Financial Statements of

McElvaine Value Fund

Six months ended June 30, 2026

Manager’s comments on unaudited interim financial statements

These interim financial statements of McElvaine Value Fund (the “Trust”), 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 Trust.

McElvaine Value Fund
Statements of Financial Position
As June 30, 2026 and December 31, 2025 (Unaudited)

		2026		2025
Assets				
Cash		6,182,811		4,288,339
Due from broker		33,366		-
Interest and dividends receivable		-		26,000
Investments		38,954,235		36,468,210
	$	45,170,412	$	40,782,549
Liabilities				
Accrued Liabilities		531,596		854,734
Due to broker		-		-
	$	531,596	$	854,734
Net assets attributable to holders of redeemable units	$	44,638,816	$	39,927,815
Represented by:				
Series A	$	545,128	$	417,941
Series B		20,046,869		19,395,860
Series F		18,593,768		15,058,886
Series G		2,339,561		2,174,898
Series U		3,113,490		2,880,230
	$	44,638,816	$	39,927,815
Net assets attributable to holders of redeemable units per unit:				
Series A	$	17.76	$	16.56
Series B		12.05		11.25
Series F		22.37		20.84
Series G		24.99		23.23
Series U (2026 - US $14.91; 2025 - US $14.30)		21.18		19.60

Approved on behalf of the Investment Manager,
McElvaine Investment Management Ltd.

"Tim McElvaine"

Tim McElvaine, Director

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

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

	Note		2026		2025
Income:					
Dividend income		$	88,894	$	136,267
Net interest income			131,276		52,514
Net foreign currency gain (loss)			73,537		(72,641)
Other income			-		6,970
Change in fair value of investments and derivatives:					
Net realized gain			1,264,560		194,870
Net change in unrealized appreciation (depreciation)			2,187,900		(1,614,682)
Total operating income (loss)			3,746,167		(1,296,702)
Expenses					
Management, performance, and trustee fees (including HST/GST)	5	$	605,182	$	35,494
HST expense			62,590		-
Professional fees	7		44,875		59,264
Legal fees	7		35,107		3,442
Fundserv fees	7		14,126		(3,504)
Investment committee fees and expenses			8,500		22,494
Custodial fees	7		8,340		12,111
Operating expenses	7		5,273		22,266
Commissions and portfolio transaction costs			3,476		53,561
Regulatory fees			-		18,101
Withholding taxes			-		8,864
Total operating expenses			787,469		232,093
Increase (Decrease) in net assets attributable to holders of redeemable units from operations excluding distributions		$	**2,958,698**	$	**(1,528,795)**
Increase (Decrease) in net assets attributable to holders of redeemable units, from operations:					
Series A		$	33,150	$	(13,739)
Series B			1,364,455		(886,198)
Series F			1,163,169		(420,987)
Series G			164,663		(85,598)
Series U			233,261		(122,273)
			2,958,698		**(1,528,795)**
Increase (Decrease) in net assets attributable to holders of redeemable units per unit before distributions:					
Series A		$	1.20	$	(0.55)
Series B			0.80		(0.50)
Series F			1.53		(0.69)
Series G			1.76		(0.91)
Series U			1.58		(0.83)

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McElvaine Value Fund
Statement of Changes in Net assets Attributable to Holders of Redeemable Units
For the six months ended June 30, 2026 and June 30, 2025 (Unaudited)

2026

			Units Transactions			
Series	**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**	**Transfer in/ Transfer out**	**Net assets attributable to holders of redeemable units, end of period**
Series A	$ 417,941	$ 33,150	$ 96,700	$ (2,663)		$ 545,128
Series B	19,395,860	1,364,456	-	(713,447)		20,046,869
Series F	15,058,886	1,163,169	2,371,714	-		18,593,768
Series G	2,174,898	164,663	-	-		2,339,561
Series U	2,880,230	233,260	-	-		3,113,490
Total	**$ 39,927,815**	**$ 2,958,698**	**$ 2,468,414**	**$ (716,110)**	**-**	**$ 44,638,816**

