BASKIN FIXED INCOME POOL

Interim Financial Statements

For the six-months ended June 30, 2026
(Unaudited)

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MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements have been prepared by Baskin Financial Services Inc., in its capacity as the Trustee of the Fund. The Fund's Trustee is responsible for the information and representations contained in these financial statements.

The Trustee maintains appropriate processes to ensure that relevant and reliable financial information is produced. The unaudited interim financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgements made by the Trustee. The material accounting policy information which the Trustee believes are appropriate for the Fund are described in Note 3 to the unaudited interim financial statements.

On behalf of the Trustee

"Barry Schwartz", President

August 7, 2026

NOTICE TO UNITHOLDERS

The Auditors of the Fund have not reviewed these financial statements.

Baskin Financial Services Inc., the Trustee of the Fund, appoints an independent auditor to audit the Fund's annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Fund's interim financial statements, this must be disclosed in an accompanying notice.

Management Cover Letter

The Fixed Income Pool continued to demonstrate stability and resilience through 2026, with assets increasing to $418 million, up from $415 million in Q4 2025. This growth is supported by an attractive current yield of 4.2%. Following the Q1 and Q2 distributions of respectively $0.1199 and $0.10549 per unit, the Pool's Net Asset Value (NAV) was $9.95.

The portfolio remains well diversified across 12 sectors to help manage risk. The largest allocations are to Energy (25%), Real Estate (20%), Financials (12%), Communication Services (11%), and Consumer Staples (7.6%).

At its June 2026 meeting, the U.S. Federal Reserve maintained its policy rate at 3.50%, citing inflationary pressures that remain above its 2% target. Similarly, the Bank of Canada held its overnight rate at 2.25% in its June 10 announcement, reflecting its focus on maintaining price stability amid subdued economic activity and ongoing uncertainty surrounding U.S. trade policy.

While we evaluate opportunities to modestly extend the portfolio's duration, the Pool remains well positioned in the current environment. Approximately 50% of holdings mature within three years, with an additional 27% maturing within three to five years, providing protection against inflation and interest rate volatility. As securities mature, proceeds are being reinvested into high-quality bonds in the three- to five-year segment, currently offering yields between 3.5% and 4.5%.

We continue to maintain flexibility within our fixed income allocations to respond to evolving conditions. Our investment approach remains focused on identifying high-quality securities while managing risks associated with inflation, interest rate movements, and energy price volatility.

Baskin Fixed Income Pool

Statements of Financial Position
As at June 30, 2026 (Unaudited)

	June 30, 2026	December 31, 2025
ASSETS		
Current assets		
Cash	$ 5,502,734	$ 5,355,435
Investments (Note 4)	409,928,445	406,419,748
Dividends and interest receivable	3,226,405	3,566,679
Subscriptions receivable (Note 9)	1,918,887	–
	420,576,471	415,341,862
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	38,557	55,810
Redemptions payable (Note 10)	2,350,412	–
Distributions payable	2,194,111	–
	4,583,080	55,810
Net Assets Attributable to Holders of Redeemable Units	$ 415,993,391	$ 415,286,052
Number of Redeemable Units Outstanding (Note 5)	41,815,570	41,833,917
Net Assets Attributable to Holders of Redeemable Units per Unit	$ 9.95	$ 9.93

Approved and authorized for issue on behalf of the Fund by the Trustee:

Baskin Financial Services Inc., signed on its behalf by

Barry Schwartz

President, Baskin Financial Services Inc.

The accompanying notes are an integral part of these financial statements.

Baskin Fixed Income Pool

Statements of Comprehensive Income
For the six-months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
Income		
Dividends	$ 1,353,713	$ 1,461,330
Interest income for distribution purposes	7,419,079	6,777,973
Net unrealized appreciation in fair value of investments	2,204,443	443,686
Net realized (loss) gain on sale of investments	(510,935)	1,748,837
Foreign exchange gain on cash	1,680	79,358
Consent fee income	–	2,100
	10,467,980	10,513,284
Expenses		
Operating costs	88,170	86,997
Withholding taxes (Note 6)	66,556	58,862
Custodial fees	28,934	28,169
Audit fees	12,020	12,102
Commissions and other portfolio transaction costs	106	2,259
Legal fees	–	271
	195,786	188,660
Increase in Net Assets Attributable to Holders of Redeemable Units	$ 10,272,194	$ 10,324,624
Weighted Average of Redeemable Units Outstanding During the Period	41,787,358	40,406,067
Increase in Net Assets Attributable to Holders of Redeemable Units per Unit	$ 0.25	$ 0.26

The accompanying notes are an integral part of these financial statements.

Baskin Fixed Income Pool

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
For the six-months ended June 30, 2026 and 2025 (Unaudited)

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued	Redemption of redeemable units	Distributions to holders of redeemable units - Investment Income	Reinvestment of distributions	Increase in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
June 30, 2026	$ 415,286,052	$ 32,121,328	$ (36,955,378)	$ (9,420,921)	$ 4,690,116	$ 10,272,194	$ 415,993,391

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued	Redemption of redeemable units	Distributions to holders of redeemable units - Investment Income	Reinvestment of distributions	Increase in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
June 30, 2025	$ 387,213,094	$ 32,928,083	$ (20,071,942)	$ (8,826,152)	$ 4,001,549	$ 10,324,624	$ 405,569,256

The accompanying notes are an integral part of these financial statements.

