



**NEWGEN ALTERNATIVE INCOME FUND**  
**MANAGEMENT REPORT OF FUND PERFORMANCE**

For the year ended December 31, 2025

NewGen Asset Management Limited.  
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# **NEWGEN ALTERNATIVE INCOME FUND**

## **MANAGEMENT REPORT OF FUND PERFORMANCE**

Financial Highlights – December 31, 2025

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This annual Management Report of Fund Performance (“MRFP”) contains financial highlights but does not contain the Fund’s complete annual Financial Statements. You can obtain a free copy of the Financial Statements by calling 1-833-563-9436, writing to NewGen Asset Management Limited, Commerce Court North., Suite 2900, 25 King Street West, PO Box 405, Toronto, ON, M5L1G3 or by visiting our website at [www.newgenfunds.com](http://www.newgenfunds.com) or visiting SEDAR+ website at [www.sedarplus.com](http://www.sedarplus.com).

Securityholders may also contact us using one of these methods to request a copy of the investment fund’s proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

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### Forward-Looking Statements (“FLS”)

The Management Report of Fund Performance may contain forward-looking statements. FLS means disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action and includes any future-oriented financial information (“FOFI”) with respect to prospective results of operations, financial position or cash flows that is presented either as a forecast or a projection. FOFI is FLS about prospective results of operations, financial position or cash flows, based on assumptions about future economic conditions and courses of action.

FLS can be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “target”, “project”, “estimate”, “intend”, “continue” or “believe”, or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of one of the Fund may differ materially from those reflected or contemplated in such forward-looking information and statements. Material risk factors that could affect actual results are identified under the heading “What are the Risks of Investing in the Fund?” in the Fund’s Simplified Prospectus. Investors are also cautioned that FLS is based on a number of factors and assumptions, including the Fund’s current plans, estimates, opinions and analysis made in light of its experience, current conditions and expectations of future developments, as well as other relevant factors. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This Management Report of Fund Performance represents the portfolio management team’s view of the significant factors and developments affecting the investment fund’s performance and outlook for the year ended December 31, 2025. Every effort has been made to ensure the information contained in this Management Report of Fund Performance is accurate and complete, however, the investment fund cannot guarantee the accuracy or the completeness of this material. For more information, please refer to the Fund’s Simplified Prospectus (“Prospectus”) and the audited financial statements. In this report, “Manager”, refers to NewGen Asset Management Limited, the Manager of the Fund. The “Fund” refers to the NewGen Alternative Income Fund. In addition, “net asset value” or “NAV” refers to the value of the Fund as calculated for transaction purposes, on which the discussion of Fund performance is based. All dollar figures are reported in Canadian dollars or in thousands of Canadian dollars, unless otherwise indicated.

### Investment Objective and Strategies

The Fund's principal investment objective is to provide investors with a combination of steady long-term capital appreciation and a stable stream of income. The Manager will place a strong emphasis on risk management and defensive market positioning in order to reduce beta (i.e., systemic risk) and preserve capital in adverse market conditions. As a result, the objective is to deliver a unique return profile that has a low correlation and low volatility when compared to traditional equity market indices. The Fund may use leverage. The leverage will be created through the use of cash borrowings, short sales and derivative contracts. The aggregate gross exposure of the Fund shall not exceed the limits on the use of leverage permitted under applicable securities legislation.

The Fund invests both long and short in an actively managed diversified portfolio of predominantly Canadian securities (equities, fixed income, preferred shares, warrants, SPACs and options). It employs a broad range of strategies including fundamental long/short, opportunistic long/short, pairs trading, hedging and option strategies. The employs disciplined risk management and defensive market positioning in order to reduce market Beta and preserve capital in adverse market conditions.

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### **Risk**

The Fund is suitable for someone who is looking for steady long-term capital appreciation and a stable stream of income in a diversified portfolio of investments to hold as part of their balanced portfolio and has a medium to longer term investment horizon.

General risks of an investment in the Fund are detailed in the simplified prospectus and include arbitrage risk, concentration risk, convertible securities risk, credit risk, currency risk, derivatives risk, large transaction risk, leverage risk, interest rate risk, legislation risk, market risk, multiple classes risk, cyber security risk, Coronavirus pandemic risk, among others.

There were no significant changes to the investment objectives and strategies that affected the Fund's overall level of risk during the reporting period. The risks of investing in the Fund and the suitability of the Fund for investors remains as discussed in the simplified prospectus.

#### *Terrorism, War, Natural Disaster and Epidemic Risk*

Terrorism, war, military confrontations and related geopolitical events (and their aftermath) can lead to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally. Likewise, natural and environmental disasters, such as, for example, earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, as well as wide-spread disease and virus epidemics, can be highly disruptive to economies and markets into the medium term, adversely affecting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors impacting the value of the Funds' investments.

