

Attractive Return and Yield Projections Combined With Significant Tax Benefits\*

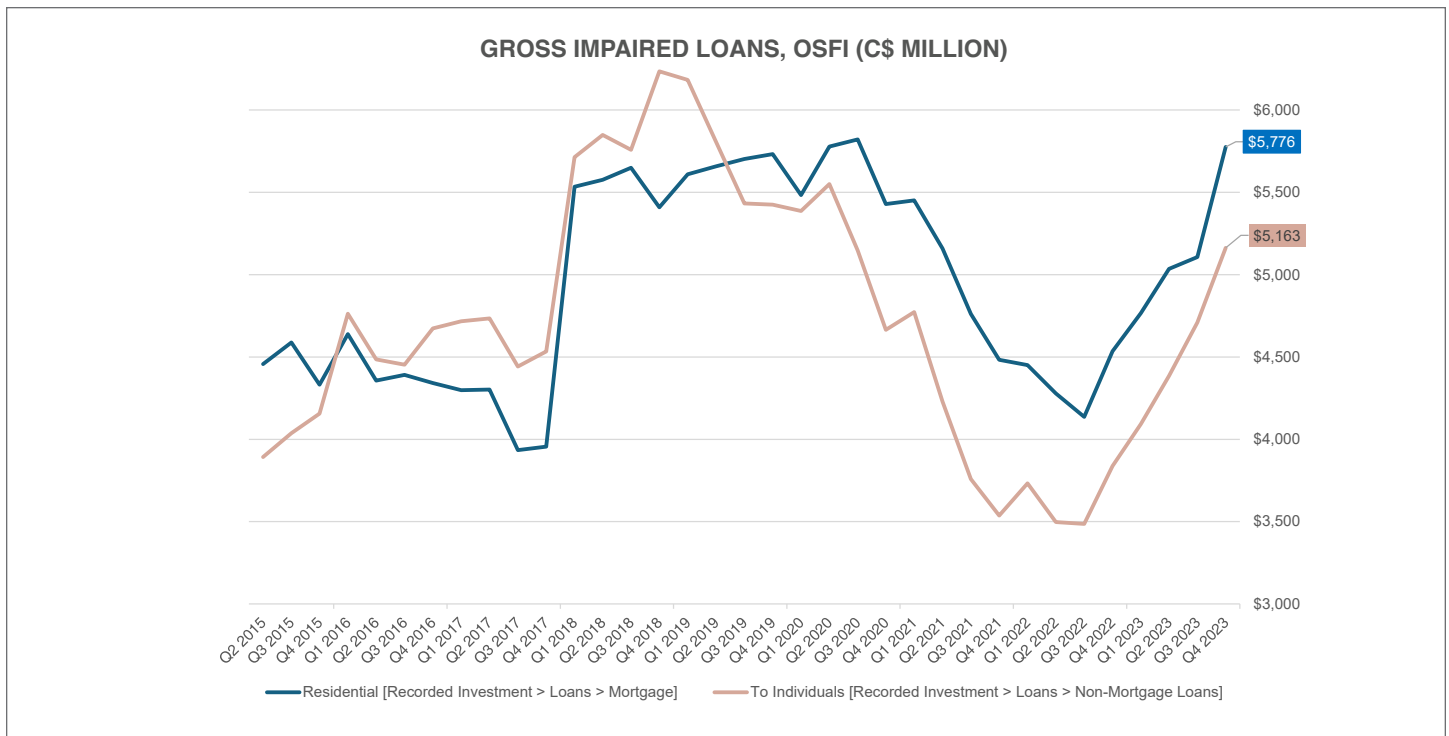
## FUND COMMENTARY

The Canadian Universe Bond Index dropped 1.22% in the first quarter of 2024 as central bankers telegraphed to the market that although interest cuts are on the horizon, they will be less than the market has priced in. However, after two consecutive months of negative returns, the bond market posted a positive return of 0.49% in March. The financial and real estate sectors were the top performers at 0.83% and 0.95% respectively. The 2028 Investment Grade Bond Trust (the "Trust") has an overweight position to both sectors and helped contribute to the overall +3.30% return for the Trust in the first quarter of 2024.

