Condensed interim unaudited

Financial statements

INDIVIDUAL Plan

for the six months periods ended June 30, 2026 and 2025

The accompanying semi-annual financial statements have not been reviewed by the external auditors of the Plans in accordance with assurance standards applicable to a review of interim financial statements.

KALEIDO

The INDIVIDUAL Plan

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Statements of financial position
Condensed interim unaudited
(in thousands of Canadian $)

Assets	Notes	**June 30, 2026**	December 31, 2025
Cash		**321**	352
Sales pending settlement		**31**	140
Dividends receivable		**8**	3
Interest receivable		**97**	102
Canada Education Savings Grant (CESG) receivable	8	**-**	-
Investments	4, 8	**27,519**	27,889
		27,976	28,486
Liabilities			
Purchases pending settlement		**13**	115
Accounts payable and other liabilities	6	**84**	70
Canada Education Savings Grant (CESG) refundable	8	**2**	3
Quebec Education Savings Incentive (QESI) refundable	8	**27**	21
		126	209
Net assets attributable to contracts		**27,850**	28,277
Represented by :			
Subscribers savings		**6,486**	6,757
Educational assistance payment account (EAP)		**3,322**	3,378
Canada Education Savings Grant (CESG)		**8,422**	8,752
Quebec Education Savings Incentive (QESI)		**1,127**	1,236
Cumulative revenue from government subsidies		**8,493**	8,154
		27,850	28,277

Approved by

[François Lavoie] Chairman of the Board of Directors

[Benoit Pantry] Chairman of the Audit and Risk Management Committee

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Statements of net income and comprehensive income
Condensed interim unaudited
for the six-month periods ended June 30
(in thousands of Canadian $)

The notes are an integral part of these financial statements.

	Notes	2026	2025
Revenues from ordinary activities			
Interest		**297**	341
Dividends		**105**	100
Net realized gain on disposal of investments		**499**	622
Change in unrealized appreciation of investments		**347**	36
		1,248	1,099
Operating expenses			
Portfolio management fees		**16**	15
Trustee fees		**1**	-
Custodian fees		**16**	20
Administration fees		**204**	218
Transaction cost		**3**	-
Withholding taxes on foreign dividends		**2**	-
		242	253
Net income and comprehensive income attributable to contracts		**1,006**	846

The notes are an integral part of these financial statements

Statements of changes in net assets attributable to contracts
Condensed interim unaudited
for the six-month periods ended June 30

(in thousands of Canadian $)

	2026	2025
Net assets attributable to contracts as at beginning of year	28,277	29,860
Net income and comprehensive income	**1,006**	846
Increase		
Subscribers savings	**28**	36
CESG received from the government, net of repayments	**(13)**	-
QESI received from the government, net of repayments	**(5)**	37
	10	73
Decrease		
Refund of savings at maturity	**(739)**	(943)
Pre-maturity withdrawal of savings	**(5)**	
Transfers between plans	**(1)**	-
CESG Transferred to other promoters	**(2)**	(8)
QESI Transferred to other promoters	**-**	(1)
CESG and income on grants	**(495)**	(499)
QESI and income on grants	**(145)**	(181)
Outflow of accumulated income on grants for payments to a designated educational institution	**-**	(4)
Accumulated income payment (AIP)	**(5)**	(11)
Educational assistance payments (EAPs)	**(51)**	(55)
	(1,443)	(1,702)
Net assets attributable to contracts as at end of year	**27,850**	**29,077**

Statements of cash flows
Condensed interim unaudited
for the six-month periods ended June 30

(in thousands of Canadian $)

	2026	2025
Cash flows from operational activities		
Income received		
Interest	**301**	351
Dividends	**100**	122
	401	473
Operating expenses paid		
Portfolio management fees	**(16)**	(2)
Trustee fees	**(1)**	-
Custodian fees	**(16)**	(15)
Administration fees	**(198)**	(260)
Transaction cost	**(3)**	-
Withholding taxes on foreign dividends	**(2)**	-
	(236)	(277)
Other operational activities		
Disposal of investments	**27,614**	5,336
Acquisition of investments	**(26,393)**	(3,783)
	1,221	1,553
Net cash flows from operational activities	**1,386**	1,749
Cash flows from financing activities		
Savings received	**41**	36
Savings paid to other promoters	**(8)**	-
Refunds of savings to subscribers	**(727)**	(938)
CESG and income on CESG received (net of payments)	**(15)**	(7)
QESI and income on QESI paid (net of amounts received)	**(103)**	(6)
Transfers between plans	**(1)**	-
Educational assistance payments (EAPs)	**(604)**	(741)
Net cash flows used in financing activities	**(1,417)**	(1,656)
Net increase (decrease) in cash	**(31)**	93
Cash, beginning of period	**352**	336
Cash, end of period	**321**	429

