CLAIRVEST GROUP INC.
NOTICE TO READER
June 30, 2025
(unaudited)

NOTICE TO READER PURSUANT TO NATIONAL INSTRUMENT 51-102 – CONTINUOUS DISCLOSURE OBLIGATIONS

Under National Instrument 51-102 – Continuous Disclosure Obligations, if an auditor has not performed a review of a reporting issuer's interim financial statements, the financial statements must be accompanied by a notice indicating that they have not been reviewed by an auditor.

The Company's independent auditor has not performed a review of these interim condensed consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

CLAIRVEST GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(unaudited)

$000's	June 30 2025	March 31 2025
ASSETS		
Cash and cash equivalents (notes 4 and 13)	**$ 165,017**	$ 176,978
Temporary investments (note 4)	**122,438**	118,750
Accounts receivable and other assets (note 11(g))	**80,986**	78,725
Loans receivable (note 11(f))	**34,053**	42,942
Income taxes recoverable	**9,546**	8,946
Derivative instruments asset (note 14)	**823**	—
Carried interest from Clairvest Equity Partners IV (note 8)	**47,922**	48,517
Corporate investments (note 6)	**975,082**	942,857
Fixed assets (note 9)	**11,343**	11,720
	$ 1,447,210	$ 1,429,435
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Accounts payable and accrued liabilities	**$ 16,317**	12,724
Dividend payable	**12,508**	—
Income taxes payable	**—**	2,485
Derivative instruments liability (note 14)	**—**	18,113
Accrued compensation expense (notes 12 and 15(a))	**19,774**	18,194
Share-based compensation (note 12)	**59,808**	49,131
Management participation from Clairvest Equity Partners IV (note 8)	**37,340**	37,718
Deferred income tax liability	**41,604**	39,479
	187,351	177,844
Contingencies, commitments and guarantees (notes 11 and 15)		
Shareholders' Equity		
Share capital (note 10)	**75,976**	76,020
Retained earnings	**1,183,883**	1,175,571
	1,259,859	1,251,591
	$ 1,447,210	$ 1,429,435

(see accompanying notes to interim condensed consolidated financial statements)

CLAIRVEST GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)

$000's (except per share information)	Quarter ended June 30 **2025**	2024
REVENUE		
Net investment gain (notes 5 and 6)	**$ 35,982**	$ 20,112
Distributions and interest income (notes 6, 7 and 11)	**6,444**	8,449
Carried interest from Clairvest Equity Partners III and IV (note 8)	**(595)**	2,124
Dividend income	**448**	748
Management fees (note 7)	**5,119**	6,559
Advisory and other fees	**1,452**	947
	48,850	38,939
EXPENSES		
Employee compensation and benefits (note 12 and 15(a))	**5,043**	6,087
Share-based compensation expenses (note 12)	**10,359**	2,273
Administration and other expenses	**2,735**	2,066
Finance and foreign exchange expenses (recovery)	**7,239**	(67)
Management participation from Clairvest Equity Partners III and IV (note 8)	**(378)**	1,599
	24,998	11,958
Income before income taxes	**23,852**	26,981
Income tax expense	**2,516**	3,060
Net income and comprehensive income for the period	**21,336**	23,921
Basic and fully diluted net income and comprehensive income per share	**$ 1.51**	$ 1.63

(see accompanying notes to interim condensed consolidated financial statements)

CLAIRVEST GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(unaudited)

$000's	Share capital	Retained earnings	Total shareholders' equity
As at April 1, 2025	**$ 76,020**	**$ 1,175,571**	**$ 1,251,591**
Changes in shareholders' equity			
Net income and comprehensive income for the period		**21,336**	**21,336**
		1,196,907	**1,272,927**
Dividends declared ($0.8830 per share)		**(12,508)**	**(12,508)**
Purchase and cancellation of shares (note 10)	**(44)**	**(516)**	**(560)**
As at June 30, 2025	**$ 75,976**	**$ 1,183,883**	**$ 1,259,859**
As at April 1, 2024	$ 78,762	$ 1,097,535	$ 1,176,297
Changes in shareholders' equity			
Net income and comprehensive income for the period		23,921	23,921
		1,121,456	1,200,218
Dividends declared ($0.8016 per share)		(11,737)	(11,737)
Purchase and cancellation of shares	(233)	(2,040)	(2,273)
As at June 30, 2024	$ 78,529	$ 1,107,679	$ 1,186,208

(see accompanying notes to interim condensed consolidated financial statements)

CLAIRVEST GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

$000's		**Quarter ended June 30 2025**		**2024**
OPERATING ACTIVITIES				
Net income and comprehensive income for the period	**$**	**21,336**	$	23,921
Add (deduct) items not involving a current cash outlay:				
Amortization of fixed assets		**377**		340
Share-based compensation		**10,359**		2,273
Deferred income tax expense		**2,125**		2,940
Net investment gain		**(35,982)**		(20,112)
Carried interest and management participation from Clairvest Equity Partners III and IV		**217**		(525)
Non-cash items relating to foreign exchange forward contracts		**(17,564)**		2,561
Non-cash items relating to corporate investments		**16,408**		(1,866)
		(2,724)		9,532
Adjustments for:				
Net proceeds on sale of temporary investments		**2,550**		13,839
Net loans repaid by acquisition entities or the CEP Funds (note 11(f))		**8,889**		3,142
Cost of settlement of realized foreign exchange forward contracts		**(1,372)**		(910)
Investments made in investee companies or acquisition entities		**(23,578)**		(30,634)
Distribution or return of capital from investee companies or acquisition entities		**4,689**		—
Settlement of share-based compensation liability		**318**		(11,579)
		(8,504)		(26,142)
Net change in non-cash working capital balances related to operations (note 13)		**(173)**		(8,402)
Cash used in operating activities		**(11,401)**		(25,012)
INVESTING ACTIVITIES				
Purchase of fixed assets		**—**		(392)
Cash used in investing activities		**—**		(392)
FINANCING ACTIVITIES				
Purchase and cancellation of shares (note 10)		**(560)**		(2,273)
Cash used in financing activities		**(560)**		(2,273)
Net decrease in cash during the period		**(11,961)**		(27,677)
Cash and cash equivalents, beginning of period		**176,978**		145,138
Cash and cash equivalents, end of period (note 13)	**$**	**165,017**	$	117,461
Supplemental cash flow information				
Interest received	**$**	**3,299**	$	4,605
Distributions received	**$**	**803**	$	3,884
Income taxes paid	**$**	**3,468**	$	345
Interest paid	**$**	**174**	$	174

