

# 2025 Tradex GLOBAL EQUITY Fund



## Annual Management Report of Fund Performance

and

## Annual Financial Statements



December 31, 2025

You may get a copy of the Fund's Simplified Prospectus, Fund Facts, proxy voting policies and procedures, proxy voting disclosure record and quarterly portfolio disclosure, at your request and at no cost, by calling Tradex Management Inc. toll-free at **1-800-567-3863**, e-mailing us at **info@tradex.ca** or by writing or visiting us at the address shown below.

These documents and other information about the Fund are also available through our website at **www.tradex.ca** or through the SEDAR Plus website at **www.sedarplus.ca**.

**Tradex Management Inc.**  
340 Albert Street, Suite 1604  
Ottawa, Ontario  
K1R 7Y6

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## TRADEX GLOBAL EQUITY FUND STATEMENT OF MANAGEMENT'S RESPONSIBILITY

To our unitholders,

The accompanying Management Report of Fund Performance and Financial Statements have been prepared by Tradex Management Inc., the Manager and Trustee of **Tradex Global Equity Fund**, and approved by the Manager's Board of Directors. The Fund's Manager is responsible for the information and representations contained in the Management Report of Fund Performance and Financial Statements. The Management Report of Fund Performance in the front section of this document is unaudited, whereas the Financial Statements appearing in the second section are audited.

Tradex Management Inc. maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and include certain amounts that are based on estimates and judgements. The material accounting policies that management believes are appropriate for the Fund are described in Note 2 to the Financial Statements.

PricewaterhouseCoopers LLP is the external auditor of the Fund, appointed by the Manager-Trustee of the Fund. They have audited the Financial Statements in accordance with Canadian generally accepted auditing standards to enable them to express to the unitholders their opinion on the Financial Statements.

*/s/Blair Cooper*

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Blair Cooper  
President and CEO

*/s/Tom MacDonald*

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Tom MacDonald  
Chair and Director

March 26, 2026



# ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

for the year ended December 31, 2025

## I. MANAGEMENT DISCUSSION OF FUND PERFORMANCE

### Investment Objectives and Strategies

The Fund's objective is to achieve long-term capital appreciation by investing primarily in closed-end fund companies (CEFs) managed by some of the world's leading investment firms whose investments are principally in a diversified portfolio of equity securities of issuers based in any country.

The Fund's investment approach involves the portfolio manager assessing which of the world's stock markets, industry sectors and currencies have the best potential rate of return. Among the key economic and financial indicators studied are industrial production, short-term interest rates, the consumer price indices, balance of payments data, gross domestic product data, commodity prices, and foreign exchange rates.

The discounts at which most close-end fund companies trade form a meaningful element in the portfolio strategy. The Fund also invests in exchange-traded funds (ETFs) that are Index Participation Units (IPUs), which mirror the performance of a particular exchange index.

Diversifying across global markets allows gains in one country to be balanced by losses in another, thereby reducing risk. The Americas, Europe and Asia are all represented in the portfolio, with emerging markets up to 20% of total investments. Funds representing a single country cannot account for more than 35% of the portfolio, with the exception of the United States. The Fund also invests in Index Participation Units (IPUs or ETFs) which mirror an index and up to 25% may be invested in shares of companies that are not CEFs listed on a recognized stock exchange.

Derivatives may be used for foreign currency hedging purposes only. Should market conditions temporarily deteriorate, up to 50% of the portfolio could be converted to cash.

### Risk

There were no significant changes to the investment objectives and strategies that affected the Fund's overall risk level during the reporting period. The risks of investing in the Fund remain as discussed in the Fund's most recent Simplified Prospectus. The Fund is suitable for investors who have a medium to long term investment horizon, who want to invest in a broad range of foreign stocks and who can handle the ups and downs of the stock market.

### Results of Operations

An investment in Tradex Global Fund increased in value by 20.9% during 2025 compared to an increase of 16.6%, in terms of Canadian dollars, in its benchmark, the Dow Jones Global Total Return Index.

The first quarter saw US exceptionalism called into question. Concerns over the valuations of some large tech stocks and the uncertainty of US trade policies contributed to US equities underperforming other Developed Markets (DM). The prospect of

widespread reciprocal tariffs has led to US growth forecasts being revised down. Europe was the best-performing in Q1 – it was more attractively valued and benefited from proposed increase in military spending and loosening of the German fiscal constraint. Japan remains an attractive market with ongoing corporate reforms. American policies dominated the narrative over the second quarter. The period started with 'Liberation Day' (April 2) and the announcement of US tariffs that were higher than many people expected. Subsequently, bilateral tariffs with China were pushed up to over 100%. Shortly after their introduction, the majority of the tariffs were reduced for a 90-day period. Markets fell before and during the period while tariffs were in force (the S&P 500 was down almost 20% over the two months to early April) and recovered over the following months – reaching an all-time high in late June. Despite the introduction of significant barriers to global trade, the markets were largely unaffected upon the implementation of the tariffs. Geopolitical developments in Q3 included a Trump-Putin summit, ongoing conflict in Gaza, and signs of thawing relations between China and India. Ongoing investment in artificial intelligence (AI) capex has helped tech stocks to continue to perform well. But Q4 saw reduced strength in the Magnificent 7 stocks. AI investment remained a major theme, with ongoing data centre capex and demand for semiconductors and memory continuing to be very strong. The US economy continued to grow and the Ukraine war continued to make headlines with no ceasefire in sight.

In local currency terms, the movement in key equity markets around the world during 2025 was as follows. Japan's Nikkei 225 Index ended the year up 26.2%. The German DAX Index was up 23%, the U.K. FTSE 100 Index was up 21.5%. In North America, the S&P 500 Index was up 16.4%, the Dow Jones Industrial Average rose 13% while the NASDAQ was up 20.4%. The Toronto S&P/TSX Composite Index rose 28.3% for the year. The MSCI Emerging Markets Index closed the year up 30.6%. There was again volatility in currency rates during the year, as the Canadian dollar from its start of the year of 69.50 cents rose to end the year at 72.36 cents US, an increase of 4.1% for the year. Currency movements were a more significant factor in the performance of Canadian global funds as the Canadian dollar strengthened by 4.6% versus the Japanese yen, while the Euro rose 8.1% and the British pound rose 2.4% against the Canadian during 2025.

Portfolio manager City of London Investment Management (CLIM) made changes in the Fund's region/country asset allocation during 2025. The portfolio weighting to the US market decreased from 60% to 56% over the year, in contrast to a 72% benchmark weighting for the US market. Exposure to developed continental Europe declined from 11% to 9.7% while exposure to the U.K. increased from 7.6% to 7.9% at year-end and exposure to Japan fell from 9.2% to 8.3%. Total exposure to emerging markets increased from 9.7% to 11.7% while the exposure to Canada increased from 2.7% to 3%. Attribution analysis for the year indicated the relative performance of the selected closed-end funds added 0.6% for the year, country allocation added 2.2%, with a 2.7% positive contribution from discount movements.

## ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE *(continued)*

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At year-end the net asset value of the Fund stood at \$69.2 million compared to \$60.7 million at the end of 2024. There was an increase in the number of units outstanding during the year due to the reinvested distributions exceeding the net redemptions of the Fund. The Fund's management expense ratio (MER) increased to 2.81% in 2025 from 2.75% in 2024, including the 0.91% (1.03% in 2024) weighted average expenses of the underlying closed-end funds (Morningstar reports that the median MER for Global equity funds is 2.25%). The direct expenses having declined to 1.90% for 2025 from 2.26% in 2013. Tradex Management Inc. was able to rebate a total of \$175,783 in its management fees to the Fund in 2025 (\$178,088 in 2024). At the end of the year a distribution of \$0.25 per unit net foreign income and \$1.11 per unit of net capital gains was paid to unitholders.

