CHOU ASSOCIATES FUND
CHOU ASIA FUND
CHOU EUROPE FUND
CHOU BOND FUND
CHOU RRSP FUND

SEMI-ANNUAL REPORT 2026

Illustration of an assumed investment of $10,000 in Canadian dollars (unaudited)

CHOU ASSOCIATES FUND

Period ended	Total value of shares
Dec.31, 1986	$10,000
Dec.31, 1987	10,502
Dec.31, 1988	12,001
Dec.31, 1989	14,244
Dec.31, 1990	12,722
Dec.31, 1991	15,681
Dec.31, 1992	18,817
Dec.31, 1993	21,863
Dec.31, 1994	21,300
Dec.31, 1995	27,904
Dec.31, 1996	34,235
Dec.31, 1997	48,035
Dec.31, 1998	59,187
Dec.31, 1999	53,489
Dec.31, 2000	57,967
Dec.31, 2001	70,397
Dec.31, 2002	91,504
Dec.31, 2003	94,773
Dec.31, 2004	103,319
Dec.31, 2005	117,462
Dec.31, 2006	139,511
Dec.31, 2007	125,258
Dec.31, 2008	88,553
Dec.31, 2009	114,854
Dec.31, 2010	136,916
Dec.31, 2011	113,776
Dec.31, 2012	144,446
Dec.31, 2013	204,142
Dec.31, 2014	228,754
Dec.31, 2015	212,854
Dec.31, 2016	206,905
Dec.31, 2017	214,775
Dec.31, 2018	197,699
Dec.31, 2019	200,244
Dec.31, 2020	181,288
Dec.31, 2021	276,407
Dec.31, 2022	302,056
Dec.31, 2023	304,090
Dec.31, 2024	370,398
Dec.31, 2025	382,542
Jun.30, 2026	**$412,286**

NOTE: Rates of return are historical total returns, include changes in unit prices, and assume the reinvestment of all distributions. These annual compounded returns do not take into account any sales charges, redemption fees, other optional expenses or income taxes that you have to pay and that could reduce these returns. The returns are not guaranteed. The Fund’s past performance does not necessarily indicate future performance.

The table is presented only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual funds or returns on the mutual funds. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing.

PERFORMANCE OF THE FUNDS

Six months ended June 30, 2026 (unaudited)

Chou Associates Fund	
Series A $CAN	7.8%
Series A $US	4.3%
Series F $CAN	8.1%
Series F $US	4.6%
Chou Asia Fund	
Series A $CAN	(5.5%)
Series A $US	(8.5%)
Series F $CAN	(5.2%)
Series F $US	(8.3%)
Chou Europe Fund	
Series A $CAN	(8.8%)
Series A $US	(11.7%)
Series F $CAN	(8.8%)
Series F $US	(11.7%)
Chou Bond Fund	
Series A $CAN	4.1%
Series A $US	0.8%
Series F $CAN	4.2%
Series F $US	0.8%
Chou RRSP Fund	
Series A $CAN	15.6%
Series A $US	11.9%
Series F $CAN	16.0%
Series F $US	12.2%

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CHOU ASSOCIATES FUND

(unaudited)

August 14, 2026

Dear Unitholders of Chou Associates Fund,

The net asset value per unit ("NAVPU") of a Series F unit of Chou Associates Fund at June 30, 2026 was $213.27 compared to $197.33 at December 31, 2025, an increase of 8.1%; during the same period, the S&P 500 Total Return Index increased by 14.1% in Canadian dollars. In U.S. dollars, a Series F unit of Chou Associates Fund increased by 4.6% while the S&P 500 Total Return Index increased by 10.2%.

The table shows our one-year, three-year, five-year, and ten-year annual compound rates of return.

June 30, 2026 (Series F)	**1 Year**	**3 Years**	**5 Years**	**10 Years**
Chou Associates Fund ($CAN)	12.5%	11.0%	11.2%	9.8%
S&P 500 ($CAN)	27.5%	23.5%	16.5%	16.5%
Chou Associates Fund ($US)	8.0%	8.5%	8.2%	8.8%
S&P 500 ($US)	22.3%	20.6%	13.4%	15.5%

Rates of return are historical total returns that include changes in unit prices, and assume the reinvestment of all distributions. These annual compounded returns do not take into account any sales charges, redemption fees, other optional expenses or income taxes that you have to pay and that could reduce these returns. The returns are not guaranteed. The Fund's past performance does not necessarily indicate future performance. The table is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual funds or returns on the mutual funds. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing.

National Instrument 81-106 requires mutual funds to present performance results for up to 10 years. Accordingly, future reports will present performance results and comparative indices only as required under National Instrument 81-106.

Most unitholders of the Fund have transitioned from Series A to Series F. As a result, the Fund's performance is now presented based on Series F results.

Factors Influencing the First Six-Month Results

The top contributors in the first half of 2026 were the equity holdings of Sirius XM Holdings Inc., EXCO Resources Inc., Pathward Financial Inc., Citigroup Inc., and Occidental Petroleum Corporation.

The major underperformers in the same period were the equity holdings of Stellantis NV, Wells Fargo & Company, Synchrony Financial, and General Motors Company.

The Canadian currency depreciated against the US dollar, which also positively affected the Fund.

During the period, the Fund sold the warrant holding of Hertz Global Holdings Inc.

The Fund initiated investments in the equity holdings of Jefferies Financial Group Inc. and Paypal Holdings Inc.

The Fund also had no covered call options in its portfolio as at June 30, 2026.

Portfolio Commentary

The Common Theme In New Purchases

During the last few years, we purchased shares in several new companies. These are reasonably good businesses that generate substantial free cash flow, trade at low multiples of earnings, and have management teams we trust to make sound operating and capital allocation decisions.

If there is a common theme among these new purchases, it is that the companies have been significant buyers of their own stock in recent years. We also believe that if their share prices decline further, management will likely repurchase additional shares in meaningful quantities.

When a company repurchases its shares at attractive prices, the intrinsic value per share increases for the remaining shareholders. That is music to my ears.

However, there is one important caveat regarding share repurchases. Companies should not be buying back stock if they operate in declining industries, where new technologies or processes are likely to make their products less valuable over time.

As a corollary, a company should also avoid repurchasing shares if it is fundamentally a CRAP business – one that 'Cannot Realize A Profit'. In that situation, the remaining shareholders simply end up owning a larger piece of a mediocre company, which is hardly desirable.

When used properly, however, share repurchases can be an excellent use of capital. A company that generates strong free cash flow and repurchases its shares at attractive prices can steadily increase the intrinsic value of the business on a per-share basis. Over time, this can produce very satisfactory results for patient shareholders.

EXCO Resources Inc. ("EXCO")

In early July 2019, EXCO emerged from bankruptcy. Under the restructuring plan, the Company's 1.75 lien term loans were converted into equity at a rate of 28.38 shares for every US$1,000 of par value, after certain adjustments. This implied a conversion price of US$9.51 per share.

Because EXCO is a private company and its shares historically traded only sporadically in the grey market, we engaged Kroll, an independent third-party valuation firm, to provide a valuation of EXCO every six months.

In December 2025, however, a meaningful number of shares began trading in the grey market, and we sold 21,330 shares. With observable market transactions now occurring, we will henceforth use market quotations to determine the daily value of our remaining EXCO holdings. The market price was $18.20 per share at December 31, 2025, and $23.50 per share at June 30, 2026.

Possible Reduction in Series A Management Fee Beginning in 2027

The Manager is entitled to an annual investment management fee equal to 1.5% of the net asset value of the Series A redeemable units and 1.0% of the net asset value of the Series F redeemable units. All other expenses attributable to the Funds are also payable out of the assets of the Funds.

Beginning in 2027, the Manager is considering reducing the management fee charged to Series A from 1.5% to 1.0% per annum. If implemented, the management fee charged to Series A would be the same as the management fee currently charged to Series F. The applicable operating expenses would continue to be charged separately.

The Independent Review Committee ("IRC") has provided a Standing Instruction that states:

"The Fund Manager may, at any time, reduce or eliminate fees for any fund for any period of time. Those fees may also be increased at any time to any amount up to the original level without the approval of the Independent Review Committee."

The Manager intends to rely on this Standing Instruction in implementing the proposed reduction in the Series A management fee.

A Major Milestone

Chou Associates Fund began on July 1, 1981, as a private investment club managed by Francis S.M. Chou, CFA. It was subsequently established as a mutual fund pursuant to an initial declaration of trust dated July 17, 1985.

Since July 1, 1981, $1 million invested in the Chou Associates Fund has grown to more than $102 million. This represents a milestone of which we are extremely proud. To the best of my knowledge, I am not aware of another fund in Canada that has achieved a comparable combination of investment performance and longevity under the stewardship of a single portfolio manager, without a co-portfolio manager, throughout the entire period.

I am especially pleased to report that, of the seven original investors, at least four are still with us to share in this important milestone.

Templeton Growth Fund also achieved a remarkable long-term record, growing an initial investment by more than 100-fold. However, based on the historical information available to us, it is difficult to determine whether this achievement occurred entirely under John Templeton's sole management, without a co-portfolio manager.

John Templeton was an outstanding investor and a remarkable humanitarian. He served as a role model for me, as he did for many young aspiring portfolio managers.

As an additional point of perspective, the $102 million figure is after the Fund's expenses. Management expense ratios during those years ranged from approximately 1.7% to 2.1% annually. Had the Fund not incurred management expenses, a $1 million investment would have grown to approximately $235 million based on a 1.7% annual MER, or $200 million based on a 2.1% MER.

Caution to the Investors

Investors should be advised that we run a highly focused portfolio, frequently just three to five securities may comprise close to 50% of the assets of the Fund. In addition, the Fund has securities that are non-U.S. and could be subjected to geopolitical risks, which may trump or at least negatively influence the financial performance of the company. Also, we may enter into some derivative contracts, such as credit default swaps when we feel that the market conditions are right to use those instruments. Because of any or all of these factors, the net asset value of the Fund can be from time to time more volatile than at other times. However, we are not bothered by this volatility because our focus has always been, and continues to be, on how inexpensive we believe the Fund's portfolio holdings are relative to what we believe to be their intrinsic value.

As at June 30, 2026, Fairfax Financial Holdings ("Fairfax") held 18.9% of the total outstanding units of the Fund. If Fairfax redeems its units, a significant portion of the Fund's investments may have to be liquidated in order to execute this transaction. The timing of such a liquidation may not be appropriate and all investors may suffer a proportionate loss as a result of such a liquidation. Fairfax agreed in 2002 that it would not exercise any voting rights attached to units of the Fund or otherwise in any manner attempt to influence the affairs of the Chou Funds. This agreement remains in full force and effect and has been complied with by Fairfax to date.

Other Matters

FOREIGN CURRENCY CONTRACTS: None existed at June 30, 2026.

U.S. DOLLAR VALUATION: Any investor who wishes to purchase the Chou Funds in U.S. dollars may do so.

REDEMPTION FEE: We have a redemption fee of 2% if unitholders redeem their units in less than 3 months. None of this fee goes to the Fund Manager. It is put back into the Fund for the benefit of the remaining unitholders.

INDEPENDENT REVIEW COMMITTEE: The Manager has established an IRC as required by NI 81-107. The members of the IRC are Sandford Borins, Peter Gregoire and Joe Tortolano. The 2025 IRC Annual Report is available on our website www.choufunds.com.

As of August 14, 2026, the NAVPU of a Series F unit of the Fund was $216.86 and the cash position was approximately 5.9% of net assets. The Fund is up 9.9% from the beginning of the year. In U.S. dollars, it is up 8.7%.

Except for the performance numbers of the Chou Associates Fund, this letter contains estimates and opinions of the Fund Manager and is not intended to be a forecast of future events, a guarantee of future returns or investment advice. Any recommendations contained or implied herein may not be suitable for all investors.

Yours truly,

Francis Chou

Francis Chou
Fund Manager

Management’s Responsibility for Financial Reporting

To the unitholders of the Chou Funds:

The accompanying financial statements have been prepared by the management of Chou Associates Management Inc. Management is responsible for the information and representations made in these financial statements.

Management has applied appropriate processes to ensure that the statements contain relevant and reliable financial information. The financial statements have been produced in accordance with IFRS® Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and include certain amounts based on estimates and judgements. The material accounting policies that management believes are appropriate for the Chou Funds are consistent with those described in Note 2 of the Funds’ audited financial statements for the year ended December 31, 2025.

The Trustee of each of the Trusts is responsible for reviewing and approving the financial statements, and for overseeing management’s performance of its financial reporting responsibilities. The Trustee reviews the financial statements, the adequacy of internal controls, the audit process and the financial data with management and the external auditors.

The Board of Directors of Chou Associates Management Inc. is responsible for reviewing and approving the financial statements, and for overseeing management’s performance of its financial reporting responsibilities. It reviews the financial statements, the adequacy of internal controls, the audit process and the financial data with management and the external auditors. Once satisfied, the Board approves the financial statements.

MNP LLP is the appointed external auditor of the Chou Funds. They are appointed by the respective Boards and cannot be changed without the prior approval of the Independent Review Committee and on 60 days notice to the unitholders.

Francis Chou

Francis Chou
Chou Associates Management Inc.
August 14, 2026

CHOU ASSOCIATES FUND

Interim Condensed Statements of Financial Position

June 30, 2026 and December 31, 2025 (Unaudited)

	June 30, 2026	December 31, 2025
	$	$
Assets		
Current assets		
Cash and cash equivalents	12,349,681	30,884,184
Investments (note 8)	170,764,173	143,506,649
Derivatives (note 8)	-	3,678
Receivable for redeemable units subscribed	-	95,494
Dividends receivable	85,080	79,608
Total assets	183,198,934	174,569,613
Liabilities		
Current liabilities		
Accrued expenses	280,068	278,082
Payable for units redeemed	89,008	77,480
Total liabilities	369,076	355,562
Net assets attributable to unitholders of redeemable units	182,829,858	174,214,051
Net assets attributable to unitholders of redeemable units:		
Series A	123,558,530	118,618,908
Series F	59,271,328	55,595,143
	182,829,858	174,214,051
Number of redeemable units outstanding (note 4):		
Series A	583,884	604,125
Series F	277,919	281,739
Net assets attributable to unitholders of redeemable units per unit:		
Canadian dollars:		
Series A	211.61	196.35
Series F	213.27	197.33
U.S. dollars:		
Series A	149.21	143.05
Series F	150.37	143.77

Approved on behalf of the Fund by the Board of Directors of Chou Associates Management Inc.:

Francis Chou

See accompanying notes to the interim condensed financial statements.

