BARRANTAGH
Investment Management

Barrantagh Small Cap Canadian Equity Fund

Unaudited Semi-Annual Report

Period Ended June 30, 2025

Barrantagh Small Cap Canadian Equity Fund

Unaudited Semi-Annual Report

Period Ended June 30, 2025

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

Barrantagh Investment Management Inc., the Manager of the Funds, appoints independent auditors to audit the Funds' Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, it must be disclosed in an accompanying notice. The Funds' independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Institute of Chartered Professional Accountants. The next report on the Funds will contain annual audited financial information as of December 31, 2025.

BARRANTAGH SMALL CAP CANADIAN EQUITY FUND

Statements of Financial Position

As at June 30, 2025 (unaudited) and December 31, 2024

	2025	2024
Assets		
Current assets		
Investments (cost-$70,162,429, 2024-$82,497,931)	$ 81,630,165	$ 92,886,872
Cash	1,861,551	1,216,590
Subscriptions receivable	2,678	59,014
Dividends receivable	227,659	214,011
Accrued interest	293	3,082
	83,722,346	**94,379,569**
Liabilities		
Current liabilities		
Redemptions payable	37,742	115,055
Management fees payable (Note 7)	25,550	21,674
Accrued expenses	12,546	48,566
	75,838	**185,295**
Net assets attributable to holders of redeemable units	**$ 83,646,508**	**$ 94,194,274**
Net assets attributable to holders of redeemable units per Series		
Series A	3,368,361	3,644,587
Series F	43,526,457	52,671,084
Series O	36,751,690	37,878,603
Units outstanding		
Series A	332,203	372,510
Series F	3,157,270	3,980,071
Series O	2,621,502	2,829,982
Net assets attributable to holders of redeemable units per unit		
Series A	$ 10.14	$ 9.78
Series F	13.79	13.23
Series O	14.02	13.38

Approved by:

Wally Kusters (Signed)
Director

Marino Scarmozzino (Signed)
Director

The accompanying notes are an integral part of these financial statements

BARRANTAGH SMALL CAP CANADIAN EQUITY FUND

Statements of Comprehensive Income

For the six months period ended June 30 (unaudited)

	2025	2024
Income		
Net gain (loss) on investments		
Dividends	$ 903,019	$ 1,790,218
Net realized gain (loss) on investments	862,482	387,091
Change in unrealized appreciation/depreciation on investments	1,078,795	2,685,510
Change in unrealized appreciation/depreciation on cash	(4)	(4)
Total net gain (loss) on investments	**2,844,292**	**4,862,815**
Other income		
Other Income	149,785	392,168
Foreign exchange gain (loss) on cash	(250)	-
Total other income	**149,535**	**392,168**
Total income	**2,993,827**	**5,254,983**
Expenses		
Management fees	272,880	335,418
Custody fees	4,476	4,507
Recordkeeping fees	72,594	61,540
Administration fees	46,873	41,597
Independent Review Committee Fees	14,495	16,075
Transaction Costs (Note 3)	38,574	56,530
Audit fees	24,076	29,986
Legal Fees	26,879	23,053
Total Expenses	**500,847**	**568,706**
Net Expenses	**500,847**	**568,706**
Increase (decrease) in net assets attributable to holders of redeemable units	**2,492,980**	**4,686,277**
Increase (decrease) in net assets attributable to holders of redeemable units per Series		
Series A	87,429	131,083
Series F	872,407	2,621,438
Series O	1,533,144	1,933,756
Weighted average number of units		
Series A	353,358	337,016
Series F	3,535,931	4,475,600
Series O	2,735,590	2,914,577
Increase (decrease) in net assets attributable to holders of redeemable units, per unit, per Series		
Series A	$ 0.25	$ 0.39
Series F	$ 0.25	$ 0.59
Series O	$ 0.56	$ 0.66

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BARRANTAGH SMALL CAP CANADIAN EQUITY FUND

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the six months period ended June 30 (unaudited)

