



# LetkoBrosseau

**Letko Brosseau Balanced Fund**  
**Letko Brosseau Fonds équilibré**

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## **ANNUAL FINANCIAL STATEMENTS**

DECEMBER 31, 2025 AND 2024  
(Expressed in Canadian Dollars)



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## Independent Auditor's Report

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To the Unitholders of  
Letko Brosseau Balanced Fund /  
Letko Brosseau Fonds équilibré

### Opinion

We have audited the financial statements of Letko Brosseau Balanced Fund / Letko Brosseau Fonds équilibré (hereafter "the Fund"), which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of changes in net assets attributable to holders of redeemable units, the statements of comprehensive income and the statements of cash flows for the years then ended, and notes to financial statements, including material accounting policy information, and the schedule of investment portfolio as at December 31, 2025.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2025 and 2024, 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 (hereafter "IFRS Accounting Standards").

### 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 financial statements" section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Fund'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 Fund'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 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 Fund to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

*Raymond Chabot Grant Thornton LLP<sup>1</sup>*

Montréal  
March 27, 2026

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<sup>1</sup> CPA auditor, public accountancy permit no. A126944



	2025	2024
	\$	\$
<b>Current assets</b>		
Cash	1,114,904	611,161
Investments	727,043,436	641,335,692
Interest, dividends and other receivables	2,039,513	1,911,858
	<u>730,197,853</u>	<u>643,858,711</u>
<b>Current liabilities</b>		
Amounts payable on redemptions of redeemable units	150,000	700
Accrued expenses	48,629	59,797
	<u>198,629</u>	<u>60,497</u>
<b>Net assets attributable to holders of redeemable units</b>	<u>729,999,224</u>	<u>643,798,214</u>

**Supplementary information**

<b>Number of redeemable units in circulation (note 6)</b>	36,096,554	34,395,191
<b>Net assets per unit attributable to holders of redeemable units (note 7)</b>	\$ 20.2235	\$ 18.7177

Approved by the Board of Directors of Letko, Brosseau & Associates Inc., Fund Manager

Daniel Brosseau, Director

LETKO BROSSEAU BALANCED FUND  
LETKO BROSSEAU FONDS ÉQUILIBRÉ

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS  
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024  
(Expressed in Canadian Dollars)



	2025 \$	2024 \$
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	643,798,214	589,128,568
<b>Change in net assets attributable to holders of redeemable units</b>	108,869,038	73,501,101
<b>Redeemable unit transactions</b>		
Proceeds from issuance	34,070,791	37,092,128
Reinvestment of distributions	54,242,813	43,936,960
Redemptions	(54,483,451)	(54,224,310)
	33,830,153	26,804,778
<b>Distributions to holders of redeemable units (note 7)</b>		
Net investment income	(23,827,615)	(19,867,054)
Net realized gain on sale of investments	(32,670,566)	(25,769,179)
	(56,498,181)	(45,636,233)
<b>Net assets attributable to holders of redeemable units, end of year</b>	729,999,224	643,798,214

The accompanying notes are an integral part of the financial statements.



	2025	2024
	\$	\$
<b>Investment income</b>		
Net interest income for distribution purposes	9,279,823	6,917,815
Dividend income	14,553,579	13,562,205
Net securities lending income (note 10)	139,131	124,752
Foreign exchange gain (loss) on cash	(568,940)	687,446
Net realized gain (loss) on sale of investments	47,653,409	34,313,907
Net changes in unrealized appreciation (depreciation) of investments	38,965,850	18,647,169
	<u>110,022,852</u>	<u>74,253,294</u>
<b>Expenses</b>		
Trustee fees (note 11)	152,386	158,224
Professional fees	15,664	14,844
Filing fees	6,095	7,083
Withholding taxes	766,808	393,231
Portfolio transaction costs	212,861	178,811
	<u>1,153,814</u>	<u>752,193</u>
<b>Change in net assets attributable to holders of redeemable units</b>	<u>108,869,038</u>	<u>73,501,101</u>
<b>Change in net assets per unit attributable to holders of redeemable units (note 3)</b>	<u>3.1586</u>	<u>2.2371</u>

The accompanying notes are an integral part of the financial statements.



	2025	2024
	\$	\$
<b>Cash flows from (used in) operating activities</b>		
Change in net assets attributable to holders of redeemable units	108,869,038	73,501,101
Adjustments or variations for:		
Foreign exchange (gain) loss on cash	568,940	(687,446)
Net realized (gain) loss on sale of investments	(47,653,409)	(34,313,907)
Net changes in unrealized (appreciation) depreciation of investments	(38,965,850)	(18,647,169)
Interest, dividends and other receivables	(127,655)	(194,440)
Accrued expenses	(11,168)	10,413
Proceeds from sale or maturity of investments	460,536,165	285,396,301
Investments purchased	(459,624,650)	(286,489,347)
	23,591,411	18,575,506
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuance of redeemable units	34,070,791	37,092,128
Amounts paid on redemptions of redeemable units	(54,334,151)	(54,501,887)
Distributions paid in cash to holders of redeemable units	(2,255,368)	(1,699,273)
	(22,518,728)	(19,109,032)
<b>Change in cash</b>	1,072,683	(533,526)
Cash, beginning of year	611,161	457,241
Effect of exchange rate changes on foreign cash	(568,940)	687,446
<b>Cash, end of year</b>	1,114,904	611,161

#### Supplementary information

##### Cash flows relating to operating activities:

Interest received	\$ 9,083,083	\$ 6,668,064
Dividends received, net of withholding taxes	\$ 13,564,709	\$ 12,750,701
Interest paid	\$ 2,343	\$ 8,370

The accompanying notes are an integral part of the financial statements.



