MANAGEMENT'S REPORT

The accompanying consolidated financial statements of Clairvest Group Inc. were prepared by management, which is responsible for the integrity and fairness of the financial information presented. These consolidated financial statements are prepared in accordance with International Financial Reporting Standards. The financial information contained elsewhere in the annual report has been reviewed to ensure consistency with the consolidated financial statements.

Management maintains a system of internal accounting controls designed to provide reasonable assurance that assets are safeguarded, that transactions are properly authorized and that financial records are properly maintained to facilitate the preparation of consolidated financial statements in a timely manner. Under the supervision of management, an evaluation of the effectiveness of the Company's internal control over financial reporting was carried out for the year ended March 31, 2025. Based on that evaluation, management concluded that the Company's internal control over financing reporting was effective for the year ended March 31, 2025.

The Board of Directors carries out its responsibility for the consolidated financial statements in this annual report principally through its Audit Committee. The Audit Committee, which comprised three non-management Directors during the year ended March 31, 2025, meets periodically with management and with external auditors to discuss the scope and results with respect to financial reporting of the Company. The Audit Committee has reviewed the consolidated financial statements with management and with the independent auditors. The consolidated financial statements have been approved by the Board of Directors on the recommendation of the Audit Committee.

Ernst & Young LLP, appointed external auditors by the shareholders, have audited the consolidated financial statements and their report is included herewith.

Ken Rotman
Chief Executive Officer

Daniel Cheng
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CLAIRVEST GROUP INC.

OPINION

We have audited the consolidated financial statements of Clairvest Group Inc. and its subsidiaries [the "Company"], which comprise the consolidated statements of financial position as at March 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ["IFRSs"].

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 consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Fair value measurement of corporate investments based on unobservable inputs	
The Company describes its critical accounting estimates, assumptions and judgment in relation to the fair value measurement of financial instruments in note 2 to the consolidated financial statements. As disclosed in note 18 to the consolidated financial statements, the Company has corporate investments of $942.9 million recorded at fair value. Of these, $868.6 million relates to corporate investments where fair value is based on unobservable inputs and are classified as Level 3 financial instruments within the fair value hierarchy. Auditing the fair value of Level 3 corporate investments requires the application of significant auditor judgment in assessing the valuation techniques and unobservable inputs utilized by the Company. Certain valuation inputs used to determine fair value that may be unobservable include the multiple of earnings before interest, taxes, depreciation and amortization ["EBITDA"] or revenue and the estimated adjusted EBITDA or revenue. The use of different valuation techniques and assumptions could produce significantly different estimates of fair value.	Our audit procedures included, among others, evaluating the Company's valuation techniques and testing the significant inputs and assumptions utilized by the Company, including related disclosures. With the assistance of our valuation specialists, we evaluated the Company's valuation techniques and assessed whether these valuation techniques were reasonable based on the characteristics of the investee company, such as the operations, industry sector and market activity. We also assessed whether the unobservable inputs and assumptions identified by the Company are relevant and provided a reasonable basis for the fair value measurement. The most significant and judgmental unobservable inputs impacting the fair value measurement are the multiple of EBITDA or revenue and the estimated adjusted EBITDA or revenue for the relevant investee company. Our audit procedures included, among others: • Where the multiple of EBITDA or revenue is based on public guideline companies, we reviewed business descriptions of guideline companies selected by management and evaluated if they were reasonable based on the business of the investee company. Where applicable, we performed an independent search for additional guideline companies to benchmark and incorporate trends in the broader industry that impact the fair value measurement. • Where the multiple of EBITDA or revenue is based on a multiple at which the Company invested in the investee company, on follow-on investments or financings, or on partial realization in the investee company, we re-calculated the multiple using the transaction details and assessed whether the transaction continued to be representative of fair value. • We assessed the estimated adjusted EBITDA or revenue based on recent financial information of the investee company, including the most recent audited financial statements, where applicable. • Our assessment of the multiple of EBITDA or revenue and estimated adjusted EBITDA or revenue was also based on certain qualitative factors, including the size and stage of the investee company, nature of business of guideline companies compared to the investee company, developments of the investee company, current economic environment and any relevant subsequent events.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the consolidated financial statements and our auditor's report thereon, in the Annual Report

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Company'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 Company'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 consolidated 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Gregory Murphy.

Ernst + Young LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
June 25, 2025

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at March 31

$000s		**2025**		2024
ASSETS				
Cash and cash equivalents (notes 3 and 14)	**$**	**176,978**	$	145,138
Temporary investments (note 3)		**118,750**		185,055
Accounts receivable and other assets (note 10(g))		**78,725**		47,809
Loans receivable (note 10(f))		**42,942**		13,668
Income taxes recoverable		**8,946**		21,496
Carried interest from Clairvest Equity Partners III and IV (note 7)		**48,517**		52,188
Corporate investments (note 5)		**942,857**		870,660
Fixed assets (note 8)		**11,720**		6,125
	$	**1,429,435**	$	1,342,139
LIABILITIES AND SHAREHOLDERS' EQUITY				
Liabilities				
Accounts payable and accrued liabilities (notes 10(i) and 16(e))	**$**	**12,724**	$	16,232
Income taxes payable		**2,485**		—
Derivative instruments liability (note 15)		**18,113**		2,622
Accrued compensation expense (notes 13 and 16(b))		**18,194**		14,581
Share-based compensation (note 13)		**49,131**		53,302
Management participation from Clairvest Equity Partners III and IV (note 7)		**37,718**		41,506
Deferred income tax liability (note 11)		**39,479**		37,599
	$	**177,844**	$	165,842
Contingencies, commitments and guarantees (note 16)				
Shareholders' equity				
Share capital (note 12)	**$**	**76,020**	$	78,762
Retained earnings		**1,175,571**		1,097,535
		1,251,591		1,176,297
	$	**1,429,435**	$	1,342,139

See accompanying notes

On behalf of the Board:

B. JEFFREY PARR
Vice Chairman

MICHAEL BREGMAN
Chairman

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the years ended March 31

$000s (except per share information)		2025		2024
REVENUE				
Net investment gain (loss) (notes 4 and 5)	**$**	**15,248**	$	(19,385)
Distributions and interest income (notes 5, 6 and 10)		**128,296**		32,778
Carried interest from Clairvest Equity Partners III and IV (note 7)		**4,169**		3,700
Dividend income		**1,687**		2,833
Management fees (note 6)		**21,254**		12,486
Advisory and other fees (note 10(h))		**5,827**		4,239
		176,481		36,651
EXPENSES				
Employee compensation and benefits (notes 13 and 16(b))		**22,469**		34,797
Share-based compensation expenses (recovery) (note 13)		**6,422**		(5,367)
Administration and other expenses		**6,939**		4,908
Finance and foreign exchange expenses (recovery)		**(1,231)**		1,932
Management participation from Clairvest Equity Partners III and IV (note 7)		**3,341**		3,554
		37,940		39,824
Income (loss) before income taxes		**138,541**		(3,173)
Income tax expense (note 11)		**16,499**		180
Net income (loss) and comprehensive income (loss) for the year	**$**	**122,042**	$	(3,353)
Basic and fully diluted net income (loss) and comprehensive income (loss) per share (note 12)	**$**	**8.47**	$	(0.23)

See accompanying notes

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the years ended March 31

$000s		Share capital		Retained earnings		Total shareholders' equity
As at April 1, 2024	**$**	**78,762**	**$**	**1,097,535**	**$**	**1,176,297**
Changes in shareholders' equity						
Net income and comprehensive income for the year				**122,042**		**122,042**
Dividends declared ($0.8016 per share)				**(11,737)**		**(11,737)**
Purchase and cancellation of shares (note 12)		**(2,742)**		**(32,269)**		**(35,011)**
As at March 31, 2025	**$**	**76,020**	**$**	**1,175,571**	**$**	**1,251,591**
As at April 1, 2023	**$**	80,642	**$**	1,137,085	**$**	1,217,727
Changes in shareholders' equity						
Net loss and comprehensive loss for the year				(3,353)		(3,353)
Dividends declared ($0.8105 per share)				(12,177)		(12,177)
Purchase and cancellation of shares (note 12)		(1,880)		(24,020)		(25,900)
As at March 31, 2024	**$**	78,762	**$**	1,097,535	**$**	1,176,297

See accompanying notes

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended March 31

$000s		2025		2024
OPERATING ACTIVITIES				
Net income (loss) and comprehensive income (loss) for the year	$	**122,042**	$	(3,353)
Add (deduct) items not involving a current cash outlay:				
Amortization of fixed assets		**1,405**		1,306
Share-based compensation (recovery)		**6,422**		(5,367)
Deferred income tax expense		**1,880**		1,445
Net investment (gain) loss		**(15,248)**		19,385
Carried interest and management participation from Clairvest Equity Partners III and IV		**(117)**		267
Non-cash items relating to foreign exchange forward contracts		**19,952**		(384)
Non-cash items relating to corporate investments		**(15,845)**		3,018
		120,491		16,317
Adjustments for:				
Net proceeds on sale (cost of acquisition) of temporary investments		**71,463**		(8,691)
Net loans repaid by (advanced to) acquisition entities or the CEP Funds (note 10(f))		**(29,274)**		10,682
Cost of settlement of realized foreign exchange forward contracts		**(4,461)**		(4,071)
Investments made in investee companies or acquisition entities		**(61,363)**		(40,770)
Distribution or return of capital from investee companies or acquisition entities		**15,101**		36,014
Settlement of share-based compensation liability		**(10,593)**		(15,600)
		(19,127)		(22,436)
Net change in non-cash working capital balances related to operations (note 14)		**(21,838)**		(27,682)
Cash provided by (used in) operating activities		**79,526**		(33,801)
INVESTING ACTIVITIES				
Purchase of fixed assets		**(938)**		(854)
Cash used in investing activities		**(938)**		(854)
FINANCING ACTIVITIES				
Cash dividends paid		**(11,737)**		(12,177)
Purchase and cancellation of shares (note 12)		**(35,011)**		(25,900)
Cash used in financing activities		**(46,748)**		(38,077)
Net increase (decrease) in cash during the year		**31,840**		(72,732)
Cash and cash equivalents, beginning of year		**145,138**		217,870
Cash and cash equivalents, end of year (note 14)	$	**176,978**	$	145,138
SUPPLEMENTAL CASH FLOW INFORMATION				
Interest received	$	**17,192**	$	20,959
Distributions received (notes 5 and 10)	$	**99,654**	$	52,571
Income taxes paid (refunded)	$	**(3,409)**	$	44,286
Interest paid	$	**965**	$	776

See accompanying notes

1. NATURE OF ACTIVITIES

Clairvest Group Inc. ("Clairvest" or the "Company") is a private equity management firm that specializes in partnering with management teams and other stakeholders of both emerging and established companies. The Company's shares are traded on the Toronto Stock Exchange ("TSX") under the symbol CVG. The Company, which operates in only one business segment, actively seeks to form mutually beneficial investments with entrepreneurial businesses. As at March 31, 2025, Clairvest invests its own capital, and that of third parties, through the following Clairvest Equity Partnerships (the "CEP Funds"):

Clairvest Equity Partners III Limited Partnership ("CEP III")
Clairvest Equity Partners IV Limited Partnership ("CEP IV")
Clairvest Equity Partners IV-A Limited Partnership ("CEP IV-A")
Clairvest Equity Partners V Limited Partnership ("CEP V")
CEP V HI India Investment Limited Partnership ("CEP V India")
Clairvest Equity Partners V-A Limited Partnership ("CEP V-A")
Clairvest Equity Partners VI Limited Partnership ("CEP VI")
Clairvest Equity Partners VI-A Limited Partnership ("CEP VI-A")
Clairvest Equity Partners VI-B Limited Partnership ("CEP VI-B")
Clairvest Equity Partners VII Limited Partnership ("CEP VII")
Clairvest Equity Partners VII-A Limited Partnership ("CEP VII-A")
Clairvest Equity Partners VII-B Limited Partnership ("CEP VII-B")

CEP III, CEP IV and CEP IV-A are collectively herein referred to as Clairvest Equity Partners III and IV. CEP V, CEP V India, CEP V-A, CEP VI, CEP VI-A, CEP VI-B, CEP VII, CEP VII-A and CEP VII-B are collectively herein referred to as Clairvest Equity Partners V, VI and VII.

Clairvest contributes financing and strategic expertise to support the growth and development of its investee companies in order to create realizable value for shareholders.

Clairvest is incorporated under the laws of the Province of Ontario. The Company's head office is located at 22 St. Clair Avenue East, Suite 1700, Toronto, Ontario, Canada, M4T 2S3.

2. MATERIAL ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements of Clairvest are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The Company has consistently applied the same accounting policies throughout all periods presented in these consolidated financial statements, as if these policies had always been in effect.

These consolidated financial statements and related notes of Clairvest for the years ended March 31, 2025 and 2024 ("consolidated financial statements") were authorized for issuance by the Board of Directors on June 25, 2025.

The consolidated financial statements have been presented on a historical cost basis, except for certain financial instruments that have been measured at fair value. The consolidated financial statements have been prepared on a going concern basis and are presented in Canadian dollars, which is the functional currency of the Company, and all values are rounded to the nearest thousand dollars ($000s), except where otherwise indicated.

Basis of consolidation

The consolidated financial statements have been prepared in accordance with IFRS 10, *Consolidated Financial Statements* ("IFRS 10"), as issued by the IASB and include the accounts of the Company and its consolidated subsidiaries. As discussed under critical accounting estimates, assumptions and judgments, the Company has determined it meets the definition of an investment entity.

Consolidated subsidiaries

In accordance with IFRS 10, subsidiaries are those entities that provide investment-related services and that the Company controls by having the power to govern the financial and operating policies of these entities. Such entities would include those which earn priority distributions or management fees from the CEP Funds and carried interest from Clairvest Equity Partners III and IV. All intercompany amounts and transactions amongst these consolidated entities have been eliminated upon consolidation. The existence and effect of potential voting rights that are currently exercisable and shareholder agreements are considered when assessing whether the Company controls an entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are subsequently deconsolidated from the consolidated financial statements on the date that control ceases.

The following entities, which are significant in nature, do not meet the definition of an investment entity and provide investment-related services on behalf of the Company.

Clairvest GP Manageco Inc.
Clairvest GP (GPLP) Inc.
CEP MIP GP Corporation
Clairvest General Partner III Limited Partnership
Clairvest General Partner IV Limited Partnership

Interests in unconsolidated subsidiaries ("acquisition entities")

In accordance with IFRS 10, interests in subsidiaries other than those that provide investment-related services are accounted for at fair value through profit or loss ("FVTPL") rather than consolidating them. As discussed under critical accounting estimates, assumptions and judgments, management exercised judgment when determining whether subsidiaries are investment entities.

