



Ninepoint Energy Income Fund

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

JUNE 30

2024

The interim management report of fund performance is an analysis and explanation that is designed to complement and supplement an investment fund's financial statements. This report contains financial highlights but does not contain the complete interim financial statements of the investment fund. You can get a copy of the interim financial statements at your request, and at no cost, by calling 1-888-362-7172, by visiting our website at www.ninepoint.com or SEDAR+ at www.sedarplus.com or 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. 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 Energy Income Fund (the “Fund”) is to seek to provide unitholders with income and capital appreciation by investing in dividend paying energy companies. To achieve the Fund’s investment objective, the Fund will primarily invest directly in a diversified portfolio of dividend paying energy companies located primarily in North America while seeking to enhance yield through the writing of covered calls while at times strategically using oil futures to lower portfolio risk. The Fund will use derivatives, which may introduce leverage into the Fund. The Fund may also borrow cash and sell securities short. The Fund’s maximum aggregate exposure to short selling, cash borrowing and derivatives used for leverage must not exceed 300% of the Fund’s net asset value, calculated on a daily basis.

As part of its investment strategy, the Fund may:

- engage in securities lending and repurchase and reverse repurchase transactions as permitted by securities regulations; and
- hold cash, short-term money market instruments and fixed income securities, at any time, for cash management purposes based on the market outlook for the energy sector.

Risks

The risks of investing in the Fund are described in the Fund’s simplified prospectus. This Fund is suitable for investors with a high tolerance for risk.

Results of Operations

The Fund, Series A returned 10.7% in the first half of 2024, while its benchmark, the S&P/TSX Composite Energy Sector GICS Index, returned 14.1%.

For the first half of 2024, the pricing environment for key crude oil benchmarks (West Texas Intermediate and Brent Crude), were comparable to 2023, while key natural gas benchmark prices (AECO, Henry Hub) continued to weaken. West Texas Intermediate (WTI) spot prices averaged ~US\$79/bbl in H1 2024, down ~2% from H2 2023 levels of ~US\$81/bbl, Brent spot prices averaged ~US\$84/bbl in H1 2024, down ~2% from H2 2023 levels of ~US\$85/bbl. The average daily Henry Hub spot price was US\$2.11/mmbtu in H1 2024, down 21% from H2 2023 levels, while AECO daily prices averaged C\$1.60/mcf, down 32% from H2 2023 levels. The Western Canada Select (WCS) heavy oil differential narrowed slightly to ~US \$16/bbl in H1 2024, from ~US\$17/bbl in H2 2023. The WCS differential was positively impacted by the Transmountain Pipeline Expansion (TMX), which entered service towards the end of the first half of 2024 and provided a significant improvement in heavy oil egress in Western Canada. With most of the Fund invested in equities that were liquids/oil weighted or in the oilfield services sector, the commodity price environment was overall constructive for fund performance. The Canadian dollar, which averaged \$0.736 (CAD/USD) during H1 2024, was positive for most of the Fund’s holdings as this benefited realized prices for commodities sold, on a Canadian Dollar basis.

The macroeconomic events that impacted oil prices in the first half of 2024 were predominantly geopolitical events. One event is the ongoing conflict with Russia and Ukraine. During the first half of 2024, Ukrainian forces attacked several Russian energy infrastructure assets such as refineries, which caused temporary disruptions in supply. The conflict in the Israel and Gaza regions also caused periods of tension and concerns around further escalation to the broader region, which could impact global oil supplies. These conflicts caused significant volatility in the oil price, with WTI ranging between US\$70-87/bbl. U.S. oil production was also relatively stable during the period at ~13 mmbbl/d, which was a result of both a declining rig count and consolidation of private operators into larger companies since 2023. In June, OPEC+ elected to continue to maintain its production cuts through the balance of 2024, with a plan to return barrels to market in 2025, should market conditions allow. Observable global oil inventories (per Kpler) were approaching multi-year lows at the end of June. With the extension of the OPEC+ cuts through the second half of the year, this should result in an even lower inventory trajectory through the second half of 2024. This would allow OPEC+ to follow through on its plan to return its barrels back to market. We believe this would keep oil in a similar range to H1 2024, which would be constructive for the fund holdings. Should global demand weaken next year due to recessions in OECD countries, then it is likely that that OPEC+ would manage its production levels in order to avoid an oversupply of crude, which would also keep prices relatively rangebound from current levels.

