Middlefield Canadian Income Trust

Half Yearly Report

30 June 2025

LON: MCT

Focusing on high levels of stable and increasing income together with capital growth, this Fund invests in Canada's highest quality, large capitalisation businesses. Middlefield Limited, the Fund's investment manager, is a private and independent firm located in Toronto, Canada and is regulated by the Ontario Securities Commission.

MCT

Financial Highlights

2025 DIVIDENDS PAID

1.375p per share quarterly

5.5p per share Dividend Guidance for 2025[1]

YIELD

4.3%

SHARE PRICE

129.00p

NAV PER SHARE

134.61p

NET ASSETS

£143.3m

1. *This is a target only and does not constitute, nor should it be interpreted as, a profit forecast.*

Contents

Strategic Report

Corporate Information

Condensed Financial Statements of the Fund (Unaudited)

Condensed Financial Statements of the Company (Unaudited)

Key Information

This Fund invests in larger capitalisation Canadian and U.S. high yield equities with a focus on companies that pay and grow dividends.

Exposure to Key Canadian Themes & Industries

Canadian companies are amongst the world leaders across the real estate, financial, energy and power sectors.

Real Estate

Canada continues to attract global interest in its real estate market, supported by strong population growth, a stable regulatory environment, favourable supply-demand dynamics, and a highly educated workforce. With over 45 years of experience and more than $450M+ in real estate AUM, Middlefield is one of Canada's leading real estate investment managers.

Financials

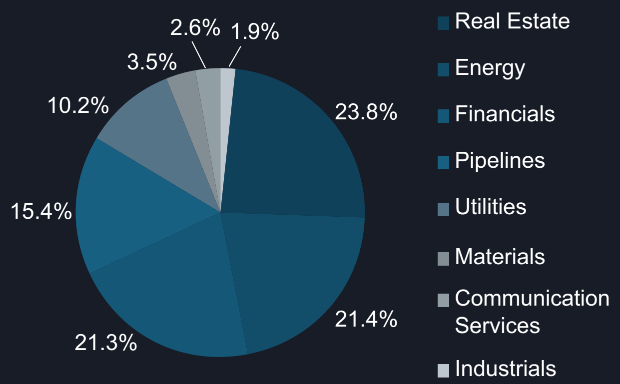
One of the world's most sophisticated and well-capitalised banking systems, Canada's banks are well-positioned to consistently grow their dividends over time. Canadian financials have historically demonstrated less volatility than peers during periods of market uncertainty.

Energy and Power

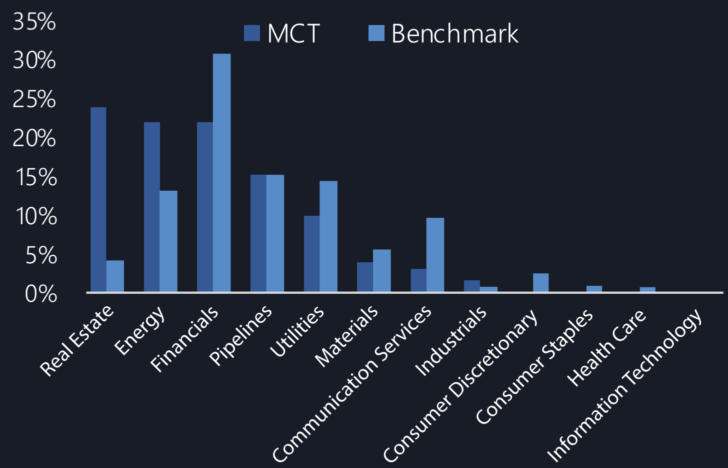
North American energy is expected to play a vital role in energy security and the energy transition over the coming decades. Its domestic power market benefits from an abundance of renewable energy sources and robust demand for electricity driven by growing corporate demand and improving global accessibility.

Key Data as at 30 June 2025

Sector Allocation

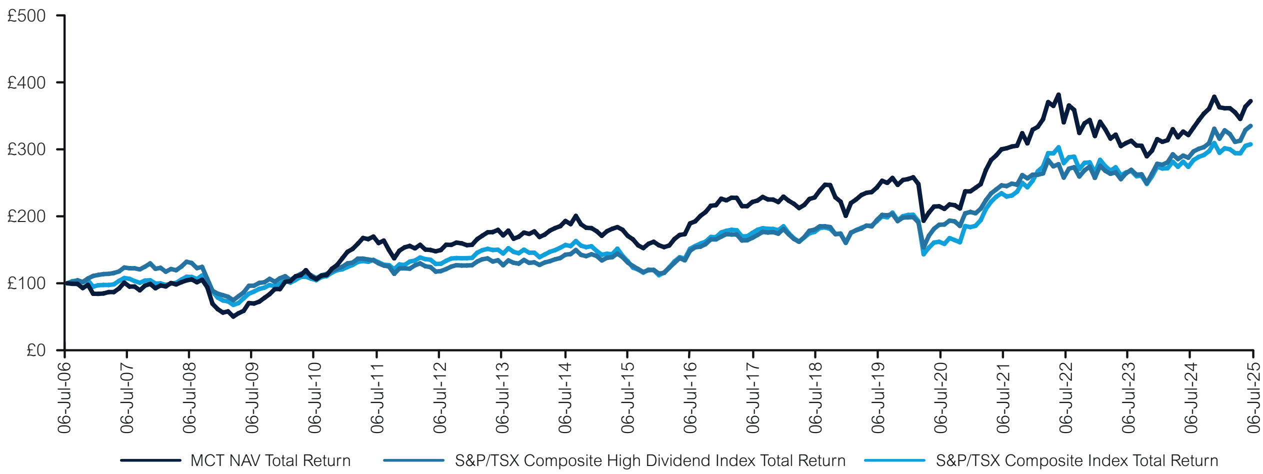


Sector Allocation versus Benchmark



Historical Performance

Performance Since Inception to 30 June 2025



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

Notes:

1. *Net asset value total returns (in Sterling, net of applicable withholding taxes, fees and including the reinvestment of dividends).*
2. *The Fund's benchmark, the S&P/TSX High Dividend Index ("**Benchmark**"), has been currency adjusted to reflect the Canadian Dollar ("**CAD**") returns from inception to October 2011 (while the Fund was CAD hedged) and Sterling ("**GBP**") returns thereafter.*
3. *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.*

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

Long-Term Performance	3 Year annualised	5 year annualised	7 year annualised	10 year annualised	Since inception annualised
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 Index	9.1%	12.3%	9.3%	9.9%	6.6%

Long-Term Performance	3 Year cumulative	5 Year cumulative	7 Year cumulative	10 Year cumulative	Since inception cumulative
Share Price	26.1%	101.6%	93.4%	139.1%	286.0%
NAV	9.3%	73.1%	63.1%	117.9%	272.0%
Benchmark	10.0%	89.8%	73.9%	131.2%	215.3%
S&P/TSX Composite Index	30.0%	78.8%	86.1%	155.9%	235.0%

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.

1. *Total returns including the reinvestment of dividends for all returns. Fund returns are net of fees.*
2. *Composite of monthly total returns for the S&P/TSX Income Trust Index from inception to 31 December 2010 and the S&P/TSX Composite High Dividend Index (formerly named the S&P TSX Equity Income Index) thereafter.*
3. *Currency adjusted to reflect CAD$ returns from inception of MCT to Oct 2011 and GBP returns thereafter since MCT was CAD$ hedged from inception to Oct 2011.*
4. *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.*

Responsibility Statement

We confirm that to the best of our knowledge:

- The half-yearly financial report has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company.
- The Chairman’s Report and Investment Manager’s Interim Report include a fair review of the development, performance and position of the Company and a description of the risks and uncertainties, as disclosed in note 16 to the interim financial statements, that it faces for the next six months, as required by DTR 4.2.7.R of the Disclosure Guidance and Transparency Rules.
- The Investment Manager’s Interim Report and note 13 to the interim financial statements include a fair review of related party transactions and changes therein, as required by DTR 4.2.8.R of the Disclosure Guidance and Transparency Rules.

By order of the Board

Michael Phair
Chairman

Andrew Zychowski
Audit Committee Chair

Date: 18 September 2025


505 GREENWOOD & QUEEN

Chairman's Statement

Michael Phair
Chairman

It is my pleasure to present the Half-Yearly Financial Report for the period ended 30 June 2025 for Middlefield Canadian Income PCC ("MCT" or the "Company") and its closed-ended cell, Middlefield Canadian Income – GBP PC (the "Fund"). The Fund invests primarily in dividend-paying Canadian equities, with the objective of providing shareholders with a high level of dividend as well as capital growth over the longer term.

Investment Performance

Against a backdrop of geopolitical and economic uncertainty in the first half of 2025, the Fund generated total returns of 13.9 per cent on its share price and 2.6 per cent on net assets versus the benchmark total return of 4.3 per cent. Positive stock selection within the financials, energy, and real estate sectors were the biggest positive contributors to performance, whilst the utilities sector was the biggest detractor. Building on a strong 2024, the Fund's recent performance highlights the resilience and attractiveness of high-quality, dividend-paying companies within Canada's core sectors.

Since the start of 2025, the discount to NAV at which the Fund's shares traded narrowed from 13.5 per cent at the start of the year to 4.2 per cent by 30 June 2025. This narrowing in the discount in part reflects the buying activity by Saba Capital Management L.P. ("**Saba**") which first announced a notifiable holding in the Fund's shares in April 2024 and has since announced further increases in its position. Saba's current total interest in the Fund's shares (comprising its direct and indirect exposure) is estimated to be approximately 29 per cent. Recent developments regarding Saba are reported below under "Engagement with Saba".

In addition, the Fund's discount to NAV narrowed appreciably following the announcement by the Fund on 2 May 2025 that it was proposing a voluntary wind up and offering its shareholders either (i) a rollover into a newly established, actively managed, listed and London Stock Exchange traded fund to be managed by Middlefield Limited (the "ETF"); or (ii) an uncapped cash exit at close to the NAV per share; or (iii) a combination of both shares in the ETF and cash. See below under "Engagement with Saba" for more details of these proposals.

