

# **Financial Statements**

## **Canso Select Opportunities Corporation**

**September 30, 2024**

## Table of contents

Management's Responsibility for Financial Reporting	1
Interim statements of financial position	2
Interim statements of comprehensive loss	3
Interim statements of changes in equity	4
Interim statements of cash flows	5
Notes to interim financial statements	6 - 12

**Management's Responsibility for Financial Reporting**

The accompanying unaudited interim Financial Statements have been prepared by Management. Management is responsible for the information and representations contained in these interim Financial Statements. Management has maintained appropriate processes to ensure that relevant and reliable financial information is produced. The unaudited interim Financial Statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts based on estimates and assumptions. The significant accounting policies that management believes are appropriate for Canso Select Opportunities Corporation ("CSOC") are described in Note 2 to the unaudited interim Financial Statements.

The Board of Directors is responsible for reviewing and approving CSOC's unaudited interim Financial Statements, overseeing management's performance of its financial reporting responsibilities and engaging the independent auditors. For all share classes of CSOC, the unaudited interim Financial Statements have been reviewed and approved by the Board of Directors.

**Approved by the Board of Directors**

*(signed) "Joe Morin"*

*(signed) "Shirley Sumsion"*

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Joe Morin  
Director

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Shirley Sumsion  
Director

**Canso Select Opportunities Corporation**  
**Interim Statements of Financial Position**  
**As at September 30, 2024 and December 31, 2023**  
**(Unaudited)**

	September 30, 2024	December 31, 2023 (Audited)
	\$	\$
<b>Assets</b>		
<b>Current Assets</b>		
Investment in Canso Select Opportunities Fund, FVTPL (Note 6)	11,994,074	9,728,183
Investments through FVTPL (Notes 5 and 6)	20,134,108	18,104,949
Accrued interest	-	9,315
Cash and cash equivalents	820,684	227,021
Dividend receivable	-	446
Prepaid expenses	30,604	18,712
<b>Total Current Assets</b>	<b>32,979,470</b>	<b>28,088,626</b>
<b>Non-current Asset</b>		
Deferred tax assets	335,663	272,245
<b>Total Assets</b>	<b>33,315,133</b>	<b>28,360,871</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	75,883	95,266
<b>Non-current Liabilities</b>		
Deferred tax liabilities	600,818	26,361
<b>Total Liabilities</b>	<b>676,701</b>	<b>121,627</b>
<b>Shareholders' Equity</b>		
Share capital (Note 4)	23,359,050	23,359,050
Contributed surplus	4,324,550	4,324,550
Retained earnings	4,954,832	555,644
<b>Total Shareholders' Equity</b>	<b>32,638,432</b>	<b>28,239,244</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>33,315,133</b>	<b>28,360,871</b>
<b>Shareholders' Equity</b>		
Class A Multiple Voting Shares	\$9,480,389	\$8,285,202
Class B Subordinate Voting Shares	\$23,158,043	\$19,954,042
<b>Number of Shares Outstanding</b>		
Class A Multiple Voting Shares	1,511,994	1,531,860
Class B Subordinate Voting Shares	3,706,443	3,686,577
<b>Total Shareholders' Equity per Share</b>		
Class A Multiple Voting Shares	\$6.27	\$5.41
Class B Subordinate Voting Shares	\$6.25	\$5.41

**Approved by the Board of Directors**

(signed) "Joe Morin"

(signed) "Shirley Sumsion"

Joe Morin  
Director

Shirley Sumsion  
Director

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

**Canso Select Opportunities Corporation**  
**Interim Statements of Comprehensive Income (Loss)**  
**Three months and nine months ended September 30, 2024 and 2023**  
**(Unaudited)**

