Ninepoint Target Income Fund

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

JUNE 30

2026

This interim management report of fund performance contains financial highlights but does not contain either the interim or annual financial statements of the investment fund. You can obtain a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-888-362-7172, by writing to us at Ninepoint Partners LP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, P.O. Box 27, Toronto, Ontario M5J 2J1 or by visiting our website at www.ninepoint.com or SEDAR+ at www.sedarplus.ca.

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.

Management Discussion of Fund Performance

Investment Objective and Strategies

The objective of Ninepoint Target Income Fund (the "Fund") is to seek to provide unitholders with stable, monthly distributions and lower volatility than a direct investment in the broad equity markets by investing primarily in a diversified portfolio of equity index based investments that generates income and using derivatives strategies to moderate the market volatility of those investments. To achieve the Fund's investment objective, the Fund seeks to generate income by primarily selling put options on broad equity indices, including exchange traded funds ("ETFs"). Additionally, it may enter into, or obtain exposure to, systematic put selling strategies through the use of derivative instruments, such as swaps.

As part of its investment strategy, the Fund may also:

- hold cash, short-term money market instruments, fixed income securities or other equivalents at any time, including, in accordance with National Instrument 81-102, other investment funds managed by Ninepoint Partners LP (the "Manager") that invest all or substantially all of their assets in cash or cash equivalents, for cash management purposes;
- engage in short selling in a manner which is consistent with the investment objectives of the Fund and as permitted by the Canadian Securities Administrators;
- engage in securities lending and repurchase and reverse repurchase transactions as permitted by securities regulations; and
- invest in Underlying U.S. ETFs (as defined in the simplified prospectus) subject to terms of the regulatory relief.

Risks

The risks of investing in the Fund are described in the Fund's simplified prospectus. This Fund is suitable for investors with a low to medium tolerance for risk.

Results of Operations

The Fund, Series F, returned 2.3% in first half of 2026, while its benchmark returned 5.4%.

The S&P 500 experienced a peak to trough decline of approximately 8% in the first quarter of 2026 as the U.S. and Iran conflict sent Brent Crude spiking toward US$120/bbl, reviving global inflation and growth fears. However, market sentiment reversed notably in the second quarter of 2026. As Middle East tensions de-escalated and energy prices retreated, market leadership broadened from the dominant "Magnificent 7" to AI infrastructure "picks and shovels," specifically semiconductors and memory chip makers. This market rotation, combined with strong earnings, fueled a second quarter rebound, leaving the S&P 500 up approximately 10% for the first half of 2026.

The Fund has been positioned for this environment by deploying put selling strategies that provide a protective buffer against moderate price declines in the underlying index. The top factors contributing to performance were yields on short-term money securities driving returns on cash combined with positive returns on the S&P 500 index put option portfolio.

During the period, the portfolio rolled expiring put options and sold new 1 year put options into 2027. These actions were taken to increase the potential of the portfolio to generate long-term income distributions.

The Fund's net asset value decreased by 38.3% during the period, from $39.5 million as at December 31, 2025 to $24.4 million as at June 30, 2026. This change was predominantly due to net redemptions of $15.0 million.

Recent Developments

The Manager actively monitors the positioning of the Fund's portfolio for changes in current market conditions and the economic environment.

CHANGE IN LISTING VENUE OF ETF SERIES UNITS

At the close of business on May 20, 2026, the ETF Series units of the Fund voluntarily delisted from Cboe Canada Inc. ("Cboe Canada") and listed on the Toronto Stock Exchange (the "TSX") on May 21, 2026.

Related Party Transactions

MANAGEMENT FEES

The Fund pays a management fee to the Manager at an annual rate of 1.60% for Series A units, 0.60% for Series F units and ETF Series units, 1.30% for Series S units, 0.30% for Series SF units, and as negotiated by the unitholders for Series I. The management fee is calculated and accrued daily based on the daily net asset value of that series of the Fund and is paid monthly. For the period ended June 30, 2026, the Fund incurred management fees (including taxes) of $125,351. The breakdown of the services received in consideration of the management fees, as a percentage of management fees, is as follows:

	Portfolio Advisory	Trailing Commissions
Series A	37%	63%
Series F	100%	–
Series S	23%	77%
Series SF	100%	–
ETF Series	100%	–

Of the management fees that the Manager received from the Fund, the Manager paid trailer commissions of $2,496 during the period ended June 30, 2026, to Sightline Wealth Management, an affiliate of the Manager.

