VERITAS
Asset Management

Interim Financial Statements

VERITAS CANADIAN EQUITY FUND

June 30, 2026
(Unaudited)

VERITAS CANADIAN EQUITY FUND
June 30, 2026

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Management Responsibility for Financial Reporting

The accompanying unaudited interim financial statements have been prepared by **Veritas Asset Management Inc.** in its capacity as the Manager of the Fund. The Fund's Manager is responsible for the information and representations contained in these financial statements.

The Manager maintains appropriate processes to ensure that relevant and reliable financial information is produced. The unaudited interim financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and include certain amounts that are based on estimates and judgements made by the Manager. The material accounting policies which the Manager believes are appropriate for the Fund are described in Note 3 to the unaudited interim financial statements.

On behalf of the Manager

"Antonio Scilipoti" **August 10, 2026**

Date

NOTICE TO UNITHOLDERS

The Auditor of the Fund has not reviewed these interim financial statements.

Veritas Asset Management Inc., the Manager 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.

Veritas Canadian Equity Fund

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

	June 30, 2026	December 31, 2025
ASSETS		
Current assets		
Cash (Note 3)	$ 327,403	$ 379,440
Investments at fair value through profit and loss (Note 3)	45,454,278	44,397,406
Dividends and interest receivable	73,396	115,008
Subscription receivable	2,413	100
	45,857,490	44,891,954
LIABILITIES		
Current liabilities		
Redemptions payable	–	502,867
Accounts payable and accrued liabilities	73,974	41,511
Management fees payable (Note 5)	35,954	35,565
	109,928	579,943
Net Assets Attributable to Holders of Redeemable Units	$ 45,747,562	$ 44,312,011
Net Assets Attributable to Holders of Redeemable Units per Class		
Class A	$ 4,402,805	$ 3,697,433
Class F	36,496,842	34,201,032
Class I	4,376,187	4,020,323
Class V	471,728	2,393,223
	$ 45,747,562	$ 44,312,011
Number of Redeemable Units Outstanding (Note 6)		
Class A	231,646	209,317
Class F	1,890,830	1,917,013
Class I	227,861	227,670
Class V	40,630	223,371
Net Assets Attributable to Holders of Redeemable Units per Unit		
Class A	$ 19.01	$ 17.66
Class F	19.30	17.84
Class I	19.21	17.66
Class V	11.61	10.71

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

Approved on behalf of the Fund:

"Antonio Scilipoti"

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Manager and Trustee
Veritas Asset Management Inc.

Veritas Canadian Equity Fund

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

	2026	2025
Income		
Net realized gain on investments	$ 5,513,717	$ 2,951,518
Dividend income	515,128	486,665
Interest income for distribution purposes	2,673	83,993
Early redemption fees	358	30
Net change in unrealized depreciation in value of investments	(2,035,784)	(496,841)
	3,996,092	3,025,365
Expenses		
Management fees (Note 5)	237,378	210,418
Operating costs	90,053	99,218
Custodian fees	23,118	19,856
Audit fees	21,964	19,867
Legal fees	12,397	11,512
Independent review committee fees	7,607	7,325
Commissions and other portfolio transactions costs	6,285	8,983
Withholding tax	771	4,389
Interest and borrowing fees	601	–
	400,174	381,568
Increase in Net Assets Attributable to Holders of Redeemable Units	$ 3,595,918	$ 2,643,797

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

Veritas Canadian Equity Fund

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

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued*	Redemption of redeemable units*	Increase in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
June 30, 2026	$ 44,312,011	$ 5,134,473	$ (7,294,840)	$ 3,595,918	$ 45,747,562

* Total proceeds from redeemable units relating to switch-ins and redemptions of redeemable units relating to switch-outs for the period ended June 30, 2026 were $nil and $nil, respectively.

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued**	Redemption of redeemable units**	Increase in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
June 30, 2025	$ 39,546,382	$ 6,094,537	$ (8,424,804)	$ 2,643,797	$ 39,859,912

** Total proceeds from redeemable units relating to switch-ins and redemptions of redeemable units relating to switch-outs for the period ended June 30, 2025 were $41,455 and $(41,455), respectively.

