



MD Financial
Management Inc.

MDPIM Pooled Funds

2025 Annual Financial Statements

A Message Regarding Your Financial Statements

The Annual Financial Statements produced for our MDPIM Pools are an important part of our commitment to keeping clients informed about their MD investments. The Annual Financial Statements are produced on a pool-by-pool basis.

If you have any questions regarding these documents, please contact your MD advisor or the MD TradeCentre at 1 800 267-2332.

Audited Annual Financial Statements for the Year Ended December 31, 2025

These audited Annual Financial Statements do not contain the Annual Management Report of Fund Performance ("MRFP") of the investment fund. If you have not received a copy of the Annual MRFP with this report, you may obtain a copy of the Annual MRFP at your request, and at no cost, by calling the toll-free number 1 800 267-2332, by writing to us at MD Financial Management Inc., 1870 Alta Vista Dr., Ottawa ON K1G 6R7, by visiting our website at md.ca or by visiting the SEDAR+ website at 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.

MD Financial Management Inc. wholly owns or has a majority interest in the MD Group of Companies. It provides financial products and services, is the fund manager for the MD Family of Funds and offers investment counselling services. For a detailed list of the MD Group of Companies, visit md.ca.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed. Their values change frequently, and past performance may not be repeated. To obtain a copy of the prospectus, please call your MD Advisor, or the MD Trade Centre at 1 800 267-2332. The MD Family of Funds is managed by MD Financial Management Inc.

MDPIM Pooled Funds

Management's Responsibility for Financial Reporting

Management acknowledges responsibility for the preparation and presentation of the financial statements of MDPIM Short-Term Bond Pool, MDPIM Dividend Pool, MDPIM Canadian Equity Pool, MDPIM US Equity Pool, MDPIM International Equity Pool, MDPIM Bond Pool, MDPIM Strategic Yield Pool, MDPIM Strategic Opportunities Pool, MDPIM Emerging Markets Equity Pool, MDPIM Canadian Equity Index Pool, MDPIM US Equity Index Pool and MDPIM International Equity Index Pool (collectively "the funds").

These financial statements have also been approved, in its capacity as trustee, by the Board of Directors of MD Financial Management Inc. The financial statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Management has, where required, made these judgments and estimates on a reasonable basis to ensure that the financial statements are presented fairly in all material respects. Management also maintains strong internal controls to provide reasonable assurance that the financial information provided is reliable and accurate, that the funds' assets are appropriately accounted for and safeguarded, and that any compliance requirements arising under corporate legislation, securities regulations and internal codes of business conduct are strictly adhered to.

The Board of Directors of MD Financial Management Inc. are responsible to ensure that management fulfils its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements as outlined above.

The Board of Directors meets with management and the external auditors periodically to discuss internal control, accounting and auditing matters and financial reporting issues, to satisfy themselves that each party has properly discharged its responsibilities. The Board reviews unaudited semi-annual financial statements and audited annual financial statements including the external auditors' report thereon. The Board considers these findings when making its ultimate approval of the financial statements for issuance. The Board also reviews the appointment of the external auditor annually.

The financial statements have been audited by KPMG LLP, the external auditors, in accordance with Canadian generally accepted auditing standards. KPMG LLP has full and free access to the MD Financial Management Inc. and MD Growth Investment Limited Boards.

Signed on behalf of MD Financial Management Inc. in its capacity as trustee of MDPIM Short-Term Bond Pool, MDPIM Dividend Pool, MDPIM Canadian Equity Pool, MDPIM US Equity Pool, MDPIM International Equity Pool, MDPIM Bond Pool, MDPIM Strategic Yield Pool, MDPIM Strategic Opportunities Pool, MDPIM Emerging Markets Equity Pool, MDPIM Canadian Equity Index Pool, MDPIM US Equity Index Pool and MDPIM International Equity Index Pool.



Todd Barnes
President and Chief Executive Officer
MD Financial Management Inc.



Roman Cherkashyn
Chief Financial Officer
MD Financial Management Inc.



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INDEPENDENT AUDITOR'S REPORT

To the Unitholders and Trustee of

MDPIM Short-Term Bond Pool
MDPIM Dividend Pool
MDPIM Canadian Equity Pool
MDPIM US Equity Pool
MDPIM International Equity Pool
MDPIM Bond Pool
MDPIM Strategic Yield Pool
MDPIM Strategic Opportunities Pool
MDPIM Emerging Markets Equity Pool
MDPIM Canadian Equity Index Pool
MDPIM US Equity Index Pool
MDPIM International Equity Index Pool

(collectively, the "Funds")

Opinion

We have audited the financial statements of the Funds, which comprise:

- the statements of financial position as at December 31, 2025 and December 31, 2024
- the statements of comprehensive income for the years then ended
- the statements of changes in net assets attributable to holders of redeemable units for the years then ended
- the statements of cash flows for the years then ended
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").



In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Funds as at December 31, 2025 and December 31, 2024, and their financial performance and their cash flows for the years then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***“Auditor’s Responsibilities for the Audit of the Financial Statements”*** section of our auditor’s report.

We are independent of the Funds in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises:

- the information included in the Annual Management Reports of Fund Performance of the Funds.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Annual Management Reports of Fund Performance of the Funds as at the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor’s report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Funds' ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Funds.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

March 31, 2026

MDPIM Canadian Equity Index Pool (Formerly MDPIM S&P/TSX Capped Composite Index Pool)

Financial Statements

Statements of Financial Position

(in \$000's except for units outstanding and per unit amounts)

	December 31, 2025	December 31, 2024
Assets		
Investments (Note 3, 8 and 9)	\$ 783,664	\$ 602,934
Cash	5,034	3,224
Dividends and interest receivable	1,343	1,423
Receivable for investment transactions	–	35
Subscriptions receivable	136	233
	790,177	607,849
Liabilities		
Accrued expenses (Note 4)	5	3
Distributions payable	2	–
Redemptions payable	213	115
	220	118
Net assets attributable to holders of redeemable units	\$ 789,957	\$ 607,731
Net assets attributable to holders of redeemable units per series		
Series A	\$ 582,935	\$ 474,630
Series F	\$ 207,022	\$ 133,101
Number of redeemable units outstanding (see Fund Specific Notes)		
Series A	28,611,449	29,919,064
Series F	10,173,859	8,414,299
Net assets attributable to holders of redeemable units per unit, per series		
Series A	\$ 20.37	\$ 15.86
Series F	\$ 20.35	\$ 15.82

Approved by the Board of Directors of MD Financial Management Inc., Trustee



Director
(Signed by Todd Barnes)



Director
(Signed by Massimo Ceschia)

Statements of Comprehensive Income

for the years ended December 31 (in \$000's except for per unit amounts)

	2025	2024
Income		
Net gain (loss) on investments		
Dividends	\$ 17,511	\$ 16,112
Interest for distribution purposes	330	621
Net realized gain (loss) on sale of investments	17,217	4,116
Change in unrealized appreciation (depreciation) of investments	157,534	83,636
Net gain (loss) on investments	192,592	104,485
Other Income		
Foreign exchange gain (loss) on cash	(1)	10
Early redemption fee	5	8
Securities lending (see Fund Specific Notes)	26	28
Total other income	30	46
Total income (loss)	192,622	104,531
Expenses		
Management fees (Note 4)	72	46
Regulatory filing fees	38	16
Audit fees	9	9
Custodial fees	35	52
Securityholder reporting costs	7	10
Administration fees (Note 4)	181	193
Independent Review Committee (IRC) fees	3	3
Interest expense	3	2
Withholding tax on foreign income	–	6
Transaction costs (Note 5)	30	21
Total expenses	378	358
Operating expenses absorbed by the Fund Manager (Note 4)	(273)	(283)
Net expenses	105	75
Increase (decrease) in net assets attributable to holders of redeemable units	\$192,517	\$104,456
Increase (decrease) in net assets attributable to holders of redeemable units per series		
Series A	\$145,700	\$ 84,241
Series F	\$ 46,817	\$ 20,215
Increase (decrease) in net assets attributable to holders of redeemable units per unit, per series		
Series A	\$ 4.96	\$ 2.88
Series F	\$ 5.06	\$ 2.87

The accompanying notes are an integral part of these financial statements.

MDPIM Canadian Equity Index Pool (Formerly MDPIM S&P/TSX Capped Composite Index Pool)

Financial Statements

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

for the years ended December 31 (in \$'000's)

	2025	2024
SERIES A		
Net Assets Attributable to Holders of Redeemable Units – beginning of year	\$ 474,630	\$ 382,388
Add (deduct) changes during the year:		
Operations		
Increase (decrease) in net assets attributable to holders of redeemable units	145,700	84,241
Redeemable unit transactions		
Proceeds from issue	77,440	116,167
Payments on redemption	(114,415)	(107,780)
Reinvested distributions	13,315	12,601
	(23,660)	20,988
Distributions		
From net investment income	(13,735)	(12,987)
	(13,735)	(12,987)
Net Assets Attributable to Holders of Redeemable Units – end of year	\$ 582,935	\$ 474,630
SERIES F		
Net Assets Attributable to Holders of Redeemable Units – beginning of year	\$ 133,101	\$ 74,642
Add (deduct) changes during the year:		
Operations		
Increase (decrease) in net assets attributable to holders of redeemable units	46,817	20,215
Redeemable unit transactions		
Proceeds from issue	56,480	58,212
Payments on redemption	(29,336)	(19,945)
Reinvested distributions	4,065	2,910
	31,209	41,177
Distributions		
From net investment income	(4,105)	(2,933)
	(4,105)	(2,933)
Net Assets Attributable to Holders of Redeemable Units – end of year	\$ 207,022	\$ 133,101

	2025	2024
TOTAL FUND		
Net Assets Attributable to Holders of Redeemable Units – beginning of year	\$ 607,731	\$ 457,030
Add (deduct) changes during the year:		
Operations		
Increase (decrease) in net assets attributable to holders of redeemable units	192,517	104,456
Redeemable unit transactions		
Proceeds from issue	133,920	174,379
Payments on redemption	(143,751)	(127,725)
Reinvested distributions	17,380	15,511
	7,549	62,165
Distributions		
From net investment income	(17,840)	(15,920)
	(17,840)	(15,920)
Net Assets Attributable to Holders of Redeemable Units – end of year	\$ 789,957	\$ 607,731