1. NATURE OF OPERATIONS

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 symbol the CVG. The Company, which operates in only one business segment, actively seeks to form mutually beneficial investments with entrepreneurial businesses.

As at June 30, 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 and adoption of new accounting standard

The unaudited interim condensed consolidated financial statements ("financial statements") of Clairvest are prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard 34, *"Interim Financial Reporting"* ("IAS 34").

The accounting policies applied in these unaudited interim condensed consolidated financial statements are based on IFRS as issued by the International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee, all issued and effective as at August 12, 2025, the date the Board of Directors authorized the issuance of these unaudited interim condensed consolidated financial statements.

The disclosures contained in these unaudited interim condensed consolidated financial statements include, in general, only significant changes and transactions occurring since the Company's last year-end and are not fully inclusive of all disclosure requirements of International Financial Reporting Standards for annual financial statements. As a result, the unaudited interim condensed consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements prepared in accordance with IFRS as at and for the year ended March 31, 2025.

The comparative figures indicated in the notes to the unaudited interim condensed consolidated financial statements are as of June 30, 2024 unless otherwise indicated.

The unaudited interim condensed consolidated financial statements have been presented on a historical cost basis, except for certain financial instruments that have been measured at fair value. The unaudited interim condensed 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 ($000's), except where otherwise indicated.

Basis of consolidation

These 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.

(I) 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

(II) 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. These 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 listing above.

(III) 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 7 and 8*. The Company concluded that its ownership interest 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.

Material accounting policies, new standards, interpretations and amendments

The following condensed discussion of material accounting policies, new standards, interpretations and amendments should be read in conjunction with the disclosures presented in the audited consolidated financial statements for the year ended March 31, 2025. Unless otherwise indicated, the Company has consistently applied the following accounting policies throughout all periods presented in these unaudited interim condensed consolidated financial statements, as if these policies had always been in effect.

(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 statement of financial position date and are recognised at amortised cost in accordance with IFRS 9.

(b) 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 on 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 than 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 transactions 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.

(c) 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. 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 statement 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 statement 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.

(d) Stock-based compensation plans

The Company's stock option plans allow for cash settlement of stock options. As the economics to choose cash or shares as settlement is 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.

(e) Entitlements of partners of a limited partnership

The Company consolidates subsidiaries which include various limited partnerships as described in *note 2(I)* 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 unaudited interim condensed 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.

(f) 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 unaudited interim consolidated statement of comprehensive income 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 unaudited interim consolidated statement of financial position and amortized on a straight-line basis over the shorter of the asset's useful life and the lease term.

(g) Critical accounting estimates, assumptions and judgments

The preparation of the unaudited interim condensed 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 quarter:

Determination of investment entity

Judgement 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 16*.

Recognition of carried interest and corresponding expenses

The determination of the Company's unrealized 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 judgement 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 IVs' 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, 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 statement 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 asset 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. CREDIT FACILITIES

As at June 30, 2025 and March 31, 2025, 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 and is eligible for a one-year extension on each anniversary date, bears interest at the bank prime rate plus 1.25% per annum on drawn amounts and a standby rate of 0.70% per annum on undrawn amounts. The prime rate as at June 30, 2025 was 4.95% (March 2025 – 4.95%) per annum. The amount available under the credit facility as at June 30, 2025 and March 31, 2025 was $100.0 million. No amounts had been drawn on the facility during the quarter and as at June 30, 2025.

4. CASH, CASH EQUIVALENTS AND TEMPORARY INVESTMENTS ("TREASURY FUNDS")

Cash equivalents consist of deposits in investment savings accounts which have maturities of less than 90 days from the date of acquisition and are carried at fair value. As at June 30, 2025, the pre-tax weighted average yield of Clairvest's cash and cash equivalents was 3.4% (March 2025 – 3.8%) per annum. Fair value changes of cash and cash equivalents are included in net investment gain as described in *note 5.*

As at June 30, 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. Guaranteed investment certificates have maturities greater than 90 days from the date of acquisition and through to April 2027. The pre-tax weighted average yield of Clairvest's temporary investments was 6.4% (March 2025 – 7.1%) per annum. The composition of Clairvest's temporary investments, based on their fair values, were as follows:

	June 30, 2025			March 31, 2025
$000's	**Due in 1 year or less**	**Due after 1 year**	**Total**	Total
Marketable securities	**—**	**52,331**	**52,331**	46,130
Guaranteed investment certificates	**16,415**	**8,136**	**24,551**	22,220
Term loans	**—**	**34,608**	**34,608**	35,832
Limited recourse capital notes	**—**	**10,948**	**10,948**	11,011
Other fixed income securities	**—**	**—**	**—**	3,557
Total	**16,415**	**106,023**	**122,438**	118,750

Net investment gain (loss) on temporary investments for the quarters ended June 30, 2025 and 2024 comprised the following:

	Quarter ended June 30	
$000's	**2025**	2024
Marketable securities	**6,238**	(5,429)
Term loans	**—**	(676)
	6,238	(6,105)

Additionally, Clairvest's acquisition entities held $64.2 million (March 2025 – $85.9 million) in cash and cash equivalents and $80.0 million (March 2025 – $76.4 million) in temporary investments as described in *note 6*.