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
	\$	\$	\$	\$
<b>Income</b>				
Dividend income	245,830	176,333	815,507	374,316
Interest income (expense)	-	1,426	1,370	(20,193)
Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss:				
Realized gain (loss) on investments (Note 6)	-	2,280	(4,021)	54,448
Realized foreign exchange gain	-	-	3,195	-
Change in unrealized foreign exchange gain (loss)	1,515	5,020	(91,755)	3,433
Change in unrealized gain (loss) on investments (Note 6)	2,391,100	115,711	4,427,455	(353,277)
<b>Total Income</b>	<b>2,638,445</b>	<b>300,770</b>	<b>5,151,751</b>	<b>58,727</b>
<b>Expenses (Note 5)</b>				
Partnership investment carrying charge	-	-	66	-
Directors fees	22,929	31,276	77,040	93,829
Professional fees	24,211	14,222	95,056	215,751
Administration	14,418	16,463	51,068	120,089
Bank charges	89	151	515	672
Insurance	5,948	5,883	17,779	17,585
<b>Total Expenses</b>	<b>67,595</b>	<b>67,995</b>	<b>241,524</b>	<b>447,926</b>
<b>Net income (loss) before income taxes</b>	<b>2,570,850</b>	<b>232,775</b>	<b>4,910,227</b>	<b>(389,199)</b>
<b>Income tax expense (recovery)</b>				
Deferred	299,329	(1,124)	511,039	(126,237)
<b>Total Income Tax Expense (Recovery)</b>	<b>299,329</b>	<b>(1,124)</b>	<b>511,039</b>	<b>(126,237)</b>
<b>Net income (loss) and comprehensive income (loss) for the period</b>	<b>2,271,521</b>	<b>233,899</b>	<b>4,399,188</b>	<b>(262,962)</b>
<b>Net income (loss), by class</b>				
Class A Multiple Voting Shares	\$658,152	\$69,705	\$1,274,624	(\$78,366)
Class B Subordinate Voting Shares	\$1,613,369	\$164,194	\$3,124,564	(\$184,596)
<b>Net income (loss), per share</b>				
Class A Multiple Voting Shares	\$0.44	\$0.04	\$0.84	(\$0.05)
Class B Subordinate Voting Shares	\$0.44	\$0.04	\$0.84	(\$0.05)

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

**Canso Select Opportunities Corporation**  
**Interim Statements of Changes in Equity**  
**Nine months ended September 30, 2024 and 2023**  
**(Unaudited)**

	2024			
	\$	\$	\$	\$
	Share capital	Contributed surplus	Retained earnings (deficit)	Total
<b><u>Class A Multiple Voting Shares</u></b>				
Opening balance, January 1, 2024	6,125,376	2,523,969	(364,143)	8,285,202
Conversion from Class A Multiple Voting Shares to Class B Subordinate Voting Shares	(79,437)	-	-	(79,437)
Net income for the period	-	-	1,274,624	1,274,624
<b>Balance at September 30, 2024</b>	<b>6,045,939</b>	<b>2,523,969</b>	<b>\$910,481</b>	<b>9,480,389</b>
<b><u>Class B Subordinate Voting Shares</u></b>				
Opening balance, January 1, 2024	17,233,674	1,800,581	919,787	19,954,042
Conversion from Class A Multiple Voting Shares to Class B Subordinate Voting Shares	79,437	-	-	79,437
Net income for the period	-	-	3,124,564	3,124,564
<b>Balance at September 30, 2024</b>	<b>17,313,111</b>	<b>1,800,581</b>	<b>4,044,351</b>	<b>23,158,043</b>
<b>Total</b>	<b>23,359,050</b>	<b>4,324,550</b>	<b>4,954,832</b>	<b>32,638,432</b>

  

