



# Next Edge Bio-Tech Plus Fund

Next Edge Capital Corp., January 2018



# Important Notes



**The ‘Next Edge Bio-Tech Plus Fund’ or the ‘Fund’ means the ‘Next Edge Bio-Tech Plus Fund’.**  
**Capitalized terms not defined in this presentation are defined as set forth in the prospectus of the Fund (the ‘Prospectus’).**

**This communication is not, and under no circumstances is to be construed as, an invitation to make an investment in the Fund nor does it constitute a public offering to sell the Fund or any other products described herein. Applications for the Fund will only be considered on the terms of the Prospectus. The Prospectus contains important detailed information about the Fund. Copies of the Prospectus may be obtained from Next Edge Capital Corp., the principal distributor of the Fund. Each purchaser of the units of the Fund (the ‘Units’) may have statutory or contractual rights of action under certain circumstances as disclosed in the Prospectus. Please review the provisions of the applicable securities legislation for particulars of these rights. Terms defined herein shall have the same meaning as in the Prospectus. Potential investors should note that alternative investments can involve significant risks and the value of an investment may go down as well as up.**

**There is no guarantee of trading performance and past or projected performance is not indicative of future results.**

**Investors should review the Prospectus in its entirety for a complete description of the Fund, its risks, and consult their registered dealers before making an investment.**

**The information contained in this material is subject to change without notice and Next Edge Capital Corp. will not be held liable for any inaccuracies or misprints.**

**Any descriptions or information involving investment process or strategies is provided for illustration purposes only, may not be fully indicative of any present or future investments, may be changed at the discretion of the Investment Manager and are not intended to reflect performance.**

**The Fund has not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any State securities laws. The Fund may not be offered or sold in the United States or to US persons.**



# Cautionary Note Regarding Forward-Looking Statements



The following presentation may contain forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that Next Edge Capital Corp., the Portfolio Manager or any affiliates thereof (the 'Companies') believe, expect or anticipate will or may occur in the future (including, without limitation, statements regarding any targeted returns, projections, forecasts, statements and future plans and objectives of the Companies) are forward-looking statements. These forward-looking statements reflect the current expectations, assumptions or beliefs of the Companies based on information currently available to the Companies.

Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Companies to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Companies.

Factors that could cause actual results or events to differ materially from current expectations include, among other things, changes in international financial and commodities markets, fluctuations in currency exchange and interest rates, illiquidity of portfolio investments, reduction in availability of leverage, default by counterparties, special risks arising from short sales and investments in forward contracts and other derivatives, unintentional trades, accuracy of analytical models, valuation risks, limitations on redemptions, tax consequences, changes in applicable laws and other risks associated with investing in securities and those factors discussed under the section entitled 'Risk Factors' in the Prospectus.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Companies disclaim any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Companies believe that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

# Certain Risks of Investing in Next Edge Bio-Tech Plus Fund



**There are risks associated with an investment in the Fund, as a result of, among other considerations, the nature and operation of the Fund. An investment in units should only be made after consulting qualified sources of investment and tax advice. The following does not purport to be a complete summary of all of the risks associated with an investment in the Fund.**

## **Biotechnology Industry Risk**

Companies within the biotechnology industry invest heavily in research and development which may not necessarily lead to commercially successful products. This industry is also subject to increased governmental regulation which may delay or inhibit the release of new products. Many biotechnology companies are dependent upon their ability to use and enforce intellectual property rights and patents. Any impairment of such rights may have adverse financial consequences. Biotechnology companies can be characterized by competition and rapid technological developments which may make a company's products or services obsolete in a short period of time. The industry is also characterized by product liability lawsuits and consequential high insurance costs. The market values of investments in the biotechnology industry are often based upon speculation and expectations about future products, research progress, and new product filings with regulatory authorities. Biotechnology stocks, especially those of smaller, less-seasoned companies, also tend to be more volatile than the overall market.

## **Derivatives Risk**

A derivative is a contract between two parties. The value of the contract is "derived" from the market price or value of an underlying asset, like currency or stock, or an economic indicator such as interest rates or stock market indices.

## **Equity Securities Risk**

An equity security represents an ownership interest in the company or entity that issued it. The value of a mutual fund that invests in equity securities (which includes stocks, shares or units) will be affected by changes in the market price of those securities. The price of an equity security is affected by developments related to the applicable issuer and by general economic and financial conditions in those countries where the issuer is located or carries on business or where the security is listed for trading. If the issuer's prospects are favourable, more investors will be willing to buy its securities, hoping to profit from the issuer's rising fortunes and the security price is likely to rise. In addition, a buoyant economy generally means a positive outlook for many issuers and the general trend for security prices may rise. The opposite may also occur if the issuer's prospects are unfavourable or the economy in general is doing poorly. The value of mutual funds that invest in equities will fluctuate with these changes.

## **FATCA Risk**

Pursuant to the U.S. Foreign Account Tax Compliance Act ("FATCA") and the Canada-US Intergovernmental Agreement ("IGA"), the Fund may be subject to a special U.S. withholding tax being imposed on U.S. and certain non-U.S. source income or on certain amounts paid by the Fund to certain unitholders. A Fund will not be subject to such taxes if the Fund registers with the U.S. Internal Revenue Agency and provides certain identity and residency information obtained from unitholders to the Canada Revenue Agency, which will in turn provide such information to the U.S. Internal Revenue Agency. No reporting is required in respect of Units held in a Registered Plan (defined below). If a Fund fails to comply with the information reporting requirements, it will be subject to the penalty provisions of the Tax Act (defined below). Any potential taxes or penalties associated with such reporting requirements and administrative costs arising from compliance with these rules may reduce the Fund's returns to unitholders.

## **Foreign Currency Risk**

A mutual fund, such as the Fund, that invest in foreign securities is vulnerable to foreign currency risk, which is the risk that the value of the Canadian dollar will change as measured against a foreign currency. For example, a security traded in U.S. dollars will fall in value, in Canadian dollar terms, if the U.S. dollar declines in value relative to the Canadian dollar, even though there is no change to the U.S. dollar value of the security. Conversely, if the Canadian dollar falls in value relative to the U.S. dollar, there will be a corresponding gain in the value of the security due to the change in the exchange rate.

## **Foreign Securities Risk**

- Mutual funds, such as the Fund, that invest in foreign securities are subject to the following risks:
- it may be affected by changes in currency exchange rates (see "Foreign Currency Risk")
- some foreign stock markets have less trading volume, which may make it more difficult to sell an investment or may make prices of securities more volatile
- there is often less information available about foreign companies and many countries do not have the same accounting, auditing and reporting standards that we have in Canada
- a country may have foreign investment or exchange laws that make it difficult to sell an investment or it may impose withholding or other taxes that could reduce the return on the investment
- political or social instability or diplomatic developments could affect the value of the investment
- a country may have a weak economy due to factors like high inflation, weak currency or government debt.

**These are only some of the risks of investing in the Next Edge Bio-Tech Plus Fund. Please review the "Risk Factors" section of the Fund's Prospectus for a more complete description of the risks of investing in the Fund.**

# Certain Risks of Investing in Next Edge Bio-Tech Plus Fund



## **Legislation and Litigation Risk**

From time to time, various legislative initiatives are proposed by governments which may have a negative impact on certain issuers whose securities are held in the portfolio of a mutual fund. In addition, litigation regarding any of such issuers or the industries represented by these issuers may negatively impact the prices of securities. The impact on the portfolio of a mutual fund of any pending or proposed legislation or pending or threatened litigation cannot be predicted. For example, the Fund is generally required to pay non-recoverable taxes eligible under Part IX of the Excise Tax Act (Canada) and the regulations made thereunder (“GST/HST”) on any management fees, performance fees and most of the other fees and expenses that it has to pay. There have been many recent changes to Canadian sales, use and value taxes and their application. These changes may be accompanied by additional changes to the way that the GST/HST and provincial sales taxes apply to fees and expenses incurred by mutual funds such as the Fund, which, accordingly, may affect the costs borne by the Fund and its Unitholders.

## **Liquidity Risk**

Liquidity refers to the speed and ease with which an asset can be sold or converted into cash. Some securities may be difficult to buy or sell because they’re not well known or because political or economic events significantly affect them. These include investments in specific sectors, especially commodity sectors, and investments in developing or smaller markets. In addition, smaller companies may be hard to value because they’re developing new products or services for which there is not yet a developed market or revenue stream. They may only have a small number of shares in the market, which may make it difficult for a mutual fund to buy or sell shares when it wants to. As a result of holding these types of investments, the value of a mutual fund may rise or fall substantially.

## **Multiple Class Risk**

Each Fund may issue several Classes of units. Each Class of units will be charged, as a separate Class, any expenses which are specifically attributable to that Class. However, those expenses do continue to be a liability of the Fund as a whole and therefore, if there are insufficient assets of a Class to pay those expenses, the assets of the other Classes of the Fund would be used to pay those excess expenses. In such circumstances, the unit price of the other Classes would decline.

## **Options Risk**

An option is a contract between two parties for the purchase and sale of a financial instrument for a specified price at any time during the option period. Unlike a futures contract, an option grants a right (not an obligation) to buy or sell a financial instrument. An option on a futures contract gives the purchaser the right, in exchange for a premium, to assume a position in a future contract at a specified exercise price during the term of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of the call option may be unavailable for purchase except at much higher prices. Purchasing securities to satisfy the exercise of the call option can itself cause the price of the securities to rise further, sometimes by a significant amount, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium invested in the call option. The seller (writer) of a put option that is covered (e.g., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received and gives up the opportunity for gain on the underlying security below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing his entire premium invested in the put option. Any investment in an option by a Fund will be in compliance with National Instrument 81-102 - Investment Funds (“NI 81-102”).

## **Sector Risk**

A relatively high concentration of assets in a single or small number of issuers may reduce the diversification and liquidity of a mutual fund and increase its volatility. As a result of reduced liquidity, the mutual fund’s ability to satisfy redemption requests may be reduced. It may also result in a concentration in specialized industries or market sectors. Investment in such a mutual fund involves greater risk and volatility than investing in a mutual fund that has a broadly based investment portfolio since the performance of one particular industry or market could significantly and adversely affect the overall performance of the entire mutual fund.

## **Stock Market Risk**

A mutual fund that invests in equity investments (like stocks or shares) or derivatives based on equities will be affected by conditions affecting the stock markets on which those equities are traded and by general economic conditions.

## **Substantial Securityholder Risk**

The purchase or redemption of securities by a substantial securityholder can adversely affect the performance of a mutual fund. The purchase or redemption of a substantial number of securities of a fund may require the portfolio manager to change the composition of the Fund’s portfolio significantly or may force the portfolio manager to buy or sell investments at unfavourable prices, each of which can negatively affect a fund’s return.

