Financial Statements of

ALITIS STRATEGIC INCOME POOL
ALITIS INCOME AND GROWTH POOL
ALITIS GROWTH POOL

And Independent Auditor's Report thereon

Year ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Alitis Strategic Income Pool, Alitis Income and Growth Pool and Alitis Growth Pool

Opinion

We have audited the accompanying financial statements for each of Alitis Strategic Income Pool, Alitis Income and Growth Pool and Alitis Growth Pool (the "Entities"), which comprise the statement of financial position as at December 31, 2024 , the statements of comprehensive income (loss), changes in net assets attributable to holders of redeemable units and cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies (hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entities as at December 31, 2024 and their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

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 auditor's report.

We are independent of the Entities 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 in our audit is sufficient and appropriate to provide a basis for our opinion.

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 IFRS Accounting Standards as issued by the International Accounting Standards Board, 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 Entities' 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 Entities or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entities' 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 the 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 Entities' 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 Entities' 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 Entities 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.
- 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.

KPMG LLP

Chartered Professional Accountants

Winnipeg, Canada

April 14, 2025

ALITIS STRATEGIC INCOME POOL

Statement of Financial Position

As at December 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Investments	$ 19,421,374	$ 20,609,887
Future contracts	–	24,895
Interest and dividends receivable	19,611	43,063
Subscriptions receivable	104,679	20,235
	$ 19,545,664	$ 20,698,080
Liabilities		
Future contracts	$ 25,077	$ –
Bank indebtedness	631,811	370,663
Accounts payable and accrued liabilities	40,395	41,240
Redemptions payable	41,079	–
Management fees payable (note 5)	9,423	12,166
	747,785	424,069
Net assets attributable to holders of redeemable units	$ 18,797,879	$ 20,274,011
Net assets attributable to holders of redeemable units per class:		
Class D	$ 7,728,323	$ 7,554,876
Class E	11,069,556	12,719,135
	$ 18,797,879	$ 20,274,011
Number of units outstanding (note 6):		
Class D	768,455	725,785
Class E	1,120,240	1,243,362
Net assets attributable to holders of redeemable units per unit:		
Class D	$ 10.06	$ 10.41
Class E	9.88	10.23

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

Approved on behalf of the Trust, ______________________ Manager
Alitis Investment Counsel Inc.

ALITIS STRATEGIC INCOME POOL

Statement of Comprehensive Income (Loss)

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Income:		
Interest income for distribution purposes	$ 807,948	$ 842,845
Dividends	45,298	40,760
Net change in fair value on financial assets at fair value through profit or loss:		
Net realized loss on sale of investments, including foreign exchange adjustments	(170,033)	(252,440)
Net change in unrealized appreciation (depreciation) in value of investments	(542,685)	537,072
	140,528	1,168,237
Expenses:		
Management fees (note 5)	113,725	120,103
Fund administration fees	64,080	64,927
Operating costs	46,725	49,479
Audit fees	14,728	15,109
Withholding tax	6,795	6,114
Custodian fees	2,520	2,520
Commissions and other portfolio transaction costs	251	609
	248,824	258,861
Increase (decrease) in net assets attributable to holders of redeemable units	$ (108,296)	$ 909,376
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class D	$ (1,478)	$ 378,541
Class E	(106,818)	530,835
	$ (108,296)	$ 909,376
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class D	$ –	$ 0.51
Class E	(0.09)	0.42

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

ALITIS STRATEGIC INCOME POOL

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

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Net assets attributable to holders of redeemable units, beginning of year:		
Class D	$ 7,554,876	$ 7,497,662
Class E	12,719,135	13,538,368
	20,274,011	21,036,030
Increase (decrease) in net assets attributable to holders of redeemable units:		
Class D	(1,478)	378,541
Class E	(106,818)	530,835
	(108,296)	909,376
Capital transactions:		
Proceeds from redeemable units issued:		
Class D	1,689,291	706,831
Class E	895,851	1,265,670
	2,585,142	1,972,501
Redemption of redeemable units:		
Class D	(1,514,366)	(1,028,158)
Class E	(2,438,612)	(2,615,738)
	(3,952,978)	(3,643,896)
Distribution to unitholders of redeemable units:		
Class D	(261,380)	(205,009)
Class E	(299,902)	(217,845)
	(561,282)	(422,854)
Reinvestment of distributions to holders of redeemable units:		
Class D	261,380	205,009
Class E	299,902	217,845
	561,282	422,854
Net assets attributable to holders of redeemable units, end of year:		
Class D	7,728,323	7,554,876
Class E	11,069,556	12,719,135
	$ 18,797,879	$ 20,274,011

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

ALITIS STRATEGIC INCOME POOL

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash flow from (used in) operating activities:		
Increase (decrease) in net assets attributable to holders of redeemable units, for the year	$ (108,296)	$ 909,376
Adjustments for non-cash items:		
Commissions and other portfolio transaction costs	251	609
Net realized loss on sales of investments, including foreign exchange adjustments	170,033	252,440
Net change in unrealized depreciation (appreciation) in value of investments	542,685	(537,072)
Change in non-cash balances:		
Interest and dividends receivable	23,452	8,031
Accounts payable and accrued liabilities	(845)	2,567
Management fees payable	(2743)	3,158
Due to broker	–	(851)
Proceeds from sale of investments	4,656,682	3,904,634
Purchase of investments	(4,137,187)	(2,329,985)
Net cash flow from operating activities	1,144,032	2,212,907
Cash flow from (used in) financing activities:		
Proceeds from issuances of redeemable units	2,500,698	1,992,301
Amount paid on redemption of redeemable units	(3,911,899)	(3,669,896)
Net cash flow used in financing activities	(1,411,201)	(1,677,595)
Increase (decrease) in cash during the year	(267,169)	535,312
Foreign exchange gain (loss) on cash	6,021	(11,836)
Bank indebtedness, beginning of year	(370,663)	(894,139)
Bank indebtedness, end of year	$ (631,811)	$ (370,663)
Supplemental information*:		
Interest paid	$ 23,545	$ 25,901
Interest and dividends received	869,902	885,523

*Included as part of “cash flow from operating activities”.

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

ALITIS STRATEGIC INCOME POOL
Schedule of Investment Portfolio

December 31, 2024

Number of shares/units	Investments owned		Average cost		Fair value	% of net assets
Canadian alternative fixed income:						
38,232	RP Debt Opportunities Fund Trust Series FA Lead	$	460,031	$	695,556	3.70
67,929	YTM Capital Credit Opportunities Fund – Class F JUL -15 Consolidated		694,425		710,224	3.78
68,025	YTM Capital Fixed Income Alternative Fund Series F		702,933		721,204	3.84
			1,857,389		2,126,984	11.32
Canadian bonds:						
107,300	BMO Long Provincial Bond Index ETF		1,360,084		1,350,907	7.19
70,920	BMO Mid Provincial Bond Index ETF		1,029,519		990,752	5.27
104,529	Edgepoint Monthly Income Portfolio		978,576		997,405	5.31
38,120	iShares Core Canadian Universe Bond Index ETF		1,116,509		1,082,036	5.76
62,744	Leith Wheeler Corporate Fixed Income Fund		603,047		612,053	3.26
270,168	PH&N Bond Fund Series O		2,832,784		2,519,367	13.40
137,518	PH&N High Yield Bond Fund Series O		1,547,395		1,531,722	8.15
			9,467,914		9,084,242	48.34
Canadian private debt:						
14,822	Bridging Income Fund LP		1,475,333		427,849	2.28
2,861	Crown Capital Partner Funding LP		555,887		118,445	0.63
62,009	Espresso Venture Debt Trust Class F30 - 2024 Series 5		620,088		619,967	3.30
115,708	Ninepoint Canadian Senior Debt Fund Class S		1,253,475		1,165,026	6.20
98,708	The Next Edge Private Debt Fund - Class F1 (NEC452)		813,603		783,334	4.17
6,351	The Next Edge Private Debt Fund - Class F2 Final		63,509		63,508	0.37
18,077	The Next Edge RCM Private Yield Fund - Class D		127,548		76,581	0.41
			4,909,443		3,254,710	17.33
Global bonds:						
91,394	Mackenzie Unconstrained Fixed Income Fund Class - F		788,815		796,097	4.24
73,128	RP Alternative Global Bond Fund Class F		722,168		718,207	3.82
121,072	RP Strategic Income Plus Fund Class F		1,246,520		1,242,790	6.61
			2,757,503		2,757,094	14.67
U.S. bonds:						
46,430	BMO Mid-Term US IG Corporate Bond Hedged to CAD Index ETF		694,187		578,518	3.08
11,650	Vanguard Total Bond Market ETF		1,095,475		1,204,477	6.41
			1,789,662		1,782,995	9.49
U.S. private debt:						
28,889	KiWi Private Credit Fund LP Class I		365,635		415,349	2.21
Total investments owned			21,147,546		19,421,374	103.36
Commissions and other portfolio transaction costs			(1,039)		–	–
Net investments owned		$	21,146,507		19,421,374	103.36
Unrealized loss, U.S. futures currency contracts, notional amount $1,700,000, matures March 18, 2025, average contract rate of 0.708					(25,077)	(0.13)
Other liabilities, net					(598,418)	(3.23)
Net assets attributable to holders of redeemable units				$	18,797,879	100.00

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

ALITIS INCOME AND GROWTH POOL

Statement of Financial Position

As at December 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Investments	$ 173,918,800	$ 167,078,958
Future contracts	–	141,672
Interest and dividends receivable	247,879	349,524
Subscriptions receivable	998,807	467,238
Fee rebate - investments owned	2,038	2,038
Prepaid expenses	19,135	168
	$ 175,186,659	$ 168,039,598
Liabilities		
Future contracts	$ 82,394	$ –
Bank indebtedness	6,183,644	1,154,853
Accounts payable and accrued liabilities	63,981	59,160
Management fees payable (note 5)	132,581	145,006
Distributions payable	4,758	6,176
Redemptions payable	244,230	4,905
Loans payable to investee, non-interest bearing	–	6,026,754
	6,711,588	7,396,854
Net assets attributable to holders of redeemable units	$ 168,475,071	$ 160,642,744
Net assets attributable to holders of redeemable units per class:		
Class D	$ 53,699,538	$ 49,943,157
Class E	114,775,533	110,699,587
	$ 168,475,071	$ 160,642,744
Number of units outstanding (note 6):		
Class D	4,052,336	3,984,461
Class E	8,833,969	8,951,231
Net assets attributable to holders of redeemable units per unit:		
Class D	$ 13.25	$ 12.53
Class E	12.99	12.37

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

Approved on behalf of the Trust, ______________________ Manager
Alitis Investment Counsel Inc.