Baskin Fixed Income Pool

Statements of Cash Flows
For the six-months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
Cash provided by (used in):		
Operating Activities		
Increase in Net Assets Attributable to Holders of Redeemable Units	$ 10,272,194	$ 10,324,624
Adjustments for non-cash items		
Net unrealized appreciation in fair value of investments	(2,204,443)	(443,686)
Net realized loss (gain) on sale of investments	510,935	(1,748,837)
Change in non-cash balances		
Decrease (increase) in dividends and interest receivable	340,274	(177,883)
Decrease in accounts payable and accrued liabilities	(17,253)	(13,637)
Proceeds from sale of investments	26,059,087	71,369,531
Purchase of investments	(27,874,276)	(91,485,784)
Cash provided by (used in) operating activities	7,086,518	(12,175,672)
Financing Activities		
Proceeds from redeemable units issued	30,202,441	33,130,661
Redemption of redeemable units	(34,604,966)	(20,340,643)
Distributions to holders of redeemable units, net of reinvestments	(2,536,694)	(2,570,845)
Cash (used in) provided by financing activities	(6,939,219)	10,219,173
Increase (decrease) in cash during the period	147,299	(1,956,499)
Cash, beginning of period	5,355,435	2,523,355
Cash, end of period	$ 5,502,734	$ 566,856
Supplemental information*		
Interest received	$ 7,625,169	$ 6,529,310
Dividends received, net of withholding taxes	1,421,341	1,473,248

*Included as a part of cash flows from operating activities

The accompanying notes are an integral part of these financial statements.

Baskin Fixed Income Pool

Schedule of Investment Portfolio
As at June 30, 2026 (Unaudited)

Par value/ number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	Canadian equities			
81,600	Algonquin Power & Utilities Corp. Preferred Shares 6.853%	$ 2,059,385	$ 2,179,535	0.52
74,600	BCE Inc. Preferred Shares 0%	1,076,113	1,574,060	0.38
58,500	BCE Inc. Preferred Shares 0%	841,394	1,249,560	0.30
90,100	BCE Inc. Preferred Shares 2.85%	1,302,407	1,937,150	0.47
47,100	BCE Inc. Preferred Shares 2.85%	664,044	991,926	0.24
52,100	BCE Inc. Preferred Shares 6.70%	744,030	1,097,226	0.26
75,400	BCE Inc. Preferred Shares 6.70%	1,099,897	1,658,800	0.40
123,000	Brookfield Corp. Preferred Shares 4.45%	1,701,178	1,722,000	0.41
26,800	Brookfield Corp. Preferred Shares 4.45%	396,085	372,520	0.09
57,430	Brookfield Corp. Preferred Shares 4.75%	1,412,204	1,456,999	0.35
23,480	Brookfield Corp. Preferred Shares 4.80%	596,392	594,983	0.14
82,000	Brookfield Corp. Preferred Shares 6.45%	1,462,572	1,445,660	0.35
8,745	Brookfield Infrastructure Partners LP Preferred Shares 5%	194,656	226,670	0.05
5,275	Brookfield Office Properties Inc. Preferred Shares 5.10%	119,162	126,547	0.03
3,129	Brookfield Property Split Corp. Preferred Shares 5%	79,164	78,538	0.02
36,785	Brookfield Renewable Partners LP Preferred Shares 5%	848,078	946,110	0.23
28,700	E-L Financial Corp. Ltd. Preferred Shares 5.50%	719,509	692,531	0.17
105,500	Emera Inc. Preferred Shares 4.25%	2,657,395	2,814,740	0.68
62,205	Emera Inc. Preferred Shares 6.324%	1,563,998	1,625,417	0.39
74,000	Enbridge Inc. Preferred Shares 4.90%	1,863,038	1,903,280	0.46
800	Great-West Lifeco Inc. Preferred Shares 4.85%	18,752	17,384	0.00
1,600	Great-West Lifeco Inc. Preferred Shares 5.65%	40,736	40,128	0.01
72,240	National Bank of Canada Preferred Shares 7.027%	1,603,728	1,937,477	0.47
35,025	Pembina Pipeline Corp. Preferred Shares 4.90%	834,996	906,797	0.22
2,800	Power Corp. of Canada Preferred Shares 5.80%	72,436	71,260	0.02
92,800	Power Financial Corp. Preferred Shares 4.95%	1,425,384	1,354,880	0.33
2,180	Power Financial Corp. Preferred Shares 5.10%	51,775	49,922	0.01
4,500	Power Financial Corp. Preferred Shares 5.50%	112,905	111,150	0.03
6,410	Power Financial Corp. Preferred Shares 5.75%	163,455	162,429	0.04
35,800	The Toronto-Dominion Bank Preferred Shares 6.301%	775,428	931,158	0.22
142,500	Thomson Reuters Corp. Preferred Shares 0%	2,265,020	2,080,500	0.50
		28,765,316	32,357,337	7.79
	Canadian fixed income			
2,400,000	Alimentation Couche-Tard Inc. 3.864% 26SEP32	2,406,576	2,387,951	0.57
15,200,000	Alimentation Couche-Tard Inc. 5.592% 25SEP30	16,379,080	16,287,712	3.92
7,500,000	Bell Canada Inc. 2.50% 14MAY30	6,570,592	7,241,100	1.74
200,000	Bell Canada Inc. 2.90% 10SEP29	188,480	197,090	0.05
8,000	Bell Canada Inc. 7.65% 30DEC31	11,040	9,195	0.00
2,500,000	Brookfield Asset Management Inc. 3.80% 16MAR27	2,430,500	2,511,150	0.60
1,000,000	Brookfield Infrastructure Finance ULC 3.41% 09OCT29	924,900	995,120	0.24
6,300,000	Brookfield Infrastructure Finance ULC 4.193% 11SEP28	6,623,200	6,392,295	1.54
250,000	Canadian Government Real Return Bond 3% 01DEC36	483,404	478,971	0.12
280,000	Canadian Imperial Bank of Commerce 2.25% 07JAN27	260,820	279,345	0.07

Baskin Fixed Income Pool

Schedule of Investment Portfolio (continued)
As at June 30, 2026 (Unaudited)