5. NET INVESTMENT GAIN

Net investment gain for the quarters ended June 30, 2025 and 2024 comprised the following:

$000's	Quarter ended June 30 2025	2024
Net investment gain on investee companies	**17,365**	23,468
Net investment gain on the fair value revaluation of acquisition entities	**9,807**	541
Net investment gain on corporate investments	**27,172**	24,009
Net investment gain (loss) on temporary investments	**6,238**	(6,105)
Net change in unrealized gain	**33,410**	17,904
Carried interest from Clairvest Equity Partners V, VI and VII	**8,317**	8,229
Management participation from Clairvest Equity Partners V, VI and VII	**(5,745)**	(6,021)
	35,982	20,112

6. 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 which are not part of the consolidated group:

	June 30 2025			March 31, 2025		
$000's	**Investee companies**	**Acquisition entity net assets (liabilities)**	**Total**	Investee companies	Acquisition entity net assets (liabilities)	Total
Held directly by Clairvest Group Inc.	**3**	**—**	**3**	306	—	306
Held through the following acquisition entities						
2141788 Ontario [(1)]	**40,444**	**123,918**	**164,362**	35,915	126,784	162,699
CVG Invest [(2)]	**—**	**24,007**	**24,007**	—	24,139	24,139
CEP III Co-Invest	**—**	**1,740**	**1,740**	—	636	636
MIP III	**—**	**(41)**	**(41)**	—	(36)	(36)
CEP IV Co-Invest	**152,773**	**(2,979)**	**149,794**	154,637	(4,395)	150,242
MIP IV	**2,094**	**(51)**	**2,043**	2,119	(43)	2,076
CEP V Co-Invest	**191,004**	**(16,431)**	**174,573**	191,203	(20,533)	170,670
Clairvest GP V	**17,061**	**44,881**	**61,942**	17,078	43,343	60,421
MIP V	**4,094**	**(31)**	**4,063**	4,098	(24)	4,074
CEP VI Co-Invest	**313,470**	**(25,410)**	**288,060**	305,048	(15,602)	289,446
Clairvest SLP VI	**38,808**	**26,489**	**65,297**	37,766	24,297	62,063
MIP VI	**4,965**	**(15)**	**4,950**	4,832	(10)	4,822
CEP VII Co-Invest	**25,841**	**(1,968)**	**23,873**	4,210	(2,346)	1,864
Clairvest SLP VII	**2,720**	**(8)**	**2,712**	1,398	(9)	1,389
MIP VII	**7,617**	**87**	**7,704**	2,796	5,250	8,046
Total	**800,894**	**174,188**	**975,082**	761,406	181,451	942,857

(1) 2141788 Ontario is a wholly owned acquisition entity of Clairvest and is a limited partner of CEP III Co-Invest, CEP V Co-Invest, and CEP VII Co-Invest.

(2) CVG Invest is a wholly owned acquisition entity of Clairvest which holds certain marketable securities.

Clairvest's relationship 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, and CEP VI Co-Invest, Clairvest SLP VI and MIP VI, and CEP VII Co-Invest, Clairvest SLP VI and MIP VII are described in *notes 11(a), 11(b), 11(c), 11(d) and 11(e)*.

During the first quarter of fiscal 2026, Clairvest received a return of capital of $4.7 million from CVG Invest.

Also during the first quarter of fiscal 2026, Clairvest made investments totalling US$16.0 million (C$22.2 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$8.0 million (C$11.1 million) in CEP VII Co-Invest. The funds were used by CEP VII Co-Invest to acquire ownership interests in NCS Engineers and Beneficial Reuse Management as described below.

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.

$000's	June 30 2025	March 31 2025
Assets		
Cash and cash equivalents	**64,194**	85,850
Temporary investments	**79,956**	76,385
Accounts receivable and other assets	**6,071**	572
Derivative instruments	**15**	—
Income taxes recoverable	**588**	181
Carried interest from Clairvest Equity Partners V, VI and VII	**150,214**	141,897
Loans receivable	**7,676**	2,994
	308,714	307,879
Liabilities		
Accounts payable and accrued liabilities	**5,384**	5,972
Derivative instruments	**259**	1,876
Income taxes payable	**12**	1,317
Management participation from Clairvest Equity Partners V, VI and VII	**111,202**	105,457
Loans payable	**15,834**	8,976
Deferred income tax liability	**1,835**	2,830
	134,526	126,428
Net assets	**174,188**	181,451

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

	June 30, 2025			March 31, 2025		
$000's	**Fair value**	**Cost**	**Difference**	Fair value	Cost	Difference
Aerospace, defense and government services	**160,382**	**104,611**	**55,771**	161,443	104,611	56,832
Co-packing	**19,708**	**17,106**	**2,602**	18,127	17,106	1,021
Environmental	**59,322**	**63,128**	**(3,806)**	26,735	29,992	(3,257)
Gaming	**368,371**	**121,712**	**246,659**	369,805	121,712	248,093
Insurance services	**53,205**	**36,336**	**16,869**	41,126	26,730	14,396
Life science services	**3,113**	**9,900**	**(6,787)**	3,251	9,900	(6,649)
Medical practice management	**63,844**	**36,872**	**26,972**	67,397	36,872	30,525
Renewable energy	**49,718**	**52,213**	**(2,495)**	51,517	52,213	(696)
Technology services	**18,213**	**13,130**	**5,083**	16,414	13,130	3,284
Other investments	**5,018**	**2,199**	**2,819**	5,591	2,199	3,392
	800,894	**457,207**	**343,687**	761,406	414,465	346,941

During the first quarter of fiscal 2026, the aggregate fair value of Clairvest's investee companies increased by $39.5 million, comprised primarily $42.7 million in new and follow-on investments and $26.6 million in net unrealized gain in investee companies, net of $28.9 million of loss in foreign exchange revaluations before consideration of the foreign exchange hedging program and $0.9 million in provision of previously accrued interest on debt investments net of accruals. The cost and fair value of investee companies do not reflect foreign exchange gains or losses on these foreign exchange forward contracts (refer to *note 14*). For those investments which were 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 significant events of the investee companies, other than with respect to valuation changes and foreign exchange adjustments, are described below.