ALITIS INCOME AND GROWTH POOL

Statement of Comprehensive Income

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Income:		
Interest income for distribution purposes	$ 7,186,926	$ 5,276,956
Dividends	581,565	638,189
Fee rebate - investments owned	3,167	24,172
Net realized gain on sale of investments, including foreign exchange adjustments	2,089,355	2,808,276
Net change in unrealized appreciation in value of investments	2,206,600	6,272,178
Other income	–	1,021
	12,067,613	15,020,792
Expenses:		
Management fees (note 5)	1,482,683	1,391,357
Operating costs	209,257	209,721
Fund administration fees	154,469	162,361
Withholding tax	84,122	64,894
Legal fees	33,260	–
Audit fees	14,728	15,109
Custodian fees	6,484	2,520
Commissions and other portfolio transaction costs	2,520	4,851
	1,987,523	1,850,813
Increase in net assets attributable to holders of redeemable units	$ 10,080,090	$ 13,169,979
Increase in net assets attributable to holders of redeemable units per class:		
Class D	$ 3,581,774	$ 4,528,513
Class E	6,498,316	8,641,466
	$ 10,080,090	$ 13,169,979
Increase in net assets attributable to holders of redeemable units per unit		
Class D	$ 0.90	$ 1.15
Class E	0.73	0.98

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

ALITIS INCOME AND GROWTH POOL

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

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Net assets attributable to holders of redeemable units, beginning of year:		
Class D	$ 49,943,157	$ 46,440,365
Class E	110,699,587	104,380,278
	160,642,744	150,820,643
Increase in net assets attributable to holders of redeemable units:		
Class D	3,581,774	4,528,513
Class E	6,498,316	8,641,466
	10,080,090	13,169,979
Capital transactions:		
Proceeds from redeemable units issued:		
Class D	11,560,274	6,153,316
Class E	15,053,356	13,151,416
	26,613,630	19,304,732
Redemption of redeemable units:		
Class D	(11,385,667)	(7,179,037)
Class E	(17,474,969)	(15,471,094)
	(28,860,636)	(22,650,131)
Distribution to unitholders of redeemable units:		
Class D	(737,876)	(1,971,274)
Class E	(889,622)	(2,974,268)
	(1,627,498)	(4,945,542)
Reinvestments of distributions to holders of redeemable units:		
Class D	737,876	1,971,274
Class E	888,865	2,971,789
	1,626,741	4,943,063
Net assets attributable to holders of redeemable units, end of year:		
Class D	53,699,538	49,943,157
Class E	114,775,533	110,699,587
	$ 168,475,071	$ 160,642,744

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

ALITIS INCOME AND GROWTH POOL

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash flow from (used in) operating activities:		
Increase in net assets attributable to holders of redeemable units for the year	$ 10,080,090	$ 13,169,979
Adjustments for non-cash items:		
Commissions and other portfolio transaction costs	6,484	4,851
Net realized gain on sale of investments, including foreign exchange adjustments	(2,089,355)	(2,808,276)
Net change in unrealized appreciation in value of investments	(2,206,600)	(6,272,178)
Change in non-cash balances:		
Interest and dividends receivable	101,645	(48,628)
Prepaid expenses	(18,967)	13,584
Accounts payable and accrued liabilities	4,821	7,310
Management fees payable	(12,425)	9,940
Distributions payable	(1,418)	1,229
Loans payable	(6,026,754)	1,279,067
Proceeds from sale of investments	22,976,133	24,418,384
Purchase of investments	(25,275,850)	(28,564,714)
Net cash flow from (used in) operating activities	(2,462,196)	1,210,548
Cash flow from (used in) financing activities:		
Proceeds from issuances of redeemable units	26,082,061	19,306,732
Amount paid on redemption of redeemable units	(28,621,311)	(22,703,226)
Distributions paid to holders of redeemable units, net of reinvested distributions	(757)	(2,479)
Net cash flow used in financing activities	(2,540,007)	(3,398,973)
Decrease in cash during the year	(5,002,203)	(2,188,425)
Foreign exchange gain (loss) on cash	(26,588)	32,835
Cash (bank indebtedness), beginning of year	(1,154,853)	1,000,737
Cash (bank indebtedness), end of year	$ (6,183,644)	$ (1,154,853)
Supplemental information*:		
Interest paid	$ 141,664	$ 161,263
Interest and dividends received	7,786,015	5,801,622

*Included as part of “cash flow from operating activities”.

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

ALITIS INCOME AND GROWTH POOL

Schedule of Investment Portfolio

December 31, 2024

Number of shares/units par value	Investments owned	Average cost	Fair value	% of net assets
Canadian Alternative fixed income:				
97,842	RP Debt Opportunities Fund Trust Series FA Lead	$ 1,212,031	$ 1,780,052	1.06
164,929	YTM Capital Credit Opportunities Fund - Class F JUL-15 Consolidated	1,682,199	1,724,381	1.02
172,020	YTM Capital Fixed Income Alternative Fund Series F	1,774,663	1,823,748	1.08
		4,668,893	5,328,181	3.16
Canadian bonds:				
286,000	BMO Long Provincial Bond Index ETF	3,602,495	3,600,740	2.14
178,810	BMO Mid Provincial Bond Index ETF	2,530,207	2,497,976	1.48
265,153	Edgepoint Monthly Income Portfolio	2,488,684	2,530,068	1.50
97,060	iShares Core Canadian Universe Bond Index ETF	2,768,420	2,755,048	1.64
160,889	Leith Wheeler Corporate Fixed Income Fund	1,514,849	1,569,438	0.93
716,247	PH&N Bond Fund Series O	7,025,718	6,679,151	3.96
370,823	PH&N High Yield Bond Fund Series O	4,066,529	4,130,339	2.45
		23,996,902	23,762,760	14.10
Canadian equities:				
22,025	iShares S&P/TSX 60 Index ETF	605,489	825,277	0.49
Canadian Mortgage:				
80,000	Atrium Mortgage Investment Corp.	846,027	872,800	0.52
.3,000,000	Cambridge Mortgage Investment Corporation Class B	3,000,000	3,000,000	1.78
373,640	Cameron Stephens High Yield Mortgage Trust	3,734,998	3,684,093	2.19
100,000	CMCC High Yield Mortgage Investment Corporation Class A	1,000,000	1,000,000	0.59
3,500,000	KingSett Senior Mortgage Fund LP	3,500,000	3,500,000	2.08
240,000	KV Mortgage Fund Inc.	2,400,000	2,400,000	1.42
3,500,000	Neighbourhood Holdings Income Trust I Series - F	3,500,007	3,500,000	2.08
313,500	Timbercreek Financial Corp.	2,548,882	2,216,445	1.32
		20,529,914	20,173,338	11.98
Canadian private debt:				
200,000	Anthem 585 Austin Developments GP 5% 29OCT2026	200,000	200,000	0.12
37,970	Bridging Income Fund LP	3,779,381	1,096,020	0.65
3,766	Crown Capital Partner Funding LP	731,728	155,912	0.09
111,616	Espresso Venture Debt Trust Class F30 - 2024 Series 5	1,103,171	1,115,941	0.66
203,005	Ninepoint Canadian Senior Debt Fund Class S	2,244,545	2,043,993	1.21
191,666	The Next Edge Private Debt Fund - Class F1 (NEC452)	1,579,179	1,521,041	0.90
12,332	The Next Edge Private Debt Fund - Class F2 Final	123,318	123,318	0.07
31,587	The Next Edge RCM Private Yield Fund – Class D	222,869	133,812	0.08
		9,984,191	6,390,037	3.78
Canadian private equity:				
1,300,000	CAI Capital Partners VI Limited Partnership	1,048,660	1,582,061	0.94

ALITIS INCOME AND GROWTH POOL
Schedule of Investment Portfolio (continued)

December 31, 2024

Number of shares/units par value	Investments owned	Average cost	Fair value	% of net assets
Canadian Real Estate:				
2,300,000	898 Klahanie Development LP	$ 2,300,000	$ 2,576,251	1.53
511	Anthem 6075 Wilson Developments LP Series 2	–	214,543	0.13
1,850	Anthem Calgary Core Industrial Investments 2022 LP	1,501,939	2,006,374	1.19
2,400	Anthem Class A Investment LP	2,400,000	3,455,807	2.05
1,000,000	Anthem Coyote Creek Developments LP	59,464	87,668	0.05
511	Anthem Metro Vancouver High-Rise Development Fund LP - Class B	511,000	605,257	0.36
1000	Anthem Steveston Development Limited Partnership	–	61,681	0.04
750	Anthem West Clayton Developments Limited Partnership	–	14,167	0.01
60	CMCC Capital Fund V Limited Partnership	1,305,000	1,648,760	0.98
219,953	Dream Impact Trust	5,209,907	833,622	0.49
30	Empire (Grand Niagara) Project LP Class B	3,000,000	3,625,973	2.15
1,250,000	Ironclad Developments Allure LP Class A-2	1,010,412	1,528,506	0.91
1,389,500	Ironclad Developments Aurora LP Class A-2	–	22,852	0.01
3,273,550	Ironclad Developments Bishop Grandin LP Class A-2	3,053,235	4,136,145	2.46
35	Ironclad Developments Bishop Grandin LP Class B	1,371,306	1,707,203	1.01
2,300,000	Ironclad Developments Bridgewater LP Class A-2	901,178	2,191,819	1.30
10	Ironclad Developments Bridgewater LP Class B	1,008,315	1,437,449	0.85
55	Ironclad Developments Bridgewater LP Class B-2	3,507,569	6,949,775	4.13
1,700,000	Ironclad Developments Costin & Carlow LP Class A-2	–	105,233	0.06
2,362,500	Ironclad Developments Eagleson LP Class A	–	158,321	0.09
4,062,500	Ironclad Developments Elliot Limited Partnership Class A	–	56,034	0.03
4,977,000	Ironclad Developments Goldstream LP Class A	–	40,004	0.02
1,409,091	Ironclad Developments Jubilee LP Class A-2	25,801	151,419	0.09
10	Ironclad Developments Jubilee LP Class B	507,291	119,788	0.07
969,456	Ironclad Developments Main & Benn LP Class A-2	–	27,647	0.02
3,300,000	Ironclad Developments Pembina LP Class A	21,739	2,198,508	1.30
50	Ironclad Developments Pembina LP Class B-2	4,558,918	9,352,715	5.55
1,700,000	Ironclad Developments Tenth Line LP Class A-2	1,210,679	2,964,377	1.76
14	Ironclad Developments Treanor LP Class B-1	897,916	1,459,686	0.87
2,000,000	Ironclad Developments Treanor LP Class A-2	–	1,700,140	1.01
1,931	Kingsett Canadian Real Estate Income Fund LP	2,232,895	1,706,106	1.01
35,000	Starlight Canadian Residential Growth Fund II – Class C	3,088,424	4,536,443	2.69
30,000	Starlight Canadian Residential Growth Fund III – Class F	2,913,750	3,339,877	1.98
247	The Mercury Block Limited Partnership Class E	3,513,246	3,883,414	2.31
		46,109,984	64,903,564	38.51
Global bonds:				
230,851	Mackenzie Unconstrained Fixed Income Fund Class -F	1,992,998	2,010,852	1.19
180,249	RP Alternative Global Bond Fund Class F	1,737,308	1,770,261	1.05
325,527	RP Strategic Income Plus Fund Class F	3,330,713	3,341,502	1.98
		7,061,019	7,122,615	4.22
Global equities:				
154,926	Canoe Defensive Global Equity Fund	3,084,312	4,650,264	2.76
76,429	Dynamic Global Discovery Fund – Series F	3,919,984	4,507,182	2.68
121,307	Edgepoint Global Portfolio Series F(N) Non Hst	3,627,819	4,385,982	2.60
		10,632,115	13,543,428	8.04
Global Infrastructure:				
200	Eaglecrest Infrastructure Canada LP	1,930,095	2,035,150	1.21
Global mortgage:				
3,250,000	Timbercreek Ireland Private Debt II 11% 13MAR2030	4,803,074	4,840,030	2.87

ALITIS INCOME AND GROWTH POOL

Schedule of Investment Portfolio (continued)

