



**ANNUAL
MANAGEMENT
REPORT**

*of Fund Performance
for the year ended
December 31, 2024*

INCOME FUNDS
FÉRIQUE Short-Term Income Fund

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the Funds that you hold. You can get a copy of the annual financial statements at your request, and at no cost, by calling Services d'investissement FÉRIQUE's client services at 514-788-6485 (toll-free 1-800-291-0337), by writing at Gestion FÉRIQUE, Place du Canada, 1010 de La Gauchetière Street West, Suite 1400, Montréal, Québec H3B 2N2, or by visiting our website at ferique.com or SEDAR+ at sedarplus.ca. You may also contact us using one of these methods to request a copy of the Fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record and quarterly portfolio disclosure.

There may be management fees and expenses associated with an investment in a mutual fund. Management expense ratios vary from one year to another. Please read the Prospectus before investing. Mutual funds are not guaranteed or covered by the Canada Deposit Insurance Corporation or another government deposit insurer. Their values fluctuate frequently and past performance may not be repeated.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Funds, their future performance, strategies or prospects, and possible future Fund actions. The words "may", "could", "should", "would", "suspect", "outlook", "believe", "plan", "anticipate", "estimate", "expect", "intend", "forecast", "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Funds and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Funds. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

As at December 31, 2024

Management Discussion of Fund Performance

Investment Objectives and Strategies

The FÉRIQUE Short-Term Income Fund seeks to preserve capital and maximize income. The Fund mainly invests in money market securities, including commercial paper, bank acceptances* and government Treasury bills.

In choosing the investments, the portfolio sub-manager considers economic conditions and their impact on interest rates. If he forecasts an increase in interest rates, he will opt for short-term securities. However, if he believes that the rates will decrease, he will choose longer-term securities.

Money is mainly invested and reinvested in money market securities, including commercial paper, asset-backed commercial paper sponsored by Canadian chartered banks denominated in Canadian dollars and issued and guaranteed by major Canadian and foreign corporations. Money may also be invested in Treasury bills issued by the Government of Canada and provincial governments. Moreover, money market securities of municipalities and school boards may be purchased. Also, money may be invested in the bond market in securities denominated in Canadian dollars issued by governments, agencies or Canadian or foreign corporations and in investment certificates issued by financial institutions such as banks, trust companies and credit unions.

Risk

The risks of investing in the Fund remain the same as those described in the Prospectus. This Fund is intended for investors with a low risk. During the period, there were no changes to the Fund that materially affected the overall risk level associated with an investment in the Fund.

Results of Operations

The FÉRIQUE Short-Term Income Fund, managed by CIBC Asset Management Inc. (CIBC), posted a net return of 4.9% for the fiscal year ended December 31, 2024. Its benchmark, composed of the FTSE Canada 91 day T-Bill Index (50%) and the FTSE Canada 30 day T-Bill Index (50%), posted a 4.8% return over the same period. Contrary to benchmark returns, which include no investment fees, returns are expressed net of management and operating expenses payable by the Fund.

On a relative basis, the Fund outperformed its industry median¹, which posted 4.2% net of fees for the fiscal year.

The Fund maintained its overweight position to corporate issuers, increasing its running yield and thereby adding to its overall performance. Canadian banks' floating rate notes and short-term asset-backed securities also contributed to returns.

Throughout the year, the portfolio sub-manager held several meetings with the Toronto-Dominion Bank (TD Bank) to discuss regulatory issues caused by their failure to uphold proper anti-money laundering controls in the United States. The portfolio sub-manager

sought to get a clear picture of the situation: the reasons for the legal violations, the steps taken to address them and the potential impacts on the portfolio's investments over the short, medium and long term.

Over the course of these meetings, the portfolio sub-manager became much more at ease with this issue's operational aspects and the steps taken by TD Bank to close the gaps that caused the legal violations to happen in the first place. Despite these positive developments, the portfolio sub-manager still believes significant uncertainty remains in the short term, especially with regard to governance and audit. As a result, the bank's stock was downgraded.

The portfolio sub-manager will continue to monitor environmental, social and governance (ESG) risks for TD Bank and all public issuers held in the portfolio as part of its investment process.

The Fund's responsible approach to investing is described in the simplified prospectus. This approach is one of the multiple components of the investment strategies used to help reach the objective of the Fund and thus constitutes a limited consideration of ESG factors. The consideration of ESG factors and the engagements with companies are not part of the investment objective of the Fund and, therefore, ESG factors and shareholder engagements are not the primary strategy of the Fund.

