

BB FUND

(CANADA) LIMITED PARTNERSHIP

FINANCIAL STATEMENTS

December 31, 2025

BB FUND (CANADA) LIMITED PARTNERSHIP

December 31, 2025

Table of contents

Independent Auditor's Report	1-3
Statement of Financial Position	4
Statement of Comprehensive Income	5-6
Statement of Changes in Net Assets Attributable to Holders of Redeemable Units	7-8
Statement of Cash Flows.....	9
Schedule of Investment Portfolio.....	10-11
Notes to the Financial Statements.....	12-28



KPMG LLP
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto, ON M5H 2S5
Canada
Tel 416-777-8500
Fax 416-777-8818

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of BB Fund (Canada) Limited Partnership

Opinion

We have audited the financial statements of BB Fund (Canada) Limited Partnership (the Fund), which comprise:

- the statement of financial position as at December 31, 2025
- the statement of comprehensive income for the year then ended
- the statement of changes in net assets attributable to holders of redeemable units for the year then ended
- the statement of cash flows for the year 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 its financial performance and its cash flows for the year 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. 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.



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 as issued by the International Accounting Standards Board (“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 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

May 29, 2026

BB Fund (Canada) Limited Partnership


Statement of Financial Position

As at December 31, 2025

(In U.S. Dollars)

	2025	2024
ASSETS		
Current assets		
Due from broker (Note 3)	\$ 251,620	\$ 7,596,421
Investments at fair value through profit or loss (Cost:\$32,778,470 - 2024:\$46,706,999) (Note 3)	48,866,731	53,933,579
Unrealized gain on foreign forward currency contracts	933	-
Receivable for investments sold	3,364,795	-
	<u>52,484,079</u>	<u>61,530,000</u>
LIABILITIES		
Current liabilities		
Bank loan payable	-	151,500
Unrealized loss on foreign forward currency contracts	-	19,219
Accounts payable and accrued liabilities	27,799	24,625
Management fees payable (Note 4)	48,978	57,410
Subscription received in advance	-	86,938
	<u>76,777</u>	<u>339,692</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 52,407,302</u>	<u>\$ 61,190,308</u>
Net Assets Attributable to Holders of Redeemable Units per Class		
Class CF2RE - LEAD SERIES	\$ 6,970,211	\$ 6,298,633
Class F1R - SEP-2021	13,635	928,798
Class F2AE - FEB-2021	31,962,356	35,399,589
Class F2R - SEP-2021	13,674	11,275
Class F2RE - LEAD SERIES	13,447,269	18,551,891
General Partner	157	122
	<u>\$ 52,407,302</u>	<u>\$ 61,190,308</u>
Number of Redeemable Units Outstanding (Note 5)		
Class CF2RE - LEAD SERIES	70,900	84,441
Class F1R - SEP-2021	100	8,301
Class F2AE - FEB-2021	207,185	295,046
Class F2R - SEP-2021	100	100
Class F2RE - LEAD SERIES	92,741	162,873
General Partner	1	1
Net Assets Attributable to Holders of Redeemable Units per Unit		
Class CF2RE - LEAD SERIES	\$ 98.31	\$ 74.59
Class F1R - SEP-2021	136.35	111.89
Class F2AE - FEB-2021	154.27	119.98
Class F2R - SEP-2021	136.74	112.75
Class F2RE - LEAD SERIES	145.00	113.90
General Partner	157.00	122.00

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

Approved on behalf of the Partnership,  General Partner
Spartan Fund GP Inc.

BB Fund (Canada) Limited Partnership

Statement of Comprehensive Income

For the years ended December 31,

(In U.S. Dollars)

	2025	2024
Income		
Interest income for distribution purposes	\$ 37,985	\$ 24,903
Net change in unrealized appreciation in value of investments	8,881,830	363,681
Net realized gain on sale of investments, including foreign exchange adjustments	4,092,383	2,154,296
Early redemption fees	13,863	21,936
Other income	—	331
	<u>13,026,061</u>	<u>2,565,147</u>
Expenses		
Management fees (Note 4)	292,398	384,519
Operating costs	56,635	80,924
Audit fees	14,994	14,641
Interest and borrowing fees	349	601
Legal fees	88	14,014
	<u>364,464</u>	<u>494,699</u>
Increase in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 12,661,597</u>	<u>\$ 2,070,448</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Class		
Class CF2RE - LEAD SERIES	\$ 1,860,152	\$ (241,400)
Class CF2RE - FEB-2024	—	(9,957)
Class CF2RE - JUN-2024	—	(1,451)
Class CF2RE - JUL-2024	—	(1,971)
Class CF2RE - AUG-2024	—	(29,689)
Class CF2RE - SEP-2024	—	(56,190)
Class CF2RE - OCT-2024	—	(9,504)
Class CF2RE - NOV-2024	—	(6,623)
Class CF2RE - Sept-2025 Redeeming Series	87,552	—
Class CF2RE - DEC-2025	769	—
Class F1R - SEP-2021	31,182	35,078
Class F2AE - FEB-2021	7,583,656	1,625,506
Class F2R - SEP-2021	2,399	441
Class F2RE - LEAD SERIES	3,095,852	753,627
Class F2RE - FEB-2024	—	482
Class F2RE - MAR-2024	—	606
Class F2RE - APR-2024	—	6,831
Class F2RE - JUL-2024	—	2,530
Class F2RE - AUG-2024	—	1,706
Class F2RE - OCT-2024	—	420
General Partner	35	6
	<u>\$ 12,661,597</u>	<u>\$ 2,070,448</u>

