



SENVEST

ANNUAL REPORT

2024

Financial Highlights

SELECTED FINANCIAL DATA

(In thousands, except per share amounts)
(years ended December 31)

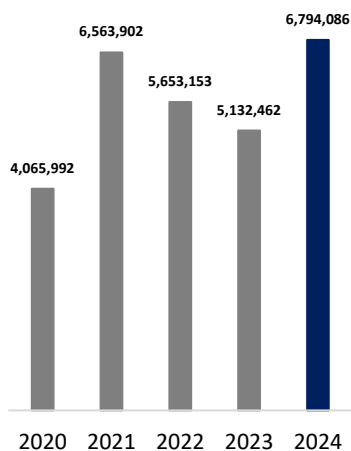
	2024	2023	2022	2021	2020
	\$	\$	\$	\$	\$
SUMMARY OF OPERATIONS					
Total revenues and investment gains (loss)	964,909	432,303	(730,345)	2,482,176	739,405
Net income (loss) attributable to common shareholders	258,147	83,608	(326,083)	732,988	211,717
Diluted earnings (loss) per share	105.06	33.78	(130.98)	289.32	80.66
FINANCIAL DATA					
Total assets	6,794,086	5,132,462	5,653,153	6,563,902	4,065,992
Total equity	2,042,514	1,638,626	1,593,771	1,815,653	1,146,114

COMMON STOCK INFORMATION

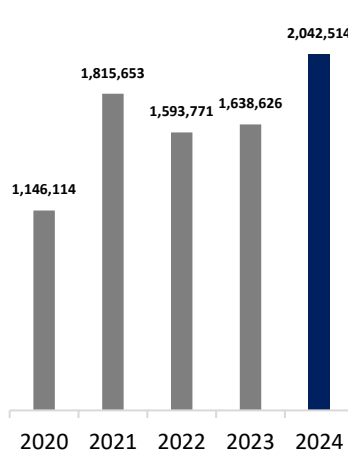
The company's common shares are listed on the Toronto Stock Exchange under the symbol SEC.

	2024		2023	
	\$		\$	
FISCAL QUARTER	High	Low	High	Low
First	325.00	280.01	344.10	321.00
Second	340.00	285.00	319.67	300.00
Third	340.00	325.00	327.51	310.00
Fourth	380.00	325.00	310.00	280.00

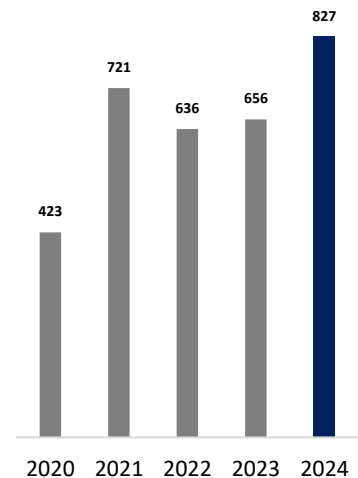
Total Assets (\$ Thousands)



Total Equity (\$ Thousands)



Book Value per Share





OVERALL PERFORMANCE

Senvest Capital ("Senvest" or the "Company") recorded net income attributable to common shareholders of \$258.1 million or \$105.06 per basic and diluted common share for the year ended December 31, 2024. This compares to net income attributable to common shareholders of \$83.6 million or \$33.78 per basic and diluted common share for the year ended December 31, 2023. For the current year, the US dollar strengthened against the Canadian dollar and the result was a currency translation gain of about \$152.3 million. This amount is not reported in the Company's statement of income rather it's reflected in its statement of comprehensive income. As a result, the comprehensive income attributable to common shareholders was \$408.8 million for the year.

The Company's income from equity investments was the biggest contributor to the results. The net change in fair value of equity investments and other holdings including securities sold short and derivative liabilities totaled \$846.5 million in the period versus \$307.7 million in 2023. Most of the Company's equity investments are held by two funds, Senvest Master Fund, L.P. (Senvest Partners Fund) and Senvest Technology Partners Master Fund, L.P., which are consolidated into the accounts of the Company. A more detailed discussion on net change in fair value of equity investments can be found in the year end investment letters for each of the two funds which are disclosed near the end of this letter.

On a consolidated basis across the different funds, the largest holdings as at December 31, 2024, were Tower Semiconductors (TSEM), Wix.com (WIX), Paramount Resources (POU), MDA Space (MDA), Kornit Digital (KRNT), UiPath (PATH), Bank of Cyprus Holdings (BOCHGR GA) and BXP (BXP).

The Senvest Master Fund is focused primarily on small and mid-cap companies. The fund recorded a return of 8.56% net of fees in the fourth quarter and is up 19.5% for the year. With most of the long portfolio invested in small and mid-cap stocks, the fund outperformed its most relevant benchmark, the Russell 2000 for the fourth quarter and for the year. The fund outperformed the S&P 500 index for the fourth quarter and underperformed it for the year but does not consider this index as a benchmark. The fund has issued an institutional share class which requires a minimum investment of \$75 million US, and includes a longer duration element, which further enhances the stability of its capital base and its ability to make long-term investments to help generate returns for the benefit of all of our partners. Senvest's internal capital is subject to the same liquidity provisions of the institutional share class.

The Senvest Technology Partners Fund was initiated in 2003 to focus on investing in Israel related companies. In 2019, the Fund broadened its geographic investment mandate to focus on global technology investments. After investing in Israel-related technology for 15 years, its holdings extended across the global technology universe. The Technology Fund maintained the same investment philosophy and continued to leverage the existing diligence and understanding of global technology and end markets. This fund recorded a return of 15.37% net of fees for the fourth quarter and a return of 33.5% for the year (monthly results of the two funds can be found on the Company's website). As stated above both funds are consolidated into the accounts of the Company.

The Company has a portfolio of real estate investments as at December 31, 2024. One part of this amount represents investments in different US real estate income trusts (REITs) and partnerships. These REITs and partnerships are not publicly traded and there is no established market for them. The most likely scenario for a disposal of these holdings is an eventual sale of the underlying real estate properties of the REITs and partnerships and the distribution to its holders. Also, there are minority interests in private entities whose main assets are real estate properties. As described above for the REITs and partnerships, the most likely scenario for a disposal of these holdings is an eventual sale of the underlying real estate properties.





The Company also has investment properties in lands and buildings, specifically self-storage units in Madrid, Spain. Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are remeasured at fair value, using the fair value model. The fair value is based on external valuations from third party valuers. Gains or losses arising from changes in fair value of investment properties are included in the Company's net income or loss. The Company has seven self-storage units in operation and another four units are at various degrees of construction.

The Company consolidates the Senvest Management LLC (SML) entity that serves as the investment manager of Senvest Partners and Senvest Technology Partners as well as the general partners of the funds. The portion of the expected residual returns of structured entities that do not belong to the Company is reflected as a non-controlling interest on the statement of financial position. This non-controlling interest is owned by an executive of the Corporation. This non-controlling interest was \$22.6 million as at December 31, 2024, from \$17.8 million as at December 31, 2023.

At the end of December 31, 2024, Senvest had total consolidated assets of \$6,794.1 million versus \$5,132.5 million at the end of 2023. Equity investments and other holdings totaled \$6,057.3 million from \$4,586.0 million in December 2023. The Company purchased \$3,864.5 million of investment holdings in the year and sold \$3,763.4 million of such holdings. The Company's liabilities increased to \$4,751.6 million this year versus \$3,493.8 million in 2023, which was primarily due to an increase in Due to brokers and Liability for redeemable units. The proceeds of securities sold short were \$893.7 million and the amount of shorts covered was \$1,099.5 million. Overall, the trading figures were less than the corresponding amounts for the prior year.

In the first quarter of 2025 the financial markets have experienced significant declines, along with tremendous volatility. The potential imposition of wide-ranging US tariffs on imports and retaliatory tariffs by trading partners have created a situation of great unease and uncertainty. Many of the indices were in correction territory and Senvest Master Fund L.P. and Senvest Technology Partners Master Fund L.P have both suffered double digit declines. Given the evolving situation and the high degree of uncertainty, it is difficult to predict how the effects would flow through the financial markets and the economy.

Functional currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The functional currency of the Company is the US dollar.

Presentation currency

The Company has adopted the Canadian dollar as its presentation currency, which in the opinion of management is the most appropriate presentation currency. Historically, the Company's consolidated financial statements have been presented in Canadian dollars, and since the Company's shares are listed on a Canadian stock exchange, management believes it would better serve the use of shareholders to continue issuing consolidated financial statements in Canadian dollars. The US dollar consolidated financial statements described above are translated into the presentation currency as follows: assets and liabilities – at the closing rate at the date of the consolidated statement of financial position; and income and expenses – at the average rate for the period. All resulting changes are recognized in other comprehensive income as currency translation differences. Equity items are translated using the historical rate.



Risks

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk, currency risk and equity price risk), credit risk and liquidity risk.

The Company's overall risk management program seeks to maximize the returns derived for the level of risk to which the Company is exposed and seeks to minimize potential adverse effects on the Company's financial performance. Managing these risks is carried out by management under policies approved by the Board of Directors.

The Company uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

Market risk

Fair value and cash flow interest rate risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

The majority of the Company's debt is based on floating rates which expose the Company to cash flow interest rate risk. The Company does not have a long-term stream of cash flows that it can match against this type of fixed debt, so it prefers to use short-term floating rate debt. The Company does not mitigate its exposure to interest rate fluctuation on floating rate debt. If interest rates spike, then the Company could enter into interest rate swaps or more probably just reduce its debt level. As at December 31, 2024, the Company has listed equity securities of \$5,680 (2023 – \$4,142.1). It can sell these securities to reduce its floating rate debt. As at December 31, 2024, a 1% increase or decrease in interest rates, with all other variables remaining constant, would impact interest expense by approximately \$16.5 over the next 12 months (2023 – \$8.8).

The Company holds held for trading financial assets in debt securities of \$23.7 (2023 – \$22.4).

Debt securities are usually highly sensitive to interest rate changes. Theoretically, when interest rates rise, it causes the value of debt securities to decline. The opposite generally happens when interest rates fall, then debt securities usually rise in value. A change of 100 basis points in the yield to maturity will affect the fair value of the debt securities held for trading.

	2024	2023
	Financial assets Held for trading Debt securities \$	Financial assets Held for trading Debt securities \$
An increase of 100 basis points in the yield to maturity	(700)	(3,721)
A decrease of 100 basis points in the yield to maturity	731	2,429





Currency risks

Currency risk refers to the risk that values of monetary financial assets and liabilities denominated in foreign currencies will vary as a result of changes in underlying foreign exchange rates.

The Company is exposed to currency risk due to potential variations in currencies other than the US dollar. The following tables summarize the Company's main monetary financial assets and financial liabilities whose fair value is predominantly determined in currencies other than the US dollar, the Company's functional currency, and the effect on pre-tax net income of a 10% change in currency exchange rates:

	2024 (in thousands of Canadian dollars)			
	Financial assets	Financial liabilities	Net exposure	Net effect of a 10% increase or decrease
	\$	\$	\$	\$
Canadian dollar	195,884	-	195,884	19,588
Euro	9,448	(40,257)	(30,809)	(3,081)
British Pound	-	(2,660)	(2,660)	(266)
Israeli shekel	311	-	311	31
	205,643	(42,917)	162,726	16,272

Equity price risk

Equity price risk is the risk that the fair value of equity investments and other holdings and equities sold short, and derivatives will vary as a result of changes in the market prices of the holdings. The majority of the Company's equity investments and other holdings and all of the securities sold short, and derivatives are based on quoted market prices as at the consolidated statement of financial position date. Changes in the market price of quoted securities and derivatives may be related to a change in the financial outlook of the investee entities or due to the market in general. Where non-monetary financial instruments – for example, equity securities – are traded in currencies other than the US dollar, the price, initially expressed in a foreign currency and then converted into US dollars, will also fluctuate because of changes in foreign exchange rates.

Securities sold short represent obligations of the Company to make future delivery of specific securities and create an obligation to purchase the security at market prices prevailing at the later delivery date. This creates the risk that the Company's ultimate obligation to satisfy the delivery requirements will exceed the amount of the proceeds initially received or the liability recorded in the consolidated financial statements. In addition, the Company has entered into derivative financial instruments, which have a notional value greater than their fair value, which is recorded in the consolidated financial statements. This creates a risk that the Company could settle these instruments at a value greater or less than the amount that they have been recorded in the consolidated financial statements.

The Company's equity investments and other holdings have a downside risk limited to their carrying value, while the risk of equities sold short, and derivatives is open ended. The Company is subject to commercial margin requirements which act as a barrier to the open-ended risks of the securities sold short and derivatives. The Company closely monitors both its equity investments and other holdings, and its equities sold short and derivatives.



The impact of a 30% change in the market prices of the Company's listed equity investments and other holdings and equities sold short and derivatives would be as follows:

	2024 (in thousands of Canadian dollars)		
	Fair value \$	Estimated fair value with a 30% price increase \$	Estimated fair value with a 30% price decrease \$
Equity investments and other holdings			
Listed equity securities and derivatives	5,662,818	7,361,663	3,963,973
Equities sold short and derivative liabilities	(404,849)	(526,304)	(283,394)
Pre-tax impact on net loss		1,577,390	(1,577,390)

Liquidity risk

Liquidity risk is the risk the Company will encounter difficulties in meeting its financial obligations. The Company's largest assets are equity investments and other holdings. Most of these assets are made up of equities in listed companies which can be liquidated in a relatively short time. Due to its large holding of liquid assets, the Company believes that it has sufficient resources to meet its obligations as they come due. All financial liabilities other than equities sold short, derivative liabilities, mortgages, lease liabilities and liability for redeemable units as at the consolidated statement of financial position date mature or are expected to be repaid within one year (2023 – one year). The liquidity risk related to these liabilities is managed by maintaining a portfolio of liquid investment assets.

Credit risk

Credit risk is the risk that a counterparty will fail to fulfill its obligations under a contract and will cause the Company to suffer a loss.

The Company is exposed to credit risk from cash and cash equivalents, restricted short-term investments, due from broker and debt investments. Credit risk arising from funds held at financial institutions are managed by only investing with financial institutions with a minimum A rating. The Company manages its credit risk exposure from debt securities by closely monitoring the debt issuer and the ratings issued by various bond rating agencies. All debt security investments measured at fair value through profit or loss are traded over stock exchanges therefore exiting a position with increased risk is relatively easy if the credit worthiness of an issuer falls below the Company's threshold for credit risk exposure. All non-trading convertible debt securities are convertible into equity of the issuer and are measured at fair value using independent third-party appraisals. The Company closely monitors the debt issuer in order to identify when the credit risk falls below the Company's threshold at which point the Company may exercise its option to redeem its debt holdings or dispose of it in the less liquid private markets.





Capital risk management

The Company's objective when managing its capital is to maintain a solid capital structure appropriate for the nature of its business. The Company considers its capital to be its equity. The Company manages its capital structure in light of changes in economic conditions. To maintain or adjust its capital structure, the Company initiates normal course issuer bids or adjusts the amount of dividends paid. The Company monitors capital on the basis of its net debt -to-capital ratio. Net liabilities used in the net debt-to-capital ratio is calculated by subtracting the due from broker balances from total liabilities. The net debt-to-capital ratio is as follows:

	(in millions of Canadian dollars)	
	December 31, 2024	December 31, 2023
Total net liabilities	\$4,278.5	\$3,147.5
Total equity	\$2,042.5	\$1,638.6
Net liabilities to capital ratio	2.09	1.92

The Company's objective is to maintain a debt-to-capital ratio below 3.0. The Company believes that limiting its debt-to-capital ratio in this manner is the best way to monitor risk. The Company's debt to capital ratio was at 2.09 as at December 31, 2024, from 1.92 at the end of 2023. The Company does not have any externally imposed restrictive covenants or capital requirements, other than those included in the credit facility.

Investment Risk

To the extent not discussed above, the Company is subject to additional risks with respect to the investments made.

The value of the Company's portfolio may decrease as well as increase, due to a variety of factors, including general economic conditions, and market factors. Additionally, investment decisions made by the Company may not always be profitable or prove to have been correct. Investment strategies, at any given time, may incur significant losses. Losses can occur for a number of reasons, including but not limited to, an overall decline in the underlying market, a lack of liquidity in the underlying markets, excessive volatility in a particular market, government intervention or monetary and/or fiscal policies of a specific region or country. The profitability of a significant portion of the Company's investments also depends to a great extent upon the Company's ability to correctly assess the future course of the price movements of securities and other investments. There can be no assurance that the Company will be able to accurately predict these price movements.

The Company's investment strategy is speculative and involves risk. The Company trades in options and other derivatives, as well as using short sales and utilizing leverage. The portfolio may not be diversified among a wide range of issuers or industries. In addition, the Company may take concentrated positions in its high conviction ideas, invest in high yield securities or invest in foreign markets outside the US and Canada. Accordingly, the investment portfolio may be subject to more rapid change in value than would be the case if the Company were required to maintain a wide diversification in the portfolios among industries, areas, types of securities and issuers.

The Company may make investments in the securities of high growth companies. More specifically, the Company may have significant investments in smaller-to-medium sized companies with market capitalizations of less than \$2 billion US. While smaller companies may have potential for rapid growth, they often involve higher risks because they lack the management experience, financial resources, product diversification, and competitive strengths of larger



corporations. These factors make smaller companies far more likely than their larger counterparts to experience significant operating and financial setbacks that threaten their short-term and long-term viability. In addition, in many instances, the frequency and volume of their trading is substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations and exiting investments in such securities at appropriate prices may be difficult, or subject to substantial delay. Furthermore, some of the portfolio may be invested in technology, technology-related markets and biotech. These types of companies may allocate greater than usual amounts to research and product development. The securities of such companies may experience above-average price movements associated with the perceived prospects of success of the research and development programs. Also, these companies could be adversely affected by lack of commercial acceptance of a new product or products or by technological change and obsolescence. Some of these companies may have limited operating histories. As a result, these companies may face undeveloped or limited markets, have limited products, have no proven profit-making history, operate at a loss or with substantial variations in operating results from period to period, have limited access to capital and/or be in the developmental stages of their businesses.

The Company tries to manage the above risks by monitoring its leverage, actively following its investee companies and trying to react to market conditions. At the same time the Company expects its portfolio to exhibit a higher degree of volatility than portfolios that invest in larger more stable companies and that invest within more defined limits. As at December 31, 2024, approximately 93% of the Company's portfolio was invested in Level 1 securities. The Company monitors its Level 1 securities as a percentage of its total investments; however, it does not have a fixed number that this percentage cannot fall below.

Climate Change Risk

Climate change risk refers to the physical risks and transition-related risks related to the changes in climate patterns that may have a significant impact on communities and the economy. While the direct exposure of the Corporation's operations to climate change risk is relatively low, as an investor in equities and other assets, the Corporation could indirectly be impacted by this risk through its portfolio investments.

The Corporation's portfolio investments face the potential direct impact of more frequent and more intense extreme weather events, as well as the potential indirect impact of any related supply chain disruptions. The exposure of the Corporation's portfolio investments to climate change risk also arises from the movement toward a low-emission economy, which may result in increased reputational, market, regulatory, policy, legal and technology-related risks. Existing portfolio investments in carbon-intensive industries and in other markets which are dependent on such industries may be more exposed to such transitional risks as a result of significant changes in customer perceptions and preferences, the increasing cost of carbon emissions and competition from renewable energy.

Critical accounting estimates and judgments

Critical accounting estimates

The Company makes accounting estimates that are subject to measurement uncertainty because they require the use of judgement and assumptions. The Company uses judgement and assumptions in designing and selecting measurement or valuations techniques that are appropriate to the circumstances and applies inputs that correlate to the measurement or valuation technique selected. Inputs selected also require the use of judgment and assumptions.





Consolidation of entities in which the Company holds less than 50% of the voting rights.

Management considers the Company to have de facto control of Senvest Management L.L.C. (RIMA), RIMA Senvest Master Fund GP, L.L.C., and Senvest Technology Partners GP, L.L.C. three legal entities wholly owned by an executive of the Company, because of the Company's Board representation and the contractual terms of the investment advisory agreement. RIMA is the investment adviser to the Funds, whereas RIMA Senvest Master Fund GP, L.L.C. is the General Partner of Senvest Master fund LP and Senvest Technology Partners GP LLC is the General Partner of Senvest Technology Partners Master Fund LP. As compensation for its sub-advisory services, the Company is entitled to receive 60% of the net management fees through RIMA and incentive allocation earned through the General Partners each fiscal year.

Management considers that the Company has control of Senvest Master Fund LP, Senvest Technology Partners Master Fund LP and Senvest Cyprus Recovery Investment Partners LP even though the Company has less than 50% of the voting rights in each of the Funds. The Company assessed that the removal rights of non-affiliated unitholders are exercisable but not strong enough given the Company's decision-making authority over relevant activities, the remuneration to which it is entitled and its exposure to returns. The Company, through its structured entities, is the majority unitholder of each of the Funds and acts as a principal while there are no other unitholders forming a group to exercise their votes collectively.

Fair value estimates of investment properties

The Company has adopted the fair value model in measuring its investment properties. The fair value of the investment properties is performed by external independent knowledgeable valuers located in the area of the properties. Inputs used in the property valuation models are based on appropriate assumptions that reflect the type of property and location. Management reviews the assumptions made and models used to ensure they correlate with their expectation and understanding of the market. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Fair value estimates of financial instruments

The fair value of financial instruments, including real estate investments, where no active market exists or where listed prices are not otherwise available are determined by using valuation techniques. In these cases, the fair values are estimated from observable data in respect of similar financial instruments or by using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions. To the extent practical, models use only observable data; however, areas such as credit risk (both the Company's own credit risk and counterparty credit risk), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Financial instruments in Level 1

The fair value of financial assets and financial liabilities traded in active markets are based on quoted market prices at the close of trading on the year-end date. The quoted market price used for financial assets and financial liabilities held by the Company is the close price. Investments classified in Level 1 include active listed equities and derivatives traded on an exchange. The financial assets classified as Level 1 were approximately 93% of the total financial assets.



Financial instruments in Level 2

Financial instruments classified with Level 2 trade in markets that are not considered to be active but are valued based on quoted market prices, broker quotations or valuation techniques, such as financial models, that use market data. These valuation techniques maximize the use of observable market data where available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. These include corporate bonds, thinly traded listed equities and derivatives, over-the-counter derivatives and private equities.

The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each year-end date. Valuation techniques used for non-standardized financial instruments such as options and other over-the-counter derivatives include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analyses, option pricing models and other valuation techniques commonly used by market participants, making maximum use of market inputs and relying as little as possible on entity-specific inputs. The financial assets classified as Level 2 were approximately 2% of the total financial assets.

