LetkoBrosseau

Letko Brosseau Canadian Equity Fund
Letko Brosseau Fonds d'actions canadiennes

INTERIM FINANCIAL STATEMENTS

JUNE 30, 2026 (UNAUDITED)
(Expressed in Canadian Dollars)

NOTICE TO READERS

Letko, Brosseau & Associates Inc., the Manager of the Fund, appoints independent auditors to audit the Fund's Annual Financial Statements in accordance with the standards established by the Chartered Professional Accountants of Canada.

The Fund's independent auditors have not performed a review of these Interim Financial Statements.

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STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2026 (UNAUDITED) AND DECEMBER 31, 2025
(Expressed in Canadian Dollars)

	June 30 2026 $	December 31 2025 $
Current assets		
Cash	1,283,374	484,648
Investments	615,409,826	539,133,614
Interest, dividends and other receivables	1,526,545	1,322,203
	618,219,745	540,940,465
Current liabilities		
Amounts payable on redemptions of redeemable units	4,741	136,556
Amounts payable for investments purchased	-	24,629
Accrued expenses	29,961	33,496
	34,702	194,681
Net assets attributable to holders of redeemable units	618,185,043	540,745,784

Supplementary information

Net assets attributable to holders of redeemable units		
Series O	618,095,479	540,745,784
Series Q	88,549	-
Series F	1,015	-
	618,185,043	540,745,784
Number of redeemable units in circulation (note 5)		
Series O	30,111,696	30,082,854
Series Q	4,317	-
Series F	49	-
Net assets per unit attributable to holders of redeemable units (note 6)		
Series O	20.5268	17.9752
Series Q	20.5110	-
Series F	20.5184	-

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

Daniel Brosseau, Director

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

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS
FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2026 AND 2025 (UNAUDITED)
(Expressed in Canadian Dollars)

	June 30 2026 $	June 30 2025 $
Net assets attributable to holders of redeemable units, beginning of period	540,745,784	375,634,804
Change in net assets attributable to holders of redeemable units	85,461,214	34,862,333
Redeemable unit transactions		
Proceeds from issuance	3,021,759	52,088,113
Reinvestment of distributions	8,864,232	7,991,132
Redemptions	(11,043,692)	(2,036,648)
	842,299	58,042,597
Distributions to holders of redeemable units (note 6)		
Net investment income	(8,864,254)	(7,991,173)
Net assets attributable to holders of redeemable units, end of period	618,185,043	460,548,561

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

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2026 AND 2025 (UNAUDITED)
(Expressed in Canadian Dollars)

	June 30 2026 $	June 30 2025 $
Investment income		
Net interest income for distribution purposes	691,489	495,722
Dividend income	7,285,479	6,866,158
Net securities lending income (note 9)	30,726	31,208
Foreign exchange gain (loss) on cash	(3,074)	(1,312)
Net realized gain (loss) on sale of investments	23,088,768	5,417,539
Net changes in unrealized appreciation (depreciation) of investments	54,296,805	22,215,304
	85,390,193	35,024,619
Expenses		
Management fees (note 10)	68	-
Trustee fees (note 10)	76,514	40,904
Professional fees	6,976	6,965
Filing fees	2,104	13,160
Withholding taxes (reclaimed)	(234,701)	488
Portfolio transaction costs	78,018	100,769
	(71,021)	162,286
Change in net assets attributable to holders of redeemable units	85,461,214	34,862,333
Supplementary information		
Change in net assets attributable to holders of redeemable units		
Series O	85,456,100	34,862,333
Series Q	5,099	-
Series F	15	-
	85,461,214	34,862,333
Change in net assets per unit attributable to holders of redeemable units (note 3)		
Series O	2.8525	1.3202
Series Q	1.1843	-
Series F	0.3040	-

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

(Expressed in Canadian Dollars)

	June 30 2026 $	June 30 2025 $
Cash flows from (used in) operating activities		
Change in net assets attributable to holders of redeemable units	85,461,214	34,862,333
Adjustments or variations for:		
Foreign exchange (gain) loss on cash	3,074	1,312
Net realized (gain) loss on sale of investments	(23,088,768)	(5,417,539)
Net changes in unrealized (appreciation) depreciation of investments	(54,296,805)	(22,215,304)
Interest, dividends and other receivables	(204,342)	(39,255)
Accrued expenses	(3,535)	9,782
Proceeds from sale or maturity of investments	133,622,055	71,628,744
Investments purchased	(132,537,323)	(128,703,444)
	8,955,570	(49,873,371)
Cash flows from (used in) financing activities		
Proceeds from issuance of redeemable units	3,021,759	52,088,113
Amounts paid on redemptions of redeemable units	(11,175,507)	(2,038,962)
Distributions paid in cash to holders of redeemable units	(22)	(41)
	(8,153,770)	50,049,110
Change in cash	801,800	175,739
Cash, beginning of period	484,648	33,424
Effect of exchange rate changes on foreign cash	(3,074)	(1,312)
Cash, end of period	1,283,374	207,851

