

Financial Statements of

**RAELIPSKIE PARTNERS
EQUITY FUND**

June 30, 2025 (Unaudited)

MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements have been prepared by **Rae & Lipskie Investment Counsel Inc.** in its capacity as the Trustee of the Fund. The Fund's Trustee is responsible for the information and representations contained in these financial statements.

The Trustee maintains appropriate processes to ensure that relevant and reliable financial information is produced. The unaudited interim financial statements have been prepared in accordance with IFRS Accounting Standards and include certain amounts that are based on estimates and judgements made by the Trustee. The material accounting policy information which the Trustee believes are appropriate for the Fund are described in Note 3 to the unaudited interim financial statements.

On behalf of the Trustee



July 25, 2025

Date

NOTICE TO UNITHOLDERS

The Auditors of the Fund have not reviewed these financial statements.

Rae & Lipskie Investment Counsel Inc., the Trustee of the Fund, appoints an independent auditor to audit the Fund's annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Fund's interim financial statements, this must be disclosed in an accompanying notice.

RAELIPSKIE PARTNERS EQUITY FUND

Statement of Financial Position

June 30, 2025, (unaudited), with comparative information for 2024 (audited)

	June 30, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,531,417	\$ 1,802,627
Financial assets at fair value through profit or loss (note 6)	109,566,472	98,817,522
Interest and dividends receivable	151,408	146,872
Subscriptions receivable	317,706	—
	<u>112,567,003</u>	<u>100,767,021</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	158,023	130,301
Redemptions payable	207,894	—
Distributions payable	—	24,145
	<u>365,917</u>	<u>154,446</u>
Net assets attributable to holders of redeemable units	\$ 112,201,086	\$ 100,612,575
Number of redeemable units outstanding (note 5)	4,257,013	4,021,804
Net assets attributable to holders of redeemable units, per unit	\$ 26.36	\$ 25.02

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

Approved on behalf of the Fund:



Trustee
Rae & Lipskie Investment Counsel Inc.

RAELIPSKIE PARTNERS EQUITY FUND

Statement of Comprehensive Income

Six months ended June 30, 2025, with comparative information for 2024 (unaudited)

	2025	2024
Income		
Dividends	\$ 1,274,734	\$ 977,613
Interest income for distribution purposes	55,264	107,129
Net change in unrealized appreciation in value of investments	2,060,661	2,621,527
Net realized gain on sale of investments	<u>2,497,302</u>	<u>2,519,381</u>
	<u>5,887,961</u>	<u>6,225,650</u>
Expenses		
Operating costs	120,104	138,641
Withholding tax	112,266	45,041
Commissions and other portfolio transaction costs	<u>893</u>	<u>1,350</u>
	<u>233,263</u>	<u>185,032</u>
Net increase in net assets attributable to holders of redeemable units	<u>\$ 5,654,698</u>	<u>\$ 6,040,618</u>
Net increase in net assets attributable to holders of redeemable units, per unit (note 8)	\$ 1.36	\$ 1.68

RAELIPSKIE PARTNERS EQUITY FUND

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units Six months ended June 30, 2025, with comparative information for 2024 (unaudited)

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued	Redemption of redeemable units	Net increase in net assets from operations attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
June 30, 2025	\$ <u>100,612,575</u>	\$ <u>11,009,822</u>	\$ <u>(5,076,009)</u>	\$ <u>5,654,698</u>	\$ <u>112,201,086</u>

	Net assets attributable to holders of redeemable units, beginning of period	Proceeds from redeemable units issued	Redemption of redeemable units	Net increase in net assets from operations attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of period
June 30, 2024	\$ <u>73,128,488</u>	\$ <u>10,309,259</u>	\$ <u>(3,947,745)</u>	\$ <u>6,040,618</u>	\$ <u>85,530,620</u>

RAELIPSKIE PARTNERS EQUITY FUND

Statement of Cash Flows

Six months ended June 30, 2025, with comparative information for 2024 (unaudited)