The following entities, which are significant in nature, are controlled by Clairvest either directly or indirectly and are used as acquisition entities of the Company. The entities' principal place of business is in Canada:

2141788 Ontario Corporation ("2141788 Ontario")
CVG Invest Holdings Limited Partnership ("CVG Invest")
CEP III Co-Investment Limited Partnership ("CEP III Co-Invest")
MIP III Limited Partnership ("MIP III")
CEP IV Co-Investment Limited Partnership ("CEP IV Co-Invest")
MIP IV Limited Partnership ("MIP IV")
CEP V Co-Investment Limited Partnership ("CEP V Co-Invest")
Clairvest General Partner V Limited Partnership ("Clairvest GP V")
MIP V Limited Partnership ("MIP V")
CEP VI Co-Investment Limited Partnership ("CEP VI Co-Invest")
MIP VI Limited Partnership ("MIP VI")
Clairvest SLP VI Limited Partnership ("Clairvest SLP VI")
Clairvest CEP Holdings Limited Partnership ("Clairvest CEP Holdings")
CEP VII Co-Investment Limited Partnership ("CEP VII Co-Invest")
MIP VII Limited Partnership ("MIP VII")
Clairvest Special VII Limited Partnership ("Clairvest SLP VII")

The Company may also use intermediate subsidiaries whose sole purpose is to hold investments for the Company and therefore are not included in the list above.

Interests in the CEP Funds

Clairvest manages and invests alongside the CEP Funds, which meet the definition of structured entities under IFRS. Clairvest provides loans to and earns priority distributions or management fees and carried interest from the CEP Funds, which are further described in *notes 6 and 7*. The Company concluded that its ownership interests in the CEP Funds do not meet the definition of control under IFRS. Accordingly, the financial positions and operating results of the CEP Funds and other funds it manages for certain co-investors are not included in Clairvest's consolidated financial statements.

(a) **Classification and recognition of financial instruments**

In accordance with IFRS 9, *Financial Instruments* ("IFRS 9"), financial instruments classified as FVTPL would include cash, cash equivalents and temporary investments ("treasury funds"), loans receivable, derivative instruments and corporate investments. These financial instruments are classified at initial recognition at FVTPL on the basis that they are part of a group of financial assets that are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Company. The Company does not apply hedge accounting to its derivative instruments. Accounts receivable and other assets would include balances relating to its acquisition entities, indirect investee companies ("investee companies") and the CEP Funds as well as other short-term receivables. These receivable balances are recognized at amortized cost in accordance with IFRS 9. Accounts payable and accrued liabilities are considered to be payable in respect of goods or services received up to the consolidated statements of financial position date and are recognized at amortized cost in accordance with IFRS 9.

(b) **Cash and cash equivalents**

Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

(c) **Temporary investments and corporate investments**

The Company carries its temporary investments and its corporate investments at fair value. When a financial instrument is initially recognized, its fair value is generally the value of consideration paid or received. Acquisition costs relating to corporate investments are not included as part of the cost of the investment. Subsequent to initial recognition, the fair value of an investment quoted in an active market is generally the bid price on the principal exchange on which the investment is traded. Investments that are escrowed or otherwise restricted as to sale or transfer are recorded at a value which considers the escrow terms or other restrictions. In determining the fair value for such investments, the Company considers the nature and length of the restriction, business risk of the investee company, its stage of development, market potential, relative trading volume and price volatility and any other factors that may be relevant to the ongoing and realizable value of the investments. The amounts at which Clairvest's publicly traded investments could be disposed of may differ from this fair value and the differences could be material. Differences could arise as the value at which significant ownership positions are sold is often different from the quoted market price due to a variety of factors such as premiums paid for large blocks or discounts due to illiquidity. Estimated costs of disposition are not included in the fair value determination.

In the absence of an active market, the fair values are determined by management using the appropriate valuation methodologies after considering the history and nature of the business, operating results and financial conditions, the general economic, industry and market conditions, capital market and transaction market conditions, contractual rights relating to the investment, public market comparables, private company transaction multiples and, where applicable, other pertinent considerations. The process of valuing investments for which no active market exists is inevitably based on inherent uncertainties, and the resulting values may differ from values that would have been used had an active market existed. The amounts at which Clairvest's privately held investments could be disposed of may differ from the fair value assigned and the differences could be material. Estimated costs of disposition are not included in the fair value determination.

(d) **Foreign currency translation**

Income and expenses denominated in foreign currencies are translated into Canadian dollars at exchange rates prevailing at the transaction date. Monetary assets and liabilities are translated into Canadian dollars using exchange rates in effect as at the consolidated statement of financial position dates. Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars using the exchange rate at the date of transaction. Non-monetary assets and liabilities that are carried at fair value are translated into Canadian dollars using exchange rates at the date the fair value was determined. Exchange gains and losses are included in income in the period in which they occur. Foreign currency translation gains and losses on financial instruments classified as FVTPL are included in the consolidated statements of comprehensive income (loss) as part of net investment gain (loss).

(e) **Derivative instruments**

The Company and its acquisition entities enter foreign exchange forward contracts to hedge their exposure to exchange rate fluctuations on their foreign currency-denominated investments and loans. These foreign exchange forward contracts and their underlying investments and loans are valued at exchange rates in effect as at the consolidated statements of financial position dates.

Foreign exchange forward contracts entered by the Company are included in the consolidated statements of financial position as derivative instruments and are valued at fair value representing the estimated amount that the Company would have been required to pay or receive had the Company settled the outstanding contracts as at the consolidated statements of financial position dates. Any unrealized gains or losses are included in finance and foreign exchange expense in the consolidated statements of comprehensive income (loss).

Foreign exchange forward contracts entered by the Company's acquisition entities are included in the fair value determination of these acquisition entities.

(f) **Income recognition**

Realized gains or losses on disposition of corporate investments and change in unrealized gains or losses in the value of corporate investments are calculated based on weighted average cost and are included in net investment gain or loss in the consolidated statements of comprehensive income (loss). Management fees and advisory and other fees are recorded as income on an accrual basis when earned. Distributions and interest income are recognized on an accrual basis and dividend income is recognized on the ex-dividend date. Carried interest includes amounts receivable from Clairvest Equity Partners III and IV. Each Clairvest Equity Partners III and IV Fund is separately reviewed as at the consolidated statements of financial position date, and an accrual for carried interest is made when the performance conditions are achieved in accordance with IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15") based on the assumption that the remaining underlying investments are realized at their estimated fair values. The fair value of the underlying investments is determined consistently with the Company's valuation methodology and is measured at the consolidated statements of financial position date. Carried interest is accrued only in the event it is highly probable that there will not be a significant reversal in future financial periods.

(g) **Income taxes**

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company and its acquisition entities operate and generate taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

The Company records deferred income tax expense or recovery using the asset and liability method. Under this method, deferred income taxes reflect the expected deferred tax consequences of temporary differences between the carrying amounts of assets and liabilities and their respective income tax bases, as well as certain carryforward items. Deferred income tax assets and liabilities are determined for each temporary difference based on the income tax rates that are expected to be in effect when the asset or liability is settled. Deferred income tax assets are only recognized to the extent that, in the opinion of management, it is probable that the deferred income tax assets will be realized.

(h) **Stock-based compensation plan**

The Company's stock option plans allow for cash settlement of stock options. As the economics to choose cash or shares as settlement are the same for all holders, compensation expense is recognized over the applicable vesting period and a corresponding liability is recorded based on the fair value of the outstanding stock options at the consolidated statements of financial position dates. Fair value is measured by use of an appropriate option-pricing model. On the exercise of stock options for shares, the liability recorded with respect to the options and consideration paid by the participant is credited to share capital. On the exercise of stock options for cash, the liability recorded is reduced and any difference between the liability accrued and the amount paid is charged to share-based compensation expense (recovery).

(i) **Deferred share unit plans**

Directors of the Company may elect annually to receive all or a portion of their compensation in deferred share units ("DSUs") based on the closing price of a Clairvest common share on the date directors' fees are payable. Upon redemption of DSUs, the Company pays to the participant a lump-sum cash payment equal to the number of DSUs to be redeemed, multiplied by the closing price of a Clairvest common share on the redemption date. A participant may redeem his or her DSUs only following termination of board service. Under the Company's DSU plan, a change to the fair value of the DSUs is charged to share-based compensation expense (recovery) and recorded as a liability.

Certain directors were also granted appreciation deferred share units ("ADSUs"). Upon redemption of the ADSUs, the Company pays to the participant a lump-sum cash payment equal to the number of ADSUs to be redeemed multiplied by the difference between the closing price of a Clairvest common share on the redemption date and the closing price of a Clairvest common share on the grant date. A participant may redeem his or her ADSUs only following termination of board service. Under the Company's ADSU plan, a change to the fair value of the ADSUs is charged to share-based compensation expense (recovery) and recorded as a liability.

Certain employees of the Company may elect annually to receive all or a portion of their annual bonuses in employee deferred share units ("EDSUs"). The number of EDSUs granted to a participant is determined by dividing the amount of the elected bonuses to be received by way of EDSUs by the five-day volume-weighted average closing price of the Clairvest common shares on the grant date. EDSUs may be redeemed for cash or for common shares of the Company. A participant may redeem his or her EDSUs only following termination of employment. Under the Company's EDSU plan, a change to the fair value of the EDSUs is charged to share-based compensation expense (recovery) and recorded as a liability.

(j) **Book value appreciation rights plan**

The Company may elect to issue all or a portion of a participant's stock option grant by way of book value appreciation rights units ("BVARs"). Upon redemption of BVARs, the Company pays to the participant a lump-sum cash payment equal to the number of BVARs to be redeemed multiplied by the increase in book value per share between the grant date and the redemption date, and grossed up such that the participant's after-tax proceeds equate to an amount as if the proceeds were taxed at the capital gains rate. The BVARs vest over a five-year period and the participant may only redeem his or her BVARs at the earlier of (i) five years from the grant date or (ii) cessation of employment with the Company.

Fair value of the BVARs is calculated based on the latest book value per share published at the time the value is being determined. As the Company's BVAR plan is a cash-settled plan, a change to the fair value of the BVARs is charged to share-based compensation expense (recovery) and recorded as a liability.

(k) **Entitlements of partners of a limited partnership**

The Company consolidates subsidiaries which include various limited partnerships, and the entitlements of partners of these limited partnerships that are external to the consolidated group of the Company are recorded as a liability and an expense of the Company. Accordingly, that portion of the carried interest from Clairvest Equity Partners III and IV which are ultimately paid to the limited partners of the corresponding MIP partnerships which are external to the consolidated group are recorded as a management participation liability and a management participation expense on the consolidated financial statements. The amounts ultimately paid to the limited partners of the corresponding MIP partnerships resulting from carried interest from Clairvest Equity Partners V, VI and VII are accounted for at FVTPL.

(l) **Leases**

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate. Each lease payment is allocated between the repayment of the lease liability and finance expenses. Finance expenses are charged to the consolidated statements of comprehensive income (loss) over the lease period to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The associated right-of-use assets were measured at an amount equal to the lease liabilities, adjusted for previously recognized lease accruals, in accordance with the transitional provisions of IFRS 16, *Leases*, and entirely comprised real estate premises. The right-of-use assets are included within fixed assets in the consolidated statements of financial position and amortized on a straight-line basis over the shorter of the asset's useful life and the lease term.

(m) **Fixed assets**

Fixed assets are accounted for at cost less accumulated amortization. Leasehold improvements are amortized on a straight-line basis over the lease term including reasonably assured renewal options. All other fixed assets are amortized on a straight-line basis at the following rates per year:

Aircraft	10%
IT equipment	30%
Computer software	50%
Furniture, fixtures and equipment	20%
Leasehold improvements	Term of lease
Right-of-use asset	Term of lease

The Company assesses at each reporting date whether there is an indication that a fixed asset may be impaired. If any such indication exists, the Company estimates the fixed asset's recoverable amount. The recoverable amount is the higher of its fair value less cost of disposal and its value in use. When the carrying amount exceeds its recoverable amount, the fixed asset is considered impaired and is written down to its recoverable amount.

(n) **Net income (loss) and comprehensive income (loss) per share**

Basic net income (loss) and comprehensive income (loss) per share is determined by dividing net income (loss) and comprehensive income (loss) attributable to common shareholders by the weighted average number of common shares outstanding during the year. Fully diluted net income (loss) and comprehensive income (loss) per share is determined in accordance with the treasury stock method and is based on the weighted average number of common shares and dilutive common share equivalents outstanding during the year.

(o) **Critical accounting estimates, assumptions and judgments**

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates, assumptions and judgments that affect the reported amounts. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates could materially differ from the related actual results. The following estimates, assumptions and judgments have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year:

Determination of investment entity

Judgment is required when making the determination that the Company or its various subsidiaries meet the definition of an investment entity under IFRS. In accordance with IFRS 10, an investment entity is an entity that: "obtains funds from one or more investors for the purpose of providing them with investment management services, commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and measures and evaluates the performance of substantially all of its investments on a fair value basis." In addition, IFRS 10 clarifies that an investment entity may earn fee income from the provision of investment-related services to external parties. The Company has historically invested alongside third-party capital in the CEP Funds that it manages. In determining its status as an investment entity, the Company has determined that fair value is the primary measurement attribute used to monitor and evaluate its investments.

Fair value of financial instruments

Certain financial instruments are recorded in the Company's consolidated statements of financial position at values that are representative of or approximate fair value. The fair value of a financial instrument that is traded in active markets at each reporting date is determined by reference to its quoted market price or dealer price quotations. The fair values of certain other financial instruments are determined using valuation techniques. By their nature, these valuation techniques require the use of estimates and assumptions. Changes in the underlying estimates and assumptions could materially impact the determination of the fair value of a financial instrument. Imprecision in determining fair value using valuation techniques may affect net investment gain or loss reported in a particular period.

The Company assesses at each reporting date whether there is any objective evidence to revise the fair values of its financial instruments. The assessment of the fair value of a financial instrument requires significant judgment, where management evaluates, among other factors, the financial health and business outlook of their investees. Fair value information is presented in *note 18*.

Recognition of carried interest and corresponding expenses

The determination of the Company's carried interest recorded on the consolidated statements of financial position is based on the fair values of the financial instruments held by Clairvest Equity Partners III and IV. In accordance with IFRS 15, the calculated carried interest can only be recognized to the extent to which it is highly probable that there will not be a significant reversal when the relevant uncertainty is resolved. This judgment is made on a fund-by-fund basis, based on its specific circumstances, including consideration of: remaining duration of the fund, position in relation to the cash hurdle, the number of assets remaining in the fund and the potential for clawback. The actual amounts of carried interest received and paid will depend on the cash realizations of Clairvest Equity Partners III and IV's portfolio investments, and valuations may change significantly in future financial periods. As discussed previously, fair values of certain financial instruments are determined using valuation techniques and, by their nature, include the use of estimates and assumptions. Changes in the underlying estimates and assumptions could materially impact the determination of the fair value of these financial instruments. Imprecision in determining fair value using valuation techniques may affect the calculation of carried interest and the resulting accrued liabilities for future payouts relating to the carried interest as at the consolidated statements of financial position dates.

Income taxes

The determination of the Company's income and other tax liabilities requires interpretation of complex laws and regulations often involving multiple jurisdictions. Judgment is required in determining whether deferred income tax assets should be recognized on the consolidated statements of financial position. Deferred income tax assets are recognized to the extent that the Company believes it is probable that the deferred income tax assets will be realized. Furthermore, deferred income tax balances are recorded using enacted or substantively enacted future income tax rates. Changes in enacted income tax rates are not within the control of management. However, any such changes in income tax rates may result in actual income tax amounts that differ significantly from estimates recorded in deferred income tax balances.

