



**ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE
FOR THE YEAR ENDED DECEMBER 31, 2024**

**GOODWOOD CAPITAL FUND
(the "Fund")**

This annual management report of fund performance contains financial highlights but does not contain either the complete annual financial statements of the Fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 416-203-2022 or by writing to us at Goodwood Inc., 132 Trafalgar Road, Oakville, Ontario, L6J 3G5 or by visiting our website at www.goodwoodfunds.com or SEDAR at www.sedar.com.

Unitholders may also contact us using one of these methods to request a copy of the Fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

This report may contain forward looking statements about the Fund, including its strategy and expected performance. Forward looking statements are based on current expectations and projections about future events and are subject to risks, uncertainties and assumptions about the Fund and certain economic factors. Forward looking statements are not guarantees of future performance and actual performance could differ materially. Any number of factors could contribute to such differences including general economic, political and market factors as well as catastrophic world events. This list of factors is not exhaustive and the forward looking statements made herein will not be updated prior to the release of the next management report of fund performance.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The investment objective of the Fund is to achieve capital appreciation by investing primarily in equity securities of North American companies over a broad range of industry sectors.

In making investment decisions on behalf of the Fund, Goodwood Inc., the portfolio manager (hereinafter referred to as “Goodwood”, or the “Manager” or “we”) uses a bottom-up approach to investing, which involves intensive analysis of the individual company and associated industry conditions. The investment strategy is value-oriented, where focus is placed on companies that Goodwood believes possess a market price significantly below the intrinsic or true economic value of the business and/or generate strong return on invested capital with reinvestment opportunities and possess excess free cash flow allowing for internally funded growth, debt repayment, dividends and/or buybacks.

Risk

The risks associated with investing in this Fund remain as discussed in the Simplified Prospectus dated June 2, 2024. The Fund continues to be suitable for those investors with a medium to high risk tolerance and who plan to invest for the long term.

The Fund’s overall level of risk has not changed materially in the past year. The Fund is suitable for investors who are willing to accept the higher risks associated with investing in or having exposure to small and/or micro-cap issuers. As well, the Fund holds a concentrated portfolio of investments and may, from time to time, hold a large portion of its investments in a single issuer or a relatively small number of securities, which make the Fund susceptible to higher volatility since the value of the Fund’s portfolio will vary more in response to changes in the market value of these securities.

Results of Operations

The Fund’s net assets decreased by 26.7% for the 12-month period ended December 31, 2024 from \$4.754 million at January 1, 2024 to \$3.484 million at December 31, 2024. The decrease in net assets over the period is attributable Fund investment performance for the year and portfolio redemptions. Over the last several years, the Fund has seen a significant decline in its net asset value. The Fund is no longer being marketed. There were no subscriptions in 2024. Please refer to “*Recent Developments*”.

For the year ended December 31, 2024, Class A units of the Fund returned -6.89% and Class F units returned -5.82%. The Fund’s performance is calculated on transactional NAV and is net of all fees and expenses. Please also refer to “*Past Performance*” for additional information.

Recent Developments*

Effective January 24, 2025, Gajan Kulasingam, CFA, CPA, CA, who was principally responsible for the day-to-day investment management of the Fund and was responsible for investment decisions executed on behalf of the Fund, departed from the Manager and is no longer responsible for the day-to-day investment management of the Fund or the investment decisions on behalf of the Fund. Peter Puccetti, CFA, Chairman and Chief Investment Officer has re-assumed this role.

The small size of the Fund has made it inefficient to operate. At this size, the Manager believes that the Fund will suffer from diseconomies of scale (the fixed costs of the Fund, including, among others, the costs of complying with the requisite disclosure obligations under applicable securities laws, will be allocated over a smaller base of assets) and will reduce the ability of the Fund to carry out its investment objectives and strategies.