	2025	2024
Cash provided by (used in):		
Operating Activities		
Net increase in net assets attributable to holders of redeemable units	\$ 5,654,698	\$ 6,040,618
Adjustments for non-cash items		
Net change in unrealized appreciation in value of investments	(2,060,661)	(2,621,527)
Net realized gain on sale of investments	(2,497,302)	(2,519,381)
Change in non-cash balances		
Increase in interest and dividends receivable	(4,536)	(94,166)
Increase in subscriptions receivable	(317,706)	(148,875)
Increase in accounts payable and accrued liabilities	27,722	44,849
Increase in redemptions payable	207,894	65,623
Proceeds from sale of investments	7,626,917	8,651,405
Purchase of investments	(13,817,904)	(20,235,901)
Cash used in operating activities	<u>(5,180,878)</u>	<u>(10,817,355)</u>
Financing Activities		
Proceeds from issuances of redeemable units	11,009,822	10,309,259
Amount paid on redemption of redeemable units	(5,076,009)	(3,947,745)
Distributions to holders of redeemable units, net of reinvestments	(24,145)	—
Cash provided by financing activities	<u>5,909,668</u>	<u>6,361,514</u>
Increase (decrease) in cash and cash equivalents during the period	728,790	(4,455,841)
Cash and cash equivalents, beginning of period	<u>1,802,627</u>	<u>4,762,131</u>
Cash and cash equivalents, end of period	\$ <u>2,531,417</u>	\$ <u>306,290</u>
Supplemental information*		
Interest paid	\$ —	\$ 2,157
Interest received	52,412	114,347
Dividends received, net of withholding taxes	1,160,785	831,188

*Included as a part of cash flows from operating activities

RAELIPSKIE PARTNERS EQUITY FUND

Schedule of Investment Portfolio

As at June 30, 2025 (Unaudited)

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
Canadian equities				
16,550	Alimentation Couche-Tard Inc.	\$ 794,022	\$ 1,120,270	1.00
23,660	Bank of Montreal	2,156,639	3,570,531	3.18
50,000	BCE Inc.	1,564,123	1,510,000	1.35
28,882	Brookfield Corp.	1,006,642	2,434,175	2.17
26,480	Brookfield Renewable Partners LP	801,107	919,386	0.82
18,900	Canadian National Railway Co.	2,867,109	2,681,721	2.39
40,190	Canadian Natural Resources Ltd.	1,214,134	1,720,132	1.53
16,800	Canadian Pacific Kansas City Ltd.	1,233,641	1,817,424	1.62
6,575	Canadian Tire Corp Ltd.	890,999	1,218,939	1.09
11,500	CGI Inc.	1,381,709	1,644,615	1.47
335	Constellation Software Inc.	904,366	1,672,722	1.49
7,255	Dollarama Inc.	309,664	1,392,017	1.24
41,700	Enbridge Inc.	1,928,221	2,574,975	2.29
4,285	FirstService Corp.	500,677	1,018,245	0.91
15,975	Fortis Inc.	742,908	1,038,695	0.93
32,855	iShares Core S&P 500 Index ETF (CAD- Hedged)	1,195,236	2,094,506	1.87
4,903	Loblaw Cos Ltd.	317,841	1,104,401	0.98
16,519	Nutrien Ltd.	1,074,090	1,310,783	1.17
72,800	RioCan Real Estate Investment Trust	1,288,324	1,289,288	1.15
10,650	Royal Bank of Canada	1,404,927	1,911,356	1.70
11,800	Stantec Inc.	1,076,252	1,748,406	1.56
36,620	Sun Life Financial Inc.	2,207,650	3,318,138	2.96
53,200	Suncor Energy Inc.	2,011,996	2,713,732	2.42
30,700	TC Energy Corp.	1,476,976	2,040,936	1.82
75,160	TELUS Corp.	1,635,085	1,643,749	1.47
30,000	The Bank of Nova Scotia	1,970,317	2,259,000	2.01
35,925	The Toronto-Dominion Bank	2,517,387	3,598,248	3.21
30,000	TMX Group Ltd.	1,331,760	1,731,600	1.54
16,650	Tourmaline Oil Corp.	1,059,444	1,093,905	0.97
3,910	Waste Connections Inc.	337,860	994,626	0.89
7,305	WSP Global Inc.	729,294	2,029,110	1.81
		<u>39,930,400</u>	<u>57,215,631</u>	<u>51.01</u>
Canadian warrant				
400	Constellation Software Inc. \$0 31MAR40	—	—	—
U.S. equities				
900	AbbVie Inc.	198,267	227,533	0.20
935	Accenture PLC	434,132	380,627	0.34
695	Adobe Inc.	396,065	366,217	0.33
7,400	AIA Group Ltd.	314,023	364,651	0.32
5,858	Airbus SE	212,770	417,759	0.37
7,175	Allianz SE	228,900	396,048	0.35
2,150	Alphabet Inc.	321,397	516,054	0.46
350	Alphabet Inc.	48,873	84,562	0.08
1,900	Amazon.com Inc.	331,200	567,737	0.51
2,770	Apple Inc.	534,644	774,053	0.69