3. CASH EQUIVALENTS AND TEMPORARY INVESTMENTS

Cash equivalents consist of deposits in investment and money market savings accounts, which have maturities of less than 90 days from the date of acquisition. As at March 31, 2025, the pre-tax weighted average yield for cash equivalents was 3.8% (2024 – 5.2%) per annum.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

As at March 31, 2025, temporary investments, which are carried at fair value, comprised guaranteed investment certificates, marketable securities, limited recourse capital notes, term loans and other fixed income securities as permitted by the Company's treasury policy which in aggregate may not exceed 10% of book value and with no single issue greater than 1.5% of book value. Guaranteed investment certificates have maturities greater than 90 days from the date of acquisition and through to August 2026. The pre-tax weighted average yield for temporary investments was 7.1% (2024 – 7.4%) per annum. The composition of Clairvest's temporary investments, based on their fair values as at March 31, and the corresponding net investment gain (loss) for the years ended March 31, 2025 and 2024 were as follows:

	March 31, 2025			
	Due in 1 year or less	**Due after 1 year**	**Total**	**Net investment gain (loss)**
Marketable securities	**$ —**	**$ 46,130**	**$ 46,130**	**$ 5,834**
Guaranteed investment certificates	**15,998**	**6,222**	**22,220**	**—**
Term loans	**—**	**35,832**	**35,832**	**(676)**
Limited recourse capital notes	**—**	**11,011**	**11,011**	**—**
Other fixed income securities	**3,557**	**—**	**3,557**	**—**
	$ 19,555	**$ 99,195**	**$ 118,750**	**$ 5,158**

	March 31, 2024			
	Due in 1 year or less	**Due after 1 year**	**Total**	**Net investment gain**
Marketable securities	$ —	$ 76,758	$ 76,758	$ 1,642
Guaranteed investment certificates	32,776	9,037	41,813	—
Term loans	—	28,098	28,098	1,760
Limited recourse capital notes	—	10,481	10,481	—
Other fixed income securities	27,905	—	27,905	—
	$ 60,681	$ 124,374	$ 185,055	$ 3,402

During fiscal 2025, Clairvest sold $25.1 million of marketable securities to CVG Invest, a wholly owned acquisition entity. Subsequently, CVG Invest sold $7.2 million of these marketable securities in the open market for a net realized gain of $2.1 million.

As at March 31, 2025, Clairvest's acquisition entities held $85.9 million (2024 – $38.2 million) in cash and cash equivalents and $76.4 million (2024 – $52.7 million) in temporary investments as described in *note 5*, the funds of which were invested consistently with the funds held at Clairvest.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

4. NET INVESTMENT GAIN (LOSS)

Net investment gain (loss) for the years ended March 31, 2025 and 2024 comprised the following:

	2025	2024
Net investment gain (loss) on investee companies (note 5)	$ 90,875	$ (46,196)
Net investment gain (loss) on the fair value revaluation of acquisition entities	(90,201)	22,413
Net investment gain (loss) on corporate investments	674	(23,783)
Net investment gain on temporary investments (note 3)	5,158	3,402
Net change in unrealized gain (loss)	5,832	(20,381)
Carried interest from Clairvest Equity Partners V, VI and VII (note 7)	37,730	(7,544)
Management participation from Clairvest Equity Partners V, VI and VII (note 7)	(28,314)	8,540
	$ 15,248	$ (19,385)

5. CORPORATE INVESTMENTS

In accordance with IFRS 10, the fair value of the Company's corporate investments includes the fair value of the net assets of its acquisition entities that are controlled by the Company. Accordingly, Clairvest's direct corporate investments comprise these acquisition entities, which invest directly or indirectly in various investee companies and other investee companies where Clairvest made an investment directly.

The following table details the fair value of Clairvest's direct investments and acquisition entities, which are controlled by Clairvest but are not part of the consolidated group:

	March 31, 2025			March 31, 2024		
	Investee companies	Acquisition entities net assets (liabilities)	Total	Investee companies	Acquisition entities net assets (liabilities)	Total
Held directly by Clairvest Group Inc.	$ 306	$ —	$ 306	$ 812	$ —	$ 812
Held through the following acquisition entities:						
2141788 Ontario	35,915	126,784	162,699	63,117	87,747	150,864
2486303 Ontario	—	—	—	1,229	3,899	5,128
CVG Invest	—	24,139	24,139	—	—	—
CEP III Co-Invest	—	636	636	13,048	(704)	12,344
MIP III	—	(36)	(36)	504	(31)	473
CEP IV Co-Invest	154,637	(4,395)	150,242	148,515	(5,246)	143,269
MIP IV	2,119	(43)	2,076	2,035	(35)	2,000
CEP V Co-Invest	191,203	(20,533)	170,670	239,046	(27,777)	211,269
Clairvest GP V	17,078	43,343	60,421	21,352	57,010	78,362
MIP V	4,098	(24)	4,074	5,124	(18)	5,106
CEP VI Co-Invest	305,048	(15,602)	289,446	212,464	(7,864)	204,600
Clairvest SLP VI	37,766	24,297	62,063	31,779	13,178	44,957
MIP VI	4,832	(10)	4,822	4,068	(4)	4,064
CEP VII Co-Invest	4,210	(2,346)	1,864	—	(217)	(217)
Clairvest SLP VII	1,398	(9)	1,389	—	(4)	(4)
MIP VII	2,796	5,250	8,046	—	7,633	7,633
	$ 761,406	$ 181,451	$ 942,857	$ 743,093	$ 127,567	$ 870,660

2141788 Ontario, a limited partner of CEP III Co-Invest and CEP V Co-Invest, is a wholly owned acquisition entity of Clairvest. 2486303 Ontario was a wholly owned acquisition entity of Clairvest and was dissolved during fiscal 2025. Clairvest's relationships with CEP III Co-Invest and MIP III, CEP IV Co-Invest and MIP IV, CEP V Co-Invest, Clairvest GP V and

MIP V, CEP VI Co-Invest, Clairvest SLP VI and MIP VI, CEP VII Co-Invest, Clairvest SLP VII and MIP VII are described in *notes 10(a), 10(b), 10(c), 10(d) and 10(e)*.

During fiscal 2025, Clairvest made an investment of $25.1 million in CVG Invest as described in *note 3.* CVG Invest sold $7.2 million of its marketable securities in the open market for cash proceeds totalling $9.3 million and subsequently, returned $8.4 million of capital to Clairvest.

Also during fiscal 2025, 2486303 Ontario received the remaining distributions from its investment in Grey Eagle which was realized during fiscal 2024. Accordingly, 2486303 Ontario made final distributions totalling $3.3 million to Clairvest prior to its dissolution.

Also during the year ended March 31, 2025, CEP III Co-Invest realized its investment in Chilean Gaming Holdings for net proceeds of $41.0 million and declared distributions totalling $35.9 million to its limited partners. $13.7 million of the distributions were received by Clairvest and the remaining $22.2 million were received by 2141788 Ontario and MIP III. CEP III Co-Invest also declared distributions totalling $3.2 million to its General Partner, which were then declared and paid to the limited partners of MIP III. Following the distributions received from CEP III Co-Invest, MIP III made a distribution of $0.5 million to Clairvest. The distributions included certain foreign tax credits as foreign income taxes were paid on the sale of Chilean Gaming Holdings.

Also during the year ended March 31, 2025, CEP V Co-Invest received cash proceeds totalling US$64.6 million (C$88.2 million) from its realization in Winters Bros. Waste Systems of LI ("WBLI"). Accordingly, CEP V Co-Invest declared distributions totalling $83.3 million, $59.4 million of which were received by Clairvest and the remaining $23.9 million were received by 2141788 Ontario, Clairvest GP V and MIP V. Following the distributions received from CEP V and CEP V-A, Clairvest GP V declared distributions totalling $49.7 million, $24.0 million of which were received by Clairvest and the remaining $25.6 million were received by MIP V, which had made a $1.3 million distribution to Clairvest.

Also during the year ended March 31, 2025, Clairvest made additional investments totalling US$22.5 million (C$30.6 million) in CEP VI Co-Invest.

Also during fiscal 2025, Clairvest made investments totalling US$3.0 million (C$4.3 million) in CEP VII Co-Invest and US$1.0 million (C$1.4 million) in Clairvest SLP VII. Clairvest SLP VII, 2141788 Ontario and MIP VII, which are limited partners of CEP VII Co-Invest, together made investments totalling US$4.5 million (C$6.5 million) in CEP VII Co-Invest. The funds were used by CEP VII Co-Invest to acquire an ownership interest in Redstone Food Group as described below.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

The following table details the assets and liabilities included in the determination of the fair value of the net assets of acquisition entities excluding the investee companies held by these acquisition entities:

	March 31, 2025	March 31, 2024
Assets		
Cash and cash equivalents	**$ 85,850**	$ 38,224
Temporary investments	**76,385**	52,749
Accounts receivable and other assets	**572**	12,417
Income taxes recoverable	**181**	2,759
Carried interest from Clairvest Equity Partners V, VI and VII	**141,897**	143,617
Loans receivable	**2,994**	7,579
Deferred income tax asset	**—**	1,474
	$ 307,879	$ 258,819
Liabilities		
Accounts payable and accrued liabilities	**$ 5,972**	$ 8,476
Derivative instruments	**1,876**	456
Income taxes payable	**1,317**	233
Management participation from Clairvest Equity Partners V, VI and VII	**105,457**	103,740
Loans payable	**8,976**	10,511
Deferred income tax liability	**2,830**	7,836
	$ 126,428	$ 131,252
Net assets	**$ 181,451**	$ 127,567

Excluding the net assets from acquisition entities summarized in the table above, the cost and the fair value of the Company's investee companies, aggregated by industry concentration, are summarized below.

	March 31, 2025			March 31, 2024		
	Fair value	**Cost**	**Difference**	Fair value	Cost	Difference
Aerospace, defense and government services	**$ 161,443**	**$ 104,611**	**$ 56,832**	$ 145,359	$ 100,865	$ 44,494
Co-packing	**18,127**	**17,106**	**1,021**	9,525	9,175	350
Equipment rental	**—**	**—**	**—**	6,714	15,621	(8,907)
Financial services	**303**	**—**	**303**	539	—	539
Gaming	**369,805**	**121,712**	**248,093**	341,892	177,890	164,002
Insurance services	**41,126**	**26,730**	**14,396**	34,914	26,730	8,184
Life science services	**3,251**	**9,900**	**(6,649)**	9,212	9,174	38
Medical practice management	**67,397**	**36,872**	**30,525**	50,126	36,220	13,906
Renewable energy	**51,517**	**52,213**	**(696)**	50,815	47,147	3,668
Technology services	**16,414**	**13,130**	**3,284**	20,361	13,130	7,231
Waste management	**26,735**	**29,992**	**(3,257)**	68,653	28,151	40,502
Other investments	**5,288**	**2,199**	**3,089**	4,983	2,198	2,785
	$ 761,406	**$ 414,465**	**$ 346,941**	$ 743,093	$ 466,301	$ 276,792

During fiscal 2025, the aggregate fair value of Clairvest's investee companies increased by $18.3 million, comprised of: $52.5 million in new and follow-on investments $42.4 million in net change in unrealized gains in investee companies, and $27.8 million in foreign exchange revaluation gains excluding the impact from the foreign exchange hedging program, net of investment realizations and partial realizations, which had an aggregate fair value of $103.6 million as at March 31, 2024 and $0.8 million in payments and provisions net of accruals on debt investments.

The fair value of each investee company reflected valuation methodologies as described in *note 18*. The cost and fair value of investee companies do not reflect foreign exchange gains or losses on the foreign exchange forward contracts entered as economic hedges against these investments *(note 15)*. For those investments which are hedged by acquisition entities, the fair value of these foreign exchange forward contracts was included in the net assets (liabilities) of these acquisition entities. Details of each investee company are described below.

(a) Investments made by CEP III Co-Invest alongside CEP III

Chilean Gaming Holdings

As at March 31, 2024, CEP III Co-Invest had one investment remaining in Chilean Gaming Holdings, which had a 50% ownership interest in each of Casino Marina del Sol in Concepcion, Chile, and Casino Chillan in Chillán, Chile; and a 73.8% ownership interest in each of Casino Osorno in Osorno, Chile, and Casino Sol Calama in Calama, Chile. As at March 31, 2024, CEP III Co-Invest held 32,854,115 limited partnership units of Chilean Gaming Holdings, which represented a 36.8% equity interest.

During fiscal 2025, CEP III Co-Invest, CEP III and other co-investors realized their investment in Chilean Gaming Holdings. As described above, CEP III Co-Invest's portion of the total cash proceeds, inclusive of foreign tax credits, was $41.0 million compared to an adjusted cost of $28.3 million and a carrying value of $34.4 million as at March 31, 2024. Accordingly, CEP III Co-Invest realized a net investment gain of $3.5 million and a foreign exchange gain of $3.1 million on the sale of Chilean Gaming Holdings during fiscal 2025. As a result of the realization of the investment in Chilean Gaming Holdings, CEP III Co-Invest no longer holds any investments.

(b) Investments made by CEP IV Co-Invest alongside CEP IV

As at March 31, 2025, CEP IV Co-Invest had four (2024 – four) investments remaining. Significant activities of CEP IV Co-Invest portfolio companies were as follows:

Gaming

New Meadowlands Racetrack

New Meadowlands Racetrack (the "Meadowlands") operates a standardbred horse racing track located in East Rutherford, New Jersey along with retail and mobile sports betting. As at March 31, 2025 and 2024, CEP IV Co-Invest had invested US$5.4 million (C$5.6 million) in the Meadowlands in the form of secured convertible debentures (the "debentures") which have a stated interest rate of 15% per annum, 10% of which is payable in cash and 5% of which is payable in-kind. CEP IV Co-Invest also holds warrants which entitle it to invest in equity securities of the Meadowlands subject to certain conditions. CEP IV Co-Invest has also invested US$0.6 million (C$0.7 million) in the Meadowlands in the form of preferred debt, which has a stated interest rate of 3% per annum and is payable in-kind. The preferred debt is junior to the Meadowlands debentures and has a fair value of nil. The debentures, warrants and preferred debt have a maturity date of June 30, 2029.

During fiscal 2025, CEP IV Co-Invest earned and received interest totalling US$0.8 million (C$1.1 million) on the debentures.

Aerospace, defense and government services

Northco

Northco is a specialty aviation services company operating across Canada and in selected locations internationally. As at March 31, 2025, CEP IV Co-Invest held $21.9 million in Northco debentures (2024 – $21.9 million) which earned interest at the Prescribed Rate of 4% (2024 – 6%) per annum. The debentures had a maturity date of May 31, 2024 and were extended to May 31, 2025 under the same terms and conditions. During fiscal 2025, CEP IV Co-Invest earned interest totalling $1.1 million and received interest totalling $0.7 million. As at March 31, 2025 and 2024, CEP IV Co-Invest also held 3,867 common shares of Northco at a cost of $0.4 million, which represented 38.7% ownership interest on a fully diluted basis.

Subsequent to year end, the Northco debentures were extended to May 31, 2026 under the same terms and conditions.

