



ALGONQUIN FIXED INCOME 2.0 FUND

Management Report of Fund Performance

The Management Report of Fund Performance contains Financial Highlights but does not contain the complete financial statements of the Investment Fund.

For the year ended December 31, 2023

Algonquin Capital Corporation
Investment Manager
Toronto, ON, Canada

Forward-Looking Statements (“FLS”)

The annual Management Report of Fund Performance may contain forward-looking statements. FLS means disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action, and includes any future-oriented financial information (“FOFI”) with respect to prospective results of operations, financial position or cash flows that is presented either as a forecast or a projection. FOFI is FLS about prospective results of operations, financial position or cash flows, based on assumptions about future economic conditions and courses of action.

FLS can be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “target”, “project”, “estimate”, “intend”, “continue” or “believe”, or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of one of the Fund may differ materially from those reflected or contemplated in such forward-looking information and statements. Material risk factors that could affect actual results are identified under the heading “What are the Risks of Investing in the Fund?” in the Fund’s Simplified Prospectus. Investors are also cautioned that FLS is based on a number of factors and assumptions, including a Fund’s current plans, estimates, opinions and analysis made in light of its experience, current conditions and expectations of future developments, as well as other relevant factors. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

Algonquin Fixed Income 2.0 Fund

MANAGEMENT REPORT OF FUND PERFORMANCE

Year ended December 31, 2023
(Expressed in Canadian dollars)

This annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. Every effort has been made to ensure the information contained in this Management Report of Fund Performance is accurate and complete, however, the investment fund cannot guarantee the accuracy or the completeness of this material. For more information, please refer to the Algonquin Fixed Income 2.0 Fund's Simplified Prospectus ("Prospectus"), and Financial Statements ("Financial Statements"). You can obtain a copy of the Financial Statements at your request, and at no cost, by calling 1 833 306 8404, by writing to us at info@algonquincap.com, or by visiting our website at www.algonquincap.com or SEDAR at www.sedar.com.

Investors may also contact using one of these methods to request a copy of the Fund's financial report, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

In this report, Algonquin Capital Corporation Inc. is referred to as the Manager of the Fund. The "Fund" refers to Algonquin Fixed Income 2.0 Fund. All dollar figures are reported in Canadian dollars and are expressed in millions, unless otherwise indicated.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

Algonquin Fixed Income 2.0 Fund (the "Fund") is an alternative mutual fund trust formed and organized under the laws of the Province of Ontario pursuant to a master declaration of trust dated August 20, 2019, as may be amended from time to time (the "Declaration of Trust"). The Fund commenced active operations on December 9, 2019. The address of the Fund's registered office is 40 King Street West, Suite 3402, Toronto, Ontario, M5H 3Y2, Canada.

The investment objective of the Fund is to generate positive total returns over the long term and to preserve capital. The Fund will seek to achieve the Fund's investment objective by investing primarily in debt and income producing instruments of governments, corporations and financial institutions in the developed world as well as derivative contracts for investment or hedging purposes. The Fund may also invest in convertible debt securities, fixed-income securities of government agencies or of supranational agencies, floating rate securities, trusts, corporate bonds and loans, exchange-traded funds, limited partnerships, and preferred shares. The Fund may engage in securities lending, repurchase and reverse repurchase transactions and seek exposure that is similar to direct investment in fixed income securities by using credit and interest rate derivatives.

Exemptions from National Instrument 81-102

In order to permit the Fund to engage in the short selling of "government securities" (as that term is defined in NI 81-102) up to a maximum of 300% of the Fund's Net Asset Value ("NAV"), the Fund has obtained exemptive relief from securities regulators from the following provisions of NI 81-102

- (a) Subparagraph 2.6.1 (1)(c)(v), which restricts the Fund from selling a security short if, at that time, the aggregate market value of the securities sold short by the Fund exceeds 50% of the Fund's NAV; and
- (b) Section 2.6.2, which states that the Fund may not borrow cash or sell securities short if, immediately after entering into a cash borrowing or short selling transaction, the aggregate market value of cash borrowing combined with the aggregate market value of the securities sold short by the Fund would exceed 50% of its NAV.

In connection with this exemptive relief, the Fund has implemented the policies, procedures and controls relating to short selling transactions, as described in the Fund's Annual Information Form.

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Leverage

Leverage occurs when the Fund's aggregate gross exposure to underlying assets is greater than the amount invested. Leverage may increase volatility, may impair the Fund's liquidity and may cause the Fund to liquidate positions at unfavorable times.

