Unaudited Condensed Consolidated Interim

Financial Statements of

Alaris Equity Partners Income Trust

For the three and nine months ended September 30, 2024 and 2023

Alaris Equity Partners Income Trust

Condensed consolidated interim statements of financial position (unaudited)

$ thousands	Note	30-Sep 2024
Assets		
Cash		$ 9,006
Accounts receivable and prepayments	7	1,315
Corporate Investments	3, 6	1,118,074
Property, equipment and other		1,229
Deferred income taxes		791
Total Assets		**$ 1,130,415**
Liabilities		
Accounts payable and accrued liabilities	5	$ 11,313
Distributions payable	4	15,469
Income tax payable		1,332
Senior unsecured debenture		63,510
Other liabilities	5	1,612
Total Liabilities		**$ 93,236**
Equity		
Unitholders' capital	4	$ 760,891
Retained earnings		276,288
Total Equity		**$ 1,037,179**
Total Liabilities and Equity		**$ 1,130,415**
Commitments and contingencies	8	
Subsequent events	9	

Alaris Equity Partners Income Trust

Condensed consolidated interim statements of financial position

$ thousands	Note	31-Dec 2023
Assets		
Cash		$ 15,184
Derivative contracts		1,012
Accounts receivable and prepayments		2,972
Income taxes receivable		29,104
Current Assets		$ 48,272
Property and equipment		327
Other long-term assets		33,537
Investments	3	1,392,758
Non-current assets		$ 1,426,622
Total Assets		**$ 1,474,894**
Liabilities		
Accounts payable and accrued liabilities		$ 10,668
Distributions payable	4	15,469
Derivative contracts		341
Office Lease		208
Convertible debenture		97,709
Current Liabilities		$ 124,395
Deferred income taxes		82,301
Loans and borrowings		242,359
Senior unsecured debenture		63,112
Other long-term liabilities		1,904
Non-current liabilities		$ 389,676
Total Liabilities		**$ 514,071**
Equity		
Unitholders' capital	4	$ 760,891
Translation reserve		33,711
Retained earnings		166,221
Total Equity		**$ 960,823**
Total Liabilities and Equity		**$ 1,474,894**

Alaris Equity Partners Income Trust

Condensed consolidated interim statements of comprehensive income (unaudited)

$ thousands except per unit amounts	Note	Three months ended September 30 2024	Nine months ended September 30 2024
Revenue and operating income			
Net gain on Corporate Investments	3	$ 60,356	$ 92,136
Management and advisory fees	7	5,289	14,342
Interest and dividend income from Acquisition Entities	7	3,869	21,845
Total revenue and operating income		**$ 69,514**	**$ 128,323**
General and administrative		4,484	13,308
Unit-based compensation	5	1,133	3,629
Depreciation and amortization		135	396
Total operating expenses		$ 5,752	$ 17,333
Earnings from operations		**$ 63,762**	**$ 110,990**
Finance costs		1,150	3,445
Foreign exchange (gain) / loss	3	11,334	(19,224)
Gain on derecognition of previously consolidated entities	3	-	(30,260)
Earnings before taxes		**$ 51,278**	**$ 157,029**
Current income tax expense		509	1,345
Deferred income tax recovery		(258)	(791)
Total income tax expense		251	$ 554
Earnings and comprehensive income		**$ 51,027**	**$ 156,475**
Earnings per unit			
Basic		$ 1.12	$ 3.44
Diluted		$ 1.11	$ 3.41
Weighted average units outstanding			
Basic	4	45,498	45,498
Diluted	4	45,937	45,937

Alaris Equity Partners Income Trust

Condensed consolidated interim statements of comprehensive income (unaudited)

$ thousands except per unit amounts	Note	Three months ended September 30 2023	Nine months ended September 30 2023
Revenues, including realized foreign exchange gain		$ 47,165	$ 120,706
Net realized gain from investments		167	12,716
Net unrealized gain on investments at fair value		39,428	37,688
Total revenue and other operating income		**$ 86,760**	**$ 171,110**
General and administrative		4,015	25,522
Transaction diligence costs		1,696	3,252
Unit-based compensation		448	2,891
Depreciation and amortization		58	169
Total operating expenses		6,217	31,834
Earnings from operations		**$ 80,543**	**$ 139,276**
Finance costs		8,510	21,909
Net unrealized (gain) / loss on derivative contracts		599	(1,401)
Foreign exchange (gain) / loss		(3,947)	156
Earnings before taxes		**$ 75,381**	**$ 118,612**
Current income tax expense		6,954	13,156
Deferred income tax expense		4,657	7,746
Total income tax expense		11,611	20,902
Earnings		**$ 63,770**	**$ 97,710**
Other comprehensive income			
Foreign currency translation differences		12,439	(2,252)
Total comprehensive income		**$ 76,209**	**$ 95,458**
Earnings per unit			
Basic		$ 1.40	$ 2.15
Fully diluted		$ 1.31	$ 2.08
Weighted average units outstanding			
Basic	4	45,498	45,433
Fully Diluted	4	50,086	50,021

Alaris Equity Partners Income Trust

Condensed consolidated interim statement of changes in equity (unaudited)