Statements of Cash Flows

for the years ended December 31 (in \$'000's)

	2025	2024
Cash flows from (used in) operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 192,517	\$ 104,456
Adjustments for:		
Proceeds from sale of investments	55,685	18,317
Purchase of investments	(61,629)	(81,006)
Unrealized foreign exchange (gain) loss on cash	1	(1)
Net realized (gain) loss on sale of investments	(17,217)	(4,116)
Change in unrealized (appreciation) depreciation of investments	(157,534)	(83,636)
Net change in non-cash working capital	82	(214)
Net cash from (used in) operating activities	11,905	(46,200)
Cash flows from (used in) financing activities		
Proceeds from issue of redeemable units	133,090	174,316
Distributions to holders of redeemable units, net of reinvested distribution	(458)	(410)
Amounts paid on redemption of redeemable units	(142,726)	(127,710)
Net cash from (used in) financing activities	(10,094)	46,196
Unrealized foreign exchange gain (loss) on cash	(1)	1
Net increase (decrease) in cash during the year	1,810	(3)
Cash, beginning of year	3,224	3,227
Cash, end of year	\$ 5,034	\$ 3,224
Interest received	341	572
Dividends received, net of withholding taxes	17,580	15,939

The accompanying notes are an integral part of these financial statements.

MDPIM Canadian Equity Index Pool (Formerly MDPIM S&P/TSX Capped Composite Index Pool)

Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
DOMESTIC EQUITIES			
Communication Services (1.9%)			
BCE Inc.	160,553	9,163	5,257
Cineplex Inc.	11,097	127	117
Cogeco Communications Inc.	5,206	374	346
Cogeco Inc.	1,249	74	80
Quebecor Inc. Cl. B	26,448	708	1,367
Rogers Communications Inc. Cl. B	65,876	3,926	3,413
TELUS Corporation	263,746	6,254	4,771
Total for Communication Services		20,626	15,351
Consumer Discretionary (3.2%)			
Aritzia Inc. Sub. Voting	16,386	518	1,923
AutoCanada Inc.	3,956	101	94
BRP Inc. Sub. Voting	5,306	378	515
Canada Goose Holdings Inc.	7,803	129	139
Canadian Tire Corporation, Limited Cl. A	8,679	1,326	1,510
Diversified Royalty Corp.	28,527	100	106
Dollarama Inc.	46,319	3,022	9,502
Gildan Activewear Inc.	22,508	879	1,931
Groupe Dynamite Inc.	2,654	96	219
Linamar Corporation	6,699	402	556
Magna International Inc.	45,132	2,902	3,302
Martinrea International Inc.	10,291	87	107
MTY Food Group Inc.	3,261	160	124
Pet Valu Holdings Ltd.	12,243	414	341
Restaurant Brands International Inc.	51,455	4,285	4,819
Spin Master Corp. Sub. Voting	5,779	196	110
Total for Consumer Discretionary		14,995	25,298
Consumer Staples (3.3%)			
Alimentation Couche-Tard Inc.	122,530	5,912	9,185
Empire Company Limited Cl. A	21,317	617	1,017
George Weston Ltd.	27,046	1,219	2,561
Jamieson Wellness Inc.	6,906	207	232
Loblaw Companies Limited	92,967	2,126	5,769
Maple Leaf Foods Inc.	13,696	343	342
Metro Inc.	37,253	2,261	3,680
Premium Brands Holdings Corp.	7,437	676	757
Rogers Sugar, Inc.	22,246	136	132
Saputo Inc.	41,346	1,498	1,708
The North West Company Inc.	7,957	274	389
Total for Consumer Staples		15,269	25,772
Energy (14.7%)			
Advantage Energy Ltd.	27,414	201	322
ARC Resources Ltd.	100,607	1,250	2,591
Athabasca Oil Corporation	81,681	244	574
Baytex Energy Corp.	114,182	454	507
Birchcliff Energy Ltd.	45,384	306	339
Cameco Corporation	74,678	2,024	9,385
Canadian Natural Resources Limited	351,080	9,195	16,322
Cardinal Energy, Ltd.	23,749	157	206

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MDPIM Canadian Equity Index Pool (Formerly MDPIM S&P/TSX Capped Composite Index Pool)

Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Cenovus Energy Inc.	241,219	4,164	5,601
CES Energy Solutions Corp.	34,865	241	428
Denison Mines Corp.	152,620	258	556
Enbridge Inc.	375,033	19,082	24,632
Enerflex, Ltd.	20,168	268	427
Freehold Royalties, Ltd.	24,062	291	365
Gibson Energy Inc.	28,004	582	703
Headwater Exploration Inc.	41,055	276	385
Imperial Oil Limited	25,544	1,383	3,029
International Petroleum Corporation	11,192	176	278
IsoEnergy Ltd.	7,159	72	89
Kelt Exploration, Ltd.	28,406	172	218
Keyera Corp.	39,358	1,297	1,732
Mattr Corp.	11,430	165	91
Meren Energy Inc.	72,368	128	130
NexGen Energy Ltd.	94,201	631	1,190
North American Construction Group, Ltd.	5,430	111	107
NuVista Energy Ltd.	25,656	270	465
Obsidian Energy Ltd.	11,104	92	93
Paramount Resources, Ltd.	12,533	344	303
Parex Resources Inc.	16,126	283	297
Pason Systems Inc.	12,433	179	149
Pembina Pipeline Corporation	99,576	4,319	5,207
PEYTO Exploration & Development Corp.	33,581	360	763
PHX Energy Services Corp.	7,069	50	53
PrairieSky Royalty, Ltd.	39,767	898	1,075
Precision Drilling Corporation	2,444	194	241
Secure Waste Infrastructure Corp.	30,722	221	531
South Bow Corporation	35,578	955	1,343
Spartan Delta Corp.	27,672	124	201
Strathcona Resources Ltd.	6,796	113	192
Suncor Energy Inc.	208,843	8,604	12,723
Surge Energy Inc.	19,500	139	135
Tamarack Valley Energy, Ltd.	80,618	321	643
TC Energy Corporation	178,758	9,948	13,510
Tenaz Energy Corp.	4,058	82	107
TerraVest Industries Inc.	2,691	329	443
Topaz Energy Corp.	19,303	410	532
Tourmaline Oil Corp.	62,608	2,567	3,855
Trican Well Service Ltd.	31,753	148	189
Uranium Royalty Corp.	20,873	113	101
Valeura Energy Inc.	14,109	103	115
Vermilion Energy Inc.	26,441	515	302
Whitecap Resources, Inc.	209,881	1,651	2,414
Total for Energy		76,460	116,189
Financials (33.2%)			
AGF Management Limited Cl. B	10,300	150	168
Alaris Equity Partners Income Trust	7,486	146	154
Atrium Mortgage Investment Corporation	7,703	87	89
Bank of Montreal	123,300	13,211	21,978
Brookfield Asset Management Ltd. Cl. A	68,101	2,384	4,896
Brookfield Corporation Cl. A	388,677	12,416	24,494

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MDPIM Canadian Equity Index Pool (Formerly MDPIM S&P/TSX Capped Composite Index Pool)

Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Canaccord Genuity Group Inc.	12,790	136	141
Canadian Imperial Bank of Commerce	159,947	9,494	19,902
Definity Financial Corporation	16,547	716	1,256
EQB Inc.	4,744	295	493
Fairfax Financial Holdings Limited	3,751	3,252	9,812
Fiera Capital Corporation	16,459	105	102
goeasy Ltd.	2,150	288	282
Great-West Lifeco Inc.	46,797	1,669	3,168
Guardian Capital Group, Ltd. Cl. A	2,797	187	188
iA Financial Corporation Inc.	16,034	1,061	2,851
IGM Financial Inc.	15,279	597	944
Intact Financial Corporation	30,714	4,678	8,776
Laurentian Bank of Canada	7,828	273	316
Manulife Financial Corporation	292,675	7,549	14,587
National Bank of Canada	67,366	4,975	11,628
Onex Corporation	9,840	855	1,112
Power Corporation of Canada	92,294	3,133	6,733
Propel Holdings Inc.	4,171	135	104
Royal Bank of Canada	241,996	27,281	56,625
Sprott Inc.	3,531	184	475
Sun Life Financial Inc.	96,669	5,420	8,283
The Bank of Nova Scotia	213,811	15,388	21,644
The Toronto-Dominion Bank	293,543	21,329	37,973
Timbercreek Financial Corp.	14,040	106	96
TMX Group Limited	45,236	1,121	2,363
Trisura Group, Ltd.	8,120	311	347
Total for Financials		138,932	261,980
Health Care (0.3%)			
Bausch Health Companies Inc.	48,346	780	461
Chartwell Retirement Residences	51,871	668	1,043
dentalcorp Holdings Ltd.	19,394	158	212
Extendicare Inc.	11,875	138	253
Sienna Senior Living Inc.	16,182	229	331
VitalHub Corp.	10,343	113	98
Well Health Technologies Corp.	42,900	254	171
Total for Health Care		2,340	2,569
Industrials (10.5%)			
ADENTRA Inc.	3,427	117	116
Aecon Group Inc.	10,505	285	329
AG Growth International Inc.	3,628	122	84
Air Canada	51,495	1,019	993
AtkinsRealis Group Inc.	28,208	1,279	2,499
ATS Corporation	16,836	555	637
Badger Infrastructure Solutions Ltd.	5,787	196	423
Ballard Power Systems Inc.	43,839	108	153
Bird Construction Inc.	8,888	206	254
Black Diamond Group Limited	9,162	130	134
Bombardier Inc.	449	76	105
Bombardier Inc. Cl. B	14,957	819	3,493
Boyd Group Services Inc.	3,687	764	806
Brookfield Business Corporation Cl. A	4,469	172	219