Investment Management

The Board has regular contact with the Investment Manager, Middlefield Limited, to discuss portfolio strategy and review its investment approach, gearing and sector allocations. We remain satisfied that the Investment Manager is applying the strategy consistently and professionally and are confident that the Investment Manager's outlook and the Fund's corresponding positioning can deliver competitive performance over time. Middlefield Limited, the Fund's Investment Manager, has over 45 years of investing experience. The Investment Manager uses an actively managed strategy, allowing it to take advantage of market dislocations across Canada and the U.S. The Board remains supportive of the Investment Manager's decision to be substantially invested in Canadian equities, given the high levels of cash flow and dividends that Canadian equities offer and the valuation discounts at which they trade relative to U.S. companies. In Q1 2025, against the backdrop of a falling interest rate environment in Canada and increase in M&A activity within the sector, the Fund increased its exposure in Canadian real estate from c. 19 per cent to c. 24 per cent and real estate remains the most overweight sector in the Fund relative to the benchmark.

Fund Sector Weights Compared to Benchmark as at 30 June 2025

Sector Allocation	MCT	Benchmark	Over/ Underweight
Real Estate	23.8%	4.3%	19.5%
Energy	21.4%	13.7%	7.7%
Financials	21.3%	30.8%	-9.5%
Pipelines	15.4%	15.4%	0.0%
Utilities	10.2%	14.6%	-4.4%
Materials	3.5%	5.9%	-2.4%
Communication Services	2.6%	10.2%	-7.6%
Industrials	1.9%	0.7%	1.2%
Consumer Discretionary	0.0%	2.6%	-2.6%
Consumer Staples	0.0%	0.9%	-0.9%
Health Care	0.0%	0.8%	-0.8%
Information Technology	0.0%	0.1%	-0.1%
Total	**100.0%**	**100.0%**	

Source: Middlefield, Bloomberg

The background to the Fund's performance is explained in depth by Mr Dean Orrico in the Investment Manager's accompanying report.

Shareholder Engagement

The Board and the Investment Manager were actively engaged with shareholders throughout 2025. Both the Board and Investment Manager are committed to maintaining an open dialogue with investors and will continue to engage with them proactively as the Fund moves through the next phase of a strategic transition.

Engagement with Saba

The requisition notice from Saba received by the Fund on 10 February 2025 was for the approval by shareholders of the taking of all necessary steps to implement a scheme or process by which shareholders would become (or have the option to become) shareholders of a UK-listed open-ended investment company (or similar open-ended investment vehicle) implementing a substantially similar strategy to the Fund. Such a scheme or process could entail shareholders rolling into an existing or newly established UK-listed open-ended investment company (or similar open-ended investment vehicle), in either case managed by the Fund's existing investment manager or one of its affiliates.

Following consultation with a number of the Fund's largest shareholders, including Saba, and following constructive discussions, on 21 February 2025, the Fund announced that Saba had agreed to withdraw its requisition notice for a period of 60 days to enable the Fund and its advisers to formulate proposals that were in the best interests of all shareholders.

After considerable discussions with the Fund's largest shareholders and other stakeholders, the Company announced in early May its intention to propose a rollover of the Fund into a newly created, actively managed UCITS ETF, which would be admitted to trading on the London Stock Exchange (the "Transaction"). As part of the Transaction, the Company and Fund would be voluntarily wound up and shareholders would have the options to receive ETF shares, a cash exit at close to NAV, or a combination of both. The new ETF will maintain the Fund's existing investment strategy and be managed by the current Investment Manager, with structuring and ongoing support provided by HANetf, a leading white-label provider of exchange traded products. A circular detailing the Transaction is expected to be sent to shareholders shortly, asking for their approval of the Transaction at class and general meetings intended to be held in late October 2025.

Gearing

The Fund reports its gearing relative to net and total assets in its monthly fact sheet. Gearing relative to total assets was consistent throughout the first half of 2025 at 16 per cent. This compares to the Fund's upper limit of being able to borrow up to 25 per cent of its total assets at the time of drawdown. Net gearing, which represents borrowings as a percentage of net assets, is the AIC's standard measure of gearing. Net gearing at the start of the year was 19.3 per cent and ended the period on 30 June 2025 at 18.4 per cent.

Chairman's Statement continued

The cost of borrowing has continued to come down since the start of 2024, with the Bank of Canada cutting rates by a total of 225 basis points as of June 2025. In order to save on costs and in anticipation of shareholders' approval of the Transaction, the Investment Manager has not renewed any loans as they fell due for repayment post 30 June 2025. The Fund currently has no borrowings, although it intends to remain fully invested up to the date of the implementation of the Transaction.

Earnings and Dividends

In light of the excess earnings generated by the Fund in 2024, together with the prospect of dividend growth from the underlying portfolio, the Board approved a 0.2p increase to the annual dividend target to 5.5p in early 2025. Two quarterly interim dividends each of 1.375p per share were paid on 31 January 2025 and 30 April 2025, representing a 4% increase to quarterly payments made in the previous financial year. A further quarterly dividend of 1.375p was paid on 31 July post the half year end. On 18 September 2025 the Board declared a further interim dividend, which is due to be paid on 15 October 2025. No other dividend will be declared for payment in October 2025. Consistent dividend growth is a core consideration for the Fund's security selection process and factored into the Board's decision to increase the dividend. The Company's earnings per share totalled 2.82p for the six months ended 30 June 2025, reflecting a dividend coverage ratio of 1.03. This compares to dividend coverage ratios of 1.06 in 2024, 1.07 in 2023, and 1.16 in 2022. Higher expenses relative to the prior year were largely attributable to costs associated with Saba's requisition. The dividend coverage ratio is influenced by the cost of borrowing, which is now meaningfully lower following recent Bank of Canada interest rate cuts and currency fluctuations between the British Pound and the Canadian dollar. These figures are targets only and do not constitute, nor should they be interpreted as, a profit forecast. The Board regularly reviews the Fund's dividend coverage and, subject to the legal requirements of the Companies' Law and market conditions, as well as the Fund's earnings, it will continue to consider whether further dividend increases are warranted in the future.

Directors' Remuneration

The directors' remuneration has remained unchanged at £36,000 per annum for the chairman of the Board, £32,000 per annum for the chairman of the Audit Committee and £29,000 per annum for all other directors bar Mr Orrico, who has waived his entitlement for remuneration for acting as a director. The last increase was on 1 July 2023.

Related Party Transactions

The Company's related parties are its directors and the Investment Manager. There were no related party transactions (as defined in the Listing Rules) during the year under review, nor up to the date of this report. Details of the remuneration paid to the directors and the Investment Manager during the period under review are shown in note 13.

Material Events

As disclosed earlier, following ongoing engagement with shareholders and a strategic review process, the Board announced its intention to pursue a rollover of the Fund into an ETF. This decision reflects the Board's objective to enhance long-term value and liquidity for shareholders.

In anticipation of the Transaction being implemented and in order to minimise costs, the existing loans under the credit facility with Royal Bank of Canada have been fully repaid and the Fund currently has no gearing in place.

The Board is not aware of any other material events or transactions between 1 July 2025 and the date of this statement that would have a significant impact on the Fund's financial position.

Company and Fund Annual General Meetings

At each of the Company and Fund Annual General Meetings held on 19 June 2025, all resolutions, relating to both ordinary business and special business were passed. A shareholder circular outlining the full details of the Transaction is expected to be published later in September, with shareholder votes scheduled for October 2025.

Board Composition and Succession Planning

The Board frequently reviews its succession planning strategy and has taken multiple steps in recent years to refresh its composition. We are pleased with the significant progress made to ensure the highest standards of good corporate governance. These steps included the appointment of four new non-executive directors over the past six years: Mr Michael Phair (on 13 June 2019), Ms Kate Anderson (on 12 April 2021), Ms Janine Fraser (on 13 September 2022) and Mr Andrew Zychowski (on 30 June 2023). The Board currently comprises five non-executive directors, of whom four are independent and 40 per cent are female, including the senior independent director.

Contact

Shareholders can write to the Company at its registered office or by email to the Secretary at middlefield.cosec@JTCgroup.com.

Principal Risks and Uncertainties

While discussions between the Board and Saba have been constructive and led to the proposal to roll over the Fund into an ETF structure, uncertainty remains as to whether the necessary level of shareholder approval will be obtained to implement the transaction. The Board remains focused on acting in the best interests of shareholders as a whole and is committed to avoiding further costly or prolonged activist campaigns that could divert attention from the Fund's investment objectives.

The prospect of USMCA negotiations and renewed tariff threats from the U.S. have introduced policy uncertainty for businesses that rely on cross-border trade. This could delay capital investment and M&A activity, ultimately weighing on economic growth and corporate earnings. While Canada's economy remains resilient, prolonged uncertainty may affect sentiment and business confidence.

Inflation has shown signs of moderating in 2025, but any resurgence driven by tariffs or supply shocks could limit central banks' ability to cut interest rates further. Fiscal pressures are also rising, with the U.S. continuing to run a large deficit. Increased government spending, combined with easing monetary policy, has led to concerns over debt sustainability, with increased risk premiums potentially driving volatility across fixed income markets and pressuring credit ratings.

Geopolitical risks persist, notably ongoing conflicts in Ukraine and the Middle East, which continue to disrupt commodity flows and contribute to market volatility. Policy uncertainty from newly elected governments in both Canada and the U.S. added an additional layer of uncertainty recently.

Managing Risks

The Board places strong emphasis on the ongoing assessment and effective oversight of material risks that could impact the Company's ability to meet its investment objectives. The Board prioritises this aspect, guided by its evaluation of the risks inherent in the Company's operations. It oversees the controls implemented by the Board, the Investment Manager and other service providers. These evaluations and oversight activities are documented in the Company's business risk matrix, which remains an effective instrument for identifying and tracking risks.

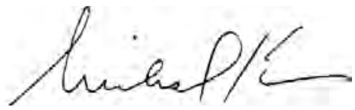
The directors consider the principal risks facing the Company to be those risks, or a combination thereof, that may materially threaten the Company's ability to meet its investment objectives, its solvency, liquidity or viability. In assessing the principal risks, the directors consider the Company's exposure to and likelihood of factors that they believe would result in significant erosion of value, such as the possibility of a recession, the ability of Canada to diversify its economy away from natural resources, ongoing geopolitical tensions, the impact of climate change risk on investee companies, foreign exchange rates and the impact of higher interest rates on the Company and investor sentiment.

Currently, geopolitical instability and the unpredictability of U.S. trade policy are at the forefront of the Board's thinking. Heightened global tensions could disrupt supply chains, spike energy and commodity prices and worsen investor sentiment. While the long-term effects of these developments remain difficult to forecast, the Board continues to monitor their potential impact closely, ensuring that the Fund remains positioned to manage volatility with an emphasis on capital preservation and income generation.