In accordance with the Alternative Fund Investment Relief obtained by the Fund, as aforementioned, the aggregate exposure of the Fund, to be calculated as the sum of the following, must not exceed 300% of the Fund's NAV: (a) the aggregate value of the Fund's outstanding indebtedness under any borrowing agreements; (b) the aggregate market value of all securities sold short by the Fund; and, (c) the aggregate notional amount of the Fund's specified derivative positions minus the aggregate notional amount of the specified derivative positions that are hedging transactions.

During the year ended December 31, 2023, the Fund's lowest and highest aggregate gross exposure was 187% (December 31, 2022 - 169%) and 267% (December 31, 2022 - 277%) of the Fund's NAV respectively. The Fund's primary source of leverage was short positions in government fixed income securities. The Fund's strategy is outlined in the Fund's Simplified Prospectus.

Risk

The major risks for the Fund are credit risk and interest rate risk. The risks associated with investing in the Fund remain as discussed in the Simplified Prospectus. The Fund may be suitable for investors that have low to medium risk tolerance, are seeking exposure to a diversified portfolio of primarily investment grade fixed-income investments and plan to hold their investment for a medium to longer term investment horizon.

For the year ended December 31, 2023, there were no changes affecting the overall level of risk associated with an investment in the Fund. Therefore, the overall level of Fund risk and investor risk tolerance remains as stated in the Simplified Prospectus.

Results of Operations¹

As at December 31, 2023, the Fund has net assets of \$299.89 (December 31, 2022 - \$143.21) million with \$176.60 (December 31, 2022 - \$97.20) million contributed by Fund investors and \$23.01 million (December 31, 2022 - \$(6.66)) generated from the Fund's performance.

During the year ended December 31, 2023, the Fund distributed \$16.64 (December 31, 2022 - \$4.96) million to unitholders of which \$13.31 (December 31, 2022 - \$3.32) million was reinvested into the Fund. In the same year the Fund's Class A units, Class F units, Class FF units and Class I units had annualized returns of 9.15%, 9.75%, 10.29%, and 10.94% (December 31, 2022 - -6.64%, -6.15%, -5.69% and -5.16%). There were no unusual trends in sales, redemptions or adjustments to the components of the Fund's revenue and expenses during the reporting year.

Investors hoping for a calmer bond market in 2023 were sorely disappointed as the first half of the year saw interest rate expectations swing from one extreme (rate cuts) to the next (rate hikes) and back. The year began with the market having priced in two cuts from the Bank of Canada before year-end as the consensus view was that higher rates would slow down the economy and have the desired effect of reducing inflation; economic data however told a different story as the rate of decline in inflation was slower than anticipated causing investors to shift expectations from two rate cuts to further rate hikes. With trouble brewing in the banking sector, the first quarter ended with many investors once again pricing in rate cuts in 2023.

Inflation continued to remain at levels higher than expected and desired by the Bank of Canada and dampened hopes of rate cuts in 2023; In early June, the Bank of Canada continued with its rate hikes. While interest rates remained the greatest adversary to the Fund's performance, credit spreads rallied during the second quarter after having finished higher in the first quarter when three bank runs in the US had incited concerns about the stability of the financial system.

The sell-off in interest rates in the third quarter was underpinned by the widespread acceptance of a "higher-for-longer" narrative as central banks were expected to maintain a restrictive policy for longer than previously anticipated. The Fund's

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MANAGEMENT REPORT OF FUND PERFORMANCE

Year ended December 31, 2023
(Expressed in Canadian dollars)

Results of Operations (continued)¹

duration exposure was mainly in the shorter end of the Canadian curve and this combined with the yield earned and profits from active trading limited the damage to the portfolio.

The fourth quarter saw the Fund significantly outperform traditional fixed-income products driven by three main factors:

- enhanced portfolio yield gave us an advantageous starting point.
- selection and management of credit positions and exposures.
- ability to capitalize on interest rate volatility through active duration management.

Recent Developments

During the year, the Fund did not undergo material changes pertaining to its accounting policies or composition of its Independent Review Committee. There were also no changes to the Fund's risk rating, which remains as described in the Simplified Prospectus. There were no material changes to the strategic positioning of the Fund during the year, nor changes to the Fund's manager. Furthermore, there were no reorganizations, mergers, or similar transactions that had an effect on the Fund, nor are any such transactions planned as of the date of this report.

Looking ahead to 2024, the Manager is continuing to favour high-quality Canadian issuers that are trading cheap on a historical basis and relative to the US and high-yield markets.

