

PEMBROKE

PRIVATE WEALTH MANAGEMENT

PEMBROKE CANADIAN ALL CAP FUND

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE DECEMBER 31, 2024

INCEPTION DATE
JANUARY 31, 2019

THE PORTFOLIO MANAGEMENT TEAM
PEMBROKE MANAGEMENT LTD.

This annual Management Report of Fund Performance contains financial highlights, but does not contain either interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-800-668-7383, by writing to us at 150 King Street West, Suite 1210, Toronto, Ontario M5H 1J9 or by visiting our website at www.pml.ca or SEDAR at www.sedar.com. Unitholders may also contact us using one of these methods (except on the SEDAR website) to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Investment Objective and Strategies

Pembroke Canadian All Cap Fund (the “Fund”) seeks to provide long-term growth through capital appreciation by investing primarily in equity securities of mid to large capitalization Canadian companies. To achieve the Fund's investment objective we invest primarily in companies that have sustainable growth opportunities, a solid financial position, and a capable management team. The Fund may invest in equity securities of small, medium and large capitalization companies. The Fund focuses primarily on mid to large capitalization companies but may also invest up to 30% of its assets in small capitalization companies. The strategy involves identifying stocks with either sustainable growth characteristics or unrecognized intrinsic value from a universe of primarily mid to large-sized Canadian companies listed on a recognized exchange in Canada and/or the United States. The Fund may invest a maximum of 10% of its assets in equity securities of foreign publicly listed issuers.

Risk

The overall risk of the Fund is as described in the Simplified Prospectus. There were no material changes to the Fund over the financial period that affected the overall level of risk associated with an investment in the Fund. The Fund is suitable for investors who have a medium tolerance for risk and are seeking long-term capital growth.

Results of Operations

For the year ended December 31, 2024, the Fund posted a return of 28.98%. In comparison, the Fund's benchmark index, the S&P/TSX Composite posted a return of 21.65%. For the year ended December 31, 2023, the Fund posted a return of 18.70% compared to the Fund's benchmark which posted a 11.75% return.

Pembroke's portfolios are generally differentiated from the benchmarks they seek to outperform. In this case, the Fund is more concentrated and has very different industry exposures than its benchmark, the S&P/TSX Composite Index. By investing in a select group of high-quality growth companies, Pembroke seeks to deliver superior risk-adjusted returns when measured over the long term while accepting that short-term relative performance can vary negatively or positively to a significant degree. The Fund outperformed the S&P/TSX Composite Index in 2024 due in part to an overweight allocation to the Information Technology sector and an underweight to Communication Services and Utilities, combined with positive security selection in the Consumer Discretionary, Industrials and Materials sectors. Returns were well-distributed, with over half of the holdings generating total returns of 25% or more, while all but two sectors contributed positively to performance.

Two stocks were significant contributors to performance in 2024.

Shares in AtkinsRéalis (“ATRL”), formerly known as SNC Lavalin, have continued to rally in 2024 following a stellar 2023. ATRL has been in the midst of a major transformation for the past few years, and the finish line has never been clearer. The major cost overruns associated with their LSTK projects are behind them, they are committed to divesting their Linxon joint venture with Hitachi and are seeking a sale of their remaining stake in the 407 highway. What remains will be a world-class pure-play engineering services firm, levered to tailwinds such as decarbonization, aging infrastructure and climate change. Major stimulus such as the IJIA support higher visibility and growth prospects in the coming years, and a renewed interest in nuclear energy around the world as a viable base-load solution present an under-appreciated growth vertical for ATRL. They hold the rights to the CANDU nuclear reactor technology, and recently were awarded life extension projects for several nuclear reactors across the globe, benefiting from the nuclear renaissance underway. While the valuation gap relative to peers has narrowed, ATRL's superior growth profile, coupled with the market's growing recognition of the strength of its Nuclear segment and the benefits of its ongoing simplification process, should continue to support further valuation expansion.

Shares of Aritzia (“ATZ”), a vertically integrated design house specializing in everyday luxury apparel, rallied in 2024 following strong financial results that highlighted the success of its efforts to refresh its product portfolio, which resonated well with consumers and drove improved demand. The company faced a challenging 2023, with sales lagging expectations due to a product lineup that had lost some of its appeal. In response, management took decisive action by increasing investments in fashion innovation and enhancing customer engagement initiatives. Despite a difficult consumer environment, ATZ introduced a refreshed product offering that exceeded expectations and generated impressive results. Looking ahead, Pembroke remains optimistic about the company's brand strength and believes it is well-positioned for long-term growth through continued U.S. store expansion and increased e-commerce penetration.

Results of Operations (Cont'd)

Two stocks were significant detractors to performance in 2024.