The key factor that impacted natural gas prices in the first half of 2024 was primarily related to supply/demand imbalances. In both Canada and the U.S., there was an oversupply of gas production relative to local demand, which resulted in elevated inventories levels. This supply was primarily brought onstream in advance of completion of key LNG export facilities in both countries. At the end of H1 2024, U.S. natural gas inventories were at ~3.1 Tcf (19% above the 5-year average), while in Canada the storage levels were at ~0.7 Tcf (53% above the 5 year average). The two key upcoming LNG projects for the U.S. are Plaquemines (expected startup towards the end of 2024) and Golden Pass (expected startup towards the end of 2025). These two facilities will add ~4.5 Bcf/d of export capacity (in addition to current capacity of about ~14 Bcf/d), which should help drive inventory levels back to or below the 5-year average. In Canada, LNG Canada is presently on track to be fully operational by mid to late 2025 which will take 2 Bcf/d of gas west (on ~18 Bcf/d of Canadian natural gas production). While near-term gas prices are weak, the outlook for natural gas looks encouraging with significant LNG export capacity set to help alleviate the near-term oversupply.

The top two performers in the Fund on a total return basis in the H1 2024 were Peyto Exploration & Development Corporation and Cenovus Energy Inc. Peyto Exploration & Development Corporation outperformed due to its strong hedge portfolio which insulated it from weak gas prices and a high single digit dividend yield. Cenovus Energy Inc. performed well due to share price appreciation and the premiums collected on the covered calls. The bottom two performers in the Fund were Civitas Resources Inc. and Veren Inc. Both underperformed as a function of weakness in crude oil subsequent to entering the positions in the fund. No significant changes were made to the portfolio mandate.

The Fund's net asset value increased by 1.0% during the period, from \$272.9 million as at December 31, 2023 to \$275.7 million as at June 30, 2024. This change was predominantly due to net realized and unrealized gains on investments of \$26.8 million, offset by net redemptions of 17.2 million and expenses of \$7.8 million.

Recent Developments

There were no material changes to the investment strategy and features of the Fund during the period ended June 30, 2024. The Manager actively monitors the positioning of the Fund's portfolio for changes in current market conditions and the economic environment.

Ninepoint Energy Income Fund

June 30, 2024

Related Party Transactions

MANAGEMENT FEES

The Fund pays a management fee to the Manager at an annual rate of 2.50% for Series A units, 1.50% for Series D units, Series F units and ETF Series units, 1.75% for Series S units, 0.75% for Series SF units and as negotiated by the unitholders for Series I. The management fee is calculated and accrued daily and is paid monthly based on the daily net asset value of that series of the Fund. For the period ended June 30, 2024, the Fund incurred management fees of \$2,539,045 (including taxes). 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
Ninepoint Energy Income Fund – Series A	60%	40%
Ninepoint Energy Income Fund – Series D	100%	-
Ninepoint Energy Income Fund – Series F	100%	-
Ninepoint Energy Income Fund – Series S	100%	-
Ninepoint Energy Income Fund – Series SF	100%	-
Ninepoint Energy Income Fund – ETF Series	100%	-

Out of the management fees that the Manager received from the Fund, the Manager paid trailer commissions of \$12,480 during the period ended June 30, 2024, to Sightline Wealth Management, an affiliate of the manager.