### **Related Party Transactions and Management Fees**

Tradex Management Inc. is the manager of the Fund and, as such, is responsible for directing the business, operations and affairs of the Fund. It performs this duty for an annual fee of 0.6% of the Fund's net asset value, calculated and accruing daily. This amounted to \$427,521 in 2025 (including HST) and represents 32% of the total expenses paid by the Fund. Many of the functions involved in operating the Fund are contracted out to leading professional firms in the mutual fund industry in Canada. Therefore, one of the key duties of the Manager is to negotiate and manage these contracts. Tradex Management Inc. is also the principal distributor of the Fund and, as such, is responsible for most of the communications with the Fund's unitholders and potential unitholders. Tradex Management Inc. receives no additional fees or commissions for being the Fund's principal distributor.

Since Tradex Management Inc. operates on an "at cost" basis, when financial conditions permits, for the benefit of its investors, it voluntarily rebates and/or waives a portion of the management fees paid to it by the Fund. These rebates/waivers reduce the expenses for the Fund, which in turn reduce its management expense ratio. In 2025, \$175,783 in expenses were reduced for the Fund through such transactions (\$178,088 in 2024).

### **Other Expenses**

The other expenses incurred by the Fund in 2025 amounted to \$1,089,656 and were paid to third party suppliers, governments and regulatory authorities. These represent investment advisory fees (paid to City of London Investment Management Company Limited), administrative fees paid for fund accounting, the registrar function and other related activities (paid to RBC Investor Services, FundSERV Inc. and various other suppliers), costs of the independent review committee, audit fees (paid to PricewaterhouseCoopers LLP), custodian fees (paid to RBC Investor Services), registration fees and expenses (paid to the 13 securities regulatory authorities in Canada), transaction costs (paid to various suppliers) and foreign withholding taxes (paid to appropriate foreign governments). A listing of the various expenses paid by the Fund appears in the statements of comprehensive income on page 11.

## ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE *(continued)*

### II. FINANCIAL HIGHLIGHTS

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the past five years.

#### The Fund's Net Assets per Unit <sup>(1)</sup> For the five years ended December 31

	2025	2024	2023	2022	2021
Net assets per unit, beginning of year	\$ 19.48	\$ 16.64	\$ 14.46	\$ 18.75	\$ 17.66
Increase (decrease) from operations					
Total revenue	\$ 0.65	\$ 0.69	\$ 0.67	\$ 0.65	\$ 0.83
Total expenses	\$ (0.44)	\$ (0.39)	\$ (0.36)	\$ (0.35)	\$ (0.40)
Realized gains (losses) for the year	\$ 1.55	\$ 1.44	\$ 0.25	\$ (0.12)	\$ 2.45
Unrealized gains (losses) for the year	\$ 2.27	\$ 2.58	\$ 2.00	\$ (4.16)	\$ 0.32
Total increase (decrease) from operations (2)	\$ 4.03	\$ 4.32	\$ 2.56	\$ (3.98)	\$ 3.20
Distributions to investors:					
From investment income	\$ 0.25	\$ 0.36	\$ 0.31	\$ 0.34	\$ 0.41
From dividends	\$ —	\$ —	\$ —	\$ —	\$ —
From capital gains	\$ 1.11	\$ 1.12	\$ 0.09	\$ —	\$ 1.68
Total Distributions (3)	\$ 1.36	\$ 1.48	\$ 0.40	\$ 0.34	\$ 2.09
Net assets per unit, end of year	\$ 22.19	\$ 19.48	\$ 16.64	\$ 14.46	\$ 18.75

(1) The information for 2021-2025 is derived from the Fund's audited annual 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 year.

(3) Distributions were paid in cash/reinvested in additional units of the Fund, or both.

Ratios and Supplemental Data	2025	2024	2023	2022	2021
Total net asset value, end of year (000's)	\$ 69,210	\$ 60,702	\$ 49,520	\$ 43,470	\$ 55,453
Weighted average net asset value (000's)	\$ 63,905	\$ 55,593	\$ 46,504	\$ 45,758	\$ 51,362
Number of units outstanding, end of year	3,118,664	3,115,854	2,976,404	3,005,300	2,957,776
Management expense ratio (1)	2.81%	2.75%	3.06%	2.85%	2.71%
Management expense ratio before waivers or absorptions (1)	3.08%	3.07%	3.23%	3.25%	3.06%
Trading expense ratio (2)	0.13%	0.19%	0.14%	0.11%	0.19%
Portfolio turnover rate (3)	44.10%	53.77%	32.84%	29.01%	67.82%
Net asset value per unit, end of year	\$ 22.19	\$ 19.48	\$ 16.64	\$ 14.46	\$ 18.75

(1) Management expense ratio is based on total expenses (excluding broker commission and other portfolio transaction costs) of the Fund and the underlying Funds (0.91%) for the year and is expressed as an annualized percentage of daily average net asset value during the year.

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

(3) 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 the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the period, 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 performance of a Fund.

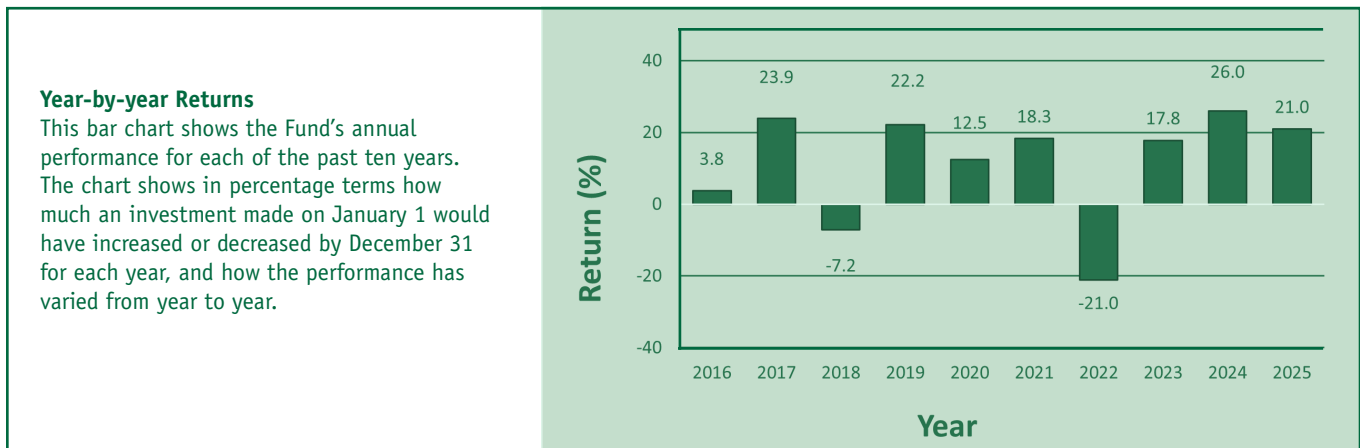
# ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE *(continued)*

## III. PAST PERFORMANCE

The past performance of the Fund is set out in the Year-by-Year Returns and Annual Compound Returns chart and table. All performance returns:

- are calculated as of December 31 of each year;
- assume all distributions made by the Fund were reinvested without charge to purchase additional units of the Fund; and
- are not reduced by any income taxes payable by you. You will be taxable on the distributions of net income even if you have reinvested them to purchase additional units, unless your investment is held in a registered tax plan.

