

ANNUAL REPORT

2024





INVESTEE HIGHLIGHT
GROUND TRUTH AG.

INDUSTRY: TECHNOLOGY

Ground Truth Agriculture: Ground Truth Agriculture is disrupting the grain measurement and grading industry through a combination of innovative hardware and software solutions. By attaching a precision-based hardware device directly to combines, the company enables producers to measure grain quality on a per-acre basis while offering a similar benchtop solution for grain purchasers. This technology is paired with artificial intelligence and imaging tools to provide accurate and real-time insights into grain quality. SaskWorks' investment was part of a larger equity raise aimed at supporting product development and commercialization initiatives to bring transparency to buyers and sellers of different grain varieties.

TO OUR VALUED SHAREHOLDERS,

As we close another fiscal year, we are proud to reflect on the continued success and growth of the SaskWorks Venture Fund (the "Fund"). Guided by a consistent investment philosophy and a commitment to building partnerships with best-in-class management teams, the Fund has once again achieved strong results. These results support not only our valued shareholders but also the broader Saskatchewan economy.

Fiscal 2024 saw lower placement activity, which mirrored lower private equity investment activity throughout Canada. Higher interest rates and larger bid/ask spreads between buyers and sellers reduced deal activity throughout Canada, however we see this trend reversing. By prioritizing resilience and a long-term view, the Fund continues to support a diversified portfolio that positions us well to capture opportunities as they emerge. Our rigorous underwriting process and dedication to maintaining partnerships with Saskatchewan's leading companies helped to preserve stability, setting a strong foundation for future growth as placement conditions improve.

This year, as Saskatchewan's economy continued to expand and diversify, the Fund's strategic focus allowed us to participate in this growth while supporting local job creation, sustainability, and economic resilience. Specifically, the Fund's industrial/manufacturing and diversified energy holdings saw strong operational results and continued value creation. Portfolio companies in these sectors saw organic growth and participated in several strategic acquisitions. This reinforces the value of partnering with teams committed to innovation, operational excellence, and long-term vision.

We remain as confident as ever in the potential of Saskatchewan as an ideal place for long-term investment. Our province continues to offer abundant opportunities across both traditional and emerging sectors. With a commitment to the local economy and a dedication to nurturing homegrown talent, SaskWorks is uniquely positioned to support the companies driving Saskatchewan's future.


We are deeply grateful for the loyalty of our shareholders and their investment advisors, who once again helped SaskWorks reach an early sell-out this fiscal year. This continued support enables us to capitalize on timely investment opportunities

and ensure that our portfolio companies are well-prepared to adapt and thrive in a dynamic market. It is your trust and commitment that empowers us to foster economic growth within Saskatchewan.

As we move into fiscal 2025, our strategy remains focused on partnering with top-tier management teams across diverse sectors to build a resilient and robust portfolio. We expect existing teams to continue to execute growth initiatives and anticipate increased placement activity. By investing your capital strategically and patiently, we aim to generate consistent returns and foster a positive impact in Saskatchewan for years to come. To maximize your benefits, we encourage early investment to secure your 2025 tax credit along with your stake in SaskWorks.

Thank you once again for your continued support and confidence in SaskWorks. Together, we look forward to another year of growth, opportunity, and partnership in our mission to drive sustainable economic progress in our province.

Sincerely,


Brent Banda
Chair


Randy Beattie
President

Once again, we are humbled by the support from our loyal shareholders and their investment advisors, eclipsing the previous year with a new earliest sell out in the history of the Fund.





INVESTEE HIGHLIGHT
HARBOUR LANDING VILLAGE

INDUSTRY: FINANCIALS

Harbour Landing Village: Harbour Landing Village is an established senior housing community in south Regina, offering independent, assisted, and supportive living options, alongside childcare services to create a multi-generational environment. SaskWorks has been actively involved since the development's inception, supporting its growth and success. Additional amenities include an onsite restaurant, wellness programs, and social events.

MANAGEMENT REPORT OF FUND PERFORMANCE

This management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Fund. The complete annual financial statements of the Fund are included later in this annual report or can be obtained, at no cost to you, by calling 1-306-791-4833, by writing to us at 1925 Victoria Avenue, 2nd Floor, Regina, Saskatchewan, S4P 0R3, or by visiting our website at www.saskworks.ca or SEDAR at www.sedarplus.ca.

Shareholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or annual report.

The Fund will provide promptly and without charge a Statement of Portfolio Transactions – Short-term, Long-term and Venture Investments (unaudited) upon request by any shareholder of the Fund at 1925 Victoria Avenue, 2nd Floor, Regina, Saskatchewan, S4P 0R3.

The purpose of this section is to summarize the performance of SaskWorks Venture Fund Inc. ("SaskWorks" or "the Fund") for the year ended August 31, 2024.

Unless otherwise indicated, references to amounts at August 31, 2024, or to the year ended August 31, 2024, are specific to each of the Fund's Class A shares and Class R shares in aggregate.

SaskWorks is a publicly accountable enterprise and investment fund to which the Canadian Securities Administrators' National Instrument 81-106, "Investment Fund Continuous Disclosure" is applicable, and International Financial Reporting Standards ("IFRS") apply.

Beginning January 2016, the Fund began offering its Class A and Class R shares in series. Class A Series A and Class R Series A shares are no longer available for sale. Class A Series F and Class R Series F do not have trailer commissions.

Beginning December 23, 2021, new redeemable shares, Class A Series B and Class R Series B were offered for sale to the public. Class A Series B and Class R Series B redeemable shares have a trailer commission associated with them.

Net assets attributable to holders of redeemable shares per share for each series are calculated at the end of each week by dividing the net assets attributable to holders of redeemable shares for each series by its outstanding shares. The net assets attributable to holders of redeemable shares of each series of a class are computed by calculating the value of the series-specific assets and series' proportionate share of the class's common assets less the series-specific liabilities and the series' proportionate share of the class's common liabilities. Income and expenses directly attributable to a series are charged to that series while common class income and expenses and realized and unrealized gains and losses are allocated to each series. A proportionate share of or allocation to each series of a class is based on that series' pro rata share of the total share capital of that class as at the latest weekly net asset valuation.

INVESTMENT OBJECTIVE AND STRATEGIES (in thousands of dollars)

The Fund invests in small and medium-sized Saskatchewan-eligible businesses, with the objective of achieving long-term capital appreciation and/or a recurring income stream. The Fund may also participate in investment groups and consortia in situations where an investment opportunity involves a larger investment than the Fund is allowed or believes prudent to make by itself.

Under *The Labour-sponsored Venture Capital Corporations Act* (Saskatchewan) ("the Saskatchewan Act"):

- ▶ eligible investments for the Fund ("eligible investments") are investments in eligible businesses, defined as taxable corporations or limited partnerships that carry on business in Saskatchewan, that together with related corporations or limited partnerships, do not have more than 500 employees, and that in the taxation year preceding the investment paid at least 25% of all their wages and salaries to employees of their permanent establishment in Saskatchewan;
- ▶ direct investments in public companies with a market capitalization of \$500,000 or more are prohibited. If an investment is acquired through acquisitions or mergers and the resulting investment has over \$500,000 in capitalization, such investment must be disposed of within five years from the end of the fiscal year of the Fund of such acquisition or merger;
- ▶ new investment in agricultural land acquired primarily for rental or leasing purposes is prohibited; and
- ▶ the Fund is required to have innovation sector investment exposure of 25% of annual net capitalization defined as annual capital raised within the Fund less annual capital redeemed, multiplied by the Fund's 75% pacing requirement.

The Fund may not invest more than 10% of the net assets attributable to the holders of redeemable Class A and Class R shares of the Fund in any one eligible business and may not invest in an eligible business if the Fund and the eligible business are not at arm's length, within the meaning of the Saskatchewan Act. In respect of any investment, the Fund will take into consideration any anticipated follow-on or subsequent investment, either by way of debt or equity. Such a subsequent investment will typically be made only if the investee meets certain tests, such as timing and performance targets that were fixed at the date of the original investment in the eligible business.

The Fund will seek out eligible investments in both rural and urban centers throughout Saskatchewan.

Desirable investment opportunities for the Fund are businesses that provide an opportunity for a return on investment commensurate with the perceived risk. It is anticipated that investments will be in businesses which are at one of the following stages of development:

- ▶ **Expansion Financing**
Investments in businesses that require financing to expand sales or to launch a new product or service.
- ▶ **Management/Employee Buyouts**
Investments where the proceeds of the financing are used to acquire control of a business that has significant expansion potential that can be realized by adding or aligning management and capital.
- ▶ **Restructurings or Turnarounds**
Investment in businesses which have the potential to succeed if additional investment is received and/or changes in management, staffing, operations, or marketing strategies are made.

MANAGEMENT REPORT OF FUND PERFORMANCE (CONTINUED)

Early-Stage Investments

Investments will be in businesses which have been in operation for a period but have not yet fully developed their product or service. Typically, funding will be required to address limitations or opportunities that have been identified after the initial business plan.

Prospective eligible investments will be expected to demonstrate some or all of the following characteristics:

- › a strong and experienced management team which is financially committed to and rewarded by the company's success;
- › a strong competitive position because of superior technology, innovative products, comparative cost advantage, established market position, significant barriers to entry, and/or dominant distribution in its market;
- › with respect to expansion funding, a reasonable expectation of earnings growth based on past financial performance or a strong likelihood of new market success;
- › with respect to start-up or early-stage funding, a sound business concept or plan which presents a convincing opportunity to establish a comparative business advantage in a growth market;
- › with respect to term debt, a reasonable level of unencumbered and disposable net asset security coverage and good interest/principal coverage being generated from current cash flows;
- › with respect to subordinated debt funding, a satisfactory level of current cash flow interest coverage with the likelihood for near-term coverage improvement; and

- › with respect to management buyout opportunities, a strong current cash flow position coupled with the opportunity for near-term earnings improvement resulting from a competitively enhanced new business or operating environment.

The Fund's Class A shares will attempt to reduce overall risk by diversification of investments in various sectors within Saskatchewan, including but not limited to the following:

- › Industrials and Manufacturing;
- › Consumer Discretionary and Staples;
- › Energy Production and Midstream;
- › Ag Products and Services; and,
- › Information technology.

The Fund's Class R shares focus on investments in the province's resources sector – specifically oil and gas development, related services, and mining.

The form of the Fund's investments is selected and negotiated after considering the investment criteria and guidelines of the Fund, the long-term requirements of the investee business, the stage of development of the investee business, the investee business' requirements, the ability to negotiate down-side protection, and tax considerations. The Fund diversifies its investment portfolio using such instruments, among others, as common shares, convertible debentures, convertible preferred shares, debt with equity participation, secured debt, funded loan guarantees, and bridge loans.

Where the Fund makes an investment by way of a loan, such investment is expected to be secured by a charge over the investee business' assets, but may be subordinated to other lenders' security.

The Fund may guarantee loans of eligible businesses, and in such circumstances, the making of such loans would permit the growth and development of the business without the Fund being the primary investor. The aggregate of loan guarantees may not exceed 10% of the Fund's total assets at the time each loan guarantee is provided. The Fund intends to maintain a liquid reserve of 25% of the guaranteed amount on any loan guarantees. The Fund will maintain liquid reserves in term deposits and high-quality government and corporate debt obligations.

To the extent possible, investments are diversified by the expected holding period of the investment. Generally, the average holding period is expected to be five to eight years. The Fund may choose to refinance its investment through an arm's length third party where the expected return can be achieved in a shorter time frame. All investment recommendations will include a strategy for realization of investments made. Possible exit strategies include the following:

- › refinancing with conventional lenders or leasing companies;
- › sale of the business or investment to a third-party;
- › a public offering; or,
- › sale of the investment back to the business or its principals through exercise of a put or call contractual provision included within the equity securities arrangement.

RISK

(in thousands of dollars)

The primary risk related to an investment in the Fund's Class A or Class R shares is the fact that it must continually identify and evaluate investment opportunities that meet its eligibility criteria. A further risk is

that many of these investments are made in small and medium-sized private companies that are by their nature illiquid. In addition, the process of valuing private investments is more complex and subjective than that of valuing publicly traded securities.

Over the course of the year ended August 31, 2024, the Fund continued to evaluate and identify eligible venture investment opportunities. The Fund's Class A shares purchased \$4,095 (2023 – \$60,853) and the Class R shares purchased \$nil (2023 – \$4,000) of venture investments. In addition, \$2,126 has been committed by the Fund's Class A shares and \$nil by Class R shares to future, but not yet disbursed, transactions. At this time, both Class A and Class R share classes hold low cash levels due to strong placement activity in prior years.

With respect to liquidity risk, the Fund continues to exit its investments, with

proceeds from disposition of investments of \$4,706 (2023 – \$11,067) from Class A and proceeds from disposition of investments of \$10,000 (2023 – \$8,459) from Class R shares during the year ended August 31, 2024. These exits resulted in a \$929 (2023 – \$2,173) net gain for the Class A shares and a \$10,000 net gain (2023 – \$2,452) for the Class R shares over the life of those investments.

With respect to valuation risk, since inception, the Fund's Class A and R shares have not exited an investment, whether at a loss or for a gain, at an amount materially less than the carrying value of that investment.

RESULTS OF OPERATIONS

(in thousands of dollars, except for per share amounts)

The Fund increased its Class A venture investment portfolio at fair value by \$39,192 (2023 – \$72,586) and decreased

the fair value of its Class R portfolio by \$1,638 (2023 – \$4,659) over the year ended August 31, 2024.

Venture investments, at cost, made up 58.3% of Class A's and 37.6% of Class R's net assets attributable to holders of redeemable shares at August 31, 2024, as compared to 62% of Class A's and 37.3% of Class R's net assets at August 31, 2023. Venture investments at fair value (cost plus/minus unrealized appreciation/depreciation) comprised 96.6% of Class A's and 108.7% of Class R's net assets at August 31, 2024, as compared to 91.1% of Class A's and 109% of Class R's net assets at August 31, 2023.

The Fund's cash and short-term investments totalled \$70,276 (2023 – \$74,537) in Class A and \$9,018 in Class R (2023 – \$6,445). When the Fund's objective of maintaining a proportion of share capital in



INVESTEE HIGHLIGHT

HI-TEC PROFILES LP

INDUSTRY: INDUSTRIALS

Hi-Tec Profiles LP is a Regina-based steel processing company with an additional location in Saskatoon. Hi-Tec was established in 1995 and provides steel cutting, bending, and materials used in the production of agricultural equipment, mining equipment, electrical transformation, and other miscellaneous items.

MANAGEMENT REPORT OF FUND PERFORMANCE (CONTINUED)

investment grade securities and approved but undisbursed transactions are considered, \$21,306 (2023 – \$25,475) for Class A and \$4,573 (2023 – \$1,410) for Class R of these cash and short-term investment balances are available for investment in venture transactions. A cash balance must be maintained to support follow-on investments within the portfolio of investee companies. Lastly, a reserve is maintained to satisfy potential redemption requests related to shares that have matured, but which remain outstanding.

The loan receivable attributable to Class A shares decreased to \$4,167 (2023 – \$5,847) at August 31, 2024, and the loan receivable attributable to Class R shares decreased to \$219 (2023 – \$369). The loan receivable is due from Conexus Credit Union which was the party responsible for administering and paying the base and additional commissions to the Fund’s agent and subagents. The loan decreases as Conexus makes annual repayments.

The accrued provision for incentive participation amount in Class A increased to \$58,396 (2023 – \$42,321) and increased in Class R to \$14,173 (2023 – \$12,036). These changes are due to the performance of the portfolio over the year ended August 31, 2024. Of the incentive participation amount at August 31, 2024, \$713 (Class A) and \$2,905 (Class R) relates to profitably exited investments which meet the incentive participation amount criteria. The balance is an accrual amount which may change based on the future carrying values and performance of the venture investment portfolio.

Effective June 1, 2022, Class A Series A shares were no longer available for sale. Proceeds on the issue of Class A Series B shares were \$29,974 (2023 – \$29,981). Proceeds on the issue of Class A Series F shares were \$4,065 (2023 – \$4,488).

Effective June 1, 2022, Class R Series A shares were no longer available for sale. Proceeds on the issue of Class R Series B shares were \$1,959 (2023 – \$1,658). Proceeds on the issue of Class A Series F shares were \$178 (2023 – \$198) for the same period.

