

Financial Statements
(Expressed in Canadian dollars)

**OUTCOME CANADIAN EQUITY
INCOME FUND**
(formerly OUTCOME ENHANCED DIVIDEND FUND)

And Independent Auditor's Report thereon

December 31, 2023 and 2022

OUTCOME CANADIAN EQUITY INCOME FUND

December 31, 2023

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Independent auditor's report

To the Unitholders of
Outcome Canadian Equity Income Fund

Opinion

We have audited the financial statements of **Outcome Canadian Equity Income Fund** [formerly, Outcome Enhanced Dividend Fund] [the "Fund"], which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of comprehensive income, statements of changes in net assets attributable to holders of redeemable units and statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ["IFRSs"].

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Toronto, Canada
March 27, 2024

Chartered Professional Accountants
Licensed Public Accountants



OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Statements of Financial Position

(Expressed in Canadian dollars)

As at December 31

	2023	2022
ASSETS		
Current assets		
Due from broker	\$ 101,341	\$ 38,633
Investments owned, at fair value through profit or loss	42,728,105	23,426,610
Interest and dividends receivable	174,378	88,173
Expense reimbursement receivable [note 5(b)]	10,915	32,788
Receivable for investments sold	4,134,101	5,901,257
Subscriptions receivable	60,001	–
Due from Manager [note 5(c)]	–	216
	<u>47,208,841</u>	<u>29,487,677</u>
LIABILITIES		
Current liabilities		
Management fees payable [note 5(a)]	30,203	19,277
Accounts payable and accrued liabilities	90,292	35,724
Distributions payable	271,042	166,177
Payable for investments purchased	4,154,510	5,920,091
Redemptions payable	8,466	–
	<u>4,554,513</u>	<u>6,141,269</u>
Net assets attributable to holders of redeemable units	<u>\$ 42,654,328</u>	<u>\$ 23,346,408</u>
Net assets attributable to holders of redeemable units per Class		
Class A	\$ 11,125,483	\$ 11,308,060
Class B	3,268,977	8,464,096
Class C	7,257,114	3,574,252
Class D	1,605,816	–
Class E	14,452,828	–
Class F	2,686,673	–
Class G	2,257,437	–
	<u>\$ 42,654,328</u>	<u>\$ 23,346,408</u>
Number of redeemable units outstanding (note 6)		
Class A	1,004,652	1,029,719
Class B	318,533	831,207
Class C	589,588	292,952
Class D	167,656	–
Class E	1,508,733	–
Class F	280,324	–
Class G	235,660	–

OUTCOME CANADIAN EQUITY INCOME FUND (formerly OUTCOME ENHANCED DIVIDEND FUND)

Statements of Financial Position (continued)

(Expressed in Canadian dollars)

As at December 31

		2023		2022
Net assets attributable to holders of redeemable units per unit (note 10)				
Class A	\$	11.07	\$	10.98
Class B		10.26		10.18
Class C		12.31		12.20
Class D		9.58		—
Class E		9.58		—
Class F		9.58		—
Class G		9.58		—

On behalf of the Fund by its Manager, Outcome Metric Asset Management Limited Partnership:

DocuSigned by:

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Noah Solomon

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Statements of Comprehensive Income

(Expressed in Canadian dollars)

For the years ended December 31

	2023	2022
Income		
Dividends	\$ 1,161,480	\$ 928,081
Interest for distribution purposes	28,516	10,525
Income earned on securities lending (note 13)	846	–
Net change in unrealized depreciation in fair value of investments	(45,339)	(1,388,796)
Realized gain on sale of investments, including foreign exchange adjustments	306,550	1,200,501
	<u>1,452,053</u>	<u>750,311</u>
Expenses		
Management fees [note 5(b)]	299,276	226,835
Operating costs	108,094	53,228
Audit fees	42,112	22,505
Commissions and other portfolio transaction costs	34,428	12,724
Custodian fees	10,166	–
Legal fees	5,473	–
Interest and borrowing fees	144	115
	<u>499,693</u>	<u>315,407</u>
Expenses reimbursed by the Manager (notes 5 and 8)	(104,165)	(32,788)
	<u>395,528</u>	<u>282,619</u>
Increase in net assets attributable to holders of redeemable units	<u>\$ 1,056,525</u>	<u>\$ 467,692</u>
Increase (decrease) in net assets attributable to holders of redeemable units per Class		
Class A	\$ 239,816	\$ 209,112
Class B	610,503	170,268
Class C	195,088	88,312
Class D	28,919	–
Class E	16,047	–
Class F	21,498	–
Class G	(55,346)	–
	<u>\$ 1,056,525</u>	<u>\$ 467,692</u>
Increase (decrease) in net assets attributable to holders of redeemable units per unit (note 9)		
Class A	\$ 0.25	\$ 0.21
Class B	2.84	0.22
Class C	0.43	0.32
Class D	0.23	–
Class E	0.02	–
Class F	0.10	–
Class G	(0.20)	–

