



# Ninepoint Cannabis & Alternative Health Fund

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ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

DECEMBER 31

2025

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This annual management report of fund performance contains financial highlights but does not contain either the interim or annual financial statements of the investment fund. You can obtain a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-888-362-7172, by writing to us at Ninepoint Partners LP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, P.O. Box 27, Toronto, Ontario M5J 2J1 or by visiting our website at [www.ninepoint.com](http://www.ninepoint.com) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

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## Management Discussion of Fund Performance

### Investment Objective and Strategies

The objective of the Ninepoint Cannabis & Alternative Health Fund (the “Fund”) is to achieve growth by investing primarily in equity securities of companies engaged in nutrition, nutraceuticals and new forms of medicines and pharmaceutical solutions, including cannabis.

The Fund will primarily invest in a portfolio of companies that are listed on the North American exchanges that have a business strategy focused on new and alternative health and wellness related themes that are growing in acceptance and importance in North America.

As part of the investment strategy, the Fund may:

- hold cash, short-term money market instruments, fixed income securities or other equivalents at any time, including, in accordance with National Instrument 81-102, other investment funds managed by Ninepoint Partners LP (the “Manager”) that invest all or substantially all of their assets in cash or cash equivalents, for cash management purposes;
- engage in securities lending as permitted by securities regulations;
- invest in other exchange-traded funds (“ETFs”) as permitted by securities regulations;
- pursuant to the regulatory relief to invest in leveraged and commodity ETFs, invest in Commodity ETFs in aggregate, up to 10% of its net assets in underlying ETFs as measured at the time of the investment provided certain criteria are met;
- invest in Underlying U.S. ETFs subject to terms of the regulatory relief;
- engage in short selling in a manner which is consistent with the investment objectives of the Fund and as permitted by securities regulations; and
- use derivatives instruments such as options, futures, forward contracts and swaps, for both hedging and non-hedging strategies, in a manner that is consistent with the investment objectives of the Fund and as permitted by securities regulations.

On April 24, 2018, the Manager acquired the management rights for the Fund from Redwood Asset Management Inc. Information prior to the acquisition by the Manager is presented in this report, as required.

Faircourt Asset Management Inc. is the sub-advisor of the Fund.

### Risks

The risks of investing in the Fund are described in the Fund’s simplified prospectus. The Fund is suitable for investors with a high tolerance for risk.

### Results of Operations

The Fund, Series F, returned 2.3% in 2025, while its blended benchmark returned 8.2%.

The year was versatile for the Fund as the two primary areas for the Fund, U.S. cannabis and health care, began the year with weak prospects, yet gained traction with stronger performance in the second half of the year. During Q1 2025 into early Q2 2025 there was a cloud of uncertainty hovering over the entire health care industry as the Trump Administration and its health care leadership promised significant changes to health insurance, drug approvals and funding related to the Department of Health & Human Services and the Food and Drug Administration (“FDA”). By the summer, the health care sector generated strong returns in the second half of 2025.

The health care sector was the leading sector in the second half of 2025, with a return of 14.6%, surpassing Information Technology +13.7%; Consumer Discretionary at +9.9%, and Communication Services +8.5%.

The first half of 2025 witnessed investor apathy in the cannabis sector as the market waited for regulatory clarity at the U.S. federal level. After disappointing shortfalls during the Biden Administration, there was pronounced cynicism that any positive change would transpire once the Trump Administration took over. However, by mid summer, President Trump began to show increased support for re-scheduling which carried the cannabis sector to a resurgent performance in the second half of the year. Overall, the Fund ended the year in positive territory, up 1.2% for Class A units and 2.3% for Class F units. Given the stronger performance in the second half of 2025, the outlook for 2026 provides tailwinds for investment outlined below.

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The Fund benefitted from strong performance from Eupraxia Pharmaceuticals Inc. (+128.8%), Glass House Brands Inc. (+52.7%), and Trulieve Cannabis Corporation (+59.9%). The Fund also benefitted from the conversion from the convertible debentures of Leef Brands Inc. that took place in December 2025. The Fund's carrying value for Leef Brands Inc. appreciated 46.0% as the company offered convertible debenture holders favourable terms to convert into shares.

