

**FRIEDBERG GLOBAL-MACRO HEDGE FUND LTD.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**  
(in U.S. Dollars)

## INDEPENDENT AUDITORS' REPORT

To the Shareholders of Friedberg Global-Macro Hedge Fund Ltd.

### ***Opinion***

We have audited the financial statements of Friedberg Global-Macro Hedge Fund Ltd. (the “Fund”), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of income (loss) and comprehensive income (loss), changes in net assets attributable to holders of redeemable shares and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”).

### ***Basis for Opinion***

We conducted our audits in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the *Auditors’ Responsibilities for the Audits of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Other Information***

Management is responsible for the other information. The other information comprises the information included in Management’s Fund Annual Return (the “FAR”), but does not include the financial statements and our auditors’ report thereon.

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

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

We obtained the FAR prior to the date of this auditors’ report. If, based on the work we have performed on the FAR, we conclude that there is a material misstatement of the FAR, we are required to report that fact in this auditors’ report. We have nothing to report in this regard.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, 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 Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting



unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Fund's financial reporting process.

### *Auditors' Responsibilities for the Audits 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 auditors' 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, 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 override of internal control.
- Obtain an understanding of internal control relevant to the audits 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

*Zeifmans (Cayman)*

Grand Cayman, Cayman Islands  
June 19, 2025

**FRIEDBERG GLOBAL-MACRO HEDGE FUND LTD.**  
(a Cayman Islands Company)  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT DECEMBER 31,**  
(in U.S. Dollars)

	2024	2023
	\$	\$
<b>ASSETS</b>		
<b>Current</b>		
Cash	214,477,734	192,988,277
Cash held as collateral on futures and swap contracts	81,825	39,135,047
Equity securities	62,089,021	4,936,832
Fixed income securities	19,793,914	7,417,108
Amounts receivable	444,268	978,797
Unrealized gain on long futures contracts	19,548,768	19,506,635
Unrealized gain on short futures contracts	3,495	-
Unrealized gain on equity swap and commodity index swap contracts	-	836,143
Options contracts	14,045,060	32,424,265
	<b>330,484,085</b>	<b>298,223,104</b>
 <b>LIABILITIES</b>		
<b>Current</b>		
Due to broker	11,658,859	20,514,381
Accounts payable and accrued liabilities	648,198	714,253
Unrealized loss on long futures contracts	1,356,521	-
Unrealized loss on equity swap and commodity index swap contracts	-	9,228,897
Options contracts written	124,110	3,573,610
Redemptions payable	-	43,619
	<b>13,787,688</b>	<b>34,074,760</b>
 <b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES</b>	<b>316,696,397</b>	<b>264,148,344</b>
 <b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES, PER SHARE</b>	<b>2,837.38</b>	<b>2,351.66</b>

Approved and authorized for issue by the Fund's board of directors on June 19, 2025.

"Albert D. Friedberg" Director

"Brian Eden" Director

**FRIEDBERG GLOBAL-MACRO HEDGE FUND LTD.**  
**STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES**  
**FOR THE YEARS ENDED DECEMBER 31,**  
(in U.S. Dollars)

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Balance, beginning of the year</b>	<b>264,148,344</b>	383,049,711
Increase (decrease) in net assets attributable to holders of redeemable shares	<b>54,461,655</b>	(115,039,651)
Redemptions of shares (note 9)	<b>(1,913,602)</b>	(3,861,716)
<b>Balance, end of the year</b>	<b>316,696,397</b>	264,148,344

See accompanying notes to financial statements

**FRIEDBERG GLOBAL-MACRO HEDGE FUND LTD.**  
**STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)**  
**FOR THE YEARS ENDED DECEMBER 31,**  
(in U.S. Dollars)

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME (LOSS)</b>		
Realized gains (losses) on futures and forward contracts	77,940,297	(20,233,757)
Change in net unrealized gain/loss on equity securities and equity securities sold short	8,695,889	(62,626,895)
Change in net unrealized gain/loss on futures, equity and commodity index swap contracts	7,081,861	(22,549,534)
Interest	6,672,504	13,733,863
Dividends	999,822	923,179
Realized gains on fixed income securities	284,647	349,469
Change in net unrealized gain/loss on fixed income securities	115,943	117,940
Foreign currency translation loss	(262)	-
Realized gains (losses) on equity securities	(2,894,919)	13,487,699
Realized losses on equity and commodity index swap contracts	(10,857,462)	(4,810,349)
Change in net unrealized gain/loss on options contracts and options contracts written	(12,337,905)	9,465,834
Realized losses on options contracts and options contracts written	(13,817,938)	(32,135,928)
	<b>61,882,477</b>	<b>(104,278,479)</b>
<b>EXPENSES</b>		
Management fees (note 10)	5,813,001	6,131,238
Transaction costs	867,467	1,624,055
Dividends on securities sold short	24,682	1,396,493
Interest	201,145	942,538
Withholding taxes on dividends and interest	282,491	467,449
Miscellaneous	68,306	77,983
Administrative fees	69,503	69,090
Audit fees	53,265	33,500
Legal fees	39,201	16,833
Custodian fees	1,761	1,993
	<b>7,420,822</b>	<b>10,761,172</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES</b>	<b>54,461,655</b>	<b>(115,039,651)</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES, PER SHARE</b>	<b>485.84</b>	<b>(1,016.87)</b>

