Interim Financial Statements of

GOODWOOD CAPITAL FUND

For the six months ended June 30, 2026 and 2025 (unaudited)

Manager’s comments on unaudited interim financial statements

These interim financial statements of the Goodwood Capital Fund (the “Fund”) for the six months ended June 30, 2026 have been prepared by the Manager. These interim financial statements have not been reviewed or audited by KPMG LLP, the independent external auditors of the Fund.

GOODWOOD CAPITAL FUND

Statements of financial position

As at June 30, 2026 (unaudited) and December 31, 2025

	Note		June 30, 2026		December 31, 2025
Assets					
Cash and cash equivalents		$	36,109	$	7,396,210
Financial assets at fair value through profit or loss	**6**		10,278,164		6,187,909
(cost - $11,805,197; December 31, 2025 - $7,554,617)					
Accrued interest and dividend receivable			57,118		36,400
Total assets		**$**	**10,371,391**	**$**	**13,620,519**
Liabilities					
Accounts payable and accrued liabilities		$	23,479	$	39,473
Due to brokers			-		5,982,490
Total liabilities (excluding net assets attributable to holders of redeemable units)		**$**	**23,479**	**$**	**6,021,963**
Net assets attributable to holders of redeemable units		**$**	**10,347,912**	**$**	**7,598,556**
Net assets attributable to holders of redeemable units per class					
Class A		$	71,215	$	78,377
Class F			10,276,697		7,520,179
Total net assets attributable to holders of redeemable units			**10,347,912**		**7,598,556**
Net assets attributable to holders of redeemable units per unit					
Class A		$	1.34	$	1.33
Class F			0.94		0.93

Approved by Goodwood Inc.

"Elie Nour"__________Director

Chief Executive Officer

"Sarah Guina"__________Officer

Chief Financial Officer

GOODWOOD CAPITAL FUND

Statements of comprehensive income (loss)

For the six months ended June 30, 2026 and June 30, 2025 (unaudited)

	Note		2026		2025
Income					
Dividend income		$	148,605	$	11,006
Interest income			1,438		(12,852)
Net foreign currency gains (losses)			1,248		(2,924)
Net realized gains (losses) on financial assets at FVTPL			238,121		(2,374,731)
Net change in unrealized (depreciation) appreciation on financial assets at FVTPL			(160,325)		2,109,753
Total income		**$**	**229,087**	**$**	**(269,748)**
Operating expenses					
Management fees	**8**	$	53,500	$	3,092
General and administrative			38,587		29,315
Legal and professional fees			21,970		91,747
Directors fee expense			17,175		2,226
Audit fees			15,934		20,811
Trustee fees			7,001		3,470
Commissions and other portfolio transaction costs	**9**		4,710		3,899
Withholding taxes			94		-
Total operating expenses		**$**	**158,971**	**$**	**154,560**
Increase (decrease) in net assets attributable to holders of redeemable units		**$**	**70,116**	**$**	**(424,308)**
Increase (decrease) in net assets attributable to holders of redeemable units per class	**7**				
Class A		$	210	$	(101,908)
Class F			69,906		(322,400)
			70,116		**(424,308)**

GOODWOOD CAPITAL FUND

Statements of changes in net assets attributable to holders of redeemable units

For the six months ended June 30, 2026 and June 30, 2025 (unaudited)

June 30, 2026

			Unit Transactions			
Class	**Net assets attributable to holders of redeemable units, beginning of period**	**Increase in net assets attributable to holders of redeemable units**	**Proceeds from redeemable units issued**	**Redemption of redeemable units**	**Return of Capital**	**Net assets attributable to holders of redeemable units, end of period**
Class A	78,377	210	-	(7,372)	-	71,215
Class F	7,520,179	69,906	5,938,742	(3,252,130)	-	10,276,697
Total	**$ 7,598,556**	**$ 70,116**	**$ 5,938,742**	**$ (3,259,502)**	**$ -**	**$ 10,347,912**

June 30, 2025

			Unit Transactions			
Class	**Net assets attributable to holders of redeemable units, beginning of period**	**Decrease in net assets attributable to holders of redeemable units**	**Proceeds from redeemable units issued**	**Redemption of redeemable units**	**Return of Capital**	**Net assets attributable to holders of redeemable units, end of period**
Class A	824,524	(101,908)	-	(10,079)	(598,344)	114,193
Class F	2,659,275	(322,400)	-	(60,382)	(1,911,656)	364,837
Total	**$ 3,483,799**	**$ (424,308)**	**$ -**	**$ (70,461)**	**$ (2,510,000)**	**$ 479,030**

GOODWOOD CAPITAL FUND

Statements of cash flows

For the six months ended June 30, 2026 and June 30, 2025 (unaudited)

