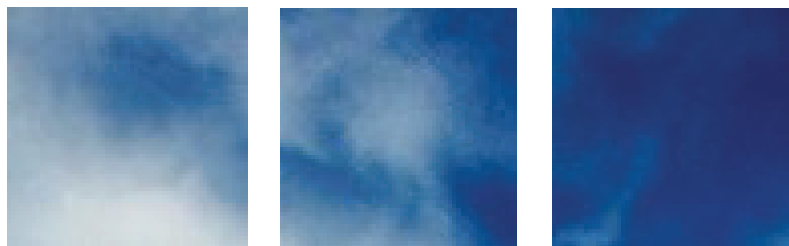




Artemis

Investment Management



CITADEL INCOME FUND

SEMI-ANNUAL REPORT

JUNE 30, 2025

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MANAGEMENT REPORT OF FUND PERFORMANCE

MANAGEMENT REPORT OF FUND PERFORMANCE

This interim management report of fund performance for Citadel Income Fund (the “Fund”) contains financial highlights but does not contain either the interim financial statements or annual financial statements of the Fund. You may obtain a copy of either the interim or annual financial statements at your request and at no cost, by calling (416) 934-7455, or by sending a request to Investor Relations, Artemis Investment Management Limited, 1325 Lawrence Avenue E., Suite 200, Toronto, ON, M3A 1C6, Canada or by visiting our website at www.artemisfunds.ca or SEDAR+ at www.sedarplus.ca. Holders of units (“Unitholders”) 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, or quarterly portfolio disclosure.

THE FUND

The Fund is a closed-end investment trust. Artemis Investment Management Limited is the investment fund manager of the Fund (the “Manager”). The Fund has one class of units (each a “Unit”) outstanding. The Units trade on the Toronto Stock Exchange (“TSX”) under the symbol CTF.UN. The Fund’s portfolio is managed by Vestcap Investment Management Inc. (the “Portfolio Advisor”).

INVESTMENT OBJECTIVES AND STRATEGIES

Citadel Income Fund’s investment objectives are to provide its Unitholders with a stable stream of monthly distributions and to preserve and potentially enhance the net asset value (“NAV”) of the Fund. The Portfolio Advisor seeks to achieve these objectives by investing in a diversified portfolio (the “Portfolio”) of securities (the “Portfolio Securities”) consisting of: (i) equity securities of principally larger capitalization companies traded on a recognized stock exchange; (ii) debt securities, with a minimum of 80% of debt security investments in investment grade debt rated BBB or higher; and (iii) income funds, each of which has, at the date of investment by the Fund, a market capitalization, excluding control positions, of at least \$400 million.

RISKS

There are a number of risks associated with an investment in the Fund. The principal risks include, but are not limited to, market and income risk. Market risk is the exposure to market price changes in the Portfolio Securities which have a direct effect on the NAV of the Fund. Income risk arises from a number of factors related to the operational performance of the issuers of the Portfolio Securities. These risks include the effects of fluctuations in commodity prices, foreign currency conversion rates, interest rates, and general business operation risks, any of which may affect the issuers’ income and, as a result, reduce the value of its securities. Diversification and active management by the Portfolio Advisor of the Portfolio Securities may reduce these risks.

There were no changes in the period ended June 30, 2025, that materially affected the risks associated with an investment in Units. For a list of risks, see the Fund’s Annual Information Form dated March 18, 2025, on the Fund’s SEDAR+ profile at www.sedarplus.ca.

RESULTS OF OPERATIONS

The NAV of the Fund decreased from \$11.45 million as at January 1, 2025, to \$10.86 million as at June 30, 2025. For the six-month period ended June 30, 2025, total revenue per unit was \$0.008, representing a decline from \$0.044 for the same period in 2024. This decrease was primarily attributable to lower interest income and unfavorable foreign exchange movements. During the period, the Fund recorded foreign exchange losses of \$0.024 per Unit, compared to a gain of \$0.001 per Unit in 2024, as the U.S. dollar depreciated by approximately 5.4% against the Canadian dollar in the first half of 2025. The decline reflected monetary shifts, fiscal and political instability, trade policy shocks, capital flows to emerging markets, and shifting investor sentiment. Operations for the period resulted in a decrease in NAV per Unit of \$0.117, compared to an increase of \$0.426 for the same period in 2024. The decline was mainly driven by unrealized losses on Portfolio Securities and foreign exchange losses.

Total administrative expenses for the period ended June 30, 2025, were \$0.024 per unit, compared to \$0.023 per unit in 2024, and the monthly administrative fee remained unchanged at \$10,500. The management fee and investment management fee remained unchanged at \$0.021 and \$0.007 per Unit, respectively, compared to the same period in 2024. However, the total management fee decreased due to a lower average NAV, while the effective per Unit allocation increased as a result of a lower weighted average number of Units outstanding. Excluding the expenses discussed previously, all other

MANAGEMENT REPORT OF FUND PERFORMANCE

expenses of the Fund for the period ended June 30, 2025, were \$0.044 per Unit, compared to \$0.041 for the same period in 2024. The increase was primarily attributable to higher Unitholder servicing fees, audit fees, and custody fees, partially offset by lower legal fees.

Over the first six months of 2025, the S&P/TSX Composite Index had a total return of 10.17%, while the S&P 500 Index had a total return of 0.76% (in Canadian dollar terms). Concerns over U.S. tariff policy, geopolitical events, and the emergence of a credible Chinese-backed artificial intelligence (AI) competitor, DeepSeek AI, culminated in a sharp sell-off across global equity markets between February and April. While most markets recovered significantly from their lows by the end of the first half of 2025, the S&P 500 in Canadian dollar terms lagged other major global equity markets' performance due to weakness in the valuation of the USD relative to other major currencies, driven by continued trade policy concerns and the related forward inflation outlook for the U.S. economy. The Portfolio Advisor expects the USD's relative valuation against other major global currencies to rebound as confidence in the depth and breadth of the U.S. capital markets is gradually restored. The Portfolio Advisor is not overly concerned about a significant increase in overall inflation in the U.S. and other major global economies. Global economic growth, inflation, and labor demand have continued to moderate overall, though to varying degrees across major developed economies. Additionally, while the impact of U.S. tariff policy changes on goods pricing is only beginning to appear, the larger weight of the services pricing component in U.S. and other global headline inflation calculations continues to slow and should largely offset any increase in tariff-related goods inflation for the time being. Lastly, U.S. consumers are in a decent starting position to absorb the impact of tariff-related price increases, with record high average net worths and unemployment rates remaining near multi-decade lows.

