

Portfolio Managers' Commentary

Markets have fully recovered from April's tariff turmoil. Canadian equities have been particularly strong, outperforming the S&P 500 by c. 4% year-to-date and finishing the first half of the year at all-time highs. In British Pounds, the Fund generated a NAV total return of 2.3% in June, outperforming the Benchmark return of 0.8%.

Canada's economic outlook has improved in recent months, supported by solid labour data, stable growth forecasts and rebounding consumer sentiment. The initial impact of trade tensions has largely faded, with most sectors showing resilience despite ongoing pressure in steel and autos. Consumer sentiment has improved, with the IPSOS Consumer Confidence Index rising from 45.4 in April to 48.8 in June. Labour market conditions are also strengthening, as the economy added 83,100 jobs—the strongest monthly gain in six months. Despite ongoing trade uncertainty, solid economic data supports a constructive operating environment for Canadian companies.

Surging capital markets activity offers another sign that market conditions are healthy. Global M&A saw a strong rebound in the first half of 2025, with aggregate deal value climbing nearly 20% year-over-year to \$1.8 trillion. In Canada, net issuances of equity securities by both private and public Canadian corporations totalled \$85 billion in the first quarter, the highest reading in over five years. We expect the rebound in capital markets activity to continue through the remainder of the year. Canadian banks are positioned to benefit from this trend as their capital markets and trading divisions are direct beneficiaries of elevated dealmaking and fundraising.

Canadian REITs have had a strong first half of the year with the TSX Capped REIT Index generating a total return of 7.6%. Despite the recent move, REIT unit prices remain well below their net asset values and offer more upside potential in the second half of the year. This thesis is being validated by a recent uptick in M&A activity within the Canadian REIT sector. Last month, InterRent, an apartment REIT with a large concentration of assets in Ontario, received a take-out offer from a joint venture involving the company's founder and GIC, a sovereign wealth fund from Singapore who is one of the world's leading private real estate investors. A few weeks later, H&R REIT disclosed that it had received multiple proposals for its diversified \$10.5 billion property portfolio. U.S. private equity funds, including Blackstone and TPG, and several of Canada's largest pension funds are reported to be among the bidders for H&R. As the world's largest and most sophisticated global investors turn their attention toward Canadian REITs, we expect additional transactions to catalyze further upside in REIT share prices.

On 30 June, the first LNG cargo left the LNG Canada facility delivering fuel to Asian buyers. This signals a paradigm shift in energy exports at a time when Canada pursues alternative markets away from the United States. Canada is poised to see the largest increase in natural gas export volumes in its history as LNG Canada marks the first of several projects expected to drive significant demand growth for Canadian natural gas over the coming decade. The start of exports should provide a meaningful boost to pricing and cash flows for leading low-cost producers like Canadian Natural Resources and Tourmaline, both of which are core holdings in the Fund. In addition, the Mark Carney-led federal government is likely to approve the Pathways Alliance carbon capture network, one of the most ambitious initiatives tied to oilsands decarbonization. As a result, Canada looks to be increasingly well-positioned to supply global markets with safe, clean and reliable energy amidst an uncertain geopolitical backdrop.

Click [here](#) for the July Market Commentary on Middlefield Canadian Income PCC's Website.

The percentage of portfolio assets which may be invested in securities listed on a recognized stock exchange outside of Canada is limited to 40%. Investment outside Canada and the United States is limited to 10%.

Nothing herein is to be construed as a solicitation or an offer to buy or sell any financial products. This factsheet is based in part on information obtained from sources believed to be reliable but not guaranteed as accurate. The Fund may utilize gearing, which will exaggerate market movements both down and up. If markets fall, gearing can magnify the negative impact of performance. Exchange rate changes may cause the value of underlying investments to go down as well as up. Where investments are made in smaller companies and non-investment grade bonds, their potential volatility may increase the risk to the value of, and the income from, the investment. The Fund's share price may either be below (at a discount to) or above (at a premium to) the NAV.