For the nine months ended September 30, 2024

$ thousands, except for number of units (000's)	Notes	Units Outstanding	Unitholders' Capital	Translation Reserve	Retained Earnings	Total Equity
Balance at December 31, 2023		45,498	$ 760,891	$ 33,711	$ 166,221	$ 960,823
Reclassification of translation reserve	3		-	(33,711)	-	(33,711)
Earnings for the period		-	-	-	156,475	156,475
Transactions with unitholders, recognized directly in equity						
Distributions to unitholders	4	-	-	-	$ (46,408)	$ (46,408)
Balance at September 30, 2024		**45,498**	**$ 760,891**	**$ -**	**$ 276,288**	**$ 1,037,179**

Alaris Equity Partners Income Trust

Condensed consolidated interim statement of changes in equity (unaudited)

For the nine months ended September 30, 2023

$ thousands, except for number of units (000's)	Notes	Units Outstanding	Unitholders' Capital	Translation Reserve	Retained Earnings	Total Equity
Balance at January 1, 2023		45,281	$ 757,220	$ 51,391	$ 89,644	$ 898,255
Earnings for the period		-	-	-	97,710	97,710
Other comprehensive income						
Foreign currency translation differences		-	-	(2,252)	-	(2,252)
Total comprehensive income for the period		-	$ -	$ (2,252)	$ 97,710	$ 95,458
Transactions with unitholders, recognized directly in equity						
Distributions to unitholders	4	-	$ -	$ -	$ (46,402)	$ (46,402)
Units issued under RTU plan		217	3,671	-	-	3,671
Total transactions with Unitholders		217	$ 3,671	$ -	$ (46,402)	$ (42,731)
Balance at September 30, 2023		**45,498**	**$ 760,891**	**$ 49,139**	**$ 140,952**	**$ 950,982**

Alaris Equity Partners Income Trust

Condensed consolidated interim statements of cash flows (unaudited)

$ thousands	Notes	**Nine months ended September 30, 2024**
Cash flows from operating activities		
Earnings for the period		$ 156,475
Adjustments for:		
Finance costs		3,445
Deferred income tax recovery		(791)
Depreciation and amortization		396
Gain on derecognition of previously consolidated entities	3	(30,260)
Net gain on Corporate Investments	3	(92,136)
Unrealized foreign exchange gain		(19,224)
Unit-based compensation	5	3,629
Net repayment of loans receivable from Acquisition Entities		291,934
Net investment in Acquisition Entities	7	(267,863)
Cash from operations, prior to changes in working capital		$ 45,605
Changes in working capital Note1 *:*		
Accounts receivable and prepayments		(3,098)
Income tax receivable / payable		1,332
Accounts payable, accrued liabilities		9,256
Cash generated from operating activities		$ 53,095
Cash interest paid		(4,062)
Net cash from operating activities		$ 49,033
Cash flows from financing activities		
Distributions paid	4	(46,408)
Office lease payments		(107)
Net cash used in financing activities		$ (46,515)
Net increase in cash		$ 2,518
Decrease in cash due to the derecognition of previously consolidated entities	3	$ (8,435)
Impact of foreign exchange on cash balances		(260)
Cash, Beginning of period		15,184
Cash, End of period		$ 9,006
Cash taxes paid / (received)		$ -

Note 1 - Changes in working capital exclude the working capital impact from previously consolidated entities

Alaris Equity Partners Income Trust

Condensed consolidated interim statements of cash flows (unaudited)

$ thousands	Notes	Nine months ended September 30, 2023
Cash flows from operating activities		
Earnings for the period		$ 97,710
Adjustments for:		
Finance costs		21,909
Deferred income tax expense		7,746
Depreciation and amortization		169
Net realized gain from investments		(12,716)
Net unrealized gain on investments at fair value		(37,688)
Unrealized gain on derivative contracts		(1,401)
Unrealized foreign exchange loss		157
Transaction diligence costs		3,252
Unit-based compensation		2,891
Cash from operations, prior to changes in working capital		$ 82,029
Changes in working capital:		
Accounts receivable and prepayments		(7,511)
Income tax receivable / payable		5,385
Other long-term assets		(143)
Accounts payable, accrued liabilities		(4,984)
Cash generated from operating activities		$ 74,776
Cash interest paid		(16,648)
Net cash from operating activities		$ 58,128
Cash flows from investing activities		
Acquisition of investments		$ (130,103)
Transaction diligence costs		(3,252)
Proceeds from partner redemptions		28,929
Net cash used in investing activities		$ (104,426)
Cash flows from financing activities		
Repayment of loans and borrowings		$ (82,445)
Proceeds from loans and borrowings		130,480
Distributions paid	4	(46,328)
Office lease payments		(107)
Net cash from / (used in) financing activities		$ 1,600
Net increase / (decrease) in cash		$ (44,698)
Impact of foreign exchange on cash balances		1,775
Cash, Beginning of period		60,193
Cash, End of period		$ 17,270
Cash taxes paid		$ 7,572

1. Reporting entity:

Alaris Equity Partners Income Trust is an entity domiciled in Calgary, Alberta, Canada. The condensed consolidated interim financial statements as at and for the three and nine months ended September 30, 2024, are composed of Alaris Equity Partners Income Trust and its consolidated subsidiary, Alaris Equity Services Corp. ("Service Co") (together referred to as the "Trust"). Service Co. is an entity domiciled in Canada and was a dormant subsidiary, Alaris Strategic Opportunities Inc., the Trust purchased from Alaris Equity Partners Inc, ("AEP", formerly known as Alaris Royalty Corp.). This subsidiary was subsequently renamed Alaris Equity Services Corp. and certain assets and activities of AEP relating to the provision of investment management services were transferred to Service Co.