Par value/ number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	Canadian fixed income (continued)			
2,500,000	Canadian Imperial Bank of Commerce 4.95% 29JUN27	2,503,750	2,543,850	0.61
7,180,000	Canadian Natural Resources Ltd. 2.50% 17JAN28	$ 6,612,900	$ 7,105,113	1.71
7,900,000	Canadian Natural Resources Ltd. 4.15% 15DEC31	7,982,880	8,020,554	1.93
12,200,000	Canadian Tire Corp Ltd. 5.372% 16SEP30	13,018,000	12,926,998	3.11
197,000	Canadian Tire Corp Ltd. 6.50% 13APR28	243,681	206,547	0.05
280,000	Canadian Western Bank 1.818% 16DEC27	251,692	275,895	0.07
2,500,000	Canadian Western Bank 5.146% 02SEP27	2,511,250	2,563,500	0.62
9,265,000	CCL Industries Inc. 3.864% 13APR28	9,334,534	9,319,849	2.24
7,100,000	CGI Inc. 2.10% 18SEP28	7,064,194	6,908,300	1.66
3,400,000	CGI Inc. 4.147% 05SEP29	3,457,754	3,449,300	0.83
5,442,000	Constellation Software Inc. 8.90% 31MAR40	7,341,894	6,720,870	1.62
3,280,000	Crombie Real Estate Investment Trust 2.686% 31MAR28	3,015,527	3,241,099	0.78
5,700,000	Crombie Real Estate Investment Trust 3.133% 12AUG31	5,344,750	5,454,615	1.31
6,000,000	Crombie Real Estate Investment Trust 3.917% 21JUN27	6,362,150	6,036,060	1.45
280,000	Dollarama Inc. 1.505% 20SEP27	252,336	275,498	0.07
5,000,000	Dollarama Inc. 2.443% 09JUL29	5,020,000	4,866,100	1.17
1,750,000	Dream Industrial Real Estate Investment Trust 2.539% 07DEC26	1,756,808	1,747,515	0.42
200,000	Enbridge Inc. 2.99% 03OCT29	189,980	197,530	0.05
3,500,000	Enbridge Inc. 3.20% 08JUN27	3,411,750	3,503,500	0.84
7,000,000	Fairfax Financial Holdings Ltd. 4.25% 06DEC27	7,501,620	7,088,130	1.70
6,000,000	First Capital Real Estate Investment Trust 3.447% 01MAR28	6,175,440	6,009,300	1.44
200,000	Granite REIT Holdings LP 2.194% 30AUG28	184,768	195,434	0.05
10,925,000	Granite REIT Holdings LP 2.378% 18DEC30	10,128,760	10,288,728	2.47
4,000,000	Granite REIT Holdings LP 3.062% 04JUN27	3,761,705	4,001,240	0.96
2,000,000	Granite REIT Holdings LP 4.348% 04OCT31	2,008,700	2,025,860	0.49
7,000,000	H&R Real Estate Investment Trust 2.633% 19FEB27	7,013,990	6,983,340	1.68
7,100,000	IGM Financial Inc. 3.44% 26JAN27	7,170,950	7,116,401	1.71
12,000,000	Inter Pipeline Ltd. 3.983% 25NOV31	11,805,410	11,997,720	2.88
8,200,000	Keyera Corp. 3.934% 21JUN28	8,778,476	8,274,374	1.99
6,500,000	Keyera Corp. 3.959% 29MAY30	6,290,790	6,560,645	1.58
1,000,000	Keyera Corp. 5.022% 28MAR32	1,051,000	1,050,020	0.25
3,000,000	Loblaw Cos Ltd. 6.45% 09FEB28	3,748,520	3,138,660	0.75
5,000,000	Morguard Corp. 4.307% 18JUN29	5,034,500	5,027,800	1.21
4,000,000	Morguard Corp. 5% 14OCT28	4,074,200	4,090,400	0.98
3,500,000	Pembina Pipeline Corp. 3.31% 01FEB30	3,289,300	3,475,325	0.84
2,300,000	Pembina Pipeline Corp. 3.53% 10DEC31	2,149,350	2,275,551	0.55
200,000	Pembina Pipeline Corp. 3.62% 03APR29	195,640	200,658	0.05
6,500,000	Pembina Pipeline Corp. 4.24% 15JUN27	6,892,450	6,553,560	1.58
1,500,000	Pembina Pipeline Corp. 5.02% 12JAN32	1,563,600	1,577,505	0.38
4,000,000	RioCan Real Estate Investment Trust 2.829% 08NOV28	3,999,600	3,946,520	0.95
4,000,000	RioCan Real Estate Investment Trust 4.623% 03OCT31	4,040,200	4,091,440	0.98
4,000,000	RioCan Real Estate Investment Trust 5.47% 01MAR30	4,189,600	4,213,720	1.01
3,300,000	Rogers Communications Inc. 2.90% 09DEC30	3,149,850	3,221,328	0.77

Baskin Fixed Income Pool

Schedule of Investment Portfolio (continued)
As at June 30, 2026 (Unaudited)