CHOU ASSOCIATES FUND

Interim Condensed Statements of Comprehensive Income (Loss)

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Income:		
Interest for distribution purposes and other	318,431	877,812
Dividends	741,411	1,020,137
Securities lending income (note 7)	15,972	28,149
Foreign currency gain (loss) on cash and other net assets	319,095	(11,409)
Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss:		
Net realized gain (loss) on disposal of investments	344,411	(1,130,353)
Net realized (loss) gain on derivatives	(10,224)	178,376
Change in unrealized appreciation on investments	13,435,034	317,970
Change in unrealized appreciation on derivatives	8,094	20,881
	15,172,224	1,301,563
Expenses:		
Management fees (note 5(a))	1,337,822	1,360,159
Custodial fees	134,847	140,308
Audit fees	86,092	112,839
Filing fees	12,827	25,900
FundSERV fees	13,570	12,408
Legal fees	9,050	9,050
Transaction costs (note 6)	34,741	73,827
Foreign withholding taxes	110,575	153,796
Other	3,194	1,096
	1,742,718	1,889,383
Increase (decrease) in net assets attributable to unitholders of redeemable units	13,429,506	(587,820)

See accompanying notes to the interim condensed financial statements.

CHOU ASSOCIATES FUND

Interim Condensed Statements of Changes in Net Assets Attributable to Unitholders of Redeemable Units

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	**2025**
	$	$
Net assets attributable to unitholders of redeemable units, beginning of period	174,214,051	174,918,023
Increase (decrease) in net assets attributable to unitholders of redeemable units	13,429,506	(587,820)
Proceeds from issue of redeemable units	2,599,203	2,098,621
Payments on redemption of redeemable units	(7,412,902)	(5,165,979)
Net assets attributable to unitholders of redeemable units, end of period	182,829,858	171,262,845

See accompanying notes to the interim condensed financial statements.

CHOU ASSOCIATES FUND

Interim Condensed Statements of Cash Flows

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Cash flows used in operating activities:		
Increase (decrease) in net assets attributable to unitholders of redeemable units	13,429,506	(587,820)
Adjustments for:		
Foreign currency (gain) loss on cash and other net assets	(319,095)	11,409
Net realized (gain) loss on disposal of investments and derivatives	(334,187)	951,977
Change in unrealized appreciation on investments and derivatives	(13,443,128)	(338,851)
Change in non-cash operating working capital:		
Increase in dividends receivable	(5,472)	(8,414)
Increase (decrease) in accrued expenses	1,986	(14,478)
Purchase of investments	(13,827,221)	(25,994,808)
Proceeds from sales of investments	350,690	7,880,602
Net cash used in operating activities	(14,146,921)	(18,100,383)
Cash flows used in financing activities:		
Proceeds from redeemable units issued	2,694,697	2,097,748
Amount paid on redemption of redeemable units	(7,401,374)	(5,211,293)
Net cash used in financing activities	(4,706,677)	(3,113,545)
Foreign currency gain (loss) on cash and cash equivalents and other net assets	319,095	(11,409)
Decrease in cash and cash equivalents	(18,534,503)	(21,225,337)
Cash and cash equivalents, beginning of period	30,884,184	58,972,666
Cash and cash equivalents, end of period	12,349,681	37,747,329
Supplemental information:		
Interest received	318,431	877,812
Dividends received, net of withholding tax	625,364	857,927
Security lending income received	15,972	28,149

See accompanying notes to the interim condensed financial statements.

CHOU ASSOCIATES FUND

Interim Condensed Schedule of Investments

June 30, 2026 (Unaudited)

	Number of securities	Cost	Fair value
	#	$	$
Equities*			
Ally Financial Inc.	155,686	5,289,052	10,145,837
Berkshire Hathaway Inc.	61	6,433,433	64,785,447
Citigroup Inc.	32,695	826,047	6,489,901
EXCO Resources Inc.	759,914	18,769,861	25,327,079
General Motors Company	30,000	1,976,330	3,279,561
Jefferies Financial Group Inc.	125,000	6,915,249	8,860,517
Occidental Petroleum Corporation	117,000	7,817,658	8,059,475
Pathward Financial Inc.	25,017	1,677,840	3,088,920
PayPal Holdings Inc.	114,000	6,946,684	6,981,364
Sirius XM Holdings Inc.	327,589	10,500,212	13,724,376
Stellantis NV	588,194	7,401,326	4,788,343
Synchrony Financial	120,000	5,457,935	12,942,949
Wells Fargo & Company	19,542	1,042,763	2,290,404
		81,054,390	170,764,173
Total investments		81,054,390	170,764,173
Transaction costs		(187,683)	-
Portfolio total		80,866,707	170,764,173

* Common shares unless indicated otherwise

See accompanying notes to the interim condensed financial statements.

CHOU ASSOCIATES FUND

Discussion of Financial Risk Management

Six months ended June 30, 2026 and 2025 (Unaudited)

Investment objective and strategies:

Chou Associates Fund's objective is to provide long-term growth of capital by investing primarily in equity securities of U.S. and foreign businesses considered by the Manager to be undervalued. The Fund may also invest in the equity securities of Canadian businesses. Investments may include common and preferred shares, convertible debentures, government and corporate bonds and short-term debt. The Fund may also use derivatives such as, but not limited to, futures, options, swaps and forward contracts to gain exposure to securities and asset classes consistent with the objectives of the Fund, and to hedge portfolio exposure against losses from foreign currency and domestic currency exposure and changes in securities prices.

The investment process followed in selecting equity investments for the Fund is a value-oriented approach to investing. The level of investments in the Fund's securities is generally commensurate with the current price of the Fund's securities in relation to its intrinsic value. That approach is designed to provide an extra margin of safety, which in turn serves to reduce overall portfolio risk.

Financial risk management:

The Fund's investment activities expose it to various types of risk associated with the financial instruments and markets in which it invests. The Fund's risk management goals are to ensure that the outcome of activities involving risk is consistent with the Fund's objectives and risk tolerance.

(a) Other price risk:

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Approximately 93.40% (December 31, 2025 – 82.38%) of the Fund's net assets held at June 30, 2026 were publicly traded equities. If equity prices on the exchange had increased or decreased by 5% as at June 30, 2026, the net assets of the Fund would have increased or decreased by approximately $8,538,209 or 4.67% (December 31, 2025 – $7,175,516 or 4.12%) of the net assets, all other factors remaining constant.

In practice, the actual trading results may differ and the difference could be material.

(b) Foreign currency risk:

Currencies to which the Fund had exposure as at June 30, 2026 and December 31, 2025 expressed in CAD are as follows:

June 30, 2026	Investments and derivatives	Cash and cash equivalents	Other assets and liabilities	Total	Percentage of net asset value
	$	$	$	$	%
United States dollar (USD)	170,764,173	11,995,144	85,079	182,844,396	100.0

December 31, 2025	Investments and derivatives	Cash and cash equivalents	Other assets and liabilities	Total	Percentage of net asset value
	$	$	$	$	%
United States dollar (USD)	143,510,327	30,425,208	79,608	174,015,143	99.9

Financial risk management (continued):

(b) Foreign currency risk (continued):

The amounts in the above tables are based on the market value of the Fund's financial instruments. This includes cash and cash equivalents, investments, dividends receivable, receivable for units subscribed, derivatives and payable for units redeemed that are denominated in foreign currencies.

As at June 30, 2026, if the Canadian dollar had strengthened or weakened by 1% in relation to all currencies, with all other variables held constant, net assets would have decreased or increased by approximately $1,828,444 (December 31, 2025 - $1,740,151).

In practice, the actual trading results may differ and the difference could be material.

CHOU ASIA FUND
(unaudited)

August 14, 2026

Dear Unitholders of Chou Asia Fund

The net asset value per unit ("NAVPU") of a Series F unit of Chou Asia Fund at June 30, 2026 was $30.43 compared to $32.11 at December 31, 2025, a decrease of 5.2%; during the same period, the MSCI AC (Morgan Stanley Capital International All Country) Asia Pacific Total Return Index in Canadian dollars increased by 26.0%. In U.S. dollars, a Series F unit of Chou Asia Fund was down 8.3% while the MSCI AC Asia Pacific Total Return Index increased by 21.7%.

The table shows our one-year, three-year, five-year, and ten-year annual compound rates of return.

June 30, 2026 (Series F)	1 Year	3 Years	5 Years	10 Years
Chou Asia Fund ($CAN)	7.5%	13.6%	5.0%	10.4%
MSCI AC Asia Pacific TR ($CAN)	43.7%	24.9%	11.6%	11.9%
Chou Asia Fund ($US)	3.2%	11.0%	2.2%	9.4%
MSCI AC Asia Pacific TR ($US)	37.8%	22.0%	8.6%	10.9%

Rates of return are historical total returns that include changes in unit prices, and assume the reinvestment of all distributions. These annual compounded returns do not take into account any sales charges, redemption fees, other optional expenses or income taxes that you have to pay and that could reduce these returns. The returns are not guaranteed. The Fund's past performance does not necessarily indicate future performance. The table is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual funds or returns on the mutual funds. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing.

National Instrument 81-106 requires mutual funds to present performance results for up to 10 years. Accordingly, future reports will present performance results and comparative indices only as required under National Instrument 81-106.

Most unitholders of the Fund have transitioned from Series A to Series F. As a result, the Fund's performance is now presented based on Series F results.

Factors Influencing the First Six-Month Results

The top contributor in the first half of 2026 was the equity holdings of China Yuchai International Limited. The major underperformers in the same period were the equity holdings of BYD Electronic (International) Company Limited, Alibaba Group Holding Limited, AirAsia X Berhad, Tencent Holdings Limited, and Postal Savings Bank of China Co Ltd. The Canadian currency depreciated against the Hong Kong dollar, which also positively affected the Fund.

In February 2026, the Fund tendered its AJIS Co., Ltd. shares at 4,450 yen per share following Saito Holdings' privatization offer.

The Fund initiated investments in the equity holding of ITOCHU Corporation and Sumitomo Corporation.

Portfolio Commentary

China

We began investing in China several years ago and have been quite successful. Despite the strong results, however, we have always been uneasy about the communist and authoritarian nature of the regime. Over time, we have struggled with several fundamental issues.

1) Weak Rule of Law

The rule of law does not properly exist in China. Unlike in the United States, where disputes can generally be resolved through an independent judicial system, the courts in China are ultimately controlled by the Communist Party. Political considerations can therefore take precedence over the facts of a case.

2) Reliability of Auditors

Even when auditors appear to be independent, it can be difficult to rely fully on their work. Under the pretext of "national security concerns," foreign auditors are often restricted in the procedures they can perform. In practice, auditors operating in China may face pressure to align with government expectations, which makes it harder for investors to be completely comfortable with reported financial statements.

3) Ownership Structure (Variable Interest Entities)

Another troubling aspect concerns ownership rights. In many Chinese companies listed abroad, foreign investors do not directly own the operating business. Instead, they hold shares in a **Variable Interest Entity (VIE)** – a shell company that has contractual claims on the profits of the underlying business.

In effect, investors own a contractual arrangement rather than the actual company. If such a structure were widely used in the United States or Canada, it would likely face intense regulatory scrutiny.

4) Government "Golden Shares"

The Chinese government also retains the ability to acquire a small ownership stake – often around 1% of a company's shares—with special rights and privileges. These so-called "golden shares" can give the government significant influence over corporate decisions.

Despite these concerns, our investments in Chinese companies have performed well. BYD Electronic provides a good example. We purchased the shares at prices as low as HK$1.58. By June 30th, 2026, the shares were trading at HK$20.92, representing a gain of more than 13 times our original purchase price.

This investment illustrates an important principle. Even in markets with structural risks, exceptional companies purchased at sufficiently low prices can produce outstanding results.

Given the structural risks associated with investing in China, our approach is deliberately conservative. We invest only in high-quality businesses that can be purchased at a substantial discount to comparable companies in developed markets, thereby providing a margin of safety. In addition, we limit our exposure to China to less than 20% of the portfolio at cost, ensuring that any adverse developments would have a manageable impact on the Fund.

Possible Reduction in Series A Management Fee Beginning in 2027

The Manager is entitled to an annual investment management fee equal to 1.5% of the net asset value of the Series A redeemable units and 1.0% of the net asset value of the Series F redeemable units. All other expenses attributable to the Funds are also payable out of the assets of the Funds.

Beginning in 2027, the Manager is considering reducing the management fee charged to Series A from 1.5% to 1.0% per annum. If implemented, the management fee charged to Series A would be the same as the management fee currently charged to Series F. The applicable operating expenses would continue to be charged separately.

The Independent Review Committee ("IRC") has provided a Standing Instruction that states:

"The Fund Manager may, at any time, reduce or eliminate fees for any fund for any period of time. Those fees may also be increased at any time to any amount up to the original level without the approval of the Independent Review Committee."

The Manager intends to rely on this Standing Instruction in implementing the proposed reduction in the Series A management fee.

Caution to the Investors

Investors should be advised that we run a highly focused portfolio, frequently just three to five securities may comprise more than 50% of the assets of the Fund. In addition, the Fund has securities that are non-U.S. and could be subjected to geopolitical risks, which may trump or at least negatively influence the financial performance of the company. Also, we may enter into some derivative contracts, such as credit default swaps when we feel that the market conditions are right to use those instruments. Because of any or all of these factors, the net asset value of the Fund can be from time to time more volatile than at other times. However, we are not bothered by this volatility because our focus has always been, and continues to be, on how inexpensive we believe the Fund's portfolio holdings are relative to what we believe to be their intrinsic value.

Other Matters

FOREIGN CURRENCY CONTRACTS: None existed at June 30, 2026.

U.S. DOLLAR VALUATION: Any investor who wishes to purchase the Chou Funds in U.S. dollars may do so.

