Financial statements

IDEO+ ADAPTIVE Plan

For the years ended December 31, 2024 and 2023

KALEIDO

The IDEO+ ADAPTIVE Plan

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Deloitte LLP
801 Grande Allée West
Suite 350
Québec QC G1S 4Z4
Canada

Tel: 418-624-3333
Fax: 418-624-0414
www.deloitte.ca

Independent Auditor's Report

To the subscribers of
the IDEO+ ADAPTIVE Plan

Opinion

We have audited the financial statements of the IDEO+ ADAPTIVE Plan (the "Plan"), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of net income and comprehensive income, changes in net assets attributable to contracts and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Plan 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 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, 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 on this other information, 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 IFRS Accounting Standards as issued by the IASB, 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 Plan'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 Plan or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Plan'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 GAAS 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 GAAS, 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 Plan'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 Plan'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 Plan 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.

/S/ Deloitte LLP [1]

Quebec City, Quebec
March 20, 2025

[1] CPA auditor, public accountancy permit No. A149702

Statements of financial position

(in thousand of Canadian $)

	Notes	**December 31, 2024**	December 31, 2023
Assets			
Cash		**90**	121
Sales pending settlement		**-**	6
Dividends receivable		**9**	21
Interest receivable		**76**	30
Canada Education Savings Grant (CESG) receivable	9	**636**	434
Quebec Education Savings Incentive (QESI) receivable		**975**	631
Investments	5, 9	**26,978**	11,878
		28,764	13,121
Liabilities			
Purchases pending settlement		**-**	6
Accounts payable and other liabilities	6	**71**	38
Quebec Education Savings Incentive (QESI) refundable		**3**	1
		74	45
Net assets attributable to contracts		**28,690**	13,076

Approved by

[François Lavoie] Chairman of the Board of Directors

[Albert Caponi] Chairman of the Audit and Risk Management Committee

The notes are an integral part of these financial statements

Statements of net income and comprehensive income
for the years ended December 31
(in thousands of Canadian $)

	Notes	**2024**	2023
Revenues from ordinary activities			
Interest income		**345**	114
Dividends		**135**	83
Realized gain on disposal of investments		**944**	69
Change in unrealized appreciation of investments		**1,037**	432
		2,461	698
Operating expenses			
Brokerage fees		**8**	4
U.S. tax expenses		**-**	2
Portfolio management fees		**40**	14
Custodian fees		**41**	17
Administration fees	8	**349**	132
Independent Review Committee fees		**1**	-
		439	169
Net income and comprehensive income attributable to contracts		**2,022**	529

The notes are an integral part of these financial statements

Statements of changes in net assets attributable to contracts
for the years ended December 31
(in thousands of Canadian $)

	Subscriber savings	Income on savings	CESG	QESI	Income on incentives	Total
Net assets as at December 31, 2023	9,296	424	2,294	957	105	13,077
Net income and comprehensive income	-	1,551	-	-	471	2,022
Increase						
Subscriber savings	11,147	-	-	-	-	11,147
Transfers between plans	-	-	3	-	-	3
Grants received from the government	-	-	2,558	1,033	-	3,591
Transfers from other promoters	-	-	69	22	-	91
	11,147	-	2,630	1,055	-	14,832
Decrease						
Refund of savings	(928)	-	-	-	-	(928)
Transfers between plans	1	-	-	-	-	1
Grants returned to the government	-	-	-	(3)	-	(3)
Transfers to other promoters	-	-	(15)	(4)	(2)	(21)
Grants and income on grants	-	(52)	(149)	(64)	(14)	(279)
Educational assistance payments (EAPs)	-	(10)	-	-	-	(10)
	(927)	(62)	(164)	(71)	(16)	(1,240)
Net assets as at December 31, 2024	**19,516**	**1,913**	**4,760**	**1,941**	**560**	**28,690**

Statements of changes in net assets attributable to contracts
for the years ended December 31

(in thousands of Canadian $)

	Subscriber savings	Income on savings*	CESG	QESI	Income on incentives	Total
Net assets as at December 31, 2022	2,863		731	294	3	3,891
Net income and comprehensive income	-	426	-	-	103	529
Increase						
Subscriber savings	6,687	-	-	-	-	6,687
Grants received from the government	-	-	1,580	674	-	2,254
Transfers from other promoters	-	-	20	6	-	26
	6,687	-	1,600	680	-	8,967
Decrease						
Refund of savings	(254)	-	-	-		(254)
Grants returned to the government	-	-	-	(1)		(1)
Transfers to other promoters	-	-	(2)	(1)		(3)
Grants and income on grants		(2)	(35)	(15)	(1)	(53)
	(254)	(2)	(37)	(17)	(1)	(311)
Net assets as at December 31, 2023	**9,296**	**424**	**2,294**	**957**	**104**	**13,076**

** To harmonize with the presentation of savings income for the financial year ended December 31, 2024, the PAE account presented separately in the financial statements for the year ended December 31, 2023 has been merged with the Savings income account in the above statement.*

Statements of cash flows
for the years ended December 31
(in thousands of Canadian $)