	Note	2026	2025
Cash flow from operating activities			
Increase (decrease) in net assets attributable to holders of redeemable units		$ 70,116	$ (424,308)
Adjustments for:			
Net realized (gains) losses on financial assets at FVTPL		(238,121)	2,374,731
Net change in unrealized depreciation (appreciation) on financial assets at FVTPL		160,325	(2,109,753)
		(7,680)	(159,330)
Purchases of investments		(13,564,089)	-
Proceeds from sale of investments		9,551,630	2,264,465
Net (increase) decrease in accrued interest and dividend receivable		(20,718)	23,196
Net decrease in accounts payable and accrued liabilities		(15,994)	(4,006)
Net decrease in due to brokers		(5,982,490)	-
Net cash (used in) provided by operating activities		**(10,039,341)**	**2,124,325**
Cash flows from financing activities			
Proceeds from issuance of redeemable units		5,938,742	-
Payment on redemption of redeemable units		(3,259,502)	(70,461)
Distributions to holders of redeemable units		-	(2,510,000)
Net cash provided by (used in) financing activities		**2,679,240**	**(2,580,461)**
Net decrease in cash during the period		(7,360,101)	(456,136)
Cash at beginning of the period		7,396,210	606,911
Cash at end of the period		**$ 36,109**	**$ 150,775**
Supplemental cash flow information*			
Interest received		$ 188	$ 5,313
Dividends received, net of withholding taxes		129,044	16,036

* included as part of cash flow from operating activities

GOODWOOD CAPITAL FUND

Schedule of Investments

As at June 30, 2026 (unaudited)

PAR VALUE/ NUMBER OF SHARES	DESCRIPTION	COST	FAIR VALUE	% OF NET ASSETS
		$	$	
Investments owned				
Canadian publicly held securities:				
4,104	Thomson Reuters Corp.	629,000	475,407	4.59
14,038	Open Text Corp.	500,388	440,653	4.26
1,675	Agnico Eagle Mines Ltd.	431,589	369,103	3.57
6,990	Barrick Mining Corp.	404,038	364,529	3.52
5,848	Brookfield Corp.	340,634	353,862	3.42
2,132	Shopify Inc.	366,446	345,938	3.34
21,815	Telus Corp.	398,204	327,225	3.16
140	Fairfax Financial Holdings Ltd.	304,741	326,584	3.16
120	Constellation Software Inc.	308,308	320,400	3.10
3,409	CGI Inc.	376,565	312,503	3.02
1,700	Wheaton Precious Metals Corp.	294,606	271,218	2.62
2,585	Alimentation Couche-Tard Inc., Class A	190,310	233,684	2.26
891	Bank of Montreal	164,958	223,347	2.16
1,097	FirstService Corp.	232,351	221,232	2.14
1,276	The Toronto-Dominion Bank	162,978	220,033	2.13
1,773	The Bank of Nova Scotia	180,361	218,558	2.11
723	Royal Bank of Canada	165,305	212,331	2.05
1,172	WSP Global Inc.	271,260	206,096	1.99
1,259	Canadian Imperial Bank of Commerce	158,499	205,620	1.99
3,511	Canadian Natural Resources Ltd.	169,749	197,037	1.90
756	Waste Connections Inc.	169,005	178,711	1.73
1,327	Colliers International Group Inc.	243,046	176,610	1.71
4,000	Purpose Investments Inc. Silver Bullion Fund	222,805	176,480	1.71
5,200	Kinross Gold Corp.	217,189	174,616	1.69
890	Dollarama Inc.	155,826	166,982	1.61
742	National Bank of Canada	123,814	166,141	1.61
1,985	Enbridge Inc.	129,476	152,666	1.48
2,654	Manulife Financial Corp.	134,433	152,658	1.48
5,150	Fidelity Advantage Bitcoin ETF	168,334	141,265	1.37
417	Intact Financial Corp.	111,398	122,060	1.18
1,052	Onex Corp.	119,093	111,575	1.08
654	Canadian National Railway Co.	88,317	110,690	1.07
3,100	CAE Inc.	105,801	110,081	1.06
1,700	Loblaw Companies Ltd.	104,360	109,378	1.06
15,229	Bausch Health Cos Inc.	129,190	106,451	1.03
25,690	Well Health Technologies Corp.	103,966	106,357	1.03
1,238	Premium Brands Holdings Corp.	114,543	104,116	1.01
1,222	Cargojet Inc.	102,289	103,528	1.00
1,157	Nutrien Ltd.	98,697	103,378	1.00
700	Cameco Corp.	105,737	101,192	0.98
2,130	TMX Group Ltd.	102,512	98,896	0.96
1,286	Ovintiv Inc.	70,181	96,051	0.93
1,495	Brookfield Assets Management Ltd.	103,944	95,112	0.92

GOODWOOD CAPITAL FUND

Schedule of Investments (continued)

As at June 30, 2026 (unaudited)

