

Interim Management Report of Fund Performance

ADDENDA INCOME FOCUS FUND

June 30, 2025

This interim management report of fund performance contains financial highlights but does not contain the interim financial report of the investment fund. You can get a copy of the interim financial report at your request, and at no cost, by calling toll-free 1 866 908-3488, by writing to us at 800 René-Lévesque Blvd. West, Suite 2800, Montréal, Québec H3B 1X9, by visiting our website at addendacapital.com, by visiting SEDAR+ at sedarplus.ca or by contacting your advisor. You may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Notes on Forward-looking Statements

This report may contain forward-looking statements concerning the Fund, its future performance, its strategies or prospects or about future events or circumstances. Such forward-looking statements include, among others, statements with respect to our beliefs, plans, expectations, estimates and intentions. The use of the expressions “foresee”, “intend”, “anticipate”, “estimate”, “assume”, “believe” and “expect” and other similar terms and expressions indicate forward-looking statements. By their very nature, forward-looking statements imply the use of assumptions and necessarily involve inherent risks and uncertainties. Consequently, there is a significant risk that the explicit or implicit forecasts contained in these forward-looking statements might not materialize or that they may not prove to be accurate in the future. A number of factors could cause future results, conditions or events to differ materially from the objectives, expectations, estimates or intentions expressed in such forward-looking statements. Such differences might be caused by several factors, including changes in Canadian and worldwide economic and financial conditions (in particular interest and exchange rates and the prices of other financial instruments), market trends, new regulatory provisions, competition, changes in technology and the potential impact of conflicts and other international events. The foregoing list of factors is not exhaustive. Before making any investment decision, investors and others relying on our forward-looking statements should carefully consider the foregoing factors and other factors. We caution readers not to rely unduly on these forward-looking statements. We assume no obligation to update forward-looking statements in the light of new information, future events or other circumstances unless applicable legislation so provides.

Addenda Income Focus Fund

Management Discussion of Fund Performance

Results of Operations

The Addenda Income Focus Fund (Series A) returned 1.70% for the 6 months ending June 30, 2025 while the benchmark index, composed of 70% FTSE Canada Universe Bond Index, 10% Bloomberg US High Yield 2% Issuer Capped Index (C\$ hedged), 10% S&P/TSX Composite Index, 5% S&P 500, and 5% MSCI EAFE Net (CAD), posted a 3.22% return.

The Fund underperformed the benchmark due to weak performance from the underlying equity portfolio allocation. Asset mix was a small drag on performance in the first quarter due to a defensive positioning, but this was reversed during the second quarter and finished with an overweight allocation to Canadian equities and US equities which was positive. Unlike the benchmark, the Fund's performance is calculated after fees and expenses. Please refer to the "Past Performance" section for the returns by series, which may vary because of differences in fees and expenses.

The bond allocation returns were just 1 basis point less than the benchmark. Yields rose in the period with the curve steepening as the rise in long maturity rates outpaced short term rates driven by markets introducing term premium compensation for the sovereign risk. With yields rising during the period, the portfolio duration was extended, but the longer duration exposure detracted from performance. The overweight in corporate bonds and security selection in various sectors were the main contributors to performance. Credit spreads ended the first half narrower after spiking earlier in the half, which supported higher returns in the high yield and Global bond allocations relative to the Canadian universe bond market.

The Canadian Equity component underperformed its benchmark primarily due to security selection within the Info Tech and Materials sectors. US equities also trailed the benchmark due to security selection from within the Health Care sector.

Recent Developments

The looming tariff uncertainties were an ongoing source of volatility through the first half of the year as the on-again / off-again nature of comments and announcements left investors and strategists guessing about the ultimate size and scope of the tariff applications. Other events include the Middle East tensions turning into war, the U.S. administration unveiled their "Big Beautiful Bill" spending bill, and Moody's stripped the U.S. Treasury of its AAA debt rating. Despite evidence of more positive Canadian growth and a reacceleration in near-term inflation measures, the Bank of Canada ("BoC") eased an additional 50 bps, while the Federal Reserve (Fed) was more cautious and elected to hold the overnight rate at a restrictive 4.5% level.