Shares in Boyd Group Services ("BYD"), one of North America's largest operators of corporate-owned auto-collision repair centers, fell in 2024. The decline in share price can be attributed to a combination of short-term challenges and temporary shifts in the market. Used car pricing is normalizing to pre-COVID levels, increasing the frequency of total losses and leading to a drop in repair demand. BYD's recent focus on opening new locations over acquisitions has also temporarily reduced profitability, though these initiatives are expected to yield higher returns on invested capital in the long run. Additional short-term factors, such as weather-related declines in collision frequency, changes in consumer behavior due to economic uncertainties, and higher insurance premiums resulting in claim deferrals, have further impacted the business. Given these challenges, BYD is trading at a 10-year valuation low despite recent private transactions in the sector having occurred at significantly higher multiples. In the long run, the increasing complexity and cost of repairs, along with advancements in scanning and calibration requirements, provide a positive outlook for future growth. Pembroke sees a significant upside potential for BYD and as such it remains a core position in the fund.

Shares of BRP ("DOO"), a global leader in powersports vehicles, declined during the period. The company reduced its outlook, citing challenges such as softer demand, unfavorable winter conditions affecting snowmobile sales, and increased promotional activity from competitors. In response to a cautious consumer spending environment and elevated interest rates, DOO strategically adjusted production levels to help dealers manage rising floorplan financing costs. More recently, DOO announced its intention to divest its Marine business, which it had acquired in 2018 and 2019. The boating industry is facing significant headwinds, including inventory imbalances and higher interest rates that are weighing on demand for boats. Pembroke is concerned that DOO is choosing to sell these assets in a downturn, contrary to the counter-cyclical capital allocation approach they typically value. Given Pembroke's limited confidence in a near-term recovery for the powersports industry and the potential impact of short-term divestitures and cost reductions on DOO's long-term earnings power, they exited its position in the company.

As at December 31, 2024, the total net asset value of the Fund was \$43.2 million as compared to \$25 million as at December 31, 2023. The cash position was 6.10% of net asset value. The number of units outstanding in the Fund as at December 31, 2024 was 2.2 million compared with 1.6 million as at December 31, 2023.

Unrealized appreciation on investments as at December 31, 2024 was \$9.7 million as compared to \$2.7 as at December 31, 2023 resulting in an increase in unrealized appreciation on investments of \$7 million. The Fund had net realized gains on investments sold during the period of \$1.1 million.

Fees and Expenses

During the year, the Fund paid a total of \$88,216 in operating expenses. The management expense ratio ("MER") for unitholders was 0.23%. There are no management fees charged to the Fund as the management fees are charged directly to the unitholders outside the Fund. Refer to the Management Fees section for further details on this.

The Fund was previously a Pooled Fund and the MER did not account for various fund expenses that will now be incurred as a mutual fund. For the period the Fund was a pooled fund, the expenses would have been higher if the Fund was a prospectus mutual fund.

Unitholder Activity

Throughout the year, \$13.8 million flowed into the Fund by way of subscriptions and \$3.5 million flowed out of the Fund as a result of redemptions.

Related Party Transactions

Pembroke Private Wealth Management Inc. ("PPW") is the Fund's Manager. The Fund Manager provides the day-to-day management of the business and operations of the Fund. The fees paid to the Fund Manager are shown in the "Management Fees" section of this report. Pembroke is the portfolio manager of the Fund. Pembroke is the parent company of the Fund Manager, PPW. Pembroke's fees are paid by the Fund Manager, for services including investment, management, administration, advisory and accounting. The related party transactions take place in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Recent Developments

Outlook

After rallying significantly in 2023 and 2024, Canadian equity market participants will face a dynamic economic and geopolitical environment in 2025. Domestic policy interest rates are expected to decline as moderating inflationary pressures and slowing economic growth prompt more accommodative monetary policies. This should be constructive for equity valuations, which tend to expand in periods of declining interest rates.

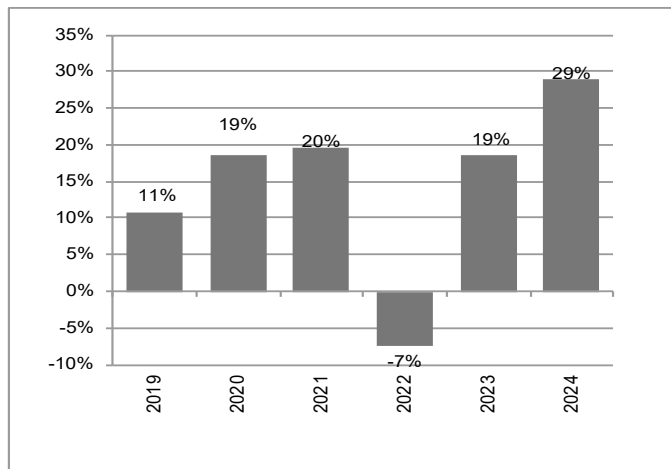
Past Performance

The indicated rates of return are the historical annual compounded total return changes in unit values and reinvestment of all distributions and do not take into account sales, redemptions, distributions or other optional charges that would have reduced returns. Mutual funds are not guaranteed, their values may increase or decrease and past performance may not be repeated.