OUTCOME CANADIAN EQUITY INCOME FUND (formerly OUTCOME ENHANCED DIVIDEND FUND)

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

(Expressed in Canadian dollars)

For the years ended December 31

	Net assets attributable to holders of redeemable units, beginning of year	Proceeds from redeemable units issued	Redemption of redeemable units	Distributions paid to holders of redeemable units	Reinvestment of distributions	Increase (decrease) in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of year
December 31, 2023							
Class A	\$ 11,308,060	\$ 8,896,484	\$ (9,284,874)	\$ (382,437)	\$ 348,434	\$ 239,816	\$ 11,125,483
Class B	8,464,096	3,000,000	(8,805,622)	(71,759)	71,759	610,503	3,268,977
Class C	3,574,252	7,357,687	(3,704,430)	(247,155)	81,672	195,088	7,257,114
Class D	–	1,576,897	–	(51,517)	51,517	28,919	1,605,816
Class E	–	15,006,304	(408,925)	(461,156)	300,558	16,047	14,452,828
Class F	–	2,665,174	–	(88,786)	88,787	21,498	2,686,673
Class G	–	2,847,973	(529,468)	(97,738)	92,016	(55,346)	2,257,437
	<u>\$ 23,346,408</u>	<u>\$ 41,350,519</u>	<u>\$ (22,733,319)</u>	<u>\$ (1,400,548)</u>	<u>\$ 1,034,743</u>	<u>\$ 1,056,525</u>	<u>\$ 42,654,328</u>

	Net assets attributable to holders of redeemable units, beginning of year	Proceeds from redeemable units issued	Redemption of redeemable units	Distributions paid to holders of redeemable units	Reinvestment of distributions	Increase in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of year
December 31, 2022							
Class A	\$ 11,315,205	\$ 2,278,131	\$ (2,414,108)	\$ (908,072)	\$ 827,792	\$ 209,112	\$ 11,308,060
Class B	7,188,557	1,292,957	(82,541)	(642,407)	537,262	170,268	8,464,096
Class C	3,475,408	54,588	–	(289,404)	245,348	88,312	3,574,252
	<u>\$ 21,979,170</u>	<u>\$ 3,625,676</u>	<u>\$ (2,496,649)</u>	<u>\$ (1,839,883)</u>	<u>\$ 1,610,402</u>	<u>\$ 467,692</u>	<u>\$ 23,346,408</u>

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Statements of Cash Flows

(Expressed in Canadian dollars)

For the years ended December 31

	2023	2022
Cash provided by (used in):		
Operating Activities		
Increase in net assets attributable to holders of redeemable units	\$ 1,056,525	\$ 467,692
Adjustments for non-cash items		
Commissions and other portfolio transaction costs	34,428	12,724
Net change in unrealized depreciation in fair value of investments	45,339	1,388,796
Realized gain on sale of investments, including foreign exchange adjustments	(306,550)	(1,200,501)
Change in non-cash balances		
Interest and dividends receivable	(86,205)	(2,494)
Expense reimbursement receivable	21,873	5,949
Due from manager	216	-
Receivable for investments sold	1,767,156	(308,321)
Management fees payable	10,926	2,684
Accounts payable and accrued liabilities	54,568	6,910
Payable for investments purchased	(1,765,581)	286,142
Proceeds from sale of investments	17,769,198	12,594,994
Purchase of investments	(36,843,910)	(14,071,929)
Cash used in operating activities	<u>(18,242,017)</u>	<u>(817,354)</u>
Financing Activities		
Proceeds from redeemable units issued	41,290,518	3,625,676
Redemption of redeemable units	(22,724,853)	(2,496,649)
Distributions paid to holders of redeemable units, net of investments	(260,940)	(318,529)
Cash provided by financing activities	<u>18,304,725</u>	<u>810,498</u>
Increase (decrease) in due from broker during the year	62,708	(6,856)
Due from broker, beginning of year	38,633	45,489
Due from broker, end of year	<u>\$ 101,341</u>	<u>\$ 38,633</u>
Supplemental information*		
Interest paid	\$ 144	\$ 115
Interest received	28,516	10,525
Dividends received, net of withholding taxes	1,075,275	925,587

*Included as a part of cash flows from operating activities

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Schedule of Investment Portfolio

(Expressed in Canadian dollars)

