



# Barrantagh Small Cap Canadian Equity Fund

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## Management Report of Fund Performance

Period ended December 31, 2025

This Annual Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863) by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario, M5W 1P9, or by visiting our website at [www.rbcgam.com/regulatorydocuments](http://www.rbcgam.com/regulatorydocuments) or SEDAR at [www.sedar.com](http://www.sedar.com). Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

# **Barrantagh Small Cap Canadian Equity Fund**

## **Annual Management Discussion of Fund Performance**

### **December 31, 2025**

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#### **Investment Objectives and Strategies**

The Fund's investment objective is to outperform the S&P/TSX Small Cap Canadian equity index over market cycles. The Fund primarily invests in common shares within the small cap area of the Canadian market. The Manager pursues a disciplined fundamental approach that seeks to identify companies that can combine a dominant business profile with proven management and a financial profile that can be independently analyzed.

#### **Risk**

The risks of investing in the Fund remain as outlined in the simplified prospectus.

#### **Results of Operations**

##### *Market Update:*

The Fund underperformed its benchmark, the S&P/TSX Small Cap Index.

It was a bifurcated market to start 2025, as increasing tariff threats and protectionist policy in the United States raised fear and uncertainty and demand for safe havens and liquidity. For Canadian small caps, this meant general selling pressure to start the period – often agnostic to the quality or underlying exposure of the business – and a growing valuation gap to similarly exposed larger cap names.

After peak fear hit in the aftermath of Trump's tariff "Liberation Day", equities surged forward through the remainder of the period. Small caps rallied back strongly in the second quarter, leading the equity market. Softening rhetoric and implementation delays on tariffs to allow for negotiations assuaged worst case scenarios and had investors looking to put on risk

Equity markets continued higher during Q3, led in the small cap space by surging gold mining equities. The combination of USD weakness, eroding trust in longstanding institutions and alliances, expectations for rate cuts, and geopolitical conflict worked in tandem to drive sentiment on gold higher. This culminated in Q4 as the benchmark surged ahead with fervent enthusiasm in the metals complex. Gold prices lifted 57% in 2025 (CAD), driving small cap gold miners +182% and leaving other non-mining areas of the market behind. With small cap energy also performing well, resources sectors (materials and energy) now represent 62% of the small-cap bench exiting 2025 (up from 50% last year), a level we have not seen since we began tracking weights. This extreme commodity exposure has rendered the benchmark less informative for active diversified managers. Momentum has taken over and when the winds change, they will change quickly

As the calendar turns to 2026, global economic growth remains resilient despite all the headline noise. Both continued fiscal stimulus and more accommodative monetary policy are increasing risk appetite. Encouragingly, equity returns look poised to broaden out from prior year winners (e.g. AI, mining, large caps) to areas of the market like non-resource small caps that have been largely overlooked thus far in the bull market.

##### *Key Contributors/Detractors:*

Substantially all of the relative underperformance in the period was driven by the materials sector and the aforementioned metals rally. We remain underweight in the sector due to its highly cyclical nature and the more capricious nature of the underlying commodity. Other smaller detractors were financials (negative security selection) and energy (no exposure to uranium developers). This was partially offset by strength in health care (Andlauer take out and Extendicare strength) and industrials (overweight allocation).

##### *Assets:*

The Fund decreased during the period as modest outflows were partially offset by positive performance.

## **Recent Developments**

Given the new normal of heightened trade and policy uncertainty, we continue to view a “made in Canada” solution as imperative for solidifying the economy and providing resilience to shifting global allegiances. This is crucial for small caps, which have a heavier domestic focus, and we’ve been gearing the Fund towards ramping capital investment at home. During the fourth quarter, we added a few positions that fit this Canadian self-help theme. 1) AECON (ARE) is a Canadian construction company levered to infrastructure spending, including nuclear power expansion and compliments our existing holding in Bird Construction (BDT); 2) Black Diamond (BDI) is a leading provider of mobile and remote accommodation, set to benefit from the burgeoning LNG export investment; and 3) MDA Space (MDA) is a global leader in satellite systems and robotics seeing record backlog with defense spending and communication requirements on the rise and MDA benefiting as our domestic champion.