Canada will likely avoid a recession, but indications of softening growth have begun to emerge. December's spending surge likely began reversing in January. We expect the spending slowdown to extend into the coming months as mortgages continue resetting and consumers

grow more cautious. The primary source of 4Q 2023 growth - an improved trade balance - can be traced to softening domestic demand for imports. Declining fixed investment also illustrates the effect restrictive monetary policy is having on the real economy.

A looming slowdown in spending and economic activity should lead the Bank of Canada (BoC) to lower its overnight rate target around mid-year with the hope of achieving a soft landing. In the interim, we expect the central bank to keep its rate steady at 5.0% as it watches for more consistent signs that underlying inflation is slowing. Given the Trust's short term to maturity, we are somewhat indifferent to the timing of interest rate cuts as our yield to maturity of 7.61% is fairly predictable. However, we do see a number of cuts during the life of the Trust, which matures 4 years from now in March 2028.

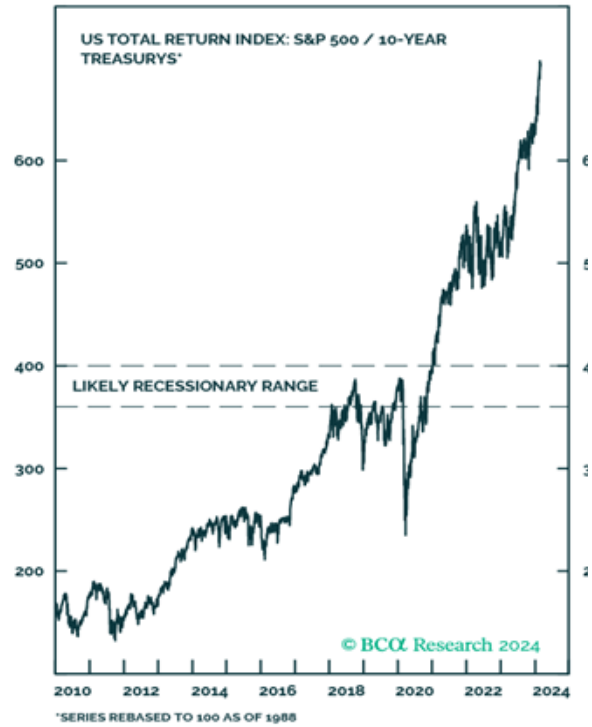


Source: Bloomberg, December 2024.

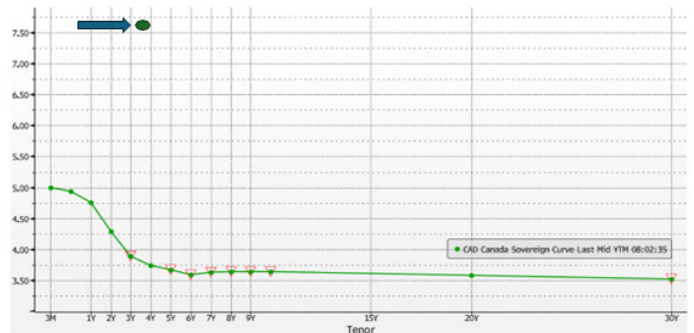
Canadian banks' impaired assets growth may reach or even exceed normal levels in 2024, potentially peaking in 2H 2024-1H 2025. Based on fiscal 1Q 2024 lender reports, impaired assets are expanding in 1H 2024, while the risk of more pain could remain through most of this year. Banks are carrying higher loan values on balance sheets, and we see impaired assets on consumer lending potentially climbing. As we can see from the chart above, both mortgage (blue line) and non-mortgage loan impairment are rising (yellow line). The bottom line is that rates have peaked, and we expect the slowdown to continue through 2024, prompting interest rate cuts, which will be positive for investors in the Trust.

Bonds as an asset class are a key component to a properly risk-managed investment portfolio and historically this has been one of the better environments for fixed-income investors. We have gone through the most challenging part of the interest rate cycle and now we can patiently wait and collect our relatively high income. In addition, compared to equities, bonds look relatively attractive. At this point of the cycle, risk management is often overlooked, and diversification is often underappreciated.