	Quantity	Cost \$	Fair Value \$
<b>Equities</b>			
<b>Energy</b>			
Birchcliff Energy	101,300	419,289	756,711
Cenovus Energy	106,050	1,442,432	2,462,481
Chevron Corporation	7,046	389,335	1,472,017
ConocoPhillips	22,000	1,002,887	2,822,941
Enerflex	2,550	22,777	53,958
Peyto Exploration & Development Corporation	200,000	1,375,998	4,541,992
Suncor Energy	24,750	768,576	1,507,770
TotalEnergies	51,000	3,379,746	4,564,113
		8,801,040	18,181,983
<b>Materials</b>			
5N Plus	3,400	13,760	60,248
Arkema	32,325	2,699,745	2,713,828
Barrick Mining Corporation	82,600	1,944,207	4,938,654
Cascades	133,300	1,283,182	1,660,918
Eastman Chemical	46,125	4,368,359	4,035,693
Graphic Packaging Holding	140,100	3,745,981	2,892,144
HudBay Minerals	11,700	75,266	318,825
Ivanhoe Mines	104,900	1,460,018	1,637,489
Kuraray	124,400	1,373,852	1,726,476
Lundin Mining Corporation	47,400	244,271	1,398,300
Nutrien	43,575	2,157,635	3,691,674
Regis Resources	93,600	167,217	645,966
Smurfit WestRock	61,275	2,687,326	3,243,492
Teck Resources	17,675	189,808	1,161,424
Wacker Chemie	32,600	3,575,481	3,639,599
West Fraser Timber Corporation	19,997	1,198,698	1,679,148
		27,184,806	35,443,878
<b>Industrial Products</b>			
Air Canada	156,000	742,348	3,009,240
Arcadis	20,225	1,216,843	1,157,166
Bombardier	16,870	334,785	3,939,145
Bunzl	73,850	2,838,827	2,826,664
CAE	39,700	857,810	1,657,078
Canadian National Railway Corporation	9,425	1,261,100	1,279,444
FedEx Corporation	7,600	1,860,718	3,009,247
Fraport AG Frankfurt Airport Services Worldwide	14,175	824,365	1,596,248
Mitsui & Co.	87,450	775,295	3,550,763
Siemens	16,970	2,050,870	6,533,438
United Parcel Service	13,525	1,637,875	1,838,916
		14,400,836	30,397,349
<b>Consumer Discretionary</b>			
Canadian Tire Corporation	16,775	1,213,535	2,917,844
Dorel Industries	100,000	600,938	149,000
Kingfisher	736,700	2,210,161	4,247,319
Linamar Corporation	56,675	2,041,143	4,701,758

The accompanying notes are an integral part of the financial statements.



	Quantity	Cost \$	Fair Value \$
<b>Equities (continued)</b>			
<b>Consumer Discretionary (continued)</b>			
Lululemon Athletica	8,000	2,313,117	2,278,837
Magna International	59,575	2,800,700	4,359,103
Panasonic Holdings Corporation	172,700	2,038,138	3,056,038
Valeo	142,625	2,417,126	2,671,478
		15,634,858	24,381,377
<b>Consumer Staples</b>			
Associated British Foods	125,000	3,606,456	4,902,006
Barry Callebaut	1,279	1,992,843	2,890,070
Canada Packers	17,140	267,606	275,783
Carrefour	225,000	5,202,384	5,154,386
George Weston	32,820	1,053,135	3,107,726
Maple Leaf Foods	85,700	1,988,767	2,136,501
Wal-Mart Stores	8,550	181,959	1,305,711
		14,293,150	19,772,183
<b>Health Care</b>			
Abbvie	14,425	1,386,969	4,517,934
Biogen	5,000	1,215,643	1,206,188
CVS Health Corporation	53,975	4,545,480	5,871,528
Genmab	9,840	2,955,821	4,299,083
GlaxoSmithKline	77,540	3,750,957	5,212,344
Illumina	32,800	5,065,239	5,897,013
Merck & Co.	11,075	828,465	1,597,953
Pfizer	171,700	5,756,276	5,860,390
Roche Holding	8,300	2,908,478	4,713,151
Sanofi	42,000	3,848,949	5,593,058
		32,262,277	44,768,642
<b>Financial Services</b>			
Allianz	6,110	1,607,852	3,841,066
Bank of America Corporation	42,825	1,349,069	3,228,620
Bank of Montreal	23,675	1,575,466	4,220,069
Bank of Nova Scotia	57,000	3,599,712	5,770,110
BNP Paribas	57,000	3,596,929	7,413,478
Canadian Imperial Bank of Commerce	21,125	1,161,109	2,628,584
Citigroup	32,725	1,990,362	5,234,439
ING Groep	89,200	1,383,823	3,447,836
Invesco	82,854	1,247,177	2,983,530
Manulife Financial Corporation	87,550	1,596,102	4,363,492
Power Corporation of Canada	66,825	1,832,908	4,874,884
Royal Bank of Canada	16,500	1,245,226	3,860,835
State Street Corporation	28,450	1,561,081	5,031,095
Sun Life Financial	55,425	1,798,058	4,748,814
Toronto-Dominion Bank	38,350	1,930,757	4,960,956
Truist Financial Corporation	62,000	3,591,596	4,182,172
Wells Fargo & Co.	17,382	1,126,789	2,220,611
		32,194,016	73,010,591

The accompanying notes are an integral part of the financial statements.