2025

			Units Transactions			
Series	**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**	**Transfer in/ Transfer out**	**Net assets attributable to holders of redeemable units, end of period**
Series A	$ 412,092	$ (13,739)	$ 10,800	$ (4,386)	(58,269)	$ 346,498
Series B	17,712,053	(886,198)	23,176	(295,007)	(22,703)	16,531,321
Series F	10,413,675	(420,987)	1,304,994	(141,513)	80,972	11,237,141
Series G	1,912,599	(85,598)	-	-		1,827,001
Series U	2,560,154	(122,273)	-	-		2,437,881
Total	**$ 33,010,573**	**$ (1,528,795)**	**$ 1,338,970**	**$ (440,906)**	**-**	**$ 32,379,842**

The accompanying notes are an integral part of these financial statements

McElvaine Value Fund

Statements of Cash Flows

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

	2026	2025
Cash (used in) provided by:		
Operating activities:		
Increase (Decrease) in net assets attributable to holders of redeemable units from operations	$ 2,958,698	$ (1,528,795)
Adjustments for:		
Net Interest income	(131,276)	(52,514)
Dividend income	(88,894)	(136,267)
Withholding taxes	-	8,864
Net foreign currency (gain) loss	(73,537)	72,641
Net realized gain on investments and derivatives	(1,264,560)	(194,870)
Net change in unrealized (appreciation) depreciation on investments and derivatives	(2,239,800)	1,614,682
Purchase of investments	(4,126,721)	(8,124,403)
Proceeds from sale of investments	5,145,054	4,973,406
Net increase in due from broker	(33,366)	(554,390)
Net decrease in due to broker	-	2,317,161
Net decrease in accrued liabilities	(323,138)	(258,934)
Interest and dividends receivable	26,000	-
	(151,539)	**(1,863,419)**
Interest received	131,276	52,514
Dividends received	88,894	126,403
	68,631	**(1,684,502)**
Financing activities:		
Proceeds from issuances of redeemable units	2,468,414	1,338,970
Payment on redemption of redeemable units	(716,110)	(440,906)
	1,752,304	**898,064**
Net increase (decrease) in cash	1,820,935	(786,438)
Cash, beginning of the period	4,288,339	4,021,694
Effect of exchange rate fluctuations on cash	73,537	(72,641)
Cash, end of the period	**$ 6,182,811**	**3,162,615**

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McElvaine Value Fund

Schedule of Investments

June 30, 2026 (Unaudited)

	Number of shares / par value	Cost	Fair Value
Canadian - Equities			
Aimia Inc	1,750,000	4,726,763	4,707,500
Canfor Corporation	150,000	2,058,758	2,022,000
Fairfax India HO- SUB VTG SHS	75,000	1,514,633	1,950,405
Glacier Media Inc	4,500,000	3,797,069	1,575,000
Imperial Metals Corp	150,000	312,497	928,500
Knight Therapeutics Inc	400,000	2,210,969	3,940,000
Maxim Power Corp	1,023,800	2,753,391	4,351,150
Prairiesky Royalty Ltd	100,000	797,229	3,174,000
Unisync Corp	250,000	633,005	570,000
Wintaai Holdings Ltd	85,000	1,568,250	5,617,650
Total Canadian equities		**20,372,564**	**28,836,205**
Canadian - Fixed Income			
Constellation Software Inc Debenture Ser1 31Mar40	2,500,000	2,949,640	3,087,500
Total Canadian fixed income		**2,949,640**	**3,087,500**
Foreign - Equities			
Foxtons Group PLC	1,000,000	847,483	846,979
Total Foreign equities		**847,483**	**846,979**
United States - Equities			
Exco Resources Inc	149,000	2,000,755	4,975,842
Total United States equities		**2,000,755**	**4,975,842**
United States - Derivatives			
S&P 500 Index (Put - 100 SPX'26 18DC@7800)	500	471,792	286,663
S&P 500 Index (Put - 100 SPX'26 18DC@8000)	600	415,821	443,072
S&P 500 Index (Put - 100 SPX'27 17DC@8000)	500	491,918	477,974
Total United States options		**1,379,530**	**1,207,709**
Total Investment Portfolio		**$ 27,549,972**	**$ 38,954,235**
Other Net Assets			5,684,581
Total Net Assets Attributable to Holders of Redeemable Units			**$ 44,638,816**

The accompanying notes are an integral part of these financial statements

1. **Reporting entity:**

The reporting entity, formerly The McElvaine Investment Trust, name was changed to McElvaine Value Fund (the “Fund”) on July 27, 2021. The Fund which is governed by the laws of British Columbia, was formed pursuant to a Declaration of Fund dated September 27, 1996, amended May 15, 2002, January 1, 2008, April 23, 2012, June 30, 2019 (collectively, the “Fund Agreement”), between McElvaine Investment Management Ltd. and the Fund.