OPERATING EXPENSES

The Fund pays its own operating expenses, which include, but are not limited to, audit, legal, custodial, filing, fund administration and unitholder reporting costs. The Manager may pay some of these expenses on behalf of the Fund and then is reimbursed by the Fund. At its sole discretion, the Manager may waive or absorb a portion of the operating expenses of the Fund, and such waivers or absorptions can be terminated at any time without notice. Operating expenses waived or absorbed by the Manager are reported in the Statements of Comprehensive Income (Loss). For the period ended June 30, 2026, the Manager did not waive or absorb any operating expenses.

OTHER RELATED PARTY TRANSACTIONS

The Fund relied on the approval, positive recommendation or standing instruction from the Fund's Independent Review Committee with respect to any related party transactions.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the period ended June 30, 2026 and each of the previous years ended December 31 shown, unless otherwise indicated.

The Fund's Net Assets per Unit[1]

Series A	**Jun 30, 2026 $**	Dec 31, 2025 $	Dec 31, 2024 $	Dec 31, 2023 $	Dec 31, 2022[4] $
Net assets, beginning of period	**9.40**	9.62	9.83	9.89	10.00
Increase (decrease) from operations:					
Total revenue	**0.13**	0.29	0.39	0.38	0.14
Total expenses	**(0.10)**	(0.22)	(0.23)	(0.22)	(0.08)
Realized gains (losses) for the period	**0.14**	0.09	0.22	0.36	0.13
Unrealized gains (losses) for the period	**(0.05)**	0.08	0.00	0.02	0.04
Total increase (decrease) from operations[2]	**0.12**	0.24	0.38	0.54	0.23
Distributions:					
From income (excluding dividends)	**(0.24)**	(0.08)	(0.26)	(0.41)	(0.18)
From capital gain	–	(0.31)	(0.22)	(0.20)	–
From return of capital	–	(0.09)	(0.11)	–	(0.07)
Total annual distributions[3]	**(0.24)**	(0.48)	(0.59)	(0.61)	(0.25)
Net assets, end of period	**9.32**	9.40	9.62	9.83	9.89

Series F	**Jun 30, 2026 $**	Dec 31, 2025 $	Dec 31, 2024 $	Dec 31, 2023 $	Dec 31, 2022[4] $
Net assets, beginning of period	**9.79**	9.91	10.00	9.94	10.00
Increase (decrease) from operations:					
Total revenue	**0.13**	0.30	0.40	0.38	0.13
Total expenses	**(0.05)**	(0.12)	(0.12)	(0.11)	(0.04)
Realized gains (losses) for the period	**0.13**	0.10	0.23	0.35	0.25
Unrealized gains (losses) for the period	**0.01**	0.09	0.00	0.02	(0.05)
Total increase (decrease) from operations[2]	**0.22**	0.37	0.51	0.64	0.29
Distributions:					
From income (excluding dividends)	**(0.24)**	(0.18)	(0.41)	(0.51)	(0.23)
From capital gain	–	(0.25)	(0.12)	(0.10)	–
From return of capital	–	(0.07)	(0.06)	–	(0.02)
Total annual distributions[3]	**(0.24)**	(0.50)	(0.59)	(0.61)	(0.25)
Net assets, end of period	**9.76**	9.79	9.91	10.00	9.94

Series I	**Jun 30, 2026 $**	Dec 31, 2025[6] $	Dec 31, 2024[5] $
Net assets, beginning of period	-	9.95	10.00
Increase (decrease) from operations:			
Total revenue	-	0.16	0.31
Total expenses	-	(0.03)	(0.06)
Realized gains (losses) for the period	-	0.01	0.17
Unrealized gains (losses) for the period	-	0.10	0.00
Total increase (decrease) from operations[2]	-	0.24	0.42
Distributions:			
From income (excluding dividends)	-	(0.15)	(0.29)
From capital gain	-	(0.08)	(0.14)
From return of capital	-	(0.02)	(0.07)
Total annual distributions[3]	-	(0.25)	(0.50)
Net assets, end of period	-	-	9.95