PAR VALUE/ NUMBER OF SHARES	DESCRIPTION	COST	FAIR VALUE	% OF NET ASSETS
		$	$	
Investments owned				
Canadian publicly held securities(continued):				
768	Canadian Pacific Kansas City Ltd.	77,114	94,433	0.91
2,290	First Quantum Minerals Ltd.	74,519	88,715	0.86
3,000	TransAlta Corp.	51,570	58,860	0.57
1,923	Maple Leaf Foods Inc.	48,069	58,671	0.57
542	Restaurant Brands International Inc.	50,384	55,756	0.54
473	Sun Life Financial Inc.	40,556	52,669	0.51
511	George Weston Ltd.	49,305	52,020	0.50
100	Celestica Inc.	37,172	51,724	0.50
4,300	Fortuna Mining Corp.	55,639	51,557	0.50
520	West Fraser Timber Co. Ltd.	46,847	49,925	0.48
527	Magna International Inc.	38,005	49,148	0.47
929	Brookfield Infrastructure Partners L.P	44,206	48,122	0.47
890	Rogers Communications Inc.	44,629	41,065	0.40
342,000	Good Natured Products Inc.	306,275	-	-
73,400	Skylight Health Group Inc.	472,144	-	-
		10,510,680	9,563,019	92.47
Canadian privately held securities:				
3,267,974	Authenbalance Corp.	500,000	500,000	4.78
281,670	Morgan Solar Inc.	193,071	24,912	0.24
		693,071	524,912	5.02
Foreign bonds:				
200,000	Bluedot Inc. 8%, April 30, 2027	268,520	190,233	1.84
100,000	Opera Event Inc. 12.5%, July 26, 2024	126,790	-	-
500	Opera Event Inc. 2%, February 23, 2026	685	-	-
150,000	Virginia Black LLC 15.0%, June 30, 2020	205,451	-	-
		601,446	190,233	1.84
Total investments owned		**$ 11,805,197**	**$ 10,278,164**	**99.33**
Total investments		11,805,197	10,278,164	99.33
Other assets, net			69,748	0.67
Net assets			**$ 10,347,912**	**100.00**

1. GENERAL INFORMATION

The Goodwood Capital Fund (the "Fund") is an open-end investment fund trust created under the laws of Ontario. The Fund was established on December 23, 1999 pursuant to a declaration of trust and is governed by a third amended and restated trust agreement dated June 11, 2014 as amended from time to time (the "Trust Agreement"). The Fund files with all Canadian provincial and territorial securities commissions a simplified prospectus each year for the public offering of its Fund units. Currently, the Fund offers its units to the public under a simplified prospectus dated December 22, 2025 (the “Prospectus”). Interests in the Fund are divided into Class A and Class F units. The registered office of the Fund is 2845 Bristol Circle, Oakville, Ontario L6H 6X5.

Fund management and investment management services are provided by Goodwood Inc. (the "Manager"), a member of the Canadian Investment Regulatory Organization (CIRO). In this capacity, the Manager manages the day-to-day business and investment portfolio of the Fund. The Manager has appointed Nour Private Wealth Inc. (the “Sub-Adviser”) to act as sub-adviser to the Portfolio Adviser pursuant to a sub-advisory agreement between the Portfolio Adviser and the Sub-Adviser dated December 22, 2025 (the “Sub-Advisory Agreement”). In addition, the Manager is the promoter of the Fund. Computershare Trust Company of Canada is trustee (the "Trustee") of the Fund, and National Bank Financial Inc. through its National Bank Independent Network division (“NBIN”) is the custodian of the Fund.

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 which the Manager believes to have superior potential.

To achieve its objectives, the Fund invests primarily in equity securities of North American companies - that is, issuers with a connection to Canada or the U.S., such as those that are domiciled in Canada or the U.S., the securities of which are listed on an exchange in Canada or the U.S., or derive a significant portion of their revenues or profits from, or hold a significant portion of their assets in, Canada or the U.S. The Fund may also purchase additional securities such as term deposits, commercial paper, bonds and debentures of corporate and government issuers should prevailing market conditions warrant a defensive position. The Fund may invest up to 15% of its net asset value at cost in high-yield bonds or other debt securities with equity-like total return.

The sole shareholder of the Manager (the “Shareholder”), entered into a definitive agreement dated December 18, 2025 (the “Purchase Agreement”) pursuant to which Nour Private Management Inc. (“NPMI”), an affiliate of the Sub-Adviser, agreed to acquire all of the issued and outstanding shares of the Manager from the Shareholder (the “Transaction”). Upon the closing of the Transaction, effective March 1, 2026, the Manager of the Fund underwent a change of control and the Sub-Advisor became an affiliate of the Manager. The Transaction did not result in any changes to the investment objectives or strategies of the Fund. Elie Nour is a portfolio manager for the Sub-Adviser and is the lead portfolio manager for the Fund. Mr. Nour is principally responsible for making decisions regarding the investment program for the Fund and for the day-to-day advice provided by the Sub-Adviser in respect of the Fund and is instrumental in the investment decisions executed for the Fund.

