



KiWi Business Credit Fund

March 2025

Kilgour Williams Capital

The firm was founded in 2007 as a credit advisory firm, advising Canadian investors burdened with restructured asset-backed commercial paper on risk assessment, valuation, and liquidity access. The firm advised on more than \$2 billion of these structured notes before pivoting to asset management in 2017.



Colin Kilgour

Principal

- Colin previously founded a company that provided accounts receivable financing to North American companies. After factoring more than \$300M of receivables, the company was sold to Coventree Capital prior to the global financial crisis
- Early in his career, Colin spent 10 years as a management consultant for financial institutions in Canada, the US, the UK, and Europe



Daniel Williams

Principal

- Former Chief Investment Officer of Dundee Bank, where he managed a portfolio of long-term investments in middle market loans and sat on the bank's Investment Committee and Asset/Liability Committee
- Daniel is also the former Head of Credit Portfolio Management for National Bank of Canada with oversight on \$4 billion of corporate loans
- He began his career in strategy consulting with Oliver, Wyman & Co and other consulting firms

Strategic partnership with Walter Global Asset Management

- Walter Global Asset Management (“Walter GAM”) is a globally-diversified private equity platform providing strategic expertise and development to passionate entrepreneurs at the helm of growth-oriented boutique investment management firms, distributors, and strategic service providers in the asset management industry
- In 2020, Kilgour Williams Capital (“KWC”) and Walter GAM began a strategic partnership, which involves the elements below. Notably, Sylvain Brosseau, CEO of Walter GAM and former Global President and COO of Fiera Capital, joined KWC’s board



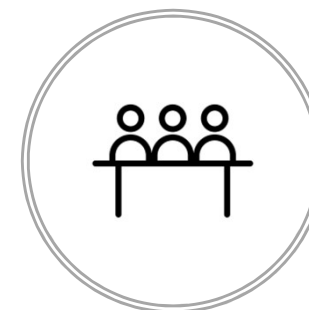
*Equity investment in
KWC*



*Capital committed to
KiWi Private Credit Fund*



*Access to Walter GAM’s
asset management
experts*



*Sylvain Brosseau
(CEO of Walter GAM)
joins KWC Board*



Executive summary

KiWi Business Credit Fund provides attractive monthly income with minimal volatility driven by small business credit facilities

Small business credit is an excellent investment

- KiWi Business Credit Fund (the “Fund”) invests in small business credit
 - Small businesses are the backbone of the economy, representing 44% of GDP⁽¹⁾
 - The advent of fintech has made small business credit an investable asset class
 - Small business financing provides high, risk-adjusted returns through an inherently diversified pool
-

Biz2Credit is a leading fintech platform for small business

- The small business financings in the Fund’s portfolio are originated, underwritten and serviced by Biz2Credit
 - Since 2007, Biz2Credit has provided \$8 billion of direct funding to more than 200,000 small businesses across the US
 - During the pandemic, the company was one of the largest originators of Payroll Protection Program loans by dollar volume and number of loans⁽²⁾
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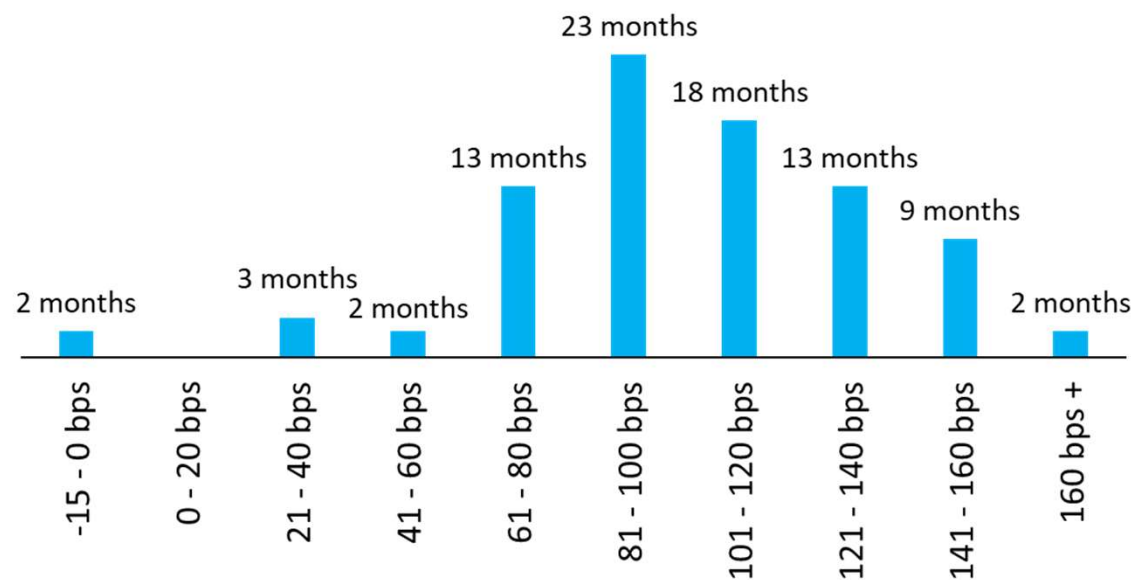
Kilgour Williams Capital is an expert in credit risk management