The Fund had weaker performance from select larger holdings including Green Thumb Industries Inc. (-6.7%), Costco Wholesale Corporation (-5.4%), and Jamieson Wellness Inc. (-5.9%).

Appreciation by the Canadian Dollar against the U.S. Dollar during the year (+4.2%) was also a headwind for performance as the Fund holds a significant amount of U.S. Dollar denominated assets.

The Fund's net asset value decreased by 46.2% during the period, from \$11.6 million as at December 31, 2024 to \$6.2 million as at December 31, 2025. This change was predominantly due to net redemptions of \$5.3 million.

## Recent Developments

There were no material changes to the investment strategy and features of the Fund during the year ended December 31, 2025. The Manager actively monitors the positioning of the Fund's portfolio for changes in current market conditions and the economic environment.

## Related Party Transactions

### MANAGEMENT FEES

The Fund pays a management fee to the Manager an annual rate of 2.25% for Series A units, 1.25% for Series D units and Series F units, and as negotiated by the unitholders for Series I. The management fee is calculated and accrued daily based on the daily net asset value of that series of the Fund and is paid monthly. For the year ended December 31, 2025, the Fund incurred management fees of \$132,622 (including taxes). The breakdown of the services received in consideration of the management fees, as a percentage of management fees, is as follows:

	Portfolio Advisory	Trailing Commissions
Series A	56%	44%
Series D	100%	–
Series F	100%	–

Of the management fees that the Manager received from the Fund, the Manager paid trailer commissions of \$20 during the year ended December 31, 2025 to Sightline Wealth Management, an affiliate of the Manager.

### OPERATING EXPENSES

The Fund pays its own operating expenses, which include, but are not limited to, audit, legal, custodial, filing and administrative expenses as well as unitholder reporting costs. The Manager may pay some of these expenses on behalf of the Fund and then is reimbursed by the Fund. At its sole discretion, the Manager may waive or absorb a portion of the operating expenses of certain Funds and such waivers or absorptions can be terminated at any time without notice. Amounts waived or absorbed by the Manager are reported in the Statements of Comprehensive Income (Loss). For the year ended December 31, 2025, the Manager did not absorb any expenses.

### OTHER RELATED PARTY TRANSACTIONS

The Fund relied on the approval, positive recommendation or standing instruction from the Fund's Independent Review Committee with respect to any related party transactions.

# Ninepoint Cannabis & Alternative Health Fund

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## Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the years ended December 31 shown, unless otherwise indicated.

The Fund's Net Assets per Unit<sup>1</sup>

	Dec 31, 2025 <sup>6</sup>	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Series A	\$	\$	\$	\$	\$
Net assets, beginning of period	9.31	11.16	11.89	19.06	20.29
<b>Increase (decrease) from operations:</b>					
Total revenue	0.29	0.09	0.16	0.19	0.29
Total expenses	(0.43)	(0.45)	(0.40)	(0.47)	(0.65)
Realized gains (losses) for the period	(6.24)	(1.81)	(3.50)	(1.33)	1.37
Unrealized gains (losses) for the period	5.96	0.50	2.81	(5.75)	(2.70)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.42)</b>	<b>(1.67)</b>	<b>(0.93)</b>	<b>(7.36)</b>	<b>(1.69)</b>
<b>Distributions:</b>					
<b>Total annual distributions<sup>3</sup></b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net assets, end of period</b>	<b>9.92</b>	<b>9.31</b>	<b>11.16</b>	<b>11.89</b>	<b>19.06</b>

	Dec 31, 2025 <sup>6</sup>	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Series D	\$	\$	\$	\$	\$
Net assets, beginning of period	6.42	7.61	8.02	12.70	13.39
<b>Increase (decrease) from operations:</b>					
Total revenue	0.18	0.06	0.11	0.13	0.20
Total expenses	(0.23)	(0.22)	(0.19)	(0.20)	(0.29)
Realized gains (losses) for the period	(3.58)	(1.29)	(2.37)	(0.73)	0.92
Unrealized gains (losses) for the period	3.90	0.51	1.93	(4.60)	(1.83)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.27</b>	<b>(0.94)</b>	<b>(0.52)</b>	<b>(5.40)</b>	<b>(1.00)</b>
<b>Distributions:</b>					
<b>Total annual distributions<sup>3</sup></b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net assets, end of period</b>	<b>6.91</b>	<b>6.42</b>	<b>7.61</b>	<b>8.02</b>	<b>12.70</b>

