

This interim management report of fund performance contains financial highlights but does not contain the complete interim or annual financial statements of the investment fund. You can get a copy of the interim financial statements at your request, and at no cost, by calling toll free: 1.877.539.5743 by writing to us at 350, 440-2nd Avenue SW, Calgary AB T2P 5E9 or by visiting our website at www.matcofinancialinc.com or SEDAR+ at www.sedarplus.ca.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

This interim management report of fund performance presents management's view of the significant factors and developments during the period that have affected the fund's performance and outlook. In this report, "Matco" refers to Matco Financial Inc., the Manager of the Fund.

Investment Objective and Strategies

The objective of the Matco Balanced Fund (the "Fund") is to seek a balance of long-term capital appreciation and current income by investing in a Canadian focused portfolio of equities and fixed income instruments, diversified across investment styles and market capitalization, geographic regions, asset classes, and sectors.

The Fund utilizes a risk management framework focused on achieving long term growth while exhibiting lower volatility. Seeking to balance current income and long-term capital appreciation, the Fund invests in Canadian equities, global equities and investment grade fixed income assets. The portfolio is diversified across market capitalization, asset classes, sectors and geographic regions. This "one-stop" Fund offers diversified sources of ongoing income, preserves capital based on an institutional investment risk management process and provides lower volatility performance.

Risk

The overall and specific risks of investing in the Fund are as described in the Fund's Simplified Prospectus dated June 3, 2025. There were no material changes to the Fund during the period that affected the overall level of risk associated with an investment in the Fund. The risk rating of the Fund is low-to-medium

Results of Operations

The Fund's net assets remained unchanged at \$142 million as of June 30, 2025, compared with \$142 million at December 31, 2024. Total investment gain prior to total income and operating expenses, for the Period ended June 30, 2025 was \$8 million, up from an investment gain of \$6 million for period ended June 30, 2024.

The second quarter of 2025 has been marked by continued uncertainty, although the dust appears to be settling to an extent. Despite the uncertain landscape, Matco's Balanced Fund (Series O) has remained resilient, delivering 5.8% in the second quarter and 5.9% year to date. These performance numbers represent stability and consistency in a market that's still adjusting to a new global trade regime, slower growth, and geopolitical undercurrents.

Recent Developments

Economic data this quarter continued to show signs of late cycle deceleration. But unlike the volatility earlier this year on the back of "Liberation Day", the second quarter brought a settling of the policy dust. We anticipate central banks will cautiously lower their overnight rates, with the Bank of Canada cutting two to three times and the Federal Reserve once or twice. As we step into the second half of the year, it's clear that markets are now taking each headline in stride.

For investors, more stability is constructive—but not enough on its own. That's why earnings resilience has become the more important driver of returns. Our Canadian and Global Equity strategies have leaned into companies with stable dividends and pricing power, which proved beneficial this quarter. At the same time, elevated commodity prices provided a natural hedge—supporting Canadian energy and materials exposure within the portfolio.

Our Diversified Income strategy remains the foundation of the fund. It delivered a steady income stream and helped cushion the portfolio against market swings. This stability is what allows us to be opportunistic with equity exposure—our most dynamic source of capital appreciation.

What sets this fund apart isn't just what it owns, it's how it shifts. Behind every allocation change is Matco's Investment Horizon Indicator, which continues to suggest some caution is prudent. However, we have mapped re-entry points for more equity deployment—both by region and sectors should valuations and economic signals begin to align more constructively.

For now, we maintain a balanced by design approach: income and growth, domestic and global, stability and selective risk-taking.

In periods like this—when markets are neither euphoric nor panicked—discipline and process drive results. Matco's Balanced Fund remains focused on protecting capital in the short term while positioning for growth and income over the long term.

Related Party Transactions

Management Fees

Matco provides the Fund with investment management services, including managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements for the purchase and sale of the investment portfolio and providing other services. In return, Matco receives a management fee based on the net assets of the Fund, calculated on a daily basis.

For the Period ended June 30, 2025, the Fund incurred management fees payable to Matco of \$85,029 (period ended June 30, 2024-\$98,181).