Supplementary information

Cash flows relating to operating activities:				
Interest received	$	602,000	$	475,063
Dividends received, net of withholding taxes	$	7,170,626	$	6,847,619
Interest paid	$	-	$	57

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

(Expressed in Canadian Dollars)

	Quantity	Cost $	Fair Value $
Equities			
Energy			
Advantage Energy	332,300	1,439,914	3,426,009
Birchcliff Energy	248,900	806,333	1,540,691
Cenovus Energy	346,395	5,719,102	12,189,640
Enerflex	167,955	1,531,967	5,849,873
Peyto Exploration & Development Corporation	294,300	1,697,363	6,963,138
		11,194,679	29,969,351
Materials			
5N Plus	128,160	378,724	5,610,845
Barrick Mining Corporation	237,100	5,649,776	12,364,765
Canfor Corporation	296,325	3,983,293	3,994,461
Cascades	754,425	8,197,948	8,789,051
HudBay Minerals	61,033	324,833	2,043,995
Interfor Corporation	221,250	3,271,812	2,887,313
Ivanhoe Mines	541,600	7,221,249	6,017,176
K92 Mining	120,800	719,732	2,689,008
Lundin Mining Corporation	76,200	503,573	2,633,472
Nutrien	137,190	8,459,918	12,257,927
Teck Resources	54,010	1,404,181	4,562,225
West Fraser Timber Corporation	84,187	5,581,858	8,082,794
Winpak	79,325	3,477,772	3,444,292
		49,174,669	75,377,324
Industrial Products			
Air Canada	702,016	15,718,457	17,367,876
Bombardier	51,365	2,800,547	16,772,727
CAE	235,980	6,369,360	8,379,650
Canadian National Railway Corporation	41,250	5,518,974	6,981,563
Finning International	134,455	3,603,626	13,469,702
Magellan Aerospace Corporation	162,000	2,442,275	5,533,920
Mullen Group	220,700	3,036,830	4,798,018
Wajax Corporation	86,825	1,366,355	2,680,288
		40,856,424	75,983,744
Consumer Discretionary			
Canadian Tire Corporation	72,625	11,038,862	14,187,294
Dorel Industries	170,450	1,629,214	298,288
Gildan Activewear Inc	57,130	4,336,132	4,177,346
Linamar Corporation	215,050	12,190,082	21,627,579
Magna International	216,400	14,577,058	20,181,464
Restaurant Brands International	37,400	3,072,044	3,847,338
Spin Master Corporation	356,900	8,344,589	7,273,622
		55,187,981	71,592,931

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

(Expressed in Canadian Dollars)

	Quantity	Cost $	Fair Value $
Equities			
Consumer Staples			
Canada Packers	67,946	1,023,943	1,301,166
George Weston	114,780	3,776,141	11,684,604
High Liner Foods	109,350	1,132,769	1,612,913
Lassonde Industries	2,500	315,938	537,475
Maple Leaf Foods	339,734	7,609,640	10,365,284
Rogers Sugar	395,600	2,228,278	2,701,948
Saputo	308,600	8,489,136	12,677,288
		24,575,845	40,880,678
Health Care			
Profound Medical Corporation	45,600	501,449	430,008
Financial Services			
Bank of Montreal	87,870	8,970,858	22,026,373
Bank of Nova Scotia	207,275	14,958,495	25,550,789
Canadian Imperial Bank of Commerce	95,500	5,443,453	15,597,060
Manulife Financial Corporation	316,200	7,762,796	18,187,824
Power Corporation of Canada	240,000	6,717,204	21,220,800
Royal Bank of Canada	81,150	8,806,747	23,832,132
Sun Life Financial	155,600	8,732,971	17,326,060
Toronto-Dominion Bank	149,875	11,292,883	25,844,445
		72,685,407	169,585,483
Real Estate			
Allied Properties Real Estate Investment Trust	290,700	3,507,166	2,863,395
Killam Apartment Real Estate Investment Trust	180,200	3,411,827	3,342,710
Morguard Corporation	35,400	6,248,540	4,404,822
		13,167,533	10,610,927
Technology			
Constellation Software	1,745	4,389,615	4,659,150
Open Text Corporation	556,297	19,951,961	17,462,163
		24,341,576	22,121,313
Communication Services			
BCE	430,436	17,791,638	13,149,820
Cogeco Communications	116,985	7,714,816	7,412,170
Quebecor	193,375	5,919,983	13,089,554
Rogers Communications	398,450	20,709,299	18,384,483
Telus Corporation	595,550	12,892,080	8,933,250
		65,027,816	60,969,277
Utilities			
Superior Plus Corporation	1,071,925	7,351,887	8,371,734
Total Equities		364,065,266	565,892,770