PERFORMANCE FEES

The Fund pays the Manager a quarterly performance fee, subject to applicable taxes including HST, equal to 15% of the difference by which the return in the net asset value per unit of the applicable series from the first business day of the calendar quarter (or from inception if any series commences on a date other than the beginning of the quarter) to the last business day of the calendar quarter exceeds the high water mark per unit of such series. The net asset value includes all expenses and is calculated before income and capital gains are distributed.

For each series of the Fund, the “high water mark” means the greater of (i) the initial net asset value per unit, or (ii) the net asset value per unit at the end of the most recent calendar quarter for which a performance fee was paid after giving effect to all distributions in, and payments of performance fees for, such calendar quarter, and 1.5% for the same period (the “Hurdle Rate”). Notwithstanding the above, if the performance of a particular series of units in any calendar quarter is positive, but below the Hurdle Rate, the high water mark for the subsequent calendar quarter will be adjusted upwards to reflect such increase in the net asset value per unit of that particular series, until such time as a performance fee is paid and the high water mark is reset. If the performance of a particular series of units in any calendar quarter is negative, there will be no adjustment to the high water mark in the subsequent calendar quarter, such that it will remain the same as it was in the prior calendar quarter. If any units of the Fund are redeemed prior to the end of a calendar quarter, a performance fee will be payable on the redemption date in respect of each unit, as if the redemption date were the end of the calendar quarter, in the same manner as described above and the Hurdle Rates will be prorated in the calculation of the performance fee on a unit redeemed during the calendar quarter.

The performance fee is calculated and accrued daily and paid quarterly on a calendar quarter basis. For the period ended June 30, 2024, the Fund accrued performance fees of \$3,951,299.

OPERATING EXPENSES

The Fund pays its own operating expenses, which include, but are not limited to, audit, legal, custodial, filing and administrative expenses as well as unitholder reporting costs. The Manager pays certain 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. Amounts waived or absorbed by the Manager are reported in the Statements of Comprehensive Income (Loss). Waivers or absorptions can be terminated at any time without notice. For the period ended June 30, 2024, the Manager did not absorb 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.

Ninepoint Energy Income Fund

June 30, 2024

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, 2024 and each of the previous years ended December 31 shown, unless otherwise indicated.

The Fund's Net Assets per Unit¹

	June 30, 2024	Dec 31, 2023	Dec 31, 2022 ⁴
Series A	\$	\$	\$
Net assets, beginning of period	9.97	10.23	10.00
Increase (decrease) from operations:			
Total revenue	0.29	0.59	0.66
Total expenses	(0.34)	(0.51)	(0.49)
Realized gains (losses) for the period	0.77	0.82	0.30
Unrealized gains (losses) for the period	0.37	(0.47)	(0.19)
Total increase (decrease) from operations²	1.09	0.43	0.28
Distributions:			
From dividends	(0.35)	(0.04)	(0.38)
From capital gains	—	(0.67)	(0.12)
From return of capital	—	(0.01)	-
Total annual distributions³	(0.35)	(0.72)	(0.50)
Net assets, end of period	10.68	9.97	10.23

	June 30, 2024	Dec 31, 2023	Dec 31, 2022 ⁴
Series D	\$	\$	\$
Net assets, beginning of period	10.21	10.36	10.00
Increase (decrease) from operations:			
Total revenue	0.29	0.58	0.64
Total expenses	(0.32)	(0.44)	(0.40)
Realized gains (losses) for the period	0.68	0.80	0.08
Unrealized gains (losses) for the period	0.26	(0.10)	0.24
Total increase (decrease) from operations²	0.90	0.84	0.56
Distributions:			
From dividends	(0.36)	(0.08)	(0.37)
From capital gains	—	(0.64)	(0.12)
From return of capital	—	(0.01)	(0.01)
Total annual distributions³	(0.36)	(0.73)	(0.50)
Net assets, end of period	10.91	10.21	10.36