December 31, 2024

Number of shares/units par value	Investments owned		Average cost	Fair value	% of net assets
Asia-Pacific equities:					
30,700	iShares MSCI Australia ETF	$	943,444	$ 1,053,155	0.63
41,775	iShares MSCI Hong Kong ETF		1,040,110	1,000,633	0.59
11,900	iShares MSCI Japan ETF		971,792	1,148,029	0.68
10,875	iShares MSCI South Korea Capped ETF		957,974	795,692	0.47
			3,913,320	3,997,509	2.37
European equities:					
18,575	iShares MSCI Germany ETF		734,330	849,791	0.50
43,875	iShares MSCI Poland Capped ETF		1,400,623	1,316,506	0.78
18,850	iShares MSCI Sweden ETF		990,437	1,011,702	0.60
17,125	iShares MSCI United Kingdom ETF		732,628	834,668	0.50
			3,858,018	4,012,667	2.38
Global private equity:					
10,776	Overbay Fund XIV LP		322,497	927,565	0.55
8,501	Unigestion Global Core Private Equity Fund LP		1,502,849	2,046,169	1.21
			1,825,346	2,973,734	1.76
Latin America equities:					
58,400	iShares MSCI Brazil ETF		2,335,309	1,890,043	1.12
11,750	iShares MSCI Mexico Capped ETF		882,721	790,957	0.47
			3,218,030	2,681,000	1.59
U.S. bonds:					
119,890	BMO Mid-Term US IG Corporate Bond Hedged to CAD Index ETF		1,674,589	1,493,829	0.89
29,690	Vanguard Total Bond Market ETF		2,773,701	3,069,608	1.82
			4,448,290	4,563,437	2.71
U.S. mortgage:					
3,557	Timbercreek Real Estate Finance US LP		4,426,817	4,081,083	2.42
U.S. private debt:					
76,712	KiWi Private Credit Fund LP Class I		962,398	1,102,929	0.65
Total investments owned			154,022,555	173,918,800	103.18
Commissions and other portfolio transaction costs			(20,135)	–	–
Net investments owned		$	154,002,420	173,918,800	103.18
Unrealized loss, European future and U.S currency contracts, notional amount $2,500,000 and $5,600,000, mature March 17, 2025 and March 18, 2025, contract rate 1.490 and 0.708, respectively				(82,394)	(0.05)
Other liabilities, net				(5,361,335)	(3.13)
Net assets attributable to holders of redeemable units				$ 168,475,071	100.00

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

ALITIS GROWTH POOL

Statement of Financial Position

As at December 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Investments	$ 24,516,272	$ 23,350,568
Cash	2,884,072	3,471,496
Interest and dividends receivable	1,517	1,516
Subscriptions receivable	90,186	4,570
Other assets	–	333
Prepaid expenses	2,443	879
	$ 27,494,490	$ 26,829,362
Liabilities		
Accounts payable and accrued liabilities	$ 38,248	$ 34,959
Management fees payable (note 5)	17,898	20,059
Redemptions payable	20,043	62,147
Distributions payable	30	92
	76,219	117,257
Net assets attributable to holders of redeemable units	$ 27,418,271	$ 26,712,105
Net assets attributable to holders of redeemable units per class:		
Class D	$ 12,630,761	$ 12,166,926
Class E	14,787,510	14,545,179
	$ 27,418,271	$ 26,712,105
Number of units outstanding (note 6):		
Class D	895,228	907,585
Class E	1,128,215	1,167,899
Net assets attributable to holders of redeemable units per unit:		
Class D	$ 14.11	$ 13.41
Class E	13.11	12.45

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

Approved on behalf of the Trust, ______________________ Manager
Alitis Investment Counsel Inc.

ALITIS GROWTH POOL

Statement of Comprehensive Income

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Income:		
Interest income for distribution purposes	$ 157,404	$ 244,111
Dividends	396,075	386,876
Net realized gain (loss) on sale of investments, including foreign exchange adjustments	1,197,728	(11,663)
Net change in unrealized appreciation in value of investments	833,363	1,631,843
	2,584,570	2,251,167
Expenses:		
Management fees (note 5)	207,577	194,890
Fund administration fees	72,235	67,650
Withholding tax	53,322	38,498
Audit fees	14,728	15,109
Commissions and other portfolio transaction costs	4,550	4,826
Custodian fees	2,520	2,520
Operating costs	885	604
	355,817	324,097
Increase in net assets attributable to holders of redeemable units	$ 2,228,753	$ 1,927,070
Increase in net assets attributable to holders of redeemable units per class:		
Class D	$ 1,093,804	$ 976,532
Class E	1,134,949	950,538
	$ 2,228,753	$ 1,927,070
Increase in net assets attributable to holders of redeemable units per unit:		
Class D	$ 1.25	$ 1.07
Class E	0.98	0.81

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

ALITIS GROWTH POOL

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

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Net assets attributable to holders of redeemable units, beginning of year:		
Class D	$ 12,166,926	$ 12,011,896
Class E	14,545,179	13,373,816
	26,712,105	25,385,712
Increase in net assets attributable to holders of redeemable units:		
Class D	1,093,804	976,532
Class E	1,134,949	950,538
	2,228,753	1,927,070
Capital transactions:		
Proceeds from redeemable units issued:		
Class D	1,458,028	872,970
Class E	1,565,203	1,793,087
	3,023,231	2,666,057
Redemption of redeemable units:		
Class D	(2,087,997)	(1,694,472)
Class E	(2,457,780)	(1,572,170)
	(4,545,777)	(3,266,642)
Distribution to unitholders of redeemable units:		
Class D	(463,953)	(226,936)
Class E	(350,028)	(81,547)
	(813,981)	(308,483)
Reinvestments of distributions to holders of redeemable units:		
Class D	463,953	226,936
Class E	349,987	81,455
	813,940	308,391
Net assets attributable to holders of redeemable units, end of year:		
Class D	12,630,761	12,166,926
Class E	14,787,510	14,545,179
	$ 27,418,271	$ 26,712,105

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

ALITIS GROWTH POOL

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash flow from (used in) operating activities:		
Increase in net assets attributable to holders of redeemable units, for the year	$ 2,228,753	$ 1,927,070
Adjustments for non-cash items:		
Commissions and other portfolio transaction costs	4,217	3,574
Net realized loss (gain) on sale of investments, including foreign exchange adjustments	(1,197,728)	11,663
Net change in unrealized appreciation in value of investments	(833,363)	(1,631,843)
Change in non-cash balances:		
Interest and dividends receivable	(1)	2,296
Other assets	333	1,252
Prepaid expenses	(1,564)	2,499
Accounts payable and accrued liabilities	3,289	2,772
Management fees payable	(2,161)	1,921
Distributions payable	(62)	92
Proceeds from sale of investments	9,733,824	6,111,784
Purchase of investments	(8,867,167)	(6,688,920)
Net cash flow from (used in) operating activities	1,068,370	(255,840)
Cash flow from (used in) financing activities:		
Proceeds from issuances of redeemable units	2,937,615	2,743,725
Amount paid on redemption of redeemable units	(4,587,881)	(3,204,495)
Distributions paid to holders of redeemable units, net of reinvested distributions	(41)	(92)
Net cash flow used in financing activities	(1,650,307)	(460,862)
Decrease in cash during the year	(581,937)	(716,702)
Foreign exchange gain (loss) on cash	(5,487)	11,660
Cash, beginning of year	3,471,496	4,176,538
Cash, end of year	$ 2,884,072	$ 3,471,496
Supplemental information*:		
Interest paid	$ 882	$ 609
Interest and dividends received	500,157	597,816

*Included as part of “cash flow from operating activities”.

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

ALITIS GROWTH POOL

Schedule of Investment Portfolio

December 31, 2024

Number of shares/units par value	Investments owned	Average cost	Fair value	% of net assets
Canadian equities:				
16,450	iShares S&P/TSX 60 Index ETF	$ 463,615	$ 616,382	2.25
Canadian private debt:				
120,000	Anthem 585 Austin Developments GP LTD. 5% 29OCT2026	120,000	119,999	0.44
Canadian private equity:				
1,000,000	CAI Capital Partners VI Limited Partnership	806,661	1,217,000	4.44
Canadian Real Estate:				
256	Anthem 6075 Wilson Developments LP Series 2	–	107,481	0.39
300	Anthem Chesterfield Developments Limited Partnership	–	2,231	0.01
256	Anthem Metro Vancouver High-Rise Development Fund LP - Class B	256,000	303,221	1.11
250	Anthem West Clayton Developments Limited Partnership	–	4,722	0.02
1,200,000	Ironclad Developments Pembina Limited Partnership - Class A	–	799,457	2.92
		256,000	1,217,112	4.45
Global equities:				
94,767	Canoe Defensive Global Equity Fund	1,845,877	2,844,540	10.37
46,732	Dynamic Global Discovery Fund – Series F	2,373,635	2,755,861	10.05
74,174	Edgepoint Global Portfolio Series F (N) Non Hst	2,198,609	2,681,829	9.78
6,175	iShares MSCI World ETF	1,400,540	1,380,546	5.04
		7,818,661	9,662,776	35.24
Global Infrastructure:				
150	Eaglecrest Infrastructure Canada LP	1,447,571	1,526,363	5.57
Asia-Pacific equities:				
23,475	iShares MSCI Australia ETF	720,756	805,303	2.94
32,050	iShares MSCI Hong Kong ETF	797,512	767,691	2.80
9,100	iShares MSCI Japan ETF	750,722	877,905	3.20
7,950	iShares MSCI South Korea Capped ETF	702,942	581,678	2.12
		2,971,932	3,032,577	11.06
European equities:				
13,575	iShares MSCI Germany ETF	534,215	621,045	2.27
33,125	iShares MSCI Poland Capped ETF	1,058,138	993,944	3.63
13,775	iShares MSCI Sweden ETF	727,107	739,321	2.70
12,700	iShares MSCI United Kingdom ETF	535,576	618,995	2.26
		2,855,036	2,973,305	10.86
Global private equity:				
7,739	Overbay Fund XIV LP	219,148	666,160	2.43
6,072	Unigestion Global Core Private Equity Fund LP	1,073,793	1,461,550	5.33
		1,292,941	2,127,710	7.76

ALITIS GROWTH POOL
Schedule of Investment Portfolio

December 31, 2024

Number of shares/units par value	Investments owned		Average cost		Fair value	% of net assets
Latin America equities:						
44,050	iShares MSCI Brazil ETF	$	1,755,974	$	1,425,623	5.20
8,875	iShares MSCI Mexico Capped ETF		666,577		597,425	2.18
			2,422,551		2,023,048	7.38
Total investments owned			20,454,968		24,516,272	89.45
Commissions and other portfolio transaction costs			(5,355)		–	–
Net investments owned		$	20,449,613		24,516,272	89.45
Other net assets					2,901,999	10.55
Net assets attributable to holders of redeemable units				$	27,418,271	100.00

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

1. Pool organization and nature of operations:

Alitis Strategic Income Pool, Alitis Income and Growth Pool, and Alitis Growth Pool (the "Pools" or the "Pool") are open-ended investment trusts established under the laws of the Province of British Columbia pursuant to a Trust Indenture dated September 24, 2009 (the "Trust Agreement"). Alitis Investment Counsel Inc. (the "Manager"), a corporation incorporated under the laws of the Province of British Columbia, is the manager of the Pools pursuant to a management agreement dated September 24, 2009 (the "Management Agreement"). The Manager is responsible for managing the overall business of the Pools as well as investing each Pool's assets. The Manager has appointed BNY Trust Company of Canada (the "Trustee") to act as the Trustee of the Pools pursuant to the Declaration of Trust dated September 24, 2009. The Pools were established September 28, 2009 and commenced operations on December 4, 2009.

The address of the Pools registered office is c/o Alitis Investment Counsel Inc., 909 Island Highway, Suite 101, Campbell River, British Columbia, V9W 2C2.

The investment objective of the Alitis Strategic Income Pool is to generate a high level of income. The underlying investments will primarily be made up of mutual funds, exchange-traded funds (ETFs), closed-end funds, hedge funds and other fund-type investments. To a lesser extent, investments may be made into individual bonds, T-bills, money market instruments, bank products, preferred shares and other individual investments.

The investment objective of the Alitis Income and Growth Pool is to generate a moderate level of income and a moderate level of capital appreciation over the long-term. The underlying investments will primarily be made up of mutual funds, ETFs, closed-end funds, hedge funds, MICs, REITs, and other fund-type investments. To a lesser extent, investments may be made into individual bonds, T-bills, money market instruments, bank products, stocks, preferred shares and other individual investments.

The investment objective of the Alitis Growth Pool is to generate a high level of capital appreciation with the potential for some income generation over the long term. The underlying investments will primarily be made up of mutual funds, ETFs, closed-end funds, hedge funds, and other fund-type investments. To a lesser extent, investments may be made into individual stocks, T-bills, money market instruments, bank products, and other individual investments.

The success of the Pools depends on the continued services of the Manager and will be influenced by a number of risk factors associated with investments in equities, options, and other instruments and the use of leverage, including derivative hedge risk, market liquidity, short sales, portfolio turnover, foreign currency exposure, foreign market exposure, and interest rate fluctuations.