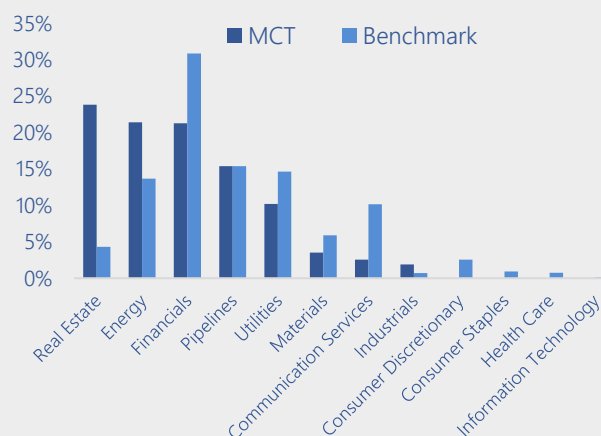
Portfolio Summary

Top 10 Holdings

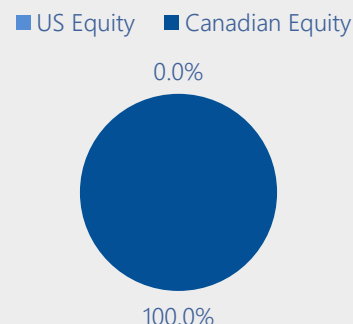
Name	Sector	% of Equities
Canadian Natural Resources	Energy	4.3%
Enbridge	Pipelines	4.3%
Tourmaline	Energy	4.2%
Whitecap Resources	Energy	4.2%
AGF Management	Financials	4.0%
Nutrien	Materials	3.5%
TD Bank	Financials	3.4%
TC Energy	Pipelines	3.3%
RioCan REIT	Real Estate	3.3%
Manulife Financial	Financials	3.0%

Cumulative Weighting 37.6%

Sector Allocation



Geographic Mix



This fact sheet is issued and approved by Middlefield International Limited which is regulated by the FCA. Middlefield Canadian Income PCC is regulated by the Jersey Financial Services Commission.

For further information about the Fund, please contact us at the below address or visit our website at www.middlefield.co.uk

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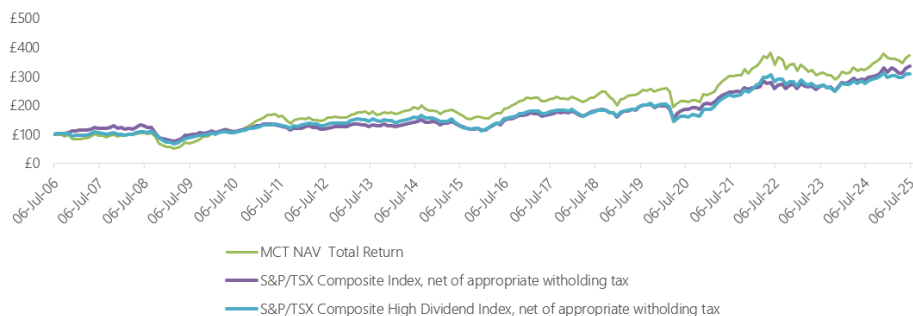
Investment Objective

The Fund seeks to provide Shareholders with a high level of dividends as well as capital growth over the longer term. The Fund intends to pay dividends on a quarterly basis each year.

Investment Policy

The Fund will seek to achieve its investment objective by investing predominantly in the securities of companies and REITs domiciled in Canada as well as the U.S. that the Investment Manager believes will provide an attractive level of distributions together with the prospect for capital growth. It is expected that the Fund's portfolio will generally comprise between 40 and 70 investments. The Fund may also hold cash or cash equivalents and may utilise derivative instruments for the purposes of efficient portfolio management. The Fund will at all times invest and manage its assets in a manner which is consistent with the objective of spreading investment risk.