RAELIPSKIE PARTNERS EQUITY FUND

Schedule of Investment Portfolio (continued)

As at June 30, 2025 (Unaudited)

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
U.S. equities (continued)				
385	ASML Holding NV	\$ 362,450	\$ 420,225	0.37
1,650	AstraZeneca PLC	151,838	157,041	0.14
34,000	Banco Santander SA	332,126	384,356	0.34
4,530	Bank of America Corp.	207,296	291,958	0.26
730	Berkshire Hathaway Inc.	289,736	482,982	0.43
3,025	BHP Group Ltd.	217,004	198,133	0.18
3,850	BP PLC	156,355	156,944	0.14
1,800	Broadcom Inc.	187,405	675,784	0.60
530	Caterpillar Inc.	236,367	280,233	0.25
2,590	Commonwealth Bank of Australia	237,146	430,728	0.38
945	Diageo PLC	172,023	129,790	0.12
400	Eli Lilly & Co.	346,088	424,688	0.38
18,575	Enel SpA	197,287	239,836	0.21
3,595	Exxon Mobil Corp.	458,392	527,831	0.47
1,100	General Electric Co.	242,564	385,622	0.34
9,400	Hitachi Ltd.	246,096	372,049	0.33
5,925	HSBC Holdings PLC	275,824	490,566	0.44
6,340	Invesco QQQ Trust Series 1	2,402,580	4,763,456	4.25
22,000	Invesco S&P 500 Equal Weight ETF	5,016,314	5,445,658	4.85
32,600	iShares MSCI Emerging Markets ex China ETF	2,456,462	2,803,492	2.50
10,540	iShares Russell 2000 ETF	2,444,608	3,097,769	2.76
1,095	Johnson & Johnson	211,986	227,810	0.20
1,655	JPMorgan Chase & Co.	315,732	653,489	0.58
284	Keyence Corp.	155,443	155,703	0.14
560	Linde PLC	296,870	357,853	0.32
1,240	L'Oreal SA	126,831	144,416	0.13
1,560	LVMH Moet Hennessy Louis Vuitton SA	239,891	223,223	0.20
615	McDonald's Corp.	206,538	244,730	0.22
2,030	Merck & Co Inc.	252,674	218,866	0.20
540	Meta Platforms Inc.	212,901	542,850	0.48
1,340	Microsoft Corp.	490,286	907,813	0.81
4,512	Mitsui Fudosan Co., Ltd.	141,041	177,594	0.16
2,025	Nestle SA	262,873	273,930	0.24
250	Netflix Inc.	226,632	455,974	0.41
3,975	NextEra Energy Inc.	361,050	375,836	0.33
10,425	Nintendo Co., Ltd.	158,813	341,056	0.30
2,255	Novartis AG	276,091	371,659	0.33
3,615	Novo Nordisk A/S	302,418	339,829	0.30
4,100	NVIDIA Corp.	197,041	882,248	0.79
1,205	PepsiCo Inc.	241,931	216,705	0.19
1,580	Prologis Inc.	253,671	226,214	0.20
1,780	Rio Tinto PLC	153,052	141,413	0.13
6,170	Roche Holding AG	321,063	342,528	0.31
1,020	Salesforce Inc.	304,412	378,832	0.34
517	SAP SE	84,835	214,133	0.19
4,805	Schneider Electric SE	183,837	349,341	0.31
1,650	Shell PLC	109,257	158,232	0.14

RAELIPSKIE PARTNERS EQUITY FUND

Schedule of Investment Portfolio (continued)

As at June 30, 2025 (Unaudited)