Throughout the notes to the condensed consolidated interim financial statements, investments and investing activity of Alaris' capital primarily relate to its preferred equity, common equity and special purpose vehicle ("SPV") strategies. These Partner investments are held directly or indirectly through wholly owned subsidiaries of the Trust, which are referred to as Acquisition Entities. While there are a number of Acquisition Entities, substantially all of these companies consist of direct or indirect subsidiaries of AEP, Alaris Equity Partners USA Inc. ("Alaris USA") or Salaris USA Royalty Inc. ("Salaris"). These three companies, which are the significant Acquisition Entities, are the Acquisition Entities for substantially all of Alaris' investments. AEP is a Canadian corporation, Alaris USA and Salaris are both Delaware corporations.

Throughout these statements, the term "Alaris" encompasses Alaris Equity Partners Income Trust and all of its wholly-owned subsidiaries.

2. Basis of preparation and material accounting policies:

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 and do not include all of the disclosures required for full annual financial statements and should be read in conjunction with the 2023 consolidated annual financial statements and the changes in presentation effective January 1, 2024 as disclosed in Note 2(b). Related changes to accounting policies due to the change in presentation are disclosed in Note 2(e).

These condensed consolidated interim financial statements were approved by the Board of Trustees on November 5, 2024.

(b) Basis of preparation and consolidation

In January 2024, the Trust concluded that it met the definition of an investment entity, as defined by IFRS 10, Consolidated Financial Statements ("IFRS 10"). This change in status resulted from the change in how the Trust commits to its investors that its business purpose is to invest funds solely to earn returns from capital appreciation, investment income or both. Over time Alaris' investment strategy has evolved and now focuses not only on the cash pay returns received from the distributions on preferred investments but also the combined exit return driven by both the preferred exit premium and common capital appreciation. This conclusion will be reassessed on a continuous basis.

As a result of this change in status, the assets and liabilities of the Trust's subsidiaries that are themselves investment entities or intermediate holding companies have been derecognized from the Trust's consolidated statement of financial position. The Trust's investments in these subsidiaries have been recognized as Corporate Investments totaling $650.5 million as at January 1, 2024 net of a gain on the Trust's deconsolidation of its investment entity subsidiaries of $30.3 million (see Note 3). Included in this gain, is the reclassification of the translation reserve into earnings, reflecting the foreign currency translation differences of certain subsidiaries. The Corporate Investments are subsequently measured at fair value through profit (loss) ("FVTPL"). The change in investment entity status has been accounted for prospectively from January 1, 2024 in accordance with IFRS 10.

The Trust has also performed an assessment to determine which of its subsidiaries are investment entities, as defined under IFRS 10. When performing this assessment, the Trust considered the subsidiaries' current business purpose along with the business purpose of the subsidiaries' direct or indirect investments. The Trust has concluded that AEP meets the definition of an investment entity.

Consolidated subsidiary

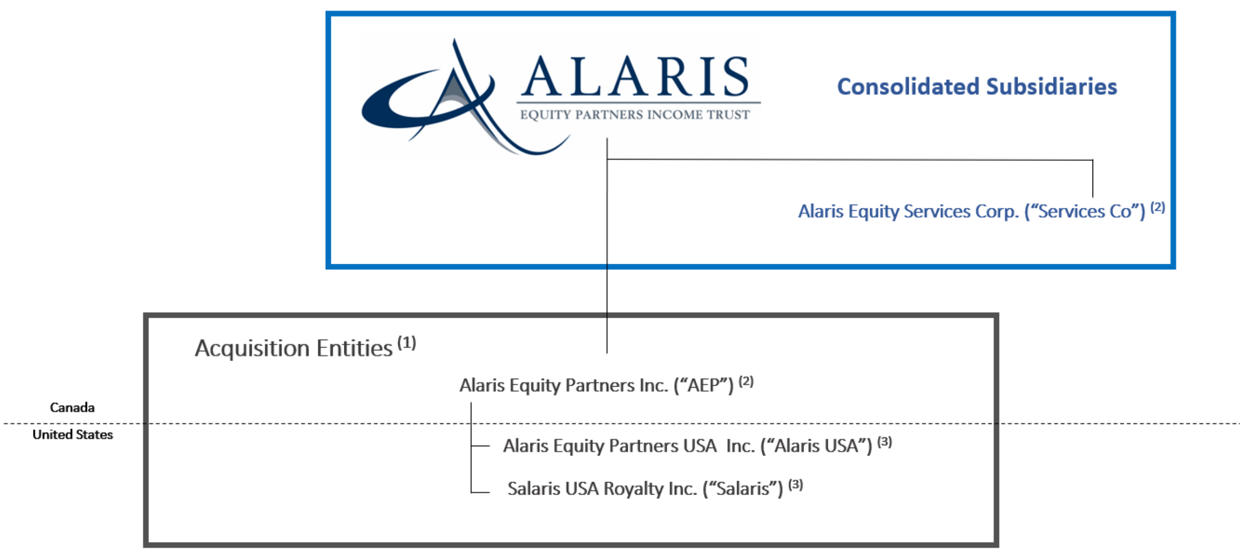
In accordance with IFRS 10, consolidated subsidiaries of an investment entity are those entities that provide investment-related services and that the Trust controls by having the power to govern the financial and operating polices of the entity, and do not themselves meet the definition of investment entities. Such entities would include those who charge management and advisory fees as a result of the Trust's day-to-day operations.