REDEMPTION FEE: We have a redemption fee of 2% if unitholders redeem their units in less than 3 months. None of this fee goes to the Fund Manager. It is put back into the Fund for the benefit of the remaining unitholders.

INDEPENDENT REVIEW COMMITTEE: The Manager has established an IRC as required by NI 81-107. The members of the IRC are Sandford Borins, Peter Gregoire and Joe Tortolano. The 2025 IRC Annual Report is available on our website www.choufunds.com.

As of August 14, 2026, the NAVPU of a Series F unit of the Fund was $31.84 and the cash position was approximately 17.9% of net assets. The Fund is down 0.8% from the beginning of the year. In U.S. dollars, it is down 1.9%.

Except for the performance numbers of the Chou Asia Fund, this letter contains estimates and opinions of the Fund Manager and is not intended to be a forecast of future events, a guarantee of future returns or investment advice. Any recommendations contained or implied herein may not be suitable for all investors.

Yours truly,

Francis Chou

Francis Chou
Fund Manager

CHOU ASIA FUND

Interim Condensed Statements of Financial Position

June 30, 2026 and December 31, 2025 (Unaudited)

	June 30, 2026	December 31, 2025
	$	$
Assets		
Current assets		
Cash and cash equivalents	3,202,982	4,698,240
Investments (note 8)	12,929,694	13,404,843
Derivatives (note 8)	22,472	4,243
Interest receivable	120	159
Dividends receivable	58,422	32,193
Total assets	16,213,690	18,139,678
Liabilities		
Current liabilities		
Accrued expenses	199,637	186,609
Payable for units redeemed	1,983	-
Distributions payable	-	43,587
Total liabilities	201,620	230,196
Net assets attributable to unitholders of redeemable units	16,012,070	17,909,482
Net assets attributable to unitholders of redeemable units:		
Series A	6,599,656	7,488,321
Series F	9,412,414	10,421,161
	16,012,070	17,909,482
Number of redeemable units outstanding (note 4):		
Series A	223,826	240,032
Series F	309,304	324,577
Net assets attributable to unitholders of redeemable units per unit:		
Canadian dollars:		
Series A	29.49	31.20
Series F	30.43	32.11
U.S. dollars:		
Series A	20.79	22.73
Series F	21.46	23.39

Approved on behalf of the Fund by the Board of Directors of Chou Associates Management Inc.:

Francis Chou

See accompanying notes to the interim condensed financial statements.

CHOU ASIA FUND

Interim Condensed Statements of Comprehensive Income (Loss)

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Income:		
Interest for distribution purposes and other	56,108	85,903
Dividends	61,673	144,556
Securities lending income (note 7)	2,112	1,002
Foreign currency gain (loss) on cash and other net assets	22,348	(20,589)
Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss:		
Net realized gain on disposal of investments	1,028,540	1,582,762
Change in unrealized depreciation on investments	(1,928,465)	(996,749)
Change in unrealized appreciation on derivatives	18,229	-
	(739,455)	796,885
Expenses:		
Management fees (note 5(a))	119,869	117,405
Custodial fees	30,131	30,131
Audit fees	9,175	11,547
Filing fees	1,189	2,400
FundSERV fees	1,329	1,140
Transaction costs (note 6)	4,974	3,707
Foreign withholding taxes	4,260	7,385
Other	299	102
	171,226	173,817
(Decrease) increase in net assets attributable to unitholders of redeemable units	(910,681)	623,068

See accompanying notes to the interim condensed financial statements.

CHOU ASIA FUND

Interim Condensed Statements of Changes in Net Assets Attributable to Unitholders of Redeemable Units

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Net assets attributable to unitholders of redeemable units, beginning of period	17,909,482	16,452,928
(Decrease) increase in net assets attributable to unitholders of redeemable units	(910,681)	623,068
Proceeds from issue of redeemable units	451,076	323,059
Payments on redemption of redeemable units	(1,437,807)	(1,008,890)
Net assets attributable to unitholders of redeemable units, end of period	16,012,070	16,390,165

See accompanying notes to the interim condensed financial statements.

CHOU ASIA FUND

Interim Condensed Statements of Cash Flows

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Cash flows (used in) from operating activities:		
(Decrease) increase in net assets attributable to unitholders of redeemable units	(910,681)	623,068
Adjustments for:		
Foreign currency (gain) loss on cash and other net assets	(22,348)	20,589
Net realized gain on disposal of investments and derivatives	(1,028,540)	(1,582,762)
Change in unrealized depreciation on investments and derivatives	1,910,236	996,749
Change in non-cash operating working capital:		
Decrease (increase) in interest receivable	39	(17)
Increase in dividends receivable	(26,229)	(78,872)
Increase in accrued expenses	13,028	14,959
Purchase of investments	(1,657,687)	(1,854,236)
Proceeds from sales of investments	1,232,911	3,167,986
Net cash (used in) generated from operating activities	(489,271)	1,307,464
Cash flows used in financing activities:		
Distributions paid to unitholders	(43,587)	(4,822)
Proceeds from redeemable units issued	451,076	323,059
Amount paid on redemption of redeemable units	(1,435,824)	(999,615)
Net cash used in financing activities	(1,028,335)	(681,378)
Foreign currency gain (loss) on cash and cash equivalents and other net assets	22,348	(20,589)
(Decrease) increase in cash and cash equivalents	(1,495,258)	605,497
Cash and cash equivalents, beginning of period	4,698,240	4,572,669
Cash and cash equivalents, end of period	3,202,982	5,178,166
Supplemental information:		
Interest received	56,147	85,886
Dividends received, net of withholding tax	31,184	58,299
Security lending income received	2,112	1,002

See accompanying notes to the interim condensed financial statements.

CHOU ASIA FUND

Interim Condensed Schedule of Investments

June 30, 2026 (Unaudited)

	Number of securities	Cost	Fair value
	#	$	$
Equities*			
AirAsia X Berhad	251,323	133,471	104,899
Alibaba Group Holding Limited, ADR	3,400	406,470	462,821
BYD Electronic (International) Company Limited	618,000	149,881	2,337,917
Capital A Berhad	650,000	553,614	91,565
China Yuchai International Limited	23,364	395,719	1,570,977
IDFC First Bank Limited	1,565,500	1,854,236	1,864,479
ITOCHU Corporation	49,050	830,582	793,221
Postal Savings Bank of China Company Limited	456,000	401,912	376,843
Shriram Finance Limited	258,210	942,551	4,031,766
Sumitomo Corporation	69,400	831,852	937,684
Tencent Holdings Limited	4,600	320,964	357,522
Total long		6,821,252	12,929,694
Derivatives			
AirAsia X Berhad, warrants, December 31, 2030	125,450	-	22,472
		-	22,472

* Common shares unless indicated otherwise

See accompanying notes to the interim condensed financial statements.

Investment objective and strategies:

Chou Asia Fund's objective is to provide long-term growth of capital by investing primarily in equity securities of Asian businesses considered by the Manager to be undervalued. Investments may be made in securities other than equities and in businesses located outside of Asia. Investments may include common and preferred shares, convertible debentures, government and corporate bonds and short-term debt. The Fund may also use derivatives such as, but not limited to, futures, options, swaps and forward contracts to gain exposure to securities and asset classes consistent with the objectives of the Fund, and to hedge portfolio exposure against losses from foreign currency and domestic currency exposure and changes in securities prices.

The investment process followed in selecting equity investments for the Fund is a value-oriented approach to investing that focuses on the Asian market. The investment strategy follows strong disciplines with regard to price paid to acquire portfolio investments. The level of investments in the Fund's securities is generally commensurate with the current price of the company's securities in relation to its intrinsic value. That approach is designed to provide an extra margin of safety, which in turn serves to reduce overall portfolio risk.

Financial risk management:

The Fund's investment activities expose it to various types of risk associated with the financial instruments and markets in which it invests. The Fund's risk management goals are to ensure that the outcome of activities involving risk is consistent with the Fund's objectives and risk tolerance.

(a) Other price risk:

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Approximately 80.89% of the Fund's net assets held at June 30, 2026 were publicly traded equities (December 31, 2025 – 74.87%). If equity prices on the exchange had increased or decreased by 5% as at June 30, 2026, the net assets of the Fund would have increased or decreased by approximately $647,608 or 4.04% (December 31, 2025 – $670,454 or 3.74%) of the net assets, all other factors remaining constant.

In practice, the actual trading results may differ and the difference could be material.

Financial risk management (continued):

(b) Foreign currency risk:

Currencies to which the Fund had exposure as at June 30, 2026 and December 31, 2025 expressed in CAD are as follows:

June 30, 2026	Investments	Cash and cash equivalents	Net other assets and liabilities	Total	Percentage of net asset value
	$	$	$	$	%
Hong Kong dollar (HKD)	3,072,282	14,476	20,035	3,106,793	19.4
United States dollar (USD)	2,033,798	2,132,150	38,063	4,204,011	26.3
Indian Rupee (₹)	5,896,245	14,707	-	5,910,952	36.9
Japanese yen (¥)	1,730,905	849,380	329	2,580,614	16.1
Malaysian Ringgit (MYR)	218,936	-	-	218,936	1.4

December 31, 2025	Investments	Cash and cash equivalents	Net other assets and liabilities	Total	Percentage of net asset value
	$	$	$	$	%
Hong Kong dollar (HKD)	4,580,194	-	-	4,580,194	25.6
United States dollar (USD)	1,822,464	4,432,342	31,933	6,286,739	35.1
Indian Rupee (₹)	5,974,805	14,990	-	5,989,795	33.4
Japanese yen (¥)	788,480	-	263	788,743	4.4
Malaysian Ringgit (MYR)	243,143	-	-	243,143	1.4

The amounts in the above tables are based on the market value of the Fund's financial instruments. This includes cash and cash equivalents, investments, dividends receivable, interest receivable and due from broker that are denominated in foreign currencies.

As at June 30, 2026, if the Canadian dollar had strengthened or weakened by 1% in relation to all currencies, with all other variables held constant, net assets would have decreased or increased by approximately $160,213 (December 31, 2025 – $178,886).

In practice, the actual trading results may differ and the difference could be material.

CHOU EUROPE FUND
(unaudited)

August 14, 2026

Dear Unitholders of Chou Europe Fund,

The net asset value per unit ("NAVPU") of a Series F unit of Chou Europe Fund at June 30, 2026 was $10.08 compared to $11.05 at December 31, 2025, a decrease of 8.8%; during the same period, the MSCI AC (Morgan Stanley Capital International All Country) Europe Total Return Index in Canadian dollars increased by 12.3%. In U.S. dollars, a Series F unit of Chou Europe Fund was down 11.7% while the MSCI AC Europe Total Return Index increased by 8.5%.

The table shows our one-year, three-year, five-year, and ten-year annual compound rates of return.

June 30, 2026 (Series F)	**1 Year**	**3 Years**	**5 Years**	**10 Years**
Chou Europe Fund ($CAN)	-1.0%	2.3%	6.8%	5.7%
MSCI AC Europe TR ($CAN)	24.7%	20.0%	12.8%	11.4%
Chou Europe Fund ($US)	-5.0%	0.0%	4.0%	4.7%
MSCI AC Europe TR ($US)	19.6%	17.1%	9.8%	10.4%

Rates of return are historical total returns that include changes in unit prices, and assume the reinvestment of all distributions. These annual compounded returns do not take into account any sales charges, redemption fees, other optional expenses or income taxes that you have to pay and that could reduce these returns. The returns are not guaranteed. The Fund's past performance does not necessarily indicate future performance. The table is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual funds or returns on the mutual funds. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing.

National Instrument 81-106 requires mutual funds to present performance results for up to 10 years. Accordingly, future reports will present performance results and comparative indices only as required under National Instrument 81-106.

Most unitholders of the Fund have transitioned from Series A to Series F. As a result, the Fund's performance is now presented based on Series F results.

Factors Influencing the First Six-Month Results

The top contributor in the first half of 2026 was the equity holdings of Conduit Holdings Limited. The major underperformers in the period were the equity holdings of Stellantis NV, Prosus NV, Ryanair Holdings PLC, Wizz Air Holdings PLC, and Exor NV. The Euro appreciated against the Canadian currency during the period, which contributed positively to the performance of the Fund.

During the period, The Fund initiated the equity holding of Vistry Group PLC and Domino's Pizza Group PLC.

The Fund did not enter into any forward currency contracts for pounds sterling or euros in the first half of 2026.

Portfolio Commentary

Prosus N V ("Prosus")

Prosus trades on the Euronext Amsterdam Stock Exchange. Although the company is involved in e-commerce and internet businesses, the best way to understand Prosus is to view it as a holding company that owns a portfolio of both private and publicly traded companies.

Its largest asset is Tencent, which represents more than 75% of Prosus's net asset value based on current market prices. Tencent itself appeared to be undervalued. However, Prosus was trading at more than a 50% discount to its net asset value, which naturally piqued our interest.

Holding companies often trade at discounts to their net asset value for a variety of reasons, including complexity, taxation concerns, and limited control over underlying assets. However, when such a discount becomes very large, it can create an attractive opportunity for investors.

On June 27, 2023, the Board of Directors of Prosus announced a share repurchase program designed to address this discount:

"The repurchase program is expected to efficiently unlock immediate value for the shareholders of Prosus. Prosus will begin selling small numbers of ordinary shares in Tencent Holdings Limited ("Tencent") held by the Group ("Tencent Shares") regularly and in an orderly manner, while concurrently purchasing Prosus shares pursuant to the repurchase program, as long as the Group's trading discount to net asset value remains elevated. Tencent is supportive of the withdrawal by Prosus of its voluntary restriction on the sale of its Tencent shares."

In essence, Prosus is selling small amounts of Tencent shares and using the proceeds to repurchase its own shares, which are trading at a significant discount to net asset value. When a company repurchases its shares at such a discount, the intrinsic value of the remaining shares increases on a per-share basis.

As of June 30th, 2026, Prosus had repurchased 694,515,425 shares at an average price of €45.36 per share, for a total consideration of approximately €31.5 billion (US$34.1 billion).

These repurchases represent a substantial return of capital to shareholders and, more importantly, meaningfully increase the intrinsic value of the remaining Prosus shares.

