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**CANADIAN LIFE COMPANIES SPLIT CORP.**  
**ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE**

NOVEMBER 30, 2025

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This is the annual Management Report of Fund Performance (MRFP) for the year ended November 30, 2025. This MRFP contains financial highlights but does not contain the complete financial statements of the Company. The annual financial statements and accompanying notes are attached to this report.

Investors may also obtain a copy of the Company's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure by visiting our website at [www.lifesplit.com](http://www.lifesplit.com) or by writing to the Company at Investor Relations, 200 Front Street West, Suite 2510, Toronto, Ontario M5V 3K2.

These reports are available to view and download at [www.lifesplit.com](http://www.lifesplit.com) or [www.sedarplus.com](http://www.sedarplus.com).

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## **INVESTMENT OBJECTIVES AND STRATEGIES**

Canadian Life Companies Split Corp. invests primarily in a portfolio of commons shares which will include each of the Canadian life insurance companies listed below:

Great West Lifeco Inc.

Manulife Financial Corporation

iA Financial Corporation Inc.

Sun Life Financial Inc.

The Company may also invest up to 20% of its net asset value in equity securities of foreign life insurance companies or other Canadian or foreign financial services corporations other than the four Canadian life insurance companies listed above. In order to supplement the dividends received on the portfolio and to reduce risk, the Company will from time to time write covered call options in respect of some or all of the common shares in the portfolio.

The Company offers two types of shares:

### **Preferred shares**

The investment objectives with respect to the Preferred shares are as follows:

1. To provide holders with a cumulative preferential floating rate monthly dividend at an annual rate equivalent to the greater of: (i) 7.0% based on the \$10 original issue price, and (ii) the prevailing Canadian prime rate plus 2% annually, based on the \$10 original issue price, to a maximum of 9.0%. (previously, greater of 6.5% or Canadian prime rate plus 2%, to a maximum of 8%); and
2. On the termination date of December 1, 2030 (subject to further 6 year extensions thereafter), to pay holders the original issue price of \$10.

### **Class A shares**

The investment objectives with respect to the Class A shares are as follows:

1. To provide holders with such dividends as the directors of the Company may from time to time determine; and

2. On or about the termination date, to pay holders such amounts as remain after paying the holders of the Preferred shares the amounts owing to them.

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## RISK

The risks of investing in the Company remain as discussed in the Annual Information Form dated February 23, 2026. In addition, note 5 of the financial statements (“Management of Risk of Financial Instruments”) contains disclosure on specific types of risks related to the financial investments held by the Company.

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## RESULTS OF OPERATIONS

North American equity markets delivered positive performance during the year ended November 30, 2025. Canadian equities demonstrated relative resilience amid ongoing macroeconomic and policy uncertainty, supported in part by strength in select sectors including energy, materials and financials. Returns were achieved despite periods of volatility related to global trade policy developments and uneven economic data. In the United States, easing inflation and generally stable corporate conditions provided a more supportive backdrop for business activity and equity markets. Across both markets, moderating price pressures and shifting expectations around monetary policy contributed to a reduction in downside risk and more stable market conditions, although investor positioning and confidence remained cautious and sensitive to evolving macroeconomic developments, particularly in Canada.

Canada’s economy showed some resilience despite external pressures, avoiding a technical recession as growth rebounded modestly in the third quarter. This rebound was supported in part by increased public-sector capital spending and government program outlays, including infrastructure projects and public services, as well as a recovery in exports. Housing activity stabilized at subdued levels, while consumer spending remained constrained amid a softer labour market. In the United States, inflation trended lower over the year and labour market conditions moderated, while overall economic activity remained consistent with continued expansion.

Monetary policy was an important influence on market conditions. In Canada, the Bank of Canada reduced the overnight rate by 50 basis points over the period in response to moderating inflation and ongoing economic softness. In the United States, the Federal Reserve also eased monetary policy during the year, lowering the target range for the federal funds rate by a cumulative 50 basis points by October 2025, where it remained through the end of November 2025. Lower interest rates contributed to more accommodative financial conditions, easing borrowing costs and supporting market activity, particularly in interest-sensitive sectors.

Trade policy and geopolitical developments influenced market conditions throughout the year. Ongoing trade-related uncertainty involving Canada’s major trading partners, along with fiscal and trade policy developments in the United States, affected business confidence and contributed to periodic market volatility. In this environment, the Canadian financial sector, including Canada’s largest banks, continued to contribute to market performance, supported by generally resilient earnings and strong capital and liquidity positions, even as slower credit growth and cost pressures became more evident in certain segments.