2. Basis of presentation:

(a) Statement of compliance:

These annual financial statements have been prepared in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS). The Pools report under this basis of accounting as required by Canadian Accounting Standards Board.

These financial statements were authorized for issuance by the Manager on April 14, 2025.

(b) Basis of measurement:

These financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss, which are measured at fair value.

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which are the Pools' functional currency.

3. Material accounting policy information:

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

(a) Financial instruments:

(i) Classification and measurement:

Financial assets are required to be classified into one of the following categories: fair value through profit or loss (FVTPL), amortized cost or fair value through other comprehensive income (FVOCI) based on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is derivative or it is designated as such on initial recognition.

3. Material accounting policy information (continued):

(a) Financial instruments (continued):

(i) Classification and measurement (continued):

Assessment and decision on the business model approach used is an accounting judgement.

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 amount of financial instruments except for financial instruments classified as FVTPL, in which case transaction costs are expensed as incurred.

Financial instruments at FVTPL are recognized initially on the trade date, which is the date on which the Pools become a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated. The Pools derecognize a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position only when the Pools have 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. At December 31, 2024 and 2023, no amounts have been offset in the statement of financial position.

(ii) FVTPL:

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 (loss) in the year in which they occur. The Pools have classified their investments, derivative financial assets and derivative financial liabilities as FVTPL.

3. Material accounting policy information (continued):

(a) Financial instruments (continued):

(ii) FVTPL (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 Pools use 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 Pools 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 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, option pricing models and other valuation techniques 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. These valuation techniques require assumptions that are based on market conditions existing at each statement of financial position date.

Investments in private companies and other assets for which no published market exists are initially valued at cost and adjusted each reporting period, when appropriate, to reflect the most recent value at which such securities have been exchanged in an arm's length transaction which approximates a trade effected in a published market, unless a different fair market value is otherwise determined to be appropriate by the Manager.

3. Material accounting policy information (continued):

(a) Financial instruments (continued):

(ii) FVTPL (continued):

Investments in warrants that are liquid and traded on an active stock market have been measured at fair value. Warrants not on an active exchange are valued using a recognized fair value model, being the Black-Scholes Model. The Pools invest in direct real estate investments through an equity interest in a limited partnership (note 9). These real estate investments are valued at cost from the date of acquisition or initial investment until: (1) an updated valuation is received from the manager, (2) a preferred return or accrual rate is applied to the investment and is expected to be collected or (3) an internal valuation will be conducted using industry-standard approaches. Where the Manager is of the opinion that the most recent appraisal value is no longer considered to be reflective of the fair value of the property, the Manager may estimate the property's fair value until an updated appraisal is received. The Pools also invest in privately held mortgages through equity investments in corporations, operating as MICs, and similar entities. These mortgage investments are valued at their fair value according to the value prescribed in their annual audited financial statements.

Investments in underlying funds are valued at the series Net Asset Value per unit as of the valuation date. Commissions and other portfolio transaction costs do not apply to investments in underlying funds as these investments do not incur such costs.

The Pools' accounting policies for measuring the fair value of investments are consistent with those used for measuring its net asset value (Trading NAV) for transactions with unitholders.

3. Material accounting policy information (continued):

(a) Financial instruments (continued):

(iii) Amortized cost:

Financial instruments classified as amortized cost include financial assets that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest and financial liabilities not classified as FVTPL. Such financial assets and liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent measurement of these financial assets and financial liabilities is at amortized cost using the effective interest method, less any impairment losses. Interest income is recognized by applying the effective interest rate. The Pools classify cash, interest and dividends receivable, subscriptions receivable, fee rebate - investments owned, prepaid expenses, bank indebtedness, accounts payable and accrued liabilities, management fees payable, redemptions payable, distributions payable and loans payable as amortized cost. Cash includes cash on deposit with the custodian.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(iv) Impairment:

For financial assets measured at amortized cost, the Pools use an expected credit loss (ECL) impairment model. The ECL model uses an allowance for expected credit losses being recorded regardless of whether or not there has been an actual loss event.

The Pools measure the loss allowance at an amount equal to lifetime ECL for trade and other receivables. Lifetime ECL's are the ECL's that result from all possible default events over the expected life of the trade and other receivables. ECL's are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (that being the difference between the cash flows due to the Pools in accordance with the contract and the cash flows that the Pools expect to receive). ECL's are discounted at the effective interest rate of the financial asset.

3. Material accounting policy information (continued):

(a) Financial instruments (continued):

(v) Redeemable units:

The Pools classify financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Pools have multiple classes of redeemable units that do not have identical features and therefore, does not qualify as equity under International Accounting Standard (IAS) 32, Financial Instruments - presentation (IAS 32). The redeemable units, which are measured at the redemption amounts and are considered a residual amount of the net assets attributable to holders of redeemable units, provide investors with the right to require redemption, subject to available liquidity, for cash at a unit price based on the Pools' valuation policies at each redemption date.

(b) Fair value measurements:

The Pools classify fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). Investments measured at fair value are classified into one of three fair value hierarchy levels, based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The Pools recognize transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

The three fair value hierarchy levels are as follows:

Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly including inputs in markets that are not considered to be active.

Level 3 Inputs for the asset or liability that are not based on observable market data.

Refer to note 8 for fair value measurements analysis.

3. Material accounting policy information (continued):

(c) Investment transactions and income:

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

The interest for distribution purposes shown on the statement of comprehensive income (loss) represents the coupon interest received by the Pools accounted for on an accrual basis.

Realized gain/loss on sale of investments and unrealized appreciation/depreciation in investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero-coupon bonds.

(d) Income tax:

The Pools are taxed as a mutual fund trust or unit trust under the *Income Tax Act* (Canada) (the "Tax Act"), and accordingly, are not subject to tax on net taxable income for the tax year which ends in December, including net realized capital gains, which is paid or payable to its unitholders as at the end of the tax year. The Pools are required to make distributions each year of their net income and net realized capital gains, and therefore will not generally be liable for income tax. It is the intention of the Pools to distribute all of their net income and net realized capital gains on an annual basis. Accordingly, no tax provision has been recorded. The Pools may be subject to alternative minimum tax, which is potentially recoverable as applicable to unit trusts.

Non-capital losses are available to be carried forward for twenty years and applied against future taxable income. Capital losses for income tax purposes may be carried forward indefinitely and applied against future capital gains.

(e) Translation of foreign currency:

Transactions in currencies other than the Canadian dollar are translated at the rate of exchange prevailing at the transaction date. Assets and liabilities denominated in currencies other than the Canadian dollar are translated at the applicable exchange rates prevailing at the reporting date.

3. Significant accounting policies (continued):

(e) Translation of foreign currency (continued):

Foreign exchange gains/losses are presented as net realized gain (loss) on foreign exchange in the statement of comprehensive income (loss) except those arising from financial instruments at fair value through profit or loss which are recognized as a component within net realized gain (loss) on sale of investments, including foreign exchange adjustments and net change in unrealized appreciation (depreciation) in value of investments in the statement of comprehensive income (loss).

(f) Net assets attributable to holders of redeemable units per unit:

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

(g) Increase (decrease) in net assets attributable to holders of redeemable units per unit:

Increase (decrease) in net assets attributable to holders of redeemable units per unit is based on the increase (decrease) in net assets attributable to holders of redeemable units attributed to each class of units, divided by the weighted average number of units outstanding of that class during the year. Refer to note 11 for the calculation.

(h) Investment entity:

The Pools have determined that they are investment entities as defined by IFRS 10, *Consolidated Financial Statements and the Amendments to IFRS 10*, as the following conditions exist:

(i) The Pools have obtained funds from one or more investors for the purpose of providing those investors with investment management services;

(ii) The Pools have committed to its investors that its business purpose is to invest funds solely for returns from capital appreciation and investment income; and

(iii) The Pools measure and evaluate the performance of substantially all of their investments on a fair value basis.

As an investment entity, the Pools are exempted from consolidating particular subsidiaries and instead are required to measure their investments in these particular subsidiaries at fair value through profit and loss.

3. Material accounting policy information (continued):

(i) Accounting standards issued but not yet effective:

The International Accounting Standards Board (IASB) issued IFRS 18, Presentation and Disclosure in Financial Statements (IFRS 18) on April 9, 2024, which will replace IAS 1, Presentation of Financial Statements. This new standard, effective for annual periods beginning on or after January 1, 2027, aims to improve financial statement comparability and transparency by introducing a more structured statement of comprehensive income (loss). Key changes include new categories for income and expenses (operating, investing, and financing), defined subtotals like operating profit, and requirements for management-defined performance measures. It is anticipated the Pool's classification of income and expenses, particularly within the operating category, will be impacted. The Manager is assessing the implications of IFRS 18 and its impact on the Pool's financial statements and disclosures.

4. Critical accounting estimates and judgments:

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

The following discusses the most significant accounting judgments and estimates that the Pools have made in preparing the financial statements:

Classification and measurement of investments and application of the fair value option:

In classifying and measuring financial instruments held by the Pools, the Investment Manager is required to make significant judgments about whether or not the business of the Pools is to manage its portfolio of investments and evaluate performance on a fair value basis and that the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The most significant judgments made include assessing and determining the appropriate business model that enables the decision that the Pool's investments are classified as FVTPL under IFRS 9.

4. Critical accounting estimates and judgments (continued):

Fair value measurement of investments not quoted in an active market:

The Pools may, from time to time, hold financial instruments that are not quoted in active markets, such as unlisted securities, private securities or derivatives. The valuation methods for these financial instruments is described in note 3(a)(ii). The values of these securities are independently assessed by the Manager to ensure they are reasonable. However, because of the inherent uncertainty of valuation, the estimated fair value for these securities may be materially different from the values that would have been used had a ready market for the investment existed. The fair values of private securities are affected by the perceived credit risks of the issuer, predictability of cash flows and the length of time to maturity. Valuation models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty); volatilities and correlations require the Manager to make estimates. Changes in assumption about these factors could affect the reporting fair values of financial instruments.

5. Related party transactions:

Related party transactions are incurred for management and incentive allocations. Balances are unsecured, interest free and to be settled in cash.

Management fees:

Each Pool paid the Manager a monthly management fee equal to 1/12th of 1.10 percent of the Net Asset Value of the class E units up to June 30, 2022. From June 30, 2022, Alitis Strategic Income Pool, Alitis Income and Growth Pool and Alitis Growth Pool pays the Manager a monthly management fee equal to 1/12th of 0.90 percent, 1.25 percent and 1.30 percent of the Net Asset Value of the class E units, respectively. The management fee is calculated and accrued weekly, in arrears, on the last business day of each week based on each Pool's Net Asset Value on such day and is paid on the last valuation date of each month, plus applicable taxes. Management fees in respect of the class D units of each pool are charged to each individual account by the Manager.

For the year ended December 31, 2024, Alitis Strategic Income Pool incurred management fees of $113,725 (2023 - $120,103) and $9,423 (2023 - $12,166) was payable to the Manager at December 31, 2024.

For the year ended December 31, 2024, Alitis Income and Growth Pool incurred management fees of $1,482,683 (2023 - $1,391,357) and $132,581 (2023 - $145,006) was payable to the Manager at December 31, 2024.

For the year ended December 31, 2024, Alitis Growth Pool incurred management fees of $207,577 (2023 - $194,890) and $17,898 (2023 - $20,059) was payable to the Manager at December 31, 2024.

6. Net assets attributable to holder of redeemable units:

Each Pool is authorized to issue an unlimited number of redeemable units, issuable in an unlimited number of classes, each of which represents an equal, undivided, beneficial interest in the net assets attributable to holders of redeemable units of the Pools. The Pools currently offer class D, and class E units. Each unit of each class entitles the holder to vote, with one vote for each unit and to participate equally with respect to any and all distributions made by the Pools. Units of a class may be consolidated and/or redesignated by the Manager.