Redemptions of Class A Series A shares were \$48,562 during the year ending August 31, 2024, compared to \$46,285 during the same period in 2023. Redemptions of Class A Series B shares were \$327 (2023 – \$116) during the same period. Redemptions of Class A Series F shares were \$1,240 (2023 – \$107) during the same period.

Redemptions of Class R Series A shares were \$10,889 during the year ended August 31, 2024, as compared to the \$10,293 for the same period in 2023. Redemptions of Class R Series B shares were \$12 (2023 – \$3) during the same period. Redemptions of Class R and Series F shares were \$13 (2023 – \$nil)

As in the past years, a significant portion of the shareholders who redeemed shares during the period re-invested in the Fund.

The Fund’s revenues related to Class A shares increased from \$67,340 for the year ended August 31, 2024 to \$45,293 for the same period in 2023. As a component of revenues, income from the Fund’s venture investments increased from \$17,883 to \$18,580 for Class A shares.

Revenues related to Class R shares increased from \$11,529 in 2023 to \$11,878 in 2024. As a component of revenues, income from venture investments increased from \$1,974 to \$2,796 for Class R shares over the reporting period. The increase in income from venture investments in Class A and Class R was a result of increased dividend and partner distribution activity from investments.

The expenses of the Fund, excluding incentive participation amount, related to Class A shares increased from \$17,305 for the year ended August 31, 2023 to \$17,564 in 2024.

Expenses – excluding the incentive participation amount – related to Class R shares decreased from \$2,305 in 2023, to \$2,266 in 2024.

Most of the Fund’s recurring expenses are a function of the amount of net assets throughout the year or the level of share activity during the year. As net assets and/or share activity increase or decrease, so too do those recurring expenses increase or decrease.

The Class A increase in net assets attributable to holders of redeemable shares from operations was \$33,102 (2023 – \$19,688). Class A shares had a significant year-over-year increase in net assets from operations driven primarily by unrealized investment appreciation in the current year.

The Class R increase in net assets attributable to holders of redeemable shares from operations was \$7,448 (2023 – \$7,941).

RECENT DEVELOPMENTS
(in thousands of dollars)

At the Fund’s Annual General Meeting of Shareholders held on December 15, 2023, the Fund’s sponsor, as the holder of the Class B shares, resolved to elect Daryl Schwartz and Kathy Zwick as directors, each for a three-year term. The holders of Class A and R shares resolved to elect Brent Banda and Jan McLellan Folk as directors, each for a three-year term.

National Instrument 81-107 (“NI 81-107”) requires an Independent Review Committee to be established which is mandated to review conflict of interest situations which may arise for a fund manager, particularly in

cases where management involves different segments within a fund and/or management of related funds.

In accordance with NI 81-107, the initial members of the Independent Review Committee were appointed by SaskWorks by May 1, 2007, and full compliance with NI 81-107 was achieved by November 1, 2007. Effective May 1, 2007, the Manager established an Independent Review Committee comprised of three independent and unrelated persons, appointed on a rotating term basis. The three members of the Independent Review Committee are Berny Gross, of Regina, Saskatchewan, an entrepreneur, and owner of a mechanical contracting company, (term expires November 2025); William Johnson, Q.C., B.A., LL.B., B.C.L. (OXON), retired lawyer of Regina, Saskatchewan (term expires November 2026); and Douglas Johnson, CPA, CA, of Regina, Saskatchewan (term expires November 2026).

The Independent Review Committee is responsible for annually reporting to shareholders and an annual committee report is required to be filed on SEDAR. This annual committee report was made available to shareholders following the August 31, 2023, fiscal year end.

The Provincial Government continues its support for the labour-sponsored program in Saskatchewan, with the provincial tax credit at 17.5% and a maximum annual sales cap of \$35,000. The federal tax credit remains at 15%.

RELATED PARTY TRANSACTIONS
(in thousands of dollars)

PFM Venture Capital Operations Inc., the manager of the Fund was paid \$11,000 (2023 – \$10,744) in management fees, including applicable taxes related to Class A shares during the year ended August 31, 2024. In addition, the provision for the

incentive participation amount payable to the manager, subject to the fulfillment of specific payment criteria, increased \$16,075 related to Class A shares, to a total provision, including applicable taxes, of \$58,396 in Class A.

PFM Venture Capital Operations Inc., was paid \$1,542 (2023 – \$1,563) in management fees, including applicable taxes, related to Class R during the year ended August 31, 2024. In addition, the provision for the incentive participation amount payable to the manager, subject to the fulfillment of specific payment criteria, increased \$2,137 related to Class R shares for the 2024 fiscal year to a total provision, including applicable taxes, of \$14,173 in Class R.

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FINANCIAL HIGHLIGHTS

(in thousands of dollars except number of shares and per share amounts)

The following tables show selected key financial information about the Fund's share class series and are intended to help you understand the Fund's financial performance for the past five years. This information is derived from the Fund's unaudited semi-annual and audited annual financial statements.

The Fund's Net Assets Per Class A Shares

| Series A | 2024 | | 2023 | | 2022 | | 2021 | 2020 | | |
|---|------|--------|------|--------|------|--------|------|--------|----|--------|
| Net Assets, beginning of period ⁽¹⁾ | \$ | 25.67 | \$ | 24.52 | \$ | 22.03 | \$ | 19.99 | \$ | 21.07 |
| Increase (decrease) from operations: ⁽²⁾ | | | | | | | | | | |
| Total revenue | \$ | 1.30 | \$ | 1.20 | \$ | 0.72 | \$ | 0.62 | \$ | 0.67 |
| Total expenses | \$ | (1.98) | \$ | (1.43) | \$ | (1.78) | \$ | (1.46) | \$ | (0.88) |
| Realized gains for the period | \$ | 0.05 | \$ | 0.12 | \$ | 1.63 | \$ | 2.02 | \$ | 0.64 |
| Unrealized gains (losses) for the period | \$ | 2.55 | \$ | 1.21 | \$ | 1.89 | \$ | 0.79 | \$ | (1.48) |
| Total increase (decrease) from operations | \$ | 1.92 | \$ | 1.10 | \$ | 2.46 | \$ | 1.97 | \$ | (1.05) |
| Net Assets, end of period ⁽¹⁾ | \$ | 27.60 | \$ | 25.67 | \$ | 24.52 | \$ | 22.03 | \$ | 19.99 |
| | | | | | | | | | | |
| Series B | 2024 | | 2023 | | 2022 | | 2021 | 2020 | | |
| Net Assets, beginning of period ⁽¹⁾ | \$ | 27.05 | \$ | 25.51 | \$ | - | \$ | - | \$ | - |
| Increase from operations: ⁽²⁾ | | | | | | | | | | |
| Total revenue | \$ | 2.02 | \$ | 2.87 | \$ | 1.56 | \$ | - | \$ | - |
| Total expenses | \$ | (3.09) | \$ | (3.42) | \$ | (3.87) | \$ | - | \$ | - |
| Realized gains for the period | \$ | 0.08 | \$ | 0.29 | \$ | 3.55 | \$ | - | \$ | - |
| Unrealized gains for the period | \$ | 3.97 | \$ | 2.89 | \$ | 4.11 | \$ | - | \$ | - |
| Total increase from operations | \$ | 2.98 | \$ | 2.63 | \$ | 5.35 | \$ | - | \$ | - |
| Net Assets, end of period ⁽¹⁾ | \$ | 29.93 | \$ | 27.05 | \$ | 25.51 | \$ | - | \$ | - |
| | | | | | | | | | | |
| Series F | 2024 | | 2023 | | 2022 | | 2021 | 2020 | | |
| Net Assets, beginning of period ⁽¹⁾ | \$ | 30.23 | \$ | 28.42 | \$ | 25.00 | \$ | 22.23 | \$ | 23.04 |
| Increase (decrease) from operations: ⁽²⁾ | | | | | | | | | | |
| Total revenue | \$ | 1.94 | \$ | 2.10 | \$ | 1.03 | \$ | 0.96 | \$ | 0.63 |
| Total expenses | \$ | (2.97) | \$ | (2.51) | \$ | (2.54) | \$ | (2.26) | \$ | (0.83) |
| Realized gains for the period | \$ | 0.08 | \$ | 0.21 | \$ | 2.33 | \$ | 3.14 | \$ | 0.61 |
| Unrealized gains (losses) for the period | \$ | 3.82 | \$ | 2.12 | \$ | 2.70 | \$ | 1.24 | \$ | (1.40) |
| Total increase (decrease) from operations | \$ | 2.87 | \$ | 1.92 | \$ | 3.52 | \$ | 3.08 | \$ | (0.99) |
| Net Assets, end of period ⁽¹⁾ | \$ | 33.09 | \$ | 30.23 | \$ | 28.42 | \$ | 25.00 | \$ | 22.23 |

⁽¹⁾ This information is derived from the Fund's audited annual and unaudited interim (if applicable) financial statements. Class A Series B shares were first offered for sale in December 2021 and sold in December 2021.

⁽²⁾ Net assets is based on the actual number of shares outstanding at the relevant time. The increase from operations is based on the weighted average number of shares outstanding over the financial period.

Ratios and Supplemental Data – Class A Shares

| Series A | 2024 | | 2023 | | 2022 | | 2021 | | 2020 | |
|---|------|------------|------|------------|------|------------|------|------------|------|------------|
| Total net asset value (000s) ⁽¹⁾ | \$ | 332,921 | \$ | 356,840 | \$ | 386,589 | \$ | 368,742 | \$ | 357,227 |
| Number of shares outstanding ⁽¹⁾ | | 12,060,200 | | 13,901,423 | | 15,765,271 | | 16,739,497 | | 17,869,854 |
| Management expense ratio ⁽²⁾ | | 7.93% | | 6.14% | | 7.91% | | 7.27% | | 4.29% |
| Management expense ratio excluding IPA ⁽³⁾ | | 4.07% | | 4.15% | | 4.42% | | 4.27% | | 4.29% |
| Trading expense ratio ⁽⁶⁾ | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| Portfolio turnover ratio ⁽⁷⁾ | | 1.04% | | 4.14% | | 13.83% | | 10.91% | | 2.99% |
| Net asset value per share | \$ | 27.60 | \$ | 25.67 | \$ | 24.52 | \$ | 22.03 | \$ | 19.99 |
| | | | | | | | | | | |
| Series B | 2024 | | 2023 | | 2022 | | 2021 | | 2020 | |
| Total net asset value (000s) ⁽¹⁾ | \$ | 71,325 | \$ | 35,792 | \$ | 4,216 | \$ | - | \$ | - |
| Number of shares outstanding ⁽¹⁾ | | 2,382,742 | | 1,323,099 | | 165,292 | | - | | - |
| Management expense ratio ⁽²⁾ | | 9.73% | | 8.59% | | 7.62% | | - | | - |
| Management expense ratio excluding IPA ⁽³⁾ | | 4.98% | | 5.84% | | 4.26% | | - | | - |
| Management expense ratio before waiver ⁽⁴⁾ | | - | | - | | 37.40% | | - | | - |
| Management expense ratio before waiver and excluding IPA ⁽⁵⁾ | | - | | - | | 34.05% | | - | | - |
| Trading expense ratio ⁽⁶⁾ | | - | | - | | - | | - | | - |
| Portfolio turnover ratio ⁽⁷⁾ | | 1.04% | | 4.14% | | 13.83% | | - | | - |
| Net asset value per share | \$ | 29.93 | \$ | 27.05 | \$ | 25.51 | \$ | - | \$ | - |
| | | | | | | | | | | |
| Series F | 2024 | | 2023 | | 2022 | | 2021 | | 2020 | |
| Total net asset value (000s) ⁽¹⁾ | \$ | 30,582 | \$ | 25,186 | \$ | 19,364 | \$ | 14,142 | \$ | 9,814 |
| Number of shares outstanding ⁽¹⁾ | | 924,218 | | 833,164 | | 681,319 | | 565,649 | | 441,402 |
| Management expense ratio ⁽²⁾ | | 6.31% | | 5.97% | | 5.90% | | 5.81% | | 3.10% |
| Management expense ratio excluding IPA ⁽³⁾ | | 3.18% | | 3.84% | | 3.24% | | 3.33% | | 3.10% |
| Trading expense ratio ⁽⁶⁾ | | - | | - | | - | | - | | - |
| Portfolio turnover ratio ⁽⁷⁾ | | 1.04% | | 4.14% | | 13.83% | | 10.91% | | 2.99% |
| Net asset value per share | \$ | 33.09 | \$ | 30.23 | \$ | 28.42 | \$ | 25.00 | \$ | 22.23 |

⁽¹⁾ This information is provided as at end of fiscal period shown. Series B shares were first offered for sale and sold in December 2021

⁽²⁾ Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage (Series A & F – 52 weeks, Series B – 36 weeks) of average weekly net asset value during the period.

⁽³⁾ Management expense ratio excluding Incentive Participation Amount (IPA) is based on total expenses, less incentive participation amount, for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period.

⁽⁴⁾ Management expense ratio before waiver is based on total expenses before agent's 1% commission waived for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period. Period is December 15, 2021, to August 31, 2022.

⁽⁵⁾ Management expense ratio before waiver and excluding Incentive Participation Amount (IPA) is based on total expenses before agent's 1% commission waived, less incentive participation amount, for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period.

⁽⁶⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of weekly average net asset value during the period.

⁽⁷⁾ The Fund's portfolio turnover rate indicates how actively the Fund's Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a year the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

MANAGEMENT REPORT OF FUND PERFORMANCE (CONTINUED)

The Fund's Net Assets Per Class R Shares

| Series A | 2024 | | 2023 | | 2022 | | 2021 | 2020 | | |
|---|------|--------|------|--------|------|--------|------|--------|----|--------|
| Net Assets, beginning of period ⁽¹⁾ | \$ | 24.02 | \$ | 21.07 | \$ | 12.93 | \$ | 9.46 | \$ | 11.65 |
| Increase (decrease) from operations: ⁽²⁾ | | | | | | | | | | |
| Total revenue | \$ | 1.25 | \$ | 0.81 | \$ | 0.34 | \$ | 0.05 | \$ | 0.14 |
| Total expenses | \$ | (1.72) | \$ | (1.22) | \$ | (2.70) | \$ | (1.38) | \$ | (0.14) |
| Realized gains (losses) for the period | \$ | 3.88 | \$ | 0.84 | \$ | 2.16 | \$ | (0.48) | \$ | - |
| Unrealized gains (losses) for the period | \$ | (0.52) | \$ | 2.28 | \$ | 8.07 | \$ | 4.99 | \$ | (2.02) |
| Total increase (decrease) from operations | \$ | 2.89 | \$ | 2.71 | \$ | 7.87 | \$ | 3.18 | \$ | (2.02) |
| Net Assets, end of period ⁽¹⁾ | \$ | 27.11 | \$ | 24.02 | \$ | 21.07 | \$ | 12.93 | \$ | 9.46 |
| | | | | | | | | | | |
| Series B | 2024 | | 2023 | | 2022 | | 2021 | 2020 | | |
| Net Assets, beginning of period ⁽¹⁾ | \$ | 28.76 | \$ | 23.21 | \$ | - | \$ | - | \$ | - |
| Increase from operations: ⁽²⁾ | | | | | | | | | | |
| Total revenue | \$ | 3.36 | \$ | 3.16 | \$ | 0.53 | \$ | - | \$ | - |
| Total expenses | \$ | (4.64) | \$ | (4.74) | \$ | (4.21) | \$ | - | \$ | - |
| Realized gains for the period | \$ | 10.48 | \$ | 3.24 | \$ | 3.37 | \$ | - | \$ | - |
| Unrealized gains for the period | \$ | (1.39) | \$ | 8.83 | \$ | 12.56 | \$ | - | \$ | - |
| Total increase increase from operations | \$ | 7.81 | \$ | 10.49 | \$ | 12.25 | \$ | - | \$ | - |
| Net Assets, end of period ⁽¹⁾ | \$ | 35.60 | \$ | 28.76 | \$ | 23.21 | \$ | - | \$ | - |
| | | | | | | | | | | |
| Series F | 2024 | | 2023 | | 2022 | | 2021 | 2020 | | |
| Net Assets, beginning of period ⁽¹⁾ | \$ | 25.08 | \$ | 21.37 | \$ | 13.53 | \$ | 10.45 | \$ | 12.16 |
| Increase (decrease) from operations: ⁽²⁾ | | | | | | | | | | |
| Total revenue | \$ | 2.24 | \$ | 1.31 | \$ | 0.34 | \$ | 0.05 | \$ | 0.13 |
| Total expenses | \$ | (3.09) | \$ | (1.97) | \$ | (2.70) | \$ | (1.53) | \$ | (0.13) |
| Realized gains (losses) for the period | \$ | 6.97 | \$ | 1.35 | \$ | 2.16 | \$ | (0.53) | \$ | - |
| Unrealized gains (losses) for the period | \$ | (0.93) | \$ | 3.67 | \$ | 8.07 | \$ | 5.53 | \$ | (1.82) |
| Total increase (decrease) increase from operations | \$ | 5.19 | \$ | 4.36 | \$ | 7.87 | \$ | 3.52 | \$ | (1.82) |
| Net Assets, end of period ⁽¹⁾ | \$ | 30.05 | \$ | 25.08 | \$ | 21.37 | \$ | 13.53 | \$ | 10.45 |

⁽¹⁾ This information is derived from the Fund's audited annual and unaudited interim (if applicable) financial statements. Class R Series B shares were first offered for sale in December 2021 and sold in January 2022.