Outlook

Canada remains a highly attractive investment region, supported by economic resilience, sound fiscal management, and a favourable political environment. Against the backdrop of global uncertainty and trade tensions, Canadian equities stand out for their attractive valuations, robust earnings growth, and compelling risk-adjusted returns relative to global peers. The Fund remains strategically positioned to capitalise on these trends, with its core exposure to financials, real estate, energy, pipelines and utilities, sectors that are underpinned by durable cash flows, low leverage, and long-term growth opportunities. Importantly, these sectors are less exposed to trade uncertainty and remain supported by domestic policy momentum, including efforts to deregulate and fast-track infrastructure development under Canada's newly elected government.

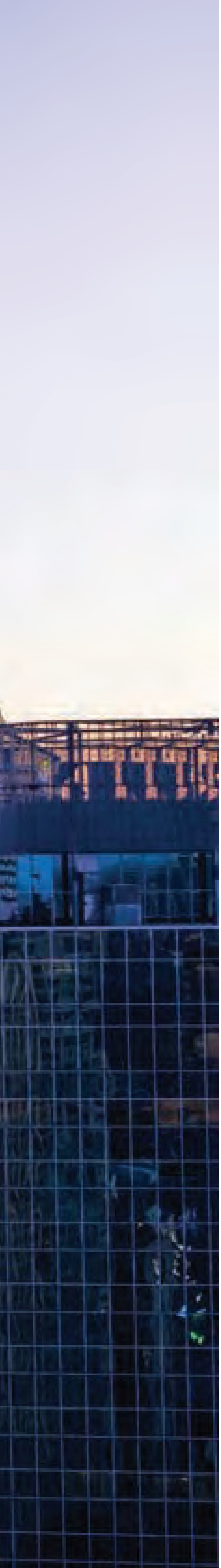
While Canadian equities are trading at a material discount to their U.S. peers, earnings growth expectations are similar, creating an attractive risk-reward profile. The Fund offers investors access to this opportunity with a well-diversified, actively managed portfolio and an attractive dividend yield of approximately 4.5 per cent. For UK investors seeking North American equity exposure with an income focus, Canada offers both value and stability.



Michael Phair
Chairman

18 September 2025

Middlefield Group is a private and independent asset manager focused on equity income investment strategies. Located in Toronto, Canada, the company oversees a suite of funds, many of which have been recognised for excellence in various investment categories. Middlefield specialises in managing diversified equity income strategies for UK and Canadian investors with a particular focus on delivering stable distributions and capital appreciation over the long term.



Investment Manager’s Interim Report

Dean Orrico

The first half of 2025 (H1) was marked by significant market volatility stemming from renewed trade tensions and geopolitical uncertainty. Despite these headwinds, which peaked in early April, the TSX Composite Index and S&P 500 Index both finished H1 at all-time highs. Large cap financials, technology, and communication services stocks led the market rebound, while value-oriented and cyclical sectors outperformed during periods of risk-off sentiment. In local currencies, the TSX Composite beat the S&P 500 by 4 per cent with a total return of 10 per cent, driven by rising capital flows and increasing investor interest in Canada’s economic durability. The Fund’s benchmark returned 4.3 per cent in British Pounds, lagging the TSX by nearly 2 per cent. Notwithstanding the recent period of outperformance, company valuations in Canada remain attractive with the TSX trading at a 6x multiple price-to-earnings discount relative to the S&P 500.

In British Pounds, shares in the Fund generated a total return of 13.9 per cent and a NAV total return of 2.6 per cent. Financials were the biggest contributor to performance in H1, led by core positions in TD Bank and AGF Management. After a challenging 2024, real estate was the next largest contributor as several Canadian REITs benefited from increased M&A activity and renewed foreign investor interest. Real estate is now the Fund’s largest sector weight and has remained the largest active overweight position for several quarters.

The resignation of Justin Trudeau as Canadian Prime Minister and the subsequent election of Mark Carney has ushered in a more pro-growth and pro-business era for Canada. Carney’s platform, which is aimed at slashing red tape and providing tax incentives to boost national competitiveness, is set to unlock investment opportunities across a range of industries. A key early milestone was the passing of the “One Canadian Economy Act” which seeks to eliminate inter-provincial trade barriers and fast-track approvals for nation-building infrastructure projects, directly benefiting pipelines, energy storage, and utility companies.

Despite a more supportive domestic policy backdrop, trade tensions between Canada and the U.S. have risen significantly in H1. We believe economic pragmatism will ultimately prevail, with USMCA renegotiations likely to focus on preserving trade flows rather than disrupting them. The U.S. remains Canada’s most important trading partner, representing more than 75 per cent of exports. With over $1.5 trillion in annual trilateral trade between Canada, the U.S., and Mexico, supporting more than 17 million jobs across North America, the economic incentive to maintain stable trade relations is critical. While the scope of potential tariffs remains uncertain, Canada’s economic fundamentals are on solid footing, with Canadian equities offering compelling value, stable income, and earnings resilience. The Fund is well-positioned to navigate this environment, with a diversified portfolio focused on industries less exposed to tariff-related risks, including financials, pipelines, and real estate. Moreover, the Fund has no direct exposure to highly targeted sectors, such as autos, steel, lumber or aluminium.

Investment Manager's Interim Report continued

We expect inflation in Canada to remain low, supporting our call for further rate cuts from the Bank of Canada. In the U.S., unknown impacts from tariffs and domestic fiscal stimulus efforts may introduce upside risks to inflation through higher input costs and pass-through to consumer prices. These factors could delay or limit the extent of future rate cuts from the Federal Reserve. Ultimately, the pace of monetary easing will depend on the persistence of disinflation, whether consumer prices surprise to the upside in the coming months, and how central banks around the world respond to economic data.

We remain optimistic for the Canadian real estate sector heading into the second half of 2025. A compelling mix of attractive valuations, supply-demand imbalance, and increased M&A activity has reignited investor interest in Canadian REITs. Global investors, including sovereign wealth funds and private equity, are seeking access to high quality Canadian real estate.

Despite the rally in H1, Canadian REITs still trading at an approximate 15 per cent discount to NAV, providing room for further upside as transaction activity picks up. The Fund maintains a significant overweight exposure to real estate relative to the benchmark, with core exposures to necessity-based retail, multi-family apartments, industrial, and seniors' housing.

Energy is a cornerstone of the Fund's strategy, contributing positively to performance in the first half of 2025 and remaining a key area of conviction. Energy represents 21.3 per cent of the Fund, overweight by 7.7 per cent relative to the benchmark, reflecting our confidence in the sector's strong fundamentals and long-term outlook. The Fund's holdings are concentrated in high-quality producers and pipeline operators with strong balance sheets, low leverage, disciplined capital allocation, and attractive dividend yields. Canada's role as a reliable, secure supplier of energy is growing increasingly important amid rising geopolitical tensions. The Trans Mountain Pipeline Expansion (TMX) has added another 590,000 barrels per day of crude oil capacity, providing Canadian producers with greater access to global markets. The commencement of LNG Canada's first shipments to Asia in June marks a historic milestone in Canada's natural gas evolution, reducing dependence on U.S. markets and opening new global demand challenges. We see further upside ahead as the federal government under Mark Carney accelerates permitting and regulatory approvals for energy infrastructure through a more pro-growth, deregulated framework.

We remain constructive on the financials sector, which represents 21.3 per cent of the Fund, its third-largest allocation. While we entered the year with a modest underweight exposure due to valuation concerns following a strong 2024, we've maintained selective exposure and continue to see attractive opportunities across the broader sector. Canadian banks are well-capitalised, having built up ample reserves to navigate potential credit headwinds, and are now returning to organic growth initiatives. Credit quality trends have stabilised, with provisions for credit losses peaking in prior quarters. Capital markets activity has been a bright spot, supported by heightened trading volumes and a resurgence in M&A activity.

Asset managers have also benefitted from improving fund flows as investor sentiment has rebounded sharply post-Liberation Day. Our highest weighted names include AGF Management, TD Bank, and Manulife, all of which offer solid balance sheets and growing dividends and benefit from industry tailwinds.

As of June 2025, the Fund maintained a 10.2 per cent allocation to utilities, below the benchmark at 14.6 per cent, which modestly detracted from performance. While underweight, we continue to favour select utility names that are positioned to benefit from long-term demand for power generation across North America, specifically from the rapid buildout of A.I. data centres and electrification projects. Investor interest in utilities grew meaningfully in H1, supported by a surge in M&A activity, defensive rotation during periods of volatility and an increasingly favourable regulatory backdrop in Canada. Although Deep Seek's launch in early 2025 raised questions around A.I.-driven capital expenditure, we are bullish on the sector's long-term growth prospects. Our preferred picks in the sector include AltaGas, Capital Power, and Brookfield Renewables.

Top Holdings

Top Holdings as at 30 June 2025

Company	Sector	% of Equities
Canadian Natural Resources Canadian Natural Resources (CNQ) is one of Canada's largest energy producers with a diversified portfolio of crude oil, natural gas, and oil sands assets. CNQ has long-life, low-decline reserves and growing free cash flow. Its disciplined capital allocation, sustainable dividend growth, and operational excellence support its position as a leading low-cost producer.	**Energy**	**4.3%**
Enbridge Enbridge (ENB) is one of the largest energy infrastructure companies in North America with an extensive delivery network of crude oil, natural gas, natural gas liquids and renewable energy. ENB also provides gas utility services in Ontario, Quebec, and New Brunswick. It is actively investing in low carbon technologies such as solar, wind and hydro power generation.	**Pipelines**	**4.3%**
Tourmaline Oil Tourmaline Oil (TOU) is Canada's largest natural gas producer, which primarily focuses on exploration and development in the Alberta Deep Basin. TOU possesses a strong balance sheet and is the lowest capital cost producer among gas-focused peers. Its deep inventory ownership and continuous cost improvements help TOU maintain its best-in-class capital efficiency.	**Energy**	**4.2%**
Whitecap Resources Whitecap (WCP) is a Canadian oil-weighted producer with a growing footprint across Alberta and Saskatchewan. WCP recently completed the $1.3B acquisition of Veren, expanding its light oil production base and enhancing its free cash flow profile. The integration of Veren brings improved scale, deep inventory, and synergies across core regions.	**Energy**	**4.2%**
AGF Management AGF Management (AGF) is a Canadian-based independent asset management firm offering diversified investment solutions across retail, institutional, and alternative strategies. AGF has strengthened its platform through strategic partnership and expanding its private markets offerings. The firm is well-positioned to benefit from shifting investor preferences toward active and alternative strategies, with a scalable platform designed to deliver higher-margin growth and long-term value creation.	**Financials**	**4.0%**
Nutrien Ltd Nutrien (NTR) is the world's largest provider of crop inputs and services, including potash, nitrogen, and phosphate. Operating in over 40 countries, Nutrien supports global food security through its expansive retail network and low-cost production assets. Its scale, integrated business model, and focus on sustainability make it a key player in global agriculture.	**Materials**	**3.5%**