The Fund is an open-end investment fund established under the laws of British Columbia as a trust. McElvaine Investment Management Ltd. (the “Manager”) is the manager, promoter, portfolio advisor and trustee of the Fund. National Bank (“NBIN”) is the custodian of the Fund. Damelin Financial Services Inc. is the record keeper and administrator of the Fund. The head office of the Fund is located Suite 214, 2186 Oak Bay Avenue, Victoria, BC V8R 1G3. The fundamental investment objective of the Fund is to achieve long-term capital appreciation by investing primarily in equity securities of businesses that are trading below their intrinsic value.

2. **Basis of preparation**:

(a) Statement of compliance:

These financial statements have been prepared in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The financial statements were authorized for issue by the Manager on August 21, 2026.

(b) Basis of measurement:

The financial statements have been prepared on a historical cost basis except for investments and derivatives, which are measured at fair value.

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Fund’s functional currency.

(d) Use of estimates and judgment:

The preparation of financial statements in conformity with IFRS Accounting Standards requires the Manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future period affected. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next fiscal year is included in note 11 and relates to the determination of fair value of investments with unobservable inputs.

2. Basis of preparation (continued):

(e) Accounting standards issued but not yet effective:

Several new accounting standards and amendments to accounting standards are effective for the annual period beginning after 1 January 2024 and earlier application is permitted; however, the Fund has not early adopted the new or amending accounting standards in preparing these financial statements. The following new or amended accounting standards and interpretations are not expected to have a significant impact on the Fund's financial statements:

IFRS 18 Presentation and Disclosure in Financial Statements:

The IASB issued IFRS 18 Presentation and Disclosure in Financial Statements on April 9, 2024, to replace IAS 1 Presentation of Financial Statements and is effective for annual periods beginning on or after January 1, 2027. IFRS 18 introduces a defined structure for the presentation of the statement of income, including required totals and subtotals, as well as aggregating and disaggregating principles to categorize financial information. The standard also requires all Management-defined performance measures to be disclosed in the notes to the financial statements. IFRS 18 will be effective for the Fund on January 1, 2027, with early adoption permitted. The Fund is currently assessing the impact of this new standard on the financial statements.

3. Material accounting policies:

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

(a) Financial instruments:

(i) Recognition and measurement:

Financial instruments are required to be classified into one of the following categories: amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). All financial instruments are measured at fair value on initial recognition. Measurement in subsequent periods depends on the classification of the financial instrument. Transaction costs are included in the initial carrying number of financial instruments except for financial instruments classified as FVTPL in which case transaction costs are expensed as incurred.

Financial assets and financial liabilities are recognized initially on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. The Fund derecognizes financial liability when its contractual obligations are discharged, cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position only when the Fund has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3. Material accounting policies (continued):

(i) Recognition and measurement (continued):

A financial asset is measured at amortized cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flow; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition the Fund may irrevocably elect to measure financial assets that otherwise meet the requirements to be measured at amortized cost or at FVOCI as at FVTPL when doing so results in more relevant information. Equity instruments are measured at FVTPL unless an election is made to measure at FVOCI.

Financial assets are not reclassified subsequent to their initial recognition, unless the Fund changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Fund has not classified any of its financial assets as FVOCI.

Financial liability is generally measured at amortized cost, with exceptions that may allow for classification as FVTPL. These exceptions include financial liabilities that are mandatorily measured at fair value through profit or loss, such as derivatives liabilities, The Fund may also, at initial recognition, irrevocably designate a financial liability as measured at FVTPL when doing so results in more relevant information.

(ii) Fair value through profit and loss:

Financial instruments classified as FVTPL are subsequently measured at fair value at each reporting period with changes in fair value recognized in the statement of comprehensive income in the period in which they occur. The Fund’s derivative financial assets and derivative financial liabilities and investments in securities are classified as FVTPL.