As at December 31, 2023

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
Canadian equities				
23,327	Agnico Eagle Mines Ltd.	\$ 1,562,262	\$ 1,694,707	3.97
9,343	Atco Ltd.	375,188	361,294	0.85
383,689	B2Gold Corp.	1,693,028	1,607,657	3.77
667	Bank of Montreal	77,415	87,450	0.21
39,480	BCE Inc.	2,283,367	2,059,672	4.83
22,354	Canadian Apartment Properties REIT	1,123,794	1,090,875	2.56
2,567	Canadian Imperial Bank of Commerce	146,347	163,775	0.38
12,315	Canadian National Railway Co.	1,805,081	2,051,063	4.81
1,291	Canadian Tire Corp Ltd.	191,110	181,670	0.43
22,812	Canadian Utilities Ltd.	762,842	727,475	1.71
4,736	Canadian Western Bank	123,279	146,200	0.34
4,814	Capital Power Corp.	205,153	182,162	0.43
34,463	CCL Industries Inc.	2,069,735	2,053,650	4.81
210,636	Centerra Gold Inc.	1,655,825	1,666,131	3.91
34,510	Cogeco Communications Inc.	2,320,253	2,048,169	4.80
23,929	Emera Inc.	1,281,431	1,203,629	2.82
46,238	Empire Co., Ltd.	1,736,610	1,620,642	3.80
13,264	Enbridge Inc.	618,688	632,692	1.48
3,409	Enerplus Corp.	69,204	69,237	0.16
14,590	Finning International Inc.	532,243	559,089	1.31
21,454	Fortis Inc.	1,188,504	1,169,458	2.74
9,903	George Weston Ltd.	1,507,897	1,629,044	3.82
15,197	Gibson Energy Inc.	336,878	305,916	0.72
4,253	Great-West Lifeco Inc.	156,842	186,537	0.44
30,949	Hydro One Ltd.	1,056,184	1,228,675	2.88
1,029	iA Financial Corp Inc.	82,072	92,950	0.22
2,754	Imperial Oil Ltd.	146,513	207,872	0.49
5,841	Intact Financial Corp.	1,126,561	1,190,746	2.79
7,462	Keyera Corp.	220,668	239,008	0.56
2,820	Magna International Inc.	219,333	220,778	0.52
1,880	Manulife Financial Corp.	47,535	55,046	0.13
23,746	Metro Inc.	1,685,279	1,628,738	3.82
913	National Bank of Canada	84,555	92,213	0.22
24,305	Open Text Corp.	1,294,746	1,353,545	3.17
1,627	Paramount Resources Ltd.	42,359	42,188	0.10
14,386	Parex Resources Inc.	360,092	358,931	0.84
13,340	Parkland Corp.	480,459	569,751	1.34
1,842	Pembina Pipeline Corp.	72,939	84,032	0.20
65,337	Quebecor Inc.	2,050,670	2,059,422	4.83
1,769	Royal Bank of Canada	220,894	237,046	0.56
76,940	Saputo Inc.	2,382,624	2,064,300	4.84
2,627	Sun Life Financial Inc.	171,918	180,527	0.42
12,670	TC Energy Corp.	688,669	655,799	1.54
86,765	TELUS Corp.	2,173,588	2,045,919	4.80

OUTCOME CANADIAN EQUITY INCOME FUND (formerly OUTCOME ENHANCED DIVIDEND FUND)

Schedule of Investment Portfolio (continued)

(Expressed in Canadian dollars)

As at December 31, 2023

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	Canadian equities (continued)			
3,005	The Bank of Nova Scotia	\$ 202,379	\$ 193,823	0.45
1,834	The Toronto-Dominion Bank	151,077	157,027	0.37
37,040	TMX Group Ltd.	1,063,199	1,187,132	2.78
17,637	Toromont Industries Ltd.	1,834,329	2,047,656	4.80
13,534	Tourmaline Oil Corp.	866,659	806,491	1.89
17,843	TransAlta Corp.	217,440	196,629	0.46
297	West Fraser Timber Co., Ltd.	33,063	33,667	0.08
		<u>42,798,780</u>	<u>42,728,105</u>	<u>100.20</u>
	Total investments owned	42,798,780	42,728,105	100.20
	Commissions and other portfolio transaction costs	<u>(26,675)</u>	<u>—</u>	<u>—</u>
	Net investments owned	<u>\$ 42,772,105</u>	42,728,105	100.20
	Other liabilities, net		<u>(73,777)</u>	<u>(0.20)</u>
	Net Assets Attributable to Holders of Redeemable Units		<u>\$ 42,654,328</u>	<u>100.00</u>

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

1. Establishment of Fund:

Outcome Canadian Equity Income Fund (the “Fund”) is an investment trust, which was established on April 24, 2019 under the laws of the Province of Ontario pursuant to a trust agreement dated April 24, 2019 and amended and restated as of February 17, 2023 (the “Trust Agreement”). The Fund commenced operations on June 7, 2019. The address of the Fund’s registered office is 1 Richmond Street West, Suite 903, Toronto, ON, Canada, M5H 3W4.

