

Economic Investment Trust Limited



SECOND QUARTER REPORT
June 30, 2025

THE PERIOD AT A GLANCE
(Unaudited)

	As at June 30 2025	As at Dec. 31 2024
Net equity value per Common Share ^{1, 3}	\$ 25.96	\$ 24.37
Net assets ²	\$ 1,407,457	\$ 1,321,444
Number of Common Shares outstanding at period end ³	54,218,970	54,218,970

	Six months ended June 30	
	2025	2024
Net Investment Income per Common Share ^{1, 3}	\$ 1.60	\$ 0.78
Dividends per Common Share ³	\$ 2.76	\$ 1.02
Net income per Common Share ³	\$ 4.34	\$ 2.38
Net investment income ^{1, 2}	\$ 86,984	\$ 42,345

¹ See Management's Discussion and Analysis for Use of Non-GAAP Measures.

² In thousands of Canadian dollars.

³ On April 30, 2025, the Company approved a ten-for-one share split ("Share Split") of its issued and outstanding Common Shares. Each shareholder of record at the close of business on May 14, 2025 ("Record Date") that continued to hold their common shares through the close of business on May 22, 2025 ("Payment Date") received nine additional common shares for every one share held. All common share numbers and per common share amounts have been adjusted to the Share Split as if it was retroactively applied to all prior periods presented.

The accompanying financial statements have been prepared under International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The Company's external auditors, PricewaterhouseCoopers LLP, have not performed a review of these interim financial statements of Economic Investment Trust Limited.

Economic Investment Trust Limited

MANAGEMENT'S DISCUSSION & ANALYSIS

The following Management's Discussion and Analysis ("MD&A") of the unaudited interim condensed financial performance and financial condition of Economic Investment Trust Limited ("Economic" or the "Company") for the second quarter of 2025 should be read in conjunction with: the December 31, 2024 Annual Report, including the MD&A, the Company's audited annual financial statements and the notes and supplementary financial information; the Company's MD&A and unaudited interim condensed financial statements and notes for the previous quarter of 2025; and the unaudited interim condensed financial statements and notes contained in this report. These unaudited interim condensed financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), as set out in the Handbook of the Chartered Professional Accountants of Canada. The reporting currency for the Company is the Canadian dollar, and all amounts in the following discussion are in Canadian dollars. This MD&A is dated August 6, 2025.

This MD&A may contain certain forward-looking statements that are subject to risks and uncertainties that may cause the results or events mentioned in this discussion to differ materially from actual results or events. No assurance can be given that results, performance or achievement expressed in, or implied by, any forward-looking statements within this discussion will occur, or if they do, that any benefits may be derived from them.

Overview

Economic is a closed-end investment corporation, the shares of which trade on the Toronto Stock Exchange under the symbol "EVT". Economic is an investment vehicle for long-term growth through investments in common equities, as management believes that over long periods of time, common equities, as an asset class, will outperform fixed-income instruments or balanced funds. From time to time, however, assets of the Company may be invested in interest-bearing short-term securities pending the selection of suitable equity investments.

The Company has been a closed-end investment corporation since 1927. The Common Shares have persistently traded at a discount to their net asset value, ranging from approximately an 18% discount to a 37% discount over the past 10 years. Management believes that shareholders who have invested in the Common Shares of the Company recognize that the Common Shares of the Company usually trade at a discount to their net asset value.

Closed-end investment corporations have the following benefits: they often allow investors the opportunity to purchase assets at a discounted price; they have management expense ratios which are generally much lower than those for actively-managed, open-ended funds; and the management of a closed-end investment corporation's portfolio is not impacted by shareholder subscription or redemption activities.

Economic has no plans to become an open-ended investment fund.

The Company owns, directly and indirectly, long-term investments in the common shares of some publicly-traded Canadian companies, and a managed global investment portfolio of common shares of publicly-traded global companies.

The long-term investments consist primarily of the publicly-traded common shares of E-L Financial Corporation Limited ("E-L Financial"), Algoma Central Corporation ("Algoma"), a shipping company, and The Bank of Nova Scotia. At June 30, 2025, E-L Financial represented 48.1% (December 31, 2024 – 42.6%) of total equity investments, Algoma 3.1% (December 31, 2024 – 3.1%) and The Bank of Nova Scotia 4.3% (December 31, 2024 – 4.7%). E-L Financial, Algoma and the Company are related parties.

MANAGEMENT'S DISCUSSION & ANALYSIS

Overview (continued)

In management's view, these investments are consistent with the Company's investment strategy and contribute to achieving the investment objective. Further related party information is provided in Note 12 to the financial statements in the 2024 Annual Report and in the schedule of investment portfolio in this interim report beginning on page 17.

E-L Financial operates as an investment and insurance holding company with two operating segments, E-L Corporate and The Empire Life Insurance Company ("Empire Life"). E-L Corporate's operations include the oversight of investments in global equities held through direct and indirect holdings of common shares, investment funds, closed-end investment companies and private companies.

E-L Financial has a 56.6% interest in a closed-end investment corporation, United Corporations Limited ("United"), which is an investment vehicle for long-term growth through investments in common equities. In addition, E-L Financial has a 34.9% interest in Algoma and a 24.9% interest in Economic. E-L Financial also owns 99.5% of Empire Life which underwrites life and health insurance policies and provides segregated funds and annuity products in Canada. Each of E-L Financial, Empire Life, United and Algoma are related parties and are reporting issuers which have profiles on SEDAR+.

The balance of Economic's investment portfolio is managed by Neuberger Berman Canada ULC ("NB"), an investment manager headquartered in Toronto. NB manages the portfolio by investing in global equities following a quality value investment style. NB is a business of Neuberger Berman. Neuberger Berman, founded in 1939, is a private, independent, employee-owned investment manager headquartered in New York. The firm manages a range of strategies including equity, fixed income, quantitative and multi-asset class, private equity, real estate and hedge funds on behalf of institutions, advisors and individual investors globally. With offices in 25 countries, Neuberger Berman's diverse team has approximately 2,900 professionals.