## **Related Party Transactions**

### *Manager, Trustee and Fund Adviser:*

Barrantagh Investment Management Inc. (“BIM”) is the manager, trustee, and Fund adviser of the Fund. The Fund pays BIM an annual management fee of 1% for F-Series and 2% for A-Series calculated, accrued, and paid monthly as a percentage of the net asset value of the Fund. Unitholders in the O-Series pay a negotiated fee directly to BIM.

### *Registrar and Transfer Agent:*

RBC Inestory & Treasury Services is the registrar and transfer agent of the Fund, and as such maintains all unitholder records, processes purchase and redemption orders, issues investor statements and prepares annual tax reporting information on behalf of the Fund.

### *Buying and Selling Securities:*

BIM has established an independent review committee (“IRC”) which acts as an impartial and independent committee to review and provide recommendations or, if appropriate, approval respecting any conflict-of-interest matters referred to it by BIM. The IRC prepares, at least annually, a report of its activities for securityholders of the Fund. The report is available on the BIM website.

There are no other related party transactions; as such, there are no relevant standing instructions requirements that securities transactions with related parties conducted by BIM (i) are free from any influence by an entity related to BIM and without taking into account any consideration relevant to an entity related to BIM; (ii) represent the business judgment of BIM uninfluenced by considerations other than the best interests of the Fund; (iii) comply with the applicable policies and procedures of BIM; and (iv) achieve a fair and reasonable result for the Fund.

## **Management Fees**

As manager and trustee of the Fund, BIM is responsible for the overall business and affairs of the Fund, including activities related to making units of the Fund available to investors, and providing, or arranging for the provision of, investment advisory services and marketing services to the fund. In consideration for the provision of such series, each series of the Fund pays BIM a management fee.

Management fees are calculated and accrued as a percentage of the net asset value of each series of units of the Fund, as of the close of business on each business day for each series and are paid monthly to BIM.

The simplified prospectus discloses a specified annual management fee rate that BIM can charge for each series of the Fund. Of the annual management fees for F-Series, 100% of investment advisory, trustee, marketing services and others are rendered.

Management Fees of each series of the Fund are payable to BIM and calculated at the following annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The management fee, breakdown of services received in consideration of the management fee, as a percentage of the management fees are as follows:

	Management Fees	<u>Breakdown of Services</u>	
		Distribution	Other
Series A	2%	10%	90%
Series F	1%	10%	90%
Series O*	n/a	n/a	n/a

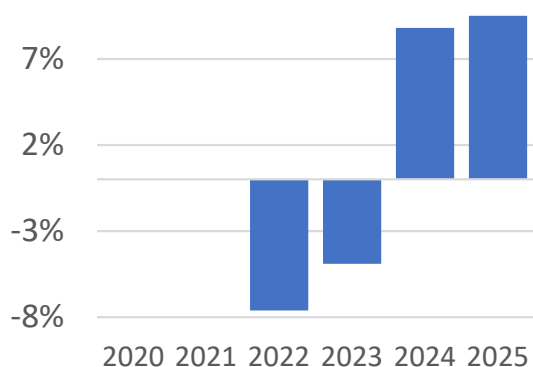
\*Series O has no management fees as unitholders pay a negotiated fee directly to BIM for investment-counselling services.

## Barrantagh Small Cap Canadian Equity Fund

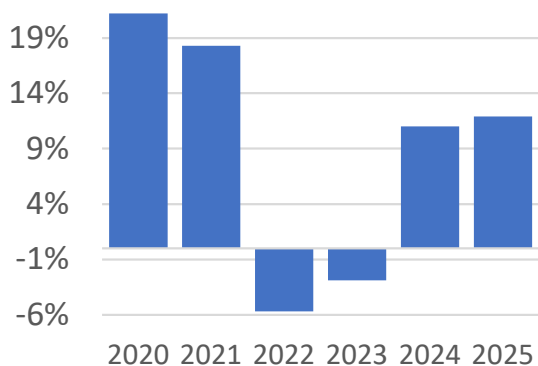
### Year-by-Year Returns

The bar chart indicates the Fund's annual performance for each of the year's shown and illustrates how the Fund's performance has changed from year to year.

