

Semi-Annual Management Report of Fund Performance

BMO Private Canadian Special Equity Portfolio

For the period ended June 30, 2025

This semi-annual management report of fund performance contains financial highlights, but does not contain the semi-annual or annual financial statements of the Portfolio. If the semi-annual or annual financial statements of the Portfolio do not accompany the mailing of this report, you may obtain a copy of the semi-annual or annual financial statements at your request, and at no cost, by calling 1-855-852-1026, by e-mailing us at contact.centre@bmo.com, by writing to us at BMO Private Investment Counsel Inc., 1 First Canadian Place, 100 King St. W., 41st Floor, Toronto, Ontario, M5X 1A1 or by visiting our website at www.bmo.com/privatewealth/regulatory-documents/bpic/ or SEDAR+ at www.sedarplus.ca. You may also contact us using one of these methods to request a copy of the Portfolio's interim financial report, proxy voting policies and procedures, proxy voting disclosure record and/or quarterly portfolio disclosure.

Management Discussion of Fund Performance

BMO Private Investment Counsel Inc. (“BPIC” or the “Manager”), the manager and portfolio manager, is responsible for the management of the overall business, investments and operations of the BMO Private Portfolios and has engaged BMO Asset Management Inc. (“BMO AM Inc.” or the “sub-advisor”) as the sub-advisor of BMO Private Canadian Special Equity Portfolio (the “Portfolio”).

Results of Operations

Over the six-month period ended June 30, 2025, the Portfolio returned 8.84%, after expenses. The Portfolio's benchmark is the S&P/TSX SmallCap Index, which generated a 12.74% total return over the same six-month period. The S&P/TSX Composite Index returned 10.17% over the same six-month period.

Small-capitalization markets rose sharply during the period, outperforming both the S&P/TSX Composite Index and the S&P 500 Index, delivering a return of about 13%. After a volatile April fraught with trade conflicts, signs of recovery emerged. Countries began to negotiate with the United States, some getting closer to a resolution.

Utilities was the best-performing sector in the benchmark index, led by the acquisition of Innergex Renewable Energy Inc. by institutional investor Caisse

de dépôt et placement du Québec (“CDPQ”). At the same time, the Materials sector was up 37%. Health Care and Information Technology were the worst-performing sectors, down 16% and 11%, respectively.

The Portfolio's underweight exposure to the Materials sector was by far the largest detractor from performance, as it was the second-best performing sector during the period. The Portfolio's security selection in the Materials sector also detracted from performance, as lower-quality companies tended to outperform in up markets, while the sub-advisor focused on owning the highest-quality defensive assets within mining. Individual detractors included a lack of exposure to Innergex Renewable Energy Inc., given that the stock was up 72% after its purchase by CDPQ. Shares of North American Construction Group Ltd. were down 28% after the company reported a weaker-than-expected first quarter, primarily due to weather.

Security selection in the Health Care sector was the biggest contributor to the Portfolio's performance, followed by security selection in the Consumer Discretionary and Information Technology sectors. Key individual contributors included Andlauer Healthcare Group Inc., as it was up 26% during the period, while the Health Care sector was down 16%. The company was acquired by United Parcel Service Inc. during the period. Shares of Pet Valu Holdings Ltd. were up 32% during the period. The company posted two strong quarters, and Roark Capital Group, the majority owner, exited its position, removing a big overhang for the stock.

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New positions included Kraken Robotics Inc., a leading provider of unmanned submarines, sensor technology and batteries. The company serves the defence industry and offshore infrastructure industries, such as pipelines and offshore oil and gas. Both end markets are experiencing tailwinds and are typically protective in an economic downturn. The sub-advisor believes the company has a sustainable technology advantage and a strong team, which should enable it to continue gaining market share in a growing and innovative market.

Increased positions in the Portfolio during the period included Coveo Solutions Inc., as the company reported two good quarters, indicating revenue growth was accelerating. Its largest private equity owner exited, removing a big overhang for the stock.

Decreased positions during the period included Hammond Power Solutions Inc., as the stock had performed very well, and the sub-advisor saw a more balanced upside/downside ratio from current levels.

Eliminated positions included Brookfield Business Partners LP as the share price approached all-time highs. The company performed well this year, but there were risks concerning its ability to monetize some of its assets in private equity amid economic uncertainty. The sub-advisor saw a more balanced upside/downside ratio from current levels.

