

MATERIAL CHANGE REPORT

1. Name and Address of Company

Canadian Banc Corp. (the “**Company**”)

200 Front Street West
Suite 2510, P.O. Box 51
Toronto, Ontario M5V 3K2

2. Date of Material Change

September 23, 2025

3. News Release

A news release was issued through GlobeNewswire on September 23, 2025 in Toronto, Ontario and filed on SEDAR+ on the same date at www.sedarplus.ca.

4. Summary of Material Change

On September 23, 2025, the Company announced its intention to complete a split of its Class A shares.

5. Full Description of Material Change

See the news release attached as Schedule A.

6. Reliance of subsection 11.2(2) of National Instrument 81-106 – *Investment Fund Continuous Disclosure*

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer of the Manager

For further information, contact Silvia Gomes, Chief Financial Officer, QuadraVest Capital Management at (416) 304-4443.

9. Date of Report

September 23, 2025

SCHEDULE A

(See attached.)

PRESS RELEASE



TSX: BK Class A, BK.PR.A Preferred

Canadian Banc Corp. Announces Class A Share Split and Increased Total Distributions

TORONTO, ONTARIO – September 23, 2025 / GNW: Canadian Banc Corp. (the “Company”) is pleased to announce its intention to complete a share split of its Class A shares (the “Share Split”) due to the Company’s strong performance. The Class A shareholders of record at the close of business on September 26, 2025 will receive 10 additional Class A shares for every 100 Class A shares held, pursuant to the Share Split. The Share Split is subject to approval by the Toronto Stock Exchange (the “TSX”).

Class A shareholders will continue to receive monthly cash distributions targeted to be at the rate of 15% annualized based on the volume weighted average market price of the Class A shares for the last 3 trading days of the preceding month following the Share Split, resulting in an increase in total distributions of approximately 10% through the issuance of additional shares. Since inception, Class A shareholders have received cash distributions of \$24.26 per share.

The Class A shares are expected to commence trading on an ex-split basis at the opening of trading on September 26, 2025. No fractional Class A shares will be issued, and the number of Class A shares each holder shall receive will be rounded down to the nearest whole number. The Share Split is a non-taxable event.

The impact of the Share Split will be reflected in the next reported net asset value per unit as at September 30, 2025.

The Company invests in a portfolio of six publicly traded Canadian Banks as follows: Bank of Montreal, Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada, Bank of Nova Scotia, Toronto-Dominion Bank. Shares held within the portfolio are expected to range between 5-20% in weight but may vary at any time. To generate additional returns above the dividend income earned on the portfolio, the Company engages in a selective covered call writing program.

Certain statements included in this news release constitute forward-looking statements, including, but not limited to, those identified by the expressions “expect”, “intend”, “will” and similar expressions to the extent they relate to the Company. The forward-looking statements are not historical facts but reflect the Company’s current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, readers are cautioned not to place undue reliance on such statements due to the inherent uncertainty therein. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statement or information whether as a result of new information, future events or other such factors which affect this information, except as required by law. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Investors should read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated. Please read the Company’s publicly filed documents which are available at www.sedarplus.com.

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