Related Party Transactions

Management fees:

The Manager receives a monthly management fee for providing its services to the Fund. Services include but are not limited to determining and implementing investment policies, practices, and strategies, ensuring daily operations and administration of the Fund. The management fee varies for each class of units and is calculated and accrued daily based on a percentage of the net asset value of the class of units of the Fund, plus applicable taxes. For the year ended December 31, 2023, the Fund incurred management fees of \$1,957,427 (December 31, 2022 – \$947,821).

Approximately 2.28% of total management fees were used to pay for sales and trailing commissions. The remaining 97.72% were used to pay for investment management and other general administration and fund operating expenses.

Expenses:

The Fund is responsible for all costs incurred in connection with the organization and ongoing activities of the Fund, including but not limited to brokerage commissions and fees, fees associated with securities lending transactions and related transaction fees, taxes, audit and legal fees, fees in connection with the operation of the independent review committee, safekeeping and custodial fees, interest expenses, operating, administrative and system costs, investor servicing costs and costs of financial and other reports to investors, as well as prospectuses, annual information forms and fund facts. Advertising costs and costs of dealer compensation programs are paid by the Manager. The Manager, in its sole discretion, may reimburse a portion or all of the Fund's operating expenses. For the year ended December 31, 2023, the Manager reimbursed the Fund an amount of \$29,338 (December 31, 2022 – \$54,537)

Related party unit holdings:

As at December 31, 2023, directors and key management personnel of the Manager, directly or indirectly held 4,171 Series I units in the Fund (December 31, 2022 – 4,411 Series I units) and 1,127 Series F units (December 31, 2022 – 1,061 Series F units).

Independent Review Committee

The Fund did not rely on any approval, positive recommendation or standing instruction from its IRC with respect to any related party transactions.

Algonquin Fixed Income 2.0 Fund

MANAGEMENT REPORT OF FUND PERFORMANCE

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Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help readers understand the Fund's financial performance for the year indicated. The information on the following tables is based on prescribed regulations. As a result, subtotals are not expected to equal aggregate totals due to the increase (decrease) in net assets attributable to holders of redeemable units being based on the weighted average number of units outstanding during the year and all other numbers being based on actual number of units outstanding as at the relevant point in time.

The Fund's Net Asset Value (NAV) per Unit ⁽¹⁾

	Series A			
	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Net assets, beginning of year	\$ 94.41	\$ 104.91	\$ 104.27	\$100.00
Increase (decrease) in net assets attributable to holders of redeemable units:				
Total revenue	8.47	8.70	9.55	11.35
Total expenses	(4.89)	(5.41)	(5.52)	(5.18)
Realized gain (loss) for the year	(1.29)	0.60	1.35	0.24
Unrealized gain (loss) for the year	10.36	(13.68)	(3.81)	6.78
Total increase (decrease) in net assets from operations ⁽²⁾	12.65	(9.79)	1.57	13.19
Distributions:				
From net income	(10.08)	-	(0.43)	(5.71)
From dividends	(0.09)	-	(0.30)	(0.71)
Return of capital	-	(3.30)	-	-
Total Annual Distributions ^{(2) (3)}	(10.17)	(3.30)	(0.73)	(6.42)
Net assets attributable to holders of redeemable units, end of year ⁽³⁾	\$ 95.85	\$ 94.41	\$ 104.91	\$ 104.27
Ratios and Supplemental Data				
Total Net Asset Value ⁽⁴⁾	\$15,680,859	\$ 3,261,036	\$5,273,752	\$ 850,369
Number of units outstanding ⁽⁴⁾	163,605	34,543	50,270	8,156
Management expense ratio before reimbursements ⁽⁵⁾	1.76%	1.87%	2.00%	2.06%
Management expense ratio after reimbursements ⁽⁵⁾	1.75%	1.83%	1.90%	1.77%
Trading expense ratio ⁽⁶⁾	0.63%	0.78%	0.72%	0.83%
Portfolio turnover rate ⁽⁷⁾	458.73%	703.70%	262.44%	447.70%
Net Asset Value per Unit	\$ 95.85	\$ 94.41	\$ 104.91	\$ 104.91

Algonquin Fixed Income 2.0 Fund

MANAGEMENT REPORT OF FUND PERFORMANCE

Year ended December 31, 2023
(Expressed in Canadian dollars)

Financial Highlights (continued)