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

(Expressed in Canadian Dollars)

	Par Value	Cost $	Fair Value $
Money Market Securities			
Alberta Treasury Bills			
2026-07-28	1,460,000	1,451,561	1,451,561
Manitoba Treasury Bills			
2026-08-26	2,915,000	2,898,355	2,898,355
2026-09-02	1,210,000	1,203,115	1,203,115
Newfoundland and Labrador Treasury Bills			
2026-07-30	3,165,000	3,146,770	3,146,770
Ontario Treasury Bills			
2026-08-12	1,925,000	1,914,008	1,914,008
Province of Alberta, notes			
2026-07-17	3,745,000	3,716,088	3,716,088
Province of British Columbia, notes			
2026-07-21	2,150,000	2,134,692	2,134,692
2026-08-07	7,110,000	7,055,253	7,055,253
2026-08-24	3,860,000	3,834,447	3,834,447
2026-09-17	1,305,000	1,296,230	1,296,230
Quebec Treasury Bills			
2026-07-17	11,825,000	11,756,415	11,756,415
2026-07-31	335,000	333,151	333,151
2026-08-07	1,465,000	1,458,202	1,458,202
2026-08-14	985,000	979,533	979,533
2026-08-21	1,840,000	1,829,714	1,829,714
2026-08-28	905,000	900,004	900,004
2026-09-04	705,000	700,946	700,946
2026-09-18	2,925,000	2,908,572	2,908,572
Total Money Market Securities		49,517,056	49,517,056
Portfolio Transaction Costs Included in the Securities' Cost		(355,271)	
Total Investments		413,227,051	615,409,826

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

1. Establishment of the fund

The Letko Brosseau Canadian Equity Fund / Letko Brosseau Fonds d'actions canadiennes (the "Fund") is an open-end mutual fund 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"), including International Accounting Standards ("IAS") 34: Interim Financial Reporting, 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 August 14, 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 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 6.

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.

3. Material accounting policy information (continued)

Financial instruments (continued)

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.

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 13. 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 period.

(Expressed in Canadian Dollars)

3. Material accounting policy information (continued)

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.

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.

5. 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.

Prior to March 5, 2026, the Fund offered units of series 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.

On March 5, 2026, the Fund created new series of units "A", "F" and "I" to be offered to the public under the Simplified Prospectus and, consequently, redesignated existing series of units "F" and "I" of the Fund to series of units "Q" and "O" respectively.

On May 15, 2026, the Simplified Prospectus was officially approved by the regulatory authorities, following which series of units "A", "F" and "I" became authorized for issuance.

Accordingly, as a result of the redesignation and creation of new units, the Fund offers units of series for issuance as follows:

Series O	Available to accredited investors at the discretion of the Manager.
Series Q	Available to accredited investors who are not eligible to purchase Series O units.
Series A	Available to all investors through duly registered and authorized dealers.
Series I	Available to investors who have a fee-based account with a dealer, on a case-by-case basis, at the discretion of the Manager.
Series F	Available to investors who have a fee-based account or wrap program with their dealer and whose dealer has entered into a specific agreement with the Manager.

(Expressed in Canadian Dollars)

5. Redeemable units in circulation (continued)

The unit activity during the period ended June 30, 2026 and the year ended December 31, 2025 was as follows:

	June 30, 2026		
	Series O	Series Q	Series F
Number of redeemable units in circulation, beginning of period	30,082,854	-	-
Number of redeemable units issued and redeemed during the period			
Issued for cash and other consideration	151,039	4,301	49
Issued on reinvestment of distributions	463,981	16	-
Redeemed	(586,178)	-	-
Number of redeemable units in circulation, end of period	30,111,696	4,317	49

	December 31, 2025
	Series O
Number of redeemable units in circulation, beginning of year	25,927,480
Number of redeemable units issued and redeemed during the year	
Issued for cash and other consideration	4,378,514
Issued on reinvestment of distributions	1,544,301
Redeemed	(1,767,441)
Number of redeemable units in circulation, end of year	30,082,854

6. Valuation of redeemable units and distributions

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

7. 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 12. The Fund is not subject to any particular external requirement for managing its capital.