BB Fund (Canada) Limited Partnership

Statement of Comprehensive Income (continued)

For the years ended December 31,

(In U.S. Dollars)

	2025	2024
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
(Note 11)		
Class CF2RE - LEAD SERIES	\$ 23.09	\$ (4.32)
Class CF2RE - FEB-2024	–	(5.99)
Class CF2RE - JUN-2024	–	(5.26)
Class CF2RE - JUL-2024	–	(4.26)
Class CF2RE - AUG-2024	–	(3.40)
Class CF2RE - SEP-2024	–	(4.85)
Class CF2RE - OCT-2024	–	(3.88)
Class CF2RE - NOV-2024	–	(1.96)
Class CF2RE - Sept-2025 Redeeming Series	5.81	–
Class CF2RE - DEC-2025	2.07	–
Class F1R - SEP-2021	7.48	4.23
Class F2AE - FEB-2021	32.41	4.87
Class F2R - SEP-2021	23.99	4.41
Class F2RE - LEAD SERIES	28.35	4.10
Class F2RE - FEB-2024	–	0.41
Class F2RE - MAR-2024	–	0.76
Class F2RE - APR-2024	–	0.66
Class F2RE - JUL-2024	–	0.57
Class F2RE - AUG-2024	–	0.77
Class F2RE - OCT-2024	–	1.78
General Partner	35.00	6.00

BB Fund (Canada) Limited Partnership

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

For the years ended December 31,

(In U.S. Dollars)

	Net assets attributable to holders of redeemable units, beginning of year	Proceeds from redeemable units issued	Redemption of redeemable units	Redesignation of redeemable units	Increase in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of year
December 31, 2025						
Class CF2RE - LEAD SERIES	\$ 6,298,633	\$ -	\$ -	\$ (1,188,574)	\$ 1,860,152	\$ 6,970,211
Class CF2RE - JAN-2025	-	86,938	-	(86,938)	-	-
Class CF2RE - Sept-2025 Redeeming Series	-	-	(1,399,618)	1,312,066	87,552	-
Class CF2RE - DEC-2025	-	35,785	-	(36,554)	769	-
Class F1R - SEP-2021	928,798	-	(946,345)	-	31,182	13,635
Class F2AE - FEB-2021	35,399,589	-	(11,020,889)	-	7,583,656	31,962,356
Class F2R - SEP-2021	11,275	-	-	-	2,399	13,674
Class F2RE - LEAD SERIES	18,551,891	-	(8,200,474)	-	3,095,852	13,447,269
General Partner	122	-	-	-	35	157
	<u>\$ 61,190,308</u>	<u>\$ 122,723</u>	<u>\$ (21,567,326)</u>	<u>\$ -</u>	<u>\$ 12,661,597</u>	<u>\$ 52,407,302</u>

BB Fund (Canada) Limited Partnership

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

For the years ended December 31,

(In U.S. Dollars)

	Net assets attributable to holders of redeemable units, beginning of year	Proceeds from redeemable units issued	Redemption of redeemable units	Redesignation 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
December 31, 2024						
Class CF2RE - LEAD SERIES	\$ 4,409,720	\$ –	\$ –	\$ 2,130,313	\$ (241,400)	\$ 6,298,633
Class CF2RE - FEB-2024	–	133,902	–	(123,945)	(9,957)	–
Class CF2RE - JUN-2024	–	22,014	–	(20,563)	(1,451)	–
Class CF2RE - JUL-2024	–	36,540	–	(34,569)	(1,971)	–
Class CF2RE - AUG-2024	–	681,030	–	(651,341)	(29,689)	–
Class CF2RE - SEP-2024	–	921,317	–	(865,127)	(56,190)	–
Class CF2RE - OCT-2024	–	192,270	–	(182,766)	(9,504)	–
Class CF2RE - NOV-2024	–	258,624	–	(252,001)	(6,623)	–
Class F1R - SEP-2021	893,720	–	–	–	35,078	928,798
Class F2AE - FEB-2021	41,035,359	–	(7,261,276)	–	1,625,506	35,399,589
Class F2R - SEP-2021	10,834	–	–	–	441	11,275
Class F2RE - LEAD SERIES	21,693,945	–	(6,634,755)	2,739,074	753,627	18,551,891
Class F2RE - JAN-2024	–	550,000	–	(550,000)	–	–
Class F2RE - FEB-2024	–	135,000	–	(135,482)	482	–
Class F2RE - MAR-2024	–	90,000	–	(90,606)	606	–
Class F2RE - APR-2024	–	1,175,000	–	(1,181,831)	6,831	–
Class F2RE - JUL-2024	–	500,000	–	(502,530)	2,530	–
Class F2RE - AUG-2024	–	250,000	–	(251,706)	1,706	–
Class F2RE - OCT-2024	–	26,500	–	(26,920)	420	–
General Partner	116	–	–	–	6	122
	<u>\$ 68,043,694</u>	<u>\$ 4,972,197</u>	<u>\$ (13,896,031)</u>	<u>\$ –</u>	<u>\$ 2,070,448</u>	<u>\$ 61,190,308</u>