Top Holdings continued

Company	Sector	% of Equities
TD Bank Toronto Dominion Bank (TD) is one of Canada's largest banks, offering retail, commercial, wealth, and capital markets services across Canada and the U.S. TD combines a strong balance sheet with leading digital capabilities and consistent earnings growth. It has expanded its U.S. presence and bolstered its capital markets franchise with the TD Cowen acquisition. TD continues to benefit from its diversified business mix, scale advantages, and discipline risk management.	**Financials**	**3.4%**
TC Energy TC Energy (TRP) is a Canadian-based energy infrastructure company that owns and operates natural gas pipelines. TRP's 93,600 km network of pipelines delivers 30% of North America's natural gas, playing a vital role in transporting fuel to where it's needed most. TRP spun off its liquids pipeline business under a new and dedicated company, South Bow Corp.	**Pipelines**	**3.4%**
RioCan REIT RioCan REIT is one of Canada's largest REITs, focused on owning and developing retail and mixed-use properties in high-density urban markets. RioCan's portfolio is anchored by grocery, pharmacy, and essential service tenants, supporting resilient cash flows.	**Real Estate**	**3.3%**
Manulife Financial Founded in 1887, Manulife Financial is a leading insurance provider in Canada's financial sector. Offering a comprehensive range of financial solutions, the company operates through a widespread network and digital platforms. With a focus on insurance, wealth management, and investments, Manulife's commitment to innovation and customer satisfaction cements its prominent position in the global financial landscape.	**Financials**	**3.0%**

Outlook

We believe the recent period of solid performance in Canadian equities will continue, supported by attractive valuations, sound company fundamentals and a broadening of market performance. Despite similar expected earnings growth, the TSX Composite continues to trade at a 6x multiple discount relative to the S&P 500, offering attractive risk/reward characteristics. Amid elevated trade uncertainty, the Fund is well-diversified across resilient, high-quality sectors that are less exposed to tariffs. The pro-growth policy direction under the Carney government, including a renewed focus on deregulation and infrastructure acceleration, further supports a constructive backdrop for Canadian stocks. We also believe the A.I.-driven infrastructure cycle will be a durable long-term theme, supporting incremental investment in power generation, pipelines, and natural gas infrastructure, areas where the Fund maintains meaningful exposure. Canadian corporations are expected to deliver stable and growing returns to shareholders through rising dividends and share buybacks.

The Fund is focused on high-quality companies with strong balance sheets, robust free cash flow generation, and a proven ability to grow their dividends. Over the past five years, dividends received by the Fund on its portfolio have increased by 8.2 per cent per annum, exceeding the 7.5 per cent per annum growth rate for the benchmark. As a result, MCT offers an attractive mix of growing income combined with capital appreciation potential, with a constructive outlook for the second half of the year.

Middlefield Limited

Corporate Information

Registered Office

28 Esplanade
St Helier
Jersey JE2 3QA

Directors

Michael Phair (Chairman)
Kate Anderson (S.I.D.)
Janine Fraser
Dean Orrico
Andrew Zychowski

Service Providers

Administrator and Secretary
JTC Fund Solutions (Jersey) Limited
28 Esplanade
St. Helier
Jersey JE2 3QA

Investment Advisor
Middlefield International Limited
288 Bishopsgate
London EC2M 4QP

Investment Manager
Middlefield Limited
Suite 3100
8 Spadina Ave
Toronto, Ontario
Canada M5V 0S8

Legal Advisers
In Jersey
Carey Olsen Jersey LLP
47 Esplanade
St. Helier
Jersey JE1 0BD

In Canada
Fasken Martineau DuMoulin LLP
Bay Adelaide Centre
Box 20, Suite 2400
333 Bay Street
Toronto, Ontario
Canada M5H 2T6

Broker and Corporate Advisor
Investec Bank plc
30 Gresham Street
London EC2V 7QP

Custodian
RBC Investor Services Trust
155 Wellington Street West
2nd Floor
Toronto, Ontario
Canada M5V 3L3

Registrar
MUFG Corporate Markets (Jersey) Limited
12 Castle Street
St. Helier
Jersey JE2 3RT

CREST Agent, UK Paying Agent and Transfer Agent
MUFG Corporate Markets Central Square
29 Wellington Street
Leeds LS1 4DL

Independent Auditor
RSM Channel Islands (Audit) Limited
13-14 Esplanade
St Helier
Jersey JE4 9RJ

Marketing Agent
Kepler Partners LLP
70 Conduit Street
London W1S 2GF

Financial Calendar
Annual Results
Announced March 2025

Regular Dividend Payment Dates[2]
Last Business Day of January, April, July and October

Annual General Meeting
19 June 2025

Half Yearly Results
Announced September 2025

Information Sources

For more information about the Company and Fund, visit the website
http://www.middlefield.co.uk/

2. On 18 September 2025 the Company announced an interim dividend of 1.375 pence per share, payable on 15 October 2025. No further dividend is expected to be paid at the end of October 2025.

Financial Statements

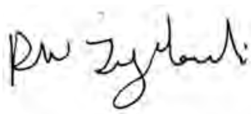
Condensed Statement of Financial Position of the Fund

As at 30 June 2025 with unaudited comparatives as at 30 June 2024 and audited comparatives as at 31 December 2024

	Notes	30.06.2025 GBP	30.06.2024 GBP	31.12.2024 GBP
Current assets				
Securities (at fair value through profit or loss)	3 & 18	**169,445,674**	152,338,695	169,952,944
Accrued dividend income		**679,051**	708,104	743,674
Prepayments		**9,258**	6,949	20,324
Cash and cash equivalents	4	**1,437,641**	3,377,011	1,345,531
		171,571,624	156,430,759	172,062,473
Current liabilities				
Other payables and accruals	5	**(418,238)**	(389,998)	(434,929)
Interest payable		**(38,158)**	(76,953)	(48,282)
Loan payable	14	**(27,826,573)**	(26,882,228)	(28,884,872)
		(28,282,969)	(27,349,179)	(29,368,083)
Net assets		**143,288,655**	129,081,580	142,694,390
Equity attributable to equity holders				
Stated capital	6	**49,661,314**	49,704,414	49,661,314
Retained earnings		**93,627,341**	79,377,166	93,033,076
Total Shareholders' equity		**143,288,655**	129,081,580	142,694,390
Net asset value per redeemable participating preference share (pence)	7	**134.61**	121.22	134.05

The financial statements and notes on pages 20 to 36 were approved by the directors on 18 September 2025 and signed on behalf of the Board by:

Michael Phair
Chairman



Andrew Zychowski
Audit Committee Chair

The accompanying notes on pages 24 to 36 form an integral part of these financial statements.

Condensed Statement of Comprehensive Income of the Fund

For the period 1 January 2025 to 30 June 2025 with unaudited comparatives for the period 1 January 2024 to 30 June 2024 and audited comparatives for the year ended 31 December 2024

	Notes	Six months ended 30 June 2025 Revenue GBP	Six months ended 30 June 2025 Capital GBP	Six months ended 30 June 2025 Total GBP	Six months ended 30 June 2024 Total GBP	Year ended 31 December 2024 Total GBP
Revenue						
Dividend income and Interest income	8	**4,687,468**	**–**	**4,687,468**	4,566,852	9,102,503
Net movement in the fair value of securities (at fair value through profit or loss)	9	**–**	**209,612**	**209,612**	(363,728)	12,852,158
Net movement on foreign exchange		**–**	**904,756**	**904,756**	595,337	1,579,028
Total revenue		**4,687,468**	**1,114,368**	**5,801,836**	4,798,461	23,533,689
Expenditure						
Investment management fees		**192,734**	**289,102**	**481,836**	449,069	937,865
Custodian fees		**8,250**	**–**	**8,250**	7,696	16,316
Corporate Broker's fees		**34,417**	**–**	**34,417**	32,262	67,175
Other expenses		**548,051**	**–**	**548,051**	357,615	721,120
Operating expenses		**783,452**	**289,102**	**1,072,554**	846,642	1,742,476
Net operating profit before finance costs		**3,904,016**	**825,266**	**4,729,282**	3,951,819	21,791,213
Finance costs		**(204,462)**	**(306,693)**	**(511,155)**	(809,649)	(1,505,718)
Profit before tax		**3,699,554**	**518,573**	**4,218,127**	3,142,170	20,285,495
Withholding tax expense		**(696,563)**	**–**	**(696,563)**	(677,768)	(1,343,801)
Net profit after taxation		**3,002,991**	**518,573**	**3,521,564**	2,464,402	18,941,694
Profit per redeemable participating preference share – basic and diluted (pence)	10	**2.82**	**0.49**	**3.31**	2.31	17.79

The total column of this statement represents the Fund's Statement of Comprehensive Income, prepared in accordance with UK-adopted IFRS. There are no items of other comprehensive income, therefore profit/(loss) after taxation is the total comprehensive income. The supplementary revenue and capital columns are both prepared in accordance with the Statement of Recommended Practice issued by the AIC as disclosed in note 2a. All items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

There are £nil (2024: £nil) earnings attributable to the management shares.

The accompanying notes on pages 24 to 36 form an integral part of these financial statements.

Condensed Statement of Changes in Redeemable Participating Preference Shareholders' Equity of the Fund

For the period 1 January 2025 to 30 June 2025 with unaudited comparatives for the period 1 January 2024 to 30 June 2024 and audited comparatives for the year ended 31 December 2024

	Notes	Stated Capital Account GBP	Retained Income GBP	Total GBP
At 1 January 2024		**49,704,414**	**79,734,676**	**129,439,090**
Profit for the period		–	2,464,402	2,464,402
Dividends	11	–	(2,821,912)	(2,821,912)
At 30 June 2024		**49,704,414**	**79,377,166**	**129,081,580**
Buyback of shares during period		(43,100)	–	(43,100)
Profit for the period		–	16,477,292	16,477,292
Dividends	11	–	(2,821,382)	(2,821,382)
At 31 December 2024		**49,661,314**	**93,033,076**	**142,694,390**
Profit for the period		–	3,521,564	3,521,564
Dividends	11	–	(2,927,299)	(2,927,299)
At 30 June 2025		**49,661,314**	**93,627,341**	**143,288,655**

The accompanying notes on pages 24 to 36 form an integral part of these financial statements.

