LetkoBrosseau

Letko Brosseau RSP Balanced Fund
Letko Brosseau Fonds RER équilibré

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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(Expressed in Canadian Dollars)

	June 30 2026 $	December 31 2025 $
Current assets		
Cash	5,732,240	271,836
Investments	585,535,909	487,011,375
Interest, dividends and other receivables	1,615,994	1,309,913
	592,884,143	488,593,124
Current liabilities		
Amounts payable on redemptions of redeemable units	1,000	-
Accrued expenses	33,580	103,143
	34,580	103,143
Net assets attributable to holders of redeemable units	592,849,563	488,489,981

Supplementary information

Net assets attributable to holders of redeemable units		
Series O	592,848,547	488,489,981
Series F	1,016	-
	592,849,563	488,489,981
Number of redeemable units in circulation (note 6)		
Series O	34,409,182	30,782,857
Series F	59	-
Net assets per unit attributable to holders of redeemable units (note 7)		
Series O	17.2294	15.8689
Series F	17.2261	-

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.

(Expressed in Canadian Dollars)

	June 30 2026 $	June 30 2025 $
Net assets attributable to holders of redeemable units, beginning of period	488,489,981	426,989,878
Change in net assets attributable to holders of redeemable units	53,653,441	23,235,469
Redeemable unit transactions		
Proceeds from issuance	60,078,967	7,387,244
Reinvestment of distributions	9,340,996	8,780,767
Redemptions	(9,119,316)	(37,344,378)
	60,300,647	(21,176,367)
Distributions to holders of redeemable units (note 7)		
Net investment income	(9,594,506)	(8,780,767)
Net assets attributable to holders of redeemable units, end of period	592,849,563	420,268,213

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	3,556,909	2,582,081
Dividend income	5,595,455	5,359,046
Net securities lending income (note 10)	33,454	38,097
Foreign exchange gain (loss) on cash	(415,509)	(1,009,025)
Net realized gain (loss) on sale of investments	9,402,258	27,845,743
Net changes in unrealized appreciation (depreciation) of investments	35,719,796	(11,119,736)
	53,892,363	23,696,206
Expenses		
Trustee fees (note 11)	9,000	62,509
Professional fees	8,967	9,099
Filing fees	803	1,793
Withholding taxes	123,375	319,836
Portfolio transaction costs	96,777	67,500
	238,922	460,737
Change in net assets attributable to holders of redeemable units	53,653,441	23,235,469
Supplementary information		
Change in net assets attributable to holders of redeemable units		
Series O	53,653,425	23,235,469
Series F	16	-
	53,653,441	23,235,469
Change in net assets per unit attributable to holders of redeemable units (note 3)		
Series O	1.6574	0.8479
Series F	0.2722	-

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	53,653,441	23,235,469
Adjustments or variations for:		
Foreign exchange (gain) loss on cash	415,509	1,009,025
Net realized (gain) loss on sale of investments	(9,402,258)	(27,845,743)
Net changes in unrealized (appreciation) depreciation of investments	(35,719,796)	11,119,736
Interest, dividends and other receivables	(306,081)	(7,767)
Accrued expenses	(69,563)	263
Proceeds from sale or maturity of investments	164,868,144	133,351,676
Investments purchased	(218,270,624)	(109,828,596)
	(44,831,228)	31,034,063
Cash flows from (used in) financing activities		
Proceeds from issuance of redeemable units	60,078,967	7,387,244
Amounts paid on redemptions of redeemable units	(9,118,316)	(37,265,734)
Distributions paid in cash to holders of redeemable units	(253,510)	-
	50,707,141	(29,878,490)
Change in cash	5,875,913	1,155,573
Cash, beginning of period	271,836	127,346
Effect of exchange rate changes on foreign cash	(415,509)	(1,009,025)
Cash, end of period	5,732,240	273,894

Supplementary information

Cash flows relating to operating activities:				
Interest received	$	3,446,557	$	2,464,865
Dividends received, net of withholding taxes	$	5,071,582	$	5,149,797
Interest paid	$	233	$	902