Investment Review Committee

An Investment Review Committee ("IRC") has been established by the Manager in accordance with *National Instrument 81-107 Independent Review Committee for Investment Funds* ("NI 81-107"). The IRC must review and approve conflict of interest matters as referred by the Manager. The Fund did not refer any related party transactions or conflict of interest matters to the IRC during the Period ended June 30, 2025 or 2024.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted 2025), and for the five most recently completed financial years. This information is derived from the Fund's unaudited interim financial statements and audited financial statements.

The Fund's Net Assets per Unit ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾

SERIES A	2022	2021	2020
Net assets, beginning of period/year ⁽¹⁾⁽²⁾	13.39	12.57	11.91
Increase (decrease) from operations ^{(2):}			
Total revenue	0.08	0.31	0.21
Total expenses	(0.10)	(0.25)	(0.22)
Net realized gains (losses)	0.07	0.48	0.09
Net unrealized gains (losses)	(0.97)	0.63	0.67
Total increase (decrease) from operations ^{(2):}	(0.92)	1.17	0.75
Distributions ^{(3):}			
From net investment income (excluding dividends)	-	(0.03)	(0.01)
From dividends	(0.02)	(0.04)	—
From capital gains	—	(0.26)	—
Total distributions:	(0.02)	(0.32)	(0.01)
Net assets, end of period/year	—	13.39	12.57

Ratios and Supplemental Data

Total net asset value ⁽⁴⁾⁽⁵⁾	\$—	\$690,638	\$694,816
Number of units outstanding ⁽⁵⁾	—	51,571	55,258
Management expense ratio ⁽⁶⁾	2.09%	1.96%	2.08%
Management expense ratio before absorptions ⁽⁶⁾	2.09%	1.96%	2.09%
Portfolio turnover rate ⁽⁷⁾	13.23%	16.65%	31.24%
Trading expense ratio ⁽⁸⁾	0.06%	0.04%	0.07%
Net asset value per unit	\$—	\$13.39	\$12.57

SERIES F	2025	2024	2023	2022	2021	2020
Net assets, beginning of period/year ⁽¹⁾⁽²⁾	13.43	12.45	11.83	13.38	12.56	11.89
Increase (decrease) from operations ^{(2):}						
Total revenue	0.20	0.38	0.38	0.35	0.31	0.22
Total expenses	(0.08)	(0.15)	(0.14)	(0.14)	(0.15)	(0.13)
Net realized gains (losses)	0.03	0.27	0.17	0.30	0.49	0.09
Net unrealized gains (losses)	0.57	0.73	0.55	(1.80)	0.61	0.47
Total increase (decrease) from operations ^{(2):}	0.72	1.23	0.96	(1.29)	1.26	0.65
Distributions ^{(3):}						
From net investment income (excluding dividends)	(0.09)	(0.16)	(0.14)	(0.07)	(0.06)	(0.06)
From dividends	(0.03)	(0.10)	(0.11)	(0.14)	(0.09)	(0.02)
From capital gains	—	—	(0.12)	(0.24)	(0.26)	—
Total distributions:	(0.12)	(0.26)	(0.37)	(0.45)	(0.41)	(0.08)
Net assets, end of period/year	14.02	13.43	12.45	11.83	13.38	12.56

Ratios and Supplemental Data

Total net asset value ⁽⁴⁾⁽⁵⁾	\$17,844,442	\$18,160,064	\$19,137,471	\$16,662,317	\$20,935,669	\$25,916,670
Number of units outstanding ⁽⁵⁾	1,272,464	1,351,985	1,537,040	1,408,646	1,564,244	2,062,769
Management expense ratio ⁽⁶⁾	1.28%	1.26%	1.24%	1.24%	1.22%	1.35%
Management expense ratio before absorptions ⁽⁶⁾	1.28%	1.26%	1.24%	1.24%	1.22%	1.35%
Portfolio turnover rate ⁽⁷⁾	3.67%	5.31%	10.74%	13.23%	16.65%	31.24%
Trading expense ratio ⁽⁸⁾	0.03%	0.04%	0.02%	0.06%	0.04%	0.07%
Net asset value per unit	\$14.02	\$13.43	\$12.45	\$11.83	\$13.38	\$12.56