Top Aces

Top Aces is a supplier of advanced adversary flight services across three continents. As at March 31, 2025 and 2024, CEP IV Co-Invest held 969.27054 common shares of Top Aces for an aggregate cost of $63.8 million, representing a 17.3% ownership interest on a fully diluted basis.

Momentum Solutions

Momentum Solutions is a Toronto-based, inter-connected network of logistical support companies offering innovative, custom and full-scale solutions to clients globally. As at March 31, 2025 and 2024, CEP IV Co-Invest held 4,477 common shares which represent a 4.5% ownership interest in Momentum Solutions.

Other investments

Davenport Land Developments

Davenport Land Developments holds real estate surrounding a casino development in Davenport, Iowa. As at March 31, 2025 and 2024, CEP IV Co-Invest held 1,982.14 units in Davenport Land Developments at a cost of $2.7 million representing a 21.9% ownership interest on a fully diluted basis.

(c) Investments made by CEP V Co-Invest alongside CEP V

As at March 31, 2025, CEP V Co-Invest had three (2024 – seven) investments. Significant activities of CEP V Co-Invest portfolio companies were as follows:

Equipment rental

Durante Rentals

Durante Rentals was a construction equipment rental provider in New York, New Jersey and Delaware. As at March 31, 2024, CEP V Co-Invest held 267,121.20 LLC units at a cost of $15.6 million, representing a 19.3% ownership interest on a fully diluted basis.

During fiscal 2025, Clairvest and CEP V realized on Durante Rental. Total proceeds received on the transaction at closing was US$25.5 million (C$35.0 million), CEP V Co-Invest’s portion of which was US$7.6 million (C$10.5 million), compared to a cost of US$11.9 million (C$15.6 million) and a carrying value of US$5.0 million (C$6.7 million) as at March 31, 2024. Accordingly, CEP V Co-Invest realized a net investment gain of $4.0 million and a foreign exchange loss of $0.2 million on the sale of Durante Rentals during fiscal 2025.

Gaming

Accel Entertainment

Accel Entertainment is a licensed video gaming terminal operator in the United States. As at March 31, 2025 and 2024, CEP V Co-Invest held 5,069,670 Class A-1 shares and 244,674 Class A-2 shares of Accel Entertainment, together representing a 6.0% (2024 – 6.1%) ownership interest on a fully diluted basis. The Class A-1 shares are publicly listed on the NYSE under the symbol ACEL and have a cost basis of $16.0 million. The Class A-2 shares are not publicly listed and the conversion of Class A-2 shares into Class A-1 shares is subject to certain criteria based on share price or earnings.

FSB Technology

FSB Technology was an international business-to-business sports and internet gaming technology supplier based in London, United Kingdom. As at March 31, 2024, CEP V Co-Invest held 10,354,682 Class B convertible preferred shares and 7,820,855 Class A common shares, together representing an 18.8% ownership interest on a fully diluted basis, at an aggregate cost of $26.9 million.

During fiscal 2025, CEP V Co-Invest, CEP VI Co-Invest, Clairvest Equity Partners V and Clairvest Equity Partners VI (together, “FSB investors”) realized their investment in FSB Technology and received proceeds totalling GBP£10.3 million (C$17.8 million). Due to liquidity preferences in the capital structure, CEP V Co-Invest received no proceeds on the sale which was consistent with its carrying value as at March 31, 2024.

Head Digital Works

Head Digital Works is an Indian internet-based technology company that owns Ace2Three, a leading platform for online rummy and a growing platform for online poker delivering a mobile real money gaming experience to markets in India. As at March 31, 2025 and 2024, CEP V Co-Invest had invested INR₹1.6 billion (C$33.1 million) in Head Digital Works in the form of 39,412,175 common shares, representing a 28.8% (2024 – 29.2%) ownership interest on a fully diluted basis.

Medical practice management

Abra Health Group

Abra Health Group is a multi-specialty dental practice providing oral health care with operations in New Jersey and Pennsylvania. As at March 31, 2025 and 2024, CEP V Co-Invest held 11,836,135 Class B preferred units of Abra Health Group at a cost of $15.9 million, representing a 14.7% (2024 – 14.9%) ownership interest on a fully diluted basis. The Class B preferred units are entitled to a liquidity preference over all other equity of Abra Health Group.

Technology services

Meriplex Communications

Meriplex Communications is a provider of managed networking, cybersecurity, and IT services for mid-market customers throughout the United States. As at March 31, 2024, CEP V Co-Invest held 1,044.472 common shares, 22,859.008 Class A preferred shares and 906.832 Class B preferred shares, together representing an ownership interest of 5.6% on a fully diluted basis, at an aggregate cost of $3.5 million.

During fiscal 2025, Meriplex Communications completed a series of capital reorganizations and equity raises. As at March 31, 2025, CEP V Co-Invest held 1.044 common shares, 22,859.008 Class A preferred shares, 906.832 Class B preferred shares, and 341.353 Class C preferred shares, which together represent a 5.1% ownership interest in Meriplex Communications. As at March 31, 2025, the fair value of CEP V Co-Invest’s investment in Meriplex Communications is nil.

Waste management

Winters Bros. Waste Systems of Long Island

Winters Bros. Waste Systems of Long Island (“WBLI”) was a provider of commercial, industrial, and residential waste collection services across Long Island, New York. As at March 31, 2024, CEP V Co-Invest held a 13.4% ownership interest on a fully diluted basis, at a cost of $10.6 million.

During fiscal 2025, CEP V Co-Invest and CEP V realized their investment in WBLI and received cash proceeds totalling US$215.2 million (C$293.9 million). As described above, CEP V Co-Invest’s portion of the total cash proceeds was US$64.6 million (C$87.8 million) compared to a cost of US$8.4 million (C$10.6 million) and a carrying value of US$39.5 million (C$53.5 million) as at March 31, 2024. Accordingly, CEP V Co-Invest realized a net investment gain of $34.1 million and a foreign exchange gain of $0.2 million on the sale of WBLI during fiscal 2025.

(d) Investments made by CEP VI Co-Invest alongside CEP VI

As at March 31, 2025, CEP VI Co-Invest had thirteen (2024 – eleven) investments. Significant activities of CEP VI Co-Invest portfolio companies were as follows:

Aerospace, defense and government services

NexTech Solutions

NexTech Solutions is a defense contractor providing technology integration services to support U.S. Department of Defense missions. As at March 31, 2024, CEP VI Co-Invest held 8,092,152 LLC units, representing a 19.6% ownership on a fully diluted basis, at an aggregate cost of US$8.1 million (C$10.8 million).

During fiscal 2025, CEP VI Co-Invest made follow-on investments totalling US$2.7 million (C$3.7 million) in NexTech Solutions. The investments were made in the form of 1,894,118 Class A units in NexTech Solutions for US$1.9 million (C$2.6 million) and a US$0.8 million (C$1.1 million) promissory note which bears interest at 8.4% per annum. As at March 31, 2025, the Partnership held 9,986,270 LLC units which represent a 19.6% ownership interest in NexTech on a fully diluted basis and a US$0.8 million promissory note.

Co-packing

Brunswick Bierworks

Brunswick Bierworks is a contract manufacturer of specialty beverages serving Canadian and United States markets. As at March 31, 2025 and 2024, CEP VI Co-Invest held 6,604,851 Class A shares, representing a 21.5% (2024 – 22.7%) ownership interest on a fully diluted basis at a cost of $6.6 million. In addition, CEP V Co-Invest also held a $2.6 million promissory note which earns interest at 8% per annum with an accrued value of $2.7 million as at March 31, 2024.

During fiscal 2025, CEP VI Co-Invest received a full repayment on the promissory note previously advanced to Brunswick Bierworks and its accrued interest of $0.4 million.

Gaming

Delaware Park

Delaware Park Casino is a racino located in Wilmington, Delaware, serving the Delaware, Maryland, New Jersey and Pennsylvania markets. As at March 31, 2025 and 2024, CEP VI Co-Invest held 19,269 common shares, representing an ownership interest of 18.2% (2024 – 18.4%) on a fully diluted basis at a cost of US$19.3 million (C$24.6 million).

FSB Technology

FSB Technology was an international business-to-business sports and internet gaming technology supplier based in London, United Kingdom. As at March 31, 2024, CEP VI Co-Invest held 7,798,214 priority preferred shares, representing a 8.1% ownership interest on a fully diluted basis, at a cost of $7.3 million.

During fiscal 2025, CEP VI Co-Invest made a follow-on investment of £0.1 million (C$0.2 million) for 239,361 priority preferred shares of FSB Technology. Subsequently, FSB investors realized their investment in FSB Technology and, due to liquidity preferences in the capital structure, CEP VI Co-Invest received cash proceeds of GBP£2.8 million (C$4.8 million), which compared to a cost of GBP£4.5 million (C$7.5 million) and a carrying value of nil. Accordingly, CEP VI Co-Invest realized a net investment gain of $4.6 million on the sale of FSB Technology during fiscal 2025.

New Hampshire Gaming

New Hampshire Gaming owns and operates various gaming locations in southern New Hampshire. As at March 31, 2025 and 2024, CEP VI Co-Invest held 14,716,895 LLC units, representing a 13.5% ownership interest on a fully diluted basis, at a cost of US$14.0 million (C$18.8 million).

During fiscal 2025, the Nash Casino, a large-scale gaming facility located in Nashua, New Hampshire and the principal asset for this investment, commenced operations.

Wyoming Downs

Wyoming Downs operates various licensed live horse racing and off-track betting facilities in the state of Wyoming. As at March 31, 2024, CEP VI Co-Invest, together with CEP VI, CEP VI-A and CEP VI-B, funded US$15.0 million (C$20.3 million) in

Wyoming Downs in anticipation of closing the investment, which as at March 31, 2024, was subject to regulatory approval. CEP VI Co-Invest's portion of the deposit was US$4.0 million (C$5.5 million).

During fiscal 2025, the investment received gaming regulatory approval and an additional US$12.8 million (C$17.4 million) investment was made by CEP VI Co-Invest, which, including the amounts funded during fiscal 2024, acquired 16,830,649 LLC units of Wyoming Downs, representing an ownership interest of 13.8%, at a cost of US$16.8 million (C$22.9 million). Subsequently and also during fiscal 2025, Wyoming Downs acquired the entire ownership interest of a competitor with cash and equity in Wyoming Downs. As a result of this acquisition, CEP VI Co-Invest's ownership interest in Wyoming Downs decreased to 11.4%.

Insurance services

Acera Insurance

Acera Insurance is a property and casualty and group benefits insurance brokerage in Canada. As at March 31, 2025 and 2024, CEP VI Co-Invest held 27,058,823 Class A convertible preferred shares, representing an ownership interest of 5.5% (2024 – 5.6%) on a fully diluted basis, at a cost of $26.7 million. Subsequent to year end, CEP VI Co-Invest made a follow-on investment of $9.6 million to acquire 6,176,818 Common Shares of Acera Insurance from existing shareholders.

Life science services

Boca Biolistics

Boca Biolistics is a biosamples company located in Florida. As at March 31, 2025 and 2024, CEP VI Co-Invest held 6,798,427 LLC units, representing a 17.6% (2024 – 17.1%) ownership interest on a fully diluted basis, at a cost of US$6.8 million (C$9.2 million).

During fiscal 2025, CEP VI Co-Invest advanced US$0.5 million (C$0.7 million) to Boca Biolistics in the form a loan which accrues interest at 14% per annum and has a maturity date of October 17, 2026.

Medical practice management

Bluetree Dental

Bluetree Dental is a multi-specialty, pediatric and orthodontics-focused dental service organization centred in the Mountain West region of the United States. As at March 31, 2025 and 2024, CEP VI Co-Invest held 4,134.866 LLC units, representing an ownership interest of 8.1% on a fully diluted basis, at a cost of US$8.6 million (C$11.8 million). In addition, CEP VI Co-Invest also held 55,660 units of BTCV RE Holdings, an affiliate to Bluetree Dental which is owned proportionately by the same unitholder as Bluetree Dental, at a cost of US$56 thousand (C$75 thousand) as at March 31, 2024.

During fiscal 2025, CEP VI Co-Invest made a follow-on investment of US$8 thousand (C$11 thousand) for 8,118 units of BTCV RE Holdings, increasing the BTCV RE Holdings units held to 63,778 as at March 31, 2025. Subsequent to year end, the 8,118 units follow-on investments were redeemed at cost.

Mountain Land Physical Therapy

Mountain Land Physical Therapy is an outpatient physical therapy business operating in the Mountain West region of the United States. As at March 31, 2024, CEP VI Co-Invest held 6,327,542 LLC units, representing a 12.2% ownership interest on a fully diluted basis, at a cost of US$6.3 million (C$8.5 million).

During fiscal 2025, CEP VI Co-Invest made follow-on investments totalling US$0.5 million (C$0.6 million) for 462,540 LLC units, increasing total LLC units held to 6,790,082 which represents a 12.8% ownership interest in Mountain Land Physical Therapy for a total cost of US$6.8 million (C$9.1 million).

Renewable energy

NovaSource

NovaSource is a solar operations and maintenance provider serving the global commercial sectors. As at March 31, 2024, CEP VI Co-Invest held 2,969.3958 common shares and stock purchase warrants for up to 134.8532 common shares, together representing an ownership interest of 19.1% on a fully diluted basis; CEP VI Co-Invest also held 510.9706 Class A preferred shares. The aggregate cost of NovaSource as at March 31, 2024 was US$34.8 million (C$45.5 million).

During fiscal 2025, CEP VI Co-Invest made a follow-on investment of US$1.7 million (C$2.3 million) for 68.1294 Class A preferred shares. In addition, CEP VI Co-Invest also made a follow-on investment of US$2.7 million (C$3.9 million) for 271.7647 Class B preferred shares. The Class B preferred shares are non-convertible and are senior to the Class A preferred shares. As part of the Class B preferred share purchase, CEP VI Co-Invest received stock purchase warrants which are exercisable for up to 186.1819 common shares of NovaSource at nominal costs. As at March 31, 2025, the Company held 2,969.3958 common shares and warrants exercisable for up to 321.0351, which together represent a 20.0% ownership interest on a fully diluted basis and 681.2941 Class A preferred shares and 271.7647 Class B preferred shares with an aggregate cost of US$39.2 million (C$51.7 million).

Technology services

F12.NET

F12.NET is a provider of managed IT services for Canadian-based small to medium-market customers. As at March 31, 2025 and 2024, CEP VI Co-Invest held 283,144 Class A common shares, representing an ownership interest of 16.4% (2024 – 16.3%) on a fully diluted basis, at a cost of $9.6 million.

Waste management

Red Oak Sanitation

During fiscal 2025, CEP VI Co-Invest made a US$8.1 million (C$11.1 million) investment in Red Oak Sanitation, a regional, residentially focused, municipal solid waste collection company locate in the southeastern United States. The investment was made in the form of 8,117.647 LLC units, representing a 9.0% ownership interest in Red Oak Sanitation on a fully diluted basis.

Star Waste

Star Waste is an independent solid waste management company servicing the Greater Boston Area with a focus on providing residential, commercial, and roll-off container waste collection. As at March 31, 2024, CEP VI Co-Invest held 6,764,706 Class A preferred units and 6,074,706 Class B common units, together representing an ownership interest of 17.3% on a fully diluted basis, at an aggregate cost of US$12.8 million (C$16.6 million).