The Trust's wholly-owned and controlled subsidiary, Service Co, provides investment-related services and does not, itself, meet the definition of an investment entity and is therefore consolidated. All intercompany amounts and transactions between the Trust and this consolidated entity have been eliminated upon consolidation.

Interest in unconsolidated subsidiaries

In accordance with the requirements for investment entities under IFRS 10, interests in subsidiaries, other than those that provide investment-related services and do not themselves qualify as investment entities, are accounted for at FVTPL. These entities are used by the Trust as Acquisition Entities and hold, either directly or indirectly, the Trusts' Partner investments. As discussed under critical accounting estimates and judgements, management exercised judgement when determining whether subsidiaries are investment entities. The Trust's wholly-owned and controlled subsidiary, AEP, qualifies as an investment entity and is therefore measured at FVTPL.

The following diagram illustrates the Trust's corporate structure, including the significant entities controlled by the Trust either directly or indirectly including the Acquisition Entities of the Trust:



(1) The Trust's investments in the Acquisition Entities are recorded as Corporate Investments at fair value through profit (loss)
(2) Principal place of business, Canada; 100% portion of ownership and voting rights
(3) Principal place of business United States; 100% portion of ownership and voting rights

The Trust's interests in the unconsolidated subsidiaries include loans receivable from the Acquisition Entities which are also measured at FVTPL.

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

Corporate Investments and loans receivable from Acquisition Entities are measured at fair value in the statement of financial position with changes in fair value recorded in earnings (see Note 3).

The units granted as part of the Trust's Restricted Unit Plan (RTU) are considered to be grants of financial liabilities and are measured at fair value with changes in fair value recorded in unit-based compensation expense included in earnings.

(c) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars which is the Trust and Service Co's functional currency.

(d) Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Information about assumptions, judgments and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next twelve months are as follows:

Key estimates used in measuring fair value of Corporate Investments

The fair value of Corporate Investments is measured using an adjusted net asset method. The measurement of the fair value of the Corporate Investments is determined by measuring the fair values of the net assets of the Acquisition Entities, which include the underlying Partner investments held directly and indirectly within them. Significant assumptions used in the valuation of the net assets, specifically of other long term assets within the Acquisition Entities, included the timing of collection, and proceeds thereon, as well as the probability weighting of outcomes. The fair value is assessed at each reporting date with changes in fair value recognized in net earnings.

An important component of the fair value within the Acquisition Entities is the valuation of the underlying Partner investments held directly or indirectly which require significant judgement due to the absence of quoted market values, inherent lack of liquidity and long-term nature of such investments. Partner investments are measured using a discounted cash flow model or capitalized cash flow. Significant assumptions used in the valuation of the preferred unit investments include the discount rate, timing of exit and changes in future distributions. Significant assumptions used in the valuation of the common equity investments include the discount rate, terminal value growth rate, cash flow multiple and estimated future cash flows. Significant assumptions used in the valuation of the convertible preferred unit investments include the discount rate, estimated future cash flows, and cash flow multiple. See Note 3 for related disclosure on assumptions used in fair value assessments.

Assessment as investment entity

Judgment is required when making the determination whether the Trust or its subsidiaries meet the definition of an investment entity pursuant to IFRS 10.

Alaris conducts its business primarily through controlled subsidiaries (held either directly or indirectly), which consist of entities providing investment-related services and Acquisition Entities. Certain of these entities were formed for legal, tax, regulatory or similar reasons by Alaris and share a common business purpose. The assessment of whether Alaris, the parent company, meets the definition of an investment entity was performed on an aggregate basis with these entities.

The criteria which define an investment entity are, as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment management services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

When determining whether the Trust met the definition of an investment entity under IFRS 10, Alaris management applied significant judgement when assessing the entity's business purpose and how the Trust commits to its investors that its business purpose is to invest funds solely for the returns from capital appreciation, investment income or both.

(e) Material accounting policies:

Income recognition

Management fees and advisory fees are earned for services provided directly to certain of the Trust's Acquisition Entities which are calculated on a percentage of invested capital approach, as well as transaction fees earned from Partner investments. Revenues earned from management and advisory fees are recognized over time as the services are provided.

Corporate Investments that are in a currency other than the presentation currency are translated at period end using the period end rate. The foreign exchange differences are recorded in Foreign exchange (gain)/loss. Therefore, the Net gain/(loss) on Corporate Investments is reflective of gains or losses prior to foreign exchange translation.

Intercompany loans with Acquisition Entities

Intercompany loans receivable from Acquisition Entities represent financial assets which are classified as Corporate Investments and represent loans receivable from unconsolidated subsidiaries of the Trust, which are recorded at fair value in the consolidated financial statements in accordance with IFRS 9.

Finance costs

Finance costs are composed of interest expense on senior unsecured debentures and accretion expense on senior unsecured debentures. Borrowing costs that are not directly attributable to the acquisition of a qualifying asset are recognized in profit or loss using the effective interest method.