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

(Expressed in Canadian Dollars)

	Quantity	Cost $	Fair Value $
Equities			
Energy			
Birchcliff Energy	70,100	283,794	433,918
Cenovus Energy	64,194	953,790	2,258,987
Chevron Corporation	4,484	222,353	1,054,505
ConocoPhillips	13,100	617,184	1,932,150
Enerflex	1,150	10,110	40,055
Peyto Exploration & Development Corporation	125,450	826,614	2,968,147
TotalEnergies	33,300	2,100,590	3,674,613
		5,014,435	12,362,375
Materials			
Arkema	36,600	3,857,146	3,274,112
Barrick Mining Corporation	43,450	1,002,203	2,265,918
Canfor Corporation	6,108	1,829,822	82,336
Cascades	90,069	780,306	1,049,304
Eastman Chemical	39,050	3,907,993	3,710,816
Graphic Packaging Holding	162,200	3,393,036	2,432,367
Interfor Corporation	23,175	359,185	302,434
Ivanhoe Mines	128,400	1,722,431	1,426,524
Kuraray	102,700	1,737,776	1,495,373
Lundin Mining Corporation	18,850	93,228	651,456
Nutrien	27,100	1,845,723	2,421,385
Regis Resources	52,300	117,017	309,978
Smurfit WestRock	38,675	1,664,574	2,446,227
Teck Resources	8,925	177,676	753,895
Wacker Chemie	18,625	2,443,052	2,746,168
West Fraser Timber Corporation	12,820	766,127	1,230,848
Western Forest Products	25,725	1,569,803	454,818
		27,267,098	27,053,959
Industrial Products			
AECOM	11,794	1,172,949	1,167,938
Air Canada	153,400	1,482,822	3,795,116
Arcadis	30,625	1,820,207	1,670,093
Bombardier	7,720	510,522	2,520,889
Bunzl	57,325	2,192,458	2,838,940
CAE	39,900	1,042,462	1,416,849
Canadian National Railway Corporation	5,925	792,802	1,002,806
EasyJet	166,400	1,082,332	1,749,666
Fedex Corporation	5,715	1,171,653	2,538,892
Fedex Freight Holding Co Inc	2,857	295,556	612,055
Fraport AG Frankfurt Airport Services Worldwide	8,787	510,387	1,038,334
Mitsui & Co.	32,750	288,752	1,285,634
Siemens	11,330	1,332,286	5,166,958
United Parcel Service	8,525	1,032,376	1,300,188
		14,727,564	28,104,358

(Expressed in Canadian Dollars)

	Quantity	Cost $	Fair Value $
Equities (continued)			
Consumer Discretionary			
Adient	74,900	2,839,597	1,953,128
Canadian Tire Corporation	5,890	553,629	1,150,612
Dorel Industries	43,000	1,312,143	75,250
Gildan Activewear Inc	10,025	760,997	733,028
Kingfisher	622,000	2,107,729	3,316,959
Linamar Corporation	40,025	1,669,347	4,025,314
Lululemon Athletica	8,975	2,269,816	1,453,877
Magna International	33,225	1,545,570	3,098,564
Panasonic Holdings Corporation	74,000	874,330	2,908,174
Valeo	178,650	5,091,702	3,713,544
		19,024,860	22,428,450
Consumer Staples			
Associated British Foods	97,050	3,369,109	3,629,370
Barry Callebaut	1,009	1,646,755	1,989,358
Canada Packers	10,890	181,106	208,544
Carrefour	150,550	4,604,599	3,968,268
George Weston	20,640	662,168	2,101,152
Kerry Group	19,175	2,128,746	2,488,240
Maple Leaf Foods	54,450	1,345,923	1,661,270
Wal-Mart Stores	5,400	99,013	867,708
		14,037,419	16,913,910
Health Care			
Abbvie	6,550	590,485	2,338,429
Biogen	3,950	1,208,948	1,210,807
CVS Health Corporation	32,375	2,677,102	4,751,640
GE HealthCare Technologies	26,475	2,267,789	2,404,291
Genmab	6,530	1,961,977	2,543,525
GlaxoSmithKline	42,985	2,059,723	3,196,813
Illumina	23,610	3,863,511	5,889,688
Merck & Co.	6,950	509,322	1,267,043
Moderna	32,850	2,575,777	3,263,794
Pfizer	133,200	4,776,188	4,550,551
Roche Holding	5,900	1,945,775	3,453,436
Sanofi	33,000	3,618,067	4,018,881
		28,054,664	38,888,898
Financial Services			
Allianz	2,000	583,987	1,343,390
Bank of America Corporation	28,350	763,684	2,291,811
Bank of Montreal	14,390	1,000,252	3,607,141
Bank of Nova Scotia	33,600	2,297,461	4,141,872
BNP Paribas	33,000	2,128,723	5,467,348
Canadian Imperial Bank of Commerce	13,375	741,989	2,184,405

