



FUND FACTS

NewGen Focused Alpha Fund – Class I
NewGen Asset Management Limited
February 15, 2024

This document contains key information you should know about Class I units of the NewGen Focused Alpha Fund (the “Fund”). You can find more details in the Fund’s simplified prospectus. Ask your representative for a copy, contact NewGen Asset Management Limited (“NewGen” or the “Manager”) at 1-833-5 NEWGEN or by email at info@NewGenfunds.com, or visit www.newgenfunds.com.

Before you invest in any fund, consider how the fund would work with your other investments and your tolerance for risk.

This Fund is an alternative mutual fund. It invests in asset classes and/or uses investment strategies that are not permitted for conventional mutual funds. The specific strategies that differentiate this Fund from conventional mutual funds include increased use of derivatives for hedging and non-hedging purposes; increased ability to sell securities short; and the ability to borrow cash to use for investment purposes. While these strategies will be used in accordance with the Fund’s investment objective and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

Quick Facts

| | | | |
|--|---|----------------------------|--|
| Fund code: | NEW 505 | Fund Manager: | NewGen Asset Management Limited |
| Date class started: | February 2, 2021 | Portfolio Manager: | NewGen Asset Management Limited |
| Total value of the fund on December 29, 2023: | \$47.9M | Distributions: | Monthly income distributions at a rate determined by the Manager; Annually any net income and net realized capital gains in excess of monthly distributions by December 15th |
| Management expense ratio (MER): | 0.99% | Minimum investment: | Initial: \$5,000,000, Additional: \$500 |
| Leverage: | The Fund’s aggregate gross exposure must not exceed three times its net asset value, calculated on a daily basis. During normal market conditions, the Fund’s expected range of aggregate gross exposure is one to two times its net asset value. | | |

What does the fund invest in?

The Fund seeks to provide unitholders with long-term capital gains. To achieve this investment objective, the Fund intends to invest in a concentrated portfolio of high-quality equities predominantly listed in Canada. The Fund will primarily invest long, but it may also opportunistically short equities that offer the potential to generate outsized returns and to offset market risk. The Fund will hold a portfolio of approximately 25 core equity positions. It may also invest up to 20% of its NAV in securities of listed in the U.S. or in U.S. issuers when compelling risk-reward opportunities arise. The Fund may also invest in non-public securities, convertible debentures, special purpose acquisition companies (SPACs), options, private investments in public equity (PIPEs), warrants and special warrants. The Fund may also opportunistically implement short-term trading strategies with the aim of generating additional return including investing in event-driven situations such as private placements and initial public offerings (IPOs). The Fund will employ a broad range of alternative investment strategies including fundamental long / short, event-driven strategies and pairs trading, as well as hedging and option strategies.

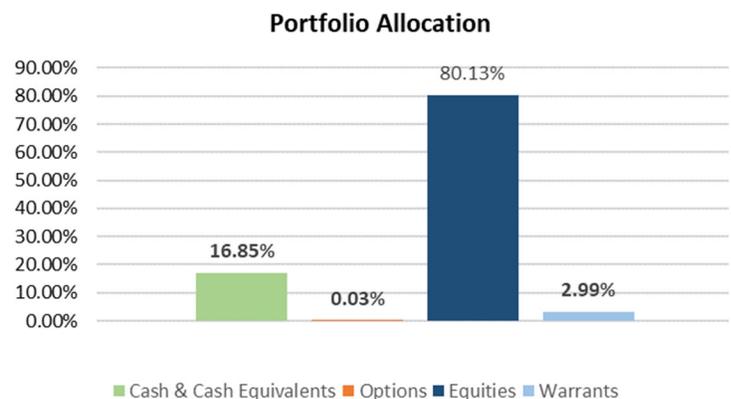
Through the use of cash borrowing, short selling, or specified derivatives, the Fund’s aggregate leverage will not exceed 300% of the fund’s net asset value or as otherwise as permitted under applicable securities legislation. The leverage is calculated in accordance with the methodology prescribed by securities regulations, or any exemptions therefrom.

The charts below give a snapshot of the Fund’s investments on December 29, 2023. The Fund’s investments will change.

Top 10 Investments (December 29, 2023)

| | % of NAV |
|---|---------------|
| 1 CASH & CASH EQUIVALENTS | 16.85% |
| 2 GOEASY LTD | 4.30% |
| 3 OPEN TEXT CORP | 4.11% |
| 4 HAMMOND POWER SOLUTIONS INC | 4.06% |
| 5 TECK RESOURCES LTD CLS B | 3.96% |
| 6 ALARIS ROYALTY CORP | 3.91% |
| 7 MDA LTD | 3.81% |
| 8 CANFOR CORP | 3.76% |
| 9 RB GLOBAL INC | 3.76% |
| 10 SUPERIOR PLUS CORP | 3.65% |
| Total percentage of top 10 investments | 52.17% |
| Total number of investments | 87 |

Investments Mix (December 29, 2023)



How risky is it?

The value of the Fund can go down as well as up. You could lose money.