3. Material accounting policies (continued):

(a) Financial instruments (continued):

(i) Fair value through profit and loss (continued):

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 and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. 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. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

The fair value of financial assets and liabilities that are not traded in an active market, including non-publicly traded derivative instruments, is determined using valuation techniques. Valuation techniques also include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and others commonly used by market participants and which make the maximum use of observable inputs. Should the value of the financial asset or liability, in the opinion of the Manager, be inaccurate, unreliable or not readily available, the fair value is estimated on the basis of the most recently reported information of a similar financial asset or liability.

(ii) Amortized cost:

Financial assets and liabilities classified as amortized cost are recognized initially at fair value plus any directly attributable transaction costs. Subsequent measurement is at amortized cost using the effective interest method, less any impairment losses. The Fund classifies cash, interest and dividends receivable and accrued liabilities as amortized cost.

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(b) Redeemable units:

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Funds redeemable securities contain multiple dissimilar contractual obligations and entitle security holders to the right to redeem their interest in the Funds for cash equal to their proportionate share of the net asset value of the Fund and therefore meet the criteria for classification as financial liabilities under IAS 32 Financial Instruments: Presentation. The Fund's obligation for net assets attributed to security holders is presented at the redemption amount. The redeemable units are designated as financial liabilities at FVTPL and measured at redemption amount, provide investors with the right to require redemption, subject to available liquidity, for cash at a unit price based on the Fund's valuation policies at each redemption date. Distributions to holders of redeemable units are recognized in comprehensive income when they are authorized and no longer at the discretion of the Manager.

3. Material accounting policies (continued):

(c) Net assets attributable to holders of redeemable units:

The net assets of a particular series of units is computed by calculating the value of that series' proportionate share of the assets and liabilities of the Fund common to all series less the liabilities of the Fund attributable only to that series. Expenses directly attributable to a series are charged directly to that series. Income realized and unrealized gains and losses from investment transactions and other expenses are allocated proportionately to each series based upon the relative net asset value of each series.

(d) Income recognition:

Interest income shown on the statement of comprehensive income represents interest received by the Fund accounted for on an accrual basis. Dividend income is recognized on the date that the right to receive payment is established, which for quoted equity securities is usually the ex-dividend date. Portfolio transactions are recorded on the trade date. Realized gains and losses arising from the sale of investments are determined on the average cost basis of the respective investments.

(e) Foreign exchange:

The financial statements of the Fund are denominated in Canadian dollars, unless otherwise stated. Foreign denominated investments and other foreign denominated assets and liabilities are translated into Canadian dollars using the exchange rates prevailing on each valuation date. Purchases and sales of investments, as well as income and expense transactions denominated in foreign currencies, are translated using exchange rates prevailing on the date of the transaction. Foreign currency gains and losses are recognized in the statement of comprehensive income.

(f) Income taxes:

The Fund qualifies as a unit trust under the Income Tax Act (Canada). All of the Fund’s net income for tax purposes and net capital gains realized in any period are required to be distributed such that no income tax is payable by the Fund. As a result, the Fund does not record income taxes.

4. Derivative financial instruments:

The Fund held / holds the following derivative instruments.

Options:

The options are the contractual arrangements under which the issuer grants the holder the rights, but not the obligation, either to buy at or by a set date or during a set period, a specific number of securities or a financial instrument at a predetermined price directly from the issuer of the underlying securities. The Fund was exposed to credit risk on purchased options to the extent of their carrying amount, which is their fair value.

As at June 30, 2026, the Fund held options with a fair value of $1,207,709 (December 31, 2025 - $nil) recognized under investments in the statement of financial position.

5. Related party transactions:

Management fees:

The Fund pays a monthly fee to the Manager for management and administration services rendered, based on the net asset value ("NAV") of the respective series (prior to the calculation of any performance incentive fees, described below, on the last business day of the preceding month). The monthly fee payable to the Manager is based upon the following rates:

Series A	1/12 of 1.60% per annum
Series B	1/12 of 1.00% per annum
Series F	1/12 of 0.60% per annum
Series U	1/12 of 0.60% per annum

There are no management fees charged on Series G units.

