

Semi-Annual Management Report of Fund Performance

BMO Private U.S. Equity Portfolio

For the period ended June 30, 2024

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 Columbia Management Investment Advisers, LLC (“CMIA”) and Vontobel Asset Management, Inc. (“Vontobel”) as the sub-advisors (each, a “sub-advisor” and collectively, the “sub-advisors”) of BMO Private U.S. Equity Portfolio (the “Portfolio”).

Results of Operations

Over the six-month period ended June 30, 2024, the Portfolio returned 16.74% in C\$ (13.10% in US\$), after expenses. The Portfolio's benchmark is the S&P 500 Index, which generated a 19.49% total return in C\$ (15.29% in US\$) over the same six-month period.

U.S. equity markets were strong during the six-month period ended June 30, 2024. U.S. equities, as measured by the S&P 500 Index, returned above 19% (in Canadian-dollar terms) during the period. Performance continued to be driven by enthusiasm around artificial intelligence (“AI”) and expectations around U.S. Federal Reserve Board (the “Fed”) interest rate policy. As a result, the Information Technology and Communication Services sectors were the strongest performers, followed by Energy. The Real Estate sector was the weakest-performing sector. Overall, all sectors ended the period in positive territory.

Vontobel Component

Stock selection in the Information Technology, Health Care and Financials sectors detracted from the Vontobel component's performance. An underweight allocation to Information Technology also detracted from performance amid investor enthusiasm for AI. Within Financials, the component lacked exposure to banks. A lack of exposure to NVIDIA Corp. was the largest individual detractor from relative performance as this supplier of graphics processing units needed for AI saw significant growth. A position in Adobe Inc. detracted from the component's performance after the company announced a weaker-than-anticipated earnings forecast. A holding in Mondelez International Inc. was another detractor from performance. Its shares pulled back on a weaker-than-expected net revenue forecast, despite its solid overall results.

Stock selection within the Consumer Staples sector contributed to the Vontobel component's performance, as did a lack of exposure to the Energy and Utilities sectors. A holding in Boston Scientific Corp. contributed to performance. The company's shares reached record highs in April 2024 after the company boosted its adjusted earnings forecast and released strong first-quarter 2024 results. A lack of exposure to Apple Inc. and Tesla Inc. contributed to the component's relative performance as both underperformed. Both stocks failed to meet the sub-advisor's quality growth criteria.

The sub-advisor added new positions in Zoetis Inc., Union Pacific Corp. and CRH PLC to the component. Zoetis Inc. should benefit from its exposure to the growing number of livestock and pets, and increased dollar spend per animal on healthcare-related costs.



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Union Pacific Corp. was added based on its scale. The company recently hired an industry veteran as CEO, which should increase focus on precision railroading, with the potential to drive network efficiency and higher margins. CRH PLC was added given that it stands to benefit from spending tied to the Infrastructure Investment and Jobs Act in the United States.

Existing holdings in Synopsys Inc. and Alphabet Inc. were increased given that both are well positioned to benefit from AI-related trends, with less volatility and uncertainty than other companies.

Vontobel eliminated a holding in Graco Inc. to fund a new position in CRH PLC. Humana Inc. was sold from the component. While it remains well positioned to benefit from the secular growth of Medicare Advantage and an aging demographic, the sub-advisor believes that its near-term earnings volatility will likely be higher than typical due to higher medical utilization rates as patients normalize care post-COVID-19 pandemic. A holding in Comcast Corp. was also eliminated to fund new ideas with stronger risk-return profiles.

Thermo Fisher Scientific Inc. was trimmed to lock in near-term gains. The sub-advisor trimmed the Vontobel component's position in Visa Inc. because Mastercard Inc. is better positioned in the digital payment space over the near term given potential for growth outside of the United States.

CMIA Component

Stock selection within the Information Technology sector detracted from the CMIA component's performance, largely as a result of its overweight allocation to underperforming stocks, such as Adobe Inc. and Workday Inc. Selection within the Financials sector also detracted from performance. The largest individual detractors from the component's relative performance were Expedia Group Inc., Global Payments Inc. and D.R. Horton Inc.

An underweight allocation to the Real Estate sector contributed to the CMIA component's performance as it was the weakest-performing sector in the benchmark. Security selection within the Health Care and Industrials sectors contributed to performance. The largest individual contributors to the component's performance included holdings in Tesla Inc., Meta Platforms Inc. and Alphabet Inc.

CMIA added a new position in Lululemon Athletica Inc. based on its durable profitability, quality and growth driven by its premium brand and expansion of its market over the coming years. An existing holding in American Express Co. was increased for its earnings stability and credit risk, both of which are better than their peers.

The CMIA component's position in BorgWarner Inc. was eliminated because of weakness in its end auto markets, particularly in demand for electric vehicles. Meta Platforms Inc. was trimmed after significant share price outperformance.