At June 30, 2025, approximately 56.5% (December 31, 2024 – 51.4%) of the investment portfolio was held in long-term investments and 43.5% (December 31, 2024 – 48.6%) was managed by NB. Over time these percentages will vary based on the market value of the two portfolios and as a result of any purchases or sales of investments.

Investment Strategy

The objective of the Company is to earn an above-average rate of return, primarily through long-term capital appreciation and dividend income. Short-term volatility is expected and tolerated. Management remains confident that the Company's investment strategy will reward shareholders over the long term.

The investment portfolio of the Company comprises a mix of Canadian and foreign investments. Net equity value and net investment income may vary significantly from period to period depending on the economic environment and market conditions.

Use of Non-GAAP Measures

This MD&A contains references to "net equity value per Common Share", "growth in net equity value per Common Share" and "net investment income per Common Share". These terms do not have any standardized meanings in GAAP (generally accepted accounting principles) and therefore may not be comparable to similar measures presented by other companies. The Company believes that these measures provide information useful to the Company's shareholders in evaluating the Company's financial results.

Economic Investment Trust Limited

MANAGEMENT'S DISCUSSION & ANALYSIS

Use of Non-GAAP Measures (continued)

Net equity value per Common Share is used by investors and management as a comparison to the market price of its Common Shares to determine the discount or premium at which the Company's Common Shares are trading relative to the net equity value per Common Share.

Net investment income per Common Share is used by both investors and management to assess the approximate amount of dividends to be distributed on Common Shares.

Net equity value per Common Share is calculated as follows (in thousands of dollars, except number of Common Shares and per Common Share amounts):

	June 30 2025	December 31 2024
Net Assets	\$ 1,407,457	\$ 1,321,444
Common Shares outstanding	54,218,970	54,218,970
Net Equity Value per Common Share	\$ 25.96	\$ 24.37

On April 30, 2025, the Company approved a ten-for-one share split ("Share Split") of its issued and outstanding Common Shares. Each shareholder of record at the close of business on May 14, 2025 ("Record Date") that continued to hold their common shares through the close of business on May 22, 2025 ("Payment Date") received nine additional common shares for every one share held. All common share numbers and per common share amounts have been adjusted to the Share Split as if it was retroactively applied to all prior periods presented.

Net investment income per Common Share is calculated as follows (in thousands of dollars, except number of Common Shares and per Common Share amounts):

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Net income	\$ 164,549	\$ 46,135	\$ 235,495	\$ 129,252
Add (deduct):				
Other net fair value changes in investments	(181,578)	(11,178)	(171,143)	(100,045)
Tax on other net fair value changes in investments	24,059	1,481	22,676	13,256
Net change in refundable dividend taxes on hand	(15)	(133)	(44)	(118)
Net Investment income	\$ 7,015	\$ 36,305	\$ 86,984	\$ 42,345
Weighted Average Common Shares Outstanding ¹	54,218,970	54,251,970	54,218,970	54,251,970
Net Investment income per Common Share ^{1,2}	\$ 0.13	\$ 0.67	\$ 1.60	\$ 0.78

¹ All common share numbers and per common share amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all prior periods presented.

² On an after-tax basis.

Economic Investment Trust Limited

MANAGEMENT'S DISCUSSION & ANALYSIS

Net Equity Value per Common Share

The Company's net equity value per Common Share increased to \$25.96 at June 30, 2025 from \$24.37 at December 31, 2024.

With dividends paid by the Company reinvested at month-end net equity values, the Company's net equity value growth was 13.2% in the second quarter of 2025, compared to 4.0% during 2024.

Long-term investments had a pre-tax total return, including dividends, of 23.6% return in the second quarter of 2025 compared to a total return of 5.5% during 2024. On a pre-tax basis, the shares of E-L Financial had a return of 27.2% during 2025 (2024 – 8.0%), the shares of Algoma had a return of 6.3% (2024 – negative 2.9%), and the shares of the Bank of Nova Scotia had a return of 11.9% (2024 – negative 9.2%).

The global investment portfolio had a pre-tax return, gross of fees, of 3.6% in the second quarter of 2025 compared to 2.4% for 2024.

On a year-to-date basis, with dividends reinvested at month-end net equity values, the Company's net equity value return was 19.3%, compared to 11.8% during 2024.

Long-term investments had a pre-tax return of 29.5% for the six months ended June 30, 2025 compared to 9.9% during 2024. On a pre-tax basis, the shares of E-L Financial had a return of 33.8% during 2025 (2024 – 12.5%), the shares of Algoma had a return of 11.8% (2024 – negative 2.5%), and the shares of the Bank of Nova Scotia had a return of 0.3% (2024 – 0.3%).

The global investment portfolio had a pre-tax return, gross of fees, of 7.2% for the six months ended June 30, 2025 versus a comparative return of 8.1% during 2024.

As the Company is a taxable Canadian corporation, the Company's net equity value is net of a current income tax provision on net investment income and realized gains (losses) on investments, and net of a deferred income tax provision on its unrealized appreciation of investments.

In Canadian dollar terms, total returns (capital gains plus dividends), for Economic's net equity value and stock market indices, were as follows:

	Three months ended June 30	Six months ended June 30
	(%)	
Economic net equity value	13.2	19.3
S&P/TSX Composite Index	8.5	10.2
MSCI All Country World Index	5.9	4.5
S&P 500 Index	5.2	0.6

Economic Investment Trust Limited

MANAGEMENT'S DISCUSSION & ANALYSIS

Growth in Net Equity Value ("NAV")

Set out below is a table that shows annual growth in NAV in each of the past 10 calendar years:

Annual growth in NAV¹

	NAV per Common Share \$ ²	Annual Growth %
2015	13.26	9.5
2016	13.83	5.4
2017	15.20	11.8
2018	14.29	(4.7)
2019	16.09	14.2
2020	16.39	3.9
2021	19.66	23.5
2022	18.46	(1.0)
2023	20.41	14.3
2024	24.37	25.4

Compound annual growth¹

2015 - 2024 - 10 years	9.8
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¹ Growth in NAV is determined by the percentage change in NAVs including dividends reinvested at month-end NAVs.