For the six months ended June 30, 2026, management fees including GST were $173,178 (2025 – $134,147).

Performance fees:

The Fund will pay the Manager an annual performance incentive fee in respect of Series A, Series B, Series D, Series F, Series G and Series U units of the Fund, as set forth below.

(i) Series A - 20% of the amount by which the net asset value of each unit of the series (or sub-series within the series) on the last business day of June each year exceeds the applicable High-Water Mark plus a 6% hurdle.

(ii) Series B - 20% of the amount (if any) by which any increase in the Series B net asset value during the fiscal year (adjusted for contributions and redemptions of Series B units and for any shortfall from previous fiscal years) exceeds a 6% return.

(iii) Series F - 20% of the amount by which the net asset value of each unit of the series on December 31 each year (the "Performance Valuation Date") exceeds the High Water Mark plus a 6% hurdle. The High Water Mark on the Performance Valuation Date is the greater of (i) the initial net asset value per unit of the series, (ii) the net asset value per unit of the series on the immediately preceding Performance Valuation Date, and (iii) the net asset value per unit of the series on the Performance Valuation Date in respect of which a performance incentive fee was last paid for the series.

(iv) Series G - 20% per annum of the amount (if any) by which any increase in the Series G net asset value during the fiscal year (after certain adjustments, including any prior period "shortfalls" in net asset value) exceeds 6%.

(v) Series U – 20% per annum of the amount by which the net asset value of each Unit of the series (or sub series within the series) on the last business day of December each year (the "Performance Valuation Date") exceeds the applicable High-Water Mark plus a 6% hurdle.

5. Related party transactions (continued):

Performance fees (continued):

For the purpose of determining the performance incentive fee in respect of Series A, Series B, Series F, Series G and Series U units, (i) the calculation of the net asset value per unit of a series will be adjusted to include distributions made on units of the series, (ii) appropriate adjustments will be made to address any subdivisions or consolidations of units, and (iii) the 6% hurdle will be pro-rated for periods of less than 12 months, but will not compound annually.

The performance incentive fee for Series A, Series F, Series G and Series U units will accrue on each Purchase Date and will be payable annually within 15 business days of the Performance Valuation Date. The performance incentive fee for Series B units, if any, will be determined on each Purchase Date during a fiscal year for the purpose of calculating the Series B net asset value per unit, but will be paid to the Investment Manager annually within one month of the fiscal year end of the Fund. The performance incentive fee (if any) is payable in either cash or units, at the discretion of the Investment Manager and is subject to applicable taxes, including GST or HST.

As at June 30, 2026, there is a high-water mark for Series A of $17.76, Series B of $11.25, Series F of $20.84, Series G of $23.23 and Series U - US $14.30 (2025 – A $14.20, Series B $9.97 F - $17.67, G - $20.43, and U – US $12.11).

For the six months ended June 30, 2026, performance fees were $431,689 (2025 – $(100,543)).

Trustee fees:

The Fund pays $3,600 per annum plus GST to the Manager to be Trustee of the Fund.

For the six months June 30, 2026, trustee fees including GST were $1,890 (2025 – $1,890).

Related party shareholdings:

As at June 30, 2026 and December 31, 2025, parties related to the Manager directly or indirectly held the following percentages of the Fund’s outstanding units. Subscriptions and redemptions are subject to the same terms and conditions as arms-length investors in the Fund.

	30-Jun-26	31-Dec-25
Series B	5%	5%
Series F	1%	1%

As at June 30, 2026 and December 31, 2025 the aggregate investment in all investee companies owned by the Manager’s directors and officers did not exceed 1% of the respective investee companies issued and outstanding shares.

6. Withholding tax expense:

Certain dividend and interest income received by the Fund is subject to withholding tax imposed in the country of origin. During the period, the average effective withholding tax rate was 0% (2025 – 15.00%).

7. Operating expenses paid to third parties:

For the six months ending June 30, 2026, the operating expenses paid to third parties are as follows:

	$	June 30, 2026	$	June 30, 2025
Professional fees		44,875		59,264
Legal fees		35,107		3,442
Custodial fees		8,340		12,111
Fundserv fees		14,126		(3,504)
Operating expenses		5,273		22,266
	$	**107,721**	$	**93,579**

Professional fees include fees for audit services of $24,000 (2025 - $30,000), and fees for other audit related and non-audit related services of $20,875 (2025 - $29,264).