	2025	2024	2025	2024	2025	2024
	Series A		**Series F**		**Series O**	
Net assets attributable to holders of redeemable units, beginning of period	**$ 3,644,587**	**$ 3,153,481**	**$ 52,671,084**	**$ 58,447,097**	**$ 37,878,603**	**$ 37,266,803**
Increase (decrease) in net assets from operations attributable to holders of redeemable units	87,429	131,083	872,407	2,621,438	1,533,144	1,933,756
Redeemable unit transactions						
Proceeds from redeemable units issued	198,201	352,500	6,832,574	9,001,415	1,820,491	1,633,298
Reinvestments of distributions to holders of redeemable units	-	-	-	-	-	-
Redemption of redeemable units	(561,856)	(464,973)	(16,849,608)	(13,042,446)	(4,480,548)	(3,802,896)
Net Increase (Decrease) from Redeemable Unit Transactions	(363,655)	(112,473)	(10,017,034)	(4,041,031)	(2,660,057)	(2,169,598)
Net increase (decrease) in net assets attributable to holders of redeemable units	**(276,226)**	**18,610**	**(9,144,627)**	**(1,419,593)**	**(1,126,913)**	**(235,842)**
Net assets attributable to holders of redeemable units, end of period	**3,368,361**	**3,172,091**	**43,526,457**	**57,027,504**	**36,751,690**	**37,030,961**

	2025	2024
	Total Fund	
Net assets attributable to holders of redeemable units, beginning of period	**$ 94,194,274**	**$ 98,867,381**
Increase (decrease) in net assets from operations attributable to holders of redeemable units	2,492,980	4,686,277
Redeemable unit transactions		
Proceeds from redeemable units issued	8,851,266	10,987,213
Reinvestments of distributions to holders of redeemable units	-	-
Redemption of redeemable units	(21,892,012)	(17,310,315)
Net Increase (Decrease) from Redeemable Unit Transactions	(13,040,746)	(6,323,102)
Net increase (decrease) in net assets attributable to holders of redeemable units	**(10,547,766)**	**(1,636,825)**
Net assets attributable to holders of redeemable units, end of period	**83,646,508**	**97,230,556**

	2025	2024	2025	2024	2025	2024
Redeemable Unit Transactions	**Series A**		**Series F**		**Series O**	
Redeemable Unit Outstanding, Beginning of the period	372,510	345,837	3,980,071	4,748,396	2,829,982	2,991,920
Redeemable Unit Issued	21,002	37,635	541,186	712,643	142,760	126,715
Redeemable Units Issued on Reinvestments	-	-	-	-	-	-
Redeemable Units Redeemed	(61,309)	(49,424)	(1,363,987)	(1,035,239)	(351,240)	(293,517)
Redeemable Unit Outstanding, End of the period	**332,203**	**334,048**	**3,157,270**	**4,425,800**	**2,621,502**	**2,825,118**

The accompanying notes are an integral part of these financial statements

BARRANTAGH SMALL CAP CANADIAN EQUITY FUND
Statements of Cash Flows

For the six months period ended June 30 (unaudited)

	2025	**2024**
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	2,492,980	4,686,277
Adjustments:		
Foreign exchange unrealized (gain) loss on cash	4	4
Net realized (gain) loss on investments	(862,482)	(387,091)
Change in unrealized (appreciation) depreciation of investments	(1,078,795)	(2,685,510)
Purchases of investments	(23,112,551)	(21,225,397)
Proceeds from sales and maturities of investments	36,310,535	26,292,750
Non-cash working capital changes:		
(Increase) decrease in due from broker	-	(42,521)
(Increase) decrease in dividends receivable	(13,648)	(13,678)
(Increase) decrease in accrued interest	2,789	5,872
Increase (decrease) in management fees payable	3,876	17,746
Increase (decrease) in accrued expenses	(36,020)	(67,793)
Net cash provided by (used in) operating activities	**13,706,688**	**6,580,659**
Cash flows from financing activities		
Proceeds from redeemable units issued	8,907,602	10,818,326
Amount paid on redemption of redeemable units	(21,969,325)	(17,062,237)
Net cash provided by (used in) financing activities	**(13,061,723)**	**(6,243,911)**
Foreign exchange unrealized gain (loss) on cash	(4)	(4)
Net increase (decrease) in cash during the period	644,965	336,748
Cash, beginning of the period	1,216,590	1,064,034
Cash, end of the period	**1,861,551**	**1,400,778**
Other cash flow information:		
Dividends received, net of withholding taxes	889,371	1,776,540