² All common share numbers and per common share amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all prior periods presented.

Operating Results

Net income

The Company reported a net income of \$164,549,000 in the second quarter of 2025 compared to \$46,135,000 in the second quarter of 2024. On a year-to-date basis, the Company reported net income of \$235,495,000 compared to \$129,252,000 in 2024. On a per Common Share basis, earnings per share for the quarter increased to \$3.03 in 2025 compared to \$0.85 for 2024. On a year-to-date basis, earnings per share increased to \$4.34 compared to \$2.38 in 2024.

The other net fair value changes in investments was a net gain of \$181,578,000 in the second quarter of 2025 compared to \$11,178,000 for 2024. On a year-to-date basis, the other net fair value changes in investments was a net gain of \$171,143,000 compared to \$100,045,000 during 2024.

The other net fair value changes for long-term investments was a net gain of \$163,475,000 in the second quarter of 2025 compared to \$2,493,000 during the same period in 2024. On a year-to-date basis, the other net fair value changes for long-term investments was a net gain of \$137,289,000 compared to \$24,314,000 during the same period in 2024. The Company's year-to-date gain on long-term investments was primarily due to appreciation in E-L Financial.

Economic Investment Trust Limited

MANAGEMENT'S DISCUSSION & ANALYSIS

Operating Results (continued)

The global investment portfolio had an other net fair value gain of \$18,103,000 in the second quarter of 2025 compared to \$8,685,000 in 2024. On a year-to-date basis, the global investment portfolio had other net fair value gains of \$33,854,000 compared to \$75,731,000 during the same period in 2024. The 2025 year-to-date net fair value gain for the global investment portfolio included investment gains from Europe of \$16,511,000, United Kingdom \$7,285,000, Emerging Markets \$6,391,000, and \$4,587,000 for North America.

The Company's net realized gain, all of which relates to the global investment portfolio, was \$21,710,000 in the second quarter of 2025 compared to \$4,486,000 in 2024. On a year-to-date basis, the net realized gain was \$50,944,000 compared to \$11,716,000 in 2024. In 2025 year-to-date net realized gains included gains in North America investments of \$42,773,000 and \$4,853,000 in Europe.

Net investment income

The Company's net investment income in the second quarter of 2025 decreased to \$7,015,000 compared to \$36,305,000 in the second quarter of 2024. On a year-to-date basis, net investment income increased to \$89,984,000 compared to \$42,345,000 for the same period in the prior year. On a per Common Share basis, net investment income for the quarter decreased to \$0.13 in 2025 compared to \$0.67 in 2024 and on a year-to-date basis increased to \$1.60 compared to \$0.78 in 2024.

Foreign dividend income in the second quarter of 2025 decreased to \$5,257,000 from \$5,786,000 in 2024 and on a year-to-date basis increased to \$10,832,000 from \$9,668,000 in 2024. In general, foreign dividend income is impacted by changes in the composition of the investment portfolio, variability in foreign exchange rates and dividend yields.

Canadian dividend income in the second quarter of 2025 decreased to \$3,691,000 from \$32,496,000 in 2024 and on a year-to-date basis increased to \$79,673,000 from \$36,104,000 in 2024. During the first quarter of 2025, the Company received directly and indirectly a special dividend from its investment in E-L Financial of approximately \$72,307,000. During the second quarter of 2024, the Company received directly and indirectly a special dividend from its investment in E-L Financial totalling \$28,923,000.

Expenses for the second quarter increased to \$718,000 from \$589,000 in the same quarter during the prior year. On a year-to-date basis expenses increased to \$1,406,000 from \$1,345,000 in 2024.

Economic Investment Trust Limited

MANAGEMENT'S DISCUSSION & ANALYSIS

Quarterly Results

The following table summarizes various financial results on a quarterly basis for the most recent quarters (in thousands of dollars, except per share amounts):

	June 30	Mar 31	Dec 31	Sept 30	June 30	Mar. 31	Dec. 31	Sept. 30
	2025	2025	2024	2024	2024	2024	2023	2023
Net Investment Income ¹	\$ 7,015	\$ 79,969	\$ 7,759	\$ 8,296	\$ 36,305	\$ 6,040	\$ 6,540	\$ 5,720
Net Income (loss)	\$164,549	\$ 70,946	\$ 21,727	\$121,911	\$ 46,135	\$ 83,117	\$106,168	\$ (14,430)
Earnings (loss) per Common Share ²	\$ 3.03	\$ 1.31	\$ 0.40	\$ 2.25	\$ 0.85	\$ 1.53	\$ 1.95	\$ (0.26)
NAV per Common Share ²	\$ 25.96	\$ 22.95	\$ 24.37	\$ 24.00	\$ 21.78	\$ 21.49	\$ 20.41	\$ 18.46
Quarterly NAV return % ³	13.2	5.4	1.7	10.3	4.0	7.5	10.8	(1.4)

¹ On an after-tax basis. See use of Non-GAAP Measures.

² All common share numbers and per common share amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all prior periods presented.

³ Economic's NAV return includes reinvestment of dividends paid to Common shareholders.

Investment income is derived primarily from dividend income that is earned by the Company. While North American investments usually pay regular quarterly dividends, investments outside of North America often pay less frequently. In general, dividends earned on investments outside of North America peak in the second quarter of the year. On occasion, the Company will receive special dividends on certain investments. During the first quarter of 2025, the Company received directly and indirectly a special dividend from its investment in E-L Financial for approximately \$72,340,000. In the second quarter of 2024, the Company received directly and indirectly a special dividend from its investment in E-L Financial for \$28,923,000. There is no guarantee that the Company will receive dividend income on its investments at current dividend payout levels.