For information on the Portfolio's longer-term performance and composition, please refer to the Past Performance section and Summary of Investment Portfolio section of this report.

Recent Developments

The sub-advisor believes the outlook for small-capitalization Canadian equities is somewhat challenged following a strong 2024 and a strong first half of 2025, mostly due to ongoing tariff uncertainty and the potential negative impact on the Canadian economy. Resource strength, particularly in gold, has been a positive performance driver year-to-date. Still, uncertainties remain high in most non-resource Canadian sectors, which may pressure companies' ability to grow earnings throughout the year.

Despite near-term economic uncertainty, there are some attractive long-term investment opportunities in high-quality stocks that have experienced some short-term price pressure. The sub-advisor has added exposure to several of these opportunities in the search for high-quality companies with the strongest long-term fundamentals.

In January 2025, U.S. President Donald Trump was inaugurated. Subsequently, the U.S. government has made sweeping policy changes. These policy changes include both an increase in existing tariffs and the invocation of new tariffs on many countries, including Canada. In response, both domestic and global financial markets have reacted with increased volatility. As at the current date, President Trump's policy changes are continuously shifting. It is uncertain how long the market instability will continue and whether it will escalate further.

Related Party Transactions

BMO Trust Company, an indirect, wholly-owned subsidiary of Bank of Montreal ("BMO"), is the trustee (the "trustee") and BPIC is the manager of the Portfolio. From time to time, BPIC may, on behalf of the Portfolio, enter into transactions or arrangements with or involving other members of BMO Financial Group, or certain other persons or companies that are related or connected to the Portfolio (each, a "related party" and collectively, the "related parties"). The purpose of this section is to provide a brief description of any transaction involving the Portfolio and a related party. In each instance where a conflict of interest is identified, it will be referred to the Portfolio's independent review committee (the "IRC"). The primary focus of the IRC is to determine whether the proposed action of the Manager in respect of the conflict of interest matter achieves a fair and reasonable result for the Portfolio.

Sub-advisor

BPIC has hired BMO AM Inc., a related party, to provide investment advice and make investment decisions for the Portfolio's investment portfolio. BMO AM Inc. receives a sub-advisory fee based on assets under management, which is paid monthly. BMO AM Inc. is paid by BPIC.

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Buying and Selling Securities

During the period, the Manager relied on Standing Instructions provided by the Portfolio's IRC for any of the following related party transactions that may have occurred in the Portfolio:

- (a) investments in securities issued by BMO, an affiliate of the Manager, or any other issuer related to the Manager;
- (b) investments in a class of securities of an issuer during the distribution period of those securities or the 60-day period following the completion of the distribution where BMO Nesbitt Burns Inc., an affiliate of the Manager, or any other affiliate of the Manager acts as an underwriter in the distribution of those securities;
- (c) trades in over-the-counter debt securities in the secondary market with BMO Nesbitt Burns Inc., or any other affiliate of the Manager, acting as principal in the Canadian debt securities market; and
- (d) trades of a security of any issuer from or to, another investment fund managed by the Manager or an affiliate of the Manager or a managed account managed by an affiliate of the Manager
(each, a "Related Party Transaction").

In accordance with the IRC's Standing Instructions, in making a decision to cause the Portfolio to make a Related Party Transaction, the Manager and the sub-advisor of the Portfolio are required to comply with the Manager's written policies and procedures governing the Related Party Transaction and report periodically to the IRC, describing each instance that the Manager and/or the sub-advisor relied on the Standing Instructions and their compliance or non-compliance with the governing policies and procedures. The governing policies and procedures are designed to ensure that each Related Party Transaction (i) is made free from any influence of BMO, BMO Nesbitt Burns Inc. or an associate or affiliate of BMO and/or BMO Nesbitt Burns Inc. and without taking into account any considerations relevant to BMO, BMO Nesbitt Burns Inc. or an associate or affiliate of BMO and/or BMO Nesbitt

Burns Inc., (ii) represents the business judgment of the Manager and/or the sub-advisor, uninfluenced by considerations other than the best interests of the Portfolio, and (iii) achieves a fair and reasonable result for the Portfolio. The IRC has reviewed the related party transactions described above and has provided an approval that each transaction achieves a fair and reasonable result for the Portfolio.