The accompanying notes are an integral part of these financial statements

BARRANTAGH SMALL CAP CANADIAN EQUITY FUND
Schedule of Investment Portfolio
As at June 30, 2025 (unaudited)

No. of Shares/ Par Value		Coupon Rate (%)	Maturity	Average Cost ($)	Fair Value ($)	(%) of Net Assets
	SHORT-TERM INVESTMENTS					
	Treasury Bills					
1,000,000	Canadian Treasury Bill	2.683%	30-Jul-25	997,580	997,580	
	Total Short-Term Investments			**997,580**	**997,580**	**1.2%**
	EQUITIES					
	Industrials					
42,110	Ag Growth International Inc.			2,155,175	1,753,882	
65,627	Bird Construction Inc.			1,669,952	1,889,401	
12,387	Boyd Group Services Inc.			2,321,217	2,649,579	
77,540	Brookfield Business Corp.			2,612,876	3,303,979	
62,940	Calian Group Ltd.			3,224,298	3,148,259	
28,644	Cargojet Inc.			3,511,933	2,716,311	
44,917	Exchange Income Corp.			2,269,932	2,817,643	
12,995	K-Bro Linen Inc.			450,164	453,526	
153,679	Savaria Corp.			2,504,776	2,996,741	
68,065	Westshore Terminals Investment Corp.			1,829,584	1,796,235	
				22,549,907	**23,525,556**	**28.2%**
	Consumer Staples					
93,377	Jamieson Wellness Inc.			2,904,629	3,316,751	
195,187	Neighbourly Pharmacy Inc., Rights			-	-	
47,892	North West Co., Inc.			2,230,747	2,311,747	
				5,135,376	**5,628,498**	**6.7%**
	Energy					
119,549	Gibson Energy Inc.			2,619,512	2,857,221	
499,540	Headwater Exploration Inc.			3,869,206	3,361,904	
2,172,414	Logan Energy Corp.			2,107,255	1,260,000	
243,252	NuVista Energy Ltd.			3,308,667	3,643,915	
90,615	Topaz Energy Corp.			2,319,282	2,325,181	
677,499	Trican Well Service Ltd.			3,210,712	3,055,520	
				17,434,634	**16,503,741**	**19.7%**
	Real Estate					
189,232	First Capital Real Estate Investment Trust			3,448,132	3,434,561	
9,955	Mainstreet Equity Corp.			1,707,631	1,854,318	
526,632	StorageVault Canada Inc.			2,172,039	2,153,925	
				7,327,802	**7,442,804**	**8.9%**
	Utilities					
93,548	Boralex Inc.			3,071,637	2,959,859	
				3,071,637	**2,959,859**	**3.5%**
	Materials					
283,159	Chemtrade Logistics Income Fund			2,123,996	3,143,065	
199,835	Major Drilling Group International Inc.			1,515,424	1,770,538	
				3,639,420	**4,913,603**	**5.9%**
	Financials					
59,703	Definity Financial Corp.			1,723,009	4,738,626	
21,514	EQB Inc.			1,384,486	2,227,990	
86,647	Propel Holdings Inc.			889,623	3,278,722	
91,931	Trisura Group Ltd.			2,111,278	4,070,705	
				6,108,396	**14,316,043**	**17.1%**
	Health Care					
31,821	Andlauer Healthcare Group Inc.			1,079,625	1,674,103	
				1,079,625	**1,674,103**	**2.0%**
	Consumer Discretionary					
111,062	Pet Valu Holdings Ltd.			2,913,343	3,668,378	
				2,913,343	**3,668,378**	**4.4%**
	Total Equities			**69,260,140**	**80,632,585**	**96.4%**
	Transaction costs (Note 3)			**(95,291)**		
	Total Investments			**70,162,429**	**81,630,165**	**97.6%**
	Other Net Assets (Liabilities)				**2,016,343**	**2.4%**
	Net Assets Attributable to Holders of Redeemable Units				**83,646,508**	**100.0%**