Recent Developments Continued*

Additionally, interest in the Fund by new investors is quite limited. The net impact of these factors is that the size of the Fund has significantly declined over the past few years and the Manager does not anticipate that this trend will reverse in the foreseeable future. In order to protect the interests and ensure the equal treatment of Unitholders of the Fund, the Manager received exemptive relief from the Ontario Securities Commission to allow it to suspend redemptions until April 30, 2025 and pause the calculation of net asset value of the Fund during the suspension period (for the purposes of processing subscriptions and redemptions). For the foregoing reasons, the Manager considers that it is in the best interests of the Unitholders that the Fund be terminated.

A special meeting of the unitholders of the Fund will be held on April 16, 2025 (the "Meeting"). The purpose of the Meeting is to consider and, if thought fit, to pass, with or without amendment, a resolution, to approve the termination of the Fund (the "Termination"). The Information Circular and meeting materials are also available at www.goodwoodfunds.com and SEDAR+ at www.sedarplus.ca.

If the Termination Resolution is approved, the Trustee or the Manager, on behalf of the Trustee, will proceed to wind up the affairs of the Fund and will sell and convert into money all securities and other assets of the Fund and after paying, retiring, discharging or making provision for the payment, retirement or discharge of all known liabilities of the Fund. The costs of the Termination will be borne by the Fund. Thereafter, each Unitholder will be paid the value of each Unit less any redemption charges and any tax required to be withheld. The value of each Unit will be the quotient of the total number of Units outstanding on the Termination Date divided into the sum of money remaining in the capital account of the Fund after all securities and other assets of the Fund have been converted into money and all known liabilities of the Fund have been paid, retired or discharged.

The Termination Resolution may, by its terms, at any time before or after the holding of the Meeting be terminated or delayed by the Manager without further notice to, or action on the part of, the Unitholders if the Manager determines in its sole judgment that it would be inadvisable for the Fund to proceed with the Termination.

Once procedures to terminate the Fund have commenced, the Manager expects that the Fund will no longer be invested in accordance with its investment objectives and will increasingly hold cash and/or cash equivalents.

*Information the recent development section may contain forward-looking statements which reflect the Manager's expectation regarding the Fund's future performance and opportunities. Forward-looking information requires the Manager to make assumptions and is subject to inherent risks and uncertainties. No assurances can be made that such matters will prove to be correct. Actual results may vary materially.

Related Party Transactions

Management Fees

Goodwood is responsible for the day-to-day business operations and affairs of the Fund and on this basis, is entitled to fees as described under “*Management Fees*” on page 5. On January 30, 2025, the Manager suspended redemptions of the Fund and has not earned or collected management fees from the Fund since that date.

Brokerage Commissions

Total brokerage commissions paid by the Fund during the year ended December 31, 2024 were \$577 and commissions on corporate finance transactions amounted to \$Nil. Total gross commissions paid to the Manager for acting as broker in respect of portfolio transactions for the Fund during the year were approximately \$577.

Other

Principals of Goodwood Inc. may, from time to time, accept officer positions and/or directorships and/or provide services to or have other relationships with companies unrelated to Goodwood Inc., including issuers in which clients are invested. In this circumstance, that company would be considered under relevant securities law to be a “connected issuer” to Goodwood Inc. Currently, MV Realty Holdings, LLC (“MVR”) and Goodwood MVR Investors, Inc. are considered connected issuers to the Manager. Furthermore, Goodwood Inc., or an affiliate of Goodwood Inc., may provide services to and receive compensation from issuers in which the Funds are invested. It is the policy of Goodwood to make appropriate adjustments to the fees charged by it to the Fund where the fees or other compensation is received directly from issuers in which the Fund is invested. Total fee rebate paid to the Fund during the year ended December 31, 2024 was approximately \$Nil. Goodwood may also provide services to other issuers in which clients are not invested. We maintain a list of these companies on our website at www.goodwoodfunds.com and have adopted policies and procedures to address conflicts of interest with respect to these relationships. This list may change from time to time, therefore the Manager recommends that investors refer to the website frequently.