Fiat Chrysler Automobiles ("FIAT"), now called Stellantis

We initiated a position in Fiat Chrysler in late 2018 because the shares were inexpensive and the company had a strong cash position. Our attention was drawn to the company when its controlling shareholders indicated that they intended to unlock value for shareholders through special dividends, share repurchases, or strategic mergers and acquisitions.

Since our purchase in December 2018, the company has returned a substantial amount of capital to shareholders. We have received US$9.94 per share in regular and special dividends, representing over 68.5% of our original purchase price.

However, turnarounds are difficult to execute, and Stellantis is no exception. For the investment to succeed, the company's operations must perform well, and progress so far has been uneven.

While management has made some capital allocation and operational missteps, we intend to hold the stock because it remains very inexpensive relative to its long-term earnings and cash-flow potential.

For these reasons, Stellantis continues to represent an attractive value opportunity within the Fund's portfolio.

The Common Theme In New Purchases

During the year, we purchased shares in several new companies. These are reasonably good businesses that generate substantial free cash flow, trade at low multiples of earnings, and have management teams we trust to make sound operating and capital allocation decisions.

If there is a common theme among these new purchases, it is that the companies have been significant buyers of their own stock in recent years. We also believe that if their share prices decline further, management will likely repurchase additional shares in meaningful quantities.

When a company repurchases its shares at attractive prices, the intrinsic value per share increases for the remaining shareholders. That is music to my ears.

However, there is one important caveat regarding share repurchases. Companies should not be buying back stock if they operate in declining industries, where new technologies or processes are likely to make their products less valuable over time.

As a corollary, a company should also avoid repurchasing shares if it is fundamentally a CRAP business – one that Cannot Realize A Profit. In that situation, the remaining shareholders simply end up owning a larger piece of a mediocre company, which is hardly desirable.

When used properly, however, share repurchases can be an excellent use of capital. A company that generates strong free cash flow and repurchases its shares at attractive prices can steadily increase the intrinsic value of the business on a per-share basis. Over time, this can produce very satisfactory results for patient shareholders.

Management Fee

The Manager is entitled to an annual investment management fee equal to 1.5% of the net asset value of Series A redeemable units and 1.0% of the net asset value of Series F redeemable units. All other expenses attributable to the Funds are also payable out of the assets of the Funds.

The Manager has elected to waive the management fees for the Chou Europe Fund for 2026.

The Manager also waived the management fees for the Chou Europe Fund in 2024 and 2025.

Caution to the Investors

Investors should be advised that we run a highly focused portfolio, frequently just three to five securities may comprise close to 50% of the assets of the Fund. In addition, the Fund has securities that are non-U.S. and could be subjected to geopolitical risks, which may trump or at least negatively influence the financial performance of the company. Also, we may enter into some derivative contracts, such as credit default swaps when we feel that the market conditions are right to use those instruments. Because of any or all of these factors, the net asset value of the Fund can be from time to time more volatile than at other times. However, we are not bothered by this volatility because our focus has always been, and continues to be, on how inexpensive we believe the Fund's portfolio holdings are relative to what we believe to be their intrinsic value.

Other Matters

FOREIGN CURRENCY CONTRACTS: None existed at June 30, 2026.

U.S. DOLLAR VALUATION: Any investor who wishes to purchase the Chou Funds in U.S. dollars may do so.

REDEMPTION FEE: We have a redemption fee of 2% if unitholders redeem their units in less than 3 months. None of this fee goes to the Fund Manager. It is put back into the Fund for the benefit of the remaining unitholders.

INDEPENDENT REVIEW COMMITTEE: The Manager has established an IRC as required by NI 81-107. The members of the IRC are Sandford Borins, Peter Gregoire and Joe Tortolano. The 2025 IRC Annual Report is available on our website www.choufunds.com.

As of August 14, 2026, the NAVPU of a Series F unit of the Fund was $9.86 and the cash position was approximately 30.8% of net assets. The Fund is down 10.7% from the beginning of the year. In U.S. dollars, it is down 11.7%.

Except for the performance numbers of the Chou Europe Fund, this letter contains estimates and opinions of the Fund Manager and is not intended to be a forecast of future events, a guarantee of future returns or investment advice. Any recommendations contained or implied herein may not be suitable for all investors.

Yours truly,

Francis Chou

Francis Chou
Fund Manager

CHOU EUROPE FUND

Interim Condensed Statements of Financial Position

June 30, 2026 and December 31, 2025 (Unaudited)

	June 30, 2026	December 31, 2025
	$	$
Assets		
Current assets		
Cash and cash equivalents	1,004,395	1,359,382
Investments (note 8)	2,256,205	2,071,468
Receivable for redeemable units subscribed	600	600
Interest receivable	1,093	126
Dividends receivable	7,257	6,097
Total assets	3,269,550	3,437,673
Liabilities		
Current liabilities		
Accrued expenses	7,897	7,333
Distributions payable	-	1,675
Total liabilities	7,897	9,008
Net assets attributable to unitholders of redeemable units	3,261,653	3,428,665
Net assets attributable to unitholders of redeemable units:		
Series A	754,603	922,554
Series F	2,507,050	2,506,111
	3,261,653	3,428,665
Number of redeemable units outstanding (note 4):		
Series A	76,775	85,617
Series F	248,829	226,886
Net assets attributable to unitholders of redeemable units per unit:		
Canadian dollars:		
Series A	9.83	10.78
Series F	10.08	11.05
U.S. dollars:		
Series A	6.93	7.85
Series F	7.11	8.05

Approved on behalf of the Fund by the Board of Directors of Chou Associates Management Inc.:

Francis Chou

See accompanying notes to the interim condensed financial statements.

CHOU EUROPE FUND

Interim Condensed Statements of Comprehensive Income (Loss)

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Income:		
Interest for distribution purposes and other	20,933	16,827
Dividends	14,680	50,744
Securities lending income (note 7)	1,881	1,858
Foreign currency gain (loss) on cash and other net assets	3,754	(4,648)
Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss:		
Net realized gain (loss) on disposal of investments	32,336	(144,215)
Change in unrealized (depreciation) appreciation on investments	(368,136)	133,893
	(294,552)	54,459
Expenses:		
Management fees (note 5(a))	-	-
Custodial fees	5,914	4,671
Audit	2,212	2,212
Filing fees	238	438
FundSERV fees	362	362
Transaction costs (note 6)	1,402	1,170
Foreign withholding taxes	387	3,597
Other	1,180	912
	11,695	13,362
(Decrease) increase in net assets attributable to unitholders of redeemable units	(306,247)	41,097

See accompanying notes to the interim condensed financial statements.

CHOU EUROPE FUND

Interim Condensed Statements of Changes in Net Assets Attributable to Unitholders of Redeemable Units

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Net assets attributable to unitholders of redeemable units, beginning of period	3,428,665	3,105,216
(Decrease) increase in net assets attributable to unitholders of redeemable units	(306,247)	41,097
Proceeds from issue of redeemable units	417,736	309,212
Payments on redemption of redeemable units	(278,501)	(263,165)
Net assets attributable to unitholders of redeemable units, end of period	3,261,653	3,192,360

See accompanying notes to the interim condensed financial statements.

CHOU EUROPE FUND

Interim Condensed Statements of Cash Flows

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Cash flows (used in) from operating activities:		
(Decrease) increase in net assets attributable to unitholders of redeemable units	(306,247)	41,097
Adjustments for:		
Foreign currency (gain) loss on cash and other net assets	(3,754)	4,648
Net realized (gain) loss on disposal of investments	(32,336)	144,215
Change in unrealized depreciation (appreciation) on investments	368,136	(133,893)
Change in non-cash operating working capital:		
Increase in interest receivable	(967)	(318)
Increase in dividends receivable	(1,160)	(3,317)
Increase in accrued expenses	564	211
Purchase of investments	(553,061)	-
Proceeds from sales of investments	32,524	357,088
Net cash (used in) generated from operating activities	(496,301)	409,731
Cash flows from financing activities:		
Distributions paid to unitholders	(1,675)	(5,317)
Proceeds from redeemable units issued	417,736	289,212
Amount paid on redemption of redeemable units	(278,501)	(268,165)
Net cash generated from financing activities	137,560	15,730
Foreign currency gain (loss) on cash and cash equivalents and other net assets	3,754	(4,648)
(Decrease) increase in cash and cash equivalents	(354,987)	420,813
Cash and cash equivalents, beginning of period	1,359,382	864,495
Cash and cash equivalents, end of period	1,004,395	1,285,308
Supplemental information:		
Interest received, net of withholding tax	19,966	16,509
Dividends received, net of withholding tax	13,133	43,830
Security lending income received	1,881	1,858

See accompanying notes to the interim condensed financial statements.

CHOU EUROPE FUND

Interim Condensed Schedule of Investments

June 30, 2026 (Unaudited)

	Number of securities	Cost	Fair value
	#	$	$
Equities*			
Conduit Holdings Limited	37,000	207,348	328,540
Domino's Pizza Group PLC	80,000	278,221	272,554
Exor NV	2,250	287,247	244,289
Prosus NV	3,410	145,855	209,928
Ryanair Holdings PLC, ADR	5,937	68,562	545,205
Stellantis NV	30,000	583,249	244,222
Vistry Group PLC	43,500	276,241	209,986
Wizz Air Holdings PLC	9,000	303,145	201,481
Total long		2,149,868	2,256,205
Total investments		2,149,868	2,256,205
Transaction costs		(4,923)	-
Portfolio total		2,144,945	2,256,205

* Common shares unless indicated otherwise

Investment objective and strategies:

Chou Europe Fund's objective is to provide long-term growth of capital by investing primarily in equity securities of European businesses considered by the Manager to be undervalued. Investments may be made in securities other than equities and in businesses located outside of Europe. Investments may include common and preferred shares, convertible debentures, government and corporate bonds and short-term debt. The Fund may also use derivatives such as, but not limited to, futures, options, swaps and forward contracts to gain exposure to securities and asset classes consistent with the objectives of the Fund, and to hedge portfolio exposure against losses from foreign currency and domestic currency exposure and changes in securities prices.

The investment strategy follows strong disciplines with regard to price paid to acquire portfolio investments. The level of investments in the Fund's securities is generally commensurate with the current price of the Fund's securities in relation to its intrinsic value. That approach is designed to provide an extra margin of safety, which in turn serves to reduce overall portfolio risk.

Financial risk management:

The Fund's investment activities expose it to various types of risk associated with the financial instruments and markets in which it invests. The Fund's risk management goals are to ensure that the outcome of activities involving risk is consistent with the Fund's objectives and risk tolerance.

(a) Other price risk:

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Approximately 69.17% of the Fund’s net assets held at June 30, 2026 were publicly traded equities (December 31, 2025 – 60.42%). If equity prices on the exchange had increased or decreased by 5% as at June 30, 2026, the net assets of the Fund would have increased or decreased by approximately $112,810 or 3.46% (December 31, 2025 – $103,573 or 3.02%) of the net assets, all other factors remaining constant. In practice, the actual trading results may differ and the difference could be material.

(b) Foreign currency risk:

Currencies to which the Fund had exposure as at June 30, 2026 and December 31, 2025 expressed in CAD are as follows:

June 30, 2026	Investments	Cash and cash equivalents	Net other assets and liabilities	Total	Percentage of net asset value
	$	$	$	$	%
United States dollar (USD)	990,908	826,069	8,255	1,825,232	56.0
Sterling pound (£)	811,080	18,594	-	829,674	25.4
Euro currency (€)	454,217	2,971	-	457,188	14.0

Financial risk management (continued):

(b) Foreign currency risk (continued):

December 31, 2025	Investments	Cash and cash equivalents	Net other assets and liabilities	Total	Percentage of net asset value
	$	$	$	$	%
United States dollar (USD)	1,249,144	1,152,688	6,099	2,407,931	70.2
Sterling pound (£)	268,685	9,086	-	277,771	8.1
Euro currency (€)	553,639	1,446	-	555,085	16.2

The amounts in the above tables are based on the market value of the Fund's financial instruments. This includes cash and cash equivalents, investments, interest receivable and dividend receivable that are denominated in foreign currencies.

As at June 30, 2026, if the Canadian dollar had strengthened or weakened by 1% in relation to all currencies, with all other variables held constant, net assets would have decreased or increased by approximately $31,121 (December 31, 2025 – $32,408).

In practice, the actual trading results may differ and the difference could be material.

CHOU BOND FUND

(unaudited)

August 14, 2026

Dear Unitholders of Chou Bond Fund,

The net asset value per unit ("NAVPU") of a Series F unit of Chou Bond Fund at June 30, 2026 was $10.51 compared to $10.09 at December 31, 2025, an increase of 4.2%; during the same period, Barclays U.S. Corporate High Yield Index ($CAN) increased by 5.5% in Canadian dollars. In U.S. dollars, a Series F unit of Chou Bond Fund returned 0.8% while Barclays U.S. Corporate High Yield Index increased by 2.0%.

The table shows our one-year, three-year, five-year and ten-year annual compound rates of return.

June 30, 2026 (Series F)	1 Year	3 Years	5 Years	10 Years
Chou Bond Fund ($CAN)	9.1%	8.3%	9.1%	9.4%
Barclays' U.S. High Yield ($CAN)	10.1%	11.4%	7.0%	6.8%
Chou Bond Fund ($US)	4.7%	5.9%	6.2%	8.4%
Barclays' U.S High Yield ($US)	5.9%	8.9%	4.2%	5.8%

Rates of return are historical total returns that include changes in unit prices, and assume the reinvestment of all distributions. These annual compounded returns do not take into account any sales charges, redemption fees, other optional expenses or income taxes that you have to pay and that could reduce these returns. The returns are not guaranteed. The Fund's past performance does not necessarily indicate future performance. The table is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual funds or returns on the mutual funds. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing.

National Instrument 81-106 requires mutual funds to present performance results for up to 10 years. Accordingly, future reports will present performance results and comparative indices only as required under National Instrument 81-106.

Most unitholders of the Fund have transitioned from Series A to Series F. As a result, the Fund's performance is now presented based on Series F results.

Factors Influencing the First Six-Month Results

The top contributor in the first half of 2026 was the equity holding of EXCO Resources Inc.

The major underperformers in the period were the debt holdings of The Hertz Corporation, 12.625% due July 15, 2029 and Bausch Health Companies Inc., 14.000% due October 15, 2030.