Condensed Statement of Cash Flows of the Fund

For the period 1 January 2025 to 30 June 2025 with unaudited comparatives for the period 1 January 2024 to 30 June 2024 and audited comparatives for the year ended 31 December 2024

		Six months ended 30 June		Year ended 31 December
	Notes	2025 GBP	2024 GBP	2024 GBP
Cash flows generated from/(used in) operating activities				
Net profit after taxation		**3,521,564**	2,464,402	18,941,694
Adjustments for:				
Net movement in the fair value of securities (at fair value through profit or loss)	9	**(209,612)**	363,728	(12,852,158)
Realised gains on foreign exchange		**(750,548)**	(448,014)	(1,401,441)
Unrealised gains on foreign exchange		**(154,208)**	(147,323)	(177,587)
Payment for purchases of securities		**(39,493,316)**	(33,846,697)	(64,019,103)
Proceeds from sale of securities		**41,892,779**	27,787,776	53,561,820
Net movement in derivative financial instruments		**(1,682,581)**	–	–
Operating cash flows before movements in working capital		**3,124,078**	(3,826,128)	(5,946,775)
Decrease/(increase) in receivables		**75,689**	(60,854)	(109,799)
(Decrease)/increase in payables and accruals		**(26,815)**	7,188	23,448
Net cash flows generated from/(used in) operating activities		**3,172,952**	(3,879,794)	(6,033,126)
Cash flows (used in)/generated from financing activities				
Repayments of borrowings		**(144,303,757)**	(190,761,180)	(352,730,557)
Buyback of shares		**–**	–	(43,100)
New bank loans raised		**144,276,912**	196,432,615	361,474,806
Dividends paid	11	**(2,927,299)**	(2,821,912)	(5,643,294)
Net cash (used in)/generated from financing activities		**(2,954,144)**	2,849,523	3,057,855
Net increase/(decrease) in cash and cash equivalents		**218,808**	(1,030,271)	(2,975,271)
Cash and cash equivalents at the beginning of the period/year		**1,345,531**	4,433,118	4,433,118
Effect of foreign exchange rate changes		**(126,698)**	(25,836)	(112,316)
Cash and cash equivalents at the end of the period/year		**1,437,641**	3,377,011	1,345,531
Cash and cash equivalents made up of:				
Cash at bank	4	**1,437,641**	3,377,011	1,345,531

The accompanying notes on pages 24 to 36 form an integral part of these financial statements.

Notes to the Financial Statements of the Fund

For the period 1 January 2025 to 30 June 2025 with unaudited comparatives for the period 1 January 2024 to 30 June 2024 and audited comparatives for the year ended 31 December 2024

1. General Information

The Company is a closed-ended investment company incorporated in Jersey on 24 May 2006 and is regulated for financial services business by the Jersey Financial Services Commission (the "JFSC"). The Company has one closed-ended cell, Middlefield Canadian Income - GBP PC, also referred to as the "Fund". 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. The Fund seeks to achieve its investment objective by investing predominantly in the securities of companies and REITs domiciled in Canada and the U.S. that the Investment Manager believes will provide an attractive level of distributions, together with the prospect for capital growth. In 2015, shareholders also approved an amendment to the Investment Policy to increase the percentage of the value of portfolio assets which may be invested in securities listed on a recognised stock exchange outside Canada to up to 40 per cent.

The address of the Company's registered office is 28, Esplanade, St. Helier, Jersey JE2 3QA, Channel Islands.

The Fund's shares have been admitted to the Official List of the FCA and to trading on the London Stock Exchange's Main Market for listed securities. The Company and Fund have no employees.

The functional and presentational currency of the Company and the Fund is Pounds Sterling ('GBP') as the Fund is trading on the London Stock Exchange's Main Market.

The half-yearly financial report and interim condensed financial statements have not been audited or reviewed by the auditor, RSM Channel Islands (Audit) Limited, pursuant to the Auditing Practices Board guidance on 'Review of Interim Financial Information'.

The information presented for the year ended 31 December 2024 does not constitute the statutory financial statements of the Company. Copies of the statutory financial statements for that year have been delivered to the Registrar of Companies in Jersey and to the UK Financial Conduct Authority's National Storage Mechanism. Copies are also available from the Company's website www.middlefield.co.uk. The Auditor's report on those financial statements was unqualified.

2. Principal Accounting Policies

a. Basis of preparation

The interim condensed financial information for the period ended 30 June 2025 have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the United Kingdom. The interim condensed financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which were prepared in accordance with UK-adopted IFRS, as required by the FCA's Listing and Disclosure Guidance and Transparency Rules.

The interim condensed financial statements have been prepared on the historical cost basis, except for the revaluation at fair value through profit or loss of investments, and in accordance with IFRS. The condensed statement of comprehensive income is presented in accordance with the Statement of Recommended Practice (SORP) 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued in January 2009 by the Association of Investment Companies ("AIC") to the extent that it does not conflict with IFRS.

The condensed statement of financial position, condensed statement of comprehensive income, condensed statement of changes in redeemable participating preference shareholders' equity and condensed cash flow statement refer solely to the Fund. The non-cellular assets comprise two Management Shares. However, there has been no trading activity with regards to the non-cellular assets.

Adoption of new standards and amendments

The following amendments to existing standards that are effective for the first time for the financial period beginning 1 January 2025 that have had an immaterial impact on the Company:

Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability'. (effective periods commencing on or after 1 January 2025 for IFRS)

The Company has adopted the amendment to IAS 21 for the first time in the current period. The amendment specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

There are no other standards, interpretations or amendments to the existing standards that are not yet effective that would be expected to have a significant impact on the Company.

2. Principal Accounting Policies continued

a. Basis of preparation continued

New standards and interpretations not yet effective and have not been adopted early by the Company

- Amendments to IFRS 9 and IFRS 7 'Amendments to the Classification and Measurement of Financial Instruments'. (effective periods commencing on or after 1 January 2026 for IFRS).
- IFRS 18 'Presentation and Disclosure in Financial Statements'. (effective periods commencing on or after 1 January 2027 for IFRS).

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

b. Going concern

In the opinion of the directors, the Company and the Fund have adequate resources to continue in operational existence for the foreseeable future being at least the next twelve months from the approval of these financial statements. For this reason, the Financial Statements have been prepared using the going concern basis.

The directors considered, *inter alia*, the following factors:

- ongoing shareholder interest in the continuation of the Fund;
- the Fund has sufficient liquidity in the form of cash assets to meet all on-going expenses;
- should the need arise, the directors have the option to reduce dividend payments in order to positively affect the Fund's cash flows; and
- the Fund's investments in Canadian and U.S. securities are readily realisable to meet liquidity requirements, if necessary.

The directors appreciate the uncertainty of the current economic environment and continue to assess, in conjunction with the Investment Manager and the Investment Advisor, the situation and how it may impact the Company in the short and long term. The directors consider the Company to be well placed to withstand any significant adverse shocks and assume the going concern basis to be appropriate.

The accompanying financial statements have been prepared on a going concern basis, which assumes the Company will continue to operate and meet its obligations as they fall due. However, the Company's ability to continue as a going concern is subject to material uncertainty.

Since the Company's year end, on 10 February 2025 the Company, together with three other UK-listed closed-end funds, received a requisition notice from Saba, marking the second phase of Saba's recent activist campaign in the UK-listed closed-end fund sector. The first phase commenced on 18 December 2024 with Saba requisitioning general meetings at seven UK-listed closed-end funds, proposing resolutions (each of which later failed) to remove the current independent directors of those seven funds and replace them with Saba's own appointees, with a view to also terminating the management contracts and, in due course, replacing the investment managers with Saba.

The requisition notice received by the Company on 10 February 2025 was for the approval by shareholders of the taking of all necessary steps to implement a scheme or process by which shareholders would become (or have the option to become) shareholders of a UK-listed open-ended investment company (or similar open-ended investment vehicle) implementing a substantially similar strategy to the Company. Such scheme or process could entail shareholders rolling into an existing or newly established UK-listed open-ended investment company (or similar open-ended investment vehicle), in either case managed by the Company's existing investment manager or one of its affiliates.

Following consultation with a number of the Company's largest shareholders including Saba, and following constructive discussions with Saba, on 21 February 2025 the Company announced that Saba had agreed to withdraw its requisition notice for a period of 60 days to enable the Company and its advisers to formulate proposals that are in the best interests of all shareholders.

On 2 May 2025, the Fund announced that it was proposing a voluntary wind up and offering its shareholders either (i) a rollover into a newly established, actively managed, listed and London Stock Exchange traded ETF or ii) an uncapped cash exit at close to the NAV per share; or (iii) a combination of both shares in the ETF and cash.

Although the Board is confident that the Company will have sufficient financial resources to meet its obligations due within twelve months from the date of approval of the financial statements, the uncertain future outcome of the Board's deliberations indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Nevertheless, the Board believes that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Notes to the Financial Statements of the Fund continued

For the period 1 January 2025 to 30 June 2025 with unaudited comparatives for the period 1 January 2024 to 30 June 2024 and audited comparatives for the year ended 31 December 2024

3. Securities (at fair value through profit and loss)

	30.06.2025 GBP	30.06.2024 GBP	31.12.2024 GBP
Quoted/listed Equities	**169,445,674**	152,338,695	169,952,944

Please refer to Note 18 for the Schedule of Investments.

4. Cash and cash equivalents

	30.06.2025 GBP	30.06.2024 GBP	31.12.2024 GBP
Cash at bank	**1,437,641**	3,377,011	1,345,531

Cash and cash equivalents comprise cash held by the Fund and bank balances with an original maturity of three months or less. The carrying value of these assets approximates their fair value.

5. Other payables and accruals

	30.06.2025 GBP	30.06.2024 GBP	31.12.2024 GBP
Investment management fees (Note 13)	**238,620**	234,024	254,113
Corporate Broker's fees	**34,417**	16,716	18,151
Audit fees	**19,340**	19,393	39,000
Administration fees	**34,089**	33,432	36,302
General expenses	**17,937**	18,918	17,970
Registrar's fees	**10,701**	9,825	10,286
Tax service fees	**10,313**	10,241	6,894
Custodian's fees	**3,409**	3,004	3,560
Investor relations fee (Note 13)	**48,333**	43,023	48,653
National Insurance	**1,079**	1,422	–
	418,238	389,998	434,929

6. Stated capital

The authorised share capital of the Fund is split into two management shares of no par value and an unlimited number of redeemable participating preference shares of no par value, the latter of which are attributable solely to the Fund.