Based on our current economic outlook and our estimates of expected returns for the main asset classes, we continue to see attractive opportunities in equities. While returns from fixed income are expected to be more modest, it remains a valuable component for portfolio diversification. Within equities, we currently favour US and Canadian markets over international ones, particularly given the strong performance of European equities since the start of the year.

Related Party Transactions

Addenda Capital Inc. ("Addenda") is the Manager and Portfolio Manager of the Fund. Addenda is controlled by Co-operators Financial Services Limited ("CFSL"), a wholly-owned subsidiary of Co-operators Group Limited. Addenda pays the "Operating Expenses" (defined below) of the Fund other than its "Fund Expenses" (defined below), in exchange for the Fund's payment to the Manager of annual fixed-rate administration fees with respect to each series of the Fund.

The administration fees are equal to a percentage of the net asset value of each series of the Fund calculated and paid in the same manner as the Fund's management fees. The Operating Expenses include, but are not limited to: audit and legal fees; transfer agency and recordkeeping costs; accounting and valuation fees; safekeeping and custodial costs; trustee services costs; and the costs of preparing and distributing financial reports, prospectuses, annual information forms, fund facts, continuous disclosure materials and other investors communication.

In addition to administration fees, the Fund shall also pay certain Fund Expenses, namely: taxes (including, without limitation, GST and PST or HST, capital taxes, income taxes and withholding taxes); bank charges, borrowing and interests; termination fees; regulatory filing fees; costs related to the Independent Review Committee ("IRC"); Operating Expenses incurred outside of the normal course of business of the Fund; costs of compliance with newly adopted securities regulations; and costs associated with portfolio transactions, brokerage fees and other trading expenses.

The Fund also pays annual management fees to Addenda as consideration for its services.

For more details on the Fund's fees and expenses, please refer to the "Fees and Expenses" section in the Simplified Prospectus.

Addenda has established the IRC for the Fund in accordance with the requirements of *National Instrument 81-107 - Independent Review Committee for Investment Funds* in order to review conflicts of interest as they relate to investment fund management. The Fund did not rely on an approval, positive recommendation or standing instruction from the Fund's IRC with respect to any related party transactions in the period.

As at June 30, 2025, CFSL held 10,451,634 Fund securities for a value of \$110,729,837, which represented 97.59% of the net asset value of the Fund at that date.

As a result, the Fund may be subject to large investor risk as discussed in the Simplified Prospectus. Addenda manages this risk to reduce the possibility of any adverse effect on the Fund or on its investors, through such processes as requiring advance notice of large redemptions and large transaction fee.

Addenda Income Focus Fund

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the accounting periods shown.

Net Assets per Unit⁽¹⁾

Series A	June 30 2025 \$	December 31 2024 \$	December 31 2023 \$	December 31 2022* \$
Net Assets, beginning of period	9.84	9.37	9.20	—
Increase (decrease) from operations:				
Total revenue	0.17	0.33	0.33	0.32
Total expenses	(0.08)	(0.15)	(0.14)	(0.01)
Realized gains (losses) for the period	0.14	0.13	(0.12)	(0.33)
Unrealized gains (losses) for the period	(0.04)	0.48	0.91	(2.72)
Total increase (decrease) from operations⁽²⁾	0.19	0.79	0.98	(2.74)
Distributions:				
From income (excluding dividends)	(0.09)	(0.16)	(0.33)	(0.07)
From dividends	—	—	(0.11)	(0.03)
From capital gains	—	—	—	—
Return of capital	—	—	—	—
Total Distributions⁽³⁾	(0.09)	(0.16)	(0.44)	(0.10)
Net Assets, end of period	9.91	9.84	9.37	9.20

Net Assets per Unit⁽¹⁾

Series F	June 30 2025 \$	December 31 2024 \$	December 31 2023 \$	December 31 2022* \$
Net Assets, beginning of period	10.51	10.03	9.52	—
Increase (decrease) from operations:				
Total revenue	0.17	0.34	0.32	0.24
Total expenses	(0.04)	(0.09)	(0.09)	(0.07)
Realized gains (losses) for the period	0.15	0.05	(0.15)	(0.26)
Unrealized gains (losses) for the period	(0.07)	0.44	0.67	(0.60)
Total increase (decrease) from operations⁽²⁾	0.21	0.74	0.75	(0.69)
Distributions:				
From income (excluding dividends)	(0.13)	(0.22)	(0.21)	(0.12)
From dividends	—	(0.03)	(0.03)	(0.04)
From capital gains	—	—	—	—
Return of capital	—	—	—	—
Total Distributions⁽³⁾	(0.13)	(0.25)	(0.24)	(0.16)
Net Assets, end of period	10.59	10.51	10.03	9.52

*For the period from March 28, 2022 (beginning of operations) to December 31, 2022.