8. Redeemable units:

Pursuant to the Fund Agreement, the Fund is authorized to issue an unlimited number of units. Each series of units is described further below:

- Series B units are available from the Manager or through authorized dealers. These units may qualify for redesignation by the unitholder as Series G or I units.

- Series F units are available to investors who have fee-based accounts with their dealer and whose dealer has signed a Series F agreement with the Manager. Instead of paying sales charges, investors in Series F units pay an annual fee to their dealer for investment advice and other services.

- Series G units are no longer offered to investors. These units may qualify for redesignation by the unitholder as Series B, or I units.

- Series I units are available only to investors who have entered into an agreement with the Manager and meet certain other conditions and are offered only on a private placement basis. These units may qualify for redesignation by the unitholder as Series B, or G units. There are no Series I units outstanding in 2026 and 2025.

- Series U units are being distributed on a private placement basis through the Manager commencing September 30, 2021.

8. Redeemable units (continued):

• Series A, Series B and Series F units are the only units offered under the Simplified Prospectus, and Series I and U units are offered only on a private placement basis. The unit transactions for the Fund during June 30 are as follows:

June 30, 2026	Outstanding redeemable units, beginning of period	Issuance of redeemable units	Redemption of redeemable units	Transfer in/out of units	Outstanding redeemable units, end of period
Series A	25,246	5,608	(155)	-	30,699
Series B	1,724,833	-	(60,661)	-	1,664,172
Series F	722,475	108,886	-	-	831,361
Series G	93,630	-	-	-	93,630
Series U	146,969	-	-	-	146,969
	2,713,153	114,494	(60,816)	-	2,766,831

June 30, 2025	Outstanding redeemable units, beginning of period	Issuance of redeemable units	Redemption of redeemable units	Transfer in/out of units	Outstanding redeemable units, end of period
Series A	27,916	737	(302)	(3,944)	24,407
Series B	1,775,989	2,342	(31,066)	(2,446)	1,744,819
Series F	565,995	73,432	(8,001)	4,469	635,895
Series G	93,630	-	-	-	93,630
Series U	146,969	-	-	-	146,969
	2,610,499	76,511	(39,369)	(1,921)	2,645,720

9. Capital management:

The redeemable units issued by the Fund represent the capital of the Fund. The Fund is not subject to any internal or externally imposed restrictions on its capital. The Fund's objectives in managing the redeemable units are to ensure a stable base to maximize returns to all investors, and to manage liquidity risk arising from distributions, if any, and redemptions.

10. Financial risk management:

(a) Risk management framework:

The Fund may be exposed to a variety of financial risks. The Fund's exposures to financial risks are concentrated in its investment holdings, including derivative instruments. The Schedule of Investments groups securities by asset type and geographic region. The Manager manages the potential effects of these financial risks on the Fund's performance by overseeing and regularly monitoring the Fund's position and market events and diversifies the investment portfolio within the constraints of the investment guidelines. The fundamental investment objective of the Fund is to

10. Financial risk management (continued):

provide long-term capital appreciation by acquiring primarily securities that are trading below their intrinsic value.

(b) Credit risk:

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered with the Fund, resulting in a financial loss to the Fund. It arises principally from debt securities held, and also from derivative financial assets, cash, and other receivables due to the Fund. The carrying value of these financial instruments as recorded in the statements of financial position reflects the Fund's maximum exposure to credit risk. Credit risk is managed by the Manager through 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.

In the Manager's opinion, the Fund does not have significant exposure to credit risk.

(c) Liquidity risk:

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

The Fund's policy and the Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, including estimated redemptions of shares, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund's Prospectus provides for the monthly subscription and redemption of units, and it is therefore exposed to the liquidity risk of meeting unitholder redemptions at each redemption date.

The Fund primarily invests in investments in listed securities that are readily realizable because they are traded on major global stock exchanges. In addition, the Fund retains sufficient cash and deposit positions to maintain liquidity. The Fund may, from time to time, enter over the counter derivative contracts or invest in unlisted securities, which are not traded in an organized market and may be illiquid.