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MDPIM Canadian Equity Index Pool (Formerly MDPIM S&P/TSX Capped Composite Index Pool)

Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
CAE Inc.	55,508	1,451	2,317
Calian Group Ltd.	1,864	94	104
Canadian National Railway Company	94,893	11,735	12,882
Canadian Pacific Kansas City Limited	157,955	11,951	15,961
Cargojet Inc.	2,728	344	229
Chorus Aviation, Inc.	4,620	101	99
Doman Building Materials Group Ltd.	11,727	102	110
Element Fleet Management, Corp.	68,514	992	2,470
Exchange Income Corporation	8,368	355	686
Finning International Inc.	22,531	666	1,676
GFL Environmental Inc. Sub. Voting	35,120	1,529	2,071
Hammond Power Solutions Inc.	1,579	162	252
MDA Space Ltd.	18,284	281	487
Mullen Group Limited	14,548	187	229
NFI Group Inc.	15,523	235	241
RB Global, Inc.	31,956	4,287	4,516
Richelieu Hardware, Ltd.	8,446	270	334
Russel Metals Inc.	9,313	270	408
Savaria Corporation	9,502	172	216
Stantec Inc.	19,472	1,105	2,522
TFI International Inc.	12,944	1,009	1,836
Thomson Reuters Corporation	23,452	2,556	4,248
Toromont Industries Ltd.	13,920	1,061	2,311
Waste Connections, Inc.	44,198	5,848	10,639
Westshore Terminals Investment Corporation	5,038	122	131
WSP Global Inc.	22,402	3,140	5,567
Total for Industrials		55,873	82,787
Information Technology (9.4%)			
Bitfarms Ltd.	82,838	173	268
BlackBerry Limited	100,249	871	519
Celestica Inc.	19,546	623	7,936
CGI Inc.	34,133	3,152	4,327
Computer Modelling Group, Ltd.	14,882	130	78
Constellation Software Inc.	3,440	5,748	11,357
Constellation Software Inc., Warrants (Exp. 03/31/40)	2,947	–	–
Coveo Solutions Inc.	10,639	64	70
Docebo Inc.	1,714	81	52
Dye & Durham Limited	11,348	85	47
Enghouse Systems Limited	7,044	256	143
Kinaxis Inc.	4,724	603	818
Lightspeed Commerce Inc.	22,496	1,142	373
Open Text Corporation	43,330	2,085	1,937
Shopify Inc. Cl. A	202,347	13,522	44,719
The Descartes Systems Group Inc.	14,803	974	1,782
Total for Information Technology		29,509	74,426
Materials (18.2%)			
5N Plus Inc.	14,196	157	252
AbraSilver Resource Corp.	22,261	131	238
Agnico Eagle Mines Limited	86,335	5,872	20,095
Alamos Gold Inc. Cl. A	70,869	956	3,756
Algoma Steel Group Inc.	18,909	149	107

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MDPIM Canadian Equity Index Pool (Formerly MDPIM S&P/TSX Capped Composite Index Pool)

Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Allied Gold Corporation	13,959	227	439
Almonty Industries Inc.	19,403	115	234
Altius Minerals Corporation	6,153	168	251
Americas Gold and Silver Corporation	35,300	140	249
Andean Precious Metals Corp.	7,504	48	73
Aris Mining Corporation	34,133	264	760
Avino Silver & Gold Mines Ltd.	26,154	131	223
Aya Gold & Silver Inc.	22,597	307	444
B2Gold Corp.	226,558	995	1,400
Barrick Mining Corporation	292,030	6,650	17,460
Canfor Corporation	9,788	138	115
Capstone Copper Corp.	93,555	608	1,289
Cascades Inc.	13,400	170	167
CCL Industries Inc. Cl. B	24,499	1,517	2,124
Centerra Gold Inc.	33,379	283	660
Chemtrade Logistics Income Fund	19,219	200	283
Collective Mining Ltd.	6,951	109	139
Discovery Silver Corp.	102,563	334	859
DPM Metals Inc.	37,009	512	1,570
Eldorado Gold Corporation	34,036	510	1,679
Endeavour Silver Corp.	49,811	308	643
Equinox Gold Corp.	128,909	1,165	2,487
Ero Copper Corp.	15,231	318	591
First Majestic Silver Corp.	70,989	683	1,626
First Quantum Minerals Ltd.	116,200	1,816	4,276
Foran Mining Corporation	48,562	195	245
Fortuna Mining Corp.	52,078	354	700
Franco-Nevada Corporation	32,851	4,501	9,346
G Mining Ventures Corp.	30,236	507	1,254
Galiano Gold Inc.	43,368	145	151
Global Atomic Corporation	47,552	26	34
GoGold Resources Inc.	60,843	130	177
Hudbay Minerals Inc.	67,713	543	1,845
IAMGOLD Corporation	99,500	516	2,254
Interfor Corporation	10,105	165	87
Ivanhoe Mines Ltd. Cl. A	124,364	1,219	1,941
K92 Mining Inc.	41,501	290	942
Kinross Gold Corporation	207,941	1,433	8,039
Labrador Iron Ore Royalty Corporation	10,976	308	328
Lithium Americas Corp.	36,179	162	216
Lundin Gold Inc.	16,989	456	1,937
Lundin Mining Corporation	117,679	1,049	3,472
Lunr Royalties Corp.	5,546	4	72
Major Drilling Group International Inc.	15,262	147	197
Methanex Corporation	11,616	632	632
Montage Gold Corp.	38,920	190	385
Neo Performance Materials Inc.	5,317	92	83
New Gold Inc.	131,584	300	1,574
Ngex Minerals Ltd.	23,224	314	595
Northern Dynasty Minerals Ltd.	92,515	115	250
NOVAGOLD RESOURCES Inc.	51,521	390	659
Nutrien Ltd.	84,073	5,518	7,123

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MDPIM Canadian Equity Index Pool (Formerly MDPIM S&P/TSX Capped Composite Index Pool)

Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
OceanaGold Corporation	39,677	391	1,543
OR Royalties Inc.	32,164	539	1,564
Orezone Gold Corporation	69,221	93	123
Orla Mining Ltd.	35,738	206	660
Pan American Silver Corp.	72,651	1,327	5,170
Rio2 Limited	62,012	136	211
Seabridge Gold Inc.	14,404	266	586
Silvercorp Metals Inc.	34,846	165	400
Skeena Resources Limited	14,648	245	478
Solaris Resources Inc.	14,673	97	161
Southern Cross Gold Consolidated Ltd.	39,514	205	418
SSR Mining Inc.	34,675	494	1,043
Stella-Jones Inc.	9,228	497	786
Taseko Mines Limited	51,692	165	402
Teck Resources Limited Cl. B Sub. Voting	74,137	2,631	4,872
Torex Gold Resources, Inc.	14,701	286	964
Transcontinental Inc. Cl. A	12,415	233	282
Trilogy Metals Inc.	16,832	95	100
Triple Flag Precious Metals Corp.	11,300	298	515
Vizsla Silver Corp.	54,786	197	412
Wesdome Gold Mines Ltd.	25,791	232	586
West Fraser Timber Co., Ltd.	8,738	735	734
Wheaton Precious Metals Corp.	77,983	3,508	12,583
Winpak, Ltd.	4,768	215	213
Total for Materials		57,938	143,833
Real Estate (1.5%)			
Allied Properties Real Estate Investment Trust	22,662	733	303
Altus Group Limited	7,197	305	408
Artis Real Estate Investment Trust	14,406	88	115
Boardwalk Real Estate Investment Trust	6,890	363	444
Canadian Apartment Properties REIT	26,563	1,136	979
Choice Properties Real Estate Investment Trust	46,467	613	688
Colliers International Group Inc.	7,689	917	1,551
Crombie Real Estate Investment Trust	19,808	279	302
CT Real Estate Investment Trust	12,926	194	210
Dream Industrial Real Estate Investment Trust	50,204	589	632
First Capital Real Estate Investment Trust	35,730	620	675
FirstService Corporation	6,858	1,034	1,464
Granite Real Estate Investment Trust	10,399	833	850
H&R Real Estate Investment Trust	46,016	677	471
InterRent Real Estate Investment Trust	23,867	262	315
Killam Apartment Real Estate Investment Trust	20,117	304	330
Minto Apartment Real Estate Investment Trust	5,674	78	77
Nexus Industrial REIT	11,745	89	93
NorthWest Healthcare Properties Real Estate Investment Trust	40,628	322	208
Primaris Real Estate Investment Trust	17,247	276	269
RioCan Real Estate Investment Trust	49,724	1,073	930
Slate Grocery REIT	9,566	138	146
SmartCentres Real Estate Investment Trust	21,356	556	550
StorageVault Canada Inc.	39,561	192	185
Total for Real Estate		11,671	12,195

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MDPIM Canadian Equity Index Pool (Formerly MDPIM S&P/TSX Capped Composite Index Pool)

Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Utilities (2.9%)			
Algonquin Power & Utilities Corp.	133,912	1,766	1,130
AltaGas Ltd.	51,183	1,309	2,142
ATCO Ltd. Cl. I	12,575	553	709
Boralex, Inc. Cl. A	17,522	496	444
Brookfield Infrastructure Corporation Cl. A	20,806	1,223	1,296
Canadian Utilities Limited Cl. A	21,409	771	915
Capital Power Corporation	26,497	1,022	1,551
Emera Incorporated	51,192	2,607	3,463
Fortis Inc.	86,625	4,446	6,182
Hydro One Limited	54,546	1,673	2,980
Northland Power Inc.	45,595	1,362	814
Superior Plus Corp.	40,186	411	283
TransAlta Corporation	45,252	437	786
Total for Utilities		18,076	22,695
Total for Domestic Equities (99.1%)		441,689	783,095
FOREIGN EQUITIES			
Bermuda (0.1%)			
Brookfield Wealth Solutions Ltd.	9,000	514	569
Total for Bermuda		514	569
Total for Foreign Equities (0.1%)		514	569
Total for Investments (99.2%)		\$442,203	\$783,664
Cash and Other Net Assets (0.8%)			6,293
Total Net Assets Attributable to Holders of Redeemable Units (100.0%)			\$789,957

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

MDPIM Canadian Equity Index Pool (Formerly MDPIM S&P/TSX Capped Composite Index Pool)

Fund Specific Notes

(in \$000's)

Financial Instruments

MDPIM Canadian Equity Index Pool (the "Fund") invests mainly in domestic equities as shown in the Schedule of Investment Portfolio. These investments expose the Fund to risks associated with financial instruments. The Fund's exposure and sensitivity to these risks are presented below. A description of the risks and how the Fund manages these risks is discussed in Note 8 of the Notes to the Financial Statements.