- Kilgour Williams Capital (“KWC”) manages KiWi Business Credit Fund
 - Principals at KWC have decades of credit risk management experience
 - Since 2017, KWC has managed two private credit funds
 - From 2007 to 2017, KWC provided investment management services to holders of structured credit investments with total mandates in excess of \$2 billion
-

A top performing credit fund providing stable monthly distributions⁽¹⁾



Small business loans portfolio – monthly return distribution⁽²⁾



(1) Based on 1-year return as of June 30, 2023 / 2022. (2) As of January 31, 2025. In December 2017, Kilgour Williams Capital began investing in small business loans as part of its flagship KiWi Private Credit Fund. In August 2021, these loans were moved into a standalone vehicle to launch KiWi Business Credit Fund. Other classes are available and fees and performance may differ in those other classes. Class I is denominated in US dollars. Performance net of management fees and all other expenses, realized losses and loan loss provisions. Past performance is not indicative of future results.

Why are traditional banks ill-equipped to lend to small businesses?



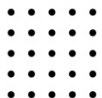
Non-traditional collateral. Small businesses generally lack bankable collateral such as real estate, fixed assets (equipment and vehicles) or working capital assets like receivables.



High capital costs. Regulatory capital requirements for risk-weighted assets (Basel III).



High operational costs. Requires large teams to originate and service small loans.



Deals are too small. Underwriting a \$100K loan requires the same efforts as a \$1M loan.

How Kilgour Williams invests in small business credit

- Kilgour Williams works with several fintech platforms, including its main partner Biz2Credit, that originate and underwrite small business credit
- Kilgour Williams provides fintech platforms with specific criteria, such as maximum term, minimum credit score, and maximum size
- While the financings presented by Biz2Credit are already underwritten, Kilgour Williams uses proprietary models and the expertise of the investment team to make specific investment decisions
- Kilgour Williams manages portfolio-level risk by optimizing diversification to create a massively diversified portfolio with the potential for strong returns. If the risk/return profile of a financing is considered compelling on a standalone basis, Kilgour Williams then considers the impact it would have on the overall portfolio construction before deciding to include it in the portfolio
- Servicing, from ACH collections to enforcement, is administered by the fintech platform



Biz2Credit is a market leader in small business financing

- Biz2Credit helps entrepreneurs to get credit financing with a quick approval process
- Proprietary platform matches small businesses to the best sources of capital for their needs based on each company's unique profile. Completed in just a few minutes, the whole process is secure, efficient, and prices are transparent
- Since 2007, Biz2Credit has provided \$8 billion of direct funding to more than 200,000 small businesses across the US
- During the pandemic, Biz2Credit was one of the largest originators of Payroll Protection Program loans by dollar volume and the number of loans⁽¹⁾



NYC
Headquarters



450
Team members,
250+ engineers
and data
scientists



\$8Bn
Total
originations
to date



Awarded
Financial Times
Inc 5000
Deloitte Fast
500



Kilgour Williams Capital's credit box

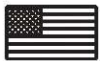
Typical borrower



Annual revenue: \$1-\$10M



Operating history: 3+ years



Based in all 50 states



Examples: grocery store, liquor store, auto repair shop, dental office, etc.