1. General information

Barrantagh Small Cap Canadian Equity Fund (the "Fund") is a mutual fund trust established under the laws of Ontario pursuant to a Trust Agreement dated April 15, 2019. The Fund commenced operations on April 15, 2019. The investment objective of the Fund is to outperform the S&P/TSX Small Cap Canadian equity index over market cycles. The Fund primarily invests in common shares within the small cap area of the Canadian market.

The Fund's registered office is at 100 Yonge Street, Suite 1700, Toronto ON M5C 2W1, Canada.

Barrantagh Investment Management Inc. ("the Manager") provides investment advisory services and arranges for the provision of all general management and administrative services required by the Fund in its day-to-day operations, as the portfolio adviser for the Fund, the Manager is responsible for the management of the Fund's investment portfolio. The Fund's custodian, trustee and administrator is RBC Investor Services Trust.

The annual financial statements were approved by the Board of Directors of the Manager on August 14, 2025.

2. Basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") including ("IAS") 34: Interim Financial Reporting Standards.

These 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.

3. Summary of material accounting policy information

Financial Instruments

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs. The Fund's business model is one in which financial assets and liabilities are managed with the objective of realizing cash flows through the sale of investments and decisions are made based on fair values and are managed to realize gains/losses based on fair value. The business model is aligned with the FVTPL classification and measurement category. Investments and derivatives, when applicable, are classified and measured at FVTPL under IFRS 9 Financial Instruments ("IFRS 9").

The Fund's Net Assets Attributable to Holders of Redeemable Units are measured at the redemption amount which approximates fair value. All other financial assets and liabilities are measured at amortized cost.

The Fund only offsets financial assets and financial liabilities if the Fund has a legally enforceable right to offset recognized amounts and either intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

Valuation of investments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of financial assets and liabilities traded in active markets (such as publicly traded marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Fund uses the close price for both financial assets and financial liabilities where the close price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific circumstances.

The fair values of the investments are determined as follows:

a) Securities listed on a recognized public stock exchange are stated at their close prices on the valuation date.

b) Securities not listed on a recognized public stock exchange are valued based upon available public quotations in common use or at prices estimated to be fair value as determined by the Manager of the applicable Fund.

c) Short term investments are stated at amortized cost which, given the short term nature of the investments, approximates fair value.

d) Mutual fund units held are priced using the net asset value ("NAV") per unit as of the valuation date for the particular fund.

Investment transactions, income recognition and transaction costs
Investment transactions are recorded on the trade date, which is the date on which the Fund commits to purchase or sell the investment. Dividend is recorded on ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis. Unrealized gains and losses are determined using the difference between the fair value and average cost. Distributions received from income trusts are recognized based on the nature of the underlying components such as dividend income, interest income, capital gains, and return of capital by applying previous year characterizations reported by the trust as current year characterizations are not available until the following year.

Transaction costs, when incurred, are included in the cost of investments purchased or are a reduction in the proceeds received on the sale of an investment. These costs are immediately recognized in profit or loss as an expense in the statements of comprehensive income.

Receivable for investments sold / payable for investments purchased
Receivable for investments sold and payable for investments purchased represent investment transactions that have been contracted for but not yet settled or delivered on the statement of financial position dates, respectively.

These amounts are recognized initially at fair value and subsequently measured at amortized cost, which approximates fair value.

Cash
Cash includes cash on hand, deposits held with Canadian chartered banks and bank overdraft balances, when applicable, are shown in current liabilities in the statement of financial position.

Other Income
Other Income includes Canadian interest income, income from Canadian real estate investment trusts, interest income on cash, interest income on short-term investments, and early redemption fee.

Other assets and liabilities
Dividend receivable and subscriptions receivable are classified and recorded at amortized cost. Management fees payable and accrued expenses are classified as other liabilities and recorded at amortized cost. Other assets and liabilities are short term in nature and amortized cost approximates fair value.

