

Financial Statements of

VENATOR ASCENDANT ALTERNATIVE FUND
(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

And Independent Auditor's Report thereon

Years ended December 31, 2025 and 2024



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INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Venator Ascendant Alternative Fund

Opinion

We have audited the financial statements of Venator Ascendant Alternative Fund (the Fund), which comprise:

- the statements of financial position as at December 31, 2025 and December 31, 2024
- the statements of comprehensive (loss) income for the years then ended
- the statements of changes in net assets attributable to holders of redeemable units for the years then ended
- the statements of cash flows for the years then ended
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2025 and December 31, 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards.

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 auditor’s 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. Other information comprises:

- the information included in the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Management Report of Fund Performance as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, 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.

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 the 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

March 24, 2026

VENATOR ASCENDANT ALTERNATIVE FUND (formerly VENATOR FOUNDERS ALTERNATIVE FUND)

Statements of Financial Position As at December 31

	2025	2024
ASSETS		
Current assets		
Due from broker	\$ 2,948	\$ –
Cash and cash equivalents	14,264	2,042
Investments owned, at fair value (Cost:\$13,878,018 - 2024:\$12,167,764) (note 8)	14,546,072	14,442,142
Dividends receivable	17,304	12,432
Other assets	325	406
Interest receivable	–	20,122
Receivables for investment sold	–	37,593
	<u>14,580,913</u>	<u>14,514,737</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	40,581	74,338
Management fees payable (note 5)	16,449	25,298
Due to broker	–	128,291
	<u>57,030</u>	<u>227,927</u>
Net assets attributable to holders of redeemable units	<u>\$ 14,523,883</u>	<u>\$ 14,286,810</u>
Net assets attributable to holders of redeemable units per Series:		
Series A1	\$ 9,425,863	\$ 11,127,332
Series F	197,553	1,601,382
Series F1	1,430,577	1,558,096
Series UA	350,224	–
Series UF	3,119,666	–
	<u>\$ 14,523,883</u>	<u>\$ 14,286,810</u>
Number of redeemable units outstanding (note 6):		
Series A1	1,290,225	1,469,432
Series F	12,746	100,809
Series F1	187,260	198,997
Series UA	24,507	–
Series UF	220,285	–
Net assets attributable to holders of redeemable units per unit:		
Series A1	\$ 7.31	\$ 7.57
Series F	15.50	15.89
Series F1	7.64	7.83
Series UA ⁽¹⁾	14.29	–
Series UF ⁽²⁾	14.16	–

⁽¹⁾\$10.42 in USD for 2025

⁽²⁾\$10.32 in USD for 2025

Approved on behalf of the Trust:



Trustee

Venator Capital Management Ltd.

The accompanying notes are an integral part of these financial statements.

VENATOR ASCENDANT ALTERNATIVE FUND (formerly VENATOR FOUNDERS ALTERNATIVE FUND)

Statements of Comprehensive (Loss) Income Years ended December 31

	2025	2024
Income		
Interest income for distribution purposes	\$ 101,379	\$ 566,473
Realized gain on sale of investments, including foreign exchange adjustments	1,491,180	3,448,078
Net change in unrealized appreciation/depreciation in value of investments	(1,606,026)	(1,676,393)
Dividends	221,540	105,154
HST refund	194	–
Other income	–	401
	<u>208,267</u>	<u>2,443,713</u>
Expenses		
Management fees (note 5)	212,230	279,939
Operating costs	175,433	127,886
Interest and borrowing fees	151,719	670,634
Commissions and other portfolio transaction costs	66,688	107,355
Audit fees	40,971	47,218
Withholding taxes	20,359	3,614
Legal fees	15,002	21,541
Dividends paid on investments sold short	–	92,137
	<u>682,402</u>	<u>1,350,324</u>
(Decrease) increase in net assets attributable to holders of redeemable units	<u>\$ (474,135)</u>	<u>\$ 1,093,389</u>
(Decrease) increase in net assets attributable to holders of redeemable units per Series (note 11):		
Series A1	\$ (359,869)	\$ 820,481
Series F	(126,084)	135,966
Series F1	(39,488)	136,942
Series UA	3,351	–
Series UF	47,955	–
	<u>\$ (474,135)</u>	<u>\$ 1,093,389</u>
(Decrease) increase in net assets attributable to holders of redeemable units per unit (note 11):		
Series A1	\$ (0.27)	\$ 0.55
Series F	(2.50)	1.28
Series F1	(0.20)	0.72
Series UA ⁽¹⁾	0.17	–
Series UF ⁽²⁾	0.37	–

⁽¹⁾\$0.12 in USD for 2025

⁽²⁾\$0.26 in USD for 2025

VENATOR ASCENDANT ALTERNATIVE FUND
(formerly VENATOR FOUNDERS ALTERNATIVE FUND)

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
Years ended December 31

	Net assets attributable to holders of redeemable units, beginning of year	Proceeds from redeemable units issued	Redemption of redeemable units	Increase (decrease) in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of year
2025					
Series A1	\$ 11,127,332	\$ –	\$ (1,341,600)	\$ (359,869)	\$ 9,425,863
Series F	1,601,382	–	(1,277,745)	(126,084)	197,553
Series F1	1,558,096	–	(88,031)	(39,488)	1,430,577
Series UA	–	346,873	–	3,351	350,224
Series UF	–	3,071,711	–	47,955	3,119,666
	<u>\$ 14,286,810</u>	<u>\$ 3,418,584</u>	<u>\$ (2,707,376)</u>	<u>\$ (474,135)</u>	<u>\$ 14,523,883</u>

	Net assets attributable to holders of redeemable units, beginning of year	Proceeds from redeemable units issued	Redemption of redeemable units	Increase in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of year
2024					
Series A1	\$ 10,528,399	\$ 416,382	\$ (637,930)	\$ 820,481	\$ 11,127,332
Series F	1,614,491	–	(149,075)	135,966	1,601,382
Series F1	1,275,067	263,700	(117,613)	136,942	1,558,096
	<u>\$ 13,417,957</u>	<u>\$ 680,082</u>	<u>\$ (904,618)</u>	<u>\$ 1,093,389</u>	<u>\$ 14,286,810</u>