Series S	**Jun 30, 2026 $**	Dec 31, 2025 $	Dec 31, 2024 $	Dec 31, 2023 $	Dec 31, 2022[4] $
Net assets, beginning of period	**9.56**	9.76	9.93	9.97	10.00
Increase (decrease) from operations:					
Total revenue	**0.13**	0.31	0.40	0.38	0.15
Total expenses	**(0.09)**	(0.20)	(0.20)	(0.19)	(0.10)
Realized gains (losses) for the period	**0.14**	0.08	0.24	0.37	0.18
Unrealized gains (losses) for the period	**0.00**	0.10	(0.01)	0.02	0.04
Total increase (decrease) from operations[2]	**0.18**	0.29	0.43	0.58	0.27
Distributions:					
From income (excluding dividends)	**(0.24)**	(0.11)	(0.34)	(0.47)	(0.22)
From capital gain	–	(0.29)	(0.17)	(0.15)	–
From return of capital	–	(0.09)	(0.09)	–	(0.08)
Total annual distributions[3]	**(0.24)**	(0.49)	(0.60)	(0.62)	(0.30)
Net assets, end of period	**9.49**	9.56	9.76	9.93	9.97

Series SF	**Jun 30, 2026 $**	Dec 31, 2025 $	Dec 31, 2023 $	Dec 31, 2023 $	Dec 31, 2022[4] $
Net assets, beginning of period	**9.95**	10.04	10.10	10.03	10.00
Increase (decrease) from operations:					
Total revenue	**0.14**	0.31	0.40	0.39	0.15
Total expenses	**(0.04)**	(0.09)	(0.09)	(0.08)	(0.04)
Realized gains (losses) for the period	**0.14**	0.08	0.24	0.37	0.16
Unrealized gains (losses) for the period	**(0.01)**	0.11	(0.00)	0.02	0.02
Total increase (decrease) from operations[2]	**0.23**	0.41	0.55	0.70	0.29
Distributions:					
From income (excluding dividends)	**(0.25)**	(0.23)	(0.44)	(0.59)	(0.25)
From capital gain	–	(0.21)	(0.11)	(0.03)	–
From return of capital	–	(0.06)	(0.06)	–	(0.05)
Total annual distributions[3]	**(0.25)**	(0.50)	(0.61)	(0.62)	(0.30)
Net assets, end of period	**9.94**	9.95	10.04	10.10	10.03

ETF Series	**Jun 30, 2026 $**	Dec 31, 2025 $	Dec 31, 2024 $	Dec 31, 2023 $	Dec 31, 2022[4] $
Net assets, beginning of period	**19.69**	19.93	20.14	20.01	20.00
Increase (decrease) from operations:					
Total revenue	**0.27**	0.61	0.80	0.77	0.30
Total expenses	**(0.11)**	(0.25)	(0.25)	(0.23)	(0.11)
Realized gains (losses) for the period	**0.30**	0.24	0.45	0.65	0.30
Unrealized gains (losses) for the period	**0.01**	0.14	0.01	0.28	0.19
Total increase (decrease) from operations[2]	**0.47**	0.74	1.01	1.47	0.68
Distributions:					
From income (excluding dividends)	**(0.49)**	(0.35)	(0.81)	(0.98)	(0.41)
From capital gain	–	(0.50)	(0.26)	(0.27)	(0.01)
From return of capital	–	(0.15)	(0.14)	–	(0.18)
Total annual distributions[3]	**(0.49)**	(1.00)	(1.21)	(1.25)	(0.60)
Net assets, end of period	**19.64**	19.69	19.93	20.14	20.01

1 This information is derived from the Fund’s interim and audited annual financial statements.

2 The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. Net asset and distributions are based on the actual number of units outstanding at the relevant time. This table is not intended to be a reconciliation of the beginning to ending net assets per unit.

3 Distributions were reinvested in additional units of the Fund or paid in cash.

4 Information provided is for the period from June 29, 2022 (launch date) for Series S units, Series SF units and ETF Series units, and August 2, 2022 (first issuance) for Series A units and Series F units, to December 31, 2022.