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

BB Fund (Canada) Limited Partnership

Statement of Cash Flows

For the years ended December 31,

(In U.S. Dollars)

	2025	2024
Cash provided by (used in):		
Operating Activities		
Increase in Net Assets Attributable to Holders of Redeemable Units	\$ 12,661,597	\$ 2,070,448
Adjustments for non-cash items		
Net change in unrealized appreciation in value of investments	(8,881,830)	(363,681)
Net realized gain on sale of investments, including foreign exchange adjustments	(4,092,383)	(2,154,296)
Change in non-cash balances		
Increase in accounts payable and accrued liabilities	3,174	4,829
Decrease in management fees payable	(8,432)	(5,622)
(Increase) decrease in receivable for investments sold	(3,364,795)	686,426
Proceeds from sale of investments	18,052,064	20,356,663
Purchase of investments	—	(4,507,000)
Cash provided by operating activities	<u>14,369,395</u>	<u>16,087,767</u>
Financing Activities		
Proceeds from issuances of redeemable units	35,785	4,509,135
Amount paid on redemption of redeemable units	(21,567,326)	(13,896,031)
Bank loan	(151,500)	151,500
Cash used in financing activities	<u>(21,683,041)</u>	<u>(9,235,396)</u>
(Decrease) increase in cash and cash equivalents during the year	(7,313,646)	6,852,371
Foreign exchange (loss) gain on cash	(31,155)	9,758
Cash (including due from broker), beginning of year	<u>7,596,421</u>	<u>734,292</u>
Cash (including due from broker), end of year	<u>\$ 251,620</u>	<u>\$ 7,596,421</u>
Supplemental information*		
Interest received	37,985	24,903

*Included as a part of cash flows from operating activities

BB Fund (Canada) Limited Partnership

Schedule of Investment Portfolio

As at December 31, 2025

(In U.S. Dollars)

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
U.S. investment funds				
10	Boothbay Diversified Alpha Fund Ltd Class 1R SEP-2021	\$ 10,459	\$ 14,579	0.03
15,995	Boothbay Diversified Alpha Fund Ltd Class 2AE AUG-2020	20,057,481	31,103,787	59.35
10	Boothbay Diversified Alpha Fund Ltd Class 2R APR-2021	10,000	13,991	0.03
4,958	Boothbay Diversified Alpha Fund Ltd Class 2RE APR-2021	5,197,583	7,572,962	14.45
1,028	Boothbay Diversified Alpha Fund Ltd Class 2RE APR-2024	1,028,000	1,338,423	2.55
530	Boothbay Diversified Alpha Fund Ltd Class 2RE AUG-2023	530,000	753,198	1.44
928	Boothbay Diversified Alpha Fund Ltd Class 2RE AUG-2024	928,000	1,206,987	2.30
300	Boothbay Diversified Alpha Fund Ltd Class 2RE DEC-2023	300,000	413,833	0.79
240	Boothbay Diversified Alpha Fund Ltd Class 2RE FEB-2024	240,000	312,155	0.60
137	Boothbay Diversified Alpha Fund Ltd Class 2RE JAN-2024	136,567	184,070	0.35
1,874	Boothbay Diversified Alpha Fund Ltd Class 2RE JUL-2023	1,873,829	2,662,049	5.08
485	Boothbay Diversified Alpha Fund Ltd Class 2RE JUL-2024	485,000	630,049	1.20
184	Boothbay Diversified Alpha Fund Ltd Class 2RE JUN-2023	184,400	259,385	0.49
103	Boothbay Diversified Alpha Fund Ltd Class 2RE MAR-2024	103,000	134,328	0.26
458	Boothbay Diversified Alpha Fund Ltd Class 2RE MAY-2023	458,000	647,559	1.24
43	Boothbay Diversified Alpha Fund Ltd Class 2RE NOV-2023	43,000	59,695	0.11
108	Boothbay Diversified Alpha Fund Ltd Class 2RE NOV-2024	108,000	140,974	0.27
200	Boothbay Diversified Alpha Fund Ltd Class 2RE OCT-2024	200,000	261,958	0.50
5	Boothbay Diversified Alpha Fund Ltd Class 2RE SEP-2023	5,151	7,129	0.01
880	Boothbay Diversified Alpha Fund Ltd Class 2RE SEP-2024	880,000	1,149,620	2.19
		<u>32,778,470</u>	<u>48,866,731</u>	<u>93.24</u>
	Total investments owned	32,778,470	48,866,731	93.24
	Unrealized gain, foreign exchange forward contracts (Schedule 1)		933	0.00
	Other assets, net		<u>3,539,638</u>	<u>6.76</u>
	Net Assets Attributable to Holders of Redeemable Units		<u>\$ 52,407,302</u>	<u>100.00</u>

BB Fund (Canada) Limited Partnership

Schedule of Investments (continued)

Schedule 1 - Unrealized gain on foreign exchange forward contracts

As at December 31, 2025

(In U.S. Dollars)

The Fund held the following foreign exchange forward contracts as at December 31, 2025 (in U.S. dollars):

Counterparty	Currency code	Amounts sold	Currency code	Amounts bought	Maturity date	Unrealized gain/ (loss)
Monex	USD	\$ (6,982,084)	CAD	\$ (9,548,000)	March 31, 2026	\$ 933
Derivative assets						\$ 933
Unrealized gain, foreign exchange forward contracts						\$ 933

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

1. FUND ORGANIZATION AND NATURE OF OPERATIONS

The BB Fund (Canada) Limited Partnership (the "Fund") is a Limited Partnership formed and organized under the laws of the Province of British Columbia and is governed by a Limited Partnership Agreement dated January 15, 2021 (the "Limited Partnership Agreement"). The Fund commenced active operations on February 1, 2021. The address of the Fund's registered office is at 150 King Street West, Suite 200, Toronto, ON M5H 1J9.