VENATOR ASCENDANT ALTERNATIVE FUND (formerly VENATOR FOUNDERS ALTERNATIVE FUND)

Statements of Cash Flows Years ended December 31

	2025	2024
Cash provided by (used in):		
Operating Activities		
(Decrease) increase in net assets attributable to holders of redeemable units	\$ (474,135)	\$ 1,093,389
Adjustments for non-cash items		
Net realized gain on sale of investments, including foreign exchange adjustments	(1,491,180)	(3,448,078)
Net change in unrealized appreciation/depreciation in value of investments	1,606,026	1,676,393
Change in non-cash balances		
(Increase) decrease in due from broker	(2,948)	392,420
Increase in dividends receivable	(4,872)	(10,013)
Decrease in other assets	81	426
Decrease in receivable for investment sold	37,593	1,716,211
Decrease in interest receivable	20,122	30,032
Decrease in accounts payable and accrued liabilities	(33,757)	(29,848)
(Decrease) increase in management fees payable	(8,849)	3,045
(Decrease) increase in due to broker	(128,291)	128,291
Decrease in payable for investment purchased	-	(920,223)
Proceeds from sale of investments	53,435,391	113,195,754
Purchase of investments	(53,969,224)	(112,863,503)
Cash (used in) provided by operating activities	<u>(1,014,043)</u>	<u>964,296</u>
Financing Activities		
Proceeds from redeemable units issued	3,418,584	680,082
Amount paid on redemption of redeemable units	(2,707,376)	(904,618)
Cash provided by (used in) financing activities	<u>711,208</u>	<u>(224,536)</u>
(Decrease) increase in cash and cash equivalents during the year	(302,835)	739,760
Foreign exchange gain (loss) on cash	315,057	(811,242)
Cash and cash equivalents, beginning of year	2,042	73,524
Cash and cash equivalents, end of year	<u>\$ 14,264</u>	<u>\$ 2,042</u>
Supplemental information*		
Interest paid	\$ 184,667	\$ 667,572
Interest received	121,502	598,633
Dividends paid	-	99,401
Dividends received, net of withholding taxes	196,309	91,527

*Included as a part of cash flows from operating activities

VENATOR ASCENDANT ALTERNATIVE FUND
(formerly VENATOR FOUNDERS ALTERNATIVE FUND)

Schedule of Investment Portfolio
As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
U.S. equities				
468	Agilent Technologies Inc.	\$ 77,688	\$ 87,337	0.60
237	Akamai Technologies Inc.	25,768	28,360	0.20
195	Albemarle Corp.	17,748	37,827	0.26
287	Alexandria Real Estate Equities Inc.	29,236	19,264	0.13
118	Align Technology Inc.	28,949	25,271	0.17
142	Allegion PLC	28,656	31,009	0.21
425	Alliant Energy Corp.	35,841	37,894	0.26
3,815	Amcor PLC	47,147	43,637	0.30
448	Ameren Corp.	59,154	61,357	0.42
322	American Water Works Co Inc.	62,189	57,632	0.40
231	AO Smith Corp.	21,010	21,189	0.15
587	APA Corp.	15,267	19,692	0.14
358	Aptiv PLC	34,193	37,360	0.26
599	Arch Capital Group Ltd.	74,352	78,801	0.54
794	Archer-Daniels-Midland Co.	58,391	62,605	0.43
84	Assurant Inc.	22,951	27,747	0.19
269	Atmos Energy Corp.	57,626	61,844	0.43
235	AvalonBay Communities Inc.	64,840	58,438	0.40
127	Avery Dennison Corp.	30,749	31,680	0.22
442	Ball Corp.	33,890	32,111	0.22
851	Baxter International Inc.	34,325	22,304	0.15
347	Best Buy Co Inc.	32,857	31,853	0.22
243	Biogen Inc.	43,229	58,653	0.40
259	Bio-Techne Corp.	18,118	20,890	0.14
1,004	Block Inc.	86,426	89,628	0.62
262	Boston Properties Inc.	24,776	24,248	0.17
193	Broadridge Financial Solutions Inc.	63,389	59,073	0.41
565	Brown & Brown Inc.	82,527	61,759	0.43
765	Brown-Forman Corp.	27,969	27,342	0.19
183	Builders FirstSource Inc.	29,612	25,824	0.18
319	Bunge Global SA	35,802	38,973	0.27
176	Camden Property Trust	27,308	26,572	0.18
393	Cardinal Health Inc.	88,273	110,764	0.76
2,169	Carnival Corp.	78,267	90,850	0.63
173	Cboe Global Markets Inc.	55,477	59,555	0.41
216	CDW Corp.	52,024	40,348	0.28
812	Centene Corp.	55,052	45,827	0.32
1,079	CenterPoint Energy Inc.	54,604	56,737	0.39
258	CF Industries Holdings Inc.	32,652	27,367	0.19
196	CH Robinson Worldwide Inc.	26,665	43,215	0.30
83	Charles River Laboratories International Inc.	17,265	22,708	0.16
242	Charter Communications Inc.	84,256	69,285	0.48
397	Church & Dwight Co Inc.	51,564	45,655	0.31
258	Cincinnati Financial Corp.	52,276	57,790	0.40
710	Citizens Financial Group Inc.	43,287	56,878	0.39

VENATOR ASCENDANT ALTERNATIVE FUND
(formerly VENATOR FOUNDERS ALTERNATIVE FUND)