⁽²⁾ Net assets is based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial period.

Ratios and Supplemental Data – Class R Shares

| Series A | 2024 | | 2023 | | 2022 | | 2021 | | 2020 | |
|---|------|-----------|------|-----------|------|-----------|------|-----------|------|-----------|
| Total net asset value (000s) ⁽¹⁾ | \$ | 54,224 | \$ | 58,756 | \$ | 61,612 | \$ | 44,954 | \$ | 40,352 |
| Number of shares outstanding ⁽¹⁾ | | 2,000,058 | | 2,446,062 | | 2,923,856 | | 3,477,145 | | 4,266,594 |
| Management expense ratio ⁽²⁾ | | 7.42% | | 6.30% | | 16.35% | | 13.70% | | 1.40% |
| Management expense ratio excluding IPA ⁽³⁾ | | 3.80% | | 3.85% | | 4.02% | | 4.52% | | 4.71% |
| Trading expense ratio ⁽⁶⁾ | | 0.00% | | 0.00% | | 0.00% | | 0.00% | | 0.00% |
| Portfolio turnover ratio ⁽⁷⁾ | | 0.00% | | 6.78% | | 8.25% | | 3.36% | | 0.00% |
| Net asset value per share | \$ | 27.11 | \$ | 24.02 | \$ | 21.07 | \$ | 12.93 | \$ | 9.46 |
| | | | | | | | | | | |
| Series B | 2024 | | 2023 | | 2022 | | 2021 | | 2020 | |
| Total net asset value (000s) ⁽¹⁾ | \$ | 5,156 | \$ | 2,282 | \$ | 225 | \$ | - | \$ | - |
| Number of shares outstanding ⁽¹⁾ | | 144,802 | | 79,342 | | 9,694 | | - | | - |
| Management expense ratio ⁽²⁾ | | 9.89% | | 12.61% | | 16.83% | | - | | - |
| Management expense ratio excluding IPA ⁽³⁾ | | 5.02% | | 7.70% | | 4.20% | | - | | - |
| Management expense ratio before waiver ⁽⁴⁾ | | - | | - | | 61.82% | | - | | - |
| Management expense ratio before waiver and excluding IPA ⁽⁵⁾ | | - | | - | | 49.20% | | - | | - |
| Trading expense ratio ⁽⁶⁾ | | - | | - | | - | | - | | - |
| Portfolio turnover ratio ⁽⁷⁾ | | - | | 6.78% | | 8.25% | | - | | - |
| Net asset value per share | \$ | 35.60 | \$ | 28.76 | \$ | 23.21 | \$ | - | \$ | - |
| | | | | | | | | | | |
| Series F | 2024 | | 2023 | | 2022 | | 2021 | | 2020 | |
| Total net asset value (000s) ⁽¹⁾ | \$ | 1,023 | \$ | 694 | \$ | 394 | \$ | 218 | \$ | 135 |
| Number of shares outstanding ⁽¹⁾ | | 34,009 | | 27,670 | | 18,436 | | 16,117 | | 12,912 |
| Management expense ratio ⁽²⁾ | | 6.53% | | 6.17% | | 12.88% | | 10.97% | | 1.00% |
| Management expense ratio excluding IPA ⁽³⁾ | | 3.28% | | 3.75% | | 3.14% | | 3.49% | | 3.27% |
| Trading expense ratio ⁽⁶⁾ | | - | | - | | - | | - | | - |
| Portfolio turnover ratio ⁽⁷⁾ | | - | | 6.78% | | 8.25% | | 3.36% | | 0.00% |
| Net asset value per share | \$ | 30.05 | \$ | 25.08 | \$ | 21.37 | \$ | 13.53 | \$ | 10.45 |

⁽¹⁾ This information is provided as at end of fiscal period shown. Series B shares were first offered for sale in December 2021 and sold in January 2022.

⁽²⁾ Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage (Series A & F – 52 weeks, Series B – 33 weeks) of average weekly net asset value during the period.

⁽³⁾ Management expense ratio excluding Incentive Participation Amount (IPA) is based on total expenses, less incentive participation amount, for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period.

⁽⁴⁾ Management expense ratio before waiver is based on total expenses before agent's 1% commission waived for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period. Period is December 15, 2021, to August 31, 2022.

⁽⁵⁾ Management expense ratio before waiver and excluding Incentive Participation Amount (IPA) is based on total expenses before agent's 1% commission waived, less incentive participation amount, for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period.

⁽⁶⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of weekly average net asset value during the period.

⁽⁷⁾ The Fund's portfolio turnover rate indicates how actively the Fund's Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a year the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

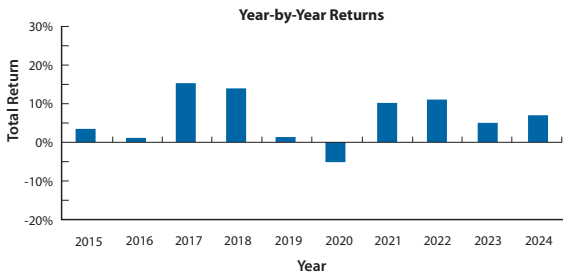
MANAGEMENT REPORT OF FUND PERFORMANCE (CONTINUED)

MANAGEMENT FEES

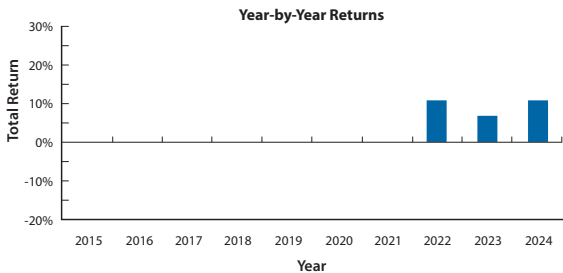
The manager (PFM Venture Capital Operations Inc.), as compensation for managing and administering the business affairs of SaskWorks, including management of its venture investment portfolio, receives an annual management fee equal to 2.5% of the aggregate net asset value of the Class A Series A, Class A Series F, Class R Series A, and Class R Series F shares, as at each weekly valuation date. The fee is calculated and payable monthly in arrears.

The manager is also entitled to an incentive participation amount, subject to satisfying certain conditions, equal to 20% of the return, before expenses, based on realized gains and cumulative performance of individual venture investments. An incentive participation amount is due only upon realization of an individual venture investment and payable on an annual basis.

Class A Series A Shares

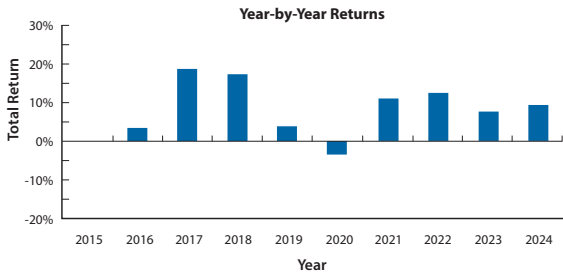


Class A Series B Shares ⁽¹⁾



⁽¹⁾ Class A Series B shares were first available for sale in December 2021.

Class A Series F Shares



Class A Series F shares were first available for sale beginning January 1, 2016.

PAST PERFORMANCE

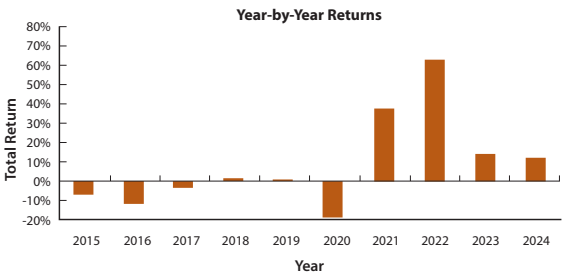
General

The past performance of the Fund does not necessarily indicate how the Fund will perform in the future.

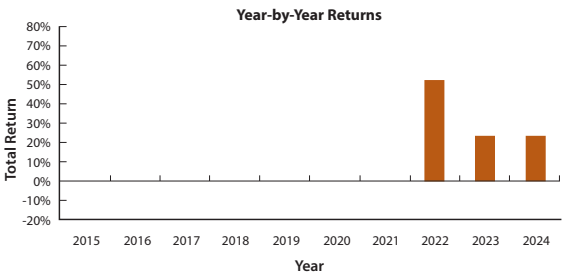
The following charts illustrate:

- the annualized performance of each series of shares for the periods shown, and how the series’ performance has changed from period to period (September 1 to August 31 or September 1 to February 29 for interim); and
- in percentage terms, how much an investment made in each series of shares on the first day of each fiscal period (September 1) would have increased or decreased by the last day of the fiscal period (August 31 or February 29 for interim).

Class R Series A Shares

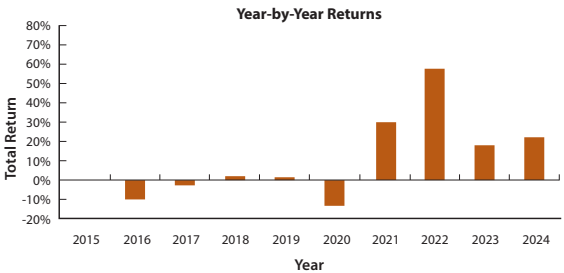


Class R Series B Shares ⁽²⁾



⁽²⁾ Class R Series B shares were first available for sale in December 2021.

Class R Series F Shares



Class R Series F shares were first available for sale beginning January 1, 2016.

ANNUAL COMPOUND RETURNS

The table below shows the annual compound returns of the Fund for varying time periods for each of the years since the inception of the Fund. The Canadian Investment Funds Standards Committee (“CIFSC”) Retail Venture Capital Index is used as a reference. Funds in the Retail Venture Capital Index include but are not limited to Labour Sponsored Investment Funds (LSIF) and other related funds that receive special tax benefits for investing in Canadian venture capital.

| Class A Series A | 2024 | 2023 | 2022 | 2021 | 2020 |
|------------------|-------|-------|--------|--------|---------|
| One year | 7.50% | 4.68% | 11.32% | 10.19% | (5.14%) |
| Three year | 7.80% | 8.69% | 5.18% | 1.94% | 3.09% |
| Five year | 5.54% | 4.30% | 6.09% | 6.84% | 5.03% |
| Ten year | 6.20% | 5.73% | 5.66% | 4.54% | 4.17% |
| Since inception | 4.35% | 4.22% | 4.16% | 3.83% | 3.52% |

| Class A Series B ⁽¹⁾ | | | | | |
|---------------------------------|--------|-------|--------|--|--|
| One year | 10.66% | 6.06% | 10.78% | | |
| Since inception | 9.14% | 8.39% | | | |

| Class A Series F ⁽²⁾ | | | | | |
|---------------------------------|-------|--------|--------|--------|---------|
| One year | 9.45% | 6.38% | 13.67% | 12.45% | (3.49%) |
| Three year | 9.79% | 10.79% | 7.25% | 4.04% | 5.45% |
| Five year | 7.51% | 6.37% | 8.43% | 9.33% | 7.26% |
| Since inception | 8.67% | 8.27% | 8.89% | 8.11% | |

| Class R Series A | | | | | |
|------------------|--------|--------|--------|---------|----------|
| One year | 12.87% | 13.99% | 62.99% | 36.69% | (18.83%) |
| Three year | 28.00% | 36.43% | 21.83% | 3.78% | (6.10%) |
| Five year | 18.40% | 15.74% | 13.02% | 1.76% | (6.91%) |
| Ten year | 6.57% | 5.50% | 3.91% | (1.74%) | (3.77%) |
| Since inception | 5.39% | 5.03% | 4.48% | 1.62% | (0.37%) |

| Class R Series B ⁽¹⁾ | | | | | |
|---------------------------------|--------|--------|--------|-------|-------|
| One year | 23.79% | 23.93% | 51.25% | | |
| Since inception | 32.39% | 36.91% | 0.00% | 0.00% | 0.00% |

| Class R Series F ⁽²⁾ | | | | | |
|---------------------------------|--------|--------|--------|--------|----------|
| One year | 19.80% | 17.37% | 57.95% | 29.47% | (14.02%) |
| Three year | 30.47% | 33.89% | 20.70% | 4.20% | (3.76%) |
| Five year | 19.84% | 15.96% | 12.76% | 2.37% | (4.06%) |
| Since inception | 9.89% | 9.62% | 7.53% | 0.86% | |

| CIFSC Retail Venture Capital Index ⁽³⁾ | | | | | |
|---|--------|--------|---------|---------|----------|
| One year | 6.15% | 9.68% | 0.20% | 3.37% | (27.53%) |
| Three year | 10.23% | 12.13% | (3.93%) | (4.85%) | (13.53%) |
| Five year | 5.69% | 4.70% | (2.31%) | (1.88%) | (11.53%) |
| Ten year | 2.04% | 2.70% | (2.41%) | (1.96%) | (7.12%) |

⁽¹⁾ Class A Series B and Class R Series B were first available for sale in Decemeber 2021.

⁽²⁾ Class A Series F and Class R Series F were first offered for sale beginning January 1, 2016.