	Dec 31, 2025 <sup>6</sup>	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Series F	\$	\$	\$	\$	\$
Net assets, beginning of period	9.94	11.80	12.43	19.71	20.75
<b>Increase (decrease) from operations:</b>					
Total revenue	0.34	0.09	0.17	0.20	0.30
Total expenses	(0.36)	(0.34)	(0.30)	(0.32)	(0.42)
Realized gains (losses) for the period	(5.99)	(1.93)	(3.67)	(1.37)	1.42
Unrealized gains (losses) for the period	6.31	0.77	2.90	(5.87)	(3.08)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.30</b>	<b>(1.41)</b>	<b>(0.90)</b>	<b>(7.36)</b>	<b>(1.78)</b>
<b>Distributions:</b>					
<b>Total annual distributions<sup>3</sup></b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net assets, end of period</b>	<b>10.72</b>	<b>9.94</b>	<b>11.80</b>	<b>12.43</b>	<b>19.71</b>

# Ninepoint Cannabis & Alternative Health Fund

December 31, 2025

ETF Series	Dec 31, 2025	Dec 31, 2024	Dec 31, 2023 <sup>5</sup>	Dec 31, 2022	Dec 31, 2021 <sup>4</sup>
	\$	\$	\$	\$	\$
Net assets, beginning of period	–	–	10.73	16.99	20.00
<b>Increase (decrease) from operations:</b>					
Total revenue	–	–	0.00	0.19	0.18
Total expenses	–	–	(0.02)	(0.27)	(0.23)
Realized gains (losses) for the period	–	–	0.05	(1.31)	0.45
Unrealized gains (losses) for the period	–	–	(0.07)	(6.36)	(3.45)
<b>Total increase (decrease) from operations<sup>2</sup></b>	–	–	(0.04)	(7.75)	(3.05)
<b>Distributions:</b>					
<b>Total annual distributions<sup>3</sup></b>	–	–	–	–	–
<b>Net assets, end of period</b>	–	–	–	10.73	16.99

1 This information is derived from the Fund's audited annual financial statements.

2 The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. Net assets and distributions are based on the actual number of units outstanding at the relevant time. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

3 Distributions were reinvested in additional units of the Fund or paid in cash.

4 Information provided is for the period from May 12, 2021 (first issuance) to December 31, 2021 for ETF Series units.

5 The Manager terminated the ETF Series units of the Fund on January 17, 2023.

6 For financial reporting purposes as at December 31, 2025, the fair value of warrants is measured using the Black-Scholes model in accordance with IFRS, whereas the valuation of warrants for Transactional NAV purposes does not require such adjustments.

# Ninepoint Cannabis & Alternative Health Fund

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## Ratios and Supplemental Data

Series A	Dec 31, 2025 <sup>6</sup>	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Total net asset value (000s) <sup>1</sup>	\$2,528	\$5,986	\$10,689	\$15,497	\$30,368
Number of units outstanding <sup>1</sup>	254,781	643,216	957,436	1,303,520	1,593,621
Management expense ratio <sup>2</sup>	4.68%	3.67%	3.43%	3.02%	2.83%
Trading expense ratio <sup>3</sup>	0.16%	0.11%	0.11%	0.10%	0.08%
Portfolio turnover rate <sup>4</sup>	42.33%	47.67%	41.86%	45.96%	44.81%
Net asset value per unit <sup>1</sup>	\$9.92	\$9.31	\$11.16	\$11.89	\$19.06

Series D	Dec 31, 2025 <sup>6</sup>	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Total net asset value (000s) <sup>1</sup>	\$104	\$178	\$260	\$322	\$1,168
Number of units outstanding <sup>1</sup>	15,097	27,695	34,100	40,205	91,912
Management expense ratio <sup>2</sup>	3.66%	2.58%	2.33%	1.88%	1.87%
Trading expense ratio <sup>3</sup>	0.16%	0.11%	0.11%	0.10%	0.08%
Portfolio turnover rate <sup>4</sup>	42.33%	47.67%	41.86%	45.96%	44.81%
Net asset value per unit <sup>1</sup>	\$6.91	\$6.42	\$7.61	\$8.02	\$12.70