Interim Management Report of Fund Performance
For the Period ended June 30, 2025

MATCO BALANCED FUND

SERIES O	2025	2024	2023	2022	2021	2020
Net assets, beginning of period/year⁽¹⁾⁽²⁾	13.43	12.41	11.79	13.35	12.54	11.87
Increase (decrease) from operations⁽²⁾:						
Total revenue	0.20	0.38	0.37	0.35	0.32	0.22
Total expenses	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Net realized gains (losses)	0.03	0.26	0.17	0.30	0.49	0.10
Net unrealized gains (losses)	0.56	0.74	0.56	(1.69)	0.59	0.55
Total increase (decrease) from operations⁽²⁾:	0.78	1.37	1.09	(1.05)	1.39	0.86
Distributions⁽³⁾:						
From net investment income (excluding dividends)	(0.15)	(0.22)	(0.21)	(0.12)	(0.12)	(0.16)
From dividends	(0.04)	(0.14)	(0.16)	(0.23)	(0.16)	(0.05)
From capital gains	—	—	(0.12)	(0.24)	(0.26)	—
Total distributions:	(0.19)	(0.36)	(0.49)	(0.59)	(0.54)	(0.21)
Net assets, end of period/year	14.02	13.43	12.41	11.79	13.35	12.54

Ratios and Supplemental Data

Total net asset value ⁽⁴⁾⁽⁵⁾	\$124,127,284	\$123,822,659	\$143,921,490	\$153,050,212	\$192,667,095	\$172,126,708
Number of units outstanding ⁽⁵⁾	8,856,571	9,223,041	11,597,999	12,984,083	14,432,604	13,728,663
Management expense ratio ⁽⁶⁾	0.23%	0.21%	0.19%	0.19%	0.17%	0.29%
Management expense ratio before absorptions ⁽⁶⁾	0.23%	0.21%	0.19%	0.19%	0.17%	0.30%
Portfolio turnover rate ⁽⁷⁾	3.67%	5.31%	10.74%	13.23%	16.65%	31.24%
Trading expense ratio ⁽⁸⁾	0.03%	0.04%	0.02%	0.06%	0.04%	0.07%
Net asset value per unit	\$14.02	\$13.43	\$12.41	\$11.79	\$13.35	\$12.54

- (1) This information is derived from the Fund's audited annual financial statements. Per unit amounts are for the periods for increases (decreases) and points in time for distributions, as applicable, and are not intended to be a reconciliation of opening and closing net assets.
- (2) Net assets 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 period.
- (3) Distributions were paid in cash/reinvested in additional units of the Fund, or both.
- (4) The information is prepared in accordance with IFRS which uses the last trade price for investments that are traded in an active market where quoted prices are readily and regularly available. For investments that are not traded in an active market, the Fund uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs.
- (5) This information is provided as at the year shown, as applicable, except Series N for 2018 which are from inception February 6, 2018 through December 31, 2018.
- (6) Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset value during the year/period.
- (7) 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 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.
- (8) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the year/period.

Management Fees

The annual management fee rate, exclusive of sales taxes, is 1.00% for. No management fees are charged directly to Series O.

During the Period ended June 30, 2025, management fees totaled \$85,029 (period ended June 30, 2024- \$98,181). Included in liabilities at June 30, 2025 is \$14,914 (December 31, 2024 - \$16,348) in respect of these fees.