2. BASIS OF PRESENTATION

Basis of accounting

These interim financial statements ("financial statements") have been prepared in compliance with IFRS Accounting Standards (“IFRS”), including International Accounting Standard 34, Interim Financial Reporting (“IAS 34”).

The Fund's assets and liabilities presented on the statement of financial position include financial instruments at fair value through profit or loss (“FVTPL”) and other financial assets and liabilities at amortized cost. Financial instruments at FVTPL are measured using either the last traded price or the estimated value based on valuation techniques commonly used by the market participants. Refer to note 3 for additional details on the measurement of financial assets and financial liabilities of the Fund.

Approval of the financial statements

The financial statements were approved by the Manager and authorized for issue on August 24, 2026.

Functional and presentation currency

The functional currency of the Fund is the Canadian Dollar (“CAD”) and the financial statements are presented in CAD.

Critical accounting estimates and assumptions

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 these financial statements. Actual results may differ from these estimates.

Fair value of securities not quoted in an active market

The Fund may, from time to time, hold financial instruments that are not quoted in active markets. Fair values of such instruments are determined by using valuation techniques. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Manager.

The fair value of such securities not quoted in an active market may be determined by the Fund using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. The Fund would exercise judgment and estimates on the quantity and quality of pricing sources used. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The determination of what constitutes ‘observable’ requires significant judgment by the Fund. The Fund considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to note 6 for further information about the fair value measurement of the Fund’s financial instruments.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements:

Cash and cash equivalents

Cash is comprised of cash deposits at NBIN.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that typically mature within 90 days of acquisition. As at June 30, 2026, the Fund did not hold any cash equivalents.

Financial assets at fair value through profit or loss

Recognition, measurement and classification:

A financial asset classified as amortized cost is measured at amortized cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and the asset's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal outstanding. All other financial assets are classified as FVTPL and are measured at fair value.

Financial liabilities are classified and measured at amortized cost except financial liabilities classified as FVTPL which are measured at fair value.

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

Financial assets that the Fund classifies and measures at amortized cost include accrued interest and dividend receivable.

Financial liabilities that are classified and measured at amortized cost include accounts payable, accrued liabilities and due to broker.

Financial assets and financial liabilities at FVTPL are initially recognized on the trade date at fair value, with transaction costs recognized in the statements of comprehensive loss. Other financial assets and financial liabilities recognized on the origination date at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Subsequent to initial recognition, all financial assets and financial liabilities at FVTPL are measured at fair value. Net changes in unrealized gains and losses arising from changes in the fair value of the financial instruments at FVTPL are presented in the statements of comprehensive loss within net change in unrealized appreciation/depreciation on financial assets at FVTPL in the period in which they arise. Realized gains and losses arising from the sale of financial assets at FVTPL are calculated as proceeds of disposition less their average cost. Average costs does not include amortization of premiums or discounts on debt securities.

Financial assets are derecognized when the rights to receive cash flows from the asset have expired or the Fund has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognized when the contractual obligation of the liability has been discharged, cancelled, or expired.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Dividend income from financial assets at FVTPL is recognized in the statements of comprehensive loss within dividend income when the Fund's right to receive payments is established. Amounts not yet received are included in the statements of financial position in accrued interest and dividends receivable. Interest for distribution purposes earned on debt securities at FVTPL represents the coupon interest received by the Fund and is recognized in the statements of comprehensive loss on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight-line basis.

Fair value measurement

Financial assets at FVTPL are measured at fair value. 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 value of financial assets traded in active markets is based on quoted market prices at the close of trading on the reporting date. In circumstances where the closing price is outside of the closing bid-ask range, then the closest bid or ask to the last trade will be used.

The fair value of financial assets that are not traded in an active market is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm’s length transactions, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Financial assets and liabilities classified and measured at amortized cost: Amortized cost is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, less any reduction for impairment.

The fair value used for financial reporting is consistent with the fair value used for unitholder and related transactions.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when, and only when, the Fund has a legally enforceable right to off-set the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis for gains and losses from financial assets and financial liabilities at FVTPL.

Payable for investments purchased/receivable for investments sold

Amounts receivable for investments sold and amounts payable for investments purchased that have been contracted are recorded on the statements of financial position at the amount to be received or delivered.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Redeemable units and net assets attributable to holders of redeemable units

The Fund issues two classes of redeemable units, which are redeemable at the holder's option and do not have identical attributes. As a result, the Fund's units are classified as a liability under Internal Accounting Standard ("IAS") 32, Financial Instruments – Presentation ("IAS 32").