Financial instruments in Level 3

Investments classified in Level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments consist of unlisted equity investments, debt securities and real estate investments. As observable prices are not available for these securities, the Company has used valuation techniques to derive the fair value. The financial assets classified as Level 3 were approximately 5% of the total fair value of financial assets.

Level 3 valuations are reviewed by the Company's Chief Financial Officer (CFO), who reports directly to the Board on a quarterly basis in line with the Company's reporting dates. The Board considers the appropriateness of the valuation models and inputs used. On an annual basis, close to the year-end date, the Company obtains independent, third party appraisals to determine the fair value of the Company's most significant Level 3 holdings.

The Company's CFO reviews the results of the independent valuations. Emphasis is placed on the valuation model used to determine its appropriateness, the assumptions made to determine whether it is consistent with the nature of the investment, and market conditions and inputs such as cash flow and discount rates to determine reasonableness.

As at December 31, 2024, Level 3 instruments are in various entities and industries.

Real estate investments are made up of investments in private real estate companies, and in real estate income trusts and partnerships. The real estate companies are involved with various types of buildings in different geographical locations. For the main Level 3 instruments, the Company relied on appraisals carried out by independent third party valuers. There was no established market for any of these investments, so the most likely scenario is a disposal of the underlying assets. For the investments in real estate income trusts and partnerships, the Company relied mainly on audited financial statements, valuing the assets at fair value. The most likely scenario is an eventual sale of the underlying properties and the subsequent distribution to the holders.

Income taxes

The Company is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the consolidated provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax audit issues based on estimates of





whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the year in which such determination is made.

QUARTERLY RESULTS

(In thousands of Canadian dollars except for earnings (loss) per share information)

Year	Total revenue and investment gains (losses)	Net income (loss)-common shareholders	Earnings (loss) per share
2024-4	433,827	107,070	43.67
2024-3	500,463	170,457	69.24
2024-2	(133,821)	(71,690)	(29.02)
2024-1	164,440	52,310	21.17
2023-4	281,084	85,665	34.61
2023-3	(147,432)	(67,029)	(27.07)
2023-2	120,082	21,222	8.58
2023-1	178,571	43,750	17.66

SELECTED ANNUAL INFORMATION

(In thousands of Canadian dollars except for earnings per share information)

	2024	2023	2022
Total revenue and investment gains (losses)	964,909	432,303	(730,345)
Net income (loss) – common shareholders	258,147	83,608	(326,083)
Earnings (loss) per share-diluted	105.06	33.78	(130.98)
Total assets	6,794,086	5,132,462	5,653,153

The Company has equity investment capital commitments of \$11,683 and has real estate equity investment capital commitments of \$8,964.

Liability for redeemable units

Liability for redeemable units represents the units in Senvest Master Fund, L.P., Senvest Technology Partners Master Fund, L.P. and Senvest Cyprus Recovery Investment Partners, L.P. Fund (collectively the Funds or individually a Fund) that are not owned by the Company. Senvest Master Fund, L.P. and Senvest Technology Partners Master Fund, L.P. units may be redeemed as of the end of any calendar quarter, however for a particular class (the institutional class) there is a maximum quarterly redemption of 17% of the investor units and a maximum annual redemption of 34% of the investor units. The parent company, Senvest Capital, who is an investor in these funds has agreed to be bound by the terms of the institutional class. Redemptions made within the first 24 months will be subject to a redemption fee of 3% to 5% which is payable to Senvest Master Fund, L.P. and Senvest Technology Partners Master Fund, L.P. In addition, there are notice periods of 60 days that must be given prior to any redemption. Senvest Cyprus Recovery



Investment Partners, L.P. Fund has units that can be redeemed semi-annually with an 120 day notice. These units are recognized initially at fair value, net of any transaction costs incurred, and subsequently units are measured at the redemption amount.

Redeemable units are issued and redeemed at the holder's option at prices based on each Fund's net asset value per unit at the time of subscription or redemption. Each Fund's net asset value per unit is calculated by dividing the net assets attributable to the holders of each class of redeemable units by the total number of outstanding redeemable units for each respective class. In accordance with the provisions of the Funds' offering documents, investment positions are valued at the close price for the purpose of determining the net asset value per unit for subscriptions and redemptions.

The Company has had wide swings in profitability from quarter to quarter in the past two years, as seen above. The profit has fluctuated a significant amount quarter to quarter. These wide swings are primarily due to the large quarterly mark to market adjustments in the Company's portfolio of public holdings. However, we expect the volatility and choppiness of the markets to result in wide profit swings from year to year and from quarter to quarter. Reference is made to the section on Investment risk above.

The Company maintains accounts with several major financial institutions in the U.S. who function as the Company's main prime brokers. The Company has assets with the prime brokers pledged as collateral for leverage. Although the prime brokers are large financial institutions, there is no guarantee that any financial institution will not become insolvent. In addition, there may be practical or time problems associated with enforcing the Company's rights to its assets in the case of such insolvency.

While both the U.S. Bankruptcy Code and the Securities Investor Protection Act seek to protect customer property in the event of a failure, insolvency or liquidation of a broker dealer, there is no certainty that, in the event of a failure of a broker dealer that has custody of the Company's assets, the Company would not incur losses due to its assets being unavailable for a period of time, ultimately less than full recovery of its assets, or both. As a significant majority of the Company's assets are in custody with three prime brokers, such losses could be significant.

On August 22, 2024, Senvest commenced a new normal course issuer bid to purchase a maximum of 100,000 of its own common shares until August 21, 2025. There have been 29,500 shares repurchased in the year. The number of common shares outstanding as at December 31, 2024 was 2,442,624 and as at March 26, 2025 was 2,436,524. There were no stock options outstanding as at December 31, 2024 and none have been issued since 2005.

The Company has financing with a bank, composed of a credit facility and a guarantee facility. A first ranking movable hypothec in the amount of \$30 million on all of its assets has been granted as collateral for both of the facilities. According to the terms of the facilities, the Company is required to comply with certain financial covenants. During the year, the Company met the requirements of all the covenants. The Company also has margin facilities with brokers.

Related party transactions

The Company consolidates the Senvest Management LLC entity that serves as the investment manager of Senvest Partners and Senvest Technology Partners as well as the general partners of the funds. The portion of the expected residual returns of structured entities that do not belong to the Company is reflected as a non-controlling interest on the consolidated statement of financial position. This non-controlling interest is owned by an executive of the Company and was \$22.6 million as at December 31, 2024 from \$17.8 million on December 31, 2023.





Significant Equity Investments

For information on a summary of financial information from certain significant investees please refer to the 2024 audited consolidated financial statements. The accounts of Senvest Partners, Senvest Technology Partners and Senvest Cyprus Recovery Investment Fund are consolidated with the Company's accounts.

Securities and Exchange Commission (SEC)

As discussed in the Wall Street Journal on April 3, 2024 "The U.S. securities regulator over the past few years has ramped up its enforcement against Wall Street firms' use of forbidden messaging apps to do business. Regulators say the use of apps such as WhatsApp and iMessage to talk business undermines their ability to get the records they need for oversight.

The SEC since December 2021 has filed charges against 60 firms and imposed more than \$1.7 billion in fines for failing to maintain and preserve electronic communication. The enforcement initiative has expanded in recent months to include investment advisers and credit-rating firms. The SEC considers the size of the firm to ensure that the penalties serve as an adequate deterrent against future violations and that it uses previous settlement orders as a guide. The regulator also weighs the scope of the violations, such as the number of individuals that communicated using forbidden messaging apps, as well as a firm's compliance efforts to prevent off-channel communications, including the timely adoption of technological solutions."

On the same date April 3, 2024 it was announced that Senvest Management LLC had entered into a settlement with the SEC regarding certain recordkeeping and other violations under the Investment Advisers Act. Specifically, the SEC's findings include that certain employees communicated about business on unapproved electronic communication platforms and that certain employees did not properly obtain pre-clearance for specific securities transactions in their personal accounts. This settlement is substantially similar to several other recordkeeping settlements previously announced by the SEC, and many others expected to be announced. Notably, there were no findings related to the investment or research process.

The settlement includes a monetary payment of \$6.5 million (US) and the retainer of a compliance consultant. All costs will be borne internally and not charged to the funds nor any external investors.

The investment manager has taken a number of remedial actions to address the SEC's findings, even before the settlement was finalized. For example, employees are now required to use firm-issued cell phones that automatically archive communications across all available messaging platforms. The manager has also imposed additional limitations on personal trading permitted by employees.



FORWARD LOOKING STATEMENTS

This MD&A contains “forward looking statements” which reflect the current expectations of management regarding our future growth, results of operations, performance and business prospects and opportunities. Wherever possible, words such as “may”, “would”, “could”, “will”, “anticipate”, “believe”, “plan”, “expect”, “intend”, “estimate”, “aim”, “endeavour”, “likely”, “think” and similar expressions have been used to identify these forward looking statements. These statements reflect our current beliefs with respect to future events and are based on information currently available to us. Forward looking statements involve significant known and unknown risks, uncertainties and assumptions. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward looking statements including, without limitation, those Risk Factors listed in the Company's annual information form. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward looking statements contained in this MD&A. These forward looking statements are made as of March 28, 2025 and will not be updated or revised except as required by applicable securities law.

OTHER FINANCIAL INFORMATION

There is additional financial information about the Company on Sedar+ at <http://www.sedarplus.ca/> the Company's website at www.senvest.com, as well the Company's or Senvest Management's U.S. SEC section 13 and other filings on www.sec.gov





INTERNAL CONTROLS

Disclosure controls and procedures

Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by us in reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified under those laws, and include controls and procedures that are designed to ensure that the information is accumulated and communicated to management, including Senvest's President and CEO and Vice-President and CFO, to allow timely decisions regarding required disclosure. As at December 31, 2024, management evaluated, under the supervision of and with the participation of the CEO and the CFO, the effectiveness of our disclosure controls and procedures, under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings. Based on that evaluation, the CEO and CFO concluded that our disclosure controls and procedures were effective as at December 31, 2024.

Internal control over financial reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting under National Instrument 52-109. Our internal control over financial reporting is a process designed under the supervision of the CEO and CFO to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. However, because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements on a timely basis. Management evaluated, under the supervision of and with the participation of the CEO and the CFO, the effectiveness of our internal control over financial reporting as at December 31, 2024, based on the criteria established in the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on that evaluation, the CEO and CFO concluded that our internal control over financial reporting was effective as at December 31, 2024. There have been no changes during the year ended December 31, 2024 in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial report.

Victor Mashaal

Chairman of the Board and President

March 28, 2025

(Management Discussion and Analysis ("MD&A") provides a review of Senvest Capital Inc.'s operations, performance and financial condition for the year ended December 31, 2024, and should be read in conjunction with the 2024 annual filings. Readers are also requested to visit the SEDAR+ website at www.sedarplus.ca for additional information. This MD&A also contains certain forward-looking statements with respect to the Corporation. These forward-looking statements, by their nature necessarily involve risks and uncertainties that could cause actual results to differ materially from those contemplated by these forward-looking statements. We consider the assumptions on which these forward-looking statements are based to be reasonable, but caution the reader that these assumptions regarding future events, many of which are beyond our control may ultimately prove to be incorrect)



The Consolidated financial statements for the fiscal year ended December 31, 2024 and December 31, 2023, were prepared by the management of Senvest Capital Inc., reviewed by the Audit Committee and approved by the Board of Directors. They were prepared in accordance with International Financial Reporting Standards and are consistent with the Company's business.

The Company and its subsidiaries maintain a high level of quality of internal controls, designed to provide reasonable assurance that the financial information is accurate and reliable. The information included in this Annual Report is consistent with the financial statements contained herein.

The financial statements have been audited by PricewaterhouseCoopers LLP, the company's auditors, whose report is provided herein.

Victor Mashaal

Chairman of the Board and President

Senvest Capital Inc.

March 28, 2025



	Q4 2024 ¹	2024	Cumulative Since Inception	Annualized Since Inception
Senvest Master Fund, LP	8.56%	19.51%	7305.65%	16.78%
Russell 2000	0.33%	11.53%	848.05%	8.44%
S&P 500	2.39%	25.00%	1220.13%	9.74%
HFRI	1.44%	11.97%	697.79%	7.77%

Dear Partners:

Review of Q4 2024

Following the heels of a strong Q3 performance catalyzed by the first Fed rate cut in years, the return of Donald Trump to the Presidency further energized the Fund in the fourth quarter in a manner similar to what we saw in his first term. The Fund significantly outperformed broader equity indices in the fourth quarter to close out the year with solid performance. In Q4 2024, on a gross basis before fees and expenses, long investments contributed +11.06%, while short positions lost -1.32%. Currencies and interest expense cost -0.10%.

The following page shows the Fund's sector attribution along with the average gross, net, long, and short exposure for the last quarter.

¹ Net performance

**Sector Attribution² and Average Exposures for Q4 2024**

Sector	Attribution Q4				Average Exposure Q4			
	Long	Short	Total Gross	Total Net	Long	Short	Gross	Net
Communication Services	0.40%	-0.09%	0.31%	0.29%	9%	0%	9%	9%
Consumer Discretionary	2.19%	-1.00%	1.19%	1.11%	15%	-4%	19%	11%
Consumer Staples	-0.43%	-0.13%	-0.56%	-0.60%	3%	-1%	4%	2%
Energy	1.52%	0.00%	1.52%	1.42%	11%	0%	11%	11%
Financials	0.68%	-0.60%	0.08%	0.07%	23%	-1%	24%	22%
Health Care	-1.39%	-0.01%	-1.40%	-1.50%	13%	0%	13%	13%
Industrials	4.16%	0.54%	4.70%	4.38%	18%	-4%	22%	14%
Information Technology	4.93%	-0.04%	4.89%	4.56%	47%	0%	47%	47%
Materials	-0.47%	0.00%	-0.47%	-0.50%	1%	0%	1%	1%
Real Estate	-0.52%	0.01%	-0.51%	-0.55%	9%	0%	9%	9%
Utilities	0.00%	0.00%	0.00%	0.00%	0%	0%	0%	0%
Index/ETF	-0.01%	0.00%	-0.01%	-0.01%	0%	0%	0%	0%
Total	11.06%	-1.32%	9.74%	8.67%	149%	-10%	159%	139%

Below, we show the top 10 winning and losing investments (in rank order) for the Fund in Q4 2024³:

Top 10 Contributors

Company	Ticker	Long/Short	9/30/2024 Stock Price	12/31/2024 Stock Price	% Price Change
MDA SPACE	MDA	Long	17.38	29.53	69.91%
TOWER SEMICONDUCTOR	TSEM	Long	44.26	51.51	16.38%
WIX.COM	WIX	Long	167.17	214.55	28.34%
KORNIT DIGITAL	KRNT	Long	25.84	30.95	19.80%
CIENA	CIEN	Long	61.59	84.81	37.70%
PARAMOUNT RESOURCE	POU	Long	26.35	31.82	20.76%
MARRIOTT VACATIONS WORLDWIDE	VAC	Long	73.48	89.80	22.21%
RH	RH	Long	334.43	393.59	17.69%
AVIDXCHANGE HOLDINGS	AVDX	Long	8.11	10.34	27.50%
CEVA	CEVA	Long	24.15	31.55	30.64%

² Net Attribution Figures have been prepared on a pro forma basis and provided above. Important considerations regarding Senvest's calculation methodology for the Net Sector attributions should be reviewed under the Important Disclosures on page 15—these figures are not properly understood without reference to these disclosures.

³ Short investments are labelled by GICS Sector and the price changes are rounded to the nearest tenth.



**Top 10 Detractors⁴**

Company	Ticker	Long/Short	9/30/2024 Stock Price	12/31/2024 Stock Price	% Price Change
ALIGN TECHNOLOGY	ALGN	Long	254.32	208.51	-18.01%
AXCELIS TECHNOLOGIES	ACLS	Long	104.85	69.87	-33.36%
CONSUMER DISCRETIONARY CO	N/A	Short	N/A	N/A	40.00%
FINANCIALS CO	N/A	Short	N/A	N/A	100.00%
BANK OF CYPRUS	BOCHGR	Long	4.64	4.60	-0.86%
PENNYMAC FINANCIAL SERVICES	PFSI	Long	113.97	102.14	-10.38%
BXP	BXP	Long	80.46	74.36	-7.58%
GREENFIRST FOREST	GFP	Long	7.57	5.23	-30.92%
MICRON TECHNOLOGY	MU	Long	103.71	84.16	-18.85%
JANUS INTERNATIONAL GROUP	JB1	Long	10.11	7.35	-27.30%

Top Five Contributors and Detractors Commentary**MDA Space ("MDA CN")**

MDA Space saw its stock increase by +69.91% in the fourth quarter as the company continued progressing on multiple fronts, including opportunities within its backlog and pipeline. Although expectations were high, the company delivered revenue, profitability, and operating cash flow that exceeded expectations. Prior to the company's earnings release in November, MDA's customer Globalstar ("GSAT") announced that it was selected to provide satellite communication services for Apple's ("AAPL") next-generation satellite-to-device services.⁵ Since MDA serves as the "prime" contractor for GSAT and AAPL's first constellation, we see a high likelihood that MDA could be announced as the "prime" for their next-generation satellite constellation. Over the past 18 months, MDA has won prime contractor bids for two preeminent Low-Earth-Orbit ("LEO") satellite constellations. In 2023, MDA won the prime contract for the \$2.1 billion Telesat's ("TSAT") LEO constellation of 198 satellites. In late 2023, MDA began work on another digital constellation for an undisclosed customer, initially valued at \$180 million and since increased to over \$300 million. We expect it to again increase to \$750 million for 36 software-defined satellites, which we may hear in the company's upcoming fourth-quarter earnings report.

In addition to its satellite contracts, MDA has several other catalysts that we expect to drive revenue and the stock. During the second half of 2024, MDA announced that it was awarded a \$1 billion

⁴ Bank of Cyprus is based on the prices of ASE listed securities, which is denominated in EUR. The P&L/performance also includes the Fund's investment in Senvest Cyprus Recovery Fund, L.P.

⁵ [https://www.cnn.com/2024/11/01/apple-commits-1point5-billion-to-globalstar-for-iphone-satellite-services.html#:~:text=Apple%20committed%20about%20\\$1.5%20billion,and%20expand%20its%20ground%20infrastructure.](https://www.cnn.com/2024/11/01/apple-commits-1point5-billion-to-globalstar-for-iphone-satellite-services.html#:~:text=Apple%20committed%20about%20$1.5%20billion,and%20expand%20its%20ground%20infrastructure.)



contract extension to deliver the Canadarm 3 flight system for the Lunar Gateway as part of the Artemis program.⁶ MDA is the go-to supplier of mission-critical robotics to the International Space Station and the burgeoning commercial space economy. Additionally, MDA should complete the build-out of “Chorus,” its next-generation earth observation constellation that should launch in mid-2026 and replace its legacy Radarsat-2 constellation. On top of this, MDA continues to talk about its growing pipeline that exceeds \$15 billion in satellite opportunities. We believe the company has multiple commercial constellation opportunities and could announce more wins in 2025 as it continues to build out satellite manufacturing capacity in its new state-of-the-art Montreal manufacturing hub. Although the stock increased by over 150% in 2024, shares still trade at a reasonable multiple of 12x on enterprise value to EBITDA, based on 2025 consensus estimates. MDA’s multiple remains roughly in line with peers but fails to reflect the expected 20-30% growth for the next several years.

Tower Semiconductor (“TSEM”)

The Fund’s largest investment in Tower Semiconductor, a leading specialty analog foundry, increased +16.38% during the fourth quarter. As we have highlighted throughout 2024, TSEM has benefited from strength in its Artificial Intelligence (“AI”) and Cloud Data Center-related technologies, which again propelled the company’s performance in its third-quarter earnings report. Tower has direct exposure to the AI supply chain, driving technology spending for the past two years as its core offerings move and connect data in servers, switches, and GPU clusters to train and inference AI workloads. During its most recent earnings call, management noted that its data center-related business again accelerated and should reach \$250 million in revenue in 2024, representing close to 20% of the company’s overall revenue and growing 75% year over year. TSEM is a global leader in silicon germanium (“SiGe”) and silicon photonics (“SiPho”), key enabling technologies for AI data transfer. We believe TSEM holds the number one market share in these technologies, supplying close to two-thirds of the industry with its optical transceiver technologies. Datacenter prospects look promising again in 2025, so much so that Tower management disclosed that it plans to accelerate capital investment in these technologies with an additional \$350 million incremental capacity to support data center infrastructure (SiGe and SiPho). Early indications suggest that cloud hyperscalers such as Microsoft, Amazon AWS, Google, and Meta plan to accelerate capital spending again in 2025, giving us confidence in TSEM’s current visibility for 2025.

Outside of AI, TSEM’s business continues to fluctuate with the ongoing volatility in the broader analog semiconductor market. TSEM is seeing growth off of depressed levels, particularly in certain areas of power management and image sensing but we have yet to see a meaningful inflection. With the ramp of new facilities in Italy and, to a lesser extent, New Mexico, we expect good growth for TSEM in 2025,

⁶ MDA Space News Release 6.27.2024





which should exceed 10% on the top line. Tower previously outlined a long-term model that is highlighted by incremental revenue from strategic capacity agreements with ST Micro and Intel. These deals can add \$1.2 billion in incremental revenue bringing total potential company revenue to \$2.7 billion with EBITDA margins approaching 40% and earnings per share of \$4.50, well ahead of prior company targets. Even with the recent move in the stock price (which has since approached the prior Intel deal announcement price of \$53), we believe TSEM has material upside with shares currently trading at about 2.9x EV/Revenue and 8.2x EV/EBITDA on consensus 2025 estimates.

Wix (“Wix”)

Shares of Wix increased by +28.34% during the fourth quarter as the company continues to execute against growth and profitability targets that it initially laid out at its 2023 Investor Day. Wix offers customers a platform to create, modify, and develop their own websites for a consumer and enterprise e-commerce online presence. During the third quarter, the company exceeded revenue, bookings, and free cash flow expectations while increasing their outlook for the remainder of fiscal year 2024. Wix differentiates itself with a unique partner strategy, whereby the company partners with web-design agencies and freelancers, enabled by its new “Wix Studio” offering that includes proprietary workflow management and editing platforms that allow for a more optimized website-design experience for a higher intent customer. This strategy has made the company more efficient in balancing sales growth and profitability. In the third quarter, partner channel revenue reached an all-time high of \$155 million, +30% year-over-year, representing just over one-third of company revenue. We believe Wix has further potential upsides as its studio product gains traction with website design agencies.