	No. of shares	GBP
Management shares issued		
2 management shares of no par value issued at 100.00 pence each	2	2
At 30 June 2025, 30 June 2024 and 31 December 2024	**2**	**2**
Redeemable participating preference shares issued (excluding shares held in treasury)		
At 31 December 2024	**106,447,250**	**49,661,312**
Movement for the year	–	–
At 30 June 2025	**106,447,250**	**49,661,312**
Total stated capital as at 30 June 2025		**49,661,314**

6. Stated capital continued

The holders of redeemable participating preference shares are entitled to receive in proportion to their holdings all of the revenue profits of the Fund (including accumulated revenue reserves).

Each redeemable participating preference shareholder is entitled to one vote for each share held, provided all amounts payable in respect of that share have been paid.

Management shares are non-redeemable, have no right in respect of the accrued entitlement and have no right to participate in the assets of the Fund on a winding-up. In all other respects, the management shares have the same rights and restrictions as redeemable participating preference shares. Each management share entitles the holder to one vote for each share held.

Redeemable participating preference shares are redeemed at the absolute discretion of the directors. Since redemption is at the discretion of the directors, in accordance with the provisions of IAS 32, the redeemable participating preference shares are classified as equity. The Fund will not give effect to redemption requests in respect of more than 25 per cent. of the shares then in issue, or such lesser percentage as the directors may decide.

At the period end, there were 18,235,000 (30 June 2024: 18,195,000, 31 December 2024: 18,235,000) redeemable participating preference shares held in treasury. Treasury shares have no value and no voting rights.

FCA regulation of ‘non-mainstream pooled investments’

On 1 January 2014, the FCA introduced rules relating to the restrictions on the retail distribution of unregulated collective investment schemes and close substitutes (non-mainstream pooled investments). UK investment trusts are excluded from these restrictions, as are other “excluded securities” as defined by the FCA.

As reported in last year’s annual report, the Board believes that the Company’s shares are “excluded securities” under the FCA’s definitions of such and, as a result, the FCA’s restrictions on retail distribution do not apply. This status is reviewed annually and the Board intends to conduct the Company’s affairs to retain such status for the foreseeable future.

Retained Earnings

This reserve records all net gains and losses and transactions with owners not recorded elsewhere. This reserve is available for distribution to the shareholders. Dividends paid to shareholders are recognised directly in this reserve.

7. Net asset value per redeemable participating preference share

The net asset value per share of 134.61p (30 June 2024: 121.22p, 31 December 2024: 134.05p) is based on the net assets at the period end of £143,288,655 (30 June 2024: £129,081,580, 31 December 2024: £142,694,390) and on 106,447,250 redeemable participating preference shares, being the number of redeemable participating preference shares in issue (excluding shares held in treasury) at the period end (30 June 2024: 106,487,250 shares, 31 December 2024: 106,447,250 shares).

8. Dividend and interest income

	Period ended 30.06.2025				
	Revenue GBP	Capital GBP	Total GBP	30.6.2024 GBP	31.12.2024 GBP
Interest income	**37,412**	**–**	**37,412**	52,323	85,246
Dividend income	**4,650,056**	**–**	**4,650,056**	4,514,529	9,017,257
	4,687,468	**–**	**4,687,468**	4,566,852	9,102,503

9. Net movement in the fair value of securities

	Period ended 30.06.2025				
	Revenue GBP	Capital GBP	Total GBP	30.6.2024 GBP	31.12.2024 GBP
Net movement in the fair value of securities (at fair value through profit or loss)	**–**	**209,612**	**209,612**	(363,728)	12,852,158

Notes to the Financial Statements of the Fund continued

For the period 1 January 2025 to 30 June 2025 with unaudited comparatives for the period 1 January 2024 to 30 June 2024 and audited comparatives for the year ended 31 December 2024

10. Profit per redeemable participating preference share – basic and diluted

Basic profit per redeemable participating preference share is calculated by dividing the net profit attributable to redeemable participating preference shares of £3,521,564 (30 June 2024: £2,464,402, 31 December 2024: £18,941,694) by the weighted average number of redeemable participating preference shares outstanding during the period of 106,447,250 shares (30 June 2024: 106,487,250, 31 December 2024: 106,473,698 shares). The allocation between revenue and capital can be found on the Statement of Comprehensive Income of the Fund on page 21.

11. Dividends

Dividends of 1.375 pence per share were paid on a quarterly basis during the period in the months of January and April £2,927,299 (30 June 2024: £2,821,912, 31 December 2024: £5,643,294). On 31 July 2025 a dividend of £1,463,650 was paid at 1.375 pence per share. In accordance with the requirements of IFRS, as this was approved on 3 July 2025, being after the reporting date, no accrual was reflected in the 2025 Interim Financial Statements for this amount of £1,463,650 (4 July 2024: £1,410,956). On 18 September 2025 an interim dividend of 1.375 pence per share was declared for payment on 15 October 2025. No further dividends are expected to be paid in October 2025.

12. Taxation

The Fund is subject to UK corporation tax at a rate of 25% (2024: 25%). The Company adopted UK tax residency on 11 October 2011. Since that date the Company has been managed in such a way as to be able to meet the conditions for approval as an investment trust under Section 1158 of the Corporation Tax Act 2010. As an investment trust, all capital gains are exempt from UK corporation tax. On 7 December 2012, the Company received approval from HM Revenue & Customs to be treated as an investment trust in accordance with Section 1158 of the Corporation Tax Act 2010 and will seek to remain so approved.

13. Related party transactions

The directors are regarded as related parties and key management personnel. Total directors' fees earned during the period amounted to £73,249, of which £nil remained outstanding at the period end (30 June 2024: £73,666 of which £nil remained outstanding at the period end, 31 December 2024: £126,000 of which £nil was due at year end).

The directors held interests in shares and received dividends during the period.

The Investment Advisor and Investment Manager are regarded as a related party due to common ownership. Total management fees paid during the period amounted to £481,836, of which £238,620 remained outstanding at the period end (30 June 2024: £449,069 of which £234,024 remained outstanding at the period end, 31 December 2024: £937,865, of which £254,113 was due at year end).

The Investment Advisor and Investment Manager are also paid an additional fee for investor relations services. The fee paid during the period amounted to £95,776, of which £48,333 remained outstanding at the period end (30 June 2024: 81,371, of which £43,023 remained outstanding at the period end, 31 December 2024 £173,211, of which £48,653 was due at year end.

14. Loan payable

The Fund has a Credit Facility Agreement with RBC whereby RBC provides the Credit Facility, with a maximum principal amount of the lesser of CAD 75,000,000 and 25 per cent. of the total asset value of the Fund. The current credit facility uses the Canadian Overnight Repo Rate Average ("CORRA") to calculate interest on the loans.

At 30 June 2025, the amount drawn down under the Credit Facility was CAD 52,000,000 (GBP equivalent at amortised cost of £27,826,573) (period ended 30 June 2024: CAD 46,500,000 (GBP equivalent at amortised cost of £26,882,228), 31 December 2024: CAD 52,000,000 (GBP equivalent at amortised cost of £28,884,872)). The loan value of CAD 52,000,000 was made up of 4 Term CORRA loans as follows:

Issue date	Maturity date	Loan amount
09 June 2025	9 July 2025	CAD5,000,000
13 June 2025	11 July 2025	CAD15,000,000
18 June 2025	18 July 2025	CAD2,000,000
19 June 2025	18 July 2025	CAD30,000,000

As at 30 June 2025, the interest paid on the Term CORRA loans totalled £511,155 (period ended 30 June 2024: £768,265, 31 December 2024: £1,458,822) with £38,158 (period ended 30 June 2024: £76,953, 31 December 2024: £48,282) accrued at period end.

Interest on the loans is payable at the CORRA rate plus 0.60 per cent per annum.

Post 30 June 2025, all outstanding loans were repaid in full and the Fund currently has no gearing.

15. Security agreement

In connection with entry into the credit facility agreement, the Fund has entered into a general security agreement with RBC, pursuant to which the Fund has granted RBC interests in respect of collateral, being all present and future personal property, including the securities portfolio, as security for the Fund's obligations under the credit facility agreement.

16. Financial instruments

Fair values

The carrying amounts of the investments, accrued income, other receivables, cash and cash equivalents, loan payable and other payables approximate their fair values. In 2015, the percentage of the value of portfolio assets which may be invested in securities listed on a recognised stock exchange outside Canada was increased to 40 per cent.

Management of capital

The Investment Manager manages the capital of the Fund in accordance with the Fund's Investment Objectives and Policy.

The capital structure of the Fund consists of proceeds from the issue of preference shares, loans and reserve accounts. The Investment Manager manages and adjusts its capital in response to general economic conditions, the risk characteristics of the underlying assets and working capital requirements. Generally speaking, the Fund will reduce leverage when investments are likely to decrease in value and will increase leverage when investment appreciation is anticipated. In order to maintain or adjust its capital structure, the Fund may borrow or repay debt under its Credit Facility or undertake other activities deemed appropriate under the specific circumstances. The Fund and the Company do not have any externally imposed capital requirements. However, the Fund is subject to bank covenants in respect of leverage and complied with those covenants in the 6 months to 30 June 2025 and in 2024.

Investment and trading activities

It is intended that the Fund will continue throughout its life to be primarily invested in Canadian and U.S. equities portfolio.

The Fund's investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Fund is exposed are market price risk, interest rate risk and currency risk.

Credit risk

Credit risk is the risk that an issuer or counterparty may be unable or unwilling to meet a commitment that it has entered into with the Fund.

The Fund's principal financial assets are bank balances and cash, other receivables and investments as set out in the Statement of Financial Position which represents the Fund's maximum exposure to credit risk in relation to the financial assets. The credit risk on bank balances is limited because the counterparties are banks with high credit ratings of A, AA- and A+ assigned by Standard and Poor's rating agency. All transactions in listed securities are settled upon delivery using approved brokers.

The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations. Where the Investment Manager makes an investment in debt or corporate securities, the credit rating of the issuer is taken into account to manage the Company's exposure to risk of default. Investments in debt or corporate securities are across a variety of sectors and geographical markets, to avoid concentration of credit risk.