During the first quarter of fiscal 2026, CEP VI Co-Invest, together with CEP VI, CEP VI-A and CEP VI-B, made a follow-on investment of $35.5 million and purchased common shares from existing shareholders of Acera Insurance. CEP VI Co-Invest's portion of the investment was $9.6 million for 6,176,818 common shares. As at June 30, 2025, CEP VI Co-Invest held 27,058,823 Class A convertible preferred shares and 6,176,818 common shares, which together represent a 6.9% ownership interest on a fully diluted basis.

During the first quarter of fiscal 2026, 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 company.

Also during the first quarter of fiscal 2026, 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.

The following table summarizes, by industry concentration, the net investment gain or loss on investee companies for the quarters ended June 30, 2025 and 2024. The net investment gain or loss is inclusive of the impact on the foreign exchange hedging activities related to these investments.

Quarter ended June 30	**2025**				**2024**
$000's	**Net realized gains**	**Net unrealized gains (losses)**	**Foreign exchange gains (losses)[(1)]**	**Total**	**Total**
Aerospace, defense and government services	—	—	**(254)**	**(254)**	3,635
Co-packing	—	**1,581**	—	**1,581**	—
Environmental	**(74)**	**1,481**	**(303)**	**1,104**	22,534
Equipment rental	—	—	—	—	3,694
Gaming	—	**18,862**	**(7,884)**	**10,978**	(2,363)
Insurance services	—	**2,473**	—	**2,473**	964
Life science services	—	—	**(17)**	**(17)**	(4,631)
Medical practice management	—	**(104)**	**(406)**	**(510)**	4,266
Renewable energy	—	**839**	**(233)**	**606**	(3,700)
Technology services	—	**1,799**	—	**1,799**	(952)
Other investments	—	**(303)**	**(92)**	**(395)**	21
Net investment gain (loss) on investee companies	**(74)**	**26,628**	**(9,189)**	**17,365**	23,468

(1) Inclusive of foreign exchange hedging activities

The Company and its acquisition entities enters 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 the first quarter of fiscal 2026, the net impact of foreign exchange on the investee companies after consideration of foreign exchange hedging activities included a foreign exchange loss of $6.9 million (2025 – gain of $1.3 million) on the Indian Rupee denominated investment and a loss of $2.3 million (2025 – $1.0 million) on U.S. Dollar denominated investments.

7. GENERAL PARTNER PRIORITY DISTRIBUTIONS AND MANAGEMENT FEES

Clairvest derives revenue from its investment management services provided to the CEP Funds in the form of general partner priority distributions or management fees. The priority distributions and management fees are charged 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.

For the quarters ended June 30, 2025 and 2024, Clairvest recorded general partner priority distributions and management fees from the CEP Funds as follows:

Priority Distributions

$000's	**2025**	2024
CEP III	**—**	25
CEP IV	**302**	339
CEP V and CEP V India	**362**	488
CEP VI	**138**	755
CEP VII	**1,866**	1,863
	2,668	3,470

Management Fees

$000's	**2025**	2024
CEP IV-A and related entities	**428**	434
CEP V-A	**80**	109
CEP VI-A	**193**	1,055
CEP VI-B	**123**	672
CEP VII-A	**1,835**	1,832
CEP VII-B	**2,460**	2,457
	5,119	6,559

8. 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. On 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.

As described in *note 2(e)*, 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 the quarters ended June 30, 2025 and 2024 comprised the following:

$000's	**2025**	2024
Net change in unrealized carried interest (note 10)	**(595)**	2,124
	(595)	2,124

The following tables detail the carried interest received from Clairvest Equity Partners III and IV and management participation paid for the quarters ended June 30, 2025 and 2024 and the corresponding receivable and payable balances as at the respective condensed consolidated statement of financial position dates:

$000's	Realized carried interest received during Quarter ended June 30 2025	2024	Unrealized carried interest, as at June 30 2025	March 31 2025
CEP IV and related entities	—	—	**42,443**	42,912
CEP IV-A	—	—	**5,479**	5,605
	—	—	**47,922**	48,517

$000's	Management participation paid during Quarter ended June 30 2025	2024	Management participation payable, as at June 30 2025	March 31 2025
CEP IV and related entities	—	—	**22,237**	22,495
CEP IV-A	—	—	**2,840**	2,909
CEP IV Co-Invest	—	—	**12,263**	12,314
	—	—	**37,340**	37,718

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 as described in *note 5*. Carried interest from Clairvest Equity Partners V, VI and VII for the quarters ended June 30, 2025 and 2024 comprised the following:

$000's	Quarter ended June 30 2025	2024
Net change in unrealized carried interest	**8,317**	8,229
	8,317	8,229

The following table details the carried interest receivable from Clairvest Equity Partners V, VI and VII and management participation paid for the quarters ended June 30, 2025 and 2024 and the corresponding receivable and payable balances as at the respective condensed consolidated statements of financial position dates, which have been included in corporate investments:

$000's	Realized carried interest received during Quarter ended June 30 2025	2024	Unrealized carried interest, as at June 30 2025	March 31 2025
CEP V and CEP V India	—	—	**75,603**	72,278
CEP V-A	—	—	**15,727**	15,604
CEP VI	—	—	**17,585**	16,098
CEP VI-A	—	—	**25,296**	23,222
CEP VI-B	—	—	**16,003**	14,695
	—	—	**150,214**	141,897