	Quantity	Cost \$	Fair Value \$
<b>Equities (continued)</b>			
<b>Real Estate</b>			
Allied Properties Real Estate Investment Trust	82,300	1,068,231	1,100,351
Macerich Company	69,800	1,282,676	1,766,217
Morguard Corporation	11,600	382,619	1,345,600
		2,733,526	4,212,168
<b>Technology</b>			
Adobe	9,660	4,764,599	4,634,358
ams-OSRAM	87,400	1,003,956	1,187,069
Cirrus Logic	17,875	1,482,360	2,903,496
Intel Corporation	124,000	4,793,441	6,271,983
Open Text Corporation	100,000	4,140,010	4,470,000
Samsung Electronics Corporation	2,336	3,357,541	6,615,459
Skyworks Solutions	34,125	3,066,597	2,966,110
		22,608,504	29,048,475
<b>Communication Services</b>			
Alphabet	33,565	3,648,146	14,437,648
AT&T	175,000	3,968,266	5,958,631
BCE	75,750	2,679,862	2,480,055
Cogeco Communications	25,000	1,554,499	1,661,750
Comcast Corporation	86,450	2,014,516	3,541,993
Meta Platforms	8,120	1,424,488	7,347,101
Quebecor	80,000	659,738	4,136,000
Rogers Communications	87,175	3,378,163	4,516,537
Telefonica	352,000	1,783,101	1,979,387
Telus Corporation	125,150	1,766,372	2,263,964
Verizon Communications	70,000	3,420,440	3,908,133
		26,297,591	52,231,199
<b>Utilities</b>			
EDP - Energias de Portugal	782,412	3,572,158	4,931,247
Superior Plus Corporation	222,000	1,446,137	1,562,880
Veolia Environnement	92,400	2,554,404	4,420,896
		7,572,699	10,915,023
<b>Investment Fund</b>			
Letko Brosseau Emerging Markets Equity Fund	5,510,920	60,845,008	91,357,268
		264,828,311	433,720,136
<b>Total Equities</b>			
	<b>Par Value</b>	<b>Cost \$</b>	<b>Fair Value \$</b>
<b>Canadian Government Bonds</b>			
<b>Provincial Governments and Crown Corporations</b>			
British Columbia Investment Management Corporation			
3.400%, 2030-06-02	1,000,000	1,000,810	1,010,628
4.900%, 2033-06-02	3,500,000	3,487,435	3,797,202

The accompanying notes are an integral part of the financial statements.



	Par Value	Cost \$	Fair Value \$
<b>Canadian Government Bonds (continued)</b>			
<b>Provincial Governments and Crown Corporations (continued)</b>			
Canadian Government Real Return			
2.973%, 2041-12-01	2,495,000	3,648,845	3,837,395
2.145%, 2044-12-01	2,795,000	3,640,032	3,799,416
0.636%, 2050-12-01	1,000,000	901,833	926,117
CDP Financial			
3.700%, 2028-03-08	390,000	382,200	397,435
3.950%, 2029-09-01	5,465,000	5,487,867	5,640,484
4.200%, 2030-12-02	3,000,000	3,134,220	3,131,608
CPPIB Capital			
2.850%, 2027-06-01	3,175,000	3,171,127	3,187,824
1.950%, 2029-09-30	4,360,000	3,889,974	4,204,065
2.250%, 2031-12-01	1,000,000	870,950	943,052
3.950%, 2032-06-02	2,055,000	1,967,457	2,121,379
Hydro-Quebec			
2.000%, 2028-09-01	1,500,000	1,444,500	1,468,220
3.400%, 2029-09-01	3,170,000	3,189,496	3,211,380
Ontario Power Generation			
2.977%, 2029-09-13	320,000	310,803	316,633
Ontario Teachers' Finance Trust			
4.150%, 2029-11-01	8,310,000	8,334,593	8,632,063
4.450%, 2032-06-02	6,345,000	6,576,419	6,697,357
Province of Alberta			
2.550%, 2027-06-01	1,000,000	1,011,490	1,000,222
Province of British Columbia			
4.150%, 2034-06-18	4,535,000	4,434,958	4,683,887
Province of Manitoba			
2.600%, 2027-06-02	3,195,000	3,247,469	3,197,375
3.900%, 2032-12-02	10,000,000	10,051,500	10,266,476
4.250%, 2034-06-02	5,715,000	5,636,863	5,938,453
Province of New Brunswick			
2.600%, 2026-08-14	9,500,000	9,672,065	9,514,946
3.050%, 2030-06-03	6,685,000	6,672,027	6,674,412
Province of Newfoundland and Labrador			
3.000%, 2026-06-02	4,465,000	4,607,998	4,477,335
1.250%, 2027-06-02	3,400,000	3,298,340	3,336,983
3.850%, 2027-10-17	1,000,000	998,640	1,020,510
2.850%, 2028-06-02	2,500,000	2,355,000	2,501,935
2.850%, 2029-06-02	3,000,000	2,952,150	2,988,171
2.050%, 2031-06-02	1,500,000	1,267,350	1,407,847
Province of Nova Scotia			
2.400%, 2031-12-01	3,130,000	2,965,675	2,975,244
4.050%, 2033-06-01	5,770,000	5,933,291	5,952,296
Province of Ontario			
2.600%, 2027-06-02	13,450,000	13,999,971	13,461,970
2.700%, 2029-06-02	4,000,000	3,916,120	3,972,360
2.150%, 2031-06-02	3,150,000	2,973,915	2,983,189
3.650%, 2033-06-02	6,200,000	5,837,810	6,254,518
4.150%, 2034-06-02	7,020,000	6,879,600	7,262,662

The accompanying notes are an integral part of the financial statements.