See accompanying notes to financial statements

**FRIEDBERG GLOBAL-MACRO HEDGE FUND LTD.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31,**  
(in U.S. Dollars)

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable shares	54,461,655	(115,039,651)
Adjustments for:		
Change in net unrealized gain/loss on fixed income securities	(115,943)	(117,940)
Change in net unrealized gain/loss on futures, forward, equity and commodity index swap contracts	(7,081,861)	22,549,534
Change in net unrealized gain/loss on equity securities and equity securities sold short	(8,695,889)	62,626,895
Change in net unrealized gain/loss on options contracts and options contracts written	12,337,905	(9,465,834)
Realized losses (gains) on equity securities	2,894,919	(13,487,699)
Realized losses on equity and commodity index swap contracts	10,857,462	4,810,349
Realized losses (gains) on futures and forward contracts	(77,940,297)	20,233,757
Realized gains on fixed income securities	(284,647)	(349,469)
Realized losses on options contracts and options contracts written	13,817,938	32,135,928
Purchase of investments	(471,169,441)	(860,350,465)
Proceeds on sale of investments	463,698,703	695,223,576
Net change in working capital items:		
Amounts receivable	534,529	929,346
Accounts payable and accrued liabilities	(66,055)	(526,564)
<b>NET CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<b>(6,751,022)</b>	<b>(160,828,237)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts paid on redemption of shares	(1,957,221)	(3,818,097)
<b>NET CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>(1,957,221)</b>	<b>(3,818,097)</b>
<b>NET DECREASE IN CASH FOR THE YEAR</b>	<b>(8,708,243)</b>	<b>(164,646,334)</b>
<b>CASH, BEGINNING OF THE YEAR</b>	<b>211,608,943</b>	<b>376,255,277</b>
<b>CASH, END OF THE YEAR</b>	<b>202,900,700</b>	<b>211,608,943</b>
<b>CASH AND CASH EQUIVALENTS BALANCES, END OF THE YEAR</b>		
Cash	214,477,734	192,988,277
Cash held as collateral on futures, forward and swap contracts	81,825	39,135,047
Due to broker	(11,658,859)	(20,514,381)
	<b>202,900,700</b>	<b>211,608,943</b>

See accompanying notes to financial statements

**Friedberg Global-Macro Hedge Fund Ltd.**  
**Schedule of Investment Portfolio**  
**December 31, 2024**  
(in U.S. dollars)

<b>Fixed Income Positions - Long</b>		<b>6.3%</b>				
<b>Security Name</b>		<b>Maturity Date</b>		<b>Face Value</b>	<b>Cost \$</b>	<b>Fair Value \$</b>
United States Treasury Bill		January 23, 2025		5,000,000	4,809,445	4,984,458
United States Treasury Bill		February 27, 2025		5,000,000	4,945,500	4,965,264
United States Treasury Bill		April 24, 2025		5,000,000	4,912,806	4,932,380
United States Treasury Bill		May 29, 2025		5,000,000	4,892,280	4,911,812
					<u>19,560,031</u>	<u>19,793,914</u>

<b>Equity Positions - Long</b>		<b>19.6%</b>				
<b>Security Name</b>				<b>Quantity</b>	<b>Average Cost \$</b>	<b>Fair Value \$</b>
<b>Materials</b>		<b>7.0%</b>				
Agnico Eagle Mines Limited				160,800	11,993,624	12,576,168
VanEck Vectors Junior Gold Miners ETF				2,227,070	11,278,011	9,707,243
					<u>23,271,635</u>	<u>22,283,411</u>
<b>Energy</b>		<b>2.9%</b>				
Vista Energy SAB de CV				169,810	8,269,902	9,188,419
<b>Healthcare</b>		<b>0.0%</b>				
Vaccinex Inc.				16,723	12,999,997	16,389
<b>Communication Services</b>		<b>2.0%</b>				
Alphabet Inc. Class A				33,800	6,583,187	6,398,340
<b>Consumer Discretionary</b>		<b>7.7%</b>				
iShares U.S. Home Construction ETF				234,089	26,231,264	24,202,462
					<u>77,355,985</u>	<u>62,089,021</u>

<b>Futures Contracts - Long</b>		<b>5.7%</b>			<b>Initial Notional Contract Size</b>	<b>Notional Value</b>	<b>Unrealized Gain / (Loss) \$</b>
<b>Security Name</b>	<b>Unit of Measure</b>	<b>Expiry Date</b>	<b>Contracts</b>				
Cocoa	Tonnes	March 2025	414	10	47,711,430	19,548,768	
Gold	Ounces	February 2025	874	100	230,552,460	(1,356,521)	
					<u>278,263,890</u>	<u>18,192,247</u>	

<b>Futures Contracts - Short</b>		<b>0.0%</b>			<b>Contract Size</b>	<b>Notional Value</b>	<b>Unrealized Gain / (Loss) \$</b>
<b>Security Name</b>		<b>Expiry Date</b>	<b>Contracts</b>				
Copper	Pounds	March 2025	(250)	25,000	(25,145,313)	3,495	

<b>Commodities Options Equities - Long</b>		<b>1.8%</b>						
<b>Security Name</b>		<b>Expiry Date</b>	<b>Contracts</b>	<b>Contract Size</b>	<b>Strike Price</b>	<b>Average Cost \$</b>	<b>Fair Value \$</b>	
SPDR S&P 500 ETF Trust	Put	March 21, 2025	6,784	100	535	2,513,553	2,686,464	
SPDR S&P 500 ETF Trust	Put	February 21, 2025	4,708	100	570	3,561,026	2,951,916	
						<u>6,074,579</u>	<u>5,638,380</u>	

<b>Commodities Options Positions - Long</b>		<b>2.6%</b>						
<b>Security Name</b>		<b>Expiry Date</b>	<b>Contracts</b>	<b>Contract Size</b>	<b>Strike Price</b>	<b>Average Cost \$</b>	<b>Fair Value \$</b>	
Gold	Call	January 28, 2025	100	100	2,450	840,000	1,927,000	
Gold	Call	January 28, 2025	490	100	2,700	3,495,964	801,150	
Gold	Call	January 28, 2025	369	100	2,780	1,476,000	184,500	
Gold	Call	January 28, 2025	382	100	2,760	1,329,360	255,940	
Gold	Call	February 25, 2025	382	100	2,595	4,144,700	3,680,570	
Gold	Call	March 26, 2025	210	100	2,900	1,186,500	301,350	
Gold	Call	March 26, 2025	382	100	2,800	2,002,368	1,092,520	
						<u>14,474,892</u>	<u>8,243,030</u>	

