Canadian Large Cap Leaders Split Corp.

Annual Report to Shareholders
and Independent Auditor's Report thereon

December 31
2024

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The annual management report of fund performance is an analysis and explanation that is designed to complement and supplement an investment fund's financial statements. This report contains financial highlights but does not contain the complete annual financial statements of the investment fund. A copy of the annual financial statements has been included separately within the Report to Securityholders. You can also obtain a copy of the annual financial statements at your request, and at no cost, by calling 1-888-362-7172, by visiting our website at www.ninepoint.com or SEDAR+ at www.sedarplus.ca or by writing to us at: Ninepoint Partners LP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, P.O. Box 27, Toronto, Ontario M5J 2J1. Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

A Note on Forward-Looking Statements

This report may contain certain statements that constitute forward-looking statements. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words or expressions such as "anticipate", "believe", "plan", "estimate", "expect", "intend", "target" or negative versions thereof and other similar expressions or future or conditional verbs such as "may", "will", "should", "would" and "could" and similar expressions to the extent they relate to future financial performance of the Company or a security and the Company's investment strategies and prospects. The forward-looking statements are not historical facts but reflect the expectations or forecasts of future results or events as at the date of this report. These forward-looking statements are subject to a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from current expectations including, without limitation, general economic, political and market factors in North America and internationally, movements in interest and foreign exchange rates, the volatility of equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, and the ability of Ninepoint to attract or retain key employees. This list of important risks, uncertainties and assumptions is not exhaustive. These and other factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.

Management Report of Fund Performance

Investment Objective and Strategies

The investment objectives of Canadian Large Cap Leaders Split Corp. (the "Company") for the class A shares ("Class A Share") are to provide holders with regular monthly non-cumulative cash distributions targeted to be $0.125 per Class A Share representing a yield on the issue price of the Class A Shares of 10% per annum on the issue price of $15.00 per Class A Share, and the opportunity for growth in the Net Asset Value per Class A Share. The investment objectives for the preferred shares ("Preferred Shares") are to provide holders with fixed cumulative preferential quarterly cash distributions of $0.1875 per Preferred Share, representing 7.5% per annum on the issue price of $10.00 per Preferred Share, until February 28, 2029, subject to extension for successive terms of up to five years as determined by the Company's Board of Directors ("Maturity Date") and return the original issue price to holders on the Maturity Date.

To achieve its investment objectives, the Company initially invests, on an approximately equally-weighted basis, in a portfolio (the "Portfolio") consisting primarily of Equity Securities (as defined in the Prospectus) of Canadian Dividend Growth Companies (as defined in the Prospectus), selected by Ninepoint Partners LP, in its capacity as portfolio manager (in such capacity, the "Portfolio Manager"), from the Investable Universe (as defined in the Prospectus).

As part of its investment strategy, the Company may:

- rebalance and reconstitute its Portfolio at least annually (or more frequently);
- hold non-equal weight positions after rebalancing the Portfolio;
- hold cash and cash equivalents from time to time;
- include securities of a Canadian Dividend Growth Company with a market capitalization of less than $10 billion;
- invest excess cash in Equity Securities of Canadian Dividend Growth Companies which have less than average weight in the Portfolio at the time;
- write covered call options selectively in respect of the Equity Securities in the Portfolio in order to generate additional distributable income and to mitigate the overall volatility of the Portfolio; and
- sell Portfolio Securities that are in a loss position to reduce the capital gains dividends that would otherwise be payable by the Company.

Risks

The risks of investing in the Company are described in the prospectus dated January 29, 2024. There have been no material changes to the risks that may affect the Company's performance since its inception.

Results of Operations

On February 22, 2024, Ninepoint Partners LP, the manager of the Company (in such capacity, the "Manager"), announced the successful closing of the initial public offering of the Company. The Preferred Shares and Class A Shares commenced trading on the Toronto Stock Exchange under the symbols "NPS.PR.A" and "NPS," respectively.

It was another excellent year for equities (and most other asset classes), with the S&P 500 posting a +23.3% return (+25.0% on a total return basis), making it two years of +20% returns in a row. For Canadian domestic investors, the TSX posted a +18.0% return (+21.7% on a total return basis), which was a relatively decent performance. Broadly speaking, U.S. stocks outperformed Canadian stocks, large caps outperformed small caps and growth outperformed value, consistent with the trends of the past several years.

The only minor disappointment of 2024 was the failure of a Santa Claus rally, which is the tendency of the stock market to rise at the last week of trading in December and first few trading days of the new year, to materialize over the last five trading days of the year. Although investors experienced a positive 2024, the Manager did observe some weakness through the last half of December which was masked at the index level by strong year-end performance of large cap growth stocks. Much of the underlying weakness could be attributed to the U.S. Federal Reserve and the "hawkish cut" on December 18, 2024 when the Federal Open Market Committee cut the target interest rate by 25 bps to a range of 4.25% to 4.50%. However, the ensuing press conference and the details contained in the Summary of Economic Projections seemed far less dovish than prior meetings, with only two interest rate cuts forecasted in 2025, down from four cuts. Importantly, market expectations were already there, with the forward curve pricing in only two interest rate cuts in 2025 several months ahead of the final U.S. Federal Reserve meeting of 2024.

At least some of the hawkish shift was in anticipation of President-elect Trump and his incoming administration's policies (primarily aggressive fiscal spending and tariffs on foreign-produced goods) that could be largely inflationary. However, the Manager is not convinced that resurgent inflation is lurking around the corner, since some of the President-elect Trump's policies may prove to be deflationary, and it remains to be seen which policies will ultimately be enacted. Unfortunately, this change in tone from the U.S. Federal Reserve was frustrating for many investors, since Chairman Powell had previously taken great pains to highlight his (backward-looking) data dependency.

The Bank of Canada is also easing monetary policy, cutting the policy rate by 50 bps on December 11, 2024 to 3.25%. The Canadian economy is likely in a more difficult spot than the U.S. economy and the interest rate differential and recent weakness of the Canadian dollar relative to the U.S. dollar are the most obvious signs. In any case, the market impact has been largely in line with the Manager's prior views: if interest rate cuts came in below expectations (implying fewer cuts than expected), large cap growth would outperform but if interest rate cuts came in above expectations (implying more cuts than expected) a rotation from growth to value (predominantly dividend-paying equities) would occur. As of today, this much anticipated rotation from growth to value has not persisted for longer than a few months at a time but in 2025, as earnings growth rates begin to converge for growth and value stocks, it is possible that investors could see better relative performance from value-oriented sectors. In the meantime, generally lower interest rates remain supportive for the equity markets as long as the economic data does not deteriorate significantly from here.

As at December 31, 2024, the Class A Shares closed at $13.73 on the TSX, with an implied discount of 10.1% to the net asset per share, while the Preferred Shares closed at $10.75 on the TSX, with an implied premium of 7.5% to the net asset per share. In terms of stock specific performance, top contributors to the year-to-date performance included Manulife Financial Corporation, Enbridge Inc., and Royal Bank of Canada, while top detractors included TELUS Corporation, Bank of Montreal, and The Toronto-Dominion Bank.