With effect from February 17, 2023, the name of the Fund was changed from Outcome Enhanced Dividend Fund to Outcome Canadian Equity Income Fund. On May 1, 2023, the Fund filed a simplified prospectus with the Ontario Securities Commission (“OSC”) and is subject to the requirements of National Instrument 81-102 *Investment Funds* (“NI 81 – 102”).

Starting in 2021, Outcome Metric Asset Management Limited Partnership replaced TSX Trust Company as the trustee and continued to be appointed as the investment manager (the “Manager”) of the Fund. The Manager is registered as a portfolio manager, commodity trading manager, investment fund manager and exempt market dealer with the OSC. The Manager is responsible for managing the business and affairs of the Fund and has authority to bind the Fund to any agreements. The Manager also has complete discretion to invest the Fund’s assets and is responsible for executing all portfolio transactions. The Manager may delegate its powers to third parties. SGGG Fund Services Inc. acts as the administrator of the Fund.

The Fund’s investment objective is to provide a higher dividend yield than the TSX Composite Index while maximizing total investment return and attempting to preserve capital during bear markets through diversification across a broad range of securities. The Fund intends to achieve its investment objective by investing in dividend paying securities listed on the Toronto Stock Exchange. The Manager retains the discretion to invest the assets of the Fund in any securities it deems appropriate, including cash and equivalents. The Fund may engage, from time to time, in securities lending transactions that comply with all applicable regulatory requirements, provided such transactions do not compromise liquidity or create material exposure to potential loss.

For the year ended December 31, 2023, fees paid or payable to Ernst & Young for audit services to the Canadian Reporting Issuer fund managed by Outcome Metric Asset Management Limited Partnership were \$35,000. Fees for other services were \$5,015.

The financial statements were approved by the Manager and authorized for issue on March 27, 2024.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

2. Basis of presentation:

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”) as published by the International Accounting Standards Board (“IASB”).

The Fund reports under this basis of accounting, as required by Canadian securities legislation and the Canadian Accounting Standards Board. In the preparation of these financial statements, the Fund has consistently applied these standards.

These financial statements have been prepared on a historical cost basis, except for investments owned, futures contracts and investments sold at fair value through profit or loss (“FVTPL”) which are presented at fair value. The policies applied in these financial statements are based on IFRS issued and in effect for the year ended December 31, 2023.

Effective January 1, 2023, the Fund adopted the following new and amended accounting standards.

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

Effective January 1, 2023, the Funds adopted the IAS 1 amendment with regards to disclosure of material accounting policies. This amendment did not have a material impact on these financial statements.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on January 1, 2023 that have a material effect on the financial statements of the Funds.

3. Material accounting policy information:

The following is a summary of the material accounting policies applied by the Fund:

(a) Classification and measurement of financial instruments:

The Fund classifies its investments in equity securities as financial assets and financial liabilities at FVTPL as per IFRS 9, *Financial Instruments* (“IFRS 9”).

The Fund classifies its investments at FVTPL based on the Fund’s business model for managing those financial assets in accordance with the Fund’s documented investment strategy. The portfolio of investments is managed and performance is evaluated on a fair value basis and the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

3. Material accounting policy information (continued):

(a) Classification and measurement of financial instruments (continued):

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Purchases and sales of financial assets are recognized at their trade date. The Fund's investments have been classified at FVTPL and are carried at fair value. The Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount. All other financial assets and financial liabilities are classified as subsequently measured at amortized cost and are measured at amortized cost. Under this method, financial assets and financial liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate.

A financial asset is classified as subsequently measured at amortized cost only if both of the following criteria are met:

- (i) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- (ii) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

The Fund's accounting policies for measuring the fair value of its investments and derivatives to determine its net asset value ("NAV") for transactions with unitholders are the same as the accounting policies used to measure the fair value of its investments and derivatives for accounting purposes.

(b) Offsetting financial instruments:

Financial assets and financial liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be offset in certain circumstances, such as bankruptcy or termination of the contracts.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

3. Material accounting policy information (continued):

(c) Recognition/derecognition:

The Fund recognizes financial assets and financial liabilities designated at FVTPL on the trade date – the date it commits to purchase or sell short the instruments. From this date, any gains and losses arising from changes in fair value of the assets or liabilities are recognized in the Statements of Comprehensive Income.

Other financial assets are derecognized when, only when, the contractual rights to the cash flows from the asset expire, or the Fund transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or they expire.

(d) Impairment of financial assets:

The Fund's other financial assets at amortized cost are subject to an expected credit loss model. The Fund applies the simplified approach to providing for expected credit losses, which determines lifetime expected credit loss provision for all other financial assets. Impairment losses on financial assets at amortized cost, if any, are recognized in the Statements of Comprehensive Income.

