

# For eligible investors who qualify under a prospectus exemption

## EDGE Facts Quarterly

### EdgePoint Variable Income Portfolio, Series PF

June 30, 2022

#### THE PORTFOLIO PRIMARILY INVESTS IN

- High-yield bonds, levered loans, convertibles, preferred shares and income-producing equities

#### HOW WE INVEST

- The investment approach endeavors to create wealth through both capital gains and income generation
- We believe that our approach is well suited to taking advantage of volatility in corporate debt and income producing equities
- We seek fixed-income securities that provide an attractive return through coupon payments and capital appreciation
- The offering memorandum structure provides two distinct advantages: a flexible mandate and the ability to manage liquidity as the Portfolio can only be redeemed quarterly

#### ELIGIBLE INVESTORS

The Portfolio is only available in reliance upon a prospectus exemption to eligible investors:

- Accredited Investor exemption
  - Individuals who have at least \$1 million in financial assets (excludes real estate) on their own or combined with their spouse
  - Individuals with net assets of at least \$5 million (includes real estate) on their own or combined with their spouse
  - Individuals whose annual net income before taxes exceeds \$200,000 in the last two years (\$300,000 when combined with spouse's net income) and expected to exceed \$200,000 in the current year
  - Current or former individuals registered as a representative of a Securities Advisor or Dealer (in Canada)
  - A company with net assets of at least \$5 million on most recent financial statements
  - A company whose owners are accredited investors.
- Minimum Amount Investment exemption
  - Corporations or other entities with a minimum purchase of \$150,000
  - Exemption not available to individual investors.

#### SUITABLE FOR INVESTORS WHO:

- Have a minimum investment horizon of five years
- Seek investments predominantly in fixed-income securities
- Want a combination of long-term capital growth and income generation

#### EDGEPOINT OF VIEW

**Risk Profile:** We view real risk as the potential for a permanent loss of capital. By this measure, we believe portfolio risk is further reduced based on our methodology.

**Investment Results:** We measure investment success over periods of ten years or more and believe it takes considerable skill to consistently add value over the long term.

#### PERFORMANCE FEE STRUCTURE:

A performance fee will be calculated and charged at the end of each calendar year only when the NAV (adjusted for distribution) exceeds the previous high-water mark.

The high-water mark is the higher of initial purchase price or highest previous calendar-year-end NAV (adjusted for distribution).

	Calendar-year total return	Tier fee (% of return)
	< 0 %	0%
Tier 1	0% to 5%	10%
Tier 2	> 5%	20%

#### INVESTMENT TEAM

Tye Bousada, Tracey Chen, George Droulias, Jeff Hyrich, JinHyung Kwon, Jason Liu, Steven Lo, Geoff MacDonald, Lee Matheson, Frank Mullen, Alex O'Hara, Andrew Pastor, Derek Skomorowski, Claire Thornhill, Sydney Van Vierzen

#### PORTFOLIO INFORMATION

Type	Offering Memorandum
Fund code	EDG909
Total assets (all series)	\$263.2 million
Inception	March 16, 2018
Category	Fixed income
Management fees	None
Operating expenses	0.09%
Performance fee structure	See below
Distribution (cash option)	Quarterly
Minimum investment	
Accredited investor	\$20,000
Qualified, non-individual	\$150,000
NAV frequency	Monthly
Purchase frequency	Monthly (5-day notice)
Redemption frequency	Quarterly (15-day notice)
Registered account eligibility	Yes

#### PORTFOLIO CHARACTERISTICS

Portfolio	Holdings	61
	Yield <sup>1</sup>	7.79%
	Risk profile <sup>2</sup>	Low ◀ • • • ▶ High
Equity	Holdings	14
	Dividend Yield <sup>3</sup>	3.01%
Fixed Income	Holdings	47
	Yield to maturity <sup>4</sup>	8.45%
	Duration <sup>5</sup>	3.23
	Weighted avg. coupon	6.84%

<sup>1</sup> Portfolio yield is the market-weighted average of the yield-to-maturity of the fund's fixed income component and the dividend yield of the fund's equity component.

<sup>2</sup> Based on EdgePoint's assessment of risk, including a historical standard deviation methodology and taking into consideration other factors such as the redemption structure of the Fund.

<sup>3</sup> Dividend yield is the total projected annual income generated by owned equities relative to their market capitalization.

<sup>4</sup> Yield to maturity is the anticipated total return for bonds held until maturity with coupon payments consistently reinvested.