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### Results of Operations

During the year ended December 31, 2025, Class F units returned 19.21%, Class F (USD) units returned 21.06%, Class G units returned 18.17%, Class G (USD) units returned 20.02% and Class I units returned 24.74%, after fees and including distributions. By comparison, the Fund benchmark index comprised of 2/3<sup>rd</sup> S&P/TSX Composite Dividend Total Return Index and 1/3<sup>rd</sup> S&P Canada High Yield Corporate Bond Total Return Index was up by 20.74%, on a total return basis. It is important to note that the Fund's return reflects the effect of fees and expenses for professional management and it comprises both long and short positions, while the fund benchmark indices do not have such costs and are fully invested.

The net asset value (NAV) of the Fund increased by \$51.2 million to \$295.6 million from December 31, 2024 to December 31, 2025, with the main changes to equity derived through a combination of \$16.5 million in net inflows, \$11.6 million in distributions and \$46.3 million in net gain.

2025 marked another year of strong performance, with global equity markets posting double-digit returns. U.S. equities continued their impressive run, as the S&P 500 generated high-teens total returns for the third consecutive year. Performance was propelled by resilient earnings growth in large-cap technology, a better-than-feared consumer, and positive sentiment surrounding AI-driven economic growth. Canadian markets outperformed, with the S&P/TSX Composite Index surging 28%, its strongest performance in the past five years. This rally was driven by a potent mix of surging commodity prices—particularly precious metals—alongside Bank of Canada interest rate cuts that alleviated pressure on interest-sensitive sectors such as Financials, Technology, Utilities, and Consumer Discretionary.

Market volatility remained a defining feature of the year, as investors grappled with evolving expectations for the global monetary policy cycle, persistent geopolitical uncertainties, and debates over the sustainability of artificial intelligence investments. Equities experienced a notable pullback in the second quarter amid tariff concerns, hotter-than-expected inflation data, and delayed rate-cut expectations, only to rebound strongly in the second half as major central banks shifted toward synchronized easing. Intraday swings were pronounced and closely tied to key economic releases on inflation, employment, and policy signals, highlighting markets' acute sensitivity to macroeconomic developments.

Unlike the narrow U.S. mega-cap leadership of prior years, 2025 saw improved market breadth, with emerging markets and non-U.S. developed equities posting strong gains. These advances were fueled by an earnings recovery, a weakening U.S. dollar, and attractive valuation multiples. Technology and AI-related themes remained key drivers, though investor focus shifted toward infrastructure requirements in power, semiconductors, and data centers.

In Canada, sector dynamics favored commodities and cyclicals. The TSX Materials sector nearly doubled, propelled by gold's more than 50% advance to repeated all-time highs above \$4,000 per ounce. This strength was supported by central bank purchases, falling real yields, and an increasing demand for hard-asset exposure. Financials and Industrials delivered robust contributions amid steepening yield curves and rising business investment, while Energy posted steady gains despite lower oil prices. Bitcoin diverged sharply, declining more than 30% from late-year peaks near \$126,000, underscoring gold's resurgence as the premier safe-haven asset.

During the year from January 1, 2025 to December 31, 2025, the Fund did not breach the aggregate gross exposure limit of 300% of the Fund's NAV as prescribed by securities legislation, while the Fund's aggregate gross exposure ranged from 108.4% to 240.1% of the Fund's NAV during such period of time. As at December 31, 2025, the Fund's aggregate gross exposure was 118.2%. The primary source of leverage was short positions in equity securities.

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### Recent Developments

Into early 2026, central banks executed their most aggressive easing campaign since the global financial crisis, with the Federal Reserve, Bank of Canada, ECB, and Bank of England delivering rate cuts as inflation targets were met and economic growth softened. This policy pivot supported risk assets but also sparked debate around the durability of growth without further stimulus.

The AI narrative remains fluid, with a shifting emphasis on execution, capital efficiency, and energy intensity. Meanwhile, the market is constantly reassessing the underlying value of intangible assets and the future nature of the knowledge economy at large.

Canadian equities have continued to attract fresh capital, supported by valuations that trade at a discount to U.S. peers, commodities exposure, and a reliable history of dividend income. We view these to be compelling when assessing the TSX for investible themes and opportunities.

### Fund Risk Level Benchmarking

A change has been made to the Fund risk level benchmarking. The manager has decided to change the benchmark for the Fund from S&P/TSX Composite Index TR to a custom index comprising 2/3rd S&P/TSX Composite Dividend Total Return Index and 1/3rd S&P Canada High Yield Corporate Bond Total Return Index. This custom index more accurately reflects the Fund's underlying portfolio mix and investment objective of seeking income and capital appreciation through an actively managed portfolio of equities (primarily dividend – paying stocks) and high-yield bonds. The new benchmark provides a more representative measure for evaluating the Fund's performance relative to its actual risk and income profile.

The manager will monitor the reasonableness of the reference index on an annual basis or more frequently, if necessary. The Fund risk level remains unchanged.

### Related Party Transactions

#### Management fees:

As a result of providing investment and management services, the Manager receives a management fee calculated and accrued daily based on the NAV of the class of units of the Fund, plus applicable taxes, payable on the last day of each calendar month. For the year ended December 31, 2025, the Fund incurred management fees of \$3,209,100 plus applicable taxes. Management fees, if any, in respect of Class I units are direct fees negotiated with the investor.