The Fund's Net Asset Value (NAV) per Unit ⁽¹⁾

	Series F				
	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Net assets, beginning of year	\$ 96.25	\$ 106.84	\$ 106.60	\$100.00	\$100.00
Increase (decrease) in net assets attributable to holders of redeemable units:					
Total revenue	8.94	9.18	9.70	14.42	-
Total expenses	(4.41)	(4.90)	(5.03)	(5.32)	-
Realized gain (loss) for the year	(1.42)	1.13	1.28	0.69	-
Unrealized gain (loss) for the year	6.68	(9.97)	(3.60)	5.45	-
Total increase (decrease) in net assets from operations⁽²⁾	9.79	(4.56)	2.35	15.24	-
Distributions:					
From net income	(6.73)	-	(1.42)	(8.66)	-
From dividends	(0.09)	-	(0.45)	(1.01)	-
Return of capital	-	(2.77)	-	-	-
Total Annual Distributions ^{(2) (3)}	(6.82)	(2.77)	(1.87)	(9.67)	-
Net assets attributable to holders of redeemable units, end of year (3)	\$ 99.40	\$ 96.25	\$ 106.84	\$ 106.60	\$ 100.00
Ratios and Supplemental Data					
Total Net Asset Value ⁽⁴⁾	\$222,115,002	\$112,089,527	\$57,357,407	\$4,598,231	\$ 150,000
Number of units outstanding ⁽⁴⁾	2,234,612	1,164,588	536,855	43,136	1,500
Management expense ratio before reimbursements ⁽⁵⁾	1.21%	1.38%	1.45%	1.97%	2.00%
Management expense ratio after reimbursements ⁽⁵⁾	1.20%	1.33%	1.36%	1.31%	0.00%
Trading expense ratio ⁽⁶⁾	0.63%	0.78%	0.72%	0.82%	0.00%
Portfolio turnover rate ⁽⁷⁾	458.73%	703.70%	262.44%	447.70%	0.00%
Net Asset Value per Unit	\$ 99.40	\$ 96.25	\$ 106.84	\$ 106.60	\$ 100.00

Algonquin Fixed Income 2.0 Fund

MANAGEMENT REPORT OF FUND PERFORMANCE

Year ended December 31, 2023
(Expressed in Canadian dollars)

Financial Highlights (continued)

The Fund's Net Asset Value (NAV) per Unit ⁽¹⁾

	Series FF			
	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Net assets, beginning of year	\$ 93.88	\$ 104.10	\$ 104.04	\$ 100.00
Increase (decrease) in net assets attributable to holders of redeemable units:				
Total revenue	8.89	9.14	10.54	11.07
Total expenses	(3.78)	(4.37)	(4.32)	(4.26)
Realized gain (loss) for the year	(1.17)	0.68	1.70	0.17
Unrealized gain (loss) for the year	5.28	(12.47)	(4.87)	7.03
Total increase (decrease) in net assets from operations⁽²⁾	9.22	(7.02)	3.05	14.01
Distributions:				
From net income	(4.56)	-	(2.15)	(6.06)
From dividends	(0.08)	-	(1.12)	(0.70)
Return of capital	(0.03)	(4.56)	-	-
Total Annual Distributions^{(2) (3)}	(4.67)	(4.56)	(3.27)	(6.76)
Net assets attributable to holders of redeemable units, end of year (3)	\$ 98.48	\$ 93.88	\$ 104.10	\$ 104.04
Ratios and Supplemental Data				
Total Net Asset Value ⁽⁴⁾	\$20,284,182	\$ 24,369,816	\$ 39,114,875	\$ 49,982,934
Number of units outstanding ⁽⁴⁾	205,963	259,574	375,758	480,437
Management expense ratio before reimbursements ⁽⁵⁾	0.72%	0.85%	0.93%	1.03%
Management expense ratio after reimbursements ⁽⁵⁾	0.71%	0.81%	0.84%	0.79%
Trading expense ratio ⁽⁶⁾	0.63%	0.78%	0.72%	0.82%
Portfolio turnover rate ⁽⁷⁾	458.73%	703.70%	262.44%	447.70%
Net Asset Value per Unit	\$ 98.48	\$ 93.88	\$ 104.10	\$ 104.04

Algonquin Fixed Income 2.0 Fund

MANAGEMENT REPORT OF FUND PERFORMANCE

Year ended December 31, 2023
(Expressed in Canadian dollars)

Financial Highlights (continued)