**These are only some of the risks of investing in the Next Edge Bio-Tech Plus Fund. Please review the “Risk Factors” section of the Fund’s Prospectus for a more complete description of the risks of investing in the Fund.**



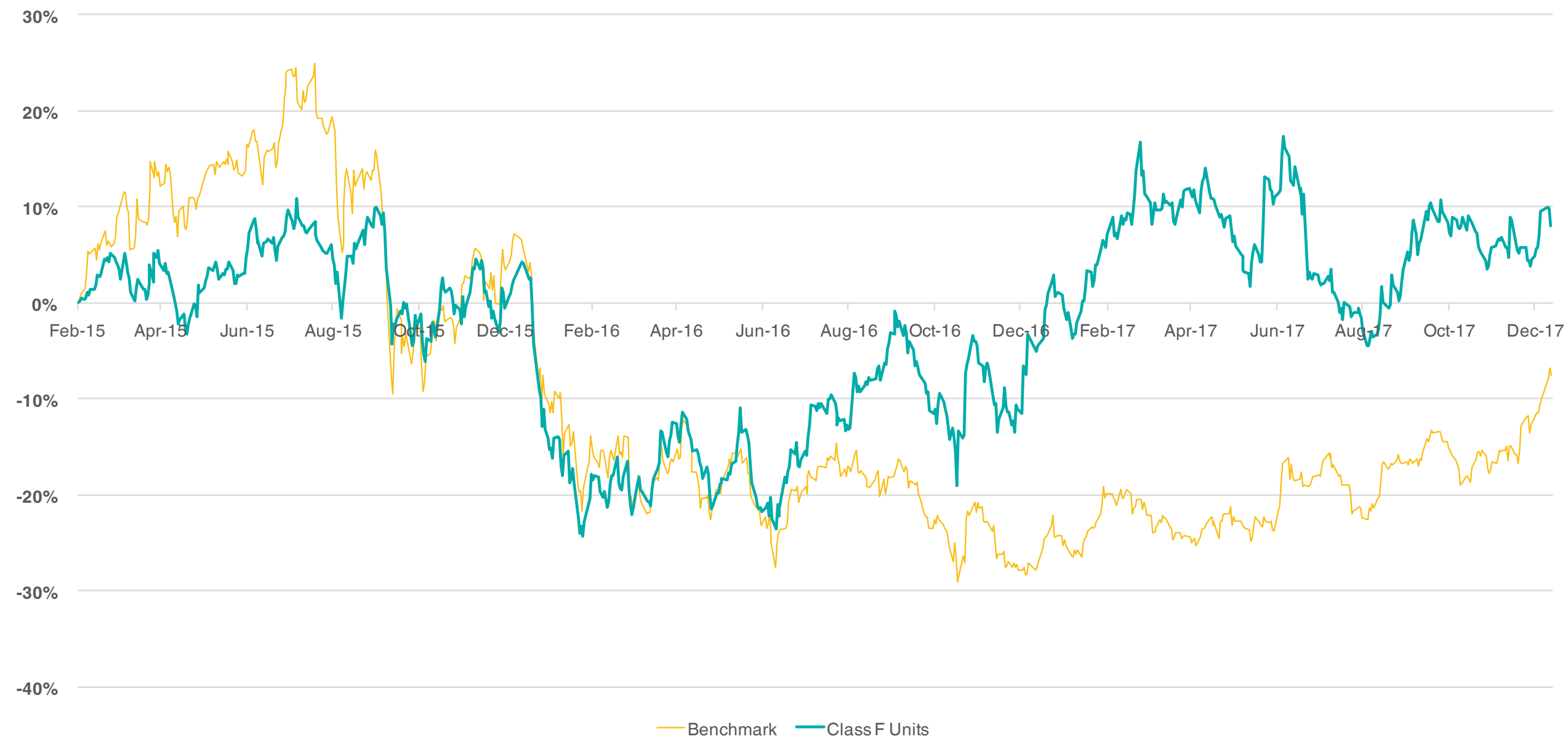
- Formed in July 2006, was renamed Next Edge Capital Corp. ('Next Edge') after the spinout of Man Investments Canada Corp. from Man Group plc ("Man") in June 2014
- Licensed as an Exempt Market Dealer, Portfolio Manager and Investment Fund Manager
- Management team responsible for raising over CDN \$3 Billion of alternative assets in Canada since 2000
- Focused on providing unique, non-correlated investment ideas

1. **Opportunity in Bio-Tech: Biggest Product Cycle Ahead**
2. **Biotech Cycles: What's so different about this cycle?**
3. **High Barriers to Entry**
4. **Mandate, Managers and Investment Process**
5. **To Hedge or Not to Hedge – That is the Question**
6. **Summary of Secular Opportunity in Bio-Tech**

# Fund is significantly outperforming



## NEXT EDGE BIO-TECH PLUS FUND CLASS F UNITS VS. FUND'S BENCHMARK<sup>1</sup> February 13<sup>th</sup>, 2015 (Inception Date) to December 29<sup>th</sup>, 2017



Source: Next Edge Capital Corp., RBC Investor & Treasury Services Inc.

1. Next Edge Bio-Tech Plus Fund returns are net of all fees and expenses associated with Class A Units charged from May 1st, 2015. Next Edge Bio-Tech Plus Fund returns are net of all fees and expenses associated with Class A1 Units, Class F Units, and Class F1 Units charged from March 1st, 2015. The historical annualized rates of return for December 29th, 2017 for Class A are 1 yr 13.74%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 0.75%; for Class A1 are 1 yr 13.20%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 2.84%; for Class F are 1 yr 13.08%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 2.60%; for Class F1 are 1 yr 13.70%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 3.67%.

2. The Benchmark for the Next Edge Bio-Tech Plus Fund is:

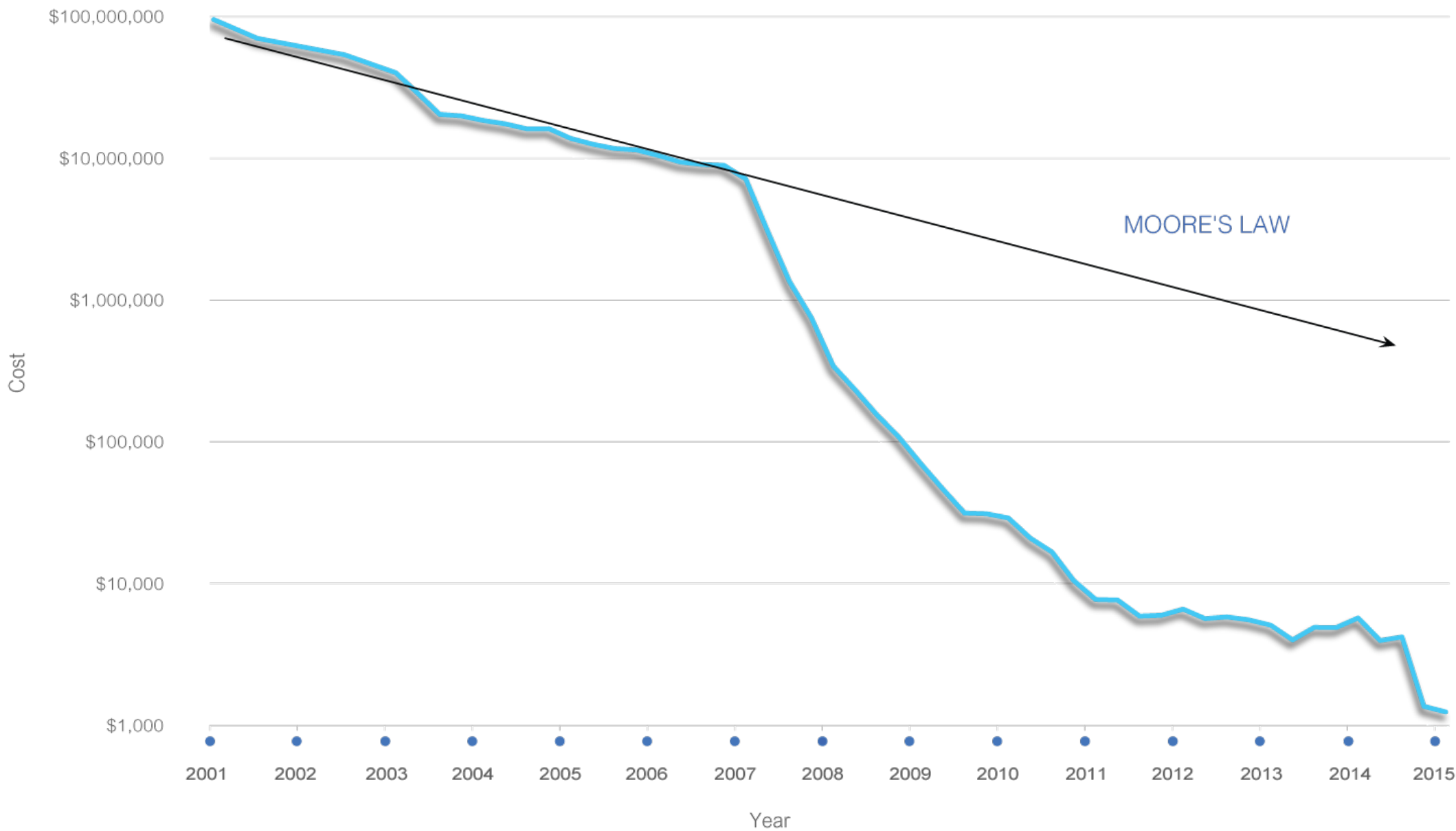
- (i) 40% of the percentage gain or loss of the S&P/TSX Capped Health Care Index; plus
- (ii) 60% of the percentage gain or loss of the NASDAQ Biotechnology Index

The Benchmark returns are unaudited and subject to final confirmation. The historical annualized rates of return for the Benchmark for December 29th, 2017 are 1 yr 26.51%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR -2.65%.



A Genomic Revolution is Underway

Cost per Genome  
2001 to 2015



Source: National Research Institute (NHGRI), Next Edge Capital Corp.