Overall returns are determined by the performance of the Company's long-term investments and the performance of the global investment portfolio and may fluctuate significantly as illustrated by the past eight quarters. The returns generated within each portfolio may also not correlate with benchmark returns.

Share Data

At June 30, 2025, there are 54,218,970 (December 31, 2024 - 54,218,970 adjusted to reflect the Share Split) Common Shares issued and outstanding and each share is entitled to one vote.

On April 30, 2025, the Company approved a ten-for-one share split of its issued and outstanding Common Shares. Each shareholder of record at the close of business on May 14, 2025 ("Record Date") that continued to hold their common shares through the close of business on May 22, 2025 ("Payment Date") received nine additional common shares for every one share held. All common share numbers and per common share amounts have been adjusted to the Share Split as if it was retroactively applied to all prior periods presented.

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MANAGEMENT'S DISCUSSION & ANALYSIS

Normal Course Issuer Bid

On March 10, 2025, the Company obtained approval from the TSX to renew its normal course issuer bid ("NCIB"). After adjusting for the Share Split, the Company can purchase up to 2,710,940 Common Shares between March 12, 2025 and March 11, 2026. Daily purchases (other than pursuant to a block purchase exemption) on the TSX under the NCIB were limited to 1,375 Common Shares. The price that the Company will pay for Common Shares in open market transactions will be the market price at the time of purchase.

For the six-month period ended June 30, 2025 and 2024, there were no shares purchased under the NCIB.

Liquidity and Capital Resources

The Company's dividend policy is to distribute annual net investment income in the form of dividends. The distributions are composed of quarterly dividends together with an additional dividend representing the balance of net investment income for the previous year.

On March 31, 2025, the Company paid dividends totalling \$2.73 per Common Share. This includes the quarterly dividend of \$0.03, the balance of the 2024 net investment income of \$0.43, a special dividend of \$0.94 pertaining to the performance of the global investment portfolio and \$1.33 being an early distribution of the 2025 net investment income representing the proceeds from a special dividend paid by E-L Financial.

The Company's dividend policy is established by the Board of Directors at its discretion and is subject to change.

The Company has a \$30,000,000 operating credit facility with a Canadian chartered bank. The credit facility is secured by equity investments from the Company's investment portfolio. The Company is able to borrow funds in an amount up to 50% of the fair value of investments pledged. As of June 30, 2025 no funds were drawn on this facility.

Additional Information

Additional information relating to Economic, including the Company's Annual Information Form, is available at www.sedarplus.ca.

Economic's website, www.evt.ca, also provides further information on the Company, including historical information on the net equity value per Common Share which is updated weekly.

Economic Investment Trust Limited

STATEMENTS OF FINANCIAL POSITION **(Unaudited, in thousands of Canadian dollars)**

	June 30 2025	December 31 2024
ASSETS		
Cash and cash equivalents	\$ 5,010	\$ 13,554
Investments (Notes 4 and 7)	1,543,144	1,429,806
Dividends and interest receivable	2,514	2,242
Other assets	787	709
Total assets	1,551,455	1,446,311
LIABILITIES		
Accrued expenses	354	415
Income taxes payable	4,156	906
Deferred tax liabilities	139,488	123,546
Total liabilities	143,998	124,867
NET ASSETS	\$ 1,407,457	\$ 1,321,444
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	\$ 197,634	\$ 197,634
Retained earnings	1,209,823	1,123,810
TOTAL SHAREHOLDERS' EQUITY	\$ 1,407,457	\$ 1,321,444

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

Economic Investment Trust Limited

STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited, in thousands of Canadian dollars)

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
INCOME				
Dividends				
Foreign	\$ 5,257	\$ 5,786	\$ 10,832	\$ 9,668
Canadian (Note 7)	3,691	32,496	79,673	36,104
	8,948	38,282	90,505	45,772
Interest and securities lending income	86	159	626	369
Other net fair value changes in investments (Note 6)	181,578	11,178	171,143	100,045
	190,612	49,619	262,274	146,186
EXPENSES				
Investment management and administrative costs (Note 7)	367	355	733	711
Directors' remuneration	118	104	238	210
Office and miscellaneous	103	36	189	159
Transfer, register and custody fees	74	72	148	146
Professional fees	54	22	98	119
	718	589	1,406	1,345
INCOME BEFORE INCOME TAXES	189,894	49,030	260,868	144,841
Provision for income taxes	25,345	2,895	25,373	15,589
NET INCOME	\$ 164,549	\$ 46,135	\$ 235,495	\$ 129,252
EARNINGS PER COMMON SHARE - BASIC AND DILUTED¹	\$ 3.03	\$ 0.85	\$ 4.34	\$ 2.38

¹ On April 30, 2025, the Company announced a ten-for-one share split ("Share Split") of its issued and outstanding Common Shares. Each shareholder of record at the close of business on May 14, 2025 ("Record Date") received nine additional shares on the close of business on May 22, 2025 ("Payment Date"), for every one share held. All common share numbers and per common share amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all prior periods presented.

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

Economic Investment Trust Limited

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited, in thousands of Canadian dollars)

	Share Capital	Retained Earnings	Total
At January 1, 2025	\$ 197,634	\$ 1,123,810	\$ 1,321,444
Net income for the period	—	235,495	235,495
Dividends	—	(149,482)	(149,482)
At June 30, 2025	\$ 197,634	\$ 1,209,823	\$ 1,407,457
At January 1, 2024	\$ 197,754	\$ 909,741	\$ 1,107,495
Net income for the period	—	129,252	129,252
Dividends	—	(55,174)	(55,174)
At June 30, 2024	\$ 197,754	\$ 983,819	\$ 1,181,573

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

Economic Investment Trust Limited

STATEMENTS OF CASH FLOWS

(Unaudited, in thousands of Canadian dollars)