Overall, the portfolio of Canadian high quality dividend payers performed well in 2024 and the net asset value of the Company's Class A shares is significantly above the IPO price. The outlook for the portfolio remains solid and, as interest rates should continue moving lower in Canada, the current holdings look even more attractive from a yield perspective. The Manager remains focused on high quality, equity securities of Canadian dividend growth companies that have demonstrated the ability to consistently generate revenue and earnings growth through the business cycle.

The Company's net asset value, excluding Preferred Shares and Class J shares, was $23.9 million as at December 31, 2024.

Recent Developments

The Manager actively monitors the positioning of the Portfolio for changes in current market conditions and the economic environment.

NORMAL COURSE ISSUER BID (the "NCIB")

In May, 2024, Toronto Stock Exchange (the "TSX") accepted the Company's notice of intention to make a NCIB to purchase its Class A Shares and Preferred Shares through the facilities of the TSX and/or alternative Canadian trading systems. The NCIB commenced on May 28, 2024 and will terminate on May 27, 2025.

Pursuant to the NCIB, the Company proposes to purchase, from time to time, up to 182,563 Class A Shares and 182,563 Preferred Shares of the Company, representing 10% of the public float of 1,825,633 Class A Shares and 1,825,633 Preferred Shares. As of May 16, 2024, there were 1,835,633 Class A Shares and 1,825,633 Preferred Shares issued and outstanding. The Company will not purchase, in any given 30-day period, in the aggregate, more than 36,712 Class A Shares or more than 36,512 Preferred Shares, being 2% of the issued and outstanding Class A Shares and Preferred Shares as of May 16, 2024. All purchases will be made through the facilities noted above and in accordance with the rules and policies of the TSX. All Class A Shares or Preferred Shares purchased by the Company pursuant to the NCIB were cancelled. During the period from the commencement of NCIB to December 31, 2024, 43,000 Class A Shares and 43,000 Preferred Shares were purchased and the Company had not exceeded the monthly or annual limit of purchases pursuant to the NCIB.

SHARE SPLIT AND PRIVATE PLACEMENT

Subsequent to the period from February 22, 2024 to December 31, 2024, on January 8, 2025, the Company announced its intention to effect a stock split of its Class A shares (the "Share Split") as well as a concurrent private placement of its preferred shares (the "Private Placement").

The Share Split was effected at the close of business on February 4, 2025. Following the Share Split, approximately 1,795,547 Class A shares and 1,796,353 preferred shares were outstanding. DBRS has confirmed that the rating of the preferred shares will continue to be Pfd-3 (high) following the completion of the Share Split.

On February 4, 2025, the Company completed the Private Placement for aggregate gross proceeds of approximately $2.5 million. Pursuant to the Private Placement, 235,000 preferred shares were offered to investors at a price of $10.65 per preferred share.

SUBSEQUENT REDEMPTION

In connection with a non-concurrent retraction of 4,200 Class A shares surrendered and retracted as at December 30, 2024, a corresponding cancellation of 4,200 Preferred shares was effected by the Company on January 20, 2025.

Related Party Transactions

MANAGEMENT FEES

The Company pays the Manager an annual management fee equal to 0.75% of the net asset value of the Company, calculated and accrued daily and paid monthly in arrears. Net asset value of the Company is the aggregate value of the Company's assets less the aggregate value of the Company's liabilities. For these purposes, Preferred Shares are not treated as a liability of the Company. For the period from February 22, 2024 to December 31, 2024, the Company incurred management fees (including taxes) of $308,366.

OPERATING EXPENSES

The Company pays its own operating expenses, which include, but are not limited to, audit, legal, custodial, filing and administrative expenses as well as shareholder reporting costs. The Manager may pay some of these expenses on behalf of the Company and then is reimbursed by the Company. At its sole discretion, the Manager may waive or absorb a portion of the operating expenses of the Company. Amounts waived or absorbed by the Manager are reported in the Statement of Comprehensive Income (Loss). Waivers or absorptions can be terminated at any time without notice. For the period from February 22, 2024 to December 31, 2024, the Manager did not absorb any expenses.

OTHER RELATED PARTY TRANSACTIONS

The Company relied on the approval, positive recommendation or standing instruction from the Company's Independent Review Committee with respect to any related party transactions.

Financial Highlights

The following tables show selected key financial information about the Company and are intended to help you understand the Company's financial performance for the period from February 22, 2024 to December 31, 2024.

The Company's Net Assets per share[1]

Class A Shares	Dec 31, 2024[4] $
Net assets, beginning of period[2]	**13.65**
Increase (decrease) from operations:	
Total revenue	**1.09**
Total expenses	**(0.37)**
Preferred Share distributions	**(0.64)**
Realized gains (losses)	**0.30**
Unrealized gains (losses)	**2.39**
Total increase (decrease) from operations[3]	**2.77**
Distributions:	
From dividends	**(0.36)**
From return of capital	**(0.89)**
Total distributions[5]	**(1.25)**
Net assets, end of period	**15.28**

1 This information is derived from the Company's audited financial statements for the period from February 22, 2024 to December 31, 2024.

2 Agents' fee and issue expenses of the initial public offering of the Company were recorded as a reduction in shareholders' capital. Net assets per Class A Share were initially offered at $15.00 per Class A Share less agents' fees and issue costs of $1.35 per share for Class A Shares.

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

4 Information provided is for the period from February 22, 2024 (launch date) to December 31, 2024.

5 Distributions were reinvested in additional shares of the Company or paid in cash.

Ratios and Supplemental Data

	Dec 31, 2024
Total net asset value (000s)[1]	**$23,862**
Number of Class A shares outstanding[1]	**1,561,353**
Management expense ratio[2]	**7.96%**
Trading expense ratio[3]	**0.18%**
Portfolio turnover rate[4]	**45.90%**
Net asset value per Class A share[1]	**$15.28**
Net asset value per Preferred share[1]	**$10.00**
Closing market price – Class A shares[5]	**$13.73**
Closing market price – Preferred shares[5]	**$10.75**

1 This information is provided as at December 31, 2024. The total Net Asset Value including Preferred Shares and Class J shares (“Class J Shares”) is $39,517,227.

2 Management expense ratio (“MER”) is based on distributions of Preferred shares and total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The MER of the Shares (includes Class A Shares and Preferred Shares) of the Company is 4.72% for the period from February 22, 2024 to December 31, 2024.

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

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

5 Last closing price as at year end December 31, 2024.

Past Performance

In accordance with National Instrument 81-106, Investment Fund Continuous Disclosure, "PAST PERFORMANCE" disclosure consisting of "Year-by-Year Returns" is not required as the Company has been a reporting issuer for less than a year.