# The Bio-Tech Opportunity

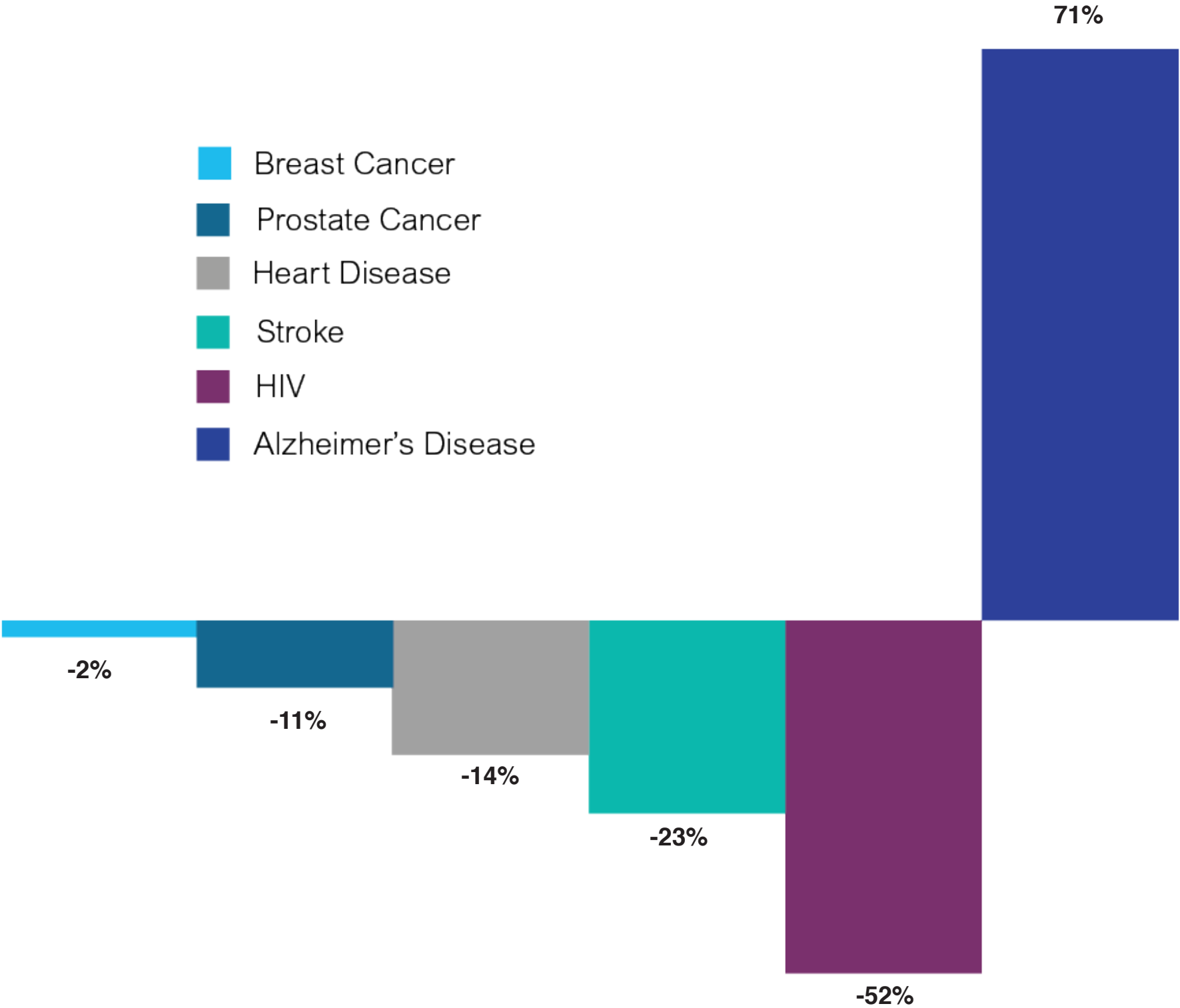


- **Curing the incurable**
- **Human genome decoded in 2000**
- **Technology has fused with Biotechnology to accelerate drug discovery**
- **Innovation from R&D facilitates higher success rates**
- **Significant returns are possible from investing in tomorrow's winners**
- **Investing in healthcare funds delivery of life saving solutions**

Progress is being made



Change in Number of Deaths  
Between 2000 and 2010

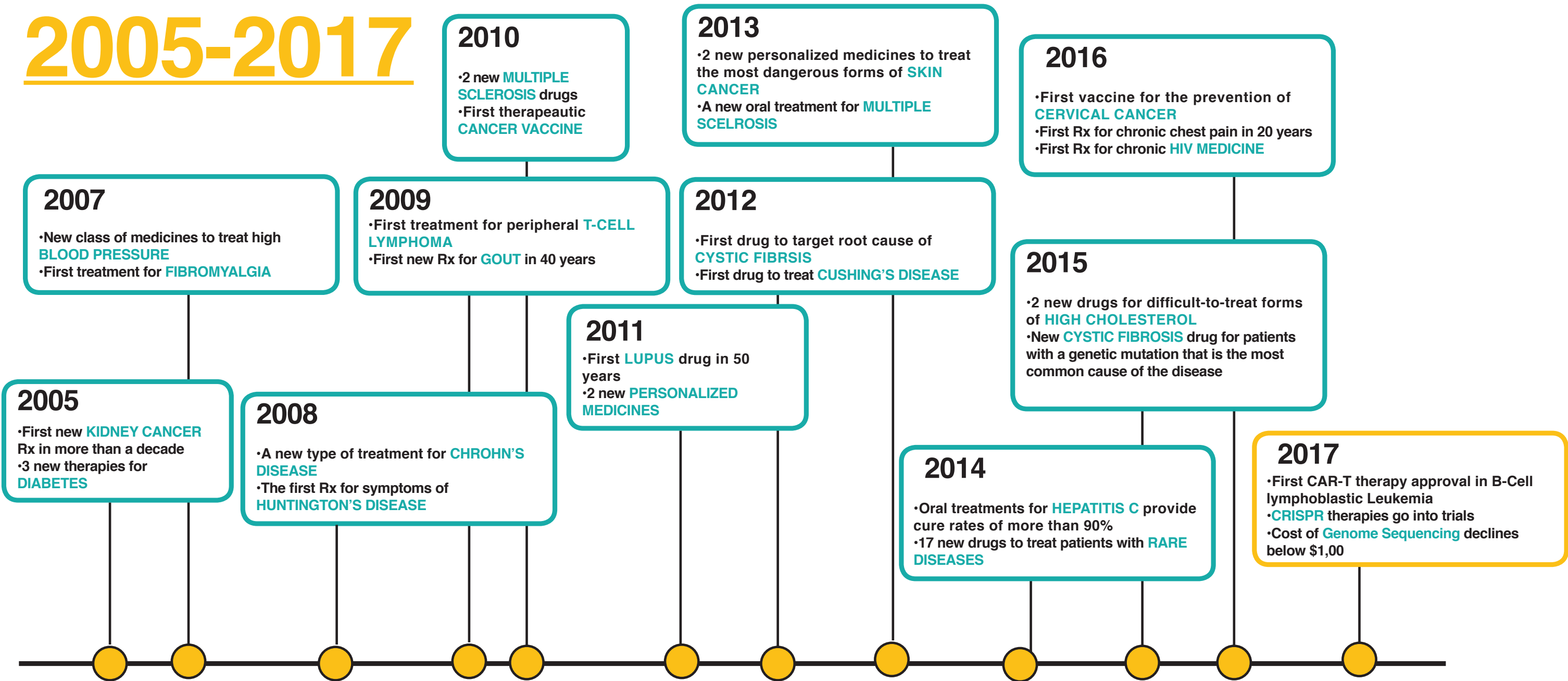


Source: Alzheimer's association 2014 Facts & Figures Fact Sheet

# A Decade of Biotech Breakthroughs



2005-2017



Source: Pharma.org, "Biopharmaceuticals In Perspective", Spring 2016



# Big Breakthroughs are Coming

- **CNS/ Neurological: Alzheimer's & Parkinson's (BBB)**
- **Auto-immune/ Arthritis / Alopecia**
- **Oncology & Hematology**
- **Diabetes**
- **Gene Therapy / Stem Cell Therapy**



- **Respiratory & Infectious Diseases**
- **Agriculture to address ever increasing world population**
- **Bioinformatics**
- **NASH**
- **Future treatments address more difficult to treat indications**