Net Assets Attributable to Holders of Redeemable Units
In accordance with IAS 32, Financial Instruments: Presentation ("IAS 32"), redeemable units of the Fund, which are considered puttable instruments, are classified as financial liabilities unless certain criteria are met for classification as equity instruments. Under IFRS Accounting Standards, redeemable units which include a contractual obligation to repurchase or redeem them for cash or another financial asset are classified as financial liabilities. The Funds' outstanding units include a contractual obligation to distribute any net income and net realized capital gains in cash (at the request of the unitholder) and therefore the ongoing redemption feature is not the Fund's only contractual obligation. Consequently, the Fund's Net Assets Attributable to Holders of Redeemable Units are classified as financial liabilities in accordance with IAS 32.

Translation of foreign currencies
The functional and presentation currency of the Fund is Canadian dollars.

a) The fair value of investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the prevailing rates on each valuation date.

b) Purchases and sales of investments, as well as interest income denominated in foreign currencies are translated into Canadian dollars at the prevailing rates of exchange on the dates of the related transactions.

c) Foreign currency gains and losses resulting from translations are reported in the statements of comprehensive income. Foreign currency gains and losses relating to cash are presented in the statements of comprehensive income within net foreign exchange gain (loss) on cash. Foreign currency gains and losses relating to financial assets and liabilities carried as FVTPL are presented in the statements of comprehensive income within change in unrealized appreciation (depreciation) of investments.

Increase (decrease) in net assets from operations attributable to holders of redeemable units
Movements in net assets attributable to holders of redeemable units are recognized in the statements of changes in net assets attributable to holders of redeemable units. Increase (decrease) in net assets attributable to holders of redeemable units per unit per series in the

statements of comprehensive income represents the increase (decrease) in net assets attributable to holders of redeemable units, divided by the weighted average number of units outstanding for each class of units.

Unit valuation
A separate NAV is calculated on every valuation date for each Series of units. A valuation date is each business day that the Manager is open for business and on which the Toronto Stock Exchange is open for trading. The NAV of each specific Series of units is computed by calculating the value of the Series' proportionate share of the assets and liabilities of the Fund attributable only to that Series. expenses directly attributable to a Series are charged directly to that Series. Other expenses, income, and realized and unrealized capital gains and losses are allocated proportionately to each Series based on the relative NAV of each Series.

Taxation
The Fund qualifies as a mutual fund trust under the Income Tax Act (Canada) (the "Act"). All of the Fund's net income for tax purposes and sufficient net capital gains realized in any year are required to be distributed to unitholders such that no income tax is payable by the Fund. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statement of Financial Position as a deferred income tax asset. However, such part of the Fund's taxable income including net realized taxable capital gains that is not paid or payable will be taxable to the fund. Income tax on net taxable realized capital gains not paid or payable will generally be recoverable by virtue of refunding provisions contained in the Act and provincial income tax legislation, as redemptions occur.

As at December 31, 2024, the Fund had $1,814,422 (December 31, 2023- $nil) in capital losses carry forward and no non-capital losses. The capital losses have no expiry and the non-capital losses can be carried forward for up to twenty years.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are presented separately in the Statement of Comprehensive Income.

Income and expense allocation
Realized gains (losses), changes in unrealized appreciation/depreciation on investments, income and expenses that are common to the Fund as a whole are allocated daily to each Series based on the proportionate share of the NAV of the Series.

Critical accounting estimates and assumptions
The preparation of financial statements in compliance with IFRS Accounting Standards requires management to exercise its judgment in applying its accounting policies and to make estimates and assumptions about the future. The significant accounting judgments and estimates that the Fund has made in preparing the financial statements include the fair value measurement of financial assets and the classification of financial assets and liabilities.

Refer to Note 4 for further information about the fair value measurement of the Fund's financial instruments.