Summary of Investment Portfolio

As at December 31, 2024

Portfolio Allocation

	% of Net Asset Value[1]
Long Positions	
Financials	51.3
Energy	29.9
Utilities	10.2
Communication Services	9.5
Total Positions	100.9
Cash	0.3
Other Net Liabilities	(1.2)
Total Net Asset Value	100.0

All Positions

Issuer	% of Net Asset Value[1]
Enbridge Inc.	10.7
Sun Life Financial Inc.	10.4
Manulife Financial Corporation	10.3
The Bank of Nova Scotia	10.3
Royal Bank of Canada	10.2
Fortis Inc.	10.2
Canadian Imperial Bank of Commerce	10.1
Canadian Natural Resources Limited	9.6
Suncor Energy Inc.	9.6
TELUS Corporation	9.5
Cash	0.3
All positions as a percentage of net asset value	101.2

[1]Net Asset Value of the Company includes the value of the Preferred Shares and Class J Shares.

The Company did not hold short positions as at December 31, 2024.

This summary of investment portfolio may change due to the ongoing portfolio transactions of the Company. Quarterly updates of the Company's investment portfolio are available on the Internet at www.ninepoint.com.

Independent auditor's report

To the Shareholders of
Canadian Large Cap Leaders Split Corp.
[the "Company"]

Opinion

We have audited the financial statements of the Company, which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income (loss), statement of changes in net assets attributable to holders of redeemable shares and statement of cash flows for the period from February 22, 2024 to December 31, 2024, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards ["IFRSs"].

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Queenie Chung.

Ernst & Young LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
March 27, 2025

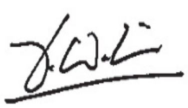
Canadian Large Cap Leaders Split Corp.

Statement of Financial Position

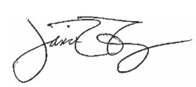
As at December 31	**2024**
	$
Assets	
Current assets	
Investments *(note 3, 5)*	**39,881,146**
Cash	**135,554**
Dividends receivable	**168,245**
Total assets	**40,184,945**
Liabilities	
Current liabilities	
Distribution payable to shareholders	**195,169**
Retractions payable	**64,195**
Distributions payable to Preferred shareholders	**296,803**
Accrued expenses	**111,551**
Class J shares *(note 7)*	**100**
Preferred shares *(note 7)*	**15,655,530**
Total liabilities (excluding Net Assets attributable to holders of redeemable Class A shares)	**16,323,348**
Net Assets attributable to holders of redeemable Class A shares	**23,861,597**
Redeemable shares outstanding *(note 7)*	
Class A shares	**1,561,353**
Preferred shares	**1,565,553**
Class J shares	**100**
Net Assets attributable to holders of redeemable shares per class per share *(note 3)*	
Class A shares	**15.28**
Preferred shares	**10.00**
Class J shares	**1.00**

See accompanying notes which are an integral part of these financial statements

Approved on behalf of Canadian Large Cap Leaders Split Corp.
by Ninepoint Partners LP, as Manager



John Wilson
DIRECTOR



James Fox
DIRECTOR

Canadian Large Cap Leaders Split Corp.

Statement of Comprehensive Income (Loss)

For the period from February 22, 2024 to December 31, 2024	**2024**
	$
Income	
Dividends *(note 3)*	**1,864,282**
Net realized gains (losses) on sales of investments	**518,733**
Change in unrealized appreciation (depreciation) in the value of investments	**4,099,133**
Securities lending income	**91**
Total income (loss)	**6,482,239**
Expenses *(note 10, 11)*	
Management fees	**308,366**
Legal fees	**96,474**
Transaction costs *(note 3, 12)*	**46,563**
Audit fees	**44,270**
Shareholder reporting fees	**42,733**
Filing fees	**39,565**
Administrative fees	**37,501**
Custodial fees	**16,220**
Independent Review Committee fees *(note 13)*	**4,972**
Interest expense and bank charges	**925**
Withholding taxes	**38**
Total expenses	**637,627**
Increase (Decrease) in Net Assets attributable to holders of redeemable shares from operations before distributions on Preferred shares	**5,844,612**
Distributions on Preferred shares	**(1,091,926)**
Increase (Decrease) in Net Assets attributable to holders of redeemable Class A shares from operations	**4,752,686**
Increase (Decrease) in Net Assets attributable to holders of redeemable shares from operations per class	
Class A	**4,752,686**
Weighted average number of redeemable shares	
Class A	**1,717,900**
Increase (Decrease) in Net Assets attributable to holders of redeemable shares from operations per class per share *(note 3)*	
Class A	**2.77**

See accompanying notes which are an integral part of these financial statements

Canadian Large Cap Leaders Split Corp.

Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares

For the period from February 22, 2024 to December 31, 2024	**2024**
	$
Net Assets attributable to holders of redeemable shares, beginning of period	
Class A	-
	-
Increase (Decrease) in Net Assets attributable to holders of redeemable shares from operations	
Class A	**4,752,686**
	4,752,686
Distributions to holders of redeemable shares	
From net investment income	
Class A	**(604,111)**
From return of capital	
Class A	**(1,508,375)**
	(2,112,486)
Redeemable share transactions *(note 7)*	
Proceeds from redeemable shares issued	
Class A	**27,759,495**
Agents' fees and issue costs	
Class A	**(2,523,355)**
Retraction of redeemable shares	
Class A	**(4,014,743)**
	21,221,397
Net increase (decrease) in Net Assets attributable to holders of redeemable shares	
Class A	**23,861,597**
	23,861,597
Net Assets attributable to holders of redeemable shares, end of period	
Class A	**23,861,597**
	23,861,597

See accompanying notes which are an integral part of these financial statements

Canadian Large Cap Leaders Split Corp.

Statement of Cash Flows

For the period from February 22, 2024 to December 31, 2024	**2024**
	$
Cash flows from operating activities	
Increase (Decrease) in Net Assets attributable to holders of redeemable Class A shares from operations	**4,752,686**
Adjustments for:	
Net realized (gains) losses on sales of investments	**(518,733)**
Net change in unrealized (appreciation) depreciation in the value of investments	**(4,099,133)**
Net increase (decrease) in distributions payable to Preferred shareholders	**296,803**
Purchases of investments	**(54,808,016)**
Proceeds from sale of investments	**19,544,736**
Net increase (decrease) in other assets and liabilities	**(56,694)**
Net cash provided by (used in) operating activities	**(34,888,351)**
Cash flows from financing activities	
Distributions paid to holders of redeemable Class A shares, net of reinvested distributions	**(1,917,317)**
Proceeds from redeemable shares issued	**27,759,495**
Retraction of redeemable shares	**(3,950,548)**
Proceeds from issuance of redeemable Class J shares	**100**
Proceeds from issuance of redeemable Preferred shares	**18,506,330**
Retraction of redeemable Preferred shares	**(2,850,800)**
Agents' fees and issue costs	**(2,523,355)**
Net cash provided by (used in) financing activities	**35,023,905**
Net increase (decrease) in cash	**135,554**
Cash (Bank indebtedness), beginning of period	**-**
Cash (Bank indebtedness), end of period	**135,554**
Supplemental Information*	
Interest paid	**925**
Dividends received, net of withholding taxes	**1,696,037**

*Information provided relates to the operating activities of the Company

See accompanying notes which are an integral part of these financial statements

Canadian Large Cap Leaders Split Corp.