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
U.S. equities (continued)				
6,500	Shin-Etsu Chemical Co., Ltd.	\$ 175,648	\$ 145,986	0.13
2,320	Siemens AG	220,041	407,209	0.36
9,325	Sony Group Corp.	202,882	330,598	0.29
1,735	SPDR S&P 500 ETF Trust	598,865	1,460,023	1.30
240	Spotify Technology SA	193,783	250,828	0.22
780	Tesla Inc.	223,348	337,469	0.30
485	The Home Depot Inc.	186,173	242,191	0.22
1,050	The Procter & Gamble Co.	184,671	227,844	0.20
1,665	Toyota Motor Corp.	350,769	390,639	0.35
2,400	Uber Technologies Inc.	241,163	304,979	0.27
1,555	Unilever PLC	110,930	129,553	0.12
705	Union Pacific Corp.	189,887	220,925	0.20
385	UnitedHealth Group Inc.	202,214	163,588	0.15
36,371	Vanguard FTSE Developed Markets ETF	1,900,407	2,824,122	2.52
40,967	Vanguard FTSE Emerging Markets ETF	2,264,522	2,759,722	2.46
9,400	Vanguard Health Care ETF	3,437,657	3,179,447	2.83
21,360	Vanguard S&P Mid-Cap 400 ETF	2,268,826	3,054,112	2.72
1,115	Visa Inc.	352,778	539,190	0.48
1,545	Walmart Inc.	72,516	205,757	0.18
		<u>39,120,481</u>	<u>52,350,841</u>	<u>46.64</u>
	Total investments owned	79,050,881	109,566,472	97.65
	Commissions and other portfolio transaction costs	<u>(3,927)</u>	<u>—</u>	<u>—</u>
	Net investments owned	<u>\$ 79,046,954</u>	109,566,472	97.65
	Other assets, net		<u>2,634,614</u>	<u>2.35</u>
	Net Assets Attributable to Holders of Redeemable Units		<u>\$ 112,201,086</u>	<u>100.00</u>

RAELIPSKIE PARTNERS EQUITY FUND

Notes to Financial Statements

June 30, 2025 (Unaudited)

1. Establishment of the investment trust and nature of operation:

RaeLipskie Partners Equity Fund (the "Fund") is an investment trust which was created under the laws of the Province of Ontario pursuant to a Master Declaration of Trust dated April 15, 2011 (the "Master Declaration of Trust") and a fund declaration dated April 15, 2011 (the "Fund Declaration"). The Master Declaration of Trust and the Fund Declaration collectively are referred to as the "Trust Declaration" of the Fund. The Fund commenced active operations on January 18, 2012.

Rae & Lipskie Investment Counsel Inc. (the "Trustee" or "Manager" or "Rae & Lipskie") is the trustee, manager, investment manager and principal distributor of the Fund. As Trustee, Rae & Lipskie is responsible for the day-to-day administrative activities of the Fund. As Manager, Rae & Lipskie is responsible for formulating the investment strategies of the Fund and managing the Fund's investment portfolio.

The investment objective of the Fund is to achieve long-term capital appreciation and dividend income by investing primarily in a diversified portfolio of Canadian and foreign common stocks. The Fund may also invest in domestic or foreign exchange-traded funds (ETFs).

The custodian for the Fund is National Bank Independent Network (NBIN).

Guardian Capital Group Limited ("Guardian") holds a majority interest in The RaeLipskie Partnership.

The RaeLipskie Partnership remains an independent entity, maintaining the existing management and investment team, now backed by the significant depth and resources of Guardian, a publicly traded company listed on the TSX.

The Fund's registered office is located in 20 Erb Street West, Suite 201, Waterloo, Ontario N2L 1T2.

2. Basis of presentation:

(a) Statement of compliance:

These interim financial statements have been prepared in accordance with IFRS Accounting Standards and its interpretations, and International Accounting Standard 34, Interim Financial Reporting as adopted by the International Accounting Standards Board ("IASB"). The Fund reports under this basis of accounting as required by Canadian Securities Legislation and Canadian Accounting Standards Board.

The financial statements were authorized for issue by the Manager on July 25, 2025.

(b) Basis of measurement:

The financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss ("FVTPL") which are presented at fair value. The methods used to measure fair values are described in note 3(a).

RAELIPSKIE PARTNERS EQUITY FUND

Notes to Financial Statements (continued)

June 30, 2025 (Unaudited)

2. Basis of presentation (continued):

(c) Functional and presentation currency:

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

(d) Use of estimates and judgments:

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in note 3(a), related to the determination of fair value of investments at FVTPL.