Looking past all the tariff policy noise, several U.S. economic data points weakened through the first half of this year, while others were pulled forward by consumers and businesses trying to front-run the implementation of tariffs. The U.S. and other global equity markets are currently sitting at or near the top ends of their respective historical valuation ranges, and current market sentiment is bullish as investors look past slowing economic data and trade uncertainty. However, the above-mentioned concerns that led to the sell-off in markets during the first half of the year remain unresolved and uncertain. The Portfolio Advisor believes these concerns will continue to weigh on the global economic outlook for the rest of the year, leaving markets prone to negative shifts in sentiment. During the first six months of the year, the Fund reduced its Portfolio exposure to U.S. equities. We remain focused on positioning the Fund to benefit from long-term secular investment themes impacting the trend of global economic growth — reshoring of manufacturing capabilities, adoption of AI by businesses and individuals, and increased infrastructure and defense spending. These and other investment themes, and the companies that stand to benefit from them, will continue to play out over time whether announced U.S. tariff policies remain in place or not.

The NAV per Unit, after distributions to Unitholders, decreased by 6.30% during the period ended June 30, 2025, declining to \$3.77 from \$4.02. The Fund paid total distributions of \$0.12 per Unit during the period. There were no unusual redemption trends during the period, with a total of 1,717 Units redeemed.

TRADING PREMIUM/DISCOUNT

For the period ended June 30, 2025, the Fund traded at an average discount to its NAV per Unit of 29.84%, compared to an average discount of 36.57% for the same period in 2024.

RECENT DEVELOPMENTS

Monthly Distribution for 2025

On January 15, 2025, the Fund announced distributions for 2025 of \$0.02 per Unit per month. Unitholders of record on the last day of each month will be paid distributions on the 15th day (or first business day thereafter) of the ensuing month.

Annual Redemptions

The Fund permits the redemption of up to 10% of its public float annually under the annual redemption privilege. This percentage is calculated based on the public float as of the last business day of November of the previous year, adjusted for any Units purchased for cancellation by the Fund during the preceding twelve months. For 2025, the public float was determined to be 2,845,140 Units as of November 30, 2024, adjusted for the number of Units purchased for cancellation by the Fund during the preceding twelve months. This adjustment resulted in a maximum redeemable amount of 284,514 Units for the year. Details regarding the annual redemption process will be disclosed through a press release in early October.

MANAGEMENT REPORT OF FUND PERFORMANCE

Changes to the Board of the Manager

Effective March 31, 2025, the Manager announced changes to its board of directors. Gavin Swartzman retired from the board following years of dedicated service. Concurrently, Dani Shields was appointed as a director. Ms. Shields brings extensive experience in private equity, mergers and acquisitions, and real estate portfolio management. She also serves as General Counsel and Chief People Officer at an affiliate of the Manager.

RELATED PARTY TRANSACTIONS

The Manager is entitled to receive a management fee of 1.00% per annum of the average NAV of the Fund plus applicable taxes, calculated and payable monthly. For the period ended June 30, 2025, management fees totaled \$60,022 (2024 – \$66,005), of which \$10,329 was payable as at June 30, 2025 (2024 – \$10,698).

The Portfolio Advisor receives a fee of 0.33% per annum of the average NAV of the Fund, plus applicable taxes, calculated and payable monthly, in exchange for providing investment management services. For the period ended June 30, 2025, investment management fees totaled \$19,807 (2024 – \$21,782), of which \$3,408 was payable at June 30, 2025 (2024 – \$3,530).

Administrative expenses for the period ended June 30, 2025 totaled \$68,599 (2024 – \$70,417). As part of these expenses, the Fund pays a general overhead cost to Artemis. Artemis receives \$10,500 per month plus applicable taxes to cover related administrative salaries, employee benefits, general overhead, and office supplies.

For redemptions or repurchases the Manager is entitled to receive a fee per Unit of 5% of the NAV per Unit plus applicable taxes. For the period ended June 30, 2025, no redemption fees were paid to the Manager.

MANAGEMENT REPORT OF FUND PERFORMANCE

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund intended to help you understand the Fund's financial performance for the past five years.

The Fund's Net Assets per Unit ⁽¹⁾

For the period Ended	30-Jun-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21	31-Dec-20
Net Assets, beginning of year	\$ 4.02	\$ 3.59	\$ 3.54	\$ 4.90	\$ 4.33	\$ 4.19
Increase (decrease) from operations:						
total revenue	0.01	0.08	0.05	0.10	0.05	0.12
total expenses (excluding distributions)	(0.10)	(0.18)	(0.25)	(0.12)	(0.14)	(0.12)
realized gains (losses) for the year	0.21	0.21	0.28	(0.15)	0.36	0.00
unrealized gains (losses) for the year	(0.24)	0.51	0.16	(1.06)	0.46	0.25
Total increase (decrease) from operations ⁽²⁾	\$ (0.12)	\$ 0.62	\$ 0.24	\$ (1.23)	\$ 0.73	\$ 0.25
Distributions:						
From net investment income (excluding dividends)	–	–	–	–	–	–
From dividends	–	–	–	–	–	–
From capital gains	–	–	–	–	0.09	–
Return of capital	0.12	0.16	0.21	0.12	0.03	0.12
Total annual distributions ⁽³⁾	0.12	0.16	0.21	0.12	0.12	0.12
Net assets as at end of each period shown	\$ 3.77	\$ 4.02	\$ 3.59	\$ 3.54	\$ 4.90	\$ 4.33

(1) The financial statements of the Fund have been prepared in accordance with IFRS. This information is derived from the Fund's audited annual financial statements.

