

Dear Investor,

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Fund. You may receive a copy of the annual financial statements, at your request, and at no cost, by calling 905-273-4240 (1-844-373-4240), by writing to us at Morguard Lincluden Global Investments Limited, 201 City Centre Drive, Suite 201, Mississauga, Ontario, L5B 2T4, email [info@lincluden.net](mailto:info@lincluden.net) or by visiting our website at [www.morguardlincluden.com](http://www.morguardlincluden.com) or SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).

You may request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure by contacting us using one of the methods offered above.

*Morguard Lincluden Global Investments Limited  
Manager of the Lincluden Balanced Fund*

## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

### Investment Objective and Strategies

The objective of the Lincluden Balanced Fund (the "Fund") is to create long-term wealth for the Fund's investors using value-based, risk managed disciplines. Success at achieving the Fund's objective requires disciplined asset allocation and security selection approaches.

The development of tactical asset mix policy is an approach that has balanced inputs. It reflects a marrying of top down with bottom up inputs. We consider the valuation of equity markets relative to a risk-free rate; which for purposes of the valuation represents long term Government of Canada bond yields. We give consideration to inflation and corporate profitability and the valuation of the bond market itself in this process.

Equally important in final asset allocation policy, and particularly so in the allocation of equities between Canadian equities and foreign equities, is the opportunity set of attractively priced equities that we are identifying on a global basis.

Our portfolio managers screen a broad universe of Canadian, U.S. and international stocks in our ongoing search for undervalued securities. Investment decisions are based on a thorough financial assessment of corporations and their management teams to identify securities that are trading at a substantial discount to our appraisal of their fair value.

Our fixed income portfolios are structured to achieve the most efficient combination of duration, credit, yield curve and foreign exposure from a long-term, risk-reward perspective.

In searching for the best value opportunities in fixed income markets, we consider both domestic and foreign securities. When we find better value opportunities in foreign markets, our preference is to eliminate foreign exchange risk through the use of hedging.

### Risk

Risk ratings have been determined separately for each class of units of the Fund and are disclosed in the Fund Facts and the Fund's Simplified Prospectus. The investment risk level of the Fund is reviewed on an annual basis, or whenever there is a material change to the Fund. More methodology information can be found in the Fund's Simplified Prospectus. As a result of employing the revised methodology and conducting the regular annual review, no changes were made to the risk ratings for all classes of units, for which the risk rating was maintained as "Low to Medium". There have been no changes to the investment objectives or strategies of the Fund.

### Results of Operations

With regards to bonds, yields at the very front of the curve moved lower while the remainder of the yield curve pushed higher, reversing the initial rally which took place in the first few months of 2025. The turnaround in financial markets since tariff policies were introduced by the US in the first half of the year were astounding. Yields in Canada rose and credit markets rallied, reversing their initial risk off moves. The Bank of Canada lowered interest rates by 100 bp during the year with the overnight rate now sitting at 2.25%. The Bank of Canada is forecasted to maintain the current level of interest rates in the near term with CUSMA, the trilateral trade agreement between Canada, the US and Mexico, expected to be renegotiated this year. Canadian GDP has shown resilience in the face of trade tariffs to specific sectors, but growth has remained subdued with December GDP posting 1% growth year over year. The Canadian labor market

strengthened in the fall following a weak summer job market. The U.S. Federal Reserve cut rates by 75 bp during the year, but further cuts remain on pause as the US labor market appears to have stabilized and inflation remains above its 2% target. The term of Fed Chair Jerome Powell ends in May 2026, and it is widely anticipated that President Trump will not extend Powell's term but rather nominate someone who will pursue his objective of being more aggressive in lowering interest rates further. Equity markets appreciated during the year as global indices continued their rally from the previous year.

For the year, the Fund once again posted a double-digit return but lagged its overall benchmark. The bond portfolio modestly outperformed its benchmark. Equities increased significantly with Global equities outperforming their benchmark providing a greater than 20% return. Canadian equities also increased substantially but lagged their benchmark.