Schedule of Investment Portfolio

As at December 31, 2024

		Average Cost	Fair Value
		$	$
SHARES	EQUITIES [100.00%]		
	FINANCIALS [50.87%]		
43,859	Canadian Imperial Bank of Commerce	3,475,685	3,988,099
92,377	Manulife Financial Corporation	3,034,664	4,079,368
23,336	Royal Bank of Canada	3,097,589	4,044,595
48,142	Sun Life Financial Inc.	3,550,941	4,108,920
52,688	The Bank of Nova Scotia	3,929,165	4,066,987
		17,088,044	20,287,969
	ENERGY [29.62%]		
85,899	Canadian Natural Resources Limited	3,840,939	3,812,198
69,224	Enbridge Inc.	3,254,753	4,223,356
73,648	Suncor Energy Inc.	3,388,491	3,778,879
		10,484,183	11,814,433
	UTILITIES [10.11%]		
67,467	Fortis Inc.	3,620,995	4,029,804
		3,620,995	4,029,804
	COMMUNICATION SERVICES [9.40%]		
192,352	TELUS Corporation	4,611,393	3,748,940
		4,611,393	3,748,940
Total equities		35,804,615	39,881,146
Transaction costs *(note 3)*		(22,602)	-
Total investments [100.00%]		**35,782,013**	**39,881,146**

See accompanying notes which are an integral part of these financial statements

Financial Risk Management *(note 6)*

Investment Objective

The investment objectives of Canadian Large Cap Leaders Split Corp. (the "Company") for the Class A shares are to provide holders with regular monthly non-cumulative cash distributions targeted to be $0.125 per Class A share representing a yield on the issue price of the Class A shares of 10% per annum on the issue price of $15.00 per Class A share, and the opportunity for growth in the Net Asset Value per Class A share. The investment objectives for the Preferred shares are to provide holders with fixed cumulative preferential quarterly cash distributions of $0.1875 per Preferred share, representing 7.5% per annum on the issue price of $10.00 per Preferred share, until February 28, 2029, subject to extension for successive terms of up to five years as determined by the Company's Board of Directors ("Maturity Date") and return the original issue price to holders on the Maturity Date.

The Schedule of Investment Portfolio presents the securities held by the Company as at December 31, 2024. Significant risks that are relevant to the Company are discussed here. General information on risks and risk management is described in *Note 6: Financial Risk Management* of the Generic Notes.

Market Risk

a) Other Price Risk

The Company's most significant exposure to market price risk arises from its investment in equity securities. As at December 31, 2024, had the quoted prices for these securities increased or decreased by 10%, with all other variables held constant, Net Assets attributable to holders of redeemable Class A shares would have increased or decreased by the amount shown in the below table.

December 31, 2024	
Impact	**As a % of Net Assets attributable to holders of redeemable Class A shares**
$	%
3,988,115	16.71

b) Currency Risk

As at December 31, 2024, the Company did not have a significant exposure to currency risk.

c) Interest Rate Risk

As at December 31, 2024, the Company did not have a significant exposure to interest rate risk.

Credit Risk

As at December 31, 2024, the Company did not have a significant exposure to credit risk.

Concentration Risk

As at December 31, 2024, the Company's concentration risk as a percentage of investments is shown in the table below.

	December 31, 2024
	%
Equities:	
Financials	50.87
Energy	29.62
Utilities	10.11
Communication Services	9.40
Total Investments	100.00

Canadian Large Cap Leaders Split Corp.
Notes to financial statements – Company specific information *December 31, 2024*

Fair Value Measurements *(note 5)*

As at December 31, 2024, the Company's financial assets and liabilities, which are measured at fair value, have been categorized based upon the fair value hierarchy as shown in the table below.

December 31, 2024	Level 1	Level 2	Level 3	Total
	$	$	$	$
Equities	39,881,146	–	–	39,881,146
Total	39,881,146	–	–	39,881,146

During the period from February 22, 2024 to December 31, 2024, there were no significant transfers between levels.

Tax Loss Carryforwards *(note 3)*

For the taxation year ended December 31, 2024, the Company had capital and non-capital losses available for tax purposes as shown in the table below.

Capital losses	Non-capital losses	Non-capital losses year of expiry
$	$	
–	555,035	2044

Related Party Broker Commissions

During the period from February 22, 2024 to December 31, 2024, brokerage commissions paid by the Company to Sightline Wealth Management ("Sightline"), a related party of Ninepoint Financial Group Inc., the parent company of the Manager, for brokerage services provided to the Company are shown in the table below.

	December 31, 2024
	$
Broker commissions to Sightline	25,176

Related Party Holdings

As at December 31, 2024, Ninepoint Financial Group Inc., the parent company of the Manager, and its respective subsidiaries, held the following investments as shown in the table below.

	December 31, 2024	
Series	Shares	Fair Value of Shares
		$
Class A	50,100	765,528
Preferred Shares	100	1,000

Securities Lending *(note 3)*

As at December 31, 2024, the Company did not have securities on loan and related collateral.

During the period from February 22, 2024 to December 31, 2024, securities lending income and charges are shown in the table below.

	December 31, 2024
	$
Gross securities lending income, net withholding taxes	89
Securities lending charges	(36)
Net securities lending income received by the Company	53
Net securities lending income as a percentage of gross securities lending income (%)	60

See accompanying notes which are an integral part of these financial statements

1. Establishment of the Company

Canadian Large Cap Leaders Split Corp. (the “Company”) is a mutual fund corporation incorporated by articles of incorporation under the laws of the Province of Ontario on December 19, 2023 and as amended on January 29, 2024. The Company was publicly launched on February 22, 2024 and listed on the Toronto Stock Exchange under the tickers NPS and NPS.PR.A for Preferred shares and Class A shares, respectively. Ninepoint Partners LP (the "Manager") is the manager and portfolio advisor of the Company. CIBC Mellon Trust Company is the custodian of the Company. The address of the Company’s registered office is 200 Bay Street, Toronto, Ontario.

The Statement of Financial Position of the Company is as at December 31, 2024. The Statement of Comprehensive Income (Loss), Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares and Statement of Cash Flows are for the period from February 22, 2024 to December 31, 2024. The Schedule of Investment Portfolio for the Company is as at December 31, 2024.

These financial statements were approved for issuance by the Manager on March 27, 2025.

2. Basis of Presentation

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”) as published by the International Accounting Standards Board (“IASB”) and include estimates and assumptions made by the Manager that may affect the reported amounts of assets, liabilities, income, expenses and the reported amounts of changes in Net Assets during the reporting period. Actual results could differ from those estimates.

The financial statements have been prepared on a going concern basis using the historical cost convention. However, the Company is an investment entity and primarily all financial assets and financial liabilities are measured at fair value in accordance with IFRS.

The financial statements of the Company are presented in Canadian dollars, which is the Company’s functional currency.

3. Material Accounting Policy Information

The following is a summary of material accounting policy information followed by the Company:

CLASSIFICATION AND MEASUREMENT OF INVESTMENTS

The Company classifies and measures financial instruments in accordance with IFRS 9, *Financial Instruments* (“IFRS 9”). Based on the Company’s business model for managing the financial assets and the contractual cash flow characteristics of these assets, it requires financial assets to be classified as amortized cost, fair value through profit or loss (“FVTPL”), or fair value through other comprehensive income (“FVOCI”).