Investment entity
The Fund has determined that it is an investment entity as defined by IFRS 10, Consolidated Financial Statements and the Amendments to IFRS 10, as the following conditions exist:

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

As an investment entity, the Fund is exempted from consolidating unlisted open-ended investment funds and exchange-traded funds, if any, and instead is required to measure its investments in these unlisted open-ended investment funds and exchange-traded funds at FVTPL.

4. Fair value measurement

The Fund manages its investments at fair value which are categorized into a fair value hierarchy prioritizing fair value measurements based on the transparency of inputs used in valuation techniques to measure fair value. The hierarchy provides the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are as follows:

Level 1: Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3: Inputs that are unobservable. There is little if any market activity. Inputs into the determination of fair value require significant management judgement, estimation or use of valuation techniques.

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.

Where there is a significant impact to the fair value estimate of Level 3 financial instruments in applying reasonable possible alternative assumptions, a range in fair value will be disclosed in the financial statements.

Fair value hierarchy
The following fair value hierarchy table presents information about the Fund's assets measured at fair value as at

As at June 30, 2025

	Level	**Level 2**	**Level 3**	**Total**
Canadian Equities	80,632,585	-	-	80,632,585
Short-Term Investments	-	997,580	-	997,580
Total Investments	**80,632,585**	**997,580**	**-**	**81,630,165**

As at December 31, 2024

	Level 1	**Level 2**	**Level 3**	**Total**
Canadian Equities	89,897,402	-	-	89,897,402
Short-Term Investments	-	2,989,470	-	2,989,470
Total Investments	**89,897,402**	**2,989,470**	**-**	**92,886,872**

All fair value measurements above are performed on a recurring basis. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1 and reclassified into Level 2 or Level 3, as appropriate.

Movements between Level 1 and Level 2 financial instruments
There were no transfers between Level 1 and 2 for the periods ended June 30, 2025 and December 31, 2024.

Valuation of Level 3 financial instruments
The Fund did not hold any Level 3 investments at the beginning of, during, or at the end of June 30, 2025.

5. Redeemable units

The Fund is authorized to issue an unlimited number of Series F, Series O and Series A units. Series A units were available for issue April 30, 2021. Series O is available to investors who have been approved by the manager and who have invested a negotiated minimum amount pursuant to the simplified prospectus. Series F and O are available through authorized dealers.

Redeemable units are issued and redeemed at the unitholder's option at the Fund's NAV per unit at the time of issue or redemption. The Fund's NAVs per unit is calculated by dividing the Fund total NAV of each Series by the total number of outstanding redeemable units for that Series.

Redeemable units are carried at the redemption amount that is payable on the statements of financial position date if the holder exercises the right to put the units back in the Fund. If the unitholders redeem units, they are entitled to the proportionate share of NAV, represented by the Fund's NAV per unit. The relevant movements are shown in the statements of changes in net assets attributable to holders of redeemable units.

All distributions of the Fund in respect of investment income and realized capital gains are reinvested automatically in additional units of the Fund at the NAV per unit on the distribution date, unless a unitholder requests in writing to receive their distribution in cash.

6. Financial risk management

The Fund is exposed to a variety of financial risks: market risk (including price risk, interest rate risk, foreign currency risk, liquidity risk, concentration risk and credit risk).

The Fund's overall risk management program seeks to maximize the returns derived for the level of risk to which the Fund is exposed and minimize potential adverse effects from the unpredictability of financial markets on the Fund's financial performance.

The success of the Fund's activities may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the Fund's investments. Unexpected volatility or illiquidity could impair the Fund's profitability or result in losses.

The value of the Fund's investments may change due to one or more of the following financial instrument risks:

Other Price risk
Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency or interest rate risk).

The investments of the Fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Fund's market risk is managed through diversification of the investment portfolio. The Manager monitors the Fund's overall market positions on a daily basis and positions are maintained within established ranges.

At June 30, 2025 and December 31, 2024 the Fund's exposure to other price risk is as follows:

	June 30, 2025		December 31, 2024	
	Fair Value	**% Net Assets**	**Fair Value**	**% Net Assets**
Equities	$ 80,632,585	**96.4%**	$ 89,897,402	**95.4%**

If the fair value of the equities investments held by the Fund as at June 30, 2025 had increased or decreased by 5.0%, with all other variables held constant, this would have impacted net assets by approximately $ 4,031,629 (December 31, 2024 - $4,494,870).