	Six months ended June 30	
	2025	2024
Net inflow (outflow) of cash related to the following activities:		
Operating		
Net income	\$ 235,495	\$ 129,252
Adjustments for:		
Other net fair value changes in investments	(171,143)	(100,045)
Purchases of investments	(141,407)	(179,064)
Proceeds from sale of investments	199,212	187,544
Dividends and interest receivable	(272)	(358)
Deferred taxes	15,942	11,677
Net change in other assets and liabilities	3,111	1,344
	140,938	50,350
Financing		
Dividends paid to shareholders	(149,482)	(55,174)
Net decrease in cash and cash equivalents	(8,544)	(4,824)
Cash and cash equivalents at beginning of the period	13,554	13,119
Cash and cash equivalents at end of the period	\$ 5,010	\$ 8,295
Interest received	\$ 562	\$ 302
Dividends received, net of withholding taxes	88,786	44,225
Income taxes paid	4,828	1,455

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

NOTES TO INTERIM FINANCIAL STATEMENTS

(Unaudited, all dollar figures in thousands of Canadian, except per share amounts)

1. Description of company and summary of operations

Economic Investment Trust Limited ("Economic" or the "Company") is a closed-end investment corporation. The head office, principal address and registered office of the Company is located at 165 University Avenue, Toronto, Ontario, M5H 3B8.

Economic trades on the Toronto Stock Exchange under the symbol EVT. Economic is an investment vehicle for long-term growth through investments in common equities, as management believes that over long periods of time, common equities, as an asset class, will outperform fixed-income instruments or balanced funds. From time to time, however, assets of the Company may be invested in interest-bearing short-term securities pending the selection of suitable equity investments.

The interim condensed financial statements are presented in Canadian dollars which is the functional and presentation currency. These interim condensed financial statements were approved by the Company's Board of Directors on August 6, 2025.

2. Basis of presentation

These unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 - Interim Financial Reporting as issued by the International Accounting Standards Board and follow the same accounting policies and methods as the most recent annual financial statements. These unaudited interim condensed financial statements do not include all of the disclosures required under International Financial Reporting Standards for annual financial statements and should be read in conjunction with the notes to the Company's audited financial statements for the year ended December 31, 2024.

3. Critical accounting estimates and judgements

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Company has made in preparing the financial statements:

Fair value of investments in private companies

The fair value of investments in private companies is measured using the adjusted net asset method which estimates the fair value of the underlying assets and liabilities of the private companies. Refer to Note 5 in the Company's audited financial statement for the year ended December 31, 2024 for further details.

Deferred taxes

Estimates and assumptions are used primarily in the determination of the Company's deferred tax liabilities, as the income tax rates used in determining the liability is dependent on an assumption as to when a deferred tax liability is expected to be realized.

Economic Investment Trust Limited

NOTES TO INTERIM FINANCIAL STATEMENTS

(Unaudited, all dollar figures in thousands of Canadian, except per share amounts)

4. Financial instruments

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted unadjusted prices in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

At June 30, 2025, the Company had \$1,329,149 (December 31, 2024 – \$1,238,229) of Level 1 and \$213,995 (December 31, 2024 - \$191,577) of Level 3 equity investments. During the six months ended June 30, 2025, there were no transfers between Level 1, 2 or 3 equity investments.

5. Share capital

Share capital is comprised as follows:

	Number of Shares	Share Capital Amount
At January 1, 2025 and June 30, 2025	54,218,970	\$ 197,634
At January 1, 2024	54,251,970	\$ 197,754
Repurchase and cancellation of shares	(33,000)	(120)
At December 31, 2024	54,218,970	\$ 197,634

On April 30, 2025, the Company announced that it was splitting its common shares on a ten-for-one basis ("Share Split"). Each common shareholder of record at the close of business on May 14, 2025 ("Record Date") that continued to hold their shares through the close of business May 22, 2025 ("Payment Date"), received nine additional shares for every one share held on the Record Date. All common share numbers and per common share amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all prior periods presented.

On March 10, 2025, the Company obtained approval from the TSX to renew its normal course issuer bid ("NCIB"). After adjusting for the Share Split, the Company can purchase up to 2,710,940 Common Shares between March 12, 2025 and March 11, 2026. Daily purchases (other than pursuant to a block purchase exemption) on the TSX under the NCIB were limited to 1,375 Common Shares. The price that the Company will pay for Common Shares in open market transactions will be the market price at the time of purchase.

For the six-month periods ended June 30, 2025 and 2024 there were no shares purchased under the NCIB. For the year ended December 31, 2024, 33,000 shares (post Share Split) were purchased under the NCIB at an average price of \$15.55 per share for a total consideration of \$513. The total amount paid to purchase the shares is allocated to share capital and retained earnings in the statements of changes in equity. The amount allocated to share capital is based on the average cost per Common Share and amounts paid above the average cost are allocated to retained earnings.

Economic Investment Trust Limited

NOTES TO INTERIM FINANCIAL STATEMENTS

(Unaudited, all dollar figures in thousands of Canadian, except per share amounts)

6. Other net fair value changes in investments

The other net fair value changes in investments is comprised as follows:

	<u>Three months ended June 30</u>		<u>Six months ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Net realized gain	\$ 21,710	\$ 4,486	\$ 50,944	\$ 11,716
Net change in unrealized appreciation	159,868	6,692	120,199	88,329
	<u>\$ 181,578</u>	<u>\$ 11,178</u>	<u>\$ 171,143</u>	<u>\$ 100,045</u>

7. Related party information

The Company has investments in related parties (see Schedule of Investment Portfolio) with a fair value at June 30, 2025 of \$872,058 (December 31, 2024 - \$734,770) representing 56.5% (December 31, 2024 - 51.4%) of the total investments. Dividends from these companies for the three months ended June 30, 2025 amounted to \$3,512 (2024 - \$32,288). Dividends from these companies for the six months ended June 30, 2025 amounted to \$79,237 (2024 - \$35,653).

E-L Financial holds a 24.9% interest in the Company. Included in investment management and administrative costs are fees for administrative services paid to E-L Financial. These fees are calculated at 0.1% per annum of the fair value of the investments managed by the external investment manager and are paid monthly. The total fees for the three months ended June 30, 2025 amounted to \$185 (2024 - \$180) and \$370 (2024 - \$358) for the six months ended June 30, 2025.