The Canadian currency depreciated against the US dollar, which also positively affected the Fund.

In June 2026, the Fund early tendered the debt holding of Allegiant Travel, 7.250% due August 15, 2027.

Portfolio Commentary

EXCO Resources Inc. (“EXCO”)

In early July 2019, EXCO emerged from bankruptcy. Under the restructuring plan, the Company’s 1.75 lien term loans were converted into equity at a rate of 28.38 shares for every US$1,000 of par value, after certain adjustments. This implied a conversion price of US$9.51 per share.

Because EXCO is a private company and its shares historically traded only sporadically in the grey market, we engaged Kroll, an independent third-party valuation firm, to provide a valuation of EXCO every six months.

In December 2025, however, a meaningful number of shares began trading in the grey market, and we sold 550 shares. With observable market transactions now occurring, we will henceforth use market quotations to determine the daily value of our remaining EXCO holdings. The market price was $18.20 per share at December 31, 2025, and $23.50 per share at June 30, 2026.

Possible Reduction in Series A Management Fee Beginning in 2027

The Manager is entitled to an annual investment management fee equal to 1.15% of the net asset value of the Series A redeemable units and 1.0% of the net asset value of the Series F redeemable units. All other expenses attributable to the Funds are also payable out of the assets of the Funds.

Beginning in 2027, management is considering reducing the management fee payable by Series A and Series F to 0.75% per annum. If implemented, the Series A management fee would be the same as the management fee charged to Series F. The Fund’s applicable operating expenses would continue to be charged separately.

The Independent Review Committee (“IRC”) has provided a Standing Instruction that states:

“The Fund Manager may, at any time, reduce or eliminate fees for any fund for any period of time. Those fees may also be increased at any time to any amount up to the original level without the approval of the Independent Review Committee.”

The Manager intends to rely on this Standing Instruction in implementing the proposed reduction in the Series A and Series F management fees.

Large Cash Position

At present, attractive investment opportunities are limited. As a result, cash and cash equivalents represented approximately 73.5% of the Fund’s net assets as at June 30, 2026.

Holding a significant amount of cash may temporarily depress returns while markets continue to rise. However, we believe it is far better to hold cash than to invest in securities that do not offer a sufficient margin of safety.

A large cash reserve also provides important protection. Should a meaningful market correction occur, the Fund would be well-positioned to cushion potential losses while having ample liquidity to take advantage of attractive investment opportunities.

Periods such as this are not unusual for value investors. When markets become expensive, attractive opportunities become scarce, and patience becomes essential.

For the time being, therefore, cash may act as a drag on returns. Nevertheless, if we cannot find securities trading at substantial discounts to their intrinsic value, we are comfortable maintaining a high cash position until such opportunities arise.

In investing, patience is often the most valuable asset, and we are prepared to wait until attractive opportunities present themselves.

Caution to the Investors

Investors should be advised that we run a highly focused portfolio, frequently just three to five securities may comprise close to 50% of the assets of the Fund. In addition, the Fund has securities that are non-U.S. and could be subjected to geopolitical risks, which may trump or at least negatively influence the financial performance of the company. Also, we may enter into some derivative contracts, such as credit default swaps when we feel that the market conditions are right to use those instruments. Because of any or all of these factors, the net asset value of the Fund can be from time to time more volatile than at other times. However, we are not bothered by this volatility because our focus has always been, and continues to be, on how inexpensive we believe the Fund's portfolio holdings are relative to what we believe to be their intrinsic value.

Other Matters

FOREIGN CURRENCY CONTRACTS: None existed at June 30, 2026.

U.S. DOLLAR VALUATION: Any investor who wishes to purchase the Chou Funds in U.S. dollars may do so.

REDEMPTION FEE: We have a redemption fee of 2% if unitholders redeem their units in less than 3 months. None of this fee goes to the Fund Manager. It is put back into the Fund for the benefit of the remaining unitholders.

INDEPENDENT REVIEW COMMITTEE: The Manager has established an IRC as required by NI 81-107. The members of the IRC are Sandford Borins, Peter Gregoire and Joe Tortolano. The 2025 IRC Annual Report is available on our website www.choufunds.com.

As of August 14, 2026, the NAVPU of a Series F unit of the Fund was $10.29 and the cash and cash equivalent position was approximately 71.5% of net assets. The Fund is up 2.0% from the beginning of the year. In U.S. dollars, it is up 0.9%.

Except for the performance numbers of the Chou Bond Fund, this letter contains estimates and opinions of the Fund Manager and is not intended to be a forecast of future events, a guarantee of future returns or investment advice. Any recommendations contained or implied herein may not be suitable for all investors.

Yours truly,

Francis Chou

Francis Chou
Fund Manager

CHOU BOND FUND

Interim Condensed Statements of Financial Position

June 30, 2026 and December 31, 2025 (Unaudited)

	June 30, 2026	December 31, 2025
	$	$
Assets		
Current assets		
Cash and cash equivalents	14,214,107	11,543,134
Investments (note 8)	5,136,010	6,113,913
Receivable for redeemable units subscribed	2,000	12,060
Interest receivable	86,152	111,848
Total assets	19,438,269	17,780,955
Liabilities		
Current liabilities		
Accrued expenses	36,160	39,767
Payable for units redeemed	-	2,895
Distributions payable	-	27,143
Total liabilities	36,160	69,805
Net assets attributable to unitholders of redeemable units	19,402,109	17,711,150
Net assets attributable to unitholders of redeemable units:		
Series A	5,017,840	5,019,355
Series F	14,384,269	12,691,795
	19,402,109	17,711,150
Number of redeemable units outstanding (note 4):		
Series A	485,619	505,723
Series F	1,368,598	1,258,238
Net assets attributable to unitholders of redeemable units per unit (note 10):		
Canadian dollars:		
Series A	10.33	9.93
Series F	10.51	10.09
U.S. dollars:		
Series A	7.28	7.23
Series F	7.41	7.35

Approved on behalf of the Fund by the Board of Directors of Chou Associates Management Inc.:

Francis Chou

See accompanying notes to the interim condensed financial statements.

CHOU BOND FUND

Interim Condensed Statements of Comprehensive Income

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Income:		
Interest for distribution purposes and other	422,659	464,987
Dividends	53,119	10,040
Securities lending income (note 7)	437	1,114
Foreign currency gain (loss) on cash and other net assets	50,095	(11,820)
Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss:		
Net realized gain (loss) on disposal of investments	382,228	(84,399)
Change in unrealized appreciation (depreciation) on investments	10,692	(193,726)
	919,230	186,196
Expenses:		
Management fees (note 5(a))	111,434	99,869
Custodial fees	15,130	12,516
Audit fees	7,468	7,468
Filing fees	1,391	2,431
FundSERV fees	1,629	1,629
Transaction costs (note 6)	-	4
Foreign withholding taxes	84	-
Other	339	103
	137,475	124,020
Increase in net assets attributable to unitholders of redeemable units	781,755	62,176

See accompanying notes to the interim condensed financial statements.

CHOU BOND FUND

Interim Condensed Statements of Changes in Net Assets Attributable to Unitholders of Redeemable Units

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Net assets attributable to unitholders of redeemable units, beginning of period	17,711,150	15,199,337
Increase in net assets attributable to unitholders of redeemable units	781,755	62,176
Proceeds from issue of redeemable units	2,549,399	2,514,074
Payments on redemption of redeemable units	(1,640,195)	(785,163)
Net assets attributable to unitholders of redeemable units, end of period	19,402,109	16,990,424

See accompanying notes to the interim condensed financial statements.

CHOU BOND FUND

Interim Condensed Statements of Cash Flows

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Cash flows from (used in) operating activities:		
Increase in net assets attributable to unitholders of redeemable units	781,755	62,176
Adjustments for:		
Foreign currency (gain) loss on cash and other net assets	(50,095)	11,820
Net realized (gain) loss on disposal of investments and derivatives	(382,228)	84,399
Change in unrealized (appreciation) depreciation on investments and de	(10,692)	193,726
Interest accretion on bond	(80,894)	(82,724)
Change in non-cash operating working capital:		
Decrease (increase) in interest receivable	25,696	(62,005)
Decrease in accrued expenses	(3,607)	(6,328)
Purchase of investments	(1,229,157)	(5,910,978)
Proceeds from sale of investments	2,680,874	3,187,650
Net cash generated from (used in) operating activities	1,731,652	(2,522,264)
Cash flows from financing activities:		
Distributions paid to unitholders	(27,143)	(18,943)
Proceeds from redeemable units issued	2,559,459	2,520,074
Amount paid on redemption of redeemable units	(1,643,090)	(758,959)
Net cash generated from financing activities	889,226	1,742,172
Foreign currency gain (loss) on cash and cash equivalents and other net assets	50,095	(11,820)
Increase (decrease) in cash and cash equivalents	2,670,973	(791,912)
Cash and cash equivalents, beginning of period	11,543,134	10,152,289
Cash and cash equivalents, end of period	14,214,107	9,360,377
Supplemental information:		
Interest received, net of withholding tax	448,355	402,982
Dividends received	53,035	10,040
Security lending income received	437	1,114

See accompanying notes to the interim condensed financial statements.

CHOU BOND FUND

Interim Condensed Schedule of Investments

June 30, 2026 (Unaudited)

	Number of securities	Cost	Fair value
	#	$	$
Equities*			
Atlanticus Holdings Corporation, Preferred	40,000	1,365,195	1,424,490
Enbridge Inc., Preferred	16,000	307,587	363,680
EXCO Resources Inc.**	19,496	674,948	649,780
		2,347,730	2,437,950
Bonds			
Bausch Health Companies Inc.,			
14.000%, October 15, 2030, Callable	65,000	73,373	87,122
Fortress Global Enterprises Inc.,			
9.750%, December 31, 2026, Convertible Bonds, Callable	3,659,000	2,058,513	366
MBIA Global Funding LLC,			
Zero Coupon, December 15, 2031	1,800,000	1,586,611	1,455,124
The Hertz Corporation, 12.625%, July 15, 2029, Callable	1,000,000	1,385,550	1,155,448
Total long		5,104,047	2,698,060
Total investments		7,451,777	5,136,010
Transaction costs		-	-
Portfolio total		7,451,777	5,136,010

* Common shares unless indicated otherwise

**Shares received from debt restructuring

See accompanying notes to the interim condensed financial statements.

Investment objective and strategies:

Chou Bond Fund's objective is to invest in securities that it believes are undervalued in order to achieve capital appreciation over the long-term. Conservation of principal and interest production will be fundamental considerations in this objective. The Fund invests primarily in Canadian and U.S. bonds. These bonds include, but are not limited to, Government of Canada, provincial, municipal and corporate issues, including convertibles and high yield bonds. Investments may be made in bonds outside of Canada and the U.S. The Fund may also use derivatives such as, but not limited to, futures, options, swaps and forward contracts to gain exposure to securities and asset classes consistent with the objectives of the Fund, and to hedge portfolio exposure against losses from foreign currency and domestic currency exposure and changes in securities prices.

The Fund will generally be fully invested. A combination of investment strategies will be utilized in managing the portfolio including relative value trades, yield enhancement strategies and interest rate anticipation trades. Investments made by the Fund are not guaranteed. Fixed income securities issued by governments may decrease in value as a result of changes in interest rates. Fixed income securities issued by corporations may decrease in value due to general market conditions or credit risks associated with the issuer.

Financial risk management:

The Fund's investment activities expose it to various types of risk associated with the financial instruments and markets in which it invests. The Fund's risk management goals are to ensure that the outcome of activities involving risk is consistent with the Fund's objectives and risk tolerance.

(a) Credit risk:

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge a commitment that it has entered into with the Fund. As at June 30, 2026, the Fund invested 6.40% of its net assets in non-investment grade debt instruments (December 31, 2025 – 14.40%). Non-investment grade is the term applied to bonds rated below Baa3 on the Moody's credit rating scale and below BBB- on the equivalent ratings systems from Standard & Poor's and Fitch. The credit ratings could denote that the Company's financial position is weak and its bonds should be considered a speculative investment. As at June 30, 2026, the Fund invested approximately 7.50% (December 31, 2025 – 7.74%) of its net assets in non-rated bonds.

(b) Interest rate risk:

Interest rate risk arises from the effect of changes in interest rates on future cash flows or the current value of financial instruments. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity:

Debt instruments by maturity date:

	June 30, 2026	December 31, 2025
	$	$
Less than 1 year	366	366
1 - 3 years	-	1,075,092
3 - 5 years	1,242,570	1,475,836
Greater than 5 years	1,455,124	1,371,177

Financial risk management (continued):

(b) Interest rate risk (continued):

As at June 30, 2026, had interest rates decreased or increased by 0.25%, with all other variables remaining constant, the increase or decrease in net assets for the period would have amounted to approximately $40,869 (December 31, 2025 – $46,613).

In practice, the actual trading results may differ and the difference could be material.

(c) Other price risk:

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Approximately 12.57% (December 31, 2025 – 12.37%) of the Fund's net assets held at June 30, 2026 were publicly traded equities. If equity prices on the exchange had increased or decreased by 5% as at June 30, 2026, the net assets of the Fund would have increased or decreased by approximately $121,898 or 0.63% (December 31, 2025 – $109,572 or 0.62%) of the net assets, all other factors remaining constant.

In practice, the actual trading results may differ and the difference could be material.

(d) Foreign currency risk:

Currencies to which the Fund had exposure as at June 30, 2026 and December 31, 2025 expressed in CAD are as follows:

June 30, 2026	Investments and derivatives	Cash and cash equivalents	Other assets and liabilities	Total net asset value	Percentage of Total net asset value
	$	$	$	$	%
United States dollar (USD)	4,771,964	14,168,428	86,124	19,026,516	98.1

December 31, 2025	Investments and derivatives	Cash and cash equivalents	Other assets and liabilities	Total net asset value	Percentage of Total net asset value
	$	$	$	$	%
United States dollar (USD)	5,767,947	11,167,085	111,612	17,046,644	96.2

The amounts in the above tables are based on the market value of the Fund's financial instruments. This includes cash and cash equivalents, investments, interest receivable, receivable for units subscribed and payable for units redeemed that are denominated in foreign currencies.