Schedule of investment portfolio
Condensed interim unaudited
as at June 30, 2026
(in thousands of Canadian $)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Short-term investments					
8,085	Encaisse		-	8,085	8,085
125	BONS DU TRÉSOR CANADA	12 août 2026	-	124	125
200	BONS DU TRÉSOR CANADA	7 oct. 2026	-	199	199
10	SAPUTO	16 juin 2027	0.022	10	10
75	BANQUE NATIONALE	7 déc. 2026	0.050	75	76
Total - Short-term investments				8,493	8,495
Bonds					
Bonds issued or guaranteed by the Government of Canada					
175	CANADA	1 Mar 2036	0.033	172	174
				172	174
Bonds issued or guaranteed by a Canadian province					
110	ONTARIO	2 févr. 2032	0.041	108	114
345	ONTARIO	4 mars 2033	0.041	350	360
435	ONTARIO	3 févr. 2034	0.037	431	439
50	QUÉBEC	27 mai 2031	0.021	48	48
50	QUÉBEC	20 mai 2032	0.037	49	51
170	QUÉBEC	22 nov. 2032	0.039	171	175
180	QUÉBEC	1 sept. 2034	0.045	187	190
75	QUÉBEC	d Sep yyyy	0.040	75	76
50	SOUTH COAST BC TRANSPORT	d Dec yyyy	0.039	50	50
				1,469	1,503
Bonds issued or guaranteed by a municipality					
115	55 SCHOOL BOARD TRUST SERIES A	2 juin 2033	0.059	129	131
50	LONGUEUIL	2 mai 2029	0.035	50	50
25	OTTAWA	2 oct. 2034	0.038	25	25
100	RÉSEAU MÉTRO	5 May 2028	0.039	101	101
50	SAINT-BRUNO	30 Jun 2030	0.035	49	50
35	TROIS-RIVIÈRES	16 Oct 2029	0.036	34	35
50	RÉSEAU TRANSPORT LONGUEUIL	16 Oct 2029	0.036	50	50
				438	442
Bonds issued or guaranteed by a corporation					
45	AT&T	12 mars 2036	0.045	45	45
40	ALPHABET	15 mai 2036	0.044	41	41
50	AMAZON	12 juin 2033	0.040	50	50
50	VERIZON	16 mai 2030	0.025	48	48
50	VERIZON	22 mars 2028	0.024	44	49
50	RÉSEAU DE TRANSPORT	20 mars 2031	0.034	49	49
25	FORTISBC	16 oct. 2030	0.034	25	25

