

2025

**INTERIM MANAGEMENT REPORT
OF FUND PERFORMANCE**

June 30, 2025

Offered by Educators Financial Group
Portfolio Adviser: Fiera Capital Inc., Toronto, Ontario

Educators Monthly Income Fund





This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or the annual financial statements of the investment fund. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, by calling 1.800.263.9541, by writing to us at Educators Financial Group, 2225 Sheppard Ave. East, Suite 1105, Toronto, Ontario, M2J 5C2, or by visiting our website at www.educatorsfinancialgroup.ca or SEDAR+ at www.sedarplus.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Fund, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and similar forward-looking expressions.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks, and uncertainties, some of which may be unforeseeable. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, including international conflicts, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

It should be stressed that the above-mentioned list of factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements, whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance unless required by applicable law.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

The Fund's net assets increased by 13.2% to \$100.6 million at the end of June 2025, up from \$88.9 million at the end of December 2024.

Investment Performance

For the year/period ending June 30, 2025 (*the period*), the Educators Monthly Income Fund – Class A Series provided a return of 5.68%, versus a Benchmark return of 7.53%. The Benchmark comprises 70% S&P/TSX Composite Total Return Index, 27% FTSE Canada Bond Universe Index and 3% FTSE Canada 91 Day Treasury Bill Index (the Benchmark).

The Fund underperformed its blended Benchmark over the period. Unlike the Benchmark, the Fund's return is net of fees and expenses paid by the Fund. Detailed performance is provided under the heading "Past Performance" in this report. Investors cannot invest in the Benchmark without incurring fees, expenses and commissions which are not reflected in Benchmark returns.

Tariffs have been the dominant theme affecting markets during the period. The Trump administration's 'Liberation Day' announcement on April 2 ushered in a new era for global trade with a 10% global baseline tariff, alongside higher reciprocal tariffs targeting countries with large trade deficits with the United States. The broad sell-off in equity markets that followed saw the U.S. government change direction, announcing a 90-day moratorium on the reciprocal tariffs for most regions. The pause drove an immediate market reversal for global stocks, with both the S&P 500 Index and S&P/TSX Composite Index reaching record highs by the end of the period.

The Canadian economy continued to demonstrate resilience amid global uncertainty. Buoyed by improving macroeconomic fundamentals and a favorable monetary policy environment, Canada's GDP growth remained modest, but positive—underpinned by steady consumer spending and a resilient labour market. Inflation continued to ease, with headline CPI falling to around 2.3% by March, down from earlier highs thanks to declining energy and travel costs. This moderation in inflation allowed the Bank of Canada to continue its rate-cutting cycle and lower its policy rate by 25 basis points in both January and March, contributing to improved borrowing conditions and investor sentiment.

The Fund recorded positive performance, but underperformed its benchmark during the period. The underperformance was due to defensive positioning of the asset classes within the Fund, resulting in a lower weight in equities and bonds than the Benchmark. Additionally, the equity portfolio performed positively, but not as strongly as the overall Canadian stock market.

The equity portfolio enhanced performance on an absolute basis, but underperformed the S&P/TSX Composite over the period. The underperformance was due to the portfolio's lack of holdings in the

Materials sector, which outperformed other sectors and from a pullback in certain holdings in the Consumer Staples and Information Technology sectors, namely Pepsico, Alimentation Couche Tard, Accenture PLC., and CGI Inc. This was partially offset by positive contributions from the portfolio's holdings in the Financials sector, where holdings such as TMX Group Limited benefitted from the heightened stock market volatility; the Communications sector, where holdings of Quebecor Inc. and Telus Corp. outperformed their peers; and from the portfolios' lack of exposure to the underperforming Energy sector.

The Canadian Fixed Income market continued to be volatile through the first half of 2025, as both equity and fixed income markets grappled with the implications of sweeping trade policy changes and persistent geopolitical tensions. Corporate earnings remained robust and credit spreads continued to be well supported. The Canadian yield curve steepened during the period, as yields in long-term securities rose, while short-term yields declined due to cuts in the overnight rate.

The Fixed Income portfolio outperformed its Benchmark during the period, with the Securitization, Real Estate, and Financial sectors being the most significant contributors. These sectors have benefitted from the continued strength of the Canadian consumer in the face of high interest rates, with the insurance sub-sector contributing notably. Additionally, as all three sectors are primarily comprised of higher-risk premium securities with shorter maturities, they have benefitted from the steady spread compression and the decrease in yields for securities with shorter maturities.