Brokerage Commissions

The Portfolio pays standard brokerage commissions at market rates to BMO Nesbitt Burns Inc., an affiliate of the Manager, for executing a portion of its trades. The brokerage commissions charged to the Portfolio during the periods were as follows:

	Period ended June 30, 2025 (\$000s)	Period ended June 30, 2024 (\$000s)
Total Brokerage Commissions	545	482
Brokerage Commissions paid to BMO Nesbitt Burns Inc.	6	19

Wealth Management Fee

Units of the Portfolio are only available through the wealth management service offered by BMO Financial Group. The trustee, a related party, and the Manager receive an annual fee from each investor for the wealth management service offered by BMO Financial Group. A tiered schedule is applied to calculate the annual fee for this service. The fee schedule starts at 1.95% and declines to 0.20% (depending on the nature and size of the investor's investment portfolio), and is calculated as a percentage of the assets under management. The actual wealth management fee payable by each investor is set out in BPIC's *Investment Management Fee Schedule* that is provided to the investor when the investor enters into an investment management agreement with the trustee and BPIC. The wealth management fee is paid directly by the investor to the trustee and the Manager. The trustee may compensate financial institutions and securities registrants within BMO Financial Group for client referrals to the wealth management service.

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Unitholder Services

The Portfolio is provided with certain facilities and services by related parties. BPIC is the registrar of the Portfolio. The trustee and BPIC are paid by the Portfolio for fees relating to the custodial and administrative services they provide, respectively. Administrative services include fund accounting, record keeping and purchases/redemption order processing.

The fees charged to the Portfolio during the periods were as follows:

	Period ended June 30, 2025 (\$000s)	Period ended June 30, 2024 (\$000s)
Unitholder Services	89	82

Management Fee

There is no management fee charged to the Portfolio. The trustee and the Manager receive an annual wealth management fee from investors for the wealth management service offered by BMO Financial Group.

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Financial Highlights

The following tables show selected key financial information about the Portfolio and are intended to help you understand the Portfolio's financial performance for the periods indicated.

The Portfolio's Net Assets Per Unit ⁽¹⁾	Six months ended June 30, 2025		Years ended December 31			
	2024	2023	2022	2021	2020	
Net assets, beginning of period	\$ 93.98	86.93	90.23	114.46	97.42	78.13
Increase (decrease) from operations:						
Total revenue	\$ 0.76	1.40	1.19	1.01	1.31	0.82
Total expenses ⁽²⁾	\$ (0.15)	(0.27)	(0.21)	(0.20)	(0.17)	(0.19)
Realized gains (losses) for the period	\$ 6.81	7.26	2.35	1.78	9.49	2.76
Unrealized gains (losses) for the period	\$ 0.50	5.56	(4.64)	(28.63)	13.73	15.29
Total increase (decrease) from operations ⁽³⁾	\$ 7.92	13.95	(1.31)	(26.04)	24.36	18.68
Distributions:						
From income (excluding dividends)	\$ —	0.19	0.16	0.01	—	—
From dividends	\$ —	1.39	1.03	1.42	0.86	0.79
From capital gains	\$ —	5.36	1.04	—	6.29	—
Return of capital	\$ —	0.01	0.00	0.01	0.01	0.00
Total Annual Distributions ⁽⁴⁾	\$ —	6.95	2.23	1.44	7.16	0.79
Net assets, end of period	\$ 102.29	93.98	86.93	90.23	114.46	97.42

(1) This information is derived from the Portfolio's unaudited and audited financial statements.

(2) Includes commissions and other portfolio transaction costs and withholding taxes.

(3) 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. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

(4) Distributions were paid in cash or reinvested in additional units of the Portfolio, or both.

Ratios and Supplemental Data	Six months ended June 30, 2025		Years ended December 31			
	2024	2023	2022	2021	2020	
Total net asset value (000s) ⁽¹⁾	\$ 481,211	481,962	420,747	370,997	621,834	432,732
Number of units outstanding (000s) ⁽¹⁾	4,704	5,129	4,840	4,112	5,433	4,442
Management expense ratio ⁽²⁾	% 0.08	0.07	0.08	0.07	0.06	0.08
Management expense ratio before waivers or management absorptions ⁽²⁾	% 0.19	0.18	0.19	0.19	0.17	0.19
Trading expense ratio ⁽³⁾	% 0.23	0.21	0.16	0.13	0.09	0.16
Portfolio turnover rate ⁽⁴⁾	% 20.73	44.40	35.99	27.24	22.83	37.87
Net asset value per unit	\$ 102.29	93.98	86.93	90.23	114.46	97.42

(1) This information is provided as at June 30 or December 31 of the period shown, as applicable.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(3) 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.