Ninepoint Energy Income Fund

June 30, 2024

	June 30, 2024	Dec 31, 2023	Dec 31, 2022 ⁴
Series F	\$	\$	\$
Net assets, beginning of period	10.06	10.25	10.00
Increase (decrease) from operations:			
Total revenue	0.30	0.60	0.69
Total expenses	(0.28)	(0.43)	(0.40)
Realized gains (losses) for the period	0.76	0.87	0.40
Unrealized gains (losses) for the period	0.32	(0.90)	(1.06)
Total increase (decrease) from operations²	1.10	0.14	(0.37)
Distributions:			
From dividends	(0.35)	(0.08)	(0.41)
From capital gains	–	(0.63)	(0.11)
From return of capital	–	(0.01)	–
Total annual distributions³	(0.35)	(0.72)	(0.52)
Net assets, end of period	10.83	10.06	10.25

	June 30, 2024	Dec 31, 2023	Dec 31, 2022 ⁴
Series S	\$	\$	\$
Net assets, beginning of period	10.07	10.28	10.00
Increase (decrease) from operations:			
Total revenue	0.29	0.59	0.62
Total expenses	(0.32)	(0.46)	(0.44)
Realized gains (losses) for the period	0.77	0.81	0.18
Unrealized gains (losses) for the period	0.45	(0.61)	0.51
Total increase (decrease) from operations²	1.19	0.33	0.87
Distributions:			
From dividends	(0.35)	–	(0.50)
From capital gains	–	(0.72)	(0.06)
From return of capital	–	–	–
Total annual distributions³	(0.35)	(0.72)	(0.56)
Net assets, end of period	10.82	10.07	10.28

Ninepoint Energy Income Fund

June 30, 2024

	June 30, 2024	Dec 31, 2023	Dec 31, 2022 ⁴
Series SF	\$	\$	\$
Net assets, beginning of period	10.23	10.34	10.00
Increase (decrease) from operations:			
Total revenue	0.30	0.60	0.62
Total expenses	(0.27)	(0.37)	(0.38)
Realized gains (losses) for the period	0.77	0.85	0.19
Unrealized gains (losses) for the period	0.37	(0.72)	0.50
Total increase (decrease) from operations²	1.17	0.36	0.93
Distributions:			
From dividends	(0.36)	(0.01)	(0.51)
From capital gains	–	(0.70)	(0.06)
From return of capital	–	(0.01)	–
Total annual distributions³	(0.36)	(0.72)	(0.57)
Net assets, end of period	11.04	10.23	10.34

	June 30, 2024	Dec 31, 2023	Dec 31, 2022 ⁴
ETF Series	\$	\$	\$
Net assets, beginning of period	20.34	20.65	20.00
Increase (decrease) from operations:			
Total revenue	0.60	1.18	1.29
Total expenses	(0.60)	(0.86)	(0.85)
Realized gains (losses) for the period	1.53	1.53	0.42
Unrealized gains (losses) for the period	0.75	(0.38)	0.93
Total increase (decrease) from operations²	2.28	1.47	1.79
Distributions:			
From dividends	(0.71)	(0.19)	(0.83)
From capital gains	–	(1.23)	(0.23)
From return of capital	–	(0.03)	–
Total annual distributions³	(0.71)	(1.45)	(1.06)
Net assets, end of period	21.88	20.34	20.65

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 assets 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.

4 Information provided is for the period from March 7, 2022 (launch date) for Series A units, Series D units, Series F units, Series S units, Series SF units and ETF Series units, to December 31, 2022.