# Next Edge Bio-Tech Plus Fund Portfolio (the “Portfolio”) positioned for growth

## THERAPEUTIC FOCUS OF FUND HOLDINGS

### FDA APPROVED



### CENTRAL NERVOUS SYSTEM FOCUS



### AUTO IMMUNE FOCUS



### ORGAN SYSTEMS FOCUS



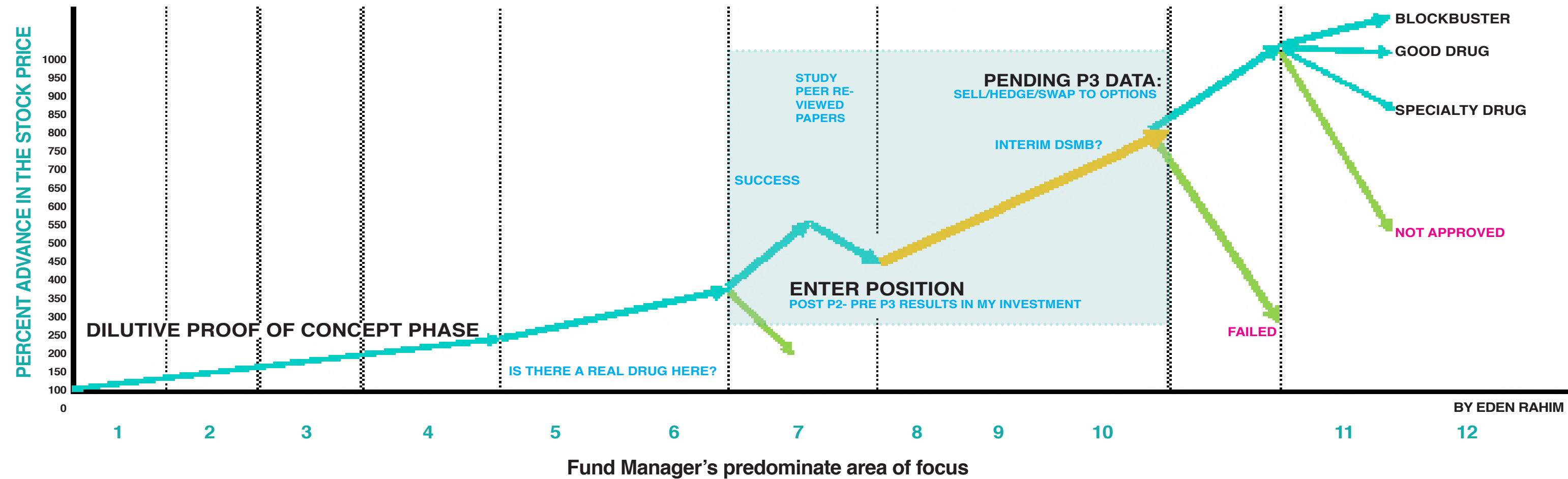
### RESEARCH FACILITATOR



Source: Next Edge Capital Corp. as of December 29<sup>th</sup> 2017

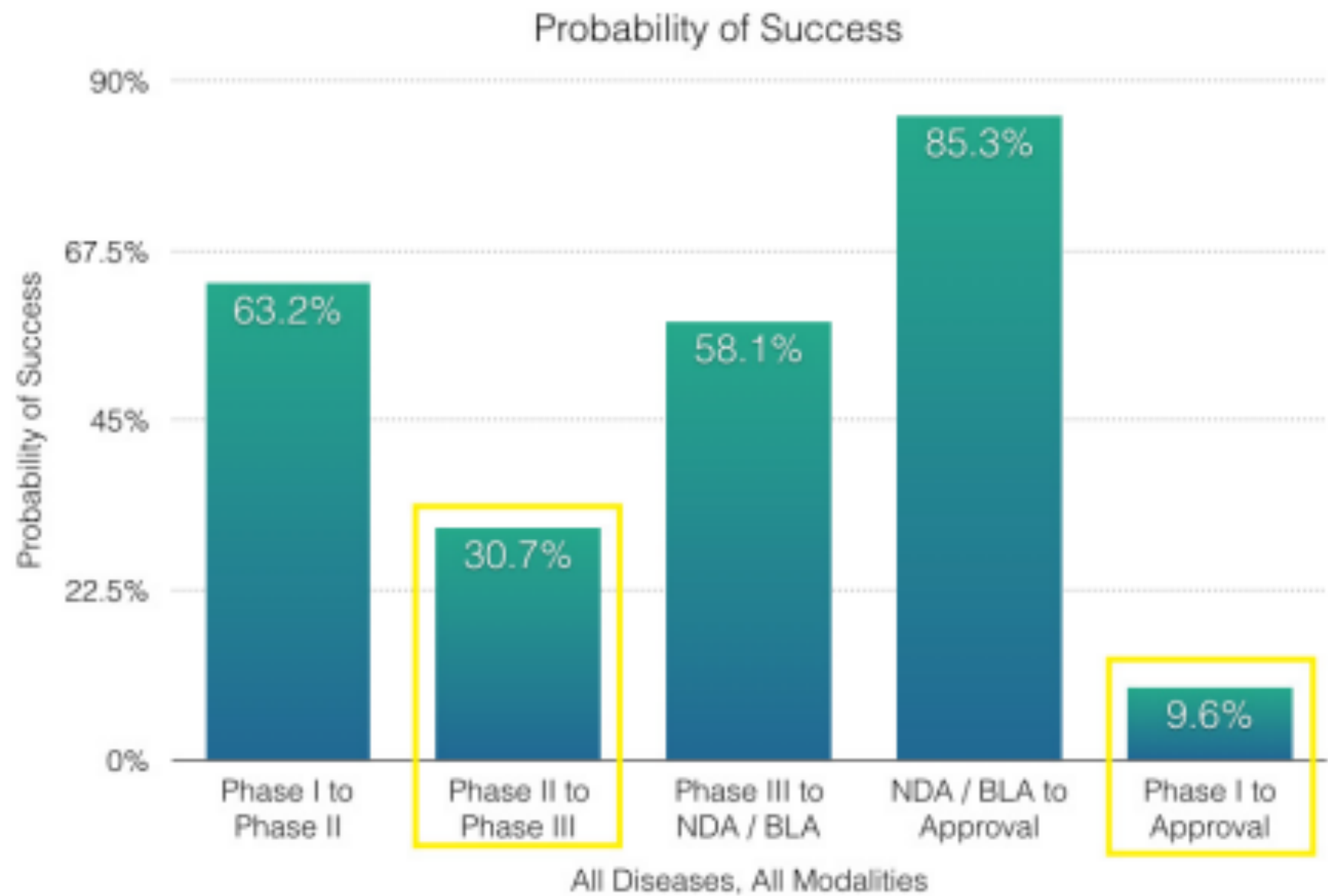
Discipline: Handicapping Risky Outcomes

VALUE-CREATING/DESTRUCTION PHASES OF DEVELOPING A RECOMBINANT BIOLOGIC DRUG



Source: Next Edge Capital Corp.

# Why focus on post-Phase 2 Clinical Data?



Source: Clinical Trial Success Rates 2006-2015, Biotechnology Innovation Organization

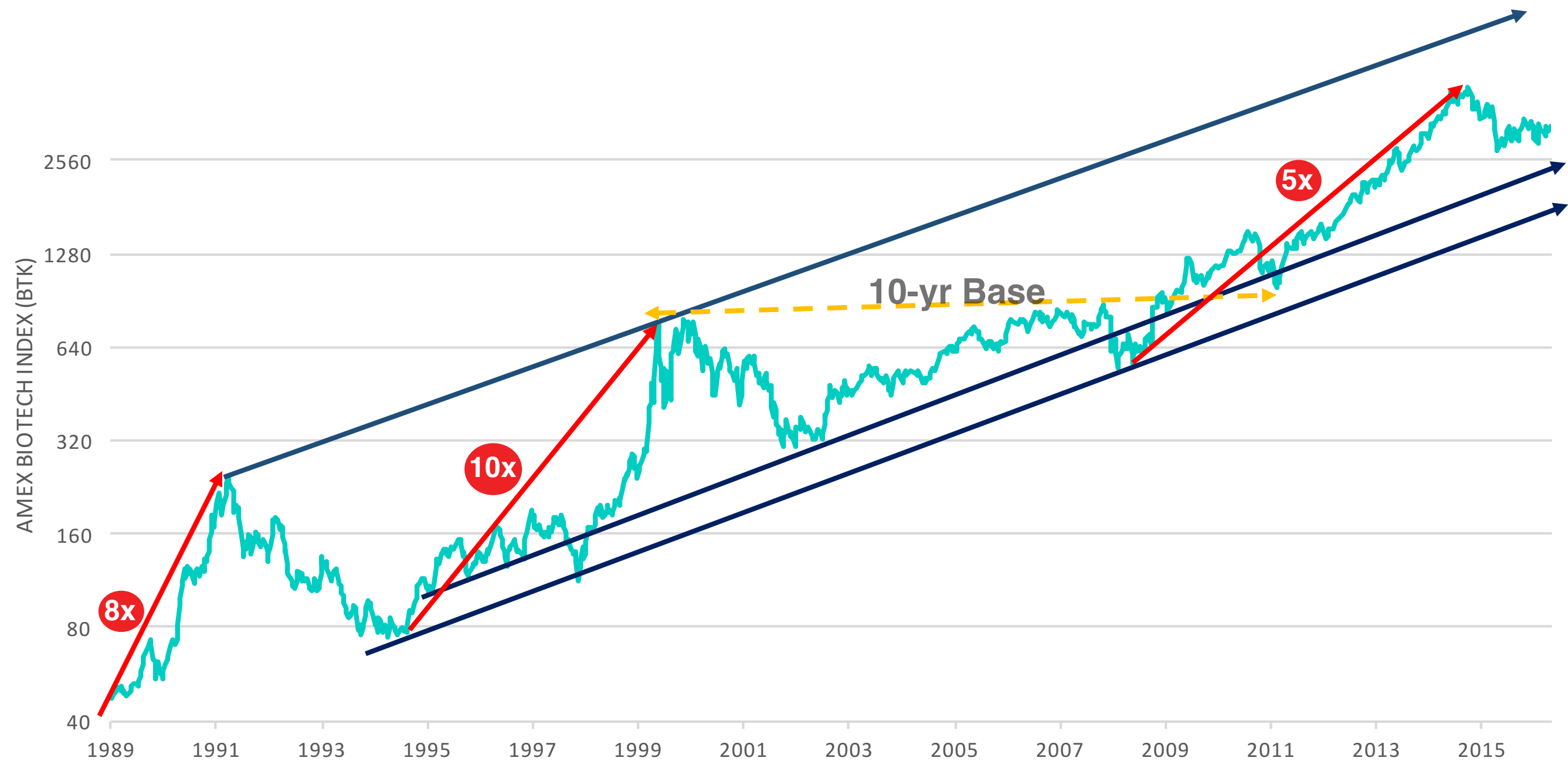
Fund Manager’s predominate area of focus



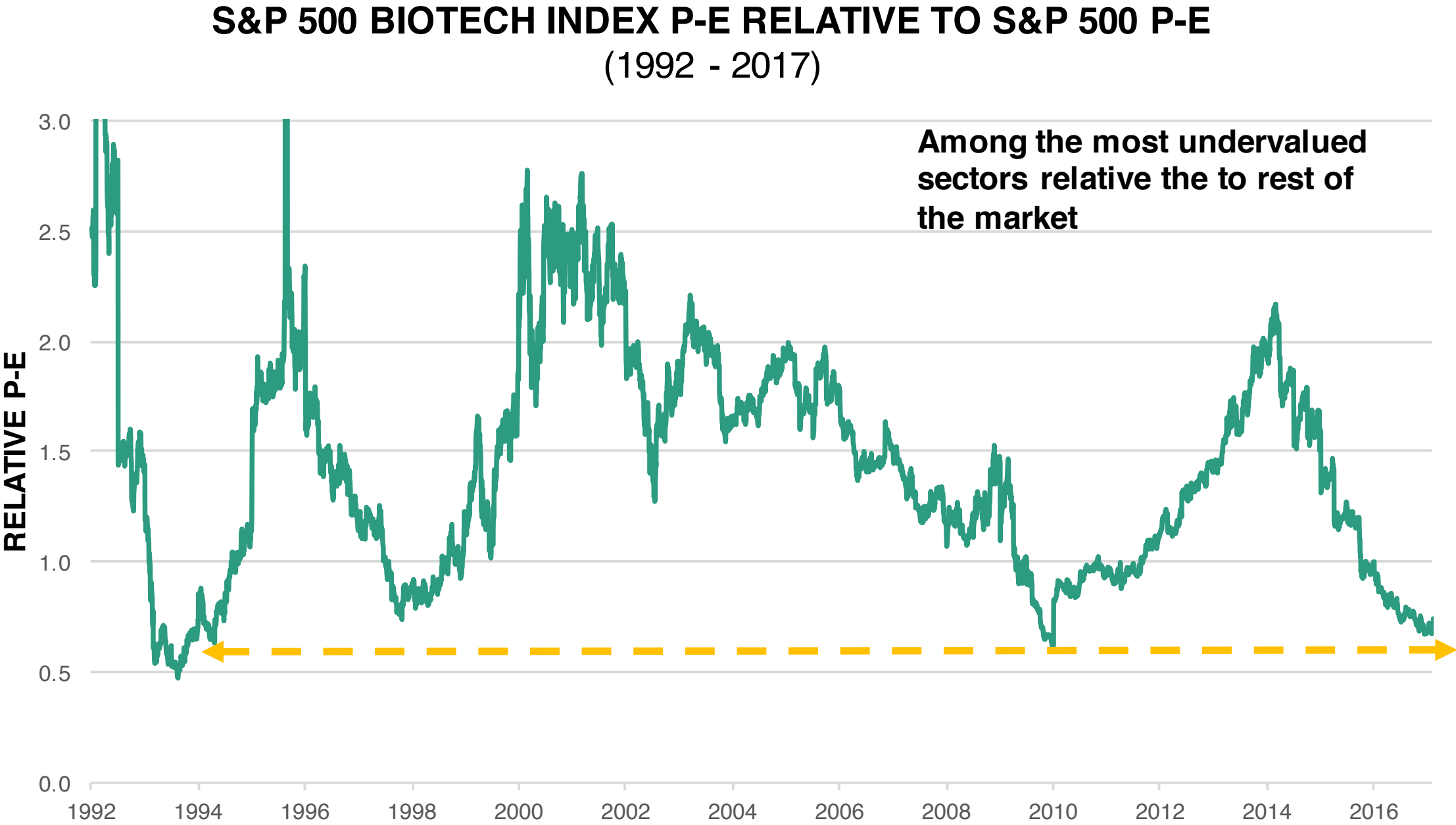
# Measured Advance is Only Half of Prior Bull Markets