Financial Highlights, Ratios and Supplemental Data

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the twelve-month period ending December 31, 2024 and the past five years ending December 31.

The Fund's Net Assets Per Unit (\$) ¹

	2024		2023		2022		2021		2020	
	Class A	Class F	Class A	Class F	Class A	Class F	Class A	Class F	Class A	Class F
Net Assets, beginning of year	\$14.50	\$10.06	\$15.65	\$10.74	\$25.04	\$16.99	\$26.59	\$17.84	\$16.17	\$10.73
Increase (decrease) from operations:										
Total revenue	0.24	0.17	0.37	0.25	0.28	0.20	0.31	0.21	0.12	0.04
Total expenses	(0.78)	(0.44)	(0.77)	(0.42)	(0.95)	(0.48)	(1.17)	(0.58)	(0.86)	(0.47)
Realized gain (loss) on investments	0.26	0.19	0.03	0.02	1.90	1.11	2.99	2.06	10.21	10.94
Unrealized gain (loss) on investments	(1.37)	(0.93)	(0.73)	(0.56)	(11.22)	(6.44)	(3.70)	(2.55)	0.29	0.18
Total increase (decrease) from operations ²	(1.66)	(1.02)	(1.11)	(0.70)	(9.99)	(5.62)	(1.58)	(0.87)	9.75	10.69
Distributions:										
From dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
From capital gains	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Annual Distributions ³	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Assets, end of year	\$12.90	\$9.05	\$14.50	\$10.06	\$15.65	\$10.74	\$25.04	\$16.99	\$26.59	\$17.84

¹ This information is provided as at December 31 of the year shown and derived from the Fund's audited annual financial statements prepared in accordance with IFRS. The net assets per unit presented in the financial statements may differ from the net asset value calculated for fund pricing purposes.

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

³ Distributions were reinvested in additional units of the Fund.

Ratios and Supplemental Data ¹

	2024		2023		2022		2021		2020	
	Class A	Class F	Class A	Class F	Class A	Class F	Class A	Class F	Class A	Class F
Total net asset value (000s) ¹	\$ 863	\$ 2,783	\$ 1,308	\$ 3,446	\$ 1,615	\$ 3,676	\$ 3,773	\$ 2,623	\$ 4,165	\$ 3,118
Number of units outstanding ¹	63,911	293,709	90,207	342,539	103,229	342,421	150,687	154,433	156,630	174,803
Management expense ratio ²	5.69%	4.67%	5.10%	3.99%	4.78%	3.68%	4.02%	2.87%	4.85%	3.62%
Management expense ratio before waivers or absorptions	5.69%	4.67%	5.10%	3.99%	4.78%	3.68%	4.02%	2.87%	4.85%	3.62%
Trading expense ratio ³	0.03%	0.03%	0.01%	0.01%	0.12%	0.12%	0.29%	0.29%	0.40%	0.44%
Portfolio turnover rate ⁴	4.75%	4.75%	8.40%	8.40%	43.24%	43.24%	54.47%	54.47%	95.97%	95.97%
Net assets value per unit	\$ 12.90	\$ 9.05	\$ 14.50	\$ 10.06	\$ 15.65	\$ 10.74	\$ 25.04	\$ 16.99	\$ 26.59	\$ 17.84

¹ This information is provided for the past five years ending December 31. The net assets per unit presented in the financial statements may differ from the net asset value calculated for fund pricing purposes.

² Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

³ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

⁴ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

MANAGEMENT FEES

The Manager is entitled to receive a management fee based on the net asset value of each class of the Fund. The management fee for Class A units of the Fund is 1.90% per annum and for Class F units of the Fund is 0.90% per annum. The fee is calculated and accrued on each valuation date of the Fund, in consideration for managing the day-to-day business of the Fund. This includes managing the investment portfolio, providing investment analysis and making decisions relating to the investment assets in the Fund.