Interest rate risk
The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of interest rates.

Currency risk
Currency risk is the risk that the financial instruments or transactions entered into by the Fund that are denominated in currencies other than the Canadian dollar, will fluctuate due to changes in foreign exchange rates. The Fund holds assets and liabilities, including cash primarily denominated in Canadian dollars. Therefore, the currency risk is immaterial as at June 30, 2025 and December 31, 2024.

Credit risk
Credit risk is the risk that a loss could arise when a security issuer or counterparty to a financial instrument is unable to meet its financial obligations. All transactions in listed securities are settled upon delivery using approved brokers. The credit risk of related to associated receivables is considered minimal. 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 obligation.

As at June 30, 2025 and December 31, 2024, the Fund's direct exposure to credit risk was limited to cash balances, Short-Term Investments and receivables.

Liquidity risk
Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to the daily cash redemptions of its redeemable units. Units are redeemable on demand at the current NAV per unit.

This risk is managed by investing the majority of its assets in investments that are traded in active markets and can be readily disposed. In addition, the Fund retains sufficient cash to maintain liquidity. The Manager monitors the Fund's liquidity position on a daily basis.

The contractual maturity of the Fund's financial liabilities is less than three months.

Concentration risk
Concentration risk arises from financial instruments that have similar characteristics and are affected similarly by changes in economic or other conditions. The Fund's concentration risk is disclosed by equity category within the Schedule of Investment Portfolio.

	As a % of Net Assets	
Sector	June 30, 2025	December 31, 2024
Industrials	28.2	20.6
Energy	19.7	18.2
Financials	17.1	20.2
Real Estate	8.9	9.1
Consumer Staples	6.7	4.4
Materials	5.9	3.9
Consumer Discretionary	4.4	3.0
Utilities	3.5	3.4
Health Care	2.0	4.1
Information Technology	-	8.5
Total	96.4	95.4

Capital risk management

Redeemable units issued and outstanding are considered to be the capital of the Fund. The Fund does not have any specific externally imposed capital requirements on the subscription and redemption of the units, other than certain minimum subscription requirements. The Manager manages the capital of the Fund in accordance with the Fund's investment objectives.

7. Related Party transactions

(a) Management fees:

The Manager is entitled to an annual management fee for providing services including investment management, oversight of the service providers and general fund administration.

The management fee in respect of Series F units is paid by the Fund at a rate of 1.00% per annum of the Fund's NAV attributable to the Series F units calculated daily, based on the average daily NAV and payable monthly in arrears.

The management fee in respect of Series O units is negotiated between each unitholder and the Manager at maximum rates of up to 1.00% per annum of the Fund's NAV attributable to the Series O units calculated daily, based on the average daily NAV and payable either monthly or quarterly, and subject to review from time to time. The management fee in respect of the Series O units is not paid by the Fund but by the unitholder directly.

The management fee (including an amount equal to the trailing commission) in respect of Series A Units is paid by the Fund at a rate of 2% per annum of the Fund's NAV attributable to the Series A Units calculated daily, based on the average daily NAV and payable monthly in arrears. We can increase this fee on not less than 60 days' notice to holders of Series A Units.

Management fees are subject to applicable taxes, including GST and HST. The Manager may choose to absorb or waive some of the management fees incurred by the Fund.

(a) Operating Expenses:

The Fund pays its own operating expenses. These expenses include audit and accounting fees, custodial expenses, accounting and recordkeeping costs, legal expenses, prospectus preparation and filing costs (other than the cost of preparing the initial prospectus for the Fund), and other day-to-day operating expenses. The Fund also pays HST or GST (as applicable) on these expenses.

The Fund is also responsible for the fees and expenses of its Independent Review Committee (IRC). Each member of the IRC is paid $10,000 per annum and the Chairman is paid $15,000 per annum.

(b) There are no units of this fund held by any officers, directors or related persons or entities of the Manager.