The Manager uses these management fees to pay for sales and trailing commissions to registered dealers on the distribution of the Fund's shares, investment advice, as well as general administrative expenses relating to the Manager's role as Manager.

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The following is a breakdown:

Class of Units	Annual Rates	As a Percentage of Management Fees	
		Dealer Compensation	General Administration and Investment Advice
Class F units	1.00%	0.0%	100.0%
Class F (USD) units	1.00%	0.0%	100.0%
Class G units	2.00%	50.0%	50.0%
Class G (USD) units	2.00%	50.0%	50.0%
Class I units	Negotiable*	0.0%	100.0%

\*Negotiated by the investor and paid directly by the investor. The management fee rate would not exceed the management fee payable on Class G units of the Fund.

### Performance fees:

The Manager receives a performance fee in respect of each class of units of the Fund. The Fund will pay the Manager a performance fee each calendar quarter (a “Performance Fee Determination Period”) equal to 15% of the Net Profit (as defined below) of each applicable class of units subject to the High Watermark (as defined below). The performance fee will be calculated and accrued for each class on a daily basis during each Performance Fee Determination Period and, with respect to an intra-quarter redemption of units of a class, on the relevant redemption date. For the year ended December 31, 2025, the total performance fees incurred were \$9,439,610.

Net Profit means, in respect of any class of units of the Fund for any Valuation Day, the positive amount (if any) calculated by deducting the NAV per unit of the class for that Valuation Day from the highest NAV per unit in respect of which a performance fee liability has previously arisen (the “High Watermark”) (or the initial offering price of the units if no performance fee liability has previously arisen in respect of such class of units). The performance fee will be determined by multiplying the amount of Net Profit by the total number of the units of such class outstanding at the close of business on such Valuation Day.

No performance fee shall be paid in respect of a class unless the class NAV per unit exceeds the High Watermark and, in such circumstances, a performance fee shall only be paid on that portion of the Net Profit that exceeds the High Watermark.

Investors in Class I units may negotiate a performance fee to be paid by the investor that is different than the one described above or no performance fee at all.

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### Financial Highlights

The following tables show selected key financial information about the Class F, Class F (USD), Class G, Class G (USD) and Class I units of the Fund, respectively, and are intended to help you understand the Fund's financial performance for the past year and four previous periods.

The Fund's Net Asset Value (NAV) per Class F Unit (1)	2025	2024	2023	2022	2021
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	<b>\$12.25</b>	<b>\$10.74</b>	<b>\$11.37</b>	<b>\$12.07</b>	<b>\$11.54</b>
<b>Increase (decrease) from operations</b>					
Total revenue	0.92	1.25	0.99	0.87	1.03
Total expenses	(0.73)	(0.69)	(0.24)	(0.21)	(0.51)
Realized gain (loss) for the year	1.78	(0.02)	(0.32)	(0.11)	(0.03)
Unrealized gain (loss) for the year	0.31	1.67	(0.35)	(0.63)	0.41
<b>Total increase (decrease) from operations (2)</b>	<b>2.28</b>	<b>2.21</b>	<b>0.08</b>	<b>(0.08)</b>	<b>0.90</b>
<b>Distributions:</b>					
From net income (excluding dividends)	-	0.31	(0.42)	(0.75)	(0.51)
From dividends	0.10	0.46	(0.31)	-	-
From capital gains	0.49	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total Annual Distributions (2) (3)</b>	<b>0.59</b>	<b>0.77</b>	<b>(0.73)</b>	<b>(0.75)</b>	<b>(0.51)</b>
<b>Net assets attributable to holders of redeemable units, end of year (2)</b>	<b>13.95</b>	<b>12.25</b>	<b>10.74</b>	<b>11.37</b>	<b>12.07</b>

### Ratios and Supplemental Data

Total Net Asset Value (4)	\$ 250,273,237	\$ 205,533,744	\$ 237,185,045	\$ 358,698,141	\$ 348,354,902
Number of units outstanding (4)	17,944,616	16,777,724	22,080,711	31,537,873	28,854,145
Management expense ratio (including performance fees) (5)	5.06%	5.25%	1.37%	1.48%	2.82%
Management expense ratio (excluding performance fees) (5)	1.37%	1.41%	1.31%	1.27%	1.36%
Trading expense ratio (6)	1.84%	1.57%	0.77%	0.44%	1.76%
Fund expense ratio (7)	6.90%	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate (8)	1668.88%	1387.86%	576.11%	180.04%	337.31%
<b>Net Asset Value per Unit</b>	<b>13.95</b>	<b>12.25</b>	<b>10.74</b>	<b>11.37</b>	<b>12.07</b>