Units of the Pools surrendered for redemption may be redeemed weekly on the last valuation date in each week (the “Redemption Date”) by giving the Manager written notice 10 business days prior to such Redemption Date. The redemption proceeds will be equal to the Net Asset Value per unit of such Units being redeemed on the Redemption Date. Redemption of units which were purchased within the last 90 days may be subject to a short-term trading fee equal to 3 percent of the value of the units so redeemed. With units being redeemable at the option of the holder and quarterly distributions of realized income being paid, units have been classified as a liability.

The unit activity during the year ended December 31, 2024 is as follows:

2024	Alitis Strategic Income Pool	Alitis Income and Growth Pool	Alitis Growth Pool
Redeemable units, beginning of year:			
Class D	725,785	3,984,461	907,585
Class E	1,243,362	8,951,231	1,167,899
Sale of redeemable units:			
Class D	164,722	894,874	102,034
Class E	89,149	1,190,663	119,586
Redemption of redeemable units:			
Class D	(147,727)	(885,444)	(147,336)
Class E	(242,231)	(1,379,265)	(185,979)
Distribution re-invest:			
Class D	25,675	58,445	32,945
Class E	29,960	71,340	26,709
Redeemable units, end of year:			
Class D	768,455	4,052,336	895,228
Class E	1,120,240	8,833,969	1,128,215

6. Net assets attributable to holder of redeemable units (continued):

The unit activity during the year ended December 31, 2023 is as follows:

2023	Alitis Strategic Income Pool	Alitis Income and Growth Pool	Alitis Growth Pool
Redeemable units, beginning of year:			
Class D	737,371	3,907,441	953,505
Class E	1,356,013	8,902,203	1,142,387
Sale of redeemable units:			
Class D	69,287	507,439	66,769
Class E	127,093	1,097,922	148,842
Redemption of redeemable units:			
Class D	(100,947)	(590,980)	(129,809)
Class E	(261,553)	(1,293,363)	(!29,870)
Distribution re-invest:			
Class D	20,074	160,561	17,120
Class E	21,809	244,469	6,540
Redeemable units, end of year:			
Class D	725,785	3,984,461	907,585
Class E	1,243,362	8,951,231	1,167,899

Capital disclosure:

The capital of each Pool is represented by issued and redeemable units. The redeemable units are entitled to distributions, if any, and to payment of a proportionate share based on the Pool's Net Asset Value per unit upon redemption. Each Pool has no restrictions or specific capital requirements on the subscriptions and redemptions of units. The relevant movements are shown on the statement of changes in financial position. In accordance with its investment objectives and strategies, and the risk management practices outlined in note 7, the Pools endeavour to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

7. Financial instruments:

Management of financial instrument risks:

The Pools' activities expose it to a variety of financial risks: interest rate risk, foreign currency risk, price risk, credit risk, liquidity risk and capital risk.

An investment in the Pools is speculative and involves a high degree of risk due to the nature of the portfolio of investments and the strategies employed.

There can be no assurance that the investment objectives of the Pools will be achieved. Use of short sales may create special risks and substantially increase the impact of adverse price movements on the portfolio of investments.

Asset allocation is determined by the Manager who manages the distribution of the assets to achieve the investment objectives. Divergence from target asset allocations and the composition of the portfolio is monitored by the Manager.

The nature and extent of the financial instruments outstanding at the reporting date and the risk management policies employed by the Pools are discussed below.

Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

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

Foreign currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk arises from financial instruments (including cash and cash equivalents) that are denominated in a currency other than Canadian dollars, which represents the functional currency of the Pools. The Pools may enter into foreign exchange futures or forward contracts for hedging purposes to reduce their foreign currency exposure, or to establish exposure to foreign currencies.

7. Financial instruments (continued):

Foreign currency risk (continued):

The Pool may invest in financial instruments denominated in currencies other than its measurement currency.

Consequently, the Pool is exposed to risks that the exchange rate of its currency relative to other currencies may change in a manner that has an adverse effect on the value of the portion of the Pool's assets or liabilities denominated in currencies other than Canadian dollars.

Price risk:

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

Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Pools.

Where the Pools invest in debt instruments and derivatives, this represents the main concentration of credit risk. The fair value of debt instruments and derivatives includes consideration of the credit worthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the Pools.

All transactions executed by the Pools in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Liquidity risk:

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

The Pools' exposure to liquidity risk is concentrated in the periodic cash redemptions of units. The Pools primarily invest in securities that are traded in active markets and can be readily disposed of. In addition, the Pools generally retain sufficient cash and cash equivalent positions to maintain liquidity, which is maintained in the due from broker account.

7. Financial instruments (continued):

Liquidity risk (continued):

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

All investments represent a risk of loss of capital. The Manager aims to moderate this risk through careful selection and diversification of securities and other financial instruments in accordance with the Pools' investment objective and strategy.

The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Pools' overall market positions are monitored on a regular basis by the Manager. Financial instruments held by the Pools are susceptible to market price risk arising from uncertainties about future prices of the instruments.

Capital risk management:

The Manager manages the capital of the Pools in accordance with the Pools' investment objectives, policies and restrictions, as outlined in the Pools' offering memorandum, while maintaining sufficient liquidity to meet Unitholders' withdrawals. The Pools do not have externally imposed capital requirements.

Refer to note 15 for the Discussion of Financial Instrument Risk Management for each Pool for specific risk disclosure.

8. Fair value measurements:

The following table summarizes the levels within the fair value hierarchy in which the fair value measurements of the Pools' investments fall as of December 31, 2024:

Assets	Level 1	Level 2	Level 3	Total
Alitis Strategic Income Pool:				
Assets:				
Common stocks	$ 997,405	$ –	$ 118,445	$ 1,115,850
Fixed income securities	10,032,666	1,405,780	–	11,438,446
Investment fund	3,315,464	–	1,111,897	4,427,361
Private debt	–	–	2,439,717	2,439,717
	$ 14,345,535	$ 1,405,780	$ 3,670,059	$ 19,421,374
Alitis Income and Growth Pool:				
Assets:				
Common stocks	$ 27,589,949	$ –	$ 2,665,538	$ 30,255,487
Fixed income securities	29,141,734	3,504,433	22,505,206	55,151,373
Investment fund	8,690,003	–	40,295,245	48,985,248
Private debt	–	–	4,984,372	4,984,372
Real estate	833,622	–	33,708,698	34,542,320
	$ 66,255,308	$ 3,504,433	$104,159,059	$ 173,918,800
Alitis Growth Pool:				
Assets:				
Common stocks	$ 18,308,088	$ –	$ 1,883,160	$ 20,191,248
Investment fund	–	–	1,461,550	1,461,550
Private debt	–	–	119,999	119,999
Real estate	–	–	2,743,475	2,743,475
	$ 18,308,088	$ –	$ 6,208,184	$ 24,516,272

8. Fair value measurements (continued):

The following is a reconciliation of Level 3 fair value measurements for the year ended December 31, 2024:

Alitis Strategic Income Pool:	
Balance, beginning of year	$ 5,222,914
Purchases	735,071
Sales	(1,436,468)
Reserve for impairment of investments	(59,010)
Realized gains on sale of investments	36,500
Change in unrealized depreciation in value of investments	(828,948)
Balance, end of year	$ 3,670,059
Alitis Income and Growth Pool:	
Balance, beginning of year	$ 103,130,796
Purchases	9,105,387
Sales	(9,807,407)
Reserve for impairment of investments	(151,175)
Realized gain on sale of investments	60,258
Change in unrealized appreciation in value of investments	1,821,200
Balance, end of year	$ 104,159,059
Alitis Growth Pool:	
Balance, beginning of year	$ 5,671,739
Purchases	546,562
Sales	(620,989)
Realized loss on sale of investments	(247)
Change in unrealized appreciation in value of investments	611,119
Balance, end of year	$ 6,208,184

8. Fair value measurements (continued):

The following table summarizes the levels within the fair value hierarchy in which the fair value measurements of the Pools' investments fall as of December 31, 2023:

Assets	Level 1	Level 2	Level 3	Total
Alitis Strategic Income Pool:				
Assets:				
Common stocks	$ 663,445	$ –	$ 629,563	$ 1,293,008
Fixed income securities	13,078,290	1,645,238	–	14,723,528
Investment fund	–	–	1,605,723	1,605,723
Private debt	–	–	2,987,628	2,987,628
	$ 13,741,735	$ 1,645,238	$ 5,222,914	$ 20,609,887
Alitis Income and Growth Pool:				
Assets:				
Common stocks	$ 23,779,869	$ –	$ 3,265,719	$ 27,045,588
Fixed income securities	35,466,679	3,348,903	26,433,556	65,249,138
Investment fund	–	–	31,278,708	31,278,708
Private debt	–	–	6,094,603	6,094,603
Real estate	1,352,711	–	36,058,210	37,410,921
	$ 60,599,259	$ 3,348,903	$103,130,796	$ 167,078,958
Alitis Growth Pool:				
Assets:				
Common stocks	$ 17,678,829	$ –	$ 1,815,446	$ 19,494,275
Investment fund	–	–	1,041,883	1,041,883
Private debt	–	–	180,000	180,000
Real estate	–	–	2,634,410	2,634,410
	$ 17,678,829	$ –	$ 5,671,739	$ 23,350,568

8. Fair value measurements (continued):

The following is a reconciliation of Level 3 fair value measurements for the year ended December 31, 2023:

Alitis Strategic Income Pool:	
Balance, beginning of year	$ 6,425,469
Purchases	692,514
Sales	(1,696,096)
Reserve for impairment of investments	(103,274)
Realized gains on sale of investments	47,021
Change in unrealized depreciation in value of investments	(142,720)
Balance, end of year	$ 5,222,914
Alitis Income and Growth Pool:	
Balance, beginning of year	$ 97,904,527
Purchases	11,336,884
Sales	(11,126,270)
Reserve for impairment of investments	(264,557)
Realized gain on sale of investments	35,431
Change in unrealized appreciation in value of investments	5,244,781
Balance, end of year	$ 103,130,796
Alitis Growth Pool:	
Balance, beginning of year	$ 5,546,525
Purchases	394,139
Sales	(414,918)
Realized loss on sale of investments	(247)
Change in unrealized appreciation in value of investments	146,240
Balance, end of year	$ 5,671,739

8. Fair value measurements (continued):

The significant unobservable inputs used in the fair value measurement of this investment were:

Alitis Strategic Income Pool:

Description	Held as of December 31, 2024	Held as of December 31, 2023	Valuation technique	Unobservable input	Range (weighted average)	Sensitivity to changes in significant unobservable inputs
Investment Trust	$ 427,849	$ 486,860	Net asset value	N/A	N/A	N/A
Investment Trust	118,445	629,563	Net asset value	N/A	N/A	N/A
Investment Trust	415,349	912,605	Net asset value	N/A	N/A	N/A
Investment Trust	1,165,026	1,646,986	Net asset value	N/A	N/A	N/A
Investment Trust	783,334	853,782	Net asset value	N/A	N/A	N/A
Investment Trust	76,581	119,772	Net asset value	N/A	N/A	N/A
Investment Trust	619,967	–	Net asset value	N/A	N/A	N/A
Investment Trust	63,508	–	Net asset value	N/A	N/A	N/A
Investment Trust	–	573,346	Net asset value	N/A	N/A	N/A

Alitis Income and Growth Pool:

Description	Held as of December 31, 2024	Held as of December 31, 2023	Valuation technique	Unobservable input	Range (weighted average)	Sensitivity to changes in significant unobservable inputs
Investment Trust	$ 3,684,093	$ 3,388,666	Net asset value	N/A	N/A	N/A
Investment Trust	3,883,414	3,211,302	Net asset value	N/A	N/A	N/A
Investment Trust	2,043,993	2,889,575	Net asset value	N/A	N/A	N/A
Investment Trust	1,102,929	1,778,782	Net asset value	N/A	N/A	N/A
Investment Trust	1,521,041	1,657,832	Net asset value	N/A	N/A	N/A
Investment Trust	1,096,020	1,247,196	Net asset value	N/A	N/A	N/A
Investment Trust	155,912	828,708	Net asset value	N/A	N/A	N/A
Investment Trust	200,000	300,000	Net asset value	N/A	N/A	N/A
Investment Trust	133,812	209,280	Net asset value	N/A	N/A	N/A
Investment Trust	3,500,000	–	Net asset value	N/A	N/A	N/A
Investment Trust	1,115,941	–	Net asset value	N/A	N/A	N/A
Investment Trust	123,318	–	Net asset value	N/A	N/A	N/A
Investment Trust	–	1,032,022	Net asset value	N/A	N/A	N/A