In addition to the growth opportunity targeting the partner ecosystem, we have become increasingly more optimistic about Wix’s “Self-Creator” segment, which accounts for the remaining two-thirds of Wix’s business. The company recently highlighted a new strategy to reinvigorate the “Self-Creator” segment, which we define as smaller entrepreneur/SMB-type customers. In the upcoming year, Wix plans to refocus investments into this segment as they see improvements in the uptake of their GenAI tools as well as in the overall macro. As Wix’s partner strategy takes hold, the company plans to refocus resources on applying incremental AI functionality that will help automate and promote ease of use of their website builder platform to generate better outcomes for customers. Despite the move in the stock in 2024, shares of Wix currently trade at only 18x EV/FCF on consensus CY’26 estimates, which is a discount to SMID-cap software peers that trade at 25x. We also believe that private equity’s recent takeout of a Wix competitor, Squarespace, provides a valuation floor, as the company was taken out for 19x ’25 free cash flow while growing at a lower rate than Wix. Moreover, we believe the current valuation does not reflect the “platform” value as a true operating and applications system for website creation nor its opportunity as an AI applications play.



Kornit Digital ("KRNT")

Kornit Digital's stock price increased +19.80% in the fourth quarter following the company's earnings report in early November, showing progress amid a continued challenging macro backdrop. To a degree, we also believe that shares benefited from the "re-shoring trade" that permeated markets following the November election. KRNT, a provider of digital textile printing solutions for tee shirts, polyesters, and fabrics, reported better-than-expected September quarter results and, more importantly, will show year-over-year revenue growth for the first time in two and half years exiting the December quarter along with positive adjusted EBITDA. Looking at 2025, management has stated that it expects an acceleration in revenue and expansion in gross and adjusted EBITDA margins. As discussed in our prior letter, we believe that KRNT has reached an inflection point with a combination of a stabilizing macro coupled with a refreshed product portfolio that we expect to accelerate the company's revenue over the coming years. This portfolio refresh includes new direct-to-fabric and polyester printing platforms that address a significantly large addressable market and has culminated with the ramp of its new high-volume "Apollo" direct-to-garment system.

KRNT's Apollo pipeline remains robust with the company expecting to complete 15 deliveries in 2024, with another 30 slated for 2025, consistent with commentary from its September analyst day. KRNT also continues to implement its "all-inclusive click" model that allows customers to make a pre-defined annual revenue commitment based on the number of impressions the system produces. As a result, Kornit will have a growing revenue contribution from this recurring revenue model, providing greater revenue visibility and predictability, which should warrant a higher valuation multiple. At its Investor Day in September, management highlighted a long-term framework that put revenue at \$400-\$500 million, along with gross margins in the mid-50s and EBITDA margins of 25%. Although the stock trades well off its lows, we still view the company's current valuation of 3.8x EV-to-2025 consensus revenue as not reflective of its potential, given the massive opportunity still ahead of it. KRNT's shares still trade at a discount to historical levels, which have been closer to 5-7x EV-to-revenue.

Ciena ("CIEN")

Ciena's stock increased +37.70% in the fourth quarter on a stronger-than-expected growth outlook expected to continue into 2025. Ciena provides optical-networking equipment historically relevant to Service Provider Telecom networks but has gotten a second life on the back of webscale cloud providers' AI workloads that require high bandwidth data center interconnections. Ciena exceeded quarterly sales expectations, but the outlook was a real positive surprise. Management now expects 8-11% annually from 2025-2027, up from its prior 6-8% growth targets. Direct cloud sales exceeded expectations and grew 53% quarter over quarter to 34% of sales. We believe Meta was CIEN's biggest customer, while Google remains a key customer as well. We expect other cloud operators (Microsoft,





Apple, Oracle, etc.) to continue to grow, and the vertical could grow 20%+ in FY25. CIEN also benefits from cloud traffic offloaded to traditional Service Provider networks, which also drives incremental demand.

Our investment thesis on CIEN rests on the company’s ability to take significant long-term market share given its technology advantage – as evidenced by its industry-leading optical technology portfolio over a generation ahead of its nearest competitors. CIEN has a decade-long track record for out-executing competitors on product development and winning market share. We fundamentally believe that demand for optical connectivity will grow at a faster level than its historical rates as data centers will require more optical connectivity as the location of data centers continues to distribute more broadly given the power constraints that result from training AI workloads. With AI training – particularly as GPU cluster sizes get bigger and bigger – more and more training occurs in decentralized locations across the network rather than in single data centers. Looking out over the next few years, we believe CIEN has the ability to generate \$5.50+ in EPS power in calendar 2026 based on durable double-digit revenue growth in 2025 and 2026, respectively, accompanied by margin expansion as they gain scale. Even at current share price levels in the mid-80s, shares remain attractive at roughly 15x projected earnings, given our view of future earnings potential.

Align Technology Inc. (“ALGN”)

ALGN, a leading orthodontics manufacturer and digital dentistry innovator, declined -18.01% in the quarter. ALGN designs, manufactures, and markets the Invisalign system, a clear aligner treatment for straightening teeth. The company’s industry-leading digital dentistry ecosystem includes the iTero intraoral scanner and ClinCheck, an AI-assisted treatment planning software.

Since our investment, ALGN has faced a mix of progress and setbacks largely due to the ongoing inflationary headwinds pressuring discretionary healthcare spend. We remain optimistic about ALGN’s leadership in the ~\$5 billion clear aligner market and believe that the moat between ALGN and competitors will further widen as ALGN rolls out fully 3D printed products over the next few years, including the first 3D printed clear aligner. The teen orthodontic channel continues to present substantial growth potential as the secular shift from brackets-and-wires to clear aligners is in the early innings, and penetration remains low. While adult aligner demand has slowed post-COVID due to demand pull-forward during the pandemic, easing macro pressures and clearing backlogs should support a return to mid-teens growth for the teen population and mid- to upper-single digits for adults.

ALGN reported a Q3 2024 miss on revenue and case shipments compared to Street expectations, along with softer Q4 2024 guidance, pressuring shares. The revision reflected incremental ASP pressures tied to FX and a modest rise in promotional activity along with ongoing macroeconomic pressures



afflicting the dental sector. Despite these challenges, ALGN reported a record number of dental customers during the quarter and continues to make progress in TAM expansion and manufacturing innovation with the rollout of the Invisalign Palate Expander, its first direct 3D printed product, and strong sales of the next-generation iTero Lumina intraoral scanner. With Street numbers for 2025 reset lower, valuation at multi-year lows, improving consumer sentiment, and growing optimism amongst dental professionals with the incoming presidential administration, we see an improved setup heading into next year.

While timing remains uncertain given the company's recent growth challenges and softer Q3 2024 performance, ALGN has delivered 5% organic revenue growth and 12% EPS growth on a year-to-date basis. This performance is better than broader medtech peers, reinforcing our belief that ALGN can return to more consistent upper-single- to low-double-digit global revenue growth and low- to mid-teens or slightly higher earnings growth as the macro environment improves. In this scenario, we believe that ALGN's EBITDA multiple could re-rate from 14x 2025 EBITDA to the low-20s, in line with medtech peers, including dental and animal health peers STMN and IDXX and other quality, medtech market leaders such as SYK, RMD. Forecasting the timing of such improvement and multiple expansion, however, remains the biggest challenge, in our view. As with many of our historical winners, we expect our patience to be rewarded ultimately.

Axcelis Technologies ("ACLS")

Axcelis Technologies, a leading ion implant semiconductor capital equipment company, declined -33.36% in the fourth quarter as softness in some of the company's end markets weighed on results and the stock price. ACLS is a leader in equipment used in the production of power semiconductors, such as Silicon Carbide ("SiC"), a key component in the Electric Vehicle supply chain. The company noted on its earnings call that it saw a downtick, which was attributed to SiC inventory digestion in China and broader weakness in power semiconductors in Europe. Management provided an initial view on 2025, noting that Q1 2025 revenue will likely be lower than Q4 2024 and that 2025 revenue could be lower than 2024. While we still see a significant opportunity for Axcelis, the near-term remains extremely cloudy, and the company's commentary suggests that the timing of a near-term rebound remains a question mark, and visibility appears to be further reduced. Note that we reduced the position size significantly ahead of earnings, and today it represents less than 1% of the Fund's equity.





Consumer Discretionary Company

A short position in a consumer discretionary company rose approximately +40.00% in the third quarter. Despite higher expenses from renewed contracts, the stock rallied on better-than-expected financials and Q4 2024 guidance. Note that while not designed as a pair trade, we have a core long investment in this company's main competitor.

Financials Company

A short position in a financials company rose approximately +100.00% in the fourth quarter. Along with other companies in the sector, shares appreciated hopes for significant deregulation after the election in November. Note that while not designed as a pair trade, we also have a long investment in one of this company's competitors.

Bank of Cyprus Holdings ("BOCH")

Bank of Cyprus Holdings, the leading bank in Cyprus, had its share price ticked down by -0.86% (in Euros) in Q4 2024 as the shares consolidated their gains from prior quarters, ending the year with a +37.31% share price appreciation. However, the Euro's -7% decline in the fourth quarter led to unrealized losses of close to 8% in USD during the period.

The Cyprus economy continues to strengthen, with GDP growth accelerating to 3.8% in Q3 2024. All major ratings agencies have upgraded Cyprus to A- in the last few months. BOCH recorded an impressive return on tangible equity ("ROTE") of 22.9% and high organic capital generation of 355bps in the first nine months of 2024, increasing its CET-1 capital to 20.9% pre-distribution accrual, much higher than its regulatory requirement of 10.9% and its internal target of 15%. Asset quality is now excellent, with an NPE ratio of 2.4% in Q3, and 96% provision coverage. Management has taken hedging actions to smoothen the effect of ECB rate decreases and we expect its profitability will remain high going forward. The bank had €7.5 billion of cash or 29% of total assets deposited at the ECB at the end of Q3 2024.

We expect 2024 EPS to be around 2023 record levels, and the shareholder payout to increase to 50% of earnings from 30% for 2023, leading to a dividend yield of around 10%. In an important development, regulators recognized the excellent condition of the bank and released it from the requirement for pre-approval of dividend payments.

In addition to the dividend, we expect a new, larger buyback program to commence in the next weeks, which will be another positive for the share price. The prior buyback of €25 million and the relisting in Athens have led to higher share liquidity, improving in what had been a key weakness for the shares. Brokers completed two heavily oversubscribed accelerated bookbuilding secondary share sale



processes in the fourth quarter through which they have placed about 8% of the outstanding shares with highly reputable long only funds, which enhanced the quality of the shareholders.

Based on our analysis, BOCH has one of the highest dividend yields, highest ROTEs and one of the highest capital ratios of publicly traded Euro-area banks yet has the lowest valuation in terms of P/E multiple at around 4x and one of the lowest in terms of price/book. We continue to believe that the market undervalues BOCH and that the shares have strong potential to reprice higher due to their excellent anticipated dividend yield and high profitability, coupled with improvement in its visibility and trading volumes, which are likely to lead to a convergence in its valuation relative to comparable high-ROTE European banks. We remain optimistic about its performance in 2025.

Portfolio Activity

We added to a number of core holdings in the quarter, including WIX, ALGN, and other core investments. We initiated positions in a social media company and a semiconductor testing products and services company. We trimmed a few core holdings and exited or largely exited a few investments, generally based on relative stock price strength and position sizing, including companies in the information technology, financial, consumer discretionary, and industrial sectors. Given our expectation of market strength associated with a Trump victory, we did not add to any short positions in the quarter and largely covered a few existing short positions in the industrials, consumer staples, and consumer discretionary sectors. As a result of stock price and portfolio changes, the Fund ended the year with higher gross and net long exposure than at the start of the year. The Fund’s gross long exposure on December 31, 2024, increased from 144% at the end of 2023 to 155%, while short exposure declined to 9% from 15%. The Fund closed out the year with a net long exposure of 146%, compared to 129% at the beginning of the year.

During the quarter, one of the Fund’s largest core investments, Canadian oil and gas exploration and production company Paramount Resources (“POU”), announced a significant asset sale that will fund a large dividend representing approximately half of the market cap of the company. With this cash dividend anticipated for an early 2025 payout, we think that the effective gross long and net exposure should be reduced by the amount of the cash dividend, which approximates 5% of the Fund’s equity. As a result, on a pro forma basis, the Fund’s gross long exposure would decrease to approximately 150%, and net long exposure would be about 141%.





Review of 2024

Below, we show the Fund's sector attribution for 2024 along with average gross long and short exposure for the year:

Sector Exposure and Average Exposures for 2024⁷

Sector	Attribution 2024				Average Exposure 2024				Exposure 12/31/2024			
	Long	Short	Total Gross	Total Net	Long	Short	Gross	Net	Long	Short	Gross	Net
Communication Services	2.75%	-0.09%	2.66%	2.41%	8%	0%	8%	8%	11%	0%	11%	11%
Consumer Discretionary	2.64%	-0.82%	1.82%	1.65%	15%	-7%	22%	8%	16%	-4%	20%	12%
Consumer Staples	-0.79%	-0.37%	-1.16%	-1.27%	2%	0%	2%	2%	3%	-1%	4%	2%
Energy	2.60%	0.01%	2.61%	2.36%	13%	0%	13%	13%	12%	0%	12%	12%
Financials	4.55%	-0.71%	3.84%	3.47%	23%	-1%	24%	22%	22%	-1%	23%	21%
Health Care	-7.66%	-0.06%	-7.72%	-8.46%	13%	0%	13%	13%	14%	0%	14%	14%
Industrials	9.46%	0.11%	9.57%	8.66%	15%	-4%	19%	11%	19%	-3%	22%	16%
Information Technology	11.56%	0.07%	11.63%	10.52%	46%	-1%	47%	45%	49%	0%	49%	49%
Materials	-0.71%	0.01%	-0.70%	-0.77%	1%	0%	1%	1%	1%	0%	1%	1%
Real Estate	1.49%	-0.19%	1.30%	1.18%	11%	0%	11%	11%	8%	0%	8%	8%
Utilities	0.00%	0.00%	0.00%	0.00%	0%	0%	0%	0%	0%	0%	0%	0%
Index/ETF	-0.06%	0.04%	-0.02%	-0.02%	0%	0%	0%	0%	0%	0%	0%	0%
Total	25.83%	-2.00%	23.83%	19.73%	147%	-13%	160%	134%	155%	-9%	164%	146%

On the following page is a list of the top 10 winning and losing investments (in rank order) for the Fund in 2024:

⁷ Net Attribution Figures have been prepared on a pro forma basis and provided above. Important considerations regarding Senvest's calculation methodology for the Net Sector attributions should be reviewed under the Important Disclosures on page 15—these figures are not properly understood without reference to these disclosures.

**Top 10 Contributors in 2024⁸**

Company	Ticker	Long/Short	12/31/2023 Stock Price	12/31/2024 Stock Price	% Price Change
TOWER SEMICONDUCTOR	TSEM	Long	30.52	51.51	68.77%
MDA SPACE	MDA	Long	11.52	29.53	156.34%
WIX.COM	WIX	Long	123.02	214.55	74.40%
KORNIT DIGITAL	KRNT	Long	19.16	30.95	61.53%
CIENA	CIEN	Long	45.01	84.81	88.42%
M&T BANK	MTB	Long	137.08	188.01	37.15%
PARAMOUNT RESOURCE	POU	Long	25.93	31.82	22.72%
BANK OF CYPRUS	BOCHGR	Long	3.35	4.60	37.31%
CRITEO ADR REP	CRT0	Long	25.32	39.56	56.24%
RADWARE	RDWR	Long	16.68	22.53	35.07%

Top 10 Detractors in 2024⁹

Company	Ticker	Long/Short	12/31/2023 Stock Price	12/31/2024 Stock Price	% Price Change
HEALTH CARE CO	N/A	Short	N/A	N/A	-40.00%
UIPATH	PATH	Long	24.84	12.71	-48.83%
AMERICAN WELL	AMWL	Long	29.80	7.25	-75.67%
AXCELIS TECHNOLOGIES	ACLS	Long	129.69	69.87	-46.13%
AVIDXCHANGE HOLDINGS	AVDX	Long	12.39	10.34	-16.55%
ALIGN TECHNOLOGY	ALGN	Long	274.00	208.51	-23.90%
CONSUMER DISCRETIONARY CO	N/A	Short	N/A	N/A	60.00%
FINANCIALS CO	N/A	Short	N/A	N/A	50.00%
KILROY REALTY REIT	KRC	Long	39.84	40.45	1.53%
LUMIRADX	N/A	Long	0.06	0.00	-100.00%

Outlook and Positioning for 2025

As one might judge from the positioning of the Fund mentioned previously, we believe the return of the Trump presidency should provide tailwinds to the economy and our portfolio companies stemming from a drastically reduced regulatory burden, lower taxes, and efforts to boost domestic manufacturing. One important difference that stands out at this time is that AI's burgeoning development and influence are a major fillip to the economy. Many pundits and the broader financial media harp on the potential for inflation that could come from a stronger economy resulting from Trump policies, and the risk of a return of Fed interest rate hikes, which would act as a headwind to

⁸ Bank of Cyprus is based on the prices of ASE listed securities, which is denominated in EUR. The P&L/performance also includes the Fund's investment in Senvest Cyprus Recovery Fund, L.P.

⁹ LumiraDx was delisted from the Nasdaq on January 9, 2024





stock prices. However, we think that doesn't necessarily hold true when economic growth comes with productivity improvements. In fact, we've seen this in action this past year as productivity has shown solid trends as noted by Ned Davis Research ("NDR"): "Continued strong productivity growth keeps a lid on unit labor costs and inflation...Non-farm productivity increased at a 2.2% annualized rate in Q3...It is up 2.0% from a year ago, at par or better than the upwardly revised average annual productivity gains in 2021 through 2023. It is also stronger than productivity growth in the previous business cycle through 2019." In another note, NDR adds "Nonfarm productivity has averaged 2.4% through the first three quarters of 2024, **the fastest pace this late in an expansion since the 1990s.**"¹⁰ We believe the continued development and deployment of AI technologies should further support productivity gains. While we recognize risks associated with the recent announcement of tariffs on Canada, Mexico, and China and the volatility of President Trump's proclamations, we note that in his second administration, he has appointed more seasoned Wall Street veterans and money-makers in critical positions. Business leaders also seem to have his ear. We also believe that Trump regards the S&P 500 index as perhaps the most important "opinion" poll he monitors. Therefore, we think that tariffs will be relatively short-lived.

Another important data point following the election that bolsters our conviction came with the release of the December National Federation of Independent Businesses ("NFIB") small business optimism Index. NDR points out that "The NFIB Small Business Optimism Index soared a record 8.0 points in November to 101.7, the highest level since June 2021, and well above expectations."¹¹ Bank of America's "Small Business Checkpoint" research, based on Bank of America account data, supported the surveyed optimism. They note: "Small business profitability in the last quarter of 2024 was stronger than the past two years...profits were close to pre-pandemic levels."¹²

On a final note, while the S&P 500 has hit record highs this month and many decry the relatively historically high valuation of that index, small and mid-cap stocks appear much cheaper and reasonably valued. Bloomberg reports that "US midcap stocks are attractive at the moment given their relatively cheaper valuations compared with larger companies, according to Goldman Sachs Group Inc. "They trade at much lower multiples than the rest of the market" and have similar growth rates, David Kostin, Goldman Sachs chief US equity strategist, said in a Bloomberg Television interview."¹³ In a related research report from November, Kostin points out that "The S&P 400 (ticker: MID), an index of mid-cap stocks, has a long track record of outperformance versus large and small-cap stocks, similar consensus earnings growth as large-caps, and trades at a lower absolute P/E multiple (16x)."¹⁴ We

¹⁰ Ned Davis Research (January 6, 2025). The 24 Charts of 2024: a year in pictures

¹¹ Ned Davis Research (December 10, 2024). Small business optimism surges.

¹² Bank of America (January 17, 2025). Small Business Checkpoint. Starting the new year strong.

¹³ Bloomberg (January 14, 2025). US midcap stocks are top bets to own now, Goldman's Kostin says.

¹⁴ Goldman Sachs Research (November 18, 2024). 2025 US Equity Outlook: The Art of the Deal.



also observe that the Russell 2000, comprised of small-cap stocks, trades at close to all-time lows relative to the broader Russell 1000 index, comprised of the largest 1,000 companies.

We have historically referenced the Russell 2000 index as the closest benchmark to the Fund, as it comprises stocks with a market cap range of \$150 million to \$7.1 billion and an average market cap of around \$4.3 billion. Over the past number of years, though, the Fund has gravitated towards investments in mid-cap companies. The median market cap of the Fund's top 15 long holdings, which comprise about 100% of equity, amounts to about \$7.0 billion and with a range of approximately \$950 million to \$31 billion. A breakdown of the Fund's composition by market cap size shows its net exposure to mid-cap stocks (\$2 billion to \$10 billion market cap) at approximately 66%. This explains why we highlighted the potential for mid-cap stocks in the prior paragraph.

The attached Appendix shows the Fund's top 15 long positions and their market valuations. We believe they reflect the relative cheapness of the Fund in absolute and relative terms.

We thank our partners for your support and continued confidence in Senvest by entrusting us with your capital. As always, feel free to reach out to us with any questions.