⁽³⁾ Average return of the CIFSC Retail Venture Capital Index combining Retail Venture Capital Funds

MANAGEMENT REPORT OF FUND PERFORMANCE (CONTINUED)

SUMMARY OF INVESTMENT PORTFOLIO

(in thousands of dollars)

The table below summarizes the 25 largest investment holdings of the Fund's Class A Shares.

| | Investee | Coupon | Description of Security/Maturity | Investment at cost | % of net asset value |
|----|------------------------------------|--------|-----------------------------------|-----------------------|-------------------------|
| 1 | Steel Reef Infrastructure Fund | | Class A common, voting shares | \$ 39,690 | 9.13% |
| 2 | Sexton Group LLP | | Class A common, voting shares | 39,000 | 8.97% |
| 3 | GHC Systems Inc. | | Class A common, voting shares | 15,330 | 3.53% |
| 4 | Auctus Property Fund LP | | Partnership units | 14,845 | 3.41% |
| 5 | All-Fab Building Components Inc. | | Class A common, voting shares | 11,685 | 2.69% |
| 6 | Hi-Tec Profiles Inc. | | Class A common, voting shares | 11,403 | 2.62% |
| 7 | Woodland Development Corp. | | Class A common, voting shares | 11,000 | 2.53% |
| 8 | DyMark Inustries Inc. | | Class F common, non-voting shares | 9,093 | 2.09% |
| 9 | CIM Aquisition LP | | Partnership units | 8,951 | 2.06% |
| 10 | TAM International Inc. | | Class A common, voting shares | 8,770 | 2.02% |
| 11 | James Hill Road Villa LP | | Partnership units | 7,208 | 1.73% |
| 12 | Vendasta Technologies Inc. | | Preferred shares | 6,664 | 1.53% |
| 13 | James Hill Road Villa LP | 4.05% | Term loan | 5,429 | 1.25% |
| 14 | Prairie Soil Services Inc. | | Class A common, voting shares | 4,359 | 1.00% |
| 15 | 255 2nd Ave. North Properties Ltd. | 8.75% | Subordinated loan | 4,050 | 0.93% |
| 16 | Foundation Development Inc. | 12.00% | Subordinated loan | 3,990 | 0.92% |
| 17 | Hi-Tec Profiles LP | | Partnership units | 3,375 | 0.78% |
| 18 | Parkside Townhomes | | Class A common, voting shares | 2,915 | 0.67% |
| 19 | Prairie Soil Services Inc. | 12.00% | Subordinated loan | 2,790 | 0.64% |
| 20 | Avalon Oil & Gas Ltd. | | Class A common, voting shares | 2,726 | 0.63% |
| 21 | DyMark Industries Inc. | | Class A common, voting shares | 2,709 | 0.62% |
| 22 | James Hill Road Villa LP | | Partnership units | 2,669 | 0.61% |
| 23 | IM Wireless Communications Ltd. | | Class A common, voting shares | 2,663 | 0.61% |
| 24 | Karve Energy Inc. | | Class A common, voting shares | 2,000 | 0.46% |
| 25 | Switch Power Corp. | 11.50% | Convertible debenture | 2,000 | 0.46% |
| | | | | \$ 225,305 | 51.89% |

The following table provides a breakdown of the Fund's Class A Shares venture investment portfolio by industry sector.

| Sector | Cost | % of Venture Portfolio |
|---|-------------------|------------------------|
| Energy | \$ 68,000 | 26.79% |
| Industrials, Information Technology, Telecommunications and Consumer Staples | 117,243 | 46.21% |
| Real Estate | 29,209 | 11.52% |
| Consumer Discretionary | 39,268 | 15.48% |
| | \$ 253,720 | 100.00% |

The table below summarizes the investment holdings of the Fund's Class R Shares.

| | Investee | Coupon | Description of Security/Maturity | Investment at cost | % of net asset value |
|---|---------------------------------|--------|----------------------------------|-----------------------|-------------------------|
| 1 | Avalon Oil & Gas Ltd. | | Class A common, voting shares | \$ 5,670 | 9.39% |
| 2 | Stampede Drilling Inc. | | Class A common, voting shares | 4,735 | 7.84% |
| 3 | Woodland Development Corp. | | Class A common, voting shares | 4,000 | 6.62% |
| 4 | Steel Reef Infrastructure Fund | | Class A common, voting shares | 3,735 | 6.18% |
| 5 | Karve Energy Inc. | | Class A common, voting shares | 2,000 | 3.31% |
| 6 | Burgess Creek Exploration Inc. | | Class A common, voting shares | 1,430 | 2.37% |
| 7 | Sun Country Well Servicing Inc. | | Class A common, voting shares | 948 | 1.57% |
| 8 | TAM International Inc. | | Class A common, voting shares | 186 | 0.31% |
| 9 | Spur Petroleum Ltd. | | Class A common, voting shares | - | 0.00% |
| | | | | \$ 22,704 | 37.59% |

The following table provides a breakdown of the Fund's Class R Shares venture investment portfolio by industry sector.

| Sector | Cost | % of Venture Portfolio |
|--------|------------------|------------------------|
| Energy | \$ 22,704 | 100.00% |
| | \$ 22,704 | 100.00% |

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Shareholders of **SaskWorks Venture Fund Inc.**:

The accompanying financial statements of **SaskWorks Venture Fund Inc.** (the “Fund”) and other financial information contained in the annual report are the responsibility of management. The financial statements have been prepared by management based on the information available to October 17, 2024, are in accordance with International Financial Reporting Standards, and reflect management’s best estimates and judgments.

Management has established systems of internal controls which are designed to provide reasonable assurance those assets are safeguarded from loss or unauthorized use and to produce reliable accounting records for the preparation of financial information.

The Board of Directors discharges its responsibility for the financial statements primarily through the activities of the Audit and Valuation Committee (the “Committee”), which is comprised of members of the Board of Directors.

The Fund determines the value of its Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares on an annual basis by means of a valuation that is reviewed by the Fund’s external auditors.

The Committee meets with management and the external auditors to discuss the results of the valuation and the audit examination with respect to the adequacy of internal controls and to review the financial statements of the Fund. The Committee also considers, for review by the Board of Directors and approval by the shareholders, the engagement or re-appointment of the external auditors.

The accompanying financial statements have been approved by the Board of Directors and have been audited by MNP LLP, Chartered Professional Accountants. The auditor’s report outlines the scope of their audit and their opinion on the financial statements.

October 17, 2024



Randy Beattie
President



Rob Duguid
Chief Executive Officer, Chief Financial
Officer and Corporate Secretary

INDEPENDENT AUDITORS’ REPORT

Independent Auditors’ Report

To the Shareholders of SaskWorks Ventures Fund Inc.:

Opinion

We have audited the financial statements of SaskWorks Venture Fund Inc. (the “Fund”), which comprise, for both Class A and Class R shares, the statements of financial position as at August 31, 2024 and August 31, 2023, and the statements of comprehensive income, changes in net assets attributable to holders of the redeemable shares and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at August 31, 2024 and August 31, 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits 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 report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management Report of Fund Performance, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained the annual report and management report prior to the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, 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.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian 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 these 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Regina, Saskatchewan
October 17, 2024


Chartered Professional Accountants

STATEMENTS OF FINANCIAL POSITION – CLASS A

As at August 31

(in thousands of dollars except number of shares and per share amounts)

| | 2024 | 2023 |
|--|-------------------|-------------------|
| Assets | | |
| Cash | \$ 70,276 | \$ 64,537 |
| Accounts receivable and accrued income | 2,036 | 2,021 |
| Other assets | 9 | 81 |
| Short-term investments | - | 10,000 |
| Venture investments (Note 4) | 420,042 | 380,850 |
| Loan receivable (Note 5) | 4,167 | 5,847 |
| | 496,530 | 463,336 |
| Liabilities | | |
| Accrued provision for incentive participation amount | 58,396 | 42,321 |
| Accounts payable and accrued liabilities | 3,304 | 3,197 |
| | 61,700 | 45,518 |
| Net assets attributable to holders of redeemable shares | \$ 434,830 | \$ 417,818 |
| Redeemable shares outstanding (Note 6) | | |
| Series A | 12,060,200 | 13,901,423 |
| Series B | 2,382,742 | 1,323,099 |
| Series F | 924,218 | 833,164 |
| Net assets attributable to holders of redeemable shares | | |
| Series A | \$ 332,921 | 356,840 |
| Series B | 71,325 | 35,792 |
| Series F | 30,584 | 25,186 |
| Net assets attributable to holders of redeemable shares per share | | |
| Series A | \$ 27.60 | 25.67 |
| Series B | 29.93 | 27.05 |
| Series F | 33.09 | 30.23 |

Commitments (Note 13)

See accompanying notes to the financial statements

On behalf of the Board:  Director  Director

STATEMENTS OF COMPREHENSIVE INCOME – CLASS A

For the Years Ended August 31

(in thousands of dollars except per share amounts)

| | 2024 | 2023 |
|--|------------------|------------------|
| Income | | |
| Partnership and dividend income | \$ 16,921 | \$ 16,638 |
| Interest income | 5,439 | 4,792 |
| Other income | 31 | 28 |
| Net realized gain on disposition of venture investments | 929 | 2,173 |
| Net change in unrealized appreciation of venture investments | 44,020 | 21,662 |
| | 67,340 | 45,293 |
| Expenses | | |
| Audit fees | 214 | 194 |
| Custodial fees | 131 | 88 |
| Directors fees and expenses | 78 | 89 |
| Independent review committee fees | 3 | 4 |
| Legal fees | 139 | 130 |
| Management fees (Note 7) | 11,122 | 11,005 |
| Other | 72 | 43 |
| Professional fees | 309 | 250 |
| Provision for incentive participation amount (Note 7) | 16,674 | 8,300 |
| Service fees | 1,969 | 2,265 |
| Shareholder recordkeeping and marketing | 870 | 895 |
| Shareholder reporting | 260 | 186 |
| Trailer commissions | 2,397 | 2,156 |
| | 34,238 | 25,605 |
| Increase in net assets attributable to holders of redeemable shares from operations | \$ 33,102 | \$ 19,688 |
| Increase in net assets attributable to holders of redeemable shares from operations | | |
| Series A | \$ 24,643 | \$ 16,536 |
| Series B | 5,886 | 1,711 |
| Series F | 2,573 | 1,441 |
| Increase in net assets attributable to holders of redeemable shares from operations per average share outstanding | | |
| Series A | \$ 1.90 | \$ 1.11 |
| Series B | 3.18 | 2.30 |
| Series F | 2.93 | 1.90 |

See accompanying notes to the financial statements

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES – CLASS A

For the Years Ended August 31

(in thousands of dollars)

| | 2024 | 2023 |
|---|-----------|------------|
| Series A | | |
| Operating activities | | |
| Increase in net assets attributable to holders of redeemable shares from operations | \$ 24,643 | \$ 16,536 |
| Capital transactions | | |
| Redemption of shares | (48,562) | (46,285) |
| | (48,562) | (46,285) |
| Decrease in net assets attributable to holders of redeemable shares | (23,919) | (29,749) |
| Net assets attributable to holders of redeemable shares, beginning | 356,840 | 386,589 |
| Net assets attributable to holders of redeemable shares, ending | 322,921 | \$ 356,840 |
| Series B | | |
| Operating activities | | |
| Increase in net assets attributable to holders of redeemable shares from operations | \$ 5,886 | \$ 1,711 |
| Capital transactions | | |
| Proceeds on issue of shares | 29,974 | 29,981 |
| Redemption of shares | (327) | (116) |
| | 29,647 | 29,865 |
| Increase in net assets attributable to holders of redeemable shares | 35,533 | 31,576 |
| Net assets attributable to holders of redeemable shares, beginning | 35,792 | 4,216 |
| Net assets attributable to holders of redeemable shares, ending | 71,325 | \$ 35,792 |
| Series F | | |
| Operating activities | | |
| Increase in net assets attributable to holders of redeemable shares from operations | \$ 2,573 | \$ 1,441 |
| Capital transactions | | |
| Proceeds on issue of shares | 4,065 | 4,488 |
| Redemption of shares | (1,240) | (107) |
| | 2,825 | 4,381 |
| Increase in net assets attributable to holders of redeemable shares | 5,398 | 5,822 |
| Net assets attributable to holders of redeemable shares, beginning | 25,186 | 19,364 |
| Net assets attributable to holders of redeemable shares, ending | 30,584 | \$ 25,186 |

See accompanying notes to the financial statements

STATEMENTS OF CASH FLOWS – CLASS A

For the Years Ended August 31

(in thousands of dollars)

| | 2024 | 2023 |
|---|-----------|-----------|
| Cash provided by (used in): | | |
| Operating activities | | |
| Increase in net assets attributable to holders of redeemable shares from operations | \$ 33,102 | \$ 19,688 |
| Purchases of venture investments | (3,965) | (60,853) |
| Repayments from venture investments | 5,206 | 1,420 |
| Proceeds from disposition of venture investments | 4,706 | 11,067 |
| Matured long-term and short-term investments | 10,000 | 45,331 |
| Items not affecting cash: | | |
| Net realized gain on disposition of venture investments | (929) | (2,173) |
| Net amortization of discount/premium on venture investment debt | (190) | (385) |
| Net change in unrealized appreciation of venture investments | (44,020) | (21,662) |
| Net change in balances other than cash and investments (Note 8) | 17,919 | 3,230 |
| | 21,829 | (4,337) |
| Financing activities | | |
| Proceeds on issue of shares - Series B | 29,974 | 29,981 |
| Proceeds on issue of shares - Series F | 4,065 | 4,488 |
| Redemption of shares - Series A | (48,562) | (46,285) |
| Redemption of shares - Series B | (327) | (116) |
| Redemption of shares - Series F | (1,240) | (107) |
| | (16,090) | (12,039) |
| Increase (decrease) in cash | 5,739 | (16,376) |
| Cash, beginning | 64,537 | 80,913 |
| Cash, ending | \$ 70,276 | \$ 64,537 |

See accompanying notes to the financial statements

| | | |
|--------------------|--------|----------|
| Interest received | \$ 931 | \$ 1,721 |
| Dividends received | 6,543 | 4,248 |

STATEMENT OF INVESTMENT PORTFOLIO – CLASS A SHARES

As at August 31, 2024 (in thousands of dollars)

| Venture Investments | | | | | |
|--|-------------------------------|---------------|---------------|---------------------|-------|
| Investee | Instrument | Interest Rate | Maturity Date | Outstanding at Cost | %* |
| Energy | | | | | |
| Avalon Oil & Gas Ltd. | Class A common, voting shares | | | \$ 2,726 | |
| Burgess Creek Exploration Inc. | Class A common, voting shares | | | 1,430 | |
| Karve Energy Inc. | Class A common, voting shares | | | 2,000 | |
| Stampede Drilling Inc. | Class A common, voting shares | | | 1,728 | |
| Spur Petroleum Ltd. | Class A common, voting shares | | | 656 | |
| Steel Reef Infrastructure Fund | Class A common, voting shares | | | 39,690 | |
| TAM International Inc. | Class A common, voting shares | | | 8,770 | |
| Woodland Development Corp | Class A common, voting shares | | | 11,000 | |
| Venture investments at cost | | | | \$ 68,000 | 15.6% |
| Unrealized appreciation of venture investments | | | | \$ 92,987 | |
| Venture investments at fair value | | | | \$ 160,987 | 37.0% |
| Real Estate | | | | | |
| 255 2nd Ave. North Properties Ltd. | Class A common, voting shares | | | \$ 590 | |
| | Subordinated loan | 8.75% | On demand | 4,050 | |
| | Subordinated loan | 16.00% | On demand | 400 | |
| Agco Ag Ventures LP | Partnership units | | | 1,256 | |
| Auctus Property Fund LP | Partnership units | | | 14,845 | |
| Foundation Developments Inc. | Class A common, voting shares | | | 1,163 | |
| | Subordinated loan | 12.00% | On demand | 3,990 | |
| Parkside Townhomes | Class A common, voting shares | | | 2,915 | |
| Venture investments at cost | | | | \$ 29,209 | 6.7% |
| Unrealized appreciation of venture investments | | | | \$ 8,910 | |
| Venture investments at fair value | | | | \$ 38,119 | 8.8% |

*Percentages shown are in relation to net assets attributable to holders of redeemable shares

STATEMENT OF INVESTMENT PORTFOLIO – CLASS A SHARES (CONTINUED)

As at August 31, 2024 (in thousands of dollars)

| Venture Investments | | | | | |
|--|-------------------------------|---------------|---------------|---------------------|------|
| Investee | Instrument | Interest Rate | Maturity Date | Outstanding at Cost | %* |
| Consumer Discretionary | | | | | |
| Cubbie Technologies (Arctic Shelf Inc.) | Convertible promissory note | | | \$ 217 | |
| Biktrix Enterprises Inc. | Preferred shares | | | 1,000 | |
| | Subordinated loan | 10.00% | 7-Feb-26 | 1,196 | |
| Cadence Final Documents Services Ltd. | Preferred shares | | | 122 | |
| | Convertible debenture | 15.00% | 9-May-25 | 108 | |
| GHC Systems Inc. | Class A common, voting shares | | | 15,330 | |
| James Hill Road Villa LP | Partnership units | | | 2,669 | |
| | Partnership units | | | 7,208 | |
| | Subordinated loan | 15.00% | On demand | 1,751 | |
| | Subordinated loan | 2.45% | On demand | 175 | |
| | Subordinated loan | 15.00% | On demand | 196 | |
| | Term loan | 4.05% | On demand | 5,429 | |
| Paddock Wood Brewing Supplies Inc. | Promissory note | 0.00% | On demand | 35 | |
| | Promissory note | 0.00% | On demand | 946 | |
| | Term loan | 11.00% | 2-Dec-26 | 800 | |
| Pines Power Sports & Marine Ltd. | Class A common, voting shares | | | 300 | |
| | Subordinated loan | 12.00% | On demand | 815 | |
| | Subordinated loan | 6.00% | On demand | 718 | |
| Pivot Furniture Technologies Inc. | Preferred shares | | | 218 | |
| Village Care Home Inc. | Class A common, voting shares | | | 35 | |
| Venture investments at cost | | | | \$ 39,268 | 9.0% |
| Unrealized appreciation of venture investments | | | | -\$16,198 | |
| Venture investments at fair value | | | | \$ 23,070 | 5.3% |

*Percentages shown are in relation to net assets attributable to holders of redeemable shares

STATEMENT OF INVESTMENT PORTFOLIO – CLASS A SHARES (CONTINUED)