5 Information provided is for the period from March 8, 2024 (first issuance) to December 31, 2024 for Series I units.

6 All outstanding Series I units were fully redeemed during the year ended December 31, 2025.

Ratios and Supplemental Data

Series A	**Jun 30, 2026**	Dec 31, 2025	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022
Total net asset value (000s)[1]	**$3,895**	$3,215	$2,483	$1,745	$705
Number of units outstanding[1]	**417,769**	342,078	258,010	177,513	71,200
Management expense ratio[2]	**2.26%**	2.33%	2.37%	2.22%	1.88%
Management expense ratio before waivers or absorptions[2]	**2.26%**	2.33%	2.37%	2.22%	1.88%
Trading expense ratio[3]	**0.00%**	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate[4]	–	–	–	–	–
Net asset value per unit[1]	**$9.32**	$9.40	$9.62	$9.83	$9.89
Net asset value per unit ($USD)[1]	**$6.57**	$6.85	$6.69	$7.42	–

Series F	**Jun 30, 2026**	Dec 31, 2025	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022
Total net asset value (000s)[1]	**$13,559**	$27,244	$14,149	$20,062	$11,383
Number of units outstanding[1]	**1,388,727**	2,783,659	1,428,165	2,005,481	1,144,849
Management expense ratio[2]	**1.14%**	1.23%	1.21%	1.12%	0.93%
Management expense ratio before waivers or absorptions[2]	**1.14%**	1.23%	1.21%	1.12%	0.93%
Trading expense ratio[3]	**0.00%**	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate[4]	–	–	–	–	–
Net asset value per unit[1]	**$9.76**	$9.79	$9.91	$10.00	$9.94
Net asset value per unit ($USD)[1]	**$6.88**	$7.13	$6.89	$7.55	–

Series I	**Jun 30, 2026**	Dec 31, 2025	Dec 31, 2024
Total net asset value (000s)[1]	–	–	$1,176
Number of units outstanding[1]	–	–	118,184
Management expense ratio[2]	–	–	0.67%
Management expense ratio before waivers or absorptions[2]	–	–	0.67%
Trading expense ratio[3]	–	–	0.00%
Portfolio turnover rate[4]	–	–	–
Net asset value per unit[1]	–	–	$9.95

Series S	**Jun 30, 2026**	Dec 31, 2025	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022
Total net asset value (000s)[1]	**$388**	$404	$573	$1,264	$1,313
Number of units outstanding[1]	**40,892**	42,216	58,685	127,227	131,725
Management expense ratio[2]	**1.99%**	2.04%	1.97%	1.89%	1.98%
Management expense ratio before waivers or absorptions[2]	**1.99%**	2.04%	1.97%	1.89%	1.98%
Trading expense ratio[3]	**0.00%**	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate[4]	–	–	–	–	–
Net asset value per unit[1]	**$9.49**	$9.56	$9.76	$9.93	$9.97

Series SF	**Jun 30, 2026**	Dec 31, 2025	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022
Total net asset value (000s)[1]	**$3,206**	$6,472	$9,753	14,340	$16,667
Number of units outstanding[1]	**322,510**	650,375	971,452	1,419,186	1,662,530
Management expense ratio[2]	**0.82%**	0.89%	0.89%	0.78%	0.83%
Management expense ratio before waivers or absorptions[2]	**0.82%**	0.89%	0.89%	0.78%	0.83%
Trading expense ratio[3]	**0.00%**	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate[4]	–	–	–	–	–
Net asset value per unit[1]	**$9.94**	$9.95	$10.04	$10.10	$10.03

ETF Series	**Jun 30, 2026**	Dec 31, 2025	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022
Total net asset value (000s)[1]	**$3,338**	$2,166	$997	$1,208	$3,202
Number of units outstanding[1]	**170,000**	110,000	50,000	60,000	160,000
Management expense ratio[2]	**1.20%**	1.24%	1.26%	1.12%	1.14%
Management expense ratio before waivers or absorptions[2]	**1.20%**	1.24%	1.26%	1.12%	1.14%
Trading expense ratio[3]	**0.00%**	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate[4]	–	–	–	–	–
Net asset value per unit[1]	**$19.64**	$19.69	$19.93	$20.14	$20.01
Closing market price[5]	**$19.66**	$19.67	$20.18	$20.19	$20.07

1 This information is provided as at June 30, 2026 and December 31 for the years shown prior to 2026.

2 Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Fund's MER includes the proportionate share of the MER of each underlying fund in which the Fund was invested. The Manager may waive or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated at any time.