Credit Risk

As at December 31, 2025 and December 31, 2024, the Fund does not have significant exposure to credit risk.

Currency Risk

Exposures to foreign currencies as at December 31, 2025 and December 31, 2024 are presented in the table below.

Currency	Cash and Other Net Assets Attributable to Holders of Redeemable Units	Investments at Fair Value	Derivative Exposure	Net Currency Exposure	% of Net Assets Attributable to Holders of Redeemable Units
December 31, 2025					
U.S. Dollar	\$319	\$ –	\$ –	\$319	0.0%
Total	\$319	\$ –	\$ –	\$319	0.0%
December 31, 2024					
U.S. Dollar	\$247	\$ –	\$ –	\$247	0.0%
Total	\$247	\$ –	\$ –	\$247	0.0%

As at December 31, 2025, if the Canadian Dollar had strengthened against all other currencies by 10%, the Net Assets Attributable to Holders of Redeemable Units of the Fund could have decreased by approximately \$32 or 0.0% of Net Assets Attributable to Holders of Redeemable Units (December 31, 2024 – \$25 or 0.0%). Conversely, had the Canadian Dollar weakened against all other currencies by 10%, the Net Assets Attributable to Holders of Redeemable Units of the Fund could have increased by approximately \$32 or 0.0% of Net Assets Attributable to Holders of Redeemable Units (December 31, 2024 – \$25 or 0.0%). These sensitivities are estimates. Actual results may vary and the variance may be material.

Interest Rate Risk

The majority of the Fund's financial assets are non-interest bearing. The maturity dates of the interest-bearing assets held by the Fund are less than one year. Therefore, the Fund's exposure to interest rate risk is not significant.

Liquidity Risk

The Fund's financial liabilities are all due within one year. Redeemable units are redeemable on demand at the holder's option; however, the Fund does not expect the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer period.

Other Price Risk

As at December 31, 2025, 99.2% (December 31, 2024 – 99.2%) of the Fund's Net Assets Attributable to Holders of Redeemable Units were invested in equity financial instruments traded in active markets. If prices of securities traded on these markets decrease by 10%, with all other factors remaining constant, Net Assets Attributable to Holders of Redeemable Units could fall by approximately \$78,366 (December 31, 2024 – \$60,293). Conversely, if prices increase by 10%, Net Assets Attributable to Holders of Redeemable Units could rise by approximately \$78,366 (December 31, 2024 – \$60,293). These sensitivities are estimates. Actual results may vary and the variance may be significant.

Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category. The following table summarizes the Fund's concentration risk as a percentage of Net Assets Attributable to Holders of Redeemable Units:

Market Segment	December 31, 2025	December 31, 2024
Domestic Equities		
Communication Services	1.9%	2.3%
Consumer Discretionary	3.2%	3.3%
Consumer Staples	3.3%	3.9%
Energy	14.7%	17.0%
Financials	33.2%	32.9%
Health Care	0.3%	0.3%
Industrials	10.5%	12.5%
Information Technology	9.4%	10.0%
Materials	18.2%	11.3%
Real Estate	1.5%	1.9%
Utilities	2.9%	3.0%
Foreign Equities		
Bermuda	0.1%	0.8%
Cash and Other Net Assets (Liabilities)		
	0.8%	0.8%
Total	100.0%	100.0%

MDPIM Canadian Equity Index Pool (Formerly MDPIM S&P/TSX Capped Composite Index Pool)

Fund Specific Notes

(in \$000's)

Fair Value Hierarchy

The following is a summary of the Fund's use of quoted market prices (Level 1), internal models using observable market information as inputs (Level 2), and internal models without observable market information (Level 3) in the valuation of the Fund's securities. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Market Inputs (Level 3)	Total
December 31, 2025				
Domestic Equities	\$783,095	\$ –	\$ –	\$783,095
Foreign Equities	569	–	–	569
Total	\$783,664	\$ –	\$ –	\$783,664
December 31, 2024				
Domestic Equities	\$597,847	\$ –	\$ –	\$597,847
Foreign Equities	5,087	–	–	5,087
Total	\$602,934	\$ –	\$ –	\$602,934

There were no significant transfers between Level 1 and Level 2 for the periods January 1, 2025 to December 31, 2025 and January 1, 2024 to December 31, 2024.

Redeemable Unit Transactions

for the years ended December 31

	2025	2024
SERIES A		
Outstanding, beginning of year	29,919,064	28,445,812
Issued	5,147,347	8,909,060
Redeemed	(6,454,962)	(7,435,808)
Outstanding, end of year	28,611,449	29,919,064
SERIES F		
Outstanding, beginning of year	8,414,299	5,581,868
Issued	3,418,395	4,229,719
Redeemed	(1,658,835)	(1,397,288)
Outstanding, end of year	10,173,859	8,414,299

Securities on Loan

(in \$000's)

December 31, 2025 **December 31, 2024**

Fair value of securities loaned	\$4,667	\$1,924
Fair value of collateral (non-cash)	\$4,915	\$2,035

State Street Bank and Trust Co. is entitled to receive payments out of the gross amount generated from the securities lending transactions of the Fund and bears all operational costs directly related to securities lending as well as the cost of borrower default indemnification.

The table below sets out a reconciliation of the gross amount generated from the securities lending transactions of the Fund to the revenue from securities lending disclosed under securities lending income in the Fund's Statements of Comprehensive Income.

for the years ended December 31 (in \$000's)	2025	2024
Gross amount generated from the securities lending transactions	\$33	\$35
Amounts paid to State Street Bank and Trust Co.	\$ (7)	\$ (7)
Net securities lending income as reported in the Statements of Comprehensive Income	\$26	\$28

Notes to Financial Statements

For the years ended December 31, 2025 and 2024

1. Name and formation of the Funds

ESTABLISHMENT OF THE FUNDS

The MDPIIM Pooled Funds (individually a “Fund” and collectively the “Funds”) are unincorporated mutual fund trusts formed under the laws of the province of Ontario pursuant to the Declarations of Trust, and the creation dates are as follows:

	Series A Units	Private Trust Units	Series D Units	Series I Units	Series F Units
MDPIIM Short-Term Bond Pool	December 6, 2002				
MDPIIM Bond Pool	March 24, 2010				
MDPIIM Dividend Pool	January 4, 2007				
MDPIIM Strategic Yield Pool	January 23, 2013				
MDPIIM Canadian Equity Pool	June 16, 1999	August 9, 2000			
MDPIIM US Equity Pool	August 6, 1999	August 9, 2000			
MDPIIM International Equity Pool	December 6, 2002				
MDPIIM Strategic Opportunities Pool	January 23, 2013				
MDPIIM Emerging Markets Equity Pool	April 11, 2014		March 19, 2018	March 19, 2018	March 19, 2018
MDPIIM Canadian Equity Index Pool	March 20, 2017				November 21, 2017
MDPIIM US Equity Index Pool	March 20, 2017				November 21, 2017
MDPIIM International Equity Index Pool	March 20, 2017				November 21, 2017

Effective Feb 10, 2025, the name of MDPIIM S&P/TSX Capped Composite Equity Index Pool was changed to MDPIIM Canadian Equity Index Pool and MDPIIM S&P 500 Index Pool was changed to MDPIIM US Equity Index Pool.

MD Financial Management Inc. (“the Manager”) is the Manager and Trustee of the Funds. The Manager is a wholly-owned subsidiary of The Bank of Nova Scotia (“Scotiabank”). The address of the Funds’ registered office is 1870 Alta Vista, Ottawa, Ontario.

The financial statements of the Funds include the Statements of Financial Position as of December 31, 2025 and December 31, 2024, as applicable, and the Statements of Comprehensive Income, the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units or Shares and the Statements of Cash Flows for the years ended December 31, 2025 and 2024, except for Funds established during either period, in which case the information provided relates to the period from creation date to December 31, 2025 or 2024. The Schedule of Investment Portfolio for each of the Funds is at December 31, 2025.

These financial statements were authorized for issue by the Manager on March 31, 2026.

SERIES OF UNITS

All MDPIIM Pooled Funds offer either “Private Trust Series” or “Series A” units which may be purchased by either MD Private Investment Counsel (an operating division of MD Financial Management Inc.) or MD Private Trust Company clients who have appointed MD Private Investment Counsel to provide discretionary portfolio management services and advice to them or MD Private Trust Company to provide trust services.

The MDPIIM Canadian Equity Pool and MDPIIM US Equity Pool “Series A” units are available to all qualified investors. These units are closed to new subscribers. Investors holding “Series A” units of these Funds are allowed to hold their units, as well as subscribe for additional “Series A” units of the Funds.

“Series D” units are available to qualified investors who acquire securities through an order execution only trading platform approved by MD Management Limited.

“Series F” units are available to all MD Management Ltd. clients who are qualified eligible investors and who have a fee-based account with MD Management Ltd.

“Series I” units were established to support the MD Precision Conservative Portfolio, the MD Precision Moderate Balanced Portfolio, the MD Precision Balanced Growth Portfolio, the MD Precision Maximum Growth Portfolio, the MD Precision Balanced Income Portfolio and the MD Precision Moderate Growth Portfolio. These units are only available to the six Funds listed above and certain institutional investors, and are not charged management fees.