The past performance of the Fund does not necessarily indicate how it will perform in the future.



**Annual Compound Returns**

The following table shows the Fund’s annual compound total return for the period indicated, as of December 31, 2025, compared to the Dow Jones Global Total Return Index.

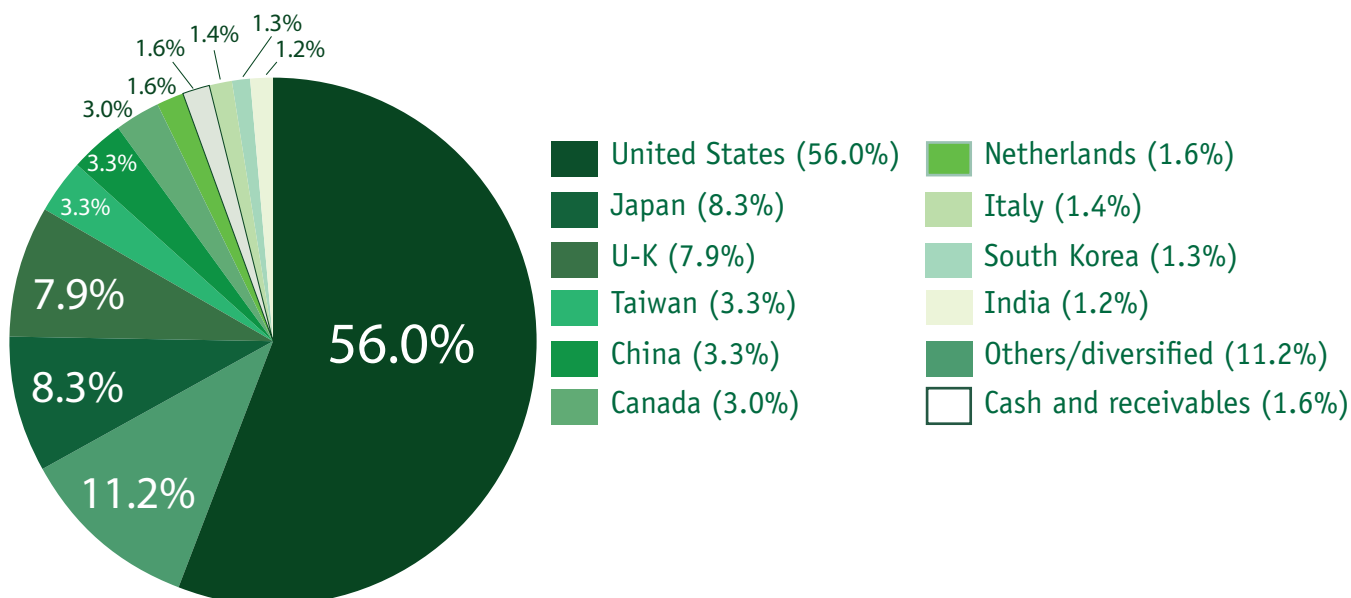
	Past 10 years	Past 5 years	Past 3 years	Past year
Tradex Global Equity Fund	10.7%	10.9%	21.5%	21.0%
Dow Jones Global Total Return Index	11.6%	12.7%	20.9%	16.6%

The Dow Jones Global Total Return Index is market-capitalization weighted index that reflects the price changes of the stocks of different national and international firms from across 29 countries. There are around 5,500 firms listed on the index among which around 700 are based in the United States.

## ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE *(continued)*

### IV. SUMMARY OF INVESTMENT PORTFOLIO

A summary of the investment portfolio as at December 31, 2025, broken down by the geographic location of the exposure of the companies in the portfolio, is as follows: (This represents portfolio manager City of London Investment Management's estimate of the underlying country exposure associated with the various assets held by the Fund.)



The following investments represent the top 25 holdings of the Fund as of December 31, 2025 shown as a percentage of the Fund's total net asset value. The list is of interest only as of the date indicated, as the percentages may have changed, and some or all of the holdings may have been sold and new positions purchased. A quarterly update is available, as discussed on the cover page of this document.

Polar Capital Technology Trust PLC	7.6%	abrdn Healthcare Investors	2.4%
Polar Capital Global Financials Trust PLC	7.3%	Smithson Investment Trust PLC	2.2%
Allianz Technology Trust PLC	6.9%	Baillie Gifford Japan Trust PLC/The	2.2%
Scottish Mortgage Investment Trust PLC	6.2%	Baillie Gifford European Growth Trust PLC	2.1%
Neuberger Next Generation Connectivity Fund Inc	5.8%	JPMorgan US Smaller Cos Investment Trust plc	2.1%
Bankers Investment Trust PLC/The	3.7%	Kayne Anderson Energy Infrastructure Fund	2.1%
JPMorgan American Investment Trust PLC/Fund	3.6%	Brunner Investment Trust PLC/The	2.1%
Pershing Square Holdings Ltd/Fund	3.5%	Brown Advisory US Smaller Companies PLC	2.0%
North American Income Trust PLC	3.5%	Edinburgh Investment Trust PLC/The	1.9%
BlackRock Health Sciences Term Trust	3.5%	BlackRock Resources & Commodities Strategy Trust	1.8%
JPMorgan Emerging Markets Growth & Income plc	3.3%	Cohen & Steers Infrastructure Fund Inc	1.8%
Schroder AsiaPacific Fund PLC	3.1%	<b>Sub-total – largest 25 holdings</b>	<b>86.6%</b>
JPMorgan Japanese Investment Trust plc	3.1%	<b>Remaining holdings</b>	<b>13.4%</b>
Royce Small-Cap Trust Inc	2.5%	<b>Total</b>	<b>100.0%</b>



# Independent auditor's report

To the Unitholders and Trustee of Tradex Global Equity Fund (the Fund)

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## Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2025 and 2024 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 (IFRS Accounting Standards).

## What we have audited

The Fund's financial statements comprise:

- the statements of financial position as at December 31, 2025 and 2024;
- the statements of comprehensive income for the years then ended;
- the statements of changes in net assets attributable to holders of redeemable units for the years then ended;
- the statements of cash flows for the years then ended; and
- the notes to the financial statements, which include a material accounting policy information and other explanatory information.

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## Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

PricewaterhouseCoopers LLP  
PwC Tower, 18 York Street, Suite 2500  
Toronto, Ontario, Canada M5J 0B2  
T.: +1 416 863 1133, F.: +1 416 365 8215  
Fax to mail: ca\_toronto\_18\_york\_fax@pwc.com

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Other information**

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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### **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 those requirements of IFRS Accounting Standards, 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.