(e) Future accounting policy changes

Presentation and disclosure in financial statements (IFRS 18)

IFRS 18 will replace IAS 1 *Presentation and disclosure in financial statements* and applies for annual reporting periods beginning on or after January 1, 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of income (loss) and comprehensive income (loss), namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Fund is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Fund's statement of comprehensive income, the statement of cash flows and the additional disclosures required for MPM. The Fund is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

RAELIPSKIE PARTNERS EQUITY FUND

Notes to Financial Statements (continued)

June 30, 2025 (Unaudited)

2. Basis of presentation (continued):

(e) Future accounting policy changes (continued):

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The IASB has issued amendments to IFRS 9 and IFRS 7 in May 2024. These amendments relate to classification of financial assets and accounting for settlement by electronic payments in the context of the classification and measurement requirements in IFRS 9. The potential impact may include, but is not limited to, a change in timing of recognition and derecognition of financial instruments in certain situations in which settlement of a financial instruments with another takes more than a day. Similarly, a change may be required for entities that derecognize both trade payable and cash on the payment initiation date even if the creditor has not yet received the cash. However, an accounting policy choice is available for derecognizing certain financial liabilities that are settled using an electronic payment system subject to certain criteria being met.

The amendments will be effective from January 1, 2026. Management is currently assessing the impact of the new standard, but it is not expected to have a significant impact on the Fund's financial statements.

3. Material accounting policy information:

The material accounting policy information used in the preparation of these financial statements are summarized below. The Fund have consistently applied the following accounting policies to all periods presented in these financial statements.

(a) Financial assets:

(i) Classification:

The Fund classify financial assets in the following measurement categories: those to be measured subsequently at fair value through profit and loss (FVTPL) and those to be measured at amortized cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI).

RAELIPSKIE PARTNERS EQUITY FUND

Notes to Financial Statements (continued)

June 30, 2025 (Unaudited)

3. Material accounting policy information (continued):

(a) Financial assets (continued):

The Fund classified financial assets into the following categories:

- Financial assets held at FVTPL: investments at fair value;
- Financial assets at amortized cost: cash and cash equivalents and interest and dividends receivable.

(ii) Recognition and derecognition

Financial assets at FVTPL are initially recognized on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. Other financial assets are recognised on the date on which they are originated.

(iii) Measurement:

Financial assets at FVTPL are initially recognized at fair value, with transaction costs recognized in profit or loss. Financial assets not at FVTPL are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

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. When available, the Fund measure the fair value of an instrument using the quoted market price in an active market for the instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. The Fund measures instruments quoted in an active market at the last traded market price where the last traded price falls within the 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.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value (Trading NAV) for transactions with unitholders.

The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount.

RAELIPSKIE PARTNERS EQUITY FUND

Notes to Financial Statements (continued)

June 30, 2025 (Unaudited)

3. Material accounting policy information (continued):

(b) Financial liabilities:

Financial liabilities are recognised on the date on which they are originated and are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

The Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or they expire.

Financial liabilities comprise accounts payables and accrued liabilities and redemptions payable. Due to the short-term nature of payables, carrying value is considered to approximate fair value.

(c) Dividend income, interest income, and capital gains:

Dividend and interest income are recognized in the profit or loss on the date on which the right to receive payment is established. Interest income is accrued daily and dividend income is recognized on the ex-dividend date.

Distributions from income funds and limited partnerships are recognized on the ex-distribution date and is shown on the Statement of Comprehensive Income.

Realized gains or losses on sale of investments and unrealized appreciation/depreciation on investments are determined on an average cost basis.

(d) Foreign currency:

The functional and presentation currency of the Fund is the Canadian dollar. The fair value of foreign investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at 4:00pm Eastern Standard Time (the "closing rate") on each valuation day. Purchases and sales of foreign securities denominated in foreign currencies and the related income are translated into Canadian dollars at rates of exchange prevailing on the respective dates of such transactions.

RAELIPSKIE PARTNERS EQUITY FUND

Notes to Financial Statements (continued)

June 30, 2025 (Unaudited)

3. Material accounting policy information (continued):

- (e) 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 redeemable units by the total number of redeemable units of that particular class outstanding at the end of the period.

- (f) Net increase in net assets from operations attributable to holders of redeemable units per unit:

The net increase in net assets from operations attributable to holders of redeemable units per unit is based on the net increase in net assets to holders of redeemable units attributable to each class of redeemable units divided by the weighted average number of redeemable units outstanding of that class during the period. Refer to note 8 for the calculation.

