	Due diligence and monitoring of the underlying portfolio is performed by the Credit Advisor and additionally by the Manager.

Private Lending: An Attractive Fixed Income Solution

- Interest Rates are low, however many investors require higher yielding investments without assuming unnecessary risk.

What is Private Lending?

- Private Lending can be broadly defined as privately negotiated loans that take place outside of the traditional banking network.
- There are many different areas of private lending with varying levels of risk/reward.

Benefits of Private Lending Investing

Private lending fund assets have increased significantly over the past decade. Investors rationale for attraction to the area are numerous and include:

- Strong historical return and cash flow characteristics relative to other fixed-income vehicles.
- Focus on capital preservation.
- Low historical correlation to traditional fixed income and equity markets.
- Low historical volatility relative to traditional fixed-income investments.
- Historical consistency of returns.

HISTORICAL PERFORMANCE¹ Class A1

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD ²
2020	0.51%	0.65%	0.22%	0.35%	0.28%	0.26%	0.60%	0.58%	0.56%	-	-	-	4.07%*
2019	0.69%	0.59%	0.77%	0.66%	0.63%	0.59%	0.58%	0.62%	0.57%	0.68%	0.64%	0.54%	7.82%
2018	0.68%	0.55%	0.66%	0.62%	0.64%	0.79%	0.67%	0.63%	0.63%	0.59%	0.64%	0.65%	8.06%
2017	0.66%	0.60%	0.57%	0.63%	0.61%	0.53%	0.57%	0.57%	0.60%	0.69%	0.54%	0.53%	7.33%
2016	0.55%	0.59%	0.70%	0.31%	0.35%	0.56%	0.53%	0.69%	0.63%	0.67%	0.80%	0.60%	7.21%
2015	-	-	-	-	-	0.61%	0.75%	0.37%	0.38%	0.65%	0.69%	0.60%	4.13%*

HISTORICAL PERFORMANCE¹ Class F1

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD ²
2020	0.61%	0.74%	0.32%	0.44%	0.37%	0.35%	0.69%	0.67%	0.65%	-	-	-	4.92%*
2019	0.79%	0.68%	0.86%	0.76%	0.72%	0.69%	0.67%	0.71%	0.66%	0.78%	0.73%	0.63%	9.02%
2018	0.80%	0.66%	0.78%	0.74%	0.76%	0.91%	0.77%	0.73%	0.72%	0.69%	0.73%	0.75%	9.41%
2017	0.77%	0.71%	0.68%	0.75%	0.74%	0.65%	0.68%	0.69%	0.72%	0.81%	0.66%	0.65%	8.83%
2016	0.66%	0.70%	0.81%	0.44%	0.44%	0.68%	0.64%	0.79%	0.74%	0.78%	0.91%	0.71%	8.62%
2015	-	-	-	-	-	0.61%	0.98%	0.49%	0.50%	0.77%	0.81%	0.72%	4.97%*

	1 Month	YTD*	1 Year	3 Year Annualized	5 Year Annualized	Annualized Since Inception	Inception Date	NAV	Monthly Distribution
Class A1^{1,2}	0.56%	4.07%	6.02%	7.26%	7.30%	7.25%	June 2015	\$9.22	\$0.0628
Class F1^{1,2}	0.65%	4.92%	7.19%	8.52%	8.64%	8.60%	June 2015	\$9.92	\$0.0670

FUND DETAILS

Manager	Next Edge Capital Corp.
Fund Type	Mutual Fund Trust
Launch Date	June 1, 2015
Registered Plan Status	Eligible
Min. Initial Investment	\$10,000; for Accredited Investors only
Min. Subsequent Investment	\$5,000; for Accredited Investors only
Redemptions	Monthly, with 90 days notice
Effective Management Fee (Includes Servicing Fee)	Class A 1.50% Class F1 0.50%
Performance Fee	20% above 6% hurdle rate (with a catch-up)
Valuation Pricing	Monthly
Distributions	8% per annum, paid monthly
AUM	\$309M CAD (as of September 30, 2020)
Fund Codes (Interim - For Purchase)	Class A NEC 448 Class F1 NEC 442
Fund Codes (Final)	Class A NEC 458 Class F1 NEC 452

The Benefits of Including Private Debt In Investment Portfolios

A key tenet of successful long-term portfolio performance is the inclusion of high quality, non-correlated assets. Finding fixed-income investments that complement core bond portfolios in terms of both attractive yield and diversification has become progressively difficult.