The management fees for the year ended December 31, 2024 were \$52,733. On January 30, 2025, the Manager suspended redemptions of the Fund and has not earned or collected management fees from the Fund since that date.

For the year ended December 31, 2024, approximately 85% of the total management fee revenue received from the Fund was attributable to management and investment management services. The balance of these fees was used to pay dealer compensation costs on Class A units.

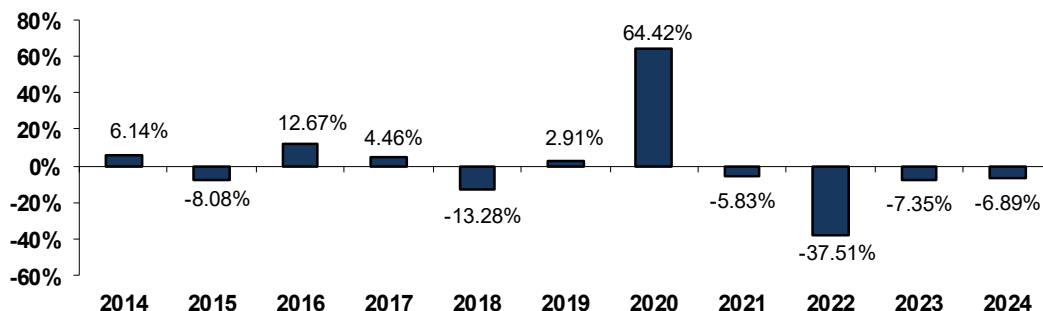
PAST PERFORMANCE

The Fund's performance information assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. The performance information does not include deduction of sales, transfer, redemption, other charges (which distributors may charge) or income taxes payable. These additional charges and taxes would reduce such returns. The Fund's past performance is no guarantee of how it will perform in the future. The following tables are based on Transactional NAV. The net assets per unit presented in the financial statements may differ from the net asset value calculated for fund pricing and performance purposes.

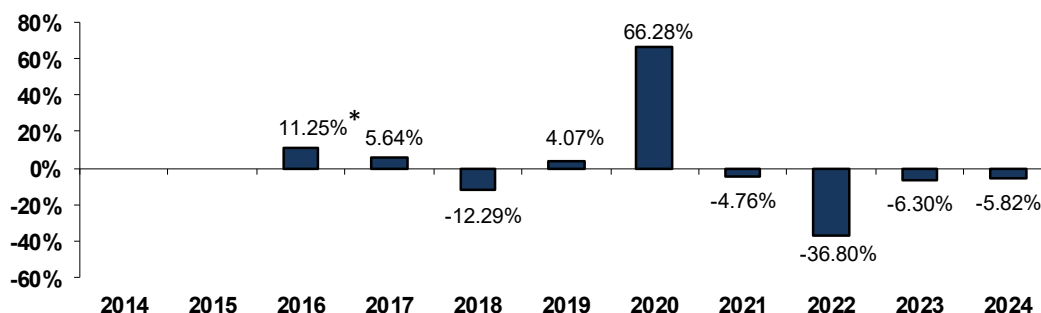
Year-by-Year Returns

The bar chart shows how the Fund's performance has varied from year to year for each of the periods shown. It shows in percentage terms how an investment made on January 1 would have increased or decreased by December 31 of that year.

Class A



Class F



* For the period beginning July 8, 2016 (the date on which units of class F were first sold) to December 31, 2016.

Annual Compound Returns

The below table shows the historical annual compound total return of Class A and Class F units of the Fund for the indicated periods ended December 31 as compared to the broad market performance of the: (i) S&P/TSX Composite Total Return Index (ii) S&P/TSX SmallCap Total Return Index and (iii) S&P/TSX Venture Composite Index. The proportion of assets of the Fund invested in any particular market capitalization will vary and may include a large portion invested in small-cap issuers. Class F units have been distributed since July 8, 2016 and therefore, annual compound returns for that class for the 10 year period is not available. Annualized return for Class F units since inception (July 8, 2016) to December 31, 2024 is -0.63%.