Schedule of investment portfolio
Condensed interim unaudited
as at June 30, 2026

(in thousands of Canadian $)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Bonds					
Bonds issued or guaranteed by a corporation (continued)					
40	AÉROPORTS DE MONTRÉAL	17 sept. 2035	0.052	42	43
20	ALTALINK	28 nov. 2032	0.047	20	21
45	BMO	26 nov. 2082	0.073	44	47
215	BMO	7 déc. 2027	0.047	213	219
75	BMO	5 mars 2035	0.041	75	76
50	BK SCOTIA	27 juil. 2082	0.070	50	52
70	BK SCOTIA	1 févr. 2029	0.047	71	72
265	BK SCOTIA	26 sept. 2030	0.038	269	268
40	BCI QUADRE	14 mars 2028	0.033	40	40
100	BELL	14 mai 2030	0.025	87	97
155	BELL	17 mars 2031	0.030	145	151
30	BC FERRY	20 mars 2037	0.050	30	31
100	BRIT C INV	2 juin 2033	0.049	100	109
70	CGI	5 sept. 2029	0.041	71	71
10	CT REIT	6 janv. 2031	0.024	9	9
75	CT REIT	5 févr. 2029	0.030	72	74
50	CAN IMPERIAL	13 janv. 2032	-	50	50
50	CHOICE REIT	24 juin 2032	0.037	50	55
50	CHOICE REIT	1 mars 2033	0.060	50	53
60	DOLLARAMA	9 juil. 2029	0.024	59	58
50	ENBRIDGE	27 sept. 2077	0.054	46	51
175	ENBRIDGE	25 févr. 2035	0.046	179	178
50	ENBRIDGE	17 août 2032	0.042	49	51
55	ENBRIDGE	30 sept. 2035	0.042	55	55
105	ENERGIR	27 sept. 2032	0.047	106	110
85	EPCOR	30 juin 2031	0.024	80	80
75	FAIRFAX FIN	3 mars 2031	0.040	72	76
15	FED CAISSE	17 nov. 2028	0.055	16	16
80	FED CAISSE	16 août 2028	0.055	82	84
180	FED CAISSE	25 août 2032	0.041	183	183
50	FNFA	16 juin 2030	0.017	48	47
25	FORTIS INC	26 mars 2032	0.041	25	25
30	407 INTERNATIONAL	3 déc. 2035	0.060	34	34
125	407 INTERNATIONAL	25 mai 2032	0.026	108	119
21	407 EAST DEVELOPMENT GROUP	23 juin 2045	0.045	20	22
35	GRANITE REI	18 déc. 2030	0.024	32	33
75	GRANITE REI	30 août 2028	0.022	75	73
15	GREAT WEST	28 févr. 2028	0.033	14	15
75	GREAT WEST	31 déc. 2081	0.036	75	74
70	GREATER TORONTO AIRPORT	4 juin 2031	0.071	80	81
45	GREATER TORONTO AIRPORT	1 juin 2037	0.033	40	41
100	HYDRO ONE	27 janv. 2028	0.049	101	103
50	HYDRO ONE	1 mars 2034	0.043	49	52
105	HYDRO ONE	25 août 2032	0.039	105	106
100	HYDRO-QUÉBEC	1 sept. 2032	0.036	101	101
50	IA FIN CORP	30 juin 2082	0.066	50	51
25	IA FIN CORP	30 sept. 2084	0.069	25	26
40	INTACT FIN	30 juin 2083	0.073	39	42

Schedule of investment portfolio
Condensed interim unaudited
as at June 30, 2026

(in thousands of Canadian $)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Bonds					
Bonds issued or guaranteed by a corporation (continued)					
60	IVANHOE CAMB	2 juin 2028	0.050	60	62
45	LOBLAW	11 déc. 2028	0.045	46	46
25	LOBLAW	13 sept. 2032	0.050	25	27
90	LOWER MATTA	31 oct. 2033	0.049	95	96
50	MANULIFE	19 juin 2082	0.071	50	51
50	MANULIFE	23 févr. 2034	0.051	50	52
60	METRO INC	6 déc. 2027	0.034	57	60
100	NATL BANK	23 juin 2031	0.037	100	100
25	NORTH WEST REDWATER	1 juin 2029	0.043	26	26
25	NORTH WEST REDWATER	1 juin 2033	0.042	23	25
35	NORTH WEST REDWATER	1 juin 2031	0.028	30	34
110	OMERS REALT	14 nov. 2028	0.054	114	115
135	ONTARIO POWER	8 avr. 2030	0.032	128	134
55	ONTARIO POWER	28 juin 2034	0.048	56	58
14	OTTAWA MACDONALD CARTIER AIRPOR	25 mai 2032	0.070	15	15
25	PEMBINA	1 févr. 2030	0.033	25	25
70	PEMBINA	10 déc. 2031	0.035	67	69
50	PROJECT REM	22 juin 2033	0.038	50	50
30	RLNCE RSTD	1 août 2028	0.027	27	30
50	RLNCE RSTD	16 avr. 2032	0.044	50	51
50	RÉSEAU METRO	27 avr. 2031	0.035	49	50
55	ROGERS	1 mai 2029	0.033	53	55
40	ROGERS	15 avr. 2032	0.043	40	40
50	ROGERS	2 nov. 2028	0.044	46	51
75	RBC	22 juil. 2031	0.040	76	76
150	RBC	9 déc. 2031	0.036	149	150
50	RBC	3 avr. 2034	0.051	50	52
25	SAPUTO	20 nov. 2030	0.055	25	27
125	SUN LIFE	4 juil. 2035	0.055	122	133
75	SUN LIFE	15 mai 2036	0.051	75	79
150	TELUS	13 nov. 2031	0.029	132	144
310	TD BANK	7 avr. 2032	0.039	310	312
50	TD BANK	31 oct. 2082	0.073	50	52
70	TORONTO HYDRO	20 oct. 2031	0.025	62	67
50	TORONTO HYDRO	14 juin 2033	0.046	50	52
50	TORONTO HYDRO	26 sept. 2034	0.040	50	50
30	TRANSCA PIP	20 févr. 2035	0.046	29	31
20	VIDEOTRON	15 juil. 2034	0.050	20	21
50	ONT TEACH	2 juin 2032	0.045	51	53
				6,271	6,453
Total - Bonds				8,350	8,572