**Friedberg Global-Macro Hedge Fund Ltd.**  
**Schedule of Investment Portfolio**  
**December 31, 2024**  
(in U.S. dollars)

<b>Commodities Options Positions - Short</b>		<b>(0.0%)</b>						
<b>Security Name</b>		<b>Expiry Date</b>	<b>Contracts</b>	<b>Contract Size</b>	<b>Strike Price</b>	<b>Average Cost \$</b>	<b>Fair Value \$</b>	
Gold	Call	January 28, 2025	(369)	100	2,880	(739,000)	(55,350)	
Gold	Call	January 28, 2025	(382)	100	2,860	(569,180)	(68,760)	
						(1,308,180)	(124,110)	

<b>SOFR Option Positions - Long</b>		<b>0.1%</b>						
<b>Security Name</b>		<b>Expiry Date</b>	<b>Contracts</b>	<b>Contract Size</b>	<b>Strike Price</b>	<b>Average Cost \$</b>	<b>Fair Value \$</b>	
SOFR	Call	June 1, 2025	8,728	2,500	0.950	763,700	163,650	

<b>Investment Portfolio Summary</b>			<b>Average Cost/ (Proceeds)</b>	<b>Fair Value</b>
	<b>%</b>		<b>\$</b>	<b>\$</b>
Fixed income securities	6.3		19,560,031	19,793,914
Equity positions - long	19.6		77,355,985	62,089,021
Futures contracts - long	5.7		-	18,192,247
Futures contracts - Short	0.0		-	3,495
Commodities Options Equities - Long	1.8		6,074,579	5,638,380
Commodities Options Positions - Long	2.6		14,474,892	8,243,030
Commodities Options Positions - Short	(0.0)		(1,308,180)	(124,110)
SOFR option positions - long	0.1		763,700	163,650
Total investments	36.1		116,921,007	113,999,627
Total other net assets	63.9		202,696,770	202,696,770
Total net assets	100.0		319,617,777	316,696,397

(b) 40% of Vaccinex is owned by parties under common control with the investment advisor.

**FRIEDBERG GLOBAL-MACRO HEDGE FUND LTD.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**  
(in U.S. Dollars)

**1. GENERAL INFORMATION**

The Friedberg Global-Macro Hedge Fund Ltd. (the “Fund”) is an open-ended private investment company which was formed under the laws of the Cayman Islands and commenced operations on November 21, 2001. The Fund was organized for the purpose of trading and investing in securities. Pursuant to an investment advisory agreement, Friedberg Mercantile Group Ltd., a company under common control, is the investment advisor (the “Investment Advisor”) to the Fund.

The Fund is a multi-strategy fund whose investment objective is to seek significant total investment returns, consisting of a combination of interest income, currency gains and capital appreciation by investing in the following four discrete groups of investments: (i) long positions in fixed income securities; (ii) long and short positions in equity securities; (iii) currency forwards and futures contracts and options thereon; and (iv) commodity forwards and futures contracts and options thereon, and other over-the counter traded derivatives instruments, (the “Portfolio Strategies”). The Fund invests in the Portfolio Strategies through managed accounts. Other managed accounts, investment vehicles, strategies and products may be added to the universe of the Portfolio Strategies among which Fund assets may be allocated from time to time. The Fund may from time to time invest in a wide range of instruments and markets, including, but not limited to, equities, equity-related instruments, currencies, commodities, fixed income and other debt-related instruments and derivative instruments.

The Fund’s principal and registered address is One Nexus Way, Camana Bay, Grand Cayman, KY1-9005, Cayman Islands.

**2. BASIS OF PRESENTATION**

**(a) Statement of compliance**

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”).

The Fund’s material accounting policy information under IFRS Accounting Standards are presented in note 3. The policies applied in these financial statements are based on IFRS issued and effective for the accounting year ended December 31, 2024. The financial statements were approved and authorized for issued by the board of directors on June 19, 2025.

**(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for financial assets and liabilities. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

**(c) Functional currency and presentation currency**

These financial statements are presented in United States dollars, which is the functional and the reporting currency of the Fund.

### **3. MATERIAL ACCOUNTING POLICY INFORMATION**

#### **(a) Financial instruments**

##### **(i) Recognition and measurement**

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

Financial assets and liabilities are recognized initially on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. The Fund derecognizes a financial asset when its contractual rights are discharged, cancelled or expire. The Fund derecognizes 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 Fund has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

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

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

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

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

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

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

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

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

**(ii) FVTPL**

Financial instruments classified as FVTPL are subsequently measured at fair value at each reporting date with changes in fair value recognized in the statement of income (loss) and comprehensive income (loss) in the period in which they occur. The Fund classifies all of their cash balances at broker, derivative assets and liabilities FVTPL, while all debt and equity investments, due to brokers and net assets attributable to holders of redeemable shares have been designated as FVTPL upon initial recognition.

The Fund's investments are presented at fair value. Investments held that are traded in an active market through recognized public stock exchanges are valued at quoted market prices at the close of trading on the reporting date. The Fund uses the closing market price for investments where the closing price falls within the day's bid-ask spread. In circumstances where the closing market price does not fall within the bid-ask spread, the Investment Advisor determines the point within the bid-ask spread that is most representative of fair value based on specific facts and circumstances.

Options are valued at their closing price as reported by the principal exchange or over the counter market on which the contract is traded. Any difference resulting from revaluation at the reporting date is treated as unrealized gain (loss) in the statements of income (loss) and comprehensive income (loss).

Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded. The value of the contract is the gain or loss that would be realized upon settlement.

Unlisted or non-exchange trade investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in the Investment Advisor's opinion, inaccurate, unreliable, or not reflective of all available material information are valued at their fair value as determined by the Investment Advisor using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

Over the counter derivatives (such as currency forward contracts) are valued based on the difference between the contract forward rate and the rate prevailing on a reporting date.

The fair value of other financial assets and liabilities approximates their carrying values due to the short-term nature of these instruments.