The Company’s investments, investments sold short and derivative assets and liabilities are measured at FVTPL.

The Company’s accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its Net Asset Value (“NAV”) for transactions with shareholders, except as described in Note 7. 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.

Financial assets and liabilities are recorded in the Statement of Financial Position at fair value upon initial recognition. All transaction costs such as brokerage commissions incurred in the purchase and sale of such securities are recognized directly in the Statement of Comprehensive Income (Loss). Subsequent to initial measurement, financial assets and liabilities at FVTPL are recorded at fair value which, as at the financial reporting period end is determined as follows:

1. Securities listed upon a recognized public stock exchange are valued at the closing price recorded by the exchange on which the security is principally traded, where the last traded price falls within that day’s bid-ask spread. In circumstances where the closing 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.

2. Common shares of unlisted companies and warrants that are not traded on an exchange are valued using valuation techniques established by the Manager. Restricted securities are valued in a manner that the Manager determines represents fair value.

The difference between the fair value of investments and the cost of investments represents the unrealized appreciation or depreciation in the value of investments. The cost of investments for each security is determined on an average cost basis.

All other financial assets and financial liabilities are classified at amortized cost. They are recognized at fair value upon initial recognition and subsequently measured at amortized cost. IFRS 9 requires that an entity recognize a loss allowance for expected credit losses on financial assets that are measured at amortized cost or FVOCI. The Company considers both historical analysis and forward-looking information in determining any expected credit loss. The Company's obligations for Net Assets attributable to holders of redeemable Class A shares and Class J shares are measured assuming the redemption of shares at NAV on the valuation date. Preferred Shares are carried at amortized cost for accounting purposes but shown at the redemption amount for financial statement NAV presentation purposes. The carrying values of the Company's financial assets and liabilities, except for the Preferred shares, that are not carried at FVTPL, approximate their fair values due to their short-term nature.

TRANSACTION COSTS

Transaction costs are expensed and are included in "Transaction costs" in the Statement of Comprehensive Income (Loss). Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

AGENTS' FEES AND ISSUE COSTS

Agents' fees and issue costs related to the offering of the shares are recognized as a reduction of Class A shareholders' capital.

INVESTMENT TRANSACTIONS AND INCOME RECOGNITION

Investment transactions are accounted for on the business day following the date the order to buy or sell is executed, with the exception of short-term investments, which are accounted for on the date the order to buy or sell is executed. Realized gains and losses arising from the sale of investments and unrealized appreciation and depreciation on investments are calculated with reference to the average cost of the related investments and are recorded in the Statement of Comprehensive Income (Loss).

Dividend income is recognized on the ex-dividend date, presented gross of any non-recoverable withholding taxes, in the Statement of Comprehensive Income (Loss).

CASH

Cash is comprised of cash on deposit with financial institutions.

CALCULATION OF NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES PER SERIES

The Net Assets attributable to holders of redeemable shares per share of a series is based on the fair value of the series' proportionate share of the assets and liabilities of the Company common to all series, less any liabilities of the Company attributable only to that series, divided by the total outstanding shares of that series. Income, non-series-specific expenses, realized and unrealized gains (losses) on investments and transaction costs are allocated to each series of a Company based on the series' pro-rata share of Net Assets attributable to holders of redeemable shares of the Company. Expenses directly attributable to a series are charged directly to that series.

INCOME TAXES

The Company is a mutual fund corporation as defined in the *Income Tax Act (Canada)*. The Company will pay sufficient capital gains dividends and ordinary dividends so that, generally, the tax paid by the Company with respect to realized capital gains and dividends from taxable Canadian corporations will be refunded to the Company. The Company will be liable to pay tax at corporate rates applicable to mutual fund corporations on income from other sources, if any, such as interest, derivative income and foreign source income. The Company will try to eliminate this tax liability by using deductible expenses and tax credits. If the Company is not successful in eliminating its tax liability, the Company will be subject to tax.

The Company incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown separately in the Statement of Comprehensive Income (Loss).

INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES FROM OPERATIONS PER SHARE

"Increase (Decrease) in Net Assets attributable to holders of redeemable shares from operations per share" in the Statement of Comprehensive Income (Loss) represents the increase (decrease) in Net Assets attributable to holders of redeemable shares per series, divided by the weighted average number of shares of the series outstanding during the period, which is presented in the Statement of Comprehensive Income (Loss).

STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, amendments to standards and interpretations are not yet effective as of December 31, 2024 and have not been applied in preparing these financial statements.

a) Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)
In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7. Among other amendments, IASB clarified that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. These amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted.

b) IFRS 18 Presentation and Disclosure in Financial Statements
In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*. It introduces several new requirements that are expected to impact the presentation and disclosure of the financial statements. These include:

- The requirement to classify all income and expense into specified categories and provide specified totals and subtotals in the statement of profit or loss.
- Enhanced guidance on the aggregation, location and labeling of items across the financial statements and the notes to the financial statements.
- Required disclosures about management-defined performance measures.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with early adoption permitted.

The Company is currently assessing the effect of the above standard and amendments. No other new standards, amendments and interpretations are expected to have a material effect on the financial statements of the Company.

4. Critical Accounting Estimates and Judgments

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 Company has made in preparing the financial statements:

CLASSIFICATION AND MEASUREMENT OF INVESTMENTS

In classifying and measuring financial instruments held by the Company, the Manager is required to make significant judgments in determining the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Company's business models and concluded that FVTPL, in accordance with IFRS 9, provides the most appropriate classification of the Company's financial instruments.

ASSESSMENT AS AN INVESTMENT ENTITY

Entities that meet the definition of an investment entity within IFRS 10, *Consolidated Financial Statements* ("IFRS 10") are required to measure their subsidiaries at FVTPL rather than consolidate them. The criteria that define an investment entity are as follows:

- an entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- an entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- an entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Manager has assessed the characteristics of an investment entity as they apply to the Company, and such assessment requires significant judgments. Based on the assessment, the Manager concluded that the Company meets the definition of an investment entity.

5. Fair Value Measurements

The Company uses a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Company's investments. The fair value hierarchy has the following levels:

Level 1 Unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities that the Company has the ability to access at the measurement date;

Level 2 Quoted prices that are not active, or inputs that are observable (either directly or indirectly) for substantially the full term of the asset or liability; and

Level 3 Prices, inputs or complex modeling techniques that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The hierarchy of investments and derivatives for the Company is included in the *Notes to Financial Statements – Company Specific Information* of the Company.

All fair value measurements above are recurring. The carrying values of cash, subscriptions receivable, interest receivable, dividend receivable, payable for investments purchased, redemptions payable, distributions payable, accrued expenses and each Company's obligations for Net Assets attributable to holders of redeemable shares approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The following provides details of the categorization in the fair value hierarchy by asset classes:

Level 1 securities include:

- Equity securities and options using quoted market prices (unadjusted).