Veritas Canadian Equity Fund

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

	2026	2025
Cash provided by (used in):		
Operating Activities		
Increase in Net Assets Attributable to Holders of Redeemable Units	$ 3,595,918	$ 2,643,797
Adjustments for non-cash items		
Net realized gain on investments	(5,513,717)	(2,951,518)
Net change in unrealized depreciation in value of investments	2,035,784	496,841
Change in non-cash balances		
Decrease in dividends and interest receivable	41,612	5,979
Increase in accounts payable and accrued liabilities	32,463	18,212
Increase (decrease) in management fees payable	389	(1,590)
Proceeds from sale of investments	41,234,810	43,248,918
Purchase of investments	(38,822,857)	(40,080,205)
Cash provided by operating activities	2,604,402	3,380,434
Financing Activities		
Proceeds from redeemable units issued	5,132,160	6,068,434
Amount paid on redemption of redeemable units	(7,797,707)	(8,277,013)
Cash used in financing activities	(2,665,547)	(2,208,579)
(Decrease) increase in cash during the period	(61,145)	1,171,855
Foreign exchange gain (loss) on cash	9,108	(88,273)
Cash, beginning of period	379,440	326,006
Cash, end of period	$ 327,403	$ 1,409,588
Supplemental information*		
Interest paid	$ 601	$ –
Interest received	2,673	83,993
Dividends received, net of withholding taxes	555,969	488,256

*Included as a part of cash flows from operating activities

Veritas Canadian Equity Fund

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

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	Canadian equities			
6,100	Agnico Eagle Mines Ltd.	$ 832,825	$ 1,344,195	2.94
19,900	AtkinsRealis Group Inc.	1,427,299	1,752,792	3.83
4,600	Bombardier Inc.	493,722	1,502,084	3.28
40,200	Brookfield Infrastructure Partners LP	1,742,531	2,082,360	4.55
8,900	Canadian Imperial Bank of Commerce	1,000,079	1,453,548	3.18
6,000	Canadian National Railway Co.	820,222	1,015,500	2.22
7,500	Canadian Pacific Kansas City Ltd.	800,314	922,200	2.02
48,300	Cenovus Energy Inc.	1,594,793	1,699,677	3.72
32,200	Chartwell Retirement Residences	687,942	719,670	1.57
400	Constellation Software Inc.	1,016,357	1,068,000	2.33
65,900	Element Fleet Management Corp.	2,114,337	1,928,893	4.22
14,700	Enbridge Inc.	992,778	1,130,577	2.47
14,600	Fortis Inc.	1,042,544	1,186,250	2.59
9,700	George Weston Ltd.	967,408	987,460	2.16
14,746	Granite Real Estate Investment Trust	1,163,656	1,412,667	3.09
18,000	Great-West Lifeco Inc.	1,274,572	1,626,660	3.56
25,900	Hudbay Minerals Inc.	453,056	867,391	1.90
8,800	Linamar Corp.	769,704	885,016	1.93
20,100	Lumine Group Inc.	462,497	432,150	0.94
40,800	Maple Leaf Foods Inc.	1,114,019	1,244,808	2.72
12,500	Metro Inc.	1,177,212	1,133,500	2.48
9,100	Rogers Communications Inc.	365,088	419,874	0.92
8,800	Royal Bank of Canada	1,550,550	2,584,384	5.65
18,200	South Bow Corp.	625,346	909,272	1.99
17,600	Sun Life Financial Inc.	1,535,630	1,959,760	4.28
12,000	TC Energy Corp.	859,754	1,127,040	2.46
14,000	The Toronto-Dominion Bank	1,325,910	2,414,160	5.28
26,000	Tourmaline Oil Corp.	1,689,994	1,541,800	3.37
7,400	Waste Connections Inc.	1,727,200	1,749,286	3.82
8,700	Wheaton Precious Metals Corp.	1,725,220	1,387,998	3.03
		33,352,559	40,488,972	88.50
	U.S. equities			
3,900	Franco-Nevada Corp.	1,223,208	1,154,747	2.52
18,400	GE HealthCare Technologies Inc.	1,910,785	1,673,042	3.66
5,000	Newmont Corp.	679,880	663,374	1.45
14,312	Restaurant Brands International Inc.	1,459,494	1,474,143	3.22
		5,273,367	4,965,306	10.85