The Fund's allocation to equities, fixed income, and cash remained largely unchanged during the Period and the allocation to cash and equivalents increased. The Fund's holdings in equities ended the period at 63.3%, composed of a 48.6% exposure to Canadian equity and a 14.7% exposure to foreign equity. The fixed income allocation was 18.3% and the allocation to cash and equivalents was 18.4%. The Fund maintained a reduced weight in equities, as the portfolio adviser views the current environment with having heightened risks due to both direct tariff impacts and inflationary pressures, making the risk-return profile of both stocks and bonds less attractive. The asset allocation positioning versus the Benchmark detracted from relative performance during the period.

Recent Developments

Despite many equity markets nearing or reaching all-time highs, significant uncertainty within a complex geopolitical and macroeconomic environment remains. Escalating tariff and trade tensions cloud the economic outlook and may intensify inflationary pressures. Secular themes such as de-globalization, protectionism, increased geopolitical conflict, stretched government finances, and a multipolar world, continue to gain momentum. The U.S. continues to be the world's largest economy and a vital trading partner for many countries. In particular, Canada's economy is heavily reliant on trade



with its neighbour to the south, but so far at least, the threat of tariffs has negatively affected the U.S. market much more than global markets.

While there have been no significant changes to the Fund as a result, the portfolio adviser continues to review all holdings for resilience in the face of macroeconomic changes in anticipation of any necessary changes to the portfolio. In analyzing the Fund's holdings, the portfolio adviser is placing heightened importance on the location of product, service delivery, and company pricing power. Further, the fixed income portfolio allocation to high-quality Financials, Securitization, Midstream Pipelines, and Communications is higher than historically, as these sectors are expected to be less impacted by ongoing tariff threats. The Fund continues to focus on strong cash flow generation, strong balance sheets, and the ability to pass through higher input costs, providing stable risk premiums—which is designed to provide good protection in the prevailing market environment.

Related Party Transactions

In the first six months of 2025 Educators Financial Group did not refer any conflict of interest matters to the Fund's Independent Review Committee (*the IRC*) and accordingly did not rely upon any recommendation of the IRC in respect of any related party transactions.

Educators Financial Group is the Manager and Trustee of the Fund. Educators Financial Group is a wholly owned subsidiary of the Ontario Secondary School Teachers' Federation (*OSSTF*). OSSTF may from time to time invest in units of the Fund.



EDUCATORS MONTHLY INCOME FUND

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the six-month period and for the past five years. Currently Class I units of the Fund are not being offered to purchase.

Educators Monthly Income Fund – Class A Series – Net Assets per Unit ⁽¹⁾

	Six-months ended June 30	Year ended December 31				
	2025	2024	2023	2022	2021	2020
Net Assets, beginning of year/period	\$10.06	\$9.38	\$9.17	\$10.20	\$9.30	\$9.74
Increase (decrease) from operations:						
Total revenue	\$0.14	\$0.28	\$0.30	\$0.27	\$0.27	\$0.29
Total expenses, including transaction costs [excluding distributions]	(\$0.07)	(\$0.13)	(\$0.13)	(\$0.13)	(\$0.13)	(\$0.13)
Realized gains (losses) for the period	\$--	\$0.35	(\$0.08)	\$0.13	\$0.28	(\$0.04)
Unrealized gains (losses) for the period	\$0.49	\$0.76	\$0.72	(\$0.70)	\$1.08	(\$0.04)
Total increase (decrease) from operations ⁽²⁾	\$0.56	\$1.26	\$0.81	(\$0.43)	\$1.50	\$0.08
Distributions:						
From net investment income (excluding dividends)	\$--	\$--	\$--	\$--	\$--	\$--
From dividends	\$0.30	\$0.60	\$0.60	\$0.14	\$0.12	\$0.15
From capital gains	\$--	\$--	\$--	\$0.11	\$--	\$0.02
Return of capital	\$--	\$--	\$--	\$0.35	\$0.48	\$0.43
Total Annual Distributions ⁽³⁾	\$0.30	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60
Net Assets, end of year/period	\$10.32	\$10.06	\$9.38	\$9.17	\$10.20	\$9.30

Ratios and Supplemental Data (based on Net Asset Value)

	Six-months ended June 30	Year ended December 31				
	2025	2024	2023	2022	2021	2020
Total Net Asset Value (000's) ⁽⁴⁾	\$92,366	\$82,454	\$61,483	\$57,070	\$59,185	\$53,215
Number of units outstanding ⁽⁴⁾	8,948,341	8,198,795	6,551,306	6,224,925	5,799,608	5,721,925
Management expense ratio ⁽⁵⁾	1.30%	1.30%	1.30%	1.31%	1.31%	1.31%
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.30%	1.30%	1.30%	1.31%	1.31%	1.31%
Trading expense ratio ⁽⁷⁾	--%	0.01%	0.01%	0.01%	0.01%	0.02%
Portfolio turnover rate ⁽⁸⁾	7.97%	29.57%	26.15%	23.22%	27.14%	46.75%
Net Asset Value per unit	\$10.32	\$10.06	\$9.38	\$9.17	\$10.20	\$9.30