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## **Auditor's responsibilities for the audit of the financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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 audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**/s/PricewaterhouseCoopers LLP**

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

March 26, 2026

## STATEMENTS OF FINANCIAL POSITION

<i>As at</i>	December 31, 2025	December 31, 2024
<b>Assets</b>		
Investments at fair value through profit and loss	\$ 68,219,807	\$ 60,306,365
Cash and cash equivalents	966,705	537,870
Dividends receivable	176,807	173,792
Accrued interest receivable	213,214	—
Subscriptions receivable	50,175	—
<b>Total Assets</b>	<b>69,626,708</b>	<b>61,018,027</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	335,345	315,779
Payable for investments purchased	29,232	—
Redemptions payable	52,497	—
<b>Total Liabilities</b>	<b>417,074</b>	<b>315,779</b>
<b>Net assets attributable to holders of redeemable units</b>	<b>\$ 69,209,634</b>	<b>\$ 60,702,248</b>
<b>Units issued and outstanding, end of year (Note 5)</b>	<b>3,118,664</b>	<b>3,115,854</b>
<b>Net assets attributable to holders of redeemable units per unit</b>	<b>\$ 22.19</b>	<b>\$ 19.48</b>

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

Approved by the Board  
of Directors of  
Tradex Equity Fund Limited

/s/Philip E. Charko

Philip E. Charko  
Director

/s/Dena Palamedes

Dena Palamedes, CPA, CMA, CIA, CFE, CCSA, CRMA  
Director

## STATEMENTS OF COMPREHENSIVE INCOME

Year ended December 31

	2025	2024
<b>Income</b>		
Dividend income	\$ 1,998,869	\$ 1,990,051
Interest income for distribution purposes	16,180	33,218
Net foreign exchange loss on cash	(8,544)	(1,835)
Other changes in fair value of investments and derivatives		
Net realized gain on sale of investments	4,705,039	4,247,604
Net realized foreign exchange gain (loss)	(11,557)	1,700
Change in unrealized appreciation on investments	6,875,277	7,586,570
	<b>13,575,264</b>	<b>13,857,308</b>
<b>Expenses</b>		
Management fees (Note 6)	427,521	373,781
Investment advisory fees	732,940	580,525
Administration costs	173,763	133,577
Independent review committee	396	169
Audit fees	19,620	19,952
Custodian fees	14,546	15,218
Registration fees and expenses	20,230	16,420
Transaction costs	85,202	106,663
Foreign withholding taxes	42,959	73,275
Expense reductions (Note 6)	(175,783)	(178,088)
	<b>1,341,394</b>	<b>1,141,492</b>
<b>Increase in net assets attributable to holders of redeemable units</b>	<b>\$ 12,233,870</b>	<b>\$ 12,715,816</b>
<b>Weighted average units outstanding during the year</b>	<b>3,035,265</b>	<b>2,941,965</b>
<b>Increase in net assets attributable to holders of redeemable units per unit</b>	<b>\$ 4.03</b>	<b>\$ 4.32</b>

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

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

Year ended December 31

	2025	2024
<b>Net assets attributable to holders of redeemable units at beginning of year</b>	\$ 60,702,248	\$ 49,519,719
<b>Increase in net assets attributable to holders of redeemable units</b>	12,233,870	12,715,816
<b>Distributions</b>		
Distributions to holders of redeemable units from net investment income	(740,425)	(1,039,256)
Distributions to holders of redeemable units from net realized capital gains	(3,273,306)	(3,252,088)
<b>Net decrease from distributions</b>	(4,013,731)	(4,291,344)
<b>Redeemable units transactions</b>		
Proceeds from issue of redeemable units	2,898,641	3,349,565
Reinvestment of distributions	3,954,249	4,256,240
Consideration paid for redemptions of redeemable units	(6,565,643)	(4,847,748)
<b>Net increase from redeemable unit transactions</b>	287,247	2,758,057
<b>Net increase in net assets attributable to holders of redeemable units</b>	8,507,386	11,182,529
<b>Net assets attributable to holders of redeemable units at end of year</b>	\$ 69,209,634	\$ 60,702,248

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

## STATEMENTS OF CASH FLOWS

Year ended December 31

	2025	2024
<b>Cash flows from operating activities</b>		
Increase in net assets attributable to holders of redeemable units	\$ 12,233,870	\$ 12,715,816
Adjustments for:		
Effect of exchange rate changes on foreign cash	8,544	1,835
Net realized (gain) on sale of investments	(4,705,039)	(4,247,604)
Change in unrealized (appreciation) of investments	(6,875,277)	(7,586,570)
Purchase of investments	(27,971,790)	(29,087,631)
Proceeds from the sale of investments	31,638,664	29,747,693
Change in non-cash working capital items	(167,431)	96,571
	<b>4,161,541</b>	1,640,110
<b>Cash flows from financing activities</b>		
Proceeds from issue of redeemable units	2,848,466	3,363,065
Distributions paid to holders of redeemable units, net of reinvested distributions	(59,482)	(35,104)
Consideration paid on redemptions of redeemable units	(6,513,146)	(4,847,748)
	<b>(3,724,162)</b>	(1,519,787)
Increase in cash and cash equivalents during the year	437,379	120,323
Effect of exchange rate changes on foreign	(8,544)	(1,835)
Cash and cash equivalents at beginning of year	537,870	419,382
<b>Cash and cash equivalents at end of the year</b>	<b>966,705</b>	537,870
Interest received	\$ 16,180	\$ 33,222
Dividends received, net of withholding taxes	\$ 1,952,895	\$ 1,891,260

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

## SCHEDULE OF INVESTMENT PORTFOLIO *As at December 31, 2025*

Foreign Equities	Number of Shares	Average Cost	Fair Value	% of total fair value
<b>United States</b>				
abrdn Healthcare Investors	65,669	\$ 1,537,633	\$ 1,707,140	
BlackRock Technology and Private Equity Term Trust	7,300	68,059	66,029	
Brown Advisory US Smaller Companies PLC	54,750	1,410,324	1,408,002	
Calamos Strategic Total Return Fund	13,170	349,577	347,069	
John Hancock Financial Opportunities Fund	7,014	342,575	337,718	
JPMorgan American Investment Trust PLC	119,835	1,623,073	2,487,602	
JPMorgan US Smaller Cos Investment Trust PLC	195,890	1,268,935	1,449,695	
Kayne Anderson Energy Infrastructure Fund	84,609	1,298,536	1,437,692	
Liberty All Star Growth Fund Inc.	124,484	927,791	905,562	
North American Income Trust PLC	354,600	1,793,281	2,414,298	
Nuveen Core Equity Alpha Fund	1,584	34,576	34,656	
Pershing Square Holdings Ltd.	27,402	1,102,172	2,456,801	
Royce Small-Cap Trust Inc	78,106	1,715,315	1,725,993	
State Street Health Care Select Sector SPDR ETF	4,099	876,701	870,919	
		14,348,548	17,649,176	25.8%
<b>Europe</b>				
Aberforth Smaller Companies Trust PLC	41,068	1,056,438	1,195,949	
Baillie Gifford European Growth Trust PLC	735,006	1,116,583	1,475,451	
Edinburgh Investment Trust PLC	88,372	948,472	1,343,974	
Fidelity European Trust PLC	89,182	541,693	687,221	
JPMorgan European Discovery Trust PLC	60,754	371,034	671,048	
Mercantile Investment Trust PLC	203,000	876,911	967,114	
		4,911,131	6,340,757	9.3%
<b>Asia</b>				
Baillie Gifford Japan Trust PLC	92,000	1,289,168	1,528,511	
Baillie Gifford Shin Nippon PLC	417,500	947,516	1,014,977	
JPMorgan Japanese Investment Trust PLC	168,166	1,288,807	2,146,800	
Schroder AsiaPacific Fund PLC	178,216	1,514,998	2,169,586	
		5,040,489	6,859,874	10.1%
<b>Globally diversified/Other</b>				
Allianz Technology Trust PLC	493,339	1,871,700	4,810,166	
Bankers Investment Trust PLC	1,035,000	1,979,226	2,550,638	
Blackrock Health Sciences Term Trust	115,953	2,338,619	2,395,230	
BlackRock Resources & Commodities Strategy Trust	82,471	996,757	1,242,889	
Brunner Investment Trust PLC	53,964	1,404,477	1,427,725	
Cohen & Steers Infrastructure Fund Inc.	37,197	1,230,359	1,230,931	
Duff & Phelps Utility and Infrastructure Fund Inc.	7,653	134,493	133,508	
JPMorgan Emerging Markets Growth & Income PLC	890,000	1,669,005	2,262,461	
MainStay CBRE Global Infrastructure Megatrends Fund	18,300	344,721	345,620	
Monks Investment Trust PLC	24,608	468,011	682,923	
Neuberger Berman Next Generation Connectivity Fund Inc.	201,229	3,931,946	3,988,288	
Polar Capital Global Financials Trust PLC	1,185,685	3,845,379	5,078,373	
Polar Capital Technology Trust PLC	609,500	2,081,882	5,232,340	
Scottish Mortgage Investment Trust PLC	197,183	3,254,472	4,326,717	
Smithson Investment Trust PLC	57,370	1,280,207	1,662,191	
		26,831,254	37,370,000	54.8%
Total Foreign Equities		51,131,422	68,219,807	100.0%
Transaction costs		(175,208)		
<b>Total portfolio of investments</b>		\$ 50,956,214	\$ 68,219,807	100.0%