8. Fair value measurements (continued):

Description	Held as of December 31, 2024	Held as of December 31, 2023	Valuation technique	Unobservable input	Range (weighted average)	Sensitivity to changes in significant unobservable inputs
Private Equity Limited Partnership	$ 2,035,150	$ 2,025,131	Net asset value	N/A	N/A	N/A
Private Equity Limited Partnership	1,582,061	1,277,770	Net asset value	N/A	N/A	N/A
Private Equity Limited Partnership	2,046,169	1,245,352	Net asset value	N/A	N/A	N/A
Private Equity Limited Partnership	927,565	1,159,241	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	9,352,715	8,062,504	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	6,949,775	5,615,798	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	4,536,443	4,058,499	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	4,136,145	3,686,251	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	3,625,973	3,386,630	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	105,233	3,197,530	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	2,964,377	2,888,280	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	2,400,000	2,400,000	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	2,191,819	2,153,488	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	151,419	1,925,196	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	2,198,508	1,918,027	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	2,006,374	1,908,529	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	1,706,106	1,898,118	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	1,528,506	1,765,574	Net asset value	N/A	N/A	N/A

8. Fair value measurements (continued):

Description	Held as of December 31, 2024	Held as of December 31, 2023	Valuation technique	Unobservable input	Range (weighted average)	Sensitivity to changes in significant unobservable inputs
Real Estate Limited Partnership	$ 3,339,877	$ 1,754,877	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	1,648,760	1,562,021	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	1,700,140	1,560,364	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	1,459,686	1,340,807	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	158,321	1,323,824	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	2,576,251	1,297,199	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	1,437,449	1,194,908	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	605,257	661,177	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	119,788	473,161	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	214,543	159,506	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	87,668	147,133	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	61,681	61,681	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	56,034	56,034	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	40,004	40,004	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	27,647	27,647	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	22,852	22,852	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	14,167	14,167	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership	1,707,203	–	Net asset value	N/A	N/A	N/A
Private Equity Limited Partnership	–	213,285	Net asset value	N/A	N/A	N/A
Unlisted Mortgage Investment Corporation	4,081,083	4,891,765	Net asset value	N/A	N/A	N/A
Unlisted Mortgage Investment Corporation	4,840,030	4,753,125	Net asset value	N/A	N/A	N/A

8. Fair value measurements (continued):

Description		Held as of December 31, 2024		Held as of December 31, 2023	Valuation technique	Unobservable input	Range (weighted average)	Sensitivity to changes in significant unobservable inputs
Unlisted Mortgage Investment Corporation	$	3,500,000	$	3,500,000	Net asset value	N/A	N/A	N/A
Unlisted Mortgage Investment Corporation		3,455,807		3,459,978	Net asset value	N/A	N/A	N/A
Unlisted Mortgage Investment Corporation		3,000,000		3,000,000	Net asset value	N/A	N/A	N/A
Unlisted Mortgage Investment Corporation		1,000,000		1,000,000	Net asset value	N/A	N/A	N/A
Unlisted Mortgage Investment Corporation		–		3,500,000	Net asset value	N/A	N/A	N/A

Alitis Growth Pool:

Description		Held as of December 31, 2024		Held as of December 31, 2023	Valuation technique	Unobservable input	Range (weighted average)	Sensitivity to changes in significant unobservable inputs
Investment Trust	$	119,999	$	180,000	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership		107,481		79,909	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership		2,231		2,231	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership		303,221		331,235	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership		4,722		4,722	Net asset value	N/A	N/A	N/A
Private Equity Limited Partnership		1,217,000		982,900	Net asset value	N/A	N/A	N/A
Private Equity Limited Partnership		1,526,363		1,518,848	Net asset value	N/A	N/A	N/A
Real Estate Limited Partnership		799,457		697,465	Net asset value	N/A	N/A	N/A
Private Equity Limited Partnership		666,160		832,546	Net asset value	N/A	N/A	N/A
Private Equity Limited Partnership		1,461,550		889,537	Net asset value	N/A	N/A	N/A
Private Equity Limited Partnership		–		152,346	Net asset value	N/A	N/A	N/A

Financial instruments not measured at fair value:

The financial instruments not measured at fair value through profit or loss are short-term financial assets and financial liabilities whose carrying amounts approximate fair value.

9. Investment in underlying funds:

The table below describes the types of structured entities that the Pools do not consolidate, but in which they hold an interest.

Alitis Strategic Income Pool:

Type of structured entity	Nature and purpose	Interest held by the Pool
Investment funds, mortgage investments, corporations and limited partnerships	To manage assets on behalf of third party investors and generate fees for the investment manager. These vehicles are financed the issue of units or shares to investors.	Investment in units issued by funds or limited partnership or shares issued by corporations.

The table below sets out interests held by the Pool in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held.

December 31, 2024	Number of investments		Average cost		Carrying amount included in investments at FVTPL
Investments in structured entities:					
Canadian alternative fixed income	3	$	1,857,389	$	2,126,984
Canadian bonds	7		9,467,914		9,084,242
Canadian private debt	7		4,909,443		3,254,710
U.S. bonds	2		1,789,662		1,782,995
U.S. private debt	1		365,635		415,349
Global bonds	3		2,757,503		2,757,094
Total		$	21,147,546	$	19,421,374

December 31, 2023	Number of investments		Average cost		Carrying amount included in investments at FVTPL
Investments in structured entities:					
Canadian alternative fixed income	3	$	2,074,339	$	2,365,203
Canadian bonds	7		9,105,387		8,506,404
Canadian private debt	6		5,068,074		4,310,309
U.S. bonds	2		2,721,287		2,551,130
U.S. private debt	1		871,900		912,605
Global bonds	2		2,005,175		1,964,236
Total		$	21,846,162	$	20,609,887

9. Investment in underlying funds (continued):

During the year, the Pool did not provide financial support to unconsolidated structured entities and has no intention of providing financial or other support.

It is estimated that the Alitis Strategic Income Pool could redeem between $8,200,000 and $11,200,000 in the above structured entities per month.

Alitis Income and Growth Pool:

Type of structured entity	Nature and purpose	Interest held by the Pool
Investment funds, mortgage investments, corporations and limited partnerships	To manage assets on behalf of third party investors and generate fees for the investment manager. These vehicles are financed the issue of units or shares to investors.	Investment in units issued by funds or limited partnership or shares issued by corporations.

The table below sets out interests held by the Pool in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held.

December 31, 2024	Number of investments	Average cost	Carrying amount Included in investments at FVTPL
Investments in structured entities:			
Canadian alternative fixed income	3	$ 4,668,893	$ 5,328,181
Canadian bonds	7	23,996,902	23,762,760
Canadian equities	1	605,489	825,277
Canadian mortgage	8	20,529,914	20,173,338
Canadian private debt	8	9,984,191	6,390,037
Canadian private equity	1	1,048,660	1,582,061
Canadian real estate	34	46,109,984	64,903,564
U.S. bonds	2	4,448,290	4,563,437
U.S. mortgage	1	4,426,817	4,081,083
U.S. private debt	1	962,398	1,102,929
Asia-Pacific equities	4	3,913,320	3,997,509
European equities	4	3,858,018	4,012,667
Latin American equities	2	3,218,030	2,681,000
Global equities	3	10,632,115	13,543,428
Global bonds	3	7,061,019	7,122,615
Global private equity	2	1,825,346	2,973,734
Global mortgage	1	4,803,074	4,840,030
Global infrastructure	1	1,930,095	2,035,150
Total		$ 154,022,555	$ 173,918,800

9. Investment in Underlying Funds (continued):

Alitis Income and Growth Pool (continued):

December 31, 2023	Number of investments	Average cost	Carrying amount Included in investments at FVTPL
Investments in structured entities:			
Canadian alternative fixed income	3	$ 4,446,280	$ 5,034,642
Canadian bonds	7	20,358,134	19,730,474
Canadian equities	1	763,619	912,570
Canadian mortgage	9	21,866,865	21,811,271
Canadian private debt	7	10,268,288	8,164,613
Canadian private equity	1	1,021,335	1,277,770
Canadian real estate	33	46,098,605	62,185,777
U.S. bonds	2	6,142,714	5,995,157
U.S. mortgage	1	4,426,817	4,891,765
U.S. private debt	1	1,674,856	1,778,782
Asia-Pacific equities	4	4,796,862	4,779,316
European equities	3	2,068,472	2,161,094
Latin American equities	2	2,334,929	2,631,019
Global equities	3	10,198,908	11,819,922
Global bonds	2	4,539,230	4,508,652
Global private equity	3	1,867,676	2,617,878
Global mortgage	1	4,803,074	4,753,125
Global infrastructure	1	1,930,095	2,025,131
Total		$ 149,606,759	$ 167,078,958

During the year, the Pool did not provide financial support to unconsolidated structured entities and has no intention of providing financial or other support.

It is estimated that the Alitis Income and Growth Pool could redeem between $14,000,000 and $19,100,000 in the above structured entities per month.

9. Investment in Underlying Funds (continued):

Alitis Growth Pool:

Type of structured entity	Nature and purpose	Interest held by the Pool
Investment funds, mortgage investments, corporations and limited partnerships	To manage assets on behalf of third party investors and generate fees for the investment manager. These vehicles are financed the issue of units or shares to investors.	Investment in units issued by funds or limited partnership or shares issued by corporations

The table below sets out interests held by the Pool in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held.

December 31, 2024	Number of investments	Average cost	Carrying amount Included in investments at FVTPL
Investments in structured entities:			
Canadian equities	1	$ 463,615	$ 616,382
Canadian real estate	5	256,000	1,217,112
Canadian private equity	1	806,661	1,217,000
Canadian private debt	1	120,000	119,999
Asia-Pacific equities	4	2,971,932	3,032,577
European equities	4	2,855,036	2,973,305
Latin American equities	2	2,422,551	2,023,048
Global equities	4	7,818,661	9,662,776
Global infrastructure	1	1,447,571	1,526,363
Global private equity	2	1,292,941	2,127,710
Total		$ 20,454,968	$ 24,516,272

9. Investment in Underlying Funds (continued):

Alitis Growth Pool:

December 31, 2023	Number of investments		Average cost		Carrying amount Included in investments at FVTPL
Investments in structured entities:					
Canadian equities	1	$	606,343	$	695,635
Canadian real estate	5		262,640		1,115,562
Canadian alternative equities	1		1,323,543		1,295,403
Canadian private equity	1		785,642		982,900
Canadian private debt	1		180,000		180,000
Asia-Pacific equities	4		3,654,017		3,643,693
European equities	3		1,588,414		1,644,394
Latin American equities	2		1,783,422		2,005,479
Global equities	3		7,183,138		8,394,225
Global infrastructure	1		1,447,571		1,518,848
Global private equity	3		1,321,995		1,874,429
Total		$	20,136,725	$	23,350,568

During the year, the Pool did not provide financial support to unconsolidated structured entities and has no intention of providing financial or other support.

It is estimated that the Alitis Growth Pool could redeem between $2,700,000 and $3,700,000 in the above structured entities per month.