The Fund's Net Asset Value (NAV) per Class F (USD) Unit (1)	2025	2024	2023	2022	2021
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	<b>\$14.53</b>	<b>\$11.66</b>	<b>\$12.64</b>	<b>\$12.47</b>	<b>\$10.00</b>
<b>Increase (decrease) from operations</b>					
Total revenue	1.08	1.44	1.10	0.90	1.14
Total expenses	(0.92)	(0.78)	(0.27)	(0.22)	(0.41)
Realized gain (loss) for the year	2.36	0.76	(0.51)	0.70	0.32
Unrealized gain (loss) for the year	(0.18)	2.10	(0.41)	(0.56)	(0.27)
<b>Total increase (decrease) from operations (2)</b>	<b>2.34</b>	<b>3.52</b>	<b>(0.09)</b>	<b>0.82</b>	<b>0.78</b>
<b>Distributions:</b>					
From net income (excluding dividends)	-	0.32	(0.47)	(0.76)	(0.67)
From dividends	0.08	0.56	(0.34)	-	-
From capital gains	0.60	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total Annual Distributions (2) (3)</b>	<b>0.68</b>	<b>0.88</b>	<b>(0.81)</b>	<b>(0.76)</b>	<b>(0.67)</b>
<b>Net assets attributable to holders of redeemable units, end of year (2)</b>	<b>15.99</b>	<b>14.53</b>	<b>11.66</b>	<b>12.64</b>	<b>12.47</b>

### Ratios and Supplemental Data

Total Net Asset Value (4)	\$ 5,548,703	\$ 4,345,092	\$ 5,540,785	\$ 11,354,207	\$ 8,537,112
Number of units outstanding (4)	346,990	299,116	475,096	898,339	684,802
Management expense ratio (including performance fees) (5)	5.53%	5.31%	1.43%	1.45%	2.12%
Management expense ratio (excluding performance fees) (5)	1.40%	1.42%	1.32%	1.29%	1.37%
Trading expense ratio (6)	1.84%	1.57%	0.77%	0.44%	1.76%
Fund expense ratio (7)	7.37%	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate (8)	1668.88%	1387.86%	576.11%	180.04%	337.31%
<b>Net Asset Value per Unit</b>	<b>15.99</b>	<b>14.53</b>	<b>11.66</b>	<b>12.64</b>	<b>12.47</b>

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The Fund's Net Asset Value (NAV) per Class G Unit (1)	2025	2024	2023	2022	2021
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	<b>\$11.81</b>	<b>\$10.36</b>	<b>\$10.90</b>	<b>\$11.63</b>	<b>\$11.12</b>
<b>Increase (decrease) from operations</b>					
Total revenue	0.91	1.21	0.94	0.87	0.97
Total expenses	(0.81)	(0.75)	(0.34)	(0.32)	(0.61)
Realized gain (loss) for the year	1.75	-	(0.29)	(0.13)	(0.02)
Unrealized gain (loss) for the year	0.25	1.64	(0.30)	(0.65)	0.48
<b>Total increase (decrease) from operations (2)</b>	<b>2.10</b>	<b>2.10</b>	<b>0.01</b>	<b>(0.23)</b>	<b>0.82</b>
<b>Distributions:</b>					
From net income (excluding dividends)	-	0.25	(0.28)	(0.63)	(0.37)
From dividends	0.03	0.44	(0.29)	-	-
From capital gains	0.41	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total Annual Distributions (2) (3)</b>	<b>0.44</b>	<b>0.69</b>	<b>(0.57)</b>	<b>(0.63)</b>	<b>(0.37)</b>
<b>Net assets attributable to holders of redeemable units, end of year (2)</b>	<b>13.45</b>	<b>11.81</b>	<b>10.36</b>	<b>10.90</b>	<b>11.63</b>

### Ratios and Supplemental Data

Total Net Asset Value (4)	\$ 37,916,910	\$ 32,768,255	\$ 35,337,618	\$ 39,238,885	\$ 47,010,794
Number of units outstanding (4)	2,818,352	2,775,187	3,410,746	3,600,352	4,042,056
Management expense ratio (including performance fees) (5)	5.93%	5.96%	2.42%	2.54%	3.86%
Management expense ratio (excluding performance fees) (5)	2.47%	2.51%	2.42%	2.37%	2.46%
Trading expense ratio (6)	1.84%	1.57%	0.77%	0.44%	1.76%
Fund expense ratio (7)	7.77%	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate (8)	1668.88%	1387.86%	576.11%	180.04%	337.31%
<b>Net Asset Value per Unit</b>	<b>13.45</b>	<b>11.81</b>	<b>10.36</b>	<b>10.90</b>	<b>11.63</b>