Schedule of investment portfolio
Condensed interim unaudited
as at June 30, 2026
(in thousands of Canadian $)

Par value	Security	Cost	Carrying amount
Equities			
Energy			
2,753	ALTAGAS LTD COMMON	96	144
4,310	KEYERA CORP COMMON	183	246
3,998	WESTSHORE TERMINALS INVT CORP COMMON	160	150
5,543	GIBSON ENERGY INC COMMON	148	159
1,987	PEMBINA PIPELINE CORP COMMON	110	130
1,472	CAPITAL POWER CORP COMMON	99	109
106	LINDE PLCCOMMON	74	78
67	GE VERNOVA INC COMMON	93	112
385	VALERO ENERGY CORPORATION COMMON	72	142
		1,035	1,270
Communication Services			
4,442	QUEBECOR INC CL B SUB VTG	140	301
		140	301
Utilities			
1,222	CANADIAN NATIONAL RAILWAY	179	207
288	WASTE CONNECTIONS INC COMMON	71	68
398	WASTE CONNECTIONS INC COMMON	90	94
799	UBER TECHNOLOGIES INC COMMON	81	82
218	PUBLIC STORAGE COMMON REIT	90	98
1,058	TRACTOR SUPPLY CO COMMON	82	47
		593	596
Financials			
1,314	DEFINITY FINANCIAL CORPORATION COMMON	56	99
41,841	DIVERSIFIED ROYALTY CORP COMMON	194	199
1,294	BANK OF MONTREAL	201	324
2,935	BANK OF NOVA SCOTIA	296	362
624	NATIONAL BANK CANADA	73	140
2,021	ROYAL BANK OF CANADA	294	593
2,461	TORONTO DOMINION BANK	202	423
595	IA FINANCIAL CORPORATION INC COMMON	58	117
1,982	SUN LIFE FINANCIAL INC	159	221
39	BLACKROCK RG COMMON	56	53
1,443	RYAN SPECIALTY RG-A COMMON	122	77
240	MASTERCARD INCORPORATED CLASS A COMMON	173	175
433	JPMORGAN CHASE & CO	167	201
		2,051	2,984

Schedule of investment portfolio
Condensed interim unaudited
as at June 30, 2026
(in thousands of Canadian $)

Par value	Security	Cost	Carrying amount
Equities (continued)			
Consumer Staples			
1,090	NORTH WEST COMPANY INC	61	54
1,273	LOBLAW COS LTD	60	82
1,503	CHIPOTLE MEXICAN GRILL INC CLASS A COMMON	109	73
263	WALMART INC	35	42
848	AMAZON.COM INC	206	287
315	CHURCH & DWIGHT INC	41	43
1,013	MONSTER BEVERAGE CORP COM NEW NPV	82	138
		594	719
Consumer Discretionary			
332	RB GLOBAL INC COMMON	48	55
5,179	MULLEN GROUP LTD COMMON	92	113
1,919	API GROUP RG COMMON	106	115
		246	283
Health			
205	IDEXX LABORATORIES INC COMMON	157	153
579	DANAHER CORP	172	156
559	ZOETIS INC CL A COMMON	115	57
		444	366
Industrial			
1,188	LUNDIN GOLD INC COMMON	122	91
1,631	WHEATON PRECIOUS METALS CORP COM	203	260
1,414	AGNICO-EAGLE MINES COMAGNICO EAGLE MINES LIMITED	253	312
2,284	CENTERRA GOLD INC COMMON	61	51
222	WSP GLOBAL INC COMMON	38	39
367	LAM RESEARCH CORP COMMON	76	226
		753	979
Information Technology			
31	CONSTELLATION SOFTWARE INC COMMON	92	83
2,120	OPEN TEXT CORP COMMON	99	67
585	ALPHABET INC CAPITAL STOCK CL A COMMON	121	297
172	FACEBOOK INC CL A COMMON	118	137
104	SYNOPSYS INC COMMON	71	66
407	APPLE INC	105	167
96	MICRON TECHNOLOGY INC	104	157
1,279	NVIDIA CORPORATION COMMON	210	363
620	AMPHENOL CORPORATION CL A	125	155
468	BROADCOM INC COMMON	234	251