(4) The portfolio turnover rate indicates how actively the Portfolio's sub-advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Portfolio buying and selling all of the securities in its portfolio once in the course of the year. The higher a portfolio turnover rate in a year, the greater the trading costs payable by the portfolio in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a portfolio.

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Past Performance

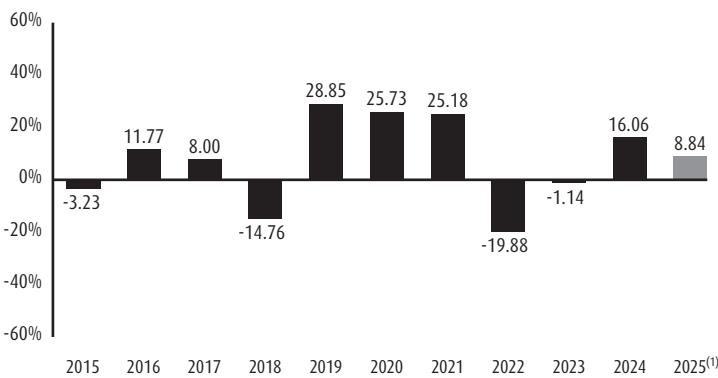
General

The Portfolio's performance information assumes that all distributions made by the Portfolio in the periods shown were reinvested in additional units of the Portfolio and is based on the net asset value of the Portfolio. The reinvestment of distributions increases returns.

The performance information does not take into account sales, redemption, distribution or other optional charges that, if applicable, would have reduced returns or performance. Please remember, how the Portfolio has 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 performance for each of the financial years shown and for the six-month period ended June 30, 2025, and illustrates how the performance has changed from year to year. The bar chart shows in percentage terms how an investment made on the first day of each financial year would have increased or decreased by the last day of each financial year.



⁽¹⁾ For the six-month period ended June 30, 2025.

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Summary of Investment Portfolio as at June 30, 2025

Portfolio Allocation	% of Net Asset Value	Top 25 Holdings Issuer	% of Net Asset Value
Materials	23.6	Trisura Group Ltd.	5.6
Industrials	17.0	Zedcor Inc.	4.8
Financials	15.0	North American Construction Group Ltd.	4.8
Energy	15.0	goeasy Ltd.	4.6
Information Technology	6.6	Government of Canada, Treasury Bills, 2.645% Sep 10, 2025	4.5
Real Estate	6.2	Pet Valu Holdings Ltd.	4.0
Money Market Investments	5.2	Polaris Renewable Energy Inc.	3.6
Consumer Discretionary	4.0	Propel Holdings Inc.	3.3
Utilities	3.6	Southern Cross Gold Consolidated Ltd.	3.3
Health Care	2.2	K92 Mining Inc.	3.2
Cash/Receivables/Payables	1.6	GDI Integrated Facility Services Inc.	3.2
Total portfolio allocation	100.0	Foran Mining Corporation	2.8
		Prime Mining Corp.	2.7
		NG Energy International Corp.	2.7
		TerraVest Industries Inc.	2.6
		Coveo Solutions Inc.	2.6
		Element Fleet Management Corp.	2.6
		DRI Healthcare Trust	2.2
		Docebo Inc.	2.2
		Atex Resources Inc.	2.1
		Cargojet Inc.	2.0
		Mattr Corp.	1.9
		Lumine Group Inc.	1.8
		Topaz Energy Corp.	1.7
		Flagship Communities REIT	1.7
		Top holdings as a percentage of total net asset value	76.5
		Total Net Asset Value	\$481,210,768

The Summary of Investment Portfolio may change due to the Portfolio's ongoing portfolio transactions. Updates are available quarterly.

Manager

BMO Private Investment Counsel Inc.
1 First Canadian Place
100 King Street West, 41st Floor
Toronto, Ontario M5X 1A1

Trustee

BMO Trust Company
1 First Canadian Place
100 King Street West, 41st Floor
Toronto, Ontario M5X 1A1

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