Recent Developments

Tight financial conditions weighed on economic activity during the year, as the Bank of Canada (BoC) started lowering its key interest rates faster than most other major central banks in a bid to kickstart consumer spending and business activity. The rate cuts succeeded in boosting consumer spending and real estate activity. Canada's labour market improved once business spending increased due to higher demand. However, the United States threatening to impose tariffs and Canada cutting immigration numbers could weigh on economic activity and the economy's outlook. Canada's exports and already challenged manufacturing sector could suffer from new tariffs. As a result, the BoC will likely keep cutting interest rates in the coming months to support the economy.

The portfolio sub-manager believes the BoC will continue to lower interest rates. However, new U.S.-imposed tariffs and the Federal Reserve cutting interest rates at a slower pace could increase inflationary pressure and hinder Canada's economic growth.

Against this backdrop, the portfolio will remain overweight to corporate bonds, while maintaining some exposure to floating rate notes to increase the Fund's yield. Given that the likelihood of additional interest rate increases is now lower, the portfolio sub-manager will keep the portfolio's average maturity to neutral or overweight.

IRC: Mr. Gérard Guilbault's mandate as a member of the IRC ended on March 31, 2024. Mr. Sylvain Piché replaced Mr. Gérard Guilbault as a member of the IRC under a three (3)-year mandate, starting April 1, 2024.

* Bankers' acceptances were removed as at 30 June 2024 after the Canadian Dollar Offered Rate (CDOR) ceased to be published by Refinitiv Benchmark Services (UK) Ltd. The objective of the FÉRIQUE Short Term Income Fund remains unchanged.

¹ Source: Median return of similar funds according to Fundata, as at December 31, 2024.

As at December 31, 2024

Related Party Transactions

The Manager of the Fund is Gestion FÉRIQUE, a not-for-profit organization. Gestion FÉRIQUE receives management fees to cover its expenses with respect to the day-to-day business and operations of the Fund, as reported under the Management Fees section. These expenses include the portfolio manager's fees, the fees relating to the marketing and distribution of the Fund, as well as the administration fees of the Manager.

Services d'investissement FÉRIQUE (SIF) is a not-for-profit subsidiary of Gestion FÉRIQUE registered as a group savings plan brokerage and financial planning firm, and acts as distributor of units of the Fund. A percentage of the management fees paid by the Fund to Gestion FÉRIQUE is used to cover the expenses of SIF with respect to its day-to-day activities.

Gestion FÉRIQUE and Services d'investissement FÉRIQUE held 6.3% of the units of the FÉRIQUE Short-Term Income Fund as at December 31, 2024.

Gestion FÉRIQUE is responsible for the operating expenses of the Fund, excluding the expenses of the Independent Review Committee and the filing fees, in return for an administration fee, as reported under the Management Fees section.

Gestion FÉRIQUE has set up an Independent Review Committee for the Fund in accordance with the requirements of National Instrument 81-107 Independent Review Committee for Investment Funds to review conflicts of interest related to the management of the Fund.

The Fund's portfolio sub-manager, CIBC Asset Management Inc., is a wholly-owned subsidiary of CIBC.

For the fiscal year ended December 31, 2024, in accordance with applicable securities laws, the portfolio sub-manager CIBC Asset Management Inc. relied on the standing instruction of the Independent Review Committee with respect to investments in the securities of issuers for which an entity related to the manager acted as underwriter during the distribution of the securities in question and the 60-day period after the end of the placement. The transactions were carried out in accordance with the standing instruction of the FÉRIQUE Funds Independent Review Committee.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help the reader understand the Fund's financial performance for the accounting periods shown.