The Canadian equity portfolio delivered robust performance in 2025, returning over 20% and marking its third consecutive year of double-digit gains. Returns were primarily driven by significant appreciation within the Financials and Industrials sectors, with standout individual contributions from Finning International, Badger Infrastructure, Toronto-Dominion Bank, and Royal Bank of Canada. Conversely, the Information Technology sector was a relative detractor, specifically due to weakness in shares of Computer Modelling Group and Constellation Software. Despite the portfolio's strong absolute returns, it trailed the broader S&P/TSX Composite Index for the period. The benchmark's outperformance was heavily skewed by a massive surge in the shares of precious metal companies, an area where the portfolio was relatively underweight.

The foreign equity segment mirrored this domestic strength, also advancing by more than 20% and successfully outperforming its benchmark, which returned approximately 15%. This relative outperformance was largely fueled by our strategic allocations in the Financial and Industrial sectors. On an absolute basis, strong returns across Technology, Financials, and Industrials effectively offset sector-level headwinds in Consumer Discretionary and Real Estate. Top individual contributors included Oracle Corp., Thales SA, and Alphabet Inc., whose gains more than compensated for disappointing results from Diageo PLC, Centene Corp., and Lennar Corp.

#### Recent Developments

The bond portfolio modestly outperformed its benchmark during the year. The U.S. Treasury position was the largest positive contributor to relative performance as their spread to Government of Canada bonds tightened during the period. Secondary contributors included the overweight position in corporate bonds, which helped performance as the spread between corporate bonds and Government of Canada bonds tightened during the period, while yield curve positioning was negative for performance as the yield curve steepened during the period. The portfolio is positioned for a flattening of the yield curve. The duration position had a negative impact as the portfolio was longer than the benchmark during the period as interest rates were generally higher.

Asset mix is targeted slightly below long-term policy weight with total equities at 57.5%, compared to the long-term target of 60%. Fixed income continues to be managed to the target weight of 40%.

The 2025 calendar year was characterized by elevated market volatility, spurred by macroeconomic unpredictability and the implementation of new trade policies by the US administration. This environment led to several adjustments to the holdings.

Within the Canadian mandate, we initiated seven new positions: Cogeco Communications, Kraken Robotics, Logan Energy, North West Company, Pason Systems, StorageVault Canada, and Zoomd Technologies. Among our newly established positions, we re-acquired shares in North West Company, a leading retailer of food and everyday goods serving remote communities in Northern Canada and Alaska. The stock faced downward pressure in June following overly optimistic early-year expectations and operational disruptions caused by northern wildfires. Having reached our target valuation, we believe the company is well-positioned for medium-term growth, supported by increased core-customer benefits distributed through the First Nations Child and Family Services Program.

We also acquired shares in Kraken Robotics, a specialist in unmanned underwater vehicles (UUVs) utilized across diagnostics, repair, and military applications. The company is currently capitalizing on robust product demand—partially driven by ongoing global geopolitical conflicts—and is actively expanding its battery technology and hardware production capabilities to meet these growing needs.

To fund these new acquisitions and shift capital toward equities with superior risk-adjusted return profiles, we eliminated several positions. We capitalized on M&A activity by exiting three holdings that received takeover offers: Canadian Western Bank, Innergex Renewable Energy, and InterRent Real Estate Investment Trust. Additionally, we exited our positions in Canadian Imperial Bank of Commerce, Canadian Tire Corporation, Decisive Dividend Corp., Enghouse Systems, Interfor Corp., MCAN Mortgage Corp., Vermilion Energy, and Whitecap Resources.

#### Related Party Transactions

Morguard Lincluden Global Investment Management Limited ("Morguard Lincluden") is the Trustee, Portfolio Advisor and Manager of the Fund and receives a fee for the services the firm provides as Portfolio Advisor. Morguard Lincluden pays commissions to investment dealers who transact in buy and sell activity in the Fund's investments at a rate that is reflective of the general service provided to Morguard Lincluden by the dealer. Morguard Lincluden provides, or arranges for the provision of, all general management and administrative services required by the Fund in its day to day operations.

FINANCIAL HIGHLIGHTS
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The following tables show selected key financial information about the Lincluden Balanced Fund and are intended to help you understand the Fund's financial performance for the past 5 financial years. This information is derived from the Fund's audited annual financial statements.