**(iii) Amortized cost**

Financial assets and liabilities classified as amortized cost are recognized initially at fair value plus any directly attributable transaction costs. Subsequent measurement is at amortized cost using the effective interest method, less any impairment losses. The Fund classifies amounts receivable, due to broker, accounts payable and accrued liabilities, contracts awaiting settlement and redemptions payable as amortized cost.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocation of 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.

**(b) Impairment of financial assets**

An expected credit loss (“ECL”) model is applied to the assessment of financial assets. Under the ECL model, the Fund records an allowance for ECL either based on a 12-month ECL or on a lifetime ECL. ECLs are recognized on the following basis:

- A maximum 12-month allowance for ECL is recognized from initial recognition, reflecting the portion of lifetime cash shortfalls that would result if a default occurs in the 12 months after the reporting date, weighted by the risk of a default occurring.
- A lifetime ECL allowance is recognized if a significant increase in credit risk is detected subsequent to the instruments' initial recognition reflecting lifetime cash shortfalls that would result over the expected life of a financial instrument.
- A lifetime ECL allowance is recognized for credit impaired financial instruments.

ECLs for amounts receivable are based on the adoption of a valuation policy which utilize the Fund’s historic loss experience by age banding, adjusted for forward looking estimates and other considerations as applicable. The Fund’s dividends and interest receivable are measured at amortized cost and are subject to the ECL model.

**(c) Credit default swap contracts**

A credit default swap contract is an agreement to transfer credit risk from one party, a buyer of protection, to another party, a seller of protection. A seller of protection is required to pay a notional or other agreed upon value to the buyer of the protection in the event of a default by a third party. In return, the seller would receive from the counterparty a periodic stream of payments over the term of the contract provided that no event of default occurs. If no default occurs, the seller would keep the stream of payments and would have no payment obligations.

A buyer of protection would receive a notional or other agreed upon value from the seller of the protection in the event of a default by a third party. In return, the buyer would be required to pay to the counterparty a periodic stream of payments over the term of the contract provided that no event of default occurs.

The premiums paid or received are included in the statements of income (loss) and comprehensive income (loss) in “realized gain on credit default swap contracts”. The change in the value of a credit default swap contract is included in the statements of financial position in “credit default swap contracts” and in the statements of income (loss) and comprehensive income (loss) in “change in net unrealized gain/loss on credit default swap contracts”.

When credit default swap contracts are closed out, gains or losses are included in the statements of loss and comprehensive loss in “realized gain (loss) on credit default swap contracts”.

**(d) Equity, commodity index and inflation index swap contracts**

Equity swap, commodity index swap and inflation index swap contracts are an agreement between two parties to exchange periodic payments based upon a notional principal amount, with one party paying a fixed or floating amount and the other party paying the actual return of a stock, a basket of stocks or a stock or commodity index or inflation index.

A buyer of an equity swap or commodity index swap or inflation index swap contract would receive the total return of the underlying stocks or stock or commodity index. In return, the buyer would be required to pay to the counterparty a fixed or floating amount on the agreed settlement dates.

Any amount received or paid for equity, commodity index or inflation index swap contracts is included in the statements of income (loss) and comprehensive income (loss) in “realized gains (losses) on equity, inflation index swap and commodity index swap contracts”. The change in the value of an equity or commodity index swap contract is included in the statements of financial position in “unrealized gain (loss) on equity, inflation index swap and commodity index swap contracts” and in the statements of income (loss) and comprehensive income (loss) in “change in net unrealized gain/loss on futures, forward, equity, inflation index swap and commodity index swap contracts”.

The fair value of equity swap, inflation index swap and commodity swap contracts is based on the quoted market price for the equity securities or the index included in the contract.

When the equity swap, inflation index or commodity index swap contracts are closed out, gains or losses are included in the statements of loss and comprehensive loss in “net realized gains (losses) on equity, inflation index swap and commodity index swap contracts”.

**(e) Transaction costs**

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

**(f) Offsetting**

Income and expenses are presented on a net basis for gains and losses from financial instruments at FVTPL and foreign currency translation gains and losses.

**(g) Cash and cash equivalents**

Cash and cash equivalents consist of cash on deposit at brokers and cash owing to brokers and short-term, interest bearing notes with the original term to maturity of less than three months.

**(h) Investment income**

Investment transactions are accounted for as of the trade date. Realized gains and losses from investment transactions are calculated on a weighted average cost basis. The difference between fair value and average cost, as recorded in the financial statements, is included in the statements of income (loss) and comprehensive income (loss) as part of the net change in unrealized gain (loss) on investments and derivatives. Interest income from investments in fixed income securities and short-term investments represents the coupon interest received by the Fund accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities. Dividend income is recognized on the ex-dividend date.

Income (loss) from derivatives is shown in the statements of income (loss) and comprehensive income (loss) as net realized gain (loss) on futures, forward and equity and commodity index swap contracts, credit default swap contracts and warrants and options contracts and net unrealized gain (loss) on futures, forward and equity and commodity index swap contracts, credit default swap contracts and warrants and option contracts.

If the Fund incurs withholding taxes imposed by certain countries on investment income and capital gains, such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the statement of income (loss) and comprehensive income (loss).

**(i) Foreign currency translation**

Transactions in foreign currencies, if any, are translated into the Fund's functional currency using the exchange rate prevailing on the trade date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the period-end exchange rate. Foreign currency exchange gains and losses are presented as "Foreign currency translation gain (loss)", except for those arising from financial instruments at FVTPL, which are recognized as a component within the applicable net realized or unrealized gain (loss) in the statements of loss and comprehensive loss.

**(j) Net assets attributable to holders of redeemable shares**

Redeemable shares of the Funds are issued and redeemed at their respective net asset value ("NAV") per share. The NAV per share for each series of shares is determined on the first business day of each week and the last business day of every month. The NAV of a particular series of shares of the Fund is computed by subtracting the series' share of the liabilities of the Fund from that series' share of the assets of the Fund. Income, non-series specific expenses, realized and unrealized gains (losses) of investments, and foreign currency and transactions costs are allocated proportionately to each series based on the relative NAV of each series of the Fund. Expenses directly attributable to a series are charged directly to that series.