Very truly yours,

Richard Mashaal

Brian Gonick



Appendix A – Senvest Master Fund Top 15 Long Positions

Senvest Master Fund Top 15 Long Positions

	Price	% Change			Trailing ⁽¹⁾				2025 Calendar ⁽²⁾			Market Cap
		52 Wk High	LTM	2025	EV / Rev	EV / EBITDA ⁽³⁾	P / Adj. EPS ⁽⁴⁾	P / TBV	EV / Rev	EV / EBITDA ⁽³⁾	P / Adj. EPS ⁽⁴⁾	
Tower Semi (TSEM US)	\$49.40	(10%)	72%	(4%)	3.2x	9.7x	21.8x	2.1x	2.9x	8.2x	18.0x	\$5,556
Wix (WIX US)	\$230.49	(7%)	80%	7%	7.8x	37.9x	39.4x	NM	6.6x	26.6x	30.4x	\$13,736
Paramount Resources (POU CN) ⁽⁵⁾	C\$29.31	(11%)	16%	(8%)	2.6x	4.7x	4.5x	1.3x	6.1x	7.3x	11.4x	C\$4,578
Kornit (KRNT US)	\$28.86	(12%)	65%	(7%)	4.3x	NM	NM	1.9x	3.8x	NM	40.7x	\$1,434
UiPath (PATH US)	\$14.21	(47%)	(39%)	12%	4.5x	26.6x	23.0x	4.8x	4.0x	25.4x	22.4x	\$7,872
Bank of Cyprus (BOCHGR GA)	€4.91	(3%)	41%	7%	NM	NM	4.1x	0.8x	NM	NM	5.9x	€2,175
Boston Properties (BXP US)	\$71.68	(20%)	13%	(4%)	8.8x	16.2x	10.1x	2.3x	8.8x	15.4x	14.4x	\$12,630
M&T Bank (MTB US)	\$195.87	(12%)	47%	4%	NM	NM	13.4x	1.4x	NM	NM	12.0x	\$32,821
Align Technology (ALGN US)	\$215.82	(35%)	(21%)	4%	3.8x	14.9x	21.7x	4.8x	3.6x	15.4x	19.8x	\$16,134
MDA (MDA CN)	C\$21.93	(26%)	91%	(26%)	3.1x	15.3x	NM	NM	2.1x	10.8x	20.5x	C\$2,725
Illumina (ILMN US) ⁽⁶⁾	\$131.10	(16%)	(6%)	(2%)	5.1x	19.7x	30.8x	NM	4.9x	17.8x	NM	\$20,845
Marriott Vacations (VAC US)	\$84.89	(21%)	1%	(5%)	1.2x	8.0x	12.9x	NM	1.1x	7.4x	11.1x	\$2,964
RH (RH US)	\$395.14	(13%)	54%	0%	3.1x	19.0x	NM	NM	2.7x	13.0x	31.0x	\$7,303
Criteo (CRTL US)	\$37.66	(24%)	43%	(5%)	2.0x	5.6x	7.8x	6.0x	1.8x	5.7x	8.0x	\$2,345
Radware (RDWR US)	\$22.01	(10%)	17%	(2%)	2.2x	20.2x	17.3x	4.2x	2.0x	14.4x	16.4x	\$959
Median ⁽⁷⁾		(13%)	41%	(2%)	3.2x	15.7x	15.3x	2.2x	3.6x	13.7x	17.2x	
Russell 2000 ⁽⁸⁾		(6%)	17%	3%	1.8x	14.6x	19.9x	3.8x	1.9x	12.8x	17.8x	
S&P 500 ⁽⁸⁾		(1%)	22%	3%	3.4x	16.5x	27.6x	13.7x	3.3x	14.7x	23.7x	

Note : NM = Not Meaningful. NA = Not Available. Senvest Top 15 ranking as of 2/3/25. Prices, market cap and fundamentals as of 2/3/25. POU CN and MDA CN Price, Market Cap and EPS in CAD, BOCHGR GA. Price, Market Cap and EPS in EUR, all other positions in USD. BOCHGR GA position includes investment in Senvest Cyprus Recovery Investment Fund (SCRIF).

- (1) Trailing multiples based on last twelve months reported data for all companies.
- (2) Bloomberg Estimates for calendar year 2025; Adjustments exclude non-cash charges, including intangible amortization and stock-based compensation.
- (3) Trailing and Forward EBITDA estimates for POU CN represent Debt Adjusted (Unlevered) Cash Flow.
- (4) P / Adj. EPS based on cash adjusted stock prices for those companies with positive net cash per share (TSEM, WIX, POU, KRNT, PATH, ALGN, CRTO, and RDWR). Earnings estimates for POU CN and BXP US based on FFO.
- (5) POU CN historicals and projections are unadjusted for the sale of Montney assets to Oviniv.
- (6) ILMN historicals and projections exclude GRAIL reportable segments.
- (7) Median calculations also exclude members with negative earnings.
- (8) P / EPS for Russell 2000, and S&P 500 represent current Price / Adj. EPS multiples from Bloomberg excluding members with negative earnings.

AUM (\$ Million) - as of 12/31/2024 \$2,517.8

Portfolio Exposure (% of AUM)	Change		
	Q3 2024	Q4 2024	Change
Gross Long	147%	155%	8%
Gross Short	-10%	-9%	1%
Total Gross	157%	164%	7%
Net	137%	146%	9%
Cash & Currency	-37%	-46%	-9%

Concentration (% of Equity)	Change		
	Q3 2024	Q4 2024	Change
Top 10 Longs	72%	78%	7%
Top 20 Longs	111%	118%	7%
Largest Long Position Size	13%	14%	1%
Top 10 Shorts	10%	8%	-2%
Top 20 Shorts	10%	9%	-1%



IMPORTANT DISCLOSURES

This letter is an informational document and does not constitute an offer to sell or a solicitation to purchase any securities in any entity organized, controlled, or managed by Senvest Management, LLC ("Senvest") or in (i) Senvest Partners LP, a Delaware limited partnership, (ii) Senvest Partners Ltd., a Cayman Islands exempted company (both Senvest Partners LP and Senvest Partners Ltd. invest substantially all of their assets in Senvest Master Fund, L.P.), or any other partnership interests described herein (collectively, the "Funds"), and may not be relied upon in connection with any offer or sale of securities. Any offer or solicitation may only be made pursuant to a Confidential Private Offering Memorandum (or similar document) which will only be provided to qualified offerees and should be reviewed carefully by any such offerees prior to investing.

An investment in a Fund involves risk and volatility. Because this communication is only a high-level summary it does not contain all material terms pertinent to an investment decision, including important disclosures of conflicts and risk factors associated with an investment in a Fund. This document in and of itself should not form the basis for any investment decision. An investment in a Fund is speculative and entails substantial risks, including the fact that such an investment would be illiquid and be subject to significant restrictions on transferability. No market is expected to develop for interests in any Fund. Financial instruments and investment opportunities discussed or referenced herein may not be suitable for all investors, and potential investors must make an independent assessment of the appropriateness of any transaction in light of their own objectives and circumstances, including the possible risk and benefits of entering into such a transaction.

An investor in a Fund could lose all or a substantial amount of his or her investment. Returns generated from an investment in a Fund may not adequately compensate investors for the business and financial risks assumed. While the Funds are subject to market risks common to other types of investments, including market volatility, the Funds employ certain trading techniques such as the use of leverage and other speculative investment practices that may increase the risk of investment loss. The products and strategies in which the Funds expect to invest may involve above-average risk. Please see the Risk Factors section of the applicable Confidential Private Offering Memorandum (or similar document) for certain risks associated with an investment in a Fund.

Certain information contained in this Presentation constitutes "forward-looking statements," which 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 policies, procedures and processes of the Investment Manager and the performance of the Funds may differ materially from those reflected or contemplated in such forward-looking statements and no undue reliance should be placed on these forward-looking statements, nor should the inclusion of these statements be regarded as the Investment Manager's representation that the Funds will achieve any strategy, objectives or other plans.

This document should be read in conjunction with, and is qualified in its entirety by, information appearing in the Confidential Private Offering Memorandum (or similar document) for each Fund and the organizational documents for such fund (e.g. limited partnership agreements, articles of association, etc.), which should be carefully reviewed prior to investing. Potential investors should consult a professional adviser regarding the possible economic, tax, legal or other consequences of entering into any investments or transactions described herein. Investment allocations and ownership percentages are subject to change without notice. The information contained herein is confidential and cannot be reproduced, shared or published in any manner without the prior written consent of Senvest.

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The Investment Manager is not acting and does not purport to act in any way as an advisor or in a fiduciary capacity vis-a-vis any investor in the Funds. Therefore, it is strongly suggested that any prospective investor obtain independent advice in relation to any investment, financial, legal, tax, accounting or regulatory issues discussed herein. Analyses and opinions contained herein may be based on assumptions that if altered can change the analyses or opinions expressed. Nothing contained herein shall constitute any representation or warranty as to future performance of any financial instrument, credit, currency rate or other market or economic measure.

Certain performance information is provided for the Funds. Performance numbers are net of all fees and expenses unless noted otherwise. All returns are subject to revision until completion of the annual audit. Past performance is not necessarily indicative of or a guarantee of future results. Short position percentage of price change is rounded to maintain the anonymity of the security. Unless otherwise noted, all calculations in this report are made by Senvest. All profit and loss, or other performance information is unaudited and is net of fees and expenses based on an investment made at inception. Total returns reflect compounded monthly returns. The distribution of this document in certain jurisdictions may be prohibited or restricted by law; therefore, people in whose possession this document comes should inform themselves about and observe such restrictions. Any such distribution could result in a violation of the law of such jurisdictions.

Gross and Net Attribution Figures: Attributions of sector-level performance are shown on a gross basis unless otherwise noted herein ("Gross Attributions"). Gross Attributions reflect the return contribution by the aggregate investments in each Sector for the period indicated (calculated by dividing the gains/losses of the indicated Sector over the portfolio, as applicable), but is calculated prior to the deduction of management fees, [expenses] and incentive compensation paid to Senvest, which will reduce performance.

Net sector attributions ("Net Attributions") reflect Gross Attributions, reduced by a percentage equal to the quotient of the applicable Fund's net return divided by the applicable Fund's gross return in order to approximate a pro forma "net" return. This pro forma return should not be relied upon as a precise metric of the impact of fees and expenses on the performance of each Sector, for the reasons detailed below.

Net Attributions are presented pro forma because, although such figures reflect actual performance, these calculations apply management fees, expenses, and incentive compensation to each Sector's Gross Attributions, even though each Fund's fees, expenses and incentive compensation are only calculated for the applicable Fund as a whole. Correspondingly, this approximation does not precisely reflect the impact such fees and expenses had on the performance of positions included in each Sector. Net Attributions do not take into account the specific impact of leverage and other costs on specific Sectors' performance, nor do they incorporate the differing impact that each investor's [or Fund's] high water mark has on specific Sectors. For example, if the Fund as a whole accrued incentive compensation for a given period, the Net Attributions methodology would result in the reduction of Gross Attributions, on a percentage basis, of an amount incorporating that accrued incentive compensation from each Sector's performance, even where a Sector experienced negative performance (and therefore, viewed in isolation, would not have accrued incentive allocation). [In addition, expenses are not tracked on a Sector-by-Sector basis, and therefore the Net Attributions shown herein do not reflect an approximation of the precise impact of expenses on specific Sectors' performance—many expenses are incurred on a fund-wide level and do not relate to any specific portion of the investment program. Pro forma performance of this nature is subject to inherent limitations and should not form the basis for an investment decision. Additional information on the risks and limitations of pro forma performance is available upon request.





Senvest Master Fund, L.P. performance returns presented in certain tables reflect those Funds' historical performance during the time periods indicated.

The S&P 500 Index, HFRI Equity Hedge Total Index, and Russell 2000 Index (collectively, the "Indices") are included for informational purposes only. All index returns include dividend reinvestment. The Funds' portfolios will not replicate any of these indices and no guarantee is given that performance will match any of the indices; it is not possible to invest in any index. There are significant differences between the Funds' investments and the Indices (for instance, the Funds will use short sales and leverage and may invest in securities that have a greater degree of risk and volatility, as well as less liquidity, than those securities contained in the Indices). Moreover, the Indices are not subject to any of the fees or expenses that the Funds must pay. It should not be assumed that the Funds will invest in any specific securities that comprise the Indices, nor should it be understood to mean that there is a correlation between the Funds' returns and the Indices' performance. Additional information on each index follows:

The S&P 500 index is one of the most commonly used benchmarks for the overall U.S. stock market. This index is a broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held stocks including industrial, transportation, financial, and utility stocks. The composition of the 500 stocks is flexible and the number of issues in each sector varies over time.

The HFRX Equity Hedge Total Index is calculated by Hedge Fund Research, Inc. and is a benchmark of hedge fund industry performance that is engineered to achieve representative performance of equity hedge fund managers that would typically maintain at least 50%, and may in some cases be substantially entirely invested, in equities, both long and short. In order to be considered for inclusion in the HFRX Equity Hedge Index, a hedge fund must be currently open to new transparent investment, maintain a minimum asset size and meet the duration requirement (generally, a 24-month track record). Because the HFR Indices are calculated based on information that is voluntarily provided, actual returns may be higher or lower than those reported.

The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which is made up of 3,000 of the largest U.S. stocks by market capitalization. The Russell 2000 Index represents approximately 8% of the total market capitalization of the Russell 3000 Index.



	Q4 ¹⁵			Q4 ¹		Annualized	Cumulative
	Oct	Nov	Dec	2024	2024	Since Inception	Since Inception
Senvest Technology Partners	-3.08%	18.44%	0.50%	15.37%	33.46%	17.63%	3,317.92%
NASDAQ	-0.49%	6.30%	0.56%	6.36%	29.60%	14.24%	1,709.45%
Russell 2000	1.44%	10.97%	-8.26%	0.33%	11.53%	10.12%	713.15%

Dear Partners,

The fourth quarter ended strong as financial markets rallied on the heels of the U.S. election, with Donald Trump returning to the presidency. The promise of a more business-friendly environment, deregulation, and lower tax rates propelled the market in November. For the fourth quarter, the Fund was up +15.37%, outperforming its peer indices, with the NASDAQ up +6.36%, and the Russell 2000 up +0.33%. The “risk-on” post-election euphoria that drove SMID cap outperformance in November was short-lived. By early December, the Fed had signaled a pause in rate cuts as a precautionary measure to ensure that inflationary pressures would not heat up. While the near term remains fraught with the uncertainty of the disruptive nature of Trump’s policies, we remain optimistic about the breadth and depth of technology adoption across global economies underpinning renewal and a return to growth.

2025 is off to a volatile start, with the first two months affected by mixed signals impacting global trade and foreign policy. On the one hand, we see some early signs of green shoots across several industries, suggesting a bottoming in the economic cycle. On the other, we are experiencing subdued global economic growth due to the potentially disruptive nature of U.S. tariffs. Even as the ‘fog of economic war’ has thickened and fostered a more cautious spending environment, the pace of technological innovation continues to advance, particularly with Artificial Intelligence (“AI”). This technology is now evolving from years of training AI models to an era of deploying these models for inferencing and reasoning into software applications and business processes. We are only at the beginning of the AI journey, which promises to have a profound impact on a wide range of industries from life sciences, robotics & industrial automation, software and cyber security to self-driving vehicles, to name a few. We believe this new era of AI will lead to renewed growth in devices, applications, and services in both the cloud and at the edge of the network that will drive better

¹⁵ Net Performance





outcomes and productivity. AI has the potential to be one of the most transformative technologies to emerge since the birth of the Internet.

Technology Market Commentary:

AI continues to permeate deeper throughout the global economy and has been one of the key drivers behind spending in the technology stack even as other industries like wireless communications, Electric Vehicles ("EVs"), renewable energy, industrial automation, healthcare, and consumer electronics have seen a cyclical downturn. The continued pace of innovation across many fields within technology remains robust and, when combined with AI, promises to catalyze demand as improvements in capability, efficacy, and efficiencies reignite these growth industries.

AI was the singular biggest driver of growth in the fourth quarter as hyperscale cloud vendors continued to spend at a record pace on AI infrastructure. Hyperscale capex (Amazon, Google, Meta, Microsoft, and Oracle) increased 32% year-over-year in Q4 2024 and increased around 86% in 2024 to roughly \$261 billion and is projected to increase again in 2025 at 34% year-over-year to nearly \$350 billion. We are seeing a broadening of the AI ecosystem as it transitions from training to inferencing. Unlike the past three years, when only selected companies such as Nvidia, Microsoft, Amazon, Google, Meta, and OpenAI-types were considered the custodians of AI, this next phase of growth promises to distribute the benefits to a broader range of companies, industries, and regions.

Nearly all the companies we meet with describe how AI is being integrated into the core of their products and services, accelerating product refresh cycles and optimizing their business processes and capabilities. In several end markets to which the Fund's investments have direct exposure, we are witnessing new levels of innovation reigniting growth after many years of market stagnation.

Wireless Communications – Edge AI Connectivity:

One area primed for significant innovation is the cell phone industry, which is poised for a major evolution centered around AI and satellite communication. Apple is at the forefront with its own Apple Intelligence, promising to reaccelerate demand for new devices and services that will mirror the cadence of introducing new dedicated AI hardware. A new phase of innovation around AI and Satellite communication should shorten the refresh cycle for cell phones and propel the entire industry forward as competitors, such as Samsung, quickly respond to the new features being introduced by Apple. Combined with new AI capabilities, the cell phone will also incorporate new satellite connectivity technologies, and after years of stagnation, the mobile ecosystem is set for a period of AI-driven innovation and growth.

As AI extends its reach into edge device areas like remote health monitoring, smart home, industrial automation, and transportation, to name a few, having a secure and resilient wireless connection is paramount to providing cloud-enabled services. We continue to see devices incorporate more advanced connectivity standards that range from near-field technologies like Bluetooth, WiFi7, and private terrestrial networks to more complex systems based on satellite-to-device connectivity. Several of our investments are geared towards this theme of wireless connectivity and provide the



Fund with exposure across the stack from Apple's new in-house cellular modems to the emerging direct-to-device Low Earth Orbit ("LEO") satellite market.

Electrification – Automotive and Solar:

The automotive market remains a tale of two worlds: weak demand persists in Western economies, while China sees persistent strength from government-sponsored EV adoption. The trend toward electrification offsets weakness in traditional internal combustion engine vehicles. In the West, the downshift in demand for hybrids and low-cost EVs in China has resulted in a more muted growth profile for the EV supply chain, which has geared up for fast growth. As AI technology for self-driving cars advances, we are closer to the reality of robotaxis, transforming the ride-share industry and reigniting demand for EVs.

Solar energy has faced a cyclical downturn for nearly six quarters, as high interest rates and reduced government incentives have impacted demand. Given a significant percentage of the world's solar panels are manufactured in China, the escalating trade war poses a growing risk of disrupting the supply of affordable Chinese rooftop solar panels and potentially jeopardizing a recovery for residential solar.

Industrial Automation:

Industrial automation signifies a vital investable theme that we expect will evolve over the coming years, particularly as regionalization and the repatriation of production take place worldwide. The ongoing post-Covid transition away from China will generate demand for a more efficient and resilient supply chain. To ensure this new strategy aligns with cost criteria, increased levels of automation will be crucial. Current threats of U.S. tariffs are likely to trigger a shift from nearshoring to onshoring, as China attempts to rely on countries like Mexico and Canada as loopholes to circumvent existing trade barriers.

The introduction of AI into conventional manufacturing processes is now being integrated into the factory floor, driving improvements in predictive maintenance and quality control while enhancing the capabilities of autonomous robotics, process automation, and supply chain management, along with many other functionalities. Overall, AI in industrial automation allows factories to operate more efficiently, reduce expenses, and improve quality. In the near term, we are seeing a pause in purchasing across industrial spending as many companies wait for more certainty regarding trade policies, government programs, and interest rate policy.

Enterprise Software & IT Services:

Finally, enterprise software and IT services remain under pressure due to slower economic activity, which has prevented discretionary budgets from expanding at the same pace as in previous years. We have just completed our fourth year of the post-COVID adjustment period, during which enterprises have managed their IT spending on software applications and engineering more tightly. Somewhat offsetting the cyclical effect is the ongoing digital transformation of cloud migration, which





is now entering a new phase of AI integration. This next phase of enterprise software innovation centered around the integration of cloud AI is expected to drive increased productivity. Agentic AI is helping to streamline processes that were too complex to automate in the past and promises to bring new efficiencies and capabilities to the market. As mentioned, we are in the early stages of an enterprise AI transformation and foresee this trend continuing over the next several years.

OUTPERFORMERS:

MDA Space [TSX: MDA CN] and Wix.com [NASDAQ: WIX] were the two largest contributors in the fourth quarter.

MDA

MDA Space saw its stock increase by +69.91% in the fourth quarter as the company continued progressing on multiple fronts, including opportunities within its backlog and pipeline. Although expectations were high, the company delivered revenue, profitability, and operating cash flow that exceeded expectations. Prior to the company's earnings release in November, MDA's customer Globalstar announced that it was selected to provide satellite communication services for Apple's next-generation satellite-to-device services.¹⁶ Investors believe that given MDA is currently the "prime" contractor for Globalstar and Apple's first constellation, there is a high likelihood that MDA could be announced as the "prime" for its next-generation satellite constellation. Over the past twelve months MDA has been announced as the prime contractor to two of the preeminent LEO satellite constellations. In 2023, MDA was announced as the "prime" for \$2.1 billion Telesat's "Lightspeed" LEO Satellite constellation of 198 satellites, and also selected to begin work on another digital constellation for an undisclosed customer. This particular contract was initially valued at \$180 million and has since increased to over \$300 million but we expect it to increase again to \$750 million for 36 software-defined satellites. We may even get this announcement in the company's upcoming fourth quarter earnings report.

In addition to its satellite contracts, MDA has several other catalysts that we expect to drive revenue and the stock. During the second half of 2024, MDA announced that it was awarded a \$1 billion contract extension to deliver the Canadarm 3 flight system for the Lunar Gateway as part of the Artemis program.¹⁷ MDA is the go-to supplier of mission-critical robotics to the International Space Station and the burgeoning commercial space economy. Additionally, MDA is getting closer to the completion of its build-out of "Chorus," its next-generation earth observation constellation that will eventually replace its legacy Radarsat-2 constellation. On top of this, MDA continues to talk about its growing pipeline that exceeds \$15 billion in satellite opportunities. We believe the company is pursuing multiple commercial constellation opportunities and could announce more wins in 2025 as it continues to build out satellite manufacturing capacity in its new state-of-the-art Montreal manufacturing hub. Although the stock increased by over 150% in 2024, shares still trade at a reasonable multiple of 11x on enterprise value to EBITDA, based on 2025 consensus estimates.

¹⁶ [https://www.cnbc.com/2024/11/01/apple-commits-1point5-billion-to-globalstar-for-iphone-satellite-services.html#:~:text=Apple%20committed%20about%20\\$1.5%20billion,and%20expand%20its%20ground%20infrastructure.](https://www.cnbc.com/2024/11/01/apple-commits-1point5-billion-to-globalstar-for-iphone-satellite-services.html#:~:text=Apple%20committed%20about%20$1.5%20billion,and%20expand%20its%20ground%20infrastructure.)

¹⁷ MDA Space News Release 6.27.2024



MDA's multiple remains roughly in line with peers but fails to reflect the expected 20-30% growth for the next several years.

WIX

Shares of Wix increased by +28.34% during the fourth quarter as the company continues to execute against growth and profitability targets that it initially laid out at its 2023 Investor Day. Wix.com offers customers a platform to create, modify, and develop their own websites for a consumer and enterprise e-commerce online presence. During the third quarter, the company exceeded revenue, bookings, and free cash flow expectations while increasing its outlook for the remainder of Fiscal Year 2024. One of Wix's key differentiators is its unique partner strategy, whereby the company partners with web-design agencies and freelancers, which is enabled by its new Wix Studio offering that includes proprietary workflow management and editing platforms that allow for a more optimized website-design experience for a higher intent customer. This strategy has been a key pillar of growth for the company, helping them balance sales growth and profitability. In the third quarter, partner channel revenue reached an all-time high of \$155 million, +30% year-over-year, representing just over one-third of company revenue. We believe there is further potential upside as Wix's Studio product continues to gain traction with website design agencies.

