



CC&L Equity Income and Growth Fund

Management Report of Fund Performance

For the year ended December 31, 2024

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling us directly at 1.800.939.9674, by writing to us at 1400 - 130 King St. W., P.O. Box 240, Toronto, ON, M5X 1C8 or by visiting our website at www.cclfundsinc.com, or SEDAR at www.sedarplus.ca

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

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

Investment Objectives — The CC&L Equity Income and Growth Fund (the “Fund”) seeks to construct a diversified portfolio of primarily income oriented equity instruments listed on a Canadian stock exchange, with a view to maximize long-term total returns. The Fund seeks to generate returns in excess of the return of the S&P/TSX Composite Index.

The fundamental investment objective of the Fund cannot be changed without the approval of a majority of the unitholders at a meeting called to consider the change.

Investment Strategies — To achieve the Fund’s investment objectives, the manager, Connor, Clark & Lunn Funds Inc. (“CFI” or the “Manager”) has retained Connor, Clark & Lunn Investment Management Ltd., as portfolio manager, to invest the assets of the Fund with full authority and responsibility for security selection.

The Fund invests primarily in income-oriented equity instruments of issuers listed on a recognized Canadian stock exchange. The Fund holds various income-oriented securities including limited partnerships, royalty trusts, income trusts, real estate investment trusts, equities and other such income oriented instruments as are traded on recognized Canadian exchanges. The Fund may also hold preferred shares, rights, warrants, convertibles, private placement securities of publicly traded companies, cash and cash equivalents. Generally, the Fund will hold no fewer than securities of 35 issuers at any time. The maximum percentage of foreign securities which this Fund may hold is 20%. Securities lending, repurchase agreements and reverse repurchase agreements may all be used in conjunction with the investment strategies of the Fund to enhance returns.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Risk

During the year from January 1, 2024 to December 31, 2024, the risk profile of the Fund was managed in accordance with the goals set out in the simplified prospectus. In the view of the Manager, the risks associated with an investment in the portfolio are adequately described in the simplified prospectus and have not altered as result of subsequent changes in the underlying investments.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

As at December 31, 2024, the Fund held \$467.6 million in total net assets. During the year ended December 31, 2024, investors in Series A units in the Fund experienced a return of 15.90%. The benchmark for the Fund (S&P/TSX Composite Index) returned 21.65% over the year. The performance of the different series within the Fund will vary due to the differences in their expense structures. For specific returns by series, please refer to the “Past Performance” section of the report.

Global equity markets were robust in 2024, as disinflation, easing monetary policy and stronger-than-anticipated economic data helped propel several major equity indices to all-time highs. Canada specifically exceeded economic growth expectations by avoiding a recession, with the Bank of Canada (BoC) being the first and most aggressive G7 nation to cut interest rates. During the fourth quarter, investor optimism improved in November following the US election which resulted in a “red sweep”, suggesting a more favorable economic environment driven by business-friendly policies. Despite potential 25% tariffs on Canadian imports to the US, Canadian equities experienced gains from the post-election sentiment in November. Over the period, cyclical sectors, on average, outperformed defensive sectors.

The portfolio generated a positive return but underperformed its benchmark in 2024. Both security selection and sector allocation contributed to the underperformance. From a security selection perspective, stock picking within technology was the largest source of detracted value. Within technology, the underweight position in Shopify, which outperformed relative to the technology sector, detracted value. On the positive side, security selection within utilities contributed positively as the overweight position in Capital Power Corp was among the top single stock contributors over the year. From a sector allocation perspective, the underweight position to technology detracted value.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Recent Developments

Looking ahead, we anticipate above-trend growth for the US economy in 2025. The US services sector, which makes up 85% of the overall economy, should continue to expand, while lower policy interest rates are expected to support the struggling manufacturing sector. President Trump's business-friendly policies should drive increased capital expenditures as well. Canada's economic growth exceeded expectations by avoiding a recession in 2024, and the Canadian economy is expected to experience low, albeit positive, growth in 2025. Canada is likely to benefit from a strong US economy and lower BoC policy interest rates. The BoC was early and aggressive in cutting interest rates, and we expect Canada's interest-rate-sensitive economy to benefit from these actions.