Continued on next page

Veritas Canadian Equity Fund

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

Investments owned	Average cost	Fair value	% of net asset value
Total investments owned	$ 38,625,926	$ 45,454,278	99.35
Commissions and other portfolio transaction costs	(3,677)	–	–
Net investments owned	**$ 38,622,249**	45,454,278	99.35
Other assets, net		293,284	0.65
Net Assets Attributable to Holders of Redeemable Units		**$ 45,747,562**	**100.00**

Veritas Canadian Equity Fund

Notes to Financial Statements

June 30, 2026 (Unaudited)

1. FUND ORGANIZATION AND NATURE OF OPERATIONS

Veritas Canadian Equity Fund (the "Fund") is a mutual fund trust created under the laws of the Province of Ontario by a declaration of trust dated April 23, 2018 (the “Declaration of Trust”), as amended, restated or supplemented from time to time. Veritas Asset Management Inc. is the Manager and Trustee (the “Manager” and “Trustee”) of the Fund. The Fund commenced active operations on May 1, 2018. The address of the Fund’s registered office is, 100 Wellington Street West, Suite 3110, Toronto, Ontario, M5K 1E7, Canada.

The investment objective of the Fund is to provide Unitholders with long-term capital growth earning enhanced risk adjusted returns relative to the S&P TSX Composite Total Return Index by investing in a portfolio comprised primarily of the securities of Canadian companies. To achieve the investment objective, the Fund will invest primarily in the securities of publicly traded Canadian companies but may also invest in other securities. The Fund will invest in a concentrated portfolio of securities selected by the Portfolio Manager based (in part) on the recommendations of Veritas Investment Research using fundamental analysis and forensic accounting-based principals. In constructing the investment portfolio of the Fund, the Portfolio Manager will seek to minimize volatility.

2. BASIS OF PRESENTATION

These interim financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and International Accounting Standard 34, Interim Financial Reporting (together “IFRS Accounting 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. These interim financial statements were authorized for issue by the Manager on August 10, 2026.

New and revised IFRS Accounting Standards issued by the IASB effective in the current period.

Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to IFRS 9 - Financial Instruments and IFRS 7 - Financial Instruments: Disclosures. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with Environmental, Social, and Governance (“ESG”)-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income (“FVOCI”) and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Fund has assessed the new standard and determined that there is no impact on the Fund’s financial statements.

New and revised IFRS Accounting Standards issued by the IASB but not yet adopted by the fund.

Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued the new standard IFRS 18 - Presentation and Disclosure in Financial Statements that will replace IAS 1 - Presentation of Financial Statements. The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of Management Performance Measures (“MPMs”) in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Fund is assessing the impacts to the financial statements.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Valuation of investments

The fair value of financial assets and financial liabilities traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded 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 facts and circumstances.

Financial Instruments measured at fair value

Investments measured at fair value are classified into one of three fair value hierarchy levels, based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The three fair value hierarchy levels are as follows:

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

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices and /or other observable factors); and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2026 and December 31, 2025, all investments are classified at Level 1.

Classification

The Fund classifies its investments in equity securities as financial assets and financial liabilities at FVTPL.

The Fund classifies and measures financial instruments in accordance with IFRS 9. Upon initial recognition, financial instruments are classified at FVTPL. All financial instruments are recognized in the Statement of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. Regular purchases and sales of financial assets are recognized at their trade date. Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statement of Comprehensive Income.

Recognition/derecognition

The Fund recognizes financial assets or financial liabilities on the trade date – the date it commits to purchase the instruments. From this date any gains and losses arising from changes in fair value of the assets or liabilities are recognized in the Statement of Comprehensive Income.

Other financial assets are derecognized and only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or they expire.

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, and transfer taxes and duties. Such costs are expensed and are included in "Commissions and other portfolio transaction costs" in the Statement of Comprehensive Income.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Cost of investments

The cost of investments represents the amount paid for each security and is determined on an average cost basis excluding commissions and other portfolio transaction costs.

Investment transactions and income recognition

Investment transactions are accounted for on the trade date. Interest income is accrued daily based on the stated coupon of the underlying instrument and dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

Realized gain on sale of investments and unrealized depreciation in investments are determined on an average cost basis.

Translation of foreign currency

The functional and presentation currency of the Fund is the Canadian dollar. The fair value of foreign investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at 12:00pm Eastern Time (the “closing rate”) on a day the Toronto Stock Exchange (“TSX”) is open (each, a “Valuation Date”).