Level 2 securities include:

- Equity securities that are not frequently traded in active markets. In such cases, fair value is determined based on observable market data (e.g., transactions for similar securities of the same issuer).

Level 3 securities include:

- Investments valued using valuation techniques that are based on unobservable market data. These techniques are determined pursuant to procedures established by the Manager. Quantitative information about unobservable inputs and related sensitivity of the fair value measurement are disclosed in the *Notes to Financial Statements – Company Specific Information* of the Company.

Additional disclosures relating to transfers between levels and a reconciliation of the beginning and ending balances in Level 3 are also disclosed in the *Notes to Financial Statements – Company Specific Information* of the Company.

During the period from February 22, 2024 to December 31, 2024, there were no material transfers between Level 1, Level 2 and Level 3.

6. Financial Risk Management

The Company is exposed to risks that are associated with its investment strategies, financial instruments and markets in which it invests. The extent of risk within the Company is largely contingent upon the Company's investment policy and guidelines as stated in its prospectus, and the management of such risks is contingent upon the qualification and diligence of the portfolio manager designated to manage the Company. The Schedule of Investment Portfolio presents the securities held by the Company as at December 31, 2024, and groups securities by asset type, sector or geographic region. Significant risks that are relevant to the Company are discussed below. Refer to the *Notes to Financial Statements – Company Specific Information* of the Company for specific risk disclosures.

MARKET RISK

The Company's investments are subject to market risk, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market variables such as equity prices, currency rates and interest rates.

a) Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to a change in market price (other than those arising from interest rate risk or currency risk). The sensitivity analysis disclosed is estimated based on the historical correlation between the return of the Company as compared to the return of the Company's benchmark. The analysis assumes that all other variables remain unchanged. The historical correlation may not be representative of future correlation and accordingly, the impact on net assets could be materially different. The investments of the Company are subject to normal market fluctuations and the risks inherent in the financial markets. The maximum risk resulting from purchased securities held by the Company is limited to the fair value of these investments. The Manager moderates this risk through a careful selection of securities within specified limits, as well as through the diversification of the investment portfolio.

b) Currency Risk

Currency risk is the risk that arises from the change in price of one currency against another. Where the Company holds securities that are denominated in currencies other than the Canadian dollar, these securities are converted to the Company's functional currency in determining fair value, and fair values are subject to fluctuations relative to the strengthening or weakening of the functional currency.

c) Interest Rate Risk

Interest rate risk is the risk borne by an interest-bearing financial instrument that is attributed to interest rate fluctuations. Cash does not expose the Company to significant amounts of interest rate risk.

CREDIT RISK

Credit risk is the risk of loss due to the failure of a counterparty to satisfy its obligations. All transactions executed by the Company in listed securities are settled upon delivery using approved brokers. The risk of default is considered minimal, as the delivery of those securities sold is made only when the broker has received payment. Payment is made on purchases only when the security is received by the broker. The trade will fail to consummate if either party fails to meet its obligations.

The Preferred shares have been provisionally rated Pfd-3 (high) by DBRS. Preferred shares rated Pfd-3 are of adequate credit quality. While protection of dividends and principal is still considered acceptable, the issuing entity is more susceptible to adverse changes in financial and economic conditions, and there may be other adverse conditions present that detract from debt protection. Pfd-3 ratings generally correspond with companies whose senior bonds are rated in the higher end of the BBB category. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by DBRS.

LIQUIDITY RISK

Liquidity risk is the risk that a Company will not be able to generate sufficient cash resources as to fulfill its payment obligations. The Company predominantly invests in liquid securities that are readily tradable in an active market. Consequently, the Company is able to readily dispose of securities, if necessary, to fund redemptions in the course of operations. The Company traditionally maintains a cash reserve in anticipation of normal redemption activity.

The Company is exposed to liquidity risk through its monthly and annual retractions of Class A shares and Preferred shares. For retractions of Class A shares and Preferred shares, the Company receives notice of at least ten business days prior to the Retraction Date, and pays on or around fifteen business days following the Retraction Date for monthly retractions and on and around ten business days following the Retraction Date for annual retractions. As such, this timeframe allows the Manager to sell securities, as needed. All Class A shares and Preferred shares outstanding are scheduled to be redeemed by the Company on the Maturity Date. As a result, the liquidity risk is not considered to be significant.

CONCENTRATION RISK

Concentration risk arises as a result of the concentration of financial instrument exposures within the same category, whether it is geographic region, asset type or industry sector.

GEOPOLITICAL RISK

The Company's value of investments may fluctuate due to changes in economic, political and market conditions, interest rates, public health emergencies, geopolitical risks and conflicts, natural or environmental disasters, and company specific news related to securities held within the Company. These factors may disrupt supply chains, impact certain sectors, and affect international financial markets and issuers in which the Company invests. Growing conflicts among certain countries may continue to heighten financial market uncertainty and volatility, adversely affecting economic markets, including the value and liquidity of securities from those countries. The Manager has and will continually assess the performance of the portfolio and make investment decisions that are aligned with the Company's mandate and the best interests of its shareholders.

7. Redeemable Shares of the Company and Capital Management

The Company is authorized to issue an unlimited number of Class J shares, Preferred shares and Class A shares. On December 19, 2023, the Company issued 100 Class J shares for cash consideration of $100.00 to Ninepoint Canadian Large Cap Leaders Split Trust.

A unit represents a notional unit consisting of one Preferred share and one Class A share. Net Asset Value of the Company means (i) the aggregate value of the assets of the Company, less (ii) the aggregate value of the liabilities of the Company (the Preferred shares will not be treated as liabilities for these purposes), including any distributions declared and not paid that are payable to shareholders on or before such date and (iii) the stated capital of the Class J shares ($100.00).

Class J Shares

The holders of Class J shares are not entitled to receive dividends. The holders of the Class J shares are entitled to one vote per Class J share. The Class J shares are retractable at a price of $1.00 per share and have a nominal liquidation entitlement of $1.00 per share. The Class J shares rank subsequent to the Preferred shares and the Class A shares with respect to such nominal liquidation entitlement on the dissolution, liquidation or winding-up of the Company. As at December 31, 2024, 100 Class J shares were issued and outstanding.

Class A Shares

Class A shares rank subsequent to the Preferred shares with respect to the payment of distributions and the repayment of capital out of the portfolio on the dissolution, liquidation or winding-up of the Company. The Company may sub-divide the Class A shares into a greater number of Class A shares in its discretion from time to time.

Monthly: Class A shares may be surrendered at any time for retraction but will be retracted only on the second last business day of the month (“Retraction Date”). Class A shares surrendered for retraction on the tenth business day prior to the monthly Retraction Date will be retracted on such Retraction Date and the shareholder will be paid on or before the fifteenth business day following the Retraction Date (“Retraction Payment Date”).