In addition to the growth opportunity targeting the partner ecosystem, we have become increasingly more optimistic about Wix's "Self-Creator" segment, which accounts for the remaining two-thirds of Wix's business. The company recently highlighted a new strategy to reinvigorate the "Self-Creator", which we define as smaller entrepreneur/SMB-type customers. In the upcoming year, Wix is planning to refocus their investments into this segment of the market as they are starting to see improvements in the uptake of their GenAI tools as well as in the overall macro. As Wix's partner strategy takes hold, the company is now planning to refocus resources on applying incremental AI functionality that will help automate and promote ease of use of their website builder platform to generate better outcomes for customers. Despite the move in the stock in 2024, shares of Wix currently trade at only 15-16x EV/FCF on consensus CY'26 estimates, which is a discount to SMID-cap software peers that trade at around 22x. We also believe that Private Equity's recent takeout of a Wix competitor, Squarespace, provides a valuation floor, as the company was taken out for 19x '25 Free cash flow while growing at a lower rate than Wix.

UNDERPERFORMERS

Axcelis Technologies [NASDAQ: ACLS] and a Consumer Discretionary short position were the two largest detractors in the fourth quarter.

ACLS

Axcelis Technologies, a leading ion implant semiconductor capital equipment company, declined -33.36% in the fourth quarter as softness in some of the company's end markets weighed on results and the stock price. ACLS is a leader in equipment used in the production of power semiconductors, such as Silicon Carbide ("SiC"), a key component in the EV supply chain. The company noted on its earnings call that it saw a downtick which attributed to SiC inventory digestion in China and broader weakness in power semiconductors in Europe. Management provided an initial view on 2025, noting





that Q1 2025 revenue will likely be lower than Q4 2024 and that 2025 revenue could be lower than 2024. While we still see a significant opportunity for Axcelis given the need for more ion implantation steps in many critical semiconductor manufacturing processes, the near-term remains extremely cloudy. At its Investor Day in July 2024, ACLS outlined a medium-term financial model that calls for revenue of \$1.3 billion and EPS of \$9.00/share, with a long-term model calling for \$1.6 billion in revenues and EPS of \$11.50/share. Unlike last quarter, however, the company's commentary suggests that the timing of the near-term rebound remains a question mark and visibility appears to be further reduced.

Consumer Data Technology Company

A short position in a consumer data technology company rose approximately +40.00% in the fourth quarter. The stock rallied on better-than-expected financials and Q4 2024 guidance despite higher rights expenses from renewed contracts. Offsetting some of this unrealized loss was an unrealized gain in a paired long position. Combined, the paired trade resulted in a nominal unrealized loss for the quarter.

INDUSTRY ATTRIBUTION AND EXPOSURES

Below shows the Fund's industry attribution along with the average gross, net, long, and short exposure for the last quarter¹⁸.

Industry	Attribution Q4				Average Exposure Q4			
	Long	Short	Total Gross	Total Net	Long	Short	Gross	Net
Aerospace & Defense	6.02%	0.00%	6.02%	5.48%	18%	0%	18%	18%
Banks	-0.10%	0.00%	-0.10%	-0.11%	1%	0%	1%	1%
Communications Equipment	2.73%	0.00%	2.73%	2.48%	9%	0%	9%	9%
Electronic Equipment, Instruments & Components	-0.10%	0.00%	-0.10%	-0.11%	4%	0%	4%	4%
Financial Services	0.91%	0.00%	0.91%	0.83%	3%	0%	3%	3%
Health Care Technology	-0.18%	0.00%	-0.18%	-0.20%	1%	0%	1%	1%
Hotels, Restaurants & Leisure	0.28%	-0.77%	-0.49%	-0.53%	2%	-3%	5%	-1%
Interactive Media & Services	0.44%	0.00%	0.44%	0.40%	5%	0%	5%	5%
IT Services	3.24%	0.00%	3.24%	2.95%	13%	0%	13%	13%
Machinery	1.81%	0.00%	1.81%	1.65%	11%	0%	11%	11%
Media	0.01%	0.00%	0.01%	0.01%	5%	0%	5%	5%
Semiconductors & Semiconductor Equipment	3.02%	0.00%	3.02%	2.75%	27%	0%	27%	27%
Software	0.19%	-0.01%	0.18%	0.16%	20%	0%	20%	20%
Index/ETF	0.00%	0.00%	0.00%	0.00%	0%	0%	0%	0%
Other	-0.14%	-0.19%	-0.33%	-0.36%	1%	0%	1%	1%
Total	18.13%	-0.97%	17.16%	15.40%	120%	-3%	123%	117%

¹⁸ Net Attribution Figures have been prepared on a pro forma basis and provided above. Important considerations regarding Senvest's calculation methodology for the Net Sector attributions should be reviewed under the Important Disclosures on page 8—these figures are not properly understood without reference to these disclosures



PORTFOLIO CHARACTERISTICS

During the fourth quarter, the Fund's net exposure remained relatively stable at 118%, closely aligning with the third quarter's net exposure of 117% and the second quarter's net exposure of 116%. Our gross exposure slightly increased to 124%, up from 121%. 2024 ended with continued growth in the AI-driven economy alongside signs of more cyclical industries beginning to bottom as channel inventories deplete. However, with the increased macroeconomic uncertainties surrounding the impact of U.S. trade policies, the Fund has been actively reducing exposure levels across the portfolio.

PORTFOLIO VALUATION

As of December 31st, 2024, the Fund's top ten investments represented 72% of gross exposure and 89% of equity. The Fund's top nine positions traded with a portfolio-weighted average valuation of 4.21x EV/sales. Of our top investments, ten have a portfolio-weighted average net cash of 14.8% of their market capitalization, and two companies have net debt and trade at around 13.1x EV/EBITDA (per Bloomberg). These valuations have moved higher again, given the Fund's performance. Still, we see meaningful upside for the Fund's underlying investments as they continue to execute on their growth initiatives.

CONCLUSION

In summary, following a strong fourth quarter of outperformance, market volatility has returned as we begin 2025. Under new political leadership, dramatic shifts in U.S. trade and foreign policy appear to be causing uncertainty around discretionary business spending. The role of technology continues to play a greater role in the global economy, driving productivity, enhancing products and services, and creating new markets. The Fund has experienced a slow start to the year, but we remain confident that we are well positioned to capitalize on the resumption of demand in growth markets that will drive a meaningful re-rating and upside across our portfolio as market volatility settles.

As always, please do not hesitate to reach out to us should you have any questions or wish to discuss anything in further detail. We look forward to speaking with you and reporting on our progress in future quarters.

Best regards,

Robert Katz

Richard Mashaal





IMPORTANT DISCLAIMER: This letter is an informational document and does not constitute an offer to sell or a solicitation to purchase any securities in any entity organized, controlled, or managed by Senvest Management, LLC ("Senvest") or in (i) Senvest Technology Partners LP, a Delaware limited partnership, (ii) Senvest Technology Partners Ltd., a Cayman Islands exempted company (both Senvest Technology Partners LP and Senvest Technology Partners Ltd. invest substantially all of their assets in Senvest Technology Master Fund, L.P.), or any other partnership interests described herein (collectively, the "Funds"), and may not be relied upon in connection with any offer or sale of securities. Any offer or solicitation may only be made pursuant to a Confidential Private Offering Memorandum (or similar document) which will only be provided to qualified offerees and should be reviewed carefully by any such offerees prior to investing.

The Funds previously operated under the name of "Senvest Israel Partners Master Fund, LP", and invested primarily in U.S. listed, Israeli-related and local Israel-listed companies of all market capitalization sizes. Effective January 1, 2019, the Fund's investment focus has been broadened to include global technology (and technology-related), media and telecom investments, which may not include Israeli-related investments. Performance information of the Funds prior to January 1, 2019 reflects the performance of the Fund's prior investment strategy. While we believe that the investment strategy and process utilized prior to January 1, 2019 is similar to the current investment strategy and process, there is no historical performance available for the Fund's current investment strategy. There can be no assurance that the future performance of the Funds will be the same as the historical performance of the Funds.

An investment in a Fund involves risk and volatility. Because this communication is only a high-level summary it does not contain all material terms pertinent to an investment decision, including important disclosures of conflicts and risk factors associated with an investment in a Fund. This document in and of itself should not form the basis for any investment decision. An investment in a Fund is speculative and entails substantial risks, including the fact that such an investment would be illiquid and be subject to significant restrictions on transferability. No market is expected to develop for interests in any Fund. Financial instruments and investment opportunities discussed or referenced herein may not be suitable for all investors, and potential investors must make an independent assessment of the appropriateness of any transaction in light of their own objectives and circumstances, including the possible risk and benefits of entering into such a transaction.

An investor in a Fund could lose all or a substantial amount of his or her investment. Returns generated from an investment in a Fund may not adequately compensate investors for the business and financial risks assumed. While the Funds are subject to market risks common to other types of investments, including market volatility, the Funds employ certain trading techniques such as the use of leverage and other speculative investment practices that may increase the risk of investment loss. The products and strategies in which the Funds expect to invest may involve above-average risk. Please see the Risk Factors section of the applicable Confidential Private Offering Memorandum (or similar document) for certain risks associated with an investment in a Fund.

Certain information contained in this Presentation constitutes "forward-looking statements," which 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 policies, procedures and processes of the Investment Manager and the performance of the Funds may differ materially from those reflected or contemplated in such forward-looking statements and no undue reliance should be placed on these forward-looking statements, nor should the inclusion of these statements be regarded as the Investment Manager's representation that the Funds will achieve any strategy, objectives or other plans. The stated gross returns are calculated before deducting incentive fees, management fees and other expenses of the Fund, which would reduce returns. Net performance figures are not included for individual investments because individual investment level net performance cannot be calculated without making arbitrary assumptions related to the allocation of fees and expenses. Please refer to Page 1 for the net performance results of the Fund."

This document should be read in conjunction with, and is qualified in its entirety by, information appearing in the Confidential Private Offering Memorandum (or similar document) for each Fund and the organizational documents for such fund (e.g. limited partnership agreements, articles of association, etc.), which should be carefully reviewed prior to investing. Potential investors should consult a professional adviser regarding the possible economic, tax, legal or other consequences of entering into any investments or transactions described herein. Investment allocations and ownership percentages are subject to change without notice. The information contained herein is confidential and cannot be reproduced, shared or published in any manner without the prior written consent of Senvest.

Unless otherwise indicated, the information contained in this document is current as of the date indicated on its cover. Such information is believed to be reliable and has been obtained from sources believed to be reliable, but no representation or warranty is made, expressed or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of the information and opinions. Additionally, there is no obligation to update, modify or amend this document or to otherwise notify a reader in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

The Investment Manager is not acting and does not purport to act in any way as an advisor or in a fiduciary capacity vis-a-vis any investor in the Funds. Therefore, it is strongly suggested that any prospective investor obtain independent advice in relation to any investment, financial, legal, tax, accounting or regulatory issues discussed herein. Analyses and opinions contained herein may be based on assumptions that if altered can change the analyses or opinions expressed. Nothing contained herein shall constitute any representation or warranty as to future performance of any financial instrument, credit, currency rate or other market or economic measure.

Certain performance information is provided for the Funds. Performance numbers are net of all fees and expenses unless noted otherwise. All returns are subject to revision until completion of the annual audit. Past performance is not necessarily indicative of or a guarantee of future results.



Gross and Net Attribution Figures: Attributions of sector-level performance are shown on a gross basis unless otherwise noted herein ("Gross Attributions"). Gross Attributions reflect the return contribution by the aggregate investments in each Sector for the period indicated (calculated by dividing the gains/losses of the indicated Sector over the portfolio, as applicable), but is calculated prior to the deduction of management fees, expenses and incentive compensation paid to Senvest, which will reduce performance. Net sector attributions ("Net Attributions") reflect Gross Attributions, reduced by a percentage equal to the quotient of the applicable Fund's net return divided by the applicable Fund's gross return in order to approximate a pro forma "net" return. This pro forma return should not be relied upon as a precise metric of the impact of fees and expenses on the performance of each Sector, for the reasons detailed below. Net Attributions are presented pro forma because, although such figures reflect actual performance, these calculations apply management fees, expenses and incentive compensation to each Sector's Gross Attributions, even though each Fund's fees, expenses and incentive compensation are only calculated for the applicable Fund as a whole. Correspondingly, this approximation does not precisely reflect the impact such fees and expenses actually had on the performance of positions included in each Sector. Net Attributions do not take into account the specific impact of leverage and other costs on specific Sectors' performance, nor do they incorporate the differing impact that each investor's or Fund's high water mark has on specific Sectors. For example, if the Fund as a whole accrued incentive compensation for a given period, the Net Attributions methodology would result in the reduction of Gross Attributions, on a percentage basis, of an amount incorporating that accrued incentive compensation from each Sector's performance, even where a Sector experienced negative performance (and therefore, viewed in isolation, would not have accrued incentive allocation). In addition, expenses are not tracked on a Sector-by-Sector basis, and therefore the Net Attributions shown herein do not reflect an approximation of the precise impact of expenses on specific Sectors' performance—many expenses are incurred on a fund-wide level and do not relate to any specific portion of the investment program. Pro forma performance of this nature is subject to inherent limitations and should not form the basis for an investment decision. Additional information on the risks and limitations of pro forma performance is available upon request.

Unless otherwise noted, all calculations in this report are made by Senvest. All profit and loss, or other performance information is unaudited and is net of fees and expenses based on an investment made at inception. Total returns reflect compounded monthly returns. The distribution of this document in certain jurisdictions may be prohibited or restricted by law; therefore, people in whose possession this document comes should inform themselves about and observe such restrictions. Any such distribution could result in a violation of the law of such jurisdictions.

The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which is made up of 3,000 of the largest U.S. stocks by market capitalization. The Russell 2000 Index represents approximately 8% of the total market capitalization of the Russell 3000 Index. The Nasdaq Composite Index is a market-capitalization-weighted index of all the stocks traded on the Nasdaq stock exchange. This index includes some companies that are not based in the United States.





Independent auditor's report

To the Shareholders of Senvest Capital Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Senvest Capital Inc. and its subsidiaries (together, the Company) as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2024 and 2023;
- the consolidated statements of income for the years then ended;
- the consolidated statements of comprehensive income for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Valuation of level 3 debt and equity securities</p> <p><i>Refer to note 2 – Material accounting policy information, note 3 – Critical accounting estimates and judgments and note 16 – Financial risks and fair value to the consolidated financial statements.</i></p> <p>As at December 31, 2024, the Company's investment portfolio included \$6,057,333,000 of equity investments and other holdings measured at fair value through profit or loss, which included \$280,739,000 of level 3 debt and equity securities (the Securities) for which quoted prices or observable inputs were not available. Management uses valuation techniques, including the comparable company approach, comparable bond methodologies, Black-Scholes option pricing models, recoverability analysis, index performance method, and recent transactions to determine the fair value of these Securities. In the determination of the fair value of these Securities, management applies significant judgment, which includes the selection of appropriate valuation techniques and the use of significant unobservable inputs in those techniques, such as:</p> <ul style="list-style-type: none">a) earnings before interest, tax and amortization (EBITA) multiples, revenue multiples, EBITA estimates, revenue estimates, and average change in market capitalization for securities valued using the comparable company approach;	<p>Our approach to addressing the matter included the following procedures, among others:</p> <ul style="list-style-type: none">• Tested how management determined the fair value estimates for a sample of Securities, which included the following:<ul style="list-style-type: none">– Evaluated the appropriateness of the valuation techniques used and tested the mathematical accuracy thereof.– For Securities valued using the comparable company approach, assessed the reasonableness of EBITA and revenue estimates of the underlying companies by comparing them to past performance of the underlying companies.– For Securities valued using the recent transaction approach, assessed publicly available information having a potential to affect the fair value between the transaction date and December 31, 2024.– Professionals with specialized skills and knowledge in the field of valuation were used to further assist in evaluating the reasonableness of management's valuation techniques and significant unobservable inputs, by considering comparable companies for the EBITA multiples, revenue multiples, discount rates, YTM rates, index weighting, and average change in market capitalization.



- b) yield to maturity (YTM) rates for Securities valued using comparable bond methodologies;
- c) expected volatilities for Securities valued using the Black-Scholes option pricing models;
- d) discount rate and revenue multiple for Securities valued using the recoverability analysis; and
- e) index weighting for Securities valued using the index performance method.

- Tested the underlying data used in the valuation techniques.

We considered this a key audit matter due to the significant judgment applied by management in determining the fair value estimates of the Securities. This determination required the use of appropriate valuation techniques, which included significant unobservable inputs. This in turn led to a high degree of auditor subjectivity and judgment in performing procedures relating to the valuation of the Securities. The audit effort involved the use of professionals with specialized skill and knowledge in the field of valuation.

Valuation of investment properties

Refer to note 2 – Material accounting policy information, note 3 – Critical accounting estimates and judgments and note 9 – Investment properties to the consolidated financial statements.

As at December 31, 2024, the Company held investment properties amounting to \$85,376,000, which are measured at fair value. Management uses valuation techniques, including the comparable sales approach and recent transactions, to determine the fair values of investment properties. Management uses significant unobservable inputs in estimating the value of investment properties, such as value/m² for investment properties valued using the comparable sales approach.

Our approach to addressing the matter included the following procedures, among others:

- Tested how management determined the fair value of a sample of investment properties, which included the following:
 - Professionals with specialized skill and knowledge in the field of real estate valuation assisted us in evaluating the appropriateness of the valuation techniques, in testing the mathematical accuracy thereof, assessing recent transactions and evaluating the reasonableness of the value/m² used.
 - Tested the underlying data used in the valuation techniques.



We considered this a key audit matter due to the significant judgments applied by management in determining the fair value estimates of the investment properties. This determination required the use of appropriate valuation techniques, which included significant unobservable inputs. This in turn led to a high degree of auditor subjectivity and judgment in performing procedures relating to the valuation of the investment properties. The audit effort involved the use of professionals with specialized skill and knowledge in the field of real estate valuation.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis, which we obtained prior to the date of this auditor's report and the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. When we read the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Alexandros Sakkas.

/s/PricewaterhouseCoopers LLP¹

Montréal, Quebec
March 28, 2025

¹ CPA auditor, public accountancy permit No. A136473



Senvest Capital Inc.
Consolidated Statements of Financial Position
As at December 31, 2024 and 2023

(in thousands of Canadian dollars)

	Note	2024 \$	2023 \$
Assets			
Cash and cash equivalents	4	66,189	33,011
Restricted short-term investments		477	477
Due from brokers	5(b)	473,114	346,315
Equity investments and other holdings	6	6,057,333	4,585,964
Investments in associates	7	20,204	20,383
Real estate investments	8	43,713	44,172
Investment properties	9	85,376	63,095
Income taxes receivable	12(b)	20,102	19,928
Other assets		27,578	19,117
Total assets		6,794,086	5,132,462
Liabilities			
Bank advances	5(a)	590	349
Trade and other payables	11	79,139	22,359
Due to brokers	5(b)	1,653,098	878,750
Securities sold short and derivative liabilities	6	404,849	502,965
Redemptions payable		113,117	72,332
Income taxes payable		-	386
Deferred income tax liabilities	12(b)	145,582	89,492
Liability for redeemable units	10	2,355,197	1,927,203
Total liabilities		4,751,572	3,493,836
Equity			
Equity attributable to common shareholders			
Share capital	13	20,368	20,605
Accumulated other comprehensive income		347,934	197,312
Retained earnings		1,651,651	1,402,922
Total equity attributable to common shareholders		2,019,953	1,620,839
Non-controlling interest	17	22,561	17,787
Total equity		2,042,514	1,638,626
Total liabilities and equity		6,794,086	5,132,462

Approved by the Board of Directors

Victor Mashaal
Director

Frank Daniel
Director

The accompanying notes are an integral part of these consolidated financial statements.





Senvest Capital Inc.

Consolidated Statements of Income

For the years ended December 31, 2024 and 2023

(in thousands of Canadian dollars, except per share data)

	Note	2024 \$	2023 \$
Revenue			
Interest income		58,942	64,129
Dividend income		63,526	71,972
Other income		9,416	7,962
		<u>131,884</u>	<u>144,063</u>
Investment gains (losses)			
Net change in fair value of equity investments and other holdings		846,520	307,715
Dividend expense on securities sold short		(2,797)	(11,235)
Net change in fair value of real estate investments		(5,261)	(3,965)
Net change in fair value of investment properties		3,651	(919)
Share of loss of associates	7	(1,074)	(9,450)
Foreign exchange gain (loss)		<u>(8,014)</u>	<u>6,094</u>
		<u>833,025</u>	<u>288,240</u>
Total revenue and net investment gains		<u>964,909</u>	<u>432,303</u>
Operating costs and other expenses			
Employee benefit expense		88,304	43,350
Interest expense		96,209	102,105
Transaction costs		11,807	14,463
Other operating expenses		<u>28,740</u>	<u>39,437</u>
		<u>225,060</u>	<u>199,355</u>
Change in redemption amount of redeemable units		<u>423,115</u>	<u>131,475</u>
Income before income tax		<u>316,734</u>	<u>101,473</u>
Income tax expense	12(a)	<u>55,531</u>	<u>17,166</u>
Net income for the year		<u>261,203</u>	<u>84,307</u>
Net income attributable to:			
Common shareholders		258,147	83,608
Non-controlling interest		3,056	699
Earnings per share			
Basic and diluted	14	105.06	33.78

The accompanying notes are an integral part of these consolidated financial statements.





Senvest Capital Inc.
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023

(in thousands of Canadian dollars)

	2024 \$	2023 \$
Net income for the year	261,203	84,307
Other comprehensive income (loss)		
Currency translation differences	152,340	(37,367)
Comprehensive income for the year	413,543	46,940
Comprehensive income attributable to:		
Common shareholders	408,769	46,666
Non-controlling interest	4,774	274

Other comprehensive income (loss) includes currency translation differences arising from the Company's interest in foreign entities. Accumulated other comprehensive income arising from currency translation differences arising from the Company's interest in foreign entities will be reclassified to profit and loss upon the disposal of such entities. Currency translation differences arising from the translation of the Company's consolidated financial statements' translation to the presentation currency will not be subsequently reclassified to profit and loss.

The accompanying notes are an integral part of these consolidated financial statements.