Purchases and sales of foreign securities denominated in foreign currencies and the related income are translated into Canadian dollars at rates of exchange prevailing on the respective dates of such transactions. The effects of exchange rate fluctuations on investments are included in the 'Net realized gain on investments’ and ‘Net change in unrealized depreciation in value of investments’ in the Statement of Comprehensive Income.

Use of estimates

The preparation of financial statements in accordance with IFRS Accounting Standards requires management to use accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund’s accounting policies. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

Net Assets attributable to holders of redeemable units per unit

The Net Assets attributable to holders of redeemable units per unit is calculated by dividing the Net Assets attributable to holders of redeemable units of a particular class of redeemable units by the total number of redeemable units of that particular class outstanding at the end of the period.

Increase in Net Assets attributable to holders of redeemable units per unit

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 class of redeemable units, divided by the weighted average number of redeemable units outstanding of that class during the period.

Other assets and liabilities

Dividend and interest receivable and subscription receivable are classified as financial assets and recorded at cost or amortized cost. Accounts payable and accrued liabilities, redemptions payable and management fees payable are classified as financial liabilities and reported at amortized cost. Financial liabilities are generally settled within three months of issuance. Other assets and liabilities are short-term in nature, and accordingly, the amortized cost approximates fair value.

Cash and bank indebtedness

Cash and bank indebtedness includes deposits held with or credit availed from financial institutions and is recorded at amortized cost.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

Classification of Fund units

The Fund has determined that its units do not meet the criteria to be classified as equity and accordingly has classified these as liabilities in the Statement of Financial Position.

5. RELATED PARTY TRANSACTIONS

Management fees

The Manager receives a management fee calculated daily as a percentage of the net asset value of each applicable class of Units that comprise the Fund and payable on the last business day of the month. The management fee may vary from class to class and will be deducted as an expense of the applicable class of the Fund. The management fee is subject to applicable taxes, such as GST.

Ownership

As of June 30, 2026, 321,359 units (December 31, 2025: 321,629 units) of Class F and 352 units of Class I (December 31, 2025: 352) were owned by parties related to the Manager.

6. REDEEMABLE UNITS OF THE FUND

The Fund is authorized to issue an unlimited number of redeemable units in an unlimited number of classes, each of which represents an equal, undivided, beneficial interest in the Net Assets of the Fund. Each unit of each class entitles the holder to one vote and to participate equally with respect to any and all distributions made by the Fund.

The Fund has created Class A, Class F, Class V, Class I and Class P units. Class A units are available to all investors. Class F units are available to investors who are enrolled in a dealer-sponsored fee for service or wrap program and who are subject to an annual asset-based fee rather than commissions on each transaction or, at the discretion of the Manager, any other investor for whom the Manager does not incur distribution costs. Class P Units are available on a private placement basis to investors resident in the provinces of Ontario and Manitoba and such other provinces or territories as may be determined by the Manager who invest in the Funds through the Manager, in its capacity as an exempt market dealer or through another registered dealer. The management fees on the Class P Units will not be greater than the management fees charged in relation to the Class A Units of the applicable Funds. Class I units are available to institutional investors or to other investors on a case-by-case basis, all at the discretion of the Manager. Class V Units are available to investors who purchase through certain Registered Representatives selected at the discretion of the Manager and whose Registered Representative invests the minimum amount agreed to with the Manager. Class V Units will only be available for investment until such time as the Class V Units reach a NAV of $125 million, following which time, they will be closed to new investment.

The minimum initial investment in Class A and Class F units of the Fund is $1,000. The minimum subsequent investment in Class A and Class F units of the Fund is $500. The minimum initial investment in Class P is $100,000 or such other amount as may be accepted by the Manager in its discretion and permitted under applicable securities laws. The minimum initial and subsequent investments in Class I units are negotiable between the investor and the Manager. The minimum initial investment in Class V units is $10 million in aggregated purchases by registered representatives or such amount as otherwise approved at the discretion of the Manager. The minimum subsequent investment in the Class V units of the Fund is $1,000 or such amount as otherwise approved by the Manager.