	2024	2023
Cash flows from operational activities		
Income received		
Interest	**299**	92
Dividends	**149**	70
	448	162
Operating expenses paid		
Brokerage fees	**(8)**	(4)
U.S. tax expenses	**-**	(2)
Portfolio management fees	**(18)**	(11)
Trustee fees	**-**	(0)
Custodian fees	**(32)**	(16)
Administration fees	**(337)**	(107)
Independent Review Committee fees	**(1)**	-
	(396)	(140)
Other operational activities		
Disposal of investments	**38,615**	11,798
Acquisition of investments	**(51,745)**	(19,780)
	(13,130)	(7,982)
Net cash flows used in operational activities	**(13,078)**	(7,960)
Cash flows from financing activities		
Savings received	**11,193**	6,444
Savings advance	**-**	-
Savings paid to other promoters	**(49)**	(9)
Refunds of savings to subscribers	**(928)**	(254)
CESG received	**2,410**	1,468
QESI received	**706**	340
Incentives and income on Incentives paid	**(288)**	**(51)**
Income on savings paid	**-**	**(2)**
Transfers between plans	**3**	-
Net cash flows from financing activities	**13,047**	7,936
Net decrease in cash	**(31)**	(24)
Cash, beginning of year	**121**	145
Cash, end of year	**90**	121

Schedule of investment portfolio
as at December 31, 2024

(in thousands of Canadian $)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Short-term investments					
85	Cash	21 Jan 2025	-	121	122
5	Cash sweep	27 Feb 2025	-	5	5
4,180	Cash sweep	12 Mar 2025	-	4,151	4,155
200	ONTARIO POW	8 Apr 2025	2.893	196	200
270	NATL BK OF CANADA	3 Nov 2025	5.296	273	274
Total - Short-term investments				4,746	4,756
Bonds					
Bonds issued or guaranteed by a Canadian province					
75	FIRST NATIONS FIN	1 Jun 2034	4.100	76	76
650	QUEBEC(PROV OF)	20 May 2032	3.650	630	655
335	QUEBEC(PROV OF)	27 May 2031	2.100	299	310
70	BRIT COLUMBIA(PROV)	18 Jun 2031	1.550	59	63
540	QUEBEC(PROV OF)	1 Sep 2034	4.450	567	566
105	QUEBEC(PROV OF)	22 Nov 2032	3.900	104	107
560	ONTARIO(PROV OF)	2 Feb 2032	4.050	564	579
1,115	ONTARIO(PROV OF)	4 Mar 2033	4.100	1,121	1,151
				3,420	3,507
Bonds issued or guaranteed by a municipality					
55	VANCOUVER(CITY OF)	3 Nov 2033	4.900	60	60
70	RESEAU METR RESEAU	d Jun yyyy	4.400	71	72
30	TROIS-RIVIERES	d Oct yyyy	3.600	29	30
125	SOUTH COAST BC TRA	d Jul yyyy	1.600	108	114
				268	276
Bonds issued or guaranteed by a corporation					
40	BANK OF MONTREAL	26 May 2082	5.625	38	40
40	ROGERS WIRELESS IN	10 Dec 2029	3.300	39	39
20	RBC	3 Apr 2034	5.096	20	21
50	HYDRO ONE INC	21 Sep 2026	3.843	50	50
30	IA FINL CORP	30 Sep 2084	6.921	30	31
100	CGI INC	7 Sep 2027	3.987	100	101
65	CHOICE PROPERTIES	3 Aug 2028	4.178	65	66
75	PEMBINA PIPELINE C	15 Jun 2027	4.240	75	76
50	NORTH WEST REDWATE	1 Jun 2027	2.800	47	49
20	ENBRIDGE INC	8 Jun 2027	3.200	19	20
25	CT REAL ESTATE	16 Jun 2027	3.469	24	25
25	FAIRFAX FINL HLDGS	6 Dec 2027	4.250	25	25
25	BELL	29 Sep 2027	3.600	24	25
95	METRO INC	6 Dec 2027	3.390	94	95
110	TELUS CORP	1 Mar 2028	3.625	104	110
75	TORONTO HYDRO CORP	11 Dec 2029	2.430	70	72
30	BELL	10 Sep 2029	2.900	28	29

Schedule of investment portfolio
as at December 31, 2024
(in thousands of Canadian $)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Bonds (continued)					
Bonds issued or guaranteed by a corporation (continued)					
25	ONTARIO POW	4 Oct 2027	3.315	24	25
35	ENBRIDGE GAS	9 Aug 2029	2.370	32	33
35	ENBRIDGE INC	12 Apr 2078	6.625	35	37
75	407 INTL INC	25 May 2032	2.590	65	69
50	MANULIFE FINL CAP	23 Feb 2034	5.054	50	52
40	NAV CANADA	29 May 2030	2.063	37	37
45	ONTARIO POW	8 Apr 2030	3.215	42	44
175	FED CAISS	10 Sep 2026	1.587	162	170
25	CHOICE PROPERTIES	4 Mar 2030	2.981	24	24
110	BK SCOTIA	8 Mar 2027	2.950	108	109
50	TRANSCANADA PIPELN	5 Apr 2027	3.800	49	50
65	ROGERS COMMS INC	31 Mar 2027	3.650	63	65
25	RELIANCE LP	1 Aug 2028	2.670	22	24
200	RBC	1 May 2028	4.632	198	207
35	CANADIAN IMP BANK	21 Jul 2030	2.010	33	35
75	VERIZON COMMUN	22 Mar 2028	2.375	71	72
50	TORONTO-DOMINION	31 Oct 2082	7.283	51	53
50	SUN LIFE FINL INC	4 Jul 2035	5.500	51	54
50	GAZ METROPO	16 Apr 2027	2.100	47	49
35	RBC	24 Nov 2080	4.500	34	35
25	GRANITE REIT HLDGS	30 Aug 2028	2.194	22	24
50	FAIRFAX FINL HLDGS	14 Jun 2029	4.230	49	51
95	FED CAISS	23 Aug 2032	5.035	94	98
50	LOWER MATTAGAMI EN	14 May 2031	2.433	46	46
35	DOLLARAMA INC	9 Jul 2029	2.443	33	33
75	GRANITE REIT HLDGS	4 Jun 2027	3.062	71	74
95	SCOTIA BANK	3 May 2032	3.934	90	95
30	ENBRIDGE INC	21 Sep 2033	3.100	26	28
140	BANK OF MONTREAL	10 Mar 2026	1.758	134	137
50	TORONTO HYDRO CORP	20 Oct 2031	2.470	44	46
100	BELL	29 May 2028	2.200	88	96
25	MANULIFE FINL CAP	19 Jun 2082	7.117	25	26
115	CHOICE PROPERTIES	30 Nov 2026	2.456	110	113
70	BCI QUADREA	24 Jun 2026	2.551	68	69
75	BCI QUADREA	24 Jul 2030	1.747	67	67
145	TORONTO-DOMINION	8 Jan 2029	4.680	145	150
10	BANK OF MONTREAL	26 Nov 2082	7.325	10	11
75	BK OF AMERICA CORP	16 Mar 2028	3.615	75	75
80	HYDRO ONE INC	30 Nov 2029	3.930	79	81
40	LOWER MATTAGAMI EN	31 Oct 2033	4.854	42	42
50	CANADIAN IMP BANK	29 Jun 2027	4.950	50	52
70	OMERS RLTY CORP	14 Nov 2028	5.381	72	74
30	ALTALINK	11 Sep 2030	1.509	25	27
85	GTR TORONTO AIRPOR	3 May 2028	1.540	75	80
110	ONT TEACH	2 Jun 2032	4.450	112	116
240	55 ONT SCH BRD	2 Jun 2033	5.900	265	273
45	HYDRO ONE INC	24 Feb 2026	2.770	43	45