Par value/ number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	Canadian fixed income (continued)			
2,950,000	Rogers Communications Inc. 3.25% 01MAY29	2,840,885	2,932,005	0.70
500,000	Rogers Communications Inc. 3.65% 31MAR27	538,800	501,785	0.12
3,900,000	Rogers Communications Inc. 4.40% 02NOV28	3,845,340	3,976,050	0.96
2,500,000	Royal Bank of Canada 2.328% 28JAN27	$ 2,326,500	$ 2,494,275	0.60
3,000,000	Saputo Inc. 2.242% 16JUN27	2,952,300	2,980,080	0.72
9,200,000	Saputo Inc. 5.492% 20NOV30	9,886,760	9,847,956	2.37
3,000,000	Secure Waste Infrastructure Corp. 5.75% 20NOV32	3,052,500	3,104,460	0.75
14,220,000	Secure Waste Infrastructure Corp. 6.75% 22MAR29	14,616,590	14,737,324	3.54
4,200,000	SmartCentres Real Estate Investment Trust 3.834% 21DEC27	4,496,880	4,224,570	1.02
5,200,000	SmartCentres Real Estate Investment Trust 4.737% 05AUG31	5,300,328	5,319,340	1.28
4,000,000	SmartCentres Real Estate Investment Trust 5.162% 01AUG30	4,129,599	4,165,760	1.00
15,400,000	Stella-Jones Inc. 4.312% 01OCT31	15,445,929	15,637,160	3.76
3,200,000	Sunoco LP 4.375% 26MAR29	3,197,376	3,197,536	0.77
1,000,000	Sunoco LP 6% 22JUN28	1,010,040	1,000,430	0.24
3,600,000	TELUS Corp. 3.30% 02MAY29	3,355,782	3,594,312	0.86
10,400,000	TELUS Corp. 4.65% 13AUG31	10,678,850	10,760,568	2.59
1,400,000	TELUS Corp. 4.80% 15DEC28	1,406,580	1,443,260	0.35
3,400,000	The Bank of Nova Scotia 4.68% 01FEB29	3,402,480	3,511,520	0.84
1,000,000	The Bell Telephone Co of Canada or Bell Canada 6.55% 01MAY29	1,289,430	1,079,280	0.26
8,700,000	Tourmaline Oil Corp. 2.077% 25JAN28	7,947,450	8,561,496	2.06
3,000,000	Tourmaline Oil Corp. 3.934% 16MAR31	3,017,760	3,024,030	0.73
3,000,000	TransCanada PipeLines Ltd. 3.80% 05APR27	3,163,650	3,012,690	0.72
4,000,000	TransCanada PipeLines Ltd. 5.277% 15JUL30	4,109,800	4,234,760	1.02
750,000	TransCanada PipeLines Ltd. 6.89% 07AUG28	959,850	798,983	0.19
17,000	TransCanada PipeLines Ltd. 7.90% 15APR27	22,176	17,620	0.00
2,780,000	Wells Fargo & Co. 2.493% 18FEB27	2,582,074	2,773,745	0.67
		351,728,550	352,477,276	84.76
	U.S. equity			
223,781	Vanguard Short-Term Corporate Bond ETF	25,103,689	25,093,832	6.03
	Total investments owned	405,597,555	409,928,445	98.58
	Commissions and other portfolio transaction costs	(7,228)	–	–
	Net investments owned	**$ 405,590,327**	409,928,445	98.58
	Other assets, net		6,064,946	1.42
	Net Assets Attributable to Holders of Redeemable Units		**$ 415,993,391**	**100.00**

1. Organization and nature of operations

Baskin Fixed Income Pool (the "Fund") was created as an investment trust under the laws of the Province of Ontario pursuant to the terms of the declaration of trust (the "Declaration of Trust") dated January 6, 2020 and commenced operations on January 21, 2020. Pursuant to the Declaration of Trust, Baskin Financial Services Inc. (the "Trustee" or the "Manager"), a corporation formed under the laws of Canada, is the trustee and the manager of the Fund. The Fund's registered office address is 95 St. Clair Avenue West, Suite 900, Toronto, Ontario, Canada.

The Trustee has the power to enter into any and all agreements that it deems necessary for the operation and the investment activities of the Fund and to appoint third-party service providers as it may reasonably require for the proper discharge of its duties under the Declaration of Trust. The Manager is responsible for managing the business and affairs of the Fund and to manage its investment portfolio. The Manager has appointed National Bank Independent Network (a division of National Bank Financial Inc.) ("NBIN") as the custodian, prime broker and administrator of the Fund. NBIN has in turn contracted SGGG Fund Services Inc. (the "Administrator") to provide accounting and shareholder recordkeeping services.

The investment objective of the Fund is to provide investors with a moderate degree of income with reasonable safety of capital. In seeking to achieve its investment objective, the Fund invests in high quality fixed income securities issued by Canadian governments and corporations. It may also invest in foreign fixed income securities and high-quality preferred shares. The Fund's strategy seeks to achieve a higher potential total return than available in the money market instruments or short-term bonds. The Fund aims to be well-diversified and will invest primarily in liquid securities.

2. Basis of presentation

These interim financial statements have been prepared in compliance with IFRS Accounting Standards applicable to the preparation of financial statements, and International Accounting Standards 34, *Interim Financial Reporting* (together "IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB").

The financial statements have been prepared on a historical-cost basis, except for financial assets and financial liabilities at fair value through profit or loss ("FVTPL"), which are presented at fair value.

The policies applied in these interim financial statements are based on IFRS Accounting Standards issued and effective as at June 30, 2026. The financial statements were authorized for issue by the Trustee on August 7, 2026.

3. Summary of material accounting policy information

The following is a summary of material accounting policy information followed by the Fund:

a) Financial instruments

Classification

i) Financial assets and financial liabilities at FVTPL

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. As such, the Fund classifies all of its investment portfolio as financial assets as FVTPL.

3. Summary of material accounting policy information (continued)

a) Financial instruments (continued)

i) Financial assets and financial liabilities at FVTPL (continued)
The Fund has no investments in securities classified as financial liabilities at FVTPL as at June 30, 2026 and December 31, 2025.

ii) Other financial assets and financial liabilities
All other financial assets and financial liabilities are recognized initially at fair value and subsequently measured at amortized cost if:

a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Under this method, financial assets and financial liabilities reflect the amounts required to be received or paid, discounted, when appropriate, at the contracts' effective interest rates. The fair values of those financial instruments are approximated by their carrying values.

Recognition, subsequent measurement and derecognition

Purchases and sales of investments are recognized at fair value on the trade date – the date on which the Fund commits to purchase or sell the investment.