3. Corporate Investments

As a result of the Trust meeting the definition of an investment entity in January, 2024, the assets and liabilities of the Trust's subsidiary, AEP, have been derecognized from the Trust's consolidated statement of financial position, and the Trust's direct investment in AEP and indirect investment in AEP's subsidiaries, have been recognized as Corporate Investments in the consolidated statement of financial position. The Trust deconsolidated the accounts of AEP and AEP subsidiaries and recognized a gain on the transition to investment entity status on January 1, 2024 was as follows:

	1-Jan-24
AEP and AEP subsidiaries	
Cash	$ 8,435
Derivative contracts	1,012
Accounts receivable and prepayments	11,008
Income taxes receivable	29,098
Other - long term assets	33,537
Investment in Partners	1,392,758
Accounts payable and accrued liabilities	(18,902)
Derivative contracts	(341)
Convertible debenture	(97,709)
Deferred Income taxes	(82,301)
Senior credit facility	(242,359)
Intercompany loans payable held by previously consolidated entities	(380,237)
Foreign currency translation differences	(33,711)
Net assets deconsolidated	**$ 620,288**
Gain on derecognition of previously consolidated entities	30,260
Fair value of Acquisition Entities, January 1, 2024	**$ 650,548**

The Trust's Corporate Investments are recorded at FVTPL in accordance with IFRS 9 and IFRS 10, as described in Note 2. AEP directly or indirectly invests the Trust's capital. The Trust's Corporate Investments include the fair value of the net assets of its Acquisition Entities that are controlled by the Trust both directly and indirectly. Accordingly, the Trust's direct Corporate Investments comprise these Acquisition Entities, which invest directly or indirectly in our Partners.

The following table details the fair value of the Trust's material directly and indirectly held Acquisition Entities, which are controlled by the Trust but which are not part of the consolidated subsidiaries:

Corporate Investments at September 30, 2024	**Total**
Acquisition Entities	
Partner investments	$ 1,479,738
Net assets (liabilities)	$ (462,122)
Total Acquisition Entities	**$ 1,017,616**
Intercompany loans	
Intercompany loans receivable from Acquisition Entities	$ 100,458
Total Corporate Investments at September 30, 2024	**$ 1,118,074**

The following table details the fair value of the net assets of Acquisition Entities excluding the Partner investments held by these Acquisition Entities:

Acquisition Entities net assets (liabilities)	30-Sep-24
Assets	
Cash	$ 7,071
Accounts receivable and prepayments	23,085
Income taxes receivable	24,421
Other long-term assets	25,666
Derivative contracts	804
Liabilities	
Accounts payable and accrued liabilities	(4,620)
Deferred income taxes	(105,187)
Senior credit facility	(332,856)
Intercompany loans payable	(100,458)
Total	**$ (462,122)**

The Trust has advanced intercompany loans to the Acquisition Entities totaling $100.5 million. The corresponding intercompany loans payable to the Trust, which totals $100.5 million form part of the Trust's Corporate investment, which are recorded at fair value through profit or loss. There is no impact on net assets or net earnings from these intercompany loans.

The following table lists the cost and fair value of the Trust's underlying investments at September 30, 2024 and January 1, 2024. These investments are held both directly and indirectly by AEP, the Trust's directly-held unconsolidated subsidiary. At December 31, 2023, these investments were included in the consolidated statement of financial position of the Trust. As a result of the Trust's qualification as an investment entity these investments are not included in the consolidated financial statements of the Trust as of fiscal 2024, except to the extent that they impact the fair value measurement of the Trust's Corporate Investments.

As noted in critical accounting estimates above, the measurement of the fair value of the Corporate Investments is significantly impacted by the fair values of the investments held directly and indirectly through AEP. Investments listed below are each denominated in their local currencies, other than LMS which includes a portion of its total that is in USD but translated into Canadian dollars using the period end exchange rates. The total United States investments in USD is also translated below into Canadian dollars using the period end exchange rates.

The change in fair value of the Trust's Corporate Investments, which include intercompany loans, for the nine months ended September 30, 2024 is as follows:

Corporate Investments ($ thousands)	**Carrying Value at January 1, 2024**	**Deployed Capital**	**Redemptions / repayments**	**Foreign Exchange Adjustment**	**Fair Value Adjustment**	**Carrying Value at September 30, 2024**
Partner investments						
Sono Bello, LLC ("Sono Bello")	US $ 158,900	US $ -	US $ -	US $ -	US $ 11,400	US $ 170,300
Ohana Growth Partners, LLC ("Ohana")	116,729	35,866	-	-	(3,134)	149,461
The Shipyard, LLC ("Shipyard")	59,500	27,500	-	-	5,000	92,000
D&M Leasing ("D&M")	67,000	5,707	-	-	1,700	74,407
Fleet Advantage, LLC ("Fleet")	70,235	-	-	-	8,500	78,735
Accscient, LLC ("Accscient")	66,177	-	-	-	800	66,977
DNT Construction, LLC ("DNT")	63,143	-	-	-	2,500	65,643
GWM Loan Receivable at amortized cost	62,678	-	-	-	-	62,678
GWM Holdings, Inc ("GWM")	14,199	-	-	-	300	14,499
Edgewater Technical Associates, LLC ("Edgewater")	39,700	-	-	-	2,400	42,100
Federal Management Partners, LLC ("FMP")	37,800	3,500	-	-	1,300	42,600
3E, LLC ("3E")	40,000	-	-	-	500	40,500
Sagamore Plumbing and Heating, LLC ("Sagamore")	22,800	-	-	-	2,700	25,500
Cresa, LLC ("Cresa")	-	20,000	-	-	600	20,600
Carey Electric Contracting LLC ("Carey Electric")	14,780	-	-	-	900	15,680
Unify Consulting, LLC ("Unify")	12,228	-	-	-	-	12,228
Heritage Restoration, LLC ("Heritage")	18,400	-	-	-	(10,200)	8,200
Brown & Settle Investments, LLC ("Brown & Settle")	71,694	-	(71,509)	-	(185)	-
Stride Consulting LLC ("Stride")	3,500	-	(4,000)	-	500	-
Total (based in US) - USD	$ 939,463	$ 92,573	$ (75,509)	$ -	$ 25,581	$ 982,108
Amur Financial Group ("Amur")	$ 80,400	$ -	$ -	$ -	$ 8,300	88,700
Lower Mainland Steel Limited Partnership ("LMS")	46,410	-	-	110	2,000	48,520
SCR Mining and Tunneling, LP ("SCR")	20,503	-	-	-	(5,500)	15,003
Total (based in Canada) - CAD	$ 147,313	$ -	$ -	$ 110	$ 4,800	152,223
Total of Partner investments - CAD	**$ 1,392,758**	**$ 125,877**	**$ (103,372)**	**$ 25,086**	**$ 39,389**	**$ 1,479,738**
Total Acquisition Entities net assets (liabilities)	(742,210)	141,986	103,372	(18,017)	52,747	(462,122)
Total Acquisition Entities	**$ 650,548**	**$ 267,863**	**$ -**	**$ 7,069**	**$ 92,136**	**$ 1,017,616**
Intercompany loans receivable						
Loans receivable from Acquisition Entities	$ 380,237	$ -	$ (291,934)	$ 12,155	$ -	$ 100,458
Total Corporate Investments	**$ 1,030,785**	**$ 267,863**	**$ (291,934)**	**$ 19,224**	**$ 92,136**	**$ 1,118,074**