The Fund's Net Asset Value (NAV) per Unit ⁽¹⁾

	Series I			
	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Net assets, beginning of year	\$ 93.96	\$ 104.02	\$ 104.12	\$ 100.00
Increase (decrease) in net assets attributable to holders of redeemable units:				
Total revenue	8.74	9.51	9.67	10.27
Total expenses	(3.27)	(3.85)	(3.81)	(3.57)
Realized gain (loss) for the year	(1.42)	0.67	1.31	0.02
Unrealized gain (loss) for the year	5.21	(14.92)	(3.86)	2.70
Total increase (decrease) in net assets from operations⁽²⁾	9.26	(8.59)	3.31	9.42
Distributions:				
From net income	(8.74)	-	(2.83)	(7.72)
From dividends	(0.08)	-	(0.68)	(0.65)
Return of capital	-	(11.99)	-	-
Total Annual Distributions ^{(2) (3)}	(8.82)	(11.99)	(3.51)	(8.37)
Net assets attributable to holders of redeemable units, end of year (3)	\$ 95.74	\$ 93.96	\$ 104.02	\$ 104.14
Ratios and Supplemental Data				
Total Net Asset Value ⁽⁴⁾	\$ 41,808,732	\$ 3,489,404	\$12,638,565	\$ 4,498,807
Number of units outstanding ⁽⁴⁾	436,688	37,136	121,500	43,198
Management expense ratio before reimbursements ⁽⁵⁾	0.16%	0.28%	0.40%	0.55%
Management expense ratio after reimbursements ⁽⁵⁾	0.15%	0.25%	0.31%	0.24%
Trading expense ratio ⁽⁶⁾	0.63%	0.78%	0.72%	0.82%
Portfolio turnover rate ⁽⁷⁾	458.73%	703.70%	262.44%	447.70%
Net Asset Value per Unit	\$ 95.74	\$ 93.96	\$ 104.02	\$ 104.12

Algonquin Fixed Income 2.0 Fund

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Year ended December 31, 2023
(Expressed in Canadian dollars)

Financial Highlights (continued)

*The percentages are annualized.

- (1) This information is derived from the Fund's audited financial statements for the years indicated.
- (2) Net assets and distributions per unit are based on the actual number of units outstanding at the relevant time. The increase (decrease) in net assets per unit from operations is based on the weighted average number of units outstanding over the year. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
- (3) Distributions were paid in cash, reinvested in additional units of the Fund, or both.
- (4) This information is provided as at December 31, 2023, December 31, 2022, December 31, 2021 and December 31, 2020 as applicable.
- (5) The management expense ratio ("MER") is based on the total expenses (excluding commissions and other portfolio transaction costs) of the Fund for the stated year expressed as an annualized percentage of daily average net asset value during the year. The Manager in its discretion reimburses the Fund for certain operating expenses.
- (6) The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs of the Fund expressed as an annualized percentage of daily average net asset value of the Fund during the year.
- (7) The Fund's portfolio turnover rate indicates how actively the portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to an investment fund buying and selling all of the securities in its portfolio once in the course of the fiscal year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by an investment 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 an investment fund. The portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the year by the average market value of investments during the year.