- (g) Income tax:

The Fund is taxed as a unit trust under the Income Tax Act (Canada). The Fund is required to make distributions each year of its net income and net realized capital gains, and therefore, will not generally be liable for income tax. It is the intention of the Manager to distribute all of its net income and net realized capital gains on an annual basis. Accordingly, no tax provision has been recorded.

4. Related party transactions:

- (a) Management fees:

As compensation for its services as Manager of the Fund, the Manager shall be entitled to receive a management fee. This fee is agreed to by the Manager and the Fund's unitholder and are calculated and charged outside of the Fund.

- (b) Administrative fees:

The Fund is responsible for payment of all operating and administrative expenses of the Fund to a maximum of 25 bps of the NAV. As the Fund has more than one class, the unitholders of each class bear their pro rata share of those expenses which are common of all classes, as well as those expenses which are attributed solely to that class.

RAELIPSKIE PARTNERS EQUITY FUND

Notes to Financial Statements (continued)

June 30, 2025 (Unaudited)

5. Redeemable units of the Fund:

The Fund is authorized to issue an unlimited number of redeemable units, issuable in one or more classes, each of which represents an equal, undivided, beneficial interest in the net assets attributable to holders of redeemable units of the Fund. The Units of the Fund have the following attributes:

- (i) each Unit is without nominal or par value and is issued as fully paid and non-assessable in accordance with the provisions hereof;
- (ii) each whole Unit entitles the holder thereof to one vote at all meetings of holders of redeemable units of the Fund;
- (iii) each Unit represents an undivided beneficial interest in the net assets of the Fund;
- (iv) each Unit entitles the holder thereof to participate equally, in accordance with the provisions hereof, in the crediting of cumulative net income and cumulative net capital gains and, on liquidation, to participate equally in the net assets of the Fund remaining after satisfaction of outstanding liabilities and;
- (v) each redeemable Unit of a class may be re-designated by the Manager.

A unitholder of the Fund may redeem all or a portion of their redeemable units of the Fund on the last business day of each week on which the Toronto Stock Exchange is open for business or such other business day as Rae & Lipskie may determine (each a "Valuation Date") upon providing a written request to Rae & Lipskie prior to 12:00pm on that Valuation Date. The redemption proceeds will equal the net asset value per unit of the Fund on that Valuation Date.

The unit transactions for the Fund were as follows:

	Redeemable units, beginning of period	Redeemable units issued	Redeemable units redeemed	Redeemable units, end of period
June 30, 2025	4,021,804	435,058	(199,849)	4,257,013
June 30, 2024	3,432,344	460,266	(175,037)	3,717,573

RAELIPSKIE PARTNERS EQUITY FUND

Notes to Financial Statements (continued)

June 30, 2025 (Unaudited)

6. Determination of fair values and fair value hierarchy:

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

- Level 1 – inputs that are quoted market prices (unadjusted) in active markets for identical instruments;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable either directly (as prices) or indirectly (derived from prices); and,
- Level 3 – inputs that are unobservable.

The table below sets out fair value measurements using the fair value hierarchy:

June 30, 2025				
	Level 1	Level 2	Level 3	Total
Assets				
Equity Investments	109,566,472	–	–	109,566,472
	\$ 109,566,472	\$ –	\$ –	\$ 109,566,472

December 31, 2024				
	Level 1	Level 2	Level 3	Total
Assets				
Equity Investments	98,817,522	–	–	98,817,522
	\$ 98,817,522	\$ –	\$ –	\$ 98,817,522

7. Financial instruments and associated risks:

In the normal course of business, the Fund is exposed to a variety of financial risks, including liquidity risk and market risk (currency risk and other price risk). The Fund is not exposed to significant credit risk or interest rate risk. The value of the Fund investments can fluctuate on a daily basis as a result of changes in economic conditions and market or company news related to specific securities within the Fund.

(a) Risk management:

Significant market disruptions, such as those caused by pandemics, natural or environmental disasters, war, military conflicts, acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Funds' investments and Funds' performance.

The Manager seeks to minimize potential adverse effects of risk on the Funds' performance by employing professional, experienced portfolio advisors; by daily monitoring of the Funds' positions and market events; by diversifying the investment portfolio within the constraints of the investment objectives; and by periodically using derivatives to economically hedge certain risk exposures.

RAELIPSKIE PARTNERS EQUITY FUND

Notes to Financial Statements (continued)

June 30, 2025 (Unaudited)

7. Financial instruments and associated risks (continued):

(a) Risk management (continued):

The Fund employs active investment strategies whereby investments in the Fund is based on target weightings for market capitalization, industry and/or issuer weightings. These target weightings are based on several factors, including impact to the Fund's volatility and asset diversification.