For each Fund unit sold, the Fund receives an amount equal to the net asset value per unit at the date of sale, which amount is included in net assets attributable to holders of redeemable units. For each unit redeemed, net assets attributable to holders of redeemable units is reduced by the net asset value of the unit at the date of redemption. The redeemable units are measured at the current value of the Fund's net assets and are considered a residual amount of the net assets attributable to holders of redeemable units.

Net assets attributable to holders of redeemable units is calculated for the class of units of the Fund by taking the respective class' proportionate share of the Fund's net assets and dividing the number of units outstanding on the valuation date.

The increase (decrease) in net assets attributable to holders of redeemable units per unit for each class is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the weighted average number of units outstanding during the year for each class.

Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire financial assets and liabilities at FVTPL. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognized in profit or loss as an expense.

Foreign currency translation

Investment transactions and income and expenses in foreign currencies have been translated to CAD at the rate of exchange prevailing at the time of the transaction. Foreign currency assets and liabilities have been translated into the functional currency using the rate of exchange prevailing at the statements of financial position date. Foreign exchange gains and losses relating to cash are presented in the statements of comprehensive loss within net foreign currency gains (losses). Foreign exchange gains and losses relating to financial assets carried at FVTPL are presented in the statements of comprehensive loss within net change in unrealized appreciation (depreciation) on financial assets at FVTPL.

Taxation

The Fund qualifies as a mutual fund trust under the Income Tax Act (Canada). All of the Fund's net income for tax purposes and sufficient net capital gains in any period 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 and as such, the tax benefit of capital and non-capital losses has not been reflected in the statements of financial position as a deferred income tax asset.

The Fund is subject to withholding taxes on foreign income. In general, the Fund treats withholding tax as a charge against income for tax purposes.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Standards issued but not yet effective

A number of new standards and amendment to standards are effective for annual periods beginning after January 1, 2025 and earlier application is permitted; however, the Fund has not early adopted these new or amended standards in preparing these financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued the new standard IFRS Accounting Standards 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.

Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to IFRS Accounting Standards 9 – Financial Instruments and IFRS Accounting Standards 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 is assessing the impacts to the financial statements with respect to the structure of the Fund’s statement of comprehensive loss, the statement of cash flows and the additional disclosures required for MPMs. The Fund is also assessing the impact on how information is grouped in the financial statements.

4. DERIVATIVE FINANCIAL INSTRUMENTS

The Fund holds the following derivative instruments:

Warrants

A warrant is a contractual arrangement under which the issuer grants the holder the right, but not the obligation, either to buy at or by a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price directly from the issuer of the underlying securities. The Fund is exposed to credit risk on purchased warrants only to the extent of their carrying amount, which is their fair value.

No Warrants were held as at June 30, 2026. The following table detail the Fund’s investments in warrants as at December 31, 2025:

December 31, 2025

Description	Maturity Date	Strike Price	Notional Amount	Fair value in financial assets
Warrants				
Opera Event Inc.	2/26/2026	US $1.08	100,000	-

5. FINANCIAL INSTRUMENTS - RISK MANAGEMENT

Financial risk factors

The Fund’s activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including price risk, foreign exchange risk, and interest rate risk). The Fund's exposure to financial risks is concentrated in its investment holdings.

The Fund is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of securities held in custody brought about by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that reduces the risk of loss of value of the securities held by the custodian, in the event of its failure, the ability of the Fund to transfer securities might be temporarily impaired.

The Manager seeks to minimize potential adverse effects of these risks on the Fund’s performance 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 risks, the Manager also uses internal guidelines that identify the target exposures for each type of risk, maintains a governance structure that oversees the Fund’s investment activities and monitors compliance with the Fund’s stated investment strategy, internal guidelines, and securities regulations.

The Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

(i) 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. Credit risk is managed by the Manager through a careful selection of securities and diversification of the Fund’s portfolio. The Manager monitors the Fund’s overall market positions on a daily basis and investment positions are maintained within an established range.

The amount of exposure to credit risk is represented by the carrying amount of the assets on the statements of financial position and the possible inability of another party failing to discharge an obligation. Substantially all financial instruments are cleared through and held in custody by NBIN Inc., a division of National Bank Financial Inc. and wholly owned subsidiary of the National Bank of Canada. The Fund is subject to credit risk to the extent that NBIN Inc. may be unable to fulfill its obligations either to return the Fund's securities or repay amounts owed. The Fund does not anticipate any losses as a result of this concentration.

As at June 30, 2026, the Fund held four bonds (December 31, 2025 – four bonds) that are not rated. Three of the four bonds have previously been written down to $nil prior to June 30, 2026. The Fund's remaining exposure to credit risk in respect of unrated bonds was $190,233 (December 31, 2025 - $183,914), representing the carrying value of the remaining bond, together with accrued interest of $37,650 (December 31, 2025 – $36,400).