Algonquin Fixed Income 2.0 Fund

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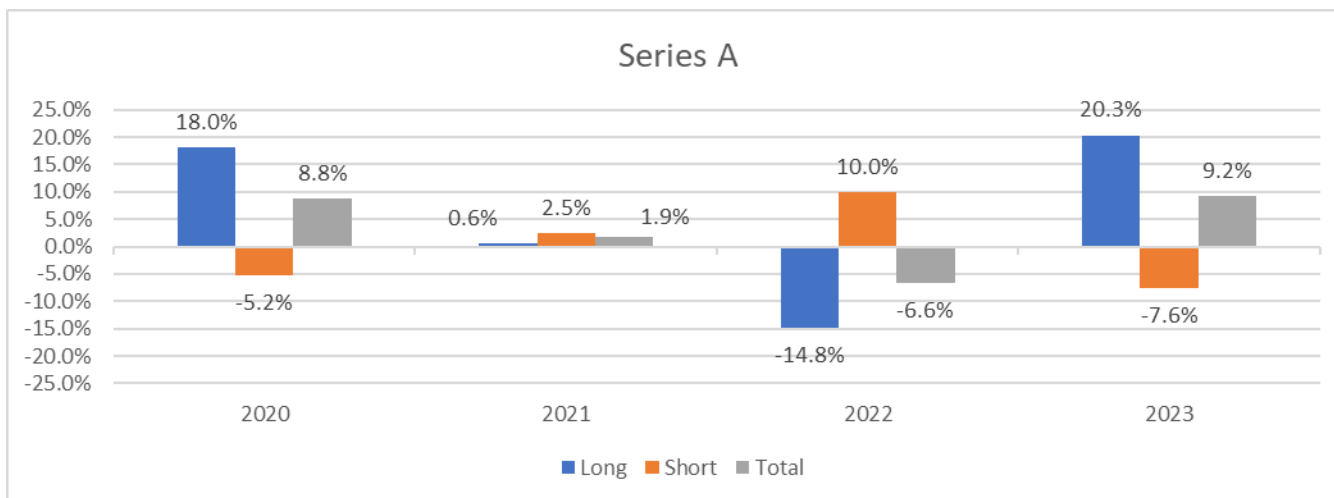
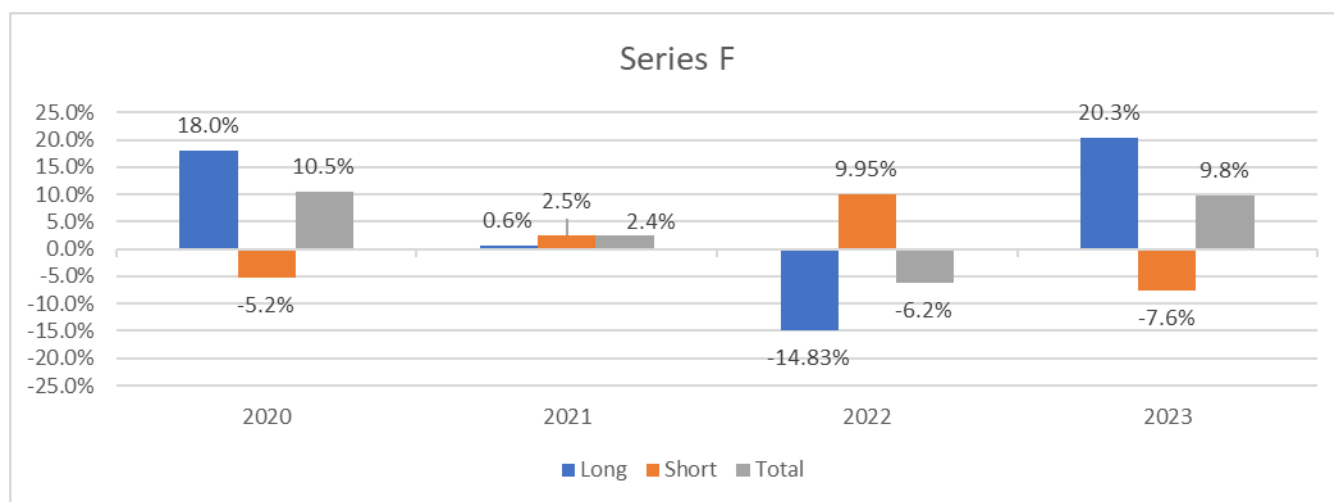
Past Performance

The performance information provided is based on changes in net asset value and assumes reinvestment of all distributions into additional units of the Fund. The performance information does not take into account sale, redemption, distribution, or optional charges or income taxes payable by any unitholder that would have reduced returns. Past performance of the Fund does not necessarily indicate how it will perform in the future. As required under applicable securities regulation, the return of the Fund's long and short portfolio positions is shown in addition to the overall total return.

Year-by-Year Returns

The following charts show the Fund's performance for the year ended December 31, 2023 and the year ended December 31, 2022, December 31, 2021 and December 31, 2020. The charts show, in percentage terms, how much an investment made on the first day of the year would have increased in value by the last day of the year.

For the year from commencement of operations on December 9, 2019 to December 31, 2019, the Fund did not make any investments and the assets were held entirely in cash deposited with the custodian. The Series F units of the Fund generated a total return of 0% for the year. There were no Series A, F Founders, or I units issued in 2019.