Series F	Dec 31, 2025 <sup>6</sup>	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Total net asset value (000s) <sup>1</sup>	\$3,610	\$5,438	\$9,976	\$15,623	\$34,730
Number of units outstanding <sup>1</sup>	336,833	546,952	845,439	1,256,918	1,762,393
Management expense ratio <sup>2</sup>	3.62%	2.58%	2.34%	1.93%	1.75%
Trading expense ratio <sup>3</sup>	0.16%	0.11%	0.11%	0.10%	0.08%
Portfolio turnover rate <sup>4</sup>	42.33%	47.67%	41.86%	45.96%	44.81%
Net asset value per unit <sup>1</sup>	\$10.72	\$9.94	\$11.80	\$12.43	\$19.71

ETF Series	Dec 31, 2025	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Total net asset value (000s) <sup>1</sup>	–	–	–	\$1,127	\$2,549
Number of units outstanding <sup>1</sup>	–	–	–	105,000	150,000
Management expense ratio <sup>2</sup>	–	–	–	1.79%	1.70%
Trading expense ratio <sup>3</sup>	–	–	–	0.10%	0.08%
Portfolio turnover rate <sup>4</sup>	–	–	–	45.96%	44.81%
Net asset value per unit <sup>1</sup>	–	–	–	\$10.73	\$16.99
Closing market price <sup>5</sup>	–	–	–	\$10.73	\$16.96

1 This information is provided as at December 31 2025 for the years shown.

2 Management expense ratio (“MER”) is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of the daily average net asset value during the period. The Manager may waive or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated at any time.

3 The trading expense ratio (“TER”) represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The TER includes securities borrowing expense paid by the Fund in connection with securities sold short, if any.

4 The Fund’s portfolio turnover rate indicates how actively the Fund’s Portfolio Manager trades its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher 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 the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