Subsequent to initial recognition, all financial assets at FVTPL are measured at fair value, with the exception of receivables which are measured at amortized cost. Unrealized gains and losses arising from changes in the fair value of the financial assets at FVTPL are presented in the Statements of Comprehensive Income within "Net unrealized appreciation in fair value of investments" in the period in which they arise. Realized gains and losses from sale of investments are presented in the Statements of Comprehensive Income as "Net realized (loss) gain on sale of investments" on the date of sale.

Financial assets and financial liabilities are derecognized when the rights to receive or obligations to pay cash flows from the investments have expired, when contractual rights have been transferred or pass-through criteria met, and the Fund has transferred substantially all risks and rewards of ownership.

Fair values of financial assets and financial liabilities

Financial assets that are fixed income securities traded on a regulated market shall be valued on the basis of valuations provided by a principal market maker or a pricing service, both of which generally utilize electronic data processing techniques to determine valuations for normal institutional trading units of fixed income securities without exclusive reliance upon quoted prices. The fair values of financial assets other than fixed income securities are determined using the last trading or closing prices that falls within the year-end bid-ask spread. In circumstances where the close price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that better reflects the fair value.

The fair values of financial assets and financial liabilities that are not traded in an active market (for example, over-the-counter derivatives) are determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each Statements of Financial Position date. Valuation techniques used include the use of comparable recent arm's-length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

3. Summary of material accounting policy information (continued)

a) Financial instruments (continued)

Impairment of financial assets

The Fund's financial assets at amortized cost, including dividends and interest receivable and subscriptions receivable, are subject to expected credit loss model for determining impairment per IFRS 9, *Financial Instruments* ("IFRS 9"). The Fund applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected credit loss provision for all other assets. Impairment losses on financial assets at amortized cost, if any, are recognized in the Statements of Comprehensive Income.

b) Investment transactions and revenue recognition

Investment income and expenses, and both realized and unrealized gains and losses on sale of investments are allocated amongst all series in the Fund based on the aggregate net asset value of each series of units.

Interest income is accrued daily and dividend income is recognized on the ex-dividend date. Realized gains and losses on sale of investments and unrealized appreciation and depreciation in fair value of investments are determined on an average cost basis.

c) Valuation and classification of redeemable units

The value of redeemable units is determined on Tuesday of each week and the last business day of each month or such other day determined from time to time by the Trustee (each a "Valuation Date"). The value of redeemable units on a Valuation Date is obtained by dividing the net assets attributable to holders of a specific series of redeemable units by the total number of units outstanding of the series at 4:00 p.m. Eastern Time or such other time that the Trustee deems appropriate ("Valuation Time"). Expenses directly attributable to a series are charged to that series while common Fund expenses are allocated to each series in a reasonable manner as determined by the Trustee. Other income and realized and unrealized gains and losses are allocated to each series of the Fund based on that series' pro rata share of the total net assets of the Fund.

IAS 32, Financial Instruments: Presentation ("IAS 32") requires that units or shares of an entity, which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset, be classified as a financial liability. The Fund's units do not meet the criteria in IAS 32 for classification as equity and, therefore, have been classified as financial liabilities.

d) Net assets attributable to holders of redeemable units per series unit

The net assets attributable to unitholders per series unit are calculated by dividing the net assets attributable to unitholders of a particular series of units by the total number of units of that particular series outstanding at the end of the period. See Note 5.

e) Increase in net assets attributable to holders of redeemable units

Increase in net assets attributable to holders of redeemable units per unit is based on the increase in net assets attributable to holders of redeemable units attributed to each series of units, divided by the weighted average number of units outstanding of that series during the period.

3. Summary of material accounting policy information (continued)

f) Functional and presentation currency

The functional and presentation currency of the Fund is the Canadian dollar. The Fund receives and pays Canadian dollars for its unit issuances and redemptions.

g) Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing as at the Statements of Financial Position date.

Foreign exchange gains and losses arising from the translation of foreign currency transactions are included in the Statements of Comprehensive Income within “Net change in unrealized appreciation in fair value of investments” and “Net realized (loss) gain on sale of investments”.

h) Cash

Cash consists of cash balances held at the Fund’s custodian.

i) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, transfer taxes and duties, and any goods and services, harmonized sales, value-added, commodity or other taxes applicable to such expenses. Such costs are expensed and are included in “Commissions and other portfolio transaction costs” in the Statements of Comprehensive Income.

j) Significant accounting judgments, estimates and assumptions

The preparation of the Fund’s financial statements requires the Manager to make judgments, estimates and assumptions that affect the reported amounts recognized in the financial statements and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

In the process of applying the Fund’s accounting policies, the Manager has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

3. Summary of material accounting policy information (continued)

j) Significant accounting judgments, estimates and assumptions (continued)

Investment entity

The Fund has determined that it is an investment entity as defined by IFRS 10, *Consolidated Financial Statements* ("IFRS 10"), and the amendments to IFRS 10, as the following conditions exist:

a) The Fund has obtained funds from one or more investors for the purpose of providing those investors with investment management services;
b) The Fund has committed to its investors that its business purpose is to invest funds solely for returns from capital appreciation and investment income; and
c) The Fund measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Fund also meets the additional characteristics of an investment entity, in that it has more than one investment; the ownership interests are in the form of securities similar to equities to which a proportionate share of the net assets of the Fund are attributed; and they represent, indirectly, the interests of more than one investor.

As an investment entity, the Fund is exempted from consolidating particular subsidiaries, if any, and instead is required to measure its investments in these particular subsidiaries at FVTPL.

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to manage its portfolio of investments and evaluate performance on a fair value basis and that the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The most significant judgments made include assessing and determining the appropriate business model that enables the decision that the Fund's investments are classified as FVTPL, per IFRS 9.

k) Offsetting financial instruments

Financial assets and financial liabilities may be offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund may enter into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be offset in certain circumstances, such as bankruptcy or termination of the contracts.

