

Overview

Nicola Private Debt Fund invests in a diversified portfolio of private credit investments in an open-ended, evergreen fund structure. The Fund seeks to generate attractive income while emphasizing capital preservation by investing primarily in senior secured middle-market corporate debt.

Highlights

Stable income generation – Attractive premium above the returns of typical, publicly traded, non-investment-grade fixed-income securities. Typically generates higher risk-adjusted returns with a long history of delivering recurring cash distributions.

Multi-strategy diversification – Diversified across regions and industries using direct lending, co-investments, and funds accessing senior, unitranche, and mezzanine debt financing in middle-market companies.

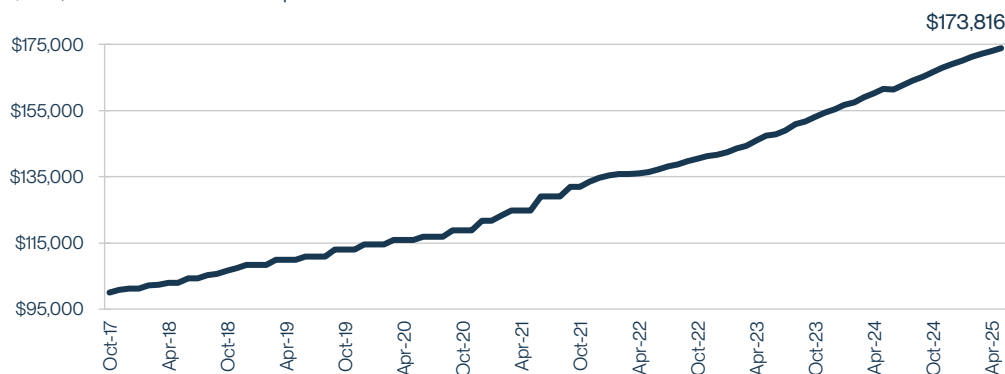
Rigorous risk management – Lower default and loss rates historically, due to meaningful covenants, documentation oversight, and other safeguards. The Fund's holdings also have senior secured placement in borrowers' capital structures.

Low volatility – Aims to generate limited price volatility in challenging markets relative to public fixed-income mark-to-market pricing.

Performance

Cumulative Net Returns

\$100,000 Invested at Inception



Performance Summary

	Cumulative Returns				Annualized Returns				
	YTD	1M	3M	6M	1Y	3Y	5Y	Since Inception	Inception Date
CAD-Hedged	2.8%	0.5%	1.6%	3.5%	7.7%	8.4%	8.4%	7.6%	October 31, 2017
USD	3.7%	0.7%	2.3%	4.3%	8.7%	8.4%	-	7.9%	December 31, 2021

Calendar Year Net Returns

	2024	2023	2022	2021	2020	2019	2018	2017 ⁵
CAD-Hedged	8.9%	9.6%	5.3%	10.7%	6.2%	5.7%	7.1%	1.1%
USD	8.6%	10.6%	4.0%	-	-	-	-	-

About the Fund

Inception Date	October 31, 2017
Net Asset Value (NAV)	C\$1.4B
Distribution Frequency	Monthly
Distribution Yield ¹	9.0%
Liquidity Terms	Monthly ²
Base Currency	CAD

Fund Characteristics

Capital deployed Trailing 12 Month	C\$917.0M
% in Funds vs. Co-Investments	9.2% / 86.3%
No. of Fund vs. Direct / Co-Investments	15 / 125
Senior vs. Subordinated Loans	97.5% / 2.5%
Fixed vs. Floating Loans	4.0% / 96.0%
Average position size	C\$17.1M
Average Borrower EBITDA	US\$92.4M

Risk Metrics (since inception)

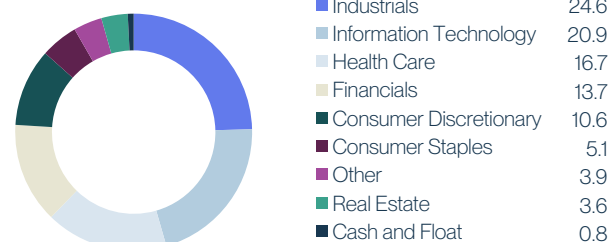
Maximum Drawdown (Jun 2024 – Jun 2024)	0.0%
Best 12 Months (Dec 2020 – Nov 2021)	12.4%
Worst 12 Months (Oct 2019 – Sep 2020)	5.1%
Best Quarter (Q2 2021)	3.4%
Worst Quarter (Q2 2020)	0.8%
Standard Deviation ³	2.1%
Sharpe Ratio ⁴	2.5