	Years ended				
	Dec. 31 2024 (12 months)	Dec. 31 2023 (12 months)	Dec. 31 2022 (12 months)	Dec. 31 2021 (12 months)	Dec. 31 2020 (12 months)
Net Assets per Unit⁽¹⁾⁽⁵⁾	\$	\$	\$	\$	\$
Net assets, beginning of accounting period ⁽⁴⁾	34.22	34.20	34.25	34.24	34.22
Increase (decrease) from operations					
Total revenues	1.67	1.62	0.63	0.10	0.36
Total expenses	(0.09)	(0.06)	(0.05)	(0.08)	(0.09)
Realized gains (losses)	–	–	–	–	(0.08)
Unrealized gains (losses)	0.03	0.17	0.11	–	–
Total increase (decrease) from operations⁽²⁾	1.61	1.73	0.69	0.02	0.19
Distributions					
From investment net income (excluding dividends)	1.63	1.71	0.68	0.01	0.20
Total annual distributions⁽³⁾	1.63	1.71	0.68	0.01	0.20
Net assets, end of accounting period⁽⁴⁾	34.20	34.22	34.20	34.25	34.24

⁽¹⁾ This information is derived from the Fund's Annual Audited Financial Statements. The net assets per unit presented in the financial statements could differ from the net asset value calculated for fund pricing purposes. The differences are explained in the notes to the financial statements.

⁽²⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase or decrease from operations is based on the weighted average number of units outstanding during the accounting period. This table is not intended to show a reconciliation between net assets per unit at the beginning and at the end of the accounting period.

⁽³⁾ Distributions were paid in cash or reinvested in additional units of the Fund, or both.

⁽⁴⁾ The net assets are calculated in accordance with International Financial Reporting Standards (IFRS).

⁽⁵⁾ In this document, the word "units" indicates Series A units.

As at December 31, 2024

Financial Highlights (continued)

	Years ended				
	Dec. 31 2024 (12 months)	Dec. 31 2023 (12 months)	Dec. 31 2022 (12 months)	Dec. 31 2021 (12 months)	Dec. 31 2020 (12 months)
Ratios and Supplemental Data					
Net asset value (in thousands of \$) ⁽¹⁾	156,099	153,472	115,143	98,774	121,879
Number of units outstanding ⁽¹⁾	4,561,320	4,486,709	3,365,740	2,885,168	3,558,480
Management expense ratio (%) ⁽²⁾	0.25	0.17	0.15	0.24	0.27
Management expense ratio before waivers or absorptions by the Manager (%)	0.25	0.17	0.15	0.24	0.27
Portfolio turnover rate (%) ⁽³⁾	n/a	n/a	n/a	n/a	n/a
Trading expense ratio (%) ⁽⁴⁾	—	—	—	—	—
Net asset value per unit (\$)	34.22	34.21	34.21	34.24	34.25

⁽¹⁾ This information is provided as at December 31 for the comparative accounting periods.

⁽²⁾ Management expense ratio is based on total expenses for the stated accounting period (including applicable taxes and its proportionate share of the expenses from the underlying funds, where applicable, but excluding commissions, other portfolio transaction costs and withholding taxes on dividend income) and is expressed as an annualized percentage of the daily average net asset value during the accounting period.

⁽³⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio 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 during the accounting period. The higher a Fund's portfolio turnover rate in the accounting period, the greater the trading costs payable by the Fund during the accounting period, and the greater the chance of an investor receiving taxable capital gains during the accounting period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund. The portfolio turnover rate is not applicable for the money market.

⁽⁴⁾ The trading expense ratio represents total commissions and other portfolio transaction costs, including its proportionate share of the trading expenses from the underlying funds, where applicable, expressed as an annualized percentage of the daily average net asset value during the accounting period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

Fees payable by the Fund include management fees and operating charges. Operating charges are made up of administration fees and Fund expenses. Management and administration fees are calculated and credited daily and paid monthly.

Management fees include, among others, the portfolio manager's and/or sub-manager's fees, the fees relating to the marketing and distribution of the Fund and the Manager's administration fees.

Administration fees include, among others, registrar custodian fees and fiduciary fees, expenses relating to accounting and valuation of the Fund, auditors' and legal advisors' fees and reporting fees to unitholders. Fund expenses are made up of regulatory filing fees and expenses of the Independent Review Committee.