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

(3) Distributions were paid in cash or Units, or both.

MANAGEMENT REPORT OF FUND PERFORMANCE

RATIOS AND SUPPLEMENTAL DATA

For the Period Ended	30-Jun-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21	31-Dec-20
Total net asset value (\$ 000's) ⁽¹⁾	\$ 10,864	\$ 11,454	\$ 11,205	\$ 36,303	\$ 54,576	\$ 53,380
Number of units outstanding (000's) ⁽¹⁾	2,882	2,847	3,118	10,244	11,144	12,335
Management expense ratio ⁽²⁾	5.08%	4.58%	6.57%	3.12%	2.77%	2.80%
Trading expense ratio ⁽³⁾	0.01%	0.01%	0.03%	0.12%	0.22%	0.10%
Portfolio turnover ratio ⁽⁴⁾	11.77%	7.85%	28.68%	70.00%	171.02%	65.49%
Net asset value per unit	\$ 3.77	\$ 4.02	\$ 3.59	\$ 3.54	\$ 4.90	\$ 4.33
Closing market price	\$ 2.68	\$ 2.57	\$ 2.60	\$ 2.35	\$ 3.56	\$ 2.83

(1) This information is provided as at the date shown.

(2) Management expense ratio is based on total expenses (excluding distributions, commissions, and other Portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average NAV during the period.

(3) The trading expense ratio represents total commissions and other Portfolio transaction costs expressed as an annualized percentage of daily average NAV during the period.

(4) The Fund's Portfolio turnover rate indicates how actively the Portfolio Advisor manages the Portfolio. A Portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the Portfolio Securities once in the course of the year. The higher the Fund's Portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year and the greater the chance of an investor receiving taxable capital gains in a year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

MANAGEMENT REPORT OF FUND PERFORMANCE

MANAGEMENT FEES

The Manager is entitled to receive a management fee of 1.00% per annum of the average NAV of the Fund plus applicable taxes, calculated and payable monthly, in consideration for management services provided to the Fund. The Portfolio Advisor receives a fee of 0.33% per annum of the average NAV of the Fund plus applicable taxes, calculated and payable monthly, in consideration for providing investment management services to the Fund.

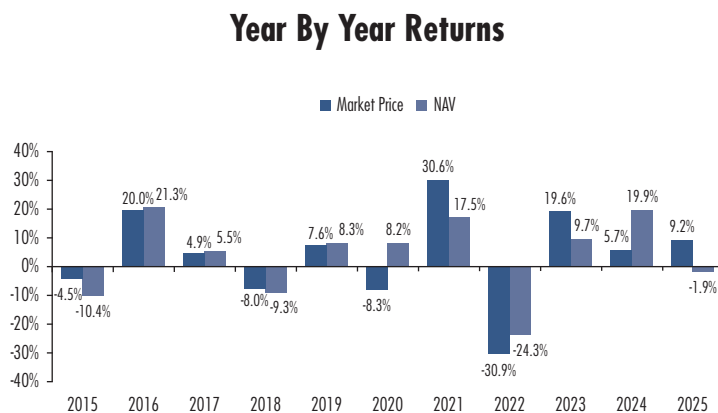
PAST PERFORMANCE

The Fund's performance numbers represent the annual compound total returns over the period indicated to June 30, 2025 (except for returns of less than one year which are compounded total returns). Total returns are based upon both the Fund's change in market price or net assets per Unit plus the reinvestment of all distributions in additional Units on the reinvestment dates for the year.

Returns do not take into account sales, redemptions, or income taxes payable. Past performance of the Fund does not necessarily indicate how it will perform in the future.

The total return of the Fund for the period ended June 30, 2025, was negative 1.85% measured in terms of its NAV. The total return of the market price per Unit for the period ended June 30, 2025, was positive 9.24%.

The following chart shows the Fund's performance as at the date shown, and illustrates how the Fund's performance has changed. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each period.



The Fund commenced operations as of May 2004. For 2024 and prior years, this represents the annual return, unadjusted for the exercise of warrants, for the twelve-month period ended December 31.

MANAGEMENT REPORT OF FUND PERFORMANCE

SUMMARY OF INVESTMENT PORTFOLIO

As at June 30, 2025

Total Net Assets: \$10,864,223

The major Portfolio categories and top holdings of the Fund at the end of the period are indicated in the following tables. The Summary of Investment Portfolio may change due to ongoing Portfolio transactions of the Fund. Quarterly updates are available at www.artemisfunds.ca.

Portfolio by Sector	% of Aggregate NAV
Canadian Equities	
Information Technology	6.40%
Consumer Discretionary	5.90%
Pipeline/Energy Investments	4.60%
Consumer Goods & Services	4.20%
Industrial	4.00%
Real Estate	2.10%
Total Canadian Equities	27.20%
International Equities (U.S. & Others)	59.70%
Cash	14.40%
Other Assets, Net of Liabilities	(1.30)%
Total Net Assets	100.00%

TOP HOLDINGS (as a % of Total NAV of the Fund)

As at June 30, 2025

Cash	14.40%	Thermo Fisher Scientific Inc.	3.80%
iShares 0 – 3 Month Treasury Bond ETF	8.90%	Fortinet Inc.	3.70%
Constellation Software Inc.	6.40%	HCA Healthcare Inc.	3.60%
Alphabet Inc.	6.30%	Freeport-McMoRan Inc.	3.60%
Linamar Corp.	5.90%	Shell PLC	3.60%
Microsoft Corp.	5.50%	Apple Inc.	2.60%
Advanced Micro Devices Inc.	4.80%	Crocs Inc.	2.60%
Canadian Natural Resources Ltd. – CAD	4.50%	Vulcan Materials Co.	2.60%
Loblaw Cos. Ltd.	4.20%	DREAM Unlimited Corp.	2.10%
Mastercard Inc.	4.10%	Canadian Natural Resources Ltd. – USD	0.10%
Procter & Gamble Co.	4.00%	Other Assets, Net of Liabilities	-1.30%
Canadian Pacific Kansas City Ltd.	4.00%	% of Total Net Assets	100.00%

