

Access to predominantly secured, short-term loans in an all - weather structure

FUND PERFORMANCE

	1 Month	YTD*	1 Year	3 Year Annualized	5 Year Annualized	Annualized Since Inception	Inception Date	NAV	Monthly Distribution
Class A1^{1,2}	0.60%	0.60%	3.79%	5.28%	5.91%	6.58%	June 2015	\$7.86	\$0.0473
Class F1^{1,2}	0.69%	0.69%	4.93%	6.43%	7.07%	7.85%	June 2015	\$8.51	\$0.0590
Class G^{1,2}	0.63%	0.63%	4.10%	5.59%	6.22%	6.95%	June 2015	\$8.01	\$0.0503
Class H^{1,2}	0.74%	0.74%	5.52%	7.03%	7.66%	8.39%	June 2015	\$8.69	\$0.0642
Class J^{1,2}	0.71%	0.71%	5.10%	6.61%	7.25%	8.01%	October 2015	\$8.32	\$0.0588
Class A^{1,2}	0.60%	0.60%	3.76%	5.25%	5.88%	6.34%	March 2017	\$8.09	\$0.0486
Class F^{1,2}	0.69%	0.69%	4.93%	6.49%	6.88%	7.32%	March 2017	\$8.26	\$0.0573

FUND COMMENTARY

The Next Edge Private Debt Fund (the “Fund”) gained 0.69% (Class F1 Units) in January, bringing annualized returns since inception (June 2015) to 7.85%.

During the month, three new financings were initiated. Two were equipment-based loans and the other was a receivables-based financing facility. A USD 8.25 Million loan was made to a trucking company based in Tennessee, while a smaller USD 1.2 Million loan was given to a company based in California that was utilized to purchase new equipment. In the case of these equipment transactions, much like many assets that we lend against, independent appraisers were brought in to determine the equipment values, which form the collateral that we lend, and set an advance rate, against. It is important to note, however, that many other factors are considered prior to financing a transaction outside of just the collateral which backs it. Lastly, a new receivables-based factoring facility was provided to a commercial and professional services company based in Colorado.

As further insight into the larger USD 8.25 Million Senior Secured Term Loan (the “Loan”) referenced above, the Loan was given to a third-generation, family-owned, short/long-haul regional trucking company.

The borrower serves customers in the southeast and mid-

west with a fleet of 120 trucks and 300 trailers, hauling primarily commodities, chemicals, automotive parts, textiles, and other industrial manufacturing products. The company offers specialized services that include dedicated fleets, hazardous materials hauling, and temperature control transport. The proceeds of the Loan were used to refinance existing debt, acquire additional equipment, and to provide additional working capital.

The USD 1.2 Million Senior Secured Equipment Term Loan (the “Loan”) was made to the US subsidiary of a multi-national manufacturer of spare parts for heavy-duty commercial vehicles. The Loan helped the borrower complete the build-out of new warehouses in a few different locations in the US.

The below table provides a summary of new transactions that were financed in 2023. Renewals of existing loans and clients are not included, however, they are of a sizeable significance each year due to the shorter-term nature of our loans and facilities. A shift to more transactions in the US over prior years was seen, however, our comfort and focus to originate on both sides of the border remains the same. We can speculate on reasons, such as the regional banking issues seen in the US in 2023, competitors of ours in certain verticals, however, there is no one answer.

2023 NEW DEALS SUMMARY

Number of Loans and Facilities Provided	29
Factoring (Receivables)	22
ABL (AR & Equipment)	1
ABL - Equipment	3
ABL - Real Estate	1
ABL Term Loan (Equipment & Real Estate)	1
ABL Term Loan (Real Estate)	1
Total New Deals Funded	\$59.82 MM

COUNTRY BREAKDOWN (BY NUMBERS OF DEALS):

Canada	5	# of Provinces Deals Funded in	3
USA	24	# of States Deals Funded in	9

We, along with our partners at the Garrington Group “Garrington”, have the capacity to originate, underwrite, and manage many multiples of our current collective assets under management “AUM”, and we have focused significant time, attention and efforts outside of Canada to raise capital. With some institutional capital inflow “wins” over the past 6 months via other funding vehicles, in addition to a plethora of interest coming from Europe, South Africa, the Middle East, South America, the Caribbean, and a joint venture product in the US, our partners at Garrington are seeking to double their AUM within the next year. Investor interest in private lending outside of Canada is vastly different from what we are

seeing in Canada, at least from what we see from parts of the retail universe, both in rationale towards expectations, in addition to the ancillary benefits that an allocation to private lending offers. We truly appreciate the partnerships and clients that have been with us over the years and hope to continue a mutually rewarding relationship going forward. After a disappointing 2023 return, albeit one that was still significantly positive (+4.88% Class F1 Units), we strive for returns in 2024 towards the higher band of our 8+ year historical average.

Please feel free to contact us for any further comments or insights into the Fund or the industry in general. We thank you for your continued support.