Senvest Capital Inc.

Consolidated Statements of Changes in Equity
For the years ended December 31, 2024 and 2023

(in thousands of Canadian dollars)

Equity attributable to owners of the parent						
Note	Share capital \$	Accumulated other comprehensive income \$	Retained earnings \$	Total \$	Non-controlling interests \$	Total equity \$
Balance – December 31, 2022	20,657	234,254	1,321,347	1,576,258	17,513	1,593,771
Net income for the year	-	-	83,608	83,608	699	84,307
Other comprehensive loss	-	(36,942)	-	(36,942)	(425)	(37,367)
Comprehensive income (loss) for the year	-	(36,942)	83,608	46,666	274	46,940
Repurchase of common shares	13 (52)	-	(2,033)	(2,085)	-	(2,085)
Balance – December 31, 2023	20,605	197,312	1,402,922	1,620,839	17,787	1,638,626
Net income for the year	-	-	258,147	258,147	3,056	261,203
Other comprehensive income	-	150,622	-	150,622	1,718	152,340
Comprehensive income for the year	-	150,622	258,147	408,769	4,774	413,543
Repurchase of common shares	13 (237)	-	(9,418)	(9,655)	-	(9,655)
Balance – December 31, 2024	20,368	347,934	1,651,651	2,019,953	22,561	2,042,514

The accompanying notes are an integral part of these consolidated financial statements.





Senvest Capital Inc.

Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023

(in thousands of Canadian dollars)

	Note	2024 \$	2023 \$
Cash flows provided by (used in)			
Operating activities			
Net income for the year		261,203	84,307
Adjustments for non-cash items	15(a)	(373,745)	(159,802)
Purchase of equity investments and other holdings held for trading		(3,864,536)	(3,456,530)
Purchase of securities sold short and derivative liabilities		(1,099,518)	(3,573,672)
Proceeds on sale of equity investments and other holdings held for trading		3,763,446	4,360,286
Proceeds from securities sold short and derivative liabilities		893,718	3,195,749
Dividends and distributions received from real estate investments		960	1,458
Changes in non-cash working capital items	15(b)	619,705	(367,381)
Net cash provided by operating activities		201,233	84,415
Investing activities			
Transfers to restricted short-term investments		40	(11)
Purchase of real estate investments		(2,087)	(2,904)
Purchase of investment properties		(17,148)	(7,341)
Purchase of investment in associates		-	(618)
Purchase of equity investments and other holdings at fair value through profit or loss		(14,849)	(21,915)
Proceeds on sale of equity investments and other holdings at fair value through profit or loss		15,934	43,866
Proceeds from investments in associates		803	-
Net cash provided by (used in) investing activities		(17,307)	11,077
Financing activities			
Increase (decrease) in bank advances		232	(185)
Payment of lease liability		(1,346)	(1,283)
Repurchase of common shares		(9,655)	(2,085)
Proceeds from issuance of redeemable units		51,339	9,428
Amounts paid on redemption of redeemable units		(195,568)	(110,091)
Net cash used in financing activities		(154,998)	(104,216)
Increase (decrease) in cash and cash equivalents during the year		28,928	(8,724)
Effect of changes in foreign exchange rates on cash and cash equivalents		4,250	(796)
Cash and cash equivalents – Beginning of year		33,011	42,531
Cash and cash equivalents – End of year	4	66,189	33,011
Amounts of cash flows classified in operating activities:			
Cash paid for interest		96,523	104,210
Cash paid for dividends on securities sold short		2,550	13,312
Cash received on interest		58,919	65,819
Cash received on dividends		59,583	69,838
Cash paid for income taxes		9,327	25,657

The accompanying notes are an integral part of these consolidated financial statements.



(in thousands of Canadian dollars unless otherwise stated)

1 General information

Senvest Capital Inc. (the “Company”) was incorporated under Part I of the *Canada Corporations Act* on November 20, 1968 under the name Sensormatic Electronics Canada Limited, and was continued under the *Canada Business Corporations Act* under the same name effective July 23, 1979. On April 21, 1991, the Company changed its name to Senvest Capital Inc. The Company and its subsidiaries hold investments in equity and real estate holdings that are located predominantly in the United States. The Company’s head office and principal place of business is located at 1000 Sherbrooke Street West, Suite 2400, Montréal, Quebec H3A 3G4. The Company’s shares are traded on the Toronto Stock Exchange under the symbol “SEC”. Refer to note 17 for the composition of the Company.

2 Material accounting policy information

Basis of preparation

The Company prepares its consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards)

The Board of Directors (Board) approved these consolidated financial statements for issue on March 28, 2025.

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention, except for financial assets and financial liabilities at fair value through profit or loss (FVTPL), including derivative instruments, and investment properties which have been measured at fair value.

Consolidation

Subsidiaries

The financial statements of the Company consolidate the accounts of the Company, its subsidiaries, and its structured entities. All intercompany transactions, balances and unrealized gains and losses from intercompany transactions are eliminated on consolidation. Where applicable, amounts reported by subsidiaries, associates and structured entities have been adjusted to conform with the Company’s accounting policies.





(in thousands of Canadian dollars unless otherwise stated)

Investments in associates

Investments in associates held by the Company's investment entities are included in the Company's consolidated financial statements as financial assets at FVTPL. The accounting policies applied to these investments in associates are similar to those applied to the Company's other financial assets at FVTPL and are disclosed in the accounting policy notes discussing the classification and measurement of financial assets and liabilities.

Investment in associates that are not held by the Company's investment entities are included in the Company's consolidated financial statements using the equity method.

Equity method

Participations in associates are initially recorded at cost plus transaction costs. Subsequent to the acquisition date, the Company's share of profits or losses of associates is recognized in the consolidated statements of income (loss). The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Company's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Dilution gains and losses arising from changes in interests in investments in associates are recognized in the consolidated statements of income (loss).

The Company assesses at each year-end whether there is any objective evidence that its interests in associates are impaired. If impaired, the carrying value of the Company's share of the underlying assets of associates is written down to its estimated recoverable amount (being the higher of fair value less cost to sell and value in use) and charged to the consolidated statement of income (loss). In accordance with IAS 36 *Impairment of Assets*, impairment losses are reversed in subsequent years if the recoverable amount of the investment subsequently increases, and the increase can be related objectively to an event occurring after the impairment was recognized.

Liability for redeemable units

Liability for redeemable units represents the units in Senvest Master Fund, L.P., Senvest Technology Partners Master Fund, L.P. and Senvest Cyprus Recovery Investment Partners, L.P. Fund (collectively the "Funds" or individually a "Fund") that are not owned by the Company. Senvest Master Fund, L.P. and Senvest Technology Partners Master Fund, L.P. units may be redeemed as of the end of any calendar quarter subject to the required notice of redemption period, maximum quarterly amounts and redemption fees. Senvest Cyprus Recovery Investment Partners, L.P. Fund has units that can be redeemed semi-annually with a 120 day notice. These units are recognized initially at fair value, net of any transaction costs incurred, and subsequently units are measured at the redemption amount.

Redeemable units are issued and redeemed at the holder's option at prices based on each Fund's net asset value per unit at the time of subscription or redemption. Each Fund's net asset value per unit is calculated by dividing the net assets attributable to the holders of each class of redeemable units by the total number of outstanding redeemable units for each respective class. In accordance with the provisions of the Funds' offering documents,



(in thousands of Canadian dollars unless otherwise stated)

investment positions are valued at the close price for the purpose of determining the net asset value per unit for subscriptions and redemptions.

Non-controlling interests

Non-controlling interests represent equity interests in the consolidated structured entities owned by outside parties. The share of net assets of the structured entity attributable to non-controlling interests is presented as a component of equity. Their share of net income (loss) and comprehensive income (loss) is recognized directly in equity. Changes in the Company's ownership interest in the structured entity that do not result in a loss of control are accounted for as equity transactions.

Foreign currency translation

Functional currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The functional currency of the Company is the US dollar.

Transactions and balances

Foreign currency transactions are translated into the relevant functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than an entity's functional currency are recognized in the consolidated statement of income (loss).

Consolidation and foreign operations

The financial statements of a subsidiary or a structured entity that has a functional currency different from that of the parent company are translated into US dollars as follows: assets and liabilities – at the closing rate at the date of the consolidated statement of financial position; and income and expenses – at the average rate for the period (as this is considered a reasonable approximation of actual rates). All resulting changes are recognized in other comprehensive income (loss) as currency translation differences.

If the Company disposes its interest in a foreign operation or loses control or significant influence over a foreign operation, the foreign exchange gains or losses accumulated in other comprehensive income related to the foreign operation would be recognized in net income (loss). If the Company disposes of part of an interest in a foreign operation which remains a subsidiary, a proportionate amount of foreign exchange gains or losses accumulated in other comprehensive income (loss) related to the subsidiary would be reallocated between controlling and non-controlling interests.





(in thousands of Canadian dollars unless otherwise stated)

Presentation currency

The Company has adopted the Canadian dollar as its presentation currency, which in the opinion of management is the most appropriate presentation currency. Historically, the Company's consolidated financial statements have been presented in Canadian dollars, and since the Company's shares are listed on a Canadian stock exchange, management believes it would better serve the use of shareholders to continue issuing consolidated financial statements in Canadian dollars. The US dollar consolidated financial statements described above are translated into the presentation currency as follows: assets and liabilities – at the closing rate at the date of the consolidated statement of financial position; and income and expenses – at the average rate for the period. All resulting changes are recognized in other comprehensive income as currency translation differences. Equity items are translated using the historical rate.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits held with banks and other short-term highly liquid investments with original maturities of three months or less.

Financial assets and liabilities

Recognition, derecognition and offsetting

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets and financial liabilities are recognized on the trade date, the date on which the Company commits to purchase or sell the investment.

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable and unconditional right to offset the recognized amounts and when there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Classification and measurement

The classification of financial assets is based on the Company's business model and the financial asset's contractual cash flow characteristics. Business models are reassessed periodically, and contractual cash flows characteristics are assessed to determine whether they are "Solely payments of principal and interest" (SPPI).

The Company assesses its business models individually at the level of the subsidiaries and the associated companies. Information that is considered in determining the business models includes policies and objectives for the financial instrument held in each entity, how risk and performance is measured at the entity level and reported to management and expected future events for the financial instrument with respect to valuation, holding period and selling. All of the group entities' financial assets are managed on a fair value basis with the exception of bank balances and short-term trade receivables. The Company does not hold any long-term financial assets with the intent of solely collecting payments of principal and interest or collecting such payments and selling the assets.



(in thousands of Canadian dollars unless otherwise stated)

Financial assets, including hybrid contracts, are classified as either amortized cost or the residual classification of FVTPL.

Financial assets with cash flows that are SPPI and are held within a business model where the objective is to hold the financial assets in order to collect contractual cash flows ("Hold to collect" business model) are measured at amortized cost.

Financial assets with cash flows that are SPPI but are not held within the "Hold to collect" business model are measured at FVTPL.

Financial assets with cash flows that do not meet the SPPI conditions are measured at FVTPL.

Financial assets held for trading are classified as FVTPL.

Financial liabilities are measured at amortized cost unless they must be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company elects to measure them at FVTPL. The Company has not made such elections.

Financial assets at FVTPL

i) Financial assets and financial liabilities held for trading

A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term or if on initial recognition it is part of a portfolio of identifiable financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

The Company makes short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions.

From time to time, the Company enters into derivative financial instruments for speculative purposes. Derivatives are also classified as held for trading. The Company does not classify any derivatives as hedges in a hedging relationship.

ii) Financial assets managed as fair value through profit or loss

Financial assets managed as fair value through profit or loss are financial instruments that are not classified as held for trading but form part of a portfolio that is managed and whose performance is evaluated on a fair value basis in accordance with the Company's documented investment strategy.

The Company's policy requires management to evaluate the information about these financial assets and financial liabilities on a fair value basis together with other related financial information.





(in thousands of Canadian dollars unless otherwise stated)

Recognition, derecognition and measurement

Financial assets and financial liabilities at FVTPL are initially recognized at fair value. Transaction costs are expensed as incurred in the consolidated statement of income.

Subsequent to initial recognition, all financial assets and financial liabilities at FVTPL are measured at fair value which approximates the amount that would be received or paid if the derivative were to be transferred to a market participant at the consolidated statement of financial position date.

Gains and losses arising from changes in the fair value of financial assets or financial liabilities at FVTPL are presented in the consolidated statement of income (loss) in net change in fair value of equity investments and other holdings or net change in fair value of real estate investments in the period in which they arise.

The fair value is included in equity investments and other holdings if in an asset position or equities sold short and derivative liabilities if in a liability position.

Dividend income from financial assets at fair value through profit or loss is recognized in the consolidated statement of income (loss) as dividend income when the Company's right to receive payment is established. Interest on debt securities at fair value through profit or loss is recognized in the consolidated statement of income (loss) in interest income based on the contractual rate on an accrual basis. Dividend expense from equities sold short is recognized in the consolidated statement of income (loss) as dividend expense on equities sold short.

Financial assets at amortized cost

Classification

Financial assets at amortized cost are non-derivative financial assets with cash flows that are SPPI and that are managed under a "hold to collect" business model.

The Company's financial assets at amortized cost consist of cash and cash equivalents, due from brokers, as well as loans to employees and restricted short-term investment, which are included in other assets.

Recognition and measurement

At initial recognition, the Company measures its financial assets at its fair value plus transactions costs incurred. The amortized cost is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and adjusted for any loss allowance.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets.

Impairment

Substantially all of the Company's financial assets at amortized cost are short-term assets and due by counterparties with low credit risk. The Company monitors its financial assets measured at amortized cost and counterparty risk.



(in thousands of Canadian dollars unless otherwise stated)

Financial liabilities at amortized cost

Classification

The Company's financial liabilities at amortized cost are non-derivative liabilities that comprise bank advances, trade and other payables, due to brokers, redemptions payable, subscriptions received in advance and liability for redeemable units.

Recognition and measurement

Trade and other payables are initially recognized at fair value. Subsequently, trade and other payables are measured at amortized cost using the effective interest method. Bank advances, due to brokers, redemptions payable and subscriptions received in advance are recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost using the effective interest method.

Due from and to brokers

Amounts due from and to brokers represent positive and negative cash balances or margin accounts, and pending trades on the purchase or sale of securities.

Where terms in the prime brokerage agreements permit the prime broker to settle margin balances with cash accounts or collateral, the due from brokers cash balances are offset against the due to brokers margin balances at each prime broker.

Investment properties

Investment properties are properties held to earn rental income and/or for capital appreciation and are not occupied by the Company. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Changes in fair values are recognized in the consolidated statement of income (loss) as part of net change in fair value of investment properties in the period in which they arise.

Income tax

Income tax comprises current and deferred tax. Income tax is recognized in the consolidated statement of income (loss) except to the extent that it relates to items recognized directly in equity, in which case the income tax is recognized directly in equity.

Current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the consolidated statement of financial position date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However,





(in thousands of Canadian dollars unless otherwise stated)

deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the consolidated statement of financial position date and will apply when it is expected that the related deferred income tax asset will be realized or the deferred income tax liability settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be used.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of new common shares or options are recorded in equity as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share is calculated by dividing the net loss for the year attributable to equity owners of the parent by the weighted average number of common shares outstanding during the year.

Diluted earnings per share are calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all potentially dilutive instruments. The Company currently does not have any dilutive instruments.



(in thousands of Canadian dollars unless otherwise stated)

New standards and amendments to existing standards effective January 1, 2024

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on January 1, 2024 that have a material effect on the consolidated financial statements of the Company.

Accounting standards and amendments issued but not yet adopted

The IASB has issued new standards and amendments to existing standards that are not mandatory for the December 31, 2024, reporting period and which were not early adopted by the Company. The Company's assessment of the impact of this new standard and amendments is set out below:

- i) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after January 1, 2026)

In May 2024, the IASB issued targeted amendments to IFRS 9 and 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also corporate entities. Among other amendments, the IASB clarified the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.

- ii) IFRS 18, *Presentation and Disclosure in Financial Statements* (effective for annual periods beginning on or after January 1, 2027)

In April 2024, the IASB issued the new standard on presentation and disclosure in financial statements, which replaces IAS 1, *Presentation of Financial Statements*. The key concepts introduced in IFRS 18 relate to:

- The structure of the statement of income;
- The requirement to determine the most useful structured summary for presenting expenses in the statement of income;
- Required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Company is currently still assessing the impact of the forthcoming standard and amendments.

No other new standards or amendments to standards are expected to have a material impact on the consolidated financial statements of the Company.





(in thousands of Canadian dollars unless otherwise stated)

3 Critical accounting estimates and judgments

Critical accounting estimates

The Company makes accounting estimates that are subject to measurement uncertainty because they require the use of judgement and assumptions. The Company uses judgement and assumptions in designing and selecting measurement or valuations techniques that are appropriate to the circumstances and applies inputs that correlate to the measurement or valuation technique selected. Inputs selected also require the use of judgment and assumptions.

Fair value of financial instruments

The fair value of financial instruments, including real estate investments, where no active market exists or where listed prices are not otherwise available are determined by using valuation techniques. In these cases, the fair values are estimated from observable data in respect of similar financial instruments or by using models. Where market observable data inputs are not available, they are estimated based on appropriate assumptions. To the extent practical, models use only observable data; however, areas such as credit risk (both the Company's own credit risk and counterparty risk), volatilities and correlations require management to make estimates.

Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Refer to note 16 for more information on fair value measurements and risk sensitivity for the Company's financial instruments.

Fair value of investment properties

The Company has adopted the fair value model in measuring its investment properties. The fair value of the investment properties is performed by external independent knowledgeable valuers located in the area of the properties. Inputs used in the property valuation models are based on appropriate assumptions that reflect the type of property and location. Management reviews the assumptions made and models used to ensure they correlate with their expectation and understanding of the market.

Changes in assumptions about these factors could affect the reported fair value of investment properties.

Refer to note 9 for more information on fair value measurements and risk sensitivity for the Company's investment properties.

Income taxes

The Company is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the consolidated provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the year in which such determination is made.



(in thousands of Canadian dollars unless otherwise stated)

Critical accounting judgments

Consolidation of entities in which the Company holds less than 50% of the voting rights

Management considers the Company to have de facto control of Senvest Management L.L.C. (RIMA), RIMA Senvest Master Fund GP, L.L.C., and Senvest Technology Partners GP, L.L.C. three legal entities wholly owned by an executive of the Company, because of the Company's Board representation and the contractual terms of the investment advisory agreement. RIMA is the investment adviser to the Funds, whereas RIMA Senvest Master Fund GP, L.L.C. is the General Partner of Senvest Master fund LP and Senvest Technology Partners GP LLC is the General Partner of Senvest Technology Partners Master Fund LP. As compensation for its sub-advisory services, the Company is entitled to receive 60% of the net management fees through RIMA and incentive allocation earned through the General Partners each fiscal year.

Management considers the Company to have control of Senvest Master Fund, L.P., Senvest Technology Partners, Master Fund L.P. and Senvest Cyprus Recovery Investment Fund, L.P. even though the Company has less than 50% of the voting rights in each of the Funds. The Company assessed that the removal rights of non-affiliated unitholders are exercisable but not strong enough given the Company's decision-making authority over relevant activities, the remuneration to which it is entitled and its exposure to returns. The Company, through its structured entities, is the majority unitholder of each of the Funds and acts as a principal while there are no other unitholders forming a group to exercise their votes collectively.

4 Cash and cash equivalents

	2024 \$	2023 \$
Cash on hand and on deposit	11,506	25,453
Short-term investments	54,683	7,558
	<u>66,189</u>	<u>33,011</u>

5 Credit facility and due from and due to brokers

a) Credit facility

Bank advances

The Company has a credit facility with a Canadian bank and has available a demand revolving loan (credit facility) and a guarantee facility. The credit facility is in the amount of \$3,000 and is payable on demand. As at December 31, 2024, \$590 was outstanding (2023 – \$349). Under the credit facility, the Company may, upon delivery of a required notice, opt to pay interest at the bank's prime rate plus 0.25%. All of the credit facility available is also available by way of term SOFR loans at varying rates depending on the length of term plus 1.75% per annum, or by US dollar advances.





(in thousands of Canadian dollars unless otherwise stated)

A first-ranking movable hypothec in the amount of \$30,000 on all of the Company's assets has been granted as collateral for the credit facility. According to the terms of the facility, the Company is required to comply with certain financial covenants. As at December 31, 2024 and 2023, the Company had met the requirements of all the covenants.

b) Due from and due to brokers

The Company has margin facilities with its prime brokers. As at December 31, 2024 and 2023, the Company's amounts due to brokers have no specific repayment terms, and they are governed by the margin terms set forth in the prime brokerage agreements. As at December 31, 2024, listed equity securities and due from broker amounts have been pledged as collateral. The fair value of the collateral-listed equity securities is calculated daily and compared to the Company's margin limits. The prime brokers can at any time demand full or partial repayment of the margin balances and any interest thereon or demand the delivery of additional assets as collateral.

Due from and due to brokers balances are presented on a net basis by broker in the consolidated statement of financial position. Under the prime broker agreements, the broker may upon events of default offset, net and/or regroup any amounts owed by the Company to the broker by amounts owed to the Company by the broker. The following tables set out the offsetting of the Company's various accounts with prime brokers.