2. Basis of presentation

These financial statements have been prepared in compliance with IFRS Accounting Standards. The preparation of these financial statements in accordance with IFRS Accounting Standards requires the use of judgment in applying accounting policies and to make estimates and assumptions concerning the future. Critical accounting judgments and estimates made by the Manager are disclosed in Note 7.

3. Material accounting policy information

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Canadian dollars, which is the Funds’ functional currency. Cash, investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing on each valuation date. Transactions during the year in currencies other than Canadian dollars are translated into Canadian dollars at the rate of exchange prevailing on the trade date of the transaction. The difference in the foreign exchange rate between trade date and settlement date of a transaction is recognized in income on the Statements of Comprehensive Income. Foreign exchange gains and losses relating to cash

Notes to Financial Statements

For the years ended December 31, 2025 and 2024

are presented as “Foreign exchange gain (loss) on cash” and those relating to other financial assets and liabilities are presented within net gains or losses on the sale of investments or derivatives.

All financial information is presented in Canadian dollars and has been rounded to the nearest thousand, unless otherwise stated.

FINANCIAL INSTRUMENTS

The Funds classify and measure financial instruments in accordance with IFRS 9 “Financial Instruments” (IFRS 9). All financial assets and liabilities are recognized in the Statements of Financial Position when the Funds become party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Funds have transferred substantially all the risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date.

The Funds classify investments, including derivatives, as fair value through profit or loss (FVTPL). Investment classification is based on both the Funds’ business model for managing those investments and their contractual cash flow characteristics. The portfolio of investments is managed and performance is evaluated on a fair value basis in accordance with the Funds’ investment strategy. The Funds are primarily focused on fair value information and use that information to assess performance and to make decisions. The contractual cash flows of the Funds’ debt securities are generally principal and interest, however, the collection of contractual cash flows is only incidental to achieving the Funds’ business model’s objective. Consequently, all investments are measured at FVTPL. Subsequent to initial recognition, investments, including derivatives, are measured at FVTPL. Gains and losses arising from changes in the fair value are included in the Statements of Comprehensive Income for the years in which they arise.

The Funds’ obligation for net assets attributable to holders of redeemable units is measured at FVTPL, with fair value being the redemption amount at the reporting date.

Cash is measured at fair value upon recognition and subsequently at amortized cost.

Other financial assets and liabilities, such as accrued interest and dividends receivable, accounts receivable for investment transactions, subscriptions receivable, amounts receivable for securities lending transactions, distributions payable, accounts payable for investment transactions and redemptions payable are recognized initially at fair value, net of transaction costs, and subsequently stated at amortized cost using the effective interest rate method. Under this method, these financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contracts’ effective interest rate.

NET ASSETS VERSUS NET ASSET VALUE

The Funds’ accounting policies for measuring the fair value of their investments and derivatives are identical to those used in measuring the net asset value (NAV) for transactions with unitholders in accordance with Part 14 of National Instruments 81-106 Investment Funds for Continuous Disclosure (“NI 81-106”).

INCOME RECOGNITION

Gains and losses arising from changes in fair value of non-derivative financial assets are shown in the Statements of Comprehensive Income as “Change in unrealized appreciation (depreciation) of investments” and as “Net realized gain (loss) on sale of investments” when positions are sold.

Gains and losses arising from changes in fair value of derivatives are shown in the Statements of Comprehensive Income as “Change in unrealized

appreciation (depreciation) on derivative instruments” and as “Net realized gain (loss) on derivative instruments” when positions are closed out or have expired, where applicable.

The interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Funds, accounted for on an accrual basis. Dividend income and distributions to unitholders are recorded on the ex-dividend date. Distributions from underlying funds out of interest, foreign income and related withholding taxes, Canadian dividends and net realized capital gains are recognized when declared. Realized gains or losses from investment transactions and the unrealized appreciation or depreciation of investments are computed on an average cost basis, which exclude brokerage commissions and other trading expenses. Brokerage commissions and other trading expenses are charged to income as incurred.

OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when the Funds currently have a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In the normal course of business, the Funds may enter into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Financial assets and liabilities that are subject to master netting or comparable agreements and the related potential effect of offsetting are disclosed in the respective Fund Specific Notes.

Transactions with counterparties are governed by separate master netting agreements. Each agreement allows for net settlement of certain open contracts where the Fund and respective counterparty both elect to settle on a net basis. In the absence of such an election, contracts will be settled on a gross basis. However, each party to the master netting agreement will have the option to settle all open contracts on a net basis in the event of default of the other party.

NON-CASH TRANSACTIONS

Non-cash transactions on the Statements of Cash Flows include reinvested distributions from the underlying mutual funds and stock dividends from equity investments. These amounts represent non-cash income recognized in the Statements of Comprehensive Income. In addition, reclassifications between series of the same fund are also non-cash in nature and have been excluded from “Proceeds from issue of redeemable units” and “Cash paid on redemption of redeemable units” on the Statements of Cash Flows.

FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments are categorized as FVTPL and are recorded at fair value. In the case of securities traded in an active market, fair value is based on quoted market prices at the close of trading on the reporting date as provided by independent pricing services. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within the day’s bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. In the case of investments not traded in an active market, or for those securities for which the Manager feels the latest market prices are not reliable, fair value is estimated based on valuation techniques established by the Manager. Valuation techniques

Notes to Financial Statements

For the years ended December 31, 2025 and 2024

established by the Manager are based on observable market data except in situations where there is no relevant or reliable market data. The value of securities estimated using valuation techniques not based on observable market data, if any, is disclosed in the Financial Instruments Risks section of the financial statements.

FINANCIAL DERIVATIVES INSTRUMENTS

A derivative is a financial contract between two parties, the value of which is derived from the value of an underlying asset such as an equity, bond, commodity, interest rate or currency. Certain Funds may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used to protect a security price, currency exchange rate or interest rate from negative changes (hedging) or to provide exposure to securities, indices, or currencies without investing in them directly (non-hedging). Derivatives contain various risks including the potential inability for the counterparty to fulfil their obligations under the terms of the contract, the potential for illiquid markets and the potential price risk which may expose the Funds to gains and/or losses in excess of the amounts shown on the Statements of Financial Position. Derivatives with unrealized gains are reported as financial derivative instruments under current assets and derivatives with unrealized losses are reported as financial derivative instruments under current liabilities.

Forward Currency Contracts

Certain Funds may enter into forward currency contracts for either hedging or non-hedging purposes where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities. A forward currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. Investments in forward currency contracts are entered into with approved counterparties and are recorded at fair value. The fair value of a forward currency contract fluctuates with changes in foreign currency exchange rates. The fair value of forward currency contracts is reported as financial derivative instruments in the Statements of Financial Position. Forward currency contracts are marked to market daily and the changes in fair value of forward currency contracts are recorded in "Change in unrealized appreciation (depreciation) of derivative instruments". Upon closing of the contracts, the accumulated gains or losses are reported in "Net realized gain (loss) on sale of derivative instruments". The contractual amounts of open contracts are disclosed in the Schedule of Investment Portfolio in the Schedule of Derivative Instruments.

Futures Contracts

Futures contracts are valued on each valuation day using the closing market price posted on the related public exchange. The fair value of future contracts is reported as "Financial Derivative Instruments" in the Statements of Financial Position. All gains or losses arising from futures contracts are recorded as part of "Change in unrealized appreciation (depreciation) of derivative instruments" in the Statements of Comprehensive Income until the contracts are closed out or expire, at which time the gains or losses are realized and reported as "Net realized gain (loss) on derivative instruments".

Credit Default Swaps

Certain Funds may enter into credit default swap contracts, primarily to manage and/or gain exposure to credit risk where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities. A credit default swap is an agreement between the Fund and a counterparty whereby the buyer of the contract receives credit protection and the seller of the contract guarantees the credit worthiness of a

referenced debt obligation. The underlying referenced debt obligation may be a single issuer of corporate or sovereign debt, a credit index, or a tranche of a credit index. The credit risk exposure of a Fund to the referenced asset is comparable to the exposure that would have resulted if the Fund were invested directly in the referenced debt obligation. If the Funds are buyers of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Funds will either (i) receive the notional amount of the credit default swap contract from the seller in exchange for the referenced debt obligation or (ii) receive a net settlement amount equal to the notional amount of the credit default swap contract less the recovery amount of value of the referenced debt obligation. If the Funds are sellers of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Funds will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. The maximum credit risk to the Fund as a seller of protection is the notional amount of the contract.

Over the term of the contract, the buyer pays the seller a periodic stream of payments, provided that no event of default has occurred. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Credit Default Swaps are disclosed in the Schedule of Derivative Instruments. The change in value of a credit default swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the credit default swap contracts are closed out, gains or losses, including upfront premiums, are realized and included in the Statements of Comprehensive Income in "Net realized gain (loss) on derivative instruments". Pursuant to the terms of the credit default swap contract, cash or securities may be required to be deposited as collateral.

Interest Rate Swaps

Certain Funds may enter into interest rate swap contracts, primarily to manage and/or gain exposure to fluctuations in interest rates. An interest rate swap is an agreement between the Fund and a counterparty whereby the parties agree to exchange a fixed payment for a floating payment that is linked to an interest rate and an agreed upon notional amount.

Over the term of the contract, each party will pay to the other party a periodic stream of payments. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Interest Rate Swaps are disclosed in the Schedule of Derivative Instruments. The change in value of an interest rate swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the interest rate swap contracts are closed out, gains or losses, as well as any upfront premiums, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

Total Return Swaps

Certain Funds may enter into total return swap contracts primarily to manage and/or gain exposure to the underlying reference asset. An total return swap is an agreement between the Fund and a counterparty where single or multiple cash flows are exchanged based on the price of an underlying reference asset and based on a fixed or variable rate.