The Fund's maximum exposure to credit risk is the carrying value of the assets on the Statement of Financial Position.

Market price risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. The Fund's exposure to market price risk is comprised mainly of movements in the value of the Fund's investments.

It is the business of the Investment Manager to manage the portfolio and borrowings to achieve the best returns. The directors manage the risk inherent in the portfolio by monitoring, on a formal basis, the Investment Manager's compliance with the Company's stated Investment Policy and reviewing investment performance.

Notes to the Financial Statements of the Fund continued

For the period 1 January 2025 to 30 June 2025 with unaudited comparatives for the period 1 January 2024 to 30 June 2024 and audited comparatives for the year ended 31 December 2024

16. Financial instruments continued

Country risk

On 17 January 2012, the FRC released "Responding to the increased country and currency risk in financial reports". This update from the FRC included guidance on responding to the increased country and currency risk as a result of funding pressures on certain European countries, the curtailment of capital spending programmes (austerity measures) and regime changes in the Middle East.

The Fund invests primarily in Canadian and U.S. securities. The Investment Manager monitors the Company's exposure to foreign currencies on a daily basis. The Board has reviewed the disclosures and believes that no additional disclosures are required, because the Canadian and U.S. economies have historically been stable.

Fair value measurements

IFRS 13 establishes a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; or
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); or
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the directors. The directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following tables present the Fund's financial instruments by level within the valuation hierarchy as of 30 June 2025, 30 June 2024 and 31 December 2024:

30 June 2025	Level 1 GBP	Level 2 GBP	Level 3 GBP	Total GBP
Financial assets				
Securities (at fair value through profit or loss)	169,445,674	–	–	169,445,674

30 June 2024	Level 1 GBP	Level 2 GBP	Level 3 GBP	Total GBP
Financial assets				
Securities (at fair value through profit or loss)	152,338,695	–	–	152,338,695

31 December 2024	Level 1 GBP	Level 2 GBP	Level 3 GBP	Total GBP
Financial assets				
Securities (at fair value through profit or loss)	169,952,944	–	–	169,952,944

The Fund holds securities that are traded in active markets. Such financial instruments are classified as Level 1 of the IFRS 13 fair value hierarchy. There were no transfers between Level 1, 2 and 3 in the period.

16. Financial instruments continued

Price sensitivity

At 30 June 2025, if the market prices of the securities had been 30% higher with all other variables held constant, the increase in net assets attributable to holders of redeemable participating preference shares for the period would have been £50,833,702 (30 June 2024: £45,701,609, 31 December 2024: £50,985,883) higher, arising due to the increase in the fair value of financial assets at fair value through profit or loss.

At 30 June 2025, if the market prices of the securities had been 30% lower with all other variables held constant, the decrease in net assets attributable to holders of redeemable shares for the period would have been equal, but opposite, to the figures stated above.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund's interest rate sensitive assets and liabilities mainly comprise cash and cash equivalents, debt securities and loan payable. The cash and cash equivalents are subject to floating rates and are considered to be part of the investment strategy of the Fund. No other hedging is undertaken in respect of this interest rate risk.

There were no fixed rate assets or liabilities at 30 June 2025, 30 June 2024 and 31 December 2024.

The following table details the Fund's exposure to interest rate risk at 30 June 2025, 30 June 2024 and 31 December 2024:

	Floating rate assets					
	Weighted average interest at year end	**30.06.2025 GBP**	**Weighted average interest at year end**	**30.06.2024 GBP**	**Weighted average interest at year end**	**31.12.2024 GBP**
Assets						
Cash and cash equivalents	*	**1,437,641**	*	3,377,011	*	1,345,531
		1,437,641		3,377,011		1,345,531

* Interest on bank balances is not material to the financial statements and are based on prevailing bank base rates.

	Floating rate liabilities		
	30.06.2025 GBP	**30.06.2024 GBP**	**31.12.2024 GBP**
Liabilities			
Loan payable (See Note 14)	**27,826,573**	26,882,228	28,884,872
	27,826,573	26,882,228	28,884,872

The above analysis excludes short-term debtors and creditors as all material amounts are non-interest bearing.

Interest rate sensitivity analysis

At 30 June 2025, had interest rates been 50 basis points higher and all other variables were held constant, the Company's net assets attributable to redeemable participating preference shares for the year would have decreased by £131,945 (30 June 2024: £117,526, 31 December 2024: £137,697) due to an increase in interest payable on the loan and to a lesser extent an increase in interest earnings on cash and cash equivalents.

Liquidity risk

Liquidity risk is the risk that the Fund cannot meet its liabilities as they fall due. The Fund's primary source of liquidity consists of cash and cash equivalents, securities at fair value through profit or loss and the credit facility.

The Fund's investments are considered to be readily realisable, predominantly issued by Canadian and U.S. companies and REITs listed on a Canadian stock exchange and actively traded.

Notes to the Financial Statements of the Fund continued

For the period 1 January 2025 to 30 June 2025 with unaudited comparatives for the period 1 January 2024 to 30 June 2024 and audited comparatives for the year ended 31 December 2024

16. Financial instruments continued

Liquidity risk continued

As at 30 June 2025, the Fund's ability to manage liquidity risk was as follows:

	Less than 1 month GBP	1-3 months GBP	3 months to 1 year GBP	More than 1 year GBP	Total GBP
Assets					
Securities (at fair value through profit or loss)	169,445,674	–	–	–	169,445,674
Accrued dividend income	679,051	–	–	–	679,051
Cash and cash equivalents	1,437,641	–	–	–	1,437,641
	171,562,366	**–**	**–**	**–**	**171,562,366**
Liabilities					
Other payables and accruals	(418,238)	–	–	–	(418,238)
Interest payable	(38,158)	–	–	–	(38,158)
Loan payable	(27,826,573)	–	–	–	(27,826,573)
	(28,282,969)	**–**	**–**	**–**	**(28,282,969)**
	143,279,397	**–**	**–**	**–**	**143,279,397**

As at 30 June 2024, the Fund's ability to manage liquidity risk was as follows:

	Less than 1 month GBP	1-3 months GBP	3 months to 1 year GBP	More than 1 year GBP	Total GBP
Assets					
Securities (at fair value through profit or loss)	152,338,695	–	–	–	152,338,695
Accrued dividend income	514,691	193,413	–	–	708,104
Cash and cash equivalents	3,377,011	–	–	–	3,377,011
	156,230,397	**193,413**	**–**	**–**	**156,423,810**
Liabilities					
Other payables and accruals	(389,998)	–	–	–	(389,998)
Interest payable	(76,953)	–	–	–	(76,953)
Loan payable	(26,882,228)	–	–	–	(26,882,228)
	(27,349,179)	**–**	**–**	**–**	**(27,349,179)**
	128,881,218	**193,413**	**–**	**–**	**129,074,631**

16. Financial instruments continued

Liquidity risk continued

As at 31 December 2024, the Fund's ability to manage liquidity risk was as follows:

	Less than 1 month GBP	1-3 months GBP	3 months to 1 year GBP	More than 1 year GBP	Total GBP
Assets					
Securities (at fair value through profit or loss)	169,952,944	–	–	–	169,952,944
Other receivables	719,453	24,221	–	–	743,674
Cash and cash equivalents	1,345,531	–	–	–	1,345,531
	172,017,928	**24,221**	**–**	**–**	**172,042,149**
Liabilities					
Other payables and accruals	(434,929)	–	–	–	(434,929)
Interest payable	(21,788)	(26,494)	–	–	(48,282)
Loan payable	(11,109,566)	(17,775,306)	–	–	(28,884,872)
	(11,566,283)	**(17,801,800)**	**–**	**–**	**(29,368,083)**
	160,451,645	**(17,777,579)**	**–**	**–**	**142,674,066**

Currency risk

The Fund is denominated in GBP, whereas the Fund's principal investments are denominated in CAD and USD. Consequently, the Fund is exposed to currency risk. The Fund's policy is therefore to actively monitor exposure to currency risk. The Board reserves the right to employ currency hedging but, other than in exceptional circumstances, does not intend to hedge. The Board considers that exposure was significant at the period end.

The Fund's net exposure to CAD currency at the period end was as follows:

	30.06.2025 GBP	30.06.2024 GBP	31.12.2024 GBP
Assets			
Securities (at fair value through profit or loss)	**169,445,674**	149,459,234	169,952,944
Cash and cash equivalents	**997,976**	2,750,577	757,724
Accrued income	**679,051**	708,104	743,674
	171,122,701	152,917,915	171,454,342

	30.06.2025 GBP	30.06.2024 GBP	31.12.2024 GBP
Liabilities			
Loan payable	**27,826,573**	26,882,228	28,884,872
Other payables and accruals	**363**	–	–
Interest payable	**38,158**	76,953	48,282
	27,865,094	26,959,181	28,933,154

Notes to the Financial Statements of the Fund continued

For the period 1 January 2025 to 30 June 2025 with unaudited comparatives for the period 1 January 2024 to 30 June 2024 and audited comparatives for the year ended 31 December 2024

16. Financial instruments continued

Currency risk continued

The Fund's net exposure to USD currency at the period end was as follows:

	30.06.2025 GBP	30.06.2024 GBP	31.12.2024 GBP
Assets			
Securities (at fair value through profit or loss)	**–**	2,879,461	–
Cash and cash equivalents	**120,782**	91,514	101,771
	120,782	2,970,975	101,771

Sensitivity analysis

At 30 June 2025, had GBP strengthened against the CAD by 5%, with all other variables held constant, the decrease in net assets attributable to shareholders would amount to approximately £7,162,880 (30 June 2024: £6,297,937, 31 December 2024: £7,126,059). Had GBP weakened against the CAD by 5%, this would amount to an increase in net assets attributable to shareholders of approximately £7,162,880 (30 June 2024: £6,297,937, 31 December 2024: £7,126,059).

At 30 June 2025, had GBP strengthened against the USD by 5%, with all other variables held constant, the decrease in net assets attributable to shareholders would amount to approximately £6,039 (30 June 2024: £148,549, 31 December 2024: £5,088). Had GBP weakened against the USD by 5%, this would amount to an increase in net assets attributable to shareholders of approximately £6,039 (30 June 2024: £148,549, 31 December 2024: £5,088).

