BARRANTAGH
Investment Management

Barrantagh Small Cap Canadian Equity Fund

Interim Management Report of Fund Performance

Period ended June 30, 2026

Barrantagh Small Cap Canadian Equity Fund
Semi- Annual Management Discussion of Fund Performance
June 30, 2026

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 outperformed its benchmark, the S&P/TSX Small Cap Index.

Positive momentum from 2025 continued into the new year, with a broadening of returns and strength in small caps and value. The tech/AI sell-down or "SaaS-pocalypse" had investment flows shifting from some areas of the market that had seen sustained gains, into other areas of the market that were under appreciated. We had highlighted through the last two years the valuation opportunity in small caps and our enthusiasm for appreciation, this has started playing out through the latter part of last year.

Despite geopolitical upheaval and commodity volatility Canadian equity benchmarks marched higher. Global oil prices spiked as the conflict intensified (with energy companies performing well in April after a strong Q1), before giving up the Iran-related gains by the end of June with the MOU. Oil markets swung from intense optimism to unbridled pessimism through the period.

Another key commodity given its weight in Canada – gold – also had a bumpy ride. After peaking in January (related equities peaked in Feb), gold has come under considerable pressure. Counterintuitively with the Middle East conflict, gold sold off aggressively sending the junior mining complex sharply lower, showing just how much momentum was in the trade and how overbought the sector was (conflict risk normally good for gold). The unwinding of a crowded trade is very positive for the small cap portfolio as we manage a diversified basket of quality-value companies versus chasing any one hot sector.

With higher energy prices, inflation expectations have moved higher and the likelihood for interest rate hikes has increased. This supported the U.S. dollar and was a blow to the "debasement" trade that was propelling gold higher. Now the driving force of the small cap market benchmark over the last few years looks fallible and this positively has investors looking to other areas of the market.

One persistent theme that continues to work in 2026 is enthusiasm for companies exposed to the "Build Canada" opportunity, which looks to have multiple years of runway. Construction, defence, power generation, data centre, space economy/capability, arctic development, etc are all driving investment flows and growing major project backlogs. Many small cap industrial names that we own are directly in the sweet spot of these secular tailwinds and have been generating strong returns for the portfolio.

Halfway through 2026, there has not been a lack of narratives and headlines moving markets. It's our job to separate the signal from the noise, identifying durable trends and most importantly, the high-quality businesses poised to benefit over the coming years. Valuation remains extremely important to this discipline as paying too high a price can make even the best business a poor stock. Fortunately, hunting in small cap land affords us the opportunity of finding good investment ideas before they are fully appreciated in the market.

Key Contributors/Detractors
Industrials was the largest contributor to absolute and relative performance with a large overweight and positive security selection. Many of the companies seeing tailwinds discussed above sit in this sweet spot. Healthcare was another strong contributor where our holding in Extendicare continues to execute well and gain more visibility in its asset-light turnaround. These positive contributors were partially offset by information technology, which rallied strongly in Q2 and we have no exposure, materials where we have a large underweight, and financials where negative selection hurt.

Assets
The Fund increased modestly during the period as modest outflows were partially offset by strong positive performance.

Recent Developments

We added to some copper and critical minerals exposure adding miners Taseko Mines (TKO) and ERO Copper (ERO). These two low-cost producers have strong growth pipelines, good assets in favourable jurisdictions ands compliment or existing holding in Major Drilling (MDI) as we look to capitalize on higher commodity prices and looming supply/demand gap for industrial metals.

We cycled into some new energy exposure with Spartan Delta (SDE), giving us large asset base and growing production in the Duvernay, as well as Enerflex (EFX), adding to exposure to growing natural gas and power demand from resource development and AI/datacentre buildout.

Finally, two new names were added during Q2 with more direct exposure to positive “Build Canada” tailwinds. Mullen Group (MTL), a Canadian-focused transportation and logistics provider is well positioned at the nexus of 1) freight market recovery, 2) nation building, and 3) energy activity. Transalta (TA) is an owner, operator and developer of a diverse power generation portfolio in North America, well positioned to benefit from data centre development in Alberta and the call on power more broadly from the AI infrastructure buildout.

