



Canso Select Opportunities Corporation

March 25, 2021

CSOC Shareholders...

It is my pleasure to provide you with the 2020 Annual Report of Canso Select Opportunities Corporation.

This is CSOC's third Annual Report operating as a publicly traded company. Its publication comes as the world continues to deal with the physical, emotional and economic challenges and devastation of COVID-19. The ultimate human and economic toll exacted by the Coronavirus is still being calculated and the final total will only be known months, if not years, from now. At CSOC, working remotely and self isolating, we continue to focus on the execution of our mission, creating long-term value for CSOC's shareholders.

Consistent with this mission the Corporation's Investment Committee evaluates potential investments in debt, public and private equity and other securities. The deployment of funds to new investments depends on the valuation of new investment opportunities and the availability of capital generated from the realization of proceeds from existing portfolio investments. The generation of capital through portfolio sales, combined with interest and dividend income earned should permit the eventual return of capital to shareholders through dividends over the long-term.

To that end, on September 15 Management of CSOC, by the authority vested upon them by the Board and further to your approval given at our last Special Meeting, determined that it was prudent to reduce CSOC's Aggregate Stated Capital to \$11,109,050 from \$14,863,186. Importantly, CSOC's liquidity and operations are not impacted by this reduction. The reduction increases the prospect of the Company meeting, and maintaining, the legislative requirement for paying a dividend. This is a critical, but by no means the only, input to the Board of Directors deliberations of the appropriateness of paying a dividend. At this time no dividend is contemplated.

In 2020 CSOC made significant strides in the long-term value creation process. CSOC's corporate structure provides a permanent capital base allowing the realization of value from its existing portfolio and the redeployment of that value into new investments, or possibly, to the payment of dividends to shareholders. Proceeds from the sale of BZ Holdings Inc. and Xplornet, combined with the further reduction of the Hubba Inc. position, added to CSOC's considerable liquidity position. At December 31, 2020 CSOC held \$3.6 million of cash for potential opportunities. This is after deploying cash into Fibracast and Nordstar Capital LP during the year.

I would like to thank the Officers and Directors of CSOC for their efforts on behalf of CSOC and CSOC shareholders this year. I would like to thank shareholders for their continued patience and support of CSOC's management team.

I am confident that in the months and years to come the marketplace will come to value CSOC's shares commensurate with the value and potential value of CSOC's investment holdings. Importantly Officers and Directors of CSOC, through direct and indirect holdings, comprise the most significant shareholder group of CSOC aligning their interests with all shareholders. Our focus is creating value over the long-term and as such while not pleased with CSOC's current share price we are not despondent either.



We made progress during 2020. We look forward to continuing this progress during 2021. I thank all of you for your interest in, and support of, Canso Select Opportunities Corporation.

On behalf of CSOC's Board of Directors

(signed) "Brian Carney"

Sincerely,
Brian Carney
President and CEO

Forward-Looking Statements

Certain information contained in this Annual Report constitutes forward-looking information, which is information relating to possible events, conditions or results of operations of CSOC, which are based on assumptions about future economic conditions and courses of action and which are inherently uncertain. All information other than statements of historical fact may be forward-looking information. For important information regarding forward-looking statements, please refer to CSOC's most recently filed MD&A under the heading "Forward-Looking Statements".