MANAGEMENT REPORT OF FUND PERFORMANCE

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance, or expectations that are not historical facts but instead represent the Manager's or Portfolio Advisor's expectations regarding future events. By their nature, forward-looking statements must be based on assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. Readers of this document are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause actual future results, conditions, actions, or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. Actual results may differ materially from the Manager's or Portfolio Advisor's expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to: market and general economic conditions, interest rates, foreign exchange rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Fund may invest, and the risks detailed from time to time in the Fund's prospectus, Annual Information Form, and other investor documentation. The foregoing list of factors is not exhaustive and when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, neither the Fund nor the Manager undertakes, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

Financial Statements of

CITADEL INCOME FUND

For the six-month period ended June 30, 2025 (unaudited)



Management's Responsibility for Financial Reporting

The interim financial statements of Citadel Income Fund (the "Fund") have been prepared by Artemis Investment Management Limited ("Artemis"). Artemis is responsible for the information and representations contained in these financial statements and the other sections of the Semi-Annual Report.

Artemis maintains appropriate procedures to ensure that relevant and reliable financial information is produced. The significant accounting policies applicable to the Fund are described in Note 3 to the financial statements.

The auditors of the Fund have not reviewed these financial statements.

Artemis, the Manager and Trustee of the Fund, appoints an independent auditor to audit the Fund's annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Fund's interim financial statements, this must be disclosed in an accompanying notice.



Trevor Maunder
Director



Dani Shields
Director

STATEMENTS OF FINANCIAL POSITION

As at June 30, 2025 (unaudited) and December 31, 2024 (audited)

	2025	2024
Assets		
Financial assets at fair value through profit or loss (note 4)	\$ 9,436,481	\$ 11,154,353
Cash	1,568,780	499,779
Dividends receivable	9,415	7,851
Other receivables	7,533	5,635
	<u>11,022,209</u>	<u>11,667,618</u>
Liabilities		
Distributions payable	57,633	56,933
Management fees and investment management fees payable (note 8)	13,737	15,430
Accounts payable and accrued liabilities (note 8)	86,616	141,088
	<u>157,986</u>	<u>213,451</u>
Net assets attributable to holders of redeemable units	<u>\$ 10,864,223</u>	<u>\$ 11,454,167</u>
Number of redeemable units outstanding (note 7)	<u>2,881,657</u>	<u>2,846,637</u>
Net assets attributable to holders of redeemable units per unit	<u>\$ 3.77</u>	<u>\$ 4.02</u>

See accompanying notes to the financial statements.

Approved on behalf of Citadel Income Fund by the
Board of Directors of Artemis Investment Management Limited:



Trevor Maunder
Director



Dani Shields
Director

STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the six-month period ended June 30 (unaudited)

	2025	2024
Income		
Dividends	\$ 72,848	\$ 75,926
Interest income for distribution purposes	19,971	57,008
Foreign exchange (loss) gain	(68,818)	3,436
Other changes in fair value on financial assets and financial liabilities at fair value through profit or loss		
Net realized gain on sale of investments, including foreign exchange adjustments	604,091	296,130
Change in unrealized (depreciation) appreciation in value of investments	(690,537)	1,175,041
	(62,445)	1,607,541
Expenses		
Management fees (note 8)	60,022	66,005
Administrative (note 8)	68,599	70,417
Investment management fees (note 8)	19,807	21,782
Unitholder servicing fees	26,082	26,488
Custody, valuation and transfer fees	29,191	25,095
Audit fees	38,907	37,021
Regulatory and listing fees	6,661	4,800
Independent review committee fees	11,157	11,187
Legal fees	12,547	22,008
Interest	—	903
Portfolio transaction costs (note 10)	526	501
	273,499	286,207
Operating profit (loss) before tax	(335,944)	1,321,334
Withholding taxes/reclaims	(1,346)	(9,897)
(Decrease) increase in net assets attributable to holders of redeemable units from operations	\$ (334,598)	\$ 1,331,231
Weighted average number of units outstanding	2,863,485	3,126,064
(Decrease) increase in net assets attributable to holders of redeemable units from operations per unit ⁽¹⁾	\$ (0.12)	\$ 0.43

(1) Based on the weighted average number of units outstanding during the period.

See accompanying notes to the financial statements.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the six-month period ended June 30 (unaudited)

	2025	2024
Net assets attributable to holders of redeemable units, beginning of period	\$ 11,454,167	\$ 11,205,235
Increase in net assets attributable to holders of redeemable units from operations	(334,598)	1,331,231
Redeemable unit transactions (note 7)		
Reinvested distributions	92,918	37,793
Redemption of redeemable units	(4,320)	—
	<u>88,598</u>	<u>37,793</u>
Distributions to holders of redeemable units		
Return to holders of redeemable units	(343,944)	(187,652)
	<u>(343,944)</u>	<u>(187,652)</u>
Net (decrease) increase in net assets attributable to holders of redeemable units for the period	<u>(589,944)</u>	<u>1,181,372</u>
Net assets attributable to holders of redeemable units, end of period	<u>\$ 10,864,223</u>	<u>\$ 12,386,607</u>
Distributions per unit	<u>\$ 0.12</u>	<u>\$ 0.06</u>

See accompanying notes to the financial statements.