Redeemable shares can be redeemed at any time for cash equal to a proportionate share of the Fund's NAV attributable to the share series. The redeemable shares are classified as financial liabilities and are measured at the redemption amounts.

The increase (decrease) in net assets attributable to holders of redeemable shares per share reported in the statements of income (loss) and comprehensive income (loss) represents the increase (decrease) in net assets attributable to holders of redeemable shares by series for the period, divided by the average number of shares of the series outstanding during the period.

**(k) New standards and interpretations not yet adopted**

A number of new standards, amendments to standards and interpretations are not yet effective at December 31, 2024, and have not been applied in preparing these financial statements. Management has determined that none of these will have a significant effect on the financial statements of the Fund.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

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

In making estimates and assumptions, the Investment Advisor relies on external information and observable conditions where possible, supplemented by internal analysis as required. These estimates and assumptions have been applied in a manner consistent with prior periods and there are no known trends, commitments, events or uncertainties that the Investment Advisor believes will materially affect the methodology or assumptions utilized in making these estimates and assumptions in these financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The Fund may hold financial instruments that are not quoted in active markets, including investments. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources. Broker quotes as obtained from pricing sources may be indicative and not executable. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by the Investment Advisor.

Models use observable data, to the extent practicable. However, areas such as credit risk, volatilities and correlations require the Investment Advisor to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. See note 6 for more information on the fair value measurement of the Fund's financial instruments.

Geopolitical conflicts, including the Russia-Ukraine war, terrorism or other military events could directly or indirectly impact the portfolio investments, financial markets or more broadly, the global economy. For example, as a result of the Russia-Ukraine war, a portfolio company may be adversely impacted by having operations in Russia or Ukraine, actual or potential disruptions in supply chains, an increased risk of cyberattacks, an increase in commodity prices, the availability and cost of energy, reputational risks and the global economy. In addition, the Russia-Ukraine war, terrorism or other military events have broader implications, including increased sanctions, trade barriers or restrictions on global trade or further retaliatory sanctions and trade measures taken by Russia or other countries in response. The future of these events is highly uncertain, and unforeseen developments could generate further changes to geopolitical conflicts risk and worsen their economic effects on the business of portfolio investments.

## 5. FINANCIAL INSTRUMENTS

The Fund held the following financial instruments as at December 31:

	<u>2024</u>	<u>2023</u>
	\$	\$
<b>FVTPL, measured at fair value:</b>		
<b>Assets</b>		
Cash	214,477,734	192,988,277
Cash held as collateral on futures and swap contracts	81,825	39,135,047
Equity securities (a)	62,089,021	4,936,832
Fixed income securities	19,793,914	7,417,108
Unrealized gain on long futures contracts	19,548,768	19,506,635
Unrealized gain on short futures contracts	3,495	-
Unrealized gain on equity and commodity index swap contracts	-	836,143
Options contracts	14,045,060	32,424,265
<b>Liabilities</b>		
Due to broker	11,658,859	20,514,381
Unrealized loss on futures contracts	1,356,521	-
Unrealized loss on equity and commodity index swap contracts	-	9,228,897
Options contracts written	124,110	3,573,610
Net assets attributable to redeemable shares (a)	316,696,397	264,148,344
<b>Loans and receivables, measured at amortized cost:</b>		
Amounts receivable	444,268	978,797
<b>Financial liabilities, measured at amortized cost:</b>		
Accounts payable and accrued liabilities	648,198	714,253
Redemptions payable	-	43,619

(a) Designated at FVTPL upon initial recognition

The fair value of these financial instruments approximates their carrying value.

The following table presents the net gain (loss) on financial instruments at FVTPL by category for the year:

	<u>2024</u>	<u>2023</u>
	\$	\$
Mandatorily measured at FVTPL	<b>48,008,853</b>	(70,263,734)
Designated at FVTLP upon initial recognition	<b>13,848,942</b>	(35,411,238)
	<b><u>61,857,795</u></b>	<b><u>(105,674,972)</u></b>

### *Fair Value Hierarchy of Financial Instruments*

The Fund has categorized its financial instruments that are carried at fair value, based on the priority of the inputs to the valuation techniques used to measure fair value, into a three-level fair value hierarchy as follows:

Level 1: Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market. The types of assets and liabilities classified as Level 1 generally include cash balances, cash held as collateral on futures, forward and swap contracts, equity securities, unrealized gain (loss) on futures contracts, equity and futures options contracts, equity securities sold short, equity options, futures options contracts written and due to broker.

Level 2: Fair value is based on quoted prices for similar assets or liabilities in active markets, valuation that is based on significant observable inputs, or inputs that are derived principally from or corroborated with observable market data through correlation or other means. The types of assets and liabilities classified as level 2 include unrealized gain (loss) on forward and equity and commodity index swap contracts.

Level 3: Fair value is based on valuation techniques that require one or more significant inputs that are not based on observable market inputs. These observable inputs reflect the Fund's assumptions about the assumptions market participants would use in pricing the asset or liability. The types of assets and liabilities classified as level 3 include swap options and net assets attributable to redeemable shares.