Schedule of investment portfolio
Condensed interim unaudited
as at June 30, 2026
(in thousands of Canadian $)

Par value	Security	Cost	Carrying amount
Equities (continued)			
Consumer Staples			
530	MICROSOFT CORP	264	279
		1,543	2,022
Real Estate			
4,528	BROOKFIELD A SHS REIT	307	288
2,448	GRANITE REIT /REIT COMMON	189	235
13,932	ROCKPOINT GROCKPOINT RG-A	395	409
		891	932
Total - Equities		8,290	10,452
Total - Schedule of investment portfolio		25,133	27,519

1. General information about the Plan

The INDIVIDUAL 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 July 9th, 2010, between the Kaleido Foundation (the "Foundation"), Eterna Trust Inc. and Kaleido Growth Inc. ("Kaleido Growth"). The latter acts as the investment fund manager of the INDIVIDUAL 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 INDIVIDUAL Plan is an individual scholarship plan available to beneficiaries of all ages. Eligible studies that qualify for Educational Assistance Payment (EAP) are general or technical, full-time or part-time (college, community college or university) post-secondary educational programs offered in Canada or the foreign equivalent. Programs offered in a post-secondary institution intended to provide a person with or improve the skills required in the exercise of a professional activity are also eligible. In all cases, these programs must have a minimum duration of three consecutive weeks, comprising at least 10 hours of courses or schoolwork per week. Specified educational programs are also eligible; they are post-secondary programs of study with a minimum duration of three consecutive weeks and to which a student must dedicate a minimum of 12 hours per month on courses. When a beneficiary is registered in a distance learning program for such studies, they are also considered eligible. The EAPs that the beneficiary may receive depend on the income generated by the investments made by the portfolio managers. The Plan invests in equities of Canadian companies, debt securities issued or guaranteed by a Canadian government and Canadian treasury short-term debt securities.

Kaleido Growth and the Foundation launched the IDEO+ product line on May 1st, 2022, and terminated distribution of the Plan on April 30th, 2022. Kaleido Growth and the Foundation will continue to honor existing contracts until the scheduled maturity date, including the payment of scheduled contributions.

The release of these financial statements was authorized by the Audit and Risk Management Committee on August 27th, 2026.

2. Material accounting policy information

Statement of compliance

The interim condensed statements of financial position, the interim condensed statements of net and comprehensive income, the interim condensed statements of changes in net assets attributable to contracts, the interim condensed statements of cash flows and the accompanying interim condensed notes were prepared in accordance with IAS 34 Interim Financial Reporting.

These interim condensed financial statements should be read in conjunction with the financial statements for the year ended December 31st, 2025. The significant accounting policies used in preparing these condensed interim financial statements are consistent with those found in the financial statements for the year ended December 31st, 2025.

(in thousands of Canadian $)

3. Significant accounting judgments, estimates and assumptions

When applying the Plan's accounting policies, as described in Note 2 to the financial statements for the year ended December 31st, 2025, management must make judgement as well as estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and underlying 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. Investments

	June 30, 2026	December 31, 2025
Short-term investments	**8,495**	9,433
Bonds	**8,572**	8,510
Equities	**10,452**	9,946
	27,519	27,889

5. Other accounts receivable

The Plan expects to recover the amounts relating to sales pending settlement, dividends receivable, interest receivable, CESG receivable, and QESI receivable, no later than 12 months after the reporting date. Additionally, the Plan expects to settle the amounts relating to purchases pending settlement, QESI refundable, and accounts payable and other accrued liabilities, no later than 12 months after the reporting date.