Schedule of investment portfolio

as at December 31, 2024

(in thousands of Canadian $)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Bonds (continued)					
Bonds issued or guaranteed by a corporation (continued)					
80	TORONTO-DOMINION	4 Mar 2031	4.859	79	81
45	SUN LIFE FINL INC	15 May 2036	5.120	46	47
50	BANK OF MONTREAL	29 May 2028	5.039	51	52
95	FED CAISS	16 Aug 2028	5.475	100	101
50	SCOTIA BANK	1 Feb 2029	4.680	50	52
50	NATL BK OF CANADA	7 Dec 2026	4.968	50	51
15	VIDEOTRON LTEE	15 Jul 2034	5.000	15	15
				4,401	4,546
Total - Bonds				8,089	8,329

Number of shares	Security	Cost	Carrying amount
Equities			
Materials			
307	SHERWIN-WILLIAMS	142	150
		142	150
Communication Services			
762	ALPHABET INC CAPITAL STOCK	169	207
28	BOOKING HLD	147	200
2,202	COMCAST	125	119
385	META PLATFORMS	267	324
4,279	QUEBECOR INC	132	135
7,469	TELUS CORP	161	146
1,087	THOMSON-REUTERS CP	236	251
		1,237	1,382
Financials			
525	AMER EXPRESS CO	174	224
170	AMERIPRISE FINANCI	104	130
1,542	BANK OF MONTREAL	201	215
1,151	BK OF NY MELLON CP	96	127
1,260	CITIGROUP INC	110	128
817	IA FINL CORP	77	109
1,141	INTACT FINL CORP	261	299
690	INTERCONT EXCHANGE	133	148
305	MASTERCARD INCORPO	199	231
1,661	NATL BK OF CANADA	194	218
800	RAYMOND JAMES FINL	141	179
1,780	RBC	257	309
5,430	TMX GROUP INC	205	240
1,337	TORONTO-DOMINION	108	102
377	VISA INC	144	171
		2,404	2,830

Schedule of investment portfolio
as at December 31, 2024
(in thousands of Canadian $)

Number of shares	Security	Cost	Carrying amount
Equities (continued)			
Consumer Staples			
1,395	LOBLAWS COS LTD	220	264
3,726	METRO INC	284	336
581	PROCTER & GAMBLE	134	140
3,831	SOBEYS INC	135	168
		773	908
Consumer Discretionary			
2,154	CCL INDUSTRIES INC	154	159
146	COSTCO WHOLESALE	153	192
2,197	DOLLARAMA INC	248	308
286	HOME DEPOT INC	145	160
1,717	RB GLOBAL INC	188	223
1,819	RESTAURANT BRNDS I	186	170
860	TJX COS INC	134	149
2,534	TRACTOR SUPPLY CO	182	193
		1,390	1,554
Energy			
559	CHENIERE ENERGY IN	129	173
		129	173
Real Estate			
1,032	COSTAR GROUP INC	125	106
		125	106
Health			
836	ABBVIE INC COM	198	214
440	CENCORA	143	142
309	LILLY ELI & CO	333	343
287	STRYKER CORP	138	149
617	ZOETIS INC	143	145
		955	993
Industrials			
1,538	CDN NATL RAILWAYS	263	225
1,042	CDN PAC KAN CTY	118	108
2,373	CDN PAC KAN CTY	274	247
336	MOODYS CORP	191	229
231	ROCKWELL AUTOMATIO	89	95
1,257	STANTEC INC	141	142
2,006	TOROMONT INDUSTRIE	254	228
348	UNION PACIFIC CORP	115	114
356	VERISK ANALYTICS	122	141
1,078	WASTE CONNECTIONS	254	266
		1,821	1,795

Schedule of investment portfolio

as at December 31, 2024

(in thousands of Canadian $)