The following table presents the Fund's fair value hierarchy of its financial instruments as at December 31, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	\$	\$	\$	\$
<b>ASSETS</b>				
Cash	214,477,734	-	-	214,477,734
Cash held as collateral on futures and swap contracts	81,825	-	-	81,825
Equity securities	62,089,021	-	-	62,089,021
Fixed income securities	19,793,914	-	-	19,793,914
Unrealized gain on long futures contracts	19,548,769	-	-	19,548,769
Unrealized gain on short futures contracts	3,495	-	-	3,495
Options contracts	14,045,060	-	-	14,045,060
	<b><u>330,039,818</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>330,039,818</u></b>
<b>LIABILITIES</b>				
Due to broker	11,658,859	-	-	11,658,859
Unrealized loss on long futures contracts	1,356,521	-	-	1,356,521
Options contracts written	124,110	-	-	124,110
Net assets attributable to redeemable shares	-	-	316,696,397	316,696,397
	<b><u>13,139,490</u></b>	<b><u>-</u></b>	<b><u>316,696,397</u></b>	<b><u>329,835,887</u></b>

The following table presents the Fund's fair value hierarchy of its financial instruments as at December 31, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	\$	\$	\$	\$
<b>ASSETS</b>				
Cash	192,988,277	-	-	192,988,277
Cash held as collateral on futures and swap contracts	39,135,047	-	-	39,135,047
Equity securities	4,936,832	-	-	4,936,832
Fixed income securities	7,417,108	-	-	7,417,108
Unrealized gain on long futures contracts	19,506,635	-	-	19,506,635
Unrealized gain on equity and commodity index swap contracts	-	836,143	-	836,143
Options contracts	32,424,265	-	-	32,424,265
	<u>296,408,164</u>	<u>836,143</u>	<u>-</u>	<u>297,244,307</u>
<b>LIABILITIES</b>				
Due to broker	20,514,381	-	-	20,514,381
Unrealized loss on equity and commodity index swap contracts	-	9,228,897	-	9,228,897
Options contracts written	3,573,610	-	-	3,573,610
Net assets attributable to redeemable shares	-	-	264,148,344	264,148,344
	<u>24,087,991</u>	<u>9,228,897</u>	<u>264,148,344</u>	<u>297,465,232</u>

***Fair value Measurements Using Significant Unobservable Inputs***

Fair value of net assets attributable to redeemable shares is based on the valuation of the Fund's own asset values.

The following is a reconciliation of the Level 3 fair value measurements of the options held by the Fund for the year ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
	\$	\$
Balance at beginning of year	-	6,128,553
Proceeds on sales	-	(8,507,500)
Net realized gain on sale	-	3,320,000
Net change in unrealized appreciation (depreciation)	-	(941,053)
	<u>-</u>	<u>-</u>
Balance at end of the year	-	-

**6. FINANCIAL INSTRUMENTS RISK**

In the normal course of business, the Fund's investment activities expose it to a variety of financial risks. The Investment Advisor seeks to minimize potential adverse effects of these risks for the Fund's performance by employing professional, experienced portfolio advisors, by daily monitoring of the Fund's positions and market events, and periodically may use derivatives to hedge certain risk exposures. To assist in managing risks, the Investment Advisor maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategies, internal guidelines and securities regulations.

Please refer to the most recent prospectus for a complete discussion of the risk attributed to an investment in the shares of the Fund. Significant financial instrument risks that are relevant to the Fund and an analysis of how they are managed are presented below. Total assets and liabilities presented in the tables below are not intended to match total assets and liabilities disclosed in the statement of financial position, due to differences of derivative instruments. Certain risks, such as currency and interest rate risk may be correlated. Such correlation is not taken into account in these financial statements.

**(a) Market price risk**

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

The table below summarizes the Fund's overall market exposure as at December 31, 2024:

	<u>Fair value</u>	<u>% of NAV</u>
	<u>\$</u>	<u>%</u>
Fixed income securities	19,793,914	6.25
Equity securities	62,089,021	19.61
Options- long	14,045,060	4.43
Options- short	124,110	0.04
Futures contracts (total notional value) long	278,263,890	87.86
Futures contracts (total notional value) short	25,145,313	7.94
	<u>399,461,308</u>	<u>126.13</u>

*Price sensitivity*

As at December 31, 2024 had the prices of the investments held in the Fund decreased or increased by 5% with all other variables held constant, increase (decrease) in net assets attributable to holders of redeemable shares would have decreased or increased by \$19,973,065. In practice, the actual trading results may differ from this analysis and the difference may be material.

**(b) Currency risk**

Currency risk is the risk that the value of a financial instrument will fluctuate as a result of changes in foreign currency exchange rates, which can be caused by market, political and/or other factors which may be subject to intervention by sovereign governments.

The Fund holds assets denominated in currencies other than its measurement currency. The Fund is therefore exposed to currency risk, as the value of the securities denominated in other currencies fluctuates due to changes in exchange rates.

The Fund is exposed to foreign currency risk through its holding of Canadian equity securities as at December 31, 2024 of \$12,576,168 which represents 3.97% of the Fund's NAV.

*Currency Sensitivity*

As at December 31, 2024, had the United States dollar strengthened or weakened by 1% in relation to all currencies, with all other variables remaining constant, increase (decrease) in net assets attributable to holders of redeemable shares would have increased or decreased by \$125,762. This analysis only addresses the impact on the financial instruments with respect to currency movement, and excludes any other economic or geo-political implications of such currency fluctuation. In practice, the actual result may differ from this analysis and the difference may be material.

**(c) Interest rate risk**

The Fund is exposed to the risk that the fair value of future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. In general, the value of the interest rate futures will rise if interest rates fall, and conversely, will generally fall if interest rates rise. How sensitive the Fund is to changes in prevailing interest rates depends on other factors like credit rating of the issuers and the term to maturity of the Fund's investments. The lower the credit rating of the issuers and the longer the term to maturity, the more sensitive the Fund is to changes in prevailing interest rates, thus the higher interest rate

risk. Due to the nature of the short-term financial instruments with remaining maturities of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to prevailing levels of market interest rates. This analysis excludes the impact of changes in interest rates on the balance of the Fund's investment portfolio, such as equity securities, which could be significant.

**(d) Credit risk**

The Fund is exposed to credit risk arising from its transactions with its counterparties related to securities purchases, sales and positions held by the counterparties on the Fund's behalf. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Financial assets which potentially expose the Fund to credit risk consist principally of investments in cash balances at brokers, cash held as collateral on futures and swap contracts, amounts receivable, equity securities, futures, forward and swap contracts and options contracts. Credit risk is managed by dealing only with counterparties the Fund believes to be creditworthy, setting transaction limits with specific counterparties and by daily monitoring of credit exposure. Credit risk did not impact the values of the Fund's financial liabilities.