3. Summary of material accounting policy information (continued)

l) New standards, amendments and interpretations not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as of June 30, 2026 and have not been applied in preparing these financial statements.

(i) IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*. It introduces several new requirements that are expected to impact the presentation and disclosure of the financial statements. These include:

- The requirement to classify all income and expense into specified categories and provide specified totals and subtotals in the statement of profit or loss.
- Enhanced guidance on the aggregation, location and labeling of items across the financial statements and the notes to the financial statements.
- Required disclosures about management-defined performance measures.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with early adoption permitted.

The Fund is currently assessing the effect of the above standard and amendments. No other new standards, amendments and interpretations are expected to have a material effect on the financial statements of the Fund.

m) Amendments to accounting standards effective in the current period

(i) Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7. Among other amendments, IASB clarified that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. These amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted.

The Trustee has assessed the new standard and determined that there is no impact on the Fund's financial statements.

4. Classification of financial instruments - fair value measurements

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, in accordance with IFRS 13, *Fair Value Measurements*, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

4. Classification of financial instruments - fair value measurement (continued)

The table below summarizes the fair value hierarchy levels for the Fund's investments as at June 30, 2026.

	Level 1	Level 2	Level 3	Total
Assets				
Equities	$ 57,451,169	$ –	$ –	$ 57,451,169
Fixed Income	–	352,477,276	–	352,477,276
	$ 57,451,169	$ 352,477,276	$ –	$ 409,928,445

The table below summarizes the fair value hierarchy levels for the Fund's investments as at December 31, 2025.

	Level 1	Level 2	Level 3	Total
Assets				
Equities	$ 56,214,453	$ –	$ –	$ 56,214,453
Fixed Income	–	350,205,295	–	350,205,295
	$ 56,214,453	$ 350,205,295	$ –	$ 406,419,748

All fair value measurements above are recurring. The carrying values of cash, dividends and interest receivable, subscriptions receivable, accounts payable and accrued liabilities, redemptions payable, distributions payable and the Fund's obligation for net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the security is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. There were no transfers between levels during the period ended June 30, 2026 and December 31, 2025.

5. Redeemable units of the Fund

Units issued and outstanding represent the capital of the Fund. The Trustee shall have sole discretion in determining whether the capital of the Fund is divided into one or more classes of units and whether a class is issued in one or more series of units, the attributes that shall attach to each class and series of units, and whether any class or series of units should be redesignated as a different class or series of units. The number of units and classes or series of units of the Fund that may be issued is unlimited. Each unit shall be without a nominal or par value and shall entitle the holder thereof to one vote at all meetings of unitholders of the Fund where all series vote together and one vote at all meetings of unitholders of the Fund where that particular series votes separately as a series.

In addition, each unit of a particular series shall entitle the holder thereof to participate pro rata, in accordance with the provisions of the Declaration of Trust, with respect to all amounts payable by the Fund to holders of redeemable units of that series (except with respect to net income and net capital gains paid to holders of redeemable units on the redemption of units). All units shall be redeemable on demand by the holders of redeemable units and shall not be transferrable. Any unit of a particular series of the Fund may, at the option of the holder or the Trustee and without notice to the holder unless required, be redesignated as a unit of any other series of the Fund based on the applicable series net asset value per unit for the two series of units on the date of the redesignation. Fractional units of a series may be issued and shall be proportionately entitled to all the same rights as whole units of that same series, except voting rights.

5. Redeemable units of the Fund (continued)

Series O units are being offered by the Fund on a continuous basis at the applicable series net asset value per unit. Unless the Trustee otherwise agrees, the Trustee may establish a time on each Valuation Date by which subscriptions must be received, at its principal office in Toronto, Ontario or as it may otherwise direct, in order to be implemented at the series net asset value per unit determined at the next Valuation Time. Subscriptions received after the time established by the Trustee will be implemented at the series net asset value per unit determined at the Valuation Time on the next Valuation Date. The issue price may be paid in cash or, at the discretion of the Trustee, in non-cash assets that are acceptable to the Trustee and are valued in accordance with the valuation principles set out in the Declaration of Trust.

The changes in outstanding redeemable units during the periods ended June 30, 2026 and 2025 are summarized as follows:

	Redeemable units, beginning of period	Redeemable units issued	Redemptions of redeemable units	Reinvestments of units	Redeemable units, end of period
June 30, 2026	41,833,917	3,217,298	(3,709,178)	473,533	41,815,570
June 30, 2025	39,534,064	3,340,602	(2,040,642)	406,871	41,240,895

Distributions

Subject to the provisions of the Declaration of Trust, the Trustee shall have the sole discretion to determine if any distributions of the Fund are to be made to unitholders of the Fund, the classes and series of units such distributions will be paid on, the record date or dates for the purpose of determining the unitholders entitled to receive distributions and the time or times when such distributions will be paid. The Trustee shall declare and credit as due and payable a sufficient amount of the net income and the net capital gains of the Fund for each taxation year so that the Fund will not have any obligation to pay tax under Part I of the *Income Tax Act* (Canada) (the "Tax Act") after taking into account any entitlement to a capital gain refund under the Tax Act. Each holder of redeemable units to whom any distribution has been declared and credited as payable shall be entitled to enforce payment thereof to the extent that such distribution has not been paid to the holder of redeemable units on or before the last day of the taxation year of the Fund in respect of which such amount was declared payable. Any taxes withheld from, or paid or payable on account of income or capital of the Fund, shall be considered to have been paid or payable on behalf of the holders of redeemable units to the extent that related amounts are allocated to such holders of redeemable units for income tax purposes.