Compound Return (%)	1 Year	3 Year	5 Year	10 Year	Since Inception
Goodwood Capital Fund - Class A	-6.89%	-18.61%	-3.55%	-2.12%	2.08%
Goodwood Capital Fund - Class F	-5.82%	-17.69%	-2.45%	-	-0.63%
S&P/TSX SmallCap Total Return Index	18.83%	4.15%	8.93%	6.01%	-
S&P/TSX Composite Total Return Index	2165%	8.58%	1108%	8.65%	-
S&P/TSX Venture Composite Index	8.13%	-13.98%	0.69%	-150%	-

S&P/TSX Composite Total Return Index is a broad-based market capitalization weighted index of the largest, most widely held stocks traded on the Toronto Stock Exchange. The index includes reinvestment of dividends and capital gains.

S&P/TSX SmallCap Total Return Index provides an investable index for the Canadian small cap market and follows the same methodology as the S&P/TSX Composite Index. The index includes reinvestment of dividends and capital gains.

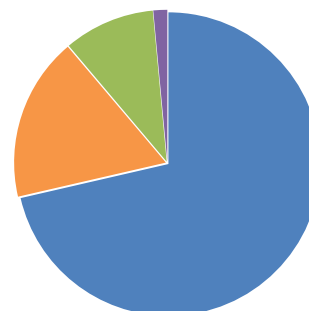
S&P/TSX Venture Composite Index is a broad market indicator of Canadian micro cap securities in Canada. The index is market capitalization weighted and includes Canadian companies that do not meet the criteria to be listed on the Toronto Stock Exchange

SUMMARY OF INVESTMENT PORTFOLIO AS AT DECEMBER 31, 2024

Asset Mix (as a % of NAV)

Canadian Equities	71.4%
Cash and Cash Equivalents	17.4%
Other Private Securities	9.7%
Other Net Assets	1.5%

100.0%



■ Canadian Equity ■ Cash/Cash Equivalents ■ Other (Private Securities) ■ Other Net Assets

Total Net Assets: \$ 3,483,799

Goodwood Capital Fund Holdings (Top 25 as a % of Total Net Assets)

1	Cash and Other Net Assets	18.9%
2	Bluedot Inc CV U\$ 8% 03/31/2025	8.3%
3	Medexus Pharmaceuticals, Inc.	6.6%
4	Quipt Home Medical Corp	6.0%
5	Polaris Renewable Energy Inc	5.7%
6	Cargojet Inc	4.9%
7	Enghouse Systems Ltd	3.8%
8	Sangoma Technologies Corporation	3.4%
9	Gibson Energy Inc	3.2%
10	Brookfield Business Partners LP	3.1%
11	NowVertical Group Inc.	3.1%
12	Brookfield Business Corp	3.0%
13	Granite Real Estate Investment Trust	3.0%
14	Dream Industrial Real Estate Investment Trust	3.0%
15	BSR Real Estate Investment Trust	2.9%
16	Green Impact Partners Inc	2.9%
17	Information Services Corp	2.8%
18	Exchange Income Corp	2.7%
19	Boyd Group Services Inc	2.6%
20	Quisitive Technology Solutions Inc	2.5%
21	CCL Industries Inc	1.9%
22	Nanoxplore Inc	1.7%
23	Morgan Solar Inc	1.5%
24	Ionik Corp	1.1%
25	Tidewater Midstream and Infrastructure Ltd	0.7%
		<u>99.0%</u>

This information is provided as at December 31 of the year shown and derived from the Fund's audited annual financial statements. The information presented in the financial statements may differ from the net asset value calculated for fund pricing purposes. The investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates are available within 60 days of each quarter end by visiting www.goodwoodfunds.com.