LetkoBrosseau

Letko Brosseau Emerging Markets Equity Fund
Letko Brosseau Fonds d'actions de marchés émergents

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	18,802,796	21,159,248
Investments	2,654,059,312	2,283,757,853
Amounts receivable for investments sold	7,264,785	-
Amounts receivable on issuance of redeemable units	14,184,226	565,862
Interest, dividends and other receivables	15,294,811	12,529,261
	2,709,605,930	2,318,012,224
Current liabilities		
Amounts payable on redemptions of redeemable units	3,648,846	2,944
Amounts payable for investments purchased	17,477,098	1,868,469
Accrued expenses	859,550	71,296
	21,985,494	1,942,709
Net assets attributable to holders of redeemable units	2,687,620,436	2,316,069,515

Supplementary information

	June 30 2026 $	December 31 2025 $
Net assets attributable to holders of redeemable units		
Series O	2,531,702,941	2,251,912,511
Series Q	115,340,390	64,157,004
Series F	40,577,105	-
	2,687,620,436	2,316,069,515
Number of redeemable units in circulation (note 5)		
Series O	141,491,078	135,841,760
Series Q	6,502,356	3,896,728
Series F	2,268,701	-
Net assets per unit attributable to holders of redeemable units (note 6)		
Series O	17.8936	16.5775
Series Q	17.7388	16.4644
Series F	17.8861	-

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

Daniel Brosseau, Director

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	2,316,069,515	1,582,435,468
Change in net assets attributable to holders of redeemable units	232,059,898	314,943,065
Redeemable unit transactions		
Proceeds from issuance	242,679,697	32,961,468
Reinvestment of distributions	49,690,437	40,561,566
Redemptions	(102,926,808)	(41,637,214)
	189,443,326	31,885,820
Distributions to holders of redeemable units (note 6)		
Net investment income	(49,952,303)	(40,841,638)
Net assets attributable to holders of redeemable units, end of period	2,687,620,436	1,888,422,715

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

(Expressed in Canadian Dollars)

	June 30 2026 $	June 30 2025 $
Investment income		
Net interest income for distribution purposes	244,212	182,288
Dividend income	61,153,227	47,185,474
Net securities lending income (note 9)	49,501	11,102
Foreign exchange gain (loss) on cash	(1,025,058)	(514,039)
Net realized gain (loss) on sale of investments	179,498,568	35,897,246
Net changes in unrealized appreciation (depreciation) of investments	2,263,041	239,862,305
	242,183,491	322,624,376
Expenses		
Management fees (note 10)	415,798	81,685
Trustee fees (note 10)	2,258,732	1,052,587
Professional fees	11,054	46,041
Filing fees	3,186	9,905
Withholding taxes	5,628,919	5,931,791
Portfolio transaction costs	1,805,904	559,302
	10,123,593	7,681,311
Change in net assets attributable to holders of redeemable units	232,059,898	314,943,065
Supplementary information		
Change in net assets attributable to holders of redeemable units		
Series O	225,511,789	311,471,363
Series Q	6,790,485	3,471,702
Series F	(242,376)	-
	232,059,898	314,943,065
Change in net assets per unit attributable to holders of redeemable units (note 3)		
Series O	1.6199	2.5557
Series Q	1.2484	2.5129
Series F	(0.4353)	-

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

STATEMENTS OF CASH FLOWS
FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2026 AND 2025 (UNAUDITED)
(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	232,059,898	314,943,065
Adjustments or variations for:		
Foreign exchange (gain) loss on cash	1,025,058	514,039
Net realized (gain) loss on sale of investments	(179,498,568)	(35,897,246)
Net changes in unrealized (appreciation) depreciation of investments	(2,263,041)	(239,862,305)
Interest, dividends and other receivables	(2,765,550)	(7,706,265)
Accrued expenses	788,254	209,632
Proceeds from sale or maturity of investments	281,210,477	88,997,271
Investments purchased	(461,406,483)	(111,587,976)
	(130,849,955)	9,610,215
Cash flows from (used in) financing activities		
Proceeds from issuance of redeemable units	229,061,333	32,842,608
Amounts paid on redemptions of redeemable units	(99,280,906)	(41,635,533)
Distributions paid in cash to holders of redeemable units	(261,866)	(280,072)
	129,518,561	(9,072,997)
Change in cash	(1,331,394)	537,218
Cash, beginning of period	21,159,248	12,426,042
Effect of exchange rate changes on foreign cash	(1,025,058)	(514,039)
Cash, end of period	18,802,796	12,449,221