Operates from rented premise



Has non-traditional collateral



Mostly cash business

Typical loan

- Average interest rate: 15-25%
- Size: \$25,000 - \$500,000
- Term: 6-24 months (fully amortizing, mostly daily/weekly payments)
- Use of proceeds:
 - Building a car wash for a gas station
 - Dental office buying another practice
 - Funding A/R for a doctor's office

Security package

- General security over the business under UCC filing (typically first position)
- Performance guarantees from owners (all with prime credit ratings)

Fintech enables rigorous & efficient due diligence of loans

- Biz2Credit, the Fund's main partner for small business credit, conducts rigorous underwriting of loans before offering them to Kilgour Williams for review. Applicant-submitted documents are verified independently and often from multiple sources, including:



Bank statements. Verified by electronically connecting to bank accounts via open banking protocol services such as Yodlee or DecisionLogic. KWC has statements digitized using optical character recognition software to detect alterations and to flag transactions (e.g. personal expenditures, luxury goods purchases, gambling, crypto).



Tax returns. PDFs of accountant-prepared filings, verified by electronically accessing IRS transcripts. B2C runs a TaxGuard report on the business, which provides a rating of the timeliness of their tax filings and payments.



Site visit. Conducted by B2C via local agencies, includes taking photos of the premises, inventory, business licenses, and payment processing machines.



Credit bureau reports. Obtained for both the business and all equity owners.

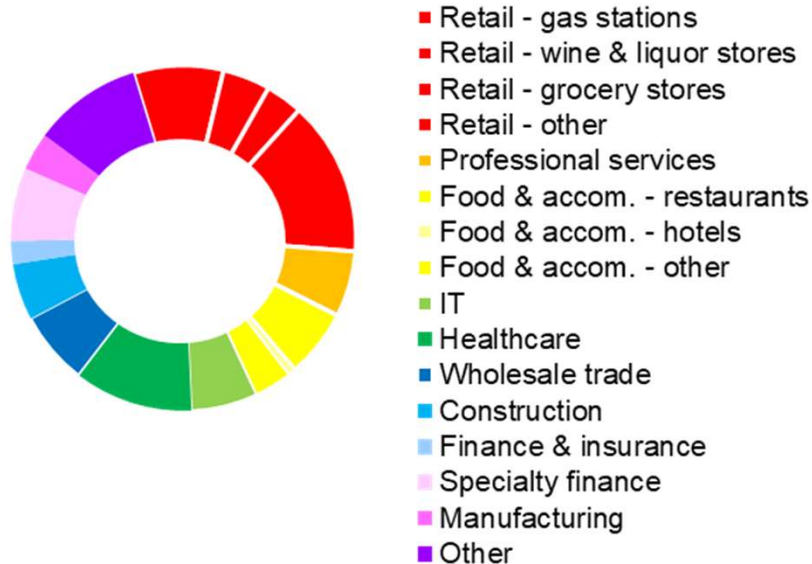


Government-issued photo IDs. Provided and verified by a notary at the time of signing loan documents.

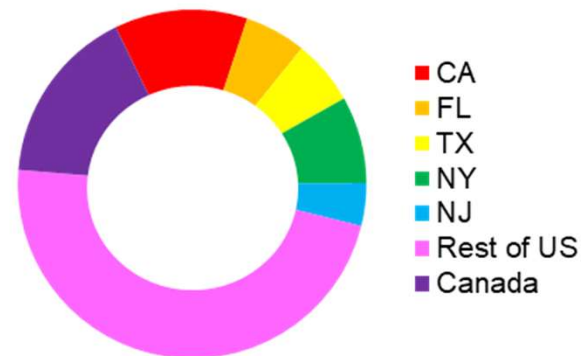
KiWi Business Credit Fund overview

- The portfolio is currently focused on counter-cyclical or cycle-neutral sectors, such as auto repair and maintenance, gas stations, liquor stores, and professional services such as finance, insurance, and IT
- Per the Fund’s investment policy, no single loan can represent more than 2% of the portfolio and no single state can represent more than 20% of the portfolio