3 The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. As there are no direct trading costs associated with the short-term fixed income securities and mutual funds, the TER is nil.

4 The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser trades its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, 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 the Fund. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities, excluding short-term investments with maturity dates at acquisition of one year or less, divided by the average value of the portfolio securities for the period.

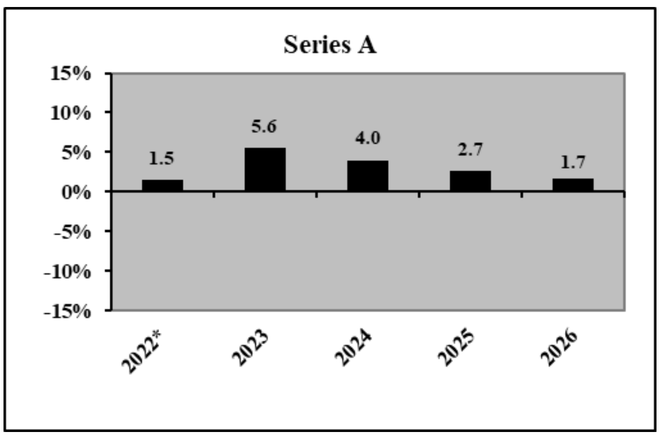
5 Last closing price as at June 30, 2026 and December 31 for the years shown prior to 2026.

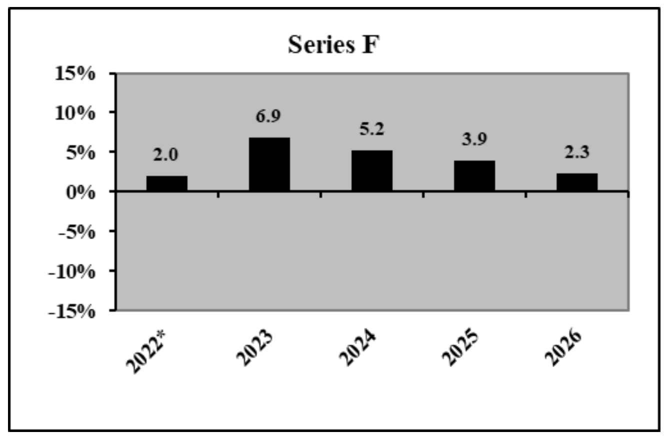
Past Performance

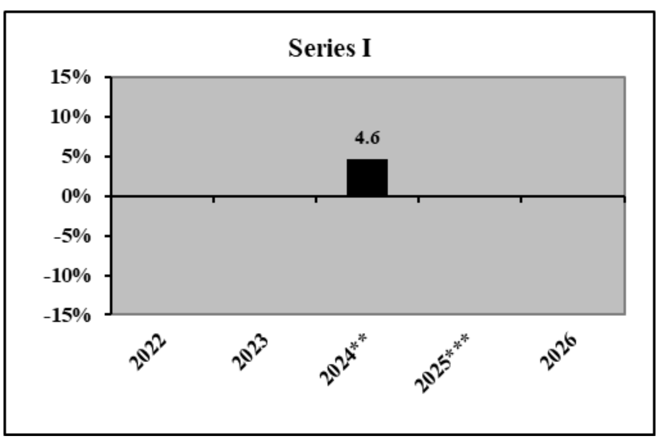
The indicated rates of return are the historical total returns including changes in unit values and assume reinvestment of all distributions in additional units of the relevant Series of the Fund. These returns do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that may reduce returns. Please note that past performance is not indicative of future performance. All rates of return are calculated based on the Net Asset Value of the particular Series of the Fund.