STATEMENTS OF CASH FLOWS

For the six-month period ended June 30 (unaudited)

	2025	2024
Cash flows from operating activities		
(Decrease) increase in net assets attributable to holders of redeemable units from operations	\$ (334,598)	\$ 1,331,231
Adjustments for:		
Net realized gain on sale of investments	(604,091)	(296,129)
Portfolio transaction costs	526	501
Foreign exchange (loss) gain on cash	68,818	(3,436)
Change in unrealized depreciation (appreciation) in value of investments	690,537	(1,175,041)
Purchases of investments	(622,229)	(831,273)
Proceeds from sale of investments	2,253,129	962,021
(Increase) decrease in dividends receivable	(1,564)	8,778
(Increase) decrease in other receivables	(1,898)	15,127
Decrease in management fees and investment management fees payable	(1,693)	(14,998)
Decrease in accounts payables and accrued liabilities	(54,472)	(69,440)
	1,392,465	(72,659)
Cash flows used in financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(250,326)	(212,052)
Amounts paid for redeemable units redeemed	(4,320)	—
	(254,646)	(212,052)
Foreign exchange (loss) gain on cash	(68,818)	3,436
Net increase (decrease) in cash	1,069,001	(281,275)
Cash, beginning of period	499,779	644,363
Cash, end of period	\$ 1,568,780	\$ 363,088
Supplemental information		
Dividends received, net of withholding taxes	\$ 72,630	\$ 74,807
Interest received, net of withholding taxes	19,971	57,008
Interest paid	—	(903)

See accompanying notes to the financial statements.

SCHEDULE OF INVESTMENTS

As at June 30, 2025 (unaudited)

Number of shares	Investments owned	Average cost	Fair value	% of net assets
CANADIAN EQUITIES				
Energy				
11,430	Canadian Natural Resources Ltd. — CAD	\$ 403,874	\$ 489,204	4.5
130	Canadian Natural Resources Ltd. — USD	4,206	5,570	0.1
		408,080	494,774	4.6
Information Technology				
140	Constellation Software Inc.	303,978	699,048	6.4
405	Constellation Software Inc. Warrant	—	—	0.0
		303,978	699,048	6.4
Real Estate				
11,050	DREAM Unlimited Corp.	278,007	228,072	2.1
		278,007	228,072	2.1
Consumer Goods and Services				
2,029	Loblaws Cos Ltd.	163,070	457,032	4.2
		163,070	457,032	4.2
Consumer Discretionary				
9,809	Linamar Corp.	588,914	635,623	5.9
		588,914	635,623	5.9
Industrial				
4,030	Canadian Pacific Kansas City Ltd.	429,543	435,965	4.0
		429,543	435,965	4.0
TOTAL CANADIAN EQUITIES		2,171,592	2,950,514	27.2
U.S. EQUITIES				
2,700	Advanced Micro Devices Inc.	325,446	522,780	4.8
2,824	Alphabet Inc.	384,964	683,545	6.3
1,020	Apple Inc.	158,072	285,553	2.6
2,030	Crocs Inc.	315,338	280,539	2.6
2,776	Fortinet Inc.	248,068	400,451	3.7
6,541	Freeport-McMoRan Inc.	353,100	386,907	3.6
740	HCA Healthcare Inc.	264,716	386,827	3.6
7,000	iShares 0 — 3 Month Treasury Bond ETF	977,764	961,740	8.9
585	Mastercard Inc.	262,485	448,558	4.1
888	Microsoft Corp.	269,580	602,699	5.5

As at June 30, 2025 (unaudited)

Number of shares	Investments owned	Average cost	Fair value	% of net assets
2,010	Procter & Gamble Co.	\$ 372,400	\$ 436,958	4.0
739	Thermo Fisher Scientific Inc.	525,186	408,851	3.8
806	Vulcan Materials Co.	211,501	286,846	2.6
	TOTAL U.S. EQUITIES	4,668,620	6,092,254	56.1
	INTERNATIONAL EQUITIES			
4,098	Shell PLC	324,993	393,713	3.6
	TOTAL INTERNATIONAL EQUITIES	324,993	393,713	3.6
	Transaction Costs	(2,005)	—	—
	Total investments	<u>\$ 7,163,200</u>	9,436,481	86.9
	Other assets, net of liabilities		1,427,742	13.1
	Net assets attributable to holders of redeemable units		\$ 10,864,223	100.0

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

Period ended June 30, 2025 (unaudited)

1. THE FUND:

Description of the Fund:

Citadel Income Fund (the “Fund”) is a closed-end investment trust. Artemis Investment Management Limited (“Artemis” or the “Manager”) is the investment fund manager of the Fund. The Fund has one class of units (each, a “Unit”) outstanding. The Units trade on the Toronto Stock Exchange (“TSX”) under the symbol CTF.UN. The Fund’s portfolio is managed by Vestcap Investment Management Inc. (the “Portfolio Advisor”).

The address of the Fund’s registered office is 1325 Lawrence Avenue East, Suite 200, Toronto, ON, Canada, M3A 1C6.

The financial statements were authorized for issue by the Manager on August 28, 2025.

2. INVESTMENT OBJECTIVES OF THE FUND:

The Fund’s investment objectives are to provide the unitholders with a stable stream of monthly distributions and to preserve and potentially enhance the net asset value (“NAV”) of the Fund. The Portfolio Advisor seeks to achieve these objectives by investing in a diversified portfolio of securities with a focus on income generation consisting of: (a) equity securities, of principally larger capitalization companies traded on a recognized stock exchange; (b) debt securities with a focus on yield enhancement, with a minimum of 80% of debt security investments in investment grade debt rated BBB or higher; and (c) income funds, each of which has, at the date of investment by the Fund, a market capitalization, excluding control positions, of \$400 million.

3. MATERIAL ACCOUNTING POLICY INFORMATION:

These financial statements have been prepared in compliance with IFRS Accounting Standards. These interim financial statements for the six-month period ended June 30, 2025, have not been reviewed by the Fund’s auditors.

(a) Cash and short-term investments:

Cash includes cash at bank.

(b) 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. Regular purchases and sales of financial assets are recognized at their trade date. The Fund’s investments and derivative assets and liabilities are measured at fair value through profit or loss (“FVTPL”). The Fund’s obligation for net assets attributable to holders of redeemable Units is presented at the redemption amount. All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, on the accrual basis based on the bond coupon rate. The Fund’s accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its NAV for transactions with unitholders.

Financial assets and liabilities are offset, and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis for gains and losses from financial instruments at FVTPL and foreign exchange gains and losses.