Private Lending can be broadly defined as privately negotiated loans to companies or individuals that takes place outside of the traditional banking sector.

Post-2008, regulatory changes have forced traditional banks to notably pull back their lending activities creating an opportunity for non-bank lenders. Private Lending is a term which encompasses a wide and diverse number of debt investments. Many of these can provide a variety of benefits to investors.

Some of these benefits include:

- Higher yields relative to other fixed income investments
- Focus on preservation of capital
- Low historical correlation to other asset classes

Next Edge Private Debt Fund is focused on these areas of Private Lending:

Factoring

- Accounts receivable financing, commonly referred to as factoring, is an essential component of trade finance and has existed in developed economies for centuries.
- Simply stated, factoring allows a company to improve its cash flow cycle through the sale of its accounts receivables to an outside party (the factor).
- By converting accounts receivable into cash, a company increases both its productivity and financial health.
- From an investor standpoint there is an inefficiency that can be received from the attractive yields charged to the client based on their often poor business credit, however, much security can be had from the end debtor (receivable).

Asset-Based Lending

- Lending to businesses secured by an asset that acts as collateral for the loan.
- These loans tend to be secured by receivables, inventory, real estate or equipment.
- Attractive yields are available and are secured by real assets.

Specialty Finance

- Loans provided to non-bank lenders whereby the primary collateral/assets are the pool of loans.
- These non-bank lenders provide consumer or business loans in a variety of areas ie. auto finance, POS retail consumer finance.
- This area has been vastly growing due to technology driving efficiency & changing consumer behavior.

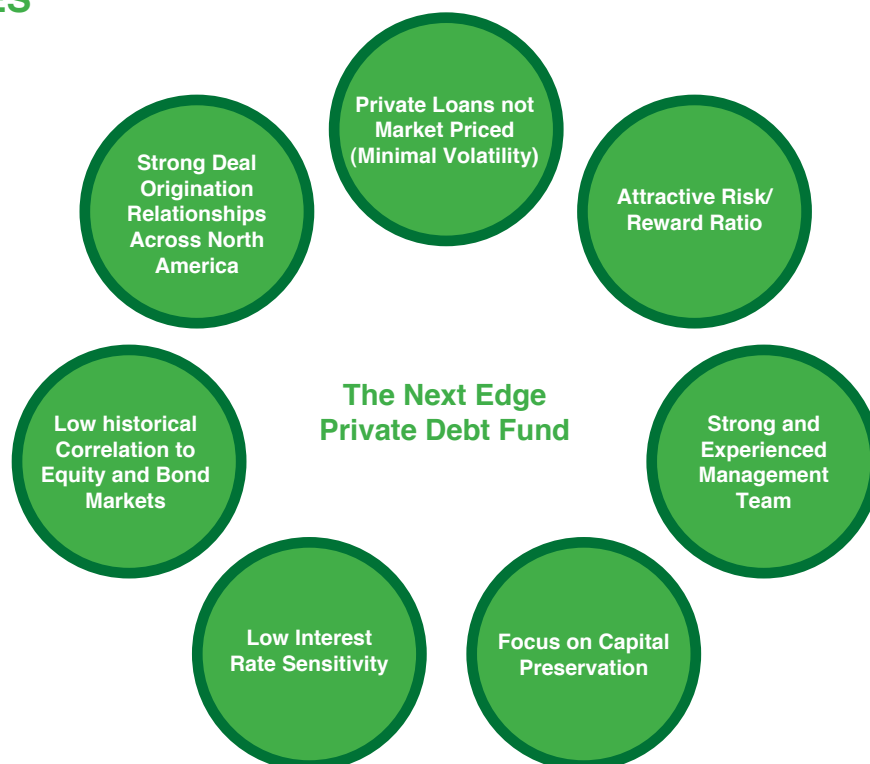
“The post-crisis era has seen private debt become an established asset class in its own right, matching the needs of yield-seeking institutional investors and companies looking for capital to grow.”