	2023			
	\$	\$	\$	\$
	Share capital	Contributed surplus	Deficit	Total
<b><u>Class A Multiple Voting Shares</u></b>				
Opening balance, January 1, 2023	6,443,669	2,523,969	(1,063,717)	7,903,921
Net loss for the period	-	-	(78,366)	(78,366)
Conversion from Class A Multiple Voting Shares to Class B Subordinate Voting Shares	(225,125)	-	-	(225,125)
<b>Balance at September 30, 2023</b>	<b>6,218,544</b>	<b>2,523,969</b>	<b>(1,142,083)</b>	<b>7,600,430</b>
<b><u>Class B Subordinate Voting Shares</u></b>				
Opening balance, January 1, 2023	4,665,381	1,800,581	(763,809)	5,702,153
Class B Subordinate Voting Shares issued	12,250,000	-	-	12,250,000
Conversion from Class A Multiple Voting Shares to Class B Subordinate Voting Shares	225,125	-	-	225,125
Net loss for the period	-	-	(184,596)	(184,596)
<b>Balance at September 30, 2023</b>	<b>17,140,506</b>	<b>1,800,581</b>	<b>(948,405)</b>	<b>17,992,682</b>
<b>Total</b>	<b>23,359,050</b>	<b>4,324,550</b>	<b>(2,090,488)</b>	<b>25,593,112</b>

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

**Canso Select Opportunities Corporation**  
**Interim Statements of Cash Flows**  
**Nine months ended September 30, 2024 and 2023**  
**(Unaudited)**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Operating Activities</b>		
Net income (loss)	4,399,188	(262,962)
Adjustments for:		
Dividend income re-invested	-	(20,492)
Interest income re-invested	(10,685)	-
Realized loss (gain) on investment	4,021	(54,448)
Realized foreign exchange gain	(3,195)	-
Change in unrealized foreign exchange loss (gain) on investments	91,822	(3,432)
Change in unrealized (appreciation) depreciation on investments	(4,427,455)	353,277
Purchase of investments	-	(300,024)
Proceeds from sale of investments	50,376	586,122
Partnership investment carrying charge	66	-
Accrued interest	9,315	36,048
Dividend receivable	446	(51)
Prepaid expenses	(11,892)	189,825
Deferred tax assets	(63,418)	(126,237)
Deferred tax liabilities	574,457	-
Accounts payable and accrued liabilities	(19,383)	(142,645)
<b>Net Cash Generated by Operating Activities</b>	<b>593,663</b>	<b>254,981</b>
Cash and cash equivalents — Beginning of period	227,021	79,993
<b>Cash and cash equivalents — End of period</b>	<b>820,684</b>	<b>334,974</b>

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

**Canso Select Opportunities Corporation**  
**Notes to Interim Financial Statements**  
**Nine months ended September 30, 2024**  
**(Unaudited)**

**1. General Information**

Canso Select Opportunities Corporation ("CSOC" or "Company") was incorporated by articles of incorporation under the Ontario Business Corporations Act on February 16, 2018. Effective September 4, 2018, the Class A Multiple Voting Shares and Class B Subordinate Voting Shares of CSOC were eligible to commence trading on the TSX Venture Exchange under the symbols CSOC.A representing the Class A Multiple Voting Shares and CSOC.B representing the Class B Subordinate Voting Shares. Canso Select Opportunities Fund ("CSOF") is a wholly-owned investment held by CSOC. CSOC indirectly holds all of the investments of CSOF through its ownership of CSOF.

CSOC is an Ontario-based investment corporation. The Company's registered head office is 100 York Blvd., Suite 550, Richmond Hill, Ontario, L4B 1J8. CSOC's investment objective is to provide capital gains and dividend income to its shareholders. Consistent with this objective, the Company evaluates potential investments in debt, public and private equity and other securities. The deployment of funds to new investments depends on both the attractiveness of new investment opportunities and the availability of capital as generated from the realization of value from existing portfolio investments.

**2. Basis of Presentation and Significant Accounting Policies**

These unaudited interim financial statements of CSOC have been prepared in compliance with International Accounting Standard 34, *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards ("IFRS"). Accordingly, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with IFRS have been omitted or condensed.

The accounting policies applied by CSOC in these interim financial statements are the same as those applied by CSOC in its annual audited financial statements for the year ended December 31, 2023, which were prepared in accordance with IFRS. Since its inception, CSOC has applied IFRS 9, Financial Instruments, which deals with the recognition, derecognition, classification and measurement of financial instruments. CSOC has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

**3. Critical Accounting Estimates and Judgements**

The preparation of financial statements requires management to use judgement in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future period affected.