As at August 31, 2024 (in thousands of dollars)

| Venture Investments | | | | | |
|--|-----------------------------------|---------------|---------------|------------------------|-------|
| Investee | Instrument | Interest Rate | Maturity Date | Outstanding at Cost | %* |
| Industrials, Information Technology, Telecommunications and Consumer Staples | | | | | |
| 54e Dev Studios Inc. | SAFE Notes | | | \$ 450 | |
| 7shifts Inc. | Preferred shares | | | 1,543 | |
| All-Fab Building Components Inc. | Class A common, voting shares | | | 11,685 | |
| Arizona Lithium | Class A common, voting shares | | | 1,487 | |
| Coconut Software Inc. | Preferred shares | | | 2,193 | |
| CIM Acquisition LP | Partnership units | | | 8,951 | |
| DyMark Industries Inc. | Class F common, non-voting shares | | | 9,093 | |
| | Class A common, voting shares | | | 2,709 | |
| Ground Truth Technologies | Class A common, voting shares | | | 500 | |
| Hi-Tec Profiles Inc. | Class A common, voting shares | | | 11,404 | |
| Hi-Tec Profiles Limited Partnership | Partnership units | | | 3,375 | |
| Hi-Tec Holdings Inc. | Promissory note | 7.50% | On demand | 135 | |
| Horatio Investment Holdings | Class A common, voting shares | | | 295 | |
| IM Wireless Communications Ltd. | Class A common, voting shares | | | 2,663 | |
| | Subordinated loan | 7.00% | 15-Nov-24 | 1,732 | |
| | Preferred shares | | | 195 | |
| Lazar Equipment Ltd. | Class A common, voting shares | | | 1,991 | |
| Prairie Robotics Inc. | Preferred shares | | | 217 | |
| Prairie Soil Services Inc. | Subordinated loan | 12.00% | 31-Mar-27 | 2,790 | |
| | Class A common, voting shares | | | 4,359 | |
| Rivercity Innovations Inc. | Preferred shares | | | 258 | |
| Safety Evolution Systems | Class A common, voting shares | | | 217 | |
| SalonScale Technology Inc. | Preferred shares | | | 251 | |
| Sexton Group LLP | Class A common, voting shares | | | 39,000 | |
| Switch Power Corp. | Convertible debenture | 11.50% | On demand | 2,000 | |
| TaiV Inc. | Convertible debenture | 4.00% | On demand | 130 | |
| Vendasta Technologies Inc. | Preferred shares | | | 6,664 | |
| Viamo Inc. | Preferred shares | | | 956 | |
| Venture investments at cost | | | | \$ 117,243 | 27.0% |
| Unrealized appreciation of venture investments | | | | \$80,623 | |
| Venture investments at fair value | | | | 197,866 | 45.5% |
| Total venture investments | | | | \$ 253,720 | |
| Total venture investments at fair value | | | | \$ 420,042 | |

*Percentages shown are in relation to net assets attributable to holders of redeemable shares

STATEMENTS OF INVESTMENT PORTFOLIO

As at August 31, 2024 (in thousands of dollars)

The venture investments of the Fund were comprised of the following:

Class A Shares

| Industry sector | Number of Investees | Cost | Fair Value | % of Cost | % of Fair Value |
|--|---------------------|------------|------------|-----------|-----------------|
| Energy | 8 | \$ 68,000 | \$ 160,987 | 26.8 | 38.3 |
| Industrials, Information Technology, Telecommunications and Consumer Staples | 24 | 117,243 | 197,866 | 46.2 | 47.1 |
| Real Estate | 5 | 29,209 | 38,119 | 11.5 | 9.1 |
| Consumer Discretionary | 9 | 39,268 | 23,070 | 15.5 | 5.5 |
| | 46 | \$ 253,720 | \$ 420,042 | 100.0 | 100.0 |

| Stage of Development | Number of Investees | Cost | Fair Value | % of Cost | % of Fair Value |
|----------------------|---------------------|------------|------------|-----------|-----------------|
| Growth | 18 | \$ 45,572 | \$ 60,312 | 18.0 | 14.4 |
| Mature | 28 | 208,148 | 359,730 | 82.0 | 85.6 |
| | 46 | \$ 253,720 | \$ 420,042 | 100.00 | 100.00 |

STATEMENTS OF INVESTMENT PORTFOLIO (CONTINUED)

As at August 31, 2024 (in thousands of dollars)

The venture investments of the Fund were comprised of the following:

Class A Shares

as at August 31, 2024

| | | Cost | Fair Value | % of Cost | % of Fair Value |
|-----------------------------------|----|---------|------------|-----------|-----------------|
| Private equity securities | \$ | 222,891 | \$ 398,132 | 87.8 | 94.8 |
| Private debt securities | | 27,614 | 20,262 | 10.9 | 4.8 |
| Publicly traded equity securities | | 3,215 | 1,648 | 1.3 | 0.4 |
| | \$ | 253,720 | \$ 420,042 | 100.0 | 100.0 |

as at August 31, 2023

| | | Cost | Fair Value | % of Cost | % of Fair Value |
|-----------------------------------|----|---------|------------|-----------|-----------------|
| Private equity securities | \$ | 224,413 | \$ 352,116 | 86.8 | 92.4 |
| Private debt securities | | 31,111 | 26,965 | 12.0 | 7.1 |
| Publicly traded equity securities | | 3,215 | 1,769 | 1.2 | 0.5 |
| | \$ | 258,739 | \$ 380,850 | 100.0 | 100.0 |

STATEMENTS OF FINANCIAL POSITION – CLASS R

As at August 31

(in thousands of dollars except number of shares and per share amounts)

| | 2024 | 2023 |
|---|-----------|-----------|
| Assets | | |
| Cash | \$ 9,018 | \$ 6,445 |
| Other assets | 17 | 17 |
| Venture investments (Note 4) | 65,629 | 67,267 |
| Loan receivable (Note 5) | 219 | 369 |
| | 74,883 | 74,098 |
| Liabilities | | |
| Accrued provision for incentive participation amount | 14,173 | 12,036 |
| Accounts payable and accrued liabilities | 307 | 330 |
| | 14,480 | 12,366 |
| Net assets attributable to holders of redeemable shares | \$ 60,403 | \$ 61,732 |
| Redeemable shares outstanding (Note 6) | | |
| Series A | 2,000,058 | 2,446,062 |
| Series B | 144,802 | 79,342 |
| Series F | 34,009 | 27,670 |
| Net assets attributable to holders of redeemable shares | | |
| Series A | \$ 54,226 | \$ 58,756 |
| Series B | 5,155 | 2,282 |
| Series F | 1,022 | 694 |
| Net assets attributable to holders of redeemable shares per share | | |
| Series A | \$ 27.11 | \$ 24.02 |
| Series B | 35.60 | 28.76 |
| Series F | 30.05 | 25.08 |

Commitments (Note 13)

See accompanying notes to the financial statements

On behalf of the Board:  Director  Director

STATEMENTS OF COMPREHENSIVE INCOME – CLASS R

For the Years Ended August 31

(in thousands of dollars except per share amounts)

| | 2024 | 2023 |
|---|----------|----------|
| Income | | |
| Partnership and dividend income | \$ 2,796 | \$ 1,974 |
| Interest income | 403 | 412 |
| Other income | 9 | 5 |
| Net realized gain on disposition of venture investments | 10,000 | 2,452 |
| Net change in unrealized (depreciation)/appreciation of venture investments | (1,330) | 6,686 |
| | 11,878 | 11,529 |
| Expenses | | |
| Audit fees | 21 | 21 |
| Custodial fees | 13 | 10 |
| Directors fees and expenses | 8 | 10 |
| Independent review committee fees | - | 1 |
| Legal fees (recovery) | (2) | 15 |
| Management fees (Note 7) | 1,536 | 1,588 |
| Other | 9 | 7 |
| Professional fees | 113 | 29 |
| Provision for incentive participation amount (Note 7) | 2,164 | 1,283 |
| Service fees | 135 | 187 |
| Shareholder recordkeeping and marketing | 88 | 105 |
| Shareholder reporting | 27 | 22 |
| Trailer commissions | 318 | 310 |
| | 4,430 | 3,588 |
| Increase in net assets attributable to holders of redeemable shares from operations | \$ 7,448 | \$ 7,941 |
| Increase in net assets attributable to holders of redeemable shares from operations | | |
| Series A | \$ 6,359 | \$ 7,437 |
| Series B | 926 | 402 |
| Series F | 163 | 102 |
| Increase in net assets attributable to holders of redeemable shares from operations per average share outstanding | | |
| Series A | \$ 2.86 | \$ 2.77 |
| Series B | 8.26 | 9.03 |
| Series F | 5.29 | 4.42 |

See accompanying notes to the financial statements

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES – CLASS R

For the Years Ended August 31

(in thousands of dollars)

| | 2024 | 2023 |
|---|-----------|-----------|
| Series A | | |
| Operating activities | | |
| Increase in net assets attributable to holders of redeemable shares from operations | \$ 6,359 | \$ 7,437 |
| Capital transactions | | |
| Redemption of shares | (10,889) | (10,293) |
| | (10,889) | (10,293) |
| Decrease in net assets attributable to holders of redeemable shares | (4,530) | (2,856) |
| Net assets attributable to holders of redeemable shares, beginning | 58,756 | 61,612 |
| Net assets attributable to holders of redeemable shares, ending | \$ 54,226 | \$ 58,756 |
| Series B | | |
| Operating activities | | |
| Increase in net assets attributable to holders of redeemable shares from operations | \$ 926 | \$ 402 |
| Capital transactions | | |
| Proceeds on issue of shares | 1,959 | 1,658 |
| Redemption of shares | (12) | (3) |
| | 1,947 | 1,655 |
| Increase in net assets attributable to holders of redeemable shares | 2,873 | 2,057 |
| Net assets attributable to holders of redeemable shares, beginning | 2,282 | 225 |
| Net assets attributable to holders of redeemable shares, ending | \$ 5,155 | \$ 2,282 |
| Series F | | |
| Operating activities | | |
| Increase in net assets attributable to holders of redeemable shares from operations | \$ 163 | \$ 102 |
| Capital transactions | | |
| Proceeds on issue of shares | 178 | 198 |
| Redemption of shares | (13) | - |
| | 165 | 198 |
| Increase in net assets attributable to holders of redeemable shares | 328 | 300 |
| Net assets attributable to holders of redeemable shares, beginning | 694 | 394 |
| Net assets attributable to holders of redeemable shares, ending | \$ 1,022 | \$ 694 |

See accompanying notes to the financial statements

STATEMENTS OF CASH FLOWS – CLASS R

For the Years Ended August 31

(in thousands of dollars)

| | 2024 | 2023 |
|---|----------|----------|
| Cash provided by (used in): | | |
| Operating activities | | |
| Increase in net assets attributable to holders of redeemable shares from operations | \$ 7,448 | \$ 7,941 |
| Purchases of venture investments | - | (4,000) |
| Repayments from venture investments | 308 | 20 |
| Proceeds from disposition of venture investments | 10,000 | 8,459 |
| Items not affecting cash: | | |
| Net realized gain on disposition of venture investments | (10,000) | (2,452) |
| Net change in unrealized depreciation (appreciation) of venture investments | 1,330 | (6,686) |
| Net change in balances other than cash and investments (Note 8) | 2,264 | (989) |
| | 11,350 | 2,293 |
| Financing activities | | |
| Proceeds on issue of shares - Series B | 1,959 | 1,658 |
| Proceeds on issue of shares - Series F | 178 | 198 |
| Redemption of shares - Series A | (10,889) | (10,293) |
| Redemption of shares - Series B | (12) | (3) |
| Redemption of shares - Series F | (13) | - |
| | (8,777) | (8,440) |
| Increase (decrease) in cash | 2,573 | (6,147) |
| Cash, beginning | 6,445 | 12,592 |
| Cash, ending | \$ 9,108 | \$ 6,445 |

See accompanying notes to the financial statements

| | | |
|--------------------|----------|----------|
| Dividends received | \$ 2,759 | \$ 1,954 |
|--------------------|----------|----------|

STATEMENT OF INVESTMENT PORTFOLIO – CLASS R SHARES

As at August 31, 2024 (in thousands of dollars)

| Investee | Instrument | Outstanding at Cost | %* |
|--|-------------------------------|---------------------|--------|
| Energy | | | |
| Avalon Oil & Gas Ltd. | Class A common, voting shares | \$ 5,670 | |
| Burgess Creek Exploration Inc. | Class A common, voting shares | 1,430 | |
| Karve Energy Inc. | Class A common, voting shares | 2,000 | |
| Stampede Drilling Inc. | Class A common, voting shares | 4,735 | |
| Spur Petroleum Ltd. | Class A common, voting shares | - | |
| Steel Reef Infrastructure Fund | Class A common, voting shares | 3,735 | |
| Sun Country Well Servicing Inc. | Class A common, voting shares | 948 | |
| TAM International Inc. | Class A common, voting shares | 186 | |
| Woodland Development Corp | Class A common, voting shares | 4,000 | |
| Venture investments at cost | | \$ 22,704 | 37.6% |
| Unrealized appreciation of venture investments | | \$ 42,925 | |
| Venture investments at fair value | | \$ 65,629 | 108.7% |

*Percentages shown are in relation to net assets attributable to holders of redeemable shares

STATEMENTS OF INVESTMENT PORTFOLIO

As at August 31, 2024 (in thousands of dollars)

The venture investments of the Fund were comprised of the following

Class R Shares

As at August 31, 2024

| Industry sector | Number of Investees | | Cost | | Fair Value | | % of Cost | % of Fair Value |
|-----------------|---------------------|----|--------|----|------------|--|-----------|-----------------|
| Energy | 9 | \$ | 22,704 | \$ | 65,629 | | 100.0 | 100.0 |
| | 9 | \$ | 22,704 | \$ | 65,629 | | 100.0 | 100.0 |

| Stage of Development | Number of Investees | | Cost | | Fair Value | | % of Cost | % of Fair Value |
|----------------------|---------------------|----|--------|----|------------|--|-----------|-----------------|
| Growth | 7 | \$ | 13,034 | \$ | 58,426 | | 57.4 | 89.0 |
| Mature | 2 | | 9,670 | | 7,203 | | 42.6 | 11.0 |
| | 9 | \$ | 22,704 | \$ | 65,629 | | 100.0 | 100.0 |

STATEMENTS OF INVESTMENT PORTFOLIO

As at August 31, 2024 (in thousands of dollars)

The venture investments of the Fund were comprised of the following

Class R Shares

as at August 31, 2024

| | Cost | | Fair Value | | % of Cost | % of Fair Value |
|-----------------------------------|------|--------|------------|--------|-----------|-----------------|
| Private equity securities | \$ | 17,969 | \$ | 62,512 | 79.1 | 95.3 |
| Publicly traded equity securities | | 4,735 | | 3,117 | 20.9 | 4.7 |
| | \$ | 22,704 | \$ | 65,629 | 100.0 | 100.0 |

as at August 31, 2023

| | Cost | | Fair Value | | % of Cost | % of Fair Value |
|-----------------------------------|------|--------|------------|--------|-----------|-----------------|
| Private equity securities | \$ | 18,277 | \$ | 63,938 | 79.4 | 95.1 |
| Publicly traded equity securities | | 4,735 | | 3,329 | 20.6 | 4.9 |
| | \$ | 23,012 | \$ | 67,267 | 100.0 | 100.0 |

NOTES TO THE FINANCIAL STATEMENTS

For the years ended August 31, 2024 and 2023

(in thousands of dollars except number of shares and per share amounts)

1. Status of the corporation

SaskWorks Venture Fund Inc. (“SaskWorks” or the “Fund”) was incorporated under the laws of the Province of Saskatchewan by articles of incorporation dated September 1, 1999, under the name Prairie Ventures Fund Inc. Effective December 18, 2000, the articles of the Fund were amended to change its corporate designation to Crown Ventures Fund Inc. and effective March 16, 2005, the articles of the Fund were amended to change its corporate designation to SaskWorks Venture Fund Inc. The Fund has received approval for registration as a labour-sponsored venture capital corporation under The Labour-sponsored Venture Capital Corporations Act (Saskatchewan) (the “Act”). The Fund commenced active operations on January 29, 2001.

In February 2006, the Fund began offering a second class of redeemable shares, Class R, in addition to its Class A redeemable shares, for sale to the public.

Beginning January 1, 2016, the Fund offered its Class A and Class R redeemable shares in series. The existing Class A and Class R redeemable shares were renamed Class A Series A and Class R Series A redeemable shares, respectively. New redeemable shares, Class A Series F and Class R Series F, began sale to the public. Class A Series A and Class R Series A redeemable shares have a sales and trailer commission associated with them while Class A Series F and Class R Series F redeemable shares do not.