	Gross recognized amounts \$	Set off amounts \$	Net amount presented in the consolidated statements of financial position \$	Financial collateral pledged \$	Residual amounts not set off \$
As at December 31, 2024					
Amount receivable from brokers	714,262	(241,148)	473,114	-	473,114
Amount payable to brokers	(1,707,880)	54,782	(1,653,098)	1,653,098	-
As at December 31, 2023					
Amount receivable from Brokers	471,674	(125,359)	346,315	-	346,315
Amount payable to Brokers	(948,673)	69,923	(878,750)	878,750	-



(in thousands of Canadian dollars unless otherwise stated)

6 Equity investments and other holdings, securities sold short and derivative liabilities

Equity investments and other holdings

	Note	2024 \$	2023 \$
Assets			
Financial assets at fair value through profit or loss			
Held for trading			
Equity securities		5,589,916	4,097,801
Debt securities		23,687	22,445
Derivative financial assets	6(a)	72,902	165,738
		5,686,505	4,285,984
Financial assets at fair value through profit or loss			
Other			
Equity securities		339,768	253,167
Debt securities		31,060	46,813
		6,057,333	4,585,964
Current portion		5,686,505	4,285,984
Non-current portion		370,828	299,980

Securities sold short and derivative liabilities

	Note	2024 \$	2023 \$
Liabilities			
Financial liabilities			
Held for trading			
Securities sold short			
Listed equity securities (proceeds of \$298,932; 2023 – \$450,737)		346,758	445,658
Derivative financial liabilities (proceeds of \$767; 2023 – \$1,080)	6(a)	58,091	57,307
		404,849	502,965

- a) From time to time, the Company enters into derivative financial instruments consisting primarily of warrants and options to purchase or sell equity indices and currencies, equity swaps, foreign currency forward contracts and foreign currency futures contracts. The following tables list the notional amounts, fair values of derivative financial assets and financial liabilities and net change in fair value by contract type, including swaps, options, warrants, rights, foreign currency futures contracts, foreign currency forward contracts and swaps and options sold short included in equity investments and other holdings or securities sold short and derivative liabilities:





(in thousands of Canadian dollars unless otherwise stated)

	As at December 31, 2024				For the year ended December 31, 2024
	Notional value \$	Fair value of derivative financial assets \$	Notional value \$	Fair value of derivative financial liabilities \$	Net change in fair value \$
Equity swaps (i)	577,560	72,717	-	(57,402)	65,381
Equity options	21,326	-	673	(689)	2,817
Warrants and rights	8,272	185	-	-	(556)
	607,158	72,902	673	(58,091)	67,642

	As at December 31, 2023				For the year ended December 31, 2023
	Notional value \$	Fair value of derivative financial assets \$	Notional value \$	Fair value of derivative financial liabilities \$	Net change in fair value \$
Equity swaps (i)	347,143	165,057	-	(56,382)	(46,602)
Equity options	-	-	21,780	(925)	14,728
Warrants and rights	52,647	681	-	-	(12,235)
	399,790	165,738	21,780	(57,307)	(44,109)

- (i) The following table represents the gross Equity swap assets and liabilities and related non-offsetting amounts.

	Gross recognized amounts \$	Set off amounts \$	Net amount presented in the consolidated statements of financial position \$	Related amounts not set off in the consolidated statements of financial position Financial instruments \$	Net amount \$
As at December 31, 2024					
Equity swaps assets	72,717	-	72,717	(57,402)	15,315
Equity swaps liabilities	(57,402)	-	(57,402)	57,402	-
As at December 31, 2023					
Equity swaps assets	165,057	-	165,057	(56,382)	108,675
Equity swaps liabilities	(56,382)	-	(56,382)	56,382	-



(in thousands of Canadian dollars unless otherwise stated)

7 Investments in associates

The following have been included in the consolidated financial statements using the equity method.

	2024 \$	2023 \$
Grant and Geary Partners LP(i)	10,723	10,310
Other associates	9,481	10,073
	<u>20,204</u>	<u>20,383</u>
The Company's share of:		
Net income (loss) and comprehensive income (loss)		
Grant and Geary Partners LP(i)	(274)	(2,578)
Other associates	(800)	(6,872)
	<u>(1,074)</u>	<u>(9,450)</u>

- i) Grant & Geary Partners LP is a limited partnership in which the Company has an approximate 28.5% economic interest in the underlying property, which is commercial real estate property held in the United States. Grant & Geary Partners LP's assets and liabilities are \$41,958 (2023 – \$43,252) and \$4,332 (2023 – \$7,078), respectively.

Commitments, contingent liabilities and borrowing arrangements of associates

There are no commitments, contingent liabilities or borrowing arrangements relating to the Company's interests in these associates.

8 Real estate investments

Real estate investments comprise the following:

	2024 \$	2023 \$
Financial assets at fair value through profit or loss		
Investments in private entities (a)	13,361	12,308
Investments in real estate partnerships and income trusts (b)	30,352	31,864
	<u>43,713</u>	<u>44,172</u>
Non-current portion	<u>43,713</u>	<u>44,172</u>





(in thousands of Canadian dollars unless otherwise stated)

- a) These investments are minority interests in private entities whose main assets are real estate properties. There is no established market for these investments. The most likely scenario for a disposal of these investments is an eventual sale of the underlying real estate properties and the distribution of the net proceeds to the holders.
- b) These real estate investments are in US real estate partnerships and income trusts (commonly referred to as REITs). A REIT is an entity that owns and operates income-producing real estate and annually distributes to its holders at least 90% of its taxable income. The Company's investments are non-publicly-traded REITs. There is no established market for these partnerships and REITs. The most likely scenario for a disposal of these holdings is an eventual sale of the underlying real estate properties of the partnerships and REITs and the distribution to their holders of the net proceeds to their holders.

9 Investment properties

	2024 \$	2023 \$
Opening balance as at January 1	63,095	56,318
Purchases	8,630	635
Proceeds from dispositions	-	-
Capitalized subsequent expenditure	8,518	6,706
Net gain from dispositions	-	-
Net gain (loss) from fair value adjustment	3,651	(919)
Currency translation adjustments	1,482	355
Closing balance as at December 31	85,376	63,095
Non-current portion	85,376	63,095

- a) Amounts recognized in profit or loss for investment properties

	2024 \$	2023 \$
Rental income	8,505	7,304
Direct operating expenses from property that generated rental income	5,002	4,221
Direct operating expenses from property that does not generate rental income	1,935	894
Net gain from dispositions	-	-
Net change in fair value of investment properties	3,651	(919)

- b) Investment properties are commercial properties situated in Spain.

- c) Contractual obligations

Refer to note 19 for disclosure of contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.



(in thousands of Canadian dollars unless otherwise stated)

d) Leasing arrangements

The investment properties are leased to tenants under short-term month-to-month operating leases with rentals payable monthly.

e) Fair value measurements

Investment properties are measured at fair value in these consolidated financial statements. Estimates are made in determining the fair values of the investment properties. Based on the source of the inputs used in determining the fair value, the Company has classified its investment properties in Level 3 of the fair value hierarchy (a description of the levels is provided in note 16). There were no transfers between levels for recurring fair value measurements of investment properties during the years ended December 31, 2024 and 2023.

i) Valuation techniques used to determine Level 3 fair values

The Company obtains independent valuations for its investment properties annually. At the end of each reporting period, management updates their assessment of the fair value of each property, taking into account the most recent independent valuations. Management determines a property's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the independent valuers consider information from a variety of sources including:

- current prices in active markets for similar properties in similar markets and in less active market, adjusted to reflect those differences;
- discounted cash flow projections based on reliable estimates of future cash flows; and
- capitalized income projections based upon a property's estimated net market income, and a capitalization rate derived from an analysis of market evidence.

ii) Fair value measurements using significant unobservable inputs (Level 3)

The following table summarizes the quantitative information about the significant unobservable inputs used in recurring Level 3 fair value measurement. See (i) above for the valuation technique adopted.

Description	Fair value 2024 \$	Valuation technique	Significant unobservable inputs	Weighted average input	Reasonably possible shifts +/-	Change in value \$
Leased buildings and land	63,207	Comparable sales approach	Value/m ²	\$1,270	10%	+/-6,301
–Storage facilities	22,169	Recent Transaction	Value/m ²	\$933	-	-





(in thousands of Canadian dollars unless otherwise stated)

Description	Fair value 2023 \$	Valuation technique	Significant unobservable inputs	Weighted average input \$	Reasonably possible shifts +/-	Change in value \$
Leased buildings and land	45,633	Comparable sales approach	Value/m ²	\$1,175	10%	+/-4,552
–Storage facilities	17,462	Recent Transaction	Value/m ²	\$728	-	-

10 Financial instruments by category and related income, expenses and gains and losses

	2024				
	Assets (liabilities) at fair value through profit or loss		Financial Assets at amortized cost \$	Financial liabilities at amortized cost \$	Total \$
	Held for trading \$	Other \$			
Assets (liabilities) as per consolidated statement of financial position					
Cash and cash equivalents	-	-	66,189	-	66,189
Restricted short-term investments	-	-	477	-	477
Due from brokers	-	-	473,114	-	473,114
Equity investments and other holdings	5,686,505	370,828	-	-	6,057,333
Real estate investments	-	43,713	-	-	43,713
Other assets*	-	-	19,736	-	19,736
Bank advances	-	-	-	(590)	(590)
Trade and other payables	-	-	-	(79,139)	(79,139)
Due to brokers	-	-	-	(1,653,098)	(1,653,098)
Securities sold short and derivative liabilities	(404,849)	-	-	-	(404,849)
Redemptions payable	-	-	-	(113,117)	(113,117)
Subscriptions received in advance	-	-	-	-	-
Liability for redeemable units	-	-	-	(2,355,197)	(2,355,197)
	5,281,656	414,541	559,516	(4, 201,141)	2,054,572
Amounts recognized in consolidated statement of income (loss)					
Net change in fair value	792,529	38,916	-	-	831,445
Net interest income (expense)	55,174	-	3,559	(96,175)	(37,442)
Net dividend income	60,074	655	-	-	60,729
	907,777	39,571	3,559	(96,175)	854,732

* Includes other financial receivables but excludes capital assets and other non-financial assets.



(in thousands of Canadian dollars unless otherwise stated)

	2023				
	Assets (liabilities) at fair value through profit or loss		Financial Assets at amortized cost	Financial liabilities at amortized cost	Total
	Held for trading \$	Other \$	\$	\$	\$
Assets (liabilities) as per consolidated statement of financial position					
Cash and cash equivalents	-	-	33,011	-	33,011
Restricted short-term investments	-	-	477	-	477
Due from brokers	-	-	346,315	-	346,315
Equity investments and other holdings	4,285,984	299,980	-	-	4,585,964
Real estate investments	-	44,172	-	-	44,172
Other assets*	-	-	14,818	-	14,818
Bank advances	-	-	-	(349)	(349)
Trade and other payables	-	-	-	(22,359)	(22,359)
Due to brokers	-	-	-	(878,750)	(878,750)
Securities sold short and derivative liabilities	(502,965)	-	-	-	(502,965)
Redemptions payable	-	-	-	(72,332)	(72,332)
Subscriptions received in advance	-	-	-	-	-
Liability for redeemable units	-	-	-	(1,927,203)	(1,927,203)
	3,783,019	344,152	394,621	(2,900,993)	1,620,799
Amounts recognized in consolidated statement of income (loss)					
Net change in fair value	261,055	42,695	-	-	303,750
Net interest income (expense)	61,628	-	2,305	(101,900)	(37,967)
Net dividend income	59,313	1,424	-	-	60,737
	381,996	44,119	2,305	(101,900)	326,520

* Includes other financial receivables but excludes capital assets and other non-financial assets.

11 Trade and other payables

	2024 \$	2023 \$
Trade and interest payable	3,527	3,326
Employee benefits accrued	50,436	7,349
Mortgages	12,764	5,759
Lease liabilities	3,346	1,528
Other	9,066	4,397
	79,139	22,359





(in thousands of Canadian dollars unless otherwise stated)

12 Income taxes

a) Income tax expense (recovery)

	2024 \$	2023 \$
Current tax		
Current tax on income for the year	9,406	21,279
Adjustments in respect of prior years	220	(5,147)
	<u>9,626</u>	<u>16,132</u>
Deferred tax		
Origination and reversal of temporary differences	45,905	1,034
	<u>45,905</u>	<u>1,034</u>
	<u>55,531</u>	<u>17,166</u>

The tax on the Company's income before income tax differs from the theoretical amount that would arise using the federal and provincial statutory tax rate applicable to income of the consolidated entities. The statutory tax rate for 2024 was 26.5% (2023 – 26.5%). The difference between the Company's income tax and theoretical tax is as follows:

	2024 \$	2023 \$
Income before income tax	<u>316,734</u>	<u>101,473</u>
Income tax expense (recover) based on statutory rate of 26.5% (2023 – 26.5%)	83,935	26,890
Prior year adjustments	226	(2,322)
Part II tax	193	-
Difference in tax rate	9,237	14,002
Portion of income recoverable in hands of non-controlling interests	(1,280)	(220)
Non-taxable dividends	(203)	(205)
Non-deductible (non-taxable) portion of capital loss (gain)	(65,435)	(9,828)
Non-taxable income	(2,530)	(4,110)
Foreign exchange	30,908	(7,035)
Other	480	(6)
Income tax expense	<u>55,531</u>	<u>17,166</u>



(in thousands of Canadian dollars unless otherwise stated)

b) The analysis of deferred income tax liabilities is as follows:

	2024 \$	2023 \$
Deferred income tax liabilities		
Deferred tax liabilities to be settled		
After more than 12 months	145,582	89,492
Within 12 months		-
Deferred income tax liabilities	145,582	89,492

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows.

Deferred income tax assets	Equity investments and other holdings \$	Investments in associates \$	Real estate investments \$	Deferred Performance Compensation \$	Tax Loss Carryforward \$	Total \$
As at December 31, 2022	4,261	1,491	2,344	-	-	8,096
Credited (charged) to consolidated statement of income	(780)	(1,377)	714	-	-	(1,443)
Foreign exchange differences	(85)	(7)	(69)	-	-	(161)
As at December 31, 2023	3,396	107	2,989	-	-	6,492
Credited (charged) to consolidated statement of income	(1,145)	(111)	(73)	7,170	3,430	9,271
Foreign exchange differences	241	4	260	361	173	1,039
As at December 31, 2024	2,492	-	3,176	7,531	3,603	16,802





(in thousands of Canadian dollars unless otherwise stated)

Deferred income tax liabilities	Equity investments and other holdings \$	Investments in associates \$	Real estate investments \$	Investment properties \$	Other \$	Total \$
As at December 31, 2022	5,645	87,673	2,565	2,441	378	98,702
Charged (credited) to consolidated statement of income	(1,082)	1,150	(819)	12	330	(409)
Foreign exchange differences	(111)	(2,079)	(44)	(63)	(12)	(2,309)
As at December 31, 2023	4,452	86,744	1,702	2,390	696	95,984
Charged (credited) to consolidated statement of income	7,458	47,450	(456)	721	3	55,176
Foreign exchange differences	768	10,022	127	246	61	11,224
As at December 31, 2024	12,678	144,216	1,373	3,357	760	162,384

Deferred income tax liabilities have not been recognized on unremitted earnings totalling \$74,096 as at December 31, 2024 (2023 – \$70,267) with respect to the investment in subsidiaries, branches and associates and interest in joint arrangements because the Company influences whether the liability will be incurred, and it is satisfied that it will not be incurred in the foreseeable future. During the year, the Company did not distribute earnings from its subsidiaries (2023 - \$nil).



(in thousands of Canadian dollars unless otherwise stated)

13 Share capital

Authorized

Unlimited number of common shares, without par value

Movements in the Company's share capital are as follows:

	2024		2023	
	Number of shares	Amount \$	Number of shares	Amount \$
Balance – Beginning of year	2,472,124	20,605	2,478,624	20,657
Shares repurchased	(29,500)	(237)	(6,500)	(52)
Balance – End of year	<u>2,442,624</u>	<u>20,368</u>	<u>2,472,124</u>	<u>20,605</u>

In 2023, the Company began a normal course issuer bid to purchase a maximum of 100,000 of its own common shares before August 15, 2024. In 2024, the Company purchased common shares 29,500; (2023 – 6,500) for a total cash consideration of \$9,655; (2023 – \$2,085). The excess of the consideration paid over the stated capital was charged to retained earnings in the consolidated statement of changes in equity.

No dividends were declared in 2024 and 2023.

14 Earnings per share

a) Basic

	2024	2023
Net income attributable to common shareholders	\$258,147	\$83,608
Weighted average number of outstanding common shares	<u>2,457,052</u>	<u>2,474,949</u>
Basic earnings per share	<u>\$105.06</u>	<u>\$33.78</u>

b) Diluted

For the years ended December 31, 2024 and 2023, there were no dilutive instruments.





(in thousands of Canadian dollars unless otherwise stated)

15 Supplementary information to consolidated statements of cash flows

a) Adjustments for non-cash items are as follows:

	Note	2024 \$	2023 \$
Net change in fair value of equity investments and other holdings		(846,520)	(307,715)
Net change in fair value of real estate investments		5,261	3,965
Net change in fair value of investment properties		(3,651)	919
Share of profit (loss) of associates, adjusted for distributions received		1,074	9,450
Amortization and depreciation		1,071	1,070
Change in redemption amount of redeemable units		423,115	131,475
Deferred income tax	12(a)	45,905	1,034
		<u>(373,745)</u>	<u>(159,802)</u>

b) Changes in working capital items are as follows:

	2024 \$	2023 \$
Decrease (increase) in		
Due from brokers	(91,719)	(190,400)
Income taxes receivable	1,503	(5,517)
Other assets	(7,834)	(3,276)
Increase (decrease) in		
Trade and other payables	54,545	(5,890)
Due to brokers	663,602	(157,900)
Income taxes payable	(392)	(4,398)
	<u>619,705</u>	<u>(367,381)</u>



(in thousands of Canadian dollars unless otherwise stated)

16 Financial risks and fair value

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk, currency risk and equity price risk), credit risk and liquidity risk.

The Company's overall risk management program seeks to maximize the returns derived for the level of risk to which the Company is exposed and seeks to minimize potential adverse effects on the Company's financial performance. Managing these risks is carried out by management under policies approved by the Board.

The Company uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

Market risk

Fair value and cash flow interest rate risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

The majority of the Company's debt is based on floating rates, which exposes the Company to cash flow interest rate risk. The Company does not have long-term streams of cash flows that it can match against fixed debt, so it prefers to use short-term floating rate debt. The Company does not mitigate its exposure to interest rate fluctuation on floating rate debt. If interest rates spike, then the Company could enter into interest rate swaps or more probably just reduce its debt level. As at December 31, 2024, the Company has listed equity securities of \$5,680,005 (2023 – \$4,142,089). It can sell these securities to reduce its floating rate debt. As at December 31, 2024, a 1% increase or decrease in interest rates, with all other variables remaining constant, would impact interest expense by approximately \$16,537 over the next 12 months (2023 – \$8,800).

The Company's exposure to interest rate risk is summarized as follows:

	2024	2023
Cash and cash equivalents	Between 0.01% and 8.20%	Between 0.00% and 5.64%
Debt securities	Between 0.25 % and 11.88%	Between 1.94% and 10.95%
Credit facilities		
Canadian Bank advances	Prime rate plus 0.25%	Prime rate plus 0.25%
European Bank advances	Between 4.09% and 7.13%	2.75 %
Trade and other payables	Non-interest bearing	Non-interest bearing
Due to brokers	0.00% to 7.78%	0.00% to 5.65%
Mortgages	3.97% - 6.10%	0.95% to 4.73%





(in thousands of Canadian dollars unless otherwise stated)

The Company holds held for trading financial assets in debt securities of \$23,687; (2023 – \$22,445).

Debt securities are usually highly sensitive to interest rate changes. Theoretically, when interest rates rise, it causes the value of debt securities to decline. The opposite generally happens when interest rates fall, then debt securities usually rise in value. A change of 100 basis points in the yield to maturity will affect the fair value of the debt securities held for trading as follows.

Estimated effect on the fair value of debt securities due to:

	2024	2023
	Financial assets Held for trading Debt securities \$	Financial assets Held for trading Debt securities \$
An increase of 100 basis points in the yield to maturity	(700)	(3,721)
A decrease of 100 basis points in the yield to maturity	731	2,429

Currency risk

Currency risk is the risk that the value of monetary financial assets and financial liabilities denominated in foreign currencies will vary as a result of changes in underlying foreign exchange rates. The Company is exposed to currency risk due to potential variations in currencies other than the US dollar. The following tables summarize the Company's main financial assets and financial liabilities either denominated in or whose fair value is predominantly determined in currencies other than the US dollar, the Company's functional currency, and the effect on pre-tax net income of a 10% change in currency exchange rates:

	2024			
	Financial assets \$	Financial liabilities \$	Net exposure \$	Net effect of a 10% increase or decrease \$
Canadian dollar	195,884	-	195,884	19,588
Euro	9,448	(40,257)	(30,809)	(3,081)
British Pound	-	(2,660)	(2,660)	(266)
Israeli shekel	311	-	311	31
	205,643	(42,917)	162,726	16,272



(in thousands of Canadian dollars unless otherwise stated)

	2023			
	Financial assets \$	Financial liabilities \$	Net exposure \$	Net effect of a 10% increase or decrease \$
Canadian dollar	63,150	-	63,150	6,315
Euro	6,683	(4,507)	2,176	218
British Pound	-	(64,911)	(64,911)	(6,491)
Israeli shekel	290	-	290	29
	70,123	(69,418)	705	71

Equity price risk

Equity price risk is the risk that the fair value of equity investments and other holdings and equities sold short and derivatives will vary as a result of changes in the market prices of the holdings. The majority of the Company's equity investments and other holdings and all of the equities sold short and derivatives are based on quoted market prices as at the consolidated statement of financial position date. Changes in the market price of quoted securities and derivatives may be related to a change in the financial outlook of the investee entities or due to the market in general. Where non-monetary financial instruments – for example, equity securities – are traded in currencies other than the US dollar, the price, initially expressed in a foreign currency and then converted into US dollars, will also fluctuate because of changes in foreign exchange rates.

Securities sold short represent obligations of the Company to make future delivery of specific securities and create an obligation to purchase the security at market prices prevailing at the later delivery date. This creates the risk that the Company's ultimate obligation to satisfy the delivery requirements will exceed the amount of the proceeds initially received or the liability recorded in the consolidated financial statements. In addition, the Company has entered into derivative financial instruments which have a notional value greater than their fair value which is recorded in the consolidated financial statements. This information is disclosed in note 6(a) to these consolidated financial statements. This creates a risk that the Company could settle these instruments at a value greater or less than the amount that they have been recorded in the consolidated financial statements.

The Company's equity investments and other holdings have a downside risk limited to their carrying value, while the risk of equities sold short and derivatives is open-ended. The Company is subject to commercial margin requirements which act as a barrier to the open-ended risks of the equities sold short and derivatives. The Company closely monitors both its equity investments and other holdings and its equities sold short and derivatives.





(in thousands of Canadian dollars unless otherwise stated)

The impact of a 30% change in the market prices of the Company's listed equity investments and other holdings and equities sold short and derivatives would be as follows:

	2024		
	Fair value \$	Estimated fair value with a 30% price increase \$	Estimated fair value with a 30% price decrease \$
Equity investments and other holdings			
Listed equity securities and derivatives	5,662,818	7,361,663	3,963,973
Equities sold short and derivative liabilities	(404,849)	(526,304)	(283,394)
Pre-tax impact on net loss		1,577,390	(1,577,390)
		2023	
	Fair value \$	Estimated fair value with a 30% price increase \$	Estimated fair value with a 30% price decrease \$
Equity investments and other holdings			
Listed equity securities and derivatives	4,263,539	5,542,601	2,984,477
Equities sold short and derivative liabilities	(502,965)	(653,855)	(352,075)
Pre-tax impact on net income		1,128,172	(1,128,172)

The above analysis assumes that listed equity securities, derivatives, equities sold short and derivative liabilities would increase or decrease at the same rate. As these portfolios are not hedged together, a change in market prices will affect each one differently.