There have been no changes in the critical accounting estimates and judgments which were set out in detail in Note 3 of CSOC's annual audited financial statements for the year ended December 31, 2023.

**4. Share Capital**

The Company is authorized to issue an unlimited number of shares of a class designated as Class A Multiple Voting Shares, an unlimited number of shares of a class designated as Class B Subordinate Voting Shares, and an unlimited number of shares of a class designated as Preference Shares. Share capital of the Company as stated in the financial statements is the same as the legal stated capital.

At September 30, 2024 share capital consists of the following:



**Canso Select Opportunities Corporation**  
**Notes to Interim Financial Statements**  
**Nine months ended September 30, 2024**  
**(Unaudited)**

**4. Share Capital (Cont'd)**

	Number of shares #	Amount \$
1,511,994 Class A Multiple Voting Shares		6,045,939
3,706,443 Class B Subordinate Voting Shares		17,313,111
		<u>23,359,050</u>
<b>Class A Multiple Voting Shares:</b>		
Class A Multiple Voting Shares outstanding, January 1, 2024	1,531,860	6,125,376
Conversion from Class A Multiple Voting Shares to Class B Subordinate Voting Shares	(19,866)	(79,437)
Class A Multiple Voting Shares outstanding, September 30, 2024	1,511,994	6,045,939
<b>Class B Subordinate Voting Shares:</b>		
Class B Subordinate Voting Shares outstanding, January 1, 2024	3,686,577	17,233,674
Conversion from Class A Multiple Voting Shares to Class B Subordinate Voting Shares	19,866	79,437
Class B Subordinate Voting Shares outstanding, September 30, 2024	3,706,443	17,313,111
	<u>5,218,437</u>	<u>23,359,050</u>

At December 31, 2023 share capital consisted of the following:

	Number of shares #	Amount \$
1,531,860 Class A Multiple Voting Shares		6,125,376
3,686,577 Class B Subordinate Voting Shares		17,233,674
		<u>23,359,050</u>
<b>Class A Multiple Voting Shares:</b>		
Class A Multiple Voting Shares outstanding, January 1, 2023	1,611,460	6,443,669
Conversion from Class A Multiple Voting Shares to Class B Subordinate Voting Shares	(79,600)	(318,293)
Class A Multiple Voting Shares outstanding, December 31, 2023	1,531,860	6,125,376
<b>Class B Subordinate Voting Shares:</b>		
Class B Subordinate Voting Shares outstanding, January 1, 2023	1,166,738	4,665,381
Conversion from Class A Multiple Voting Shares to Class B Subordinate Voting Shares	79,600	318,293
Class B Subordinate Voting Shares issued	2,440,239	12,250,000
Class B Subordinate Voting Shares outstanding, December 31, 2023	3,686,577	17,233,674
	<u>5,218,437</u>	<u>23,359,050</u>

**5. Related Party Transactions**

CSOC has an operational services agreement with Canso Investment Counsel Ltd. ("Canso") that was originally entered into on August 1, 2018. The operational services agreement sets out that Canso will provide the day-to-day operational services to carry out the business affairs of CSOC. Under the terms of the agreement, there were no fees payable for services provided by Canso to CSOC for the first 24-month period and the term could be extended at 12-month periods, as agreed to between the parties. The parties agreed to extend the no fee arrangement for the 12-month term ending on July 31, 2025. There were no management fees charged for the period ended September 30, 2024 (September 30, 2023 – \$Nil).

On January 13, 2023, CSOC purchased 70,000 Class A common shares of Lysander Funds Limited ("Lysander") from Canso Fund Management Ltd. ("CFM"), a company under common control, by issuing to CFM 2,440,239 Class B Subordinate Voting Shares of CSOC pursuant to a share purchase agreement dated October 17, 2022 (the "Transaction"). The consideration is \$12.25 million. Following the Transaction, CFM holds approximately 68% of CSOC's outstanding Class B Subordinate Voting Shares, which represents a voting position of 4.7%.