Holdings (as of last reported quarter)

Top 10 Holdings

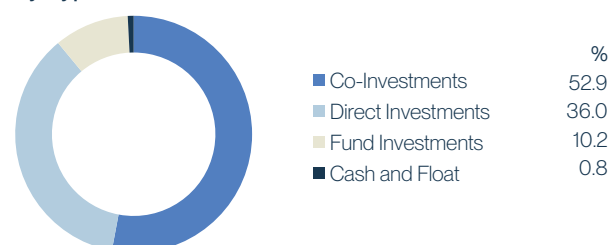
Investment	% of AUM	Description
Project Victory	2.9	Senior Credit Facilities to a health insurance and benefits management service provider
Project Robotto	2.5	Senior Credit Facilities to a value-added distributor of high-reliability semiconductors.
Project Iris	2.5	Senior Credit Facilities to an optometry clinic consolidator
Project Wave	2.4	Senior Credit Facilities to a healthcare patient engagement platform
Project Greenpark	2.1	NAV Loan secured by 27 real estate assets across the U.K., France, Greece, Ireland, Spain, Germany, Poland, and the U.S.
Project Diagnostic	2.1	Senior Credit Facilities to a global developer, manufacturer, and distributor of consumable products and services for the life sciences and diagnostics markets
Project Transform	2.0	Senior Credit Facilities to a leading provider of critical digital transformation services to enterprise and upper-middle market customers
Project Winter	2.0	Senior Credit Facilities to a provider of subscription-based commercial ice machine rental and maintenance, repair, and overhaul services
Project Breeze	1.7	Senior Credit Facilities to a provider of highly engineered commercial HVAC solutions and services
Project Converse	1.7	Senior Credit Facilities to a provider of residential exterior services
Total	21.9	

By Sector



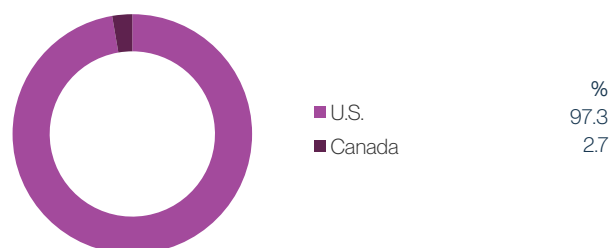
May not add to 100% due to rounding.

By Type



May not add to 100% due to rounding.

By Geography



Disclosure

¹Distribution Yield reflects the annualized fixed distribution rate that the Fund is expected to pay to unitholders, based on the Fund's most recent declared distribution. Distributions are not guaranteed and may vary in amount and frequency over time.

²The fund trades monthly with redemptions requiring six-month's notice.

³Standard deviation is a statistical measure that quantifies the risk of an investment. It indicates how much a fund's return deviates from the average return over a period. A higher standard deviation suggests potentially greater volatility (higher risk), while a lower standard deviation indicates potentially less volatility (lower risk).

⁴Sharpe ratio measures the risk-adjusted return, helping investors understand how much an investment compensates for the risk taken. It is calculated by dividing a fund return less cash (riskless) return by its risk standard deviation.

⁵Return for the fund's first calendar year reflects performance from inception to December 31 of that year.

Nicola Wealth Management Ltd. (Nicola Wealth), the "Fund Manager," is a wealth management and planning firm established in 1994. With a philosophy built on cash flow and diversification, our growing series of funds is managed by members of Nicola Wealth's Asset Management Team.

Past performance is not indicative of future results. All investments contain risk and may gain or lose value. Returns are net of fund expenses charged to date. This is not a sales solicitation. This investment is intended for tax residents of Canada who are accredited investors.

Residency restrictions apply. Please read the relevant documentation for additional details and important disclosure information, including terms of redemption and limited liquidity. Please speak to your Nicola Wealth advisor for advice based on your unique circumstances.

Nicola Wealth is registered as a Portfolio Manager, Exempt Market Dealer and Investment Fund Manager with the required securities commissions.