



NICOLA WEALTH

The Pool

Nicola High Yield Bond Fund's primary objective is to provide unit-holders with a high level of interest income with a secondary emphasis on capital preservation and appreciation by investing in non-investment-grade fixed income securities. A U.S. dollar series of this fund is also available.

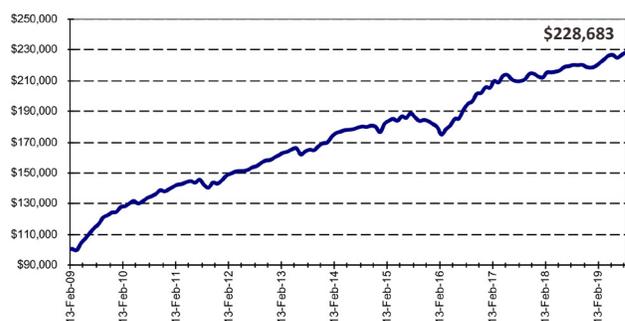
The Strategy

The fund primarily invests in higher yielding bonds, debentures, and convertible debentures issued by Canadian, U.S. and foreign governments and corporations denominated in Canadian dollars and/or foreign currencies. The underlying investments may use a long/short strategy and derivatives such as options, futures, forward contracts, swaps and other similar instruments for hedging and non-hedging purposes. Diversification of the fund is enhanced by utilizing funds and managers of different investment styles.

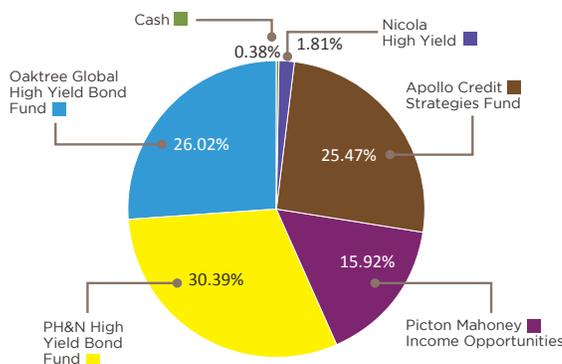
The Manager

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 Portfolio Management Team.

PERFORMANCE (cumulative return)
Canadian \$ Series, Class O
\$100,000 INVESTED AT INCEPTION



Asset Mix as of June 30, 2019



Total Assets¹ (millions) \$253.1	
12-Month Trailing Cash Flow Distribution² 3.8%	
Returns for the period ENDING AUGUST 31, 2019	
1 month	0.9%
3 month	0.9%
6 month	3.3%
1 year	3.8%
2 year	4.4%
3 year	5.5%
4 year	5.3%
5 year	4.9%
6 year	5.6%
7 year	5.8%
8 year	6.1%
9 year	6.1%
10 year	7.0%
Since Inception*	8.2%

PERFORMANCE (monthly returns) as of August 31, 2019 Canadian \$ Series, Class O

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
2019	0.4%	0.9%	1.1%	1.1%	0.2%	-0.8%	0.8%	0.9%					4.7%
2018	-0.3%	1.5%	0.1%	0.2%	0.5%	1.0%	0.2%	0.4%	-0.1%	0.1%	-0.6%	-0.2%	2.7%
2017	-0.1%	2.1%	-0.4%	2.0%	0.3%	-1.4%	-0.5%	0.0%	0.6%	1.6%	0.0%	-0.8%	3.4%
2016	-1.2%	-2.7%	2.0%	1.4%	2.3%	0.3%	3.0%	2.0%	0.9%	2.5%	0.3%	1.8%	13.2%
2015	3.1%	1.0%	0.7%	-0.7%	1.6%	-0.5%	1.6%	-1.4%	-1.3%	0.4%	-0.5%	-1.0%	3.0%
2014	2.2%	1.3%	0.6%	0.6%	0.2%	0.2%	0.5%	0.4%	-0.2%	0.5%	-0.4%	-1.9%	3.9%
2013	1.0%	0.9%	0.5%	0.9%	0.4%	-2.4%	1.2%	0.7%	-0.2%	1.6%	1.1%	0.4%	6.1%
2012	2.1%	0.9%	0.9%	0.4%	0.1%	0.5%	1.0%	0.6%	1.3%	0.9%	0.2%	1.1%	10.4%
2011	1.2%	0.9%	0.3%	0.9%	0.4%	-0.6%	1.3%	-2.4%	-1.2%	2.4%	-0.5%	1.5%	4.1%
2010	2.5%	0.4%	1.3%	1.3%	-1.3%	1.1%	1.6%	0.9%	1.1%	1.8%	-0.6%	1.1%	11.9%
2009		0.3%	-0.9%	4.6%	3.0%	3.3%	3.0%	2.3%	3.6%	1.2%	1.4%	0.4%	24.5%

* February 13, 2009
¹ All classes & series
² Canadian \$ Series, Class O

Top Holdings (excluding cash)

Oaktree Global High Yield Bond Fund	June 30/19
Sprint Corporation	2.00%
Bausch Health Companies Inc.	2.00%
Telecom Italia S.P.A	1.30%
HCA Inc.	1.30%
Tenet Healthcare Corporation	1.20%
CCO Holdings LLC	1.10%
Ardagh Group SA	1.00%
Endo International Inc.	1.00%
NCR Corporation	1.00%
Cheniere Energy Inc.	0.90%

Top Holdings (excluding cash)

PH&N High Yield Bond	June 30/19
Seven Generations Energy Ltd., USD 6.750%, 05/01/2023	5.90%
Quebecor Media Inc., 6.625%, 01/15/2023	5.50%
Icahn Enterprises LP, 6.000%, 08/01/2020	5.10%
Brookfield Property Finance ULC, 4.300%, 03/01/2024	5.10%
Teine Energy Ltd., USD 6.875%, 09/30/2022	4.20%
Inter Pipeline Ltd., 6.875%, 03/26/2079	4.10%
Baytex Energy Corp., USD 5.625%, 06/01/2024	4.10%
Baytex Energy Corp., 6.625%, 07/19/2022	4.10%
GE Capital Canada Funding Co., 5.680%, 09/10/2019	3.90%
Icahn Enterprises LP, 5.875%, 02/01/2022	3.30%

Top Holdings (excluding cash)

Apollo Credit Strategies Fund	June 30/19
PG&E Corporation	5.50%
Zayo Group Holdings, Inc.	5.10%
Intelsat SA	4.30%
Sable Permian Resources Holdings LLC	4.20%
Hovnanian Enterprises Inc.	3.80%
PetSmart, Inc.	3.30%
Energy Transfer LP	3.00%
Gannett Co., Inc.	2.80%
American Media Inc.	2.60%
Edison International	2.60%

Top Holdings (excluding cash)

Picton Mahoney Income Opportunities Fund	June 30/19
Picton Mahoney Special Situations Fund I	6.83%
Royal Bank of Scotland, 1.625%, 12/29/2049	4.62%
Quebecor Media, 6.625%, 01/15/2023	4.08%
Standard Chartered, 1.7125%, 12/06/2065	3.66%
Standard Chartered, 2.8125%, 11/29/2065	3.46%
Element Fleet Management, 4.25%, 06/30/2020	3.18%
HCA Inc., 7.5%, 12/15/2023	3.08%
Iridium Communications, 10.25%, 04/15/2023	3.01%
Gibson Energy, 5.25%, 07/15/2024	2.93%
Air Canada, 4.75%, 10/06/2023	2.75%

Disclosure

- Past performance is not indicative of future results.
- Returns are net of fund expenses.
- Please refer to the Nicola Wealth Funds Offering Memorandum for additional details and important disclosure information.

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