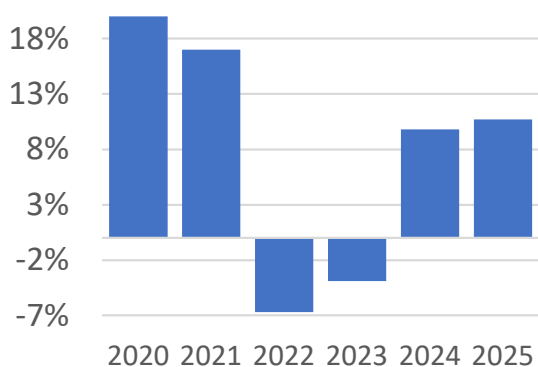
Series A (%)



Series O (%)



Series F (%)



### Annual Compound Returns

The following table shows the Fund's historical annual compound total returns for each of the periods indicated ended on December 31, 2025 as compared to the performance of the S&P/TSX Small Cap Index..

	Past Year	Past 3 Years	Past 5 Years	Past 10 Years	Since Inception
Series A <sup>1</sup>	9.5%	4.3%			2.8%
Benchmark	50.2%	23.2%			13.2%
Series F <sup>2</sup>	10.7%	5.3%	5.0%		7.2%
Benchmark	50.2%	23.2%	15.3%		14.3%
Series O <sup>2</sup>	11.9%	6.5%	6.1%		8.4%
Benchmark	50.2%	23.2%	15.3%		14.3%

Footnote (1) Inception date April 30, 2021

Footnote (2) Inception date May 27, 2019

## BARRANTAGH SMALL CAP CANADIAN EQUITY FUND

### Summary of investment portfolio

As at December 31, 2025

The summary of investment portfolio may have changed since December 31, 2025 due to ongoing portfolio transactions of the Fund.

<b>Top 25 Holdings</b>	<b>Percentage of Net Asset Value (%)</b>
Headwater Exploration Inc.	5.0
Chemtrade Logistics Income Fund	4.6
Trisura Group Ltd.	4.4
Trican Well Service Ltd.	4.3
Major Drilling Group International Inc.	4.2
Exchange Income Corp.	4.2
First Capital Real Estate Investment Trust	4.1
Calian Group Ltd.	3.6
Jamieson Wellness Inc.	3.5
Bird Construction Inc.	3.3
Definity Financial Corp.	3.3
Brookfield Business Corp.	3.3
Gibson Energy Inc.	3.3
Extencicare Inc.	3.2
Pet Valu Holdings Ltd.	3.1
Savaria Corp.	3.1
Boyd Group Inc.	3.0
Topaz Energy Corp.	2.8
goeasy Ltd.	2.8
StorageVault Canada Inc.	2.7
Kelt Exploration Ltd.	2.7
Boralex Inc.	2.7
North West Co., Inc.	2.6
NuVista Energy Ltd.	2.6
MDA Space Ltd.	2.1
<b>Total Net Asset Value</b>	<b>\$78,834,617</b>

### Portfolio by Category

<b>Asset Type</b>	<b>Percentage of Net Asset Value (%)</b>
Equities	98.1
Cash	1.4
Short-term Investments	0.3
Other Net Assets (Liabilities)	0.2
	<b>100.0</b>

<b>Sector</b>	<b>Percentage of Net Asset Value (%)</b>
Industrials Sector	30.1
Energy Sector	22.8
Financials Sector	12.5
Materials Sector	8.8
Real Estate Sector	8.8
Consumer Staples Sector	6.1
Health Care Sector	3.2
Consumer Discretionary Sector	3.1
Utilities Sector	2.7
Cash	1.4
Short Term Investments	0.3
Other Assets (Liabilities)	0.2
	<b>100.0</b>