As at November 30, 2025, net assets of the Company were \$282.7 million (November 30, 2024 – \$191.8 million) and net assets per unit of the Company were \$17.08 (November 30, 2024 – \$17.78, prior to giving effect to the 10-for-100 Class A share split on December 19, 2024). During the year ended November 30, 2025, net proceeds from share issuances were \$101.7 million, including the issuance of 2,518,000 Preferred shares and 2,118,000 Class A shares at prices of \$10.55 and \$6.35 per share, respectively for gross proceeds of \$40.0 million pursuant to a secondary offering completed on June 26, 2025, with agents’ fees and issuance costs of \$1.5 million. Redemptions totaled \$15.5 million and included payments made pursuant to the special retraction right in connection with the extension of the termination date of the Company from December 1, 2024 to December 1, 2030, under which the Company redeemed 6,700 Preferred shares and 1,977,328 Class A shares on December 16, 2024.

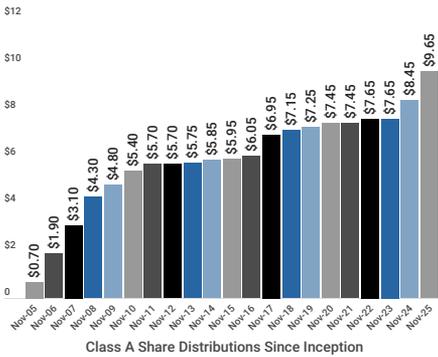
During the year ended November 30, 2025, the Company sold 3,328,476 Preferred shares and 4,648,100 Class A shares through an at-the-market equity program (the “ATM Program”) at average selling prices of \$10.60 per Preferred share and \$6.29 per Class A share, respectively. Gross proceeds, net proceeds and commissions on the Preferred share sales were \$35.3 million, \$34.6 million and \$0.7 million, respectively, while gross proceeds, net proceeds and commissions on the Class A share sales were \$29.2 million, \$28.7 million and \$0.5 million, respectively.

The Company continued to utilize its ability to invest up to 20% of its net assets in financial services companies other than the 4 core life insurance companies.

The covered call writing program continued to provide additional income and supplemented the dividend income earned in the portfolio.

### Class A shares – Distributions

Total distributions per Class A share during the year amounted to \$1.20.

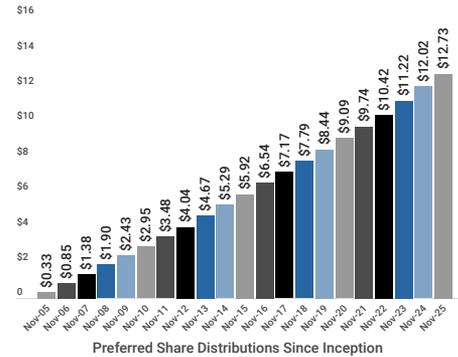


**9.65**

Cumulative total of distributions paid to Class A share since inception

### Preferred shares – Distributions

Total distributions per Preferred share during the year amounted to \$0.7091.



**12.73**

Cumulative total of distributions paid to Preferred share since inception

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## RECENT DEVELOPMENTS

Escalating global military tensions and continued uncertainty in global trade relations may contribute to market volatility and could impact the Company's investment portfolio.

On May 29, 2025, the Company announced a normal course issuer bid (the "NCIB") to purchase its Preferred shares and Class A shares through the facilities of the TSX and/or alternative Canadian trading systems. During the year ended November 30, 2025, there were no Preferred shares or Class A shares purchased for cancellation.

Pursuant to the special retraction right in connection with the extension of the termination date of the Company from December 1, 2024 to December 1, 2030, the Company redeemed 6,700 Preferred shares and 1,977,328 Class A shares and made retraction payments of \$67,000 and \$15,383,612, respectively, to each class of shares on December 16, 2024.

Following the special retraction payment, a share split of Class A shares occurred with Class A shareholders on record on December 19, 2024, receiving an additional 10 post-split shares for every 100 Class A shares held. A total of 889,707 Class A shares were issued in connection with the share split.

In connection with the extension, the Company also amended the dividend entitlement of the Preferred shares effective December 1, 2024, to pay a cumulative preferential floating rate monthly dividend at an annual rate equivalent to the greater of, (i) 7.0% (from 6.5%) based on the \$10 original issue price and (ii) the prevailing Canadian prime rate plus 2% annually based on the \$10 original issue price, to a maximum of 9% (from 8%).

On February 11, 2026, the Company completed an offering of 4,082,000 Preferred Shares and 2,282,000 Class A Shares at prices of \$10.45 and \$7.65 per share, respectively. The offering generated gross proceeds of \$60,114,200 and net proceeds of \$57,898,915.