Schedule of Investment Portfolio (continued)
As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	U.S. equities (continued)			
503	CMS Energy Corp.	\$ 48,122	\$ 48,242	0.33
798	Cognizant Technology Solutions Corp.	83,896	90,840	0.63
59	Comfort Systems USA Inc.	77,448	75,520	0.52
790	Conagra Brands Inc.	22,169	18,755	0.13
596	Consolidated Edison Inc.	80,955	81,186	0.56
289	Constellation Brands Inc.	63,717	54,682	0.38
1,600	Copart Inc.	86,832	85,912	0.59
115	Corpay Inc.	50,878	47,463	0.33
700	CoStar Group Inc.	78,338	64,554	0.44
1,258	Coterra Energy Inc.	44,895	45,411	0.31
719	Crown Castle International Corp.	88,536	87,636	0.60
193	Darden Restaurants Inc.	56,960	48,710	0.34
118	DaVita Inc.	22,708	18,386	0.13
266	Dayforce Inc.	20,651	25,231	0.17
240	Deckers Outdoor Corp.	33,413	34,124	0.23
1,079	Delta Air Lines Inc.	74,630	102,701	0.71
1,036	Devon Energy Corp.	46,452	52,047	0.36
645	DexCom Inc.	73,901	58,712	0.40
364	Dollar General Corp.	55,835	66,282	0.46
328	Dollar Tree Inc.	44,676	55,336	0.38
57	Domino's Pizza Inc.	35,336	32,585	0.22
226	Dover Corp.	55,539	60,516	0.42
1,167	Dow Inc.	42,753	37,421	0.26
343	DTE Energy Co.	62,618	60,675	0.42
692	DuPont de Nemours Inc.	65,630	38,153	0.26
746	eBay Inc.	78,978	89,115	0.61
636	Edison International	45,064	52,354	0.36
413	Electronic Arts Inc.	92,357	115,739	0.80
75	EMCOR Group Inc.	65,081	62,930	0.43
738	Entergy Corp.	84,916	93,555	0.64
91	EPAM Systems Inc.	21,526	25,570	0.18
1,031	EQT Corp.	81,770	75,791	0.52
203	Equifax Inc.	71,887	60,410	0.42
628	Equity Residential	56,712	54,296	0.37
88	Erie Indemnity Co.	41,706	34,596	0.24
106	Essex Property Trust Inc.	40,913	38,043	0.26
71	Everest Group Ltd.	32,941	33,045	0.23
380	Evergy Inc.	36,281	37,780	0.26
620	Eversource Energy	54,450	57,253	0.39
394	Expand Energy Corp.	63,183	59,635	0.41
203	Expedia Inc.	48,812	78,878	0.54
222	Expeditors International of Washington Inc.	34,962	45,370	0.31
351	Extra Space Storage Inc.	70,225	62,687	0.43
97	F5 Inc.	40,052	33,959	0.23
63	FactSet Research Systems Inc.	36,368	25,074	0.17

VENATOR ASCENDANT ALTERNATIVE FUND
(formerly VENATOR FOUNDERS ALTERNATIVE FUND)

Schedule of Investment Portfolio (continued)

As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	U.S. equities (continued)			
39	Fair Isaac Corp.	\$ 82,366	\$ 90,429	0.62
142	Federal Realty Investment Trust	18,600	19,631	0.14
855	Fidelity National Information Services Inc.	83,398	77,933	0.54
1,092	Fifth Third Bancorp	61,935	70,106	0.48
178	First Solar Inc.	39,912	63,773	0.44
954	FirstEnergy Corp.	53,939	58,578	0.40
889	Fiserv Inc.	81,569	81,904	0.56
525	Fortive Corp.	48,331	39,753	0.27
689	Fox Corp.	53,749	69,048	0.48
861	Franklin Resources Inc.	27,506	28,211	0.19
319	Garmin Ltd.	86,414	88,749	0.61
120	Gartner Inc.	62,918	41,520	0.29
752	GE HealthCare Technologies Inc.	75,306	84,593	0.58
1,019	Gen Digital Inc.	40,887	38,000	0.26
98	Generac Holdings Inc.	19,727	18,329	0.13
882	General Mills Inc.	62,207	56,249	0.39
231	Genuine Parts Co.	38,806	38,956	0.27
391	Global Payments Inc.	42,566	41,506	0.29
131	Globe Life Inc.	22,422	25,128	0.17
224	GoDaddy Inc.	52,978	38,119	0.26
1,391	Halliburton Co.	40,205	53,913	0.37
232	Hasbro Inc.	23,228	26,091	0.18
1,148	Healthpeak Properties Inc.	27,597	25,318	0.17
195	Henry Schein Inc.	19,313	20,213	0.14
2,206	Hewlett Packard Enterprise Co.	59,072	72,673	0.50
369	Hologic Inc.	33,082	37,698	0.26
909	Hormel Foods Corp.	36,675	29,547	0.20
1,137	Host Hotels & Resorts Inc.	24,746	27,648	0.19
1,517	HP Inc.	51,783	46,355	0.32
89	Hubbell Inc.	49,738	54,210	0.37
199	Humana Inc.	66,991	69,905	0.48
2,586	Huntington Bancshares Inc/OH	57,901	61,535	0.42
66	Huntington Ingalls Industries Inc.	22,012	30,783	0.21
123	IDEX Corp.	29,308	30,017	0.21
133	IDEXX Laboratories Inc.	99,843	123,405	0.85
324	Incyte Corp.	31,473	43,890	0.30
653	Ingersoll Rand Inc.	74,714	70,949	0.49
116	Insulet Corp.	49,172	45,221	0.31
423	International Flavors & Fragrances Inc.	42,298	39,096	0.27
873	International Paper Co.	55,734	47,162	0.32
735	Invesco Ltd.	16,660	26,482	0.18
1,013	Invitation Homes Inc.	45,528	38,609	0.27
283	IQVIA Holdings Inc.	63,562	87,489	0.60
489	Iron Mountain Inc.	69,306	55,632	0.38
177	Jabil Inc.	52,401	55,353	0.38

VENATOR ASCENDANT ALTERNATIVE FUND
(formerly VENATOR FOUNDERS ALTERNATIVE FUND)