The ultimate controlling party of the Company and of these related parties is The Honourable Henry N.R. Jackman together with a trust created in 1969 by his father, Henry R. Jackman.

8. Subsequent event

Common Share dividends of \$0.03 per Common Share were declared by the Board of Directors at its meeting on August 6, 2025, with a record and payable date of September 15, 2025 and September 29, 2025, respectively.

Economic Investment Trust Limited

SCHEDULE OF INVESTMENT PORTFOLIO AS AT JUNE 30, 2025 (Unaudited)

Number Shares		Cost	Carrying value	% of Carrying value
			(000's)	
Canada				
2,126,380	Algoma Central Corporation ¹	\$ 2,973	\$ 34,341	
84,594	Canadian Natural Resources Limited	2,826	3,621	
33,101	Ecando Investments Limited	4,139	105,820	
	Classes A, B and common ^{1,2,3}			
38,620,600	E-L Financial Corporation Limited ¹	26,116	623,723	
5,896	Empire Company Limited - Class A Non-voting	332	333	
176,414	The Fulcrum Investment Company Limited ^{1,2}	464	27,708	
13,010	Great-West Lifeco Inc.	665	674	
12,700	Imperial Oil Limited	536	1,374	
166,439	Manulife Financial Corporation	4,707	7,247	
7,850	Nutrien Ltd.	640	623	
216,900	NVG Holdings Limited	2,115	62,647	
	Classes B, C, D, E and common ^{1,2,4}			
12,292	Power Corporation of Canada	663	654	
8,023	Quebecor Inc. Class B	332	333	
23,311	Shopify Inc. Class A	983	3,661	
4,954	Suncor Energy, Inc.	240	253	
4,837	TGV Holdings Limited Class B ^{1,2,4,5}	318	17,820	
		<u>48,049</u>	<u>890,832</u>	57.8
United States				
50,783	Abbvie Inc.	9,241	12,860	
32,890	Aflac Inc.	2,806	4,732	
56,430	Alphabet Inc. Class A	5,170	13,567	
23,653	Alphabet Inc. Class C	5,112	5,724	
134,067	Altria Group, Inc.	8,174	10,724	
15,222	American Express Company	4,887	6,624	
2,828	American International Group, Inc.	331	330	
11,485	Ameriprise Financial, Inc.	4,484	8,363	
5,234	Amgen Inc.	1,844	1,994	
58,026	Apple Inc.	15,301	16,242	
21,482	Applied Materials, Inc.	2,737	5,365	
145,373	AT&T Inc.	4,503	5,740	
1,104	Autozone, Inc.	2,104	5,591	
25,034	Bank of American Corporation (The)	1,076	1,616	
14,989	Berkshire Hathaway Inc. Class B	4,445	9,934	
729	Booking Holdings Inc.	2,151	5,758	
36,878	Bristol-Myers Squibb Co.	2,572	2,329	
7,968	Broadcom Inc.	603	2,997	
1,730	Capital One Financial Corporation	401	502	
6,392	Cardinal Health, Inc.	807	1,465	
17,962	Caterpillar Inc.	6,445	9,513	
9,654	Cboe Global Markets Inc.	1,434	3,072	
11,927	CF Industries Holdings, Inc.	1,405	1,497	
5,204	Cheniere Energy, Inc.	1,654	1,729	
16,775	Chevron Corporation	3,413	3,277	
34,750	Chipotle Mexican Grill, Inc.	1,280	2,662	
3,775	Cigna Group (The)	1,604	1,703	

Economic Investment Trust Limited

SCHEDULE OF INVESTMENT PORTFOLIO AS AT JUNE 30, 2025 (Unaudited)

Number Shares		Cost	Carrying value	% of Carrying value
		(000's)		
	United States (continued)			
10,472	Cintas Corporation	\$ 1,260	\$ 3,184	
16,911	Cisco Systems, Inc.	1,439	1,601	
27,402	Citigroup Inc.	1,749	3,182	
6,078	Cognizant Technology Solutions Corporation	604	647	
5,240	Colgate-Palmolive Company	667	650	
62,177	Comcast Corporation Class A	2,987	3,028	
27,283	ConocoPhillips	2,451	3,340	
2,409	Crown Holdings, Inc.	330	338	
4,682	Cummins Inc.	1,945	2,092	
22,613	D.R. Horton, Inc.	2,985	3,977	
4,389	Darden Restaurants, Inc.	1,299	1,305	
2,295	Dover Corporation	649	574	
25,869	eBay Inc.	1,918	2,628	
3,754	Edison International	298	264	
618	Entergy Corporation	50	70	
18,403	EOG Resources, Inc.	2,313	3,003	
50,079	Exxon Mobile Corporation	4,013	7,365	
3,078	Fidelity National Financial, Inc.	165	235	
39,335	Fox Corporation Class B	2,933	2,771	
20,347	Fox Corporation	1,583	1,556	
51,757	Gen Digital Inc.	1,809	2,076	
3,075	General Dynamics Corporation	812	1,224	
29,438	General Mills, Inc.	2,387	2,081	
43,338	General Motors Corporation	2,882	2,910	
57,568	Gilead Sciences, Inc.	5,229	8,708	
24,843	Hartford Financial Services Group, Inc. (The)	2,264	4,300	
21,244	HCA Healthcare, Inc.	7,349	11,103	
5,335	International Business Machines Corporation (The)	1,977	2,146	
10,877	Jabil Inc.	3,033	3,236	
45,058	Johnson & Johnson	6,317	9,390	
16,457	JPMorgan Chase & Co	2,461	6,509	
19,940	Kimberly-Clark Corporation	3,773	3,507	
4,492	KLA Corporation	2,692	5,489	
6,911	Labcorp Holdings Inc.	2,137	2,475	
49,740	Lam Research Corporation	2,513	6,606	
9,249	Leidos Holdings, Inc.	1,710	1,991	
19,203	Lennar Corporation Class A	2,704	2,898	
3,472	Lockheed Martin Corporation	2,261	2,194	
6,019	Marathon Petroleum Corporation	1,143	1,364	
4,480	Marriott International, Inc.	869	1,670	
5,667	Marsh & McLennan Companies, Inc.	1,263	1,690	
9,801	Masco Corporation	998	861	
962	Mastercard Inc. Class A	473	738	
2,465	McDonald's Corporation	994	983	
2,597	McKesson Corporation	1,490	2,596	
1,661	MercadoLibre Inc.	1,749	5,923	
11,908	Meta Platforms, Inc. Class A	5,238	11,991	
19,873	Microsoft Corporation	2,243	13,486	
18,045	Millrose Properties, Inc. Class A	690	702	