Net Assets per Unit– Series A					
	2025	2024	2023	2022	2021
Net Assets, beginning of year <sup>1, 2</sup>	<b>\$18.82</b>	\$17.36	\$16.34	\$17.98	\$15.81
Increase (decrease) from operations:					
Total revenue	<b>\$0.57</b>	\$0.59	\$0.49	\$0.48	\$0.42
Total expenses	<b>\$(0.42)</b>	\$(0.39)	\$(0.38)	\$(0.39)	\$(0.38)
Realized gains (losses) for the period	<b>\$1.16</b>	\$0.15	\$0.31	\$0.87	\$1.20
Unrealized gains (losses) for the period	<b>\$0.78</b>	\$0.75	\$0.77	\$(1.65)	\$1.18
Total increase (decrease) from operations <sup>1</sup>	<b>\$2.09</b>	\$1.10	\$1.19	\$(0.69)	\$2.42
Distributions:					
From income (excluding dividends)	<b>\$0.09</b>	\$0.17	\$0.07	\$0.06	\$0.03
From dividends	<b>\$0.05</b>	\$0.09	\$0.04	\$0.03	\$0.02
From capital gains	<b>\$0.97</b>	-	\$0.08	\$0.87	\$0.05
Return of capital	-	-	-	-	-
Total annual distributions <sup>3, 4</sup>	<b>\$1.11</b>	\$0.26	\$0.19	\$0.96	\$0.10
Net Assets, end of period <sup>1, 2, 5</sup>	<b>\$19.78</b>	\$18.82	\$17.36	\$16.34	\$17.98

Net Assets per Unit– Series F (Series F units established December 8, 2017)					
	2025	2024	2023	2022	2021
Net Assets, beginning of year <sup>1, 2</sup>	<b>\$18.53</b>	\$17.02	\$16.02	\$17.54	\$16.17
Increase (decrease) from operations:					
Total revenue	<b>\$0.56</b>	\$0.56	\$0.48	\$0.47	\$0.43
Total expenses	<b>\$(0.09)</b>	\$(0.09)	\$(0.09)	\$(0.09)	\$(0.09)
Realized gains (losses) for the period	<b>\$1.15</b>	\$0.28	\$0.27	\$0.85	\$1.22
Unrealized gains (losses) for the period	<b>\$0.75</b>	\$1.23	\$0.84	\$(1.62)	\$1.07
Total increase (decrease) from operations <sup>1</sup>	<b>\$2.37</b>	\$1.98	\$1.50	\$(0.39)	\$2.63
Distributions:					
From income (excluding dividends)	<b>\$0.31</b>	\$0.32	\$0.24	\$0.25	\$0.20
From dividends	<b>\$0.17</b>	\$0.15	\$0.15	\$0.13	\$0.13
From capital gains	<b>\$0.79</b>	-	\$0.07	\$0.76	\$0.92
Return of capital	-	-	-	-	-
Total annual distributions <sup>3, 4</sup>	<b>\$1.27</b>	\$0.47	\$0.46	\$1.14	\$1.25
Net Assets, end of period <sup>1, 2, 5</sup>	<b>\$19.65</b>	\$18.53	\$17.02	\$16.02	\$17.54

Net Assets per Unit – Series O					
	2025	2024	2023	2022	2021
Net Assets, beginning of year <sup>1, 2</sup>	<b>\$18.45</b>	\$16.95	\$15.98	\$17.57	\$16.37
Increase (decrease) from operations:					
Total revenue	<b>\$0.56</b>	\$0.56	\$0.49	\$0.48	\$0.43
Total expenses	<b>\$(0.04)</b>	\$(0.04)	\$(0.05)	\$(0.05)	\$(0.04)
Realized gains (losses) for the period	<b>\$1.15</b>	\$0.29	\$0.29	\$0.85	\$1.27
Unrealized gains (losses) for the period	<b>\$0.76</b>	\$1.26	\$0.79	\$(1.63)	\$1.04
Total increase (decrease) from operations <sup>1</sup>	<b>\$2.43</b>	\$2.07	\$1.52	\$(0.35)	\$2.70
Distributions:					
From income (excluding dividends)	<b>\$0.35</b>	\$0.35	\$0.27	\$0.28	\$0.24
From dividends	<b>\$0.19</b>	\$0.17	\$0.16	\$0.15	\$0.15
From capital gains	<b>\$1.07</b>	-	\$0.11	\$0.83	\$1.13
Return of capital	-	-	-	-	-
Total annual distributions <sup>3, 4</sup>	<b>\$1.61</b>	\$0.52	\$0.54	\$1.26	\$1.52
Net Assets, end of period <sup>1, 2, 5</sup>	<b>\$19.27</b>	\$18.45	\$16.95	\$15.98	\$17.57

<sup>1</sup>Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted number of units outstanding over the financial period.