(i) Classification and measurement:

The Fund classifies and measures its financial instruments as either amortized cost, fair value through other comprehensive income (“FVOCI”) or FVTPL. To determine the appropriate classification and measurement category, an entity considers the business model for managing financial instruments and the contractual cash flow characteristics associated with the financial instruments.

The Fund’s business model is one in which financial assets are managed with the objective of realizing cash flows through the sale of assets. Decisions are made based on the assets’ fair values and assets are managed to realize these fair values. This business model is aligned with a FVTPL classification and

NOTES TO FINANCIAL STATEMENTS

Period ended June 30, 2025 (unaudited)

measurement category. The Fund measures at FVTPL all financial assets currently held at fair value. Debt securities are measured at FVTPL under IFRS 9 as the Fund does not hold the assets to collect contractual cash flows based on their business model. Collection of the contractual cash flows is not integral to achieving the Fund's business model objective but is instead incidental to it.

Loans as well as trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Thus, these are classified and measured at amortized cost under IFRS 9.

(ii) Impairment:

The Fund recognizes a loss allowance for expected credit losses on financial assets which are measured at amortized costs or FVOCI. Financial assets held by the Fund, which are measured at FVTPL, are not subject to impairment requirements.

With respect to loans and receivables, the Fund considers both historical analysis and forward-looking information in determining any expected credit loss. As at the financial statements dates, all loans and receivables are due to be settled within the short term. The Fund considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligation in the near term. Given the limited exposure of the Fund to credit risk, no loss allowance has been recognized as any such impairment does not have a significant impact on the financial statements.

(c) Valuation of investments:

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 and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. See note 6 for a description of each fair value hierarchy level.

(d) Investment transactions and income recognition:

- (i) Investment transactions are accounted for on the trade date;
- (ii) Interest income for distribution purposes is recognized on an accrual basis based on the bond coupon rate;
- (iii) Dividend income is recorded on the ex-dividend date; and
- (iv) Realized gains and losses on investments and unrealized appreciation or depreciation of investments are calculated using the average cost of the related investments.

(e) Foreign currency translation:

The functional and presentation currency of the Fund is the Canadian dollar.

The fair value of investments and other assets and liabilities denominated in foreign currencies is translated into Canadian dollars at the rates prevailing on each valuation date.

Purchases and sales of investments, income and expenses denominated in foreign currencies are converted into Canadian dollars at the rates of exchange prevailing on the respective dates of such transactions. Realized exchange gains (losses) on investments, and unrealized exchange gains (losses) on investments, if any, are included in net realized gain (loss) on sale of investments and change in unrealized appreciation (depreciation) in value of investments in the statements of comprehensive income (loss).

(f) Distributions:

Distributions to unitholders are recorded by the Fund when declared.

(g) Increase (decrease) in net assets attributable to holders of redeemable Units per Unit:

Increase (decrease) in net assets attributable to holders of redeemable Units per Unit represents the net increase (decrease) in net assets attributable to holders of redeemable Units from operations divided by the weighted average Units outstanding for the years.

NOTES TO FINANCIAL STATEMENTS

Period ended June 30, 2025 (unaudited)

(h) Changes in accounting policies:

Several new accounting standards and amendments to existing standards become effective for annual periods beginning on or after January 1, 2027, with early adoption permitted. However, the Fund has not adopted these new or amended standards early in preparing these financial statements.

(i) IFRS 18, Presentation and Disclosure in Financial Statements:

IFRS 18 will replace IAS 1, **Presentation of Financial Statements**, and will be effective for annual reporting periods beginning on or after January 1, 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change as a result of applying IFRS 18.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

Furthermore, all entities must use the operating profit subtotal as the starting point for the statement of cash flows when preparing operating cash flows under the indirect method.

The Fund is in the process of evaluating the impact of this new accounting standard, particularly regarding the structure of its statement of profit or loss, statement of cash flows, and the additional disclosure requirements for Management Performance Measures (MPMs). The Fund is also assessing the implications for the classification and presentation of information within the financial statements, including items currently categorized as "other."

(ii) Other accounting standards:

The following new and amended accounting standards are not expected to have a significant impact on the Fund's financial statements.

- Lack of Exchangeability (Amendments to IAS 21)
- Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS:

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. These financial statements include estimates and assumptions by management that affect the reported amount of assets, liabilities, income and expenses during the reporting year. Actual results could differ from these results. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

(a) Fair value measurement of derivatives and securities not quoted in an active market:

Fair values of instruments not quoted in active markets are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Fund may 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 to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to note 6 for further information about the fair value measurement of the Fund's financial instruments.

NOTES TO FINANCIAL STATEMENTS

Period ended June 30, 2025 (unaudited)

(b) Business model assessment:

The Fund considered its business model for managing financial instruments and the contractual cash flow characteristics associated with the financial instruments and concluded that collection of the contractual cash flows is not integral to achieving the Fund's business model objective. Respectively, the Fund measures all investments at FVTPL and all other financial assets and liabilities at amortized cost.

5. INCOME TAXES:

The Fund is a mutual fund trust within the meaning of the Income Tax Act (Canada) and is subject to applicable federal and provincial taxes on the amount of net income for tax purposes for the year, including net realized taxable capital gains, to the extent such net income for tax purposes has not been paid or made payable to unitholders in the year. No provision for income taxes has been recorded in the accompanying financial statements as all income and capital gains of the Fund will be paid or payable to the unitholders to the extent necessary to reduce taxes payable under Part 1 of the Income Tax Act (Canada) to nil.

The Fund may be liable to pay income or profits tax on income or gains derived from investments in the U.S. and other foreign countries. Such income and gains are recorded on a gross basis and the related withholding taxes are shown separately in the statements of comprehensive income (loss).

As at December 31, 2024, the Fund had non-capital losses of approximately \$1,060,121 (2023 – \$1,060,121) that will start to expire in 2042, the Fund had capital losses of approximately \$1,390,659 (2023 – \$1,390,659) which can be carried forward indefinitely for offset against capital gains in future years.