Performance Since Inception



Fund Performance

Recent Performance	1 Mth	3 Mth	6 Mth	YTD	1 Year
Share Price	1.2%	9.3%	13.9%	13.9%	31.3%
NAV	2.3%	4.7%	2.6%	2.6%	15.8%
Benchmark	0.8%	4.4%	4.3%	4.3%	12.3%
S&P/TSX Composite	1.9%	7.7%	6.0%	6.0%	16.5%

Long-Term Performance	3 Year annualised	5 year annualised	7 year annualised	10 year annualised	Since inception annualised ¹
Share Price	8.0%	15.0%	9.9%	9.1%	7.4%
NAV	3.0%	11.6%	7.2%	8.1%	7.2%
Benchmark	3.2%	13.7%	8.2%	8.7%	6.3%
S&P/TSX Composite	9.1%	12.3%	9.3%	9.9%	6.6%

Sources: Middlefield, Bloomberg. As at 30 June, 2025

Past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested. All price information is indicative only. All returns presented are total returns including the reinvestment of dividends. Fund returns are net of fees and other expenses.

The Fund's Benchmark is the S&P/TSX Composite High Dividend Index. For all Fact Sheets prior to 31 October 2024, the Fund's Benchmark, as well as the S&P/TSX Composite Index, were calculated gross of withholding tax. Beginning 31 October 2024, the Benchmark and the S&P/TSX Composite Index are calculated net of a 15% withholding tax and all period returns have been restated on this basis.

¹The Benchmark's since inception return represents a composite of monthly total returns for the S&P/TSX Income Trust Index from inception on 6 July 2006 to 31 December 2010 and the S&P/TSX Composite High Dividend Index thereafter. The Benchmark is currency adjusted to reflect returns in Canadian dollars (hedged) from inception to 5 Oct 2011 and in British Pounds thereafter.

²Borrowings as a percentage of total assets – the Fund has the power to borrow up to 25% of total assets

³Borrowings as a percentage of net assets – the AIC standard measure of gearing

Company Overview

Middlefield Canadian Income PCC (the "Company") is a Jersey incorporated, protected cell company. The Company's initial cell is Middlefield Canadian Income – GBP PC (the "Fund") whose shares are traded on the London Stock Exchange's main market. The Fund has been designed to invest in a broadly diversified, actively managed portfolio of Canadian and U.S. listed equity income securities.

IA Sector	North America
Year End	31-Dec
Inception	06-Jul-06
LSE Symbol	MCT
ISIN	GB00B15PV034
Benchmark	S&P/TSX Composite High Dividend Index
Dividend Payable	Quarterly (Jan, Apr, Jul, Oct)
Management Fee	0.70% p.a.
Net Assets	£143,288,658
Voting Shares	106,487,250
Share Price	129.00p
Net Asset Value	134.61p
Premium/Discount	-4.2%
Dividend p.a.	5.50p
Current Yield	4.3%
Gearing (Gross) ²	15.6%
Gearing (Net) ³	18.4%

Portfolio Managers



Dean Orrico
President & CEO

Mr Orrico has over 25 years experience in the financial services sector and is currently responsible for overseeing the creation and management of Middlefield's investment funds including mutual funds, ETFs, closed-end funds and flow through funds. He graduated with a Bachelor of Commerce degree from the Rotman School of Management (University of Toronto) and holds an MBA from the Schulich School of Business (York University). Mr Orrico is a registered Portfolio Manager with expertise in both equity and fixed income securities and has spent many years meeting with international companies and investors.



Rob Lauzon
CIO

Mr Lauzon is Middlefield's Chief Investment Officer and has been with the firm since 2002, bringing his acumen to numerous successful Middlefield products. He holds the Chartered Financial Analyst designation as well as an Honours Bachelor of Business Administration (Wilfrid Laurier University) and an MBA from the Rotman School of Management (University of Toronto).

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