## SCHEDULE OF INVESTMENT PORTFOLIO *As at December 31, 2025*

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### Summary of Investment Portfolio

All portfolio categories are included in the following table :

Portfolio by Category	Percentage of Net Assets (%)	
	As at December 31, 2025	As at December 31, 2024
United States	25.8	30.2
Europe	9.3	10.2
Asia	10.1	10.5
Globally Diversified/Other	54.8	49.1
Total	100.0	100.0

## NOTES TO FINANCIAL STATEMENTS *As at December 31, 2025*

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### 1. General information

Tradex Global Equity Fund (the Fund) is an unincorporated trust created under the laws of the Province of Ontario. The address of its registered office is 340 Albert Street, Suite 1604, Ottawa, Ontario, K1R 7Y6.

The Fund's investment objective is to achieve long-term capital appreciation by investing primarily in closed-end fund companies whose investments are principally in a diversified portfolio of equity securities of issuers based in any country. The Fund's investment approach involves the portfolio advisor assessing which of the world's stock markets, industry sectors and currencies have the best potential rate of return. Indirect investments in global stocks are made primarily through exchange traded closed-end fund companies. The Fund also invests in Index Participation Units (IPUs) or Exchange-Traded Funds (ETFs), which mirror the performance of a particular exchange index. Up to 25% of the book value of the portfolio may also be invested in shares of non-closed-end fund companies listed on a recognized stock exchange. The Americas, Europe and Asia are all represented in the portfolio, with emerging markets not accounting for more than 20% of total investments. Funds representing a single country cannot account for more than 35% of the portfolio, with the exception of the United States. Derivatives (forward contracts) may be used for foreign currency hedging purposes only.

Tradex Management Inc. is the Manager and the Trustee of the Fund. The Fund's investment activities are managed by City of London Investment Management Company Limited (The Investment Manager), with the administration delegated to RBC Investors Services.

The Fund is restricted to current and former Canadian public servants and their families mainly from Canada.

These financial statements were authorized for issue by the Board of Directors on March 26, 2026.

### 2. Material accounting policies

The material accounting policies applied in the preparation of these financial statements have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

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

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

(a) *New standards amendments and interpretations to existing standards effective January 1, 2025*

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on January 1, 2025 that have a material effect on the financial statements of the Fund.

(b) *New standards, amendments, and interpretations issued but not yet applied by the Fund*

i) *Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026).*

*The IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. Among other amendments, the IASB clarified the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.*

ii) *IFRS 18 – Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)*

The IASB issued the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals;
- the requirement to determine the most useful structured summary for presenting expenses in the statement of profit or loss;
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures);
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Fund is currently assessing the effect of the new standard on the Fund.

No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

#### 2.2 Foreign currency translation

(a) *Functional and presentation currency*

The Fund's investors are mainly from Canada, with the subscriptions and redemptions of the redeemable units denominated in Canadian dollars. The primary activity of the Fund is to invest primarily in closed-end funds whose

investments are principally in a diversified portfolio of equity securities of issuers based in any country. The performance of the Fund is measured and reported to investors in Canadian dollars. Management considers the Canadian dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency.

### *(b) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date. Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Realized and unrealized foreign exchange gains (losses) on investments are included in "Net realized gain on sale of investments" and "Change in unrealized appreciation on investments", respectively, in the statements of comprehensive income.

### **2.3 Financial assets and financial liabilities at fair value through profit or loss**

#### *(a) Classification*

##### *(i) Financial Assets*

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. Consequently, all investments are measured at fair value through profit or loss.

The Fund's obligations for net assets attributable to holders of redeemable units are presented at the redemption amount which approximates fair value. The Fund's accounting policies for measuring the fair value of their investments and derivatives are identical to those used in measuring the net asset value (NAV) for transactions with unitholders.

##### *(ii) Financial Liabilities*

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

The Fund's policy requires the Investment Manager and the Board of Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

#### *(b) Recognition, derecognition and measurement*

Regular purchases and sales of investments are recognized on the trade date – the date on which the Fund commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognized at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all the risks and rewards of ownership.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within other net changes in fair value of financial assets and liabilities at fair value through profit or loss in the period in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognized in the statement of comprehensive income within dividend income when the Fund's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Fund, and the amount of the dividend can be measured reliably. Interest on debt securities at fair value through profit or loss is recognized in the statement of comprehensive income.

#### *(c) Fair value estimation*

Fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and liabilities 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 will determine the point within the bid-ask spread that is most representative of fair value based on specific facts and circumstances.

The fair value of any investment to which the foregoing principle cannot be applied shall be the fair value thereof

## NOTES TO FINANCIAL STATEMENTS *As at December 31, 2025*

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determined in such a manner as the Manager from time to time provides.

The difference between the fair value of investments and the cost of the investments is included in “Change in unrealized appreciation on investments” in the statements of comprehensive income.

If a significant movement in fair value occurs subsequent to the close of trading on the year end date, valuation techniques will be applied to determine the fair value. A significant event is any event that occurs after the last market price for a security, close of market or close of the foreign exchange, but before the Fund’s valuation time that materially affects the integrity of the closing prices for any security, instrument, currency or securities affected by that event so that they cannot be considered ‘readily available’ market quotations.

### *(d) Transfers between levels of the fair value hierarchy*

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

### **2.4 Offsetting financial instruments**

Financial assets and liabilities are offset, and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

### **2.5 Other receivables**

Other receivables are recognized initially at fair value and are subsequently measured at amortized cost. The other receivables balance is held for collection. Other receivables consist of Dividends receivable, Accrued interest receivable and Subscriptions receivable.

### **2.6 Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held with a bank or such other deposit taking institution, including the Custodian or its Affiliates, and brokers and other short-term investments in an active market with original maturities of three months or less and custodian overdrafts. Custodian overdrafts, if any, will be shown in current liabilities in the statement of financial position.

### **2.7 Redeemable units**

The Fund issues redeemable units, which are redeemable at the holder’s option and have identical rights. Such units are classified as financial liabilities. Redeemable units can be put back to the Fund at any dealing date for cash equal

to a proportionate share of the Fund’s net asset value attributable to the units. Units are redeemable daily.