Spartan Fund GP Inc. (the "General Partner"), a corporation incorporated under the laws of the Province of Ontario, is the general partner of the Fund. The General Partner is responsible for the management and control of the day-to-day affairs of the Fund. The General Partner has engaged Spartan Fund Management Inc. (the "Manager") as the manager and investment manager to the Fund.

The investment objective of the Fund is to provide unitholders with long-term capital appreciation through exposure to the returns of Boothbay Diversified Alpha Fund Ltd. (the "Offshore Fund"), which in turn provides exposure to the returns of Boothbay Diversified Alpha Master Fund LP (the "Master Fund"). There can be no assurance that the investment objectives will be achieved and investment results may vary substantially over time.

The success of the Fund depends on the continued services of the Manager and will be influenced by a number of risk factors associated with investments in equities, options, and other instruments and the use of leverage, including derivative hedge risk, market liquidity, short sales, portfolio turnover, foreign currency exposure, foreign market exposure, and interest rate fluctuations.

2. BASIS OF PRESENTATION

These financial statements have been prepared in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"), as in effect on December 31, 2025.

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 which are presented at fair value.

The annual financial statements were authorized for issue by the General Partner on May 29, 2026.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Investment in the Offshore Fund

The Fund invests into the Offshore Fund by purchasing the non-voting redeemable participating shares. The Offshore Fund provides exposure to the returns of the Master Fund.

Movements in the fair value of the Master Fund's portfolio and corresponding movements in the fair value of the Offshore Fund may expose the Fund to a loss.

The Fund's investment in the Offshore Fund is subject to the terms and conditions of the Offshore Fund's constitutional documents. Management reviews the details of the reported information obtained from the Offshore Fund and considers:

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Investment in the Offshore Fund (continued)

- i) The liquidity of the Fund's holding in the Offshore Fund or its underlying investments;
- ii) The value date of the net asset value (NAV) provided; and
- iii) Any restrictions on redemptions.

The investment in the Offshore Fund is carried at its estimated fair value which is based on the NAV of the Fund's interest in the Offshore Fund per its audited financial statements. The units of the Offshore Fund are not publicly traded; redemptions can only be made by the Fund on the redemption dates. As a result, the carrying value of the Offshore Fund may not be indicative of the value ultimately realized on redemption.

Investment entity

The Fund has determined that it is an investment entity as defined by IFRS 10, Consolidated Financial Statements and the Amendments to IFRS 10, as the following conditions exist:

- a) The Fund has obtained funds from one or more investors for the purpose of providing those investors with investment management services;
- b) The Fund has committed to its investors that its business purpose is to invest funds solely for returns from capital appreciation and investment income; and
- c) The Fund measures and evaluates the performance of substantially all of its investments on a fair value basis.

As an investment entity, the Fund is exempted from consolidating particular subsidiaries and instead is required to measure its investments in these particular subsidiaries at fair value through profit or loss.

Financial Instruments measured at fair value

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

The three fair value hierarchy levels are as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices and/or other observable factors); and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of December 31, 2025 and 2024, all investments and derivatives are classified as Level 2.

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial Instruments not measured at fair value (continued)

Due from broker and receivable for investments sold are classified as subsequently measured at amortized cost and recorded at cost or amortized cost. Accounts payable and accrued liabilities, management fees payable, subscription received in advance and bank loan payable are classified as financial liabilities and reported at amortized cost. Financial liabilities are generally settled within three months of issuance. These assets and liabilities are short-term in nature, and are carried at amortized cost which approximates fair value. The Fund's obligation for net assets attributable to holders of redeemable units are carried at their redemption amount which is a reasonable approximation of their fair value due to their short-term nature.

Classification

The Fund invests fully into the Offshore Fund, which in turn provides exposure to the Master Fund and classifies its investments in the Offshore Fund as financial assets at fair value through profit or loss ("FVTPL") in accordance with IFRS 9 – Financial Instruments.

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

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

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

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

The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value (Trading NAV) for transactions with unitholders.

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Offsetting financial instruments

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

Recognition/derecognition

The Fund recognizes financial assets or financial liabilities 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 Statement of Comprehensive Income.

Other 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 Fund derecognizes financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or they expire.

Cost of investments

The cost of investments represents the amount paid for each security and is determined on an average cost basis.

Translation of foreign currency

The functional and presentation currency of the Fund is the United States dollar. The fair value of foreign investments and other assets and liabilities denominated in foreign currencies are translated into United States dollars at the exchange rates prevailing at 4:30pm 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 United States dollars at rates of exchange prevailing on the respective dates of such transactions.

The effects of exchange rate fluctuations on investments are included in the 'Net change in unrealized appreciation in value of investments' in the Statement of Comprehensive Income.

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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 Fund's accounting policies. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

Investment transactions and income recognition

Investment transactions are accounted for on the trade date. Interest for distribution purposes is accrued daily and dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities.