To the extent that the Trustee has not allocated all or any portion of the net income and net capital gains of the Fund among the series of units of the Fund, the net income and net capital gains shall be allocated in the same manner as it was allocated for the previous taxation year of the Fund. Such amounts as became due and payable to the holders of redeemable units of a series shall be automatically paid in cash or reinvested in additional units of the same series of units of the Fund on which the amount was payable. Immediately following units reinvestment, the number of units of the relevant series of units outstanding shall be automatically consolidated so that the series net asset value per unit after the reinvestment shall be the same as it was immediately before the amount became due and payable by the Fund.

The Fund intends to distribute income (interest and dividends) on a quarterly and annual basis and capital gains on an annual basis to qualifying unitholders.

5. Redeemable units of the Fund (continued)

Redemptions

Holders of redeemable units are entitled at any time and from time to time to require the Fund to redeem all or any part of their units at the series net asset value per unit for the applicable series of units. The Trustee shall establish a time on each Valuation Date by which a completed redemption request must be received by it at its principal office or as it may direct in order to be effective on that Valuation Date. Redemption requests received after the time established by the Trustee will be deemed to be received as of the next Valuation Date and will receive the series net asset value calculated for the applicable series on that next Valuation Date.

Redemption requests will be processed in the order in which they are received. The Trustee, on behalf of the Fund, shall pay to each holder of redeemable units who has requested a redemption of units an amount equal to the applicable series net asset value per unit multiplied by the number of units to be redeemed. Payment in respect of any redemption shall be made within 1 business day from the applicable Valuation Date and shall be paid in cash and made by cheque payable to or to the order of the holder of redeemable unit or shall be paid by such other manner of payment, including the delivery in specie of non-cash assets, approved by the Trustee from time to time.

The Trustee will suspend the right to redeem units of the Fund and the calculation of the series net asset value per unit for each series of units when required to do so under securities legislation or under any exemptive relief granted by the local securities authorities from such securities legislation. The Trustee may also suspend the right to redeem units and the calculation of the series net asset value per unit for each series of units at such other time it deems appropriate, provided that such suspension is permitted under securities legislation or under the terms of any exemptive relief received by the Fund. During any period of suspension, there shall be no calculation of the series net asset value per unit of any series of that Fund and the Fund shall not be permitted to issue, redesignate or redeem any units and the Trustee may postpone the payment of any redemption proceeds.

6. Related party transactions and other expenses

Related party unitholdings

As at June 30, 2026, directors, management, and employees of the Trustee directly or indirectly held 0.14% (December 31, 2025 – 0.12%) of units issued by the Fund.

Expenses and expense reimbursements

The Fund is responsible for the payment of all fees and expenses relating to its operations including, but not limited to, all regulatory filing fees, registrar and transfer agent fees and expenses, audit fees, accounting fees, administration fees including recordkeeping fees, legal fees, custody and safekeeping charges, costs to provide financial and other reports to unitholders, all taxes including withholding taxes, assessments or other governmental charges levied against the Fund, all brokerage expenses and commissions, all other portfoio transaction costs, and interest expense, if any.

In the event that certain operating expenses of the Fund exceed 0.10% of the net asset value of the Fund, the Trustee will absorb such additional expenses. The amount of absorbed expenses, if any, has been reflected in the Statements of Comprehensive Income.

Each class or series of units is responsible for the expenses specifically related to that class or series of units and a proportionate share of expenses that are common to all classes and series. No management fees are being charged to the Fund by the Manager.

During the period ended June 30, 2026, the Trustee absorbed $nil (2025 - $nil) of the Fund’s expenses and $nil (December 31, 2025 - $nil) is receivable from the Trustee in respect of the expenses absorbed.

7. Income taxes

The Fund has met the necessary requirements to qualify at all relevant times, as a mutual fund trust within the meaning of the Tax Act. The taxation year of the Fund is the calendar year ending on December 15 each year. The Fund will be subject to tax in each taxation year under Part I of the Tax Act on the amount of its net income for the year, including net realized taxable capital gains and dividends received in the year on shares of corporations, less the portion thereof that it claims in respect of amounts paid or payable to unitholders (whether in cash or in units) in the year. The Fund intends to make sufficient distributions in each year of its net income and net capital gains for tax purposes, thereby permitting the Fund to deduct sufficient amounts so that the Fund will generally not be liable in such year for non-refundable income taxes under Part I of the Tax Act.

As at December 31, 2025, the Fund had gross capital loss carry-forward of $3,465,623 (2024 – $4,946,099) and non-capital loss carry-forwards of $nil (2024 – $nil).

8. Financial risk management

In the normal course of business, the Fund is exposed to a variety of financial risks, which may include credit risk, liquidity risk, market risk (including interest rate risk, market price risk and currency risk) and concentration risk. The value of the investments within the Fund's portfolio can fluctuate on a daily basis as a result of changes in interest rate, economic conditions, the market and, company news related to specific securities within the Fund. The level of risk depends on the Fund's investment objective and strategies and the type of securities in which it invests. The Manager aims to minimize potential adverse effects of these risks on the Fund's performance by ongoing monitoring of market events and the Fund's position against the Fund's mandates.

The Fund's performance has been and may continue to be impacted by market volatility, inflationary pressures, increase in credit risk, strain on commodity markets, foreign currency exchange rate volatility and disruption of business operations. In light of the current environment of heightened uncertainty and market volatility, the Manager continues to closely monitor its impact on the Fund's risk exposures from the portfolio holdings.

The various financial risks and the level of the Fund's exposure to those risks are described below.

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Where the Fund invests in debt instruments and derivatives, this represents the main concentration of credit risk. The fair value of debt instruments and derivatives includes consideration of the credit worthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the Fund.