5 Last closing price as at December 31 for the years shown.

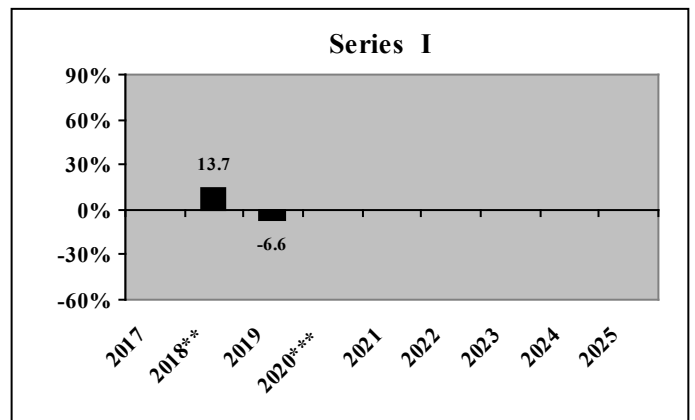
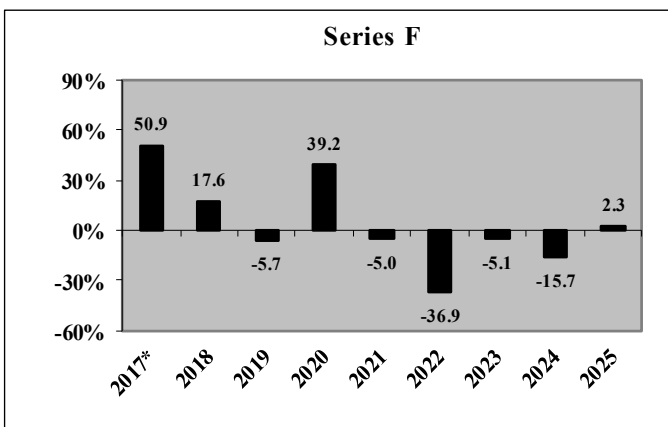
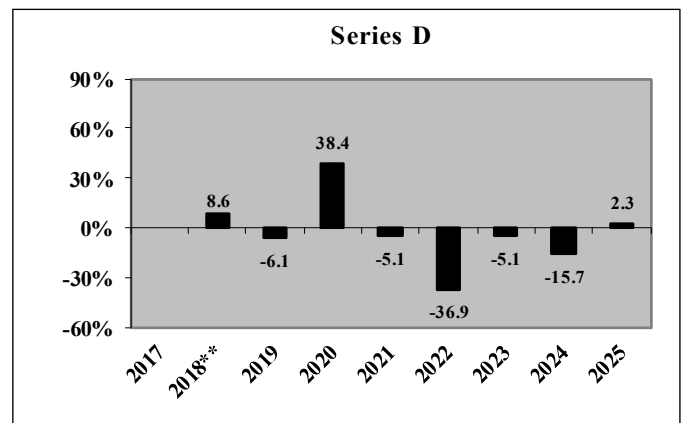
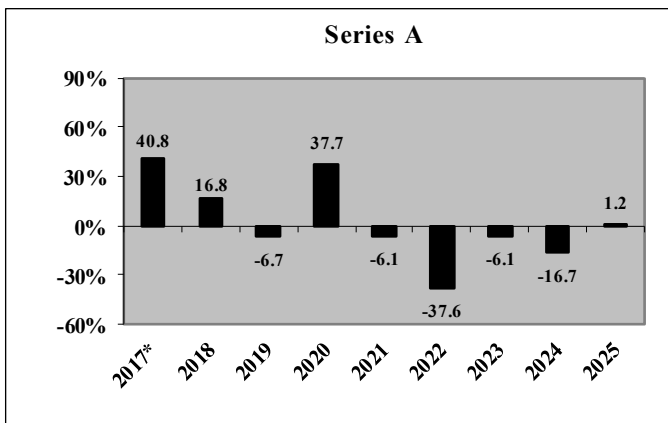
6 As at December 31, 2025, the transactional net asset value per unit for Series A was \$9.42, Series F was \$10.17 and Series D was 6.56.

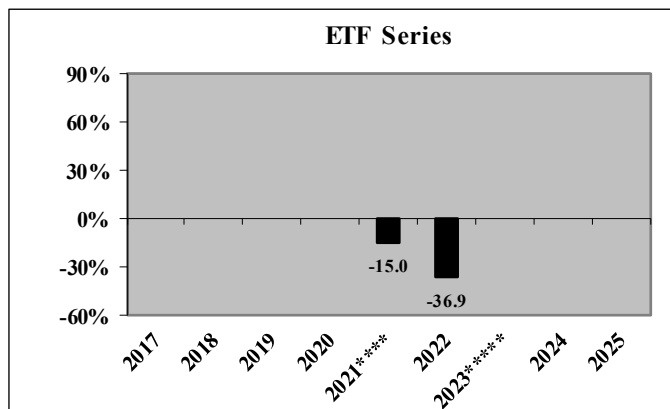
## Past Performance

The indicated rates of return are the historical total returns including changes in unit values and assume reinvestment of all distributions in additional units of the relevant Series of the Fund. These returns do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that may reduce returns. Please note that past performance is not indicative of future performance. All rates of return are calculated based on the Net Asset Value of the particular Series of the Fund.

### Year-by-Year Returns

The following charts indicate the performance of each Series of the Fund for the years ended December 31 shown, unless otherwise indicated. The charts show, in percentage terms, how much an investment made on the first day of each period would have grown or decreased by the last day of each period. Returns are not shown for a Series in any period in which there were no outstanding units as at the end of the period.