Beginning December 23, 2021, new redeemable shares, Class A Series B and Class R Series B were offered for sale to the public. Class A Series B and Class R Series B redeemable shares have a trailer commission associated with them.

A separate net asset value is calculated for each of the Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares. The holders of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares have recourse only to the net assets attributable to the capital raised through the issuance of Class A Series A, Class A series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares, respectively.

The requirements of National Instrument 81-106, Investment Fund Continuous Disclosure, dictate that because Class A and Class R have separate investment portfolios, they are considered separate investment funds and as such separate financial statements have been prepared for each.

The Fund was formed to make debt and equity investments in Saskatchewan small and medium-sized businesses. The objective of the Fund is to realize long-term capital appreciation from its investments. Targeted investment opportunities include early-stage and mature businesses with substantial growth prospects as well as restructurings and management buy-out opportunities that offer superior investment return prospects.

PFM Venture Capital Operations Inc. (“PFMV” or the “Manager”) is responsible for the management of the Fund and has engaged PFM Capital (2010) Inc. to assist it to carry out its management obligations.

2. Basis of presentation

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). The Fund’s material accounting policies under IFRS are presented in Note 3.

The financial statements of the Fund were approved by the Board of Directors on October 17, 2024.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for investments at fair value through profit or loss (“FVTPL”) which are measured at fair value.

(c) Investment entity

The Fund has determined that it meets the definition of an investment entity and as a result, it measures subsidiaries at FVTPL. An investment entity is an entity that: obtains funds from one or more investors for the purpose of providing them with investment management services, commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and measures and evaluates the performance of substantially all of its investments on a fair value basis. The most significant judgement that the Fund has made in determining that its meets this definition is that fair value is used as the primary measurement attribute to measure and evaluate the performance of substantially all of its investments.

(d) Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the Fund’s functional currency, and all values are rounded to the nearest thousand dollars except where otherwise indicated.

(e) Use of judgements and estimates

The preparation of financial statements requires management to use judgement in applying policies and to make estimates and assumptions about the future. The following are the most significant accounting judgements and estimates that the Fund has made in preparing the financial statements:

Fair value of investments not quoted in an active market

The Fund holds financial instruments for which no public market exists (“private companies”). Fair values of such instruments are determined using valuation techniques. Where no market data is available, the Fund will value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used for private companies are based mainly on earnings multiples adjusted for a lack of marketability as appropriate. Refer to Note 4 for further information about the Fund’s fair value measurements.

Incentive participation amount

A portion of this amount is based on an estimate of unrealized gains on venture investments. To the extent these unrealized gains fluctuate so will the estimate of incentive participation amount.

Qualification as an investment entity

In determining whether the Fund is an investment entity, the Fund may be required to make significant judgements about whether the Fund has the typical characteristics of an investment entity. The Fund primarily obtains funds from investors for the purpose of providing investment management services, commits to its investors that the business purpose is to invest the funds solely for returns from capital appreciation, investment income or both, and measures and evaluates the performance of its investments on a fair value basis.

3. Material accounting policies

The following policies are considered significant:

(a) Financial instruments

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognized immediately in profit or loss

Classification of Financial Assets

After initial recognition, the Fund classifies and measures its investments based on both the Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

The Fund’s portfolio of venture investments is managed, and performance is evaluated, on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Fund’s venture investments are measured at FVTPL. The contractual cash flows of the Fund’s debt instruments are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the objective of the Fund’s business model. Consequently, all venture investments are measured at FVTPL

All other financial assets are measured at amortized cost since both of the following conditions are met and they are not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual term gives rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”).

Subsequent measurement of Financial Assets

Financial assets at FVTPL are subsequently measured at fair value. Venture investments are included in this category.

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest rate method. The effective interest rate method discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. A loss allowance for expected credit losses on the financial assets at amortized cost will be recognized. At each reporting date, the loss allowance will be assessed based on the credit risk. Cash, accounts receivable and accrued income, short-term investments, and loans receivable are included in this category.

Classification of Financial Liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. The Fund has no financial liabilities classified as FVTPL.

Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Accrued provision for incentive participation amount and accounts payable and accrued liabilities are included in this category.

The Fund’s obligation for net assets attributable to holders of redeemable shares are classified as financial liabilities and are presented at the redemption amount.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets traded in active markets is based on quoted market prices at the close of trading on the reporting date. The Fund’s policy is to recognize transfers into and out of the fair value hierarchy levels (see Note 4) as of the date of the event or change in circumstances

giving rise to the transfer.

The fair value of financial assets that are not traded in an active market is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each valuation date. Valuation techniques include the use of comparable recent arm's length transactions, independent valuations and others commonly used by market participants and which make the maximum use of observable inputs. Details regarding the valuation process of the Fund's investments in eligible businesses are included in the Fund's annual prospectus. Refer to Note 4 for further information about the Fund's fair value measurements and additional details regarding the valuation process for the Fund's venture investments.

(b) Investments in associates, joint ventures, and subsidiaries

Subsidiaries are entities, including investments in other investment entities, over which the Fund has control. The Fund controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power over the entity.

The Fund has determined that it is an investment entity, and, as such, it accounts for subsidiaries at fair value. Associates are investments over which the Fund has significant influence or joint control, all of which have been designated at FVTPL. Significant influence exists when the Fund owns between 20% and less than a majority of the voting rights of the investee.

The Fund's interest in unconsolidated subsidiaries and associations is as follows:

| Class A Investee | Relationship | Ownership & voting interest % | Senior debt |
|----------------------------------|--------------|----------------------------------|-------------|
| 255 2nd Ave. Properties Ltd. | Associate | 50.00% | Yes |
| All-Fab Building Components Inc. | Associate | 33.21% | - |
| CIM Acquisition LP | Subsidiary | 100.00% | - |
| DyMark Industries Inc. | Subsidiary | 75.83% | - |
| Foundation Developments | Subsidiary | 60.80% | Yes |
| GHC Systems Inc. | Associate | 27.38% | - |
| Hi-Tec Profiles Inc. | Subsidiary | 63.83% | - |
| IM Wireless Communications Inc. | Associate | 33.00% | - |
| James Hill Road Villa LP | Subsidiary | 70.05% | - |
| Lazar Equipment Ltd. | Subsidiary | 95.15% | - |
| Parkside Townhomes | Subsidiary | 84.26% | - |
| Pines Sports & Marine Ltd. | Associate | 44.55% | Yes |
| Prairie Soil Services Inc. | Subsidiary | 68.65% | Yes |
| Sexton Group LLP | Associate | 36.40% | - |
| TAM International Inc. | Associate | 43.85% | - |
| Village Home Care Inc. | Subsidiary | 70.05% | - |

All investee companies have Canada as their principal place of business and country of incorporation.

All investee companies for which the Fund is a subordinate lender may have restrictions on dividend and loan repayments if the investee is not within covenants imposed on it by its senior lender(s).

With respect to the above associates and unconsolidated subsidiaries:

- subject to senior lender covenants, if any, there are no significant restrictions on the ability of the associates or subsidiaries to transfer funds to the Fund in the form of cash dividends or to repay loans or advances made to the associates or subsidiaries by the Fund;
- there are no current commitments or intentions to provide financial or other support to the subsidiaries, including commitments or intentions to assist them in obtaining financial support;
- the Fund has not, without the contractual obligation do so, provided any financial or other support to the subsidiaries; and
- other than the original amount approved for investment, there are no contractual arrangements that would require the Fund to provide financial support to the subsidiaries.

(c) Cash

Cash is comprised of interest-bearing deposits with credit unions and other financial institutions.

(d) Net assets attributable to holders of redeemable shares per share

The net assets attributable to shareholders per Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F share is determined by dividing the net assets attributable to shareholders of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares by the number of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares outstanding as at that date.

e) Increase in net assets attributable to holders of redeemable shares from operations per average share outstanding

The increase in net assets attributable to holders of redeemable shares from operations per average Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F share outstanding is calculated by dividing the increase in net assets attributable to holders of redeemable Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares from operations by the average number of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares outstanding during the period.

(f) Investment Transactions and Income Recognition

Dividend income is recognized in profit or loss on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the shareholder record date declared by the Board of Directors. Partnership income includes distributions received from investments in limited partnerships. Partnership income is recognized when distributions are declared by the investee.

Investment transactions relating to private venture investments are accounted for on the closing date of the transaction, or in the case of funding tranches, the dates on which funds are advanced. Realized and unrealized gains and losses from venture investment transactions are calculated on an average cost basis. Regular way purchases and sales are accounted for on the trade date for financial reporting purposes and any unrealized and realized gains and losses on such transactions are calculated on an average cost basis

(g) Commissions

An annual trailer commission, based on net assets attributable to the holders of redeemable shares, is paid quarterly to the selling agent for each year that a subscription for Class A Series A, Class A Series B, Class R Series A, and Class R Series B shares is maintained.

An annual additional commission, based on the total value of all subscriptions, is paid annually to the agent for the Fund for subscriptions to all Class A and Class R redeemable shares.

(h) Incentive participation amount

As described in Note 7, an incentive participation amount ("IPA") will accrue on unrealized eligible venture investments and be paid annually only upon realization of the eligible venture investment.

This amount is an estimate and can vary significantly from year to year. It will be paid, subject to the eligible investment and the investment portfolio as a whole meeting certain minimum return thresholds, only on gains that arise on the realization of an eligible venture investment and the income earned from an eligible venture investment over its life

(j) New and revised International Financial Reporting Standards in issue but not yet effective

The following new and revised standards issued but not yet effective are not considered significant to the Fund:

Effective for annual periods beginning on or after January 1, 2024:

- Amendment to IFRS 16 Lease Liability in a Sale and Leaseback
- Amendments to IAS 1, Classification of Liabilities as Current or Non-current
- Amendments to IAS 1, Non-current liabilities with Covenants
- Amendments to IAS 7, Supplier Finance Arrangements

4. Financial instruments

The following tables present the carrying amounts of the Fund’s financial assets by category. All of the Fund’s financial liabilities, other than its net assets attributable to the holders of redeemable shares, were carried at amortized cost as at the end of each year.

As at August 31, 2024

| | Category | | Class A | | Class R |
|--|----------------|----|---------|----|---------|
| Cash | Amortized cost | \$ | 70,276 | \$ | 9,018 |
| Accounts receivable and accrued interest | Amortized cost | | 2,036 | | - |
| Venture investments | FVTPL | | 420,042 | | 65,629 |
| Loan receivable | Amortized cost | | 4,167 | | 219 |
| | | \$ | 496,521 | \$ | 74,866 |

As at August 31, 2023

| | Category | | Class A | | Class R |
|--|----------------|----|---------|----|---------|
| Cash | Amortized cost | \$ | 64,537 | \$ | 6,445 |
| Accounts receivable and accrued interest | Amortized cost | | 2,021 | | - |
| Short-term investments | Amortized cost | | 10,000 | | - |
| Venture investments | FVTPL | | 380,850 | | 67,267 |
| Loan receivable | Amortized cost | | 5,847 | | 369 |
| | | \$ | 463,255 | \$ | 74,081 |

(a) Fair value hierarchy

The Fund classifies fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable for the asset or liability.

If inputs of different levels are used to measure an asset’s or liability’s fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.

The Manager is responsible for performing fair value measurements included in the financial statements of the Fund, including Level 3 measurements. The Manager performs quarterly valuations as at the last business day in every fiscal quarter and the last day of August in each year based on policies and procedures established by the Fund’s Board of Directors. The quarterly valuations are approved by the Audit & Valuation Committee of the Board of Directors, and the valuation prepared as at the end of August in each year is also presented to the Board of Directors for approval.

The following tables illustrate the classification of the Fund’s assets measured at FVTPL within the fair value hierarchy as at August 31, 2024, and 2023:

For the years ended August 31, 2024 and 2023 • (in thousands of dollars except number of shares and per share amounts)

Class A – Venture investments

As at August 31, 2024

| | | Level 1 | | Level 2 | | Level 3 | | Total |
|--------------------|----|---------|----|---------|----|---------|----|---------|
| Equity investments | \$ | 1,648 | \$ | 63,794 | \$ | 334,338 | \$ | 399,780 |
| Debt investments | | - | | - | | 20,262 | | 20,262 |
| | \$ | 1,648 | \$ | 63,794 | \$ | 354,600 | \$ | 420,042 |

As at August 31, 2023

| | | Level 1 | | Level 2 | | Level 3 | | Total |
|--------------------|----|---------|----|---------|----|---------|----|---------|
| Equity investments | \$ | 1,769 | \$ | - | \$ | 352,116 | \$ | 353,885 |
| Debt investments | | - | | - | | 26,965 | | 26,965 |
| | \$ | 1,769 | \$ | - | \$ | 379,081 | \$ | 380,850 |

Class R – Venture investments

As at August 31, 2024

| | | Level 1 | | Level 2 | | Level 3 | | Total |
|--------------------|----|---------|----|---------|----|---------|----|--------|
| Equity investments | \$ | 3,117 | \$ | - | \$ | 62,512 | \$ | 65,629 |

As at August 31, 2023

| | | Level 1 | | Level 2 | | Level 3 | | Total |
|--------------------|----|---------|----|---------|----|---------|----|--------|
| Equity investments | \$ | 3,329 | \$ | - | \$ | 63,938 | \$ | 67,267 |

The carrying value of the accrued provision for incentive participation amount approximates its fair value. The carrying values of cash, accounts receivable and accrued income, short-term investments, accounts payable and accrued liabilities are short-term in nature, and approximate fair value. For the Class A Fund, the fair value of the loans receivable at August 31, 2024, is \$3,801 (2023 – \$5,097). For the Class R Fund, the fair value of the loans receivable at August 31, 2024, is \$204 (2023 – \$332).

b) Changes in Level 3 instruments

The table below summarizes the movement in Level 3 venture investments for the years ended August 31, 2024, and 2023:

| | 2024 | | 2023 | |
|---|------------|-----------|------------|-----------|
| | Class A | Class R | Class A | Class R |
| Balance, beginning | \$ 379,081 | \$ 63,938 | \$ 300,332 | \$ 49,473 |
| Purchases | 4,095 | - | 60,853 | 4,000 |
| Repayments | (5,206) | (308) | (1,420) | (20) |
| Proceeds on disposition | (4,836) | (10,000) | (6,446) | (362) |
| Net realized gain/(loss) | 929 | 10,000 | (682) | (1,186) |
| Net change in unrealized appreciation/(depreciation) of venture investments | 44,331 | (1,117) | 26,444 | 12,033 |
| Transferred to Level 2 | (63,794) | - | - | - |
| Balance, ending | \$ 354,600 | \$ 62,513 | \$ 379,081 | \$ 63,938 |

During the year ended August 31, 2024, a Class A investment of \$63,794 (2023 – \$nil) was transferred from Level 3 to Level 2 due to the availability and use of observable inputs in the valuations of the investment.

The Fund may at times receive non-cash consideration in the normal course of purchases and dispositions of venture investments. During the year ended August 31, 2024, the Class A fund made non-cash purchases of venture investments of \$130 (2023 – \$2,066) and received non-cash proceeds of \$130 (2023 – \$2,066) on disposition of venture investments. During the year ended August 31, 2024, the Class R fund made non-cash purchases of venture investments of \$nil (2023 – \$258) and received non-cash proceeds of \$nil (2023 – \$258) on disposition of venture investments. See Note 12 for details of the non-cash transactions recorded.

For the purposes of the following tables, that disclose Level 3 investment details, debt investments that are current with respect to principal and interest are classified as productive and those that are non-current are classified as non-productive. With respect to equity investments, those investments on which the Fund expects to recover the full amount of capital invested are classified as productive while those equity investments on which the Fund does not expect to recover the full amount of capital invested are classified as non-productive.