	Par Value	Cost \$	Fair Value \$
<b>Canadian Government Bonds (continued)</b>			
<b>Provincial Governments and Crown Corporations (continued)</b>			
Province of Prince Edward Island			
3.100%, 2030-06-02	700,000	698,908	699,111
PSP Capital			
1.500%, 2028-03-15	1,030,000	942,697	1,002,651
3.750%, 2029-06-15	2,000,000	2,007,080	2,052,093
2.600%, 2032-03-01	9,230,000	8,234,507	8,840,669
4.150%, 2033-06-01	7,960,000	7,850,218	8,269,743
		169,884,203	174,057,316
<b>Municipalities and Parapublic Institutions</b>			
City of Montreal			
4.250%, 2032-12-01	1,295,000	1,339,030	1,345,370
Municipal Finance Authority of British Columbia			
3.350%, 2027-06-01	500,000	499,200	505,352
4.500%, 2028-12-03	400,000	403,644	418,153
Regional Municipality of York			
2.500%, 2026-06-02	2,500,000	2,513,650	2,501,998
2.350%, 2027-06-09	475,000	475,945	473,287
Toronto Hydro Corporation			
2.520%, 2026-08-25	875,000	835,032	874,975
2.430%, 2029-12-11	800,000	714,275	782,233
		6,780,776	6,901,368
<b>Total Canadian Government Bonds</b>		176,664,979	180,958,684
<b>Corporate Bonds</b>			
Allied Properties Real Estate Investment Trust			
1.726%, 2026-02-12	385,000	364,634	384,572
3.113%, 2027-04-08	700,000	650,650	698,153
AltaGas			
2.075%, 2028-05-30	150,000	130,020	146,153
Bank of Montreal			
2.700%, 2026-12-09	630,000	664,988	630,940
3.190%, 2028-03-01	2,000,000	1,922,660	2,006,576
5.039%, 2028-05-29	485,000	485,000	505,471
Bank of Nova Scotia			
3.100%, 2028-02-02	2,550,000	2,439,248	2,553,977
Bell Canada			
1.650%, 2027-08-16	1,775,000	1,696,320	1,744,709
2.200%, 2028-05-29	550,000	491,150	539,890
3.800%, 2028-08-21	1,000,000	1,004,850	1,011,483
4.550%, 2030-02-09	400,000	399,148	413,909
Canadian Imperial Bank of Commerce			
5.500%, 2028-01-14	2,925,000	2,971,075	3,058,797
Capital Power Corporation			
5.816%, 2028-09-15	475,000	502,075	502,880
3.147%, 2032-10-01	525,000	489,563	490,539

The accompanying notes are an integral part of the financial statements.



	Par Value	Cost \$	Fair Value \$
<b>Corporate Bonds (continued)</b>			
Enbridge			
5.700%, 2027-11-09	900,000	915,546	939,213
4.900%, 2028-05-26	250,000	249,968	258,988
Enbridge Gas			
2.810%, 2026-06-01	1,910,000	1,790,646	1,910,434
2.370%, 2029-08-09	550,000	495,336	535,277
Fortis			
2.180%, 2028-05-15	2,075,000	1,847,243	2,038,963
4.431%, 2029-05-31	900,000	908,205	928,745
Hydro One			
3.930%, 2029-11-30	1,025,000	1,042,835	1,050,146
Loblaw Companies			
4.488%, 2028-12-11	985,000	1,000,330	1,017,447
Manulife Financial Corporation			
5.409%, 2033-03-10	1,500,000	1,485,300	1,566,584
National Bank of Canada			
3.441%, 2031-10-21	2,000,000	1,970,000	1,980,699
RioCan Real Estate Investment Trust			
2.829%, 2028-11-08	1,425,000	1,237,813	1,401,627
4.628%, 2029-05-01	930,000	891,558	955,136
Rogers Communications			
3.650%, 2027-03-31	2,590,000	2,503,229	2,606,220
3.250%, 2029-05-01	825,000	734,343	820,555
Royal Bank of Canada			
3.985%, 2031-07-22	1,450,000	1,467,545	1,473,944
4.464%, 2035-10-17	855,000	857,052	875,642
SmartCentres Real Estate Investment Trust			
3.192%, 2027-06-11	1,300,000	1,271,586	1,300,578
Sun Life Financial			
2.800%, 2033-11-21	1,400,000	1,225,980	1,379,656
Telus Corporation			
2.750%, 2026-07-08	2,975,000	2,874,617	2,975,370
2.350%, 2028-01-27	1,200,000	1,068,264	1,182,266
3.300%, 2029-05-02	500,000	493,200	499,309
Toronto-Dominion Bank			
4.680%, 2029-01-08	990,000	968,516	1,030,194
TransCanada PipeLines			
4.350%, 2026-05-12	675,000	671,941	677,950
<b>Total Corporate Bonds</b>		<b>42,182,434</b>	<b>44,092,992</b>
<b>Total Bonds</b>		<b>218,847,413</b>	<b>225,051,676</b>
<b>Money Market Securities</b>			
Manitoba Treasury Bills			
2026-02-25	905,000	900,104	900,104
New Brunswick Treasury Bills			
2026-02-12	1,985,000	1,974,299	1,974,299

The accompanying notes are an integral part of the financial statements.