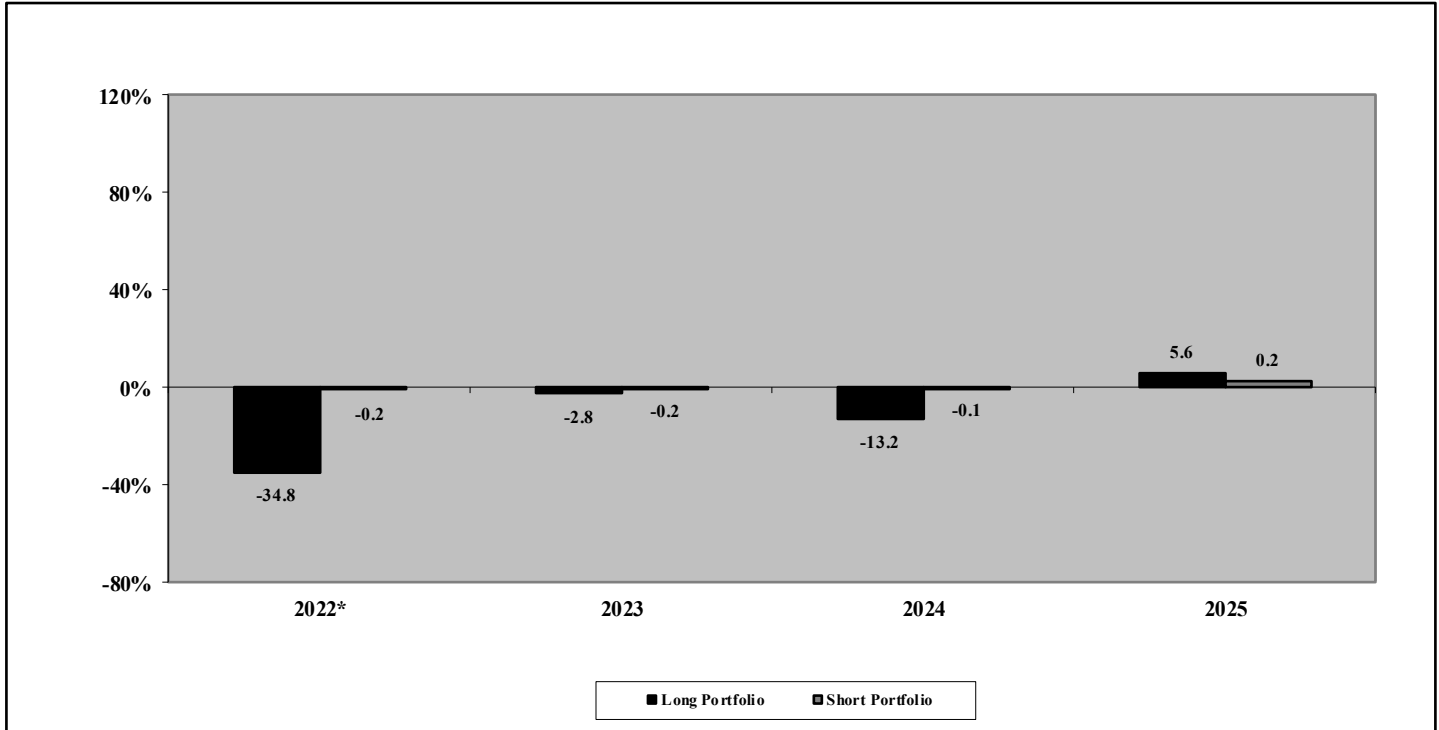




- \* Return from March 30, 2017 (launch date) for Series A units, and August 4, 2017 (first issuance) for Series F units, to December 31, 2017 (not annualized).
- \*\* Return from May 25, 2018 (first issuance) for Series I units, and June 6, 2018 (first issuance) for Series D units, to December 31, 2018 (not annualized).
- \*\*\* Series I units were fully redeemed during the year-ended December 31, 2020.
- \*\*\*\* Return from May 12, 2021 (first issuance) to December 31, 2021 for ETF Series units (not annualized).
- \*\*\*\*\* The Manager terminated the ETF Series units of the Fund on January 17, 2023.

## Long and Short Portfolio Returns

The following chart illustrates the contribution to the return of the Fund by the long portfolio and the short portfolio of the Fund (before the impact of Fund expenses) for the years ended December 31 shown, unless otherwise indicated. For the purposes of this disclosure, certain derivatives may be considered to be part of the short portfolio.



\* The Fund did not hold any short portfolio positions prior to 2022.

