

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

PORTFOLIO UPDATE

Underlying Investments of the Next Edge RCM Private Yield Fund³ as at June 28, 2024

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	Common share equity.
Telecommunications	N/A	The Fund is currently executing its rights on the identifiable collateral.
Oil and Gas 2	26	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”) declined -0.20% (Class F Units) and -0.13% (Class D Units) in July. Minor revisions to the carrying values of a few other positions offset royalty income from one position.

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), allowing for an orderly liquidation of the Fund as positions matured and to distribute the proceeds on a pro rata basis to investors. As the Fund has been in a wind-down mode for multiple years now, the Fund’s Portfolio will continue to become more concentrated and subject to wider swings in performance. Four positions of any significance in size remain in the Fund’s portfolio.

FUND PERFORMANCE

HISTORICAL PERFORMANCE¹ Class A

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD ²
2024	-0.16%	-5.99%	-25.44%	-0.23%	-0.32%	-0.30%	-0.29%	-	-	-	-	-	-30.81%*
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 PERFORMANCE¹ Class F

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD ²
2024	-0.07%	-5.91%	-25.37%	-0.14%	-0.23%	-0.22%	-0.20%	-	-	-	-	-	-30.38%*
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 PERFORMANCE¹ Class D

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD ²
2024	-0.01%	-5.85%	-25.28%	-0.07%	-0.16%	-0.15%	-0.13%	-	-	-	-	-	-30.02%*
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 2024 are unaudited. Therefore, performance statistics containing 2024 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 July 31, 2024 for the Next Edge RCM Private Yield Fund Class A Units are 1 yr -39.54%, 3 yr -18.70%, 5 yr -9.84%, 10 yr N/A, and CARR -4.43%; and Class F Units are 1 yr -38.91%, 3 yr -17.86%, 5 yr -8.91%, 10 yr N/A, and CARR -3.55%; and Class D Units are 1 yr -38.39%, 3 yr -17.15%, 5 yr -8.11%, 10 yr N/A, and CARR -4.66%.

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.

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.

Opinions expressed are those of the author as of the date of their publication, are subject to change and may not reflect the opinion of all members of the Company. Some statements contained in this material concerning goals, strategies, outlook or other non-historical matters may be "forward-looking statements" and are based on current indicators and expectations at the date of their publication. We undertake no obligation to update or revise them. Forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those implied in the statements.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

For Existing Investors and Investment Professional Use Only.

18 King Street, Suite 902 Toronto, ON M5C 1C4

CLIENT SERVICES: 1.844.656.2321

416.775.3600 Toll Free: 1.877.860.1080

info@nextedgecapital.com

Follow us:



nextedgecapital.com