10. Expenses:

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

11. Increase (decrease) in net assets attributable to holders of redeemable units per unit:

The increase (decrease) in net assets attributable to holders of redeemable units per unit for the years ended December 31, 2024 and 2023 is calculated as follows:

Alitis Strategic Income Pool:

	Increase (decrease) in net assets attributable to holders of redeemable units	Weighted average of redeemable units outstanding during the year	Increase (decrease) in net assets attributable to holders redeemable units per unit
2024:			
Class D	$ (1,478)	729,806	$ –
Class E	(106,818)	1,192,993	(0.09)
2023:			
Class D	$ 378,541	737,904	$ 0.51
Class E	530,835	1,272,843	0.42

Alitis Income and Growth Pool:

	Increase in net assets attributable to holders of redeemable units	Weighted average of redeemable units outstanding during the year	Increase in net assets attributable to holders of redeemable units per unit
2024:			
Class D	$ 3,581,774	3,965,098	$ 0.90
Class E	6,498,316	8,938,376	0.73
2023:			
Class D	$ 4,528,513	3,939,678	$ 1.15
Class E	8,641,466	8,836,074	0.98

11. Increase in net assets attributable to holders of redeemable units per unit (continued):

Alitis Growth Pool:

		Increase (decrease) in net assets attributable to holders of redeemable units	Weighted average of redeemable units outstanding during the year		Increase (decrease) in net assets attributable holders of redeemable units per unit
2024:					
Class D	$	1,093,804	874,440	$	1.25
Class E		1,134,949	1,159,477		0.98
2023:					
Class D	$	976,532	915,017	$	1.07
Class E		950,538	1,178,691		0.81

12. Indemnification of the Manager:

The Pools, under the terms of their Trust Agreement, shall indemnify the Manager, their principals and their respective affiliates from all claims that may arise for mistakes of judgment or for action or inaction or for losses due to such mistakes, action or inaction so long as they acted honestly and not in bad faith and reasonably believed that their conduct was in the best interests of each Pool.

13. Filing exemption:

The Pools are relying on the exemption pursuant to Section 2.11 of National Instrument 81-106 not to file their financial statements with the applicable Provincial Securities Commission.

14. Income taxes:

The Pools qualify as Mutual Fund Trusts under the provisions of the Income Tax Act (Canada) (the “Tax Act”), and accordingly, are not subject to tax on their net taxable income for the tax year which ends in December, including net realized capital gains, which is paid or payable to their Unitholders as at the end of the tax year. However, such part of the Pool’s net income and net realized capital gains that is not paid or payable, is subject to income tax in the Pools. It is the intention of each Pool to distribute all of its income and sufficient net realized capital gains so that the Pool will not be subject to income tax. The Pools may be subject to alternative minimum tax, potentially recoverable, as applicable to unit trusts.

14. Income taxes (continued):

Non-capital losses are available to be carried forward for twenty years and applied against future taxable income. Capital losses for income tax purposes may be carried forward indefinitely and applied against future capital gains.

As at the tax year ended December 31, 2024, Alitis Strategic Income Pool has $552,765 (2023 - $391,164), Alitis Income and Growth Pool has $60,409 (2023 - $60,409) and Alitis Growth Pool has nil (2023 - nil) capital losses carried forward available for income tax purposes.

As at the tax year ended December 31, 2024 and 2023, Alitis Growth Pool Alitis Income and Growth Pool and Alitis Strategic Income Pool do not have any non-capital losses available for carry-forward.

15. Financial instrument risk:

Alitis Strategic Income Pool:

Risk management:

The investment objective of the Alitis Strategic Income Pool is to generate a high level of income. The holdings are primarily made up of mutual funds, exchange-traded funds (ETFs), closed-end funds, hedge funds, mortgage investment corporations (MICs), real estate investment Pools (REITs), and other fund-type investments. To a lesser extent, investments may be made into individual bonds, T-bills, money market instruments, bank products, stocks, preferred shares and other individual investments.

Managing risk is the most important factor of the decision-making process and is pervasive throughout the investment process. The investment manager attempts to manage risk by diversifying the portfolio across multiple asset classes, geographic regions, and investment styles. Numerous external managers are used (through investment in their funds) in order to access their expertise and knowledge of specific asset classes, regions, or investment styles. The Pool’s overall risk management program seeks to minimize the potentially adverse effect of risk on the Pool’s financial performance in a manner consistent with the Pool’s investment objective.

15. Financial instrument risk (continued):

Alitis Strategic Income Pool (continued):

Risk management (continued):

The Alitis Strategic Income Pool is primarily a fund of funds. The Schedule of Investment Portfolio presents the Underlying Funds held by the Pool, which expose the Pool to financial instrument risk indirectly through the investments of the Underlying Funds.

The current geopolitical environment increases uncertainty in financial markets with a possible resurgence of trade tariffs and inflation, including upward pressure on commodity prices and the potential for global supply-chain disruptions. With the recent changes in the United States, the threat of protectionism increases the risks of tariffs, stagflation, turbulence in the financial markets, and a weakening of the Canadian Dollar against other currencies. The Manager will continue to monitor the impact of geopolitical risk on its use of judgements, estimates and assumptions.

Credit risk:

As at December 31, 2024, the Pool has no significant investments directly in debt instruments and/or derivatives. The Pool is indirectly exposed to the risk from the securities held by the Underlying Funds in debt instruments and/or derivatives where there is a concentration of credit risk that may arise. As at December 31, 2024, it is estimated that the underlying investments had exposure to debt instruments and derivatives, as applicable, with the following credit ratings:

Debt instruments* by credit rating	Percentage of net assets attributable to holders of redeemable units (%)
AAA	12.7
AA	19.8
A	15.9
BBB	28.2
BB and below	6.5
Not rated	19.4
Mortgages	0.5

** Excludes cash and cash equivalents.*

15. Financial instrument risk (continued):

Alitis Strategic Income Pool (continued):

Credit risk (continued):

As at December 31, 2023, the Pool has no significant investments directly in debt instruments and/or derivatives. The Pool is indirectly exposed to the risk from the securities held by the Underlying Funds in debt instruments and/or derivatives where there is a concentration of credit risk that may arise. As at December 31, 2023, it is estimated that the underlying investments had exposure to debt instruments and derivatives, as applicable, with the following credit ratings:

Debt instruments* by credit rating	Percentage of net assets attributable to holders of redeemable units (%)
AAA	11.8
AA	13.4
A	15.6
BBB	27.7
BB and below	6.4
Not rated	24.0
Mortgages	1.1

** Excludes cash and cash equivalents.*

Interest rate risk:

The majority of the Pool's direct financial assets and liabilities are non-interest bearing. Accordingly, the Pool is not directly subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. The Pool is indirectly exposed to the risk from the securities held by the Underlying Funds through investments in debt instruments and/or derivatives and may be affected by changes in market interest rates and the effect could be material.

As the holdings in the underlying investments have a significant high yield (or below investment grade) exposure, as well as exposure to unrated debt and mortgages, net assets attributable to holders of redeemable units may be affected more by changes in overall economic growth rather than changes in interest rates.

15. Financial instrument risk (continued):

Alitis Strategic Income Pool (continued):

Interest rate risk (continued):

As at December 31, 2024, the underlying investments estimated exposure to debt instruments by maturity is as follows:

Debt instruments** by maturity date	
Less than 1 year	$ 3,742,134
1 - 5 years	6,825,402
5 - 10 years	5,137,175
Greater than 10 years	3,511,359

*** Excludes cash and cash equivalents and preferred shares, as applicable.*

As at December 31, 2023, the underlying investments estimated exposure to debt instruments by maturity is as follows:

Debt instruments** by maturity date	
Less than 1 year	$ 4,295,891
1 - 5 years	9,095,693
5 - 10 years	5,212,384
Greater than 10 years	1,793,074

*** Excludes cash and cash equivalents and preferred shares, as applicable.*

Price risk:

As at December 31, 2024, 27.9 percent (2023 - 25.9 percent) of the Pool's net assets attributable to holders of redeemable units were invested in securities traded on North American stock exchanges. If security prices on the North American stock exchanges had increased or decreased by 10 percent as at the year end, with all other factors remaining constant, net assets attributable to holders of redeemable units could possibly have increased or decreased by approximately $521,000 (2023 - $523,000) respectively. In practice, the actual results may differ from this sensitivity analysis and the difference could be material. There was no significant indirect exposure to the risk from securities held by the Underlying Funds.

15. Financial instrument risk (continued):

Alitis Strategic Income Pool (continued):

Currency risk:

As at December 31, 2024, the Pool had direct investments denominated in United States dollars of $1,654,855 or 8.9 percent of net assets attributable to holders of redeemable units (2023 - $2,193,880 or 10.9 percent).

Although investments owned by the Pool are denominated in Canadian or United States dollars, the currency risk of the investment owned may be different than the currency in which it trades. For example, an investment denominated in United States dollars may hold assets that trade in Euros or Pounds. The currency risk for the Pool in this example is to the underlying currency of the investment owned, referred to as the indirect currency, being Euros or Pounds. When calculating the currency risk for the Pools, when an investment's indirect currency is different than its direct currency, the indirect currency is used as this reflects the true currency risk of the Pool.

The currency to which the Pool had exposure as at December 31, 2024, is approximately as follows:

	Net assets attributable to holders of redeemable units (%)
United states dollars	0.2
European currencies	0.2

The currency to which the Pool had exposure as at December 31, 2023, is approximately as follows:

	Net assets attributable to holders of redeemable units (%)
United states dollars	2.0

15. Financial instrument risk (continued):

Alitis Strategic Income Pool (continued):

Currency risk (continued):

The amounts in the above table are based on a fair estimate of the Pool's underlying investments and financial instruments (including cash and cash equivalents) as well as the underlying principal amounts of future or forward currency contracts, as applicable. Other financial assets (including interest and dividends receivable and subscriptions receivable) and financial liabilities (including accounts payable and accrued liabilities, management fees payable and redemptions payable) that are denominated in foreign currencies do not expose the Pool to significant currency risk.

As at December 31, 2024, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased, respectively, by approximately $1,000 (2023 - $4,000). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Alitis Income and Growth Pool:

Risk management:

The investment objective of the Alitis Income and Growth Pool is to generate a moderate level of income and a moderate level of capital appreciation over the long-term. The holdings are primarily made up of mutual funds, ETFs, closed-end funds, hedge funds, MICs, REITs, and other fund-type investments. To a lesser extent, investments may be made into individual bonds, T- bills, money market instruments, bank products, stocks, preferred shares and other individual investments.

Managing risk is the most important factor of the decision-making process and is pervasive throughout the investment process. The investment manager attempts to manage risk by diversifying the portfolio across multiple asset classes, geographic regions, and investment styles. Numerous external managers are used (through investment in their funds) in order to access their expertise and knowledge of specific asset classes, regions, or investment styles. The Pool's overall risk management program seeks to minimize the potentially adverse effect of risk on the Pool's financial performance in a manner consistent with the Pool's investment objective.

Alitis Income and Growth Pool is primarily a fund of funds. The statement of Investment Portfolio presents the Underlying Funds held by the Pool, which expose the Pool to financial instrument risk indirectly through the investments of the Underlying Funds.

15. Financial instrument risk (continued):

Alitis Income and Growth Pool (continued):

Risk management (continued)t:

The current geopolitical environment increases uncertainty in financial markets with a possible resurgence of trade tariffs and inflation, including upward pressure on commodity prices and the potential for global supply-chain disruptions. With the recent changes in the United States. Government, the threat of protectionism increases the risks of tariffs, stagflation, turbulence in the financial markets, and a weakening of the Canadian Dollar against other currencies. The Manager will continue to monitor the impact of geopolitical risk on its use of judgements, estimates and assumptions.

