

Semi-Annual Management Report of Fund Performance

BMO Private U.S. 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 contactcentre@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 William Blair Investment Management, LLC ("William Blair" or the "sub-advisor") as the sub-advisor of BMO Private U.S. Special Equity Portfolio (the "Portfolio").

Results of Operations

Over the six-month period ended June 30, 2025, the Portfolio returned -11.17% in C\$ (-6.24% in US\$), after expenses. The Portfolio's benchmark is the Russell 2500 Growth Index, which generated a -5.86% total return in C\$ (-0.71% in US\$) over the same six-month period.

Amid a highly volatile backdrop, U.S. equity indices rebounded from first-quarter losses to deliver broad-based gains in the second quarter. Investor distress, fuelled by tariff policy and its potential economic and geopolitical ramifications, led markets sharply lower through early April. However, stocks rebounded sharply, spurred by new trade agreements, temporary exemptions and tariff delays for key countries. Resilient corporate earnings and a renewed fervour around artificial intelligence also fuelled the rebound.

In the second quarter, favourable consumer spending trends, cooler inflation metrics, a weaker dollar, and a notable sell-off in crude oil supported markets. The U.S. Federal Reserve Board (the "Fed") kept its federal funds target range unchanged at 4.25% to 4.50%, maintaining a "wait-and-see" approach amid mixed economic signals and tariff uncertainty. However, the Fed's latest dot plot, which remained fluid, indicated that two interest-rate cuts of 25 basis points each would likely be implemented by the end of 2025.

The Portfolio's underweight exposure to unprofitable companies and its bias toward companies with more consistent business models detracted from performance, particularly in the latter half of the period. The Portfolio underperformed when the benchmark index was up by over 26%. However, the portfolio added value when the index declined sharply by approximately 23%, consistent with its historical performance profile. The Portfolio's stock selection in the Consumer Staples sector also detracted from performance. Individual detractors included e.l.f. Beauty Inc., a designer and manufacturer of premium quality cosmetic and skincare products, saw its shares decline on disappointing new product innovations and tariff challenges. Shares of New Fortress Energy Inc. declined as the sale of certain assets took longer than expected, rekindling liquidity concerns among investors. Other detractors included Freshpet Inc., Financials company Flywire Corp. and Health Care company Neogen Corp.

BMO Private U.S. Special Equity Portfolio

The Portfolio's top individual contributors included integrated independent power producer Talen Energy Corp., as its shares advanced partly due to an expanded relationship with Amazon.com Inc. Stride Inc., a leading provider of online and blended education programs, reported strong enrollment growth across its general and career education segments. Other contributors included Energy company Cameco Corp., Industrials company Curtiss-Wright Corp. and Health Care company Blueprint Medicines Corp.

New positions in the Portfolio included Carpenter Technology Corp., Ciena Corp., Clean Harbors Inc., Paylocity Holding Corp. and Reliance Inc.

Increased positions included Baldwin Insurance Group Inc., Fox Factory Holding Corp., Kosmos Energy Ltd., Parsons Corp. and Twist Bioscience Corp.

Decreased positions included Advanced Drainage Systems Inc., BWX Technologies Inc., Madrigal Pharmaceuticals Inc., SharkNinja Inc. and Western Alliance Bancorp.

Eliminated positions included Acadia Healthcare Co. Inc., Blueprint Medicines Corp., CF Industries Holdings Inc., e.l.f. Beauty Inc., Merit Medical System Inc. and Varonis Systems Inc.

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's investment philosophy focuses on identifying companies with superior management, sustainable business models and solid financials, and whose stock prices do not reflect their long-term fundamentals. Furthermore, the sub-advisor's focus on durable businesses with compelling risk/reward profiles should position the Portfolio to navigate an array of prospective economic regimes.