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## RELATED PARTY TRANSACTIONS

Quadravest Capital Management Inc. ("Quadravest") as investment manager and manager earns fees from the Company as described below in the Management Fees section.

## FINANCIAL HIGHLIGHTS

The following tables show selected financial information about the Company and are intended to help you understand the Company's financial performance for the past five years. This information is derived from the Company's audited annual financial statements. The information in the following table is presented in accordance with National Instrument ("NI") 81-106 and, as a result, does not act as a continuity of opening and closing net assets per unit.

### The Company's net assets per unit

	Years ended November 30				
	2025	2024	Prior to December 2024 Class A share split <sup>(4)</sup>	2022	2021
Net assets per unit, beginning of year <sup>(1)</sup>	17.78 <sup>(6)</sup>	14.38	13.37	13.99	12.61
Increase (decrease) from operations					
Total revenue	0.59	0.65	0.69	0.59	0.54
Total expenses	(0.18)	(0.17)	(0.15)	(0.15)	(0.15)
Realized gains for the year	0.24	1.24	0.01	0.21	0.11
Unrealized gains for the year	1.64	3.26	1.24	(0.38)	1.62
Total increase (decrease) from operations <sup>(2)</sup>	<u>2.29</u>	<u>4.98</u>	<u>1.79</u>	<u>0.27</u>	<u>2.12</u>
Distributions <sup>(3)</sup>					
Canadian dividends	(1.68)	(1.60)	(0.80)	(0.88)	(0.65)
Capital gains dividends	<u>(0.23)</u>	-	-	-	-
Total distributions	<u>(1.91)</u>	<u>(1.60)</u>	<u>(0.80)</u>	<u>(0.88)</u>	<u>(0.65)</u>
Net assets per unit at end of year	17.08	17.78 <sup>(5)</sup>	14.38	13.37	13.99
Net assets per Preferred share	10.00	10.00	10.00	10.00	10.00
Net assets per Class A share	<u>7.08</u>	<u>7.78<sup>(5)</sup></u>	<u>4.38</u>	<u>3.37</u>	<u>3.99</u>
Net assets per unit at end of year	17.08	17.78 <sup>(5)</sup>	14.38	13.37	13.99

- (1) Net assets per unit is the difference between the aggregate amount of the Company's assets and the aggregate amount of its liabilities, excluding Preferred shares and net assets attributable to holders of redeemable Class A shares, at the valuation date, divided by the number of units then outstanding.
- (2) Total increase (decrease) from operations is before the payment of Preferred and Class A share distributions and other income (charges) related to Preferred shares and is calculated based on the weighted average number of units outstanding during the year.
- (3) Distributions on the Preferred shares and Class A shares are based on the number of Preferred shares and Class A shares outstanding on the record date for each distribution and were paid in cash. Characterization of distributions is based on the tax treatment that is received by investors.
- (4) As a result of the 10-for-100 Class A share split on December 19, 2024, comparative figures from prior years are not comparable to the figures presented as at November 30, 2025.
- (5) After giving effect to the 10-for-100 Class A share split on December 19, 2024, which occurred subsequent to year-end, net assets per unit and net assets per Class A share as at November 30, 2024 were \$17.08 and \$7.08, respectively.
- (6) The net assets per unit, beginning of the year is based on net assets per Class A share of \$7.78 prior to giving effect to the 10-for-100 Class A share split on December 19, 2024. The net assets per Class A share and net asset per unit at the beginning of the year, after giving effect to the subsequent share split, were \$7.08 and \$17.08, respectively.

## RATIOS AND SUPPLEMENTAL DATA

	┌	Years ended November 30				└
	2025	2024	2023	2022	2021	
Net asset value (millions) <sup>(1)</sup>	\$282.7	\$191.8	\$166.6	\$166.8	\$174.0	
Number of units outstanding <sup>(2)</sup>	16,552,878	10,783,409	11,589,004	12,472,701	12,434,901	
Base management expense ratio <sup>(3)</sup>	1.02%	1.00%	1.01%	0.98%	0.97%	
Management expense ratio including one time offering expenses <sup>(4)</sup>	2.41%	1.08%	1.01%	1.08%	0.97%	
Management expense ratio per Class A share <sup>(5)</sup>	18.14%	18.08%	24.46%	23.05%	19.57%	
Portfolio turnover rate <sup>(6)</sup>	8.89%	16.90%	3.11%	5.23%	5.31%	
Trading expense ratio <sup>(7)</sup>	0.06%	0.09%	0.09%	0.07%	0.12%	
Closing market price (TSX): Preferred shares	\$10.59	\$10.50	\$10.20	\$10.00	\$10.18	
Closing market price (TSX): Class A shares	\$6.70	\$7.00	\$3.63	\$2.96	\$3.85	

(1) This information is provided as at November 30.