Credit risk:

As at December 31, 2024, the Pool has no significant investments directly in debt instruments and/or derivatives. The Pool is indirectly exposed to the risk from the investments held by the Underlying Funds in debt instruments and/or derivatives where there is a concentration of credit risk that may arise. As at December 31, 2024, it is estimated that the underlying investments had exposure to debt instruments and derivatives, as applicable, with the following credit ratings:

Debt instruments* by credit rating	Percentage of net assets attributable to holders of redeemable units (%)
AAA	3.6
AA	5.7
A	4.5
BBB	8.1
BB and below	1.9
Not rated	4.4
Mortgages	17.4

** Excludes cash and cash equivalents.*

15. Financial instrument risk (continued):

Credit risk (continued):

As at December 31, 2023, the Pool has no significant investments directly in debt instruments and/or derivatives. The Pool is indirectly exposed to the risk from the investments held by the Underlying Funds in debt instruments and/or derivatives where there is a concentration of credit risk that may arise. As at December 31, 2023, it is estimated that the underlying investments had exposure to debt instruments and derivatives, as applicable, with the following credit ratings:

Debt instruments* by credit rating	Percentage of net assets attributable to holders of redeemable units (%)
AAA	3.5
AA	3.9
A	4.5
BBB	7.9
BB and below	1.9
Not rated	5.9
Mortgages	19.9

** Excludes cash and cash equivalents.*

Interest rate risk:

The majority of the Pool's direct financial assets and liabilities are non-interest bearing. Accordingly, the Pool is not directly subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. The Pool is indirectly exposed to the risk from the securities held by the Underlying Funds through investments in debt instruments and/or derivatives and may be affected by changes in market interest rates and the effect could be material. As the holdings in the underlying investments have a significant high yield (or below investment grade) exposure, as well as exposure to unrated debt and mortgages, net assets attributable to holders of redeemable units may be affected more by changes in overall economic growth rather than changes in interest rates.

15. Financial instrument risk (continued):

Interest rate risk (continued):

As at December 31, 2024, the underlying investments estimated exposure to debt instruments by maturity is as follows:

Debt instruments** by maturity date		
Less than 1 year	$	28,262,931
1-5 years		26,152,320
5-10 years		13,228,958
Greater than 10 years		9,218,521

*** Excludes cash and cash equivalents and preferred shares, as applicable.*

As at December 31, 2023, the underlying investments estimated exposure to debt instruments by maturity is as follows:

Debt instruments** by maturity date		
Less than 1 year	$	32,544,097
1-5 years		25,985,726
5-10 years		12,100,131
Greater than 10 years		4,189,499

*** Excludes cash and cash equivalents and preferred shares, as applicable.*

Alitis Income and Growth Pool (continued):

Price risk:

As at December 31, 2024,17.1 percent (2023 - 18.1 percent) of the Pool’s net assets attributable to holders of redeemable units were invested in securities traded on North American stock exchanges. If security prices on the North American stock exchanges had increased or decreased by 10 percent as at the year end, with all other factors remaining constant, net assets attributable to holders of redeemable units could possibly have increased or decreased by approximately $2,886,000 (2023 - $2,905,000) respectively. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

15. Financial instrument risk (continued):

Alitis Income and Growth Pool (continued):

Price risk (continued):

There is also exposure to other price risk indirectly through the Underlying Funds to the extent that they have direct investments in securities traded on North American and other stock exchanges. As at December 31, 2024, approximately 15.0 percent (2023 - 14.1 percent) of the underlying investments net assets attributable to holders of redeemable units were invested in securities traded on North American and other stock exchanges. If security prices on North American and other stock exchanges had increased or decreased by 10 percent as at the year end, with all other factors remaining constant, net assets attributable to holders of redeemable units could possibly have increased or decreased by approximately $2,525,000 (2023 - $2,260,000). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk:

As at December 31, 2024, the Pool had direct investments denominated in United States dollars of $20,433,157 or 12.13 percent of net assets attributable to holders of redeemable units (2023 - $19,312,301 or 12.1 percent).

Although investments owned by the Pool are denominated in Canadian or United States dollars, the currency risk of the investment owned may be different than the currency in which it trades. For example, an investment denominated in United States dollars may hold assets that trade in Euros or Pounds. The currency risk for the Pool in this example is to the underlying currency of the investment owned, referred to as the indirect currency, being Euros or Pounds. When calculating the currency risk for the Pools, when an investment's indirect currency is different than its direct currency, the indirect currency is used as this reflects the true currency risk of the Pool.

Currencies to which the Pool had exposure as at December 31, 2024, are approximately as follows:

	Net assets attributable to holders of redeemable units (%)
United States dollars	8.8
European currencies	4.1
Asia-Pacific (developed) currencies	3.6
Emerging market currencies	2.5

15. Financial instrument risk (continued):

Alitis Income and Growth Pool (continued):

Currency risk (continued):

Currencies to which the Pool had exposure as at December 31, 2023, are approximately as follows:

	Net assets attributable to holders of redeemable units (%)
United States dollars	12.1
European currencies	6.9
Asia-Pacific (developed) currencies	3.8
Emerging market currencies	1.8

The amounts in the above table are based on a fair estimate of the Pool's underlying investments and financial instruments (including cash and cash equivalents) as well as the underlying principal amounts of future or forward currency contracts, as applicable. Other financial assets (including interest and dividends receivable, subscriptions receivable and fee rebate – investments owned) and financial liabilities (including redemptions payable, management fees payable, loans payable to investee, non-interest bearing, accounts payable and accrued liabilities and distributions payable) that are denominated in foreign currencies do not expose the Pool to significant currency risk.

As at December 31, 2024, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased, respectively, by approximately $319,000 (2023 - $278,000). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

15. Financial instrument risk (continued):

Alitis Growth Pool:

Risk management:

The investment objective of the Alitis Growth Pool is to generate a high level of capital appreciation with the potential for some income generation over the long term. The holdings are primarily made up of mutual funds, ETFs, closed-end funds, hedge funds, MICs, REITs, and other fund-type investments. To a lesser extent, investments may be made into individual stocks, preferred shares, bonds, T-bills, money market instruments, bank products, and other individual investments.

Managing risk is the most important factor of the decision-making process and is pervasive throughout the investment process. The investment manager attempts to manage risk by diversifying the portfolio across multiple asset classes, geographic regions, and investment styles. Numerous external managers are used (through investment in their funds) in order to access their expertise and knowledge of specific asset classes, regions, or investment styles. The Pool's overall risk management program seeks to minimize the potentially adverse effect of risk on the Pool's financial performance in a manner consistent with the Pool's investment objective.

Alitis Growth Pool is primarily a fund of funds. The statement of investment portfolio presents the Underlying Funds held by the Pool, which expose the Pool to financial instrument risk indirectly through the investments of the Underlying Funds.

The current geopolitical environment increases uncertainty in financial markets with a possible resurgence of trade tariffs and inflation, including upward pressure on commodity prices and the potential for global supply-chain disruptions. With the recent changes in the United States, the threat of protectionism increases the risks of tariffs, stagflation, turbulence in the financial markets, and a weakening of the Canadian Dollar against other currencies. The Manager will continue to monitor the impact of geopolitical risk on its use of judgements, estimates and assumptions.

15. Financial instrument risk (continued):

Alitis Growth Pool (continued):

Credit risk:

As at December 31, 2024, the Pool had no significant investments directly in debt instruments and/or derivatives. The Pool is indirectly exposed to the risk from the investments held by the Underlying Funds in debt instruments and/or derivatives where there is a concentration of credit risk that may arise. As at December 31, 2024, it is estimated that the underlying investments had exposure to debt instruments and derivatives, as applicable, with the following credit ratings:

Debt instruments* by credit rating	Percentage of net assets attributable to holders of redeemable units (%)
BB and below	–
Not rated	0.5

** Excludes cash and cash equivalents.*

As at December 31, 2023, the Pool had no significant investments directly in debt instruments and/or derivatives. The Pool is indirectly exposed to the risk from the investments held by the Underlying Funds in debt instruments and/or derivatives where there is a concentration of credit risk that may arise. As at December 31, 2023, it is estimated that the underlying investments had exposure to debt instruments and derivatives, as applicable, with the following credit ratings:

Debt instruments* by credit rating	Percentage of net assets attributable to holders of redeemable units (%)
BB and below	0.3
Not rated	0.7

** Excludes cash and cash equivalents.*

15. Financial instrument risk (continued):

Alitis Growth Pool (continued):

Interest rate risk:

The majority of the Pool's direct financial assets and liabilities are non-interest bearing. Accordingly, the Pool is not directly subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. The Pool is indirectly exposed to the risk from securities held by the Underlying Funds through investments in debt instruments and/or derivatives and may be affected by changes in market interest rates and the effect could be material. As the holdings in the underlying investments have a significant high yield (or below investment grade) exposure, as well as exposure to unrated debt and mortgages, net assets attributable to holders of redeemable units may be affected more by changes in overall economic growth rather than changes in interest rates.

As at December 31, 2024, the underlying investments estimated exposure to debt instruments by maturity is as follows:

Debt instruments** by maturity date	
Less than 1 year	$ –
1-5 years	120,000
5-10 years	–

*** Excludes cash and cash equivalents and preferred shares, as applicable*As at December 31, 2023, the underlying investments estimated exposure to debt instruments by maturity is as follows:

Debt instruments** by maturity date	
Less than 1 year	$ –
1-5 years	180,000
5-10 years	71,247

*** Excludes cash and cash equivalents and preferred shares, as applicable.*

15. Financial instrument risk (continued):

Alitis Growth Pool (continued):

Price risk:

As at December 31, 2024, 37.5 percent (2023 - 30.1 percent) of the Pool's net assets attributable to holders of redeemable units were invested in securities traded on North American stock exchanges. If security prices on the North American stock exchanges had increased or decreased by 10 percent as at the year end, with all other factors remaining constant, net assets attributable to holders of redeemable units could possibly have increased or decreased by approximately $1,003,000 (2023 - $799,000) respectively. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

There is also exposure to other price risk indirectly through the Underlying Funds to the extent that they have direct investments in securities traded on North American and other stock exchanges. As at December 31, 2024, approximately 68.5 percent (2023 - 66.3 percent) of the underlying investments net assets attributable to holders of redeemable units were invested in securities traded on North American and other stock exchanges. If security prices on North American and other stock exchanges had increased or decreased by 10 percent as at the year end, with all other factors remaining constant, net assets attributable to holders of redeemable units could possibly have increased or decreased by approximately $1,829,000 (2023 - $1,761,000). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk:

As at December 31, 2024, the Pool had direct investments denominated in United States dollars of $8,680,895 or 32.5 percent of net assets attributable to holders of redeemable units (2023 - $8,747,561 or 32.9 percent).

Although investments owned by the Pool are denominated in Canadian or United States dollars, the currency risk of the investment owned may be different than the currency in which it trades.

For example, an investment denominated in United States dollars may hold assets that trade in Euros or Pounds. The currency risk for the Pool in this example is to the underlying currency of the investment owned, referred to as the indirect currency, being Euros or Pounds. When calculating the currency risk for the Pools, when an investment's indirect currency is different than its direct currency, the indirect currency is used as this reflects the true currency risk of the Pool.

15. Financial instrument risk (continued):

Alitis Growth Pool (continued):

Currency risk (continued):

Currencies to which the Pool had exposure as at December 31, 2024, are approximately as follows:

	Net assets attributable to holders of redeemable units (%)
United States dollars	32.5
European currencies	18.4
Asia-Pacific (developed) currencies	16.4
Emerging markets currencies	11.6

Currencies to which the Pool had exposure as at December 31, 2023, are approximately as follows:

	Net assets attributable to holders of redeemable units (%)
United States dollars	33.0
European currencies	17.4
Asia-Pacific (developed) currencies	17.2
Emerging markets currencies	8.3

The amounts in the above table are based on a fair estimate of the Pool's underlying investments and financial instruments (including cash and cash equivalents) as well as the underlying principal amounts of future or forward currency contracts, as applicable. Other financial assets (including subscriptions receivable, interest and dividends receivable and other assets) and financial liabilities (including accounts payable and accrued liabilities, redemptions payable, management fees payable and distributions payable) that are denominated in foreign currencies do not expose the Pool to significant currency risk.

As at December 31, 2024, if the Canadian dollar had strengthened or weakened by 1 percent in relation to all currencies, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased, respectively, by approximately $210,000 (2023 - $202,000). In practice, the actual trading results may differ from the sensitivity analysis and the difference could be material.