As at June 30, 2026, if the Canadian dollar had strengthened or weakened by 1% in relation to all currencies, with all other variables held constant, net assets would have decreased or increased by approximately $190,265 (December 31, 2025 – $170,466).

In practice, the actual trading results may differ and the difference could be material

CHOU RRSP FUND

(unaudited)

August 14, 2026

Dear Unitholders of Chou RRSP Fund,

The net asset value per unit ("NAVPU") of a Series F unit of Chou RRSP Fund at June 30, 2026 was $44.06 compared to $38.00 at December 31, 2025, an increase of 16.0%; during the same period, the S&P/TSX Total Return Index increased by 11.2% in Canadian dollars. In U.S. dollars, a Series F unit of Chou RRSP Fund was up 12.2% while the S&P/TSX Total Return Index increased by 7.4%.

The table shows our one-year, three-year, five-year, and ten-year annual compound rates of return.

June 30, 2026 (Series F)	1 Year	3 Years	5 Years	10 Years
Chou RRSP Fund ($CAN)	21.4%	5.0%	4.2%	8.4%
S&P/TSX ($CAN)	32.9%	23.5%	14.9%	12.8%
Chou RRSP Fund ($US)	16.5%	2.6%	1.4%	7.4%
S&P/TSX ($US)	27.5%	20.6%	11.8%	11.8%

Rates of return are historical total returns that include changes in unit prices, and assume the reinvestment of all distributions. These annual compounded returns do not take into account any sales charges, redemption fees, other optional expenses or income taxes that you have to pay and that could reduce these returns. The returns are not guaranteed. The Fund's past performance does not necessarily indicate future performance. The table is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual funds or returns on the mutual funds. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing.

National Instrument 81-106 requires mutual funds to present performance results for up to 10 years. Accordingly, future reports will present performance results and comparative indices only as required under National Instrument 81-106.

Most unitholders of the Fund have transitioned from Series A to Series F. As a result, the Fund's performance is now presented based on Series F results.

Factors Influencing the First Six-Month Results

The top contributors were the equity holdings of Interfor Corporation, Athabasca Oil Corporation, Imperial Oil Limited, Ensign Energy Services Inc., EXCO Resources Inc., Class A shares of Magna International Inc., Linamar Corporation, Methanex Corporation, and Parex Resources Inc.

The major underperformers in the period were the equity holdings of and Onex Corporation, Reitmans (Canada) Limited, and Class A shares of Reitmans (Canada) Limited.

During the period, the Fund reduced the equity holding of Parex Resources Inc and increased the equity holding of MTY Food Group Inc.

The Fund also had no covered call options in its portfolio as at June 30, 2026.

Portfolio Commentary

The Common Theme In New Purchases

During the last few years, we purchased shares in several new companies. These are reasonably good businesses that generate substantial free cash flow, trade at low multiples of earnings, and have management teams we trust to make sound operating and capital allocation decisions.

If there is a common theme among these new purchases, it is that the companies have been significant buyers of their own stock in recent years. We also believe that if their share prices decline further, management will likely repurchase additional shares in meaningful quantities.

When a company repurchases its shares at attractive prices, the intrinsic value per share increases for the remaining shareholders. That is music to my ears.

However, there is one important caveat regarding share repurchases. Companies should not be buying back stock if they operate in declining industries, where new technologies or processes are likely to make their products less valuable over time.

As a corollary, a company should also avoid repurchasing shares if it is fundamentally a CRAP business – one that 'Cannot Realize A Profit'. In that situation, the remaining shareholders simply end up owning a larger piece of a mediocre company, which is hardly desirable.

When used properly, however, share repurchases can be an excellent use of capital. A company that generates strong free cash flow and repurchases its shares at attractive prices can steadily increase the intrinsic value of the business on a per-share basis. Over time, this can produce very satisfactory results for patient shareholders.

EXCO Resources Inc. ("EXCO")

In early July 2019, EXCO emerged from bankruptcy. Under the restructuring plan, the Company's 1.75 lien term loans were converted into equity at a rate of 28.38 shares for every US$1,000 of par value, after certain adjustments. This implied a conversion price of US$9.51 per share.

Because EXCO is a private company and its shares historically traded only sporadically in the grey market, we engaged Kroll, an independent third-party valuation firm, to provide a valuation of EXCO every six months.

In December 2025, however, a meaningful number of shares began trading in the grey market, and we sold 3,120 shares. With observable market transactions now occurring, we will henceforth use market quotations to determine the daily value of our remaining EXCO holdings. The market price was $18.20 per share at December 31, 2025, and $23.50 per share at June 30, 2026.

Possible Reduction in Series A Management Fee Beginning in 2027

The Manager is entitled to an annual investment management fee equal to 1.5% of the net asset value of the Series A redeemable units and 1.0% of the net asset value of the Series F redeemable units. All other expenses attributable to the Funds are also payable out of the assets of the Funds.

Beginning in 2027, the Manager is considering reducing the management fee charged to Series A from 1.5% to 1.0% per annum. If implemented, the management fee charged to Series A would be the same as the management fee currently charged to Series F. The applicable operating expenses would continue to be charged separately.

The Independent Review Committee ("IRC") has provided a Standing Instruction that states:

"The Fund Manager may, at any time, reduce or eliminate fees for any fund for any period of time. Those fees may also be increased at any time to any amount up to the original level without the approval of the Independent Review Committee."

The Manager intends to rely on this Standing Instruction in implementing the proposed reduction in the Series A management fee.

Caution to the Investors

Investors should be advised that we run a highly focused portfolio, frequently just three to five securities may comprise close to 50% of the assets of the Fund. In addition, the Fund has securities outside of Canada and could be subjected to geopolitical risks, which may trump or at least negatively influence the financial performance of the company. Also, we may enter into some derivative contracts, such as credit default swaps when we feel that the market conditions are right to use those instruments. Because of any or all of these factors, the net asset value of the Fund can be from time to time more volatile than at other times. However, we are not bothered by this volatility because our focus has always been, and continues to be, on how inexpensive we believe the Fund's portfolio holdings are relative to what we believe to be their intrinsic value.

Other Matters

FOREIGN CURRENCY CONTRACTS: None existed at June 30, 2026.

U.S. DOLLAR VALUATION: Any investor who wishes to purchase the Chou Funds in U.S. dollars may do so.

REDEMPTION FEE: We have a redemption fee of 2% if unitholders redeem their units in less than 3 months. None of this fee goes to the Fund Manager. It is put back into the Fund for the benefit of the remaining unitholders.

INDEPENDENT REVIEW COMMITTEE: The Manager has established an IRC as required by NI 81-107. The members of the IRC are Sandford Borins, Peter Gregoire and Joe Tortolano. The 2025 IRC Annual Report is available on our website www.choufunds.com.

As of August 14, 2026, the NAVPU of a Series F unit of the Fund was $45.87 and the cash position was approximately 8.6% of net assets. The Fund is up 20.7% from the beginning of the year. In U.S. dollars, it is up 19.4%.

Except for the performance numbers of the Chou RRSP Fund, this letter contains estimates and opinions of the Fund Manager and is not intended to be a forecast of future events, a guarantee of future returns or investment advice. Any recommendations contained or implied herein may not be suitable for all investors.

Yours truly,

Francis Chou

Francis Chou
Fund Manager

CHOU RRSP FUND

Interim Condensed Statements of Financial Position

June 30, 2026 and December 31, 2025 (Unaudited)

	June 30, 2026	December 31, 2025
	$	$
Assets		
Current assets:		
Cash and cash equivalents	3,198,725	5,075,369
Investments (note 8)	27,438,191	23,513,610
Interest receivable	3,685	229
Dividends receivable	4,350	3,601
Total assets	30,644,951	28,592,809
Liabilities		
Current liabilities		
Accrued expenses	43,072	39,039
Payable for units redeemed	2,460	17,700
Distributions payable	-	3,395
Total liabilities	45,532	60,134
Net assets attributable to unitholders of redeemable units	30,599,419	28,532,675
Net assets attributable to unitholders of redeemable units:		
Series A	16,977,151	15,558,038
Series F	13,622,268	12,974,637
	30,599,419	28,532,675
Number of redeemable units outstanding (note 4):		
Series A	391,443	414,797
Series F	309,186	341,475
Net assets attributable to unitholders of redeemable units per unit:		
Canadian dollars:		
Series A	43.37	37.51
Series F	44.06	38.00
U.S. dollars:		
Series A	30.58	27.33
Series F	31.07	27.69

Approved on behalf of the Fund by the Board of Directors of Chou Associates Management Inc.:

Francis Chou

See accompanying notes to the interim condensed financial statements.

CHOU RRSP FUND

Interim Condensed Statements of Comprehensive Income

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Income:		
Interest for distribution purposes and other	68,106	198,176
Dividends	159,253	150,761
Securities lending income (note 7)	1,692	2,109
Foreign currency gain (loss) on cash and other net assets	5,288	(1,925)
Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss:		
Net realized gain on disposal of investments	359,144	451,602
Change in unrealized appreciation on investments	4,068,635	391,876
	4,662,118	1,192,599
Expenses:		
Management fees (note 5(a))	222,465	212,078
Custodial fees	37,606	35,300
Audit	16,182	16,301
Filing fees	2,257	4,011
FundSERV fees	2,364	2,368
Legal fees	1,207	1,207
Transaction costs (note 6)	2,400	8,400
Other	554	170
	285,035	279,835
Increase in net assets attributable to unitholders of redeemable units	4,377,083	912,764

See accompanying notes to the interim condensed financial statements.

CHOU RRSP FUND

Interim Condensed Statements of Changes in Net Assets Attributable to Unitholders of Redeemable Units

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Net assets attributable to unitholders of redeemable units, beginning of period	28,532,675	29,761,336
Increase in net assets attributable to unitholders of redeemable units	4,377,083	912,764
Proceeds from issue of redeemable units	175,509	103,670
Payments on redemption of redeemable units	(2,485,848)	(1,839,682)
Net assets attributable to unitholders of redeemable units, end of period	30,599,419	28,938,088

See accompanying notes to the interim condensed financial statements.

CHOU RRSP FUND

Interim Condensed Statements of Cash Flows

Six months ended June 30, 2026 and 2025 (Unaudited)

	2026	2025
	$	$
Cash flows from (used in) operating activities:		
Increase in net assets attributable to unitholders of redeemable units	4,377,083	912,764
Adjustments for:		
Foreign currency (gain) loss on cash and other net assets	(5,288)	1,925
Net realized gain on disposal of investments and derivatives	(359,144)	(451,602)
Change in unrealized appreciation on investments and derivatives	(4,068,635)	(391,876)
Change in non-cash operating working capital:		
(Increase) decrease in interest receivable	(3,456)	224
Increase in dividends receivable	(749)	(600)
Increase (decrease) in accrued expenses	4,033	(3,810)
Purchase of investments	(415,820)	(4,334,422)
Proceeds from sales of investments	919,018	416,039
Net cash generated from (used in) operating activities	447,042	(3,851,359)
Cash flows used in financing activities:		
Distributions paid to unitholders	(3,395)	(16,306)
Proceeds from redeemable units issued	175,509	103,670
Amount paid on redemption of redeemable units	(2,501,088)	(1,849,381)
Net cash used in financing activities	(2,328,974)	(1,762,017)
Foreign currency gain (loss) on cash and cash equivalents and other net assets	5,288	(1,925)
Decrease in cash and cash equivalents	(1,876,644)	(5,615,301)
Cash and cash equivalents, beginning of period	5,075,369	12,517,501
Cash and cash equivalents, end of period	3,198,725	6,902,200
Supplemental information:		
Interest received, net of withholding tax	64,650	198,400
Dividends received, net of withholding tax	158,504	150,161
Security lending income received	1,692	2,109

See accompanying notes to the interim condensed financial statements.

CHOU RRSP FUND

Interim Condensed Schedule of Investments

June 30, 2026 (Unaudited)

	Number of securities	Cost	Fair value
	#	$	$
Equities*			
Athabasca Oil Corporation	50,000	225,600	511,000
Canfor Corporation	88,000	1,138,752	1,186,240
Ensign Energy Services Inc.	449,100	915,914	1,491,012
EXCO Resources Inc.	111,251	2,308,343	3,707,871
Imperial Oil Limited	5,000	375,341	796,300
Interfor Corporation	164,200	1,460,440	2,142,810
Linamar Corporation	27,000	1,466,148	2,715,390
Magna International Inc., Class 'A'	10,000	624,709	931,223
Methanex Corporation	20,000	835,014	1,310,200
Morguard Corporation	8,600	958,103	1,070,098
MTY Food Group Inc.	30,000	1,266,667	1,127,700
Onex Corporation	13,900	925,774	1,474,234
Parex Resources Inc.	30,000	558,200	641,700
Reitmans (Canada) Limited	526,100	1,993,539	1,199,508
Reitmans (Canada) Limited, Class 'A'	429,100	1,083,106	901,110
Trican Well Service Limited	100,000	403,650	672,000
TWC Enterprises Limited	202,539	1,168,826	5,559,695
		17,708,126	27,438,091
Bonds			
Fortress Global Enterprises Inc., 9.750%, December 31, 2026, Convertible Bonds, Callable	1,000,000	780,000	100
Total investments		18,488,126	27,438,191
Transaction costs		(50,454)	-
Portfolio total		18,437,672	27,438,191

* Common shares unless indicated otherwise

See accompanying notes to the interim condensed financial statements.

Investment objective and strategies:

Chou RRSP Fund's objective is to provide long-term growth of capital by investing primarily in equity and debt instruments of Canadian businesses considered by the Manager to be undervalued. The Fund may also invest in equity and debt instruments of U.S. and foreign businesses. Investments may include common and preferred shares, convertible debentures, government and corporate bonds and short-term debt. The Fund may also use derivatives such as, but not limited to, futures, options, swaps and forward contracts to gain exposure to securities and asset classes consistent with the objectives of the Fund, and to hedge portfolio exposure against losses from foreign currency and domestic currency exposure and changes in securities prices.

The investment strategy follows strong disciplines with regard to price paid to acquire portfolio investments. The level of investments in the Fund's securities is generally commensurate with the current price of the Fund's securities in relation to its intrinsic value. That approach is designed to provide an extra margin of safety, which in turn serves to reduce overall portfolio risk.