Schedule of Investment Portfolio (continued)
As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
U.S. equities (continued)				
119	Jack Henry & Associates Inc.	\$ 28,772	\$ 29,782	0.21
195	Jacobs Solutions Inc.	35,427	35,425	0.24
158	JB Hunt Transport Services Inc.	31,271	42,113	0.29
3,166	Kenvue Inc.	79,927	74,902	0.52
2,246	Keurig Dr Pepper Inc.	84,406	86,282	0.59
1,806	KeyCorp	42,400	51,124	0.35
285	Keysight Technologies Inc.	64,846	79,422	0.55
549	Kimberly-Clark Corp.	79,977	75,965	0.52
1,123	Kimco Realty Corp.	32,616	31,220	0.21
138	Labcorp Holdings Inc.	49,590	47,483	0.33
229	Lamb Weston Holdings Inc.	16,897	13,157	0.09
1,117	Las Vegas Sands Corp.	68,875	99,716	0.69
212	Leidos Holdings Inc.	46,277	52,453	0.36
417	Lennar Corp.	64,299	58,793	0.40
59	Lennox International Inc.	45,849	39,292	0.27
388	Live Nation Entertainment Inc.	78,582	75,830	0.52
341	Loews Corp.	42,676	49,252	0.34
195	lululemon athletica Inc.	59,369	55,577	0.38
532	LyondellBasell Industries NV	41,261	31,593	0.22
254	M&T Bank Corp.	66,608	70,188	0.48
101	Martin Marietta Materials Inc.	76,613	86,252	0.59
343	Masco Corp.	30,364	29,853	0.21
390	Match Group Inc.	16,893	17,271	0.12
444	McCormick & Co Inc/MD	44,642	41,475	0.29
34	Mettler-Toledo International Inc.	55,872	65,012	0.45
452	MGM Resorts International	21,161	22,621	0.16
893	Microchip Technology Inc.	85,253	78,041	0.54
194	Mid-America Apartment Communities Inc.	38,705	36,960	0.25
646	Moderna Inc.	23,545	26,128	0.18
86	Molina Healthcare Inc.	30,297	20,469	0.14
328	Molson Coors Brewing Co.	21,477	20,999	0.14
80	Monolithic Power Systems Inc.	82,601	99,446	0.68
327	NetApp Inc.	48,075	48,028	0.33
973	News Corp.	38,856	34,856	0.24
789	NiSource Inc.	43,876	45,189	0.31
92	Nordson Corp.	27,109	30,337	0.21
312	Northern Trust Corp.	53,640	58,448	0.40
753	Norwegian Cruise Line Holdings Ltd.	20,677	23,051	0.16
318	NRG Energy Inc.	68,019	69,450	0.48
378	Nucor Corp.	67,952	84,561	0.58
5	NVR Inc.	50,440	50,010	0.34
1,628	Occidental Petroleum Corp.	89,407	91,813	0.63
345	Old Dominion Freight Line Inc.	75,116	74,193	0.51
524	Omnicom Group Inc.	52,471	58,032	0.40
665	ON Semiconductor Corp.	48,529	49,387	0.34

VENATOR ASCENDANT ALTERNATIVE FUND
(formerly VENATOR FOUNDERS ALTERNATIVE FUND)

Schedule of Investment Portfolio (continued)

As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
U.S. equities (continued)				
644	Otis Worldwide Corp.	\$ 84,819	\$ 77,152	0.53
148	Packaging Corp of America	38,801	41,861	0.29
1,822	Paramount Skydance Corp.	34,975	33,485	0.23
94	Paycom Software Inc.	28,650	20,545	0.14
272	Pentair PLC	38,243	38,849	0.27
3,632	PG&E Corp.	71,294	80,049	0.55
198	Pinnacle West Capital Corp.	24,372	24,087	0.17
63	Pool Corp.	25,964	19,765	0.14
371	PPG Industries Inc.	57,180	52,134	0.36
1,222	PPL Corp.	57,612	58,693	0.40
363	Principal Financial Group Inc.	39,048	43,916	0.30
579	Prudential Financial Inc.	82,381	89,638	0.62
199	PTC Inc.	47,438	47,547	0.33
825	Public Service Enterprise Group Inc.	90,592	90,858	0.63
322	PulteGroup Inc.	47,646	51,785	0.36
346	Qnity Electronics Inc.	46,659	38,746	0.27
184	Quest Diagnostics Inc.	45,259	43,791	0.30
101	Ralph Lauren Corp.	39,136	48,983	0.34
325	Raymond James Financial Inc.	68,938	71,581	0.49
311	Regency Centers Corp.	30,371	29,444	0.20
1,449	Regions Financial Corp.	46,657	53,856	0.37
242	ResMed Inc.	86,678	79,945	0.55
188	Revvity Inc.	24,627	24,946	0.17
186	Rockwell Automation Inc.	83,669	99,251	0.68
801	Rollins Inc.	62,422	65,936	0.45
243	Sandisk Corp.	72,054	79,113	0.54
177	SBA Communications Corp.	55,541	46,956	0.32
353	Seagate Technology Holdings PLC	73,293	133,327	0.92
246	Skyworks Solutions Inc.	25,055	21,394	0.15
863	Smurfit WestRock PLC	49,996	45,770	0.32
87	Snap-on Inc.	37,243	41,118	0.28
288	Solventum Corp.	29,513	31,299	0.22
855	Southwest Airlines Co.	37,377	48,465	0.33
256	Stanley Black & Decker Inc.	23,768	26,080	0.18
462	State Street Corp.	66,952	81,745	0.56
242	Steel Dynamics Inc.	43,212	56,241	0.39
163	STERIS PLC	54,183	56,676	0.39
987	Super Micro Computer Inc.	64,087	39,622	0.27
595	Synchrony Financial	54,387	68,082	0.47
791	Sysco Corp.	82,951	79,943	0.55
361	T Rowe Price Group Inc.	47,830	50,690	0.35
305	Take-Two Interactive Software Inc.	101,738	107,099	0.74
338	Tapestry Inc.	41,936	59,230	0.41
355	Targa Resources Corp.	83,310	89,830	0.62
79	Teledyne Technologies Inc.	55,038	55,337	0.38