Ninepoint Energy Income Fund

June 30, 2024

Ratios and Supplemental Data

Series A	June 30, 2024	Dec 31, 2023	Dec 31, 2022
Total net asset value (000's) ¹	\$52,884	\$53,062	\$36,869
Number of units outstanding ¹	4,950,574	5,321,416	3,605,597
Management expense ratio ²	4.30%	4.14%	4.30%
Management expense ratio before performance fees ²	2.95%	2.95%	2.91%
Trading expense ratio ³	0.45%	0.48%	0.51%
Portfolio turnover rate ⁴	65.72%	101.72%	94.78%
Net asset value per unit ¹	\$10.68	\$9.97	\$10.23

Series D	June 30, 2024	Dec 31, 2023	Dec 31, 2022 ⁴
Total net asset value (000's) ¹	\$166	\$168	\$300
Number of units outstanding ¹	15,196	16,451	29,002
Management expense ratio ²	3.45%	3.36%	3.32%
Management expense ratio before performance fees ²	1.63%	1.75%	1.72%
Trading expense ratio ³	0.45%	0.48%	0.51%
Portfolio turnover rate ⁴	65.72%	101.72%	94.78%
Net asset value per unit ¹	\$10.91	\$10.21	\$10.36

Series F	June 30, 2024	Dec 31, 2023	Dec 31, 2022
Total net asset value (000's) ¹	\$77,601	\$69,007	\$111,338
Number of units outstanding ¹	7,162,246	6,859,097	10,859,190
Management expense ratio ²	3.13%	3.31%	3.16%
Management expense ratio before performance fees ²	1.75%	1.79%	1.72%
Trading expense ratio ³	0.45%	0.48%	0.51%
Portfolio turnover rate ⁴	65.72%	101.72%	94.78%
Net asset value per unit ¹	\$10.83	\$10.06	\$10.25

Series S	June 30, 2024	Dec 31, 2023	Dec 31, 2022
Total net asset value (000's) ¹	\$1,877	\$2,206	\$3,096
Number of units outstanding ¹	173,494	219,053	301,167
Management expense ratio ²	3.67%	3.60%	3.83%
Management expense ratio before performance fees ²	2.11%	2.10%	2.08%
Trading expense ratio ³	0.45%	0.48%	0.51%
Portfolio turnover rate ⁴	65.72%	101.72%	94.78%
Net asset value per unit ¹	\$10.82	\$10.07	\$10.28

Ninepoint Energy Income Fund

June 30, 2024

Series SF	June 30, 2024	Dec 31, 2023	Dec 31, 2022
Total net asset value (000's) ¹	\$13,947	\$14,698	\$21,657
Number of units outstanding ¹	1,263,120	1,436,248	2,094,416
Management expense ratio ²	2.58%	2.65%	3.05%
Management expense ratio before performance fees ²	0.97%	1.02%	0.98%
Trading expense ratio ³	0.45%	0.48%	0.51%
Portfolio turnover rate ⁴	65.72%	101.72%	94.78%
Net asset value per unit ¹	\$11.04	\$10.23	\$10.34

ETF Series	June 30, 2024	Dec 31, 2023	Dec 31, 2022
Total net asset value (000's) ¹	\$129,218	\$133,735	\$124,100
Number of units outstanding ¹	5,905,000	6,575,000	6,010,000
Management expense ratio ²	3.23%	3.27%	3.54%
Management expense ratio before performance fees ²	1.71%	1.79%	1.86%
Trading expense ratio ³	0.45%	0.48%	0.51%
Portfolio turnover rate ⁴	65.72%	101.72%	94.78%
Net asset value per unit ¹	\$21.88	\$20.34	\$20.65
Closing market price ⁵	\$21.90	\$20.33	\$20.69

1 This information is provided as at June 30, 2024 and December 31 for the years shown prior to 2024.

2 Management expense ratio ("MER") is based on total expenses (including performance fees, if any; 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 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 represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The TER includes dividend expense and securities borrowing expense paid by the Fund in connection with securities sold short.