Biotech Cycles  
2015-2017

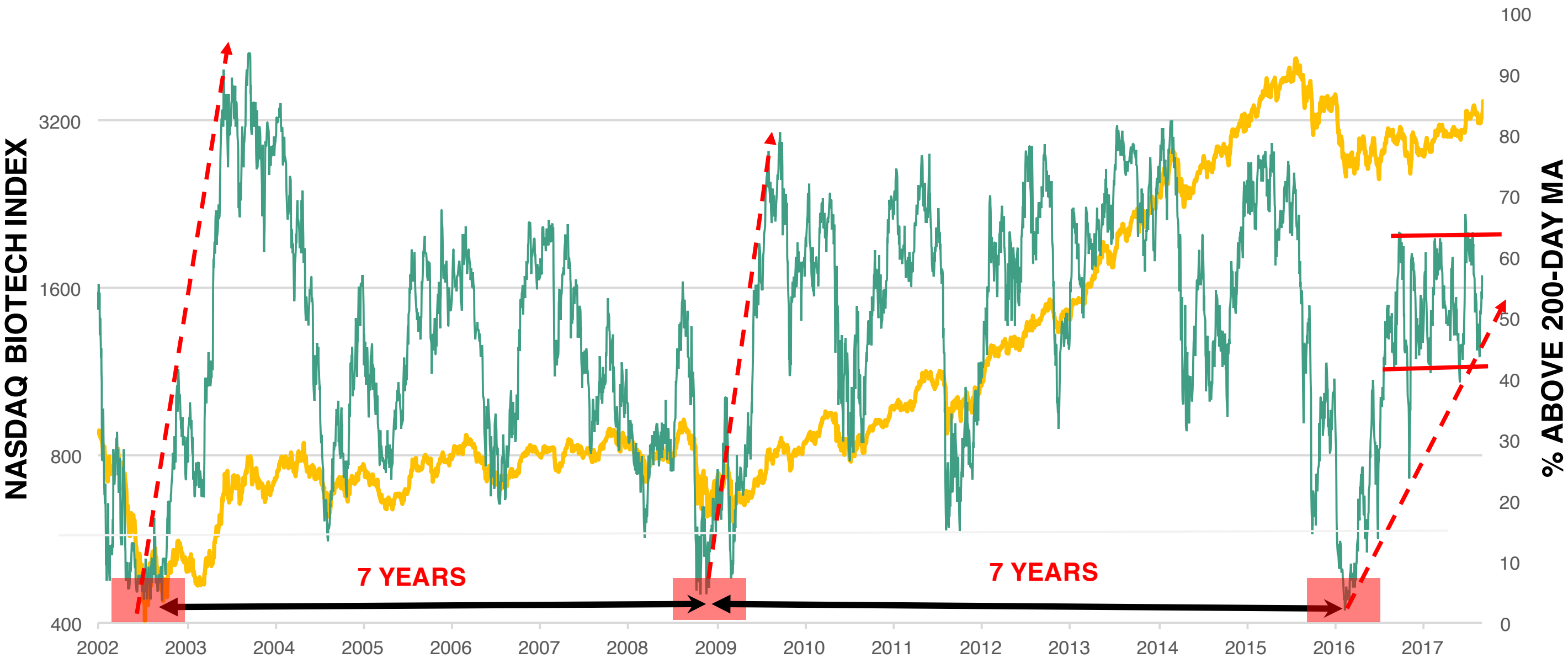


Source: Next Edge Capital Corp., Bloomberg Data



Source: Next Edge Capital Corp., Bloomberg Data

NASDAQ BIOTECH INDEX 2002 - 2017  
PERCENT OF STOCKS ABOVE 200-DAY MOVING AVERAGE

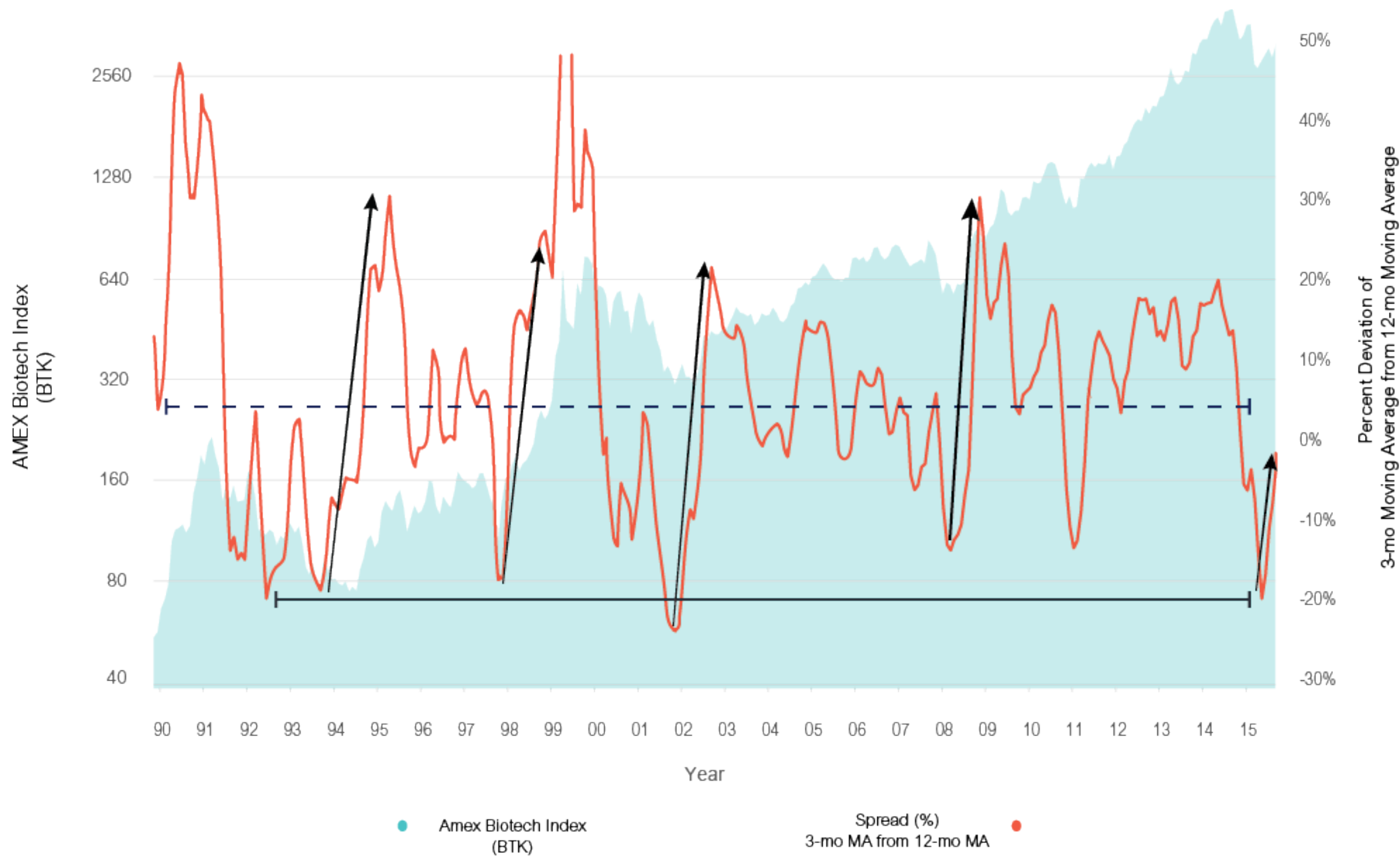


Source: Next Edge Capital Corp., Bloomberg Data  
As of July 31<sup>st</sup> 2017

# Biotech Achieved Most Oversold in 14 Years



Signals: % Deviation of 3-month Minus 12-month Moving Average  
AMEX Biotech Index (BTK)  
2015-2016



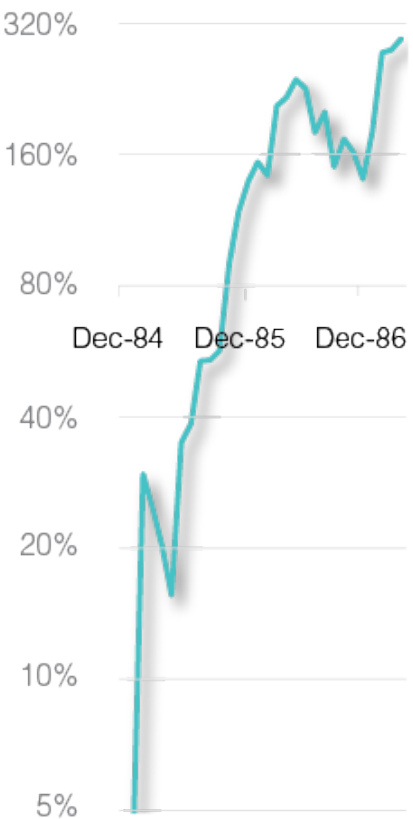
Source: Next Edge Capital Corp., Bloomberg Data



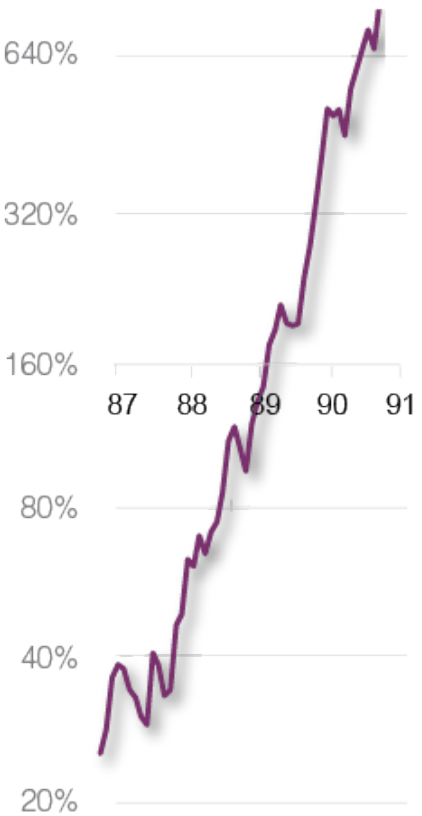
# Biotech Bull markets following declines greater than -40%



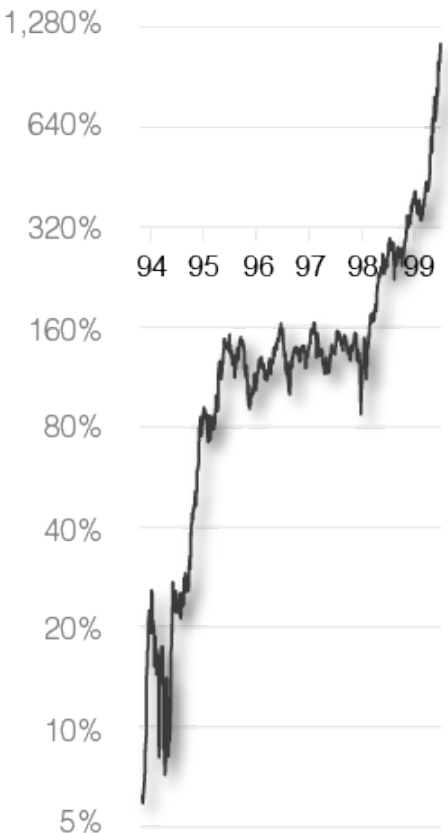
1984 to 1987  
+ 373% over 881 days



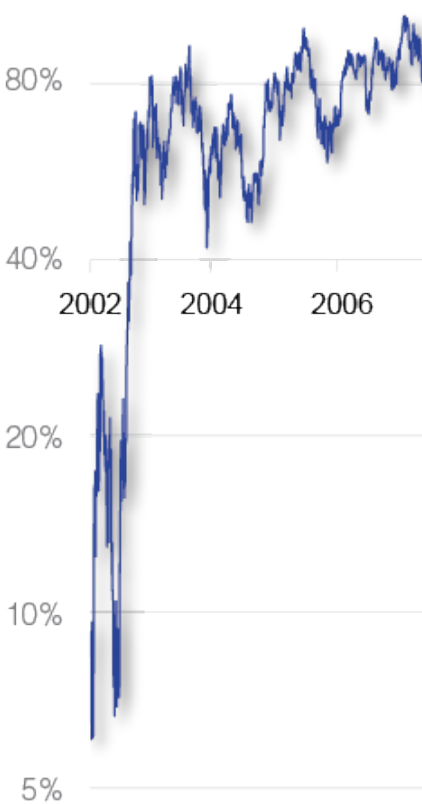
1988 to 1992  
+ 806% over 1,492 days



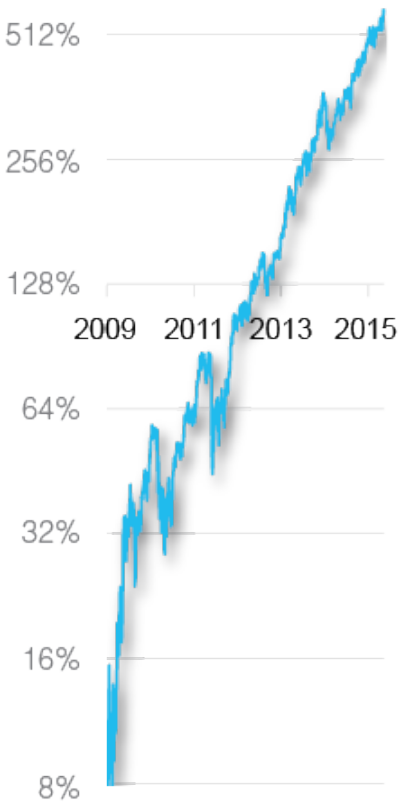
1994 to 2000  
+ 1,013% over 2,082 days



2002 to 2008  
+ 112% over 2,153 days



2009 to 2015  
+ 585% over 2,324 days



Source: Next Edge Capital Corp., Bloomberg Data, Reuters-Datastream

Biotech represented by the Reuters Datastream World DS Biotechnology Index from 1980-1992 and by the Nasdaq Biotechnology Index from 1992 to Present. The dates chosen were based on the research and assessment of Next Edge Capital Corp., and to a certain extent, the start and end dates of such events are subjective and different sources may suggest different date ranges, leading to different performance figures.