The redeemable units are carried at the redemption amount that is payable at the statement of financial position date if the holder exercises the right to put the unit back to the Fund.

Redeemable units are issued and redeemed at the holder’s option at prices based on the Fund’s net asset value per unit at the time of issue or redemption. The Fund’s net asset value per unit is calculated by dividing the net assets attributable to the holders of each class of redeemable units with the total number of outstanding redeemable units for each respective class. In accordance with the provisions of the Fund’s regulations, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per unit for subscriptions and redemptions.

As the units of the Fund include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset they must be classified as financial liabilities unless certain criteria are met. As the outstanding redeemable units’ entitlement includes an obligation to distribute any net income and net realized capital gains on an annual basis in cash (at the request of the unitholder), the ongoing redemption feature is not the units’ only contractual obligation. Consequently, the Funds’ outstanding redeemable units are classified as financial liabilities in accordance with the requirement of IAS 32.

### **2.8 Interest Income**

Interest is recognized on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents.

### **2.9 Dividend income**

Dividend income is recognized when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Fund, and the amount of the dividend can be measured reliably.

### **2.10 Transaction costs**

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Fund, when incurred, are immediately recognized in the statement of comprehensive income.

### **2.11 Soft dollar commissions**

In addition to covering brokerage services on security transactions, commissions paid to certain brokers may also cover research services provided to the Investment Manager. There were no soft dollar commissions charged to the Fund for the year ended December 31, 2025 (\$nil in 2024).

### 2.12 Distribution payable to holders of redeemable units

Distributions to holders of redeemable units are recognized in the statement of changes in net assets attributable to holders of redeemable units when they are authorized and no longer at the discretion of the Fund.

### 2.13 Increase/decrease in net assets attributable to holders of redeemable units from operations

Income not distributed is included in net assets attributable to holders of redeemable units. Movements in net assets attributable to holders of redeemable units are recognized in the statement of changes in net assets attributable to holders of redeemable units.

### 2.14 Taxation

The Fund qualifies as a mutual fund trust under the Income Tax Act (Canada) and distributes all of its net taxable income with the intent to not be subject to income tax. The Fund is in substance not taxable and therefore does not record deferred income tax assets or liabilities in respect of temporary differences or losses available to be carried forward.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are shown as a separate item in the statement of comprehensive income.

As at December 31, 2025, the Fund had \$nil non-capital and \$nil in capital losses carried forward for income tax purposes (\$nil and \$nil, respectively, as at December 31, 2024). Capital losses may be carried forward indefinitely to be applied against future capital gains. Goods and services tax (GST) or harmonized sales tax (HST), as applicable, is included in the relevant expense items charged to the Fund.

## 3. Financial risk

### 3.1 Financial risk factors and capital risk management

The Fund is exposed to a variety of financial risks, which include market risk (including price risk, foreign currency risk, cash flow and fair value interest rate risk), liquidity risk, credit risk and concentration risk.

The Fund is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that eliminates the risk of loss of value of the securities held by the custodian, in the event of its failure, the ability of the Fund to transfer securities might be temporarily impaired.

The Fund's overall risk management program seeks to maximize the returns derived for the level of risk to which

the Fund is exposed and seeks to minimize potential adverse effects on the Fund's financial performance.

The Fund's risk management practice includes the monitoring of compliance to investment guidelines. The Manager manages the potential effects of these financial risks on the Fund's performance by contracting and overseeing professional and experienced investment advisors that regularly monitor the Fund's positions and market events and diversify the investment portfolio within the constraints of the investment guidelines.

All securities investments present a risk of loss of capital. The maximum loss of capital on long equity and debt securities is limited to the fair value of those positions.

The manager is responsible for managing the Fund's capital, which is its NAV and consists primarily of its financial instruments.

The Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

#### 3.1.1 Market risk

##### (a) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk, credit risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in a market.

The Fund is exposed to equity securities price risk. This arises from investments held by the Fund for which prices in the future are uncertain.

As at December 31, 2025, 98.6% of the Fund's net assets were traded on global stock exchanges (99.3% as at December 31, 2024). If equity prices had increased or decreased by 10% as at the year end, with all other factors remaining constant, net assets could possibly have increased or decreased by approximately \$6,822,000 (\$6,031,000 as at December 31, 2024). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

To mitigate price risk the Fund will diversify its portfolio by both sector and geographical exposure. Furthermore, the closed-end funds in which the Fund invests are themselves highly diversified and professionally managed portfolios. Consistent with Ontario Securities Commission (OSC) requirements, no one investment may represent more than 10% of the value of the Fund at the time of its purchase.

*(b) Foreign currency risk*

Foreign currency risk, as defined in IFRS 7, arises as the value of future transactions, recognized monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk.

Where equity securities are quoted in currencies other than the Canadian dollar, the price initially expressed in foreign currency and then converted into Canadian dollars will also fluctuate because of changes in foreign exchange rates.

Currencies to which the Fund had material exposure as at December 31, 2025 and 2024 are as follows (\$'000):

	31-Dec-25	31-Dec-24
US Dollars	16,886	16,399
UK Pounds	51,761	44,282

As at December 31, 2025, if the Canadian dollar had strengthened or weakened by 5% in relation to all currencies, with all other variables held constant, net assets would have increased or decreased by approximately \$3,432,000 (\$3,034,000 as at December 31, 2024). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

To partially limit foreign currency risk, the Fund may enter into commitments in the form of foreign exchange forward contracts. The purpose of these contracts is to partially preserve the fair value of Fund assets by offsetting the impact of increases in the Canadian dollar relative to the foreign currency (the underlying foreign currency exposure).

The Fund had no foreign exchange forward contracts as at December 31, 2025 and 2024.

*(c) Cash flow and fair value interest rate risk*

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

The majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates.

**3.1.2 Liquidity risk**

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions of redeemable units. The units of the Fund are issued and redeemed on demand at the then current net asset value per unit at the option of the unitholder.

Liquidity risk is managed by investing the majority (if not all) of the Fund's assets in investments that are traded in an active market and can be readily disposed. In addition, the Fund aims to retain sufficient cash and short-term investment positions to maintain liquidity and has the ability to borrow up to 5% of its net assets for the purpose of funding redemptions. All financial liabilities of the Fund mature within the next three months.

**3.1.3 Credit risk**

Credit risk is the risk that a loss could arise from a security issuer or counterparty to a financial instrument not being able to meet its financial obligations. The fair value of equity securities includes consideration of the credit worthiness of the equity issuer.

As at December 31, 2025 and 2024, the Fund held no debt instruments and therefore did not have significant exposure to credit risk.

**3.1.4 Concentration risk**

The Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. Financial instruments in the same category have similar characteristics and may be affected similarly by changes in economic or other conditions.

The Fund's concentration risk is summarized in the table below:

As at	December 31, 2025	December 31, 2024
Globally Diversified/Other	54.8%	49.1%
United States	25.8%	30.2%
Asia	10.1%	10.5%
Europe	9.3%	10.2%

To mitigate concentration risk the Fund will diversify its portfolio by both sector and geographical exposure. Furthermore, the closed-end funds in which the Fund invests are themselves highly diversified and professionally managed portfolios. Consistent with OSC requirements, no one investment may represent more than 10% of the value of the Fund at the time of its purchase.