(ii) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets.

The Fund is exposed to periodic cash redemptions of redeemable units. In addition, the Fund may, from time to time, invest in unlisted securities, which are not traded in an organized market. Non-listed securities may generally be illiquid, therefore, the Fund may not be able to quickly liquidate its investments in these instruments at an amount close to its fair value in order to respond to meet its liquidity requirements or to respond to specific events, such as a deterioration in the creditworthiness of any particular issuer.

5. FINANCIAL INSTRUMENTS - RISK MANAGEMENT (Continued)

The Fund manages its liquidity risk by primarily investing in marketable securities and other financial instruments which are traded in active markets and can be readily disposed of under normal market conditions. Furthermore, the Fund retains sufficient cash and highly liquid investment positions to maintain liquidity.

It is the Fund’s policy that the Manager monitors the Fund’s liquidity position on a daily basis. The Fund’s liabilities are generally expected to be due and paid within 90 days, with the exception of net assets attributable to holders of redeemable units. Redeemable units are redeemable on demand at the holder’s option, however does not represent significant liquidity risk as holders of these instruments typically retain them for the medium to long term. In addition, the Fund requires appropriate notice of unit redemptions and under extraordinary circumstances has the ability to suspend redemptions if this is deemed to be in the best interest of all unitholders. As such, the Fund is not exposed to significant liquidity risk. The Fund did not withhold any redemption or implement any suspensions during the six month period ending June 30, 2026.

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market variables such as market prices, foreign exchange rates and interest rates. The following include sensitivity analyses that show how the net assets attributable to holders of redeemable units would have been affected by a reasonably possible change in the relevant risk variable at each reporting date. In practice, the actual results may differ and the differences could be material.

a) 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 interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Fund is primarily exposed to price risk from its investments in equity, preferred securities and related derivatives.

All investments represent a risk of loss of capital. The investment portfolio consists of securities of companies in various industries which are subject to normal market fluctuations and the risks inherent in investment in equity markets. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The Fund's price risk is managed by the Manager constructing a diversified portfolio of investments traded on various markets which may not be correlated. The Fund's positions and overall market conditions are monitored on a daily basis.

As at June 30, 2026, had the prices for these securities increased or decreased by 5%, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased by approximately $504,397 (December 31, 2025 - $300,200).

The Fund is also exposed to price risk through the concentration of its investment portfolio and manages this risk through daily monitoring of the portfolio to comply with the Fund’s investment strategies as outlined in the Fund’s Prospectus.

5. FINANCIAL INSTRUMENTS - RISK MANAGEMENT (Continued)

b) Currency risk

The Fund may hold both monetary and non-monetary assets and liabilities denominated or traded in currencies other than the Canadian Dollar, the Fund's functional currency. Foreign currency risk arises as the value of future transactions of assets and liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

The table below summarizes the foreign currencies to which the Fund had significant exposure at June 30, 2026 and December 31, 2025 in CAD terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if CAD had strengthened or weakened by 5% in relation to the listed currencies, with all other variables held constant.

June 30, 2026

	Currency Exposure				
Currency	Cash and other receivables	Investments at FVTPL	As a % of net assets attributable to holders of redeemable units	Impact on net assets attributable to holders of redeemable units	Impact as a % of net assets attributable to holders of redeemable units
United States Dollar	$ 43,021	$ 215,145	2.5	$ 12,908	0.1

December 31, 2025

	Currency Exposure				
Currency	Cash and other receivables	Investments at FVTPL	As a % of net assets attributable to holders of redeemable units	Impact on net assets attributable to holders of redeemable units	Impact as a % of net assets attributable to holders of redeemable units
United States Dollar	$ 36,407	$ 207,998	3.2	$ 12,220	0.2

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in prevailing market interest rates.

The majority of the Fund's financial assets and liabilities are non-interest bearing or repriced daily and, as a result, the Fund's portfolio is not subject to a significant amount of risk due to fluctuations in the prevailing levels of market interest rates. However, the underlying investments may themselves invest in fixed interest-bearing securities, which could expose them to interest rate risk.

5. FINANCIAL INSTRUMENTS - RISK MANAGEMENT (Continued)

The table below summarizes the Fund's exposure to interest rate risk as at June 30, 2026 and December 31, 2025, by remaining term to maturity. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the prevailing levels of market interest rates changed by 1%, assuming a parallel shift in the yield curve with all other variables held constant.