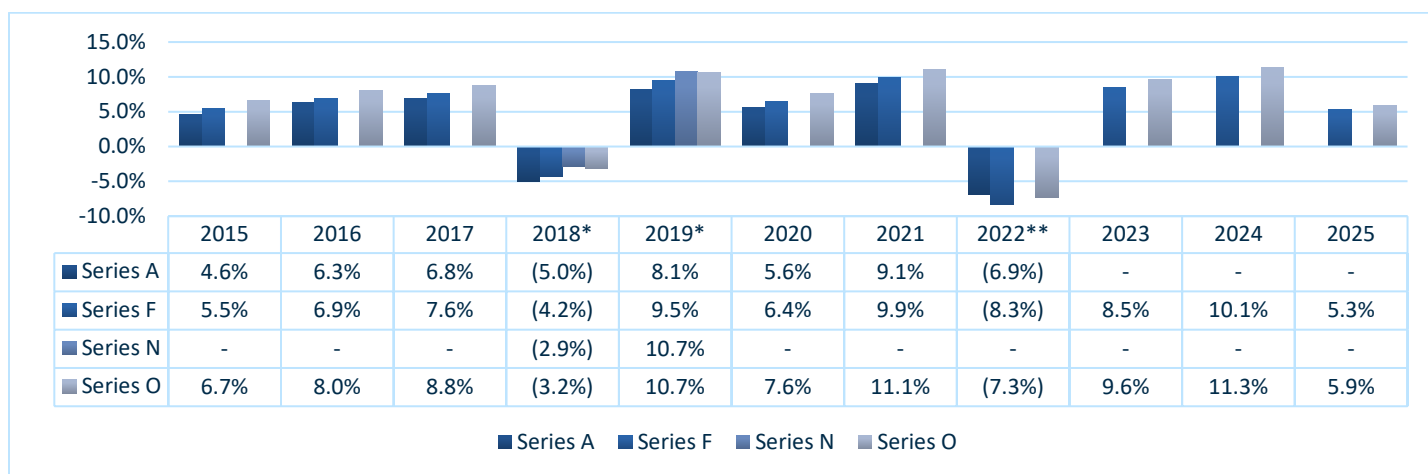
All management fees paid by Series F were applied to cover portfolio management and other services provided to the Fund by the Manager. No such fees were used to pay for external portfolio advisory fees, trailing or other sales commissions.

PAST PERFORMANCE

This section shows how the Fund has performed in the past. The performance information shown assumes that all distributions made by the investment fund in the periods shown were reinvested in additional securities of the fund. The performance information does not take into account: sales, redemption, and distribution or other optional charges, that would have reduced returns or performance. The past performance of the Fund is not necessarily an indication of how it will perform in the future.

Year-By-Year Returns

The bar charts that follow show the performance of each series of the Fund for the past six months (noted 2025), and for the ten most recently completed financial years. The charts show, in percentage terms, how an investment made on January 1 would have increased or decreased by December 31st of the fiscal year (except as noted below).



*Series N returns for 2018 is from inception February 6, 2018 to December 31, 2018 and for 2019 is from January 1, 2019 through liquidation December 26, 2019.

**Series A returns for 2022 is January 1, 2022 through liquidation on April 29, 2022.

Annual Compound Returns

	Series A	Series F	Series N	Series O	Blended Benchmark**
1 Year	-	12.1%	-	13.3%	14.1%
3 Year	-	9.3%	-	10.5%	10.5%
5 Year	-	6.9%	-	8.0%	6.9%
10 Year	-	5.2%	-	6.3%	6.0%
Since Inception*	-	-	3.9%	-	14.9%
Since Inception**	4.0%	-	-	-	5.1%

*Since inception values for Series N are from February 6, 2018 to December 26, 2019.

**Since inception values for Series A are from November 29, 2007 to April 29, 2022.

** The Blended Benchmark is 50% iShares Core Canadian Universe Bond Index ETF, 35% iShares Core S&P/TSX Capped Composite Index ETF, and 15% Vanguard Total World Stock ETF, during the year. The Blended Benchmark constituents reflect congruent allocations, risk exposures and track performance closely over long periods of time. Given Matco's private client investor base, who often look at ETFs as a substitute for active investment solutions, the ETF better fulfills the investable portion of the benchmark suitability criteria. Matco has chosen to be consistent across all mandates by benchmarking against ETFs for this reason

SUMMARY OF INVESTMENT PORTFOLIO

Sector Allocation	% of Net Asset Value
Fixed Income	40.9
Canadian Equity	31.5
Global Equity	27.1
Cash	0.6
Other Net Assets (Liabilities)	(0.1)

Top Holdings*	% of Net Asset Value
Matco Canadian Equity Income Fund, Series O	22.6
Matco Diversified Income Fund, Series O	40.9
Matco Global Equity Fund, Series O	27.1
Matco Opportunities Fund, Series O	8.9
Cash	0.6
Total Net Asset Value	\$141,971,726

*The top 25 positions are required to be disclosed in the Summary of Investment Portfolio. As at the reporting date, the Fund held fewer than 25 positions. All positions are therefore presented.

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. A quarterly update is available on our website at www.matcofinancialinc.com or can be requested by calling 1.877.539.5743 or by writing to us at 350, 440-2nd Avenue SW, Calgary AB T2P 5E9.

A NOTE ON FORWARD LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

We stress that the above-mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.