While the underlying economy remains stable, driven by steady economic growth and favourable employment trends, tariff uncertainty and geopolitical strife may cause investor sentiment to abruptly shift. The sub-advisor will continue to monitor these dynamics and seek opportunities to best position the Portfolio for long-term success.

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 William Blair to provide investment advice and make investment decisions for the Portfolio's investment portfolio. William Blair receives a sub-advisory fee based on assets under management, which is paid quarterly. William Blair is paid by BPIC, and BPIC charges a portion of the sub-advisory fee as an expense to the Portfolio.

BMO Private U.S. Special Equity 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 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	115	127
Brokerage Commissions paid to BMO Nesbitt Burns Inc.	1	1

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.

BMO Private U.S. Special Equity Portfolio

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	93	85

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.

BMO Private U.S. Special Equity Portfolio

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	Years ended December 31				
	June 30, 2025	2024	2023	2022	2021	2020
Net assets, beginning of period	\$ 15.67	14.37	13.04	15.67	15.74	12.06
Increase (decrease) from operations:						
Total revenue	\$ 0.04	0.09	0.09	0.06	0.06	0.06
Total expenses ⁽²⁾	\$ (0.05)	(0.10)	(0.10)	(0.09)	(0.11)	(0.10)
Realized gains (losses) for the period	\$ (0.53)	2.40	0.93	(0.09)	1.71	0.82
Unrealized gains (losses) for the period	\$ (1.25)	0.65	1.06	(2.61)	(0.41)	2.50
Total increase (decrease) from operations ⁽³⁾	\$ (1.79)	3.04	1.98	(2.73)	1.25	3.28
Distributions:						
From income (excluding dividends)	\$ —	—	—	—	—	—
From dividends	\$ —	—	—	—	—	—
From capital gains	\$ —	1.80	0.70	—	1.37	—
Return of capital	\$ —	—	—	—	—	—
Total Annual Distributions ⁽⁴⁾	\$ —	1.80	0.70	—	1.37	—
Net assets, end of period	\$ 13.92	15.67	14.37	13.04	15.67	15.74

⁽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	Years ended December 31				
	June 30, 2025	2024	2023	2022	2021	2020
Total net asset value (000s) ⁽¹⁾	\$ 559,813	645,141	581,245	508,799	642,289	498,094
Number of units outstanding (000s) ⁽¹⁾	40,212	41,161	40,456	39,023	40,981	31,641
Management expense ratio ⁽²⁾	% 0.58	0.56	0.58	0.59	0.56	0.63
Management expense ratio before waivers or management absorptions ⁽²⁾	% 0.74	0.73	0.74	0.76	0.73	0.80
Trading expense ratio ⁽³⁾	% 0.04	0.04	0.04	0.04	0.02	0.04
Portfolio turnover rate ⁽⁴⁾	% 28.63	60.17	53.14	56.04	40.86	68.47
Net asset value per unit	\$ 13.92	15.67	14.37	13.04	15.67	15.74

⁽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.

BMO Private U.S. Special Equity Portfolio

Past Performance

General

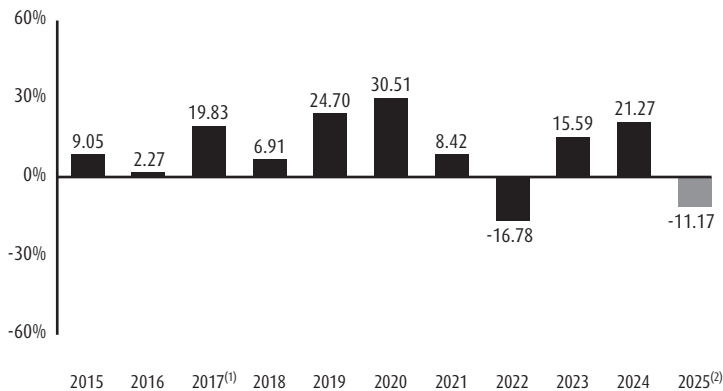
The Portfolio's performance information assumes that all distributions made by the Portfolio in the periods shown were reinvested in additional units of the Portfolio and is based on the net asset value of the Portfolio. The reinvestment of distributions increases returns.