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

Due from/to broker

The Fund has a prime brokerage agreement with its broker to carry its accounts as a customer. Due from/to broker recorded on the Statement of Financial Position includes trust securities in the broker's custody, that due to its highly liquid nature, is treated as a cash equivalent.

Financial instruments and/or cash positions serve as collateral for any amounts due to broker or as collateral for any securities sold, not yet purchased or securities purchased on margin. The securities and/or cash positions also serve as collateral for potential defaults of the Fund.

The Fund is subject to credit risk if the broker is unable to repay balances due or deliver securities in their custody.

Net Assets attributable to holders of redeemable units

Under IFRS, IAS 32 Financial Instruments: Presentation requires that units or shares of an entity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as financial liability. The Fund's units do not meet the criteria in IAS 32 for classification of the redeemable units as equity due to the redemption rights provided to investors and therefore classified as financial liabilities.

Net Assets attributable to holders of redeemable units per unit

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

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Increase (decrease) in Net Assets attributable to holders of redeemable units per unit

Increase (decrease) in Net Assets attributable to holders of redeemable units per unit is based on the increase (decrease) in Net Assets attributable to holders of redeemable units attributed to each class of units, divided by the weighted average number of units outstanding of that class during the year. Refer to Note 11 for the calculation.

Foreign exchange forward contracts

The Fund may enter into foreign exchange forward contracts for hedging purposes or to establish an exposure to a particular currency. Upon closing of a contract, the gain or loss is included in "Net realized gain on sale of investments" in the Statement of Comprehensive Income. Outstanding settlement amounts on the close out of foreign exchange forward contracts are included in "Unrealized gain on foreign exchange forward contracts" in the Statement of Financial Position. The fair value of foreign currency forward contracts is determined using quoted forward exchange rates at the reporting date as obtained from an independent source.

Income taxes

These financial statements include the assets and liabilities and results of operations of the Fund and do not include the assets, liabilities, revenue and expenses of the limited partners. Income taxes are not eligible at the Fund level and, accordingly, no provision is recorded in these financial statements.

New and revised IFRS Accounting Standards issued by the IASB but not yet adopted by the Trust

i) Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued the new standard IFRS 18 – Presentation and Disclosure in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of Management Performance Measures ("MPMs") in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Fund is assessing the impacts to the financial statements.

ii) Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with Environmental, Social, and Governance ("ESG")-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income ("FVOCI") and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Fund is assessing the impacts to the financial statements.

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

4. RELATED PARTY TRANSACTIONS

Management fees

The Fund pays the Manager a management fee (the "Management Fee") equal to 1/12 of 0.50% of the Trading NAV of Class CF2RE, F1R, F2AE, F2R and F2RE. The Management fee is calculated and paid monthly as at the last calendar day of each month and as at any other day as the General Partner may determine (each, a "Calculation Date"), plus applicable taxes.

5. REDEEMABLE UNITS OF THE FUND

The Fund is authorized to issue an unlimited number of redeemable units in an unlimited number of classes, each of which represents an equal, undivided, beneficial interest in the Net Assets Value of the Fund. Each unit of each class entitles the holder to one vote and to participate equally with respect to any and all distributions made by the Fund. Currently the Fund has issued units of Class CF2RE, Class F2AE, Class F1R, Class F2R and Class F2RE.

Unitholders may request a redemption of all or any portion of its Units on the last business day of each calendar quarter or on such other date as the Manager may permit (each, a "Redemption Date"). A unitholder seeking to redeem all or any portion of its Units must provide written notice to the Manager at least sixty-five calendar days prior to the requested Redemption Date.

Any redemption of units prior to the expiration of the soft lock-up period shall be subject to an early redemption charge for the benefit of the Fund equal to 3% of the Net Asset Value of the Class F2AE units, Class F1R units and Class F2RE units, such percentage to be reduced to 2% for any redemptions of occurring on or after the one-year anniversary of the purchase of such units but prior to the day immediately preceding the two-year anniversary of the purchase of such units (in each case, the "Early Redemption Charge").

Any applicable Early Redemption Charge will be deducted from the redemption proceeds the redeeming unitholder will receive. With respect to any units, the "Soft Lock-Up Period" will commence as of the date such units were purchased and expire on (i) the day immediately preceding the one-year anniversary of the purchase of such units with respect to the Class F1R units, and (ii) the day immediately preceding the two-year anniversary of the purchase of such units with respect to the Class F2AE units, F2RE units, and the Class F2R units. Redemption requests will be processed in the order in which they are received. Redemptions will be deemed made on a first-in, first-out basis for this purpose, unless otherwise determined by the General Partner, in consultation with the Manager.

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

5. REDEEMABLE UNITS OF THE FUND (continued)

The Fund will distribute its annual taxable income and net realized capital gains to Unitholders by December 31 of each year and at such other times as determined by the General Partner. All such distributions of the Fund will be automatically reinvested, without charge, in additional units at the Trading NAV per Unit at the most recent Valuation Date prior to distribution date and on the date of each distribution the Units will be automatically consolidated into that number of units outstanding immediately prior to the distribution. Accordingly, the effect of such distributions will generally be to increase the adjusted cost base of the units, not the number of units outstanding.