For the first time since the late 1990s, the S&P 500 Index achieved an annual return exceeding 20% in back-to-back years. Going into 2025, US equity market valuations were trading at elevated levels, while Canadian equity valuations were at more reasonable levels. Given the positive macroeconomic backdrop expected for 2025, investors expect double-digit earnings growth in both Canada and the US. Valuation multiples are expected to stay relatively steady, with earnings growth driving positive equity market returns in 2025. While our base case outlook is positive, we acknowledge that some risks remain. In Canada, there is continued uncertainty involving potential tariffs on imports to the US. In the US, inflation will be closely monitored, as reaccelerating growth and inflation could result in less accommodative monetary policy in 2025. We also expect equity market volatility to be higher in 2025 than it was in 2024. Investors widely expect strong earnings growth and no recession. Any developments that do not align with those expectations could lead to increased market volatility.

As the risk of recession continued to decline in the fourth quarter of 2024, we added quality cyclical stocks and reduced the portfolio's exposure to lower-growth, interest-rate-sensitive companies. The portfolio maintains significant exposure to companies capable of delivering above-average earnings growth, regardless of economic conditions. The portfolio is now more balanced between quality cyclicals and resilient growth companies.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Caution regarding forward-looking statements

Certain portions of this report, including, but not limited to, "Results of Operations" and "Recent Developments", may contain forward looking statements including, but not limited to, statements relating to the Fund, its strategy, risks, expected performance and condition. The use of any of the words "anticipate", "may", "will", "expect", "estimate", "should", "believe" and similar expressions are intended to identify forward-looking statements. In addition, any statement that is predictive in nature, that depends upon or refers to future events or conditions, or that may be made concerning future performance, strategies or prospects, and possible future action to be made by the Fund, the Manager and the Fund's portfolio manager, is also a forward-looking statement.

Such statements reflect the opinion of CFI and the Fund's portfolio manager, Connor, Clark & Lunn Investment Management Ltd., regarding factors that might be reasonably expected to affect the performance and the distributions on units of the Fund, and are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, regulatory framework and the general business environment and other relevant information available at the time of this report. Changes in these factors may cause actual results to differ materially from the forward-looking information.

CFI believes that the expectations reflected in these forward-looking statements and in the analysis are reasonable, but no assurance can be given that these expectations or the analysis will prove to be correct and accordingly they should not be unduly relied on. These statements speak only as of the date of this report. Actual events and outcomes may differ materially from those described in these forward-looking statements.

We stress that the above mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing any undue reliance on forward-looking statements. Further, you should know there is no specific intention of updating any forward-looking statements contained therein whether as a result of new information, future events or otherwise.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Related Party Transactions

CFI is affiliated with Connor, Clark & Lunn Financial Group Ltd. As disclosed in the prospectus, the portfolio manager retained by the Fund, Connor, Clark & Lunn Investment Management Ltd., is also affiliated with Connor, Clark & Lunn Financial Group Ltd. During the year ended December 31, 2024, no additions or deletions were made to the portfolio managers providing services to the Fund.

As Manager, CFI receives management fees with respect to the day-to-day business and operations of the Fund as described in the section entitled “Management Fees”. These management fees are charged in the normal course of business and are measured at their exchange amount, which approximates that of an arm’s length transaction.

Recommendations or reports by the Independent Review Committee

The Independent Review Committee tabled no special reports and made no reportable material recommendations to the manager of the Fund during the year ended December 31, 2024.

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 since inception. This information is derived from the Fund's audited annual financial statements and previous audited financial statements.

The Fund's Net Assets Attributable to Holders of Redeemable Units per Unit

Series A	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21	DEC 31, 20
Net Assets, beginning of period ⁽¹⁾	\$15.13	\$15.43	\$16.53	\$14.23	\$14.30
Increase (decrease) from operations:					
Total revenues	0.52	0.57	0.48	0.44	0.47
Total expenses	(0.38)	(0.36)	(0.36)	(0.35)	(0.31)
Realized gains (losses) for the period	1.18	0.62	0.59	0.29	0.13
Unrealized gains (losses) for the period	1.04	(0.56)	(1.16)	2.54	0.17
Total increase (decrease) from operations ⁽²⁾	2.36	0.27	(0.45)	2.92	0.46
Distributions:					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends	(0.29)	(0.35)	(0.27)	(0.21)	(0.27)
From capital gains	(0.56)	(0.26)	(0.16)	-	-
Return of capital	-	-	(0.20)	(0.40)	(0.27)
Total distributions	(0.85)	(0.61)	(0.63)	(0.61)	(0.54)
Net assets at December 31 of year shown ^(1,2)	\$16.64	\$15.13	\$15.43	\$16.53	\$14.23