**BARRANTAGH SMALL CAP CANADIAN EQUITY FUND**

**The Fund's net assets attributable to holders of redeemable units per unit<sup>1</sup>**

**Series A**

	2025 <sup>(3)</sup>	2024 <sup>(4)</sup>	2023 <sup>(5)</sup>	2022 <sup>(6)</sup>	2021 <sup>(11)</sup>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	\$ 9.78	\$ 9.12	\$ 9.71	\$ 10.81	\$ 10.00
<b>Increase (decrease) from operations:</b>					
Total Revenue	0.25	0.32	0.53	0.21	0.17
Total Expenses	(0.27)	(0.25)	(0.24)	(0.26)	(0.21)
Realized gains (losses) for the year	0.44	(0.25)	(0.29)	0.36	0.11
Unrealized gains (losses) for the year	0.40	0.98	(0.32)	(0.71)	0.47
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.82</b>	<b>0.80</b>	<b>(0.32)</b>	<b>(0.40)</b>	<b>0.54</b>
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	-	(0.13)	(0.01)	-	(0.03)
From capital gains	-	-	(0.11)	(0.27)	(0.02)
Return of Capital	-	-	-	-	-
<b>Total Annual Distributions</b>	<b>-</b>	<b>(0.13)</b>	<b>(0.12)</b>	<b>(0.27)</b>	<b>(0.05)</b>
Net assets attributable to holders of redeemable units, end of year	\$ 10.72	\$ 9.78	\$ 9.12	\$ 9.71	\$ 10.81
<b>Ratios and Supplemental Data:</b>					
Total net asset value	\$ 3,424,662	\$ 3,644,587	\$ 3,153,481	\$ 1,324,679	\$ 636,482
Number of units outstanding	319,546	372,510	345,837	136,366	58,863
Management expense ratio <sup>8</sup>	2.59%	2.52%	2.53%	2.50%	2.69%
Management expense ratio before waivers or absorptions <sup>9</sup>	2.59%	2.52%	2.53%	2.50%	2.69%
Trading expense ratio <sup>9</sup>	0.10%	0.12%	0.05%	0.07%	0.13%
Portfolio turnover rate <sup>10</sup>	36.58%	27.12%	12.14%	20.56%	27.77%
Net asset value per unit	\$ 10.72	\$ 9.78	\$ 9.12	\$ 9.71	\$ 10.81

**The Fund's net assets attributable to holders of redeemable units per unit<sup>1</sup>**

**Series F**

	2025 <sup>(3)</sup>	2024 <sup>(4)</sup>	2023 <sup>(5)</sup>	2022 <sup>(6)</sup>	2021 <sup>(7)</sup>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	\$ 13.23	\$ 12.31	\$ 13.04	\$ 14.42	\$ 12.36
<b>Increase (decrease) from operations:</b>					
Total Revenue	0.33	0.44	0.61	0.27	0.30
Total Expenses	(0.22)	(0.21)	(0.19)	(0.20)	(0.23)
Realized gains (losses) for the year	0.57	(0.31)	(0.19)	0.56	0.46
Unrealized gains (losses) for the year	0.35	1.29	(0.74)	(1.53)	1.46
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>1.03</b>	<b>1.21</b>	<b>(0.51)</b>	<b>(0.90)</b>	<b>1.99</b>
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.08)	(0.29)	(0.08)	(0.05)	(0.02)
From capital gains	-	-	(0.15)	(0.36)	(0.02)
Return of Capital	-	-	-	-	-
<b>Total Annual Distributions</b>	<b>(0.08)</b>	<b>(0.29)</b>	<b>(0.23)</b>	<b>(0.41)</b>	<b>(0.04)</b>
Net assets attributable to holders of redeemable units, end of year	\$ 14.57	\$ 13.23	\$ 12.31	\$ 13.04	\$ 14.42
<b>Ratios and Supplemental Data:</b>					
Total net asset value	\$ 36,477,007	\$ 52,671,084	\$ 58,447,097	\$ 56,306,894	\$ 54,641,198
Number of units outstanding	2,503,570	3,980,071	4,748,396	4,316,471	3,788,129
Management expense ratio <sup>8</sup>	1.54%	1.47%	1.44%	1.46%	1.54%
Management expense ratio before waivers or absorptions <sup>9</sup>	1.54%	1.47%	1.44%	1.46%	1.54%
Trading expense ratio <sup>9</sup>	0.10%	0.12%	0.05%	0.07%	0.13%
Portfolio turnover rate <sup>10</sup>	36.58%	27.12%	12.14%	20.56%	27.77%
Net asset value per unit	\$ 14.57	\$ 13.23	\$ 12.31	\$ 13.04	\$ 14.42