**3.2 Fair value estimation**

**Classification of financial instruments**

The Fund classifies its financial instruments within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2—Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3—Inputs that are not based on observable market data.

The following tables illustrate the classification of the Fund’s financial instruments within the fair value hierarchy as at December 31, 2025 and 2024.

**December 31, 2025**

('000)	Level 1	Level 2	Level 3	Total
Equities	68,220	—	—	68,220
Cash & cash equivalents	967	—	—	967
Total	69,187	—	—	69,187

**December 31, 2024**

('000)	Level 1	Level 2	Level 3	Total
Equities	60,306	—	—	60,306
Cash & cash equivalents	538	—	—	538
Total	60,844	—	—	60,844

There were no transfers between levels during the period ended December 31, 2025 and 2024.

**4. Critical accounting estimates and judgements**

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

**a) Fair value measurement of derivatives and securities not quoted in an active market**

If the Fund holds financial instruments that are not quoted in active markets, including derivatives, fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources

(such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. 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 experienced personnel of the Manager, independent of the party that created them. The models used for private equity securities are based mainly on earnings multiples adjusted for a lack of marketability, as appropriate.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in 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. Refer to Note 3.2 for further information about the fair value measurement of the Fund’s financial instruments.

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

**b) IFRS 10 ‘Consolidated Financial Statements’**

In determining whether the Fund exhibits instances of control or significant influence, IFRS 10 “Consolidated Financial Statements” provides an exception to any financial statement consolidation requirements for entities that meet the definition of an “investment entity”. Amongst other factors, the Fund meets the definition of investment entity as it obtains funds from one or more investors for the purpose of providing those investors with professional investment management services and commit to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both. The Fund measures and evaluates the performance of substantially all of its investments on a fair value basis.

**5. Redeemable units**

The capital of the Fund is represented by issued redeemable units that have no par value. Holders of units are entitled to distributions, if any, and to payment of a proportionate amount based on the Fund’s net asset value per unit upon redemption. The Fund has no restrictions or specific capital requirements on the subscription and redemption of units, other than minimum subscription requirements. In accordance with the investment objectives and strategies, and risk management practices

## NOTES TO FINANCIAL STATEMENTS *As at December 31, 2025*

outlined in Note 3, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings where necessary. The changes in the number of units during the last two years ended December 31 were as follows:

	2025	2024
Outstanding, beginning of year	3,115,854	2,976,404
Issued for cash	138,494	177,669
Reinvestment of distributions	179,487	219,644
Redeemed	(315,171)	(257,863)
Outstanding, end of year	3,118,664	3,115,854

### 6. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Fund is managed by Tradex Management Inc, an investment management company incorporated under the Canada Business Corporations Act. Under the terms of the management agreement dated January 11, 1995 the Fund appointed Tradex Management Inc. as a Manager to provide management services, including the provision of key management personnel, for an annual fee of 0.6% of the Fund's net asset value, calculated and accrued daily.

Tradex Management Inc. may from time to time voluntarily waive a portion of its management fees and/or absorb all or a portion of the other expenses of the Fund and/or rebate to the Fund a portion of the fees paid to it by the Fund in the second half annually. This reduces the expenses for the Fund. In 2025, \$175,783 (\$178,088 in 2024) in expenses were reduced by such transactions.

### 7. Investments in unconsolidated structured entities

The Fund may invest in closed-end funds managed by third-party investment managers. The Fund considers all investments in such instruments ("Underlying Funds") to be investments in unconsolidated structured entities based on the fact that the decisions made by these Underlying Funds are not governed by voting rights or any other similar rights held by the Fund. The Fund accounts for these unconsolidated structured entities at fair value.

The Underlying Funds each have their own objectives and investment strategies which assists the Fund in achieving its investment objectives. The Underlying Funds entitle the holder to a proportional stake in the respective fund's net assets. The Fund holds units, shares or partnership interests in each of its Underlying Funds. These investments are included in "Investments at fair value through profit and loss" in the Statements of Financial Position. The

change in fair value of each Underlying Fund is included in the Statements of Comprehensive income in "Change in unrealized appreciation on investments". The exposure to investments in Underlying Funds at fair value is disclosed in the Fund's "Schedule of Investment Portfolio." The Fund's maximum exposure to loss from its interests in Underlying Funds is equal to the total carrying value of its investments in Underlying Funds.

The Manager has determined that all of the Underlying Funds in which the Fund invests are unconsolidated structured entities. In making the determination, the Manager has made a significant judgement, generally because decision making about the Underlying Funds' activities is not governed by voting or similar rights held by the Fund and other investors in any Underlying Funds

Below is a summary of the Underlying Funds held by the Fund.

December 31, 2025	Fair Value	Ownership percentage in Underlying Fund
abrdn Healthcare Investors	\$1,707,140	0.1%
BlackRock Technology and Private Equity Term Trust	66,029	0.0%
Brown Advisory US Smaller Companies PLC	1,408,002	0.5%
Calamos Strategic Total Return Fund	347,069	0.0%
John Hancock Financial Opportunities Fund	337,718	0.0%
JPMorgan American Investment Trust PLC	2,487,602	0.1%
JPMorgan US Smaller Cos Investment Trust PLC	1,449,695	0.4%
Kayne Anderson Energy Infrastructure Fund	1,437,692	0.1%
Liberty All Star Growth Fund Inc.	905,562	0.2%
North American Income Trust PLC	2,414,298	0.3%
Nuveen Core Equity Alpha Fund	34,656	0.0%
Pershing Square Holdings Ltd.	2,456,801	0.0%
Royce Small-Cap Trust Inc	1,725,993	0.1%
State Street Health Care Select Sector SPDR ETF	870,919	0.0%
Aberforth Smaller Companies Trust PLC	1,195,949	0.1%
Baillie Gifford European Growth Trust PLC	1,475,451	0.2%
Edinburgh Investment Trust PLC	1,343,974	0.1%
Fidelity European Trust PLC	687,221	0.0%
JPMorgan European Discovery Trust PLC	671,048	0.1%
Mercantile Investment Trust PLC	967,114	0.0%
Baillie Gifford Japan Trust PLC	1,528,511	0.1%

## NOTES TO FINANCIAL STATEMENTS *As at December 31, 2025*

Baillie Gifford Shin Nippon PLC	1,014,977	0.2%
JPMorgan Japanese Investment Trust PLC	2,146,800	0.1%
Schroder AsiaPacific Fund PLC	2,169,586	0.1%
Allianz Technology Trust PLC	4,810,166	0.1%
Bankers Investment Trust PLC	2,550,638	0.1%
Blackrock Health Sciences Term Trust	2,395,230	0.2%
BlackRock Resources & Commodities Strategy Trust	1,242,889	0.1%
Brunner Investment Trust PLC	1,427,725	0.1%
Cohen & Steers Infrastructure Fund Inc.	1,230,931	0.0%
Duff & Phelps Utility and Infrastructure Fund Inc.	133,508	0.0%
JPMorgan Emerging Markets Growth & Income PLC	2,262,461	0.1%
MainStay CBRE Global Infrastructure Megatrends Fund	345,620	0.0%
Monks Investment Trust PLC	682,923	0.0%
Neuberger Berman Next Generation Connectivity Fund Inc.	3,988,288	0.3%
Polar Capital Global Financials Trust PLC	5,078,373	0.7%
Polar Capital Technology Trust PLC	5,232,340	0.1%
Scottish Mortgage Investment Trust PLC	4,326,717	0.0%
Smithson Investment Trust PLC	1,662,191	0.1%
	68,219,807	