**Canso Select Opportunities Corporation**  
**Notes to Interim Financial Statements**  
**Nine months ended September 30, 2024**  
**(Unaudited)**

**6. Investments**

In determining whether CSOC has control or significant influence over an investment, CSOC assesses voting rights, the exposure to variable returns, and its ability to use the voting rights to affect the amount of the returns. CSOC qualifies as an investment entity under IFRS 10, and therefore accounts for investments it controls at fair value through profit and loss. CSOC has significant influence over Lysander because it controls 12% of Lysander and its representation on the board of directors of Lysander. As an investment entity, CSOC meets the exemption under IAS 28 that allows CSOC to elect to measure the investment in associates at fair value through profit or loss in accordance with IFRS 9. CSOC's primary purpose is defined by its investment objectives and uses the investment strategies available to it as defined in the Circular to meet those objectives. CSOC also measures and evaluates the performance of any investment on a fair value basis. As described in Note 1, CSOF is a wholly owned investment of CSOC.

As at September 30, 2024, CSOC's investment portfolio consists of equity and debt securities in 14 different issuers.

Description	Average Cost \$	Fair Value \$	% of Portfolio
<b>Equities Held Long</b>	<b>15,253,233</b>	<b>19,534,108</b>	<b>97.02%</b>
Air Canada	191,516	188,485	0.94%
Bombardier Inc.	41,975	52,822	0.26%
Brill Power Limited	105,559	227,822	1.13%
Fibracast	800,000	58,800	0.29%
Lysander Funds Limited	12,250,000	17,150,000	85.18%
HashTag Paid Inc. Series A-5 Pref Share	132,837	315,608	1.57%
HashTag Paid Inc. Series B-4 Pref Share	66,330	63,998	0.32%
MDA Ltd.	879,998	1,092,455	5.43%
Our Home and Miniature Land Inc. Warrant	-	-	0.00%
NorthStar Gaming Holdings Inc (Escrow)	1,825	146	0.00%
NorthStar Gaming Holdings Inc	6,730	593	0.00%
New Horizon Aircraft Ltd	513,987	58,452	0.29%
Portfolio HiWay Inc.	50,000	62,500	0.31%
Reformulary Group Inc.	200,000	250,000	1.24%
Smooth Payment Inc. May 12, 2031 Warrant	-	-	0.00%
Smooth Payment Inc. July 5, 2031 Warrant	-	-	0.00%
TC Fund I LP	12,476	12,427	0.06%
<b>Fixed Income</b>	<b>800,000</b>	<b>600,000</b>	<b>2.98%</b>
Our Home and Miniature Land Inc.	400,000	400,000	1.99%
Smooth Payment Inc.	400,000	200,000	0.99%
<b>CSOC's Investments at Fair Value through Profit or Loss</b>	<b>16,053,233</b>	<b>20,134,108</b>	<b>100.00%</b>

**Canso Select Opportunities Corporation**  
**Notes to Interim Financial Statements**  
**Nine months ended September 30, 2024**  
**(Unaudited)**

**6. Investments (Cont'd)**

As at September 30, 2024, CSOF's investment portfolio consists of equity and debt securities in 21 different issuers. The portfolio also includes cash and cash equivalents.