During fiscal 2025, the accrued value of the loan of US$0.6 million (C$0.8 million) was repaid with the issuance of 626,334 Class A preferred units. In addition, CEP VI Co-Invest advanced US$1.0 million (C$1.4 million) to Star Waste in the form a new loan which accrues interest at 14% per annum and has a maturity date of January 1, 2028. As at March 31, 2025, CEP VI Co-Invest held 7,391,040 Class A preferred units and 6,074,706 Class B common units, together representing an ownership interest of 19.2% on a fully diluted basis, and a US$1.0 million loan with an aggregate cost of US$14.5 million (C$18.8 million).

(e) Investment made by CEP VII Co-Invest alongside CEP VII

The investment period for CEP VII started during fiscal 2025 and as at March 31, 2025, CEP VII Co-Invest had one investment. Significant activities of the CEP VII Co-Invest portfolio company were as follows:

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

Co-packing

Redstone Food Group

During fiscal 2025, CEP VII Co-Invest made a $10.5 million investment in Redstone Food Group, a commercial bakery of bread and bakery products with facilities in the Greater Toronto Area. The investment was made in the form of 10,500,877 Class A convertible preferred shares, representing a 7.6% ownership interest in Redstone Food Group on a fully diluted basis.

The following tables summarize, by industry concentration, the net investment gain or loss on investee companies for the years ended March 31, 2025 and 2024. The net investment gain or loss is inclusive of the impact on the foreign exchange hedging activities related to these investments.

Net investment gain (loss), by industry concentration

Year ended March 31, 2025	**Net realized gain (loss)**	**Net unrealized gain (loss)**	**Foreign exchange gain (loss)[1]**	**Total**
Aerospace, defense and government services	**$ —**	**$ 11,165**	**$ 130**	**$ 11,295**
Co-packing	**—**	**1,021**	**—**	**1,021**
Equipment rental	**3,979**	**—**	**(285)**	**3,694**
Financial services	**—**	**(237)**	**—**	**(237)**
Gaming	**6,980**	**30,992**	**5,596**	**43,568**
Insurance services	**—**	**6,212**	**—**	**6,212**
Life science services	**—**	**(6,880)**	**(222)**	**(7,102)**
Medical practice management	**—**	**13,208**	**(91)**	**13,117**
Renewable energy	**(173)**	**(7,348)**	**(843)**	**(8,364)**
Technology services	**—**	**(3,351)**	**(826)**	**(4,177)**
Waste management	**34,206**	**(2,394)**	**(41)**	**31,771**
Other investments	**—**	**—**	**77**	**77**
Net investment gain on investee companies	**$ 44,992**	**$ 42,388**	**$ 3,495**	**$ 90,875**

[1] Inclusive of foreign exchange hedging activities

Year ended March 31, 2024	**Net realized gain (loss)**	**Net unrealized gain (loss)**	**Foreign exchange gain (loss)[1]**	**Total**
Aerospace, defense and government services	$ —	$ 11,614	$ 65	$ 11,679
Equipment rental	—	(2,276)	(7)	(2,283)
Financial services	375	(273)	—	102
Gaming	—	(66,223)	(10,962)	(77,185)
Insurance services	—	8,182	—	8,182
Life science services	—	—	(44)	(44)
Marketing services	—	—	60	60
Medical practice management	—	1,113	(217)	896
Renewable energy	(1,913)	(16,874)	(960)	(19,747)
Technology services	—	(16,548)	(1,069)	(17,617)
Waste management	38,435	11,530	(220)	49,745
Other investments	—	—	16	16
Net investment gain (loss) on investee companies	$ 36,897	$ (69,755)	$ (13,338)	$ (46,196)

[1] Inclusive of foreign exchange hedging activities

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

The Company and its acquisition entities entered foreign exchange forward contracts as economic hedges against the fair value of its foreign currency-denominated investments and loans in accordance with its foreign exchange hedging policy as approved by the Board of Directors. During fiscal 2025, the net impact of foreign exchange on the investee companies included a gain of \$4.3 million (2024 – loss of \$1.2 million) on the Indian rupee denominated investment, a gain of \$3.1 million (2024 – loss of \$8.2 million) on the Chilean pesos denominated investment, a gain of \$25 thousand (2024 – loss of \$1.0 million) on the British pound denominated investment, net of a loss of \$4.0 million (2024 – \$2.9 million) on U.S. dollar denominated investments.

6. GENERAL PARTNER PRIORITY DISTRIBUTIONS AND MANAGEMENT FEES

Clairvest derives revenue from its investment management services for the CEP Funds in the form of general partner priority distributions or management fees. The priority distributions and management fees are calculated as a percentage of committed capital on the most recent CEP Fund and of invested capital less write-downs on the other CEP Funds. The priority distributions and management fees received by Clairvest are reduced proportionately by fees earned by Clairvest from corporate investments of the CEP Funds and other amounts as provided in the respective Limited Partnership Agreements.

The CEP VI Fund investment program concluded on March 31, 2024 and the CEP VII Fund investment program commenced on April 1, 2024, which resulted in higher general partner priority distributions and management fees from the CEP Funds in fiscal 2025. For the years ended March 31, 2025 and 2024, Clairvest recorded general partner priority distributions and management fees from the CEP Funds as follows:

Priority distributions

	2025	2024
CEP III	**\$ 68**	\$ 125
CEP IV	**1,361**	1,308
CEP V and CEP V India	**1,855**	2,559
CEP VI (note (16(e)))	**755**	4,461
CEP VII	**7,564**	—
	\$ 11,603	\$ 8,453

Management fees

	2025	2024
CEP IV-A and related entities	**\$ 1,748**	\$ 1,744
CEP V-A	**365**	530
CEP VI-A (note (16(e)))	**1,055**	6,243
CEP VI-B (note (16(e)))	**672**	3,969
CEP VII-A	**7,439**	—
CEP VII-B	**9,975**	—
	\$ 21,254	\$ 12,486

7. CARRIED INTEREST AND MANAGEMENT PARTICIPATION

As governed by the respective CEP Fund Limited Partnership Agreements, certain Clairvest consolidated subsidiaries are entitled to participate in distributions equal to 20% of all net gains ("carried interest"), which is subject to the respective investors of each CEP Fund achieving a minimum net return on their investment. For Clairvest Equity Partners VI and Clairvest Equity Partners VII, the carried interest increases from 20% to 25% once their investors achieve a net return of two times their aggregate capital contributions.

For each CEP Fund, Clairvest and Clairvest management are entitled to a carried interest through their limited partnership interests in the various MIP Partnerships. Clairvest management are also entitled to a carried interest from the various CEP Co-Invest Partnerships as governed by the respective Limited Partnership Agreements. The amount of carried interest Clairvest and Clairvest management are entitled to receive is described below.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

As described in *note 2(k)*, Clairvest records the carried interest from Clairvest Equity Partners III and IV and records an expense and a liability on that portion of the carried interest which is payable to Clairvest management.

Carried interest from Clairvest Equity Partners III and IV for fiscal 2025 and 2024 comprised the following:

	2025	2024
Realized carried interest	**$ 7,840**	$ 826
Net change in unrealized carried interest	**(3,671)**	2,874
	$ 4,169	$ 3,700

The following tables detail the carried interest received from Clairvest Equity Partners III and IV and management participation paid for fiscal 2025 and 2024 and the corresponding receivable and payable balances as at the respective consolidated statements of financial position dates:

	Realized carried interest Received during fiscal		Unrealized carried interest As at March 31	
	2025	2024	2025	2024
CEP III	**$ 7,840**	$ —	**$ —**	$ 6,673
CEP IV and related entities	**—**	680	**42,912**	40,052
CEP IV-A	**—**	146	**5,605**	5,463
	$ 7,840	$ 826	**$ 48,517**	$ 52,188

	Management participation Paid during fiscal		Management participation Payable as at March 31	
	2025	2024	2025	2024
CEP III	**$ 3,920**	$ —	**$ —**	$ 3,336
CEP IV and related entities	**—**	340	**22,495**	20,923
CEP IV-A	**—**	73	**2,909**	2,831
CEP III Co-Invest	**3,209**	—	**—**	2,731
CEP IV Co-Invest	**—**	—	**12,314**	11,685
	$ 7,129	$ 413	**$ 37,718**	$ 41,506

In accordance with IFRS 10, the carried interest from Clairvest Equity Partners V, VI and VII and the corresponding management participation has been included in net investment gain (loss) as described in *note 4*. Carried interest from Clairvest Equity Partners V, VI and VII for the years ended March 31, 2025 and 2024 comprised the following:

	2025	2024
Realized carried interest	**$ 38,646**	$ —
Net change in unrealized carried interest	**(916)**	(7,544)
	$ 37,730	$ (7,544)

The following tables detail the carried interest receivable from Clairvest Equity Partners V, VI and VII and management participation paid for the years ended March 31, 2025 and 2024 and the corresponding receivable and payable balances as at the respective consolidated statements of financial position dates, which have been included in corporate investments:

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

Unrealized carried interest	**Realized carried interest received during the year ended March 31**		**Unrealized carried interest, as at March 31**	
	2025	**2024**	**2025**	**2024**
CEP V and CEP V India	**$ 31,540**	$ —	**$ 72,278**	$ 94,390
CEP V-A	**7,106**	—	**15,604**	19,933
CEP VI	**—**	—	**16,098**	8,602
CEP VI-A	**—**	—	**23,222**	12,671
CEP VI-B	**—**	—	**14,695**	8,021
	$ 38,646	$ —	**$ 141,897**	$ 143,617

Management participation	**Management participation paid during the year ended March 31**		**Management participation, as at March 31**	
	2025	**2024**	**2025**	**2024**
CEP V and CEP V India	**$ 15,770**	$ —	**$ 36,592**	$ 47,290
CEP V-A	**3,553**	—	**7,983**	10,009
CEP VI	**—**	—	**8,854**	4,731
CEP VI-A	**—**	—	**12,772**	6,969
CEP VI-B	**—**	—	**8,082**	4,412
CEP V Co-Invest	**6,872**	—	**20,313**	24,832
CEP VI Co-Invest	**—**	—	**10,861**	5,497
	$ 26,195	$ —	**$ 105,457**	$ 103,740

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

8. FIXED ASSETS

The composition of Clairvest's fixed assets was as follows:

	Aircraft[1]	IT equipment	Furniture, fixtures and equipment	Leasehold improvements	Right-of-use asset[2]	Total
At cost						
Balance as at April 1, 2024	**$ 7,254**	**$ 16**	**$ 320**	**$ 1,307**	**$ 4,175**	**$ 13,072**
Additions	**141**	**—**	**206**	**591**	**6,062**	**7,000**
Balance as at March 31, 2025	**$ 7,395**	**$ 16**	**$ 526**	**$ 1,898**	**$ 10,237**	**$ 20,072**
Accumulated amortization						
Balance as at April 1, 2024	**$ 3,618**	**$ 16**	**$ 303**	**$ 711**	**$ 2,299**	**$ 6,947**
Amortization expense	**800**	**—**	**23**	**65**	**517**	**1,405**
Balance as at March 31, 2025	**$ 4,418**	**$ 16**	**$ 326**	**$ 776**	**$ 2,816**	**$ 8,352**
Carrying amount as at March 31, 2025	**$ 2,977**	**$ —**	**$ 200**	**$ 1,122**	**$ 7,421**	**$ 11,720**
At cost						
Balance as at April 1, 2023	$ 6,880	$ 16	$ 311	$ 836	$ 4,175	$ 12,218
Additions	374	—	9	471	—	854
Balance as at March 31, 2024	$ 7,254	$ 16	$ 320	$ 1,307	$ 4,175	$ 13,072
Accumulated amortization						
Balance as at April 1, 2023	$ 2,849	$ 16	$ 299	$ 686	$ 1,791	$ 5,641
Amortization expense	769	—	4	25	508	1,306
Balance as at March 31, 2024	$ 3,618	$ 16	$ 303	$ 711	$ 2,299	$ 6,947
Carrying amount as at March 31, 2024	$ 3,636	$ —	$ 17	$ 596	$ 1,876	$ 6,125

(1) A corresponding payable equal to 50% of the net book value of the aircraft had been recorded to reflect the ownership interest of the related parties.

(2) A corresponding accrued liability resulting from future minimum annual lease payments for the use of office space. $1.0 million is due within one year, $4.2 million due after one year but no more than five years, and $4.8 million due after five years. Refer to *note 16(e)* for further details.

9. CREDIT FACILITIES

As at March 31, 2025 and 2024, Clairvest maintained a $100.0 million revolving credit facility, which is participated in by several Schedule 1 Canadian chartered banks. The credit facility, which has a current expiry of December 2029 (2024 – December 2028) and is eligible for a one-year extension on each anniversary date, bears interest at the prime rate plus 1.25% per annum on drawn amounts and a standby fee of 0.70% per annum on undrawn amounts. The prime rate as at March 31, 2025 was 4.95% (2024 – 7.20%) per annum. The amount available under the credit facility as at March 31, 2025 and 2024 was $100.0 million. No amounts had been drawn on the facility during fiscal 2025 and 2024 and as at March 31, 2025 and 2024.

10. RELATED PARTY DISCLOSURES

Investments in acquisition entities and investment-related transactions with acquisition entities are further described in *note 5*.

(a) CEP III Co-Invest, an investment vehicle established in fiscal 2007, has committed to co-invest alongside CEP III in all investments undertaken by CEP III. CEP III Co-Invest may only sell all or a portion of a corporate investment that is a joint investment with CEP III if it concurrently sells a proportionate number of securities of that corporate investment held by CEP III.

CEP III Co-Invest's co-investment commitment is $75.0 million, all of which was funded as at March 31, 2025. CEP III Co-Invest is capitalized by four limited partners, Clairvest, 2141788 Ontario, MIP III and Clairvest CEP Holdings. In accordance with the co-investment agreement, the proportion of the commitment amongst its four limited partners is at their own discretion. As at March 31, 2025, MIP III had invested $1.1 million in CEP III Co-Invest. Clairvest, as the general partner of MIP III, is entitled to participate in distributions equal to the realizable value on the $1.1 million invested by MIP III in CEP III Co-Invest. During fiscal 2025, distributions totalling $0.5 million (2024 – nil) were made by MIP III to Clairvest. As at March 31, 2025, $3.0 million (2024 – $2.5 million) had been received by Clairvest.

(b) CEP IV Co-Invest, an investment vehicle established in fiscal 2010, has committed to co-invest alongside CEP IV and CEP IV-A in all investments undertaken by CEP IV and CEP IV-A. CEP IV Co-Invest may only sell all or a portion of a corporate investment that is a joint investment with CEP IV and CEP IV-A if it concurrently sells a proportionate number of securities of that corporate investment held by CEP IV and CEP IV-A.

CEP IV Co-Invest's co-investment commitment is $125.0 million, $10.3 million (2024 – $10.3 million) of which remained unfunded as at March 31, 2025. CEP IV Co-Invest is capitalized by three limited partners, Clairvest, MIP IV and Clairvest CEP Holdings. In accordance with the co-investment agreement, the proportion of the commitment amongst its three limited partners is at their own discretion. As at March 31, 2025, MIP IV had invested $1.6 million in CEP IV Co-Invest. Clairvest, as the general partner of MIP IV, is entitled to participate in distributions equal to the realizable value on the $1.6 million invested by MIP IV in CEP IV Co-Invest. As at March 31, 2025, $6.4 million (2024 – $6.4 million) had been received by Clairvest.