Number of shares	Security	Cost	Carrying amount
Equities (continued)			
Information Technology			
262	ACCENTURE PLC CLS	120	133
1,398	AMPHENOL CORP CLASS A	115	140
603	APPLIED MATERIALS	168	141
1,582	ARISTA NETWORKS IN ARISTA NETWORKS INC	177	251
255	CADENCE DESIGN SYS	106	110
1,889	CGI INC	282	297
73	CONSTELLATION SOFT	280	324
590	DATADOG	102	121
1,077	DESCARTES SYSTEMS	142	176
672	LATTICE SEMICONDUC	65	55
658	MICROSOFT CORP	380	399
330	MOTOROLA SOLUTIONS	169	219
371	TEXAS INSTRUMENTS	92	100
568	TOPICUS	69	69
		2,267	2,535
ETF			
13,700	ISHS ESG	1,275	1,273
		1,275	1,273
Airline			
2,224	DELTA AIRLINES INC	150	194
		150	194
Total - Equities		12,668	13,893
Total - Schedule of investment portfolio		25,503	26,978

1. General information about the Plan

The IDEO+ ADAPTIVE Plan (the "Plan") is a trust maintained by declaration of trust pursuant to the Civil Code of Quebec. It is governed by a trust agreement (the "Agreement") concluded on February 1st, 2022, between Kaleido Foundation (the "Foundation"), Eterna Trust Inc. and Kaleido Growth Inc. The latter acts as the investment fund manager of the IDEO+ ADAPTIVE Plan promoted by the Foundation. The Plan's head office and principal place of business is located at 1035 Wilfrid-Pelletier Avenue, Suite 500, Quebec City (Quebec) G1W 0C5.

The IDEO+ ADAPTIVE Plan is an individual scholarship plan. Under an individual scholarship plan, there is only one designated beneficiary at any given time and that beneficiary does not have to be related to the subscriber. In addition, there is no age limit for becoming a beneficiary of the scholarship plan. Subscribers can choose to make one-time contributions or monthly contributions. Beneficiaries may be eligible for several government grants. Contributions and grants are recorded and maintained at the depository. Contributions are returned to the subscriber or beneficiary and the income earned on these contributions and grants are used to make Education Assistance Payments if they meet the terms of the Income Tax Act (Canada).

The release of these financial statements was authorized by the Board of Directors on March 20, 2025.

2. Material accounting policy information

Statement of compliance

These financial statements are prepared in accordance with IFRS® Accounting Standards applicable as at December 31, 2024.

Basis of preparation

These financial statements are prepared on a going concern and historical cost basis, except for certain financial instruments that have been measured at fair value at the end of each reporting period, as explained in the accounting policies described hereafter.

Assets and liabilities in the statements of financial position are listed in order, from the most liquid to the least liquid. Financial assets are registered on the trade date. The presentation currency of the financial statements is the Canadian dollar (CAN$), which is the Plan's functional currency.

Investment entity

The Plan satisfies the investment entity definition of IFRS 10 *Consolidated Financial Statements*, since it meets the following conditions:

- the Plan obtains funds from investors (subscribers) for the purpose of managing their savings;
- the Plan commits to its investors (subscribers) that its business purpose is to invest funds solely for returns from capital appreciation and investment income, in accordance with its mission;
- the Plan measures and evaluates the performance of its investments on a fair value basis.

Therefore, the plan does not prepare consolidated financial statements.

Revenue recognition

- **Interest income**

Interest income is recognized when it is probable that future economic benefits will flow to the Plan and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the outstanding principal and the effective interest rate.

2. Material accounting policy information (continued)

Revenue recognition (continued)

- **Dividends**

Dividend income is recognized when the Plan's right to receive payment is established, i.e., the dividend declaration date.

Recognition of expenses

- **Brokerage fees**

Brokerage fees paid to dealers represent a commission established by the dealer for each share or bond purchased or sold.

- **Portfolio management fees**

Fees paid to portfolio managers correspond to a declining percentage established by the managers based on the average total assets invested under their respective management.

- **Trustee fees**

Trustee fees represent a fixed annual amount established under agreements with trustees. For the financial year ending December 31, 2024, the fees where below $1.

- **Custodian fees**

Fees paid to custodians represent 0.008% of the average annual assets under management. Transaction fees for the purchase and sale of securities are also charged.

- **Administration fees**

The administration fees paid to the investment fund manager could not exceed 1.65% of the total assets under management.

- **Independent Review Committee fees**

The Independent Review Committee fees comprise the compensation paid to IRC members for attendance fees at meetings and an annual retainer as well as the reimbursement of any expenses incurred to attend these meetings.

Financial instruments

- **Classification and measurement of financial assets**

At initial recognition, all financial assets are recorded at fair value in the statement of financial position. After initial recognition, financial assets must be classified as measured at fair value through other comprehensive income, at amortized cost, or at fair value through profit or loss. The Plan determines the classification based on the contractual cash flow characteristics of the financial assets and on the business model it uses to manage these financial assets.

In addition, under the fair value option, a financial asset may be irrevocably designated at fair value through profit or loss at initial recognition if certain conditions are met. The Plan has not designated an asset under the fair value option.

- **Contractual Cash Flow Characteristics**

For the purpose of classifying a financial asset, the Plan must determine whether the contractual cash flows associated with the financial asset are solely payments of principal and interest on the principal amount outstanding. The principal generally corresponds to the fair value of the financial asset at initial recognition. Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. If the Plan determines that the contractual cash flows associated with a financial asset are not solely payments of principal and interest, the financial assets must be classified as measured at fair value through profit or loss.