Units of the Fund can be purchased or redeemed on a daily basis on or before 4:00 p.m. (Eastern Time) on any Valuation Day (each, a “Purchase Date” or a ‘Redemption date” as the case may be). The issue price of the units is based on the unit price for that particular class on the Purchase Date. If a purchase order or a redemption order is received by the Manager before 4:00 p.m. ET on a Purchase Date or a Redemption Date as the case may be, then it is processed at the unit price calculated later that day. Otherwise, the order will be processed at the unit price calculated on the next Purchase Date or Redemption Date as applicable. The Manager may process orders at an earlier time if the TSX closes for trading earlier on a particular day. Orders received after that earlier closing time would be processed on the next Purchase Date or Redemption Date as applicable.

6. REDEEMABLE UNITS OF THE FUND (continued)

Redemption proceeds are paid within one business day after the relevant Redemption Date.

If a unitholder redeems Class A units, Class F units or Class V units of the Fund within 30 days of purchasing such units, the Fund may deduct and retain, for the benefit of the remaining unitholders in the Fund, 2% of the net asset value of the applicable class of units of the Fund being redeemed.

The short-term trading fee will not apply in certain circumstances, such as:

- redemptions of units purchased by the reinvestment of distributions;
- redesignation of units from one class to another class of the Fund;
- redemptions initiated by the Manager or where redemption notice requirements have been established by the Manager; or
- in the absolute discretion of the Manager.

The Fund will distribute its net income and net realized capital gains to unitholders at least annually. All such amounts will be automatically reinvested, without charge, in additional units of the Fund at the unit value calculated on the date of distribution.

The unit activity during the periods ended June 30, 2026 and 2025 are as follows:

	Redeemable Units, beginning of period	Redeemable Units Issued	Redemptions of Redeemable Units	Redeemable Units, end of period
June 30, 2026				
Class A	209,317	45,171	(22,842)	231,646
Class F	1,917,013	226,298	(252,481)	1,890,830
Class I	227,670	292	(101)	227,861
Class V	223,371	–	(182,741)	40,630
June 30, 2025				
Class A	226,628	8,532	(29,455)	205,705
Class F	2,130,418	380,807	(482,353)	2,028,872
Class I	231,782	1,314	(20,694)	212,402

Capital disclosure

The capital of the Fund is represented by issued and redeemable units. The units are entitled to distributions, if any, and to payment of a proportionate share based on the Fund's Net Asset Value per unit upon redemption. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of units. The relevant movements are shown on the Statement of Changes in Net Assets Attributable to Holders of Redeemable Units. In accordance with its investment objectives and strategies, and the risk management practices outlined in Note 7, the Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

7. RISK MANAGEMENT

In the normal course of business, the Fund is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk). The value of investments within the Fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, 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 the type of securities it invests in.

The investment objective of the Fund is to achieve attractive risk-adjusted rates of return that deliver long-term capital appreciation to unitholders. The Manager manages risk by employing professional and experienced portfolio advisors, by daily monitoring of the Fund's positions and market events, and by diversifying the investment portfolio within the constraints of the investment objective. To assist in managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

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.

All transactions executed by the Fund in listed securities are settled/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 obligation.

As of June 30, 2026, the Fund had no significant investments in debt instruments and/or derivatives. The Fund's maximum exposure to credit loss is $45,857,490 (December 31, 2025: $44,891,954).

7. RISK MANAGEMENT (continued)

Liquidity Risk

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligation on time or at a reasonable price.

The Fund's exposure to liquidity risk is concentrated in the periodic cash redemptions of units. The Fund primarily invests in securities that are traded in active markets and can be readily disposed of. In addition, the Fund generally retains sufficient cash and cash equivalent positions to maintain liquidity.

The Fund may employ the use of derivatives to moderate certain risk exposures. There is no guarantee that a market will exist for some derivatives and it is possible that the exchanges may impose limits on trading of derivatives.

Financial liabilities are generally settled within three months.

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 the Fund invests in interest-bearing financial instruments. The Fund is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. There is minimal sensitivity to interest rate fluctuations on any cash and cash equivalents invested at short-term market interest rates.

The majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. As of June 30, 2026 and December 31, 2025, the Fund had no significant investments in debt instruments and/or derivatives.