(Expressed in Canadian Dollars)

8. Related party transactions

The following table presents a summary of the transactions during the period 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.

June 30, 2026	Manager $	Other related parties $
Redeemable units issued and redeemed		
Issued for cash and other consideration	1,000	14,460,840
Issued on reinvestment of distributions	910,751	535,528
Redeemed	(14,460,840)	-
	(13,549,089)	14,996,368

June 30, 2025	Manager $	Other related parties $
Redeemable units issued and redeemed		
Issued for cash and other consideration	50,000,000	-
Issued on reinvestment of distributions	168,843	378,859
Redeemed	-	-
	50,168,843	378,859

Of the amount of $50,000,000 issued to the Manager, $25,000,000 was previously invested in the Letko Brosseau Equity Fund and $25,000,000 in the Letko Brosseau All Country World Equity Fund. This rebalancing was completed to comply with the Manager's investment policy.

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 June 30, related parties held units of the Fund with an aggregate fair value of the following:

	2026 $	2025 $
Manager	57,669,985	52,924,932
Other related parties	43,577,380	19,743,552
	101,247,365	72,668,484

9. 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.

(Expressed in Canadian Dollars)

9. Net securities lending income (continued)

The table below presents the aggregate fair value of the securities on loan and collateral held under securities lending transactions as at June 30. The securities on loan continue to be included in the statements of financial position.

	2026 $	2025 $
Total fair value of securities on loan	23,879,236	118,943,233
Total collateral held	24,356,827	121,322,235

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 periods ended June 30, securities lending income was as follows:

	2026 $	2025 $
Gross securities lending income	51,210	52,014
Securities lending charges	(20,484)	(20,806)
Net securities lending income	30,726	31,208
Securities lending charges as a % of the gross securities lending income	40.0%	40.0%

10. 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 O and I unitholders.

The Manager charges the Fund a management fee equal to 0.60% per annum of the Series Q, F and A net asset value, payable quarterly in arrears.

Trailer fees are charged on Series A units, equal to 1.25% per annum of the net asset value, payable quarterly in arrears.

11. 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 15th 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.

12. Risks associated with financial instruments

Analysis of risk management

The Fund has its objective to generate capital appreciation through the creation of a well-diversified portfolio of publicly traded companies primarily exposed to Canada, diversified across economic regions, industries and companies. The Manager regularly monitors the relative weighting of individual equity instruments and sectors, and also takes into account the market capitalization and liquidity of each security.

12. Risks associated with financial instruments (continued)

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 credit risk associated with the Fund's investments in money market securities is insignificant given their short-term maturities.

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.

(Expressed in Canadian Dollars)

12. Risks associated with financial instruments (continued)

Market risk (continued)

Price risk (continued)

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 %	June 30, 2026 Impact $	December 31, 2025 Impact $
FTSE Canada 91 Day T-Bill Total Return Index	0.25	123,000	120,000
S&P/TSX Composite Total Return Capped Index	3.00	16,983,000	14,715,000

Currency risk

The Fund is not exposed to currency risk given that it does not hold any investments in securities denominated in a foreign currency.

Interest rate risk

Interest rate fluctuations have an insignificant impact on money market securities given their short-term maturities.

The Fund's investments in equities are 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.

13. 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:

June 30, 2026	Level 1 $	Level 2 $	Level 3 $	Total $
Equities	565,892,770	-	-	565,892,770
Money market securities	-	49,517,056	-	49,517,056
	565,892,770	49,517,056	-	615,409,826

December 31, 2025	Level 1 $	Level 2 $	Level 3 $	Total $
Equities	490,985,470	-	-	490,985,470
Money market securities	-	48,148,144	-	48,148,144
	490,985,470	48,148,144	-	539,133,614

13. Information on fair value of financial instruments (continued)

The money market securities classification has been adjusted to classify these financial instruments as Level 2 instead of Level 1. The comparative figures have been adjusted accordingly.

No other investments were transferred within the levels during the period ended June 30, 2026 and the year ended December 31, 2025.

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.

14. 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 June 30, 2025 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.