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

Vontobel Component

Investors appear convinced that a likely economic soft landing in the United States will occur, but cracks have begun to show, particularly with the lower income cohort. Credit card and auto delinquencies have increased and borrower utilization rate continues to climb.

There may be volatility and exaggerated political rhetoric surrounding the U.S. presidential election. Regardless of the outcome, the sub-advisor believes that there will be an assertive stance on the global stage, particularly in terms of trade relations with China. Both candidates are likely to continue deficit spending, and both parties have a populist approach, catering to the working class.

The path of inflation and interest rates may be more volatile than investors expect. The Vontobel component is positioned for a range of possible outcomes, owning durable businesses that are able to withstand a more unsettled economic environment. The component has exposure to AI, but the sub-advisor looks to avoid early-stage products or companies with unproven potential.

CMIA Component

As the period drew to a close, multiple analysts raised their year-end 2024 S&P 500 Index targets, citing strong big-tech earnings prospects predicated on AI optimism, an anticipated Fed monetary easing cycle, ongoing disinflation and a resilient economic environment.

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However, concerns also persist, with stretched valuations, the risk of decelerating economic growth weighing on corporate earnings, emerging cracks in the health of the consumer, rising unemployment, bumpy disinflation and a sluggish Fed interest rate response.

With elections taking place in a number of major economies in 2024, including the U.K., France and the United States, there is potential for substantial additional market volatility.

In Japan, investors expect recent economic transformation to present compelling opportunities, driven by an end to deflation, steady growth and renewed corporate dynamism. This generational shift is viewed as sustainable, backed by coordinated policies boosting productivity. With inflation rising and demand for higher returns, investors see Japan's financial markets entering a new era, presenting an opportunity to capitalize on the country's economic and structural reforms.

CMIA believes that at the company level, those that can execute on their strategies, posting solid earnings and cash flows, are likely to be rewarded. With high interest rates persisting, characteristics of profitability, margins and cash flow generation should continue to be important for companies to fund their own growth. In such an environment, the sub-advisor's multifactor approach focusing collectively on quality, valuation and catalysts should allow for positive stock selection.

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-advisors

BPIC has hired CMIA and Vontobel to provide investment advice and make investment decisions for the Portfolio's investments. Each sub-advisor receives sub-advisory fees based on assets under management, which are paid quarterly. The sub-advisors are paid by BPIC, and BPIC charges a portion of the sub-advisory fees as an expense to the Portfolio.

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

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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, 2024 (\$000s)	Period ended June 30, 2023 (\$000s)
Total Brokerage Commissions	337	209
Brokerage Commissions paid to BMO Nesbitt Burns Inc.	8	16

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.

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, 2024 (\$000s)	Period ended June 30, 2023 (\$000s)
Unitholder Services	163	163

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, 2024	Years ended December 31				
		2023	2022	2021	2020	2019
Net assets, beginning of period	\$ 37.93	31.17	35.46	29.44	25.87	23.43
Increase (decrease) from operations:						
Total revenue	\$ 0.23	0.43	0.43	0.39	0.39	0.51
Total expenses ⁽²⁾	\$ (0.02)	(0.04)	(0.04)	(0.03)	(0.04)	(0.08)
Realized gains (losses) for the period	\$ 2.09	1.69	0.78	2.07	0.56	2.12
Unrealized gains (losses) for the period	\$ 4.08	5.13	(4.86)	4.77	2.82	1.78
Total increase (decrease) from operations ⁽³⁾	\$ 6.38	7.21	(3.69)	7.20	3.73	4.33
Distributions:						
From income (excluding dividends)	\$ —	0.00	0.01	—	—	—
From dividends	\$ —	0.42	0.39	0.33	0.37	0.44
From capital gains	\$ —	—	0.15	0.84	—	1.53
Return of capital	\$ —	0.02	0.02	0.00	0.02	0.03
Total Annual Distributions ⁽⁴⁾	\$ —	0.44	0.57	1.17	0.39	2.00
Net assets, end of period	\$ 44.28	37.93	31.17	35.46	29.44	25.87

⁽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, 2024	Years ended December 31				
		2023	2022	2021	2020	2019
Total net asset value (000s) ⁽¹⁾	\$ 6,215,949	5,731,358	5,241,096	5,768,955	4,329,595	3,972,685
Number of units outstanding (000s) ⁽¹⁾	140,366	151,118	168,159	162,670	147,068	153,586
Management expense ratio ⁽²⁾	% 0.02	0.02	0.02	0.02	0.02	0.02
Management expense ratio before waivers or management absorptions ⁽²⁾	% 0.19	0.19	0.19	0.18	0.19	0.17 ⁽⁵⁾
Trading expense ratio ⁽³⁾	% 0.01	0.01	0.01	0.01	0.03	0.05
Portfolio turnover rate ⁽⁴⁾	% 12.00	19.47	27.55	28.10	37.26	81.78
Net asset value per unit	\$ 44.28	37.93	31.17	35.46	29.44	25.87

⁽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.