(c) CEP V Co-Invest, an investment vehicle established in fiscal 2015, has committed to co-invest alongside CEP V, CEP V India and CEP V-A in all investments undertaken by CEP V, CEP V India and CEP V-A. CEP V Co-Invest may only sell all or a portion of a corporate investment that is a joint investment with CEP V, CEP V India and CEP V-A if it concurrently sells a proportionate number of securities of that corporate investment held by CEP V, CEP V India and CEP V-A.

CEP V Co-Invest's co-investment commitment is $180.0 million, $35.8 million (2024 – $35.8 million) of which remained unfunded as at March 31, 2025. CEP V Co-Invest is capitalized by five limited partners, Clairvest, 2141788 Ontario, Clairvest GP V, MIP V and Clairvest CEP Holdings. In accordance with the co-investment agreement, the proportion of the commitment amongst its five limited partners is at their own discretion. Clairvest, as the general partner of Clairvest GP V and MIP V, is entitled to participate in distributions equal to the realizable value on the amounts invested by Clairvest GP V and MIP V in CEP V Co-Invest. As at March 31, 2025, Clairvest GP V and MIP V had invested $10.0 million and $2.4 million, respectively, in CEP V Co-Invest. During fiscal 2025, distributions totalling $1.3 million (2024 – nil) were made by MIP V to Clairvest. As at March 31, 2025, $3.6 million (2024 – $2.3 million) had been received by Clairvest.

(d) CEP VI Co-Invest, an investment vehicle established in fiscal 2020, has committed to co-invest alongside CEP VI, CEP VI-A and CEP VI-B in all investments undertaken by CEP VI, CEP VI-A and CEP VI-B. CEP VI Co-Invest may only sell all or a portion of a corporate investment that is a joint investment with CEP VI, CEP VI-A and CEP VI-B if it concurrently sells a proportionate number of securities of that corporate investment held by CEP VI, CEP VI-A and CEP VI-B.

CEP VI Co-Invest's co-investment commitment is US$230.0 million (C$330.6 million), US$53.7 million (C$77.2 million) (2024 – US$76.2 million (C$103.3 million)) of which remained unfunded as at March 31, 2025. CEP VI Co-Invest is capitalized by three limited partners, Clairvest, Clairvest SLP VI and MIP VI. In accordance with the co-investment agreement, the proportion of the commitment amongst its three limited partners is at their own discretion. As at March 31, 2025, Clairvest SLP VI and MIP VI had invested US$20.0 million (C$28.8 million) (2024 – US$20.0 million (C$27.1 million)) and US$2.6 million (C$3.7 million) (2024 – US$2.6 million (C$3.5 million)), respectively, in CEP VI Co-Invest. Clairvest, as the general partner of Clairvest SLP VI and MIP VI, is entitled to participate in distributions equal to the realizable value on the amounts invested by MIP VI in CEP VI Co-Invest. As at March 31, 2025, $0.7 million (2024 – $0.7 million) in capital distributions had been received by Clairvest from MIP VI.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

(e) CEP VII Co-Invest, an investment vehicle established in fiscal 2024, has committed to co-invest alongside CEP VII, CEP VII-A and CEP VII-B in all investments undertaken by CEP VII, CEP VII-A and CEP VII-B. CEP VII Co-Invest may only sell all or a portion of a corporate investment that is a joint investment with CEP VII, CEP VII-A and CEP VII-B if it concurrently sells a proportionate number of securities of that corporate investment held by CEP VII, CEP VII-A and CEP VII-B.

CEP VII Co-Invest's co-investment commitment is US$300.0 million (C$431.3 million), US$292.5 million (C$420.5 million) of which remained unfunded as at March 31, 2025. CEP VI Co-Invest is capitalized by four limited partners, Clairvest, 2141788 Ontario, Clairvest SLP VII and MIP VII. In accordance with the co-investment agreement, the proportion of the commitment amongst its four limited partners is at their own discretion. Clairvest, as the general partner of MIP VII, is entitled to participate in distributions equal to the realizable value on the US$5.6 million to be invested by MIP VII in CEP VII Co-Invest. No distributions had been made by MIP VII to Clairvest as at March 31, 2025.

(f) Changes in loans receivable for the years ended March 31, 2025 and 2024 were as follows:

	April 1, 2024	Net loan advanced (repaid)	March 31, 2025
CEP V[(1)]	**$ 395**	**$ 2,246**	**$ 2,641**
CEP VI[(1)]	**840**	**(840)**	**—**
CEP VI-A[(1)]	**1,175**	**(1,175)**	**—**
CEP VI-B[(1)]	**747**	**(747)**	**—**
CEP VII[(1)]	**—**	**9,486**	**9,486**
CEP VII-A[(1)]	**—**	**9,330**	**9,330**
CEP VII-B[(1)]	**—**	**12,509**	**12,509**
CEP IV Co-Invest[(2)]	**5,250**	**(1,750)**	**3,500**
CEP V Co-Invest[(2)]	**5,052**	**(3,483)**	**1,569**
CEP VI Co-Invest[(2)]	**209**	**3,698**	**3,907**
	$ 13,668	**$ 29,274**	**$ 42,942**

	April 1, 2023	Net loan advanced (repaid)	March 31, 2024
CEP V[(1)]	$ 10,099	$ (9,704)	$ 395
CEP V-A[(1)]	670	(670)	—
CEP VI[(1)]	150	690	840
CEP VI-A[(1)]	210	965	1,175
CEP VI-B[(1)]	134	613	747
CEP IV Co-Invest[(2)]	8,071	(2,821)	5,250
CEP V Co-Invest[(2)]	4,834	218	5,052
CEP VI Co-Invest[(2)]	182	27	209
	24,350	(10,682)	13,668
	$ 24,350	$ (10,682)	$ 13,668

(1) Loans advanced bear interest at the reference rate in accordance with the respective Limited Partnership Agreement. Interest of $1.3 million (2024 – $1.8 million) was earned from loans advanced to these counterparties during fiscal 2025.

(2) Loans advanced to these acquisition entities are non-interest bearing.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

(g) Accounts receivable and other assets comprised the following:

		March 31, 2025		March 31, 2024
Clairvest's investee companies	**$**	**8,174**	$	5,631
CEP III		**—**		219
CEP IV		**25**		20
CEP IV-A		**136**		67
CEP V		**446**		3,859
CEP V India		**2,340**		1,623
CEP V-A		**—**		4
CEP VI		**5,164**		5,415
CEP VI-A		**6,567**		7,135
CEP VI-B		**4,204**		4,421
CEP VII		**11,800**		620
CEP VII-A		**10,647**		610
CEP VII-B		**14,211**		815
		63,714		30,439
Other accounts receivable and prepaid expenses		**6,893**		9,709
Share purchase loans		**8,118**		7,661
	$	**78,725**	$	47,809

Included in accounts receivable and other assets as at March 31, 2025 were share purchase loans made to certain employees of the Company totalling $8.1 million (2024 − $7.7 million). The share purchase loans bear interest, which is paid annually, have full recourse and are collateralized by the common shares of the Company purchased by the employees with a market value of $9.5 million (2024 – $9.8 million) as at March 31, 2025. None of these loans were made to key management. Interest income of $0.3 million (2024 – $0.2 million) was earned on these loans during the year.

Additionally, acquisition entities of the Company which were not consolidated by the Company as described in *note 5* held receivables from CEP III totalling $9 thousand (2024 – $1.8 million), from CEP IV totalling $35 thousand (2024 – nil) and from CEP V totalling $11 thousand (2024 – $0.4 million).

(h) During fiscal 2025, Clairvest earned $0.4 million (2024 – $1.5 million) in distributions and interest income and $5.8 million (2024 – $4.2 million) in advisory and other fees from its investee companies. Additionally, acquisition entities of the Company which were not consolidated by the Company as described in *note 5* earned $4.1 million (2024 – $8.8 million) in distributions and interest income from its investee companies.

(i) Clairvest and a related party of Clairvest, through a limited partnership, own an aircraft that is available for use by both parties. Clairvest and the related party each hold a 50% limited partnership interest. As Clairvest, through a wholly owned subsidiary, is the general partner of the limited partnership, Clairvest had recognized 100% of the net book value of the aircraft and a liability for the 50% ownership held by the related party. The cost of the aircraft had been included in fixed assets and the liability in accounts payable and accrued liabilities.

11. INCOME TAXES

Income tax expense for the years ended March 31, 2025 and 2024 comprised the following:

		2025		2024
Current income tax expense (recovery)	**$**	**14,619**	$	(1,265)
Deferred income tax expense		**1,880**		1,445
	$	**16,499**	$	180

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

A reconciliation of the income tax expense for the years ended March 31, 2025 and 2024 based on the federal and Ontario statutory rate and the effective rate was as follows:

	2025		2024	
	$	**%**	$	%
Net income (loss) before income taxes	**138,541**		(3,173)	
Statutory federal and Ontario income tax rate		**26.50**		26.50
Statutory Canadian income taxes	**36,713**	**26.50**	(841)	26.50
Non-taxable portion of net investment gains, distributions and dividends	**(15,735)**	**(11.36)**	(287)	9.05
Non-taxable portion of carried interest net of management participation	**(1,357)**	**(0.98)**	(151)	4.76
Non-deductible stock options and other expenses	**(734)**	**(0.53)**	(1,222)	38.51
Other	**(2,388)**	**(1.72)**	2,681	(84.49)
	16,499	**11.91**	180	(5.67)

In addition to the income tax expense recorded by Clairvest, acquisition entities of Clairvest recorded an income tax expense of $5.7 million (2024 – $4.3 million) during fiscal 2025, which had been included in the fair value determination of these acquisition entities.

Net deferred income tax liabilities relate to temporary differences on corporate and temporary investments, derivative instruments, accounts payable and accrued liabilities, income, and unrealized carried interest income. The composition was as follows:

	March 31, 2025	March 31, 2024
Temporary differences on corporate and temporary investments	**$ 42,973**	$ 35,978
Temporary differences on derivative instruments	**(2,702)**	(343)
Temporary differences on accrued compensation and share-based compensation	**(12,363)**	(12,380)
Temporary differences on income	**1,443**	595
Temporary differences on unrealized carried interest net of management participation	**6,629**	7,370
Other	**3,499**	6,379
	$ 39,479	$ 37,599

All deferred income tax expenses (recoveries) were recognized in net income (loss) during fiscal 2025 and 2024.

12. SHARE CAPITAL

Authorized

Unlimited number of preference shares issuable in series, with the designation, rights, privileges, restrictions and conditions to be determined by the Board of Directors prior to the issue of the first shares of a series.

Unlimited number of common shares

10,000,000 non-voting shares (Series 1)

1,000,000 non-voting shares (Series 2)

Issued and outstanding	**March 31, 2025**		March 31, 2024	
	Shares	**Amount**	Shares	Amount
Common shares, beginning of year	**14,673,701**	**$ 78,762**	15,024,001	$ 80,642
Purchased and cancelled during the year	**(500,070)**	**(2,742)**	(350,300)	(1,880)
Common shares, end of year	**14,173,631**	**$ 76,020**	14,673,701	$ 78,762

In March 2025, the Company filed a normal course issuer bid enabling it to make market purchases of up to 718,192 (2024 – 742,620) of its common shares in the 12-month period ending March 9, 2026. During fiscal 2025, the Company purchased and cancelled 94,000 common shares under the previous normal course issuer bid for an aggregate cost of $6.6 million. In addition, the Company also purchased and cancelled 406,070 common shares from a passive shareholder for an aggregate cost of $28.4 million.

Common shares of 14,173,631 (2024 − 14,673,701) were outstanding as at March 31, 2025. The weighted average number of common shares outstanding during fiscal 2025 was 14,410,245 (2024 – 14,861,171).

The basic and fully diluted net income (loss) per share computations for fiscal 2025 and 2024 were as follows:

	2025			2024		
	Net income and comprehensive income (000s)	**Weighted average number of shares**	**Per share amount**	Net loss and comprehensive loss (000s)	Weighted average number of shares	Per share amount
Basic and fully diluted	**$ 122,042**	**14,410,245**	**$ 8.47**	$ (3,353)	14,861,171	$ (0.23)

No Series 1 or Series 2 shares had been issued as at March 31, 2025 and 2024.

13. SHARE-BASED COMPENSATION

The Company has a stock option plan on the Series 2 shares (the “Non-Voting Option Plan”). Options granted under the Non-Voting Option Plan are exercisable for Series 2 shares, which are non-voting and have a two times preference over the common shares. The Non-Voting Option Plan has a cash settlement feature. Options granted under this plan vest evenly at the end of each year over a five-year period. As at March 31, 2024, 626,717 options were outstanding, 240,981 options of which had vested. During fiscal 2025, Clairvest granted 187,349 (2024 – 73,188) options under the Non-Voting Option Plan. Also during fiscal 2025, 146,362 (2024 – 120,692) options vested, 174,287 (2024 – 42,166) options were exercised under the cash settlement feature for $7.5 million (2024 – $3.3 million) and 25,006 (2024 – 8,281) options were forfeited. As at March 31, 2025, 614,773 (2024 – 626,717) options were outstanding, 213,056 (2024 – 240,981) of which had vested.

Clairvest recognized share-based compensation expense based upon the fair value of the outstanding stock options as at March 31, 2025 using the Black-Scholes option pricing model with the following assumptions:

As at March 31, 2025

Year of expiry	**2029**	**2028**	**2027**	**2026**	**2025**
Number of options granted	**122,023**	**73,688**	**165,753**	**300,028**	**98,338**
Number of options exercised	**—**	**935**	**6,380**	**58,425**	**21,514**
Number of options forfeited	**—**	**5,591**	**11,490**	**26,627**	**14,095**
Number of options vested	**—**	**13,429**	**59,148**	**101,746**	**38,733**
Price ($)(1)	**162.82**	**161.40**	**152.47**	**133.45**	**93.80**
Black-Scholes assumptions used					
Expected volatility	**15%**	**15%**	**15%**	**15%**	**15%**
Expected forfeiture rate	**5%**	**5%**	**5%**	**5%**	**5%**
Expected dividend yield	**0.15%**	**0.15%**	**0.15%**	**0.15%**	**0.00%**
Risk-free interest rate	**2.37%**	**2.34%**	**2.33%**	**2.36%**	**2.66%**
Expected life (years)	**4.25**	**3.25**	**2.25**	**1.25**	**0.25**
Value using Black-Scholes (000s)(2)	**$ 598**	**$ 450**	**$ 1,187**	**$ 3,011**	**$ 2,980**

(1) Based on two times the five-day weighted average closing price of Clairvest common shares at date of grant and is adjusted for special dividends paid by the Company.

(2) Share price for a Clairvest common share as at March 31, 2025 was $69.50 (TSX: CVG).

During fiscal 2025, Clairvest recognized a share-based compensation expense recovery of $1.8 million (2024 – $2.1 million) with respect to the Non-Voting Option Plan.