### Unique Structural Fundamentals:

- **High barriers-to-entry: patents, formulation, cost, manufacturing**
- **Merger and acquisition (M&A) to access platforms and pipelines**
- **Food and Drug Administration (FDA) reform for breakthrough drugs**
- **Recombinant drugs able to address previously unmet medical needs**
- **The regulatory environment speeding up the time to market**

# Where Will Mega Cap BioPharma Find Growth?



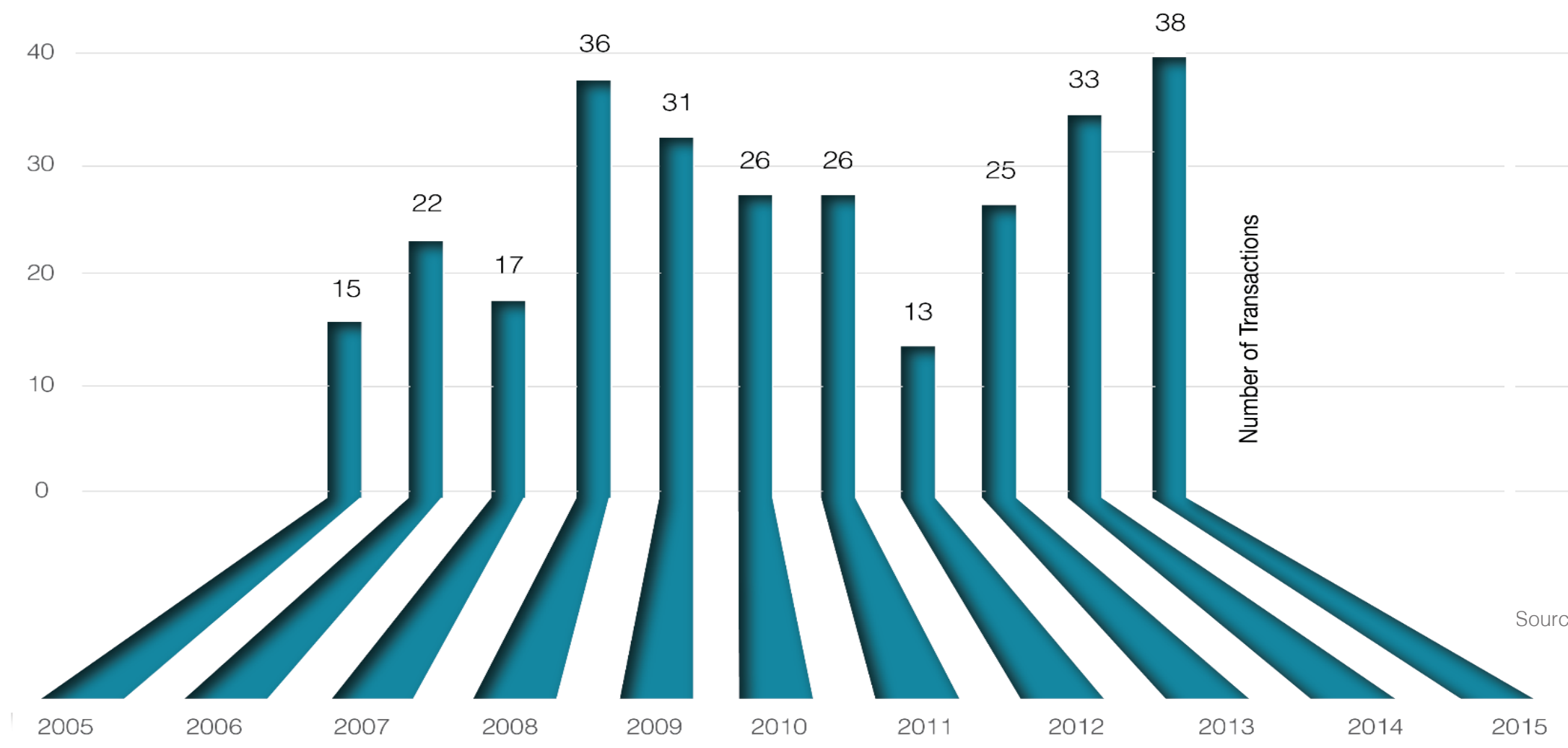
	# COS > \$50 Bill Cap	Market Cap		Cash		Est. Revenue		Ann. Gr.	
		(billions)		(billions)		2016 (billions)	2020 (billions)	2015 - 2020	
Large Cap Biotech	4	\$ 365		\$ 56		\$ 76	\$ 88	3.1	%
US Pharma	6	\$ 970		\$ 92		\$ 228	\$ 267	3.2	%
EU Pharma	7	\$ 1,344		\$ 58		\$ 338	\$ 418	4.3	%
Specialty Pharma	2	\$ 131		\$ 8		\$ 40	\$ 51	5.2	%
	19	\$ 2,810		\$ 214		\$ 682	\$ 824		

Source: ISI Evercore Mark Schoenebaum, Next Edge Capital Corp., Bloomberg Data

# Fund returns have and will continue to benefit from M&A



## Public Company Biotech M&A



Source: Next Edge Capital Corp., Bloomberg Data

Company	Month	Premium
Medivation	August 2016	117%
Xenoport	May 2016	65%
Heartware	June 2016	93%
Transition	June 2016	120%
Cynapsus	September 2016	123%
Immunotec	May 2017	22%
ELOS	July 2017	57%

Source: Next Edge Capital Corp.



# Portfolio Managers



Eden is the Portfolio Manager for the Next Edge Bio-tech Plus Fund. The only dedicated Biotech Mutual Fund in Canada. Since the inception the fund has substantially outperformed its benchmark. Eden also possesses a top quartile 5-year 5-Star growth fund Portfolio Manager track record over \$ 1 billion in assets across 4 mandates at RBC Global Asset Management, in addition, Eden has delivered a +26% compounded annual return across a biotechnology mandate between 1995-2003. He also has extensive institutional hedging experience through major crises, and the structuring of Notes to create specific payoff profiles.

Eden's experience includes over two decades of the portfolio and hedge fund money management. Options Strategist, Derivatives & Biotech analyst and portfolio manager. He has managed and traded an options book spanning 250 + securities globally and 4 commodities, with the open interest of 500,000 contracts in addition to 14 Covered Call ETFs (over \$0.7 Billion AUM) in Canada, US & Australia employing his dynamic options writing discipline at Horizons Exchange Traded Funds.

Eden is a regular guest speaker about the Bio-Tech industry on Bloomberg TV and BNN as well as an author and contributor to many industry sources and major press articles in the US and Canada. For 3 years he has been a Panelist at the prestigious Bloom Burton Healthcare Conference.



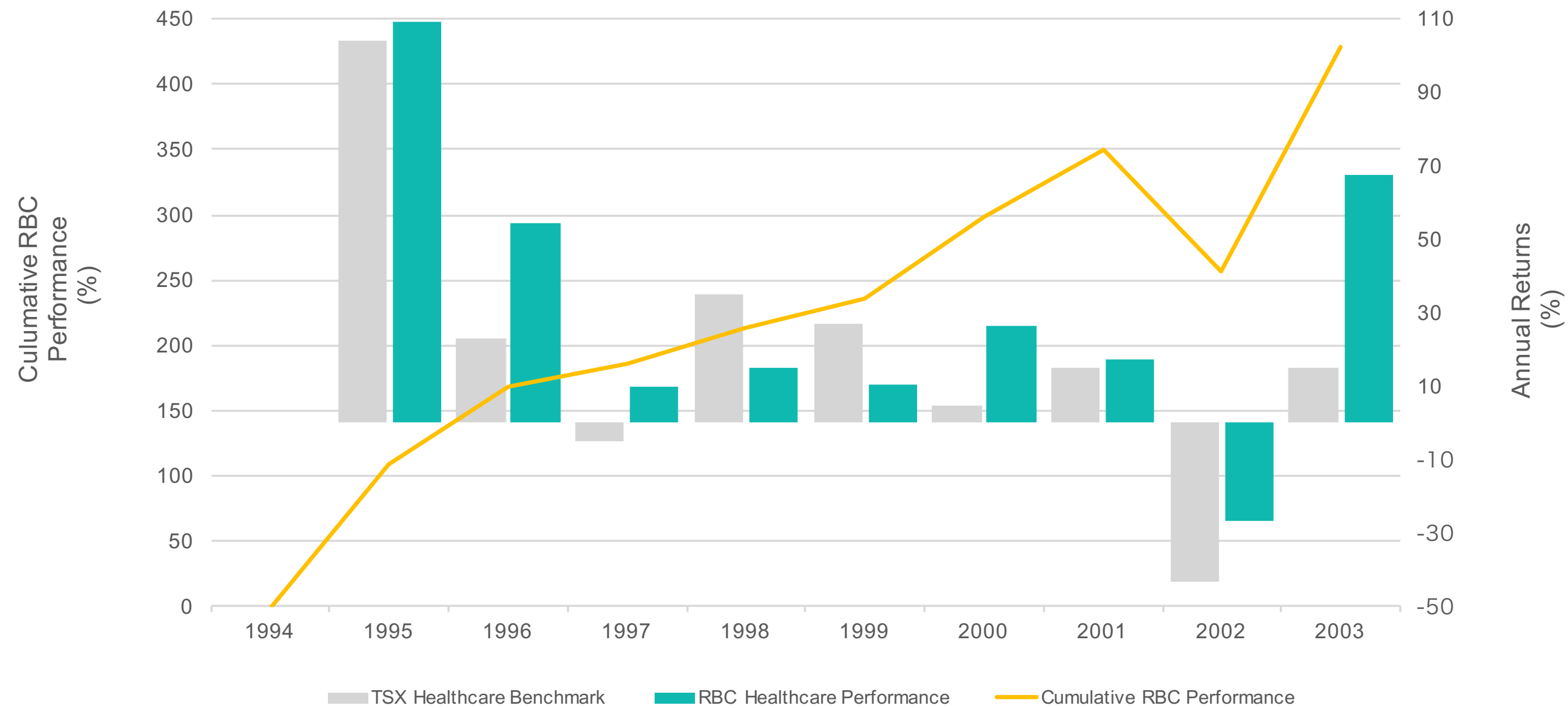
Michael Bird is the Associate Portfolio Manager and Trader for the Next Edge Bio-tech Plus Fund. Mike possesses over twenty-five years of options and derivative trading experience. He has previously Vice President and head of the equity derivative group at Desjardins Securities.