Portfolio Diversification by Sector



Portfolio Diversification by Geography



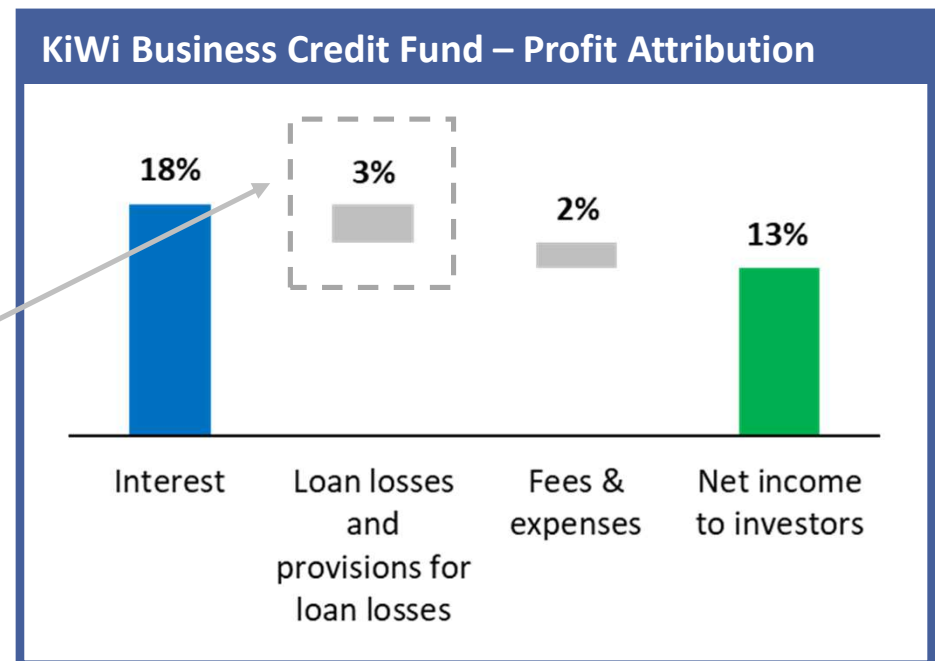
Portfolio Statistics

Loan Type	Avg FICO ⁽¹⁾	Avg Loan Balance	Avg Duration (months)
Small business	720	\$155K	13

Valuation and profit attribution

- Each month, the Fund distributes 100% of its net income to investors, reflecting interest from the loans, loan losses and provisions for loan losses, and fees & expenses
- Historically, losses have been approximately 3% on an annualized basis, generating a net income of 13-15% to investors

- KWC takes a prudent approach to valuation, relying on an independent valuation firm to conduct a monthly mark-to-market
- For example, if a loan is even 24 hours delinquent, the loan will suffer a negative mark, which increases progressively if the delinquency persists
- All marks are reflected in each month's results, resulting in an objective and transparent NAV



KiWi Business Credit Fund (Class I) performance

Class I - monthly performance and annual yield⁽¹⁾

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
2025	1.22%												1.2%
2024	1.11%	0.98%	0.90%	0.94%	0.92%	0.75%	0.83%	0.99%	0.77%	0.70%	1.11%	0.89%	11.4%
2023	1.04%	0.70%	1.39%	1.01%	0.84%	1.31%	1.34%	1.52%	1.18%	1.41%	1.27%	1.22%	15.2%
2022	1.37%	1.15%	1.37%	0.96%	0.84%	1.02%	1.13%	1.02%	0.66%	1.33%	0.94%	1.15%	13.6%
2021	n/a							2.30%	1.60%	1.56%	0.89%	1.46%	8.1% ⁽²⁾

ANNUALIZED RETURNS (net) 1-yr: 11.6% 3-yr: 13.4% Since inception: 14.3%

Historical portfolio performance (business loans segment of KiWi Private Credit Fund)⁽¹⁾

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
2021	1.50%	0.88%	1.13%	0.29%	1.42%	0.83%	0.77%	n/a					7.0% ⁽²⁾
2020	0.84%	0.29%	0.88%	0.51%	1.72%	-0.13%	0.24%	-0.11%	0.71%	1.10%	0.67%	1.47%	8.5%
2019	1.08%	0.76%	0.85%	0.88%	0.68%	0.85%	0.77%	0.94%	0.84%	0.80%	1.57%	0.50%	11.0%
2018	0.73%	1.01%	1.39%	1.24%	1.13%	1.18%	1.15%	1.22%	0.90%	1.25%	1.08%	0.83%	13.9%