	Par Value	Cost \$	Fair Value \$
<b>Money Market Securities (continued)</b>			
Newfoundland and Labrador Treasury Bills			
2026-01-19	4,100,000	4,076,630	4,076,630
2026-01-22	2,850,000	2,833,869	2,833,869
2026-03-05	905,000	899,977	899,977
Ontario Treasury Bills			
2026-02-11	1,925,000	1,914,470	1,914,470
2026-03-11	320,000	318,243	318,243
2026-03-18	1,285,000	1,277,894	1,277,894
Province of Alberta, notes			
2026-01-14	145,000	144,160	144,160
2026-02-19	1,005,000	998,045	998,045
Province of British Columbia, notes			
2026-02-03	130,000	129,151	129,151
2026-02-04	9,310,000	12,942,698	12,647,129
2026-02-27	3,160,000	4,408,844	4,283,317
2026-03-10	950,000	1,298,555	1,291,257
2026-04-16	5,000	4,961	4,961
Province of Ontario, notes			
2026-02-06	65,000	89,412	88,547
2026-02-24	5,790,000	8,095,782	7,856,192
Province of Prince Edward Island, notes			
2026-02-03	3,155,000	3,138,058	3,138,058
Province of Quebec, notes			
2026-01-27	6,065,000	8,488,602	8,248,382
Province of Saskatchewan, notes			
2026-02-03	3,295,000	3,276,812	3,276,812
2026-03-19	455,000	452,629	452,629
Quebec Treasury Bills			
2026-01-09	660,000	656,031	656,031
2026-01-23	2,445,000	2,431,823	2,431,823
2026-02-06	4,580,000	4,555,405	4,555,405
2026-03-13	30,000	29,839	29,839
2026-03-20	3,865,000	3,844,400	3,844,400
<b>Total Money Market Securities</b>		69,180,693	68,271,624
<b>Portfolio Transaction Costs Included in the Securities' Cost</b>		(369,003)	
<b>Total Investments</b>		552,487,414	727,043,436

The accompanying notes are an integral part of the financial statements.



## 1. Establishment of the fund

The Letko Brosseau Balanced Fund / Letko Brosseau Fonds équilibré (the “Fund”) is a private unit investment trust created under a trust agreement established on November 30, 2004, along with its related amendments, under the laws of the province of Ontario. The registered office is located at 155 Wellington Street West, Toronto, Ontario, Canada, M5V 3L3.

The trust agreement designates RBC Investor Services Trust as the trustee, custodian and accountant of the Fund (the “Trustee”) and Letko, Brosseau & Associates Inc. as the manager of the Fund (the “Manager”).

## 2. Basis of presentation

These financial statements, for which the functional and presentation currency is the Canadian dollar, have been prepared in accordance with International Financial Reporting Standards (“IFRS Accounting Standards”), as published by the International Accounting Standards Board (“IASB”) and comply with the requirements of the Canadian Securities Administrators (“CSA”).

The financial statements were authorized for issue by the Manager’s Board of Directors on March 27, 2026.

These financial statements have been prepared on a historical cost basis with the exception of investments which are measured at fair value.

## 3. Material accounting policy information

### Financial instruments

#### Classification

The Fund classifies its financial assets based on both the Fund’s business model for managing those financial assets and the associated contractual cash flow characteristics. Based on the Fund’s objective of achieving long-term capital appreciation and the management and evaluation of the portfolio’s performance on a fair value basis, the Fund applies the business model which requires that its portfolio, which includes investments, be classified at fair value through profit or loss. All other assets and liabilities presented on the statements of financial position are financial assets and financial liabilities and are classified at amortized cost. Redeemable units are classified as financial liabilities given that they include a contractual obligation for the Fund to redeem them for cash or another financial asset at the request of the unitholder. The Fund’s obligation for net assets attributable to holders of redeemable units is presented at the redemption amount as described in note 7.

#### Recognition and measurement

The Fund recognizes financial instruments at fair value upon initial recognition. Purchases and sales of investments are recognized on the trade date. Subsequent to initial recognition, investments are measured at fair value and gains and losses arising from changes in the fair value are recognized in the statements of comprehensive income. All other financial assets and financial liabilities are initially recognized on the date on which they originated and are subsequently measured at amortized cost.

Portfolio transaction costs incurred by the Fund for the sale and purchase of investments are expensed as incurred.

#### Fair value

The fair value of the Fund’s investments traded in active markets is determined using the quoted market prices at the close of trading on the date of the financial statements. The closing market price is either obtained from an accredited stock exchange where the security has the highest trading volume or from independent and renowned brokerage houses. In the event where the last closing market price does not fall within the bid-ask spread on the date of the financial statements, the Manager and the Trustee determine the point within the bid-ask spread that is most representative of fair value based on the facts and circumstances. Investment fund units held for trading that are not traded in active markets are measured at fair value based on their net asset value as determined by their trustee.



### 3. Material accounting policy information (continued)

#### Financial instruments (continued)

##### Fair value (continued)

The Fund's accounting policies for measuring the fair value of its investments are consistent with those used to determine the net asset value for transactions with unitholders.

Information on the reliability of the fair value measurement of financial assets is disclosed in note 14. The transfer of a financial asset from one fair value hierarchy level to another is performed at the date of the event or change in circumstances which would justify a change in level.

##### Impairment of financial assets

The Fund recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. The Fund applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected credit loss provision for all assets at amortized cost. Impairment losses on financial assets at amortized cost, if any, are recognized in the statements of comprehensive income.