⁽¹⁾ This information is derived from the Fund's unaudited interim financial statements and audited annuals financial statements.

⁽²⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

⁽³⁾ Distributions were reinvested in additional units of the Fund.

Ratios and Supplemental Data

Series A	June 30 2025	December 31 2024	December 31 2023	December 31 2022*
Total Net Asset Value ('000s of \$)⁽¹⁾	2,737	1,804	183	2
Number of Units Outstanding⁽¹⁾	276,097	183,430	19,561	264
Management Expense Ratio (%)⁽²⁾	1.50	1.52	1.46	0.07
Management Expense Ratio before waivers or absorptions (%)	1.50	1.52	1.46	0.07
Trading Expense Ratio (%)⁽³⁾	0.02	0.02	0.02	0.06
Portfolio Turnover Rate (%)⁽⁴⁾	51.88	71.61	54.79	66.62
Net Asset Value per Unit (\$)	9.91	9.84	9.37	9.20

Addenda Income Focus Fund

Ratios and Supplemental Data

Series F	June 30 2025	December 31 2024	December 31 2023	December 31 2022*
Total Net Asset Value ('000s of \$) ⁽¹⁾	110,730	108,504	100,950	93,497
Number of Units Outstanding ⁽¹⁾	10,451,635	10,321,880	10,067,546	9,819,275
Management Expense Ratio (%) ⁽²⁾	0.80	0.83	0.82	0.80
Management Expense Ratio before waivers or absorptions (%)	0.80	0.83	0.82	0.80
Trading Expense Ratio (%) ⁽³⁾	0.02	0.02	0.02	0.06
Portfolio Turnover Rate (%) ⁽⁴⁾	51.88	71.61	54.79	66.62
Net Asset Value per Unit (\$)	10.59	10.51	10.03	9.52

*For the period from March 28, 2022 (beginning of operations) to December 31, 2022.

⁽¹⁾ This information is provided as at the last day of the accounting period shown.

⁽²⁾ Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

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

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

Management Fees

The Fund pays annual management fees to the Fund manager for its management services. The fees are calculated based on a percentage of the Fund's daily net asset value before applicable taxes and are paid on a monthly basis. A portion of the management fees paid by the Fund covers maximum annual trailer fees and sales commissions paid to brokers. The remainder of the management fees primarily covers investment management and general administration services. The breakdown of major services provided in consideration of the management fees, expressed as an approximate percentage of the management fees is as follows:

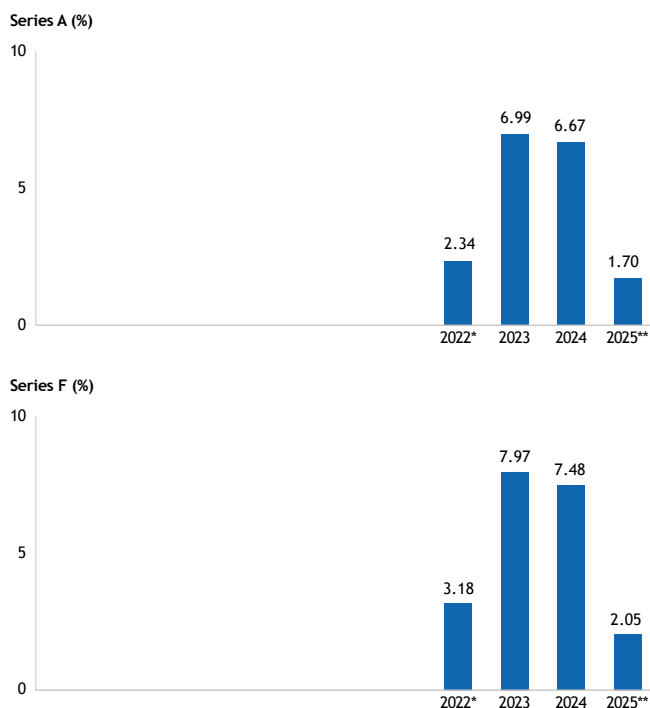
	Management Fee (%)	Breakdown of Services	
		Investment Advisory and Other Fees (%)	Trailer Fee (%)
Series A	1.20	41.67	58.33
Series F	0.50	100.00	N/A