(Expressed in Canadian Dollars)

	Quantity	Cost $	Fair Value $
Equities (continued)			
Financial Services (continued)			
Citigroup	18,425	1,006,863	3,658,598
ING Groep	56,900	1,010,727	2,553,809
Invesco	36,550	686,762	1,368,454
Manulife Financial Corporation	58,050	1,134,726	3,339,036
Power Corporation of Canada	40,575	1,146,894	3,587,642
Royal Bank of Canada	10,975	851,664	3,223,138
State Street Corporation	16,375	998,297	3,940,129
Sun Life Financial	35,000	1,160,040	3,897,250
Toronto-Dominion Bank	21,700	1,198,516	3,741,948
Truist Financial Corporation	51,000	2,542,602	3,604,767
Wells Fargo & Co.	10,800	724,933	1,266,244
		19,978,120	53,216,982
Real Estate			
Allied Properties Real Estate Investment Trust	80,400	972,629	791,940
Macerich Company	44,000	926,741	1,572,476
Morguard Corporation	10,075	863,253	1,253,632
		2,762,623	3,618,048
Technology			
Adobe	13,040	6,064,247	3,792,950
ams-OSRAM	37,650	2,155,640	1,155,517
Cirrus Logic	13,300	1,064,604	2,802,652
Constellation Software	263	668,419	702,210
Intel Corporation	5,850	226,327	1,158,878
Microsoft Corporation	6,611	3,447,057	3,498,667
Open Text Corporation	98,750	4,547,254	3,099,763
Salesforce	13,545	3,455,447	3,010,512
Samsung Electronics Corporation	1,066	1,517,592	8,151,720
Skyworks Solutions	41,234	4,297,140	3,966,326
Sprinklr	62,475	1,029,162	457,361
		28,472,889	31,796,556
Communication Services			
Alphabet	21,005	2,214,613	10,529,470
AT&T	112,000	3,272,234	3,289,210
BCE	82,900	3,003,331	2,532,595
Cogeco Communications	23,750	1,402,153	1,504,800
Comcast Corporation	98,750	3,276,573	3,439,473
Meta Platforms	6,197	2,031,278	4,952,413
Quebecor	31,200	340,456	2,111,928
Rogers Communications	64,775	2,904,399	2,988,719
Telefonica	210,710	3,606,197	1,201,713
Telus Corporation	110,000	1,500,712	1,650,000
Verizon Communications	53,800	2,581,787	3,231,740
		26,133,733	37,432,061

(Expressed in Canadian Dollars)

	Quantity	Cost $	Fair Value $
Equities (continued)			
Utilities			
EDP - Energias de Portugal	517,600	2,301,338	3,846,108
Exelon Corporation	25,170	1,673,791	1,664,787
Superior Plus Corporation	189,725	2,125,179	1,481,752
Veolia Environnement	62,800	1,718,068	3,711,974
		7,818,376	10,704,621
Investment Funds			
Letko Brosseau Emerging Markets Equity Fund	3,483,939	38,656,292	62,340,210
Total Equities		231,948,073	344,860,428