VENATOR ASCENDANT ALTERNATIVE FUND
(formerly VENATOR FOUNDERS ALTERNATIVE FUND)

Schedule of Investment Portfolio (continued)

As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
U.S. equities (continued)				
260	Teradyne Inc.	\$ 34,405	\$ 69,022	0.48
115	Texas Pacific Land Corp.	53,953	45,301	0.31
291	Textron Inc.	31,923	34,790	0.24
1,177	The AES Corp.	18,096	23,148	0.16
493	The Campbell's Company	21,427	18,844	0.13
202	The Clorox Co.	33,491	27,934	0.19
325	The Cooper Cos Inc.	31,448	36,533	0.25
595	The Estee Lauder Cos Inc.	65,751	85,456	0.59
461	The Hartford Financial Services Group Inc.	79,831	87,126	0.60
335	The Hershey Co.	79,203	83,611	0.58
177	The JM Smucker Co.	23,828	23,744	0.16
1,957	The Kraft Heinz Co.	69,955	65,088	0.45
524	The Mosaic Co.	25,269	17,313	0.12
799	The Trade Desk Inc.	58,550	41,598	0.29
322	TKO Group Holdings Inc.	78,811	92,299	0.64
873	Tractor Supply Co.	64,189	59,878	0.41
393	Trimble Navigation Ltd.	40,748	42,231	0.29
72	Tyler Technologies Inc.	57,107	44,827	0.31
584	Tyson Foods Inc.	44,033	46,952	0.32
546	UDR Inc.	29,906	27,467	0.19
75	Ulta Beauty Inc.	48,600	62,233	0.43
541	United Airlines Holdings Inc.	59,695	82,968	0.57
103	Universal Health Services Inc.	25,115	30,798	0.21
504	Valero Energy Corp.	97,173	112,526	0.77
776	Ventas Inc.	69,171	82,354	0.57
410	Veralto Corp.	56,777	56,108	0.39
154	VeriSign Inc.	59,439	51,314	0.35
231	Verisk Analytics Inc.	83,794	70,869	0.49
1,904	Viatis Inc.	23,858	32,511	0.22
1,767	VICI Properties Inc.	78,818	68,147	0.47
219	Vulcan Materials Co.	78,960	85,668	0.59
284	Wabtec Corp.	79,110	83,140	0.57
4,095	Warner Bros Discovery Inc.	67,125	161,862	1.11
98	Waters Corp.	45,854	51,052	0.35
537	WEC Energy Group Inc.	77,570	77,671	0.53
120	West Pharmaceutical Services Inc.	37,654	45,283	0.31
565	Western Digital Corp.	54,914	133,492	0.92
1,191	Weyerhaeuser Co.	42,518	38,697	0.27
198	Williams-Sonoma Inc.	44,783	48,497	0.33
159	Willis Towers Watson PLC	66,692	71,657	0.49
628	WR Berkley Corp.	62,667	60,394	0.42
172	Wynn Resorts Ltd.	22,951	28,386	0.20
402	Xylem Inc/NY	71,769	75,082	0.52
459	Yum! Brands Inc.	92,677	95,234	0.66
85	Zebra Technologies Corp.	35,233	28,307	0.19

VENATOR ASCENDANT ALTERNATIVE FUND
(formerly VENATOR FOUNDERS ALTERNATIVE FUND)

Schedule of Investment Portfolio (continued)

As at December 31, 2025

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	U.S. equities (continued)			
327	Zimmer Biomet Holdings Inc.	\$ 42,172	\$ 40,327	0.28
		<u>13,878,018</u>	<u>14,546,072</u>	<u>100.12</u>
	U.S. right			
1,345	Sycamore Partners LLC \$0	<u>—</u>	<u>—</u>	<u>—</u>
	Total investments owned	13,878,018	14,546,072	100.12
	Commissions and other portfolio transaction costs	<u>(6,820)</u>	<u>—</u>	<u>—</u>
	Net investments owned	\$ 13,871,198	14,546,072	100.12
	Other liabilities, net		<u>(22,189)</u>	<u>(0.12)</u>
	Net Assets Attributable to Holders of Redeemable Units		\$ 14,523,883	100.00

VENATOR ASCENDANT ALTERNATIVE FUND (FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements

Years ended December 31, 2025 and 2024

1. Trust organization and nature of operations:

Venator Ascendant Alternative Fund (formerly Venator Founders Alternative Fund) (the "Trust") is a trust created under the laws of the Province of Ontario by a Trust Agreement dated June 28, 2007 and amended and restated as at September 25, 2009, February 14, 2012, June 30, 2021 and June 25, 2025. The Trust commenced active operations on September 1, 2007. Venator Capital Management Ltd., a corporation incorporated under the laws of the Province of Ontario, is the manager and trustee (the "Manager" or "Trustee") of the Trust. The registered office of the Trust is 2 Bloor Street East, Suite 310, Toronto, ON, M4W 1A8.

On June 25, 2025, the Trust completed a restructuring, whereby the investment objective of the Trust was changed. In connection with the investment objective change, the investment strategies of the Trust, the fees charged by the Trust and the name of the Trust have also changed.

The investment objective of the Fund is to provide long-term capital growth through rules based, quantitative securities selection by taking long investment positions in equity securities.

2. Basis of presentation:

These financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities at fair value through profit or loss ("FVTPL"), which are presented at fair value. The financial statements have been prepared in accordance with IFRS Accounting Standards. The financial statements were authorized for issue by the Manager on March 24, 2026. These financial statements are presented in Canadian dollars, which is the Trust's functional currency.

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

3. Material accounting policy information:

The following summarizes the accounting policies of the Trust:

(a) 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 Trust's Simplified Prospectus, investment positions are valued based on the last traded market price for the purpose of determining the net asset per unit for subscriptions and redemptions. For financial reporting purposes, the Trust 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 Trust holds derivatives with offsetting market risks, 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 Trust uses a variety of methods and makes assumptions that are based on market conditions existing at each statement 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.