#### Revenue recognition

Investment income is accounted for using the accrual method of accounting. Interest income for distribution purposes is recognized when it is earned. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities, except for zero coupon bonds which are amortized using the effective interest rate method. Dividends are recognized on the ex-dividend date and distributions on investment fund units are recorded at the ex-distribution date. Income from securities lending is recorded when earned. Realized gains and losses upon sale of investments are recognized on the trade date and are calculated using the average cost method.

#### Foreign currency translation

Foreign currency transactions are translated into Canadian dollars using the exchange rates prevailing at the dates the transactions occur. Assets and liabilities denominated in a foreign currency are translated into Canadian dollars using the exchange rate prevailing at the date of the financial statements. Foreign exchange gains and losses are presented in the statements of comprehensive income.

#### Change in net assets per unit attributable to holders of redeemable units

This change, presented in the statements of comprehensive income, represents the variation in net assets per unit attributable to holders of redeemable units based on the average number of redeemable units that were in circulation during the year.

#### Use of estimates, judgments and assumptions

The preparation of these financial statements in accordance with IFRS Accounting Standards requires the Manager to make judgments in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most material accounting judgments and estimates that the Manager has made in preparing the financial statements.

##### Investment entity

The Manager has determined that the Fund meets the definition of an investment entity in accordance with IFRS 10, Consolidated Financial Statements. As a result, in the event the Fund holds an investment in a subsidiary, the Fund would account for this investment at fair value through profit or loss.



### 3. Material accounting policy information (continued)

#### Use of estimates, judgments and assumptions (continued)

##### Classification of redeemable units

The Manager has determined that the Fund's redeemable units must be classified as liabilities given that the conditions for classification as equity in accordance with IAS 32, Financial Instruments: presentation, are not met.

### 4. Future accounting standards

#### IFRS 18, Presentation and Disclosure in Financial Statements

The IASB issued IFRS 18, Presentation and Disclosure in Financial Statements on April 9, 2024, which will replace IAS 1, Presentation of Financial Statements. This new standard, effective for annual periods beginning on or after January 1, 2027 aims to improve financial statement comparability and transparency by introducing a more structured statement of comprehensive income. The Manager is in the process of assessing the implications of IFRS 18 and its impact on the Fund's financial statements and disclosures.

#### IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosure

The IASB issued amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with Environmental, Social, and Governance ("ESG")-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income ("FVOCI") and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Manager has assessed the impact of these amendments, and it does not expect a material impact on the Fund's financial statements and disclosures.

### 5. Interests in unconsolidated structured entities

The Fund holds redeemable Series I units in the Letko Brosseau Emerging Markets Equity Fund, an investment fund which is also managed by Letko, Brosseau & Associates Inc. The units held can be redeemed daily. The Letko Brosseau Emerging Markets Equity Fund's investment objective is to optimize returns by way of capital appreciation and generate investment income through an internationally well-diversified portfolio comprised primarily of publicly traded companies exposed to more rapidly growing developing economies. This fund is financed entirely through capital provided by its investors. As at December 31, 2025, the net assets attributable to holders of redeemable units of Letko Brosseau Emerging Markets Equity Fund are \$2,316,069,515 (December 31, 2024: \$1,582,435,468) and the Fund's maximum exposure to loss is \$91,357,268 (December 31, 2024: \$65,977,255), which is equivalent to the fair value of the investment held.

### 6. Redeemable units in circulation

The Fund is authorized to issue an unlimited number of series of units each of which can contain an unlimited number of units, without par value. All units are voting, participating and redeemable by the unitholders at the net asset value.

The Fund is currently offering units of Series I and Series F for issuance as follows:

Series I	Available to accredited investors at the discretion of the Manager.
Series F	Available to accredited investors who are not eligible to purchase Series I units.



## 6. Redeemable units in circulation (continued)

The unit activity for Series I units during the years ended December 31 was as follows:

	2025	2024
<b>Number of redeemable units in circulation, beginning of year</b>	34,395,191	32,984,543
<b>Number of redeemable units issued and redeemed during the year</b>		
Issued for cash and other consideration	1,736,870	1,978,811
Issued on reinvestment of distributions	2,720,987	2,326,521
Redeemed	(2,756,494)	(2,894,684)
<b>Number of redeemable units in circulation, end of year</b>	<b>36,096,554</b>	<b>34,395,191</b>

There were no Series F units issued since the Fund's inception.

## 7. Valuation of redeemable units and distributions

The net asset value per unit, which represents the redemption amount, is determined by dividing the Fund's net assets at fair value by the number of redeemable units per class of units in circulation at the end of each valuation date.

Income from dividends, interest and securities lending, net of expenses of the Fund, is accounted for in the net assets attributable to holders of redeemable units. At the end of each month, income received, net of expenses paid, is distributed and reinvested as additional redeemable units or, at the discretion of the unitholders, is paid in cash. Realized gains and losses resulting from the sale of investments are accounted for in the net assets attributable to holders of redeemable units and net realized gains are distributed and reinvested at the end of the fiscal year as additional redeemable units or, at the discretion of the unitholders, are paid in cash. Upon request from the Manager, additional income and capital gain distributions may occur at different times during the fiscal year under exceptional circumstances.

## 8. Capital management

The capital of the Fund is represented by redeemable units issued and in circulation. According to its mission, substantially all of the Fund's capital is invested in securities. Information about the Fund's objectives, policies and procedures for managing its capital is disclosed in note 13. The Fund is not subject to any particular external requirement for managing its capital.

## 9. Related party transactions

The following table presents a summary of the transactions during the year between the Fund and related parties. Related parties are represented by the Manager, the investment funds and limited partnerships it manages, directors of the Manager, corporations controlled by the directors of the Manager, family members of the directors and a deferred profit-sharing plan for the benefit of the Manager's employees.