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 portfolio turnover rate in a 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 period. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

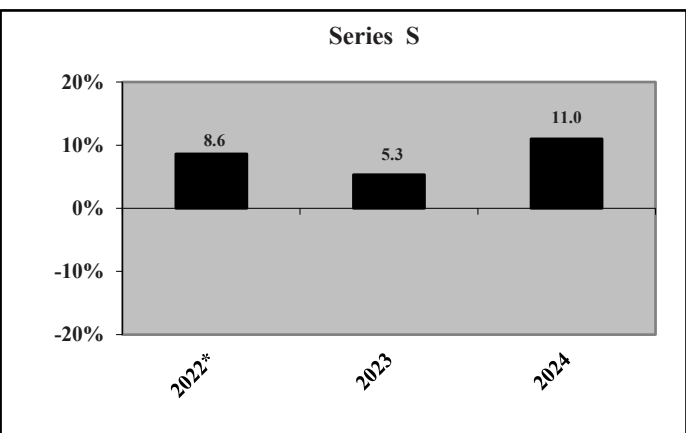
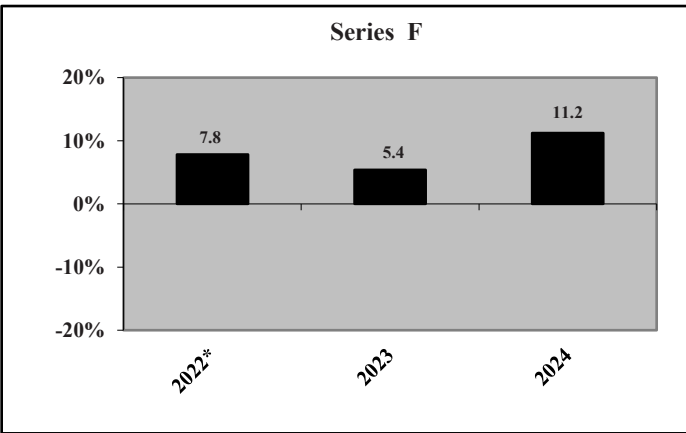
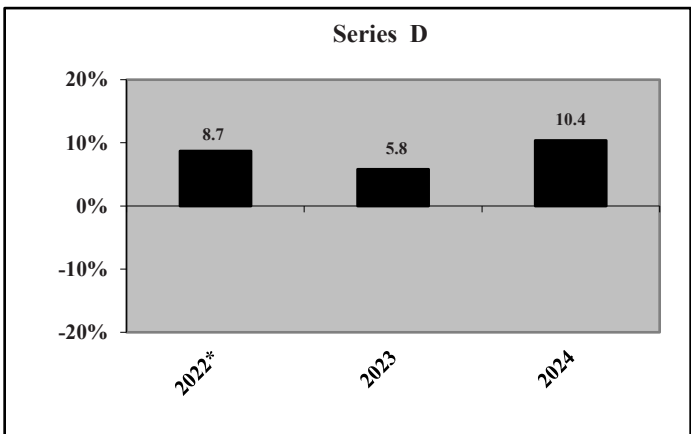
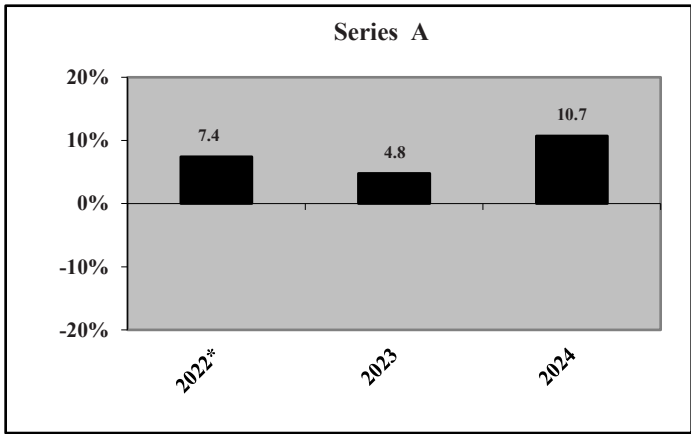
5 Last closing price as at June 30, 2024 and December 31 for the years shown prior to 2024.