The Fund's Net Asset Value (NAV) per Class G (USD) Unit (1)	2025	2024	2023	2022	2021
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	<b>\$14.08</b>	<b>\$11.28</b>	<b>\$12.04</b>	<b>\$12.62</b>	<b>\$10.00</b>
<b>Increase (decrease) from operations</b>					
Total revenue	1.04	1.49	1.02	1.09	0.89
Total expenses	(1.00)	(1.05)	(0.38)	(0.35)	(0.36)
Realized gain (loss) for the year	2.13	1.02	(0.41)	0.11	0.60
Unrealized gain (loss) for the year	(0.22)	2.74	(0.28)	(0.45)	(1.13)
<b>Total increase (decrease) from operations (2)</b>	<b>1.95</b>	<b>4.20</b>	<b>(0.05)</b>	<b>0.40</b>	<b>-</b>
<b>Distributions:</b>					
From net income (excluding dividends)	-	0.38	(0.30)	(0.84)	(0.39)
From dividends	-	0.46	(0.29)	-	-
From capital gains	0.52	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total Annual Distributions (2) (3)</b>	<b>0.52</b>	<b>0.84</b>	<b>(0.59)</b>	<b>(0.84)</b>	<b>(0.39)</b>
<b>Net assets attributable to holders of redeemable units, end of year (2)</b>	<b>15.50</b>	<b>14.08</b>	<b>11.28</b>	<b>12.04</b>	<b>12.62</b>

### Ratios and Supplemental Data

Total Net Asset Value (4)	\$ 632,107	\$ 571,410	\$ 148,012	\$ 298,319	\$ 1,008,693
Number of units outstanding (4)	40,769	40,593	13,121	24,775	79,952
Management expense ratio (including performance fees) (5)	6.33%	7.32%	2.46%	2.41%	2.74%
Management expense ratio (excluding performance fees) (5)	2.53%	2.59%	2.46%	2.41%	2.55%
Trading expense ratio (6)	1.84%	1.57%	0.77%	0.44%	1.76%
Fund expense ratio (7)	8.17%	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate (8)	1668.88%	1387.86%	576.11%	180.04%	337.31%
<b>Net Asset Value per Unit</b>	<b>15.50</b>	<b>14.08</b>	<b>11.28</b>	<b>12.04</b>	<b>12.62</b>

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The Fund's Net Asset Value (NAV) per Class I Unit (1)	2025	2024	2023	2022	2021
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	<b>\$13.36</b>	<b>\$11.51</b>	<b>\$12.11</b>	<b>\$12.85</b>	<b>\$12.23</b>
<b>Increase (decrease) from operations</b>					
Total revenue	1.03	1.40	1.04	0.93	1.19
Total expenses	(0.14)	(0.15)	(0.12)	(0.06)	(0.23)
Realized gain (loss) for the year	1.97	0.04	(0.26)	(0.12)	(0.07)
Unrealized gain (loss) for the year	0.19	1.85	(0.32)	(0.67)	0.29
<b>Total increase (decrease) from operations (2)</b>	<b>3.05</b>	<b>3.14</b>	<b>0.34</b>	<b>0.08</b>	<b>1.18</b>
<b>Distributions:</b>					
From net income (excluding dividends)	-	0.81	(0.58)	(0.97)	(0.94)
From dividends	0.78	0.49	(0.31)	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total Annual Distributions (2) (3)</b>	<b>0.78</b>	<b>1.30</b>	<b>(0.89)</b>	<b>(0.97)</b>	<b>(0.94)</b>
<b>Net assets attributable to holders of redeemable units, end of year (2)</b>	<b>15.76</b>	<b>13.36</b>	<b>11.51</b>	<b>12.11</b>	<b>12.85</b>
<b>Ratios and Supplemental Data</b>					
Total Net Asset Value (4)	\$ 1,268,210	\$ 1,258,951	\$ 1,065,295	\$ 1,411,765	\$ 1,290,594
Number of units outstanding (4)	80,475	94,241	92,533	116,611	100,465
Management expense ratio (including performance fees) (5)	0.27%	0.31%	0.22%	0.17%	0.25%
Management expense ratio (excluding performance fees) (5)	0.27%	0.31%	0.22%	0.17%	0.25%
Trading expense ratio (6)	1.84%	1.57%	0.77%	0.44%	1.76%
Fund expense ratio (7)	2.11%	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate (8)	1668.88%	1387.86%	576.11%	180.04%	337.31%
<b>Net Asset Value per Unit</b>	<b>15.76</b>	<b>13.36</b>	<b>11.51</b>	<b>12.11</b>	<b>12.85</b>

### Notes:

- (1) This information is derived from the Fund's financial statements for December 31, 2025, December 31, 2024, December 31, 2023, December 31, 2022 and December 31, 2021 for Class F (USD), Class G (USD) and from the financial statements for December 31, 2025, December 31, 2024, December 31, 2023, December 31, 2022, and December 31, 2021 for Class F, Class G and Class I and is not a reconciliation of beginning and ending net assets per unit.
- (2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/(decrease) from operations is based on the weighted average number of units outstanding over the financial year.
- (3) Distributions were paid in cash or automatically reinvested in additional units of the Fund, or both.
- (4) This information is provided as at December 31, of the years shown, as applicable.
- (5) Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average NAV during the year.
- (6) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average NAV during the year. Included in the trading expense ratio are the forward fees.
- (7) The fund expense ratio represents total fund expenses expressed as an annualized percentage of daily average NAV during the year. It is the sum of the management expense ratio and the trading expense ratio, inclusive of performance fees and net of any fee waivers, rebates or absorptions. Prior-year fund expense ratios are not presented, as year-over-year comparisons are not mandated under total cost reporting requirements.
- (8) The Fund's portfolio turnover rate indicates how actively the Fund's advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the investments in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in the year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