The Company has an EDSU plan which provides, among other things, that participants may elect annually to receive all or a portion of their annual bonus amounts that would otherwise be payable in cash in the form of EDSUs. EDSUs may be redeemed for cash or for common shares of the Company in accordance with the terms of the plan. Clairvest is required to reserve one common share for each EDSU issued under the EDSU plan. The maximum number of Clairvest common shares reserved for the EDSU plan was 350,000 common shares, which represented approximately 2.5% of the outstanding number of common shares. During fiscal 2025, 23,907 (2024 – 18,727) EDSUs were issued based on the terms and conditions of the EDSU plan. As at March 31, 2025, a total of 237,385 (2024 – 213,478) EDSUs were outstanding, the accrual in respect of which was $16.6 million (2024 – $15.5 million) and had been included in share-based compensation liability. During fiscal 2025, Clairvest recognized an expense recovery of $0.5 million (2024 – $1.6 million) with respect to EDSUs.

As at March 31, 2025, a total of 211,890 (2024 – 199,562) BVARs were outstanding, the accrual in respect of which was $7.4 million (2024 – $3.1 million) and had been included in share-based compensation liability, and an additional $2.9 million (2024 – $2.4 million) not accrued as those BVARs had not vested. During fiscal 2025, 16,410 (2024 – 17,382) BVARs were granted and 4,082 (2024 – 32,012) BVARs were exercised.

Compensation paid and payable to key management

In addition to the directors, key management at Clairvest are the Chief Executive Officer ("CEO") and the President. The CEO and the President are entitled to annual discretionary cash bonuses of up to 175% of their individual annual salary based on individual performance. There is also an annual objective cash bonus, which is based on Clairvest's Incentive Bonus Program as described in *note 16(b)*, the stock option plans, the BVAR plan and the EDSU plan. Aggregate compensation paid for the years ended March 31 to the CEO and the President was as follows:

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

		2025		2024
Paid				
Salaries	**$**	**820**	$	967
Annual incentive plans[(1)]		**1,179**		7,102
Stock options		**912**		959
Book value appreciation rights		**556**		2,240
	$	**3,467**	$	11,268

(1) Included an aggregate bonus of $5.1 million paid upon the final closing of the fundraising of CEP VII ("CEP VII bonus") during fiscal 2024. The total CEP VII bonus paid by the Company to management was $16.1 million.

Compensation payable to the CEO and the President as at the consolidated statements of financial position dates was as follows:

		March 31, 2025		March 31, 2024
Payable				
Annual incentive plans	**$**	**5,356**	$	4,179
Stock options		**1,885**		3,079
Book value appreciation rights		**4,420**		2,249
Employee deferred share units		**4,113**		3,873
	$	**15,774**	$	13,380

As at March 31, 2025, 148,191 (2024 – 141,265) DSUs were held by directors of the Company, the accrual in respect of which was $11.5 million (2024 – $11.4 million) and had been included in share-based compensation liability. During fiscal 2025, 6,926 (2024 – 6,063) DSUs were granted. For the year ended March 31, 2025, Clairvest recognized an expense recovery of $0.4 million (2024 – $1.0 million) with respect to DSUs.

During fiscal 2025, 14,286 ADSUs were granted to a new director such that as at March 31, 2025, 164,286 (2024 – 150,000) ADSUs were held by directors of the Company, the accrual in respect of which was $5.4 million (2024 – $5.7 million) and had been included in share-based compensation liability. For the year ended March 31, 2025, Clairvest recognized an expense recovery of $0.3 million (2024 – $0.7 million) with respect to ADSUs.

As at March 31, 2025, compensation payable to the directors of Clairvest included $0.3 million (2024 – $0.4 million) under the Non-Voting Option Plan.

14. CONSOLIDATED STATEMENTS OF CASH FLOWS

The net change in non-cash working capital balances related to operations was as follows:

		2025		2024
Accounts receivable and other assets	**$**	**(30,916)**	$	17,918
Income taxes recoverable		**12,550**		(20,354)
Accounts payable and accrued liabilities		**(9,570)**		2,398
Income taxes payable		**2,485**		(25,201)
Accrued compensation expense		**3,613**		(2,443)
	$	**(21,838)**	$	(27,682)

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

Cash and cash equivalents as at March 31, 2025 and 2024 comprised the following:

		March 31, 2025		March 31, 2024
Cash	$	173,314	$	144,301
Cash equivalents		3,664		837
	$	176,978	$	145,138

15. DERIVATIVE INSTRUMENTS

The Company and its acquisition entities enter foreign exchange forward contracts as economic hedges against the fair value of its foreign currency-denominated investments and loans in accordance with its foreign exchange hedging policy. During fiscal 2025, the Company paid $4.5 million (2024 – $4.1 million) on the settlement of realized foreign exchange forward contracts.

As at March 31, 2025, the Company had unexpired foreign exchange forward contracts to sell US$249.3 million (2024 – US$227.3 million) at an average rate of C$1.3568 per U.S. dollar (2024 – C$1.3368) through to July 2026. The fair value of the forward contracts as at March 31, 2025 was a loss of $18.1 million (2024 – $2.6 million).

The fair value of foreign exchange forward contracts entered by the Company's acquisition entities to hedge against foreign-denominated investee companies has been included in the fair value of Clairvest's investment in these acquisition entities on the consolidated statements of financial position. The net impact of foreign exchange on the investee companies is described in *notes 5 and 17* under *Currency risk*.

No collateral was funded to the counterparties for Clairvest's foreign exchange forward contracts and those of its acquisition entities as at March 31, 2025 and 2024.

16. CONTINGENCIES, COMMITMENTS AND GUARANTEES

(a) Clairvest has committed a total of $55.5 million (2024 – $55.5 million) in the Wellington Funds, all of which was unfunded as at March 31, 2025 and 2024. As a result of the sale of Wellington Financial to CIBC in January 2018, the Wellington Funds are in the process of being wound up and may no longer invest in new investments.

(b) Under Clairvest's Bonus Program, a bonus of 10% of after-tax cash income and realizations on certain of Clairvest's corporate investments would be paid to management annually as applicable (the "Realized Amount"). As at March 31, 2025, the Realized Amount under the Bonus Program was $4.9 million (2024 − $0.3 million) and had been accrued under accrued compensation expense liability.

Clairvest is also required to record a liability equal to a bonus of 10% of the after-tax cash income and realizations which are applicable, but have yet to be realized. Accordingly, Clairvest recorded a $4.5 million (2024 − $9.4 million) accrued compensation expense liability that would only be payable to management when the corresponding realization events have occurred. The Bonus Program does not apply to the income generated from investments made by Clairvest through CEP III Co-Invest, CEP IV Co-Invest, CEP V Co-Invest, CEP VI Co-Invest and CEP VII Co-Invest and any amounts after March 31, 2022.

(c) Clairvest has agreed to guarantee up to $5.0 million to support a credit facility provided to Brunswick Bierworks by its bank. Clairvest would assume the lender's security position that supports the loans provided by the lender should it be called and intends to allocate any amounts called under this guarantee to CEP VI Co-Invest, CEP VI, CEP VI-A and CEP VI-B on a pro-rata basis in accordance with their respective capital commitments in CEP VI.

(d) Clairvest, together with CEP VI, CEP VI-A and CEP VI-B, in support of the credit facility provided by various banks to New Hampshire Gaming, has guaranteed to fund any and all cost overruns during the construction of a large-scale historical horse racing facility by New Hampshire Gaming, as well as operating deficiencies of the new facility for a specified period of time and up to US$15.0 million. Additionally, Clairvest, together with CEP VI, CEP VI-A and CEP VI-B had entered an agreement with the other investor of New Hampshire Gaming to indemnify 50% of any guarantees funded. Clairvest intends to allocate any amounts called under these guarantees to CEP VI Co-Invest, CEP VI, CEP VI-A and CEP VI-B on a pro-rata basis in accordance with their respective capital commitments in the CEP VI Fund.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

(e) During fiscal 2025, Clairvest agreed to a waiver of general partner priority distributions and management fees with CEP VI, CEP VI-A and CEP VI-B totalling US$5.5 million. As at March 31, 2025, US$4.3 million of these amounts have been waived.

(f) As at March 31, 2025 and 2024, the Company had an accrued liability resulting from future minimum annual lease payments for the use of office space. The detail of the lease liability recognized is as follows:

		2025		2024
Lease liability, beginning of year	$	**1,876**	$	2,384
New lease agreement entered during the year		**6,062**		—
Payments applied during the year		**(517)**		(508)
Lease liability, end of year	**$**	**7,421**	$	1,876

As at March 31, 2025, the incremental borrowing rate was prime plus 1.25% per annum (2024 — prime plus 1.25%).

(g) In connection with its normal business operations, the Company and its investee companies may, from time to time, be involved in legal proceedings, including regulatory investigations, in which claims for monetary damages may be asserted. The Company may accrue a liability if, in the opinion of management, it is both probable that costs will be incurred to resolve the matter, and an estimate can be made of the amount of the obligation. While there is inherent difficulty in predicting the outcome of these matters, based on our current knowledge, management does not expect these matters, individually or in aggregate, to have a material adverse effect on its consolidated financial statements.

17. RISK MANAGEMENT

The private equity investment business involves accepting risk for potential return and is therefore affected by a number of risk factors.

Fair value risk

Fair value risk includes exposure to fluctuations in the fair market value of the Company's investments as described in *note 18*.

The Company's corporate investment portfolio was diversified across 21 investee companies in 10 industries as at March 31, 2025. Concentration risk by industry and by country as at March 31, 2025 and 2024 was as follows:

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

	March 31, 2025				March 31, 2024			
	Canada	**United States**	**International[(1)]**	**Total**	Canada	United States	International[(1)]	Total
Aerospace, defense and government services	$ 141,594	$ 19,849	$ —	$ 161,443	$ 134,394	$ 10,965	$ —	$ 145,359
Co-packing	18,127	—	—	18,127	9,525	—	—	9,525
Equipment rental	—	—	—	—	—	6,714	—	6,714
Financial services	303	—	—	303	539	—	—	539
Gaming	—	242,020	127,785	369,805	1,500	182,545	157,847	341,892
Insurance services	41,126	—	—	41,126	34,914	—	—	34,914
Life science services	—	3,251	—	3,251	—	9,212	—	9,212
Medical practice management	—	67,397	—	67,397	—	50,126	—	50,126
Renewable energy	—	51,517	—	51,517	—	50,815	—	50,815
Technology services	16,414	—	—	16,414	9,619	10,742	—	20,361
Waste management	—	26,735	—	26,735	—	68,653	—	68,653
Other investments	3	5,285	—	5,288	2	4,981	—	4,983
Total	$ 217,567	$ 416,054	$ 127,785	$ 761,406	$ 190,493	$ 394,753	$ 157,847	$ 743,093

(1) Includes investments in India, Chile and the United Kingdom.

The Company has considered current economic events and indicators in the valuation of its investee companies.

Interest rate risk

Fluctuations in interest rates affect the Company's income derived from its treasury funds. For financial instruments which yield a floating interest rate, the income received is directly impacted by the prevailing interest rate. The fair value of financial instruments which yield a fixed interest rate would change when there is a change in the prevailing market interest rate. The Company manages interest rate risk on its treasury funds by conducting activities in accordance with the fixed income securities policy that is approved by the Audit Committee. Management's application of this policy is regularly monitored by the Audit Committee.

As at March 31, 2025, $175.6 million (2024 – $141.2 million) of the Company's treasury funds are held in accounts which pay interest commensurate with prime rate changes, and $22.2 million (2024 – $41.8 million) of the Company's treasury funds are in guaranteed investment certificates with an average remaining duration of 0.7 years (2024 – 0.6 years). If interest rates were higher or lower by 1.00% per annum, and assuming the renewal rates of these guaranteed investment certificates commensurate with prime rate changes, the potential effect would have been an increase or a decrease of $1.9 million (2024 – $1.9 million) per annum to distributions and interest income on a pre-tax basis.

Certain of the Company's corporate investments are also held in the form of debentures and loans. Significant fluctuations in market interest rates can have a significant impact on the carrying value of these investments as described in *note 18*.

Clairvest's investee companies are subject to interest rate risk. Significant changes in interest rates can materially increase the borrowing cost of these investee companies and in turn cause a negative impact to the profitability of these companies, which could have a material impact to the Company's fair value of these corporate investments. The Company manages this risk through oversight responsibilities with existing investee companies and may suggest these investee companies enter swap derivatives with their banking counterparties to hedge against this risk.

Currency risk

The Company has implemented a hedging strategy because it has, directly and indirectly, several investments outside of Canada, currently in the United States and India. The Company may also advance loans to investee companies which are denominated in foreign currencies. The general partner priority distributions and management fees for CEP VI and CEP VII are denominated in United States dollars whereas the Company's overhead costs are in Canadian dollars. In order to limit its exposure to changes in the value of foreign-denominated currencies relative to the Canadian dollar, Clairvest and its acquisition entities, subject to certain exceptions, entered hedging positions against these foreign-denominated currencies. As at March 31, 2025, the Company's material exposure to foreign-denominated currencies comprised its Indian rupee-denominated balances as they are unhedged. In addition, there is a timing difference between the consolidated statements of financial position dates and the investment valuation date given the timing of which information is available to make this determination could result in a delay in the implementation of the Company's hedging strategy. Accordingly, significant depreciation in value of these foreign-denominated currencies could result in a material impact to the performance of Clairvest, its investment portfolio and the carried interest it could earn from the CEP Funds.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

A number of investee companies are subject to foreign exchange risk. A significant change in foreign exchange rates can have a significant impact on the profitability of these entities, and in turn the Company's carrying value of these investee companies. The Company manages this risk through oversight responsibilities with existing investee companies and by reviewing the financial condition of investee companies regularly.

Credit risk

Credit risk is the risk of a financial loss occurring as a result of default of a counterparty on its obligations to the Company. For the years ended March 31, 2025 and 2024, there were no material income effects on changes in credit risk on financial assets. The carrying values of financial assets subject to credit exposure as at March 31, 2025 and 2024, net of any allowances for credit losses, were as follows:

	March 31, 2025			March 31, 2024		
	Clairvest	**Acquisition entities**	**Total**	Clairvest	Acquisition entities	Total
Financial assets						
Cash and cash equivalents	**$ 176,978**	**$ 85,850**	**$ 262,828**	$ 145,138	$ 38,224	$ 183,362
Temporary investments	**72,620**	**53,189**	**125,809**	108,297	52,749	161,046
Accounts receivable(1)	**72,905**	**572**	**73,477**	39,630	12,417	52,047
Loans receivable(2)	**33,966**	**2,994**	**36,960**	3,157	7,579	10,736
Corporate investments(3)	**–**	**33,042**	**33,042**	–	37,029	37,029
	$ 356,469	**$ 175,647**	**$ 532,116**	$ 296,222	$ 147,998	$ 444,220

(1) Excludes prepaid expenses and receivables from acquisition entities.
(2) Excludes loans receivable from acquisition entities.
(3) Excludes net assets (liabilities) from acquisition entities.

The Company manages credit risk on corporate investments through thoughtful planning, strict investment criteria, significant due diligence of investment opportunities and oversight responsibilities with existing investee companies and by conducting activities in accordance with investment policies that are approved by the Board of Directors. Management's application of these policies is regularly monitored by the Board of Directors. Management and the Board of Directors review the financial condition of investee companies regularly.