Supplementary information

Cash flows relating to operating activities:		
Interest received	$ 245,561	$ 182,849
Dividends received, net of withholding taxes	$ 52,193,204	$ 35,227,749
Interest paid	$ 1,349	$ 287

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

(Expressed in Canadian Dollars)

	Quantity	Cost $	Fair Value $
Equities			
Energy			
Parex Resources	796,050	11,140,737	17,027,509
PTT Exploration & Production	4,817,425	21,270,663	27,568,738
Reliance Industries	643,846	20,956,574	50,606,662
		53,367,974	95,202,909
Materials			
Cemex	2,954,611	15,875,219	50,301,954
China Lumena New Materials Corporation	319,500	3,666,663	-
Ivanhoe Mines	3,999,800	41,693,817	44,437,778
Lucara Diamond Corporation	17,633,025	20,824,957	2,644,954
Nine Dragons Paper Holdings	22,342,625	20,049,332	27,607,591
		102,109,988	124,992,277
Industrial Products			
Air Arabia	24,472,565	10,514,137	51,521,388
Copa Holdings	171,775	17,693,097	37,913,083
Ferreycorp	42,420,000	28,876,750	73,904,838
Globaltrans Investment	1,432,457	17,349,250	2
GMR Infrastructure	9,041,875	4,283,832	15,190,354
Grupo Aeroportuario del Centro Norte S.A.B. de C.V.	5,556,000	51,580,132	111,703,101
J Kumar Infraprojects	2,801,213	23,047,975	20,683,649
Motiva Infraestrutura de Mobilidade	11,146,625	41,574,178	44,668,749
Sinotrans	37,611,000	19,046,015	25,992,727
		213,965,366	381,577,891
Consumer Discretionary			
Alibaba Group Holding	4,604,150	83,311,866	77,340,144
Geely Automobile Holdings	5,450,650	11,273,124	16,625,682
Minth Group	9,205,175	34,650,327	43,998,561
Mitra Adiperkasa	440,521,275	40,892,951	53,305,560
TravelSky Technology	16,622,500	31,972,624	24,298,603
Yamaha Motor	2,279,025	18,560,235	24,430,399
		220,661,127	239,998,949
Consumer Staples			
Alfa S.A.B. de C.V.	27,305,077	22,246,270	35,604,609
First Pacific	73,746,655	47,599,835	64,040,862
MHP	1,225,478	15,219,643	15,300,002
Puregold Price Club	42,760,675	35,385,117	40,134,495
		120,450,865	155,079,968
Health Care			
Cleopatra Hospital	29,014,618	10,358,022	14,017,100
Fleury	19,273,105	73,268,541	81,355,222
Shandong Weigao Group Medical Polymer	128,179,240	117,817,208	73,510,700
Sinopharm Group	21,436,825	73,471,252	61,702,711
		274,915,023	230,585,733

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

(Expressed in Canadian Dollars)

	Quantity	Cost $	Fair Value $
Equities (continued)			
Financial Services			
AIA Group	2,151,750	23,441,652	27,814,269
Axis Bank	2,771,295	54,951,496	77,372,947
Bolsa Mexicana de Valores S.A.B de C.V.	32,686,197	82,177,465	92,487,800
Credicorp	84,575	16,533,982	46,745,731
Grupo Financiero Banorte S.A.B. de C.V.	4,864,150	37,951,583	72,892,919
HDFC Bank	8,352,050	106,251,925	99,887,535
Warsaw Stock Exchange	1,346,946	16,466,923	45,145,109
		337,775,026	462,346,310
Real Estate			
Allos SA	8,792,310	49,488,657	67,624,441
Concentradora Fibra Danhos S.A. de C.V.	21,949,307	30,300,544	51,164,800
		79,789,201	118,789,241
Technology			
Kingboard Laminates Holdings	2,240,002	2,216,703	40,180,444
Samsung Electronics Corporation	14,525	15,752,367	111,072,923
		17,969,070	151,253,367
Communication Services			
Baidu	1,862,900	37,632,125	36,938,028
IMAX China Holding	4,141,725	6,549,449	5,994,388
Indosat	345,730,200	58,663,472	47,459,068
Tencent Holdings	679,025	54,800,533	52,799,010
		157,645,579	143,190,494
Utilities			
Beijing Enterprises Holdings	9,150,925	51,730,201	44,500,805
China Water Affairs Group	41,501,225	31,639,738	32,885,817
Companhia de Saneamento Básico do Estado de São Paulo	9,488,395	25,406,294	77,807,935
Companhia de Saneamento do Parana	7,823,200	53,530,432	79,469,938
Companhia Paranaense de Energia	5,750,925	57,975,428	95,053,240
Gujarat Gas	7,274,539	42,002,051	35,658,425
Manila Water	90,762,400	48,881,351	73,438,066
NHPC	74,671,722	84,012,853	91,022,649
Power Grid Corporation of India	4,941,747	13,334,863	21,205,298
		408,513,211	551,042,173
Total Equities		1,987,162,430	2,654,059,312
Portfolio Transaction Costs Included in the Securities' Cost		(4,536,290)	
Total Investments		1,982,626,140	2,654,059,312