<sup>2</sup> Information is in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

<sup>3</sup>Distributions were reinvested in additional units of the Fund.

<sup>4</sup>The Fund's prospectus provides that, "Each calendar year, the Fund distributes net income and net realized capital gains to Unitholders of the Fund to the extent necessary to ensure the Fund does not pay ordinary income tax. Distributions of income may be made periodically throughout the year on a schedule to be determined by the Manager. Distributions of capital gains are normally made in December of each year. At a minimum, the Fund will effect a distribution on the last business day of the year. Distributions from the Fund will be automatically reinvested in Units of the Fund." Currently net income is distributed on a quarterly basis and net capital gains during the month of December.

<sup>5</sup>The financial highlights are not intended to act as a continuity of the opening and closing net assets per unit.

Ratios and Supplemental Data – Series A					
	2025	2024	2023	2022	2021
Total net asset value (\$) (000s)	<b>\$12,638</b>	\$10,446	\$523	\$531	\$579
Number of units outstanding	<b>639,004</b>	555,121	30,109	32,531	32,207
Management expense ratio (%) <sup>1</sup>	<b>2.14%</b>	2.11%	2.08%	2.08%	2.08%
Management expense ratio before absorptions (%) <sup>1</sup>	<b>2.25%</b>	2.22%	2.08%	2.08%	2.08%
Portfolio turnover rate (%) <sup>2</sup>	<b>23.32%</b>	14.83%	45.79%	30.31%	33.93%
Trading expense ratio (%) <sup>3</sup>	<b>0.02%</b>	0.02%	0.03%	0.03%	0.04%
Net asset value per unit	<b>\$19.78</b>	\$18.82	\$17.36	\$16.34	\$17.98

Ratios and Supplemental Data – Series F (Series F units established Dec 8, 2017)					
	2025	2024	2023	2022	2021
Total net asset value (\$) (000s)	<b>\$75,021</b>	\$68,921	\$58,504	\$48,502	\$53,622
Number of units outstanding	<b>3,818,595</b>	3,719,083	3,436,740	3,028,488	3,056,372
Management expense ratio (%) <sup>1</sup>	<b>0.44%</b>	0.44%	0.38%	0.39%	0.38%
Management expense ratio before absorptions (%) <sup>1</sup>	<b>0.55%</b>	0.55%	0.38%	0.39%	0.38%
Portfolio turnover rate (%) <sup>2</sup>	<b>23.32%</b>	14.83%	45.79%	30.31%	33.93%
Trading expense ratio (%) <sup>3</sup>	<b>0.02%</b>	0.02%	0.03%	0.03%	0.04%
Net asset value per unit	<b>\$19.65</b>	\$18.53	\$17.02	\$16.02	\$17.54

Ratios and Supplemental Data – Series O					
	2025	2024	2023	2022	2021
Total net asset value (\$) (000s)	<b>\$22,370</b>	\$21,528	\$28,920	\$28,031	\$30,461
Number of units outstanding	<b>1,160,711</b>	1,166,674	1,706,408	1,754,611	1,733,534
Management expense ratio (%) <sup>1</sup>	<b>0.16%</b>	0.16%	0.10%	0.11%	0.10%
Management expense ratio before absorptions (%) <sup>1</sup>	<b>0.27%</b>	0.27%	0.10%	0.11%	0.10%
Portfolio turnover rate (%) <sup>2</sup>	<b>23.32%</b>	14.83%	45.79%	30.31%	33.93%
Trading expense ratio (%) <sup>3</sup>	<b>0.02%</b>	0.02%	0.03%	0.03%	0.04%
Net asset value per unit	<b>\$19.27</b>	\$18.45	\$16.95	\$15.98	\$17.57

<sup>1</sup> Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period. It assumes the maximum management fee allowed for in the Fund's Simplified Prospectus.

<sup>2</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

<sup>3</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

## Management Fees & Dealer Compensation

### Series A

Morguard Lincluden is entitled to an annual management fee from the series A units of the Fund of 1.75%. A lower fee of 1.25% may apply to larger account balances in the form of a management fee rebate. The management fee for the series A units of the Fund is based on the average daily net asset value of the series A units of the Fund and is payable monthly, in arrears.