December 31, 2024

	Fair Value	Ownership percentage in Underlying Fund
abrdn Healthcare Investors	\$1,351,220	0.1%
BlackRock Health Sciences Trust	1,236,727	0.2%
BlackRock Innovation & Growth Trust	1,750,006	0.1%
Gabelli Dividend & Income Trust	1,809,514	0.1%
JPMorgan American Investment Trust PLC	1,935,214	0.1%
JPMorgan US Smaller Cos Investment Trust PLC	1,402,697	0.3%
Kayne Anderson Energy Infrastructure Fund	1,025,708	0.0%
Liberty All Star Growth Fund Inc.	1,699,028	0.3%
North American Income Trust PLC	2,363,896	0.3%
Pershing Square Holdings Ltd.	2,482,754	0.0%
Royce Small-Cap Trust Inc.	1,184,205	0.0%

Aberforth Smaller Companies Trust PLC	1,086,377	0.0%
Baillie Gifford European Growth Trust PLC	1,132,203	0.2%
Edinburgh Investment Trust PLC	1,183,170	0.1%
JPMorgan European Discovery Trust PLC	773,928	0.1%
JPMorgan European Growth & Income PLC	1,086,910	0.1%
Mercantile Investment Trust PLC	869,426	0.0%
Baillie Gifford Shin Nippon PLC	844,466	0.1%
Japan Smaller Capitalization Fund Inc.	847,793	0.3%
JPMorgan Japanese Investment Trust PLC	2,899,252	0.2%
Schroder AsiaPacific Fund PLC	1,718,981	0.1%
Allianz Technology Trust PLC	3,719,796	0.1%
Bankers Investment Trust PLC	2,141,893	0.1%
BlackRock Resources & Commodities Strategy Trust	1,215,239	0.1%
JPMorgan Emerging Markets Investment Trust PLC	1,736,117	0.1%
MainStay CBRE Global Infrastructure Megatrends Fund	1,221,426	0.1%
Monks Investment Trust PLC	1,873,504	0.0%
Neuberger Berman Next Generation Connectivity Fund Inc.	2,781,912	0.2%
Polar Capital Global Financials Trust PLC	3,974,018	0.4%
Polar Capital Global Healthcare Trust PLC	1,566,870	0.2%
Polar Capital Technology Trust PLC	4,261,396	0.1%
Scottish Mortgage Investment Trust PLC	3,598,650	0.0%
Smithson Investment Trust PLC	1,532,069	0.0%
	60,306,365	

### 8. IESBA DISCLOSURE

In compliance with the International Ethics Standards Board for Accountants' ("IESBA") Code of Ethics for Professional Accountants, the auditor is required to publicly disclose the audit and non-audit fees charged to public interest entities, including the Fund, on an annual basis.

In connection with the audit of the financial statements of the Fund for the year ended December 31, 2025, the following fees (excluding applicable taxes) were paid or payable to PricewaterhouseCoopers LLP: fees for the audits of financial statements were \$14,805 and fees for other services were \$2,205.

## BOARD OF DIRECTORS AND OFFICERS OF THE MANAGER

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**Christine Allison, FCPA, FCA** *Ottawa, Ont.*  
*MD Financial Management (retired)*  
*Director and Vice-Chair*

**Natalya G. Calabina, CPA**, *Ottawa, Ont.*  
*Tradex Management Inc.*  
*Chief Financial Officer and Chief Compliance Officer*

**Philip E. Charko**, *Ottawa, Ont.*  
*Canada Employment Insurance Financing Board (retired)*  
*Director*

**Blair R. Cooper, CFA, MBA**, *Ottawa, Ont.*  
*Tradex Management Inc.*  
*Director, President, CEO*

**Franklin Blake Johnston**, *Ottawa, Ont.*  
*President, Diligence Public Affairs Inc.*  
*Director*

**Chuck Hamilton**, *Ottawa, Ont.*  
*Educators Financial Group (retired)*  
*Director*

**Tom MacDonald**, *Ottawa, Ont.*  
*Global Affairs Canada (retired)*  
*Director and Chair*

**Dena Palamedes, CPA, CMA, CIA, CFE, CCSA, CRMA**  
*Ottawa, Ont.*  
*Canada Border Services Agency (retired)*  
*Director, Treasurer and Chair of the Audit Committee*

**David Plunkett**, *Ottawa, Ont.*  
*Global Affairs Canada (retired)*  
*Director*

**Christine Thomas**, *Ottawa, Ont.*  
*Canadian Medical Association (retired)*  
*Director*

**Irit Weiser**, *Ottawa, Ont.*  
*Department of Justice (retired)*  
*Director and Corporate Secretary*

## CORPORATE AND SHAREHOLDER INFORMATION

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### MANAGER

**Tradex Management Inc.**  
340 Albert Street, Suite 1604  
Ottawa, Ontario K1R 7Y6  
Telephone: 613-233-3394 or 1-800-567-3863  
Fax: 613-233-8191  
e-mail: [info@tradex.ca](mailto:info@tradex.ca)  
web site: [www.tradex.ca](http://www.tradex.ca)



### INVESTMENT COUNSEL

**Phillips, Hager & North Investment Management**  
**(a division of RBC Global Asset Management Inc.)**  
200 Burrard Street, 20th Floor  
Vancouver, B.C. V6C 3N5

### CUSTODIAN

RBC Investor Services  
155 Wellington St W, 3rd Floor  
Toronto, ON M5V 3L3

### REGISTRAR

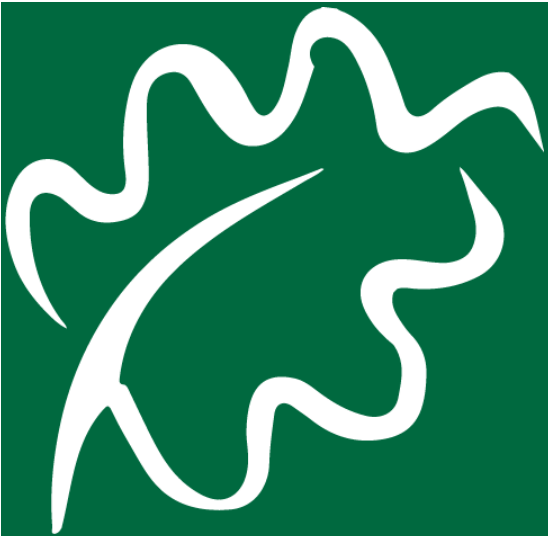
RBC Investor Services  
155 Wellington St W, 3rd Floor  
Toronto, ON M5V 3L3

### AUDITORS

**PricewaterhouseCoopers LLP**  
99 Bank Street, Suite 710  
Ottawa, Ontario K1P 1E4

### LEGAL COUNSEL

**Borden Ladner Gervais LLP**  
22 Adelaide Street West  
Bay Adelaide Centre, East Tower  
Toronto, Ontario M5H 4E3



We encourage you to visit  
**[www.tradex.ca](http://www.tradex.ca)** to learn more  
about investing with  
Tradex Management Inc.

340 Albert Street, Suite 1604  
Ottawa, Ontario K1R 7Y6

Telephone: 613-233-3394 or 1-800-567-3863  
Fax: 613-233-8191  
E-mail: [info@tradex.ca](mailto:info@tradex.ca)  
Web site: [www.tradex.ca](http://www.tradex.ca)

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