The table below summarizes the Fund's counterparty concentration as a percentage of NAV, as at December 31, 2024:

Counterparty	Cash %	Cash held as collateral on futures and swap contracts		Amounts receivable %	Equity securities %	Fixed income securities %	Futures contracts %	Options contracts %	Due to brokers %	Accounts payable and accrued liabilities %	Total %
		swap contracts %	Amounts receivable %								
BMO Harris Bank	0.04	-	-	-	-	-	-	-	-	-	0.04
Bank of Montreal	57.36	-	0.12	-	-	-	-	-	-	-	57.48
Cayman National	0.01	-	-	-	-	-	-	-	-	-	0.01
CIBC Mellon	0.01	-	-	-	-	-	-	-	-	-	0.01
JP Morgan Chase Bank N.A.	10.27	0.03	-	15.63	-	-	-	1.83	-	-	27.76
Morgan Stanley	-	-	0.01	-	-	-	-	-	-	-	0.01
National Bank Independent Network	0.01	-	-	3.97	1.57	-	-	-	-	-	5.55
Stone X	0.03	-	-	-	4.68	5.75	2.56	(3.68)	(0.01)	(0.01)	9.33
	67.73	0.03	0.13	19.60	6.25	5.75	4.39	(3.68)	(0.01)	(0.01)	100.19

The table below summarizes the Fund's counterparty concentration as a percentage of NAV, as at December 31, 2023:

Counterparty	Cash %	Cash held as collateral on futures, forward and swap contracts		Amounts receivable %	Fixed income securities %	Equity securities %	Unrealized gain on open futures, forwards and equity and commodity index swap contracts %	Options %	Due to broker %	% of NAV
		swap contracts %	Amounts receivable %							
UBS	0.23	0.73	0.01	-	-	-	0.05	-	-	1.02
BMO Harris Bank	0.02	-	0.30	-	-	-	-	-	-	0.32
Bank of Montreal	72.50	-	-	-	-	-	-	-	-	72.50
Cayman National	0.01	-	-	-	-	-	-	-	-	0.01
CIBC Mellon	0.01	-	-	-	0.01	-	-	-	-	0.02
Computershare	-	-	-	-	0.05	-	-	-	-	0.05
JP Morgan Chase Bank N.A.	0.04	1.25	-	-	-	-	-	2.15	-	3.44
Morgan Stanley	0.24	12.83	0.05	-	-	-	0.27	-	-	13.39
National Bank Independent Network	0.01	-	-	-	1.81	-	-	-	-	1.82
Stone X	-	-	-	2.81	-	-	7.38	10.13	(7.77)	12.55
	73.06	14.81	0.36	2.81	1.87	-	7.70	12.28	(7.77)	105.12

**(i) Concentration of credit risk**

The following are the significant countries of domicile of the Fund's cash balances at brokers, cash held as collateral on futures and swap contracts, equity securities (net), and fixed income securities as at December 31, as a percentage of NAV:

	<u>2024</u>	<u>2023</u>
	%	%
Canada	<b>63.04</b>	74.32
United States	<b>37.15</b>	29.83
Switzerland	-	0.97
	<u><b>100.19</b></u>	<u>105.12</u>

iShares U.S. Home Construction is the sole issuer of equity securities that exceeds 5% of NAV as at December 31, 2024.

**(e) Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's policy and Investment Advisor's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, including estimated redemptions of shares, without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund is considered to be relatively liquid. However, unexpected heavy demand for redemptions of the Fund's shares could result in the Fund having to dispose of investments at a time when it is not optimal to do so in order to meet such redemption requests.

## 7. OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

The Fund's derivatives noted below are subject to enforceable master netting arrangements in the form of International Swaps and Derivatives Association, Inc. agreements. The normal business terms of derivative contracts under the central clearing agreement call for net settlement when contracts of the same position mature simultaneously. In the event of default or bankruptcy, net settlement of the contract would be enforced.

The following table summarizes financial instruments that are offset in the statements of financial position, or are subject to an enforceable master netting arrangement or other similar agreements but are not offset:

	Amounts offset			Amounts not offset		
	Gross assets/liabilities		Net	Master netting arrangements	Financial collateral	Net
	Gross	offset				
\$	\$	\$	\$	\$	\$	
<b>As at December 31, 2024</b>						
<b>ASSETS</b>						
Cash	214,477,734	-	214,477,734	(37,313)	-	214,440,421
Cash held as collateral on futures and swap contracts	81,825	-	81,825	-	-	81,825
Equity securities	62,089,021	-	62,089,021	-	-	62,089,021
Fixed income securities	19,793,914	-	19,793,914	-	-	19,793,914
Amounts receivable	444,268	-	444,268	-	-	444,268
Unrealized gain on long futures contracts	19,548,768	-	19,548,768	(13,015,380)	-	6,533,388
Unrealized gain on short futures contracts	3,495	-	3,495	-	-	3,495
Option contracts	14,045,060	-	14,045,060	(124,110)	-	13,920,950
	<u>330,484,085</u>	<u>-</u>	<u>330,484,085</u>	<u>(13,176,803)</u>	<u>-</u>	<u>317,307,282</u>
<b>LIABILITIES</b>						
Due to broker	11,658,859	-	11,658,859	(11,658,859)	-	-
Accounts payable and accrued liabilities	648,198	-	648,198	(37,313)	-	610,885
Unrealized loss on futures contracts	1,356,521	-	1,356,521	(1,356,521)	-	-
Options contracts written	124,110	-	124,110	(124,110)	-	-
	<u>13,787,688</u>	<u>-</u>	<u>13,787,688</u>	<u>(13,176,803)</u>	<u>-</u>	<u>610,885</u>
<b>As at December 31, 2023</b>						
<b>ASSETS</b>						
Cash	192,988,277	-	192,988,277	(220,551)	-	192,767,726
Cash held as collateral on futures and swap contracts	39,135,047	-	39,135,047	(8,524,686)	-	30,610,361
Equity securities	4,936,832	-	4,936,832	-	-	4,936,832
Fixed income securities	7,417,108	-	7,417,108	-	-	7,417,108
Amounts receivable	978,797	-	978,797	-	-	978,797
Unrealized gain on long futures contracts	19,506,635	155,688	19,662,323	(155,688)	-	19,506,635
Unrealized gain on equity and commodity index swap contracts	836,143	-	836,143	(704,211)	-	131,932
Option contracts	32,424,265	-	32,424,265	(24,087,991)	-	8,336,274
	<u>298,223,104</u>	<u>155,688</u>	<u>298,378,792</u>	<u>(33,693,127)</u>	<u>-</u>	<u>264,685,665</u>
<b>LIABILITIES</b>						
Due to broker	20,514,381	-	20,514,381	(20,514,381)	-	-
Accounts payable and accrued liabilities	714,253	-	714,253	(220,551)	-	493,702
Unrealized loss on equity and commodity index swap contracts	9,228,897	-	9,228,897	(9,228,897)	-	-
Unrealized loss on long future contracts	-	155,688	155,688	(155,688)	-	-
Options contracts written	3,573,610	-	3,573,610	(3,573,610)	-	-
Redemptions payable	43,619	-	43,619	-	-	43,619
	<u>34,074,760</u>	<u>155,688</u>	<u>34,230,448</u>	<u>(33,693,127)</u>	<u>-</u>	<u>537,321</u>