Gain on Corporate Investments

Net gain on Corporate Investments for the three and nine months ended September 30, 2024 was comprised of the following and is representative of the changes in net assets within the Acquisition Entities as well as the changes in fair value of the Partner investments:

Net gain / (loss) on Corporate Investments	Three months ended September 30, 2024	Nine months ended September 30, 2024
Partner Distribution revenue - Preferred, including realized foreign exchange	$ 37,895	$ 113,936
Partner Distribution revenue - Common	27,501	31,807
Net realized gain on Partners investments Note 1	29	9,005
Net unrealized gain on Partner investments	33,006	32,463
Provision for promissory notes	(2,298)	(2,298)
Operating costs and other	(1,087)	(2,846)
Transactions costs	(378)	(2,531)
Finance costs, senior credit facility and convertible debentures	(6,962)	(22,193)
Acquisition Entities income tax expense - current	(2,987)	(10,018)
Acquisition Entities income tax expense - deferred	(16,109)	(21,272)
Management and advisory fees paid to Trust	(4,535)	(12,743)
Interest on intercompany loans	(2,839)	(20,307)
Realized gain on foreign exchange contracts	-	521
Net gain / (loss) earned from Acquisition Entities operations	**$ 61,236**	**$ 93,524**
Acquisition Entities dividends paid to Trust	$ (880)	$ (1,388)
Net gain / (loss) on Corporate Investments	**$ 60,356**	**$ 92,136**

Note 1 – Included in Net realized gain on Partner investments is $2.0 million and $0.1 million which relate to the redemptions of Falcon Master Holdings LLC, dba FNC Title Service ("FNC") and Stride, respectively.

Below is a summary of changes in each investment during the year ended December 31, 2023:

Investments *($ thousands)*	Carrying Value at January 1, 2023	Additions	Redemptions	Foreign Exchange Adjustment	Fair Value Adjustment	Carrying Value at December 31, 2023
2023						
Sono Bello preferred	US $ 165,303	US $ -	US ($ 165,303)	US $ -	US $ -	US $ -
Sono Bello convertible preferred	-	145,000	-	-	13,900	158,900
Ohana	99,329	-	-	-	17,400	116,729
Brown & Settle	63,894	-	-	-	7,800	71,694
Fleet	45,000	-	(5,565)	-	30,800	70,235
D&M	71,800	-	-	-	(4,800)	67,000
Accscient	77,277	-	-	-	(11,100)	66,177
DNT	63,943	-	-	-	(800)	63,143
GWM loan receivable	62,678	-	-	-	-	62,678
GWM	16,699	-	-	-	(2,500)	14,199
Shipyard	-	59,500	-	-	-	59,500
3E	40,000	-	-	-	-	40,000
Edgewater	34,600	-	-	-	5,100	39,700
FMP	-	36,500	-	-	1,300	37,800
Sagamore	24,000	-	-	-	(1,200)	22,800
Heritage	20,000	-	-	-	(1,600)	18,400
Carey Electric	14,680	-	(1,000)	-	1,100	14,780
Unify	12,628	-	-	-	(400)	12,228
Stride	4,000	-	(500)	-	-	3,500
Total (based in US) - USD	US $ 815,831	$ 241,000	$ (172,368)	$ -	$ 55,000	US $ 939,463
Amur	$ 72,200	$ -	$ -	$ -	$ 8,200	80,400.0
LMS	42,232	-	-	(122)	4,300	46,410.0
SCR	28,603	-	-	-	(8,100)	20,503.0
Total (based in Canada) - CAD	$ 143,035	$ -	$ -	$ (122)	$ 4,400	$ 147,313
Investments - CAD	**$ 1,248,159**	**$ 327,172**	**$ (234,068)**	**$ (26,525)**	**$ 78,020**	**$ 1,392,758**

Assumptions used in fair value of the net assets of the Acquisition Entities, exclusive of Partner Investments:

Other than the fair value of other long term assets, the fair value of the assets and liabilities are equal to their carrying values, due to the nature and timing of expected settlement. The carrying values of the assets and liabilities are determined in accordance with IFRS Accounting Standards.