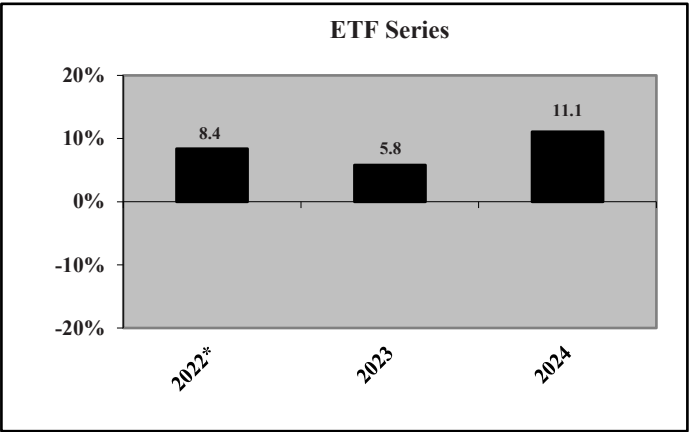
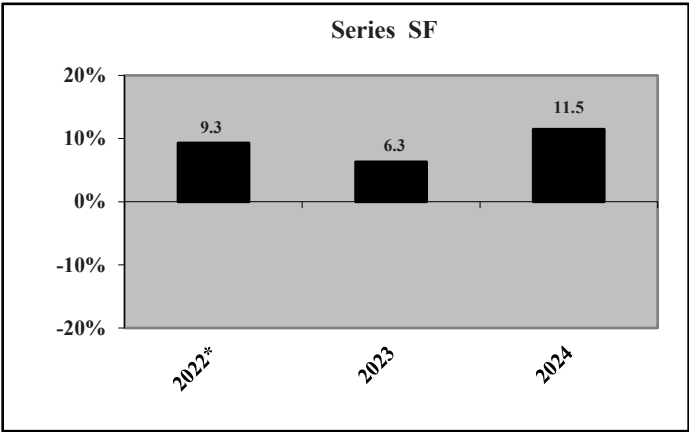
Past Performance

The indicated rates of return are the historical total returns including changes in share 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 shareholder that may reduce returns. Please note that past performance is not indicative of future performance. All rates of returns are calculated based on the Net Asset Value of the particular Series of the Fund.

Year-by-Year Returns

The following chart indicates the performance of each Series of the Fund for the period ended June 30, 2024 and each of the previous years ended December 31 shown, unless otherwise indicated. The chart shows, 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 zero outstanding units as at the end of the period.

