



# LetkoBrosseau

Letko Brosseau Balanced Fund  
Letko Brosseau Fonds équilibré

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## ANNUAL FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023  
(Expressed in Canadian Dollars)



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## Independent Auditor's Report

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To the Directors 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, 2024 and 2023, 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 statement of investment securities as at December 31, 2024.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund 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 (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  
February 5, 2026

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



	2024	2023
	\$	\$
<b>Current assets</b>		
Cash	611,161	457,241
Investments	641,335,692	587,281,570
Interest, dividends and other receivables	1,911,858	1,717,418
	<u>643,858,711</u>	<u>589,456,229</u>
<b>Current liabilities</b>		
Amounts payable on redemptions of redeemable units	700	278,277
Accrued expenses	59,797	49,384
	<u>60,497</u>	<u>327,661</u>
<b>Net assets attributable to holders of redeemable units</b>	<u>643,798,214</u>	<u>589,128,568</u>

**Supplementary information**

<b>Number of redeemable units in circulation (note 6)</b>	34,395,191	32,984,543
<b>Net assets per unit attributable to holders of redeemable units (note 7)</b>	\$ 18.7177	\$ 17.8607

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

Daniel Brosseau, Director



	2024 \$	2023 \$
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	589,128,568	601,885,992
<b>Change in net assets attributable to holders of redeemable units</b>	73,501,101	65,363,852
<b>Redeemable unit transactions</b>		
Proceeds from issuance	37,092,128	23,469,088
Reinvestment of distributions	43,936,960	21,187,823
Redemptions	(54,224,310)	(99,826,537)
	26,804,778	(55,169,626)
<b>Distributions to holders of redeemable units (note 7)</b>		
Net investment income	(19,867,054)	(19,782,944)
Net realized gain on sale of investments	(25,769,179)	(3,168,706)
	(45,636,233)	(22,951,650)
<b>Net assets attributable to holders of redeemable units, end of year</b>	643,798,214	589,128,568

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



	2024	2023
	\$	\$
<b>Investment income</b>		
Net interest income for distribution purposes	6,917,815	6,436,337
Dividend income	13,562,205	14,367,580
Net securities lending income (note 10)	124,752	138,901
Foreign exchange gain (loss) on cash	687,446	(99,927)
Net realized gain (loss) on sale of investments	34,313,907	18,127,005
Net changes in unrealized appreciation (depreciation) of investments	18,647,169	27,503,012
	<u>74,253,294</u>	<u>66,472,908</u>
<b>Expenses</b>		
Trustee fees (note 11)	158,224	168,884
Professional fees	14,844	17,126
Filing fees	7,083	2,754
Withholding taxes	393,231	746,094
Portfolio transaction costs	178,811	174,198
	<u>752,193</u>	<u>1,109,056</u>
<b>Change in net assets attributable to holders of redeemable units</b>	<u>73,501,101</u>	<u>65,363,852</u>
<b>Change in net assets per unit attributable to holders of redeemable units (note 3)</b>	<u>2.2371</u>	<u>1.8371</u>

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



	2024	2023
	\$	\$
<b>Cash flows from (used in) operating activities</b>		
Change in net assets attributable to holders of redeemable units	73,501,101	65,363,852
Adjustments or variations for:		
Foreign exchange (gain) loss on cash	(687,446)	99,927
Net realized (gain) loss on sale of investments	(34,313,907)	(18,127,005)
Net changes in unrealized (appreciation) depreciation of investments	(18,647,169)	(27,503,012)
Proceeds from sale or maturity of investments	288,346,035	337,630,654
Investments purchased	(286,489,347)	(276,084,493)
Interest, dividends and other receivables	(194,440)	(184,106)
Amounts payable on redemptions of redeemable units	(277,577)	61,020
Accrued expenses	10,413	7,148
	<b>21,247,663</b>	<b>81,263,985</b>
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issuance of redeemable units	37,092,128	23,469,088
Amounts paid on redemptions of redeemable units	(54,224,310)	(99,826,537)
Distributions paid in cash to holders of redeemable units	(1,699,273)	(1,763,827)
	<b>(18,831,455)</b>	<b>(78,121,276)</b>
<b>Change in cash</b>	<b>2,416,208</b>	<b>3,142,709</b>
Cash, beginning of year	457,241	702,503
Effect of exchange rate changes on foreign cash	(2,262,288)	(3,387,971)
<b>Cash, end of year</b>	<b>611,161</b>	<b>457,241</b>