(b) Classification:

The Trust classifies its investments in debt, equity securities and derivatives as financial assets and financial liabilities at FVTPL, in accordance with IFRS 9, *Financial instruments* ("IFRS 9").

The Trust classifies its investments at FVTPL based on the Trust's business model for managing those financial assets in accordance with the Trust'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 Trust is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

3. Material accounting policy information (continued):

(b) Classification (continued):

Other financial assets including due from broker, dividends receivable, receivables for investment sold, other assets and interest receivable are classified as subsequently measured at amortized cost and recorded at cost or amortized cost. 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.

Due to broker, management fees payable and accounts payable and accrued liabilities are classified as financial liabilities and reported at amortized cost. Financial liabilities are generally settled within three months of issuance. Other financial assets and liabilities are short-term in nature, and are carried at amortized cost, which approximates fair value.

(c) Recognition/derecognition:

The Trust recognizes financial assets or financial liabilities 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 (loss) income.

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

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

3. Material accounting policy information (continued):

(d) 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 Trust 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.

(e) Investment transactions and revenue recognition:

Investment transactions are accounted for on a trade date basis and gains and losses from investment transactions are accounted for on the trade date.

Realized gain on sale of investments, including foreign exchange adjustments, and change in unrealized appreciation/depreciation in value of investments are determined on an average cost basis.

(f) Withholding tax expense:

The Trust generally incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the statements of comprehensive (loss) income.

(g) Use of estimates:

The preparation of financial statements in accordance with IFRS Accounting Standards requires management to use accounting estimates. It also requires management to exercise its judgment in the process of applying the Trust'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.

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

3. Material accounting policy information (continued):

(h) 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 series of redeemable units by the total number of redeemable units of that particular series outstanding at the end of the year.

(i) (Decrease) increase in net assets attributable to holders of redeemable units per series:

(Decrease) increase in net assets attributable to holders of redeemable units per series is based on the (decrease) increase in net assets attributable to holders of redeemable units attributed to each series of redeemable units, divided by the weighted average number of redeemable units outstanding of that series during the year. Refer to note 11 for the calculation.

(j) Fair value hierarchy:

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 hierarchy of inputs is summarized below:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities. An active market is one in which transactions for the assets occur with sufficient frequency and volume to provide pricing information on an ongoing basis;
- 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).

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

3. Material accounting policy information (continued):

(k) Due to broker:

The Trust has a prime brokerage agreement with its broker to carry its accounts as a customer. The broker has custody of the Trust's securities.

Due to broker is a margin account representing cash loans with brokers that are secured by the underlying investments owned by the Trust.

(l) Commissions and other portfolio transaction costs:

Transaction costs, such as brokerage commissions incurred in the purchase and sale of portfolio securities and other trade execution costs paid to external third parties, such as stamp duties and exchange fees, are recognized as expenses in the statements of comprehensive loss (income) based on the trade date.

(m) Translation of foreign currency:

The functional and presentation currency of the Trust 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 12:00 p.m. Eastern Standard Time, the closing rate, on each valuation day. 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. Changes in unrealized appreciation (depreciation) in foreign currencies are recognized in the statements of comprehensive loss (income) through net change in unrealized appreciation (depreciation) in value of investments. All other gains and losses related to foreign exchange translations are recognized in the statements of comprehensive loss (income) through realized gain (loss) on sale of investments, including foreign exchange adjustments.

(n) Interest and borrowing fees:

As a result of taking both long and short positions, the Trust incurs both interest expense and borrowing fees. While the use of borrowed funds can substantially improve the return on invested capital, its use may also increase the adverse impact to which the investment portfolio of the Trust may be subjected by increasing the Trust's exposure to capital risk and incurring higher expenses.

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

3. Material accounting policy information (continued):

(o) Taxation of the Trust:

The Trust qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) (the "Income Tax Act") and, accordingly, is not subject to tax on its net taxable income, including net realized capital gains, which is paid or payable to its unitholders as at the end of the tax year. However, such part of the Trust's net income and net realized capital gains that is not paid or payable is subject to income taxes. It is the intention of the Trust to distribute all of its income and sufficient net realized capital gains so that the Trust will not be subject to income tax.

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.

(p) Cash and cash equivalents:

Cash and cash equivalents include cash in hand and deposits held with banks with original maturities of three months or less.

(q) Classification of redeemable units issued by the Trust:

The Trust's redeemable units do not meet the criteria in IAS 32, Financial Instruments - Presentation, for classification as equity due to multiple series with different rights and, therefore, have been classified as financial liabilities.

(r) Unit valuation:

The net assets of a particular series of units are computed by calculating the value of that series' proportionate share of the assets and liabilities of the Trust common to all series less the liabilities of the Trust attributable only to that series.

Expenses directly attributable to a series are charged directly to that series. Income, realized and unrealized gains and losses from investment transactions and other expenses are allocated proportionately to each series based upon the relative net asset value of each series.

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

3. Material accounting policy information (continued):

(s) Future accounting policy changes:

Presentation and disclosure in financial statements (IFRS 18)

IFRS 18 will replace IAS 1 Presentation and disclosure in financial statements and applies for annual reporting periods beginning on or after January 1, 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statements of comprehensive income, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statements of cash flows when presenting operating cash flows under the indirect method.

The Trust is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Trust's statements of comprehensive (loss) income, the statements of cash flows and the additional disclosures required for MPM. The Trust is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

3. Material accounting policy information (continued):

(s) Future accounting policy changes (continued):

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The IASB has issued amendments to IFRS 9 and IFRS 7 in May 2024. These amendments relate to classification of financial assets and accounting for settlement by electronic payments in the context of the classification and measurement requirements in IFRS 9. The potential impact may include, but is not limited to, a change in timing of recognition and derecognition of financial instruments in certain situations in which settlement of a financial instruments with another takes more than a day. Similarly, a change may be required for entities that derecognize both trade payable and cash on the payment initiation date even if the creditor has not yet received the cash. However, an accounting policy choice is available for derecognizing certain financial liabilities that are settled using an electronic payment system subject to certain criteria being met.