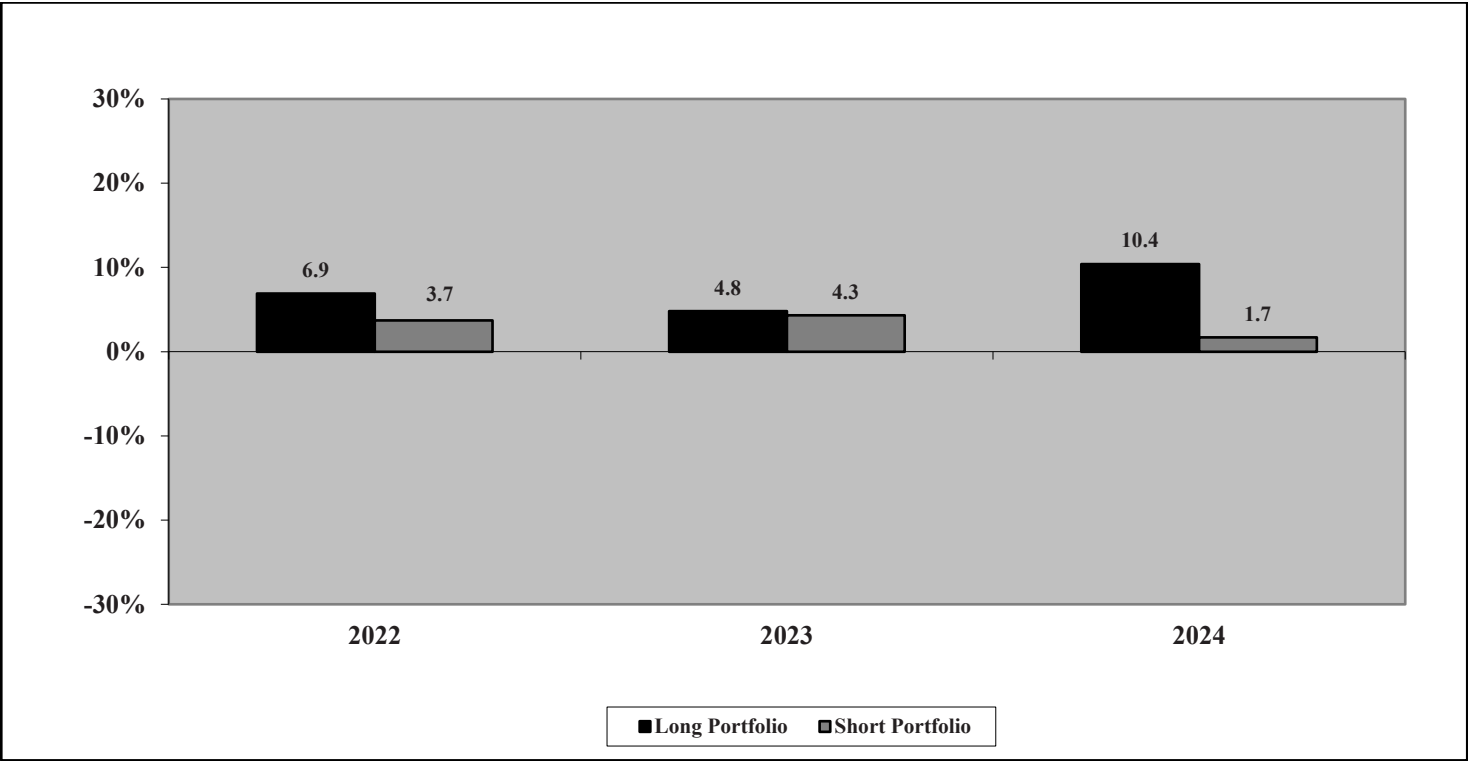




* Return from March 7, 2022 (launch date) for Series A units, Series D units, Series F units, Series S units, Series SF units and ETF Series units (not annualized).

Long and Short Portfolio Returns

The following table illustrates the contribution to the return of the Fund by the long portfolio and the short portfolio of the Fund (before the impact of Fund expenses) for the period ended June 30, 2024 and each of the previous years ended December 31 shown, unless otherwise indicated. For the purposes of this disclosure, certain derivatives may be considered to be part of the short portfolio.



Summary of Investment Portfolio

As at June 30, 2024

Portfolio Allocation

	% of Net Asset Value
Long Positions	
Oil & Gas Exploration & Production	88.8
Integrated Oil and Gas	9.8
Oil & Gas Storage & Transportation	1.1
Total Long Positions	99.7
Cash	1.6
Other Net Liabilities	(1.3)
Total Net Asset Value	100.0

All Long Positions

Issuer	% of Net Asset Value
Parex Resources Inc.	12.3
Cenovus Energy Inc.	9.8
Devon Energy Corporation	9.4
Peyto Exploration & Development Corporation	9.4
Viper Energy Inc.	9.3
Tourmaline Oil Corporation	8.7
Chord Energy Corporation	7.5
Civitas Resources Inc.	5.8
Permian Resources Corporation	4.8
Whitecap Resources Inc.	4.7
Ovintiv Inc.	4.7
Baytex Energy Corporation	4.3
Freehold Royalties Limited	4.0
Veren Inc.	3.9
Cash	1.6
Gibson Energy Inc.	1.1
All long positions as a percentage of Net Asset Value	101.3

The Fund did not hold short positions as at June 30, 2024

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.

Corporate Information

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