Holders of Class A shares whose Class A shares are surrendered for retraction will be entitled to receive a retraction price per Class A share equal to 96% of the difference between (i) the NAV per unit determined as of such Retraction Date, and (ii) the cost to the Company of the purchase of a Preferred share for cancellation. The cost of the purchase of a Preferred share will include the purchase price of the Preferred share, commission and such other costs, if any, related to the liquidation of any portion of the portfolio to fund the purchase of the Preferred share. If the NAV per unit is less than $10.00, plus any accrued and unpaid distributions on a Preferred share, the retraction price of a Class A share will be nil. Any declared and unpaid distributions payable on or before a Retraction Date in respect of Class A shares tendered for retraction on such Retraction Date will also be paid on the Retraction Payment Date.

Annual Concurrent Retraction: Holders of a Class A share may concurrently retract an equal number of Class A shares and Preferred shares on the second last business day of February of each year, other than in a year that contains a Maturity Date commencing 2026 (“Annual Retraction Date”) at a retraction price equal to the NAV per unit on the Annual Retraction Date, less any costs associated with the retraction, including commissions and other such costs, if any, related to the liquidation of any portion of the portfolio required to fund such retraction. The Class A shares and the Preferred shares must both be surrendered for retraction by the tenth business day prior to the Annual Retraction Date. Payment of the proceeds will be made on or before the tenth business day of the following month.

Non-Concurrent Retraction Right: On February 28, 2029, and upon any subsequent maturity date as determined by the Company’s Board of Directors, a holder of Class A shares may retract such Class A shares. The Company will provide at least 60 days’ notice to holders of Class A shares of such right. The redemption price payable by the Company for a Class A share pursuant to the non-concurrent retraction right will be equal to the greater of (i) the NAV per unit determined on that date minus $10.00 plus any accrued and unpaid distributions on a Preferred share, and (ii) nil.

If more Preferred shares than Class A shares have been redeemed pursuant to the non-concurrent retraction right, the Company will be authorized to redeem Class A shares on a pro rata basis in a number to be determined by the Company reflecting the extent to which the number of Class A shares outstanding following the non-concurrent retraction exceeds the number of Preferred shares outstanding following the non-concurrent retraction. Conversely, if more Class A shares than Preferred shares have been redeemed pursuant to the non-concurrent retraction right, the Company may issue Class A shares to the extent the number of Preferred shares outstanding following the non-concurrent retraction exceeds the number of Class A shares outstanding following the non-concurrent retraction.

During the period from February 22, 2024 to December 31, 2024, the number of Class A shares issued and outstanding are shown in the table below.

Class A shares	**2024**
Shares, beginning of period	-
Redeemable shares issued	1,850,633
Retraction of redeemable shares	(289,280)
Shares, end of period	1,561,353

As at December 31, 2024, the closing market price of Class A shares on the Toronto Stock Exchange was $13.73 per share.

Preferred Shares

The Preferred shares rank in priority to the Class A shares with respect to the payment of distributions and the repayment of capital on the dissolution, liquidation or winding-up of the Company.

Monthly: Preferred shares may be surrendered at any time for retraction to TSX Trust Company (the "Registrar and Transfer Agent"), the Company's registrar and transfer agent, but will be retracted only on the Retraction Date. Preferred shares surrendered for retraction by the tenth business day prior to the Retraction Date will be retracted on such Retraction Date and the holder will be paid on or before the fifteenth business day following the Retraction Payment Date.

Holders of Preferred shares whose Preferred shares are surrendered for retraction will be entitled to receive a retraction price per Preferred share equal to 96% of the lesser of (i) the NAV per unit determined as of such Retraction Date, less the cost to the Company of the purchase of a Class A share for cancellation; and (ii) $10.00. The cost of the purchase of a Class A share will include the purchase price of the Class A share, and commission and such other costs, if any, related to the liquidation of any portion of the portfolio to fund the purchase of the Class A share. Any declared and unpaid distributions payable on or before a Retraction Date in respect of Preferred shares tendered for retraction on such Retraction Date will also be paid on the Retraction Payment Date. With respect to any monthly retraction of Preferred shares, the Company will purchase for cancellation such number of Class A shares in the market so that there will be an equal number of Preferred shares and Class A shares outstanding at closing of the offering and at all material times.

Annual Concurrent Retraction: Holders of a Preferred share may concurrently retract an equal number of Preferred shares and Class A shares on the Annual Retraction Date at a retraction price equal to the NAV per unit on the Annual Retraction Date, less any costs associated with the retraction, including commissions and other such costs, if any, related to the liquidation of any portion of the portfolio required to fund such retraction. The Preferred shares and Class A shares must both be surrendered for retraction by the tenth business day prior to the Annual Retraction Date. Payment of the proceeds of retraction will be made on or before the fifteenth business day following the applicable Annual Retraction Date.

Non-Concurrent Retraction Right: On February 28, 2029, and upon any subsequent maturity date as determined by the Company's Board of Directors, a holder of Preferred shares may retract such Preferred shares. The Company will provide at least 60 days' notice to holders of Preferred shares of such right. The redemption price payable by the Company for a Preferred share pursuant to the non-concurrent retraction right will be equal to the lesser of (i) $10.00 plus any accrued and unpaid distributions thereon, and (ii) the NAV of the Company on that date divided by the total number of Preferred shares then outstanding. If more Class A shares than Preferred shares have been redeemed pursuant to the non-concurrent retraction right, the Company will be authorized to redeem Preferred shares on a pro rata basis in a number to be determined by the Company reflecting the extent to which the number of Preferred shares outstanding following the non-concurrent retraction exceeds the number of Class A shares outstanding following the non-concurrent retraction. Conversely, if more Preferred shares than Class A shares have been redeemed pursuant to the non-concurrent retraction right, the Company may issue Preferred shares to the extent that the number of Class A shares outstanding following the non-concurrent retraction exceeds the number of Preferred shares outstanding following the non-concurrent retraction.

During the period from February 22, 2024 to December 31, 2024, the number of Preferred shares issued and outstanding are shown in the table below.

Preferred shares	**2024**
Shares, beginning of period	-
Redeemable shares issued	1,850,633
Retraction of redeemable shares	(285,080)
Shares, end of period	1,565,553

As at December 31, 2024, the closing market price of Preferred shares on the Toronto Stock Exchange was $10.75 per share.

CAPITAL MANAGEMENT

The Company's capital represents the net assets attributable to participating shareholders. It is comprised of retained earnings (deficit), and issued and outstanding shares of (1) Preferred shares, (2) Class J shares and (3) Class A shares net of agents' fees and issue costs. The Manager utilizes the capital of the Company in accordance with its investment objectives, strategies and restrictions, as outlined in the Company's prospectus, while maintaining sufficient liquidity to meet redemptions from the normal course of business. The Company does not have any externally imposed capital requirements.

NORMAL COURSE ISSUER BID

In May 2024, Toronto Stock Exchange (the "TSX") accepted the Company's notice of intention to make a normal course issuer bid (the "NCIB") to purchase its class A shares ("Class A Shares") and preferred shares ("Preferred Shares") through the facilities of the TSX and/or alternative Canadian trading systems. The NCIB commenced on May 28, 2024 and will terminate on May 27, 2025.