Financial risk management:

The Fund's investment activities expose it to various types of risk associated with the financial instruments and markets in which it invests. The Fund's risk management goals are to ensure that the outcome of activities involving risk is consistent with the Fund's objectives and risk tolerance.

(a) Credit risk:

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge a commitment that it has entered into with the Fund. As at June 30, 2026, the Fund did not invest any of its net assets in non-investment grade debt instruments (December 31, 2025 – $Nil). Non-investment grade is the term applied to bonds rated below Baa3 on the Moody's credit rating scale and below BBB- on the equivalent ratings systems from Standard & Poor's and Fitch. These credit ratings could denote that the company's financial position is weak and its bonds should be considered a speculative investment. As at June 30, 2026, the Fund invested approximately 0.00% (December 31, 2025 – 0.00%) of its net assets in non-rated debt instruments.

(b) Interest rate risk:

Interest rate risk arises from the effect of changes in interest rates on future cash flows or the current value of financial instruments. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity:

Debt instruments by maturity date:

	June 30, 2026	December 31, 2025
	$	$
Less than 1 year	100	100
1 - 3 years	-	-
3 - 5 years	-	-
Greater than 5 years	-	-

As at June 30, 2026, had interest rates decreased or increased by 0.25%, with all other variables remaining constant, the increase or decrease in net assets for the period would have amounted to approximately $nil (December 31, 2025 – $nil).

In practice, the actual trading results may differ and the difference could be material.

Financial risk management (continued):

(c) Other price risk:

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Approximately 89.67% (December 31, 2025 – 81.03%) of the Fund's net assets held at June 30, 2026 were publicly traded equities. If equity prices on the exchange had increased or decreased by 5% as at June 30, 2026, the net assets of the Fund would have increased or decreased by approximately $1,371,905 or 4.48% (December 31, 2025 – $1,175,676 or 4.05%) of the net assets, all other factors remaining constant.

In practice, the actual trading results may differ and the difference could be material.

(d) Foreign currency risk:

Currencies to which the Fund had exposure as at June 30, 2026 and December 31, 2025 expressed in CAD are as follows:

June 30, 2026	Investments and derivatives	Cash and cash equivalents	Other assets and liabilities	Total	Percentage of net asset value
	$	$	$	$	%
United States dollar (USD)	4,639,093	2,899,137	3,503	7,541,733	24.6

December 31, 2025	Investments and derivatives	Cash and cash equivalents	Other assets and liabilities	Total	Percentage of net asset value
	$	$	$	$	%
United States dollar (USD)	3,510,665	4,723,195	9	8,233,869	28.9

The amounts in the above tables are based on the market value of the Fund's financial instruments. This includes cash and cash equivalents, investments, interest receivable, dividends receivable, derivatives and payable for units redeemed that are denominated in foreign currencies.

As at June 30, 2026, if the Canadian dollar had strengthened or weakened by 1% in relation to all currencies, with all other variables held constant, net assets would have decreased or increased by approximately $75,417 (December 31, 2025 – $82,339).

In practice, the actual trading results may differ and the difference could be material.

1. Formation of the Chou Funds:

The individual funds comprising the family of Chou Funds (the "Chou Funds" or the "Funds") are open-ended investment mutual fund trusts formed pursuant to Declarations of Trust under the laws of the Province of Ontario. Chou Associates Management Inc. is the Manager and Trustee of the Chou Funds. The address of the Funds' registered office is: 110 Sheppard Avenue East, Suite 301, Box 18, Toronto, Ontario, M2N 6Y8.

The Funds were formed on the following dates:

Chou Associates Fund	September 1, 1986
Chou Asia Fund	August 26, 2003
Chou Europe Fund	August 26, 2003
Chou Bond Fund	August 10, 2005
Chou RRSP Fund	September 1, 1986

2. Basis of presentation and statement of compliance and Material accounting policy information:

Basis of presentation and statement of compliance

These unaudited interim condensed financial statements (the “financial statements”) have been prepared in compliance with IFRS® Accounting Standards 34, Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). The preparation of these financial statements is based on accounting policies and practices in accordance with IFRS® Accounting Standards (“IFRS”). The accompanying financial statements should be read in conjunction with the notes to the Funds’ audited financial statements for the year ended December 31, 2025, since they do not contain all disclosures required by IFRS for annual financial statements. These financial statements reflect all normal and recurring adjustments that are, in the opinion of management, necessary for a fair presentation of the respective interim periods presented.

These financial statements have been prepared on the historical cost basis, except for financial instruments classified as fair value through profit and loss (“FVTPL”), which are measured at fair value. These financial statements are presented in Canadian dollars, which is the Funds' functional currency.

The unaudited interim condensed financial statements were authorized for issue by the Manager on August 31, 2026.

Material accounting policy information

The material accounting policies used in the preparation of these financial statements are consistent with those as described in note 2 of the Funds’ audited financial statements for the year ended December 31, 2025 except for the adoption of new standards effective as of January 1, 2026, as described in the next paragraph.

Accounting standards effective in the period

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7, "Financial Instrument Disclosures". The amendments clarify the timing of recognition and derecognition for a financial asset or financial liability, including clarifying that a financial liability is derecognized on the settlement date. Further, the amendments introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date, if specific conditions are met. These amendments became effective January 1, 2026. The Funds’ adopted these amendments, which did not have a material impact to the condensed interim financial statements.

3. Financial risk management:

Investment activities of the Funds expose them to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk). The level of risk depends on each of the Funds' investment objectives and the type of securities each Fund invests in. Funds that invest in underlying funds are also exposed to indirect financial risks in the event that the underlying funds are exposed to these risks.

The Manager of the Funds seeks to minimize these risks by managing the security portfolios of the Funds on a daily basis according to market events and the investment objectives of the Funds. CPA Canada Handbook disclosures that are specific to each of the Funds are presented in the discussion of financial risk management under the schedule of investments. The sensitivity analysis shown in the discussion of financial risk management may differ from actual results and the difference could be significant.

The Manager maintains a risk management practice that includes monitoring compliance with investment restrictions to ensure that the Funds are being managed in accordance with the Funds' stated investment objectives, strategies and securities regulations. The risk positions noted below are monitored by the Manager on a regular basis.

(a) Credit risk:

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge a commitment that it has entered into with the Funds. The fair value of a financial instrument takes into account the credit rating of its issuer, and accordingly, represents the maximum credit risk exposure of a Fund. The Funds' main credit risk concentration is in debt securities and trading derivative instruments which are disclosed in the respective Funds' schedule of investments. All transactions in securities are settled or paid for upon delivery through brokers. As such, credit risk is considered minimal in the Funds on investment transactions, as delivery of securities sold is made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

The Funds have provided the prime broker with a general lien over the financial assets held in custody as security for the prime broker's exposure relating to provision of custody services to the Funds. The terms under which the general lien is provided are usual and customary for prime broker agreements.

(b) Liquidity risk:

Liquidity risk is the risk that the Funds may not be able to settle or meet their obligations on time or at a reasonable price. The Funds are exposed to redemptions as units are redeemable on demand and unitholders may redeem their units on each valuation date. Therefore, in accordance with the Funds' Simplified Prospectus, the Funds invest their assets in investments that are traded in an active market and can be readily disposed. In addition, each Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity. The Funds may, from time to time, invest in securities that are not traded in an active market and may be illiquid.

3. Financial risk management (continued):

(c) Market risk:

(i) Interest rate risk:

Interest rate risk is the risk that the fair value of the Funds' interest-bearing investments will fluctuate due to changes in the prevailing levels of market interest rates. The Funds' exposure to interest rate risk is concentrated in investments in debt securities (such as bonds and debentures or short-term instruments) and derivative instruments, if any. Other assets and liabilities are short-term in nature and are non-interest bearing. There is minimal sensitivity to interest rate fluctuations on cash and cash equivalents invested at short-term market interest rates.

(ii) Other price risk:

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. The Funds are exposed to market risk since all financial instruments held by the Funds present a risk of loss of capital. The maximum risk resulting from financial instruments is equivalent to their fair value, except for options written and future contracts where possible losses can be unlimited.

(iii) Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises from financial instruments (including cash and cash equivalents and foreign currency derivative instruments) that are denominated in a currency other than Canadian dollars, which represents the functional currency of the Funds. Therefore, the Funds' financial instruments that are denominated in other currencies will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Funds' functional currency.

4. Holders of redeemable units:

The Manager considers the Funds' capital to consist of the net assets attributable to holders of redeemable units. The Funds' capital is managed in accordance with each of the Funds' investment objectives, policies, and restrictions, as outlined in the Funds' Prospectus. Changes in the Funds' capital during the period are reflected in the statements of changes in net assets attributable to unitholders of redeemable units. The Funds have no specific restrictions or specific capital requirements on the subscriptions and redemptions of redeemable units, other than minimum subscription requirements. The Funds endeavor to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions. Holders of redeemable units are entitled to distributions when declared. Distributions on redeemable units of a Fund are reinvested in additional redeemable units of the Fund or at the option of the holders of redeemable units, paid in cash. Redeemable units of the Funds are redeemable at the option of the holders of redeemable units in accordance with the Prospectus.

4. Holders of redeemable units (continued):

	June 30, 2026	June 30, 2025
Chou Associates Fund		
Redeemable units outstanding, beginning of period	885,864	920,255
Add redeemable units issued during the period	13,103	10,922
Deduct redeemable units redeemed during the period	(37,164)	(26,690)
Redeemable units outstanding before income distribution	861,803	904,487
Add redeemable units issued on reinvested income	-	-
Deduct redeemable units redeemed during the period	-	-
Redeemable units outstanding, end of period	861,803	904,487
Chou Asia Fund		
Redeemable units outstanding, beginning of period	564,609	569,886
Add redeemable units issued during the period	13,978	10,197
Deduct redeemable units redeemed during the period	(45,457)	(32,834)
Redeemable units outstanding before income distribution	533,130	547,249
Add redeemable units issued on reinvested income	-	-
Deduct redeemable units redeemed during the period	-	-
Redeemable units outstanding, end of period	533,130	547,249
Chou Europe Fund		
Redeemable units outstanding, beginning of period	312,503	304,519
Add redeemable units issued during the period	40,978	29,802
Deduct redeemable units redeemed during the period	(27,877)	(25,526)
Redeemable units outstanding before income distribution	325,604	308,795
Add redeemable units issued on reinvested income	-	-
Deduct redeemable units redeemed during the period	-	-
Redeemable units outstanding, end of period	325,604	308,795

4. Holders of redeemable units (continued):

	June 30, 2026	June 30, 2025
Chou Bond Fund		
Redeemable units outstanding, beginning of period	1,763,961	1,527,746
Add redeemable units issued during the period	251,728	251,186
Deduct redeemable units redeemed during the period	(161,472)	(78,636)
Redeemable units outstanding before income distribution	1,854,217	1,700,296
Add redeemable units issued on reinvested income	-	-
Deduct redeemable units redeemed during the period	-	-
Redeemable units outstanding, end of period	1,854,217	1,700,296
Chou RRSP Fund		
Redeemable units outstanding, beginning of period	756,272	849,642
Add redeemable units issued during the period	4,352	2,928
Deduct redeemable units redeemed during the period	(59,995)	(52,344)
Redeemable units outstanding before income distribution	700,629	800,226
Add redeemable units issued on reinvested income	-	-
Deduct redeemable units redeemed during the period	-	-
Redeemable units outstanding, end of period	700,629	800,226

5. Related party transactions:

(a) Management fees:

The Manager manages the Funds under a management agreement dated August 10, 2005. The Manager is entitled to an annual investment management fee equal to 1.5% of the net asset value of Series A redeemable units and 1.0% of the net asset value of Series F redeemable units for all Funds other than the Chou Bond Fund on which the Manager is entitled to an annual investment management fee equal to 1.15% of the net asset value of Series A redeemable units and 1.0% of the net asset value of Series F redeemable units. All other expenses attributable to the Funds are also payable out of the assets of the Funds.

During the period, management fees for each Fund are as follows:

	June 30, 2026	June 30, 2025
	$	$
Chou Associates Fund	1,337,822	1,360,159
Chou Asia Fund	119,869	117,405
Chou Europe Fund	-	-
Chou Bond Fund	111,434	99,869
Chou RRSP Fund	222,465	212,078

The Manager has waived the management fees for the Chou Europe Fund since August 2022 under the Simplified Prospectus and has not charged the management fee for the Chou Europe Fund for the first six months of the 2026 fiscal period. The management fee rates presented above relate to the contractual rates prior to any reduction. Management fees and related reductions are presented on a net basis in the statements of comprehensive income (loss).

As at period end, included in accrued expenses of each Fund are the following amounts due to the Manager, for management fees payable:

	June 30, 2026	June 30, 2025
	$	$
Chou Associates Fund	199,703	187,168
Chou Asia Fund	16,240	15,883
Chou Europe Fund	-	-
Chou Bond Fund	7,972	14,644
Chou RRSP Fund	32,410	30,159

5. Related party transactions (continued):

(b) Investments by the Manager and related parties:

The Manager, its officers and directors invest in redeemable units of the Funds from time to time in the normal course of business. All transactions with the Manager are measured at the exchange amounts.

As at June 30, 2026, the following amounts of Series A redeemable units were held by the Manager, its officers, and directors. No amounts of Series F redeemable units were held by the Manager, its officers, and directors.

	June 30, 2026	2025
	$	$
Chou Associates Fund	74,647	74,676
Chou Asia Fund	-	-
Chou Europe Fund	30,866	27,286
Chou Bond Fund	-	-
Chou RRSP Fund	44,194	44,194

(i) Chou Associates Fund:

As at June 30, 2026, 8.7% of total redeemable units (December 31, 2025 – 8.4%) were held by the Manager, its officers, and directors.

(ii) Chou Europe Fund:

As at June 30, 2026, 9.5% of total redeemable units (December 31, 2025 – 8.9%) were held by the Manager, its officers, and directors.

(iii) Chou RRSP Fund:

As at June 30, 2026, 6.3% of total redeemable units (December 31, 2025 – 5.8%) were held by the Manager, its officers, and directors.