6. Current assets and liabilities

	Notes	**June 30, 2026**	December 31, 2025
Amount payable to Kaleido Growth Inc.	7	**34**	35
Accumulated income on grants for payment to a designated educational institution		**21**	21
Other		**29**	14
		84	70

(in thousands of Canadian $)

7. Related party transactions

Kaleido Growth Inc.

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

Administration fees	June 30, 2026	June 30, 2025
Kaleido Growth Inc.	**204**	433
	204	433

Amount payable	June 30, 2026	December 31, 2025
Kaleido Growth Inc.	**34**	35
	34	35

Kaleido Foundation

The Foundation is the promoter of the INDIVIDUAL Plan. The Plan and the Foundation report to the same Board of Directors. The amounts payable to the Foundation are less than $1 as at June 30th, 2026.

8. Financial instruments

Fair value

- **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 closing 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.

(in thousands of Canadian $)

8. Financial instruments (continued)

Fair value (continued)

- **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.

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

As at June 30, 2026	**Level 1**	**Level 2**	**Level 3**	**Total**
Short-term investments	**8,085**	**410**	**-**	**8,495**
Bonds	**-**	**8,572**	**-**	**8,572**
Equities	**10,452**	**-**	**-**	**10,452**
	18,537	**8,982**	**-**	**27,519**

As at December 31, 2025	Level 1	Level 2	Level 3	Total
Short-term investments	9,027	406	-	9,433
Bonds	-	8,510	-	8,510
Equities	9,946	-	-	9,946
	18,973	8,916	-	27,889

Over the course of the periods ended ended June 30, 2026 and December 31, 2025, there was no significant transfer between Levels 1 and 2.

(in thousands of Canadian $)

8. Financial instruments (continued)

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 risk of a party to a financial instrument failing to meet its obligations, resulting in a financial loss for the other party. The Plan's exposure to credit risk arises primarily from its investments in debt securities. The Plan has established qualitative selection criteria for investments to limit this risk. As for investments related to subscriber savings and to a portion of the government grants received as of April 20th, 2012, the Plan selects only securities issued by the Government of Canada, provincial governments, a municipality, an organization with a government guarantee, or corporations considered to be of investment grade. The other amounts making up the net assets attributable to contracts may also be invested in securities issued by corporations.

Quantitative restrictions have also been established to reduce credit risk. Securities from each borrower, except a government, are limited to 10% of the total market value of the fixed-income securities entrusted to the portfolio manager. A minimum BBB rating is required when purchasing.

As at June 30th, 2026 and as at December 31st, 2025, 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	**June 30, 2026**	December 31, 2025
	%	%
AAA	**4.0**	3.7
AA	**25.0**	28.1
A	**45.3**	38.4
BBB	**25.7**	29.8

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

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

- **Liquidity risk**

Liquidity risk refers to the Plan's ability to meet its commitments under financial liabilities and therefore its capacity to make payments as required. The Plan is exposed to daily refunds to subscribers, who are entitled to request a refund of their savings at any time. However, the majority of subscribers hold their investment until the contract's maturity date. Liquidity risk is considerably reduced by the fact that the subscriber savings are entirely invested in fixed-income securities traded on liquid markets. The Plan carefully manages its cash position daily and ensures the cash level required to meet its liquidity needs is maintained.

(in thousands of Canadian $)

8. Financial instruments (continued)

Risk management related to financial instruments (continued)

- **Liquidity risk (continued)**

The following table presents the contractual maturities of the Plan's financial liabilities as at June 30th, 2026 considering that subscribers have the option to claim their savings at any time by cancelling part or all of their units:

Maturity	Purchases pending settlement	Accounts payable and other	CESG & QESI refundable	Net assets attributable to contracts	Total
2026	**13**	**84**	**29**	**27,850**	**27,976**

- **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. Changes in certain financial market parameters can influence the Plan's statements of financial position and comprehensive income. The Plan considers these risks when deciding on the overall asset allocation options. More specifically, market risk is reduced through a diversification of the investment portfolio among multiple financial markets (money market, bond and stock exchange), among diverse products with varying risk profiles (participative or fixed-income securities) and among multiple market sectors (government, municipal, energy, materials, communication services, utilities, financials, consumer staples, consumer discretionary and industrials).