EDUCATORS MONTHLY INCOME FUND

Educators Monthly Income Fund – Class F Series – Net Assets per Unit ⁽¹⁾

	Six-months ended June 30		Year ended December 31		
	2025	2024	2023	2022	2021
Net Assets, beginning of year/period	\$10.10	\$9.36	\$9.09	\$10.06	\$10.00
Increase (decrease) from operations:					
Total revenue	\$0.14	\$0.28	\$0.31	\$0.27	\$0.10
Total expenses, including transaction costs [excluding distributions]	(\$0.03)	(\$0.07)	(\$0.06)	(\$0.07)	(\$0.02)
Realized gains (losses) for the period	\$--	\$0.38	(\$0.09)	\$0.15	\$0.01
Unrealized gains (losses) for the period	\$0.50	\$0.76	\$0.74	(\$0.56)	\$0.72
Total increase (decrease) from operations ⁽²⁾	\$0.61	\$1.35	\$0.90	(\$0.21)	\$0.81
Distributions:					
From net investment income (excluding dividends)	\$--	\$--	\$--	\$--	\$--
From dividends	\$0.30	\$0.60	\$0.60	\$0.14	\$0.06
From capital gains	\$--	\$--	\$--	\$0.11	\$--
Return of capital	\$--	\$--	\$--	\$0.35	\$0.24
Total Annual Distributions ⁽³⁾	\$0.30	\$0.60	\$0.60	\$0.60	\$0.30
Net Assets, end of year/period	\$10.41	\$10.10	\$9.36	\$9.09	\$10.06

Ratios and Supplemental Data (based on Net Asset Value)

	Six-months ended June 30		Year ended December 31		
	2025	2024	2023	2022	2021
Total Net Asset Value (000's) ⁽⁴⁾	\$8,214	\$6,440	\$4,189	\$2,862	\$1,756
Number of units outstanding ⁽⁴⁾	789,307	637,342	447,338	314,875	174,594
Management expense ratio ⁽⁵⁾	0.63%	0.63%	0.63%	0.63%	0.62%
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.63%	0.63%	0.63%	0.63%	0.62%
Trading expense ratio ⁽⁷⁾	--%	0.01%	0.01%	0.01%	0.01%
Portfolio turnover rate ⁽⁸⁾	7.97%	29.57%	26.15%	23.22%	27.14%
Net Asset Value per unit	\$10.41	\$10.10	\$9.36	\$9.09	\$10.06

⁽¹⁾ This information is derived from the Fund's audited interim financial report and annual financial statements. For financial years beginning after January 1, 2014, the financial highlights were derived from the Fund's financial statements prepared in accordance with International Financial Reporting Standards (IFRS). All references to "Net Assets" or "Net Assets per Unit" in these financial highlights are references to net assets attributable to holders of redeemable units determined in accordance with IFRS as presented in the financial statements of the Fund.

⁽²⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

⁽³⁾ Distributions were either paid in cash or reinvested in additional units of the Fund.

⁽⁴⁾ This information is provided as at June 30 or December 31 of the year shown.

⁽⁵⁾ Management expense ratio is based on total expenses (excluding [distributions], commissions, and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

⁽⁶⁾ The management expense ratio before waivers or absorptions shows what the management expense ratio of the Fund would have been if Educators Financial Group had not charged a lesser amount for its management fee.

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

⁽⁸⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the 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 a fund.



Management Fees

Educators Financial Group is the Manager-Trustee, promoter, and principal distributor of the Fund, and is responsible for the day-to-day management and administration of the Fund.

The Manager-Trustee monitors and evaluates the performance of the Fund and pays for the investment management services of the portfolio adviser, as well as all administrative services required by the Fund. As compensation for these services, Educators Financial Group is entitled to receive a fee, payable monthly and calculated daily, based on the Net Asset Value of the Fund, at the annual rate of 1.15% for the Class A Series and 0.55% for the Class F Series.

The Fund is responsible for paying any applicable tax owing on its management fee.

Approximately 15.8% of the total management fees collected from all Series were used to pay for portfolio management services, with the remainder of the fees allocated to custodial services, marketing, technology, and Manager-Trustee operating expenses.