The unit activity during the years ended December 31, 2025 and 2024 is as follows:

	Redeemable Units, beginning of year	Redeemable Units Issued	Redemptions of Redeemable Units	Redesignation of Redeemable Units	Redeemable Units, end of year
December 31, 2025					
Class CF2RE - LEAD SERIES	84,441	–	–	(13,541)	70,900
Class CF2RE - JAN-2025	–	1,165	–	(1,165)	–
Class CF2RE - Sept-2025 Redeeming Series	–	–	(15,070)	15,070	–
Class CF2RE - DEC-2025	–	372	–	(372)	–
Class F1R - SEP-2021	8,301	–	(8,201)	–	100
Class F2AE - FEB-2021	295,046	–	(87,861)	–	207,185
Class F2R - SEP-2021	100	–	–	–	100
Class F2RE - LEAD SERIES	162,873	–	(70,132)	–	92,741
General Partner	1	–	–	–	1

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

5. REDEEMABLE UNITS OF THE FUND (continued)

	Redeemable Units, beginning of year	Redeemable Units Issued	Redemptions of Redeemable Units	Redesignation of Redeemable Units	Redeemable Units, end of year
December 31, 2024					
Class CF2RE - LEAD SERIES	55,890	–	–	28,551	84,441
Class CF2RE - FEB-2024	–	1,661	–	(1,661)	–
Class CF2RE - JUN-2024	–	276	–	(276)	–
Class CF2RE - JUL-2024	–	463	–	(463)	–
Class CF2RE - AUG-2024	–	8,727	–	(8,727)	–
Class CF2RE - SEP-2024	–	11,591	–	(11,591)	–
Class CF2RE - OCT-2024	–	2,449	–	(2,449)	–
Class CF2RE - NOV-2024	–	3,377	–	(3,377)	–
Class F1R - SEP-2021	8,301	–	–	–	8,301
Class F2AE - FEB-2021	356,493	–	(61,447)	–	295,046
Class F2R - SEP-2021	100	–	–	–	100
Class F2RE - LEAD SERIES	197,819	–	(59,172)	24,226	162,873
Class F2RE - JAN-2024	–	5,013	–	(5,013)	–
Class F2RE - FEB-2024	–	1,189	–	(1,189)	–
Class F2RE - MAR-2024	–	795	–	(795)	–
Class F2RE - APR-2024	–	10,368	–	(10,368)	–
Class F2RE - JUL-2024	–	4,410	–	(4,410)	–
Class F2RE - AUG-2024	–	2,209	–	(2,209)	–
Class F2RE - OCT-2024	–	236	–	(236)	–
General Partner	1	–	–	–	1

Capital disclosure

The capital of the Fund is represented by issued and redeemable units. The units are entitled to distributions, if any, and to payment of a proportionate share based on the Fund's Trading NAV per unit upon redemption (Note 6). The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of units. The relevant movements are shown on the Statement 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 Fund endeavors 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.

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

6. LIMITED PARTNERS' ENTITLEMENTS

The limited partners' entitlements with respect to the Net Assets Value and distribution of income are generally as follows:

(a) Allocation of Net Profit or Loss

- (a) The income of the Fund for a fiscal year shall be allocated on a monthly basis, in arrears, as to the Limited Partners in proportion to the number of Units held by such Limited Partners. The losses of the Fund for a fiscal year shall be allocated on a monthly basis, in arrears, to the Limited Partners proportionate to the amount equal to each Limited Partner's contributed capital minus the losses of the Fund previously allocated to such Limited Partners. The Limited Partners' share of the monthly income and losses of the Fund shall be allocated to Limited Partners in proportion to their ownership of Units of a particular Class immediately before the last Business Day of a calendar month.
- (b) The income or loss of the Fund for each fiscal year, or any part thereof, of the Fund shall be allocated among the Limited Partners by the General Partner. In so allocating the income or loss, the General Partner shall act reasonably and fairly, taking into account the amount and timing of actual and anticipated distributions to each of the partners, with a view to ensuring that, over the term of the Fund, each Partner is allocated a portion of the Fund's net income or net loss that substantially corresponds to the distributions to that partner.
- (c) The income and losses of the Fund for tax purposes in respect of a fiscal year shall be allocated among the General Partner and the Limited Partners in the same manner as allocations of accounting income and losses, with such adjustments as are deemed by the General Partner, acting in its sole discretion, to be necessary to effect an equitable allocation of all such amounts.
- (d) The Limited Partners' share of the monthly income and losses of the Fund shall be allocated to Limited Partners in proportion to their ownership of Units of a particular Class on the last Business Day of a calendar month.

(b) Distributions

Distributions of income and/or capital will be made at the General Partner's discretion in the proportion that each Limited Partner's equity bears to the aggregate partners' equity.

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

7. RISK MANAGEMENT

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

The investment objective of the Fund is to provide unitholders with long-term capital appreciation through exposure to the returns of the Offshore Fund.

The Fund's primary risk is its exposure to the underlying investments indirectly held by the Offshore Fund. Therefore, the risks associated with an investment in the Fund are best defined by describing the final risks associated with the Offshore Fund and the Master Fund.

The Manager manages risk by employing professional and experienced portfolio Managers, by daily monitoring of the Fund's positions and market events, and by diversifying the investment portfolio within the constraints of the investment objective. To assist in managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations. The Master Fund Manager manages risk by employing professional and experienced portfolio Managers and by regularly monitoring of the Master Fund's positions and market events. To assist in managing risk, the Master Fund Manager also maintains a governance structure that oversees the Master Fund's investment activities and monitors compliance with the Master Fund's stated investment strategy and securities regulations.