Related Party Transactions

Manager, Trustee and Portfolio Adviser:
Barrantagh Investment Management Inc. (“BIM”) is the manager, trustee and portfolio adviser of the Fund. The Fund pays BIM an annual management fee of 1% for F-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 Investory & 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 at 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 for 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 fee are as follows:

	Management Fees	Breakdown of Services	
		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

Summary of investment portfolio
As at June 30, 2026 (unaudited)

The summary of investment portfolio may have changed since June 30, 2026 due to ongoing portfolio transactions of the Fund.

Top 25 Holdings	Percentage of Net Asset Value (%)
Exchange Income Corp.	5.4
MDA Space Ltd.	4.9
Bird Construction Inc.	4.9
Calian Group Ltd.	4.6
Extendicare Inc.	4.4
First Capital Real Estate Investment Trust	4.0
Kelt Exploration Ltd.	3.9
Trisura Group Ltd.	3.8
Headwater Exploration Inc.	3.7
Jamieson Wellness Inc.	3.6
Major Drilling Group International Inc.	3.5
Trican Well Service Ltd.	3.5
Savaria Corp.	3.3
Black Diamond Group Ltd.	3.2
Gibson Energy Inc.	3.1
Trekor Metals Ltd.	2.7
Definity Financial Corp.	2.7
Chemtrade Logistics Income Fund	2.7
ERO Copper Corp.	2.7
Topaz Energy Corp.	2.5
Enerflex Ltd.	2.5
Brookfield Business Corp.	2.4
Westshore Terminals Investment Corp.	2.3
StorageVault Canada Inc.	2.3
Aecon Group Inc.	2.2
Total Net Asset Value	**$89,355,679**

Portfolio by Category

Asset Type	Percentage of Net Asset Value (%)
Equities	98.4
Short-term Investments	0.8
Cash	0.8
Other Net Assets (Liabilities)	-
	100.0

Sector	Percentage of Net Asset Value (%)
Industrials Sector	37.2
Energy Sector	21.3
Materials Sector	11.6
Financials Sector	8.2
Real Estate Sector	7.9
Consumer Staples Sector	5.8
Health Care Sector	4.4
Utilities Sector	2.0
Short Term Investments	0.8
Cash	0.8
Other Assets (Liabilities)	-
	100.0

BARRANTAGH SMALL CAP CANADIAN EQUITY FUND

The Fund's net assets attributable to holders of redeemable units per unit[1]
Series A

	2026(3)	2025(4)	2024(5)	2023(6)	2022(7)	2021(12)
Net assets attributable to holders of redeemable units, beginning of period	$ 10.72	$ 9.78	$ 9.12	$ 9.71	$ 10.81	$ 10.00
Increase (decrease) from operations:						
Total Revenue	0.12	0.25	0.32	0.53	0.21	0.17
Total Expenses	(0.16)	(0.27)	(0.25)	(0.24)	(0.26)	(0.21)
Realized gains (losses) for the period	0.10	0.44	(0.25)	(0.29)	0.36	0.11
Unrealized gains (losses) for the period	2.11	0.40	0.98	(0.32)	(0.71)	0.47
Total increase (decrease) from operations[2]	2.17	0.82	0.80	(0.32)	(0.40)	0.54
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	(0.13)	(0.01)	-	(0.03)
From capital gains	-	-	-	(0.11)	(0.27)	(0.02)
Return of Capital	-	-	-	-	-	-
Total Annual Distributions	-	-	(0.13)	(0.12)	(0.27)	(0.05)
Net assets attributable to holders of redeemable units, end of period	$ 12.88	$ 10.72	$ 9.78	$ 9.12	$ 9.71	$ 10.81
Ratios and Supplemental Data:						
Total net asset value	$ 4,002,932	$ 3,424,662	$ 3,644,587	$ 3,153,481	$ 1,324,679	$ 636,482
Number of units outstanding	310,743	319,546	372,510	345,837	136,366	58,863
Management expense ratio[9]	2.50%	2.59%	2.52%	2.53%	2.50%	2.69%
Management expense ratio before waivers or absorptions	2.50%	2.59%	2.52%	2.53%	2.50%	2.69%
Trading expense ratio[10]	0.13%	0.10%	0.12%	0.05%	0.07%	0.13%
Portfolio turnover rate[11]	19.27%	36.58%	27.12%	12.14%	20.56%	27.77%
Net asset value per unit	$ 12.88	$ 10.72	$ 9.78	$ 9.12	$ 9.71	$ 10.81