(1) In December 2017, Kilgour Williams Capital began investing in small business loans as part of its flagship KiWi Private Credit Fund. In August 2021, these loans were moved into a standalone vehicle to launch KiWi Business Credit Fund. Performance net of management fees and all other expenses, realized losses and loan loss provisions. All performance data assume reinvestment of distributions and do not take into account any taxes or third party sales or distribution charges payable by any unitholder that would have reduced returns. Class I is denominated in USD dollars. Other classes are available and fees and performance may differ in those other classes. (2) Partial year.

KiWi Business Credit Fund (Class J) performance

Class J - monthly performance and annual yield⁽¹⁾

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
2025	1.07%												1.1%
2024	1.14%	0.96%	0.87%	0.89%	0.86%	0.66%	0.69%	0.83%	0.69%	0.59%	1.10%	0.76%	10.5%
2023	1.01%	0.71%	1.18%	1.15%	0.75%	1.21%	1.30%	1.55%	1.18%	1.31%	1.07%	1.01%	14.3%
2022	1.26%	1.15%	1.34%	1.06%	0.79%	1.11%	1.07%	2.88%	0.81%	1.36%	0.96%	1.23%	16.1%
2021	n/a											1.35%	1.4% ⁽²⁾

<i>ANNUALIZED RETURNS (net)</i>	1-yr: 10.4%	3-yr: 13.5%	Since inception: 13.5%
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Historical portfolio performance (business loans segment of KiWi Private Credit Fund)⁽¹⁾⁽³⁾

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
2021	1.50%	0.88%	1.13%	0.29%	1.42%	0.83%	0.77%	2.30%	1.60%	1.56%	0.89%	n/a	14.0% ⁽²⁾
2020	0.84%	0.29%	0.88%	0.51%	1.72%	-0.13%	0.24%	-0.11%	0.71%	1.10%	0.67%	1.47%	8.5%
2019	1.08%	0.76%	0.85%	0.88%	0.68%	0.85%	0.77%	0.94%	0.84%	0.80%	1.57%	0.50%	11.0%
2018	0.73%	1.01%	1.39%	1.24%	1.13%	1.18%	1.15%	1.22%	0.90%	1.25%	1.08%	0.83%	13.9%

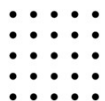
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(2) Partial year.



Small business credit strategy highlights

Since 2017, Kilgour Williams Capital's small business loans portfolio has generated **13% (net) annualized**⁽¹⁾



Massive diversification. No single loan can represent more than 2% of the portfolio.



Short duration. Amortizing loans with terms of 6-24 months (portfolio duration of 16 months).



Tactical sector allocation. Currently invested in a range of counter-cyclical / cycle-neutral sectors, ex. gas stations, takeout restaurants, auto repair shops, dental offices.



Flexible terms. Fund is open monthly for new subscriptions (no minimum hold) and redemptions (no penalty).



Independent valuation. Monthly mark-to-market of each loan by independent firm. Delinquency is recognized as it occurs, with markdowns beginning after first day of delinquency.

APPENDIX

Biographies

Colin Kilgour



Colin Kilgour

Principal

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ck@kilgourwilliams.com

Education

- B.Sc. in Computer Science, University of Manitoba
- MBA, Ivey Business School

Colin Kilgour has been a leader in the Canadian credit market for over 20 years.