Economic Investment Trust Limited

SCHEDULE OF INVESTMENT PORTFOLIO AS AT JUNE 30, 2025 (Unaudited)

Number Shares		Cost	Carrying value	% of Carrying value
		(000's)		
	United States (continued)			
4,664	Motorola Solutions Inc	\$ 1,278	\$ 2,676	
15,116	NetApp, Inc.	2,056	2,197	
13,603	Newmont Corporation	979	1,081	
6,797	NRG Energy, Inc.	950	1,489	
14,692	Nucor Corporation	2,478	2,597	
15,857	NVIDIA Corporation	318	3,418	
237	NVR, Inc.	2,586	2,388	
11,869	Omnicom Group Inc.	1,142	1,165	
19,274	Oracle Corporation	915	5,749	
5,330	Owens Corning	618	1,000	
861	Packaging Corporation of America	259	221	
3,582	Parker Hannifin Corporation	1,744	3,413	
25,165	Philip Morris International Inc.	4,096	6,253	
9,652	Principal Financial Group, Inc.	1,021	1,046	
13,952	Procter & Gamble Company (The)	2,295	3,033	
4,862	Public Service Enterprise Group	495	558	
22,792	PulteGroup, Inc.	2,929	3,279	
26,348	Qualcomm Inc.	6,197	5,725	
11,350	Raymond James Financial, Inc.	1,415	2,375	
3,908	Reliance, Inc.	1,666	1,674	
4,268	ResMed Inc.	1,477	1,502	
9,052	Ross Stores, Inc.	1,646	1,576	
912	Salesforce, Inc.	339	339	
30,465	Simon Property Group, Inc.	4,708	6,682	
1,959	Snap-On Inc.	807	832	
12,004	SS&C Technologies Holdings, Inc.	1,337	1,356	
22,287	Steel Dynamics, Inc.	2,027	3,892	
48,145	Synchrony Financial	3,754	4,384	
29,528	TJX Companies, Inc. (The)	3,136	4,975	
1,452	T. Rowe Price Group, Inc.	194	191	
13,882	TE Connectivity PLC	3,002	3,194	
10,128	Trade Desk, Inc. (The)	729	995	
6,702	Union Pacific Corporations	2,039	2,104	
7,054	United Rentals, Inc.	4,644	7,251	
6,066	Universal Health Services, Inc.	1,578	1,499	
2,532	VeriSign, Inc.	975	998	
62,051	Verizon Communications Inc.	3,686	3,663	
3,567	Waste Management Inc.	748	1,114	
2,406	Westinghouse Air Brake Technologies Corporation	679	687	
66,370	Williams Companies, Inc. (The)	2,206	5,687	
3,028	W.W. Grainger, Inc.	2,210	4,297	
		<u>276,440</u>	<u>417,122</u>	<u>27.0</u>
	Total North America	<u>324,489</u>	<u>1,307,954</u>	<u>84.8</u>

Economic Investment Trust Limited

SCHEDULE OF INVESTMENT PORTFOLIO AS AT JUNE 30, 2025 (Unaudited)

Number Shares		Cost	Carrying value	% of Carrying value
(000's)				
Europe, excluding United Kingdom				
40,449	ABB Ltd.	\$ 1,472	\$ 3,283	
17,254	Accenture plc Class A	7,162	7,036	
57,718	ArcelorMittal S.A.	1,755	2,486	
4,977	Axa S.A.	333	332	
336,204	Banco Bilbao Vizcaya Argentaria, S.A.	2,209	7,036	
320,584	CaixaBank S.A.	1,287	3,779	
12,722	Chubb Limited	3,291	5,029	
45,196	Compagnie de Saint-Gobain S.A.	2,375	7,219	
48,472	Crédit Agricole S.A.	663	1,248	
26,719	CRH plc	3,285	3,346	
15,949	DHL Group	774	1,001	
17,785	Enel S.p.A.	196	230	
29,610	Equinor ASA	1,021	1,020	
368,415	Iberdrola, S.A.	6,074	9,620	
77,389	Infineon Technologies AG	2,440	4,480	
100,836	Ing Groep N.V.	1,221	3,011	
55,553	Koninklijke Ahold Delhaize N.V.	2,542	3,161	
3,327	Linde Public Limited Company	1,245	2,130	
47,648	Medtronic plc	5,489	5,667	
4,102	Mercedes-Benz Group AG	334	324	
6,484	Michelin Cgde-unspn ADR	337	328	
24,300	Nestle S.A.	2,162	3,286	
133,968	Nokia Oyj	982	946	
141,938	Nordea Bank Abp	1,902	2,872	
340	NXP Semiconductors N.V.	99	101	
7,378	Roche Holding AG Genusscheine NPV	1,999	3,271	
1,069	Swisscom AG-REG	885	1,032	
56,502	Telefonaktiebolaget LM Ericsson	661	657	
39,540	Telenor ASA	781	837	
37,660	TotalEnergies SE	2,382	3,145	
37,007	UniCredit S.p.A.	1,320	3,376	
23,654	Vinci SE	2,942	4,743	
328	Zurich Insurance Group Ltd.	216	312	
		<u>61,836</u>	<u>96,344</u>	6.2
Emerging Markets				
3,594,000	Agricultural Bank of China	2,203	3,498	
138,600	Alibaba Group Holding Limited	3,154	2,645	
97,900	AMBEV SA	330	326	
94,800	Arca Continental S.A.B. de C.V.	766	1,363	
21,582	Arch Capital Group Ltd	1,286	2,681	
148,000	ASE Technology Holding Co., Ltd.	968	1,019	
43,700	Banco do Brasil S.A.	273	242	
10,008,000	Bank Of China Ltd	4,925	7,932	
1,133,000	Bank of Communications Co., Ltd.	898	1,437	
170,200	BB Suguros Participacoes	810	1,525	
7,347,000	China Construction Bank Corporation	5,852	10,113	
101,000	China Life Insurance Company Limited	341	331	
208,000	China Resources Land Limited	874	962	