1. Establishment of the fund

The Letko Brosseau Emerging Markets Equity Fund / Letko Brosseau Fonds d'actions de marchés émergents (the "Fund") is an open-end mutual fund 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"), 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 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 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.

Use of estimates, judgments and assumptions

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 5th, 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.

(Expressed in Canadian Dollars)

5. Redeemable units in circulation (continued)

Accordingly, as a result of the redesignation and creation of new units, the Fund offered 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.

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	135,841,760	3,896,728	-
Number of redeemable units issued and redeemed during the period			
Issued for cash and other consideration	8,363,994	2,839,306	2,284,872
Issued on reinvestment of distributions	2,697,167	99,004	6,915
Redeemed	(5,411,843)	(332,682)	(23,086)
Number of redeemable units in circulation, end of period	141,491,078	6,502,356	2,268,701

	December 31, 2025	
	Series O	Series Q
Number of redeemable units in circulation, beginning of year	122,408,927	1,289,834
Number of redeemable units issued and redeemed during the year		
Issued for cash and other consideration	10,048,466	2,543,794
Issued on reinvestment of distributions	8,371,679	140,455
Redeemed	(4,987,312)	(77,355)
Number of redeemable units in circulation, end of year	135,841,760	3,896,728

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.

(Expressed in Canadian Dollars)

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.

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 $	Investment funds managed by the Manager $	Other related parties $
Redeemable units issued and redeemed			
Issued for cash and other consideration	1,000	-	-
Issued on reinvestment of distributions	5	12,587,542	4,086,006
Redeemed	-	(7,845,290)	(1,125,672)
	1,005	4,742,252	2,960,334

June 30, 2025	Manager $	Investment funds managed by the Manager $	Other related parties $
Redeemable units issued and redeemed			
Issued for cash and other consideration	-	-	-
Issued on reinvestment of distributions	-	11,467,202	3,714,363
Redeemed	-	(7,244,675)	(8,249,528)
	-	4,222,527	(4,535,165)

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	1,038	-
Investment funds managed by the Manager	660,509,682	527,012,967
Other related parties	214,699,275	170,131,478
	875,209,995	697,144,445

(Expressed in Canadian Dollars)

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.

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	247,259,669	61,115,859
Total collateral held	252,204,874	62,339,438

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	82,502	18,504
Securities lending charges	(33,001)	(7,402)
Net securities lending income	49,501	11,102
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 0.75% 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 as its objective to generate capital appreciation through the creation of a well-diversified portfolio of publicly traded companies exposed to more rapidly growing developing economies. These companies may either be headquartered in, or derive a substantial portion of their business activity from developing countries. The Manager regularly monitors the relative weighting of individual equity 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 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 fulfil 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.

(Expressed in Canadian Dollars)

12. Risks associated with financial instruments (continued)

Market risks (continued)

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 index	Changes in %	June 30, 2026 Impact $	December 31, 2025 Impact $
MSCI Emerging Markets Total Return Net Index	3.00	79,622,000	68,513,000

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:

Foreign currencies	June 30, 2026 % of net assets	December 31, 2025 % of net assets
Hong Kong dollars	24.04	27.50
U.S. dollars	19.42	19.39
Mexican pesos	13.54	14.31
Indian rupees	12.49	7.46
Brazilian reals	10.23	11.39
Other currencies representing less than 5% individually	15.10	17.87

As at June 30, 2026, 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 $76,456,000 (December 31, 2025: $68,031,000).

Interest rate risk

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.

(Expressed in Canadian Dollars)

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	2,654,059,312	-	-	2,654,059,312

December 31, 2025	Level 1 $	Level 2 $	Level 3 $	Total $
Equities	2,283,757,853	-	-	2,283,757,853

No 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.