The Fund's performance numbers assume that all distributions are reinvested in additional units of the Fund. If you hold this Fund outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes, whether paid to you in cash or reinvested in additional units. The amount of the reinvested taxable distributions is added to the adjusted cost base of the units that you own. This would decrease your capital gains or increase your capital losses when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

Year-by-year returns

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year. The percentage figures indicated have been rounded to the nearest whole number due to space constraints.



(1) This chart shows how the units of the Fund have performed since January 31, 2019. The performance of the Fund for the period between January 31, 2019 and December 31, 2019 is not representative as the Fund fundamentally changed its investment objective on January 1, 2020.

Annual compound returns

The following table shows the Fund's annual compound total return for the periods shown ending on December 31, 2024. The annual compound total return is also compared to the S&P/TSX Composite Total Return Index on the same compound basis.

All index returns are calculated in Canadian dollars on a total return basis.

December 31, 2024	1 yr	3 yr	5 yr	10 yr	Since inception
Pembroke Canadian All Cap Fund	28.98%	12.31%	14.99%	N/A	14.99%
S&P/TSX Composite Total Return Index ⁽¹⁾	21.65%	8.58%	11.08%	N/A	11.08%

(1) S&P/TSX Composite Total Return Index is a capitalization-weighted index that represents some of the largest float-adjusted stocks trading on the Toronto Stock Exchange. Company size and liquidity are the chief attributes determining membership.

Summary of Investment Portfolio

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

Industry Sector	% of Net Asset Value
Industrials	26.61%
Financials	20.82%
Information Technology	13.62%
Energy	11.34%
Materials	8.06%
Consumer Discretionary	5.93%
Real Estate	4.60%
Consumer Staples	3.54%
Cash	6.10%
Other Net Current Assets	-0.62%
Total	100.00%

Top 25 Holdings

Company	% of Net Asset Value	Industry Sector
1 AtkinsRealis Group	5.68%	Industrials
2 Boyd Group Services	5.58%	Industrials
3 National Bank of Canada	4.39%	Financials
4 Royal Bank of Canada	4.21%	Financials
5 ARC Resources	4.15%	Energy
6 Secure Energy Services	4.09%	Energy
7 Constellation Software	4.09%	Information Technology
8 CAE	4.02%	Industrials
9 Agnico Eagle Mines	3.72%	Materials
10 FirstService	3.51%	Real Estate
11 Kinaxis	3.47%	Information Technology
12 Element Fleet Management	3.42%	Industrials
13 EQB	3.39%	Financials
14 Tourmaline Oil	3.10%	Energy
15 Aritzia	2.95%	Consumer Discretionary
16 CGI	2.81%	Information Technology
17 TMX Group	2.73%	Financials
18 Alimentation Couche-Tard	2.51%	Consumer Staples
19 Fairfax Financial Holdings	2.48%	Financials
20 Gildan Activewear	2.41%	Consumer Discretionary
21 Alamos Gold	2.36%	Materials
22 Canadian National Railway	2.33%	Industrials
23 Finning International	2.23%	Industrials
24 Intact Financial	2.22%	Financials
25 The Descartes Systems Group	1.98%	Information Technology
Top 25 Holdings	83.83%	

PEMBROKE CANADIAN ALL CAP FUND

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the financial years indicated. This information is derived from the Fund's audited annual financial statements. The information presented is based on prescribed regulations and, as a result, is not expected to sum due to the increase (decrease) in net assets attributable to holders of redeemable units being based on the average units outstanding during the year and all other numbers being based on the actual units outstanding at the relevant point in time.