The Fund's net assets attributable to holders of redeemable units per unit[1]
Series F

	2026(3)	2025(4)	2024(5)	2023(6)	2022(7)	2021(8)
Net assets attributable to holders of redeemable units, beginning of period	$ 14.57	$ 13.23	$ 12.31	$ 13.04	$ 14.42	$ 12.36
Increase (decrease) from operations:						
Total Revenue	0.16	0.33	0.44	0.61	0.27	0.30
Total Expenses	(0.13)	(0.22)	(0.21)	(0.19)	(0.20)	(0.23)
Realized gains (losses) for the period	0.14	0.57	(0.31)	(0.19)	0.56	0.46
Unrealized gains (losses) for the period	2.91	0.35	1.29	(0.74)	(1.53)	1.46
Total increase (decrease) from operations[2]	3.08	1.03	1.21	(0.51)	(0.90)	1.99
Distributions:						
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	-	-	-	-	-	-
Total Annual Distributions	-	(0.08)	(0.29)	(0.23)	(0.41)	(0.04)
Net assets attributable to holders of redeemable units, end of period	$ 17.60	$ 14.57	$ 13.23	$ 12.31	$ 13.04	$ 14.42
Ratios and Supplemental Data:						
Total net asset value	$ 39,422,530	$ 36,477,007	$ 52,671,084	$ 58,447,097	$ 56,306,894	$ 54,641,198
Number of units outstanding	2,239,556	2,503,570	3,980,071	4,748,396	4,316,471	3,788,129
Management expense ratio[9]	1.46%	1.54%	1.47%	1.44%	1.46%	1.54%
Management expense ratio before waivers or absorptions	1.46%	1.54%	1.47%	1.44%	1.46%	1.54%
Trading expense ratio[10]	0.13%	0.10%	0.12%	0.05%	0.07%	0.13%
Portfolio turnover rate[11]	19.27%	36.58%	27.12%	12.14%	20.56%	27.77%
Net asset value per unit	$ 17.60	$ 14.57	$ 13.23	$ 12.31	$ 13.04	$ 14.42

The Fund's net assets attributable to holders of redeemable units per unit[1]
Series O

	2026(3)	2025(4)	2024(5)	2023(6)	2022(7)	2021(8)
Net assets attributable to holders of redeemable units, beginning of period	$ 14.69	$ 13.38	$ 12.46	$ 13.21	$ 14.61	$ 12.50
Increase (decrease) from operations:						
Total Revenue	0.17	0.36	0.45	0.60	0.28	0.29
Total Expenses	(0.04)	(0.08)	(0.08)	(0.06)	(0.06)	(0.09)
Realized gains (losses) for the period	0.14	0.58	(0.32)	(0.14)	0.56	0.51
Unrealized gains (losses) for the period	2.89	0.65	1.34	(0.81)	(1.62)	1.49
Total increase (decrease) from operations[2]	3.16	1.51	1.39	(0.41)	(0.84)	2.20
Distributions:						
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	-	-	-	-	-	-
Total Annual Distributions	-	(0.28)	(0.45)	(0.36)	(0.56)	(0.16)
Net assets attributable to holders of redeemable units, end of period	$ 17.84	$ 14.69	$ 13.38	$ 12.46	$ 13.21	$ 14.61
Ratios and Supplemental Data:						
Total net asset value	$ 45,930,217	$ 38,932,948	$ 37,878,603	$ 37,266,803	$ 43,513,865	$ 43,542,442
Number of units outstanding	2,574,324	2,650,182	2,829,982	2,991,920	3,293,851	2,980,627
Management expense ratio[9]	0.41%	0.47%	0.42%	0.41%	0.40%	0.49%
Management expense ratio before waivers or absorptions	0.41%	0.47%	0.42%	0.41%	0.40%	0.49%
Trading expense ratio[10]	0.13%	0.10%	0.12%	0.05%	0.07%	0.13%
Portfolio turnover rate[11]	19.27%	36.58%	27.12%	12.14%	20.56%	27.77%
Net asset value per unit	$ 17.84	$ 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 period ended June 30, 2026

(4) For the year ended December 31, 2025

(5) For the year ended December 31, 2024

(6) For the year ended December 31, 2023

(7) For the year ended December 31, 2022

(8) For the year ended December 31, 2021

(9) 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.

(10) 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.

(11) 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.

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