(e) Net assets attributable to holders of redeemable units, per unit:

The net assets attributable to holders of redeemable units, per unit, is calculated by dividing the net assets attributable to holders of redeemable units of a particular class of units by the total number of units of that particular class outstanding at the end of the year.

(f) Increase (decrease) in net assets attributable to holders of redeemable units, per unit:

The increase (decrease) in net assets attributable to holders of redeemable units, per unit, is based on the increase (decrease) in net assets attributable to holders of redeemable units attributed to each class of units, divided by the weighted average number of units outstanding of that class during the year. Refer to note 9 for the calculation.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

3. Material accounting policy information (continued):

(g) Use of estimates:

The preparation of financial statements in accordance with IFRS requires management to use accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates. Refer to Note 4 for discussion on estimates.

(h) Valuation of investments:

The fair value of financial assets and financial liabilities traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices. In accordance with the provisions of the Fund's simplified prospectus, investment positions are valued based on the last traded market price for the purpose of determining the net assets per unit for subscriptions and redemptions. For financial reporting purposes, the Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. When the Fund holds derivatives with offsetting market risk, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

The fair value of financial assets and financial liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each Statements of Financial Position date. Valuation techniques used include the use of comparable recent arm's-length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Investments in private companies and other assets for which no published market exists are initially valued at cost and adjusted each reporting period, when appropriate, to reflect the most recent value at which such securities have been exchanged in an arm's-length transaction, which approximates a trade effected in a published market, unless a different fair market value is otherwise determined to be appropriate by the Manager.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

3. Material accounting policy information (continued):

(i) Investment transactions and revenue recognition:

Investment transactions are accounted for on the trade date. Interest income is accrued daily and dividend income is recognized on the ex-dividend date.

The interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Fund accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero-coupon bonds, which are amortized on a straight-line basis.

Realized gain on sale of investments and unrealized depreciation in fair value of investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero-coupon bonds.

(j) Translation of foreign currency:

The functional and presentation currency of the Fund is the Canadian dollar. The fair value of foreign investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at 4:00 p.m. Eastern Standard Time ("EST") (the "closing rate") on each Valuation Date (each day that the Toronto Stock Exchange is open for trading, or such other day(s) as the Manager may determine). Purchases and sales of foreign securities denominated in foreign currencies and the related income are translated into Canadian dollars at rates of exchange prevailing on the respective dates of such transactions.

(k) Commissions and other portfolio transaction costs:

Commissions and other portfolio transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Such costs are expensed and are included in commissions and other portfolio transaction costs in the Statements of Comprehensive Income.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

3. Material accounting policy information (continued):

(l) Purchase and redemption of redeemable units:

The value at which units are listed or redeemed is determined by dividing the net assets attributable to holders of redeemable units at fair value of the Fund by the total number of units outstanding on the Valuation Date. Units of the Fund are valued daily on the Valuation Date. Amounts received on the issuance of redeemable units and amounts paid on the redemption of redeemable units are added to or deducted from the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

(m) Distribution of net income and gains:

Net investment income (excluding dividends receivable) and net realized capital gains of the Fund are distributed to unitholders of the record of the Fund as of the close of business on the last Valuation Date in the period according to each unitholder's proportionate share of the Fund less any tax required to be deducted. All distributions are reinvested automatically in additional units of the Fund.

(n) Other assets and liabilities:

Due from broker, interest and dividends receivable, expense reimbursement receivable, due from Manager, subscriptions receivable and receivable for investments sold are classified as subsequently measured at amortized cost and are recorded at cost or amortized cost.

Management fees payable, accounts payable and accrued liabilities, distributions payable, redemptions payable and payable for investments purchased are classified as subsequently measured at amortized cost and are reported at amortized cost. Financial liabilities are generally settled within three months of being incurred. Other assets and liabilities are short-term in nature, and are carried at amortized cost, which approximates the fair value.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

3. Material accounting policy information (continued):

(o) Due to/from broker:

The Fund has prime brokerage agreements with its broker to carry its accounts as a customer. The broker has custody of the Fund's securities and, from time to time, cash balances which may be due from/due to the broker.

Financial instruments and/or cash positions serve as collateral for any amounts due to a broker or as collateral for any securities sold, not yet purchased or securities purchased on margin.

The securities and/or cash positions also serve as collateral for potential defaults of the Fund.

The Fund is subject to credit risk if a broker is unable to repay balances due or deliver securities in their custody. The Fund mitigates this risk by using only approved brokers, which are creditworthy financial institutions.