Past Performance

General

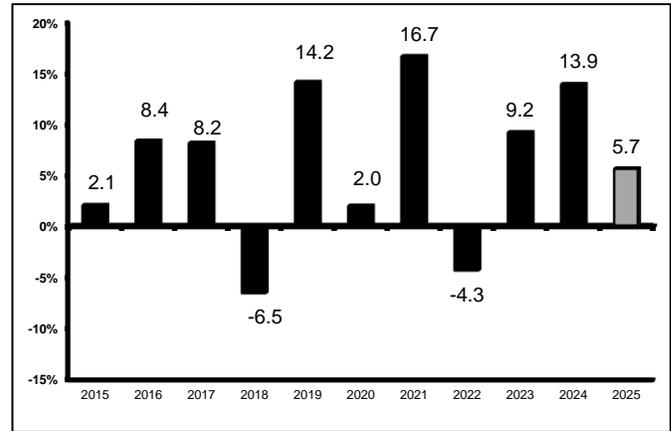
The Fund's performance information shown assumes that all distributions made by the Fund in the period(s) shown were reinvested in additional units of the Fund.

The performance information does not take into account sales, redemption, distribution, or other optional charges that would have reduced returns or performance. The performance of different fund series may vary for a number of reasons, including differences in management fees and expenses. Please remember that how the Fund has performed in the past does not necessarily indicate how it will perform in the future.

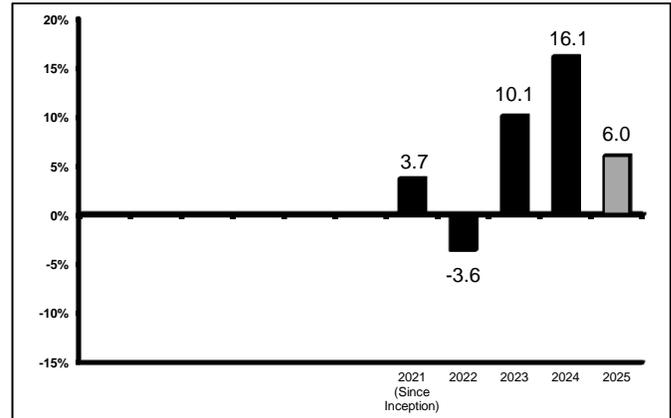
Year-by-Year Returns

The bar chart shows the Fund's annual performance for each of the years shown and for the six-month period and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.

Annual Returns – Class A Series



Annual Returns – Class F Series ⁽¹⁾



■ % Increase/decrease □ For the six-month period ended June 30, 2025

⁽¹⁾ The Class F Series commenced operation May 14, 2021

Annual Returns – Class I Series

Currently Class I units of the Fund are not being offered to purchase.



SUMMARY OF INVESTMENT PORTFOLIO
(Based on Net Asset Value)
 As at June 30, 2025

The summary of investment portfolio of the Fund is as at June 30, 2025 and may change due to the Fund's ongoing portfolio transactions. Updates are available quarterly.

Sector Mix	Percentage of Net Asset Value
Financials	24.99 %
Short-term investments	18.20 %
Corporate Bonds	13.40 %
Consumer Staples	12.91 %
Industrials	10.04 %
Information Technology	6.18 %
Consumer Discretionary	6.09 %
Government Bonds	3.32 %
Communication Services	3.08 %
Asset-Backed Securities	1.41 %
Net Other Assets (Liabilities)	0.37 %
Cash and Cash Equivalents	0.01 %

Top 25 Holdings

Security Name	Percentage of Net Asset Value
Canadian Treasury Bill, 2.63%, July 30, 2025	13.04 %
Constellation Software Inc.	3.40 %
TMX Group Ltd.	3.32 %
Dollarama Inc.	3.08 %
Royal Bank of Canada	3.03 %
Intact Financial Corp.	3.00 %
Metro Inc.	2.92 %
Mastercard Inc.	2.81 %
Costco Wholesale Corp.	2.74 %
National Bank of Canada	2.70 %
Loblaw Cos Ltd.	2.70 %
Thomson Reuters Corp.	2.67 %
Bank of Montreal	2.41 %
Canadian Pacific Kansas City Ltd.	2.19 %
Canadian Treasury Bill, 2.67%, August 27, 2025	2.14 %
iA Financial Corp Inc.	2.14 %
Sun Life Financial Inc.	1.86 %
Canadian Government Bond, 2.75%, December 1, 2055	1.77 %
Toromont Industries Ltd.	1.75 %
TELUS Corp.	1.68 %
CGI Inc.	1.63 %
Canadian National Railway Co.	1.62 %
Restaurant Brands International Inc.	1.58 %
Alimentation Couche-Tard Inc.	1.47 %
McDonald's Corp.	1.44 %
Total Net Assets (000's)	\$100,581

The top 25 holdings represent approximately 69.09% of the total net assets of the Fund.

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