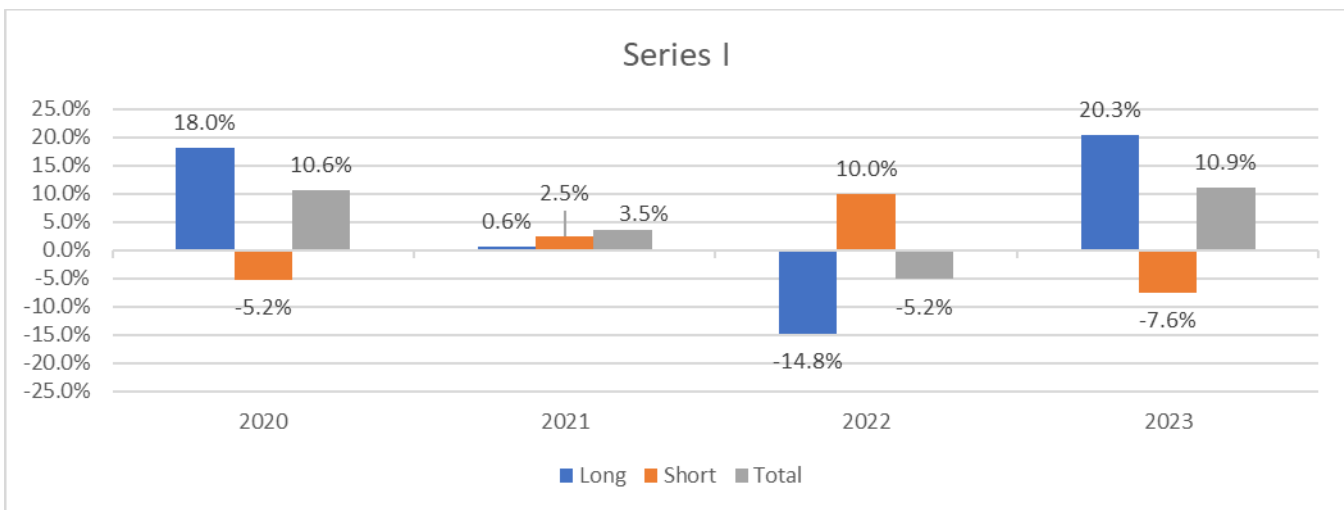
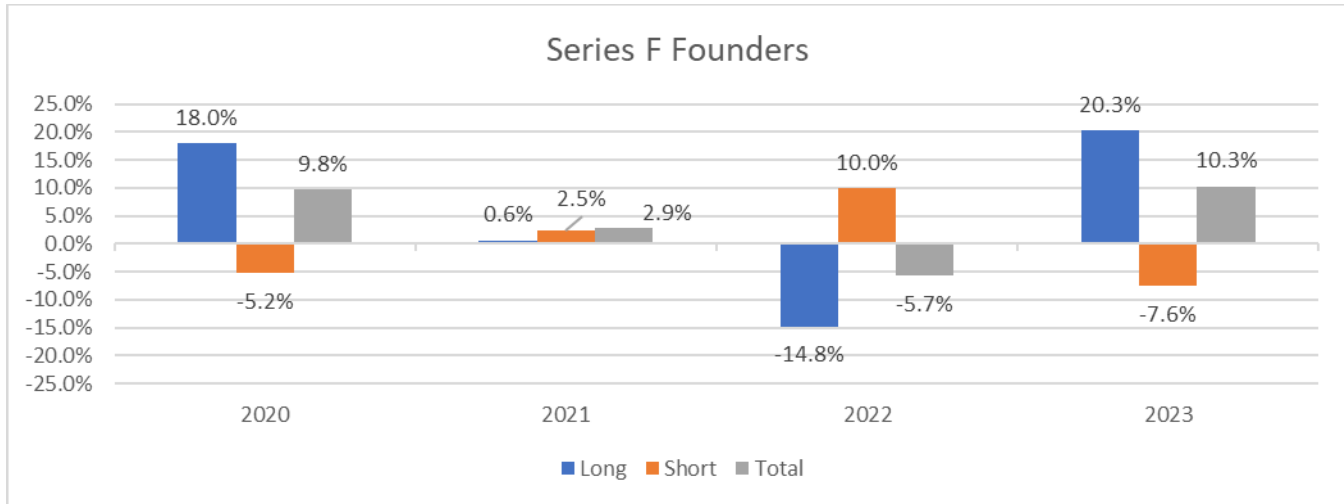


Algonquin Fixed Income 2.0 Fund

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Past Performance (continued)



Algonquin Fixed Income 2.0 Fund

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Annual Compound Returns

The following table presents the annual compound returns of each series of the Fund and their respective long and short portfolio positions in comparison to the FTSE Canada All Corporate Bond Index.

The FTSE Canada All Corporate Bond Index is a broad based index comprised of investment grade corporate bonds issued in Canada and denominated in Canadian dollars. This index includes financial, infrastructure, energy, communication, and real estate industry sectors and is weighted by market capitalization.