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.

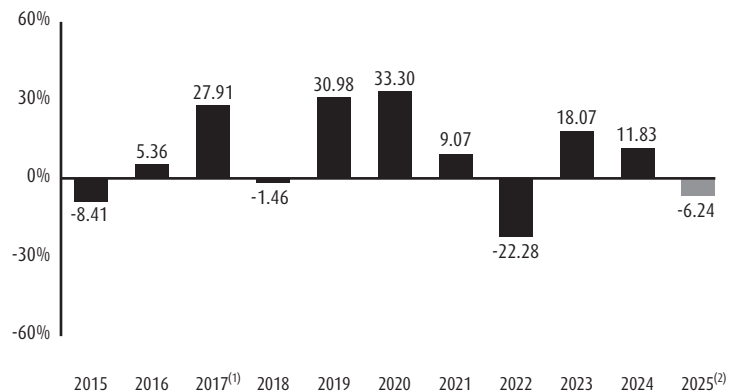
Year-by-Year Returns

The following bar charts show the performance for each of the financial years shown and for the six-month period ended June 30, 2025, and illustrate how the performance has changed from year to year. The bar charts show 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. Special Equity Portfolio (C\$)



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



⁽¹⁾ On January 16, 2017, the Portfolio's sub-advisor and benchmark were changed. Accordingly, the Portfolio's performance prior to this date would have been different under the current sub-advisor and benchmark.

⁽²⁾ For the six-month period ended June 30, 2025.

BMO Private U.S. Special Equity Portfolio

Summary of Investment Portfolio

as at June 30, 2025

Portfolio Allocation	% of Net Asset Value	Top 25 Holdings Issuer	% of Net Asset Value
United States	91.3	Talen Energy Corp.	3.1
Canada	4.1	Pure Storage, Inc., Class A	2.5
United Kingdom	2.1	Cameco Corporation	2.5
Cash/Receivables/Payables	1.5	Primo Brands Corporation	2.4
Israel	1.0	Doximity, Inc., Class A	2.4
Total portfolio allocation	100.0	nVent Electric Public Limited Company	2.1
		Mercury Systems, Inc.	2.0
		Dynatrace, Inc.	2.0
		Ciena Corporation	2.0
		Manhattan Associates, Inc.	2.0
		Everest Group, Ltd.	1.9
		SharkNinja, Inc.	1.8
		Insulet Corporation	1.8
		Insmed Incorporated	1.8
		Waystar Holding Corp.	1.8
		Mueller Industries, Inc.	1.8
		Carlyle Group Inc., The,	1.7
		Planet Fitness, Inc., Class A	1.7
		BWX Technologies, Inc.	1.7
		Confluent, Inc., Class A	1.7
		AppFolio, Inc., Class A	1.5
		Cash/Receivables/Payables	1.5
		Pool Corporation	1.5
		Curtiss-Wright Corporation	1.5
		Parsons Corporation	1.5
		Top holdings as a percentage of total net asset value	48.2
		Total Net Asset Value	\$559,812,553

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

BMO Private Wealth is a brand name for a business group consisting of Bank of Montreal and certain of its affiliates in providing private wealth management products and services. Not all products and services are offered by all legal entities within BMO Private Wealth. Banking services are offered through Bank of Montreal. Investment management, wealth planning, tax planning, and philanthropy planning services are offered through BMO Nesbitt Burns Inc. and BMO Private Investment Counsel Inc. Estate, trust, and custodial services are offered through BMO Trust Company. BMO Private Wealth legal entities do not offer tax advice.

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.

"BMO (M-bar roundel symbol)" is a registered trademark of Bank of Montreal, used under license.

www.bmo.com/privatewealth/
For more information please call 1-800-361-1392