# NEWGEN ALTERNATIVE INCOME FUND

## MANAGEMENT REPORT OF FUND PERFORMANCE

Financial Highlights – December 31, 2025

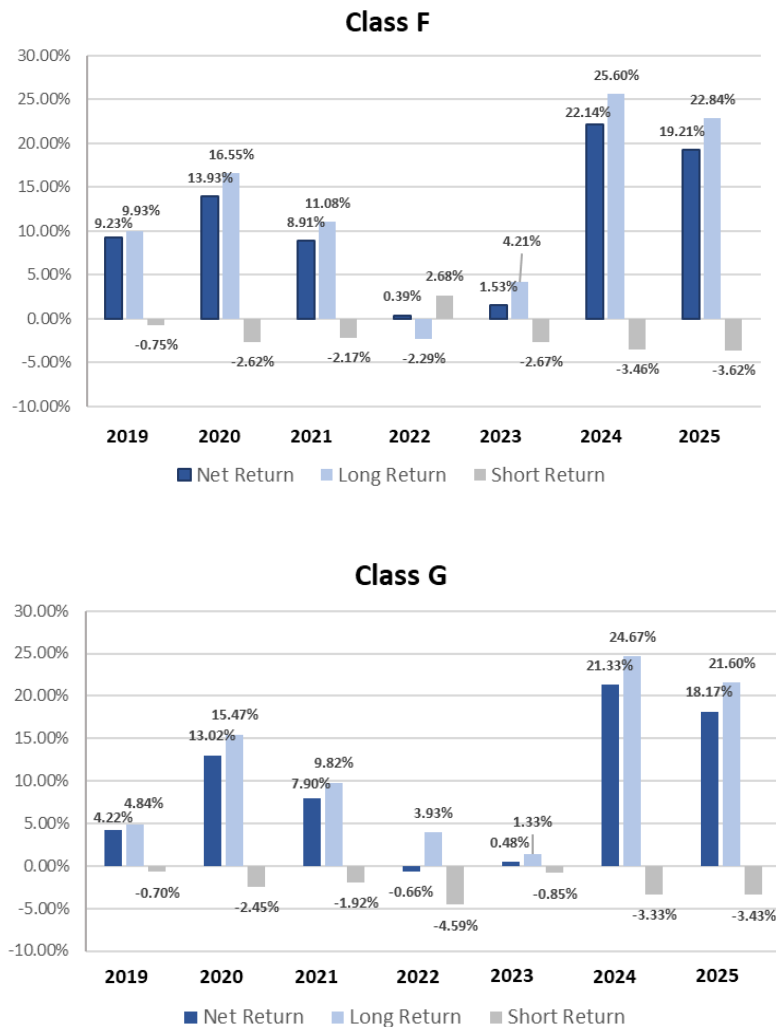
### Past performance of the Fund

The following bar charts present the performance of each class of the Fund for each of the fiscal periods shown. The charts show, in percentage terms, how much an investment made on the first day of each period, or on the class inception date, as applicable, would have increased or decreased by the last day of the period presented. The following information shown assumes that all distributions made by the Fund in the period shown were reinvested in additional securities of the investment fund and does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. As required under applicable securities regulation, the return of the Fund's long and short portfolio positions are shown for each class in addition to the overall total return for each such class.

How the investment fund has performed in the past does not necessarily indicate how it will perform in the future.