For the year, annualized management fees charged to the Fund before government taxes amounted to 0.22% and are detailed as follows:

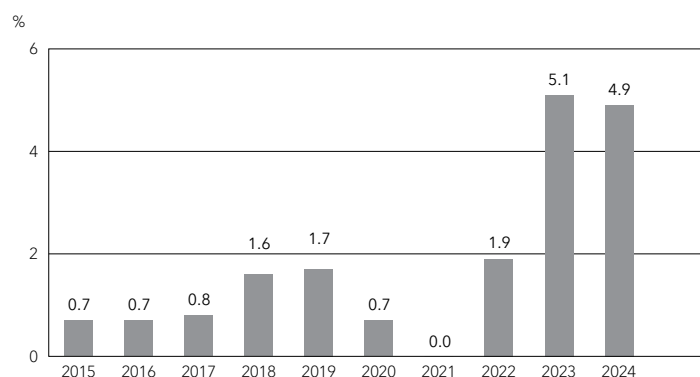
- Management fees: 0.12%
- Administration fees: 0.09%
- Fund fees: 0.01%

Past Performance

The performance information assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. The information does not take into account purchase, redemption, investment or other optional charges that would have reduced returns or performance. The Fund's past performance is not necessarily indicative of how it will perform in the future.

Annual Returns

The bar chart shows the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by December 31 of each financial year or on the last day of the year.



Annual Compound Returns (%)

	1 year	3 years	5 years	10 years
FÉRIQUE Short-Term Income	4.9	4.0	2.5	1.8
Benchmark Index	4.8	3.8	2.4	1.7
Median*	4.2	3.3	2.0	1.3

*Median return of all investment funds of the same category according to Fundata.

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Benchmark Index

The FTSE Canada 91 day T-Bill Index (50%) closely mirrors the return of Government of Canada 3-month Treasury bills. The FTSE Canada 30 day T-Bill Index (50%) closely mirrors the return of Government of Canada 1-month Treasury bills.

Comparison with the Index

The Fund posted a net return of 4.9% for the fiscal year ended December 31, 2024, compared to 4.8% for its benchmark index. Contrary to benchmark returns, which include no investment fees, Fund returns are expressed net of management and operating expenses payable by the Fund.

Portfolio Overview

The Top 25 Holdings in the Portfolio	% of net asset value
Ridge Trust, 3.51%, due January 16, 2025	3.5
Storm King Funding Canada, 3.65%, due February 5, 2025	3.4
Province of Newfoundland and Labrador, 3.65%, due February 27, 2025	3.3
Prime Trust, 3.51%, due January 9, 2025	3.2
Bay Street, 3.65%, due February 6, 2025	3.2
Province of Alberta, 3.88%, due March 4, 2025	3.2
Reliant Trust, 3.88%, due March 25, 2025	3.2
Pure Grove Funding, 3.51%, due January 5, 2025	2.6
Province of Saskatchewan, 3.51%, due January 9, 2025	2.6
Province of Ontario, 3.51%, due January 22, 2025	2.6
Inter Pipeline Corridor Inc., 3.51%, due January 28, 2025	2.5
Zeus Receivables Trust, 3.88%, due March 4, 2025	2.5
Province of Newfoundland and Labrador, 3.88%, due March 13, 2025	2.5
Lakeshore Trust, 3.88%, due March 25, 2025	2.5
Lakeshore Trust, 4.24%, due April 1, 2025	2.5
Plaza Trust, 4.70%, due August 28, 2025	2.4
Merit Trust, Floating, due January 2, 2025	2.4
Prime Trust, Floating, due January 2, 2025	2.4
Banner Trust, Floating, due March 26, 2025	2.4
Zeus Receivables Trust, Floating, due March 26, 2025	2.4
Province of Newfoundland and Labrador, 3.51%, due January 23, 2025	2.2
Storm King Funding Canada, 3.65%, due February 25, 2025	2.2
Bay Street, 4.70%, due July 8, 2025	2.2
King Street Fund, 4.70%, due July 8, 2025	2.2
Fusion Trust, 4.70%, due August 20, 2025	2.2
	66.3

Asset Mix	% of net asset value
Short-Term Notes	57.2
Treasury Bills	25.9
Canadian Corporate Bonds	17.1
Cash and Other Net Assets	(0.2)
	156,099,319

The allocation of the portfolio may vary due to the transactions carried out by the Fund. A quarterly update is available.

Other Material Information

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Additional information about the Funds is available in the Funds' Prospectus, Annual Information Form, Fund Facts and Financial Statements.

You may obtain a copy of these documents, free of charge and on demand:

- by contacting the Manager, Gestion FÉRIQUE, at 514-840-9206 (toll-free at 1-888-259-7969);
- by contacting the Principal Distributor, Services d'investissement FÉRIQUE at 514-788-6485 (toll-free at 1-800-291-0337) or client@ferique.com;
- by visiting ferique.com or sedarplus.ca.