Overview

- Founded Kilgour Williams Group (KWG) in 2007 and, together with Daniel Williams, developed Canada's leading structured credit advisory firm with a particular reputation for advising investors holding restructured Asset Backed Commercial Paper.
- Since 2007, KWG has advised on over \$2 billion of structured notes – roughly 20% of the Canadian market – providing education, risk assessment, litigation support, valuation, and asset management.
- Colin is a nationally recognized expert in structured credit. He speaks regularly on the securitization and ABCP markets and is frequently sought out by the financial print and broadcast media

Other professional experience

- Prior to KWG, Colin co-founded Efficient Capital Corporation (ECC) in 2001, which provided securitization-based accounts receivable financing to corporations and funded that credit through a commercial paper conduit which ECC administered
- As co-founder and CEO, Colin led ECC's origination efforts: pitching clients; conducting due diligence; structuring deals; and closing transactions
- ECC was sold in 2006 and the ECC conduit was one of the very few non-bank ABCP issuers that was not affected by the market disruption in 2007
- After selling ECC, Colin partnered with Connor, Clark & Lunn to establish a structured credit based ABCP conduit; this conduit was ready to launch in the summer of 2007 – with an S&P rating and 'global style liquidity' – but was not initiated due to the market disruption in August 2007. The result was that Colin was perhaps the only truly independent and untarnished expert available to provide advice to the affected investors during the Montreal Accord Restructuring process
- Prior to 2001, Colin worked for 10 years as a management consultant principally serving global financial institutions in Canada, the US, and the UK

Daniel Williams



Daniel Williams

Principal

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Education

- Bachelor of Commerce, Queen's University

Daniel Williams has 20 years of leadership experience in Canadian corporate credit

Overview

- Daniel joined KWG as a partner in May 2009, providing structured credit advisory and management to the firm's clients
- Experience and expertise in fundamental credit analysis, portfolio credit risk management, and structured credit investing

Other professional experience

- Prior to joining KWG, Daniel was the Chief Investment Officer of Dundee Bank of Canada
 - He managed a portfolio of structured credit investments, specifically slices of portfolios of middle market loans
 - Daniel served on the bank's Investment Committee and Asset/Liability Committee
 - Dundee Bank was newly formed and began operation in 2006 and grew in one year to \$2.5 Billion of assets prior to being sold to ScotiaBank
- From 2001 to 2006, he was the Head of Credit Portfolio Management for National Bank of Canada
 - He managed the bank's \$4 billion portfolio of corporate loans and was responsible for maximizing the risk-adjusted return on the portfolio
 - Daniel established the bank's centralized Credit Portfolio Management function and sat on the Deals Committee, which reviewed and adjudicated every corporate loan. New measurements of bank-wide loan value were introduced that enabled efficient capital allocation decisions. Advanced portfolio-level risk models were implemented to identify industry and geographic risks, which were then hedged using an overlay of credit default swaps
 - During this time, National Bank went from a laggard to an industry leader in terms of the quality of information and analytics applied to managing its corporate loan portfolio
- Prior to 2001, Daniel worked for 8 years as a management consultant for Oliver Wyman & Co. and other firms, principally advising global financial institutions in Canada, the US, and the United Kingdom

Sarah Cheng



Sarah Cheng

Head of IR

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sc@kilgourwilliams.com

Education

- MBA, Columbia Business School
- Honours Business Administration, Ivey Business School

Sarah Cheng has 13 years of investor relations and capital markets experience

Overview

- Sarah joined KWC as Head of Investor Relations & Business Development in May 2022
- Experience in investor relations covering a range of private markets funds, including real estate private equity, middle market buyout, PE secondaries, and long/short equity hedge fund

Other professional experience

- Sarah is a passionate storyteller who has honed her ability to educate the investor community on various investment strategies since graduating from Columbia Business School in 2014
- The investor relations chapter of her career began at Apollo Global Management in New York where she collaborated with the global sales team to raise Apollo US Real Estate Fund II LP (USD \$750M)
- Later on, Sarah headed west to Marlin Equity Partners in Los Angeles where she helped to concurrently raise Marlin Equity V LP (USD \$2.5Bn) and Marlin Heritage II LP (US \$750M), two middle market buyout funds with a focus on tech/software
- Sarah returned to Toronto in 2018 to join Whitehorse Liquidity Partners as the Director, Investor relations and helped to build the investor relations function and support the capital raise for the firm's third secondaries fund (USD \$2Bn)
- She also worked at Donville Kent Asset Management, long/short small cap fund
- Her career began at CIBC World Markets, where she spent three years on the infrastructure team within debt capital markets, working on advisory mandates for various public-private partnership (P3) bids

Disclaimer

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