To assist with distribution, administration and other client services, Morguard Lincluden pays dealers a trailer fee out of the management fees received. The trailer fee is a percentage of the total NAV per unit of all series A units held by each dealer's clients. For the year ended December 31, 2025, approximately 57% of the management fees paid to Morguard Lincluden for Series A units were used to fund commissions to dealers.

### Series F

Morguard Lincluden is entitled to an annual management fee from the series F units of the Fund of 0.25%. The management fee for the series F units of the Fund is based on the average daily net asset value of the series F units of the Fund and is payable monthly, in arrears.

Series F units are available only to investors who participate in a qualifying fee-based program with pre-qualified representatives. Minimum investments may apply.

### Series O

The Fund pays no management fees to Morguard Lincluden. For management services provided by Morguard Lincluden, in its role of portfolio advisor to the Fund, the Fund's Series O investors will pay a management fee directly to Morguard Lincluden.

The maximum annual management fee before GST/HST (expressed as a percentage of assets under management by Morguard Lincluden) payable to Morguard Lincluden is 1.75%. A lower fee may apply to larger account balances.

The management fee payable is calculated and accrued on the last valuation date of each month, based on the value of the investor's units on that date, and is payable on the last valuation date in each month. Payment of the investment management fee is generally effected by redemption of units held by the investor in the Fund in the amount of the applicable management fee.

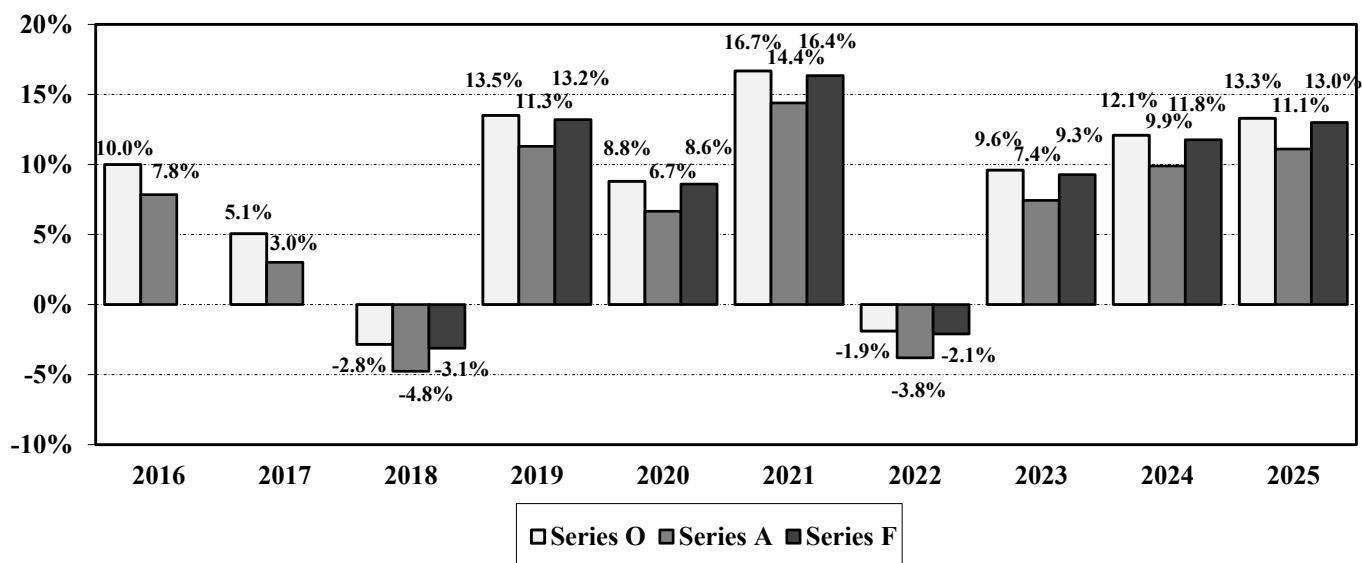
## PAST PERFORMANCE

The performance information shown below assumes that all distributions made by the Fund were reinvested in additional units of the Fund. It does not take into account sales, redemption, distributions, optional charges or income taxes payable that, if applicable, would have reduced returns or performance.