Term to maturity	June 30, 2026	December 31, 2025
Less than 1 year	$ 190,233	$ 183,914
Total	190,233	183,914
Impact on net assets attributable to holders of redeemable units	1,548	679
Impact on net assets attributable to holders of redeemable units %	0.01%	0.01%

d) Geopolitical risk

Terrorism, war, military confrontations and related geopolitical events (and their aftermath) can lead to increased short-term market volatility and may have adverse long-term effects on the Canadian, U.S., and world economies and markets generally. Likewise, natural and environmental disasters, such as, for example, earthquakes, fires, floods, hurricanes, tsunamis and weather-relate phenomena generally, as well as wide-spread disease and virus epidemics, can be highly disruptive to economies and markets into the medium term, adversely affecting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors impacting the value of the Fund's investments.

6. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the period-end date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If a significant movement in fair value occurs subsequent to the close of trading up to midnight on the period-end date, valuation techniques will be applied to determine the fair value.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each period-end date. Valuation techniques used for non-standardized financial instruments, include the use of comparable recent arm's length transactions, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Fund categorizes its financial instruments classified as FVTPL into a hierarchy based on the instruments' significant inputs as follows:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs are unobservable inputs for the asset or liability.

6. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The determination of what constitutes "observable" requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

If an asset or liability classified as Level 1 subsequently ceases to be actively traded, it is transferred into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is reclassified to Level 3.

The following table presents the Fund's assets and liabilities measured at fair value as at June 30, 2026 and December 31, 2025 within the fair value hierarchy:

June 30, 2026

	Level 1	Level 2	Level 3	Total
Financial assets:				
Bond securities	$ -	$ -	$ 190,233	$ 190,233
Equity securities	9,563,019	-	524,912	10,087,931
Total	**9,563,019**	**-**	**715,145**	**10,278,164**

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets:				
Bond securities	$ -	$ -	$ 183,914	$ 183,914
Equity securities	5,979,910	-	24,085	6,003,995
Total	**5,979,910**	**-**	**207,999**	**6,187,909**

During the period ended June 30, 2026 and December 31, 2025, there were no transfers between level 1, level 2 and level 3.

The majority of the investments held by the Fund are listed investments for which liquid quoted market prices are readily available. Certain investments, however, require the use of management judgment to determine the fair value. These investments are classified within Level 3 as non-listed private investments and therefore have significant unobservable inputs or assumptions. As observable prices are not available for these securities, the Fund has used valuation techniques to derive the fair values for the measurement dates presented.

Valuation techniques and value of the Level 3 investments are determined in such a manner as the Manager may from time to time determine. Valuation techniques for private investments held by the Fund include, but are not limited to: the valuation implied by meaningful, third party; any arm's-length transaction(s); discounts applied to material non-arm's length transaction(s) to reflect the economic benefits of special transactions not available to all the security holders; purchase agreements or other relevant documentation; comparisons to similar instruments for which observable market prices exist, use of in-house valuation models; frequent discussions with management and/or board members of private companies; analysis of financial statements and determination of expected future cash flows on the Level 3 security being valued. Fair value estimates obtained may also be adjusted for other factors, such as liquidity risk or general operational uncertainty to the extent that the Manager believes these factors could or are likely to impact fair value.

6. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

Level 3 valuations are reviewed frequently by the Fund's Manager, with input from the Sub-Advisor, which provides valuation analysis and recommendations for securities within its investment mandate. The Manager retains ultimate responsibility for the fair value measurements in accordance with the Fund's valuation policies and procedures.

The below table provides a summary of changes in the investments categorized as Level 3 as at June 30, 2026 and December 31, 2025:

June 30, 2026

		Level 3
Balance, beginning of period	$	207,999
Purchases		500,000
Realized gains		66
Change in unrealized gain/loss		7,080
Total investments		**715,145**

December 31, 2025

		Level 3
Balance, beginning of year	$	337,951
Realized gains		12,356
Change in unrealized gain/loss		(142,308)
Total investments		**207,999**

The Fund held a level 3 investment in debt securities of Bluedot Inc., a Canadian private company, with a fair value of $190,233 (December 31, 2025 - $183,914). The fair value of the debt is valued at a 33% discount to par value (cost). The change in market value during the period is attributable to foreign currency gains and losses.

The Fund also held a level 3 investment in equity securities of Morgan Solar, Inc., a Canadian private company, with a fair value of $24,912 (December 31, 2025 - $24,085). The fair value of this security is valued at an approximately 67% discount to the most recent arm's length transaction.

The Fund also added a new level 3 investment during the period in limited partnership units of Authenbalance Corp., a Canadian private company with a fair value of $500,000 (December 31, 2025 - n/a). The fair value of this security is equal to its cost as at June 30, 2026.

The Manager and Sub-Advisor continue to monitor developments relating to the Fund's private securities that could impact the fair value of its Level 3 investments.

7. UNITS

An unlimited number of the Fund's units may be issued, which are redeemable at the unitholders' option in accordance with the terms of the Trust Agreement.