	Par Value	Cost $	Fair Value $
Canadian Government Bonds			
Provincial Governments and Crown Corporations			
British Columbia Investment Management Corporation			
3.400%, 2030-06-02	2,000,000	2,007,530	2,019,254
3.250%, 2031-06-02	500,000	498,015	500,259
4.900%, 2033-06-02	2,000,000	1,992,820	2,172,617
4.000%, 2035-06-02	1,500,000	1,493,775	1,530,489
Canadian Government Real Return			
2,000%, 2041-12-01	1,865,000	2,727,501	2,996,161
1,500%, 2044-12-01	2,090,000	2,721,973	2,970,152
0,500%, 2050-12-01	500,000	450,917	490,710
CDP Financial			
3.950%, 2029-09-01	1,000,000	988,360	1,026,445
4.200%, 2030-12-02	2,960,000	2,990,429	3,082,156
CPPIB Capital			
2.850%, 2027-06-01	730,000	729,109	731,960
3.250%, 2028-03-08	1,600,000	1,599,168	1,612,217
1.950%, 2029-09-30	2,500,000	2,241,835	2,417,617
2.250%, 2031-12-01	2,000,000	1,741,900	1,900,900
3.950%, 2032-06-02	3,280,000	3,183,008	3,391,135
Hydro-Quebec			
2.000%, 2028-09-01	1,000,000	963,000	981,753
3.400%, 2029-09-01	1,500,000	1,509,225	1,516,362
New Brunswick F-M Project			
6.470%, 2027-11-30	9,526	9,604	9,815
Ontario Power Generation			
2.977%, 2029-09-13	750,000	728,445	741,709
Ontario Teachers' Finance Trust			
4.150%, 2029-11-01	4,300,000	4,370,928	4,442,702
4.450%, 2032-06-02	1,240,000	1,233,959	1,309,526

(Expressed in Canadian Dollars)

	Par Value	Cost $	Fair Value $
Canadian Government Bonds (continued)			
Provincial Governments and Crown Corporations (continued)			
Province of British Columbia			
4.150%, 2034-06-18	535,000	520,657	555,651
4.000%, 2035-06-18	2,000,000	2,000,280	2,042,894
Province of Manitoba			
2.600%, 2027-06-02	3,015,000	3,072,044	3,016,389
2.050%, 2030-06-02	3,250,000	2,910,875	3,125,797
2.050%, 2031-06-02	4,155,000	3,811,306	3,939,053
4.250%, 2034-06-02	8,200,000	8,205,238	8,569,771
3.700%, 2035-06-02	10,500,000	10,257,905	10,487,584
3.800%, 2036-06-02	400,000	390,440	398,718
Province of New Brunswick			
4.650%, 2035-09-26	1,400,000	1,475,250	1,498,683
Province of Newfoundland and Labrador			
3.850%, 2027-10-17	2,000,000	1,997,280	2,030,076
Province of Nova Scotia			
2.400%, 2031-12-01	6,785,000	6,133,158	6,495,770
3.850%, 2035-06-01	4,350,000	4,283,850	4,395,234
3.900%, 2036-06-01	2,500,000	2,456,460	2,512,960
Province of Ontario			
2.600%, 2027-06-02	3,840,000	3,981,800	3,841,982
3.400%, 2028-09-08	235,000	236,419	237,690
2.700%, 2029-06-02	3,000,000	2,778,150	2,977,476
2.050%, 2030-06-02	3,110,000	2,972,227	2,992,027
2.150%, 2031-06-02	1,500,000	1,425,900	1,430,038
3.750%, 2032-06-02	4,785,000	4,752,941	4,899,404
3.650%, 2033-06-02	6,305,000	5,921,101	6,393,458
4.150%, 2034-06-02	2,000,000	2,054,000	2,082,174
3.800%, 2034-12-02	2,200,000	2,203,300	2,230,114
3.600%, 2035-06-02	645,000	627,417	641,569
3.950%, 2035-12-02	7,800,000	7,819,322	7,932,925
3.900%, 2036-06-02	1,300,000	1,277,874	1,311,727
Province of Prince Edward Island			
3.100%, 2030-06-02	400,000	399,376	399,359
Province of Saskatchewan			
3.050%, 2028-12-02	3,000,000	2,824,500	3,012,832
3.900%, 2033-06-02	2,000,000	1,921,060	2,059,138
3.800%, 2035-06-02	2,000,000	1,979,000	2,021,409
PSP Capital			
3.750%, 2029-06-15	2,860,000	2,933,102	2,920,156
4.400%, 2030-12-02	1,000,000	999,140	1,051,280
2.600%, 2032-03-01	6,490,000	5,580,491	6,258,411
4.150%, 2033-06-01	6,695,000	6,672,417	6,980,911
		141,055,781	146,586,599