Pursuant to the NCIB, the Company proposes to purchase, from time to time, up to 182,563 Class A Shares and 182,563 Preferred Shares of the Company, representing 10% of the public float of 1,825,633 Class A Shares and 1,825,633 Preferred Shares. As of May 16, 2024, there were 1,835,633 Class A Shares and 1,825,633 Preferred Shares issued and outstanding. The Company will not purchase, in any given 30-day period, in the aggregate, more than 36,712 Class A Shares or more than 36,512 Preferred Shares, being 2% of the issued and outstanding Class A Shares and Preferred Shares as of May 16, 2024. All purchases will be made through the facilities noted above and in accordance with the rules and policies of the TSX. All Class A Shares or Preferred Shares purchased by the Company pursuant to the NCIB were cancelled. During the period from the commencement of NCIB to December 31, 2024, 43,000 Class A Shares and 43,000 Preferred Shares were purchased, and the Company had not exceeded the monthly or annual limit of purchases pursuant to the NCIB.

8. Taxation of the Corporation

The Company is a mutual fund corporation as defined in the *Income Tax Act (Canada)*. The Company is a single legal entity for tax purposes and is not taxed on a fund-by-fund basis. As a mutual fund corporation, taxable dividends received from taxable Canadian corporations are subject to a tax rate of 38.33%. Such taxes are fully refundable upon payment of ordinary taxable dividends to its shareholders. Any such tax paid is reported as an amount receivable until recovered through the payment to shareholders of dividends out of net investment income. All tax on net taxable realized capital gains is refundable when the gains are distributed to shareholders as capital gains dividends or through redemptions of shares at the request of shareholders, while the Company qualifies as a mutual fund corporation. Income and capital taxes, if any, are allocated to the class on a reasonable basis and the amount charged to a class is reflected in the Statement of Comprehensive Income (Loss) of the class. Interest income and foreign dividends, net of applicable expenses, are taxed at full rates applicable to a mutual fund corporation with credits, subject to certain limitations, for foreign taxes paid.

Temporary differences between the carrying value of assets and liabilities for accounting and income tax purposes give rise to deferred income tax assets and liabilities. When the market value of a Company's portfolio exceeds its cost, a deferred tax liability arises. As capital gains taxes payable by the Company are refundable under the provisions of the *Income Tax Act (Canada)*, the deferred tax liability is offset by these future refundable taxes. Conversely, when the cost exceeds the market value of the portfolio, a deferred tax asset is generated. In such cases, a deferred tax asset is not recognized given the uncertainty that such deferred tax assets will ultimately be realized. Unused capital and non-capital losses, if any, represent deferred tax assets to the Company. The Company has not recognized a deferred tax asset for these losses as the probability of future income being generated to utilize these losses is uncertain. Any capital losses can be carried forward indefinitely and non-capital losses will expire in 20 years. For capital and non-capital loss carryforward balances, refer to Notes to *Financial Statements – Company Specific Information* of the Company.

9. Distributions

The Company intends to pay ordinary dividends and capital gains dividends to the extent necessary to ensure it will not have any net liability for tax under Part IV of the *Income Tax Act* (Canada) on taxable dividends from taxable Canadian corporations or for tax under Part I of the *Income Tax Act (Canada)* on net realized capital gains.

On the last business day of each of March, June, September and December, holders of Preferred shares will be entitled to receive fixed, cumulative preferential quarterly cash distributions equal to $0.1875 per Preferred share. On an annualized basis, this would represent a yield on the Preferred share offering price of 7.5%. The first distribution was pro-rated to reflect the period from the launch date to March 31, 2024.

Holders of Class A shares will be paid monthly non-cumulative distributions in the amount of $0.125 per Class A share. No distributions will be paid on the Class A shares if (i) the distributions payable on the Preferred shares are in arrears, or (ii) in respect of a cash distribution by the Company, the NAV per share would be less than $15.00. Such distributions may consist of ordinary dividends, capital gains dividends or returns of capital. Under the Company's distribution reinvestment plan, Class A shareholders may elect to automatically reinvest monthly distributions in additional Class A shares.

For the period from February 22, 2024 to December, 2024, the Company had declared accrued distributions of $0.64198 per Preferred share and cash distributions of $1.25000 per Class A share.

10. Related-Party Transactions

MANAGEMENT FEES

The Company pays the Manager an annual management fee to cover management expenses. Management fees are unique to the Company and are subject to applicable taxes. The management fee of 0.75% is calculated and accrued daily and is paid on the last business day of each month based on the daily NAV of the Company. Net Asset Value of the Company is the aggregate value of the Company's assets less the aggregate value of the Company's liabilities. For this purposes, Preferred shares are not treated as a liability of the Company.

11. Operating Expenses and Sales Charges

The Company pays its own operating expenses, other than marketing costs and costs of dealer compensation programs, which are paid by the Manager. Operating expenses include, but are not limited to, audit, legal, safekeeping, custodial, fund administration expenses, preparation costs of financial statements and other reports to investors and Independent Review Committee ("IRC") member fees and expenses. Operating expenses and other costs of a Company are subject to applicable taxes. Each series of the Company is responsible for its proportionate share of operating expenses of the Corporation in addition to the expenses that the Company alone incurs.

At its sole discretion, the Manager may waive or absorb a portion of the operating expenses of the Company. Amounts waived or absorbed by the Manager are reported in the Statement of Comprehensive Income (Loss). Waivers or absorptions can be terminated at any time without notice.

12. Sharing Arrangements

In addition to paying for the cost of brokerage services in respect of securities transactions, commissions paid to certain brokers may also cover research services provided to the portfolio manager. Sharing arrangements for the Company are disclosed in the *Notes to Financial Statements – Company Specific Information* of the Company, if applicable.

13. Independent Review Committee

In accordance with National Instrument 81-107*, Independent Review Committee for Investment Funds*, the Manager has established an IRC for the Company. The mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager is subject when managing the Company. The IRC reports annually to shareholders of the Company on its activities, and the annual report is available on and after March 31 in each year. The Manager charges compensation paid to the IRC members and the costs of the ongoing administration of the IRC to the Company. These amounts are shown in the Statement of Comprehensive Income (Loss).

14. Subsequent Events

SHARE SPLIT AND PRIVATE PLACEMENT

On January 8, 2025, the Company announced its intention to effect a stock split of its Class A shares (the "Share Split") as well as a concurrent private placement of its preferred shares (the "Private Placement"). On February 4, 2025, the Company completed the Private Placement for aggregate gross proceeds of approximately $2.5 million. Pursuant to the Private Placement, 235,000 preferred shares were offered to investors at a price of $10.65 per preferred share.

The Share Split was effected at the close of business on February 4, 2025. Following the Share Split, approximately 1,795,547 Class A shares and 1,796,353 preferred shares were outstanding. DBRS has confirmed that the rating of the preferred shares will continue to be Pfd-3 (high) following the completion of the Share Split.

SUBSEQUENT REDEMPTION

In connection with a non-concurrent retraction of 4,200 Class A shares surrendered and retracted as at December 30, 2024, a corresponding cancellation of 4,200 Preferred shares was effected by the Company on January 20, 2025.

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