#### Supplementary information

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

Interest received	\$ 6,668,064	\$ 6,313,635
Dividends received, net of withholding taxes	\$ 12,750,701	\$ 13,422,282
Interest paid	\$ 8,370	\$ 1,210

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	549,046
Cenovus Energy	106,050	1,442,432	2,310,830
ConocoPhillips	22,000	1,002,887	3,137,795
Enerflex	135,475	1,210,057	1,938,647
Hess Corporation	6,875	389,384	1,315,160
Peyto Exploration & Development Corporation	200,000	1,375,995	3,428,000
Shell	29,375	2,033,630	2,646,796
Suncor Energy	32,150	998,372	1,649,617
TotalEnergies	51,000	3,379,746	4,053,599
		12,251,792	21,029,490
<b>Materials</b>			
5N Plus	76,700	310,398	566,046
Arkema	32,325	3,274,436	3,540,745
Barrick Gold Corporation	82,600	1,944,207	1,841,154
Berry Global Group	41,800	2,880,215	3,887,771
Canfor Pulp Products	56,000	340,889	42,560
Cascades	162,900	1,568,120	1,940,139
Eastman Chemical	34,175	3,285,319	4,488,445
Graphic Packaging Holding	44,650	1,280,069	1,744,106
Holcim	33,506	2,638,642	4,645,281
Hudbay Minerals	209,000	1,344,501	2,436,940
Interfor Corporation	20,000	353,470	335,800
Kuraray	186,300	2,057,465	3,887,966
Lundin Mining Corporation	135,600	698,800	1,677,372
Nutrien	43,575	2,157,635	2,802,744
Regis Resources	1,053,500	1,882,089	2,392,165
Smurfit Westrock	57,125	2,403,585	4,440,929
Teck Resources	23,725	254,778	1,382,693
Wacker Chemie	32,600	4,153,849	3,400,456
West Fraser Timber Corporation	19,997	1,198,698	2,490,626
		34,027,165	47,943,938
<b>Industrial Products</b>			
Air Canada	156,000	742,348	3,472,560
Bombardier	25,350	503,071	2,477,963
Bunzl	29,300	914,658	1,739,486
CAE	65,350	1,412,037	2,385,275
FedEx Corporation	7,600	1,860,718	3,075,043
FLSmidth & Co.	37,500	1,413,323	2,666,086
Fraport AG Frankfurt Airport Services Worldwide	14,600	849,082	1,271,985
Mitsui & Co.	87,450	775,295	2,649,711
Siemens	23,000	2,779,611	6,458,784
United Parcel Service	6,525	566,786	1,183,361
		11,816,929	27,380,254

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



	Quantity	Cost	Fair Value
		\$	\$
<b>Equities (continued)</b>			
<b>Consumer Discretionary</b>			
Canadian Tire Corporation	25,644	1,855,136	3,877,886
Dorel Industries	100,000	600,938	389,000
Kingfisher	736,700	2,210,161	3,300,142
Linamar Corporation	56,675	2,041,143	3,218,573
Lululemon Athletica	2,530	923,006	1,391,462
Magna International	59,575	2,800,699	3,579,266
Panasonic Holdings Corporation	172,700	2,038,138	2,596,626
Skechers USA	32,000	1,461,975	3,094,562
		13,931,196	21,447,517
<b>Consumer Staples</b>			
Associated British Foods	125,000	3,606,456	4,599,859
Carrefour	195,250	4,611,676	3,992,407
George Weston	19,000	1,829,027	4,247,259
Maple Leaf Foods	99,400	2,617,076	2,021,795
Wal-Mart Stores	31,400	668,247	4,080,179
		13,332,482	18,941,499
<b>Health Care</b>			
Abbvie	14,425	1,386,969	3,686,589
CVS Health Corporation	53,975	4,545,480	3,484,687
Genmab	9,840	2,955,821	2,932,934
Gilead Sciences	21,625	2,020,678	2,872,821
GlaxoSmithKline	77,540	3,750,957	3,771,559
Illumina	26,775	4,343,096	5,145,825
Merck & Co.	9,725	673,034	1,391,384
Pfizer	171,700	5,756,276	6,551,324
Roche Holding	8,300	2,908,478	3,365,470
Sanofi	42,000	3,848,949	5,863,374
		32,189,738	39,065,967
<b>Financial Services</b>			
Allianz	6,110	1,607,852	2,692,524
Bank of America Corporation	73,325	2,309,877	4,634,816
Bank of Montreal	33,775	2,247,577	4,713,301
Bank of Nova Scotia	72,000	4,547,005	5,557,680
BNP Paribas	57,000	3,596,929	5,027,090
Canadian Imperial Bank of Commerce	47,800	2,627,266	4,346,454
Citigroup	46,525	2,829,689	4,709,978
ING Groep	134,200	2,081,941	3,023,882
Invesco	82,854	1,247,177	2,082,938
Manulife Financial Corporation	95,000	1,731,921	4,195,200
Power Corporation of Canada	107,325	2,943,761	4,812,453
Royal Bank of Canada	30,000	2,264,048	5,199,600
State Street Corporation	28,450	1,561,081	4,016,004
Sun Life Financial	55,425	1,798,058	4,730,524