The amendments will be effective from January 1, 2026. Management is currently assessing the impact of the new standard, but it is not expected to have a significant impact on the Trust's financial statements.

4. Critical accounting estimates and assumptions:

The preparation of financial statements requires management to use judgments 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 Trust has made in preparing the financial statements:

Classification and measurement of investments:

In classifying and measuring financial instruments held by the Trust, the Manager is required to make significant judgments about whether or not the business of the Trust 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 Trust's investments are classified as FVTPL.

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

5. Related party transactions:

(a) Management fees:

The management fee paid by the Trust to the Manager is calculated daily and payable monthly based on the net asset value of each series.

Prior to June 25, 2025, the annual management fee for each series was as follows: (i) 2% of the net asset value of the Series A units; and (ii) 1% of the net asset value of the Series F units, plus applicable taxes. Management fees on Series I units are negotiated and paid directly by the investor.

The Manager will pay, with respect to the Series A units, and out of its management fee, an annual service fee to participating registered dealers whose clients hold Series A units. The service fee is payable quarterly to a maximum of 1% per annum of the net asset value of the Series A units held by clients of the applicable dealer.

Effective June 25, 2025, the annual management fee for each series is as follows: (i) 1.5% of the net asset value of the Series UA and A1 units ; and (ii) 0.5% of the net asset value of the Series UF, F and F1 units, plus applicable taxes. Management fees on Series I and Series UI units are negotiated and paid directly by the investor.

Management fees for the year ended December 31, 2025 were \$212,230 (2024 - \$279,939), with \$16,449 payable as at December 31, 2025 (2024 - \$25,298).

(b) Performance fee:

The Trust pays a performance fee to the Manager on each Series UA, A1, UF, F and F1 unit outstanding on the last business day of the period based on the amount by which the net asset value per unit on such date plus the aggregate amount of all distributions declared on such unit ("Adjusted NAV per Unit") exceeds the previous High Water Mark for such unit, plus applicable taxes. The performance fee is calculated daily. The High Water Mark is defined as the greater of the purchase price of such unit or the Adjusted NAV per Unit after the last date on which a performance fee was paid.

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

5. Related party transactions (continued):

(b) Performance fee (Continued):

Prior to June 25, 2025, in any period in which a performance fee is payable, the Manager will be paid 20% of any gains in excess of the High Water Mark. Investors in Series I Units may negotiate a different performance fee.

Effective June 25, 2025, in any period in which a performance fee is payable, the Manager will be paid 10% of any gains in excess of the High Water Mark and providing that the gains are also in excess of the S&P 500 Total Return Index in USD. Investors in Series I units and Series UI Units may negotiate a different performance fee.

Performance fees for the year ended December 31, 2025 were \$nil (2024 - \$nil) with \$nil payable as at December 31, 2025 (2024 – \$nil).

(c) Related party unitholders:

Directors and employees of the Manager own units of the Trust representing 46.70% (2024 – 44.28%) of units outstanding.

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

6. Redeemable units of the Trust:

The Trust is authorized to issue an unlimited number of redeemable units of an unlimited number of series, each of which represents an equal, undivided, beneficial interest in the net asset value of the Trust.

Each redeemable unit of each series entitles the holder to one vote and to participate equally with respect to any and all distributions made by the Trust. Redeemable units of a series may be consolidated and/or redesignated by the Manager.

Unitholders may request that such units be redeemed on the last business day of each weekly period (the "Redemption Date") at their net asset value per unit on such date provided that the request for redemption is submitted at least 5 business days prior to such Redemption Date.

	Redeemable units, beginning of year	Redeemable units issued	Redemptions of redeemable units	Redeemable units, end of year
2025				
Series A1	1,469,432	–	(179,207)	1,290,225
Series F	100,809	–	(88,063)	12,746
Series F1	198,997	–	(11,737)	187,260
Series UA	–	24,507	–	24,507
Series UF	–	220,285	–	220,285
2024				
Series A1	1,500,284	58,247	(89,099)	1,469,432
Series F	110,913	–	(10,104)	100,809
Series F1	177,722	36,782	(15,507)	198,997

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

6. Redeemable units of the Trust (continued):

Capital disclosure:

The capital of the Trust is represented by issued and redeemable units. The redeemable units are entitled to distributions, if any, and to payment of a proportionate share based on the Trust's net asset value per unit upon redemption. The Trust has no restrictions or specific capital requirements on the subscriptions and redemptions of redeemable units. The relevant movements are shown on the statements of changes in net assets attributable to holders of redeemable units. In accordance with its investment objectives and strategies, and the risk management practices outlined in note 7, the Trust endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments, where necessary.

7. Financial instruments and risk management:

Management of financial instrument risks:

In the normal course of business, the Trust is exposed to liquidity risk, other price risk, credit risk, currency risk and interest rate risk. The value of investments within the Trust'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 Trust. The level of risk depends on the Trusts investment objective and the type of securities it invests in.

(a) Liquidity risk:

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

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

The Trust may employ the use of derivatives to moderate certain risk exposures. There is no guarantee that a market will exist for some derivatives and it is possible that the exchanges may impose limits on trading of derivatives.

The financial liabilities of the Trust mature within three months.

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

7. Financial instruments and risk management (continued):

(b) 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 Trust's investment objectives and strategy. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Trust's overall market positions are monitored on a regular basis by the Manager. Financial instruments held by the Trust are susceptible to market price risk arising from uncertainties about future prices of the instruments.