8. Financial risk management (continued)

Credit risk (continued)

As at June 30, 2026 and December 31, 2025, the Fund invested in debt instruments with the following S&P Global credit ratings:

Debt Instruments by Credit Rating	Percentage of net assets attributable to holders of redeemable units	
	June 30, 2026	December 31, 2025
AAA	0.1%	0.1%
AA	1.3%	0.6%
AA-	1.5%	0.7%
A+	1.7%	1.7%
A	0.0%	2.2%
A-	10.1%	8.7%
BBB+	25.2%	23.4%
BBB	31.9%	32.2%
BBB-	7.6%	5.2%
BB+	0.0%	3.0%
BB	4.6%	6.5%
BB-	0.7%	0.0%
Total	84.7%	84.3%

All transactions executed by the Fund in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

The Fund maintains an account with National Bank Independent Network (“NBIN”), a division of National Bank of Canada which has a S&P Global credit rating of A+ as at June 30, 2026 and December 31, 2025.

Liquidity risk

Liquidity risk is defined as the risk that a company may not be able to settle or meet its obligations on time or at their full amount. Liquidity risk also applies where a company invests in securities that are not traded in an active market and may be illiquid.

The Fund’s exposure to liquidity risk is concentrated in the monthly cash redemptions of units. The Fund primarily invests in securities that are traded in active markets as well as securities that are infrequently traded on public markets or may be subject to hold periods under applicable securities law.

Further, the Fund’s liabilities are short-term trade payables and are expected to mature within twelve months.

8. Financial risk management (continued)

Market risk

Interest rate risk
Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when a company invests in interest-bearing financial instruments. The Fund would be exposed to the risk that the value of such financial instruments would fluctuate due to changes in the prevailing levels of market interest rates.

As at June 30, 2026 and December 31, 2025, the following was the Fund's exposure to debt instruments by maturity, and the impact (increase or decrease) on net assets attributable to holders of redeemable units had the yield curve shifted in parallel by 100 basis points ("Sensitivity"), with all other variables held constant (in Canadian dollars):

Debt Instruments by Maturity Date	Percentage of net assets attributable to holders of redeemable units	
	June 30, 2026	December 31, 2025
Less than 1 year	12.8%	6.6%
1 - 3 years	29.6%	33.6%
3 - 5 years	22.9%	29.3%
5 - 7 years	17.7%	13.2%
Greater than 7 years	1.7%	1.7%
Total	84.7%	84.4%

Sensitivity	$	10,588,454	$	10,693,705

The above sensitivity analysis assumes no changes in default risk, liquidity risk or other market risk. In practice, actual trading results may differ from the above sensitivity analysis and the difference could be material.

Market price risk
Market price risk is the risk that the value of any securities invested in by a company will be affected by changes to the market price of those securities. The price of each security is influenced by the outlook of the issuer and by general economic and political conditions, as well as industry and market trends. All investments represent a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Financial instruments held by the Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments.

As at June 30, 2026, 13.8% (December 31, 2025 – 13.5%) of the Fund's net investments were exposed to market price risk. If prices of these instruments listed on the Canadian stock exchanges had increased or decreased by 10% as at the period end, with all other factors remaining constant and assuming 100% market correlation, net assets attributable to holders of redeemable units could possibly have increased or decreased by approximately $5,745,117 (December 31, 2025 - $5,621,445). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

8. Financial risk management (continued)

Currency risk
Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises from financial instruments (including cash) that are denominated in a currency other than the functional currency of a company.

As at June 30, 2026, the Fund's exposure to foreign currencies were as follows:

	Exposure			Impact if CAD strengthened or weakened by 5% in relation to other currencies		
Currency	**Monetary**	**Non-Monetary**	**Total**	**Monetary**	**Non-Monetary**	**Total**
June 30, 2026						
U.S. Dollar	$ 80,415	$ 25,093,832	$ 25,174,247	$ 4,021	$ 1,254,692	$ 1,258,713
	$ 80,415	$ 25,093,832	$ 25,174,247	$ 4,021	$ 1,254,692	$ 1,258,713
% of Net Assets Attributable to Holders of Redeemable Units	0.0	6.0	6.1	–	0.3	0.3

As at December 31, 2025, the Fund's exposure to foreign currencies were as follows:

	Exposure			Impact if CAD strengthened or weakened by 5% in relation to other currencies		
Currency	**Monetary**	**Non-Monetary**	**Total**	**Monetary**	**Non-Monetary**	**Total**
December 31, 2025						
U.S. Dollar	$ 77,361	$ 24,107,403	$ 24,184,764	$ 3,868	$ 1,205,370	$ 1,209,238
	$ 77,361	$ 24,107,403	$ 24,184,764	$ 3,868	$ 1,205,370	$ 1,209,238
% of Net Assets Attributable to Holders of Redeemable Units	0.0	5.8	5.8	–	0.3	0.3

8. Financial risk management (continued)

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is a geographical location, product type, industry sector or counterparty type. The table below shows concentration risk by industry sector:

	Percentage of net assets attributable to holders of redeemable units	
Market segment	**June 30, 2026**	**December 31, 2025**
Investments owned		
Communications	10.9	11.0
Consumer, Cyclical	8.9	8.4
Consumer, Non-cyclical	3.8	4.0
Energy	25.3	25.1
Financial	29.7	29.9
Funds	6.0	5.8
Government	0.1	0.1
Industrial	6.0	6.0
Technology	4.1	4.0
Utilities	3.6	3.7
Total net investments	98.4	98.0
Cash and cash equivalents	1.3	1.3
Other assets and liabilities	0.3	0.7
	100.0	100.0

9. Subscriptions receivable

Subscriptions receivable relate to the issuance of Fund units in advance of cash received.

10. Redemptions payable

Redemptions payable consists of units redeemed during the period that have not been paid out until subsequent to the period-end.

11. Filing exemption

In reliance upon the exemption in Section 2.11 of National Instrument 81-106, the financial statements of the Fund will not be filed with the securities regulatory authorities.