- The Race for Assets - Private Debt: The Rise of an Asset Class, BNY Mellon

“The benefits of private debt extend beyond higher risk-adjusted returns. These debt instruments and funds can play a variety of roles in an institutional investor's portfolio and act as a good diversification tool due to historical low correlation benefits. The asset class also has a number of other merits, such as natural credit enhancements, relative appeal versus traditional debt, for example high yield, and its position as a hybrid/cross-over asset.”

- Leon Sinclair of HIS Markit

KEY ATTRIBUTES



IMPORTANT NOTES

1. The Next Edge Private Debt Fund (the 'Fund') returns are net of all fees and expenses associated with Class A1 Units and Class F1 Units charged from June 1, 2015 (trading start date). Returns for 2020 are unaudited. Therefore, performance statistics containing 2020 figures shown in this material are subject to final confirmation. The historical annualized rates of return for the Next Edge Private Debt Fund Class A1 Units as of September 30, 2020 are 1 yr 6.02%, 3 yr 7.26%, 5 yr 7.30%, 10 yr N/A, and CARR 7.25%; and for Class F1 Units are 1 yr 7.19%, 3 yr 8.52%, 5 yr 8.64%, 10 yr N/A, and CARR 8.60%.

2. Distribution - adjusted return

*Part Year

Capitalized terms not defined in this document are defined as set forth in the Offering Memorandum of the Fund (the 'OM'). There is no guarantee of trading performance and past or projected performance is not indicative of future results.

Next Edge Capital Corp. is the manager and trustee of the Fund (the 'Manager'). The investment objective of the Fund is to achieve consistent risk-adjusted returns with minimal volatility and low correlation to most traditional asset classes. The Fund intends to achieve its investment objective by investing all, or substantially all, of its net assets in the Next Edge Private Debt LP (the 'Partnership') through the Next Edge Commercial Trust (the 'Sub Trust'). To achieve its investment objective the Partnership will primarily allocate capital to a number of specialist loan originators and managers of credit pools ('Credit Advisors'), to take advantage of opportunities in the private debt markets. Strategies that may be used include trade finance, consumer finance, invoice factoring, supply chain financing, syndicated loans, regulatory capital, mezzanine debt, structured credit and asset-based lending. The Partnership will invest in both senior and subordinated debt subject to the advice and recommendations of their Credit Advisors with the intent of building a portfolio, either directly or indirectly, of private income generating securities. Note to Investment Professionals: The information in the Monthly Report is being provided to current investors in the Fund and is being provided to their registered dealers for informational purposes only.

This is not a sales literature and cannot be used as such. The Fund is not a trust company and does not carry on business as a trust company and, accordingly, the Fund is not registered under the trust company legislation of any jurisdiction. Units of the Fund are not 'deposits' within the meaning of the Canada Deposit Insurance Corporation Act (Canada) are not insured under provisions of that Act or any other legislation.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States or to U.S. persons except pursuant to an exemption from the registration requirements of those laws. The information provided herein is for information purposes only and does not constitute a solicitation, public offering, advice or recommendations to buy or sell interests in the Fund, the Portfolio, Units or any other Next Edge Product. Please refer to the Fund's Offering Memorandum for more information on the Fund as any information in this Report is qualified in its entirety by the disclosure therein.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

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 1 Toronto St, Suite 200, Toronto, ON M5C 2V6

 **CLIENT SERVICES:** 1.844.656.2321

416.775.3600 **Toll Free:** 1.877.860.1080

 info@nextedgecapital.com

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