Other previous experience includes working as a Vice President and Senior Trader in the equity derivatives group at RBC, and Vice President at CIBC/ Wood Gundy, and options and proprietary trader at BNS. Michael has served on the TSE Derivative Markets Committee and is a Director and Chair of the Audit Committee of Intrinsic Technologies Corporation (TSX: ITC)

Portfolio Manager's Healthcare Performance at RBC

1995-2003\*

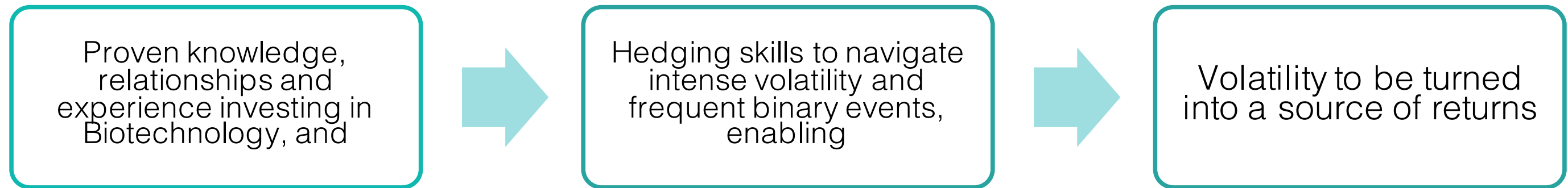
Cumulative & Absolute Performance versus TSX Healthcare Benchmark



Source: Next Edge Capital Corp.

\*Performance Attribution was earned as a subsector within the RBC Canadian Equity Fund and RBC Canadian Balanced Fund for the period of March 1995 to October 2003

### Managing the Fund requires unique combination of specialized skills:



### Relevant Background Includes:

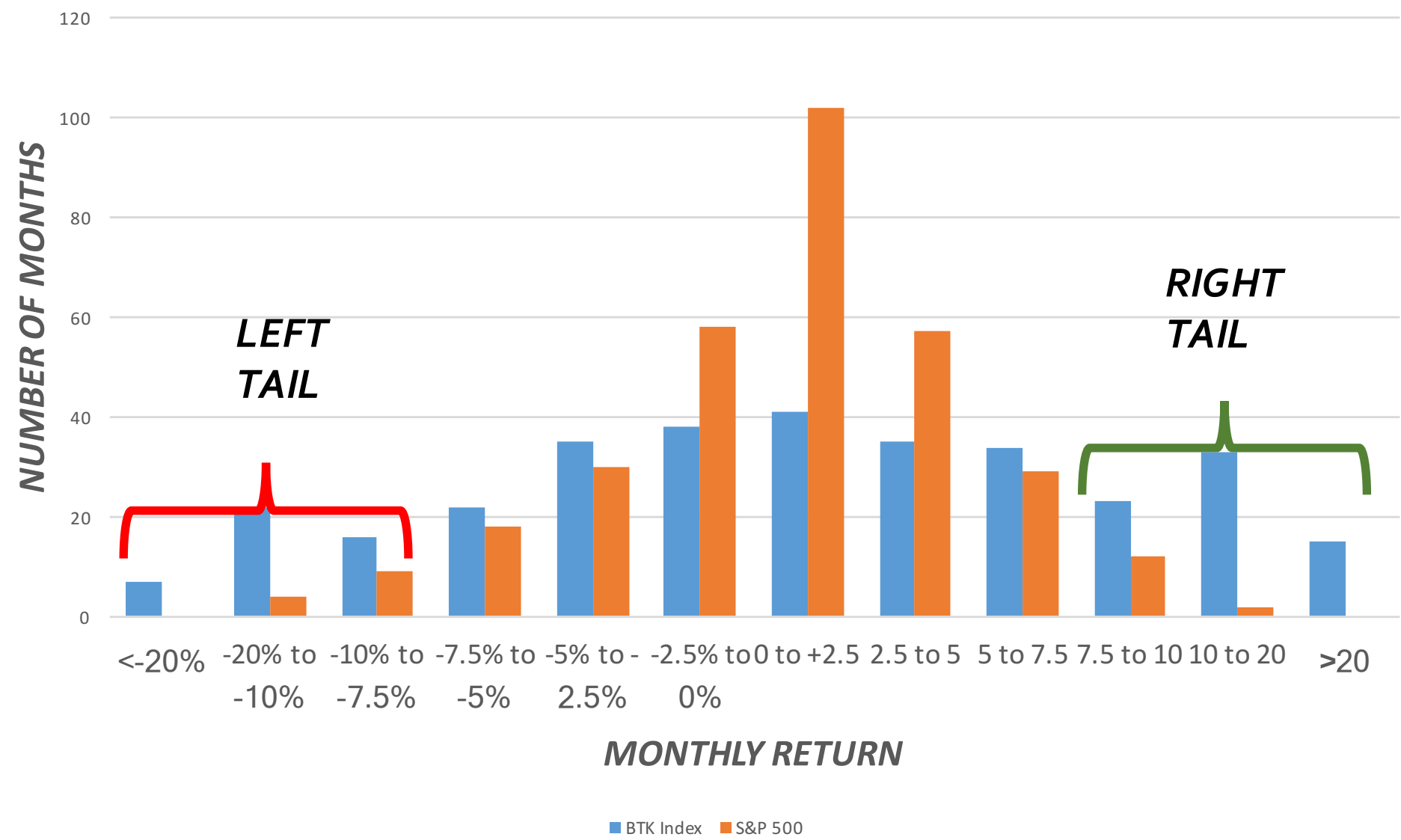
- **9 year Institutional Bio-tech Performance History: +26% CARR\* vs +14% CARR (TSX Healthcare index)**
- **Modeled & structured innovative Bio-tech Notes with JP Morgan**
- **Structured Bio-tech Note for Jovian through TD Bank, comprised of basket of stocks**
- **Co-managed divestment & re-allocation of Labour sponsored healthcare portfolio**
- **Early investor in a number of great successes (ie. Gilead, IDEC, Biogen, Biochem)**
- **Investor in a number of holdings that were acquired (ie. Centocor, Vicuron, Igen, Scios, Triangle etc. )**

Source: Next Edge Capital Corp.

‘Fat-Tails is The ‘Normal’ Distribution For Biotech



AMEX BIOTECH INDEX (BTK) vs S&P 500  
DISTRIBUTION OF MONTHLY RETURNS  
1989-2016

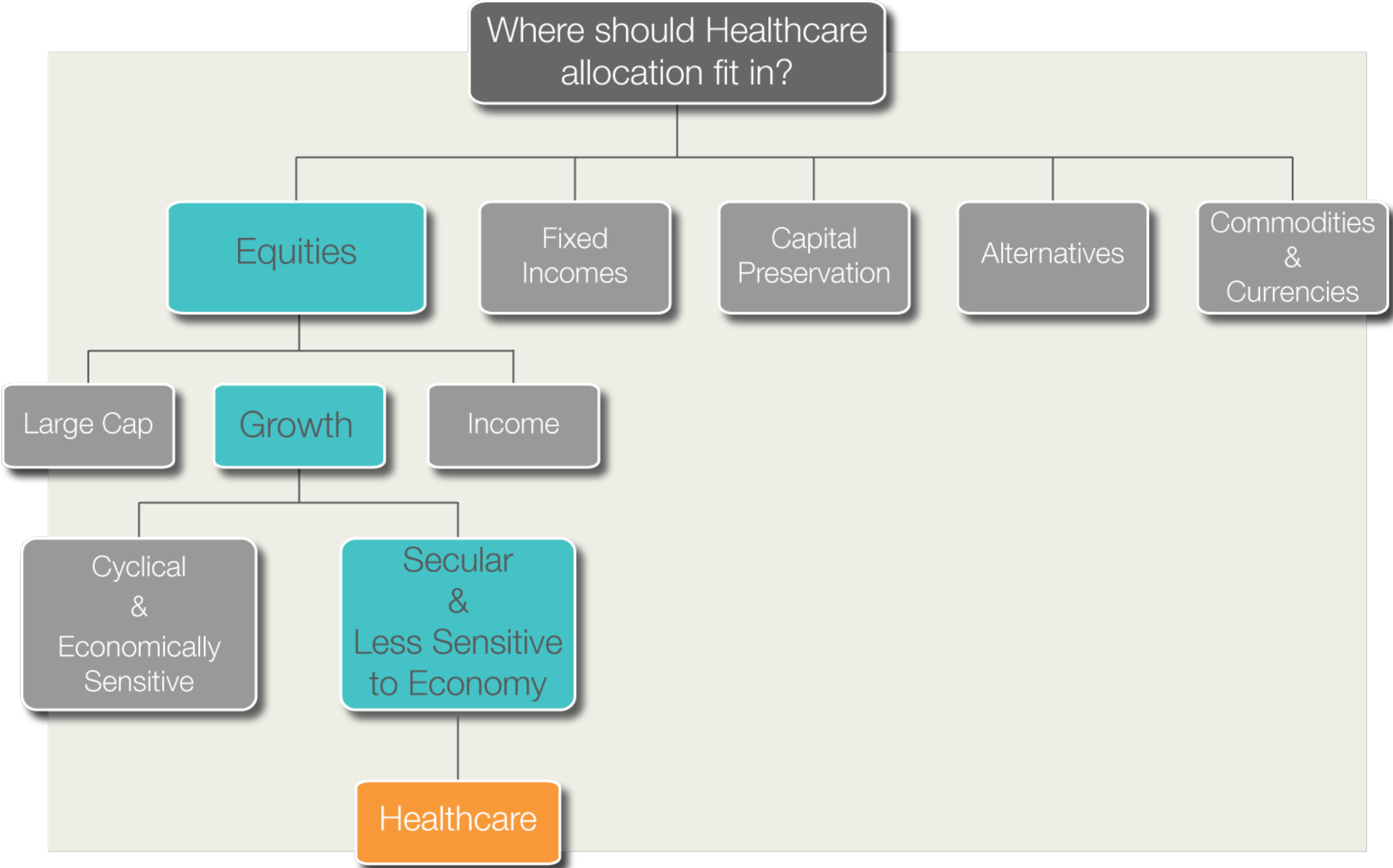


Source: Next Edge Capital Corp., Bloomberg Data



- **Handicap Risk: When, Where & How can it be managed or eliminated?**
- Bio-tech companies have embedded options on future binary events
- **Outsized reactions to positive or negative news requires an action plan**
- Binary Events: P2, P3, NDA, DSMD, PDUFA & FDA, Fund Raises & Conferences
- **Biotech Corrections since 2009: -13%, -15%, -23%, -13%, -25%; -40%**
- Bio-Tech implied volatility typically well above market volatility
- **Options market intelligence can help “telegraph” binary events**
- Collectively, hedges help reduce typical high portfolio volatility
- **Seasonality provides opportunities to increase/reduce exposure to sector**