Significant changes to the selection of the target asset weightings attributed to the Fund require notification of the holders of redeemable units. To assist with managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

(b) Liquidity risk:

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligation on time or at a reasonable price. The Fund's exposure to the liquidity risk is concentrated in the weekly cash redemptions of redeemable units. All investments in the Fund are redeemable upon demand. The Fund primarily invests in securities that are traded in active markets and can be readily disposed. In addition, the Fund retains sufficient cash and cash equivalent positions to maintain liquidity. All financial liabilities are due between one and three months.

(c) Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund may invest in financial instruments denominated in currencies other than its functional currency and the Fund is exposed to fluctuations in those currencies. The Fund may enter into foreign exchange contracts for hedging purposes to reduce its foreign currency exposure, or to establish exposure to foreign currencies.

As at June 30, 2025, the Fund's financial assets designated at FVTPL include \$52,350,841 in U.S. Equities holdings which is denominated in Canadian dollars (December 31, 2024 - \$45,493,491). A 5% appreciation or depreciation in the relative strength of the Canadian dollar, with all other variables held constant, would decrease or increase net assets attributable to holders of redeemable units by \$2,617,542 (December 31, 2024 - \$2,274,675), respectively. In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

(d) Other price risk:

Other price risk is the risk that the market value or future cash flows of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in a market or market segment.

All securities present a risk of loss of capital. For the instruments held by the Fund, maximum risk of loss is equivalent to their fair value. The Manager moderates this risk through a careful selection and diversification of securities and other financial instruments within the parameters of the Fund's investment objectives and strategy. The Fund's overall market positions are monitored on a regular basis by the portfolio manager. Financial instruments held by the Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments.

RAELIPSKIE PARTNERS EQUITY FUND

Notes to Financial Statements (continued)

June 30, 2025 (Unaudited)

7. Financial instruments and associated risks (continued):

(d) Other price risk (continued):

As at June 30, 2025, 98% (December 31, 2024 - 98%) of the Fund's net assets attributable to holders of redeemable units were invested in securities traded on North American stock exchanges.

As of June 30, 2025, had the prices on the respective stock exchanges for the securities increased or decreased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased, respectively, \$10,957,000 (December 31, 2024 - \$9,882,000).

In practice, the actual trading results may differ and the difference could be material.

8. Net increase in net assets from operations attributable to holders of redeemable units per unit:

The net increase in net assets from operations attributable to holders of redeemable units per unit for the periods ended June 30, 2025 and 2024 is calculated as follows:

	Redeemable units, beginning of period	Redeemable units issued	Redeemable units redeemed	Redeemable units, end of period
June 30, 2025	4,021,804	435,058	(199,849)	4,257,013
June 30, 2024	3,432,344	460,266	(175,037)	3,717,573

9. Income taxes:

The Fund qualifies as a unit trust under the provisions of the Income Tax Act (Canada), and accordingly, is not subject to tax on its 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. However, such part of the Fund's net income and net realized capital gains as is not so paid or payable, is subject to income tax. It is the intention of the Fund to distribute all of its income and sufficient net realized capital gains so that the Fund will not be subject to income tax. The Fund may be subject to alternative minimum tax, potentially recoverable.

RAELIPSKIE PARTNERS EQUITY FUND

Notes to Financial Statements (continued)

June 30, 2025 (Unaudited)

10. Capital disclosure:

The capital of the Fund 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 Fund's net asset value per unit upon redemption. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of redeemable units. The relevant movements are shown on the Statement of Changes in Net Assets Attributable to Holders of Redeemable Units. In accordance with its investment objectives and strategies, and the risk management practices outlined in Note 7, the Fund endeavours 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.

11. Indemnification of the Manager/Trustee:

The Fund, according to the terms of the Trust Indenture, indemnify the Manager, its principals and their respective affiliates from all claims that may arise for (i) 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 the Fund and (ii) losses due to mistakes of judgment or the action or omission of any broker or agent of the Manager, selected, engaged or retained by the Manager, its principals or their respective affiliates.

12. Filing exemption:

The Fund is relying on the exemption pursuant to Section 2.11 of National Instrument 81-106.

13. Financial statement review:

These financial statements have not been reviewed by the Funds auditors.