Class A

As at August 31, 2024

| Valuation technique | Fair Value | Unobservable inputs | Weighted average input | Sensitivity +/- | Impact on Fair Value +/- |
|----------------------------|------------|----------------------|------------------------|-----------------|--------------------------|
| Discounted cash flow | \$ 4,900 | Discounted rate | 6.09% | 1% | \$ 49/(49) |
| Discounted cash flow | 15,362 | Impairment provision | 25% | 25% | 3,841/(3,841) |
| Capitalization rate of NOI | 30,107 | NOI cap rate | 6.34% | 0.31% | 4,259/(3,483) |
| Cost | 815 | % variance | 100% | 25% | 204/(204) |
| Multiple of EBITDA | 225,645 | EBITDA multiple | 6.38x | 0.42x | 17,509/(17,504) |
| Multiple of cash flow | 4,600 | Cash flow multiple | 2.90x | 0.25x | 380/(380) |
| Multiple of revenue | 11,812 | EV/Revenue | 3.90x | 0.70x | 1,913/(1,930) |
| NAV/unit | 2,785 | % variance | 100% | 10% | 278/(278) |
| Net asset value | 4,104 | % variance | 93.4% | 5% | 494/(543) |
| Option Pricing Method | 7,860 | Volatility | 100% | 25% | 47/(164) |
| Sum of parts | 46,610 | % variance | 100% | 13% | 4,686/(4,686) |
| \$ 354,600 | | | | | |

EBITDA = Earnings before interest, taxes, depreciation and amortization

EV = Enterprise value

NAV = Net asset value

NOI cap rate = Net operating income capitalization rate

As at August 31, 2023

| Classification | Fair value | Valuation technique | Unobservable Inputs | Weighted average input | Sensitivity +/- | Impact on Fair Value +/- |
|---------------------|------------|----------------------------|----------------------|------------------------|-----------------|--------------------------|
| Productive debt | \$15,167 | Discounted cash flow | Discount rate | 8.56% | 1% | \$170/(170) |
| Non-productive debt | 11,798 | Estimated realizable value | Impairment provision | 25% | 25% | 2,950/(2,950) |
| Productive equity | 341,738 | Capitalization of NOI | NOI cap rate | 5.38% | 0.25% | 2,810/(2,568) |
| | | Cost | % variance | 100% | 10.91% | 3,499/(3,499) |
| | | Multiple of EBITDA | EBITDA multiple | 7.08x | 0.50x | 19,246/(19,992) |
| | | Multiple of production | EV/boe multiple | \$40/boe/d | \$5/boe/d | 522/(529) |
| | | Multiple of revenue | EV/Revenue | 6.16x | 0.65x | 2,125/(2,166) |
| | | NAV/unit | % variance | 100% | 10% | 280/(280) |
| | | Net asset value | % variance | 100% | 7.50% | 667/(731) |
| | | Probability weighted | % variance | 100% | 15% | 14/(14) |
| | | Sum of parts | % variance | 100% | 13.75% | 2,686/(2,686) |
| | | Non-productive equity | 10,378 | Multiple of EBITDA | EBITDA multiple | 6.65X |
| Multiple of Revenue | EV/Revenue | | | 1.63X | 0.25X | 182/(154) |
| Sum of Parts | % variance | | | 100% | 10% | 96/(96) |
| \$379,081 | | | | | | |

boe = Barrels of oil equivalent

EBITDA = Earnings before interest, taxes, depreciation and amortization

EV = Enterprise value

NAV = Net asset value

NOI cap rate = Net operating income capitalization rate

For the years ended August 31, 2024 and 2023 • (in thousands of dollars except number of shares and per share amounts)

Class R

As at August 31, 2024

| Valuation technique | Fair value | Unobservable Inputs | Weighted average input | Sensitivity +/- | Impact on Fair Value +/- |
|-----------------------|------------|---------------------|------------------------|-----------------|--------------------------|
| Multiple of cash flow | \$ 4,600 | EV/boe multiple | 3.00x | 0.25x | \$ 380/(380) |
| Sum of Parts | 42,380 | % variance | 100% | 10% | 4,238/(4,238) |
| Multiple of EBITDA | 15,389 | EBITDA multiple | 8.38x | 0.50x | 991/(991) |
| Multiple of TBV | 144 | Price/TBV multiple | 0.48x | 0.10x | 32/(24) |
| \$ 62,513 | | | | | |

EBITDA = Earnings before interest, taxes, depreciation, and amortization

EV = Enterprise value

TBV = Tangible book value

As at August 31, 2023

| Classification | Fair value | Valuation technique | Unobservable Inputs | Weighted average input | Sensitivity +/- | Impact on Fair Value +/- |
|-----------------------|------------|------------------------|---------------------|------------------------|-----------------|--------------------------|
| Productive equity | \$62,388 | Cost | % variance | 100% | 10% | \$400/\$(400) |
| | | Multiple of production | EV/boe multiple | \$40/boe/d | \$5/boe/d | 522/(529) |
| | | Multiple of revenue | EV/revenue | 6.0x | 0.50x | 919/(919) |
| | | Net Asset Value | % variance | 100% | 10% | 4,008/4,008 |
| Non-productive equity | 1,550 | Sum of Parts | % variance | 100% | 10% | 123/(123) |
| | | Multiple of EBITDA | EBITDA multiple | 6.65x | 0.50x | 14/(14) |
| | | Multiple of TBV | Price/TBV multiple | 0.33x | 0.10x | 40/(40) |
| \$63,938 | | | | | | |

EBITDA = Earnings before interest, taxes, depreciation, and amortization

EV = Enterprise value

TBV = Tangible book value

5. Loan receivable

For the period beginning February 1, 2004, and ending December 31, 2021, the Fund engaged Conexus Credit Union (“Conexus”) to pay base commissions on the sale of shares and for the period beginning February 1, 2004, and ending December 31, 2020, pay additional commissions on the sale of shares. The Fund invested sufficient money in Conexus in the form of non-interest-bearing promissory notes to enable it to pay these commissions.

The loan receivable balance consists of seven non-interest-bearing promissory notes each repayable in eight equal annual instalments, based on the balance of the note on December 31 of the year issued, beginning January 10 of the year following issuance.

Loan receivable at August 31 is comprised of the following:

| Note issued | Instalment | 2024 | | 2023 | |
|-----------------|------------|----------|---------|----------|---------|
| | | Class A | Class R | Class A | Class R |
| January 1, 2016 | \$ 319 | \$ - | \$ - | \$ 268 | \$ 51 |
| January 1, 2017 | 324 | 284 | 40 | 567 | 81 |
| January 1, 2018 | 335 | 624 | 47 | 936 | 70 |
| January 1, 2019 | 314 | 891 | 51 | 1,188 | 68 |
| January 1, 2020 | 234 | 898 | 39 | 1,123 | 49 |
| January 1, 2021 | 302 | 1,470 | 42 | 1,765 | 50 |
| | | \$ 4,167 | \$ 219 | \$ 5,847 | \$ 369 |

As remuneration to Conexus for managing the payment of commissions, the Fund agreed to pay a service fee equal to an annual percentage-based payment of 0.75% (0.875% prior to January 1, 2021) of the gross proceeds raised in any calendar year, until December 31, 2021, on the sale of Class A Series A and Class R Series A shares and 0% (0.125% prior to January 1, 2021) of the gross proceeds raised in any calendar year, until December 31, 2021, on the sale of Class A Series F and Class R Series F shares over eight consecutive years.

6. Share capital and net assets

Subscription proceeds from the issuance of Class A and Class R shares will be used to make eligible venture investments in that respective class of shares. Venture investments made by each class of shares are held only within that class of shares. Gains or losses attributable to a particular venture investment are allocated only to the specific class of shares within which the venture investment is held.

Net asset value per redeemable share for each series is calculated at the end of each week by dividing the net asset value of each series by its redeemable shares outstanding. The net asset value of each series of a class is computed by calculating the value of the series-specific assets and series’ proportionate share of the class’s common assets less the series-specific liabilities and the series’ proportionate share of the class’s common liabilities. Income and expenses directly attributable to a series are credited to that series while common class income and expenses and realized and unrealized gains and losses are allocated to each series. A proportionate share of or allocation to each series of a class is based on that series’ pro rata share of the total share capital of that class as at the latest available weekly net asset valuation.

Venture investments and share subscription activity have a separate accounting such that the net assets attributable to each of the Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares are reflected individually in these financial statements.

Class A and Class R redeemable shares have, in all material respects, the same rights, redemption features, tax credit eligibility, and attributes except for the following:

- The net proceeds from the issuance of Class A redeemable shares will be invested in Saskatchewan-eligible businesses in a broad section of the economy whereas the net proceeds from the issuance of Class R redeemable shares will be invested in Saskatchewan-eligible businesses in the energy sector.
- Class A Series A and Class R Series A redeemable shares have sales and trailer commissions associated with them, Class A Series B and Class R Series B have a trailer commission associated with them, and Class A Series F and Class R Series F redeemable shares do not have a sales or trailer commission.
- A separate net asset value is calculated for each of the Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares. The holders of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares have recourse only to the net assets attributable to the capital raised through the issuance of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares, respectively.

For the years ended August 31, 2024 and 2023 • (in thousands of dollars except number of shares and per share amounts)

The authorized share capital of the Fund is:

Class A and Class R – Unlimited number of Class A and Class R redeemable shares. The redeemable shares are voting, entitled to receive non-cumulative dividends at the discretion of the directors, entitled to elect all those directors who are not elected by the holder of the Class B shares and have restrictions on redemption. Such restrictions include a provision that the Fund is not required to redeem Class A or Class R shares if total redemptions in the fiscal year exceed 50% of the Class A Series A, Class A Series B, Class A Series F, Class A Series A, Class R Series B, or Class R Series F shares’ net earnings after tax for the previous fiscal year. In the event of a redemption before the eighth anniversary of issue, the Fund is required to withhold and remit to the applicable authorities an amount equal to the Federal tax credit and Saskatchewan tax credit, if any, on the Class A or Class R redeemable shares.

Class B – 10 Class B shares. Issuable only to the sponsor of the Fund. The shares are voting, redeemable at the purchase price and entitled to elect a simple majority of the directors of the Fund, including replacing or removing any directors elected by the sponsor.

Class C – Unlimited number of Class C shares. The shares are issuable in series with rights, privileges, restrictions, and conditions subject to directors’ resolution. No Class C shares have been issued.

Issued share capital at the end of the period is:

| | 2024 | | 2023 | |
|--------------------|-------------|----------|-------------|----------|
| | Shares | \$ | Shares | \$ |
| Class A Series A | | | | |
| Balance, beginning | 13,901,423 | 254,344 | 15,765,271 | 282,182 |
| Redeemed (at cost) | (1,841,223) | (28,242) | (1,863,848) | (27,838) |
| Balance, ending | 12,060,200 | 226,102 | 13,901,423 | 254,344 |

| | | | | |
|--------------------|-----------|--------|-----------|--------|
| Class A Series B | | | | |
| Balance, beginning | 1,323,099 | 33,900 | 165,292 | 4,030 |
| Issued | 1,071,123 | 29,974 | 1,162,214 | 29,981 |
| Redeemed (at cost) | (11,480) | (300) | (4,405) | (111) |
| Balance, ending | 2,382,742 | 63,574 | 1,323,099 | 33,900 |

| | | | | |
|--------------------|----------|--------|---------|--------|
| Class A Series F | | | | |
| Balance, beginning | 833,164 | 19,211 | 681,319 | 14,801 |
| Issued | 130,261 | 4,065 | 155,514 | 4,488 |
| Redeemed (at cost) | (39,207) | (654) | (3,669) | (78) |
| Balance, ending | 924,218 | 22,622 | 833,164 | 19,211 |

| | 2024 | | 2023 | |
|-------------------------|------------------|---------|------------------|---------|
| | Shares | \$ | Shares | \$ |
| Class R Series A | | | | |
| Balance, beginning | 2,446,062 | 31,279 | 2,923,856 | 38,023 |
| Redeemed (at cost) | (446,004) | (6,056) | (477,794) | (6,743) |
| Balance, ending | 2,000,058 | 25,223 | 2,446,062 | 31,280 |
| Class R Series B | | | | |
| Balance, beginning | 79,342 | 1,858 | 9,694 | 203 |
| Issued | 65,842 | 1,959 | 69,765 | 1,658 |
| Redeemed (at cost) | (382) | (9) | (117) | (3) |
| Balance, ending | 144,802 | 3,808 | 79,342 | 1,858 |
| Class R Series F | | | | |
| Balance, beginning | 27,670 | 428 | 18,436 | 230 |
| Issued | 6,834 | 178 | 9,236 | 198 |
| Redeemed (at cost) | (495) | (6) | (2) | - |
| Balance, ending | 34,009 | 600 | 27,670 | 428 |
| Class B | | | | |
| Balance | 10 | 1 | 10 | 1 |

At the end of the period, the net assets attributable to the holders of the Fund's Class A shares consists of:

| | 2024 | | | 2023 | | |
|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Share Capital | Retained Earnings | Net Assets | Share Capital | Retained Earnings | Net Assets |
| Class A Series A | \$ 226,102 | \$ 106,819 | \$ 332,921 | \$ 254,344 | \$ 102,496 | \$ 356,840 |
| Class A Series B | 63,574 | 7,751 | 71,325 | 33,900 | 1,892 | 35,792 |
| Class A Series F | 22,622 | 7,962 | 30,584 | 19,211 | 5,975 | 25,186 |
| | \$ 312,298 | \$ 122,532 | \$ 434,830 | \$ 307,455 | \$ 110,363 | \$ 417,818 |

At the end of the period, the net assets attributable to the holders of the Fund's Class R shares consists of:

| | 2024 | | | 2023 | | |
|------------------|------------------|-------------------|------------------|------------------|-------------------|------------------|
| | Share Capital | Retained Earnings | Net Assets | Share Capital | Retained Earnings | Net Assets |
| Class R Series A | \$ 25,223 | \$ 29,003 | \$ 54,226 | \$ 31,280 | \$ 27,476 | \$ 58,756 |
| Class R Series B | 3,808 | 1,347 | 5,155 | 1,858 | 424 | 2,282 |
| Class R Series F | 600 | 422 | 1,022 | 428 | 266 | 694 |
| | \$ 29,631 | \$ 30,772 | \$ 60,403 | \$ 33,566 | \$ 28,166 | \$ 61,732 |

The value of redeemed shares is recorded as a reduction of share capital and adjustment to retained earnings. The original cost of the shares redeemed is a reduction of share capital and the difference between redemption value and original cost of the shares is a decrease to retained earnings.

For the years ended August 31, 2024 and 2023 • (in thousands of dollars except number of shares and per share amounts)

7. Related party transactions

The Fund has retained the Manager as the fund manager to manage and administer the business affairs of the Fund, including, among other duties, the management of the Fund's eligible venture investments and short-term and long-term investments and determining the fair value of the Fund's venture investment portfolio. The officers of the Fund are the principals of the Manager and shareholders in the Fund.

The Manager receives an annual management fee, calculated and payable monthly in arrears, equal to 2.5% of the aggregate net assets attributable to holders of redeemable shares of the Class A and Class R redeemable shares, as at each weekly valuation date.

With respect to Class A redeemable shares, \$11,122 (2023 – \$11,005) in management fees was earned, pursuant to the management agreement, by the Fund Manager.

With respect to Class R redeemable shares, \$1,536 (2023 – \$1,588) in management fees was earned, pursuant to the management agreement, by the Fund Manager.

IPA is a provision for fees payable to the Manager and is based on the realized/unrealized gains and income earned from eligible venture investments and is payable annually only upon disposition of an eligible venture investment. Before any IPA is paid on the realization of an eligible venture investment, the Fund must have:

- a. earned sufficient income, on all eligible venture investments, to generate a rate of return, before expenses, greater than the five-year average GIC rate plus 1% on an annualized basis. The income on eligible venture investments includes investment gains and losses (realized and unrealized) earned and incurred since the inception of the Fund, and negotiation fees, interest, dividends, royalties, distributions, and earnings of any other kind from eligible venture investments;
- b. earned sufficient income from the eligible venture investment to provide a cumulative investment return, before expenses, at an average annual rate in excess of 10% since investment; and
- c. fully recouped an amount from the eligible venture investment, through income earned, liquidation of the investment, or otherwise, equal to or greater than the entire principal invested in the eligible investee.

Subject to satisfying all the above conditions, the IPA is equal to 20% of the return derived from the eligible venture investment.

For Class A redeemable shares, the accrued provision for IPA is \$58,396 (2023 – \$42,321), an increase of \$16,075 (2023 – decrease of \$347). During the period payments of IPA were \$599 (2023 – \$8,647) and in respect of realized and unrealized gains and income earned, the provision for IPA increased by \$16,674 (2023 – \$8,300).