(Expressed in Canadian Dollars)

	Par Value	Cost $	Fair Value $
Canadian Government Bonds (continued)			
Municipalities and Parapublic Institutions			
City of Montreal			
4.250%, 2032-12-01	800,000	827,200	834,659
Municipal Finance Authority of British Columbia			
3.350%, 2027-06-01	390,000	389,376	392,798
4.500%, 2028-12-03	825,000	824,340	854,954
3.400%, 2031-06-03	500,000	499,445	503,879
South Coast British Columbia Transportation Authority			
1.600%, 2030-07-03	480,000	449,616	452,320
Toronto Hydro Corporation			
2.430%, 2029-12-11	300,000	267,840	292,878
		3,257,817	3,331,488
Total Canadian Government Bonds		144,313,598	149,918,087
Corporate Bonds			
407 International			
4.220%, 2028-02-14	750,000	749,768	760,551
Allied Properties Real Estate Investment Trust			
3.113%, 2027-04-08	540,000	501,930	539,135
Bank of Montreal			
3.190%, 2028-03-01	2,000,000	1,852,000	2,005,726
5.039%, 2028-05-29	300,000	300,000	309,440
Bank of Nova Scotia			
3.100%, 2028-02-02	2,000,000	1,912,760	2,002,496
Bell Canada			
1.650%, 2027-08-16	2,000,000	1,733,800	1,974,724
3.800%, 2028-08-21	1,000,000	1,004,850	1,008,518
4.550%, 2030-02-09	500,000	498,935	515,118
Canadian Imperial Bank of Commerce			
5.500%, 2028-01-14	1,000,000	999,490	1,033,030
Capital Power Corporation			
5.816%, 2028-09-15	500,000	523,100	523,586
4.831%, 2031-09-16	500,000	500,000	518,949
3.147%, 2032-10-01	525,000	489,563	496,533
Enbridge Gas			
2.880%, 2027-11-22	380,000	361,414	379,161
2.370%, 2029-08-09	550,000	495,336	535,505
ENMAX Corporation			
3.771%, 2030-06-06	500,000	500,665	501,632
Fortis			
2.180%, 2028-05-15	385,000	347,463	378,621
4.431%, 2029-05-31	825,000	831,409	846,976
Hydro One			
3.930%, 2029-11-30	2,000,000	1,983,240	2,039,255

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

(Expressed in Canadian Dollars)