<sup>5</sup> Duration is a measure of the fund's fixed-income price sensitivity to interest rate changes.

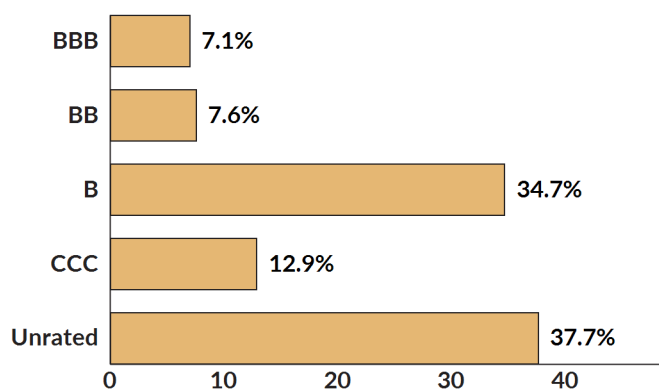


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## TOP 5 HOLDINGS

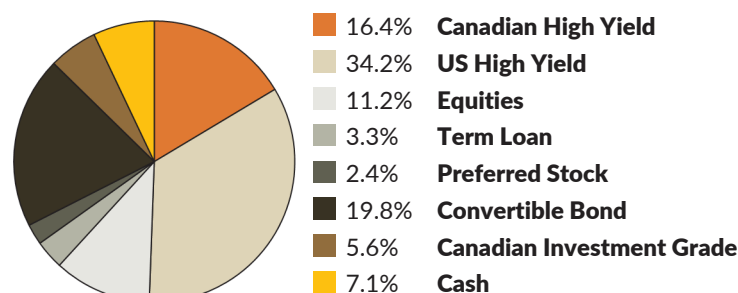
Company	Yield-to-maturity	Type
1. Optiva Inc., 9.75%, Debentures 2025	7.80%	High Yield
2. Shawcor Ltd., 9%, due 2026/12/10	8.64%	High Yield
3. Osisko Gold Royalties Ltd., 4%, due 2022/12/31	4.04%	Convertible Bond
4. Vesta Energy Corp., 10%, due 2026/10/15	11.40%	High Yield
5. New Flyer Industries Inc., 5%, due 2027/01/15	8.65%	Convertible Bond

## CREDIT QUALITY BREAKDOWN



Source: Bloomberg LP.

## PORTFOLIO ALLOCATION



## CALENDAR-YEAR RETURNS (Series PF)<sup>6</sup>

	2021	2020	2019	2018 <sup>7</sup>
<b>Portfolio</b>	15.23%	4.90%	7.60%	1.15%

## INVESTMENT RESULTS (Series PF)<sup>6</sup>

	Since inception <sup>8</sup>	3-years	1-year	6-month	3-month	YTD
<b>Portfolio</b>	6.23%	6.72%	1.75%	-1.49%	-2.25%	-1.49%

<sup>6</sup> Total returns are net of fees.

<sup>7</sup> Partial-year return calculated from Portfolio start date through year-end.

<sup>8</sup> March 16, 2018.

See the Offering Memorandum (“OM”) for more details on the EdgePoint Variable Income Portfolio (“Portfolio”). This document is not an invitation to invest in the Portfolio nor does it constitute a public offering of sale. Applications for purchases in the Portfolio will only be considered on the OM’s terms, which may be obtained from your financial advisor. Each purchaser of units in the Portfolio may have statutory or contractual rights of action. The information in this document is subject to change without notice. The Portfolio is sold via OM and pursuant to exemption from prospectus requirements. As such, the Portfolio is not available to the general public and is only available to, for example, accredited investors, within the meaning of National Instrument 45-106 – Prospectus Exemptions. Please read the OM before investing. The indicated rates of return, if any, are based on calculated net asset values per unit, which are net of management fees, operating expenses and applicable taxes. These returns include changes in unit value and reinvestment of all distributions and do not take into account certain fees such as redemption fees, optional charges or income taxes payable by any securityholder that would have reduced returns. Rates of return for periods greater than one year are historical annual compound total returns. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. This document is not intended to provide legal, accounting, tax or investment advice. Information contained in this document was obtained from sources believed to be reliable; however, EdgePoint does not assume any responsibility for losses, whether direct, special or consequential that arise out of the use of this information. Portfolio holdings are subject to change. EdgePoint funds are managed by EdgePoint Investment Group Inc., a related party of EdgePoint Wealth Management Inc. EdgePoint® is a registered trademark of EdgePoint Investment Group Inc.