The fair value of other long term assets includes assumptions related to the ongoing CRA reassessment within the Acquisition Entities. The other long term assets are primarily made up of deposits with the CRA, which have been paid in order to defend the reassessment. Should the Acquisition Entities be unsuccessful in defending, these deposits will not be recoverable. The Acquisition Entities have obtained insurance to mitigate the risk related to this reassessment. In determining the fair value of the deposits paid, the Trust considered the timing of collection, and proceeds thereon, as well as the probability weighted outcome. Key assumptions included in this assessment include the probability assigned to each scenario.

Assumptions used in fair value of underlying Partner investments:

Alaris estimates the fair value of its preferred unit investments using discounted cash flows of future distributions and redemptions. Alaris estimates the fair value of its convertible preferred unit investments using discounted cash flows of the future distributions and the enterprise value. Alaris estimates the fair value of the common equity investments using discounted cash flows or capitalized cash flows of the underlying business. Key assumptions used in the valuation of the preferred unit investments include the discount rate, timing of exit and estimates relating to changes in future distributions. Key assumptions used in the valuation of the convertible preferred units investments include the discount rate, estimated future cash flows, and cash flow multiple. Key assumptions used in the valuation of the common equity investments include the discount rate, terminal value growth rate, cash flow multiple and estimated future cash flows. Information about recent transactions carried out in the market as well as other considerations with respect to relevant market transactions may be used for the purposes of the valuation of common equity investments.

For each individual Partner, Alaris considered a number of different discount rate and cash flow multiple factors including company-specific items such as; what industry they operate in, the size of the entity, the health of the balance sheet and the ability of the historical earnings to cover the future distributions, the lack of liquidity inherent in a non-public investment and the fact that comparable public companies are not identical to the companies being valued. Such considerations are necessary because, in the absence of a committed buyer and completion of due diligence procedures, there may be company specific items that are not fully known that may affect the fair value. A variety of additional factors are reviewed, including, but not limited to, financing and sales transactions with third parties, current operating performance and future expectations of the particular investment, changes in market outlook and the third-party financing environment. In determining changes to the fair value of the underlying Partner, emphasis is placed on current company performance and market conditions. Cash flows have been discounted at rates ranging from 12.6% - 30.0%

These assumptions will be refined each reporting period as new information is obtained and may continue to require future adjustment to the fair value of the investments. All assumptions made at September 30, 2024 are based on the information available to the Trust as of the date of these financial statements. Refer to Note 6 for additional information, including sensitivity analyses to these inputs.

4. Unitholders' capital:

The Trust is authorized to issue an unlimited number of trust units. At September 30, 2024, the number of units issued and outstanding was 45,498,191 (December 31, 2023 – 45,498,191).

Outlined below are the weighted average units outstanding for the three and nine months ended September 30, 2024 and 2023, respectively.

Weighted Average Units Outstanding	**Three months ended September 30**		**Nine months ended September 30**	
thousands	**2024**	**2023**	**2024**	**2023**
Weighted average units outstanding, basic	45,498	45,498	45,498	45,433
Effect of outstanding convertible debentures	-	4,124	-	4,124
Effect of outstanding RTUs	439	464	439	464
Weighted average units outstanding, fully diluted	45,937	50,086	45,937	50,021

During the year, AEP repaid the outstanding convertible debentures for the hybrid instrument's face value of $100.0 million. The debentures were convertible at the holder's option at any time prior to the close of business on the earlier of the business day immediately preceding the maturity date of June 30, 2024. No options were converted prior to AEP's repayment.

Distributions

For the three months ended September 30, 2024, the Trust declared a quarterly distribution of $0.34 per unit, paid on October 15, 2024, totaling $15.5 million in aggregate (2023 - $0.34 per unit and $15.5 million). The total distributions declared during the nine months ended September 30, 2024 were $1.02 per unit and $46.4 million in aggregate (2023 - $1.02 per unit and $46.4 million in aggregate)

5. Unit-based payments:

The unit-based compensation expense relating to the RTU Plan is based on the unit price of the Alaris units at September 30, 2024 and based on the remaining time left until vesting for each tranche of units. At September 30, 2024, the total liability related to the RTU is $7.4 million, $5.9 million of which is included in Accounts payable and accrued liabilities and $1.5 million in Other liabilities.

6. Fair value of financial instruments:

The table below analyzes financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following items shown on the statement of financial position as at September 30, 2024 are measured at fair value on a recurring basis using level 3 inputs.