	Par Value	Cost $	Fair Value $
Corporate Bonds (continued)			
Loblaw Companies			
4.488%, 2028-12-11	605,000	620,009	619,767
Manulife Bank			
4.546%, 2029-03-08	200,000	200,000	205,804
3.951%, 2031-05-20	500,000	500,000	505,171
Manulife Financial Corporation			
5.409%, 2033-03-10	2,000,000	1,980,400	2,067,493
National Bank of Canada			
3.441%, 2031-10-21	2,000,000	1,970,000	1,983,444
RioCan Real Estate Investment Trust			
2.829%, 2028-11-08	845,000	727,689	833,296
4.628%, 2029-05-01	510,000	485,370	522,956
Rogers Communications			
4.400%, 2028-11-02	1,000,000	1,017,200	1,019,271
3.250%, 2029-05-01	875,000	780,688	869,547
Royal Bank of Canada			
4.632%, 2028-05-01	500,000	499,990	512,199
3.985%, 2031-07-22	1,450,000	1,467,545	1,470,433
SmartCentres Real Estate Investment Trust			
3.192%, 2027-06-11	1,430,000	1,369,323	1,430,428
Sun Life Financial			
2.800%, 2033-11-21	2,000,000	1,963,200	1,971,491
Telus Corporation			
2.350%, 2028-01-27	2,100,000	1,881,650	2,073,011
3.300%, 2029-05-02	1,000,000	986,400	997,533
Toronto-Dominion Bank			
4.680%, 2029-01-08	1,500,000	1,465,870	1,547,896
Total Corporate Bonds		33,501,057	34,998,696
Total Bonds		177,814,655	184,916,783
Money Market Securities			
Alberta Treasury Bills			
2026-07-28	50,000	49,711	49,711
Manitoba Treasury Bills			
2026-08-26	1,210,000	1,203,091	1,203,091
2026-09-02	75,000	74,573	74,573
Ontario Treasury Bills			
2026-08-12	1,430,000	1,421,835	1,421,835
2026-09-09	24,830,000	24,607,027	24,607,027
Province of Alberta, notes			
2026-07-17	400,000	396,908	396,908
Province of British Columbia, notes			
2026-09-17	4,405,000	4,375,398	4,375,398
2026-11-02	1,020,000	1,011,636	1,011,636

(Expressed in Canadian Dollars)

	Par Value	Cost $	Fair Value $
Money Market Securities (continued)			
Province of Ontario, notes			
2026-07-13	415,000	565,140	585,057
2026-07-29	425,000	575,894	597,341
2026-08-28	915,000	1,256,917	1,286,511
2026-09-14	1,615,000	2,239,507	2,269,650
Province of Quebec, notes			
2026-08-24	755,000	1,033,227	1,060,770
Province of Saskatchewan, notes			
2026-07-07	1,700,000	1,690,157	1,690,157
Quebec Treasury Bills			
2026-08-14	1,085,000	1,078,978	1,078,978
2026-08-21	880,000	873,479	873,479
2026-08-28	10,040,000	9,984,579	9,984,579
2026-09-04	740,000	735,745	735,745
2026-09-18	2,470,000	2,456,252	2,456,252
Total Money Market Securities		55,630,054	55,758,698
Portfolio Transaction Costs Included in the Securities' Cost		(323,915)	
Total Investments		465,068,867	585,535,909

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

1. Establishment of the fund

The Letko Brosseau RSP Balanced Fund / Letko Brosseau Fonds RER équilibré (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, 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, 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 14. The transfer of a financial asset from one fair value hierarchy level to another is performed at the date of the event or change in circumstances which would justify a change in level.

Impairment of financial assets

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

Revenue recognition

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

Foreign currency translation

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

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

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

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. Interests in unconsolidated structured entities

The Fund holds redeemable Series O units (previously Series I) units in the Letko Brosseau Emerging Markets Equity Fund, an investment fund which is also managed by Letko, Brosseau & Associates Inc. The units held can be redeemed daily. The Letko Brosseau Emerging Markets Equity Fund's investment objective is to optimize returns by way of capital appreciation and generate investment income through an internationally well-diversified portfolio comprised primarily of publicly traded companies exposed to more rapidly growing developing economies. This fund is financed entirely through capital provided by its investors. As at June 30, 2026, the net assets attributable to holders of redeemable units of Letko Brosseau Emerging Markets Equity Fund are $2,687,620,436 (December 31, 2025: $2,316,069,515) and the Fund's maximum exposure to loss is $62,340,210 (December 31, 2025: $56,646,003), which is equivalent to the fair value of the investment held.

(Expressed in Canadian Dollars)

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.

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.