Credit Risk

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

Where the Fund invests in debt instruments and derivatives, this represents the main concentration of credit risk. The fair value of debt instruments and derivatives includes consideration of the credit worthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the Fund.

All transactions executed by the Master Fund in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

As at December 31, 2025 and 2024, the Fund did not directly hold any long-term debt securities or derivative instruments and therefore the Fund is not directly exposed to significant credit risk. However, the Fund may be indirectly exposed to credit risk through its investment in the Master Fund.

Prime Brokerage Risk

There are risks involved in dealing with the prime brokers who settle trades. Under certain circumstances, the securities and other assets deposited with the broker may be exposed to credit risk with regard to such parties. In addition, there may be practical or time problems associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

7. RISK MANAGEMENT (continued)

Prime Brokerage Risk (continued)

The Fund maintains a custody account with its prime broker. Although the Fund believes that it is an appropriate custodian, there is no guarantee that the prime broker will not become insolvent. In the event of a failure, there is no guarantee that the Fund would not incur losses due to its assets being unavailable for a period of time, recoup ultimately less than full recovery of its assets, or both. Because substantially all of the Fund's assets are custodied with a single prime broker, such losses could be significant and could materially impair the ability of the Fund to achieve its investment objective.

Liquidity Risk

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

The Fund's exposure to liquidity risk is concentrated in the periodic cash redemptions of units. In addition, the Fund generally retains sufficient cash and cash equivalent positions to maintain liquidity.

Further, the Fund also has access to an available revolving loan facility of CAD \$1,500,000 with an interest rate of the greater of 5.2% and prime rate plus 2.5%. As at December 31, 2025, the amount draw is \$nil (2024 - \$151,500).

The instruments traded by the Master Fund are generally expected to be liquid and its investors generally may redeem units on a monthly basis. Regardless, the Master Fund will not permit redemptions (either in whole or in part) at any time if the Offshore Fund Manager is of the opinion in its sole discretion that there are insufficient liquid assets in the Master Fund to fund such redemptions or that the liquidation of assets would be to the detriment of the Master Fund generally. The Master Fund 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.

Financial liabilities of the Fund, Offshore Fund and Master Fund are generally settled within three months.

Interest Rate Risk

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

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

As at December 31, 2025 and 2024, the Fund is exposed to interest rate risk through its investment in the Master Fund.

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

7. RISK MANAGEMENT (continued)

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

All investments represent a risk of loss of capital. The Manager aims to moderate this risk through careful selection and diversification of securities and other financial instruments in accordance with the Fund's investment objective and strategy. Except for written options and securities sold short, the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Possible losses from written calls and securities sold short can be unlimited. The Fund's overall market positions are monitored on a regular basis by the Manager. Financial instruments held by the Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments.

As at December 31, 2025, 93.24% (December 31, 2024 – 88.15%) of the Fund's net assets attributable to holders of redeemable units were invested in units of the Master Fund. If unit prices of the Master Fund 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 could possibly have increased or decreased by approximately \$4,886,673 (December 31, 2024 - \$5,393,358) respectively. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Currency Risk

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

Currency risk arises from financial instruments (including cash and cash equivalents) that are denominated in a currency other than United States dollars, which represents the functional currency of the Fund. The Fund and the Master Fund may enter into foreign exchange forward contracts for hedging purposes to reduce its foreign currency exposure, or to establish exposure to foreign currencies.

As at December 31, 2025, the currency risk related to the fund is shown below:

Currency	Exposure				Impact if USD strengthened or weakened by 5% in relation to other currencies		
	Monetary	Non-Monetary	Forward contracts	Total	Monetary	Non-Monetary	Total
December 31, 2025							
Canadian Dollar	\$ 39,618	\$ –	\$ (9,545,717)	\$ (9,506,098)	\$ 1,981	\$ –	\$ (475,305)
	\$ 39,618	\$ –	\$ (9,545,717)	\$ (9,506,098)	\$ 1,981	\$ –	\$ (475,305)
% of Net Assets							
Attributable to Holders of Redeemable Units	0.08	–	(18.22)	(18.14)	–	–	(0.91)

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

7. RISK MANAGEMENT (continued)

Currency Risk (continued)

As at December 31, 2024, the currency risk related to the fund is shown below:

Currency	Exposure			Impact if USD strengthened or weakened by 5% in relation to other currencies			
	Monetary	Non-Monetary	Forward contracts	Total	Monetary	Non-Monetary	Total
December 31, 2024							
Canadian Dollar	\$ 42,910	\$ –	\$ (9,168,633)	\$ (9,125,723)	\$ 2,146	\$ –	\$ (456,286)
% of Net Assets Attributable to Holders of Redeemable Units	0.07	–	(14.98)	(14.91)	–	–	(0.75)

Geopolitical Risk

Terrorism, war, military confrontations and related geopolitical events (and their aftermath) can lead to increased short-term market volatility and may have adverse long-term effects on the world economies and markets. Likewise, natural and environmental disasters, such as, for example, earthquakes, fires, floods, hurricanes, tsunamis and weather-related phenomena generally, as well as wide-spread disease and virus epidemics, can be highly disruptive to economies and markets into the medium term, adversely affecting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors impacting the value of the Fund's investments.