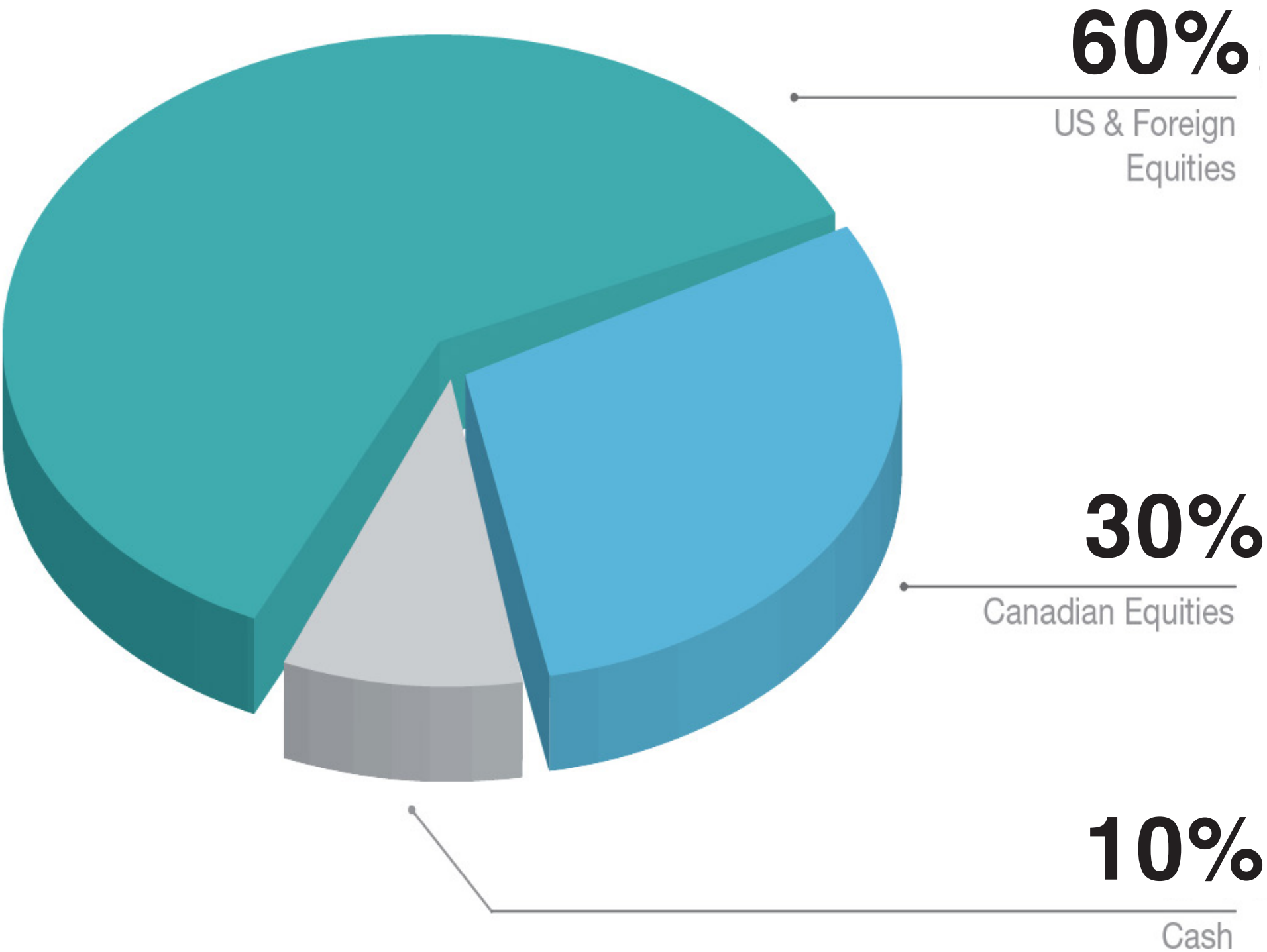
# Healthcare Allocation is An Essential Component





# Composition of Fund Holdings

As of : January 31<sup>st</sup>, 2018



Source: Next Edge Capital Corp., RBC Investor & Treasury Services Inc.

# The Next Edge Bio-Tech Plus Fund EDGE

- Diversified access to healthcare growth companies
- Strategy centered on companies in specific late-stage window of drug development
- Fund is focused on risk mitigation through:
  - a) proven disciplined stock selection process, and
  - b) hedge overlay strategies to manage volatility & binary events
- Action plan for each holding ahead of pivotal events
- Eden Rahim's two decade career:
  - Managing sector across institutional portfolios, &
  - Structured Notes providing favorable risk/reward exposure to sector
- Relationship with management of many biotech companies





Next Edge Bio-Tech Plus Fund

	<b>FundSERV Code</b>	Class F Units – NEC 214 Class A Units – NEC 213
	<b>Minimum Initial Investment</b>	\$5,000
	<b>Minimum Additional Investment</b>	\$1,000
	<b>Manager’s Fee</b>	1.25% Class F 2.25% Class A (1% Servicing Fee paid out of the Manager’s Fee)
	<b>Performance Fee</b>	20% of gains greater than the performance of the percentage gain or loss of the S&P/TSX Capped Health Care Index (40%); and the percentage gain or loss of the NASDAQ Biotechnology Index (60%).
	<b>Valuation</b>	Daily
	<b>Purchases / Redemptions</b>	Daily
	<b>Registered Plan Status</b>	Eligible

HISTORICAL PERFORMANCE<sup>1</sup> Class A

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2018	5.97%	--	--	--	--	--	--	--	--	--	--	--	5.97% <sup>3</sup>
2017	4.70%	9.94%	2.23%	3.04%	-8.81%	9.44%	-12.49%	1.49%	5.47%	1.47%	-0.17%	-0.94%	13.74%
2016	-19.36%	-6.35%	2.23%	4.93%	0.73%	-8.01%	14.00%	1.96%	5.06%	-9.56%	2.73%	6.71%	-9.11%
2015	--	--	--	-6.01%	4.76%	3.25%	0.81%	-2.52%	-6.94%	-1.44%	7.15%	0.57%	-1.25% <sup>3</sup>

HISTORICAL PERFORMANCE<sup>1</sup> Class A1

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2018	6.10%	--	--	--	--	--	--	--	--	--	--	--	6.10% <sup>3</sup>
2017	4.74%	8.05%	2.47%	3.13%	-8.69%	9.56%	-12.39%	1.60%	5.58%	1.59%	-0.07%	-0.84%	13.20%
2016	-19.27%	-6.24%	2.34%	5.04%	0.78%	-7.92%	14.12%	2.09%	5.00%	-9.31%	2.95%	6.69%	-8.01%
2015	--	1.93%**	0.24%	-4.26%	4.88%	3.58%	1.33%	-2.41%	-6.76%	-1.32%	7.27%	0.69%	4.44% <sup>3</sup>

HISTORICAL PERFORMANCE<sup>1</sup> Class F

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2018	6.07%	--	--	--	--	--	--	--	--	--	--	--	6.07% <sup>3</sup>
2017	4.85%	8.01%	2.24%	3.12%	-8.60%	9.55%	-12.41%	1.66%	5.59%	1.57%	-0.08%	-0.86%	13.08%
2016	-19.29%	-6.36%	2.40%	5.01%	0.76%	-7.94%	14.09%	2.06%	4.97%	-9.33%	2.92%	6.65%	-8.30%
2015	--	1.93%**	0.22%	-4.29%	4.86%	3.56%	1.31%	-2.43%	-6.79%	-1.35%	7.21%	0.67%	4.15% <sup>3</sup>

1. Next Edge Bio-Tech Plus Fund returns are net of all fees and expenses associated with Class A Units charged from May 1st, 2015. Next Edge Bio-Tech Plus Fund returns are net of all fees and expenses associated with Class A1 Units, Class F Units, and Class F1 Units charged from March 1st, 2015. The historical annualized rates of return for January 31st, 2018 for Class A are 1 yr 15.12%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 2.81%; for Class A1 are 1 yr 14.67%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 4.75%; for Class F are 1 yr 14.40%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 4.51%; for Class F1 are 1 yr 15.74%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 5.61%.

2. The Benchmark for the Next Edge Bio-Tech Plus Fund is:  
(i) 40% of the percentage gain or loss of the S&P/TSX Capped Health Care Index; plus  
(ii) 60% of the percentage gain or loss of the NASDAQ Biotechnology Index  
The Benchmark returns are unaudited and subject to final confirmation. The historical annualized rates of return for the Benchmark for January 31st, 2018 are 1 yr 27.75%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR -1.39%.

3. Part Year

## For More Information Please Contact:

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HISTORICAL PERFORMANCE<sup>1</sup> Class F1

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2018	6.20%	--	--	--	--	--	--	--	--	--	--	--	6.20% <sup>3</sup>
2017	4.32%	8.08%	2.50%	3.18%	-8.58%	9.66%	-12.31%	1.69%	5.67%	1.68%	0.02%	-0.75%	13.70%
2016	-19.21%	-6.16%	2.43%	5.12%	0.88%	-7.85%	14.21%	2.19%	5.09%	-9.23%	3.01%	6.72%	-7.12%
2015	--	1.97%**	0.34%	-4.18%	4.98%	3.69%	1.43%	-2.31%	-6.66%	-1.22%	7.38%	0.80%	5.52% <sup>3</sup>

HISTORICAL PERFORMANCE<sup>2</sup> Benchmark

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2018	3.69%	--	--	--	--	--	--	--	--	--	--	--	3.69% <sup>3</sup>
2017	2.68%	6.17%	2.63%	-0.85%	-1.80%	7.97%	0.93%	1.24%	1.35%	-3.01%	3.95%	8.58%	26.51%
2016	-18.33%	-5.30%	-3.07%	3.79%	2.03%	-9.03%	8.51%	-2.57%	0.78%	-10.37%	2.81%	-2.62%	-30.94%
2015	--	4.53%**	4.05%	-1.68%	6.76%	0.87%	6.40%	-8.95%	-14.52%	0.70%	9.67%	0.48%	5.84% <sup>3</sup>

1. Next Edge Bio-Tech Plus Fund returns are net of all fees and expenses associated with Class A Units charged from May 1st, 2015. Next Edge Bio-Tech Plus Fund returns are net of all fees and expenses associated with Class A1 Units, Class F Units, and Class F1 Units charged from March 1st, 2015. The historical annualized rates of return for January 31st, 2018 for Class A are 1 yr 15.12%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 2.81%; for Class A1 are 1 yr 14.67%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 4.75%; for Class F are 1 yr 14.40%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 4.51%; for Class F1 are 1 yr 15.74%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR 5.61%.

2. The Benchmark for the Next Edge Bio-Tech Plus Fund is:  
(i) 40% of the percentage gain or loss of the S&P/TSX Capped Health Care Index; plus  
(ii) 60% of the percentage gain or loss of the NASDAQ Biotechnology Index  
The Benchmark returns are unaudited and subject to final confirmation. The historical annualized rates of return for the Benchmark for January 31st, 2018 are 1 yr 27.75%, 3 yr – N/A, 5 yr – N/A, 10 yr – N/A, CARR -1.39%.

3. Part Year