The return on mutual funds is not guaranteed. How the Fund performed in the past does not necessarily indicate how it will perform in the future.

### Year-by-Year Returns

The following bar chart shows the Fund's annual performance for each of the periods shown, and illustrates how the Fund's performance has changed from year to year. The chart shows, in percentage terms, how much an investment in the Fund held on the last day of the prior period would have grown or decreased by the last day of each period.



### Annual Compound Returns

The following table compares the historical annual compound total return of each series of the Fund with a broad-based index, the S&P/TSX Composite Total Return Index. This index is the capitalization-weighted index measuring the performance of selected securities listed on the Toronto Stock Exchange, including the reinvestment of dividends.

The returns of each series may vary because of differences in management fees and expenses. The broad-based index returns do not include any costs of investing.

Lincluden Balanced Fund	10 years	5 years	3 Years	1 Year
Series A	6.1%	7.6%	9.5%	11.1%
Series F	N/A	9.5%	11.3%	13.0%
Series O	8.2%	9.8%	11.6%	13.3%
Broad-Based Index	8.5%	9.4%	14.8%	14.9%

### Summary of Investment Portfolio as at December 31, 2025

Sector Mix	% of Fund's Net Asset Value		
Fixed Income	39.60%		
Canadian		38.30%	
Federal			10.10%
Provincial			14.00%
Municipal			0.90%
Corporate			13.30%
International		1.30%	
Federal			1.30%
Equities	57.40%		
Canadian		29.60%	
Communications Services			1.60%
Consumer Discretionary			3.30%
Consumer Staples			3.30%
Energy			3.90%
Financial Services			7.60%
Industrials			4.70%
Information Technology			2.60%
Materials			2.50%
Utilities			0.10%
United States		17.40%	
Communications Services			2.50%
Consumer Discretionary			2.90%
Consumer Staples			1.50%
Energy			0.50%
Financial Services			4.30%
Health Care			2.70%
Industrials			0.90%

Information Technology		2.10%
International	10.40%	
Finland		0.50%
France		3.20%
Germany		2.40%
Israel		0.00%
Italy		0.60%
Japan		0.90%
Netherlands		0.70%
Spain		0.70%
United Kingdom		1.40%
Short-Term Investments	2.20%	
Other Assets	0.80%	
Total	<u>100.00%</u>	

Top 25 Positions	% of Fund's Net Asset Value
Government of Canada, 2.500%, 2032/12/01	7.5%
Royal Bank of Canada	2.3%
Toronto-Dominion Bank (The)	2.1%
Province of Ontario, 2.050%, 2030/06/02	2.1%
Province of Ontario, 3.750%, 2032/06/02	2.0%
Province of Ontario, 2.600%, 2027/06/02	1.5%
Province of Quebec, 3.100%, 2051/12/01	1.5%
Province of Ontario, 2.650%, 2050/12/02	1.4%
Canadian National Railway Co.	1.4%
Government of Canada, 1.750%, 2053/12/01	1.4%
Province of Quebec, 2.300%, 2029/09/01	1.4%
United States Government Treasury Bill, 3.830%, 2026/01/29	1.4%
Major Drilling Group International Inc.	1.4%
United States Treasury Bond, 3.625%, 2053/02/15	1.3%
Province of Quebec, 3.600%, 2033/09/01	1.3%
Alphabet Inc., Class 'A'	1.3%
Premium Brands Holdings Corp.	1.2%
Bank of Nova Scotia (The)	1.2%
Toronto-Dominion Bank (The), Floating Rate, Callable, 3.060%, 2032/01/26	1.1%
Boyd Group Services Inc.	1.1%
Royal Bank of Canada, 2.328%, 2027/01/28	1.1%
Brookfield Corp., Class 'A'	1.1%
TC Energy Corp.	1.0%
Walmart Inc.	1.0%
Government of Canada, 3.250%, 2035/06/01	1.0%

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates on the Fund's holdings may be obtained free of charge by calling us at 905-273-4240 (1-844-373-4240), or by writing us at Morguard Lincluden Global Investments Limited, 201 City Centre Drive, Suite 201, Mississauga, Ontario, L5B 2T4, or by visiting our website at [www.morguardlincluden.com](http://www.morguardlincluden.com) or SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).