Series A inception date: May 30, 2012

Series F	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21	DEC 31, 20
Net Assets, beginning of period ⁽¹⁾	\$17.04	\$17.18	\$18.21	\$15.50	\$15.42
Increase (decrease) from operations:					
Total revenues	0.59	0.63	0.54	0.48	0.51
Total expenses	(0.23)	(0.21)	(0.21)	(0.20)	(0.18)
Realized gains (losses) for the period	1.34	0.69	0.66	0.32	0.14
Unrealized gains (losses) for the period	1.16	(0.59)	(1.32)	2.77	0.29
Total increase (decrease) from operations ⁽²⁾	2.86	0.52	(0.33)	3.37	0.76
Distributions:					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends	(0.33)	(0.38)	(0.30)	(0.23)	(0.29)
From capital gains	(0.64)	(0.30)	(0.18)	-	-
Return of capital	-	-	(0.22)	(0.44)	(0.29)
Total distributions	(0.97)	(0.68)	(0.70)	(0.67)	(0.58)
Net assets at December 31 of year shown ^(1,2)	\$18.94	\$17.04	\$17.18	\$18.21	\$15.50

Series F inception date: May 18, 2012

(1) This information is derived from the Fund's audited annual financial statements prepared in accordance with IFRS Accounting Standards.

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

(3) Distributions were paid to unitholders by way of a combination of both cash payments and reinvestments in additional units of the Fund.

FINANCIAL HIGHLIGHTS

The Fund's Net Assets Attributable to Holders of Redeemable Units per Unit

Series FI	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21	DEC 31, 20
Net Assets, beginning of period ⁽¹⁾	\$18.90	\$18.87	\$19.81	\$16.70	\$16.45
Increase (decrease) from operations:					
Total revenues	0.66	0.70	0.59	0.52	0.54
Total expenses	(0.06)	(0.05)	(0.05)	(0.04)	(0.04)
Realized gains (losses) for the period	1.45	0.77	0.72	0.28	0.16
Unrealized gains (losses) for the period	1.34	(0.63)	(1.44)	3.08	0.68
Total increase (decrease) from operations ⁽²⁾	3.39	0.79	(0.18)	3.84	1.34
Distributions:					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends	(0.37)	(0.42)	(0.33)	(0.25)	(0.31)
From capital gains	(0.71)	(0.33)	(0.20)	-	-
Return of capital	-	-	(0.24)	(0.47)	(0.31)
Total distributions	(1.08)	(0.75)	(0.77)	(0.72)	(0.62)
Net assets at December 31 of year shown ^(1,2)	\$21.22	\$18.90	\$18.87	\$19.81	\$16.70

Series FI inception date: June 28, 2018

(1) This information is derived from the Fund's audited annual financial statements prepared in accordance with IFRS Accounting Standards.

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

(3) Distributions were paid to unitholders by way of a combination of both cash payments and reinvestments in additional units of the Fund.

FINANCIAL HIGHLIGHTS

Ratios & Supplemental Data:

Series A	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21	DEC 31, 20
Total net asset value (000s) ⁽¹⁾	\$76,782	\$73,411	\$77,542	\$77,690	\$63,505
Number of units outstanding	4,615,613	4,853,332	5,026,083	4,699,202	4,464,050
Management expense ratio ⁽²⁾	2.21%	2.27%	2.19%	2.18%	2.21%
Management expense ratio before waivers or absorption ⁽³⁾	2.21%	2.27%	2.19%	2.18%	2.21%
Portfolio turnover rate ⁽⁴⁾	85.74%	63.26%	35.99%	18.20%	42.02%
Trading expense ratio ⁽⁵⁾	0.11%	0.08%	0.05%	0.03%	0.06%
Net asset value per unit	\$16.64	\$15.13	\$15.43	\$16.53	\$14.23