The Fund's non-derivative liabilities are generally expected to be due and paid within 90 days, except for net assets attributable to holders of redeemable units. Redeemable units are redeemable on demand at the holder's option, however in the Manager's opinion the redeemable units do not represent significant liquidity risk as holders of these instruments typically retain them for the medium to long term.

10. Financial risk management (continued):

(d) Market risk:

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Fund's income or the fair value of its holdings of financial instruments.

(i) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cashflow or fair values of financial instruments. The Fund's primary interest rate risk relates to the investment of cash and deposits. From time to time, the Fund may also hold convertible debt securities of portfolio investees that the Fund will expect to be converted into equity investments. On this basis, the fair value of these investments is derived primarily from the fair value of the underlying equity of the portfolio investee. As at June 30, 2026 the Fund held Constellation debentures of $2,500,000 (2025 - $2,500,000).

(ii) Currency risk:

Currency risk is the risk that the value of financial instruments denominated in currencies other than the functional currency of the Fund will fluctuate due to changes in foreign exchange rates.

The Fund's currency risk is managed daily by the Manager in accordance with the policies and procedures in place. The Fund may use foreign currency contracts to hedge some foreign currency exposure and engage in the buying and selling of currencies through forward contracts to achieve the desired currency exposure. At the reporting date, the carrying value of the Fund's net financial assets and financial liabilities held in respective currencies expressed in Canadian dollars are as follows.

10. Financial risk management (continued):

June 30, 2026

Currency	Investments	Derivatives	Cash	Net other assets	Total
Canadian Dollars	$ 31,923,705	$ -	$ 3,895,986	$ (498,230)	$ 35,321,461
UK Pound Sterling	846,979	-	-	-	846,979
United States Dollar	4,975,842	1,207,709	2,286,826	-	8,470,377
	37,746,526	1,207,709	6,182,811	(498,230)	44,638,816

December 31, 2025

Currency	Investments	Derivatives	Cash	Net other assets	Total
Canadian Dollars	$ 29,253,176	$ -	$ 3,215,366	$ (828,734)	$ 31,639,808
UK Pound Sterling	-	-	-	-	-
United States Dollar	7,215,034	-	1,072,973	-	8,288,007
	$ 36,468,210	$ -	$ 4,288,339	$ (828,734)	$ 39,927,815

As at June 30, 2026 had the Canadian dollar strengthened or weakened by 5% in relation to all foreign currencies, with all other factors remaining constant, net assets would have increased or decreased by approximately $563,388 (December 31, 2025 - increased or decreased by approximately $414,400). In practice, actual results may differ from this sensitivity analysis, and the difference could be material.

(iii) Other risk:

Other price risk is the risk that the fair value of the financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), either caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market.

The Manager manages price risk daily. The Manager moderates this risk through a careful selection of securities and other financial instruments within the parameters of the investment strategy of the Fund. Except for written options and securities sold short, the maximum risk resulting from financial instruments is equivalent to their fair values as set forth in the Fund’s statement of financial position. Possible losses from written options and securities sold short can be unlimited.

The geographical breakdown of securities is disclosed in the Fund’s Schedule of Investments.

As at June 30, 2026, had the respective benchmark of the Fund increased or decreased by 10%, with all other variables held constant, net assets attributable to redeemable units would have increased or decreased, respectively by approximately $3.9 million (2025 - $3.6 million) or 8.7% (2025 – 9.1%) of net assets attributable to redeemable units.

11. Fair value of financial instruments:

(a) Valuation models:

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Fund determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).

- Level 3: inputs that are unobservable.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. The Fund uses widely recognized valuation models for determining the fair value of common and simpler financial instruments, such as forward contracts and options that use only observable market data and require little management judgment and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as forward contracts. The availability of observable market prices and model input reduces the need for management judgment and estimation and reduces the uncertainty associated with the determination of fair values. The availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

For more complex instruments, the Fund uses proprietary valuation models, which are usually developed from recognized valuation models. Some or all the significant inputs into these models may not be observable in the market and are derived from market prices or rates or are estimated based on assumptions.