For Class R redeemable shares, the accrued provision for IPA is \$14,173 (August 31, 2023 – \$12,036), an increase of \$2,137 (2023 – decrease \$1,198). There were \$27 (2023 – \$2,481) payments of IPA in the period. In respect of realized and unrealized gains and income earned, the provision for IPA increased by \$2,164 (2023 – \$1,283).

Other amounts and transactions due to (from) related parties are described separately in these financial statements..

8. Net change in balances other than cash and investments

| | 2024 | | 2023 | |
|--|------------------|-----------------|-----------------|-----------------|
| | Class A | Class R | Class A | Class R |
| Loan receivable | \$ 1,680 | \$ 150 | \$ 1,945 | \$ 203 |
| Accounts receivable and accrued income | (15) | - | 1,372 | - |
| Other assets | 72 | - | (1) | - |
| Accrued provision for incentive participation amount | 16,075 | 2,137 | (347) | (1,198) |
| Accounts payable and accrued liabilities | 107 | (23) | 261 | 6 |
| | \$ 17,919 | \$ 2,264 | \$ 3,230 | \$ (989) |

9. Risks associated with financial instruments

The Fund’s financial instruments consist primarily of cash, accounts receivable and accrued income, loan receivable, short-term investments, venture investments, accrued provision for incentive participation amount, and accounts payable and accrued liabilities. Short-term investments consist of term deposits. Venture investments in public and private companies consist of equity and debt investments. The Fund focuses on investing in eligible Saskatchewan businesses with emphasis on expansion financing, management buyouts, restructurings, turnarounds, and early-stage investments. There is no assurance that the Fund will be able to find enough suitable investment opportunities and the Fund may face competition from other funds and investors.

There is no guarantee that an investment in shares of the Fund will earn a specified rate of return or any return in the short or long term. The shares are not eligible for resale and are subject to redemption restrictions resulting in a longer commitment than for freely tradable securities.

SaskWorks’ primary business is the raising of capital from Saskatchewan residents and placing these funds in new and expanding Saskatchewan businesses. This entails exposure to market risk, credit risk, interest rate risk and liquidity risk. These risk factors may impact upon SaskWorks’ ability to redeem its Class A and Class R redeemable shares when required

Market Risk

The market risk faced by SaskWorks is the risk that the fair value of its venture investments may decline due to a reduction in the anticipated earnings generated by the businesses in which SaskWorks invests or a decrease in the quoted market share price of publicly traded venture investments held by SaskWorks. Class A redeemable shares invest in a diversified portfolio of companies in various sectors of the economy while Class R redeemable shares invest in the energy sector. Some of the companies in which SaskWorks invests are dependent upon a single product or industry. SaskWorks manages these risks through careful due diligence prior to committing funds to the investment, ensuring that the overall portfolio is properly diversified across various industry sectors, and investing no more than 10% of the Class A redeemable shares and Class R redeemable shares total net assets attributable to holders of redeemable shares in any one eligible business.

The Fund’s venture investments in publicly traded companies are companies which were private when the Fund made its initial investment, and which became publicly traded shares through initial public offerings, reverse takeovers, or acquisitions by public companies. The fair values of these venture investments in publicly traded companies are based on the publicly available share price. In some circumstances, it may prove difficult for the Fund to quickly liquidate investments in restricted or thinly traded publicly traded securities without unduly affecting the market prices of those securities. For these publicly traded companies, the Fund attempts to limit its exposure to fluctuations in market prices through managing the sales of these shares on the open market.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Most of the credit risk to which the Fund is exposed arises from cash, loan receivable, short-term investments, and venture investments in debt securities, including accrued interest receivable on venture investments in debt securities.

The majority of cash on deposit is held in Saskatchewan credit unions. These deposits are 100% guaranteed by the Credit Union Deposit Guarantee Corporation of Saskatchewan through the issuing credit union. Cash not held on deposit at credit unions is held at a Schedule A Canadian chartered bank.

The principal and interest associated with the Fund’s short-term investments are 100% guaranteed by the Credit Union Deposit Guarantee Corporation of Saskatchewan through the issuing credit union.

The maturity of each debt investment is disclosed in the respective share class Statement of Investment Portfolio. Such debt investments represent the main concentration of credit risk for the respective share class and, accordingly, represent the maximum credit risk exposure of the respective share class.

For the Class A Fund, the maximum credit risk exposure at August 31, 2024, is \$96,741 (2023 – \$109,370). For Class R, the maximum credit risk exposure at August 31, 2024 is \$9,237 (2023 – \$6,814). SaskWorks conducts a thorough due diligence process prior to committing to the venture investment and actively monitors the financial health of its investments on an ongoing basis. SaskWorks manages credit risk by diversifying its investments among industries. Although all investee companies are based primarily in Saskatchewan, most of the companies have significant sales in other provinces and/or international markets thereby mitigating most of the economic risks specific to Saskatchewan.

The maturity date of each debt investment is disclosed in the respective share class Statement of Investment Portfolio. Such debt investments represent the main concentration of credit risk for the respective share class and, accordingly, represent the maximum credit risk exposure of the respective share class.

For the years ended August 31, 2024 and 2023 • (in thousands of dollars except number of shares and per share amounts)

Interest Rate Risk

Interest rate risk reflects the risk that SaskWorks’ earnings will be affected by fluctuations in market interest rates. SaskWorks primary interest rate risk relates to short-term investments and venture investments in debt investments. The Fund holds investments with fixed interest rates that expose the Fund to fair value interest rate risk. SaskWorks manages the risk of interest rate changes by matching the duration of short-term investments and venture investments in debt investments to known liquidity requirements.

Based on average cash balances and short-term investments held during the year, a 1% increase/decrease in interest rates (with all other variables held constant) would have resulted in an increase/decrease in net assets of \$748 (2023 – \$922) with respect to Class A shares. The effect of a change in interest rates on venture investments in debt securities is detailed in Note 4.

Based on average cash balances held during the year, a 1% increase/decrease in interest rates (with all other variables held constant) would have resulted in an increase/decrease in net assets of \$76 (2023 – \$85) with respect to Class R shares. The effect of a change in interest rates on venture investments in debt securities is detailed in Note 4.

Liquidity Risk

Liquidity risk is the risk that SaskWorks will encounter difficulty in meeting obligations associated with financial liabilities. The Fund is exposed to weekly cash redemptions of its redeemable shares and adheres to a liquid reserve policy for the Class A Fund and Class R Fund. Under the liquid reserve policy, each of the Class A Fund and Class R Fund will maintain reserves equal to 15% of the share capital. SaskWorks monitors weekly unitholder trades and replenishes operating accounts from time to time through the use of short-term investments.

There is no assurance that any venture investment will be able to successfully complete its business plan or sustain operations over the short term or an extended period. The Fund monitors liquidity risk by becoming, if necessary, actively involved in their venture investments and continually monitoring the value of their investments. In the event of difficulty in liquidating its venture investments, SaskWorks may be required to delay the redemption of Class A and/or Class R shares tendered for redemption.

The financial liabilities of the Fund mature in less than one year except for accrued provision for incentive participation amount. The maturity of accrued provision for incentive participation amount is uncertain and only payable to the Manager if specific criteria are met, as outlined in Note 7.

Although the redeemable shares are redeemable on demand at the holder’s option, shares redeemed within the eight-year period following their purchase are generally subject to a withholding fee equal to the tax credits received by the investor. As a result, holders of the Fund’s shares typically retain them for an extended period. Furthermore, subject to certain restrictions, the Fund is not obligated to redeem its shares under certain circumstances as outlined in the Fund’s prospectus. Based on the redemption history of the Fund, the Manager expects that the redeemable shares outstanding at August 31, 2024, will be redeemed over a period of several years.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Fund is exposed to fluctuations in the value of its equity venture investments due to such risks as commodity prices or changes to the public markets.

The Class A venture investment portfolio is exposed to commodity prices such as oil and gas and lumber commodities, however, the Fund seeks to mitigate this risk by investing in a diverse range of industries.

The Class R Fund invests in companies in the energy sector of the Saskatchewan economy.

The Fund typically invests primarily in private companies, the Fund has acquired publicly traded companies through the exit of private companies and as a result, is exposed to fluctuations in the public market. For Class A, a 10% change in the value of the publicly traded securities would have a \$0.01 (\$/share) (2023 – \$0.01 (\$/share)) impact on the Pricing NAV. For Class R, a 10% change in the value of the publicly traded securities would have a \$0.16 (\$/share) (2023 – \$0.17 (\$/share)) impact on the Pricing NAV.

Concentration risk

Concentration risk arises because of the concentration of exposures with the same category, whether it is geographic location, product type, industry sector or counterparty type. A summary of the venture portfolio concentration by industry sector and stage of development is provided in the Schedule of Investment Portfolio for each of the Class A Fund and Class R Fund. The Class R Fund is an energy-focused portfolio with a strategy to invest in companies in the energy sector of the Saskatchewan economy. Accordingly, all the Class R venture investments are in the energy sector as at August 31, 2024 and 2023.

10. Restrictions

Under the Act:

- Eligible businesses for the Fund are investments in businesses, defined as taxable corporations or limited partnerships that carry on business in Saskatchewan, that together with related corporations or limited partnerships, do not have more than 500 employees, and that in the taxation year preceding the investment, paid at least 25% of all their wages and salaries to employees of their permanent establishment in Saskatchewan;
- An amount equal to the tax credits paid by the Saskatchewan government, being 17.5% of the capital raised by the sale and issuance of Class A and Class R shares to Saskatchewan residents, must be set aside until the Fund has met its pacing requirement. In 2024 and 2023 the Fund met the investment pacing requirement throughout the period;
- Direct investments in public companies with a market capitalization of \$500,000 or more are prohibited. If an investment is acquired through acquisitions or mergers and the resulting investment has over \$500,000 in capitalization, such investment must be disposed of within five years from the end of the fiscal year of the Fund of such acquisition or merger;
- New investment in agricultural land acquired primarily for rental or leasing purposes is prohibited; and
- The Fund is required to maintain a level of innovation sector investment exposure of 25% of annual net capitalization defined as annual capital raised within the Fund less annual capital redeemed, multiplied by the Fund's 75% pacing requirement. The Fund did meet its innovation pacing requirement on August 31, 2024 and August 31, 2023. If the Fund does not meet its innovation pacing requirement any new investments will not count towards the Fund's overall 75% pacing requirement until the Fund is onside with the innovation pacing requirement.

The Fund may not invest more than 10% of the Class A and Class R redeemable shares' total net assets attributable to holders of redeemable shares in any one eligible business and may not invest in an eligible business if the Fund and the eligible business are not at arm's length.

Class A and Class R redeemable shares issued by the Fund can be redeemed at the option of the holder after a specific hold period, or earlier in limited circumstances.

As part of its banking relationship with Conexus Credit Union, the Fund is required to maintain a minimum balance of \$1,000 (August 31, 2023 – \$1,000) on deposit.

The Fund is in compliance with all the above restrictions.

11. Income taxes

Under the Income Tax Act (Canada), no income taxes are payable by the Fund on dividends received from Canadian corporations, and income taxes payable on capital gains will be fully refundable on a formula basis when Class A or Class R redeemable shares of the Fund are redeemed, or capital gains dividends are paid or deemed to be paid by the Fund to its Class A or Class R shareholders. Income taxes payable on investment income are partially refundable upon the payment or deemed payment of taxable dividends.

The Fund's Class A and Class R redeemable shares record the refundable portion of their income taxes as an asset, as they intend to recover all of the refundable income taxes through the deemed payment of a dividend by capitalizing the appropriate amount of its income or realized capital gains pro-rata to the stated capital account for its Class A or Class R redeemable shares. If the Fund increases the stated capital of the Class A or Class R redeemable shares, the holder of the

Class A or Class R redeemable shares will be deemed to have received a dividend or a realized capital gain and the adjusted cost base of the shareholders' Class A or Class R redeemable shares will be increased by the amount of any deemed dividend.

The Fund's Class A and Class R redeemable shares have estimated non-capital losses that may be carried forward and used to reduce taxable income in future years. These losses, if not utilized, expire as follows:

| | Class A | | Class R | |
|------|---------|--------|---------|--------|
| 2034 | \$ | - | \$ | 1,465 |
| 2035 | | - | | 7,234 |
| 2036 | | - | | 7,728 |
| 2039 | | 3,208 | | 7,085 |
| 2040 | | 11,842 | | 1,966 |
| 2041 | | 3,004 | | 2,719 |
| | \$ | 18,054 | \$ | 28,197 |

Temporary differences between the tax basis of assets and liabilities and their carrying amounts may be either taxable or deductible. Taxable temporary differences give rise to deferred income tax liabilities and deductible temporary differences give rise to deferred income tax assets. When the fair value of investments is greater than their tax basis, a deferred income tax liability arises, and the deferred tax liability is offset by refundable taxes generated by future payments of capital gains dividends. When the fair value of investments is less than their tax basis, a deferred income tax asset arises and, due to the uncertainty of such deferred income tax assets ultimately being realized, a full valuation allowance is applied to offset the asset. Any unused capital and non-capital losses represent deferred income tax assets to the Fund for which a full valuation allowance has been established such that no net benefit has been recorded by the Fund.

12. Non-cash transactions

The Fund, as part of regular purchases and dispositions of venture investments, will at times receive non-cash consideration on the disposition of some venture investments. The non-cash consideration can be debt investments, shares in a publicly traded company, shares in a private company, or, on occasion, a combination of them. Non-cash transactions are measured at the fair value of the asset received unless the fair value of the item given up is more clearly measurable. During the period the following non-cash transactions occurred:

| | 2024 | | 2023 | |
|---|----------|---------|------------|----------|
| | Class A | Class R | Class A | Class R |
| Non-cash purchases of ventures investments | \$ (130) | \$ - | \$ (2,066) | \$ (258) |
| Non-cash repayments on disposition of venture investments | 130 | - | 2,066 | 258 |

13. Commitments

The Fund has committed to advance \$2,126 (2023 – \$2,944) of additional financing to existing Class A investees to fund, for example, working capital requirements or suitable acquisition opportunities.

14. Capital management

Share capital is the source of capital for the Fund. The Province of Saskatchewan has authorized the Fund to issue up to \$35,000 (2023 – \$35,000) of share capital during the period from April 1, 2025, to March 31, 2026, and annually thereafter.

The Fund’s capital management objectives are to enhance the net assets of the Fund through managing its funds to maximize cash flows from investments and for sufficient liquidity to:

- fund venture investments in new eligible companies and follow-on investments in existing companies;
- meet the annual investment obligations required in The Labour-sponsored Venture Capital Corporations Act (Saskatchewan);
- fund the redemption of shares requested by shareholders; and
- fund ongoing operations.

The Fund actively monitors the cash position and financial performance of the Fund to ensure there are sufficient resources to meet venture investment requirements and shareholder redemptions. However, in the event of insufficient resources, SaskWorks may be required to delay the redemption of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares.

There were no changes in capital management policies during the period

15. Net assets of the Fund

The Fund’s auditors, MNP LLP, reviewed the aggregate fair value of the Fund’s investment portfolio, calculated in accordance with the Fund’s internal valuation policies and with the principles outlined in the Fund’s prospectus. The auditors employ a Chartered Business Valuator as a member of the audit team. Based on the scope of the review, MNP LLP provided an opinion to the Audit & Valuation Committees of the Fund as to the reasonableness of the aggregate fair value at August 31, 2024.

CORPORATE INFORMATION

DIRECTORS

Brent Banda
Chair

Dave Meyers³
Vice-Chair

Ron Carlson^{2, 3}

Jan McLellan Folk^{1, 3}

Doug Frondall^{1, 2}

Nicole Hudec

Daryl Schwartz²

Kevin Stangeland^{1, 2}

Kathy Zwick³

¹ Audit/Valuation Committee
² Investment Committee
³ Governance and Nominating Committee

OFFICERS

Randy Beattie
President

Rob Duguid
Chief Executive Officer, Chief Financial Officer & Corporate Secretary

Jeff Linner
Chief Investment Officer

Jason Moser
Chief Compliance Officer

Johanna Salloum
Vice President

AGENT

iA Private Wealth Inc.
Saskatoon, Saskatchewan

AUDITORS

MNP LLP
Regina, Saskatchewan

LEGAL COUNSEL

MLT Aikins LLP
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REGISTRAR & TRANSFER AGENT

Prometa Fund Support Services Inc.
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CUSTODIAN

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