Fair value classification *($ thousands)*	Level 1	Level 2	Level 3	Total
30-Sep-24				
Acquisition Entities	$ -	$ -	$ 1,017,616	$ 1,017,616
Loans receivable from Acquisition Entitles	-	-	100,458	100,458
Total at September 30, 2024	**$ -**	**$ -**	**$ 1,118,074**	**$ 1,118,074**
31-Dec-23	**Level 1**	**Level 2**	**Level 3**	**Total**
Current and non-current derivative contract assets	$ -	$ 2,191	$ -	$ 2,191
Current and non-current derivative contract liabilities	-	(344)	-	(344)
Investments	-	-	1,430,641	1,430,641
Total at December 31, 2023	**$ -**	**$ 1,847**	**$ 1,430,641**	**$ 1,432,488**

The most significant assumption in the calculation of the fair value of Corporate Investments, which includes the fair value of the Acquisition Entities and the loans receivable from Acquisition Entities, are the probability scenarios in the fair value of other long term assets of the Acquisition Entities as well as the assumptions used within the Partner investments held by the Acquisition Entities. Discount rates, terminal value growth rates, cash flow multiples, timing of exit, changes in future distributions from each investment, estimated future cash flows, and probability weighting are the primary inputs in these fair value models and are generally unobservable. Accordingly, these fair value measurements are classified as level 3. There were no transfers between level 2 or level 3 classified assets and liabilities during the period ended September 30, 2024.

For the net asset value of long term assets within Acquisition Entities, Alaris assigns a probability weighting to two economic scenarios which are representative of Alaris' best estimate of the likelihood of the probable scenarios underlying the investment valuation. Adjusting 10% of the probability weighting to the most favorable case results in the fair value of the investment increasing by $2.7 million, alternatively, adjusting 10% of the probability weighting to the least favorable case results in a decrease by $2.7 million to the fair value of the investment.

As outlined in Note 3, discount rates used to determine fair value, inclusive of those used to determine cashflow multiples range from 12.6% - 30.0%. If the discount rate increased (decreased) by 1%, the fair value of Level 3 Corporate Investments at September 30, 2024 would decrease by $62.8 million and increase by $71.3 million. If the terminal value growth rate increased (decreased) by 1%, the fair value of Level 3 Corporate Investments would increase by $14.0 million and decrease by $11.4 million. For the preferred unit and convertible preferred unit underlying investments, if changes in future distributions increased (decreased) by 1% the fair value of the Corporate Investments would increase by $8.0 million and decrease by $8.1 million. For the common equity and convertible preferred unit underlying investments, if the cash flow multiples increased (decreased) by 1%, the fair value of the Corporate Investments would increase by $3.5 million and decrease by $2.5 million. For the common equity and convertible preferred unit underlying investments, if the estimated future cash flows increased (decreased) by 1%, the fair value of the corporate Investments would increase by $6.1 million and decrease by $5.3 million. For the preferred unit underlying investments, if changes in estimated exit timelines increased (decreased) by one year the fair value of the Corporate Investments would decrease by $12.3 million and increase by $8.2 million.

7. Related parties:

During the period ended September 30, 2024, the Trust derived revenues from the provision of management and advisory services from Acquisition Entities of $4.5 million during the three months ended September 30, 2024 and $12.7 million during the nine months ended September 30, 2024. At September 30, 2024, the Trust has a net receivable included in accounts receivable and prepayments from Acquisition Entities of $0.8 million.

The Trust has intercompany loans receivable from Acquisition Entities. The loans have terms ranging from 3 to 10 years, but can be repaid at anytime without penalty. These loans bear interest at a rate ranging from 10% to 12%. The Trust recognized $3.0 million of interest income related to these loans for the three months ended September 30, 2024 and $20.4 million of interest income for the nine months ended September 30, 2024. The corresponding interest expense incurred by the Acquisition Entities offset part of the Trust's Corporate investment gain. During the nine months ended September 30, 2024 the Trust received $291.9 million of net principal loan repayments, reducing the carrying value of the loans outstanding.

There is no impact on net earnings from these intercompany loans. Partially offsetting the net principal loan repayments, during the nine months ended September 30, 2024, the Trust made net capital contributions of $267.8 million to the Acquisition Entities, the majority of which was used to repay debt within the Acquisition Entities. The Acquisition Entities paid $0.9 million and $1.4 million dividends to the Trust during the three and nine months ended, respectively. Distributions received from the Acquisition Entities are recorded as income as part of the Trust's Revenue and operating income.

The Trust guarantees a $500 million senior credit facility AEP holds with a syndicate of Canadian chartered banks, which has a maturity date in September 2026 and is secured by a general security agreement on all of Alaris' assets. The interest rate is based on a combination of the Canadian Overnight Repo Rate Average ("CORRA"), Canadian Prime Rate ("Prime"), US Base Rate ("USBR") and Secure Overnight Financing Rate ("SOFR"). At September 30, 2024, AEP had a balance of $332.9 million (net of unamortized bank amendment and extension fees of $2.4 million) drawn on its credit facility (December 31, 2023 – $242.4 million, net of unamortized bank amendment and extension fees $3.2 million). At September 30, 2024, AEP met all of its covenants as required by the agreement. The covenants include a maximum funded debt to contracted EBITDA of 3.0:1 (actual ratio was 1.98 at September 30, 2024); minimum fixed charge coverage ratio of 1:1 (actual ratio was 1.55x at September 30, 2024); and a minimum tangible net worth of $600.0 million (actual amount was $1,037.2 million at September 30, 2024).

The Trust has no contractual commitments to provide any other financial or other support to its unconsolidated subsidiaries.

8. Commitments and contingencies:

At September 30, 2024, Alaris USA had commitments to fund an additional US$10.0 million to Cresa. Subsequent to the quarter, this commitment was satisfied.

9. Subsequent events:

On November 1, 2024, the Trust, via the Acquisition Entities, made a follow-on investment of US$10.0 million of additional preferred equity in Cresa LLC, which has the same metrics as the initial preferred equity investment. Following this transaction, Alaris' total investment in Cresa is US$30.0 million.