Credit risk

Credit risk is the risk that a counterparty will fail to fulfill its obligations under a contract and will cause the Company to suffer a loss.

The Company is exposed to credit risk from cash and cash equivalents, restricted short-term investments, due from broker and debt investments. Credit risk arising from funds held at financial institutions are managed by only investing with financial institutions with a minimum A rating. The Company manages its credit risk exposure from debt securities by closely monitoring the debt issuer and the ratings issued by various bond rating agencies. All debt security investments measured at fair value through profit or loss are traded over stock exchanges therefore exiting a position with increased risk is relatively easy if the credit worthiness of an issuer falls below the Company's threshold for credit risk exposure. All non-trading convertible debt securities are convertible into equity of the issuer and are measured at fair value using independent third party appraisals. The Company closely monitors the debt issuer in order to identify when the credit risk falls below the Company's threshold at which point the Company may exercise its option to redeem its debt holdings or dispose of it in the less liquid private markets.



(in thousands of Canadian dollars unless otherwise stated)

Credit ratings are presented using Standard & Poor's rating scale as follows:

Financial assets	Rating	2024 \$	2023 \$
Cash and cash equivalents	A	66,189	33,011
Due from brokers	A	473,114	346,315
Debt securities	A- to AAA	195	87
Debt securities	B- to BBB	22,138	19,466
Debt securities	CCC	-	1,721
Debt securities	Unrated	32,414	47,984

The company estimates that the unrated investments are below investment grade.

Liquidity risk

Liquidity risk is the risk the Company will encounter difficulties in meeting its financial obligations. The Company's largest assets are equity investments and other holdings. Most of these assets are made up of equities in listed companies which can be liquidated in a relatively short time. Due to its large investments in liquid assets, the Company believes that it has sufficient resources to meet its obligations as they come due.

All financial liabilities other than equities sold short, derivative liabilities, mortgages, lease liabilities and liability for redeemable units as at the consolidated statement of financial position date mature or are expected to be repaid within one year (2023 – one year). The liquidity risk related to these liabilities is managed by maintaining a portfolio of liquid investment assets.

Capital risk management

The Company's objective when managing its capital is to maintain a solid capital structure appropriate for the nature of its business. The Company considers its capital to be its equity. The Company manages its capital structure in light of changes in economic conditions. To maintain or adjust its capital structure, the Company initiates normal course issuer bids. The Company monitors capital on the basis of its net debt-to-capital ratio. Net liabilities used in the net debt-to-capital ratio is calculated by subtracting the due from broker balances from total liabilities. The net debt-to-capital ratio is as follows:

	2024	2023
Net total liabilities	\$4,278,458	\$3,147,521
Total equity	\$2,042,514	\$1,638,626
Debt-to-capital ratio	2.09	1.92

The Company's objective is to maintain a debt-to-capital ratio below 3.0; (2023 – 3.0). The Company believes that limiting its debt-to-capital ratio in this manner is the best way to monitor risk. The Company does not have any externally imposed restrictive covenants or capital requirements. Contractual requirements arise from the credit facility (note 5).





(in thousands of Canadian dollars unless otherwise stated)

Fair value estimation

The tables below analyze financial instruments carried at fair value by the inputs used in the valuation method. The different levels have been defined as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3 – Inputs that are not based on observable market data.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgment by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.



(in thousands of Canadian dollars unless otherwise stated)

The following tables analyze within the fair value hierarchy the Company's financial assets and financial liabilities measured at fair value as at December 31, 2024 and 2023:

				2024
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Financial assets at fair value through profit or loss				
Held for trading				
Equity securities	5,589,916	-	-	5,589,916
Debt securities	-	23,687	-	23,687
Derivative financial assets	-	72,902	-	72,902
Other				
Equity securities	88,591	1,498	249,679	339,768
Debt securities	-	-	31,060	31,060
Derivatives	-	-	-	-
Real estate investments	-	-	43,713	43,713
	5,678,507	98,087	324,452	6,101,046
Liabilities				
Financial liabilities				
Held for trading				
Equity holdings sold short	(346,758)	-	-	(346,758)
Derivative liabilities	-	(58,091)	-	(58,091)
	(346,758)	(58,091)	-	(404,849)
				2023
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Financial assets at fair value through profit or loss				
Held for trading				
Equity securities	4,071,844	25,957	-	4,097,801
Debt securities	-	22,445	-	22,445
Derivative financial assets	-	165,738	-	165,738
Other				
Equity securities	4,447	39,841	208,878	253,167
Debt securities	-	-	46,813	46,813
Derivatives	-	-	-	-
Real estate investments	-	-	44,172	44,172
	4,076,291	253,981	299,863	4,630,136
Liabilities				
Financial liabilities				
Held for trading				
Equity holdings sold short	(445,658)	-	-	(445,658)
Derivative liabilities	-	(57,307)	-	(57,307)
	(445,658)	(57,307)	-	(502,965)





(in thousands of Canadian dollars unless otherwise stated)

Financial instruments in Level 1

The fair value of financial assets and financial liabilities traded in active markets are based on quoted market prices at the close of trading on the year-end date. The quoted market price used for financial assets and financial liabilities held by the Company is the close price. Investments classified in Level 1 include active listed equities.

Financial instruments in Level 2

Financial instruments classified with Level 2 trade in markets that are not considered to be active but are valued based on quoted market prices, broker quotations or valuation techniques such as financial models that use market data. These valuation techniques maximize the use of observable market data where available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. These include corporate bonds, thinly traded listed equities and derivatives, over-the-counter derivatives and private equities.

The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each year-end date. Valuation techniques used for non-standardized financial instruments such as options and other over-the-counter derivatives include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analyses, option-pricing models and other valuation techniques commonly used by market participants, making maximum use of market inputs and relying as little as possible on entity-specific inputs:

Description	Valuation technique
Equity securities	Quoted market prices or broker quotes for similar instruments
Private equities	Valuation techniques or net asset value based on observable inputs
Debt securities	Quoted market prices or broker quotes for similar instruments
Derivatives	Quoted market prices or broker quotes for similar instruments

Financial instruments in Level 3

Investments classified in Level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments include unlisted equity investments, debt securities and real estate investments. As observable prices are not available for these securities, the Company has used valuation techniques to derive the fair value.

Level 3 valuations are reviewed by the Company's chief financial officer (CFO), who reports directly to the Board on a quarterly basis in line with the Company's reporting dates. The Board considers the appropriateness of the valuation models and inputs used. On an annual basis, close to the year-end date, the Company obtains independent, third party appraisals to determine the fair value of the Company's most significant Level 3 holdings. The Company's CFO reviews the results of the independent valuations. Emphasis is placed on the valuation model used to determine its appropriateness, the assumptions made to determine whether it is consistent with the nature of the investment, and market conditions and inputs such as cash flow and discount rates to determine reasonableness.



(in thousands of Canadian dollars unless otherwise stated)

As at December 31, 2024 and 2023, Level 3 instruments are held in various entities and industries.

Real estate investments are disclosed in more detail in note 8, comprising investments in private real estate companies and in real estate income trusts and partnerships. The real estate companies are involved with various types of buildings in different geographical locations. For the main Level 3 instruments, the Company relied on appraisals carried out by independent third party valuers. There was no established market for any of these investments, so the most likely scenario is a disposal of the underlying assets. For the investments in partnerships and real estate income trusts, the Company relied mainly on audited financial statements, valuing the assets at fair value. The most likely scenario is an eventual sale of the underlying properties and the subsequent distribution of the net proceeds to the holders.

The following tables present the changes in Level 3 instruments:

	2024		
	Real estate investments \$	Unlisted securities \$	Total \$
As at December 31, 2023	44,172	255,691	299,863
Transfers out of Level 3(i)	-	(811)	(811)
Purchases (ii)	2,087	15,573	17,660
Distributions	(960)	(2,512)	(3,472)
Gains (losses) recognized in net income			
On financial instruments disposed of during the year	-	(602)	(602)
On financial instruments held at end of year	(5,261)	(9,207)	(14,468)
Currency translation adjustments	3,675	22,607	26,282
As at December 31, 2024	43,713	280,739	324,452
	2023		
	Real estate investments \$	Unlisted securities \$	Total \$
As at December 31, 2022	47,763	253,732	301,495
Transfers out of Level 3(i)	-	(1,611)	(1,611)
Purchases (ii)	2,904	17,212	20,116
Distributions	(1,458)	(33,241)	(34,699)
Gains (losses) recognized in net income			
On financial instruments disposed of during the year	-	20,798	20,798
On financial instruments held at end of year	(3,965)	4,922	957
Currency translation adjustments	(1,072)	(6,121)	(7,193)
As at December 31, 2023	44,172	255,691	299,863





(in thousands of Canadian dollars unless otherwise stated)

- i. During the year the Company transferred holdings in equity securities in the information technology and pharmaceuticals industries out of Level 3 pursuant to the conversion of preferred shares to common shares. The fair value of these investments became available through quoted prices from the active markets and is now classified as Level 1.
- ii. During the years ended December 31, 2024 and 2023, the Company made investments in private holdings in the information technology, healthcare, pharmaceutical, communication services and financial industries totaling \$15,573 (2023 – \$17,212). There is no established market for these holdings. The most likely disposal of these investments is through a disposition or a listing of these holdings on a public stock exchange.



(in thousands of Canadian dollars unless otherwise stated)

The table below presents the investments whose fair values are measured using valuation techniques classified as Level 3 as at December 31, 2024.

Description	Fair value (rounded) 2024 \$	Valuation technique	Significant unobservable inputs	Weighted average input	Reasonably possible shifts +/-	Change in value \$
Unlisted private equity holdings Industrials -Convertible Prefs	68,100	Comparable company approach	Average change in market cap	(2.61%)	10%	+/-176
Unlisted private equity holdings Financial services -Equity securities	26,500	Comparable company approach	Average change in market cap	2.40	10%	+/-2,650
Unlisted private equity holdings Financial services -Equity securities	46,700	Comparable company approach	Revenue multiple	3.75	10%	+/-4,436
Unlisted private equity holdings Financial services -Equity securities	4,000	Comparable company approach	Revenue multiple	5	10%	+/-417
Unlisted private equity holdings Financial services -Equity securities	17,200	Comparable company approach	Average change in market cap	(20.93%)	10%	+/-104
Unlisted private equity holdings Healthcare		Comparable company approach & Index performance method	Average change in market cap	6.4%		
-Equity securities	6,000		Index weighting	(21.13%)	10%	+/-264
Unlisted private equity holdings Healthcare -Equity securities	2,500	Black-Scholes Options Pricing Model (OPM)	Expected volatility	85%	10%	+/-247
Unlisted private equity holdings Healthcare -Equity securities	3,400	Recoverability analysis	Discount rate	50%	10%	+/-386
Unlisted private equity holdings Healthcare -Convertible bonds	1,300	Recent transaction	None	-	-	-
Unlisted private equity holdings Healthcare -Convertible bonds	13,000	Recoverability analysis	Revenue multiple	0.6	10%	+/-2,784
Unlisted private equity holdings Healthcare -Corporate bonds	12,000	Comparable bond methodology	Yield to maturity (YTM)	10.93%	10%	+/-150
Unlisted private equity holdings Healthcare -Corporate bonds	4,800	Recoverability analysis	Revenue multiple	0.89	10%	+/-7,040
Unlisted private equity holdings Food and beverages -Equity securities	24,200	Comparable company approach	Revenue multiple EBITA multiple	2 14	10% 10%	+/-1,480 +/-1,240
Unlisted private equity holdings Food and beverages -Equity securities	2,035	Comparable company approach	Average change in market cap	(37%)	10%	+/-119





(in thousands of Canadian dollars unless otherwise stated)

Description	Fair value (rounded) 2024 \$	Valuation technique	Significant unobservable inputs	Weighted average input	Reasonably possible shifts +/-	Change in value \$
Unlisted private equity holdings Pharmaceuticals -Equity securities	908	Comparable company approach	Average change in market cap	(54.80%)	10%	+/-250
Unlisted private equity holdings Pharmaceuticals -Equity securities	6,150	Index Performance Method	Index weighting	(2.94%)	10%	+/-18
Unlisted private equity holdings Information technology -Equity securities	2,600	Comparable company approach	Average change in market cap	(20.78%) 5.40%	10% 10%	+/-60 +/-1.75
Unlisted private equity holdings Information technology -Equity securities	3,600	Comparable company approach & Index performance method	Average change in market cap Index weighting	41.25% 39.23%	10% 10%	 +/-101
Unlisted private equity holdings Information technology -Equity securities	134	Recent transaction	None	-	-	-
Unlisted private equity holdings Communication services -Equity securities	8,800	Index Performance Method	Index weighting	7.11%	10%	+/-23
Unlisted private equity holdings Consumer Goods -Equity securities	11,000	Comparable company approach	Revenue multiple	2.6	10%	+/-1,342
Unlisted private equity holdings Other -Equity securities	109	Comparable company approach	Revenue multiple	2.5	10%	+/-10
Unlisted private equity holdings Other -Equity securities	276	Comparable company approach	Average change in market cap	(50.5%)	10%	+/-28
Unlisted private equity holdings Other -Equity securities	15,250	Recent transaction	None	-	-	-
REITs and partnerships	30,300	Discounted cash flows	Discount rate Cash flow term Capitalization rate	7.0%-12% 2-10 years 4.8%-7.5%	The inputs disclosed cover the range used for all the real estate holdings in the REITs and partnerships	
Real estate investments in private entities	13,360	Capitalization model	Rate of return	6.6%		
					1.0%	+2,300 -1,700



(in thousands of Canadian dollars unless otherwise stated)

The table below presents the investments whose fair values are measured using valuation techniques classified as Level 3 as at December 31, 2023.

Description	Fair value (rounded) 2023 \$	Valuation technique	Significant unobservable inputs	Weighted average input	Reasonably possible shifts +/-	Change in value \$
Unlisted private equity holdings Industrials -Convertible Prefs	44,000	Comparable company approach	Average change in market cap	22.50%	10%	+/-3,800
Unlisted private equity holdings Financial services -Equity securities	23,000	Comparable company approach	Revenue multiple	2.25	10%	+/-2,280
Unlisted private equity holdings Financial services -Equity securities	44,500	Comparable company approach	Revenue multiple	4	10%	+/-4,360
Unlisted private equity holdings Financial services -Equity securities	4,000	Comparable company approach	Revenue multiple	4.5	10%	+/-316
Unlisted private equity holdings Financial services -Equity securities	16,900	Comparable company approach	Average change in market cap	8.49%	10%	+/-71
Unlisted private equity holdings Healthcare -Convertible bonds	1,200	Recent transaction	None	-	-	-
Unlisted private equity holdings Healthcare -Convertible bonds	24,000	Comparable bond methodology	Discount rate	10.25%	10%	+/-276
Unlisted private equity holdings Healthcare -Corporate bonds	4,000	Comparable bond methodology	Yield to maturity (YTM)	18.22%	10%	+/-118
Unlisted private equity holdings Healthcare -Corporate bonds	14,000	Recoverability analysis	Revenue multiple	0.92	10%	+/-6,135
Unlisted private equity holdings Healthcare -Equity securities	6,000	Black-Scholes Options Pricing Model (OPM)	Expected volatility	33%	10%	+/-27
Unlisted private equity holdings Healthcare -Equity securities	2,200	Black-Scholes OPM	Expected volatility	85%	10%	+/-48
Unlisted private equity holdings Healthcare -Equity securities	16,500	Recent transaction	Discount for lack of marketability (DLOM)	50%	10%	+/-1,670
Unlisted private equity holdings Food and beverages -Equity securities	21,500	Comparable company approach	Revenue multiple EBITA multiple	2.6 18.2	10% 10%	+/-1,500 +/-1,000
Unlisted private equity holdings Food and beverages -Equity securities	2,000	Comparable company approach	Average change in market cap DLOM	(38.10%) 15%	10%	+/-117





(in thousands of Canadian dollars unless otherwise stated)

Description	Fair value (rounded) 2023 \$	Valuation technique	Significant unobservable inputs	Weighted average input	Reasonably possible shifts +/-	Change in value \$
Unlisted private equity holdings Pharmaceuticals -Equity securities	750	Recent transaction approach	DLOM	20%	10%	+/-18
Unlisted private equity holdings Pharmaceuticals -Equity securities	7,000	Recent transaction	Index weighting	3.8%	10%	+/-22
Unlisted private equity holdings Information technology -Equity securities	235	Comparable company approach	Revenue multiple	3.42	10%	+/-42
Unlisted private equity holdings Information technology -Equity securities	1,050	Comparable company approach	Lower quartiles change of market caps	(59.85%)	10%	+/-158
Unlisted private equity holdings Information technology -Equity securities	4,000	Backsolve OPM/ Comparable company approach	Expected volatility/ Average change in market cap	60% 18.93% 5.49%	10%	+/-170
Unlisted private equity holdings Information technology -Equity securities	835	Black-Scholes OPM	Expected volatility	70%	10%	+/-90
Unlisted private equity holdings Information technology -Equity securities	1,050	Black-Scholes OPM	Expected volatility	60%	10%	+/-150
Unlisted private equity holdings Communication services -Equity securities	5,600	Index performance method	Index weighting	(3.13%)	10%	+/-17
Unlisted private equity holdings Other -Equity securities	625	Comparable company approach	Average change in market cap	2.85	10%	+/-11
Unlisted private equity holdings Other -Equity securities	151	Comparable company approach	Average change in market cap	(17.4%)	10%	+/-9
Unlisted private equity holdings Other -Equity securities	1,200	Comparable company approach	Revenue multiple	0.98	10%	+/-223
Unlisted private equity holdings Other -Equity securities	6,000	Recent transaction	none	-	-	-
Unlisted private equity holdings Other -Convertible Bond	4,000	Comparable Bond Methodologies	YTM	9.31%	10%	+/-55
REITs and partnerships	32,000	Discounted cash flows	Discount rate Cash flow term Capitalization rate	6.3%-12% 5-10 years 4.8%-7.5%	The inputs disclosed cover the range used for all the real estate holdings in the REITs and partnerships	
Real estate investments in private entities	12,310	Capitalization model	Rate of return	7.4%	1.0%	+1,200 -920



(in thousands of Canadian dollars unless otherwise stated)

Financial assets and financial liabilities not carried at fair value but for which fair value is disclosed.

The carrying amount of cash and cash equivalents, restricted short-term investments, due from brokers, bank advances, credit facilities, trade and other payables, due to brokers, redemptions payable, and subscriptions received in advance represent a reasonable approximation of their respective fair value due to their short-term nature.

17 Disclosure of the composition of the Company

Principal subsidiaries and structured entities

The consolidated financial statements include the accounts of the Company and all of its subsidiaries and structured entities as at December 31, 2024 and 2023. The principal operating subsidiaries and structured entities and their activities are as follows.

Name	Country of incorporation	% Interest held		Nature of business
		2024	2023	
Senvest Global (KY) L.P.	Cayman Islands	100	100	Investment company
Senvest Global L.P.	United States	100	100	Investment company
RIMA Senvest Master Fund GP, L.L.C.	United States	-	-	General partner of Senvest Master Fund, L.P.
Senvest Technology Partners GP, L.L.C.	United States	-	-	General partner of Senvest Technology Partners Master Fund L.P.
Argentina Capital Inc.	Canada	100	100	Real estate
Pennsylvania Properties Inc.	United States	100	100	Real estate
Senvest Blends Inc.	United States	100	100	Investment company
Senvest Management L.L.C.	United States	-	-	Investment manager of the Funds
Senvest Master Fund, L.P.	Cayman Islands	42	41	Investment fund
Senvest Technology Partners Master Fund, L.P.	Cayman Islands	51	49	Investment fund
Senvest Cyprus Recovery Investment Fund, L.P.	Cayman Islands	46	46	Investment fund
Coldstream SL	Spain	100	100	Real estate

The total non-controlling interest in net income (loss) for the year is mostly attributed to Senvest Management L.L.C. The change in redemption amount of liability for redeemable units for the year is attributable to the Funds. No guarantees or collateral were provided to the subsidiaries and structured entities except for the lease liabilities of Senvest Management L.L.C. The amounts in question have been included in trade and other payables. The Company is not liable for any other contingent liabilities arising in its subsidiaries and structured entities and will not settle any other liabilities on their behalf.





(in thousands of Canadian dollars unless otherwise stated)

18 Related party transactions

Key management compensation

Key management includes the Board, the president and chief executive officer, the vice-president, the secretary-treasurer, and the CFO. The compensation paid or payable to key management for employee services is as follows:

	2024 \$	2023 \$
Salaries and other employee benefits	51,058	14,310
	<u>51,058</u>	<u>14,310</u>

Management fees

Certain employees and related parties that have invested in the Funds do not pay management fees that are charged to outside investors. The amount invested by these participants in 2024 totals \$654,770 (2023 – \$510,753). The amount invested in the fund by these participants is included in liability for redeemable units.

19 Commitments

As of December 31, 2024, the Company's future commitments relating to other equity investments and other holdings totaled \$11,683 and those relating to real estate totaled \$8,964.



(in thousands of Canadian dollars unless otherwise stated)

20 Segmented and geographical information

The Company operates in a single reportable segment, which is the management of its own investments and those of the Funds.

The following tables summarize the Company's revenues by geographical area for the years ended December 31:

	2024				
	United States \$	Canada \$	European Union \$	Other \$	Total \$
Revenue					
Interest income	53,242	2,836	2,861	3	58,942
Dividend income	39,780	9,625	14,121	-	63,526
Other income	4	879	8,533	-	9,416
	2023				
	United States \$	Canada \$	European Union \$	Other \$	Total \$
Revenue					
Interest income	56,167	3,467	4,487	8	64,129
Dividend income	43,090	26,010	2,872	-	71,972
Other income	-	607	7,355	-	7,962





Board of Directors

Victor Mashaal
Chairman of the Board & President
Senvest Capital Inc.

Richard Mashaal
Vice-President
Senvest Capital Inc.

Frank Daniel
Secretary-Treasurer
Senvest Capital Inc.

David E. Basner*
Business Executive

Eileen Bermingham*
Business Executive

Jeffrey L. Jonas*
Partner, Brown Rudnick L.L.P.

*Member of the Audit Committee

Officers

Victor Mashaal
Chairman of the Board & President

Richard Mashaal
Vice-President

Frank Daniel
Secretary-Treasurer

George Malikotsis
Vice-President, Finance

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