Series A inception date: May 30, 2012

Series F	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21	DEC 31, 20
Total net asset value (000s) ⁽¹⁾	\$320,580	\$294,795	\$280,901	\$269,222	\$209,805
Number of units outstanding	16,922,964	17,302,066	16,348,055	14,780,345	13,531,584
Management expense ratio ⁽²⁾	1.13%	1.14%	1.11%	1.10%	1.13%
Management expense ratio before waivers or absorption ⁽³⁾	1.13%	1.14%	1.11%	1.10%	1.13%
Portfolio turnover rate ⁽⁴⁾	85.74%	63.26%	35.99%	18.20%	42.02%
Trading expense ratio ⁽⁵⁾	0.11%	0.08%	0.05%	0.03%	0.06%
Net asset value per unit	\$18.94	\$17.04	\$17.18	\$18.21	\$15.50

Series F inception date: May 18, 2012

Series FI	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21	DEC 31, 20
Total net asset value (000s) ⁽¹⁾	\$70,192	\$66,647	\$64,367	\$64,429	\$23,679
Number of units outstanding	3,307,452	3,526,159	3,411,390	3,252,671	1,418,207
Management expense ratio ⁽²⁾	0.15%	0.12%	0.13%	0.12%	0.15%
Management expense ratio before waivers or absorption ⁽³⁾	0.15%	0.12%	0.13%	0.12%	0.15%
Portfolio turnover rate ⁽⁴⁾	85.74%	63.26%	35.99%	18.20%	42.02%
Trading expense ratio ⁽⁵⁾	0.11%	0.08%	0.05%	0.03%	0.06%
Net asset value per unit	\$21.22	\$18.90	\$18.87	\$19.81	\$16.70

Series FI inception date: June 28, 2018

(1) This information is provided as at December 31 of the years shown

(2) Management expense ratio is based on total expenses (excluding margin interest, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period

(3) The Manager of the Fund, CC&L Funds Inc., may waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is determined periodically on a series by series basis at the discretion of the manager and the manager can terminate the waiver or absorption at any time.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor 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 a Fund's portfolio turnover 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) The trading expense ratio represents margin interest, borrow fees on investments sold short, total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period

MANAGEMENT FEES

Management Fees

The Fund is managed by CFI. As consideration for providing investment advisory and management services, CFI receives a management fee from the Fund, based on the net asset value of the respective series, calculated daily and payable monthly in arrears. In respect of units of all series of the Fund the management fee is paid by the Portfolio to CFI. No management fees are charged to the Fund with respect to Series FI units; rather investors who hold Series FI units will be subject to a management fee for their account that is paid to their dealer. The Manager receives a fee from each dealer for the services it provides to the dealer in connection with the dealer's separately managed account or unified managed account programs. Management fees on Series FI units are not expenses of the Fund. CFI uses a portion of management fees to pay for trailing commissions to registered dealers (if applicable) based on amounts invested in the Fund. CFI uses the remaining portion of the management fees to pay for investment advice, including fees charged by the Fund's portfolio manager, and general administration expenses and retains the balance for profit. The following table summarizes the annual management fee rates (excluding GST and HST) of each series of the Fund, expressed as a percentage of the Fund's value, and the portion used for dealer compensation and the portion used for or attributed to investment advice, general administration and profit.

	<u>As a percentage of management fees</u>		
	Annual Rates	Dealer Compensation	Investment advice, administration and profit
Series A	1.90%	52.63%	47.37%
Series F	0.90%	0.00%	100.00%
Series FI	0.00%	0.00%	00.00%