# Ninepoint Cannabis & Alternative Health Fund

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## Annual Compound Returns

The following table illustrates the annual compound total return for each Series of units of the Fund for the periods shown. As a basis of performance comparison, the annual compound return of the Fund is compared to that of a blended index (the “Blended Index”). The Blended Index includes Canadian listed companies and U.S. listed companies that are assigned to the health care industry on the basis of the markets they serve. Since the Fund does not necessarily invest in the same securities or in the same proportion as the Blended Index, the performance of the Fund is not expected to equal the performance of the Blended Index.

	1-Year	3-Year	5-Year	Since Inception*
Series A	1.2%	-7.5%	-14.2%	-0.2%
Blended Index	8.2%	6.3%	-6.9%	-3.0%
Series D	2.3%	-6.5%	-13.3%	-4.8%
Blended Index	8.2%	6.3%	-6.9%	-8.6%
Series F	2.3%	-6.5%	-13.3%	1.4%
Blended Index	8.2%	6.3%	-6.9%	-3.1%
Long portfolio	5.6%	-3.8%		
Short portfolio	0.2%	-0.1%		

\* Since launch date of March 30, 2017 for Series A units, August 4, 2017 for Series F units, and June 6, 2018 for Series D units. Returns for Series I units is not shown as there were no units outstanding as at December 31, 2025.

## Summary of Investment Portfolio

As at December 31, 2025

### Portfolio Allocation

	% of Net Asset Value
Long Positions	
Cannabis	51.3
Pharmaceuticals & Health Technology	20.6
Other Wellness	17.2
Warrants	5.2
Organics, Supplements & Nutraceuticals	2.4
<b>Total Long Positions</b>	<b>96.7</b>
Cash	4.1
Other Net Liabilities	(0.8)
<b>Total Net Asset Value</b>	<b>100.0</b>

### Top 25 Long Positions

Issuer	% of Net Asset Value
Green Thumb Industries Inc.	15.8
Leef Brands Inc.	13.8
Trulieve Cannabis Corporation	7.1
Cronos Group Inc.	5.6
Glass House Brands Inc.	5.3
Costco Wholesale Corporation	4.7
Cash	4.1
Eupraxia Pharmaceuticals Inc.	3.7
Amazon.com Inc.	3.6
Quest Diagnostics Inc.	3.4
Microsoft Corporation	3.2
Abbott Laboratories	3.1
Johnson & Johnson	3.1
National Vision Holdings Inc.	2.8
Jamieson Wellness Inc.	2.4
Thermo Fisher Scientific Inc.	2.2
The Procter & Gamble Company	2.1
Cellibre Inc., Class A, preferred shares	1.9
Walmart Inc.	1.7
Village Farms International Inc.	1.6
ZYUS Life Sciences Corporation	1.5
VitalHub Corporation	1.5
Apollo Global Management Inc.	1.3
Intuitive Surgical Inc.	1.2
Cresco Labs Inc.	1.2
<b>Total 25 long positions as a percentage of Net Asset Value</b>	<b>97.9</b>

The Fund did not hold short positions as at December 31, 2025.

This summary of investment portfolio may change due to the ongoing portfolio transactions of the Fund. Quarterly updates of the Fund's investment portfolio are available on the Internet at [www.ninepoint.com](http://www.ninepoint.com).

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## Corporate Information

### Corporate Address

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For additional information visit our website:  
[www.ninepoint.com](http://www.ninepoint.com)  
Call our mutual fund information line for daily closing prices:  
416.362.7172 or 1.888.362.7172

### Auditors

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### A Note on Forward-Looking Statements

This report may contain certain statements that constitute forward-looking statements. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words or expressions such as “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend”, “target” or negative versions thereof and other similar expressions or future or conditional verbs such as “may”, “will”, “should”, “would” and “could” and similar expressions to the extent they relate to future financial performance of the Fund or a security, and the Fund’s investment strategies and prospects. The forward-looking statements are not historical facts but reflect the expectations or forecasts of future results or events as at the date of this report. These forward-looking statements are subject to a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from current expectations including, without limitation, general economic, political and market factors in North America and internationally, movements in interest and foreign exchange rates, the volatility of equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, and catastrophic events. This list of important risks, uncertainties and assumptions is not exhaustive. These and other factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.

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