2025	Manager \$	Other related parties \$
<b>Redeemable units issued and redeemed</b>		
Issued for cash and other consideration	-	53,950
Issued on reinvestment of distributions	188,307	5,237,725
Redeemed	-	(631)
	<b>188,307</b>	<b>5,291,044</b>



## 9. Related party transactions (continued)

2024	Manager \$	Other related parties \$
<b>Redeemable units issued and redeemed</b>		
Issued for cash and other consideration	-	10,150
Issued on reinvestment of distributions	147,525	4,100,541
Redeemed	-	(566)
	<b>147,525</b>	<b>4,110,125</b>

These transactions took place in the normal course of operations and are measured at the net asset value at the date of the transactions.

As at December 31, related parties held units of the Fund with an aggregate fair market value of the following:

	2025 \$	2024 \$
Manager	2,442,224	2,083,610
Other related parties	67,942,374	57,916,895
	<b>70,384,598</b>	<b>60,000,505</b>

## 10. Net securities lending income

The Fund takes part in a securities lending program with the Trustee. Securities lending transactions involve the temporary exchange of securities for collateral with a commitment to return the same securities to the Fund on a future date. In accordance with the terms of the program, the Fund receives collateral of at least 102% of the fair value of the securities on loan. The collateral consists primarily of debt securities with high credit ratings. The fair value of the securities loaned is determined in accordance with standard market practices and additional collateral is requested if necessary.

The table below presents the aggregate fair value of the securities on loan and collateral held under securities lending transactions as at December 31. The securities on loan continue to be included in the statements of financial position.

	2025 \$	2024 \$
Total fair value of securities on loan	151,305,950	152,456,017
Total collateral held	154,332,730	155,505,827

Securities lending income reported in the statements of comprehensive income is net of securities lending charges which the Fund's Trustee is entitled to receive as per the terms of the program. For the years ended December 31, securities lending income was as follows:

	2025 \$	2024 \$
Gross securities lending income	230,896	207,919
Securities lending charges	(91,765)	(83,167)
Net securities lending income	139,131	124,752
Securities lending charges as a % of the gross securities lending income	40.0%	40.0%



## II. Fees

Trustee fees are calculated according to an agreement between the Manager and the Trustee.

Management fees of the Manager are invoiced directly to the Series I unitholders.

The Manager charges the Fund a management fee equal to 0.50% per annum of the Series F net asset value, payable quarterly in arrears.

## 12. Income taxes

In accordance with provisions of the Income Tax Act (Canada) and the Quebec Taxation Act, the Fund qualifies as a mutual fund trust and has elected to choose a December 15<sup>th</sup> taxation year-end. The Fund is taxed on its income received and not distributed to unitholders. The Fund distributes to unitholders the total income from dividends, interest and securities lending, net of expenses and a sufficient portion of net realized taxable capital gains to eliminate the income taxes.

## 13. Risks associated with financial instruments

### Analysis of risk management

The Fund has as its objective to generate income and capital appreciation through the creation of a well-diversified portfolio balanced between equity and fixed income instruments. The fixed income portion primarily comprises Canadian government and corporate bonds. The equity portion primarily comprises publicly traded equities diversified across countries, industries and companies. The Manager regularly monitors the relative weighting of individual equity and fixed income instruments, sectors, and countries, and also takes into account the market capitalization and liquidity of each security.

When the Fund invests in other investment funds, it may be indirectly exposed to risks related to the financial instruments held by these funds, according to their investment objectives and the type of securities they hold.

### Credit risk

The Fund's maximum exposure to credit risk is the fair value of debt securities included in investments, as well as interest, dividends and other receivables presented on the statements of financial position. For those financial instruments, the fair value takes into account the creditworthiness of the issuer and, therefore, represents the maximum credit risk to which the Fund is exposed.

The majority of the credit risk to which the Fund is exposed to arises from its investments in debt securities. The Manager is of the opinion that the credit risk associated with these investments in debt securities is limited given that the Fund invests in issuers with high credit ratings. The Fund holds bonds for which the credit rating breakdown is as follows:

	2025	2024
	% of	% of
Bonds by credit rating	net assets	net assets
AAA	9.92	8.47
AA	6.47	7.98
A	11.18	7.35
BBB	3.27	3.56

Credit ratings attributed to money market securities are not presented above since the related credit risk is insignificant given their short-term maturities.

The Fund is not exposed to credit risk through its investment in the Letko Brosseau Emerging Markets Equity Fund given that this fund's holdings in debt securities are not significant.



### 13. Risks associated with financial instruments (continued)

#### Credit risk (continued)

The credit risk associated with securities lending transactions is considered minimal given the nature and the value of the collateral held by the Fund in connection with these transactions.

All transactions involving listed securities are settled or paid upon delivery, using approved brokers. The risk of non-performance is considered limited, as the securities sold are only delivered once the broker has received payment. Payment for a purchase is made once the securities have been received by the broker. The transaction fails if either party fails to fulfill its obligation.

The credit risk associated with all other financial assets is considered insignificant.

#### Liquidity risk

The Fund's units are redeemable at the option of the holder thereby exposing the Fund to liquidity risk. Although the Fund is exposed to redemptions of units, liquidity risk is mitigated by the fact that the majority of its assets consists of investments traded on a stock exchange or an organized market, which can be readily liquidated. In addition, at the Manager's discretion, the Fund may pay the redemptions in securities instead of cash.