2. Material accounting policy information (continued)

Financial instruments (continued)

- **Business Model**

When classifying financial assets, the Plan determines the business model used for each portfolio of financial assets that are managed together to achieve a same business objective. The business model reflects how the Plan manages its financial assets and the extent to which the financial asset cash flows are generated by the collection of the contractual cash flows, the sale of the financial assets, or both. The Plan determines the business model using scenarios that it reasonably expects to occur. The business model determination is a matter of fact and requires the use of judgment and consideration of all the relevant evidence available at the date of determination.

A financial asset portfolio falls within a “hold to collect” business model when the Plan’s primary objective is to hold these financial assets in order to collect contractual cash flows from them and not to sell them. When the Plan’s objective is achieved both by collecting contractual cash flows and by selling the financial assets, the financial asset portfolio falls within a “hold to collect and sell” business model. In this type of business model, collecting contractual cash flows and selling financial assets are both integral components to achieving the Plan’s objective for this portfolio. Financial assets are measured at fair value through profit or loss if they do not fall within either a “hold to collect” business model or a “hold to collect and sell” business model.

The entire investment portfolio is now classified as fair value through profit or loss due to the Plan's strategy as well as decisions being based on the fair value of assets. Although the Plan collects contractual cash flows during the ownership of these assets, they are considered incidental and not essential to achieving the objectives of the Plan's business model. Since this model corresponds to another business model in accordance with IFRS 9, these financial assets should be classified at fair value through profit or loss.

Cash and cash equivalents, dividends receivable, interest receivable, CESG receivable, QESI receivable are recorded at amortized cost, since they are managed according to an economic model for which the objective is to collect contractual cash flows that correspond only to payments of principal and interest on the principal amount outstanding. At initial recognition, these assets are recorded at fair value and are subsequently measured at amortized cost using the effective interest method. The assets are presented net of provisions for credit losses (PCLs), if any, in the statements of financial position.

At the end of each reporting period, the Plan applies a three-phase impairment method to measure expected credit losses for all debt instruments measured at amortized cost. Prospective in nature, this impairment method is based on changes in the credit quality of financial assets since initial recognition. If the credit risk of an asset increases significantly, a provision is calculated based on expected credit losses between the 12 months following the balance sheet date and the life of the asset, depending on the phase of impairment. Initial and subsequent impairment losses are recognized in net income.

Purchases pending settlement, accounts payable and other liabilities, as well as QESI refundable are classified as financial liabilities at amortized cost. Upon initial recognition, these liabilities are recorded at fair value and are subsequently measured at amortized cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents include deposits with financial institutions.

Sales and purchases pending settlement

Sales pending settlement are investments sold with a transaction date prior to year-end 2024 but a settlement date in 2025. Purchases pending settlement are investments purchased with a transaction date prior to year-end 2024 but a settlement date in 2025.

Quebec Education Savings Incentive (QESI) receivable

The payment of the incentive is generally made in May following the fiscal year of the contributions received. As at the date of the financial statements, the amount of QESI receivable is estimated based on the contributions made by each Subscriber during the period ended December 31, 2024 by first applying the terms and conditions of the basic incentive. In addition, if the Subscriber is eligible for the Enhancement, an additional incentive amount receivable is estimated based on the applicable terms and conditions. The total of the Basic Incentive and the Enhancement is subject to annual and lifetime maximums and these are also considered in estimating the amount of QESI receivable.

2. Material accounting policy information (continued)

Net assets attributable to contracts

The net assets attributable to contracts represent a financial liability resulting from a unique contract, and the Plan provides a breakdown of this liability according to its use, i.e., subscriber savings, CESG, QESI, Income on Savings and Income on incentives.

- **Subscribers' savings**

The subscribers' savings account consists of the contributions received.

- **Canada Education Savings Grant (CESG)**

Since January 1, 1998, the Government of Canada has been adding 20% to eligibles contributions. The annual CESG limit is set at $500 per beneficiary. Moreover, since January 1st , 2005, the CESG rate that applies to the first $500 of the annual RESP contribution increased from 20% to 40% for beneficiaries whose adjusted family net income in 2024 does not exceed $55,867 and to 30% for beneficiaries whose adjusted family net income in 2024 falls between $55,867 and $111,733. These amounts are indexed every year.

Beneficiaries born on or after January 1, 2004, from financially eligible families also qualify for the Canada Learning Bond (CLB), which consists of an initial payment of $500 into the beneficiary's RESP. Subsequently, this beneficiary can also qualify for additional CLB payments of $100 each year of eligibility for a maximum of 15 years. The grant is paid as part of the EAPs made to the beneficiary.

- **Quebec Education Savings Incentive (QESI)**

On February 20, 2007, the Government of Quebec introduced the Quebec Education Savings Incentive (QESI), a program to encourage education savings that took the form of a refundable tax credit paid directly in an RESP opened with an RESP provider offering the QESI. The grant's annual limit is set at $250 per beneficiary (i.e., $2,500 x 10% = $250). Moreover, the QESI rate on the first $500 contributed annually to an RESP is 20% for beneficiaries whose adjusted family net income in 2024 does not exceed $51,780. The rate is 15% for beneficiaries whose 2024 adjusted family net income falls between $51,780 and $103,754. These amounts are indexed each year. The credit applies as of the 2007 taxation year to contributions to RESPs after February 20, 2007, for a calendar year after 2006. The cumulative QESI lifetime limit per beneficiary is set at $3,600. The grant is paid as part of the EAPs made to the beneficiary

Method of Calculating Educational assistance payment (EAP) Amount

EAPs are made up of income earned on contributions, government grants and income earned on these grants. The EAPs that the beneficiary may receive depend on the income generated by the investments made by the portfolio managers on contributions, government grants and the income accumulated on all these amounts.