## 8. INCOME TAXES

On October 8, 2021, the Fund received an undertaking from the Governor in the Cabinet of the Cayman Islands to the effect that, for a period of 20 years from the date thereof, no law that thereafter is enacted in the Cayman Islands imposing any tax or duty to be levied on the profits, income or on gains or appreciation, or any tax in the nature of estate duty or inheritance tax, will apply to any property comprised in or any income arising under the Fund, or to the shareholders thereof, in respect to any such property or income. The Fund, expects, therefore, to be exempt from income or capital gains tax in the Cayman Islands.

Certain jurisdictions withhold taxes on the Fund's investment income, which are charged to the statements of income (loss) and comprehensive income (loss).

## 9. SHARE CAPITAL

Authorized share capital of the Fund is comprised of an unlimited series A shares ("Series A"), series B shares ("Series B"), and series M shares ("Series M"), and 100 ordinary shares.

Series A, Series B and Series M shares are non-voting, participating, redeemable shares of \$0.01 par value each. Series M shares are identical to Series A and Series B shares except that Series M shares do not bear any portion of the management fees or the incentive fees.

On termination of the Fund, all the shareholders of record are entitled to receive any assets of the Fund remaining after payment of all debts, liabilities and liquidation expenses of the Fund.

Series A, Series B and Series M shares are issued at the NAV per share for their respective series on the date of issuance. Redemptions of shares are at NAV per share of the respective series less a redemption charge of 0.375%. The redemption charge is retained by the Fund.

The ordinary shares are non-participating, voting and non-redeemable. These shares do not participate in the income, distributions, or net assets upon redemption or liquidation of the Fund.

No Series B or M shares are currently outstanding.

The following details the changes in the number of Series A shares outstanding for the two years ended December 31:

	<u>2024</u>	<u>2023</u>
	#	#
Number of shares outstanding, beginning of the year	112,324	113,774
Shares issued during the year	-	-
Shares redeemed during the year	(709)	(1,450)
Number of shares outstanding, end of the year	<u>111,615</u>	<u>112,324</u>
Weighted average number of shares outstanding	<u>112,097</u>	<u>113,131</u>

There are 100 ordinary shares issued and outstanding at a nominal value of \$100 and they are owned by the FCMI Financial Services (Cayman) Ltd., a subsidiary of the Investment Advisor.

The Fund made no distributions to shareholders during the years ended December 31, 2024 and 2023.

## **10. RELATED PARTY TRANSACTIONS**

The Fund pays to the Investment Advisor a quarterly incentive fee equal to 20% of the cumulative total return of the Fund (being the aggregate increase in net asset value per unit for all outstanding units) for the period that began immediately after the last quarter for which an incentive fee was paid. Incentive fees are, however only to be payable to the extent that the cumulative total return for the subject period exceeds an annualized rate of return equal to the yield on 2-year U.S. treasury notes (the “Hurdle Rate”). The Hurdle Rate for each calendar year is the rate quoted on the first day of business in a calendar year. Incentive fees of \$nil were recognized for the year ended December 31, 2024 (\$nil for the year ended December 31, 2023). Incentive fees payable of \$nil (\$nil as at December 31, 2023) are included in accounts payable and accrued liabilities at December 31, 2024.

The incentive fee is calculated with respect to the Fund of all issued classes of shares excluding Series M shares. Accordingly, under certain circumstances, an incentive fee may be paid to the Investment Advisor before a shareholder recovers its entire pro rate share of previously incurred net depreciation and a shareholder’s actual pro rata interest in an incentive fee may be greater or less than 20% of the net appreciation in the NAV per share of the shares held by such investor.

The Investment Advisor is entitled to a management fee, calculated and payable monthly in arrears, at the rate of 1/12th of 2% per month (2% per annum) of the month-end NAV of all issued classes of shares excluding Series M shares. Management fee expense of the Fund incurred with the Investment Advisor for the year ended December 31, 2024 was \$5,813,001 (\$6,131,238 for the year ended December 31, 2023). An amount of \$550,890 (\$443,702 as at December 31, 2023), due to the Investment Advisor for management fees, is included in accounts payable at December 31, 2024.

## **11. CAPITAL MANAGEMENT**

Management considers the Fund's capital to consist of NAV. The Investment Advisor manages the capital of the Fund in accordance with the Fund's investment objectives, policies and restrictions, as outlined in the Fund's information memorandum, while maintaining sufficient liquidity to enable distributions to shareholders. The Fund does not have any externally imposed capital requirements.