All other financial liabilities have a maturity of less than twelve months. The Fund maintains a level of cash that the Fund Manager considers sufficient to maintain the necessary liquidity.

#### Market risks

For the disclosure of market risks, IFRS Accounting Standards requires that a sensitivity analysis be presented showing the effects of reasonable possible changes in relevant risk variables on the value of net assets attributable to holders of redeemable units.

The Manager considers that this sensitivity analysis, showing the impact on the value of financial instruments from changes in the market, is based on a highly unlikely assumption that all other variables remain constant. Moreover, considering the many interrelationships between the various components of market risk, the Manager is of the opinion that it is not possible to quantify the impact of market fluctuations due to the interdependence of these components. Consequently, in practice, actual results may differ from the sensitivity analyses presented herein and differences could be material.

#### Price risk

Given the uncertainty regarding the investments' future prices, the Fund is exposed to the inherent risk associated with fluctuations in the market. Consequently, the maximum risk to which the Fund is exposed corresponds to the fair value of its investments.

The Manager's best estimate of the upward or downward impact on the Fund's investments and net assets as a result of reasonable probable changes in benchmark indices, with all other variables being equal, is approximately as follows:

Benchmark indices	Changes in %	2025 Impact \$	2024 Impact \$
FTSE Canada 91 Day T-Bill Total Return Index	0.25	170,000	159,000
FTSE Canada Universe Bond Total Return Index	1.00	2,253,000	1,777,000
S&P/TSX Composite Total Return Capped Index	3.00	3,360,000	3,262,000
MSCI All Country World Total Return Net Index	3.00	9,610,000	8,738,000



### 13. Risks associated with financial instruments (continued)

#### Market risks (continued)

##### Currency risk

The Fund holds securities of foreign issuers in its investment portfolio. The value of these securities is dependent on fluctuations in currency rates. These fluctuations may increase the short-term volatility of foreign securities in the markets and affect the short-term performance of the Fund.

The Fund holds assets denominated in foreign currencies for which the distribution is as follows:

	2025 % of net assets	2024 % of net assets
Foreign currencies		
U.S. dollars	25.41	28.35
Euros	8.18	7.94
Other currencies representing less than 5% individually	14.95	14.41

As at December 31, 2025, an increase or decrease of 3% in the value of Canadian currency compared to foreign currencies, with all other variables being equal, would have resulted in an upward or downward variation of the Fund's investments and net assets of approximately \$10,632,000 (December 31, 2024: of \$9,793,000).

The currency distribution presented above and the calculated variation take into account the Fund's investment in the Letko Brosseau Emerging Markets Equity Fund which holds investments in foreign currencies.

##### Interest rate risk

The Fund is exposed to interest rate risk primarily on its bonds with maturity dates as follows:

	2025 \$	2024 \$
Bonds by maturity date		
Less than 1 year	23,948,521	7,715,262
1 to 5 years	105,033,821	109,717,467
5 to 10 years	87,506,407	52,171,760
More than 10 years	8,562,927	7,762,268
Total	225,051,676	177,366,757

An increase or decrease of 1% in interest rates, with all other variables being equal, would have resulted in a downward or upward variation of the Fund's investments and net assets in the approximate amount of \$8,415,000 (December 31, 2024: \$6,773,000). Interest rate fluctuations have an insignificant impact on money market securities given their short-term maturities.

The Fund's investments in equities are also exposed to interest rate risk. This is due to the fact that their value is dependent on the rate used in discounting future dividends and to the general effect from changes in interest rates on the economy as a whole, the availability of credit and the profitability of companies. The Manager believes that it is not possible to quantify the impact of the variations taking into account the interdependence of these components.



## 14. Information on fair value of financial instruments

The financial instruments measured at fair value are classified according to a hierarchy which includes three levels, reflecting the reliability of the inputs involved in the fair value determination:

- Level 1: financial instruments for which the fair value is determined using quoted prices in active markets;
- Level 2: financial instruments for which the fair value is determined using pricing models based on market observable inputs;
- Level 3: financial instruments for which the fair value is determined using pricing models based on market unobservable inputs.

The investments held by the Fund and measured at fair value are classified as follows:

	Level 1	Level 2	Level 3	Total
2025	\$	\$	\$	\$
Equities, excluding investment fund	342,362,868	-	-	342,362,868
Investment fund	-	91,357,268	-	91,357,268
Bonds	174,057,316	50,994,360	-	225,051,676
Money market securities	68,271,624	-	-	68,271,624
	584,691,808	142,351,628	-	727,043,436

	Level 1	Level 2	Level 3	Total
2024	\$	\$	\$	\$
Equities, excluding investment fund	335,005,878	-	-	335,005,878
Investment fund	-	65,977,255	-	65,977,255
Bonds	129,287,770	48,078,987	-	177,366,757
Money market securities	62,985,802	-	-	62,985,802
	527,279,450	114,056,242	-	641,335,692

No investments were transferred within the levels during the years ended December 31, 2025 and 2024.

The financial instruments not measured at fair value through profit or loss are short term financial assets and liabilities whose carrying amounts approximate fair value.

## 15. Reclassification

Certain comparative figures have been reclassified in the cash flow statement to reflect the presentation adopted in the current period. Amounts receivable and payable as at December 31, 2024 for investment activities and activities related to redeemable units have been reclassified against items reflecting cash flows. The net effect on cash flows from operating activities and financing activities is not significant.

In addition, unrealized gains and losses on foreign exchange effects classified as the effect of exchange rate changes on foreign cash have been reclassified against proceeds from the sale or maturity of investments.