Past Performance

Performance data assumes that all distributions of each series of the Fund for the periods shown were reinvested in additional Fund units. However, it does not take into account purchases, redemptions, investments or other optional charges, and returns would be lower if it did.

The past performance of each series of the Fund is not necessarily indicative of future performance.

Annual Performance (%)



*Beginning of operations on March 28, 2022

**Returns for the period from January 1, 2025 to June 30, 2025

These graphs present the annual performance of each series of the Fund for each fiscal year shown and illustrate the evolution of each series of the Fund from one year to the next. These graphs also indicate, in percentage terms, how the value of an investment made on the first day of each fiscal year would have evolved as of the last day of that fiscal year. The last column shows the total performance of each series of the Fund for the interim period. Returns may differ from one series to another for a number of reasons, including if the series was not issued and outstanding for the entire period under review and because of the different levels of management fees and expenses.

Addenda Income Focus Fund

Summary of Investment Portfolio

The investments and percentages will change over time due to ongoing portfolio transactions and market movements. A quarterly update of the Summary of Investment Portfolio is available and may be obtained by asking your representative for a copy, contacting the Manager, Addenda, at 1 866 908-3488 or mutualfunds@addendacapital.com, or by visiting addendacapital.com or sedarplus.ca.

Top 25 Investments

As at June 30, 2025

Security	% of net asset value
1. Government of Canada, 3.500%, 2034-03-01	5.1
2. NEI Global High Yield Bond Fund, Series I	4.9
3. NEI Global Impact Bond Fund, Series I	4.7
4. Province of Ontario, Series DMTN244, 1.850%, 2027-02-01	4.2
5. Government of Canada, 3.000%, 2032-03-01	3.7
6. Hydro-Québec, Series 20, 6.000%, 2040-02-15	3.5
7. Government of Canada, 3.250%, 2035-06-01	3.4
8. Hydro-Québec, Series JQ, 4.000%, 2055-02-15	3.3
9. Province of Ontario, 4.100%, 2054-10-07	2.4
10. Province of Ontario, Series DMTN257, 4.050%, 2032-02-02	2.2
11. Lower Mattagami Energy L.P., Series 21-1, 2.433%, 2031-05-14	2.1
12. Ontario Power Generation Inc., Series 7, 3.215%, 2030-04-08	2.0
13. Fédération des caisses Desjardins du Québec, 5.475% 2028-08-16	1.7
14. Ivanhoe Cambridge II Inc., Series 3, 4.994%, 2028-06-02	1.4
15. Canada Treasury Bills, 2025-07-30	1.3
16. Province of Ontario, Series DMTN251, 1.550%, 2029-11-01	1.3
17. Bank of Nova Scotia, 3.836% (Floating rate starting in 2029), 2030-09-26	1.3
18. Province of British Columbia, Series BCCD-35, 2.800% 2048-06-18	1.1
19. Inter-American Development Bank, 4.600%, 2029-03-01	1.1
20. Canadian National Railway Co., 4.400%, 2033-05-10	1.0
21. Province of Ontario, Series DMTN228, 2.900%, 2046-12-02	1.0
22. Hospital For Sick Children, Series B, 3.416%, 2057-12-07	0.9
23. Sun Life Financial Inc., Series 2024-1, 5.120% (Floating rate starting in 2031), 2036-05-15	0.9
24. University of Toronto, Series B, 5.841%, 2043-12-15	0.8
25. 55 School Board Trust, Series A, 5.900%, 2033-06-02	0.8
Total % of Top 25 Investments	56.1

Asset Mix (%)

As at June 30, 2025