6. FAIR VALUE DISCLOSURES:

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	inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Manager has the ability to access at the measurement date;
Level 2	inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active; and
Level 3	inputs that are unobservable for the financial asset or liability and include situations where there is little, if any, market activity for the financial asset or liability. The inputs into the determination of fair value require significant management judgment or estimation.

The following tables illustrate the classification of the Fund's assets and liabilities measured at fair value within the fair value hierarchy as at June 30, 2025, and December 31, 2024:

June 30, 2025	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL:				
Equities	\$9,436,481	\$—	\$—	\$9,436,481

December 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL:				
Equities	\$11,154,353	\$—	\$—	\$11,154,353

NOTES TO FINANCIAL STATEMENTS

Period ended June 30, 2025 (unaudited)

There were no transfers between levels during the periods ended June 30, 2025, and year ended December 31, 2024.

All fair value measurements above are recurring. The carrying values of cash, dividends receivable, other receivables, management fees and investment management fees payable, distributions payable and accounts payable and accrued liabilities approximates their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs; in which case, it is classified as Level 3.

As of June 30, 2025, and December 31, 2024, the Fund had no securities that were classified as Level 2 or 3 financial instruments.

7. UNITS ISSUED AND OUTSTANDING:

(a) Authorized:

The Fund is authorized to issue an unlimited number of transferable, redeemable trust Units of one class, each of which represents an equal, undivided interest in the net assets of the Fund.

The Fund's redeemable Units entitle unitholders the right to redeem their interest in the Fund for cash equal to their proportionate share of the NAV of the Fund, amongst other contractual rights. These redeemable Units involve multiple contractual obligations on the part of the Fund and, therefore, meet the criteria for classification as financial liabilities. The Fund's obligation for net assets attributable to unitholders is measured at FVTPL, with fair value being the redemption amount as at the reporting date.

The following Unit transactions took place during the periods ended June 30, 2025, and June 30, 2024:

(b) Units issued and outstanding:

	2025	2024
Units, beginning of period	2,846,637	3,117,698
Issued under distribution reinvestment plan ("DRIP")	36,737	16,089
Units redeemed	(1,717)	—
Units, end of period	2,881,657	3,133,787

Unitholders are entitled to retract their Units outstanding on the second last business day of each month at an amount equal to (i) the lesser of: (a) 90% of the weighted average trading price of a Unit on the TSX during the preceding 15 trading days and (b) the closing market price on the TSX on that day, less (ii) any retraction costs. As well, the Board of Directors of the Trustee may set a date on which Units will be retracted at the NAV per Unit less any retraction costs.

(c) Redemptions and retractions:

The maximum number of Units redeemable in a year pursuant to the annual redemption privilege is 10% of the public float of the Fund, as determined on the last business day of November in the preceding year, less the number of Units repurchased for cancellation or otherwise redeemed by the Fund during the preceding 12-month period, the maximum redemption amount. The Fund did not repurchase any Units for cancellation during the periods ended June 30, 2025, and June 30, 2024.

Unitholders are also entitled to retract their Units outstanding on the second last business day of each November (the "Annual Redemption Date") at an amount equal to 100% of the NAV per trust Unit determined as of the Annual Redemption Date less any retraction costs. Any such Units must be surrendered for redemption at least 15 business days before the Annual Redemption Date.

Through the annual redemption feature offered in November 2024, 311,515 Units (2023 — 7,186,900) were redeemed in the amount of \$1,294,283 (2023 — \$25,606,206). During 2023, redemptions were higher primarily due to an extraordinary resolution approved by unitholders at a special meeting

NOTES TO FINANCIAL STATEMENTS

Period ended June 30, 2025 (unaudited)

on November 7, 2023. This resolution authorized the Fund to redeem an aggregate of not less than 7,186,900 Units at a price per Unit equal to the NAV, less redemption costs of 4.5% of the NAV per Unit, plus applicable taxes.

(d) Distribution Reinvestment Plan:

Units issued under the program will be issued at a 5% discount to the applicable five-day volume-weighted average trading price of the Units. As a result, unitholders participating in the plan will be acquiring Units at a discount to the market price of the Fund's Units.

8. RELATED PARTY TRANSACTIONS:

The Fund is responsible for all expenses incurred on its behalf. Artemis generally has all expenses incurred by the Fund paid directly by the Fund.

The Manager is entitled to receive a management fee of 1.00% per annum of the average NAV of the Fund plus applicable taxes, calculated and payable monthly. For the period ended June 30, 2025, management fees totaled \$60,022 (2024 – \$66,005), of which \$10,329 was payable as at June 30, 2025 (2024 – \$10,698).

The Portfolio Advisor receives a fee of 0.33% per annum of the average NAV of the Fund, plus applicable taxes, calculated and payable monthly, in exchange for providing investment management services. For the period ended June 30, 2025, investment management fees totaled \$19,807 (2024 – \$21,782), of which \$3,408 was payable at June 30, 2025 (2024 – \$3,530).

Administrative expenses for the period ended June 30, 2025 totaled \$68,599 (2024 – \$70,417). As part of these expenses, the Fund pays a general overhead cost to Artemis. Artemis receives \$10,500 per month plus applicable taxes to cover related administrative salaries, employee benefits, general overhead, and office supplies.

For redemptions or repurchases the Manager is entitled to receive a fee per Unit of 5% of the NAV per Unit plus applicable taxes. For the periods ended June 30, 2025 and 2024, no redemption fees were paid to the Manager.

9. FINANCIAL RISK MANAGEMENT:

The Fund's investment activities expose it to various types of risk associated with the financial instruments in which it invests. In addition to the risks of investing in the equity markets generally, the Fund is also subject to other risks, including interest rate risk, currency risk, credit risk and liquidity risk. These risks and related risk management practices employed by the Fund are discussed below:

(a) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The investments of the Fund are subject to normal market fluctuations and the risks inherent in being invested in financial markets. The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities through diversification of the investment portfolio. The Manager monitors the Fund's overall market positions on a weekly basis and positions are maintained within established ranges.