Other Price Risk

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

All investments represent a risk of loss of capital. The Manager aims to moderate this risk through careful selection and diversification of securities and other financial instruments in accordance with the Fund's investment objective and strategy. The Fund's overall market positions are monitored on a regular basis by the Manager. 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, 99% (December 31, 2025: 100%) of the Fund's Net Assets attributable to holders of redeemable units were invested in securities traded on North American stock exchanges. If security prices on the North American stock exchanges had increased or decreased by 10% as of the period end, with all other factors remaining constant, Net Assets attributable to holders of redeemable units could possibly have increased or decreased by approximately $4,545,428 (December 31, 2025: $4,439,741). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

7. RISK MANAGEMENT (continued)

Concentration Risk

A relatively high concentration of assets in a single or small number of issuers may reduce the diversification and liquidity of the Fund and increase its volatility. As a result of reduced liquidity, the Fund's ability to satisfy redemption requests may be reduced. It may also result in a concentration in specialized industries or market sectors. Investment in the Fund will therefore involve greater risk and volatility than investing in a mutual fund that has a broadly-based investment portfolio since the performance of one particular industry or market could significantly and adversely affect the overall performance of the Fund.

The following is a summary of the Fund's concentration risk as a percentage of the net assets of the Fund:

	Percentage of net assets attributable to holders of redeemable units	
Market segment	**June 30, 2026**	**December 31, 2025**
Investments owned		
Communication Services	0.9	4.4
Consumer Discretionary	6.1	1.9
Consumer Staples	7.4	6.0
Energy	14.0	16.3
Financials	23.5	20.3
Health Care	3.7	2.7
Industrials	19.4	16.5
Information Technology	2.3	2.4
Real Estate	3.1	2.0
Utilities	7.1	8.6
Materials	11.8	19.0
Total net investments	99.3	100.1
Cash	0.7	0.9
Other assets and liabilities	(0.0)	(1.0)
	100.0	100.0

7. 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 Canadian dollars, which represents the functional currency of the Fund. The Fund may enter into foreign exchange forward contracts for hedging purposes to reduce its foreign currency exposure, or to establish exposure to foreign currencies.

The table below summarizes the Fund's exposure to currency risk as of June 30, 2026:

	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	$ (5,191)	$ 4,965,306	$ 4,960,115	$ (260)	$ 248,265	$ 248,005
	$ (5,191)	$ 4,965,306	$ 4,960,115	$ (260)	$ 248,265	$ 248,005
% of Net Assets Attributable to Holders of Redeemable Units	(0.01)	10.85	10.84	(0.00)	0.54	0.54

The table below summarizes the Fund's exposure to currency risk as of December 31, 2025:

	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	$ 6,450	$ 5,604,122	$ 5,610,572	$ 323	$ 280,206	$ 280,529
	$ 6,450	$ 5,604,122	$ 5,610,572	$ 323	$ 280,206	$ 280,529
% of Net Assets Attributable to Holders of Redeemable Units	0.01	12.65	12.66	0.00	0.63	0.63

8. EXPENSES

The Manager has the power to incur and make payment out of the Fund property any charges or expenses which, in the opinion of the Manager, are necessary or incidental to, or proper for, carrying out any of the purposes of the Fund Agreement, including without limitation all fees and expenses relating to the management and administration of the Fund. The Fund is responsible for any income or excise taxes and brokerage commissions on portfolio transactions.

9. INDEMNIFICATION OF THE TRUSTEE

The Fund, in its Declaration of Trust, has indemnified the Trustee, their principals and their respective affiliates from all claims that may arise for (i) mistakes of judgement or for action or inaction or for losses due to such mistakes, action or inaction so long as they acted honestly and not in bad faith and reasonably believed that their conduct was in the best interests of the Fund and (ii) losses due to mistakes of judgment or the action or omission of any broker or agent of the Trustee, selected, engaged or retained by the Trustee, the principals or their respective affiliates. There is no financial impact on indemnification of the Trustee.

10. INCOME TAXES

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada). The Declaration of Trust provides that the Fund's net taxable income for each year, including net realized capital gains, is payable to its Unitholders in the year. Accordingly, the Fund is not liable for income tax in respect of its income and net realized gains for the year ended December 31, 2025. Foreign income received is subject to foreign withholding taxes.

As of the tax year ended December 31, 2025, the Fund had nil non-capital (2024: nil) and nil (2024: $8,034) capital losses carried forward.

11. CAPITAL MANAGEMENT

The Fund's capital is its net assets, representing unitholder's equity. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders, maximize unitholder value and maintain financial strength.

The Fund is not subject to any externally imposed capital requirements.