$000's	Management participation paid during Quarter ended June 30 2025	2024	Management participation payable, as at June 30 2025	March 31 2025
CEP V and CEP V India	—	—	**38,420**	36,592
CEP V-A	—	—	**8,051**	7,983
CEP VI	—	—	**9,672**	8,854
CEP VI-A	—	—	**13,913**	12,772
CEP VI-B	—	—	**8,801**	8,082
CEP V Co-Invest	—	—	**20,792**	20,313
CEP VI Co-Invest	—	—	**11,553**	10,861
	—	—	**111,202**	105,457

9. FIXED ASSETS

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

$000's	Aircraft[1]	IT equipment	Furniture, fixtures and equipment	Leasehold improvements	Right-of-use asset[2]	Total
As at June 30, 2025						
Cost	**7,395**	**16**	**526**	**1,898**	**10,237**	**20,072**
Accumulated amortization	**(4,625)**	**(16)**	**(337)**	**(801)**	**(2,950)**	**(8,729)**
Net book amount	**2,770**	**—**	**189**	**1,097**	**7,287**	**11,343**
As at March 31, 2025						
Cost	7,395	16	526	1,898	10,237	20,072
Accumulated amortization	(4,418)	(16)	(326)	(776)	(2,816)	(8,352)
Net book amount	2,977	—	200	1,122	7,421	11,720

(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) As a result of adopting *IFRS 16: Leases*, Clairvest included an 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 $4.6 million due after five years. Refer to *note 15(e)* for further details.

10. SHARE CAPITAL

The Company has a normal course issuer bid ("NCIB") outstanding enabling it to make purchases of up to 718,192 common shares in the 12-month period ending March 9, 2026. During the first quarter of fiscal 2026, the Company purchased and cancelled 8,100 common shares under the NCIB for an aggregate cost of $0.6 million.

As at June 30, 2025, 14,165,531 (March 2025 – 14,173,631) common shares were outstanding.

The Board of Directors of the Company had authorized the creation of Non-Voting Series 2 Shares ("Non-Voting Shares") which have a two times preference over the common shares. The Non-Voting Shares were authorized as part of the stock option program as described in *note 12*. No Non-Voting Shares had been issued as at June 30, 2025.

11. RELATED PARTY TRANSACTIONS

(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. As at June 30, 2025, CEP III Co-Invest has disposed of all of its investments.

(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 (March 2025 – $10.3 million) of which remained unfunded as at June 30, 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 June 30, 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. No distribution was made from MIP IV to Clairvest during the first quarter of fiscal 2026. As at June 30, 2025, $6.4 million (March 2025 – $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 (March 2025 – $35.8 million) of which remained unfunded as at June 30, 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. As at June 30, 2025, MIP V had invested $2.4 million in CEP V Co-Invest. Clairvest, as the general partner of MIP V, is entitled to participate in distributions equal to the realizable value on the $2.4 million invested by MIP V in CEP V Co-Invest. No distribution was made from MIP V to Clairvest during the first quarter of fiscal 2026. As at June 30, 2025, $3.6 million (March 2025 – $3.6 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$313.8 million), US$53.7 million (C$73.3 million) (March 2025 – US$53.7 million (C$77.2 million)) of which remained unfunded as at June 30, 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 June 30, 2025, MIP VI had invested US$2.6 million in CEP VI Co-Invest. Clairvest, as the general partner of MIP VI, is entitled to participate in distributions equal to the realizable value on the US$2.6 million to be invested by MIP VI in CEP VI Co-Invest. No distribution was made from MIP VI to Clairvest during the first quarter of fiscal 2026. As at June 30, 2025, $0.7 million (March 2025 – $0.7 million) in capital distribution had been received by Clairvest.

(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$409.3 million), US$268.5 million (C$366.3 million) (March 2025 – US$292.5 million (C$420.5 million)) of which remained unfunded as at June 30, 2025. CEP VII 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 distribution had been made by MIP VII to Clairvest as at June 30, 2025.

(f) Changes to loans receivable for the quarter ended June 30, 2025 were as follows:

$000's	April 1 2025	Net Loans advanced (repaid)	June 30 2025
CEP V(1)	**2,641**	**(2,641)**	—
CEP VI(1)	—	**5,539**	**5,539**
CEP VI-A(1)	—	**7,751**	**7,751**
CEP VI-B(1)	—	**4,929**	**4,929**
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)	**3,500**	—	**3,500**
CEP V Co-Invest(2)	**1,569**	**(1,569)**	—
CEP VI Co-Invest(2)	**3,907**	**8,427**	**12,334**
	42,942	**(8,889)**	**34,053**

(1) Loans advanced bear interest at the Reference Rate in accordance with the Limited Partnership Agreement. Interest of $0.7 million (2025 – $0.6 million) was earned from loans advanced to these counterparties during the first quarter of fiscal 2026.

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

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

$000's	June 30 2025	March 31 2025
Clairvest's investee companies	**8,846**	8,174
CEP IV	**3**	25
CEP IV-A	**175**	136
CEP V	**7**	446
CEP V India	**2,519**	2,340
CEP V-A	**29**	—
CEP VI[1]	**5,162**	5,164
CEP VI-A[1]	**6,429**	6,567
CEP VI-B[1]	**4,185**	4,204
CEP VII[1]	**12,753**	11,800
CEP VII-A[1]	**11,371**	10,647
CEP VII-B[1]	**15,230**	14,211
	66,709	63,714
Other accounts receivable and prepaid expenses	**6,316**	6,893
Share purchase loans	**7,961**	8,118
	80,986	78,725

(1) U.S Dollar denominated loans converted at the prevailing rate.