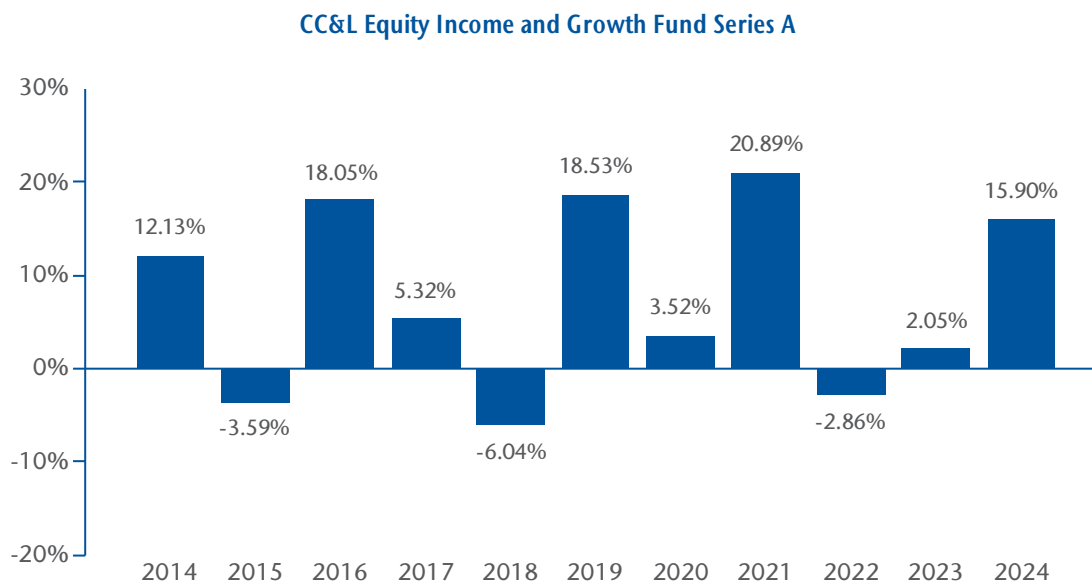
PAST PERFORMANCE - CC&L EQUITY INCOME AND GROWTH FUND SERIES A

Past Performance

The performance information shown below assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

Year-by-year Returns

The following bar charts show the Fund's annual performance for each of the years shown and for the twelve-month period ended December 31, 2024 and illustrate how the Fund's performance has changed from period to period. The charts show, 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 financial period.



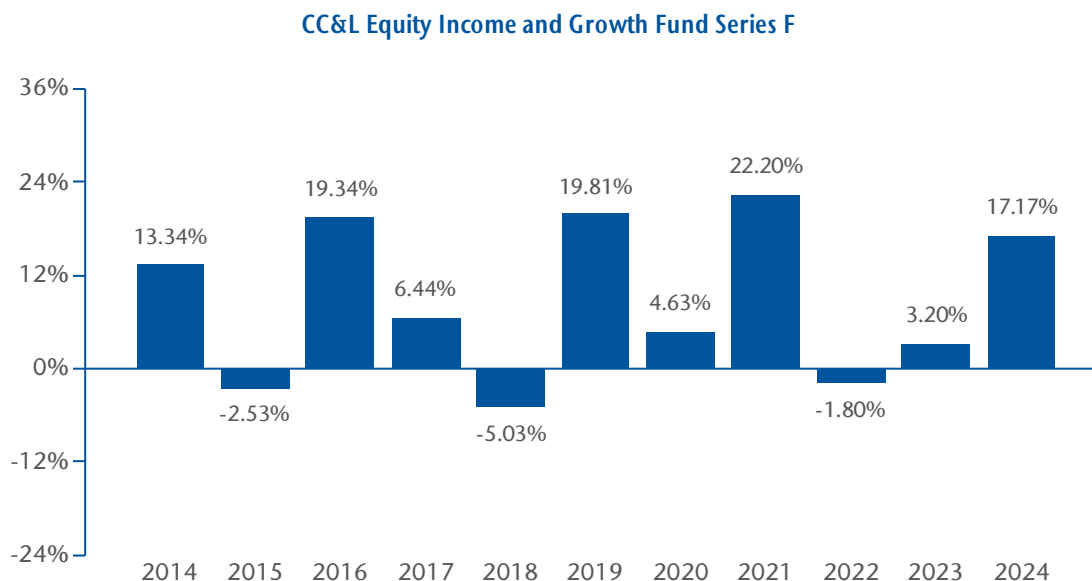
PAST PERFORMANCE - CC&L EQUITY INCOME AND GROWTH FUND SERIES F

Past Performance

The performance information shown below assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