4. Critical accounting estimates and judgments:

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to manage its portfolio of investments and evaluate performance on a fair value basis and that the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The most significant judgments made include assessing and determining the appropriate business model that enables the decision that the Fund's investments are classified as FVTPL, per IFRS 9.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

5. Related party transactions:

(a) Management fees:

The Fund pays the Manager a monthly management fee for providing their services to the Fund. Redeemable units of the class are charged annual management fees equal to the following percentages of the class NAV of the said class of the Fund, calculated and accrued on each Valuation Date and payable monthly in arrears as of the last business day of each month:

	2023	2022
Class A	0.95%	0.95%
Class B	0.90%	0.80%
Class C	0.85%	0.60%
Class D	0.80%	N/A
Class E	0.75%	N/A
Class F	0.70%	N/A
Class G	0.65%	N/A

(b) Expense reimbursements:

During the year ended December 31, 2023, the Manager has absorbed \$104,165 (2022 - \$32,788) of the Fund's expenses (note 8) and \$10,915 are receivable from the Manager in respect of expense reimbursements, as at December 31, 2023 (2022 - \$32,788).

(c) Related party transactions:

As at December 31, 2023, in addition to the reimbursement receivable in note 5(b), \$nil (2022 - \$216), is due from the Manager in respect of expense payments.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

6. Redeemable units of the Fund:

(a) Issuance of redeemable units:

The Fund is authorized to issue an unlimited number of redeemable units, issuable in an unlimited number of classes and series, each of which represents an equal, undivided, beneficial interest in the net assets attributable to holders of redeemable units of the Fund attributable to that class or series of units. The Fund currently offers the following seven classes of units: Class A units, Class B units, Class C units, Class D units, Class E units, Class F units, and Class G units, each denominated in Canadian dollars.

Investors may be admitted to the Fund or may acquire additional units on a daily basis on each Valuation Date. The funds in respect of any subscription are payable by investors at the time of the subscription. In order to acquire units at the NAV per unit determined on the next Valuation Date, a purchase order (including a subscription agreement duly completed) must be received by the Manager by 4:00 p.m. EST on every valuation day or such shorter period as may be specified by the Manager from time to time. If a purchase order is received after this time, unless the Manager receives instructions from the investor to the contrary, it will hold the purchase order until the next Valuation Date and any subscription amount received will be held in trust. No interest will be paid on such amounts held in trust.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

6. Redeemable units of the Fund (continued):

(a) Issuance of redeemable units (continued):

The unit activity during the years ended December 31, 2023 and 2022, is as follows:

	Redeemable Units, beginning of year	Redeemable Units Issued	Redemptions of Redeemable Units	Reinvestments of Units	Redeemable Units, end of year
December 31, 2023					
Class A	1,029,719	775,593	(832,060)	31,400	1,004,652
Class B	831,207	302,554	(822,218)	6,990	318,533
Class C	292,952	578,730	(288,570)	6,476	589,588
Class D	–	162,304	–	5,352	167,656
Class E	–	1,520,646	(43,303)	31,390	1,508,733
Class F	–	271,065	–	9,259	280,324
Class G	–	284,797	(58,671)	9,534	235,660
December 31, 2022					
Class A	970,529	179,824	(194,765)	74,131	1,029,719
Class B	668,689	118,202	(7,625)	51,941	831,207
Class C	269,081	4,097	–	19,774	292,952

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

6. Redeemable units of the Fund (continued):

(b) Redemption of redeemable units:

In order to redeem units, a unitholder shall complete and file a request for redemption that must reach the Manager at its office before 4:00 pm EST on every Valuation Date (the "Redemption Notice Deadline") as of which the units are requested to be redeemed. Requests for redemption received after the Redemption Notice Deadline requesting redemption as of the Valuation Date immediately following the Redemption Notice Deadline shall be deemed for all purposes hereunder as requests for redemption as of the Valuation Date next following the Valuation Date specified in the request for redemption. However, the Manager may, in its sole discretion, elect to honour requests for redemption received after a Redemption Notice Deadline and before the close of business on the Valuation Date as of which redemption is requested.

The Manager will, promptly following the determination of the NAV per unit for the applicable date of redemption but in any case, within five days of the applicable Valuation Date, pay an amount to the redeeming unitholder equal to the NAV per unit determined as of the relevant date of redemption.

The Manager may postpone the right of unitholders to require the Fund to redeem units and the concurrent payment for units tendered for redemption during any period in which the Manager determines that conditions exist as a result of which disposal of the securities or assets or properties of the Fund is not reasonably practical or it would result in a significant loss to the Fund or reduction in the Class NAV per unit of the Fund. The Manager may, in its discretion, cause the Fund to redeem all or a portion of a unitholder's units by giving a total of 15 days' prior written notice to the unitholder, specifying the number or value of units to be redeemed.