Share purchase loans to employees of the Company totalling $8.0 million (March 2025 – $8.1 million) bear interest which is paid annually, have full recourse, and are collateralized by the common shares of the Company purchased by employees with a market value of $10.6 million (March 2025 – $9.5 million). None of these loans were made to key management. Interest of $67 thousand (2025 − $67 thousand) was earned on the loans during the first quarter of fiscal 2026.

(h) During the first quarter of fiscal 2026, Clairvest earned $1.5 million (2025 – $0.9 million) in advisory and other fees from its investee companies.

(i) Clairvest and a related party of Clairvest, through a limited partnership, owns 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 has been included in fixed assets and the liability in accounts payable and accrued liabilities.

12. SHARE-BASED COMPENSATION AND OTHER COMPENSATION PLANS

Options granted under the Non-Voting Option Plan are exercisable for Non-Voting Shares as described in *note 10*. The Non-Voting Option Plan has a cash settlement feature. Options granted under this plan vest at a rate of one-fifth of the grant at the end of each year over a five-year period.

As at June 30, 2025, 605,981 options were outstanding, 278,273 options of which had vested. Clairvest recognizes stock-based compensation expense based upon the fair value of the outstanding stock options as at June 30, 2025 using the Black-Scholes option pricing model with the following assumptions:

As at June 30, 2025

Year of expiry	2030	2029	2028	2027	2026	2025 [3]
# of options granted	**65,799**	**122,023**	**73,688**	**165,753**	**291,867**	**98,338**
# of options exercised	**—**	**374**	**1,675**	**10,210**	**56,566**	**84,243**
# of options forfeited	**—**	**1,498**	**6,701**	**14,044**	**22,081**	**14,095**
# of options outstanding	**65,799**	**120,151**	**65,312**	**141,499**	**213,220**	**—**
# of options vested	**—**	**24,023**	**26,021**	**84,891**	**143,338**	**—**
Option price[1]	**176.60**	**158.92**	**161.40**	**152.47**	**133.45**	**N/A**
Black-Scholes assumptions used						
Expected volatility	**15 %**	**15 %**	**15 %**	**15 %**	**15 %**	**N/A**
Expected forfeiture rate	**5 %**	**5 %**	**5 %**	**5 %**	**5 %**	**N/A**
Expected dividend yield	**0.15 %**	**0.15 %**	**0.15 %**	**0.15 %**	**0.15 %**	**N/A**
Risk-free interest rate	**2.77 %**	**2.67 %**	**2.58 %**	**2.50 %**	**2.50 %**	**N/A**
Expected life (years)	**5.00**	**4.00**	**3.00**	**2.00**	**1.00**	**N/A**
Liability using Black-Scholes ($'000s)[2]	**—**	**1,184**	**776**	**2,046**	**4,935**	**3,811**

(1) Based on two times the 5-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 June 30, 2025 was $77.50 (TSX: CVG).

(3) These options have been exercised and the liability was settled subsequent to quarter end.

As at June 30, 2025, $12.8 million (March 2025 – $8.2 million) had been accrued and included in share-based compensation liability under the Company's Non-Voting Option Plan.

The Company has an Employee Deferred Share Units ("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. As at June 30, 2025, 237,385 EDSUs (March 2025 – 237,385 EDSUs) were outstanding. Accordingly, an accrual of $18.2 million (March 2025 – $16.6 million) had been included in share-based compensation liability. During the first quarter of fiscal 2026, Clairvest recognized an expense of $1.6 million (2025 – expense recovery of $0.6 million) with respect to EDSUs.

As at June 30, 2025, a total of 235,326 (March 2025 – 211,890) BVARs were held by an employee of Clairvest, the accrual in respect of which was $9.2 million (March 2025 – $7.4 million) and had been included in share-based compensation liability, and a further $1.6 million (March 2025 – $2.9 million) not accrued as those BVARs had not vested.

During the first quarter of fiscal 2026, the Company granted 4,497 DSUs to its directors such that as at June 30, 2025, a total of 152,688 (March 2025 – 148,191) DSUs were held by directors of the Company, the accrual in respect of which was $13.1 million (March 2025 – $11.5 million) and has been included in share-based compensation liability. For the quarter ended June 30, 2025, Clairvest recognized an expense of $1.5 million (2025 – expense recovery of $0.4 million) with respect to DSUs.

As at June 30, 2025, 164,286 (March 2025 – 164,286) ADSUs were held by directors of the Company, the accrual in respect of which was $6.6 million (March 2025 – $5.4 million) and has been included in share-based compensation liability.

As at June 30, 2025, compensation payable to the directors of Clairvest included $0.5 million (March 2025 – $0.3 million) under the Non-Voting Option Plan.

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, who are entitled to various discretionary cash bonuses and share-based compensation. Aggregate compensation paid to the CEO and the President for the quarters ended June 30, 2025 was $0.4 million (2024 – $1.9 million). As at June 30, 2025, the aggregate compensation payable to the CEO and the President was $18.3 million (March 2025 – $15.8 million).

13. CONSOLIDATED STATEMENTS OF CASH FLOWS

Net change in non-cash working capital balances related to operations for the quarters ended June 30 are detailed as follows:

$000's	**2025**	**2024**
Accounts receivable and other assets	**(2,261)**	(8,482)
Income taxes recoverable	**(600)**	(259)
Accounts payable and accrued liabilities, excluding lease liability recognized	**3,593**	(2,111)
Income taxes payable	**(2,485)**	—
Accrued compensation expense	**1,580**	2,450
	(173)	(8,402)

Cash and cash equivalents at the statement of financial position dates comprised the following:

$000's	**June 30 2025**	March 31 2025
Cash	**161,676**	173,314
Cash equivalents	**3,341**	3,664
	165,017	176,978

14. DERIVATIVE INTRUMENTS

The Company and its acquisition entities enter foreign exchange forward contracts as economic hedges against the fair value of its foreign-denominated investments and loans in accordance with its foreign exchange hedging policy. During the first quarter of fiscal 2026, the Company paid costs totalling $1.4 million (2025 – $0.9 million) on the settlement of realized foreign exchange forward contracts.