### Year-by-Year Returns

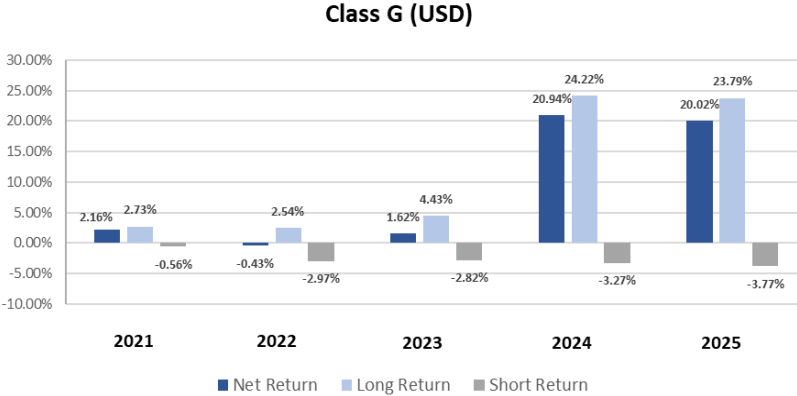
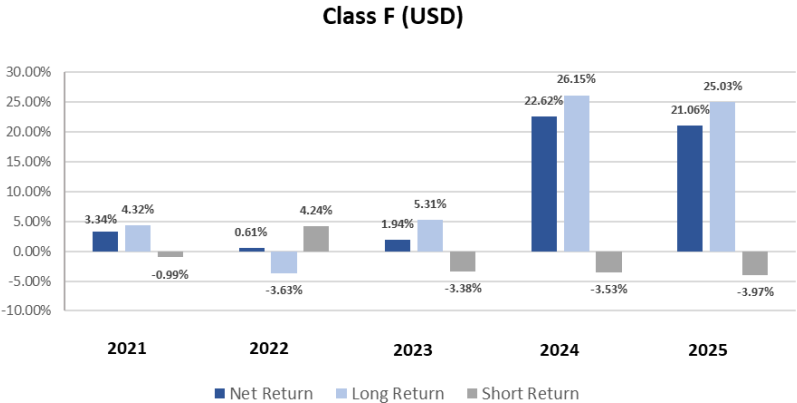
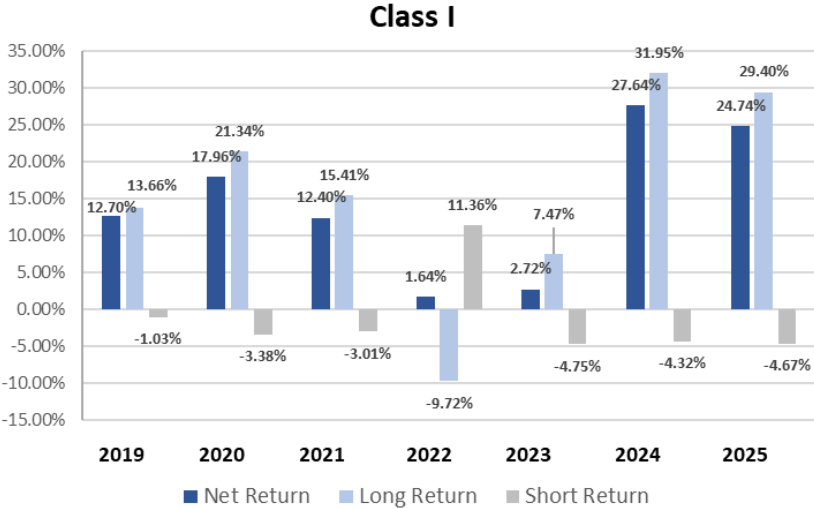
The following charts indicate the performance of each class of the Fund for the periods shown and illustrates how the Fund's performance has changed from year to year. The charts show, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of the financial year.



# NEWGEN ALTERNATIVE INCOME FUND

## MANAGEMENT REPORT OF FUND PERFORMANCE

Financial Highlights – December 31, 2025



**Notes:**

1. The inception date for the Class F units, Class G units and Class I units is January 22, 2019.
2. The inception date for Class F (USD) and Class G (USD) is February 2, 2021. The actual trading of Class F (USD) units and Class G (USD) units commenced on February 19, 2021, and April 26, 2021, respectively.
3. The 2025 returns are for the year ended December 31, 2025.

# NEWGEN ALTERNATIVE INCOME FUND

## MANAGEMENT REPORT OF FUND PERFORMANCE

Financial Highlights – December 31, 2025

### Annual Compound Returns

The table shows the annual compound total returns for each of the years shown ended December 31, 2025, for each Class of the Fund and the respective long and short portfolio positions as compared to the Fund comparative index comprised of 2/3rd S&P/TSX Composite Dividend Total Return Index and 1/3rd S&P Canada High Yield Corporate Bond Total Return Index.

The S&P/TSX Composite Dividend Index aims to provide a broad-based benchmark of Canadian dividend-paying stocks. The S&P Canada High Yield Corporate Bond Index tracks the performance of Canadian dollar-denominated, below-investment-grade corporate debt publicly issued in the Canadian domestic market.

<b>Compound Returns (1)(2)(3)(4)</b>	<b>5 Year</b>	<b>3 Year</b>	<b>1 Year</b>	<b>Annualized Since Inception</b>
Total Portfolio - Class F units (1)	10.08%	13.92%	19.21%	10.50%
Long portfolio - Class F units	12.26%	17.17%	22.84%	12.97%
Short portfolio - Class F units	-2.18%	-3.25%	-3.62%	-2.47%
Total Portfolio - Class F (USD) units (2)		14.80%	21.06%	9.65%
Long portfolio - Class F (USD) units		18.26%	25.03%	11.82%
Short portfolio - Class F (USD) units		-3.46%	-3.97%	-2.16%
Total Portfolio - Class G units (1)	9.08%	12.94%	18.17%	8.92%
Long portfolio - Class G units	11.04%	15.97%	21.60%	11.02%
Short portfolio - Class G units	-1.96%	-3.02%	-3.43%	-2.10%
Total Portfolio - Class G (USD) units (2)		13.83%	20.02%	8.92%
Long portfolio - Class G (USD) units		17.06%	23.79%	10.82%
Short portfolio - Class G (USD) units		-3.23%	-3.77%	-1.91%
Total Portfolio - Class I units (1)	13.32%	17.82%	24.74%	13.88%
Long portfolio - Class I units	16.19%	21.98%	29.40%	17.14%
Short portfolio - Class I units	-2.88%	-4.16%	-4.67%	-3.26%
Benchmark Return (4)	12.86%	15.59%	20.74%	11.32%