One way to gauge risk is to look at how much a Fund's returns change over time. This is called "volatility".

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Risk Rating

NewGen has rated the volatility of this Fund as Medium.

This rating is based on how much the Fund's returns have changed from year to year. It doesn't tell you how volatile the Fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.

Low to Medium

Medium

Medium to High

For more information about the risk rating and specific risks that can affect the Fund's returns, see the *What are the Risks of Investing in the Fund* section of the Fund's simplified prospectus.

No guarantees

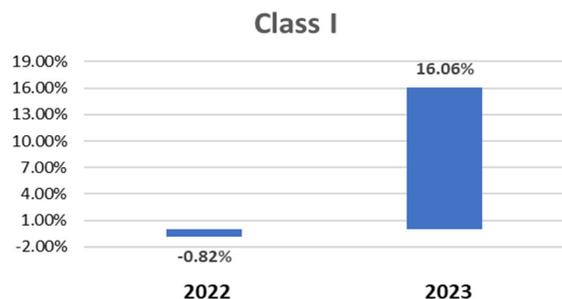
Like most mutual funds, this fund doesn't have any guarantees. You may not get back the money you invest.

How has the Fund performed?

This section tells you how Class I Units of the Fund have performed since its inception. Returns are after expenses have been deducted. These expenses reduce the Fund's returns.

Year-by-year returns

This chart shows how the Class I units of the Fund have performed over its two full calendar years of existence. The Fund dropped in value in one of the two calendar years. The range of returns and change from year to year can help you assess how risky the Fund has been in the past. It does not tell you how the Fund will perform in the future.



Best and worst 3-month returns

This table shows the best and worst returns for Class I units of the Fund in a 3-month period since inception. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

| | Return | 3 months ending | If you invested \$1,000 at the beginning of the period |
|---------------------|---------|-----------------|--|
| Best Return | 13.83% | 31-01-2023 | Your investment would rise to \$1,138.30. |
| Worst Return | -11.34% | 30-06-2022 | Your investment would drop to \$.886.60 |

Average returns

A person who invested \$1,000 in Class I units of the Fund since its inception now has \$1,480.42. This works out to an annual compound return of 15.33%.

Who is this fund for?

Investors who:

- Plan to invest for the medium to long term
- Want access to research-driven investing
- Want to gain exposure to an actively managed portfolio of Canadian equities
- Want correlation to the equity market in their portfolio, and
- Are comfortable with a medium risk level.

The Fund is not an appropriate investment if you have a short-term investment horizon.

A word about tax

In general, you'll have to pay income tax on any money you make on a fund. How much you pay depends on the tax laws where you live and whether or not you hold the Fund in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your fund outside a registered plan, fund distributions are included in your income for tax purposes, whether you get them in cash or have them reinvested.

How much does this cost?

The following tables show the fees and expenses you could pay to buy, own and sell Class I Units of the Fund.

The fees and expenses – including any commissions – can vary among classes of a fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

1. Sales charges

No sales charges apply when you purchase Class I Units of the Fund.

2. Fund expenses

You don't pay these expenses directly. They affect you because they reduce the Fund's returns.

You may also directly pay to the Manager a management and/or performance fee (in accordance with applicable regulatory requirements), on such terms as are negotiated between you and the Manager. The total return is calculated after accounting for all other expenses of the Fund.

As of June 30, 2023, the Fund's Class I expenses were 4.03% of the Fund's Class I value. This equals to \$40.30 for every \$1,000 invested.

| ANNUAL RATE (AS A % OF THE FUND'S VALUE) | |
|--|--------------|
| Management expense ratio (MER) This is the total of the Class I's share of the operating expenses and the Fund's proportionate share of the MER, if applicable, of any underlying fund(s). | 0.99% |
| Trading expense ratio (TER) These are the Fund's trading costs. | 3.04% |
| Fund expenses | 4.03% |

More about the trailing commission

There is no trailing commission payable by NewGen in respect of Class I Units of the Fund.

3. Other Fees

You may have to pay other fees when you buy, hold, sell or redesignate units of the Fund.

| Fee | What you pay |
|-------------------------------|--|
| Short-term trading fee | Up to 2.00% of the value of units you sell within 90 days of buying them. This fee goes to the Fund. |
| Redesignation fee | Up to 2.00% of the value of the units you redesignate. This fee goes to your representative. |
| Management fee | The annual management fee for your Class I units is negotiated and paid directly by you to the Manager and will not exceed 2.00% of the value of your units. |
| Performance fee | You may directly pay to the Manager a performance fee, on such terms as are negotiated between you and the Manager. |

What if I change my mind?

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual funds within two business days after you receive a simplified prospectus or Fund Facts document, or
- cancel your purchase order within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, Fund Facts document or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

For more information

Contact NewGen or your representative for a copy of the Fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the Fund's legal documents.

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To learn more about investing in mutual funds, see the brochure **Understanding mutual funds**, which is available on the website of the Canadian Securities Administrators at www.securities-administrators.ca.