Over the term of the contract, the Funds will pay to the counterparty a periodic stream of payments based on fixed or variable rate. Such periodic payments

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For the years ended December 31, 2025 and 2024

paid are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference asset less a financing rate, if any. As a receiver, the Funds would receive payments based on any net positive total return and would owe payments in the event of a net negative total return. Total return swaps are disclosed in the Schedule of Derivative Instruments. The change in value of a net return swap contract is included in the Statements of Financial Position as Financial Derivative Instruments. When the total return swap contracts are closed out, gains or losses are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

Cross Currency Swaps

Certain Funds may enter into cross currency swap contracts, primarily to manage and/or gain exposure to currency risk. A cross currency swap is an agreement between the Fund and a counterparty whereby the parties agree to exchange interest payments and principal on loans denominated in two different currencies.

Over the term of the contract, each party will pay to the other party a periodic stream of payments. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Cross currency swaps are disclosed in the Schedule of Derivative Instruments. The change in value of a cross currency swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the cross currency swap contracts are closed out, gains or losses, as well as any upfront premiums, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

Foreign Currency Option Contracts

Certain Funds may purchase foreign currency options. Purchasing foreign currency options gives the Fund the right, but not the obligation to buy or sell the currency and will specify the amount of currency and a rate of exchange that may be exercised by a specified date. These options may be used as a hedge against possible variations in foreign exchange rates or to gain exposure to foreign currencies.

Foreign currency option contracts are disclosed in the Schedule of Derivative Instruments. The change in value of a foreign currency option contract and any premiums paid are included in the Statements of Financial Position as Financial Derivative Instruments. When the foreign currency option contracts are closed out, gains or losses, as well as any premiums paid, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

CAPITAL RISK MANAGEMENT

Units issued and outstanding are considered to be the capital of the Funds. The Funds do not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription. The Funds' units are offered for sale on any business day and may be redeemed or issued at the Net Asset Value (NAV) per unit for the respective series on that business day. A business day refers to any day the Toronto Stock Exchange is open for business. The NAV for each series is computed daily by calculating the value of that series' proportionate share of net assets and liabilities of the Fund common to all series less liabilities attributable to that series. Expenses directly attributable to a series are charged to that series. Assets, common liabilities, revenues and other expenses are allocated proportionately to each series based

upon the relative NAVs of each series. The NAV per unit is determined by dividing the NAV of each series of a Fund by the total number of units of that series outstanding.

INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the Statements of Comprehensive Income represents the increase or decrease in net assets attributable to holders of redeemable units attributable to each series of units for the year, divided by the weighted average units outstanding in that series during the year.

SECURITIES LENDING TRANSACTIONS

A Fund may lend portfolio securities to earn additional income through a securities lending agreement with its custodian. The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the assets of the Fund. The Fund receives collateral in the form of securities deemed acceptable under National Instrument 81-102, "Mutual Funds" ("NI 81-102") of at least 102% of the fair value of securities on loan. Collateral held is typically government and corporate bonds.

Income from securities lending is recorded as "Securities lending" on a monthly basis when it is receivable. Securities lending details are listed in Securities on Loan included in the Fund Specific Notes. The securities lending agent earns 20% of the gross income generated through any securities lending transactions in the Funds.

REDEEMABLE UNITS

Certain Funds issue different series of redeemable units, which are redeemable at the holder's option and do not have identical rights. Such units are classified as financial liabilities. Redeemable units can be put back to the Funds at any date for cash equal to a proportionate share of the Funds' net asset value attributable to the series. The redeemable units are carried at the redemption amount that is payable at the Statements of Financial Position date if the holder exercises the right to put the unit back to the Funds. Funds with only one series do not meet the criteria to be classified as equity as they impose on the Fund the obligation to deliver cash other than on redemption. Each such Fund must distribute its taxable income to unitholders annually and has provided unitholders the option to receive such distributions in cash.

INVOLVEMENT IN UNCONSOLIDATED STRUCTURED ENTITIES

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

Certain Funds' investment strategy entails trading in other funds on a regular basis. The Funds consider all of their investments in other funds ("Investee Funds") to be investments in unconsolidated structured entities. The Funds invest in Investee Funds whose objectives range from conserving principal to maximizing dividend income to long-term capital growth and whose investment strategies do not include leverage. The Investee Funds finance their operations by issuing redeemable units which are puttable at the holder's option and entitle the holder to a proportionate stake in the respective Investee Fund's net assets. The Funds hold redeemable units in each of their Investee Funds and the Funds have the right to request redemption of their investment in Investee Funds daily. The Funds' investments in Investee Funds are subject to the terms and conditions of the respective Investee Fund's offering documentation. The change in fair value of each Investee Fund is included in the Statements of Comprehensive Income in "Change in unrealized appreciation

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For the years ended December 31, 2025 and 2024

(depreciation) of investments". The Funds' maximum exposure to loss from their interest in Investee Funds is equal to the fair value of their investments in Investee Funds. Once a Fund has disposed of its shares in an Investee Fund the Fund ceases to be exposed to any risk from that investee fund.

Certain Funds invest in Exchange Traded Funds ("ETFs") which are disclosed on the Schedule of Investment Portfolio and these Funds have determined that their investments in such ETFs are deemed unconsolidated structured entities. These ETFs replicate, to the extent possible, the performance of the applicable benchmark indices, or seek to provide long-term capital growth or income, as applicable, by investing primarily in and holding the constituent securities of the applicable benchmark indices in substantially the same proportion as they are reflected in the applicable benchmark indices or seek to track the investment results of applicable benchmark indices. The ETFs finance their operations by issuing redeemable shares which are puttable at the holder's option and entitle the holder to a proportional stake in the respective ETF's net asset value. The underlying ETFs are listed on a recognized public stock exchange.

Certain Funds invest in mortgage-related and other asset-backed securities ("MBS"). These securities include mortgage pass-through securities, collateralized mortgage obligations, commercial mortgage-backed securities, asset-backed securities, collateralized debt obligations and other securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property. The debt and equity securities issued by these securities may include tranches with varying levels of subordination. These securities may provide a monthly payment which consists of both interest and principal payments. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. Asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans, and student loans. The Funds' maximum exposure to loss from their interest in MBS is equal to the fair value of their investments in such securities as disclosed on the Schedule of Investment Portfolio.

A table has been included in the Fund Specific Notes section of the financial statements which describes the types of structured entities that the Funds do not consolidate but in which they hold an interest.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18, Presentation and Disclosure in Financial Statements ("IFRS 18"). IFRS 18, which replaces IAS 1, Presentation of financial statements, introduces new requirements to present specified categories and defined subtotals in the statement of comprehensive income, new disclosure for management-defined performance measures, and additional requirements for aggregation and disaggregation of information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Manager is assessing the impact of the adoption of this standard.

4. Expenses

MANAGEMENT FEES AND INVESTMENT ADVISORY SURCHARGE

Certain series of the Funds pay the Manager a management fees. The management fees cover the cost of managing the Funds, arranging for investment analysis, recommendations and investment decision making for the Funds, arranging for distribution of the Funds, marketing and promotion of the Funds and providing or arranging for others services for the Funds. The management fee is an annualized rate based on the net asset value of each

series of the Funds. The management fees paid by the Funds are calculated and accrued daily and payable weekly.

No management fee is charged by Manager of the Funds in respect of: all units of MDPIIM International Equity Pool, MDPIIM Short-Term Bond Pool, MDPIIM Bond Pool, MDPIIM Dividend Pool, MDPIIM Strategic Opportunities Pool, MDPIIM Global Tactical Opportunities Pool and MDPIIM Strategic Yield Pool; the Private Trust Series of MDPIIM Canadian Equity Pool and MDPIIM US Equity Pool; and Series A of MDPIIM S&P/TSX Capped Composite Index Pool, MDPIIM S&P 500 Index Pool, MDPIIM International Equity Index Pool and MDPIIM Emerging Markets Equity Pool, since investors in these units and series of units have agreed to pay a separate scaled managed account fee based on assets under management directly to MD Private Investment Counsel. The maximum fee is 1.56%.

The following series of Funds pay the Manager an annual management fee, exclusive of sales taxes, as follows:

Fund	Series A	Series D	Series F	Private Trust Units
MDPIIM Canadian Equity Pool	1.25%	n/a	n/a	–
MDPIIM US Equity Pool	1.25%	n/a	n/a	–
MDPIIM Emerging Markets Equity Pool	0.40%	1.08%	0.71%	n/a
MDPIIM Canadian Equity Index Pool	–	n/a	0.04%	n/a
MDPIIM US Equity Index Pool	–	n/a	0.07%	n/a
MDPIIM International Equity Index Pool	–	n/a	0.19%	n/a

Series A unitholders of MDPIIM International Equity Pool are responsible for the payment of an Investment Advisory Surcharge charged by the Fund's advisor. The Manager absorbs a portion of this advisory fee, and as a result the Fund is responsible for the payment of a portion of the fee charged, which varies in the range of 0.20% to 0.30% of the NAV.

Series A unitholders of MDPIIM Emerging Markets Equity Pool are responsible for the payment of Investment Advisory Surcharge charged by the Fund's advisor. The Manager absorbs a portion of this advisory fee, and as a result the Fund is responsible for the payment of a portion of the fee charged, which varies in the range of 0.40% to 0.50% of the NAV.

ADMINISTRATION FEES

Each Fund (except for MDPIIM Emerging Market Equity Pool in respect of Series I, Series F and Series D) pays for certain operating expenses as allowed by the securities regulator which relate to that particular Fund. Operating expenses include, but are not limited to, securities commission fees, audit fees, custodial fees, IRC fees and expenses, issue costs, all expenses related to the prospectus and to meetings of unitholders as well as Fund servicing costs. Operating expenses which relate to the series of units as a whole are proportionately allocated among those Funds to which they relate. The Manager of the Funds can, at any time, waive or absorb any operating expense for which the Fund is responsible.

The Manager pays certain operating expenses of the Series F and Series D units of MDPIIM Emerging Markets Equity Pool in return for an administration fee of 0.20%, calculated as a fixed annual percentage of the Funds' net asset value. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, audit fees, legal fees custodial fees, all expenses related to the prospectus and to meetings of unitholders, expenses related to fund accounting, fund valuation, unitholder reporting and record keeping, IRC fees and other expenses. The administration fee is

Notes to Financial Statements

For the years ended December 31, 2025 and 2024

accrued daily and paid monthly. No administration fee is charged in respect of Series I units of MDPIM Emerging Markets Equity Pool. Administration fees for Series I units are paid directly by investors.