The 2028 Investment Grade Bond Trust currently has an average term to maturity of 3.68 years and an average yield to maturity of 7.61%. The risk-free yield curve has maintained its inverted shape and will not steepen until the central banks begin to cut overnight interest rates.



Source: Bank Credit Analyst, March 2024.



Source: Bloomberg, March 2024.

## FUND PERFORMANCE

Class F<sup>1</sup>

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD <sup>2</sup>
2024	1.26%	1.02%	0.99%	--	--	--	--	--	--	--	--	--	N/A
2023	--	--	--	--	--	--	--	--	--	--	--	-0.01%*	N/A

## FUND DETAILS

Manager	Next Edge Capital Corp.
Fund Type	Closed-End Investment Trust
Registered Plan Status	Eligible
Management Fee	0.70% per annum
Distributions	Initially targeted to be \$0.125/Unit per quarter <sup>(1)</sup>
Termination Date	On or about March 31, 2028

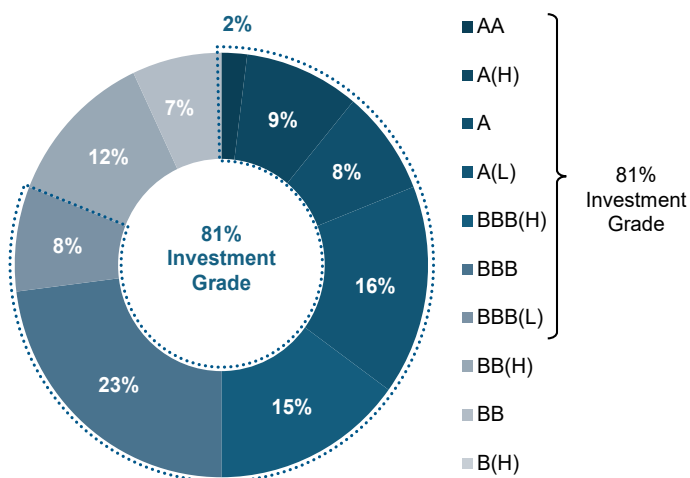
## PORTFOLIO STATISTICS

\$ Weighted Avg Price	\$92.29
Average Term	3.68 yrs.
Average Credit Rating	BBB

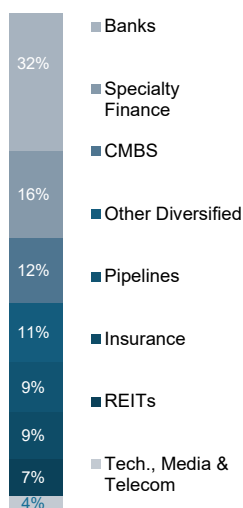
- The net proceeds of the initial public offering have been fully deployed into a portfolio of discount bonds (the "Portfolio") with an average credit rating of investment grade (BBB)
- Leverage has been secured at a rate accretive to the Portfolio's average YTM and coupon rate
- The Fund's Class F Units are listed on the TSX under the ticker symbol "IGBT.UN"
- Units may be converted back and forth from the Fund's Class F (TSX listed) Units to Class A (non TSX listed) Units or Class A (non TSX listed) Units to Class F (TSX listed) Units on a monthly basis