- **Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Plan carries out transactions denominated in foreign currencies and is therefore exposed to currency risk when selling and buying investments in U.S. currencies and when the Plan has U.S. currencies in its cash on hand.

The Plan's U.S. dollar-denominated holdings as at June 30th are as follows:

Foreign currency balance sheet item	June 30, 2026		December 31, 2025	
	CAD $	**USD $**	CAD $	USD $
Cash	**0.8**	**0.6**	22.8	16.6
Dividends receivable	**0.7**	**0.5**	0.5	0.3
Equities	**4230.0**	**2981.0**	3811.1	2780.3
Purchases pending settlement	**0.0**	**0.0**	87.4	63.7

- **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Changes in interest rates have a direct impact on the value of the investment portfolio's fixed-maturity securities. This risk is mitigated by a duration range for the active portion of the bond portfolio and by developing a target duration correlated to the economic outlook for the passive portion of the bond portfolio. The maturity allocation of bonds is regularly adjusted based on anticipated interest rate movements, in compliance with the established maturities under the Plan's investment policy. The target duration is based on an analysis of the economic situation, prospects and risk based on the very nature of the Plan.

(in thousands of Canadian $)

8. Financial instruments (continued)

Risk management related to financial instruments (continued)

- **Interest rate risk (continued)**

As at June 30th, 2026, 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 ($0.4M as at December 31st, 2025). In practice, actual results may differ materially from this analysis.

Investments subject to interest rate risk are as follows:

	June 30, 2026	December 31, 2025
	%	%
Maturing in less than one year	**4.6**	52.6
Maturing in one to five years	**33.2**	17.3
Maturing after five years	**62.2**	30.1

- **Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to 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 financial instrument or to its issuer, or factors affecting all similar financial instruments traded in the market.

Stock market volatility mainly influences the value of the equities held by the Plan. It should be noted, however, that this exposure is spread across a variety of sectors, and in predominantly large-cap Canadian stocks, which reduces this risk.

The stock market benchmark index for equities is the S&P/TSX. A 10% change in the stock market index, with all other variables remaining constant, would create a change of approximately $0.9M as at June 30th, 2026 ($0.8M as at December 31st, 2025) 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 from this analysis, and the difference could be significant. The sensitivity analysis on the fair value of bond securities is described in the section dealing with interest rate risk.

(in thousands of Canadian $)

8. 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	**June 30, 2026**	December 31, 2025
	%	%
Energy	**12.2**	9.1
Communication Services	**2.9**	3.4
Utilities	**5.7**	8.9
Financials	**28.5**	23.2
Consumer Staples	**6.9**	8.6
Consumer Discretionary	**2.7**	2.6
Health	**3.5**	2.3
Industrials	**9.4**	12.3
Information Technology	**19.3**	24.2
Real Estate	**8.9**	5.4

Offsetting

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

Canada Education Savings Grant (CESG) receivable (refundable)	**June 30, 2026**	December 31, 2025
Canada Education Savings Grant (CESG) receivable	**11**	2
Canada Education Savings Grant (CESG) refundable	**(13)**	(5)
	(2)	(3)

Quebec Education Savings Incentive (QESI) refundable	**June 30, 2026**	December 31, 2025
Quebec Education Savings Incentive (QESI) receivable	**3**	9
Quebec Education Savings Incentive (QESI) refundable	**(30)**	(30)
	(27)	(21)

The Plan has no other financial instrument subject to an enforceable master netting agreement or similar agreement. The Plan does not hold any assets as collateral for the grants to be received.

9. Capital management policies

The capital of the INDIVIDUAL Plan consists of the net assets attributable to subscribers and beneficiaries.

The Plan's capital is subject to daily variation as it is continually subject to contributions and disbursements by subscribers and beneficiaries. 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 level of risk deemed low.

This strategy involves adjusting the asset mix over the years, so as to reduce exposure to risk as the beneficiary approaches the age of starting eligible studies, and thus promote the preservation of capital accumulated over time.

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).

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