The following table sets out the concentration of the investment assets and liabilities of the Trust at December 31, 2025 and 2024 as a percentage of the net assets attributable to holders of redeemable units of the Trust:

	December 31, 2025	December 31, 2024
Canadian equities	–	56.23%
U.S. equities	100.12%	44.86%

As at December 31, 2025 and 2024 the equity investments held by the Trust are concentrated in the following industries:

	December 31, 2025	December 31, 2024
Consumer staples	8.25%	0.00%
Communications	6.03%	6.85%
Consumer discretionary	9.51%	15.74%
Financials	13.23%	10.70%
Health care	11.12%	12.71%
Industrials	14.23%	31.71%
Information technology	12.41%	16.66%
Materials	5.76%	3.25%
Real estate	6.63%	3.47%
Energy	4.45%	0.00%
Utilities	8.50%	0.00%

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

7. Financial instruments and risk management (continued):

(b) Other price risk (continued):

As at December 31, 2025, the majority of the Trust's net assets were invested in equity securities traded on North American stock exchanges. Accordingly, if the security prices on North American exchanges had increased or decreased by 10% as at the year end, with all other factors remaining constant, net assets attributable to holders of redeemable units of the Trust could possibly have increased or decreased by approximately \$1,454,607 (2024 - \$1,444,214). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

(c) 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 Trust. It arises principally from debt securities held, and also from cash and cash equivalents (through custodian's credit rating) and balances due from brokers. The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statements of Financial Position.

The cash and cash equivalents are held with a major Canadian bank counterparty which is rated AA as at December 31, 2025 (AA - December 31, 2024).

Balances due from brokers represent margin accounts, cash collateral for borrowed securities and sales transactions awaiting settlement. Credit risk relating to unsettled transactions is considered minimal due to the short settlement period involved and the high credit quality of the broker used. The Trust's prime broker was rated AA at December 31, 2025 (AA - December 31, 2024).

The Trust's investments in debt instruments, including the related interest receivable, represents the main exposure to credit risk. The market value of debt instruments and derivatives includes consideration of the creditworthiness of the issuer.

As at December 31, 2025, the Trust held investments in debt instruments with a fair value of \$nil (2024 - \$nil).

(d) Currency risk:

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

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

7. Financial instruments and risk management (continued):

(d) Currency risk (continued):

Currency risk arises from financial instruments (including cash and cash equivalents) that are denominated in a currency other than the Canadian dollar, which represents the functional currency of the Trust. The Trust 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, 2025 and 2024 the Trust has the following foreign currency exposures (as a percentage of total NAV):

Currency	Exposure			Impact if CAD strengthened or weakened by 5% in relation to other currencies		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
December 31, 2025						
U.S. Dollar	\$ 4,567	\$ 14,546,072	\$ 14,550,639	\$ 228	\$ 727,304	\$ 727,532
% of Net assets attributable to holders of redeemable units	0.03	100.15	100.18	–	5.01	5.01

Currency	Exposure			Impact if CAD strengthened or weakened by 5% in relation to other currencies		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
December 31, 2024						
U.S. Dollar	\$ (7,020,387)	\$ 6,408,188	\$ (612,199)	\$ (351,019)	\$ 320,409	\$ (30,610)
% of Net assets attributable to holders of redeemable units	(49.14)	44.85	(4.29)	(2.46)	2.24	(0.22)

As at December 31, 2025, if the Canadian dollar had strengthened or weakened by 5% in relation to the U.S. dollar, with all other variables held constant, net assets of the Trust would have increased or decreased by \$727,532 (2024 - \$30,610).

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

7. Financial instruments and risk management (continued):

(e) Interest rate risk:

Interest rate risk arises when the Trust invests in interest-bearing financial instruments. The Trust 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 cash and cash equivalents invested at short-term market interest rates and fixed-rate instruments held.

As at December 31, 2025 and 2024, the Trust is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

8. Fair value measurement:

The following is the summary of the inputs used as at December 31, 2025 in valuing the Trust's investments carried at fair values:

	Level 1	Level 2	Level 3	Total
Assets				
Equities	\$ 14,546,072	\$ –	\$ –	\$ 14,546,072
	\$ 14,546,072	\$ –	\$ –	\$ 14,546,072

There were no transfers between the levels during the year.

The following is the summary of the inputs used as at December 31, 2024 in valuing the Trust's investments carried at fair values:

	Level 1	Level 2	Level 3	Total
Assets				
Equities	\$ 14,442,142	\$ –	\$ –	\$ 14,442,142
	\$ 14,442,142	\$ –	\$ –	\$ 14,442,142

There were no transfers between the levels during the year.

VENATOR ASCENDANT ALTERNATIVE FUND

(FORMERLY VENATOR FOUNDERS ALTERNATIVE FUND)

Notes to Financial Statements (continued)

Years ended December 31, 2025 and 2024

9. Expenses:

The Manager has the power to incur and make payment out of the Trust provided any charges or expenses which, in the opinion of the Manager, are necessary or incidental to, or proper for, carrying out any of the purposes of the Trust Agreement, including without limitation all fees and expenses relating to the management and administration of the Trust. The Trust is responsible for any income or excise taxes and brokerage commissions on portfolio transactions.

10. Income taxes:

As at December 31, 2025, the Trust has \$8,905,560 (2024 – \$8,905,560) capital losses carried forward and has non-capital losses carried forward in the amount of \$1,847,312 (2024 - \$1,847,312) available for income tax purposes.

11. (Decrease) increase in net assets attributable to holders of redeemable units per series:

The (decrease) increase in net assets attributable to holders of redeemable units per series for years ended December 31, 2025 and 2024 is calculated as follows:

	(Decrease) increase in net assets attributable to holders of redeemable units per Series	Weighted average of redeemable units outstanding during the year	(Decrease) increase in net assets attributable to holders of redeemable units per unit
December 31, 2025			
Series A1	\$ (359,869)	1,328,301	\$ (0.27)
Series F	(126,084)	50,472	(2.50)
Series F1	(39,488)	195,630	(0.20)
Series UA	3,351	19,794	0.17
Series UF	47,955	128,287	0.37
December 31, 2024			
Series A1	\$ 820,481	1,490,126	\$ 0.55
Series F	135,966	106,006	1.28
Series F1	136,942	191,191	0.72