(2) At times when there is an unequal number of Preferred shares and Class A shares outstanding, a notional unit amount will be determined as the quotient of the total net asset value of the Company and the sum of the net asset value per share attributable to Preferred shares and Class A shares.

(3) A separate base management expense ratio per unit has been presented to reflect the ongoing operating expenses of the Company. The base management expense ratio per unit is based on total expenses for the stated year, excluding commissions and other portfolio transaction costs, withholding tax, distributions on Preferred shares and any one time offering expenses and is expressed as an annualized percentage of the average net asset value of the Company during the year.

(4) Share issue expenses including all agents' fees and other offering expenses are one time initial expenses connected with the launch of the Company or any subsequent secondary offering. Any expenses incurred with secondary offerings were offset by the accretion to net asset value per unit of such offerings.

(5) Management expense ratio per Class A share is based on the requirements of NI 81-106. This instrument requires that all split share companies produce an expense ratio which allocates all ongoing operating expenses of the Company (excluding commissions and other portfolio transaction costs and withholding tax), all distributions on Preferred shares and all issuance costs to the Class A shares and expresses this as an annualized percentage of the average net asset value attributable to the Class A shares during the year. The management expense ratio per Class A share should not be interpreted as the required return necessary for the Company or the Class A shares to cover the operating expenses of the Company. This calculation is based only on a portion of the Company's assets whereas the Company utilizes its entire assets to generate investment returns. Management believes that the base management expense ratio per unit disclosed in the table above is the most representative ratio in assessing the ongoing efficiency of the administration of the Company, making comparisons to the expense ratios of single unit mutual funds or determining the minimum investment returns necessary by the Company to achieve growth in net asset value per unit.

(6) The Company's portfolio turnover rate indicates how actively Quadravest manages the portfolio investments. A portfolio turnover rate of 100% is equivalent to the Company buying and selling all of the securities in its portfolio once in the course of the year. The Company employs a covered call writing strategy which can cause the portfolio turnover rate to be higher than conventional mutual funds. The higher the Company's portfolio turnover rate in a year, the greater the trading costs payable by the Company in the year and the greater chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Company.

(7) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the average net asset value of the Company during the year.

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## MANAGEMENT FEES

Pursuant to the terms of the investment management agreement, Quadrainvest is entitled to a base management fee payable in arrears at an annual rate equal to 0.65% of the net asset value of the Company, which includes the outstanding Preferred shares, calculated as at each month-end valuation date. In addition, Quadrainvest is entitled to receive a performance fee subject to the achievement of certain pre-established total return thresholds.

Pursuant to the management agreement, Quadrainvest is entitled to an administration fee payable monthly in arrears at an annual rate equal to 0.10% of the net asset value of the Company, which includes the outstanding Preferred shares, calculated as at each month-end valuation date.

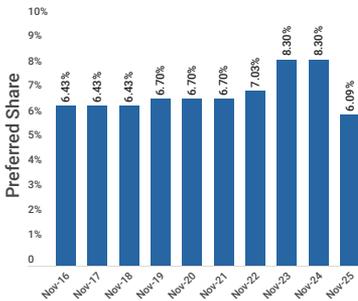
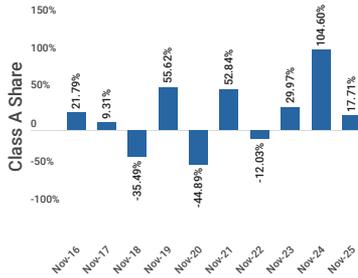
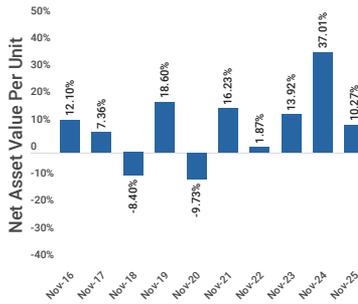
The base management fee was used by Quadrainvest to provide investment analysis, make investment decisions, and make brokerage arrangements for the purchase and sale of securities including the covered call writing program. The administration fee was used to provide or arrange administrative services required by the Company which includes all operational services, financial accounting, shareholder reporting and regulatory reporting.