17. Cash Flow statement reconciliation of financing activities

			Non-cash changes			
	1 January 2025 GBP	Cash flows GBP	Acquisition GBP	Foreign exchange movements GBP	Fair value changes GBP	30 June 2025 GBP
Financial liabilities held at amortised cost	28,884,872	(26,845)	–	(1,031,454)	–	27,826,573
Total	**28,884,872**	**(26,845)**	**–**	**(1,031,454)**	**–**	**27,826,573**

			Non-cash changes			
	1 January 2024 GBP	Cash flows GBP	Acquisition GBP	Foreign exchange movements GBP	Fair value changes GBP	31 December 2024 GBP
Financial liabilities held at amortised cost	21,831,966	8,744,249	–	(1,691,343)	–	28,884,872
Total	**21,831,966**	**8,744,249**	**–**	**(1,691,343)**	**–**	**28,884,872**

18. Schedule of Investments – Securities (at fair value through profit or loss)

As at 30 June 2025

Description	Shares/Units	Book Cost GBP	Bid-Market Value GBP	% of Net Assets	% of Portfolio
Equities					
Bermuda – Quoted Investments 5.37% (2024: 4.36%)					
Utilities:					
Brookfield Infrastructure Partners L.P.	180,000	4,337,056	4,392,317	3.07%	2.59%
Brookfield Renewable Partners L.P.	255,000	4,761,962	4,709,140	3.29%	2.78%
		9,099,018	9,101,457	6.36%	5.37%
Canada – Quoted Investments 94.63% (2024: 95.64%)					
Basic Materials:					
Nutrien Ltd.	140,000	5,555,657	5,922,244	4.13%	3.50%
Energy:					
Arc Resources Ltd.	160,000	2,043,557	2,453,019	1.71%	1.45%
Canadian Natural Resources Limited	320,000	4,720,869	7,329,091	5.11%	4.33%
MEG Energy Corp.	300,000	4,023,346	4,117,798	2.87%	2.43%
Peyto Exploration & Development Corp.	365,000	2,684,145	3,793,136	2.65%	2.24%
Topaz Energy Corp.	315,000	2,923,886	4,308,517	3.01%	2.54%
Tourmaline Oil Corp.	205,000	8,168,069	7,191,992	5.02%	4.24%
Whitecap Resources Inc.	1,440,000	7,039,102	7,050,825	4.92%	4.16%
		31,602,974	36,244,378	25.29%	21.39%
Financials:					
AGF Management Limited	955,000	4,559,419	6,725,361	4.69%	3.97%
Bank of Montreal	60,000	4,003,803	4,838,613	3.38%	2.86%
Canadian Imperial Bank of Commerce	85,000	2,611,915	4,385,735	3.06%	2.59%
Manulife Financial Corporation	220,000	2,980,200	5,125,869	3.58%	3.03%
Power Corporation of Canada	155,000	3,500,586	4,404,358	3.07%	2.60%
Royal Bank of Canada	50,000	3,781,082	4,790,987	3.34%	2.83%
The Toronto-Dominion Bank	108,000	4,803,184	5,782,833	4.04%	3.41%
		26,240,189	36,053,756	25.16%	21.29%
Industrials:					
Magna International Inc.	115,000	3,162,724	3,219,133	2.25%	1.90%

Notes to the Financial Statements of the Fund continued

For the period 1 January 2025 to 30 June 2025 with unaudited comparatives for the period 1 January 2024 to 30 June 2024 and audited comparatives for the year ended 31 December 2024

18. Schedule of Investments – Securities (at fair value through profit or loss) continued

As at 30 June 2025

Description	Shares/Units	Book Cost GBP	Bid-Market Value GBP	% of Net Assets	% of Portfolio
Pipelines:					
Enbridge Inc.	220,000	6,011,206	7,246,147	5.06%	4.28%
Gibson Energy Inc.	385,000	5,489,785	4,905,423	3.42%	2.89%
Keyera Corp.	150,000	1,980,830	3,573,574	2.49%	2.11%
Pembina Pipeline Corporation	170,000	3,614,436	4,651,372	3.25%	2.75%
TC Energy Corporation	160,000	4,921,769	5,668,915	3.96%	3.35%
		22,018,026	26,045,431	18.18%	15.38%
Power and Utilities:					
AltaGas Ltd.	200,000	2,877,590	4,230,710	2.95%	2.50%
Capital Power Corporation	135,000	2,375,067	3,953,808	2.76%	2.33%
		5,252,657	8,184,518	5.71%	4.83%
Real Estate:					
Canadian Apartment Properties Real Estate Investment Trust	145,000	3,349,980	3,438,936	2.40%	2.03%
Chartwell Retirement Residences	470,000	2,954,960	4,637,833	3.24%	2.73%
Choice Properties Real Estate Investment Trust	510,000	3,933,239	4,041,863	2.82%	2.39%
Dream Industrial Real Estate Investment Trust	480,000	3,416,733	3,018,113	2.11%	1.78%
First Capital Real Estate Investment Trust	480,000	4,866,870	4,646,610	3.24%	2.73%
Granite Real Estate Investment Trust	65,000	2,477,931	2,400,738	1.68%	1.42%
Nexus Industrial Real Estate Investment Trust	605,000	2,815,198	2,428,136	1.69%	1.43%
Primaris Real Estate Investment Trust	340,136	2,722,055	2,671,991	1.86%	1.58%
RioCan Real Estate Investment Trust	600,000	5,515,949	5,666,989	3.95%	3.33%
Sienna Senior Living Inc.	360,000	3,065,893	3,650,632	2.55%	2.15%
SmartCentres Real Estate Investment Trust	275,000	3,609,356	3,755,517	2.62%	2.22%
		38,728,164	40,357,358	28.16%	23.79%
Communication Services:					
Rogers Communications Inc.	200,000	4,130,041	4,317,399	3.01%	2.55%
Total Equities		**145,789,450**	**169,445,674**	**118.25%**	**100.00%**
Total investments (30 June 2025)		**145,789,450**	**169,445,674**	**118.25%**	**100.00%**
Total investments (31 December 2024)		**148,566,473**	**169,952,944**	**119.10%**	**100.00%**

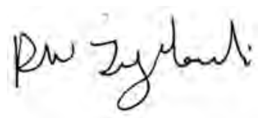
Statement of Financial Position of the Company

As at 30 June 2025 with unaudited comparatives as at 30 June 2024 and audited comparatives as at 31 December 2024

	Notes	30.06-2025 GBP	30.06-2024 GBP	30.12-2024 GBP
Current Assets				
Other Receivables		**2**	2	2
Net Assets		**2**	2	2
Equity Attributable to equity holders				
Stated capital	2	**2**	2	2
Total Shareholders' Equity		**2**	2	2

The financial statements and notes on pages 37 to 38 were approved by the directors on 18 September 2025 and signed on behalf of the Board by:

Michael Phair
Director



Andrew Zychowski
Director

Notes to the Financial Statements of the Company

For the period 1 January 2025 to 30 June 2025 with unaudited comparatives for the period 1 January 2024 to 30 June 2024 and audited comparatives for the year ended 31 December 2024

1. Basis of accounting

The separate financial statements of the Company have been prepared showing results of the Company only. They have been prepared in accordance with UK-adopted IFRS in accordance with the accounting policies set out in Note 2 to the financial statements of the Fund.

The financial statements of the Fund have been prepared on the historical cost basis, except for the measurement at fair value of investments and derivatives, and in accordance with UK-adopted IFRS and interpretations issued by the IFRSIC.

A separate Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement have not been prepared as there have been no results or cash flows for the Company for this year or the preceding year.

There are no standards and interpretations in issue but not effective that the directors believe would or might have a material impact on the financial statements of the Company.

Judgements and estimates used by the directors

The preparation of financial statements in compliance with IFRS requires the directors to make judgements, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, income and expenses. The estimates and associated liabilities are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent. For the purposes of these financial statements, there were no specific areas in which judgement was exercised and no estimation was required by the directors.

2. The Company's stated capital

The authorised share capital of the Company is split into two management shares of no par value.

	No. of shares	GBP
Management shares issued		
At 30 June 2025, 30 June 2024 and 31 December 2024	2	2

3. Taxation

The Company adopted UK tax residency on 11 October 2011. Since that date, the Company has been managed in such a way as to be able to meet the conditions for approval as an investment trust under Section 1158 of the Corporation Tax Act 2010. Accordingly, no UK tax has been provided for. On 7 December 2012, the Company received approval from HM Revenue & Customs to be treated as an investment trust in accordance with Section 1158 of the Corporation Tax Act 2010 and will seek to remain so approved.

4. Ultimate holding company

The ultimate holding company is Middlefield Limited.

Definitions

AIC	The Association of Investment Companies
AIC Code	The AIC Code of Corporate Governance
Auditor	RSM Channel Islands (Audit) Limited
Benchmark	The S&P TSX Composite High Dividend Index
CAD	Canadian Dollar
Cell or Fund	Middlefield Canadian Income – GBP PC
Company or MCT	Middlefield Canadian Income PCC
Credit Facility	The on-demand credit facility with RBC
ESG	Environmental, Social and Governance
FCA	Financial Conduct Authority
FRC	Financial Reporting Council
Fund	Middlefield Canadian Income – GBP PC
Fund Shares	The redeemable participating preference shares of no par value in the Fund
GBP	Sterling
Half Yearly Report	The half yearly report and interim condensed financial statements (unaudited)
IAS	International Accounting Standards
IFRSIC	International Financial Reporting Standards Interpretations Committee
IFRS	International Financial Reporting Standards
JFSC	Jersey Financial Services Commission
Listing Rules	The listing rules made by the FCA under Part VI of the Financial Services and Market Authority
NAV	Net Asset Value of the Company in GBP
Prime Loan	Loans to which the Prime Rate can be applied
Prime Rate	Annual interest rate set by Canada's major banks and financial institutions
RBC	Royal Bank of Canada
REIT	Real estate investment trust
SID	Senior Independent Director
SORP	Statement of recommended practice
Term CORRA loan	The amount drawn under the Credit Facility Agreement

Investment Objective: 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[3]: The Fund seeks to achieve its investment objective by investing predominantly in the securities of companies and REITS domiciled in Canada and listed on a Canadian Stock Exchange 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 with generally comprise between 35 and 70 investments. The Fund may also hold cash or cash equivalents. The Fund may utilise derivative instruments, including index-linked notes, contracts for differences, covered options and other equity-related 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.

3. LR.11.2.6: No more than 10% of the Company's total assets may be invested in other listed closed-ended investment companies unless such investment companies themselves have published investment policies to invest no more than 15% of their total assets in other listed closed-ended investment companies, in which case the restriction does not apply.

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