		1-Year	3-Year	Since Inception
Series A		9.15%	1.25%	3.09%
	Long	20.35%	1.04%	5.04%
	Short	-7.58%	1.36%	-0.32%
Series F		9.75%	1.80%	3.91%
	Long	20.35%	1.04%	5.04%
	Short	-7.58%	1.36%	-0.32%
Series F Founders		10.29%	2.30%	4.13%
	Long	20.35%	1.04%	5.04%
	Short	-7.58%	1.36%	-0.32%
Series I		10.94%	2.88%	4.76%
	Long	20.35%	1.04%	5.04%
	Short	-7.58%	1.36%	-0.32%
FTSE Canada All Corporate Bond Index		8.37%	-1.23%	1.18%

Algonquin Fixed Income 2.0 Fund

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Summary of Investment Portfolio as at December 31, 2023

The following table shows selected key financial information about the Fund, and is intended to assist in the understanding of the Fund's financial performance for the year ended December 31, 2023 Please consult our website at www.algonquincap.com.

	Percentage of Total Net Asset Value	Percentage of Total Net Asset Value	
		Top 25 Holdings - Short	
Enbridge Inc.	22.38%	Canadian Government Bond	-144.51%
Canadian Imperial Bank of Commerce	14.43%	United States Treasury Note/Bond	-1.22%
Royal Bank of Canada	14.41%	U.S. Options on futures	-0.04%
Bank of Montreal	13.91%		
Nova Scotia Power Inc.	12.41%		
Rogers Communications Inc.	11.39%		
The Bank of Nova Scotia	11.16%		
The Toronto-Dominion Bank	11.15%		
TELUS Corp.	9.14%		
National Bank of Canada	8.99%		
Federation des Caisses Desjardins du Quebec	8.63%		
TransCanada PipeLines Ltd.	8.08%		
Pembina Pipeline Corp.	8.02%		
Bell Canada	7.77%		
Saputo Inc.	5.28%		
Reliance LP	5.17%		
Wells Fargo & Co.	4.87%		
HSBC Bank Canada	4.79%		
North West Redwater Partnership / NWR Financing Co., Ltd.	4.71%		
Gibson Energy Inc.	4.65%		
AltaGas Ltd.	4.15%		
Manulife Bank of Canada	4.13%		
VW Credit Canada Inc.	4.03%		
Choice Properties Real Estate Investment Trust	3.58%		
Allied Properties Real Estate Investment Trust	3.43%		

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Summary of Investment Portfolio as at December 31, 2023 (continued)

By Country/Region		Percentage of Total Net Asset Value
Canadian securities owned	\$ 827,005,045	275.80%
U.S. securities owned	\$ 22,133,143	7.38%
Canadian securities sold short	-\$ 433,440,688	-144.51%
U.S. securities sold short	-\$ 3,783,309	-1.26%
Net Canadian securities owned	\$ 393,564,357	131.29%
Net U.S. securities owned	\$ 18,349,834	6.12%
		137.41%

By Asset Type	Percentage of Total Net Asset Value
Cash	-39.10%
Equity	0.34%
Fixed income	100.87%
Money Market	34.23%
Options on futures	-0.04%
Other assets liabilities, net	1.69%
Preferred shares	2.01%

By Industry		Percentage of Total Net Asset Value
Basic Materials	\$ 2,000,820.00	0.67%
Communications	\$ 100,856,750.00	33.63%
Consumer, Cyclical	\$ 38,255,805.00	12.76%
Consumer, Non-cyclical	\$ 54,565,798.00	18.21%
Energy	\$ 209,781,107.00	69.95%
Financial	\$ 393,119,840.00	131.09%
Funds	\$ 1,006,500.00	0.34%
Government	\$ 1,583,002.00	0.53%
Industrial	\$ 13,161,235.00	4.39%
Technology	\$ 1,853,720.00	0.62%
Utilities	\$ 32,953,611.00	10.99%
Total investments owned	\$ 849,138,188.00	283.18%
Government	-\$ 437,223,997.00	-145.77%
Total investments sold short	-\$ 437,223,997.00	-145.77%
Net investments owned		137.41%

By Maturity	Percentage of Total Net Asset Value
Long positions	
0 to 1 years	53.59%
1 to 2 years	49.76%
2 to 3 years	54.16%
3 to 5 years	47.62%
5 to 10 years	69.68%
10 or more years	8.01%
Total Fixed income securities owned	282.82%
Short positions	
0 to 1 years	-5.02%
1 to 2 years	-36.65%
2 to 3 years	-48.89%
3 to 5 years	-41.57%
5 to 10 years	-13.52%
10 or more years	-0.07%
Total Fixed income securities sold short	-145.73%

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