8. EXPENSES

The Manager has the power to incur and make payment out of the Fund property 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 Limited Partnership Agreement, including without limitation all fees and expenses relating to the management and administration of the Fund. The Fund is responsible for any income or excise taxes and brokerage commissions on portfolio transactions.

9. CAPITAL MANAGEMENT

The Fund's capital is its net assets, representing unitholder's equity. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders, maximize unitholder value and maintain financial strength.

The Fund is not subject to any externally imposed capital requirements.

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

10. INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITY

IFRS 12, 'Disclosures of interests in other entities' requires entities to disclose significant judgments and assumptions made in determining whether the entity controls, jointly controls, significantly influences or has some other interests in other entities. Entities are also required to provide more disclosures around certain 'structured entities'. This standard has impacted the Fund's level of disclosures in certain areas in Note 3 but has not impacted the Fund's financial position or results of operations.

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes; (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches). The Fund considers its investment in the Offshore Fund to be an investment in an unconsolidated structured entity given that the decision on the Offshore Fund's investing activities is not governed by voting rights held by the Fund and other investors.

The Offshore Fund's objectives include investment in the underlying Master fund and thereby achieving above-average appreciation by opportunistically trading and investing in a wide variety of securities, instruments, and other investment opportunities and engaging in a broad array of trading and investment strategies. The Master Fund is managed by asset managers who apply various investment strategies to accomplish their respective investment objectives. The Master Fund finances its operations by issuing participating shares which entitle the holder to a proportional stake in the respective entity's net assets. The Offshore Fund holds participating shares in the Master Fund.

The change in fair value of Offshore Fund in which the Fund invests in, is included in the Statement of Comprehensive Income in "Net change in unrealized appreciation in value of investment".

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

11. INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT

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

	Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Class	Weighted Average of Redeemable Units Outstanding During the Year	Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit
December 31, 2025			
Class CF2RE - LEAD SERIES	\$ 1,860,152	80,561	\$ 23.09
Class CF2RE - Sept-2025 Redeeming Series	87,552	15,070	5.81
Class CF2RE - DEC-2025	769	372	2.07
Class F1R - SEP-2021	31,182	4,167	7.48
Class F2AE - FEB-2021	7,583,656	233,979	32.41
Class F2R - SEP-2021	2,399	100	23.99
Class F2RE - LEAD SERIES	3,095,852	109,220	28.35
General Partner	35	1	35.00
December 31, 2024			
Class CF2RE - LEAD SERIES	\$ (241,400)	55,890	\$ (4.32)
Class CF2RE - FEB-2024	(9,957)	1,661	(5.99)
Class CF2RE - JUN-2024	(1,451)	276	(5.26)
Class CF2RE - JUL-2024	(1,971)	463	(4.26)
Class CF2RE - AUG-2024	(29,689)	8,727	(3.40)
Class CF2RE - SEP-2024	(56,190)	11,591	(4.85)
Class CF2RE - OCT-2024	(9,504)	2,449	(3.88)
Class CF2RE - NOV-2024	(6,623)	3,377	(1.96)
Class F1R - SEP-2021	35,078	8,301	4.23
Class F2AE - FEB-2021	1,625,506	333,980	4.87
Class F2R - SEP-2021	441	100	4.41
Class F2RE - LEAD SERIES	753,627	184,021	4.10
Class F2RE - FEB-2024	482	1,189	0.41
Class F2RE - MAR-2024	606	795	0.76
Class F2RE - APR-2024	6,831	10,368	0.66
Class F2RE - JUL-2024	2,530	4,410	0.57
Class F2RE - AUG-2024	1,706	2,209	0.77
Class F2RE - OCT-2024	420	236	1.78
General Partner	6	1	6.00

BB Fund (Canada) Limited Partnership

Notes to Financial Statements

December 31, 2025

12. COMPARISON OF NET ASSET VALUE (TRADING NAV) PER UNIT AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS PER UNIT (IFRS Accounting Standards)

The primary reason for the difference between the Net Asset Value (Trading NAV) per unit and the Net Assets attributable to unitholders per unit (IFRS Accounting Standards) is due to offering costs and legal fees which have been expensed for financial reporting purposes and amortized over five years for the purpose of calculating the Trading NAV. The Fund's Trading NAV and IFRS Accounting Standards NAV are as follows as at December 31, 2025 and 2024:

	Net Asset Value Per Unit (Trading)		Net Assets Per Unit (IFRS Accounting Standards)	
December 31, 2025				
Class CF2RE - LEAD SERIES	\$	98.34	\$	98.31
Class F1R - SEP-2021		136.39		136.35
Class F2AE - FEB-2021		154.32		154.27
Class F2R - SEP-2021		136.78		136.74
Class F2RE - LEAD SERIES		145.04		145.00
General Partner		157.01		157.00

	Net Asset Value Per Unit (Trading)		Net Assets Per Unit (IFRS Accounting Standards)	
December 31, 2024				
Class CF2RE - LEAD SERIES	\$	74.63	\$	74.59
Class F1R - SEP-2021		111.94		111.89
Class F2AE - FEB-2021		120.03		119.98
Class F2R - SEP-2021		112.80		112.75
Class F2RE - LEAD SERIES		113.96		113.90
General Partner		121.96		122.00