⁽⁵⁾ Corrections were made to 2018 and 2019 figures, which were previously overstated by 0.05% and 0.05%, respectively.

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Past Performance

General

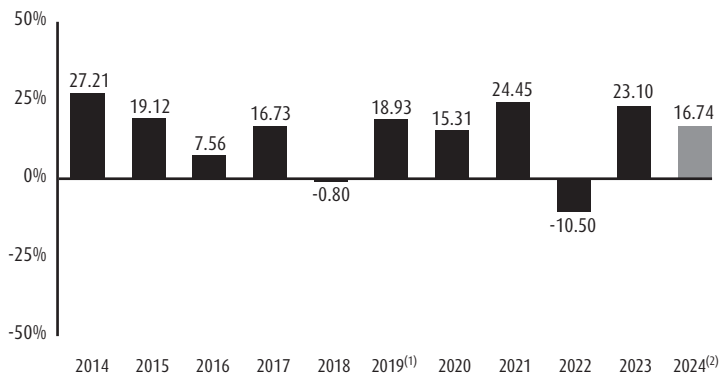
The Portfolio's performance information assumes that all distributions made by the Portfolio in the periods shown were reinvested in additional units of the Portfolio and is based on the net asset value of the Portfolio. The reinvestment of distributions increases returns.

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.

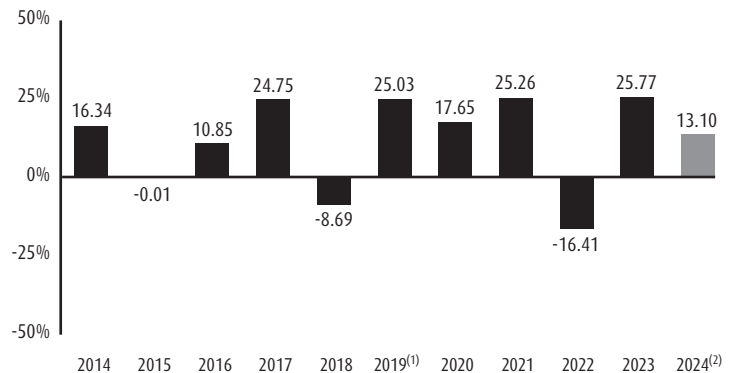
Year-by-Year Returns

The following bar chart shows the performance for each of the financial years shown and for the six-month period ended June 30, 2024, 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.

BMO Private U.S. Equity Portfolio (C\$)



BMO Private U.S. Equity Portfolio (US\$)



⁽¹⁾ On July 19, 2019, Vontobel was appointed as an additional sub-advisor for the Portfolio and the Portfolio's investment strategies were changed. Accordingly, the Portfolio's performance prior to this date would have been different under the current two sub-advisors and investment strategies.

⁽²⁾ For the six-month period ended June 30, 2024.

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Summary of Investment Portfolio

as at June 30, 2024

Portfolio Allocation	% of Net Asset Value	Top 25 Holdings Issuer	% of Net Asset Value
U.S. Equity Fund	33.2	BMO S&P 500 Index ETF, Listed USD Units ⁺	33.2
Information Technology	17.1	Microsoft Corporation	4.4
Health Care	9.7	Alphabet Inc.	4.3
Financials	9.1	Amazon.com, Inc.	4.0
Consumer Discretionary	7.2	NVIDIA Corporation	2.2
Consumer Staples	6.4	UnitedHealth Group Incorporated	1.8
Communication Services	6.0	Apple Inc.	1.8
Industrials	5.2	Adobe Inc.	1.8
Materials	1.6	Coca-Cola Company, The,	1.7
Energy	1.6	Mastercard Incorporated, Class A	1.6
Cash/Receivables/Payables	1.2	Intercontinental Exchange, Inc.	1.4
Real Estate	1.0	Meta Platforms Inc., Class A	1.3
Utilities	0.7	Cash/Receivables/Payables	1.2
Total portfolio allocation	100.0	RB Global Inc.	1.2
		Mondelez International, Inc., Class A	1.2
		CME Group Inc., Class A	1.1
		Walmart Inc.	1.0
		Intuit Inc.	1.0
		Becton, Dickinson and Company	1.0
		Abbott Laboratories	1.0
		Boston Scientific Corporation	0.9
		Visa Inc., Class A	0.8
		ServiceNow, Inc.	0.8
		PepsiCo, Inc.	0.7
		Casey's General Stores, Inc.	0.7
		Top holdings as a percentage of total net asset value	72.1
		Total Net Asset Value	\$6,215,948,848

⁺ The prospectus and other information about the underlying exchange traded fund(s) held in the Portfolio are available at www.sedarplus.ca and www.bmo.com/etflegal.

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

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This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Portfolio may invest and the risks detailed from time to time in the simplified prospectus of the BMO Private Portfolios. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Portfolio, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, BMO Private Investment Counsel Inc. does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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