The subscriber's assets are pooled with those of other subscribers. Given that each asset class generates a different gross return, and that certain fees and operating expenses borne by the plan may vary from one asset class to another, Kaleido Croissance inc. allocates the net return specific to the subscriber monthly. The subscriber decides the amount of EAP to be paid to, or on behalf of, the beneficiary, subject to limits.

This method of allocating Plan returns between accounts ensures that all beneficiaries participate in the benefits of the Plan and will receive EAP payments that are equitable. Since the net allocated return will vary depending on the age of the beneficiary and his or her share, the return that the subscriber will realize on his or her own account annually will be different from the return published in the annual management report on plan performance.

The amount of EAPs paid to or on behalf of the beneficiary will be at the discretion of the subscriber, subject to the limits.

Taxation

The Plan is a trust under a registered education savings plan (RESP) and is exempted from filing a Trust Income Tax Return. Therefore, the Plan does not recognize income tax expenses.

(in thousands of Canadian $)

3. Significant accounting judgments, estimates and assumptions

In the application of the Plan's accounting policies, as described in Note 2 of financial statements for the year ended December 31, 2024, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year during which the estimate is revised if the revision affects only that year or in the year of the revision and future years if said revision affects both current and future years.

Management exercised judgment and made estimates and underlying assumptions regarding the QESI receivable.

4. New standards and interpretations not yet adopted

At the date of approval of these financial statements, the following new standards, amendments to standards and interpretations had been published but had not yet come into force

- **IFRS 18 Financial Statements**

On April 9, 2024, the IASB published a new standard: IFRS 18 Presentation and Disclosure of Financial Statements. This will replace IAS 1 Presentation of Financial Statements and will have an impact on all entities currently using IFRS accounting standards. The objective of the standard is to improve disclosures in an entity's financial statements, particularly in the income statement and in the notes to the financial statements.

The provisions of this amendment will apply to financial statements for periods beginning on or after January 1, 2027. Early adoption is permitted.

The Plan plans to begin preparing for these changes as early as 2025.

5. Investments

	December 31, 2024	December 31, 2023
Short-term investments	**4,756**	1,726
Bonds	**8,329**	3,510
Equities	**13,893**	6,642
	26,978	11,878

6. Current assets and liabilities

The Plan expects to collect dividends receivable, interest receivable, CESG receivable and QESI receivable no later than 12 months following the closing date.

In addition, the Plan expects to settle amounts due to suppliers and other accounts payable within 12 months of the balance sheet date.

(in thousands of Canadian $)

7. Accounts payable and other liabilities

	December 31, 2024	December 31, 2023
Amount payable to Kaleido Growth Inc.	**38**	27
Amount payable to the Kaleido Foundation	**-**	1
Other	**33**	10
	71	38

8. Related party transactions

Kaleido Growth inc.

Kaleido Growth inc., a wholly owned subsidiary of the Foundation, is the distributor of the products promoted by the Foundation and serves as the Plan's distributor and investment fund manager.

Kaleido Foundation

The Foundation is the promoter of the IDEO+ ADAPTIVE Plan. The Plan and the Foundation report to the same Board of Directors.

Administration fees	December 31, 2024	December 31, 2023
Kaleido Growth Inc.	**349**	132
	349	132

Amount payable	December 31, 2024	December 31, 2023
Kaleido Growth Inc.	**38**	27
Kaleido Foundation	**-**	1
	38	28

9. Financial instruments

Fair value

- **Establishing fair value**

The fair value of cash, dividends receivable, interest receivable, CESG receivable, QESI receivable, accounts payable and other liabilities approximates their carrying value due to their short-term maturities.

The fair value of the net assets attributable to contracts corresponds to its carrying value, given that it is the residual value allocated to contract holders and beneficiaries as at the reporting date.

- **Fair value measurements**

The scholarship plans promoted by the Foundation qualify under IFRS as an investment entity as they hold and manage funds from investors (the Subscribers) with the objective of realizing returns in the form of capital gains and investment income. In addition, the scholarship plans evaluate and assess the performance of these investments on a fair value basis.

9. Financial instruments (continued)

Fair value (continued)

- **Fair value measurements (continued)**

Fair value is defined as the price that would be received for the sale of an asset or paid for the transfer of a liability in an arm's length transaction between market participants at the measurement date, whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or liability, the Scholarship Plans consider the characteristics of the asset or liability if that is what market participants would do to price the asset or liability on the measurement date.

- **Establishing fair value**

Fair value is defined as the price that would be received for the sale of an asset or paid for the transfer of a liability in an arm's length transaction between market participants at the measurement date, whether that price is directly observable or estimated using another valuation technique. When estimating the fair value of an asset or liability, scholarship plans take into account the characteristics of the asset or liability in a manner consistent with what market participants would do to price the asset or liability at the measurement date.

The fair value of equity investments is based on close prices. The fair value of bond investments is based on median closing prices.

For short-term investments and bonds, if quoted prices in active markets are not available, fair value is determined using current valuation methods, such as a model based on discounted expected cash flows or other similar techniques. These methods take into account current observable market data for financial instruments with a similar risk profile and comparable terms and conditions. Important inputs to these models include yield curves and credit risks

- **Fair value hierarchy**

For financial reporting purposes, fair value measurements are classified in accordance with a hierarchy (Levels 1, 2, or 3). This classification is based on the level at which fair value measurement inputs are observable as well as on the significance of a particular input to the fair value measurement in its entirety. The fair value hierarchy consists of the following levels:

- **Level 1** - Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities (for example, prices observable on the TSX) and for which the entity can access at the measurement date.

