

Access to attractive yield via asset or cashflow-backed loans.

## PORTFOLIO UPDATE

### Underlying Investments of the Next Edge RCM Private Yield Fund<sup>3</sup> as at December 29, 2023

Loan Investments	Term	Equity Participation
Oilfield Services	N/A	N/A
Oil and Gas 1	N/A	N/A
Hardware and IT Services	N/A	The Fund acquired 95% of the common shares as part of a security enforcement process on June 25, 2021.
Financial Services 1	N/A	Preferred share, common share equity.
Telecommunications	N/A	The loan carries a variable discharge fee between USD \$400,000 and \$850,000, which is determined by and becomes payable on the repayment date.
Oil and Gas 2	32	Call option after 5 years on repayment of royalty.

Source: R.C. Morris Capital Management Ltd.

## FUND COMMENTARY

The Next Edge RCM Private Yield Fund (the “Fund”) retracted -5.91% (Class F Units) and -5.85% (Class D Units) in February, respectively.

A sizeable unrealized loss was incurred on one loan position with a smaller unrealized loss taken on another position. Both of these holdings represent two of the four larger positions remaining in the Fund’s portfolio. Some income was received on one of the smaller holdings.

As a refresher, the Next Edge RCM Private Yield Fund was

launched as a stand-alone vehicle within the Next Edge Capital Corp. line-up in late 2017. In July 2021, a decision was made to close the Fund to new purchases and redemptions (Class A, B & F Units) and orderly liquidate the Fund as positions matured and distribute the proceeds on a pro-rata basis to investors. This decision was made as we felt it difficult to continue to manage this Fund as an open-ended evergreen fund. More recently, the Fund’s Class D units were spun out of the Next Edge Private Debt Fund as a separate, stand-alone unit.

FUND PERFORMANCE

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

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD <sup>2</sup>
2024	-0.16%	-5.99%	-	-	-	-	-	-	-	-	-	-	-6.14%*
2023	-0.14%	0.11%	0.00%	0.34%	-0.38%	-6.34%	-0.23%	1.82%	-0.25%	-3.46%	-2.94%	-8.20%	-18.42%
2022	0.00%	-1.05%	-0.13%	-0.06%	0.02%	0.06%	-0.07%	-0.18%	-0.35%	2.25%	0.14%	-0.83%	-0.24%
2021	1.92%	0.51%	0.11%	0.16%	0.31%	-0.32%	-0.50%	-3.75%	-0.09%	-0.33%	-0.10%	-0.33%	-2.48%
2020	0.24%	0.50%	0.21%	0.28%	0.22%	0.55%	0.89%	0.52%	0.00%	0.10%	0.18%	1.62%	5.44%
2019	1.75%	0.83%	1.42%	0.78%	0.87%	0.80%	1.19%	0.68%	1.22%	0.73%	0.12%	0.11%	11.02%
2018	0.70%	1.22%	0.54%	1.25%	0.81%	1.43%	1.58%	1.50%	1.45%	1.48%	0.93%	0.85%	14.65%
2017	-	-	-	-	-	-	-	-	-	-	-	0.66%	0.66%*

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

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD <sup>2</sup>
2024	-0.07%	-5.91%	-	-	-	-	-	-	-	-	-	-	-5.98%*
2023	-0.05%	0.20%	0.08%	0.43%	-0.30%	-6.26%	-0.14%	1.91%	-0.16%	-3.38%	-2.85%	-8.12%	-17.59%
2022	0.08%	-0.97%	-0.04%	0.03%	0.10%	0.15%	0.02%	-0.09%	-0.27%	2.34%	0.23%	-0.75%	0.78%
2021	2.01%	0.59%	0.19%	0.25%	0.40%	-0.24%	-0.41%	-3.67%	0.00%	-0.25%	-0.02%	-0.24%	-1.46%
2020	0.32%	0.59%	0.29%	0.37%	0.30%	0.64%	0.98%	0.61%	0.08%	0.19%	0.26%	1.71%	6.50%
2019	1.84%	0.92%	1.51%	0.87%	0.96%	0.89%	1.28%	0.76%	1.30%	0.82%	0.21%	0.20%	12.17%
2018	0.73%	1.32%	0.63%	1.34%	0.91%	1.52%	1.67%	1.58%	1.54%	1.57%	1.02%	0.93%	15.80%

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

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD <sup>2</sup>
2024	-0.01%	-5.85%	-	-	-	-	-	-	-	-	-	-	-5.85%*
2023	0.02%	0.27%	0.16%	0.49%	-0.23%	-6.15%	-0.07%	1.98%	-0.09%	-3.31%	-2.79%	-8.07%	-16.85%
2022	0.15%	-0.90%	0.03%	0.09%	0.17%	0.22%	0.09%	-0.02%	-0.20%	2.41%	0.30%	0.68%	1.63%
2021	2.08%	0.66%	0.26%	0.32%	0.48%	-0.16%	-0.34%	-3.61%	0.07%	-0.18%	0.05%	-0.17%	-0.63%
2020	0.40%	0.67%	0.37%	0.45%	0.38%	0.71%	1.07%	0.69%	0.16%	0.26%	0.34%	1.77%	7.50%
2019	1.91%	0.99%	1.58%	0.93%	1.03%	0.96%	1.36%	0.84%	1.38%	0.89%	0.29%	0.27%	13.15%
2018	-	-	-	-	-	-	-	-	1.62%	1.64%	1.09%	1.01%	5.47%*

## IMPORTANT NOTES

1. The Next Edge RCM Private Yield Fund (the 'Fund') returns are net of all fees and expenses associated with Class A Units charged from December 1, 2017 (trading start date). The Next Edge RCM Private Yield Fund (the 'Fund') returns are net of all fees and expenses associated with Class F Units charged from January 1, 2018 (trading start date.) The Next Edge RCM Private Yield Fund (the 'Fund') returns are net of all fees and expenses associated with Class D Units charged from August 1, 2018 (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 RCM Private Yield Fund Class A Units as of February 29, 2024 for the Next Edge RCM Private Yield Fund Class A Units are 1 yr -23.40%, 3 yr -10.07%, 5 yr -3.20%, 10 yr N/A, and CARR 0.10% ; Class F Units are 1 yr -22.62%, 3 yr -9.15%, 5 yr -2.21%, 10 yr N/A, and CARR 1.02% ; and Class D Units are 1 yr -21.94%, 3 yr -8.37%, 5 yr -1.35%, 10 yr N/A, and CARR 0.26%.

2. Distribution - adjusted return

3. Next Edge Capital Corp. is the manager and trustee of the Fund (the 'Manager'). The investment objective of the Fund is to provide opportunistic financing to private and public companies via highly-customized investments which are primarily in the form of secured debt in order to achieve above average risk-adjusted returns with minimal correlation to most traditional asset classes. The Fund intends to achieve its investment objective by initially investing all of its net assets in a portfolio of debt and debt-like investments which may be obtained either directly through investments held by the Fund and sourced and administered by R.C. Morris Capital Management Ltd. ("R.C. Morris") or through exposure via an investment in units of R.C. Morris & Company Special Opportunities Fund III Limited Partnership, RCM NE Private Debt Fund LP or certain other partnerships as may be established from time to time by R.C. Morris or its affiliates (each a "R.C. Morris Partnership", and collectively, the "R.C. Morris Partnerships").

\* 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.

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.

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