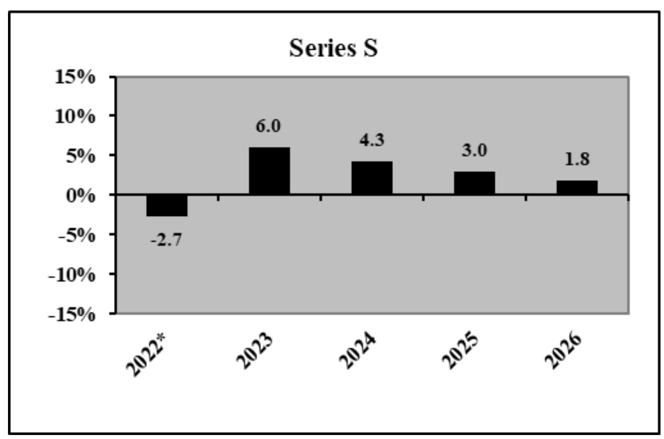
Year-by-Year Returns

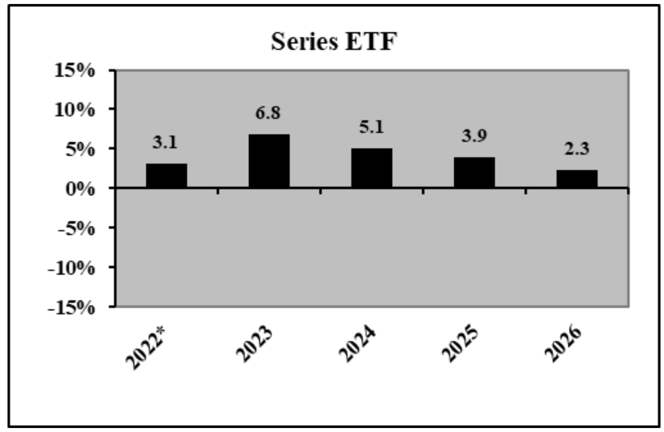
The following charts indicate the performance of each Series of the Fund for the period ended June 30, 2026 and each of the previous years ended December 31 shown, unless otherwise indicated. The charts show, in percentage terms, how much an investment made on the first day of each period would have grown or decreased by the last day of each period. Returns are not shown for a Series in any period in which there were no outstanding units as at the end of the period.











* Return from June 29, 2022 (launch date) for Series S units, Series SF units and ETF Series units, and August 2, 2022 (first issuance) for Series A units and Series F units, to December 31, 2022 (not annualized).

** Return from March 8, 2024 (first issuance) to December 31, 2024 (not annualized) for Series I units.

*** All outstanding Series I units were fully redeemed during the year-ended December 31, 2025.

Ninepoint Target Income Fund

Summary of Investment Portfolio

As at June 30, 2026

Portfolio Allocation

	% of Net Asset Value
Long Positions	
Funds	76.0
Short-term Corporate Bonds	20.1
Treasury Bills	3.7
Total Long Positions	99.8
Cash	1.1
Other Net Liabilities	(0.9)
Total Net Asset Value	100.0

All Long Positions

Issuer	% of Net Asset Value
Ninepoint Cash Management Fund, Series I	76.0
Hyundai Capital Canada Inc., Callable, 3.196%, Feb 16, 2027	10.3
TransCanada Pipelines Limited, Callable, 3.800%, Apr 5, 2027	7.6
Government of Canada, 2.130%, Jul 15, 2026	3.7
General Motors Financial of Canada Limited, Callable, 3.150%, Feb 8, 2027	2.2
Cash	1.1
All long positions as a percentage of Net Asset Value	100.9

The Fund did not hold short positions as at June 30, 2026.

This summary of investment portfolio may change due to the ongoing portfolio transactions of the Fund. Quarterly updates of the Fund's investment portfolio are available on the Internet at www.ninepoint.com. The prospectus and other information on the underlying investment funds are available on the Internet at www.sedarplus.ca and www.ninepoint.com.

Corporate Information

Corporate Address

Ninepoint Partners LP
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2700, P.O. Box 27
Toronto, Ontario M5J 2J1
T 416.362.7172
TOLL-FREE 1.888.362.7172
F 416.628.2397
E invest@ninepoint.com
For additional information visit our website:
www.ninepoint.com
Call our mutual fund information line for daily closing prices:
416.362.7172 or 1.888.362.7172

Auditors

Ernst & Young LLP
EY Tower
100 Adelaide Street West
Toronto, Ontario M5H 0B3

Legal Counsel

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Suite 3400
Toronto, Ontario M5H 4E3