Notes:

- (1) The inception date for the Class F units, Class G units and Class I units is January 22, 2019.
- (2) The inception date for Class F (USD) and Class G (USD) is February 2, 2021. The actual trading of Class F (USD) units and Class G (USD) units commenced on February 19, 2021, and April 26, 2021, respectively.
- (3) One year compound return is for most recent completed financial year ended December 31, 2025.
- (4) Comparative benchmark return represented by 2/3rd S&P/TSX Composite Dividend Total Return Index and 1/3rd S&P Canada High Yield Corporate Bond Total Return Index.

# NEWGEN ALTERNATIVE INCOME FUND

## MANAGEMENT REPORT OF FUND PERFORMANCE

Financial Highlights – December 31, 2025

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### Summary of Investment Portfolio

The following table shows selected key financial information about the Fund, and is intended to assist in the understanding of the Fund's financial performance for the year ended December 31, 2025.

### Portfolio Composition

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Sector Allocation	% of Net Assets Value
<b>Long Allocations</b>	
Basic Materials	24.75
Consumer, Cyclical	8.43
Consumer, Non-cyclical	4.50
Energy	17.91
Financial	19.46
Funds	0.11
Industrial	11.12
Technology	8.41
Utilities	4.19
Cash And Other Net Assets	9.37
<b>Total Long Allocations</b>	<b>108.25</b>
<b>Short Allocations</b>	
Basic Materials	(1.54)
Consumer, Cyclical	(0.03)
Consumer, Non-cyclical	(0.55)
Financial	(2.06)
Industrial	(0.86)
Technology	(1.06)
Utilities	(2.15)
<b>Total Short Allocations</b>	<b>(8.25)</b>
<b>Total Net Assets Value (000's)</b>	<b>\$ 295,639.00</b>

# NEWGEN ALTERNATIVE INCOME FUND

## MANAGEMENT REPORT OF FUND PERFORMANCE

### Financial Highlights – December 31, 2025

#### Top 25 Holdings

Issuer	% of Net Assets Value	Issuer	% of Net Assets Value
<b>Long Positions</b>		<b>Short Positions</b>	
Cash And Other Net Assets	9.37	Brookfield Renewable Corp.	(2.15)
Americas Gold & Silver Corp.	5.00	Brookfield Corp.	(1.73)
Cineplex Inc. 7.75% 01MAR30	3.43	Andean Precious Metals Corp.	(1.20)
Power Corp of Canada	3.33	POET Technologies Inc.	(0.91)
Chemtrade Logistics Income Fund	3.24	Denison Mines Corp.	(0.86)
Capstone Copper Corp.	3.19	Extencare Inc.	(0.54)
MDA Space Ltd.	3.01	Diversified Royalty Corp.	(0.33)
Alaris Equity Partners Income	2.87	Cascades Inc.	(0.32)
Coeur Mining Inc.	2.87	POET Technologies Inc. Call \$10 21JAN28	(0.15)
Enerflex Ltd.	2.75	Gildan Activewear Inc. Call \$90 16JAN26	(0.01)
AltaGas Ltd.	2.67	Americas Gold & Silver Corp. Call \$8 20FEB26	(0.01)
Topaz Energy Corp.	2.63	Coeur Mining Inc. Call \$25 16JAN26	(0.01)
Cameco Corp.	2.56	NFI Group Inc. Put \$14 16JAN26	(0.01)
Gibson Energy Inc.	2.34	Cameco Corp. Call \$145 16JAN26	(0.01)
Fairfax Financial Holdings Ltd.	2.21		
Dye & Durham Ltd. 3.75% 01MAR26	2.16		
WSP Global Inc.	2.08		
MDA Space Ltd. 7% 23DEC30	2.05		
Extencare Inc. RSTD 04APR26	2.02		
Definity Financial Corp.	2.01		
Enbridge Inc.	2.00		
BlackBerry Ltd.	1.81		
Republic Technologies Inc. 0% 05DEC27 RSTD 6APR26	1.79		
Solaris Resources Inc.	1.78		
Minto Apartment Real Estate Investment Trust	1.61		
<b>Total Long Positions</b>	<b>70.78</b>	<b>Total Short Positions</b>	<b>(8.24)</b>
<b>Total Percentage of Net Assets Value Represented by Holdings</b>			<b>62.54</b>

The "Top 25 Holdings" of the Fund, as a percentage of Net Asset Value of the Fund, have been presented in accordance with National Instrument 81-106.

The Investment Portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates of the Investment Portfolio are available within 60 days of each quarter end.

The prospectus and other information about the underlying investment funds are available on the internet at [www.sedarplus.com](http://www.sedarplus.com).