(c) Distributions:

The Fund intends to distribute sufficient net income (including net realized capital gains, if any) to unitholders in each calendar year to ensure that the Fund is not liable for income tax under Part I of the *Income Tax Act* (Canada) (other than alternative minimum tax, if applicable), after taking into account any loss carry forwards and any entitlement to a capital gains refund. All distributions will be made on a pro rata basis to each registered unitholder determined as of the Valuation Time (prior to any subscriptions or redemptions) on the applicable Valuation Date.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

6. Redeemable units of the Fund (continued):

(c) Distributions (continued):

The Trustee distributes net income and net realized capital gains of the Fund, if any, on an annual basis, on the last Valuation Date in each taxation year. Distributions of net income or net realized capital gains also be made on such other dates that the Trustee deems appropriate. Subject to applicable securities legislation, all distributions made by the Fund (net of any deductions or withholdings required by law) are automatically reinvested in additional units of the Fund at the NAV per unit.

(d) Special distribution:

The Manager may, from time to time, reduce the management fees that they otherwise would be entitled to receive with respect to an investor's investment in the Fund, provided that the amount of the fee reduction is distributed (a "Special Distribution") to such unitholder. The Special Distribution of the Fund, where applicable, will be computed on each Valuation Date and will be payable at such times as the Manager may determine, first out of net income and the net capital gains of the Fund and thereafter out of capital.

Any such reduction in management fees in respect of a large investment in the Fund will be negotiated by the Manager and the investor or the investor's dealer and will be based primarily on the size of the investor's investment in the Fund.

(e) Capital disclosure:

The capital of the Fund is represented by issued and redeemable units. The units are entitled to distributions, if any, and to payment of a proportionate share based on the Fund's net assets attributable to holders of redeemable units per unit upon redemption. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of units. The Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

7. Financial instruments:

(a) Management of financial instrument risks:

In the normal course of business, the Fund is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk). The value of investments within the Fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, the market and company news related to specific securities within the Fund. The level of risk depends on the Fund's investment objective and the type of securities it invests in.

(b) Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund.

All transactions executed by the Fund in listed securities are settled/paid for 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 obligation.

The carrying amount of the Fund's assets represent the maximum exposure to credit risk.

As at December 31, 2023 and 2022, the Fund did not have significant investments in debt instruments.

(c) Liquidity risk:

Liquidity risk is defined as the risk that the Fund may not be able to settle or meet its obligation on time or at a reasonable price.

The Fund's exposure to liquidity risk is concentrated in the periodic cash redemptions of redeemable units. The Fund primarily invests in securities that are traded in active markets and can be readily disposed of. In addition, the Fund generally retains sufficient cash and cash equivalent positions to maintain liquidity.

All financial liabilities are due within 12 months.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

7. Financial instruments (continued):

(d) Market risk:

(i) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

Interest rate risk arises when the Fund invests in interest-bearing financial instruments. The Fund is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. There is minimal sensitivity to interest rate fluctuations on any asset invested at short-term market interest rates.

As at December 31, 2023 and 2022, interest rate risk related to the Fund is considered to be insignificant.

(ii) Other price risk:

Other price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). All investments represent a risk of loss of capital. The Manager aims to moderate this risk through careful selection and diversification of securities and other financial instruments in accordance with the Fund's investment objective and strategy. Possible losses from short positions can be unlimited. The Fund's overall market positions are monitored on a regular basis by the Manager.

Financial instruments held by the Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments. As at December 31, 2023, a 10% movement in stocks prices could result in a \$4,270,000 (2022 - \$2,340,000) change in net assets attributable to holders of redeemable units.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

7. Financial instruments (continued):

(iii) Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar, which represents the functional currency of the Fund. The Fund may enter into foreign exchange forward contracts for hedging purposes to reduce its foreign currency exposure or to establish exposure to foreign currencies.

As at December 31, 2023 and 2022, the Fund's exposure to currency risk is not considered to be material.

(e) Fair values of financial instruments:

Investments measured at fair value are classified into one of three fair value hierarchy levels, based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The three fair value hierarchy levels are as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

7. Financial instruments (continued):

(e) Fair values of financial instruments (continued):

The following tables present the financial instruments evaluated at fair value, classified under the fair value hierarchy as at December 31, 2023 and 2022:

December 31, 2023							
	Level 1		Level 2		Level 3		Total
Assets							
Equities	\$	42,728,105	\$	–	\$	–	42,728,105
	\$	42,728,105	\$	–	\$	–	42,728,105

December 31, 2022							
	Level 1		Level 2		Level 3		Total
Assets							
Equities	\$	23,426,610	\$	–	\$	–	23,426,610
	\$	23,426,610	\$	–	\$	–	23,426,610

There were no transfers between Levels 1, 2, and 3 for the years ended December 31, 2023 and 2022.

8. Expenses:

The Fund shall incur its own expenses, including trustee fees, custodial fees, taxes, legal, audit and valuation fees, unitholder reporting costs, registrar and transfer agency costs, printing and mailing costs and other administrative expenses, costs to be incurred in connection with a Fund's continuous disclosure filings (if applicable), and other obligations, and commissions, fees and other expenses associated with the execution of transactions in respect of the portfolio of the Fund. Effective October 29, 2020, in the event that the Fund's expenses exceed 0.20% of the NAV of the Fund on an annualized basis, the Manager will absorb such additional expenses (prior to October 29, 2020, the Manager absorbed expenses exceeding 0.05% of the NAV of the Fund on an annualized basis).