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



	Quantity	Cost \$	Fair Value \$
<b>Equities (continued)</b>			
<b>Financial Services (continued)</b>			
Toronto-Dominion Bank	50,000	2,517,284	3,826,500
Truist Financial Corporation	62,000	3,591,596	3,868,145
Wells Fargo & Co.	32,182	2,086,200	3,251,016
		41,589,262	70,688,105
<b>Real Estate</b>			
Macerich Company	96,950	1,771,032	2,777,529
Morguard Corporation	11,600	382,619	1,349,312
		2,153,651	4,126,841
<b>Technology</b>			
Alps Alpine	145,500	1,712,700	2,147,050
Celestica	5,100	34,672	676,566
Cirrus Logic	17,875	1,482,360	2,559,998
Intel Corporation	86,750	3,617,011	2,501,528
Open Text Corporation	100,000	4,140,010	4,068,000
Oracle Corporation	15,050	764,440	3,606,926
Samsung Electronics Corporation	2,998	4,309,035	3,879,758
SAP	8,070	1,139,314	2,839,950
Skyworks Solutions	34,125	4,065,275	4,352,310
		21,264,817	26,632,086
<b>Communication Services</b>			
Alphabet	31,215	3,152,582	8,549,546
AT&T	175,000	3,968,266	5,730,897
BCE	74,775	2,647,099	2,491,503
Cogeco Communications	25,000	1,554,499	1,683,750
Comcast Corporation	85,500	1,971,606	4,614,942
Meta Platforms	13,500	2,368,300	11,368,145
Quebecor	80,000	659,738	2,520,000
Rogers Communications	80,475	3,134,161	3,556,190
Telefonica	352,000	1,783,101	2,063,866
Telus Corporation	125,150	1,766,372	2,439,174
Verizon Communications	70,000	3,420,440	4,025,974
		26,426,164	49,043,987
<b>Utilities</b>			
Capital Power Corporation	28,425	645,063	1,811,241
EDP - Energias de Portugal	687,412	3,119,918	3,164,386
Veolia Environnement	92,400	2,554,404	3,730,567
		6,319,385	8,706,194
<b>Investment Fund</b>			
Letko Brosseau Emerging Markets Equity Fund	5,157,253	55,268,440	65,977,255
<b>Total Equities</b>		<b>270,571,021</b>	<b>400,983,133</b>