THE FUND'S NET ASSETS PER UNIT					
	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Net assets attributable to holders of redeemable units, beginning of period ⁽¹⁾	15.57	13.26	14.48	12.17	10.31
Increase (decrease) in net assets attributable to holders of redeemable units:					
Total revenue	0.28	0.25	0.25	0.18	0.15
Total expenses	(0.05)	(0.05)	(0.04)	(0.05)	(0.08)
Realized gains (losses) for the period	0.59	0.16	(0.51)	0.22	-
Unrealized gains (losses) for the period	3.73	2.03	(0.45)	1.52	1.84
Total Increase (decrease) in net assets attributable to holders of redeemable units ⁽²⁾	4.55	2.39	(0.75)	14.99	17.62
Distributions to holders of redeemable units:					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.18)	(0.16)	(0.14)	(0.02)	(0.07)
From capital gains	(0.15)	-	-	(0.05)	-
Return on capital	-	-	-	-	-
Total distributions to holders of redeemable units ⁽³⁾	(0.33)	(0.16)	(0.14)	(0.07)	(0.07)
Net assets attributable to holders of redeemable units, end of period ⁽⁴⁾	19.75	15.57	13.26	14.48	12.17
(1) This information is derived from the Fund's audited annual financial statements. (2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) in net assets attributable to holder's of redeemable units is based on the weighted average number of units outstanding over the financial year. (3) Distributions were paid in cash and/or reinvested in additional units of the Fund. (4) This table is not intended to be a reconciliation of beginning to ending net assets per unit.					
RATIOS AND SUPPLEMENTAL DATA (based on Trading NAV)					
	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Total net asset value (\$) (000's) ⁽¹⁾	43,223	25,036	14,361	9,792	499
Number of redeemable units outstanding (000's) ⁽¹⁾	2,188	1,607	1,083	676	41
Management expense ratio (%) ⁽²⁾	0.23	0.33	0.30	0.19	0.74
Management expense ratio before waivers or absorptions (%) ⁽²⁾	0.23	0.33	0.52	0.74	3.23
Trading expense ratio (%) ⁽³⁾	0.03	0.04	0.03	0.15	0.02
Portfolio turnover rate (%) ⁽⁴⁾	29.97	48.25	24.99	14.69	26.01
Net asset value per unit (\$)	19.75	15.57	13.26	14.48	12.17
(1) This information is provided as at December 31 of the year shown. (2) The management expense ratio ("MER") is calculated in accordance with National Instrument 81-106, based on expenses for the stated year (including Harmonized Sales Tax, Goods and Service Tax, income tax and interest) but excluding foreign withholding taxes, commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the year. PPW may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. The Fund has had expenses waived or absorbed for all the years presented. The waiver or absorption of operating expenses is expected to continue for an indefinite period of time and can be terminated by PPW at its discretion and without prior notice. The Fund was previously a pooled fund and the MER did not account for various fund expenses that will now be incurred as a mutual fund. (3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year. (4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor trades its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.					

PEMBROKE CANADIAN ALL CAP FUND

Financial Highlights (Cont'd)**Management Fees**

Management fees are charged directly to unitholders. Subject to the maximum fees set forth below, unitholders are charged management fees based on the assets under management of their PPW relationship. Such management fees are payable directly to PPW by the redemption (without charge) of a sufficient number of units of the Fund held.

Name of the Fund	Assets under management		
	Under \$1 million	Between \$1 million and \$5 million	Above \$5 million ¹
Pembroke Money Market Fund	-	-	-
Pembroke Canadian Bond Fund	0.65%	0.50%	0.40%
Pembroke Corporate Bond Fund	0.75%	0.60%	0.50%
Pembroke Canadian Balanced Fund	1.30%	1.00%	0.75%
Pembroke Global Balanced Fund	1.30%	1.00%	0.75%
Pembroke Canadian All Cap Fund	1.50%	1.50%	1.00%
Pembroke Canadian Growth Fund	1.70%	1.50%	1.00%
Pembroke American Growth Fund Inc.	1.50%	1.50%	1.00%
Pembroke International Growth Fund	1.50%	1.50%	1.00%
Pembroke Concentrated Fund - Class A Units	1.50%	1.50%	1.00%
Pembroke Dividend Growth Fund	1.50%	1.50%	1.00%
¹ Larger investors or those meeting specific criteria may qualify for lower fees			

Management fees paid directly by unitholders of the Fund to PPW through a redemption of units was \$0.2 million for the year ended December 31, 2024.

Under the Pembroke Family Advantage Program, the value of family holdings of all family members designated by the investor will be considered to determine the management fee applicable to all family members. In order to benefit from the Pembroke Family Advantage Program, family members must be designated by the investor using the form prepared by PPW and must be approved by PPW prior to any management fee reduction being applicable. Management fees are determined based on the amount of assets under management with PPW and Pembroke.

All management fees were used by the Manager to pay costs for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, and providing other services. For the year ended December 31, 2024, none of the management fees received by the Manager were used to fund commission payments and other dealer compensation (collectively "distribution-related costs") paid to registered dealers and brokers for units of the Fund bought and held by investors.

Caution Regarding Forward-looking Statements

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including, but not limited to, market and general economic conditions, interest rates, regulatory and statutory developments and the effects of competition in the geographic and business areas in which the Fund may invest. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Further, it should be noted that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

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Pembroke Private Wealth Management Ltd.
is a mutual fund dealer and manager of the Pembroke Funds.
Pembroke Management Ltd. is an investment adviser.

Custodial service provided by RBC Investor & Treasury Services
Unitholder Recordkeeping provided by RBC Investor & Treasury Services
Annual audit performed by Deloitte LLP.