The most significant exposure to market risk is from equity securities. As at June 30, 2025, had the prices on the benchmark index raised (lowered) by 5%, with all other variables held constant, net assets attributable to holders of redeemable Units would have increased (decreased) \$ 381,054 (4% of NAV) (December 31, 2024 – \$ 395,910, 3% of NAV). In practice, the actual results may differ and the difference could be material. The benchmark index consists of a 65% allocation in iShares S&P/TSX 60 Fund (XIU), a 15% allocation in SPDR Dow Jones Industrial Average ETF Trust (DIA), a 10% allocation in DEX Universe Bond Index Fund (XBB) and a 10% allocation in Canadian Treasury Bills.

(b) Foreign currency risk:

Foreign currency risk is the risk that the value of investments denominated in currencies, other than the functional currency of the Fund, will fluctuate due to changes in foreign exchange rates. The schedule of investments identifies all investments denominated in foreign currencies. Equities in foreign markets are exposed to currency risk as the prices denominated in foreign currencies are converted to the Fund's functional currency in determining fair value.

NOTES TO FINANCIAL STATEMENTS

Period ended June 30, 2025 (unaudited)

As at June 30, 2025, the Fund invested 72.7% (December 31, 2024 – 74.3%) of the net assets in U.S. currency. As at June 30, 2025, if the Canadian dollar had strengthened (weakened) by 5%, with all other variables held constant, net assets attributable to holders of redeemable Units would have decreased (increased) by \$ 395,097 (3.6% of NAV) (December 31, 2024 – \$425,443, 3.7% of NAV). In practice, the actual results may differ and the difference could be material.

(c) Interest rate risk:

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when the Fund invests in interest-bearing financial instruments.

As at June 30, 2025, the Fund had approximately 100% of the investment portfolio in equity securities (2024 – 100%). Cash and short-term investments earn minimal interest. As at June 30, 2025, and December 31, 2024, the majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to a significant amount of interest rate risk.

(d) Credit risk:

Credit risk is the risk that an issuer or a counterparty will be unable or unwilling to meet a commitment that it has entered into with the Fund. All transactions in listed securities are settled (paid for) upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. Credit risk exposure for over-the-counter derivative instruments is based on the Fund's unrealized gain of the contractual obligations with the counterparty as at the reporting date. The credit exposure of other assets is represented by their carrying amount.

The Fund's cash is mainly held with Royal Bank of Canada, which is rated AA as at June 30, 2025 (December 31, 2024 – AA) based on DBRS ratings. The Manager monitors the financial position on an ongoing basis. As at June 30, 2025, and December 31, 2024, the Fund had no significant exposure to credit risk.

(e) Liquidity risk:

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial obligations. The Fund is exposed to a monthly redemption of Units at which time the Units of the Fund are redeemed at the current transactional net assets per Unit. Liquidity risk is managed by investing the Fund's assets in investments that can be readily disposed.

The Fund's liquid investments are considered to be in excess of the redemption requirements. Therefore, as at June 30, 2025, and December 31, 2024, the Fund's liquidity risk is considered minimal.

(f) Concentration risk:

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Fund's concentration risk:

NOTES TO FINANCIAL STATEMENTS

Period ended June 30, 2025 (unaudited)

Sector	Percentage of net assets	
	June 30, 2025	December 31, 2024
Canadian equities:		
Pipeline/energy investments	4.6	4.5
Industrial	4.0	3.7
Information technology	6.4	6.2
Real estate	2.1	2.1
Consumer discretionary	5.9	4.9
Consumer goods and services	4.2	5.1
U.S. equities	56.1	67.5
International equities	3.6	3.4
Other assets, net of liabilities	13.1	2.6
Total	100.0	100.0

10. BROKERAGE COMMISSIONS AND PORTFOLIO TRANSACTIONS:

The brokerage commissions paid for the period ended June 30, 2025 were \$526 (2024 – \$501) of which soft dollar commissions were \$324 (2024 – \$329). Brokerage commissions are expensed and are included in transaction costs in the statements of comprehensive income.

11. CAPITAL MANAGEMENT:

The Fund's capital is its net assets attributable to holders of redeemable Units. The Manager maintains the Fund's capital in accordance with its investment objectives, strategies and restrictions as detailed in the amended and restated Declaration of Trust as of March 7, 2014.

12. INVESTMENT IN UNCONSOLIDATED STRUCTURED ENTITIES:

As of June 30, 2025, the Fund held an Exchange Traded Fund ("ETF") with the fair value of \$ 961,740 (December 31, 2024 – \$418,415). The Fund does not control or have significant influence over the ETF.

CORPORATE INFORMATION

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PORTFOLIO ADVISOR

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AUDITOR

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Bay Adelaide Centre

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Toronto, Ontario M5H 2S5

STOCK EXCHANGE

The Toronto Stock Exchange

Citadel Income Fund Units: **CTF.UN**

INDEPENDENT REVIEW COMMITTEE

Peter Chodos

John Mills

Michael Newman

DIRECTORS OF THE MANAGER/TRUSTEE

Trevor Maunder – Director

Dani Shields – Director

OFFICERS OF THE MANAGER/TRUSTEE

Trevor Maunder – Chief Executive Officer,

Chief Financial Officer and Secretary

Sean Lawless – Chief Compliance Officer

CUSTODIAN

RBC Investor Services Trust

155 Wellington Street West, 10th Floor

Toronto, Ontario M5V 3L3

TRANSFER AGENT

TSX Trust Company

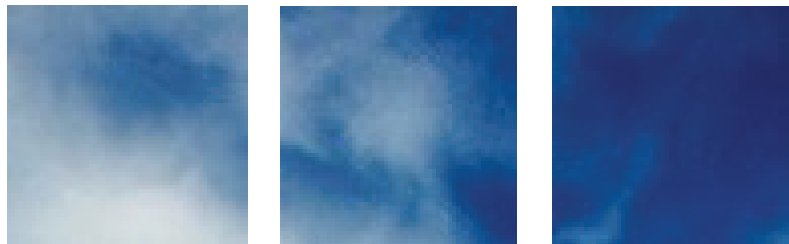
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