11. Fair value of financial instruments (continued):

Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value. Management judgment and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Fund believes that a third-party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Fund and the counterparty where appropriate. For measuring derivatives that might change classification from being an asset to liability or vice versa, such as interest rate swaps, fair values include adjustment for both own credit risk and counterparty credit risk.

Model inputs and values are calibrated against historical data and published forecasts and, when possible, against current or recent observed transactions and broker quotes. This calibration process is inherently subjective, and it yields ranges of possible inputs and estimates of fair value, and management judgment is required to select the most appropriate point in the range.

(b) Fair value hierarchy - financial instruments measured at fair value:

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

All fair value measurements below are recurring.

June 30, 2026

	Level 1	Level 2	Level 3	Total
Financial assets:				
Equities	$ 21,920,534	$ 7,120,842	$ 5,617,650	$ 34,659,026
Fixed income	-	3,087,500	-	3,087,500
Derivatives	-	1,207,709	-	1,207,709
Total	**$ 21,920,534**	**$ 11,416,051**	**$ 5,617,650**	**$ 38,954,235**

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets:				
Equities	$ 23,079,250	$ 5,294,276	$ 5,144,684	$ 33,518,210
Fixed income	-	2,950,000	-	2,950,000
Derivatives	-	-	-	-
Total	**$ 23,079,250**	**$ 8,244,276**	**$ 5,144,684**	**$ 36,468,210**

11. Fair value of financial instruments (continued):

(b) Fair value hierarchy – financial instruments measured at fair value (continued):

The carrying amount of the Fund's net assets attributable to redeemable units also approximates fair value as they are measured at the redemption amount and are classified as Level 2 in the fair value hierarchy.

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value for the periods ended June 30, 2026 and December 31, 2025:

June 30, 2026		Level 3
Balance, beginning of year	$	5,144,684
Change in unrealized appreciation		472,966
Total investments	**$**	**5,617,650**

December 31, 2025		Level 3
Balance, beginning of year	$	4,286,550
Change in unrealized appreciation		858,134
Total investments	**$**	**5,144,684**

(c) Significant unobservable input used in measuring fair value:

The table below sets out information about significant unobservable inputs used at period in measuring financial instruments categorized as Level 3 in the fair value hierarchy.

June 30, 2026						
Description		Fair value	Valuation technique	Unobservable input	Amount	Sensitivity to change in significant unobservable input
Equities	$	5,617,650	Multiple approach	Book value multiple	1.1 x	The estimated fair value would increase if book value multiple increased

December 31, 2025						
Description		Fairvalue	Valuation technique	Unobservable input		Sensitivity to change in significant unobservable input
Equities	$	5,144,684	Multiple approach	Book value multiple	1.1 x	The estimated fair value would increase if book value multiple increased

11. Fair value of financial instruments (continued):

The book value multiple represents the Manager's assessment of the investments fair value more than its book value. The Manager determines this multiple in reference to trading multiples of similar companies and the multiple used in the issuance of the investment shares in arm's length transactions.

(d) Effects of unobservable input on fair value measurement:

Although the Fund believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

Holding other assumptions constant, increasing the book value multiple by 5% used in the model to value investments would increase the fair value of the investment by $280,883 (December 31, 2025 - $257,234) and decreasing the book value multiple by 5% would decrease the fair value of the investment by $280,883 (2025 - $257,234).

(e) Financial instruments not measured at fair value:

The carrying value of cash, interest and dividends receivable, and accrued liabilities approximates their fair value given their short-term nature. These financial instruments are classified as Level 2 in the fair value hierarchy because while prices are available, there is no active market for these instruments.

12. Income taxes:

As at June 30, 2026, the Fund had net capital loss carry forwards of approximately $44,569 (December 31, 2025 - $44,569) available for utilization against capital gains in future years. Such net capital losses are available to be carried forward indefinitely. The Fund had non-capital loss carry forwards of approximately $104,792 (December 31, 2025 - $104,792). Non-capital losses may be carried forward up to 20 years.

13. Subsequent events:

On August 12, 2026, unitholders of The Osler Fund approved the merger of that fund into the Fund, effective August 31, 2026. The Fund will issue units in exchange for substantially all the net assets of The Osler Fund; the merger is not expected to have a material effect on the Fund.