AUDIT FEES

The fees paid or payable to KPMG LLP as the external auditor of all Funds managed by the Manager, for the fiscal years of the funds are as follows:

	(\$)
Audit fees	288,294
Fees for the services other than audit	64,160

5. Related Party Transactions

The Manager is a wholly-owned subsidiary of The Bank of Nova Scotia ("Scotiabank"). Scotiabank also owns, directly or indirectly, 100% of Scotia Securities Inc. and Tangerine Investment Funds Limited, each a mutual fund dealer, and Scotia Capital Inc. (which includes Scotia McLeod and Scotia iTRADE), an investment dealer.

The Manager, on behalf of the Funds, may enter into transactions or arrangements with other members of Scotiabank or certain companies that are related or connected to the Manager (each a "related party"). All transactions between the Funds and the related parties are in the normal course of business and are carried out at arm's length terms.

- The Manager earns management fees for acting as trustee and manager of the Funds, as applicable and an administration fee in return for paying certain operating expenses as detailed in Note 4. Certain Funds also pay the Manager an Investment Advisory Fee Surcharge, as detailed in Note 4. The management fee, administration fee and investment advisory fee surcharge are disclosed in separate lines in the Statements of Comprehensive Income.
- Decisions about the purchase and sale of each Fund's portfolio investments are made by appointed Portfolio Managers of each Fund. Provided that the pricing, service and other terms are comparable to those offered by other dealers, a portion of the portfolio transactions may be executed for the Funds by a related party to the Funds. In such cases, the related party will receive commissions from the Funds. Brokerage fees paid to related parties for the years ended December 31, 2025 and 2024 are as follows (in \$'000's):

Fund	December 31, 2025	December 31, 2024
MDPIM Dividend Pool	135	98
MDPIM Strategic Yield Pool	21	3
MDPIM Canadian Equity Pool	223	306
MDPIM Strategic Opportunities Pool	12	3
MDPIM Emerging Markets Equity Pool	9	4
MDPIM Canadian Equity Index Pool	5	–
MDPIM US Equity Index Pool	–	6
MDPIM US Equity Pool	112	6
MDPIM International Equity Pool	14	1

- The Manager received approval from the Independent Review Committee to invest the Funds' overnight cash with Scotiabank with interest paid by Scotiabank to the Funds based on prevailing market rates. The interest

earned by the Funds is included in "Interest for distribution purposes" in the Statements of Comprehensive Income.

- The Funds may invest in investment funds managed by the Manager, which are disclosed in the Schedule of Investment Portfolio for the respective Funds.
- The Manager has received approval from the Independent Review Committee for the Funds to purchase securities of related parties, such as investments in securities of Scotiabank. Any related party securities held by the Funds are disclosed in the Schedule of Investment Portfolio for the respective Funds. The Funds are also permitted to enter into derivative transactions with Scotiabank as counterparty.
- Distributions received from related party funds are included in "Income from Underlying Funds" in the Statements of Comprehensive Income.

INDEPENDENT REVIEW COMMITTEE

The Manager has established an Independent Review Committee ("IRC") as required under National Instrument 81-107, "Independent Review Committee for Investment Funds" ("81-107"). The IRC reviews conflict of interest matters related to the operations of the Funds. In addition, in some circumstances, in place of obtaining unitholder approval, a Fund may be reorganized with or its assets transferred to another mutual fund managed by the Manager or an affiliate. This requires IRC approval, and that unitholders are sent a written notice at least 60 days before the effective date. The approval of the IRC is also required for a change of auditor.

The IRC is composed of four persons who are independent of the Manager, the Funds and entities related to the Manager.

The Manager pays all IRC fees on behalf of the Funds and allocates these fees equally across each Fund. The Manager recovers these costs via the administration fee charged to the Funds. For the year ended December 31, 2025, each Fund managed by the Manager paid approximately \$3,000 in IRC Fees.

SHORT-TERM TRADING/EARLY REDEMPTION FEE

Clients who redeem or switch units or shares of an MD Fund are charged an early redemption fee equal to 2.00% of the amount redeemed or switched if the redemption or switch occurs within thirty (30) days of the date that the units or shares were purchased or switched. Redemption fees are recorded as income in the period of early redemption.

The early redemption fee does not apply to redemptions or switches:

- made in connection with any systematic and scheduled withdrawal program;
- where the amount of the redemption or switch is less than \$10,000; or
- made as a result of the recommendation of an MD Financial Consultant or MD Portfolio Manager related to a financial plan.

6. Redeemable units

The Funds' capital is represented by an unlimited number of authorized units without nominal or par value. All series of units are redeemable on demand by unitholders at the redemption amount represented by respective NAV of that series. Each unit entitles the unitholder to one vote at unitholder meetings and participates equally, with respect to other units of the same series, in any dividends or distributions, liquidation or other rights of that series. Distributions on units of a Fund are reinvested in additional units or at the option of the unitholder, paid in cash. The Funds' capital is managed in accordance with each of the Funds' investment objectives, policies and restrictions as outlined in the Funds' prospectus or offering documents, as applicable. The Funds have

Notes to Financial Statements

For the years ended December 31, 2025 and 2024

no specific restrictions or specific capital requirements on the subscription or redemption of units, other than minimum subscription requirements.

The units of each series of Funds are issued and redeemed at their net asset value per unit of each series which is determined as of the close of business on each day that the Toronto Stock Exchange is open for trading. The net asset value per unit is calculated by dividing the net asset value per series by the total number of outstanding units in each series. The number of units issued and redeemed are presented in the Fund Specific Notes.

7. Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. These estimates are based on information available as at the date of issuance of the financial statements. Actual results could materially differ from those estimates. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements:

INVESTMENT ENTITIES

In accordance with IFRS 10 “Consolidated Financial Statements”, the Manager has determined that the Funds meet the definition of an Investment Entity which requires the Funds obtain funds from one or more investors for the purpose of providing investment management services, commit to their investors that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measure and evaluate the performance of their investments on a fair value basis. Consequently, the Funds do not consolidate their investment in subsidiaries, if any, but instead measure these at fair value through profit or loss, as required by the accounting standard.

FAIR VALUE MEASUREMENT OF SECURITIES AND DERIVATIVES NOT QUOTED IN AN ACTIVE MARKET

The Funds may, from time to time, hold financial instruments that are not quoted in active markets. The fair value of such securities may be determined by the Funds using reputable pricing sources or indicative prices from market makers. Broker quotes obtained from pricing sources may be indicative but not executable or binding. Where no market data is available, the Fund may value positions using internal valuation models as determined appropriate by the Manager and based on valuation methods and techniques generally recognized as standard within the industry. Models use observable data to the extent practicable; however, the Manager may be required to make certain assumptions and/or estimates regarding risks, volatility and correlations as required. Changes in assumptions and estimates could affect the reported fair values of financial instruments. The Funds consider observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market.

CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

In classifying and measuring financial instruments held by the Funds, the Manager is required to make judgments in determining the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Funds’ business model and considered that the Funds’ investments, including derivatives, are managed and performance evaluated as a group on a fair value

basis. The Manager has concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation for the Funds’ investments.

8. Financial instrument risk

The Funds use financial instruments in order to achieve their respective investment objectives. The Funds’ investments are presented in the respective Schedule of Investment Portfolio, which groups securities by asset type, geographic region and/or market segment.

The use of financial instruments subjects the Funds to a variety of financial instrument risks. The Funds’ risk management practices include setting investment policies to limit exposures to financial instrument risks and employing experienced and professional investment advisors to invest the Funds’ capital in securities within the constraints of investment policies. The Manager regularly monitors the Fund advisors’ performance and compliance with the investment policies.

The significant financial instrument risks, to which the Funds are exposed, along with the specific risk management practices related to those risks, are presented below. Fund specific disclosures are presented in the “Financial Instruments Risks” section of the financial statements.

Market disruptions associated with geopolitical conflicts, global health crises, natural disasters and material tariffs have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect the financial instrument risks associated with each of the Funds.

CREDIT RISK

Credit risk is the risk that a counterparty to a financial instrument will not honour its obligation under the terms of the instrument, resulting in a loss. The Funds are exposed to credit risk through domestic and foreign bonds, preferred shares, derivative contracts, cash and short-term investments, amounts due from brokers, dividends and interest receivable and other receivables. A Fund may engage in securities lending pursuant to the terms of an agreement which includes restrictions as set out in the Canadian Securities Legislation. Collateral held is in the form of highly rated fixed income instruments. All securities under lending agreements are fully collateralized.

Credit risks arising from short-term investments and fixed income securities, including domestic and foreign bonds and preferred shares, are generally limited to the fair value of the investments as shown in the Schedule of Investment Portfolio. The Funds limit exposure to individual issuers/sectors and credit quality ratings. The credit worthiness of issuers in which the Funds invest are reviewed regularly and the portfolios are adjusted as required to match the minimum requirement as set forth in each Fund’s prospectus. Each individual Fund’s exposure to credit risk, if any, is presented in the Financial Instruments Risk section of the Financial Statements.

Credit risks arising from cash are limited to the carrying value as shown on the Statements of Financial Position, except in the case of MD Money Fund, where the credit risk is limited to the fair value of investments as shown on the Schedule of Investment Portfolio. The Funds manage credit risk on cash and short-term investments by investing in high grade short-term notes with credit ratings of R-1 (low) or higher as well as limiting exposure to any single issuer.

Certain derivative contracts are subject to netting arrangements whereby if one party to a derivative contract defaults, all amounts with the counterparty are terminated and settled on a net basis. As such, the maximum credit loss on derivative contracts is the financial derivative instrument asset in the Statements of Financial Position. Each Fund manages credit risk on derivatives by only entering into agreements with counterparties that have an approved credit rating. Credit risk on amounts due from brokers is minimal since transactions

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For the years ended December 31, 2025 and 2024

are settled through clearinghouses where securities are only delivered for payment when cash is received.

Credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 102% of the fair value of the securities loaned. The collateral and loaned securities are marked to market each business day. The aggregate dollar value of portfolio securities lent and collateral held is presented in the Fund Specific Notes.

LIQUIDITY RISK

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Funds' exposure to liquidity risk arises primarily from the daily cash redemption of units. All Funds' financial liabilities come due within one year, other than those derivatives with longer maturities as disclosed in the Schedule of Investment Portfolio. To manage this liquidity requirement, the Funds invest primarily in liquid securities that can readily be sold in active markets and each Fund may borrow up to 5% of its NAV. At year end, no Fund had borrowed against its respective line of credit.

CURRENCY RISK

Currency risk is the risk that the values of financial assets and liabilities denominated in foreign currencies fluctuate due to changes in foreign exchange rates. To the extent the Funds hold assets and liabilities denominated in foreign currencies, the Funds are exposed to currency risk. The Funds may also use forward contracts at the discretion of the Manager. Each individual Fund's exposure to currency risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value (measured as the present value) of cash flows associated with interest bearing financial instruments will fluctuate due to changes in the prevailing market rates of interest. In general, as interest rates rise, the fair value of interest bearing financial instruments will fall. Financial instruments with a longer term to maturity will generally have a higher interest rate risk.

The Funds' interest-bearing financial instruments that subject the Funds to interest rate risk include domestic and foreign bonds and mortgage related and other asset back securities. The Funds' may also be exposed indirectly to interest rate risk through their position in interest rate swaps presented in the Schedule of Derivative Instruments. Short-term money market instruments are also interest bearing and therefore subject to interest rate risk. However, due to the short-term nature of the securities, the interest rate risk is generally not significant.

Interest rate risk management practices employed by the Funds include setting target durations based on the appropriate benchmark indices and monitoring the Funds' durations relative to the benchmarks. If interest rates are anticipated to rise, the Funds' durations can be shortened to limit potential losses. Conversely, if interest rates are anticipated to fall, the durations can be lengthened to increase potential gains. Each individual Fund's exposure to interest rate risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

OTHER PRICE RISK

Other price risk is the risk that the fair value of financial instruments may decline because of changes in market prices of the financial instruments, other than declines due to interest rate risk and currency risk. Other price risk stems from financial instruments' sensitivity to changes in the overall market (market risk) as well as factors specific to the individual financial instrument.

Other price risk attributable to individual investments is managed through diversification of the portfolio and security selection and adjustments to fair value when there is significant volatility in international markets after markets are closed. Each individual Fund's exposure to other price risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

Details of each Fund's exposure to financial instruments risks including fair value hierarchy classification are available in the "Financial Instruments Risks" section of the financial statements of each Fund.

FINANCIAL RISKS FROM UNDERLYING MUTUAL FUNDS

Certain Funds may invest in other mutual funds. The Funds' investments in mutual funds are subject to the terms and conditions of the respective mutual fund's offering documentation and are susceptible to the risks related to the underlying mutual funds' financial instruments. The Funds' maximum exposure to loss from their interests in mutual funds is equal to the total fair value of their investment in mutual funds. Once the Funds dispose of their shares in an underlying mutual fund, the Funds cease to be exposed to any risk from that mutual fund. The exposure to underlying mutual fund investments is disclosed in the "Financial Instruments Risks" section of the financial statements of each Fund.

9. Fair value measurement

The Funds classify fair value measurements within a hierarchy that prioritizes the inputs to Funds' valuation techniques used in measuring fair value. Under these provisions, an entity is required to classify each financial instrument into one of three fair value levels as follows:

Level 1 – for unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – for inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,

Level 3 – for inputs that are based on unobservable market data.

The classification of a financial instrument is based on the lowest level of input that is significant to the determination of fair value.

All fair value measurements are recurring. The carrying values of cash, receivable for investment transactions, dividends and interest receivable, subscriptions receivable, payable for investment transactions, redemptions payable, distributions payable and the Fund's obligation for net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature. Fair values of securities and derivatives are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 ceases to be actively traded, it is transferred out of Level 1. In such cases, fair value is determined using observable market data (eg. transactions for similar securities of the same issuer) and the instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Changes in valuation methods may result in transfers into or out of the assets' or liabilities' assigned levels. The level summary based on the hierarchy inputs is disclosed in the "Financial Instrument Risks" section of each Fund.

Level 3 financial instruments are reviewed by the Funds' fair valuation committee. The fair valuation committee considers the appropriateness of the valuation model inputs, as well as the valuation result, using valuation methods recognized as standard within the industry. Quantitative information about the unobservable inputs, sensitivity of the fair value measurements to changes in unobservable inputs and interrelationships between those inputs

Notes to Financial Statements

For the years ended December 31, 2025 and 2024

are disclosed in the Fund Specific Notes under “Fair value measurement” if significant unobservable inputs are used when valuing Level 3 financial instruments.

EQUITIES

The Funds’ equity positions are classified as Level 1 when the security is actively traded and a reliable price is observable. The Funds subscribe to the services of a third-party valuation service provider to provide fair value adjustments, when a defined threshold is met, to the prices of foreign securities due to changes in the value of securities in North American markets following the closure of the foreign markets. The parameters used to apply the fair value adjustments are based on observable market data. Where applicable, the foreign securities will be considered Level 2 priced securities.

BONDS AND SHORT-TERM INVESTMENTS

Debt securities generally trade in the OTC market rather than on a securities exchange. Bonds including government, corporate, convertible and municipal bonds and notes, bank loans, US and Canadian treasury obligations, sovereign issues and foreign bonds are normally valued by pricing service providers that use broker-dealer quotations, reported trades and valuations from their internal pricing models. These internal pricing models use inputs which are observable including interest rate curves, credit spreads and volatilities. The inputs that are significant to valuation are generally observable and therefore the Funds’ bonds and short-term investments have been classified as Level 2, unless the determination of fair value requires significant unobservable input, in which the measurement is classified as Level 3.

INVESTMENTS IN MUTUAL FUNDS AND EXCHANGE TRADED FUNDS

The Funds’ positions in the mutual funds and exchange traded funds are typically in positions that are actively traded and a reliable price is observable and as such is classified as Level 1.

FINANCIAL DERIVATIVE INSTRUMENTS

Derivatives consisting of foreign currency forward contracts, interest rate swaps, credit default swaps and foreign currency options which are valued based primarily on the contract notional amount, the difference between the contract rate and the forward market rate for the same currency, interest rate and credit spreads. These derivative financial instruments have been classified as Level 2.

Futures contracts and options that are traded on a national securities exchange are stated at the last reported sale or settlement price on the day of valuation. To the extent these financial derivative instruments are actively traded they are categorized as Level 1.

FAIR VALUATION OF INVESTMENTS (INCLUDING UNLISTED SECURITIES)

If the valuation methods described above are not appropriate, the Funds will estimate the fair value of an investment using established fair valuation procedures, such as consideration of public information, broker quotes, valuation models, discounts from market prices of similar securities or discounts applied due to restrictions on the disposition of securities, and external fair value service providers.

The extent of Funds’ use of quoted market prices (Level 1), internal models using observable market information as inputs (Level 2), and internal models without observable market information (Level 3) in the valuation of securities is summarized in each Fund’s “Financial Instruments Risks” section of the financial statements.

10. Income Taxes

Each of the Funds qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income for the year, including net realized capital gains which are not paid or payable to its unitholders as at the end of the year. It is the intention of the Manager that all annual net investment income and sufficient net realizable taxable capital gains will be distributed to unitholders annually by December 31, such that there are no Canadian income taxes payable by the Funds. Accordingly, the Funds do not record Canadian income taxes in their financial statements.

LOSSES CARRIED FORWARD

Capital losses can be carried forward indefinitely to reduce future net realized capital gains. Non-capital losses for income tax purposes may be carried forward up to twenty years and applied against all sources of income. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses have not been reflected in the Statements of Financial Position. As of December 31, 2025, the following Funds have capital and non-capital losses available for carry forward as presented below (in \$000’s):

Fund	Year of expiry	Non-Capital Loss \$	Capital Loss \$
MDPIM Short-Term Bond Pool		–	195,702
MDPIM Bond Pool		–	609,607
MDPIM Dividend Pool		–	–
MDPIM Strategic Yield Pool		–	171,514
MDPIM Canadian Equity Pool		–	–
MDPIM US Equity Pool		–	–
MDPIM International Equity Pool		–	–
MDPIM Strategic Opportunities Pool		–	–
MDPIM Emerging Markets Equity Pool		–	–
MDPIM Canadian Equity Index Pool		–	–
MDPIM US Equity Index Pool		–	190
MDPIM International Equity Index Pool		–	5,603

WITHHOLDING TAXES

The Funds currently incur withholding taxes imposed by certain countries on investment income and in some cases, capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

11. Soft Dollar Commissions

Soft dollar commissions refers to the portion of total brokerage commissions paid to certain brokers that was available for payment to third party vendors for providing research, statistical or investment decision making services. These services assist the Manager and its sub-advisors with their investment decision

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making for the Funds. The ascertainable soft dollar commissions paid in connection with the investment portfolio transactions for the years ended December 31, 2025 and December 31, 2024 are set out below (in \$000's):

Fund	2025 \$	2024 \$
MDPIM Short-Term Bond Pool	–	–
MDPIM Bond Pool	–	–
MDPIM Dividend Pool	296	158
MDPIM Strategic Yield Pool	102	53
MDPIM Canadian Equity Pool	434	667
MDPIM US Equity Pool	188	158
MDPIM International Equity Pool	327	242
MDPIM Strategic Opportunities Pool	84	41
MDPIM Emerging Markets Equity Pool	477	635
MDPIM Canadian Equity Index Pool	–	–
MDPIM US Equity Index Pool	–	–
MDPIM International Equity Index Pool	–	–



MD Financial
Management Inc.