PORTFOLIO BREAKDOWN AS OF DECEMBER 29, 2023

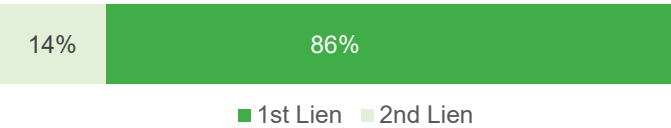
Portfolio breakdown by category^[a]

Sub-type:	Alloc %	# of Loans
ABL	38.47%	30
Lender Finance	32.22%	14
Specialty Finance	19.44%	8
Factoring	8.31%	94
Lender Finance - Liquid Capital Factoring	1.56%	14
Total	100.00%	160

Loan Portfolio –
Breakdown by Country^[b]



Loan Portfolio –
Security Position \$ Weighted Composition^[c]



Loan Portfolio – Term to Maturity^[d] in Days

Sub-type:	Avg. days to maturity
ABL	191
Lender Finance	276
Specialty Finance	89
Factoring	103
Lender Finance - Liquid Capital Factoring	90
\$ Weighted Term in Days (full Loan Portfolio)	291

HISTORICAL PERFORMANCE¹ Class A1

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD ²
2024	0.60%	-	-	-	-	-	-	-	-	-	-	-	0.60%*
2023	0.55%	0.51%	0.58%	0.55%	0.52%	-0.15%	0.52%	0.58%	0.58%	0.59%	0.57%	-1.71%	3.74%
2022	0.62%	0.53%	0.40%	0.66%	0.63%	0.57%	0.52%	0.63%	0.49%	0.64%	0.58%	0.28%	6.74%
2021	0.69%	0.64%	0.51%	0.51%	0.43%	0.32%	0.28%	-0.10%	0.47%	0.56%	0.48%	0.55%	5.47%
2020	0.51%	0.65%	0.22%	0.35%	0.28%	0.26%	0.60%	0.58%	0.56%	0.56%	0.58%	0.62%	5.90%
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
2024	0.69%	-	-	-	-	-	-	-	-	-	-	-	0.69%*
2023	0.65%	0.60%	0.68%	0.64%	0.61%	-0.06%	0.61%	0.67%	0.67%	0.68%	0.67%	-1.62%	4.88%
2022	0.71%	0.62%	0.49%	0.75%	0.72%	0.66%	0.61%	0.72%	0.58%	0.73%	0.67%	0.37%	7.91%
2021	0.78%	0.73%	0.60%	0.60%	0.52%	0.41%	0.37%	-0.01%	0.56%	0.65%	0.57%	0.64%	6.63%
2020	0.61%	0.74%	0.32%	0.44%	0.37%	0.35%	0.69%	0.67%	0.65%	0.65%	0.67%	0.71%	7.06%
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%*

[a] Categorizations of loans and investments are internal, potentially subjective, and subject to change.

[b] Based on geographic location of the head office of borrower/counterparty.

[c] Dollar-weighted by carrying value. Factoring facilities typically involve the direct purchase and custody of factored receivables and are considered 1st position for this calculation.

[d] Based on the legal maturity date of the loan. Loans are subject to be renewed/extended. Factoring facilities are typically by way of ongoing purchase and sale agreements for the factoring of receivables and may not have an explicit maturity date, but an estimated average period of 90 days has been used for the full collection of factored receivables and maturity time of factoring facilities.

IMPORTANT NOTES

1. The Next Edge Private Debt Fund (the 'Fund') returns are net of all fees and expenses associated with Class A1 Units, Class F1 Units, Class G Units, and Class H Units charged from June 1, 2015 (trading start date). The Next Edge Private Debt Fund (the 'Fund') returns are net of all fees and expenses associated with Class J Units charged from October 1, 2015 (trading start date). The Next Edge Private Debt Fund (the 'Fund') returns are net of all fees and expenses associated with Class A Units, and Class F Units charged from April 1, 2017 (trading start date). The Next Edge Private Debt Fund (the 'Fund') returns are net of all fees and expenses associated with Class L Units charged from March 1, 2019 (trading start date). Returns for 2023 are unaudited. Therefore, performance statistics containing 2023 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 January 31, 2024 are 1 yr 3.79%, 3 yr 5.28%, 5 yr 5.91%, 10 yr N/A, and CARR 6.58%; for Class F1 Units are 1 yr 4.93%, 3 yr 6.43%, 5 yr 7.07%, 10 yr N/A, and CARR 7.85%; for Class G Units are 1 yr 4.10%, 3 yr 5.59%, 5 yr 6.22%, 10 yr N/A, and CARR 6.95%; for Class H Units are 1 yr 5.52%, 3 yr 7.03%, 5 yr 7.66%, 10 yr N/A, and CARR 8.39%; for Class J Units are 1 yr 5.10%, 3 yr 6.61%, 5 yr 7.25%, 10 yr N/A, and CARR 8.01%; for Class Units are 1 yr N/A, 3 yr N/A, 5 yr N/A, 10 yr N/A, and CARR %; for Class A Units are 1 yr 3.76%, 3 yr 5.25%, 5 yr 5.88%, 10 yr N/A, and CARR 6.34%; for Class F Units are 1 yr 4.93%, 3 yr 6.49%, 5 yr 6.88%, 10 yr N/A, and CARR 7.32%.

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.

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