As at June 30, 2025, Clairvest had entered foreign exchange forward contracts as hedges against its foreign-denominated investments and loans as follows:

Foreign exchange forward contracts to sell US$285.8 million (March 2025 – US$249.3 million) at an average rate of Canadian $1.3599 per U.S. Dollar (March 2025 – average rate of C$1.3568) through to July 2026. The fair value of the forward contracts as at June 30, 2025 was a gain of $0.8 million (March 2025 – loss of $18.1 million).

The fair value of foreign exchange forward contracts entered by the Company's acquisition entities to hedge against foreign-denominated investee companies had 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 are described in *note 6 and 16* 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 June 30, 2025 and March 31, 2025.

15. CONTINGENCIES, COMMITMENTS AND GUARANTEES

In addition to the co-investment commitments described in *note 11*, the Company had the following contingencies, commitments, and guarantees:

(a) 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 June 30, 2025, the Realized Amount under the Bonus Program was $4.9 million (March 2025 – $4.9 million) and had been accrued under accrued compensation expense liability. The Realized Amount was paid subsequent to quarter end.

Clairvest had recorded a liability equal to a bonus of 10% of the after-tax cash income and realizations which are applicable but which have yet to be realized as at March 31, 2022. The Incentive 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. Accordingly, the remaining accrued compensation expense liability as at June 30, 2025 which would only be payable to management when the corresponding realization events have occurred was $4.5 million (March 2025 − $4.5 million).

(b) 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 they 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 the CEP VI Fund.

(c) 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.

(d) 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 June 30, 2025, this commitment has been fulfilled.

(e) As at June 30, 2025, the Company had an accrued liability resulting from future minimum annual lease payments for the use of office space as follows:

Lease liability, April 1, 2025	**7,421**
Payments applied during the period	**(134)**
Lease liability, June 30, 2025	**7,287**

(1) As at June 30, 2025, the incremental borrowing rate was prime plus 1.25% per annum.

(f) 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, and tax disputes, 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, we do not expect these matters, individually or in aggregate, to have a material adverse effect on our financial statements.

16. 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 17*.

The Company's corporate investment portfolio was diversified across 23 investee companies in 9 industries as at June 30, 2025. Concentration risk by industry and by jurisdiction, was as follows:

$000's	June 30, 2025 Canada	United States	India	Total	March 31, 2025 Canada	United States	India	Total
Aerospace, defense and government services	**141,520**	**18,862**	**—**	**160,382**	141,594	19,849	—	161,443
Co-packing	**19,708**	**—**	**—**	**19,708**	18,127	—	—	18,127
Environmental	**—**	**59,322**	**—**	**59,322**	—	26,735	—	26,735
Gaming	**—**	**247,500**	**120,871**	**368,371**	—	242,020	127,785	369,805
Insurance services	**53,205**	**—**	**—**	**53,205**	41,126	—	—	41,126
Life science services	**—**	**3,113**	**—**	**3,113**	—	3,251	—	3,251
Medical practice management	**—**	**63,844**	**—**	**63,844**	—	67,397	—	67,397
Renewable energy	**—**	**49,718**	**—**	**49,718**	—	51,517	—	51,517
Technology services	**18,213**	**—**	**—**	**18,213**	16,414	—	—	16,414
Other investments	**3**	**5,015**	**—**	**5,018**	306	5,285	—	5,591
Total	**232,649**	**447,374**	**120,871**	**800,894**	217,567	416,054	127,785	761,406

Additionally, the Company has fair value risk on its temporary investments as it holds marketable securities in its treasury portfolio. The Company has considered current economic events and indicators in the valuation of its investee companies and its temporary investments.

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 June 30, 2025, $162.7 million (March 2025 – $175.6 million) of the Company's treasury funds are held in accounts which pay interest commensurate with prime rate changes, and $24.6 million (March 2025 – $22.2 million) of the Company's treasury funds are in guaranteed investment certificates with an average remaining duration of 0.8 years (March 2025 – 0.7 years). If interest rates were higher or lower by 1.00% per annum, and assuming the renewal rates of these guaranteed investment certificates were commensurate with prime rate changes, the potential effect would have been an increase or a decrease of $0.4 million (June 2025 – $0.3 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 17*.

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 Clairvest Equity Partners VI and 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 June 30, 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 interim condensed consolidated statement of financial position date 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.

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 companies and in turn the Company's fair value of these corporate investments. 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 quarter ended June 30, 2025, there were no material income effects on changes of credit risk on financial assets. The carrying values of financial assets subject to credit exposure as at June 30, 2025 and March 31, 2025, net of any allowances for credit losses, were as follows:

	June 30, 2025			March 31, 2025		
$000's	**Clairvest**	**Acquisition entities**	**Total**	**Clairvest**	**Acquisition entities**	**Total**
Financial Assets						
Cash and cash equivalents	**165,017**	**64,194**	**229,211**	176,978	85,850	262,828
Temporary investments	**70,107**	**55,949**	**126,056**	72,620	53,189	125,809
Accounts receivable(1)	**75,743**	**6,071**	**81,814**	72,905	572	73,477
Loans receivable(2)	**18,219**	**7,676**	**25,895**	33,966	2,994	36,960
Derivative instruments	**823**	**15**	**838**	—	—	—
Corporate investments(3)	**—**	**31,332**	**31,332**	—	33,042	33,042
	329,909	**165,237**	**495,146**	356,469	175,647	532,116

(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 receivables and loan receivables, 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 condition 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 June 30, 2025, the Company and the Company's acquisition entities held derivative instruments which had net mark-to-market gain of $0.6 million (March 2025 – loss of $20.0 million). The Company believes the counterparty risk with respect to its and its acquisition entities' derivative instruments is minimal.