**The Fund's net assets attributable to holders of redeemable units per unit<sup>1</sup>**

**Series O**

	2025 <sup>(3)</sup>	2024 <sup>(4)</sup>	2023 <sup>(5)</sup>	2022 <sup>(6)</sup>	2021 <sup>(7)</sup>
<b>Net assets attributable to holders of redeemable units, beginning of year</b>	\$ 13.38	\$ 12.46	\$ 13.21	\$ 14.61	\$ 12.50
<b>Increase (decrease) from operations:</b>					
Total Revenue	0.36	0.45	0.60	0.28	0.29
Total Expenses	(0.08)	(0.08)	(0.06)	(0.06)	(0.09)
Realized gains (losses) for the year	0.58	(0.32)	(0.14)	0.56	0.51
Unrealized gains (losses) for the year	0.65	1.34	(0.81)	(1.62)	1.49
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>1.51</b>	<b>1.39</b>	<b>(0.41)</b>	<b>(0.84)</b>	<b>2.20</b>
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.28)	(0.45)	(0.21)	(0.19)	(0.14)
From capital gains	-	-	(0.15)	(0.37)	(0.02)
Return of Capital	-	-	-	-	-
<b>Total Annual Distributions</b>	<b>(0.28)</b>	<b>(0.45)</b>	<b>(0.36)</b>	<b>(0.56)</b>	<b>(0.16)</b>
Net assets attributable to holders of redeemable units, end of year	\$ 14.69	\$ 13.38	\$ 12.46	\$ 13.21	\$ 14.61
<b>Ratios and Supplemental Data:</b>					
Total net asset value	\$ 38,932,948	\$ 37,878,603	\$ 37,266,803	\$ 43,513,865	\$ 43,542,442
Number of units outstanding	2,650,182	2,829,982	2,991,920	3,293,851	2,980,627
Management expense ratio <sup>8</sup>	0.47%	0.42%	0.41%	0.40%	0.49%
Management expense ratio before waivers or absorptions <sup>9</sup>	0.47%	0.42%	0.41%	0.40%	0.49%
Trading expense ratio <sup>9</sup>	0.10%	0.12%	0.05%	0.07%	0.13%
Portfolio turnover rate <sup>10</sup>	36.58%	27.12%	12.14%	20.56%	27.77%
Net asset value per unit	\$ 14.69	\$ 13.38	\$ 12.46	\$ 13.21	\$ 14.61

## Notes to Financial Highlights

(1) This information is derived from the Fund's audited annual financial statements.

(2) Net assets attributable to holders of redeemable units 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 average number of units outstanding over the financial year. This table is not intended to be a reconciliation of the net asset value per unit.

### Ratios and Supplemental Data

(3) For the year ended December 31, 2025

(4) For the year ended December 31, 2024

(5) For the year ended December 31, 2023

(6) For the year ended December 31, 2022

(7) For the year ended December 31, 2021

(8) The management expense ratio is based on total expenses (excluding commissions and other portfolio costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. It is calculated by dividing the total of operating expenses (excluding commissions and portfolio transaction costs) and management fees, including applicable taxes, by the average net asset value of the Fund for the financial period, then multiplying the result by 100.

(9) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(10) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser 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 period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

(11) For the period from April 30, 2021 (date of commencement of operations) to December 31, 2021