During the periods ended June 30, 2026 and 2025, the number of units issued, redeemed and outstanding was as follows:

June 30, 2026

	Units, beginning of period	Issuance of units	Redemption of units	Transfer in/out of units	Redesignation of units	Distribution reinvestment	Units, end of period
Class A	58,902	-	(5,620)	-	-	-	53,282
Class F	8,045,448	6,291,269	(3,452,282)	-	-	-	10,884,435

June 30, 2025

	Units, beginning of period	Issuance of units	Redemption of units	Transfer in/out of units	Redesignation of units	Distribution reinvestment	Units, end of period
Class A	63,910	-	(754)	-	-	-	63,156
Class F	293,709	-	(6,411)	-	-	-	287,298

The Decrease in net assets attributable to holders of redeemable units per unit for the periods ended June 30, 2026 and 2025 is calculated as follows:

	2026			2025		
Class	Increase per series	Weighted average units outstanding	Increase per unit	Decrease per series	Weighted average units outstanding	Decrease per unit
Class A	$ 210	56,499	$ -	$ (101,908)	63,260	$ (1.61)
Class F	69,906	11,172,287	0.01	(322,400)	288,064	(1.12)

8. RELATED PARTY TRANSACTIONS

The Fund has related party transactions with the Manager. Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related party.

8. RELATED PARTY TRANSACTIONS (Continued)

Management fee

The Manager of the Fund is responsible for the day-to-day business of the Fund, including managing the investment portfolio, providing investment analysis and making decisions relating to the investment of assets in the Fund. Under the terms of the Trust Agreement, and the management agreement dated January 27, 2006, the Manager is entitled to receive a management fee of 1.9% per annum on the net assets attributable to Class A units and 0.9% per annum on the net assets attributable to Class F units of the Fund calculated and accrued on each valuation date of the Fund. The Manager has appointed Nour Private Wealth Inc. as the sub-advisor to help manage the investment portfolio of the Fund.

Management fees are subject to HST. The Manager pays brokers or dealers a trailing commission on Class A units up to 1.0% per annum which is paid out of the management fee.

The management fee for the period ended June 30, 2026 was $53,500 (2025 - $3,092). Out of this amount, the trailer fee paid to brokers or dealers for the period ended June 30, 2026 was $365 (2025 - $479). As at June 30, 2026, management fees payable was $3,206 (December 31, 2025 - $1,489). This amount is reflected in accounts payable and accrued liabilities on the statements of financial position.

Redemption

As disclosed in the simplified prospectus of the Fund, no redemption fee is payable to the Fund. However, the Manager has the discretion to charge a short-term trading deduction of up to 2% of the unit value of units being redeemed within 90 days of their purchase.

The short-term trading deduction for the period ended June 30, 2026, withheld from amounts paid on redemption of securities paid to the Fund amounted to $Nil (2025 - $Nil).

Other

In accordance with National Instrument 81-107, Independent Review Committee for Investment Funds, the Manager has established an Independent Review Committee ("IRC") for the Fund. The mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager may be subject when managing the Fund. The Manager charges compensation paid to the IRC members and the costs of the ongoing administration of the IRC to the Fund. These amounts are shown in the statements of comprehensive loss. The IRC reports annually to unitholders of the Fund on its activities and the annual report is made available to unitholders on the Manager's website on or about March 31 in each year.

As at June 30, 2026, there were no units owned by parties related to the Manager (December 31, 2025 - 695 Class A units and 281,873 Class F units).

Please refer to note 9 for further details on brokerage commissions with related parties.

9. BROKERAGE COMMISSIONS

During the period ended June 30, 2026, total brokerage commissions paid by the Fund were $4,710 (2025 – $3,899) and commissions and fees on corporate finance transactions amounted to $Nil (2025 - $Nil).

10. INCOME TAXES

The Fund, a mutual fund trust, is not subject to income taxes on its net taxable gains and its net income for the year if it distributes such gains and income to unitholders. The Fund's Trustee distributes the taxable income of the Fund to unitholders so as to eliminate any income taxes otherwise payable by the Fund. Such distributions are taxable in unitholders' hands.

Capital losses have no expiry and can be used against net realized gains in future years. As at June 30, 2026 the Fund had $4,583,231 (December 31, 2025 - $4,583,231) accumulated net realized capital losses. Non-capital losses can be carried forward 20 years and can be used against net taxable income in future years. As at June 30, 2026 the Fund had $2,261,157 (December 31, 2025 - $2,261,157) of non-capital losses. The Fund's tax returns are prepared annually as at December 31 and, accordingly, the tax loss carryforward balances are updated following the annual tax filing.

11. CAPITAL MANAGEMENT

The capital of the Fund is represented by the net assets attributable to holders of redeemable units (“NAV”). The units are entitled to distributions, if any, and to payment of a proportionate share based on the Fund's NAV per unit upon redemption. The relevant movements are shown on the statements of changes in net assets attributable to holders of redeemable units. There is no external regulatory requirement to maintain a minimum capital amount.