Economic Investment Trust Limited

SCHEDULE OF INVESTMENT PORTFOLIO AS AT JUNE 30, 2025 (Unaudited)

<u>Number Shares</u>		<u>Cost</u>	<u>Carrying value</u>	<u>% of Carrying value</u>
		(000's)		
	Emerging Markets (continued)			
259,500	China Shenhua Energy Company Limited	\$ 782	\$ 1,373	
39,000	CK Hutchison Holdings Limited	333	327	
115,900	Coca-Cola Femsa S.A.B. de C.V.	915	1,527	
74,503	Gold Fields Limited	2,372	2,382	
39,195	Gruma, S.A.B. de C.V.	621	920	
104,263	Grupo Financiero Barnote S.A.B. de C.V.	881	1,296	
43,801	Grupo México S.A.B. de C.V.	339	361	
28,050	JD.com, Inc. Class A	651	624	
256,000	Lite-On Technology Corporation	730	1,321	
85,000	Mediatek Inc.	4,227	4,962	
31,530	Mega Financial Holding Co., Ltd.	53	60	
761,982	MTN Group Limited	4,516	8,253	
2,365	Naspers Limited - N SHS	993	1,003	
65,700	NetEase, Inc.	1,577	2,409	
224,600	OUTsurance Holdings Limited	436	1,353	
1,179	PDD Holdings Inc.	105	168	
126,200	Petróleo Brasileiro S.A. - Petrobras PFD NVP	1,154	991	
312,000	Petróleo Brasileiro S.A. - Petrobras	3,017	2,662	
13,906	Samsung Electronics Co., Ltd.	654	693	
310,000	Singapore Airlines Limited	2,332	2,315	
1,277	SK Hynix Inc.	359	375	
156,000	Swire Pacific Offshore Holdings Limited	1,552	1,823	
37,000	Taiwan Semiconductor Manufacturing Company Limited	1,338	1,832	
3,700	Tencent Holdings Limited	330	323	
513,000	United Microelectronics Corporation	992	1,059	
14,600	Vale S.A.	201	192	
16,956	Valterra Platinum Limited	1,017	1,030	
256,500	WH Group Limited	334	337	
		<u>55,491</u>	<u>76,045</u>	4.9
	Japan			
16,700	Canon Inc.	667	662	
50,200	Fujifilm Holdings Corporation	1,527	1,492	
62,700	Fujitsu Limited	1,775	2,085	
72,900	Itochu Corporation	2,757	5,211	
31,800	Japan Tobacco Inc. (The)	1,170	1,278	
35,800	KDDI Corporation	766	840	
26,900	Marubeni Corporation	472	741	
27,600	Mitsubishi Corporation	486	754	
118,200	Mitsui & Co., Ltd.	1,747	3,295	
42,600	Nissin Foods Holdings Co., Ltd.	1,255	1,207	
96,000	Orix Corporation	2,157	2,961	
33,500	Takeda Pharmaceutical Company Limited	1,199	1,402	
87,000	Tokio Marine Holdings, Inc.	2,560	5,029	
		<u>18,538</u>	<u>26,957</u>	1.7

Economic Investment Trust Limited

SCHEDULE OF INVESTMENT PORTFOLIO AS AT JUNE 30, 2025 (Unaudited)

Number Shares		Cost	Carrying value	% of Carrying value
		(000's)		
	United Kingdom			
16,324	3i Group plc	\$ 494	\$ 1,258	
192,159	BAE Systems plc	2,073	6,779	
995,693	Barclays Plc	2,441	6,280	
27,201	Experian plc	1,129	1,908	
831,443	Lloyds Banking Group plc	605	1,192	
23,131	Next plc	2,162	5,381	
42,672	RELX plc	1,716	3,141	
		<u>10,620</u>	<u>25,939</u>	1.7
	Australia			
79,741	BHP Group Limited	2,880	2,622	
18,763	National Australia Bank Limited	331	311	
69,258	Rio Tinto Group	7,213	6,640	
15,684	Woodside Energy Group Ltd.	382	332	
		<u>10,806</u>	<u>9,905</u>	0.7
	Total Investments	<u>\$ 481,780</u>	<u>\$ 1,543,144</u>	<u>100.0</u>

¹ These companies and Economic are related parties.

² Not listed on a stock exchange.

³ The net assets of Ecando Investments Limited are invested primarily in shares of E-L Financial Corporation Limited.

⁴ The net assets of NVG Holdings Limited and TGV Holdings Limited are invested primarily in shares of The Bank of Nova Scotia.

⁵ Investment in associate.

Economic Investment Trust Limited

CORPORATE INFORMATION

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CUSTODIAN

RBC Investor & Treasury Services

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TORONTO STOCK EXCHANGE LISTING

Common Shares, ticker symbol EVT

NET EQUITY VALUE

The Company's net equity value per Common Share is published weekly on the Company's website.

REPORTING PROCEDURE FOR ACCOUNTING AND AUDITING MATTERS

Please refer to the "Contact Us" section of our website if you have questions or concerns regarding accounting or auditing matters.

WEBSITE

www.evt.ca