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 F
Number of redeemable units in circulation, beginning of period	30,782,857	-
Number of redeemable units issued and redeemed during the period		
Issued for cash and other consideration	3,615,827	59
Issued on reinvestment of distributions	559,078	-
Redeemed	(548,580)	-
Number of redeemable units in circulation, end of period	34,409,182	59

	December 31, 2025
	Series O
Number of redeemable units in circulation, beginning of year	28,432,367
Number of redeemable units issued and redeemed during the year	
Issued for cash and other consideration	2,757,592
Issued on reinvestment of distributions	3,004,275
Redeemed	(3,411,377)
Number of redeemable units in circulation, end of year	30,782,857

(Expressed in Canadian Dollars)

7. 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.

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 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	-	531,660
Issued on reinvestment of distributions	-	150,317
Redeemed	-	(471,239)
	-	210,738

June 30, 2025	Manager $	Other related parties $
Redeemable units issued and redeemed		
Issued for cash and other consideration	-	495,447
Issued on reinvestment of distributions	-	146,651
Redeemed	-	(136,093)
	-	506,005

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

(Expressed in Canadian Dollars)

9. Related party transactions (continued)

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

	2026 $	2025 $
Manager	-	-
Other related parties	8,562,267	7,117,256
	8,562,267	7,117,256

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 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	67,557,218	99,242,149
Total collateral held	68,908,374	101,227,243

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	55,757	63,494
Securities lending charges	(22,303)	(25,397)
Net securities lending income	33,454	38,097
Securities lending charges as a % of the gross securities lending income	40.0%	40.0%

11. 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 0.50% 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.

(Expressed in Canadian Dollars)

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 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.

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	June 30, 2026 % of net assets	December 31, 2025 % of net assets
AAA	8.35	10.05
AA	11.26	10.33
A	8.68	7.59
BBB	2.90	3.28

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

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

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.

(Expressed in Canadian Dollars)

13. Risks associated with financial instruments (continued)

Credit risk (continued)

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

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

Liquidity risk

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

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

Market risks

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

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

Price risk

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

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

Benchmark indices	Changes in %	June 30, 2026 Impact $	December 31, 2025 Impact $
FTSE Canada 91 Day T-Bill Total Return Index	0.25	138,000	142,000
FTSE Canada Universe Bond Total Return Index	1.00	1,837,000	1,530,000
S&P/TSX Composite Total Return Capped Index	3.00	2,490,000	2,124,000
MSCI All Country World Total Return Net Index	3.00	7,914,000	6,182,000

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.

(Expressed in Canadian Dollars)

13. Risks associated with financial instruments (continued)

Market risks (continued)

Currency risk (continued)

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
U.S. dollars	23.71	25.30
Euros	8.42	7.72
Other currencies representing less than 5% individually	12.87	14.19

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 $8,005,000 (December 31, 2025: $6,919,000).

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	June 30, 2026 $	December 31, 2025 $
Less than 1 year	9,952,692	11,449,234
1 to 5 years	69,090,895	75,089,651
5 to 10 years	99,416,173	59,960,430
More than 10 years	6,457,023	6,172,558
Total	184,916,783	152,671,873

As at June 30, 2026, an increase or decrease of 1% in interest rates, with all other variables being equal, would have resulted in a downward or upward variation of the Fund's investments and net assets in the approximate amount of $8,490,000 (December 31, 2025: $5,810,000). 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.

(Expressed in Canadian Dollars)

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

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, excluding investment fund	282,520,218	-	-	282,520,218
Investment fund	-	62,340,210	-	62,340,210
Bonds	146,586,599	38,330,184	-	184,916,783
Money market securities	-	55,758,698	-	55,758,698
	429,106,817	156,429,092	-	585,535,909

December 31, 2025	Level 1 $	Level 2 $	Level 3 $	Total $
Equities, excluding investment fund	220,803,822	-	-	220,803,822
Investment fund	-	56,646,003	-	56,646,003
Bonds	117,989,652	34,682,221	-	152,671,873
Money market securities	-	56,889,677	-	56,889,677
	338,793,474	148,217,901	-	487,011,375

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.

15. Reclassification

Certain comparative figures have been reclassified in the cash flow statement to reflect the presentation adopted in the current period. Amounts receivable and payable as at 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.