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



	Par Value	Cost \$	Fair Value \$
<b>Canadian Government Bonds</b>			
<b>Provincial Governments and Crown Corporations</b>			
British Columbia Investment Management Corporation			
4.900%, 2033-06-02	3,500,000	3,487,435	3,788,397
Canadian Government Real Return			
2.910%, 2041-12-01	2,495,000	3,648,845	3,881,415
2.099%, 2044-12-01	2,795,000	3,640,032	3,880,854
CDP Financial			
3.700%, 2028-03-08	390,000	382,200	396,570
3.950%, 2029-09-01	4,265,000	4,251,747	4,392,227
CPPIB Capital			
2.850%, 2027-06-01	3,175,000	3,171,127	3,160,611
1.950%, 2029-09-30	4,360,000	3,889,974	4,121,948
2.250%, 2031-12-01	1,000,000	870,950	924,816
3.950%, 2032-06-02	2,055,000	1,967,457	2,107,889
Ontario Teachers' Finance Trust			
4.150%, 2029-11-01	8,310,000	8,334,593	8,626,234
4.450%, 2032-06-02	4,345,000	4,483,619	4,564,857
Province of Alberta			
2.550%, 2027-06-01	1,000,000	1,011,490	989,172
Province of British Columbia			
4.150%, 2034-06-18	4,535,000	4,434,958	4,650,425
Province of Manitoba			
2.600%, 2027-06-02	3,195,000	3,247,469	3,163,286
4.250%, 2034-06-02	5,715,000	5,636,863	5,896,502
Province of New Brunswick			
2.600%, 2026-08-14	9,500,000	9,672,065	9,438,484
Province of Newfoundland and Labrador			
2.300%, 2025-06-02	1,500,000	1,585,620	1,494,918
3.000%, 2026-06-02	4,465,000	4,607,998	4,463,291
1.250%, 2027-06-02	3,400,000	3,298,340	3,255,661
3.850%, 2027-10-17	1,000,000	998,640	1,019,937
2.850%, 2028-06-02	2,500,000	2,355,000	2,475,865
2.050%, 2031-06-02	1,500,000	1,267,350	1,375,155
Province of Ontario			
1.350%, 2026-09-08	9,600,000	9,629,830	9,343,741
2.600%, 2027-06-02	13,450,000	13,999,971	13,321,512
3.650%, 2033-06-02	6,200,000	5,837,810	6,186,826
4.150%, 2034-06-02	7,020,000	6,879,600	7,212,156
PSP Capital			
1.500%, 2028-03-15	1,030,000	942,697	980,472
3.750%, 2029-06-15	2,000,000	2,007,080	2,045,459
2.600%, 2032-03-01	6,140,000	5,279,540	5,773,388
4.150%, 2033-06-01	6,160,000	6,008,998	6,355,702
		126,829,298	129,287,770

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



	Par Value	Cost \$	Fair Value \$
<b>Canadian Government Bonds (continued)</b>			
<b>Municipalities and Parapublic Institutions</b>			
City of Barrie			
1.068%, 2025-07-05	1,000,000	1,000,000	988,670
City of Vancouver			
2.900%, 2025-11-20	200,000	199,328	199,720
Municipal Finance Authority of British Columbia			
3.350%, 2027-06-01	500,000	499,200	503,318
4.500%, 2028-12-03	400,000	403,644	419,346
Regional Municipality of York			
2.500%, 2026-06-02	2,500,000	2,513,650	2,482,034
2.350%, 2027-06-09	475,000	475,945	466,866
South Coast British Columbia Transportation Authority			
3.050%, 2025-06-04	425,000	423,657	424,921
Toronto Hydro Corporation			
2.520%, 2026-08-25	875,000	835,032	865,393
2.430%, 2029-12-11	800,000	714,275	762,864
		7,064,731	7,113,132
<b>Total Canadian Government Bonds</b>		<b>133,894,029</b>	<b>136,400,902</b>
<b>Corporate Bonds</b>			
Allied Properties Real Estate Investment Trust			
3.636%, 2025-04-21	210,000	201,852	209,884
1.726%, 2026-02-12	385,000	364,634	375,101
3.113%, 2027-04-08	700,000	650,650	679,371
AltaGas			
2.157%, 2025-06-10	200,000	188,128	198,760
2.075%, 2028-05-30	150,000	130,020	142,269
Bank of Montreal			
2.700%, 2026-12-09	630,000	664,988	624,572
3.190%, 2028-03-01	2,000,000	1,922,660	1,987,748
5.039%, 2028-05-29	485,000	485,000	506,579
Bank of Nova Scotia			
3.100%, 2028-02-02	2,550,000	2,439,248	2,529,064
Bell Canada			
1.650%, 2027-08-16	1,775,000	1,696,320	1,699,744
2.200%, 2028-05-29	550,000	491,150	525,854
4.550%, 2030-02-09	400,000	399,148	409,674
Canadian Imperial Bank of Commerce			
5.500%, 2028-01-14	2,925,000	2,971,075	3,082,083
Capital Power Corporation			
4.986%, 2026-01-23	1,406,000	1,397,544	1,423,813
Enbridge			
5.700%, 2027-11-09	900,000	915,546	949,556
4.900%, 2028-05-26	250,000	249,968	259,811
Enbridge Gas			
2.810%, 2026-06-01	1,910,000	1,790,646	1,894,714
2.370%, 2029-08-09	550,000	495,336	522,370