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 these policies 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:

$000's	June 30, 2025 Clairvest	Acquisition entities	Total	March 31, 2025 Clairvest	Acquisition entities	Total
Cash and restricted cash	**161,632**	**64,194**	**225,826**	173,291	84,946	258,237
Money market savings accounts						
AA	**3,341**	**—**	**3,341**	3,664	904	4,568
A	**44**	**—**	**44**	23	—	23
Guaranteed investment certificates and investment savings accounts						
AA	**18,579**	**26,817**	**45,396**	16,335	26,454	42,789
AA-	**5,865**	**—**	**5,865**	5,779	—	5,779
Not rated	**107**	**214**	**321**	105	211	316
Limited recourse capital notes						
A	**6,033**	**—**	**6,033**	6,047	—	6,047
A-	**2,014**	**2,010**	**4,024**	2,034	2,029	4,063
BBB+	**2,008**	**1,004**	**3,012**	2,028	1,014	3,042
BBB-	**893**	**893**	**1,786**	903	903	1,806
Term loans						
Not rated	**34,608**	**—**	**34,608**	39,389	—	39,389
Other fixed income securities						
Not rated[(1)]	**—**	**25,011**	**25,011**	—	22,578	22,578
Total cash, cash equivalents, restricted cash and fixed income securities	**235,124**	**120,143**	**355,267**	249,598	139,039	388,637

(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 are described in *note 14*. 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 Incentive 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 were $485.8 million as at June 30, 2025 (March 2025 − $543.9 million). 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.

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 credit facility which was undrawn as at June 30, 2025.

As at June 30, 2025, Clairvest had treasury funds, inclusive of those held at acquisition entities, of $431.6 million (March 2025 – $457.9 million) and access to $100.0 million (March 2025 – $100.0 million) in credit to support its current and anticipated corporate investments. Clairvest also had access to $1.3 billion (March 2025 – $1.5 billion) in uncalled committed third-party capital through the CEP Funds as at June 30, 2025 to invest along with Clairvest's capital.

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

Cash, cash equivalents, temporary investments, corporate investments, and derivative instruments are carried at fair value in accordance with the Company's accounting policy as described in *note 2(b)*. All other financial instruments, including receivables and payables, were 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.

The following table details the financial instruments measured at fair value classified by the fair value hierarchy:

$000's	**June 30, 2025**				March 31, 2025
	Fair value measurements using			**Assets / liabilities at fair value**	Assets / liabilities at fair value
	Level 1	**Level 2**	**Level 3**		
Financial assets					
Cash equivalents					
Investment savings accounts	**3,341**	**—**	**—**	**3,341**	3,664
	3,341	**—**	**—**	**3,341**	3,664
Temporary investments					
Guaranteed investment certificates	**—**	**24,551**	**—**	**24,551**	22,220
Corporate bonds	**—**	**34,608**	**—**	**34,608**	35,832
Marketable securities	**52,331**	**—**	**—**	**52,331**	46,130
Limited recourse capital notes	**—**	**10,948**	**—**	**10,948**	11,011
Other fixed income securities	**—**	**—**	**—**	**—**	3,557
	52,331	**70,107**	**—**	**122,438**	118,750
Derivative instruments	**—**	**823**	**—**	**823**	—
Corporate investments	**83,045**	**265**	**891,772**	**975,082**	942,857
	138,717	**71,195**	**891,772**	**1,101,684**	1,065,271

For financial instruments which are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing 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 fair value hierarchy are deemed to have occurred at the date of event.

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

The following table details the changes in fair value measurements for instruments included in level 3 of the fair value hierarchy set out in IFRS 13:

$000's	Fair value April 1, 2025	Net investment gain included in earnings	Purchases of assets / issuances of liabilities	Sales of assets / settlements of liabilities	Fair value June 30, 2025
	For the quarter ended June 30, 2025				
Financial assets					
Other fixed income securities	**3,557**	**—**	**—**	**(3,557)**	**—**
Corporate investments	**868,557**	**4,326**	**23,578**	**(4,689)**	**891,772**
	872,114	**4,326**	**23,578**	**(8,246)**	**891,772**

(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 reasonable 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 (as described in *note 6*) for which the fair values have been estimated based on assumptions that are not supported by observable inputs. The following tables details quantitative information on the primary valuation techniques and unobservable inputs based on the form of investment:

June 30, 2025	Valuation techniques	Significant unobservable input	Range
Unquoted equity instruments (including warrants) or partnership units	**Public company comparables**	**EBITDA and earnings multiples**	**3.0x to 14.2x**
		Revenue multiples	**1.2x**
	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 have been an increase of $34.9 million or a decrease of $33.4 million to the carrying value of corporate investments and net investment gain, on a pre-tax basis, for the quarter ended June 30, 2025 (March 2025 – an increase of $34.5 million or a decrease of $33.1 million). For the investee company that was valued using the revenue multiple approach, if the Company had used a revenue multiple for that investee company that was higher or lower by 0.5 times, the potential effect would be an increase of $43.1 million or a decrease of $43.1 million to the carrying value of corporate investments and net investment gains, on a pre-tax basis, for the quarter ended June 30, 2025 (March 2025 – an increase of $43.2 million or a decrease of $43.2 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 discounted cash flow technique. This technique uses observable and unobservable inputs such as discount rates that consider the risk associated with the investment as well as future 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 June 30, 2025 and March 31, 2025.

18. 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 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 June 30, 2025, Clairvest had no external capital requirements, other than as disclosed in *note 15*.

19. 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.

20. COMPARATIVE FINANCIAL STATEMENTS

The comparative consolidated financial statements have been reclassified from statements previously presented to conform to the presentation of the unaudited interim condensed consolidated financial statements.