The Company is also subject to credit risk on its accounts receivable and loans receivable, a significant portion of which are with its investee companies and its CEP Funds. The Company manages this risk through its oversight responsibilities with existing investee companies, by reviewing the financial conditions of investee companies regularly, and through its fiduciary duty as Manager of the CEP Funds and by maintaining sufficient uncalled capital for the CEP Funds to settle obligations as they come due.

The Company manages counterparty credit risk on derivative instruments by only contracting with counterparties which are Schedule 1 Canadian chartered banks. As at March 31, 2025, the Company and its acquisition entities held derivative instruments which had a net mark-to-market loss of $20.0 million (2024 – $3.1 million). The Company believes the counterparty risk with respect to its and its acquisition entities' derivative instruments is minimal.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

The Company manages credit risk on treasury funds by conducting activities in accordance with the fixed income securities policy which is approved by the Audit Committee. The Company also manages credit risk by contracting with counterparties which are Schedule 1 Canadian chartered banks or through investment firms where Clairvest's funds are segregated and held in trust for Clairvest's benefit. Management's application of this policy is regularly monitored by the Audit Committee. Management and the Audit Committee review credit quality of cash equivalents and temporary investments regularly.

The credit ratings of the Company's treasury funds, including those of its acquisition entities, based on the Dominion Bond Rating Services rating scale, with the exception of corporate bonds and loans which are based on the Standard and Poor's rating scale, were as follows:

	March 31, 2025			March 31, 2024		
	Clairvest	**Acquisition entities**	**Total**	Clairvest	Acquisition entities	Total
Cash	**$ 173,291**	**$ 84,946**	**$ 258,237**	$ 143,834	$ 38,224	$ 182,058
Money market savings accounts						
AA	**3,664**	**904**	**4,568**	—	—	—
AA-	—	—	—	840	—	840
A	**23**	—	**23**	464	—	464
Guaranteed investment certificates and investment savings accounts						
AA	**16,335**	**26,454**	**42,789**	36,666	23,319	59,985
AA-	**5,779**	—	**5,779**	5,046	6,453	11,499
Not rated	**105**	**211**	**316**	100	417	517
Limited recourse capital notes						
A	**6,047**	—	**6,047**	5,819	—	5,819
A-	**2,034**	**2,029**	**4,063**	1,952	1,950	3,902
BBB+	**2,028**	**1,014**	**3,042**	1,940	970	2,910
BBB-	**903**	**903**	**1,806**	771	771	1,542
Term loans						
Not rated	**39,389**	—	**39,389**	28,098	—	28,098
Other fixed income securities						
Not rated(1)	—	**22,578**	**22,578**	27,905	18,868	46,773
Total cash, cash equivalents and fixed income securities	**$ 249,598**	**$ 139,039**	**$ 388,637**	$ 253,435	$ 90,972	$ 344,407

(1) Comprised other fixed income securities as permitted by the Company's treasury policy, which in aggregate may not exceed the lesser of 10% of book value or 20% of treasury funds and with no single issue greater than 1.5% of book value.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. Financial obligations arising from off-statement of financial position arrangements have been previously discussed. Accounts payable, loans payable and derivative instruments have maturities of less than one year. Management participation liability, share-based compensation liability, and amounts accrued under the Bonus Program are only due upon cash realization or completion of the respective vesting periods. Total unfunded commitments to co-invest alongside the CEP Funds, as described, were $543.9 million (2024 – $555.9 million) as at March 31, 2025. The timing of any amounts to be funded under these commitments is dependent upon the timing of investment acquisitions, which are made at the sole discretion of the Company.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

The Company manages liquidity risk by maintaining a conservative liquidity position that exceeds all liabilities payable on demand. The Company invests its treasury funds in liquid assets such that they are available to cover any potential funding commitments and guarantees. In addition, the Company maintains a $100.0 million (2024 – $100.0 million) credit facility, which was undrawn as at March 31, 2025.

As at March 31, 2025, Clairvest had treasury funds, inclusive of those held at acquisition entities, of $457.7 million (2024 – $421.2 million) and access to $100.0 million (2024 – $100.0 million) in credit to support its current and anticipated corporate investments. Clairvest also had access to $1.5 billion (2024 – $1.6 billion) in uncalled committed third-party capital through the CEP Funds as at March 31, 2025 to invest along with Clairvest's capital.

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

Cash, cash equivalents, temporary investments, loans receivable, corporate investments and derivative instruments are carried at fair value in accordance with the Company's accounting policy as described in *note 2(c)* to the consolidated financial statements. All other financial instruments, including receivables and payables, are short-term in nature.

(a) **Fair value hierarchy**

The Company classifies financial instruments measured at FVTPL according to the following hierarchy, based on the lowest level of significant input used in measuring fair value.

Level	Fair value input description	Financial instruments
Level 1	Quoted prices (unadjusted) from active markets	Quoted equity instruments Quoted corporate bonds Money market and investment savings accounts
Level 2	Inputs other than quoted prices included in Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices)	Quoted equity instruments which are not actively traded (i.e. significant ownership positions) Guaranteed investment certificates Quoted corporate bonds or loans which are not actively traded
Level 3	Inputs that are not based on observable market data	Unquoted equity instruments or partnership units Corporate bonds, debentures or loans not traded

The Company's objective is to invest in long-term private equity investments and its holdings may include publicly traded companies which originated from its private equity investments. These companies will likely exhibit share price volatility such that the publicly traded share price may not be the best proxy of value. The Company's investments in these public companies may trade at share prices which are not indicative of the Company's realizable value due to factors including illiquidity of the security and potential adverse consequences when a significant shareholder sells its position. Accordingly, when the Company liquidates the investments in these types of public company shares, its ultimate realized proceeds may be materially different than the valuation at the end of any reporting period which is based on the publicly traded share price at that time and subject to certain adjustments as warranted.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

The following tables present the financial instruments measured at fair value classified by the fair value hierarchy:

	March 31, 2025			
	Fair value measurements using			Assets/liabilities at fair value
	Level 1	Level 2	Level 3	
Financial assets				
Cash equivalents				
Investment savings accounts	$ 3,664	$ —	$ —	$ 3,664
	3,664	—	—	3,664
Temporary investments				
Guaranteed investment certificates	—	22,220	—	22,220
Corporate bonds	—	35,832	—	35,832
Marketable securities	46,130	—	—	46,130
Limited recourse capital notes	—	11,011	—	11,011
Other fixed income securities	—	—	3,557	3,557
	46,130	69,063	3,557	118,750
Corporate investments	74,024	276	868,557	942,857
	$ 123,818	$ 69,339	$ 872,114	$ 1,065,271

	March 31, 2024			
	Fair value measurements using			Assets/liabilities at fair value
	Level 1	Level 2	Level 3	
Financial assets				
Cash equivalents				
Investment savings accounts	$ 837	$ —	$ —	$ 837
	837	—	—	837
Temporary investments				
Guaranteed investment certificates	—	41,813	—	41,813
Corporate bonds	—	28,098	—	28,098
Marketable securities	76,758	—	—	76,758
Limited recourse capital notes	—	10,481	—	10,481
Other fixed income securities	—	—	27,905	27,905
	76,758	80,392	27,905	185,055
Corporate investments	83,063	556	787,041	870,660
	$ 160,658	$ 80,948	$ 814,946	$ 1,056,552

For financial instruments that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization based on the lowest level input that is significant to the fair value measurement as a whole at the end of each reporting period. Transfers between levels of the fair value hierarchy are deemed to have occurred at the date of the event.

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

(b) **Level 3: Reconciliation between opening and closing balances**

The following tables present the changes in fair value measurements for instruments included in Level 3 of the fair value hierarchy set out in IFRS 13, *Fair Value Measurement*:

	Fair value April 1, 2024	Amount included in income	Purchases of assets / issuances of liabilities	Sales of assets / settlements of liabilities	Fair value March 31, 2025
Financial assets					
Other fixed income securities	**$ 27,905**	**$ 648**	**$ —**	**$ (24,996)**	**$ 3,557**
Corporate investments	**787,041**	**35,254**	**61,363**	**(15,101)**	**868,557**
	$ 814,946	**$ 35,902**	**$ 61,363**	**$ (40,097)**	**$ 872,114**

	Fair value April 1, 2023	Amount included in income	Purchases of assets / issuances of liabilities	Sales of assets / settlements of liabilities	Fair value March 31, 2024
Financial assets					
Other fixed income securities	$ 27,323	$ 325	$ 5,812	$ (5,555)	$ 27,905
Corporate investments	822,719	(39,945)	40,281	(36,014)	787,041
	$ 850,042	$ (39,620)	$ 46,093	$ (41,569)	$ 814,946

(c) **Level 3: Fair value measurement based on reasonably possible alternative assumptions**

While Clairvest considers its fair value measurements to be appropriate, the use of reasonably possible alternative assumptions could result in different fair values. On a given measurement date, it is possible that other market participants could measure a same financial instrument at a different fair value, with the valuation techniques and inputs used by these market participants still meeting the definition of fair value. The fact that different fair value measurements exist reflects the judgment, estimates and assumptions applied as well as the uncertainty involved in determining the fair value of these financial instruments.

Included in corporate investments are investee companies (refer to *note 5*) for which the fair values have been estimated based on assumptions that are not supported by observable inputs. The following tables detail quantitative information on the primary valuation techniques and unobservable inputs based on the form of investment:

March 31, 2025 and 2024 (tabular dollar amounts in thousands, except per share information)

March 31, 2025	**Valuation techniques**	**Significant unobservable inputs**	**Range**
Unquoted equity instruments (including warrants) or partnership units	**Public company comparables**	**EBITDA and earnings multiples**	**3.0x to 14.2x**
		Revenue multiples	**1.3x**
	Recent transactions	**n/a**	**n/a**
Debentures or loans not traded or other finite set of cash flows	**Discounted cash flows**	**Discount rates**	**Up to 14.0% per annum**

March 31, 2024	Valuation techniques	Significant unobservable inputs	Range
Unquoted equity instruments (including warrants) or partnership units	Public company comparables	EBITDA and earnings multiples	3.0x to 14.2x
		Revenue multiples	1.6x
	Recent transactions	n/a	n/a
Debentures or loans not traded or other finite set of cash flows	Discounted cash flows	Discount rates	Up to 14.0% per annum

The most significant unobservable input for fair value measurement is either revenue or earnings before interest, taxes, depreciation and amortization ("EBITDA") and the multiple which is applied to either revenue or EBITDA in valuing each individual investee company. In determining the appropriate multiple, Clairvest considers (i) public company multiples for companies in the same or similar businesses; (ii) where information is known and believed to be reliable, multiples at which recent transactions in the industry occurred; and (iii) multiples at which Clairvest invested directly or indirectly in the company, or for follow-on investments or financings. The resulting multiple is adjusted, if necessary, to take into account differences between the investee company and those the Company selected for comparisons, and factors include public versus private company, company size, same versus similar business, as well as with respect to the sustainability of the company's earnings and current economic environment. If the Company had used an earnings multiple for each investee company that was higher or lower by 0.5 times, the potential effect would be an increase of $34.5 million or a decrease of $33.1 million to the carrying value of corporate investments and net investment gain, on a pre-tax basis, for the year ended March 31, 2025 (2024 – an increase of $36.9 million or a decrease of $37.3 million). For the investee company that was valued using the revenue multiple approach, if the Company had used a revenue multiple for the investee company that was higher or lower by 0.5 times, the potential effect would be an increase of $43.2 million or a decrease of $43.2 million to the carrying value of corporate investments and net investment gain, on a pre-tax basis, for the year ended March 31, 2025 (2024 – an increase of $31.6 million or a decrease of $31.6 million). Revenue or earnings multiples used are based on public company valuations as well as private market multiples for comparable companies. Revenues are based on current run-rates adjusted for non-recurring items. Earnings are based on the last twelve-month EBITDA and, if necessary, adjusted for any non-recurring items such as restructuring expenses and annualized pro-forma adjustments from recently completed acquisitions. Adjustments to revenue or EBITDA may also consider forecasted impacts arising from the current economic environment or recent developments of the investee company.

Clairvest may also use information about recent transactions carried out in the market for valuations of private equity investments. When fair value is determined based on recent transaction information, this value is the most representative indication of fair value. The fair value of corporate bonds, debentures or loans is primarily determined using the discounted cash flow technique. This technique uses observable and unobservable inputs such as discount rates that take into account the risk associated with the investment as well as further cash flows. For those investments valued based on recent transactions or discounted cash flows, Clairvest has determined that there are no reasonable alternative assumptions that would change the fair value materially as at March 31, 2025 and 2024.

19. CAPITAL DISCLOSURES

Clairvest considers the capital it manages to be shareholders' equity. Clairvest also manages capital held in acquisition entities, the third-party capital committed or invested in the CEP Funds and co-investments made by other investors.

Clairvest's objectives in managing capital are to:

- Preserve a financially strong company with substantial liquidity to pursue new acquisitions and growth opportunities as well as to support its operations and the growth of its existing investee companies;
- Achieve an appropriate risk adjusted return on capital;
- Build long-term value in its investee companies to generate superior returns; and
- Have appropriate levels of committed third-party capital available to invest alongside Clairvest's capital. The management of third-party capital also provides management fees and/or priority distributions to Clairvest and the ability to enhance Clairvest's returns by offsetting a portion of its operating costs and by earning a carried interest.

As at March 31, 2025 and 2024, Clairvest had no external capital requirements, other than as disclosed in *note 16*.

20. FUTURE CHANGES IN ACCOUNTING POLICIES

IFRS 18, *Presentation and Disclosure in Financial Statements* ("IFRS 18")

IFRS 18 was issued in April 2024 and will replace the previous IAS 1, *Presentation of Financial Statements*. IFRS 18 introduces several new requirements that are expected to impact the presentation and disclosure of the financial statements. These requirements include:

- Classification of all income and expense into specified categories and the provision of specified totals and subtotals in the statement of profit or loss.
- Enhanced guidance on aggregation, location and labeling of items across the financial statements and the notes to the financial statements.
- Disclosures on management-defined performance measures.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with early adoption permitted. The Company is currently assessing the effect of the above standards and amendments.

21. SUBSEQUENT EVENT

Subsequent to year end, CEP VII Co-Invest, together with CEP VII, CEP VII-A and CEP VII-B (the "CEP VII Fund"), made an investment of US$22.4 million (C$32.1 million) in NCS Engineers, a provider of turn-key water and wastewater engineering solutions across the United States. CEP VII Co-Invest's portion of the investment was US$5.6 million (C$8.0 million) for 10,572 LLC units, representing a 10.6% ownership interest in this waste company.

Also subsequent to year end, CEP VII Co-Invest, together with the CEP VII Fund, made an investment of US$72.5 million (C$100.6 million) in Beneficial Reuse Management, a distributor of products to the agriculture, landscape, wallboard, and construction end-markets by reusing or converting certain industrial waste streams into value-add products. CEP VII Co-Invest's portion of the investment was US$18.1 million (C$25.1 million) for 18,102 LLC units, representing a 21.1% ownership interest in this company.