During the year ended December 31, 2023, the Manager has absorbed \$104,165 of the Fund's expenses (2022 - \$32,788).

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

9. Increase (decrease) in net assets attributable to holders of redeemable units, per unit:

The increase (decrease) in net assets attributable to holders of redeemable units, per unit for the years ended December 31, 2023 and 2022 is calculated as follows:

	Increase (decrease) in net assets attributable to holders of redeemable units per Class	Weighted average of redeemable units outstanding during the year	Increase (decrease) in net assets attributable to holders of redeemable units per unit
December 31, 2023			
Class A	\$ 239,816	977,814	\$ 0.25
Class B	610,503	215,033	2.84
Class C	195,088	455,921	0.43
Class D	28,919	124,199	0.23
Class E	16,047	1,056,228	0.02
Class F	21,498	205,621	0.10
Class G	(55,346)	270,115	(0.20)
December 31, 2022			
Class A	\$ 209,112	984,067	\$ 0.21
Class B	170,268	768,478	0.22
Class C	88,312	273,366	0.32

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

10. Comparison of net asset value (“Trading NAV”) per unit and net asset value (“IFRS”) per unit:

The primary reason for the difference between the Trading NAV per unit and the IFRS per unit, as at December 31, 2023 and 2022, is due to offering costs that have been expensed for financial reporting purposes and amortized over five years for the purpose of calculating the Trading NAV.

	Net Asset Value Per Unit (Trading)		Net Assets Per Unit (IFRS)	
December 31, 2023				
Class A	\$	11.07	\$	11.07
Class B		10.26		10.26
Class C		12.31		12.31
Class D		9.58		9.58
Class E		9.58		9.58
Class F		9.58		9.58
Class G		9.58		9.58
December 31, 2022				
Class A	\$	10.98	\$	10.98
Class B		10.19		10.18
Class C		12.20		12.20

11. Income taxes:

The Fund qualifies as a unit trust under the provisions of the *Income Tax Act* (Canada) and, accordingly, is not subject to tax on its net taxable income for the tax year ended December 31, 2023, including net realized capital gains, which are paid or payable to its unitholders at the end of the tax year. However, such part of the Fund’s net income and net realized capital gains, as is not so paid or payable, is subject to income tax. Income tax on net realized capital gains not paid or payable is generally recoverable by virtue of refunding provisions contained in tax legislation, as redemptions occur. It is the intention of the Fund to distribute all of its income and sufficient net realized capital gains so that the Fund will not be subject to income tax.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

11. Income taxes (continued):

Non-capital losses are available to be carried forward for 20 years and applied against future taxable income. Capital losses for income tax purposes may be carried forward indefinitely and applied against future capital gains.

The Fund's non-capital losses and gross capital losses available for carry forward for income tax purposes as at December 31, 2023 were \$nil (2022 - \$nil) and \$nil (2022 - \$nil), respectively.

12. Soft dollar commissions:

In allocating brokerage business, consideration may be given by the Manager of the Fund to dealers to furnish research, statistical and other services to the Manager through soft dollar arrangements (the amount ascertained to have been paid for goods and services other than order execution). The total brokerage commission paid to dealers in connection with investment portfolio transactions and amounts of soft dollar commission for the year ended December 31, 2023 is \$27 (2022 - \$8,480).

13. Securities lending income:

The Fund's investment objective allows for securities lending and the Fund has entered into a securities lending program with its custodian, National Bank Financial Inc. (the "Custodian"), in order to earn additional revenue. The Fund will receive collateral of at least 100% of the fair value of the securities on loan. As at December 31, 2023, the total fair value of the securities lent was \$1,767,932 (December 31, 2022 - \$nil) and the total fair value of collateral received was \$1,900,153 (December 31, 2022 - \$nil). Collateral held is generally comprised of Canadian exchange traded securities. Securities lending income reported in the Statements of Comprehensive Income is net of a securities lending charge which the Custodian is entitled to receive.

OUTCOME CANADIAN EQUITY INCOME FUND

(formerly OUTCOME ENHANCED DIVIDEND FUND)

Notes to Financial Statements (continued)

(Expressed in Canadian dollars)

For the years ended December 31, 2023 and 2022

13. Securities lending income (continued):

For the year ended December 31, 2023 and 2022, securities lending income for the Fund was as follows:

	December 31, 2023	December 31, 2022
Gross securities lending income	\$ 846	\$ –
Securities lending charges	–	–
Net securities lending income	846	–
Net securities lending income	\$ 846	\$ –