- **Level 2** - Valuation based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices). For example, matrix pricing, yield curves and indices.

- **Level 3** - Valuation in which a significant portion of the inputs used for assets or liabilities are not based on observable market data (unobservable inputs). For example, private investment valuations by portfolio managers.

The hierarchy that applies when determining fair value requires the use of observable market inputs whenever such inputs exist. Fair values are classified in Level 1 when the security is traded on an active market and a quoted price is available. If a financial instrument classified in Level 1 ceases to trade in an active market, it is transferred to the next level (Level 2). If the valuation of its fair value requires significant use of unobservable market inputs, it is then classified in Level 3.

(in thousands of Canadian $)

9. Financial instruments (continued)

Fair value (continued)

- **Fair value hierarchy (continued)**

The following tables present the financial instruments recorded at fair value in the statements of financial position, classified using the fair value hierarchy:

As at December 31, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
Short-term investments	**-**	**4,756**	**-**	**4,756**
Bonds	**-**	**8,329**	**-**	**8,329**
Equities	**13,893**	**-**	**-**	**13,893**
	13,893	**13,084**	**-**	**26,977**

As at December 31, 2023	Level 1	Level 2	Level 3	Total
Short-term investments	1,559	167	-	1,726
Bonds	-	3,510	-	3,510
Equities	6,642	-	-	6,642
	8,201	3,677	-	11,878

Over the course of the years ended ended December 31, 2024 and December 31, 2023, there was no significant transfer between Levels 1 and 2.

Risk management related to financial instruments

Due to the nature of its business activities, the Plan is exposed to a variety of financial risks arising from financial instruments, such as credit risk, liquidity risk and market risk (including price risk, currency risk and interest rate risk). The Plan's overall risk management program seeks to maximize the returns achieved without exposing subscriber investments to undue risks and to minimize potential adverse impacts on financial performance. The main risks stemming from financial instruments to which the Plan is exposed and the main actions taken to manage those risks are as follows:

- **Credit risk**

The Plan is exposed to credit risk, which is the possibility of incurring financial losses resulting from the inability of a company, an issuer or counterparty to meet its financial commitments to the Plan. The Plan's exposure to credit risk arises from its investments in debt securities. The Plan has established qualitative selection criteria for investments to limit this risk.

The Plan only selects securities of the Canadian government, provincial governments, municipalities, government guaranteed agencies or corporations that are considered investment grade or in securities issued by corporations provided that such securities have a minimum rating of BBB or equivalent as assigned by a designated rating agency.

Quantitative restrictions have also been established to reduce credit risk. Securities from all borrowers, except a government, are limited to 7.5% of the total fair value of the fixed-income securities entrusted to the portfolio manager.

The Plan’s maximum exposure to credit risk is the carrying amount of the financial instruments presented in the statements of financial position.

(in thousands of Canadian $)

9. Financial instruments (continued)

Risk management related to financial instruments (continued)

- **Credit risk (continued)**

As at December 31, 2024 and as at December 31, 2023, the Plan invested in fixed-income securities that are neither past due nor impaired and that had the following credit ratings:

	Percentage of total debt securities*	
Credit rating	**December 31, 2024**	December 31, 2023
	%	%
AAA	**2.1**	1.7
AA	**49.2**	51.7
A	**29.0**	29.8
BBB	**19.7**	16.8

*Excludes short-term investments. Unclassified securities are included in the BBB category.

- **Liquidity risk**

Liquidity risk pertains to the Plan's ability to meet its commitments in terms of financial liabilities and therefore, its capacity to carry out payments as required. The Plan is exposed to daily refunds to subscribers, who are entitled to request the refund of their savings at any time.

This risk is significantly reduced by the fact that the majority of Subscribers' savings are invested in fixed income securities that trade in liquid markets and this proportion increases as the contract nears maturity. The Plan carefully manages its cash flow on a daily basis and ensures that it maintains a level of cash flow to meet its liquidity needs.

The following table presents the contractual maturities of the Plan's financial liabilities as at December 31, 2024 assuming the subscribers claim their savings at any time by cancelling part or all of their units:

Purchases pending settlement	Accounts payable and other liabilities	QESI refundable	Net assets attributable to contracts	Total
-	**71**	**3**	**28,690**	**28,764**

- **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes three types of risk: currency risk, interest rate risk and price risk. Changes in certain financial market parameters affect the Plan's statement of financial position and comprehensive income.

The Plan takes these risks into account when determining its overall asset allocation. Specifically, the Plan mitigates the effects of these risks by diversifying its investment portfolio across several financial markets (money, bond and equity markets), different products with varying risk profiles (equity and fixed income), as well as across industry sectors (government, municipal, energy, materials, communications, utilities, finance, consumer products, consumer services, industrial and technology).

(in thousands of Canadian $)

9. Financial instruments (continued)

Risk management related to financial instruments (continued)

- **Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Plan engages in transactions denominated in foreign currencies and is therefore exposed to currency risk when selling and purchasing investments in U.S. currency and when the Plan has U.S. currency in its cash balance. At December 31, 2024, the Plan had $0.8 in US currency ($3.5 as at December 31, 2023) representing $1.1 in cash ($4.7 as at December 31, 2023). The Plan also had $5.7M in U.S. currency shares ($2.7M as at December 31, 2023) representing $8.3M in investments ($3.5M as at December 31, 2023).