## PAST PERFORMANCE

### Year-by-Year Returns

The past performance of 1) the net asset value per unit; 2) the Preferred share on a net asset value basis; and 3) the Class A share on a net asset value basis for each of the last 10 years are presented in the bar charts below. Each bar in the chart reflects the change in percentage terms of how a unit, a Preferred share or a Class A share would have increased or decreased during the applicable year. In respect to the charts displayed below, please note the following:

- The performance information shown assumes that all cash distributions made by the Company during the years shown were reinvested in the applicable additional securities of the Company;
- The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance; and
- Past performance of the Company does not necessarily indicate how it will perform in the future.



(1) The returns per unit and per Class A share for the year ended November 30, 2019 reflect the subdivision of Class A shares on December 21, 2018.

(2) The returns per unit and per Class A share for the year ended November 30, 2025 reflect the subdivision of Class A shares on December 19, 2024.

## ANNUAL COMPOUND PERFORMANCE

The following table shows the Company's annual compound return for the one, three, five and ten years ended November 30, 2025 and since inception:

	One year	Three years	Five years	Ten years	Since inception
Canadian Life Companies Split Corp. - Unit	10.27%	19.84%	15.30%	9.17%	5.04%
Canadian Life Companies Split Corp. - Preferred share	6.09%	7.56%	7.28%	6.91%	6.27%
Canadian Life Companies Split Corp. - Class A share	17.71%	46.28%	33.30%	11.98%	1.91%

## MARKET INDICES<sup>(1)</sup>

S&P TSX Financial Index	27.62%	21.96%	19.37%	13.73%	10.95%
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(1) As a result of the Company being limited to a specific universe of stocks and that a covered call writing program is implemented to generate additional income, the investment profile of the Company is quite unique and any comparisons with any other market indices may not be appropriate.

## SUMMARY OF INVESTMENT PORTFOLIO

All holdings as at November 30, 2025

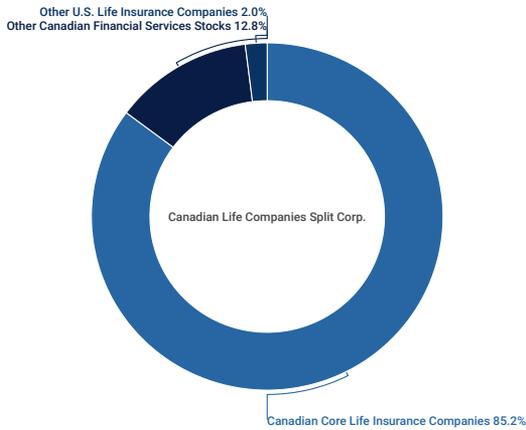
Name	Weighting (%)
Manulife Financial Corporation	21.5
Sun Life Financial Inc.	20.8
iA Financial Corporation Inc.	19.6
Great-West Lifeco Inc.	15.6
Canadian Imperial Bank of Commerce	4.2
Toronto-Dominion Bank	3.3
Bank of Nova Scotia	2.5
Bank of Montreal	1.6
Prudential Financial Inc.	0.6
Aflac Inc.	0.6
Metlife Inc.	0.3
Lincoln National Corp.	0.3
<b>Total long positions as a percentage of net assets</b>	<b>90.9</b>
Cash	9.4
Other net assets (liabilities)	-0.3
	100.0

The summary of investment portfolio may change due to ongoing portfolio transactions of the Company. Updates are available quarterly.

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## PORTFOLIO BREAKDOWN

The following pie chart shows the composition of the Company's holdings between Canadian core insurance, Canadian financial services and U.S. financial services investments.



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## CANADIAN LIFE COMPANIES SPLIT CORP. MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Canadian Life Companies Split Corp. (the "Company") have been prepared by QuadraVest Capital Management Inc. (the "Manager" of the Company) and approved by the Board of Directors of the Company. The Manager is responsible for the information and representations contained in these financial statements and the other sections of the annual report.

The Manager maintains appropriate procedures to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The material accounting policy information applicable to the Company is described in note 3 to the financial statements.

The Board of Directors of the Company is responsible for ensuring that management fulfills its responsibilities for financial reporting and has reviewed and approved these financial statements.

The Manager with the approval of the Board of Directors of the Company has appointed PricewaterhouseCoopers LLP as the external auditor of the Company. They have audited the financial statements of the Company in accordance with Canadian generally accepted auditing standards to enable them to express to shareholders their opinion on the financial statements. The auditor has full and unrestricted access to the Audit Committee to discuss its findings.

**WAYNE FINCH**

Chief Executive Officer, President and Director  
QuadraVest Capital Management Inc.

**SILVIA GOMES**

Chief Financial Officer  
QuadraVest Capital Management Inc.