Description	Average Cost \$	Fair Value \$	% of Portfolio
<b>Cash &amp; Cash Equivalents</b>	<b>407,191</b>	<b>407,029</b>	<b>3.42%</b>
<b>Equities Held Long</b>	<b>12,452,179</b>	<b>9,257,302</b>	<b>77.69%</b>
Aegis Brands Inc. (previously Second Cup Ltd.)	3,400,936	363,196	3.05%
Bird Construction Inc.	436,070	1,556,516	13.06%
Bombardier Inc.	337,302	495,134	4.16%
BZ Holdings Inc.	-	2	0.00%
Canadian Life Companies Split	78,572	86,016	0.72%
Cineplex Inc	1,203,587	1,652,849	13.87%
Enbridge Inc	384,298	445,014	3.73%
UBS Group AG (previously Credit Suisse Group AG)	148,214	231,244	1.94%
Flint Corp (previously ClearStream Energy SVCS Inc.)	2,012,939	131,811	1.11%
Flint Corp - Preferred (previously ClearStream Energy Services - Preferred)	729,400	389,745	3.27%
Hertz Global Holdings Inc.	424,452	107,442	0.90%
M Split Corp	838,474	1,190,053	9.99%
Manulife Financial Group	694,689	1,285,766	10.79%
Sun Life Financial Corp	483,261	399,238	3.35%
X-Spectrum 1 Inc. (previously Xplornet Wireless Inc.)	108,327	5,969	0.05%
X-Spectrum 2 Inc. (previously Xplornet Mobile Inc.)	51,792	1	0.00%
Yellow Pages Limited	1,119,866	917,306	7.70%
<b>Fixed Income</b>	<b>2,795,548</b>	<b>2,774,664</b>	<b>23.29%</b>
AdHawk Microsystems Inc	466,585	472,833	3.97%
Air Canada	207,684	169,245	1.42%
Bank of Nova Scotia	563,450	645,860	5.42%
Latam Airlines Group	641,209	783,214	6.57%
Corus Entertainment Inc	526,000	355,000	2.98%
Hertz Corp	390,620	348,512	2.93%
<b>Fixed Income held short</b>	<b>(514,437)</b>	<b>(524,220)</b>	<b>(4.40%)</b>
Government of Canada	(514,437)	(524,220)	(4.40%)
<b>Total</b>	<b>15,140,481</b>	<b>11,914,775</b>	<b>100.00%</b>
<b>Other Assets, Net of Liabilities</b>		<b>79,299</b>	
<b>CSOC's investment in CSOF at Fair Value Through Profit or Loss</b>		<b>11,994,074</b>	

**7. Fair Value Hierarchy**

CSOC classifies financial instruments carried at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The following fair value hierarchy table presents information about CSOC's and CSOF's assets and liabilities measured at fair value, as described in Note 2, as at September 30, 2024 and December 31, 2023 (audited). During the period ended September 30, 2024, there were no transfers between levels (September 30, 2023 – Nil).

**Canso Select Opportunities Corporation**  
**Notes to Interim Financial Statements**  
**Nine months ended September 30, 2024**  
**(Unaudited)**

**7. Fair Value Hierarchy (Cont'd)**

If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified as Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is reclassified as Level 3. Management assesses transfers at the time of an event that may cause reason for re-assessment of levelling. The classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability. The determination of what constitutes observable data requires significant judgment by the investment committee. CSOC considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

As at September 30, 2024	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Fixed Income held in CSOF	\$ -	\$ 2,301,831	\$ 472,833	\$ 2,774,664
Equities held in CSOF	8,861,587	-	395,715	9,257,302
Fixed Income held in CSOC	-	-	600,000	600,000
Equities held in CSOC	1,392,953	-	18,141,155	19,534,108
<b>Total</b>	<b>\$ 10,254,540</b>	<b>\$ 2,301,831</b>	<b>\$ 19,609,703</b>	<b>\$ 32,166,074</b>

As at September 30, 2024	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Fixed income held in CSOF	\$ -	\$ (524,220)	\$ -	\$ (524,220)
<b>Total</b>	<b>\$ -</b>	<b>\$ (524,220)</b>	<b>\$ -</b>	<b>\$ (524,220)</b>

As at December 31, 2023	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Fixed Income held in CSOF	\$ -	\$ 2,700,823	\$ 461,510	\$ 3,162,333
Equities held in CSOF	6,903,769	-	383,541	7,287,310
Fixed Income held in CSOC	-	-	1,100,000	1,100,000
Equities held in CSOC	1,019,995	-	15,984,954	17,004,949
<b>Total</b>	<b>\$ 7,923,764</b>	<b>\$ 2,700,823</b>	<b>\$ 17,930,005</b>	<b>\$ 28,554,592</b>

As at December 31, 2023	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Fixed income held in CSOF	\$ -	\$ (1,258,506)	\$ -	\$ (1,258,506)
<b>Total</b>	<b>\$ -</b>	<b>\$ (1,258,506)</b>	<b>\$ -</b>	<b>\$ (1,258,506)</b>