- **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Changes in interest rates have a direct impact on the value of the fixed maturity securities in the investment portfolio. This risk is mitigated by a range of maturities for the active portion of the bond portfolio and the development of a target duration in line with the economic outlook for the passive portion of the bond portfolio.

The maturity distribution of the bonds is adjusted regularly based on anticipated interest rate movements, in accordance with the maturity schedules set forth in the Plan's investment policy. The target duration is established based on an analysis of the economic environment, outlook and risk in relation to the nature of the Plan.

As at December 31, 2024, a 100-basis-point change in market interest rates, assuming a parallel shift in the yield curve and all other variables remaining constant, would cause the fair value of bonds held in the Plan's investment portfolio, net income, comprehensive income, and net assets attributable to contracts to change by approximately $0.4M ($0.2M as at December 31, 2023). In practice, actual results may differ materially from this analysis.

Investments that present interest rate risk are as follows:

	December 31, 2024	December 31, 2023
	%	%
Maturing in less than one year	**36.3**	33.0
Maturing in one to five years	**23.7**	19.1
Maturing after five years	**40.0**	47.9

- **Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual instrument or its issuer, or by factors affecting all similar financial instruments traded in the market. Stock market volatility primarily affects the value of the Plan's equity holdings. It should be noted that this exposure is spread over various sectors of activity and in predominantly large-cap Canadian and American securities, which reduces this risk.

However, based on the evolving profile investment policy, it involves a low to moderate investment risk depending on the age of the beneficiary, since it provides for a significant proportion of variable income securities, which gradually decreases as the beneficiary ages. This proportion of variable-income securities decreases over time and is surpassed at the end of the plan by the proportion invested in fixed-income securities, which are less volatile.

The IDEO+ Adaptive Plan invests in fixed income securities, Canadian equities and U.S. equities, generally on a direct basis, although it may also invest through mutual funds or ETFs. The Plan also invests in foreign equities, real estate and infrastructure through mutual funds or ETFs.

A 10% change in the stock market index, with all other variables remaining constant, would create a change of approximately $1.1M as at December 31, 2024 ($0.7M as at December 31, 2023) in the fair value of the Plan's equity holdings, net income, comprehensive income and net assets attributable to contracts. In practice, actual results may differ materially from this analysis. The sensitivity analysis on the fair value of the bonds is described in the "Interest rate risk" section.

(in thousands of Canadian $)

9. Financial instruments (continued)

Risk management related to financial instruments (continued)

- **Concentration risk**

Concentration risk arises from having positions concentrated within a same category, whether that category is geographical location, product type, market sector or type of counterparty.

The following table summarizes the Plan's concentration risk in relation to the total carrying amount of equity investments:

Market sectors	**December 31, 2024**	December 31, 2023
	%	%
Energy	**1.2**	3.1
Materials	**1.1**	2.5
Communication Services	**9.9**	3.9
Utilities	**0.0**	0.5
Financials	**20.4**	9.6
Consumer Staples	**6.5**	2.5
Consumer Discretionary	**11.2**	5.3
Health	**7.2**	4.6
Industrials	**12.9**	5.1
Information Technology	**18.2**	12.2
Real Estate	**0.8**	1.6
ETF	**9.2**	49.1
Airline	**1.4**	0.0

Offsetting

The following table presents the financial instruments that have been offset in the Plan's financial statements:

Canada Education Savings Grant (CESG) receivable	**December 31, 2024**	December 31, 2023
Canada Education Savings Grant (CESG) receivable	**648**	445
Canada Education Savings Grant (CESG) refundable	**(12)**	(11)
	636	434

The Plan has no other financial instrument subject to an enforceable master netting agreement or similar agreement.

The Plan does not hold assets that can be used as a guarantee for the CESG receivable.

10. Capital Management

The capital of IDEO+ ADAPTIVE Plan consists of the net assets attributable to subscribers and beneficiaries.

The Plan's principal is subject to daily variation as it is continually subject to contributions and terminations. The investment strategy aims to invest subscriber contributions, government grants and income in a diversified mix of investments in order to generate a reasonable and competitive long-term return, while assuming a lower level of risk.

This strategy involves adjusting the asset mix over the years, so as to reduce exposure to risk as the beneficiary approaches the age of eligible studies, and thus promote the preservation of accumulated capital over time. In line with this investment horizon, the proportion of fixed-income securities increases, while that of variable-income securities decreases. Capital management policies and procedures must comply with the provisions of the Securities Act (Quebec) and meet the conditions of section 146.1 (1) of the Income Tax Act (Canada). The Plan is not subject to any other external capital requirements.

Scholarship Agreements (unaudited)
as at December 31, 2024
(in thousands of Canadian $)

Number of units as at Dec. 31, 2023	Number of subscribed units	Number of cancelled or expired units	Number of units as at Dec. 31, 2024	Subscrivers' Savings	Incentive income / Income on savings / EAP account	CESG	QESI
6,793	**4,318**	**(96)**	**11,015**	**19,516**	**2,473**	**4,760**	**1,941**

Educational Assistance Payments (unaudited)
for the years ended December 31, 2024 and 2023
(in thousands of Canadian $)

Paid educational assistance payments	December 31, 2024	December 31, 2023
EAP paid excluding government grants and accrued income thereon	**10**	-

Kaleido Growth Inc.

Distributor and manager of the scholarship plans
promoted by Kaleido Foundation

1035 Wilfrid-Pelletier Ave., Suite 500
Quebec QC G1W 0C5

Phone: 1 877 710-7377
Fax: 418 651-8030
Email: info@kaleido.ca