## FUND PORTFOLIO SNAPSHOT AS AT MARCH 28, 2024

### CREDIT RATING



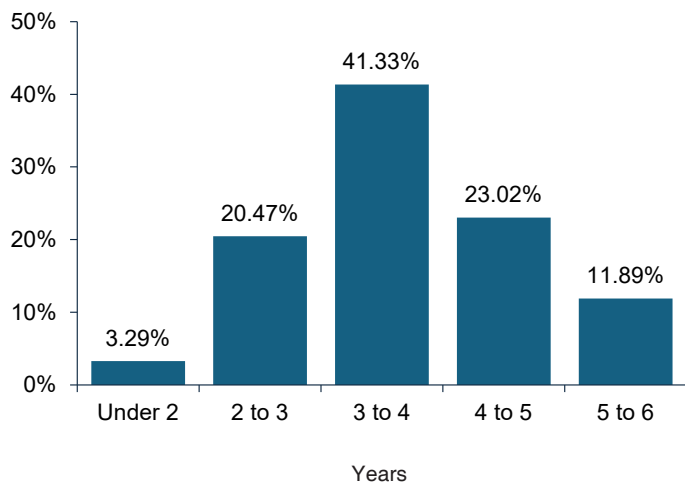
### SECTOR



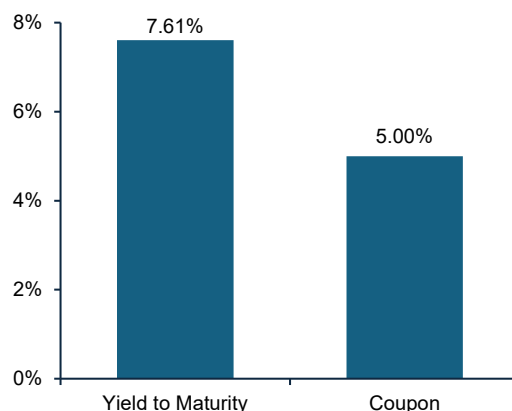
### TOP 10 HOLDINGS

Top 10 Holdings	%
Laurentian Bank	4.05%
REALT 2017 D1	3.42%
BMO	3.21%
Keyera Corp	3.13%
CIBC	3.12%
Inter Pipeline Ltd	3.03%
Mattamy Group Corp.	2.98%
Vantage Data	2.96%
GENWORTH MI Canada	2.95%
Saputo Inc	2.90%
<b>Total</b>	<b>31.75%</b>

### TERM STRUCTURE



### YIELD, COUPON



## IMPORTANT NOTES

1. 2028 Investment Grade Bond Trust returns are net of all fees and expenses associated with Class A Units and Class F Units charged from December 20, 2023 (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 2028 Investment Grade Bond Trust Class F Units as of March 28, 2024 are 1 yr N/A, 3 yr N/A, 5 yr N/A, 10 yr N/A, and CARR N/A.

2. Part Year

\* Part Month start date December 20, 2023 to December 31, 2023.

The “2028 Investment Grade Bond Trust “ or “Fund” means the “2028 Investment Grade Bond Trust “. Capitalized terms not defined in this presentation are defined as set forth in the preliminary 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 Fund closed its initial public offering on December 21, 2023 and the Class F Units of the Fund are listed (IGBT.UN) and trade on the TSX. The Fund is an NI 81-102 non-redeemable investment fund. The Fund was offered for purchase to prospective investors of the Agents of the offering and/or the Selling Group only.

Terms defined herein shall have the same meaning as in the Prospectus. There is no guarantee that an investment in the Fund will earn any positive return in the short or long-term, nor is there any guarantee that the net asset value per Unit will appreciate or be preserved. An investment in the Units is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment. 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. See the “Risk Factors” section in the Fund’s Prospectus for a discussion of certain factors that should be considered by prospective investors in Units, including with respect to the Fund’s use of leverage. The Fund is not a trust company and, accordingly, is not registered under the trust company legislation of any jurisdiction. Class A Units and Class F Units are not “deposits” within the meaning of the Canada Deposit Insurance Corporation Act (Canada) and are not insured under provisions of that Act or any other legislation.

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 Manager and are not intended to reflect performance. The following does not purport to be a complete summary of all of the risks associated with an investment in the Fund. Please see the Fund’s Prospectus for a complete listing and description of the risks associated with an investment in the Fund. The Fund is generally exposed to the following risks: No Prior History; No Assurances of Achieving Investment Objectives or Making Distributions; Loss on Investment; General Risks of Investing in Bonds; Market Discount Risk; Limited Term Risk; Passive Investment Strategy; Performance of the Portfolio; Sensitivity

\*Based on Portfolio Securities in the Fund’s Portfolio after the closing of the initial public offering on December 21, 2023 were fully deployed.

(1) Distributions are initially targeted to be \$0.125 per Unit per quarter for the first year and announced yearly thereafter. The targeted quarterly distribution rate is not a projection or prediction of future results of the Fund. There can be no assurance that the Fund will achieve the target distribution rate or any particular level of return. Actual results may vary significantly from the target distribution rate.

### PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

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