**Canso Select Opportunities Corporation**  
**Notes to Interim Financial Statements**  
**Nine months ended September 30, 2024**  
**(Unaudited)**

**7. Fair Value Hierarchy (Cont'd)**

	September 30, 2024	December 31, 2023
<b>Level 3 Reconciliation</b>		
Balance, beginning of year	\$ 17,930,005	\$ 3,096,682
Purchases - held in CSOC	-	12,812,541
Purchases - held in CSOF	-	466,585
Sales - CSOC	-	(236,614)
Sales - CSOF	-	(20,836)
Conversion - CSOC*	(500,000)	-
Realized loss, net - CSOC	-	72,117
Realized gain, net - CSOF	-	(4,560)
Dividend income re-invested	-	20,492
Change in unrealized appreciation (depreciation) - CSOF	23,497	(89,509)
Change in unrealized appreciation - CSOC	2,156,201	1,813,107
Balance, end of year	\$ 19,609,703	\$ 17,930,005

\* During the nine months ended September 30, 2024, \$500,000 Horizon Aircraft 10% Conv. Promissory Note Oct 24 2024 along with the accrued interest of \$10,685 was converted to 93,566 shares of New Horizon Aircraft Ltd., which was classified as Level 1 financial instrument.

The fair value of each Level 3 financial instrument is generally measured using unobservable market inputs with the best information available at the time. Various valuation techniques are utilized, depending on a number of factors including key inputs and assumptions, which are company specific and may include estimated discount rates and expected price volatilities.

The following section provides information regarding select Level 3 securities over 2% of the portfolio. It includes a summary of the valuation techniques used and the sensitivity of the fair value of these securities to changes in input values.

Our Home and Miniature Land Inc. 10% Jan 27, 2026

Price: \$100.00

Valuation Technique: The private placement financing technique

Unobservable Inputs: The primary unobservable input for this security is the last price where the company raised capital in a private offering of additional securities.

Change in input values: A reasonably possible change to value of the next private placement financing could result in an increase or decrease of 30% or an increase or decrease in the security price of \$30, or an increase or decrease in net assets of \$120,000.

AdHawk Microsystems Inc. 6% notes due September 2025

Price: US\$100.00

Valuation Technique: Private placement financing technique

Unobservable Inputs: The primary unobservable input for this security is the last price where the company raised capital in a private offering of additional securities.

Change in input values: A reasonably possible change to value of the next private placement financing could result in an increase or decrease of 30% or an increase or decrease in the security price of US\$30, or an increase or decrease in net assets of US\$105,000.

Flint Corp. Series 1 Preferred Share

Price: \$534.63

Valuation Technique: Relative value technique

Unobservable Inputs: FLINT Corp. Senior Secured Bond price (from third party).

Change in input values: A reasonably possible change to the value of the next private placement financing could result in an increase or decrease of 30%, or an increase or decrease in the security price of \$160.39, or an increase or decrease in net assets of \$116,924.

**Canso Select Opportunities Corporation**  
**Notes to Interim Financial Statements**  
**Nine months ended September 30, 2024**  
**(Unaudited)**

**7. Fair Value Hierarchy (Cont'd)**

Lysander Funds Limited

Price: \$245.00

Valuation technique: Relative value

Unobservable inputs: The primary unobservable inputs for this security are the company's financial metrics, AUM, valuation multiples of comparable publicly traded asset managers, and a discount for lack of liquidity.

Change in input values: A reasonably possible change to the value of market comparables could result in an increase or decrease of 30%, or an increase or decrease in the security price of \$73.50, or an increase or decrease in net assets of \$5,145,000.

**8. Contingency**

The Company may be a party to legal proceedings. The Company believes that each such proceeding constitutes a routine matter incidental to the business conducted by the Company. The Company cannot determine the ultimate outcome of all the outstanding claims but believes the ultimate disposition of the proceedings will not have a material adverse effect on its earnings, cash flow or financial position.

**9. Approval of financial statements**

The financial statements were approved by the Board of Directors and authorized for issue on November 25, 2024.