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



	Par Value	Cost \$	Fair Value \$
<b>Corporate Bonds (continued)</b>			
Fortis			
2.180%, 2028-05-15	2,075,000	1,847,243	1,993,238
4.431%, 2029-05-31	500,000	498,625	513,477
Loblaw Companies			
4.488%, 2028-12-11	500,000	500,925	516,403
Manulife Financial Corporation			
5.409%, 2033-03-10	1,500,000	1,485,300	1,573,174
RioCan Real Estate Investment Trust			
2.829%, 2028-11-08	1,425,000	1,237,813	1,363,838
4.628%, 2029-05-01	930,000	891,558	946,557
Rogers Communications			
3.650%, 2027-03-31	2,590,000	2,503,229	2,593,316
3.250%, 2029-05-01	825,000	734,343	804,802
Royal Bank of Canada			
4.930%, 2025-07-16	1,700,000	1,765,595	1,715,620
SmartCentres Real Estate Investment Trust			
1.740%, 2025-12-16	500,000	451,030	491,782
3.192%, 2027-06-11	1,300,000	1,271,586	1,279,866
Sun Life Financial			
2.800%, 2033-11-21	1,400,000	1,225,980	1,352,801
Telus Corporation			
2.750%, 2026-07-08	2,975,000	2,874,617	2,945,123
2.350%, 2028-01-27	1,200,000	1,068,264	1,156,242
Thomson Reuters Corporation			
2.239%, 2025-05-14	2,000,000	1,938,560	1,990,987
Toronto-Dominion Bank			
4.680%, 2029-01-08	990,000	968,516	1,025,673
TransCanada PipeLines			
4.350%, 2026-05-12	675,000	671,941	681,989
<b>Total Corporate Bonds</b>		<b>39,389,038</b>	<b>40,965,855</b>
<b>Total Bonds</b>		<b>173,283,067</b>	<b>177,366,757</b>
<b>Money Market Securities</b>			
Alberta Treasury Bills			
2025-01-07	4,400,000	4,362,305	4,362,305
2025-02-18	1,070,000	1,061,472	1,061,472
Canadian Treasury Bill			
2025-02-05	1,365,000	1,871,644	1,941,362
Manitoba Treasury Bills			
2025-01-15	330,000	327,050	327,050
2025-03-05	80,000	79,338	79,338
Ontario Treasury Bills			
2025-02-05	4,625,000	4,584,994	4,584,994
2025-02-19	1,295,000	1,285,508	1,285,508
2025-02-26	925,000	917,353	917,353
2025-03-19	6,410,000	6,362,866	6,362,866

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



	Par Value	Cost \$	Fair Value \$
<b>Money Market Securities (continued)</b>			
Province of Alberta, notes			
2025-02-05	1,345,000	1,333,817	1,333,817
2025-02-24	1,340,000	1,328,369	1,328,369
2025-03-10	370,000	367,018	367,018
2025-03-25	310,000	307,002	307,002
Province of British Columbia, notes			
2025-01-16	570,000	780,800	810,884
2025-01-23	530,000	526,306	526,306
2025-02-19	1,520,000	2,117,600	2,165,111
2025-02-21	1,330,000	1,826,801	1,886,801
2025-02-21	1,540,000	1,524,030	1,524,030
2025-03-03	645,000	897,245	917,440
2025-04-07	1,690,000	2,402,518	2,401,793
2025-04-11	2,500,000	2,478,400	2,478,400
2025-04-14	1,390,000	1,934,535	1,967,446
2025-05-15	95,000	93,743	93,743
Province of Nova Scotia, notes			
2025-01-21	255,000	253,858	253,858
Province of Quebec, notes			
2025-03-12	10,200,000	14,080,843	14,476,956
2025-03-21	5,775,000	8,124,711	8,206,678
Province of Saskatchewan, notes			
2025-01-21	160,000	158,538	158,538
Quebec Treasury Bills			
2025-01-17	160,000	158,602	158,602
2025-02-07	550,000	541,783	541,783
2025-03-07	160,000	158,979	158,979
<b>Total Money Market Securities</b>		<b>62,248,028</b>	<b>62,985,802</b>
<b>Portfolio Transaction Costs Included in the Securities' Cost</b>		<b>(356,596)</b>	
<b>Total Investments</b>		<b>505,745,520</b>	<b>641,335,692</b>

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 February 5, 2026.

These financial statements have been prepared on a historical cost basis with the exception of cash and 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 cash and investments, be classified at fair value through profit or loss. All other financial assets and liabilities, with the exception of the Fund’s obligation for net assets attributable to holders of redeemable units, 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, cash and 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 recognized 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.