Year-by-year Returns

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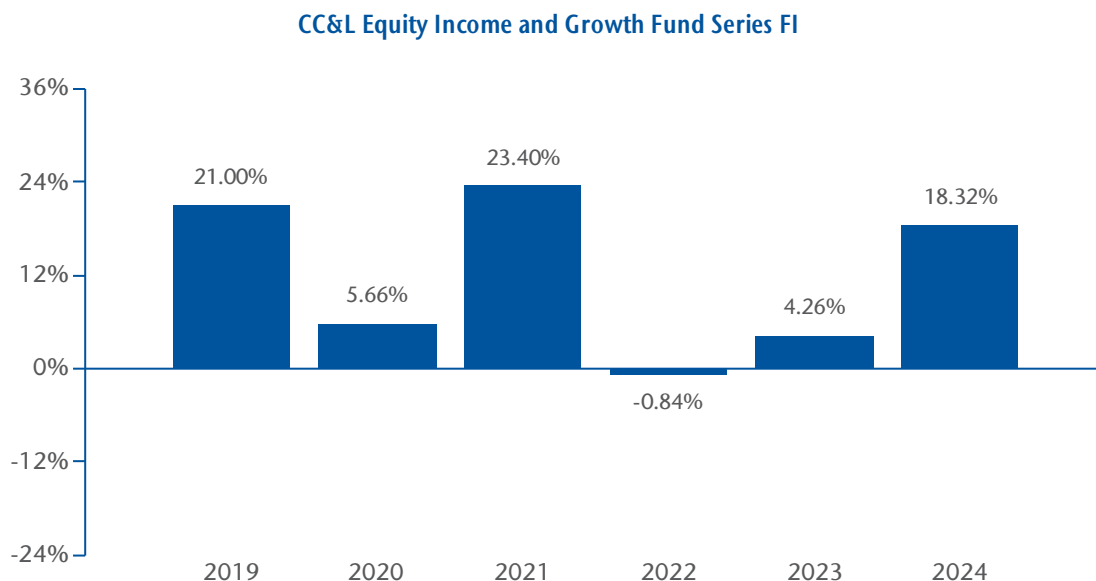
PAST PERFORMANCE - CC&L EQUITY INCOME AND GROWTH FUND SERIES FI

Past Performance

The performance information shown below assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

Year-by-year Returns

The following bar charts show the Fund's annual performance for each of the years shown and for the twelve-month period ended December 31, 2024 and illustrate how the Fund's performance has changed from period to period. The charts show, 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 financial period.



PAST PERFORMANCE

Annual Compound Returns

The table below shows past performance for the last one, three, five and ten year financial periods, as applicable, for each series of the Fund, relative to the performance of relevant broad-based securities market index during the same periods.

CC&L Equity Income and Growth Fund	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
CC&L Equity Income and Growth Fund Series A	15.90%	4.74%	7.53%	6.74%	8.39%	May-30-12
Benchmark *	21.65%	8.58%	11.08%	8.65%	9.61%	May-30-12
CC&L Equity Income and Growth Fund Series F	17.17%	5.89%	8.71%	7.90%	9.59%	May-18-12
Benchmark *	21.65%	8.58%	11.08%	8.65%	9.61%	May-18-12
CC&L Equity Income and Growth Fund Series FI	18.32%	6.94%	9.78%	-	9.89%	June-28-18
Benchmark **	21.65%	8.58%	11.08%	-	9.61%	June-28-18

* The benchmark S&P/TSX Composite Index in Canadian Dollars. Index from May 2012.

** The benchmark S&P/TSX Composite Index in Canadian Dollars. Index from June 2018.

SUMMARY OF INVESTMENT PORTFOLIO

Below is a breakdown of the Fund's investment holdings as at December 31, 2024. The individual holdings and their relative percentage of the overall fund will change between reporting periods as markets change and the portfolio manager buys and sells individual securities

Asset Mix	% of Net Asset Value	Top 25 Investments	% of Net Asset Value
Canadian equities	89.0	Royal Bank of Canada	7.8
U.S. equities	7.5	Canadian Imperial Bank of Commerce	5.8
Foreign equities	2.7	Microsoft Corp.	3.6
Short-term investments	1.2	Manulife Financial Corp.	3.5
Other assets less liabilities	(0.4)	Agnico Eagle Mines Ltd	3.2
	100.0	Capital Power Corp	3.0
		Toronto-Dominion Bank	2.8
		Constellation Software Inc.	2.7
		Canadian Natural Resources Ltd.	2.7
		Enbridge Inc.	2.7
		TC Energy Corp	2.7
		Element Fleet Management Corp	2.5
		Canadian Pacific Kansas City Ltd	2.4
		WSP Global Inc.	2.2
		Bank of Nova Scotia	2.2
		Sun Life Financial Inc.	2.1
		ARC Resources Ltd	2.0
		Thomson Reuters Corporation	2.0
		Oracle Corp.	1.9
		Intact Financial Corp.	1.8
		iA Financial Corp Inc	1.8
		National Bank of Canada	1.7
		Topaz Energy Corp	1.7
		Fairfax Financial Holdings Ltd.	1.7
		TMX Group Ltd.	1.7
			68.0

Note: The investments and percentages may have changed by the time you purchase units of this Fund. The top 25 investment holdings are made available quarterly, 60 days after quarter end.