### 5. Interests in unconsolidated structured entities

The Fund holds redeemable 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, 2024, the net assets attributable to holders of redeemable units of Letko Brosseau Emerging Markets Equity Fund are \$1,582,435,468 (December 31, 2023: \$1,540,911,128) and the Fund's maximum exposure to loss is \$65,977,255 (December 31, 2023: \$69,704,421), 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:

	2024	2023
<b>Number of redeemable units in circulation, beginning of year</b>	32,984,543	36,149,658
<b>Number of redeemable units issued and redeemed during the year</b>		
Issued for cash and other consideration	1,978,811	1,353,279
Issued on reinvestment of distributions	2,326,521	1,224,230
Redeemed	(2,894,684)	(5,742,624)
<b>Number of redeemable units in circulation, end of year</b>	<b>34,395,191</b>	<b>32,984,543</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.

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>



## 9. Related party transactions (continued)

2023	Manager \$	Other related parties \$
<b>Redeemable units issued and redeemed</b>		
Issued for cash and other consideration	-	57,500
Issued on reinvestment of distributions	66,329	1,843,740
Redeemed	-	(55,562)
	<b>66,329</b>	<b>1,845,678</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:

	2024 \$	2023 \$
Manager	2,083,610	1,848,708
Other related parties	57,916,895	51,378,332
	<b>60,000,505</b>	<b>53,227,040</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.

	2024 \$	2023 \$
Total fair value of securities on loan	152,456,017	130,164,092
Total collateral held	155,505,827	132,859,454

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:

	2024 \$	2023 \$
Gross securities lending income	207,919	231,502
Securities lending charges	(83,167)	(92,601)
Net securities lending income	124,752	138,901
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:

Bonds by credit rating	2024 % of net assets	2023 % of net assets
AAA	8.47	6.46
AA	7.98	4.08
A	7.35	13.72
BBB	3.56	4.21
BB	0.20	0.13

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



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

#### Credit risk (continued)

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.

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.

#### 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 %	2024 Impact \$	2023 Impact \$
FTSE Canada 91 Day T-Bill Total Return Index	0.25	159,000	25,000
FTSE Canada Universe Bond Total Return Index	1.00	1,777,000	1,690,000
S&P/TSX Composite Total Return Capped Index	3.00	3,262,000	3,624,000
MSCI All Country World Total Return Net Index	3.00	8,738,000	8,627,000



### 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:

	2024 % of net assets	2023 % of net assets
Foreign currencies		
U.S. dollars	28.35	25.84
Euros	7.94	9.01
Other currencies representing less than 5% individually	14.41	15.10

As at December 31, 2024, 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 \$9,793,000 (December 31, 2023: of \$8,829,000).

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:

Bonds by maturity date	2024 \$	2023 \$
Less than 1 year	7,715,262	3,273,711
1 to 5 years	109,717,467	115,991,028
5 to 10 years	52,171,760	49,275,080
More than 10 years	7,762,268	-
Total	177,366,757	168,539,819

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 \$6,773,000 (December 31, 2023: \$6,017,000). 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
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

	Level 1	Level 2	Level 3	Total
2023	\$	\$	\$	\$
Equities, excluding investment fund	339,589,998	-	-	339,589,998
Investment fund	-	69,704,421	-	69,704,421
Bonds	116,419,414	52,120,405	-	168,539,819
Money market securities	9,447,332	-	-	9,447,332
	465,456,744	121,824,826	-	587,281,570

No investments were transferred within the levels during the years ended December 31, 2024 and 2023.

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. Events after the reporting period: Tariffs

Several announcements regarding tariffs have been made by the US government during the first quarter of 2025. These measures are constantly evolving, as are the retaliatory measures announced by Canada and other countries. The Manager is continuing to assess and monitor the market risks and financial impact of the tariffs should their application continue. It is not possible to predict with certainty the scope of the economic impact of tariffs both in the short and long term and the potential effect on the Fund's future financial position and performance. The Manager continues to monitor the Fund's risk exposures from its portfolio holdings in order to fulfill on the Fund's investment objective of optimizing returns for unit holders.

## 16. Filing exemption for financial statements

The Fund has advised the CSA that it is exempt under section 2.11 of NI 81-106 from annual filing requirements to the Canadian regulation authorities since all the requirements have been met.