6. Brokers' commissions:

Total commissions paid to brokers in connection with portfolio transactions for the six months ended June 30, 2026 and 2025 are as follows:

	June 30, 2026	2025
	$	$
Chou Associates Fund	34,741	73,827
Chou Asia Fund	4,974	3,707
Chou Europe Fund	1,402	1,170
Chou Bond Fund	-	4
Chou RRSP Fund	2,400	8,400

7. Securities lending:

The Funds have entered into a securities lending program with CIBC Mellon. The Funds receive collateral of at least 102% of the value of the securities on loan. Collateral may be comprised of cash and obligations of or guaranteed by, the Government of Canada or a province thereof, or by the United States Government or its agencies, but may include obligations of other governments with appropriate credit ratings. The aggregate dollar values of the securities that are on loan and the collateral received by the Funds as at June 30, 2026 and December 31, 2025 are as follows:

June 30, 2026	Market value of securities on loan	Market value of collateral received
	$	$
Chou Associates Fund	12,707,692	14,107,767
Chou Asia Fund	-	2,936,949
Chou Europe Fund	414,447	441,342
Chou Bond Fund	523,326	540,527
Chou RRSP Fund	3,143,471	3,595,348

December 31, 2025	Market value of securities on loan	Market value of collateral received
	$	$
Chou Associates Fund	54,473,515	58,672,632
Chou Asia Fund	3,998,134	4,226,072
Chou Europe Fund	507,671	536,575
Chou Bond Fund	-	-
Chou RRSP Fund	871,565	1,523,222

The securities lending income is presented in the statements of comprehensive income (loss) for the six months ended June 30, 2026 and June 30, 2025. It shows the gross amount of securities lending revenues generated from the securities lending transactions of the Fund, less any taxes withheld and amounts due to parties entitled to receive payments out of the gross amount as part of any securities lending agreements.

7. Securities lending (continued):

The tables below present a reconciliation of the securities lending income as presented in the statements of comprehensive income (loss) for the six months ended June 30, 2026 and June 30, 2025. It shows the gross amount of securities lending revenues generated from the securities lending transactions of the Fund, less any taxes withheld and amounts due to parties entitled to receive payments out of the gross amount as part of any securities lending agreements.

Chou Associates Fund:

	June 30, 2026		2025	
	$	%	$	%
Gross securities lending revenue	19,596	100	36,249	100
Withholding taxes	-	-	(1,459)	(4)
Agent fees	(3,624)	(18)	(6,641)	(18)
Securities lending revenue	15,972	82	28,149	78

Chou Asia Fund:

	June 30, 2026		2025	
	$	%	$	%
Gross securities lending revenue	2,633	100	1,163	100
Withholding taxes	-	-	-	-
Agent fees	(521)	(20)	(161)	(14)
Securities lending revenue	2,112	80	1,002	86

Chou Europe Fund:

	June 30, 2026		2025	
	$	%	$	%
Gross securities lending revenue	2,347	100	2,271	100
Withholding taxes	-	-	-	-
Agent fees	(466)	(20)	(413)	(18)
Securities lending revenue	1,881	80	1,858	82

7. Securities lending (continued):

Chou Bond Fund:

	June 30, 2026		June 30, 2025	
	$	%	$	%
Gross securities lending revenue	545	100	1,375	100
Withholding taxes	-	-	(6)	-
Agent fees	(108)	(20)	(255)	(19)
Securities lending revenue	437	80	1,114	81

Chou RRSP Fund:

	June 30, 2026		June 30, 2025	
	$	%	$	%
Gross securities lending revenue	2,007	100	2,837	100
Withholding taxes	-	-	(295)	(10)
Agent fees	(315)	(16)	(433)	(15)
Securities lending revenue	1,692	84	2,109	75

8. Fair value measurement:

Below is a classification of fair measurements of the Funds' investments based on a three level fair value hierarchy and a reconciliation of transactions and transfers within that hierarchy. The hierarchy of fair valuation inputs is summarized as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - inputs for the assets or liabilities that are not based on observable market data. Additional quantitative disclosures are required for Level 3 securities.

8. Fair value measurement (continued):

(a) Chou Associates Fund:

June 30, 2026	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities	170,764,173	-	-	170,764,173
Bonds	-	-	-	-
Options	-	-	-	-
Warrants	-	-	-	-
Total	170,764,173	-	-	170,764,173
Financial Liabilities				
Equities	-	-	-	-
Bonds	-	-	-	-
Options	-	-	-	-
Warrants	-	-	-	-
Total	-	-	-	-

December 31, 2025	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities	143,506,649	-	-	143,506,649
Bonds	-	-	-	-
Options	-	-	-	-
Warrants	3,678	-	-	3,678
Total	143,510,327	-	-	143,510,327
Financial Liabilities				
Equities	-	-	-	-
Bonds	-	-	-	-
Options	-	-	-	-
Warrants	-	-	-	-
Total	-	-	-	-

8. Fair value measurement (continued):

(a) Chou Associates Fund (continued):

The following table reconciles the Fund's Level 3 fair value measurement of financial instruments for the six months ended June 30, 2026.

	Equities	Bonds	Total
	$	$	$
Balance, December 31, 2025	-	-	-
Purchase of investments	-	-	-
Net transfers in (out) during the period	-	-	-
Proceeds from sales during the period	-	-	-
Net realized gain (loss) on sale of investments	-	-	-
Change in unrealized appreciation (depreciation) in value of investments	-	-	-
Balance, June 30, 2026	-	-	-

The following table reconciles the Fund's Level 3 fair value measurement of financial instruments for the year ended December 31, 2025.

	Equities	Bonds	Total
	$	$	$
Balance, December 31, 2024	23,672,823	-	23,672,823
Purchase of investments	-	-	-
Net transfers in (out) during the period	(18,982,963)	-	(18,982,963)
Proceeds from sales during the period	(538,648)	-	(538,648)
Net realized gain (loss) on sale of investments	11,798	-	11,798
Change in unrealized appreciation (depreciation) in value of investments	(4,163,010)	-	(4,163,010)
Balance, December 31, 2025	-	-	-

During the six months period ended June 30, 2026, there were no significant transfers between Level 1 and Level 2.

During 2025, equities valued at $18,982,963 were transferred from Level 3 to Level 1 as a result of increased trading activity and the availability of observable market prices.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data.

8. Fair value measurement (continued):

(b) Chou Asia Fund:

June 30, 2026	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities	12,929,694	-	-	12,929,694
Bonds	-	-	-	-
Options	-	-	-	-
Warrants	22,472	-	-	22,472
Total	12,952,166	-	-	12,952,166

December 31, 2025	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities	13,404,843	-	-	13,404,843
Bonds	-	-	-	-
Options	-	-	-	-
Warrants	4,243	-	-	4,243
Total	13,409,086	-	-	13,409,086

During the six months period ended June 30, 2026, there were no significant transfers between Level 1 and Level 2.

For the year ended December 31, 2025, there were no significant transfers between Level 1 and Level 2.

Financial instruments classified as Level 2 investments are valued based on prices by a reputable independent pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data.

8. Fair value measurement (continued):

(c) Chou Europe Fund:

June 30, 2026	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities	2,256,205	-	-	2,256,205
Bonds	-	-	-	-
Options	-	-	-	-
Total	2,256,205	-	-	2,256,205

December 31, 2025	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities	1,859,000	212,468	-	2,071,468
Bonds	-	-	-	-
Options	-	-	-	-
Total	1,859,000	-	-	2,071,468

During the six months period ended June 30, 2026, there were no transfers between Level 1 and Level 2.

During 2025, equities valued at $212,468 were transferred from Level 1 to Level 2 due to a decrease in liquidity and trading values.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data.

(d) Chou Bond Fund:

June 30, 2026	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities	2,437,950	-	-	2,437,950
Bonds	-	2,697,694	366	2,698,060
Options	-	-	-	-
Total	2,437,950	2,697,694	366	5,136,010

December 31, 2025	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities	2,191,442	-	-	2,191,442
Bonds	-	3,922,105	366	3,922,471
Options	-	-	-	-
Total	2,191,442	3,922,105	366	6,113,913

8. Fair value measurement (continued):

(d) Chou Bond Fund (continued):

The following table reconciles the Fund's Level 3 fair value measurement of financial instruments for the six months ended June 30, 2026.

	Equities	Bonds	Total
	$	$	$
Balance, December 31, 2025	-	366	366
Net transfers in during the period	-	-	-
Proceeds from sales during the period	-	-	-
Net realized gain (loss) on sale of investments	-	-	-
Change in unrealized appreciation (depreciation) in value of investments	-	-	-
Balance, June 30, 2026	-	366	366

The following table reconciles the Fund's Level 3 fair value measurement of financial instruments for the year ended December 31, 2025.

	Equities	Bonds	Total
	$	$	$
Balance, December 31, 2024	607,423	366	607,789
Net transfers in during the period	(487,018)	-	(487,018)
Proceeds from sales during the period	(13,889)	-	(13,889)
Net realized gain (loss) on sale of investments	(5,152)	-	(5,152)
Change in unrealized appreciation (depreciation) in value of investments	(101,364)	-	(101,364)
Balance, December 31, 2025	-	366	366

During the six months period ended June 30, 2026 and for the year ended December 31, 2025 there were no significant transfers between Level 1 and Level 2.

During 2025, equities valued at $487,018 were transferred from Level 3 to Level 1 as a result of increased trading activity and the availability of observable market prices.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data.

8. Fair value measurement (continued):

(d) Chou Bond Fund (continued):

Level 3 additional disclosures:

The tables below set out information about significant unobservable inputs used at reporting period-end in measuring financial instruments categorized as Level 3 in the fair value hierarchy.

June 30, 2026

Securities / Instruments	Line item on the hierarchy table	Fair value ($)	Valuation technique	Unob-servable input	Range of input value	Possible shift +/- (absolute value/%)	Change in valuation ($) +/-
Convertible Bonds	Bonds	366	Market Approach	Market value of company	N/A	10%	37/ (37)

December 31, 2025

Securities / Instruments	Line item on the hierarchy table	Fair value ($)	Valuation technique	Unob-servable input	Range of input value	Possible shift +/- (absolute value/%)	Change in valuation ($) +/-
Convertible Bonds	Bonds	366	Market Approach	Market value of company	N/A	10%	37/ (37)

As at June 30, 2026, if a shift in the valuation of 10% were to occur, the valuation of the Level 3 bonds could change by $37 (December 31, 2025- $37).

Third party source

The price for this security was received from a third-party source whose valuation methodology was model driven and included proxy security to capture interest rate and credit risk. Significant unobservable inputs used by the third-party are discounted cash flows, EBITDA, weighted average cost of capital ("WACC") and growth rates. Although the Fund believes that its estimates of fair value are appropriate, different methodologies or assumptions could lead to different measurements of fair value.

8. Fair value measurement (continued):

(e) Chou RRSP Fund:

June 30, 2026	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities	27,438,091	-	-	27,438,091
Bonds	-	-	100	100
Warrants	-	-	-	-
Total	27,438,091	-	100	27,438,191
Financial Liabilities				
Equities	-	-	-	-
Bonds	-	-	-	-
Options	-	-	-	-
Total	-	-	-	-

December 31, 2025	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial Assets				
Equities	23,513,510	-	-	23,513,510
Bonds	-	-	100	100
Warrants	-	-	-	-
Total	23,513,510	-	100	23,513,610
Financial Liabilities				
Equities	-	-	-	-
Bonds	-	-	-	-
Options	-	-	-	-
Total	-	-	-	-

The following table reconciles the Fund's Level 3 fair value measurement of financial instruments for the six months ended June 30, 2026.

	Equities	Bonds	Total
	$	$	$
Balance, December 31, 2025	-	100	100
Net transfers in during the period	-	-	-
Proceeds from sales during the period	-	-	-
Net realized gain (loss) on sale of investments	-	-	-
Change in unrealized appreciation (depreciation) in value of investments	-	-	-
Balance, June 30, 2026	-	100	100

The following table reconciles the Fund's Level 3 fair value measurement of financial instruments for the year ended December 31, 2025.

8. Fair value measurement (continued):

(e) Chou RRSP Fund (continued):

	Equities	Bonds	Total
	$	$	$
Balance, December 31, 2024	3,465,607	100	3,465,707
Net transfers in during the period	(2,779,095)	-	(2,779,095)
Proceeds from sales during the period	(78,790)	-	(78,790)
Net realized gain (loss) on sale of investments	14,053	-	14,053
Change in unrealized appreciation (depreciation) in value of investments	(621,775)	-	(621,775)
Balance, December 31, 2025	-	100	100

During the six months period ended June 30, 2026 and for the year ended December 31, 2025 there were no significant transfers between Level 1 and Level 2.

During 2025, equities valued at $2,779,095 were transferred from Level 3 to Level 1 as a result of increased trading activity and the availability of observable market prices.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data.

Level 3 additional disclosures:

The tables below set out information about significant unobservable inputs used at reporting period-end in measuring financial instruments categorized as Level 3 in the fair value hierarchy.

June 30, 2026

Securities / Instruments	Line item on the hierarchy table	Fair value ($)	Valuation technique	Unobservable input	Range of input value	Possible shift +/- (absolute value/%)	Change in valuation ($) +/-
Convertible Bonds	Bonds	100	Market Approach	Market value of company	N/A	10%	10/ (10)

December 31, 2025

Securities / Instruments	Line item on the hierarchy table	Fair value ($)	Valuation technique	Unobservable input	Range of input value	Possible shift +/- (absolute value/%)	Change in valuation ($) +/-
Convertible Bonds	Bonds	100	Market Approach	Market value of company	N/A	10%	10/ (10)

8. Fair value measurement (continued):

(e) Chou RRSP Fund (continued):

As at June 30, 2026, if a shift in the valuation of 10% were to occur, the valuation of the Level 3 bonds could change by $10 (December 31, 2025- $10).

Third party source

The price for this security was received from a third-party source whose valuation methodology was model driven and included proxy security to capture interest rate and credit risk. Significant unobservable inputs used by the third-party are discounted cash flows, EBITDA, weighted average cost of capital ("WACC") and growth rates. Although the Fund believes that its estimates of fair value are appropriate, different methodologies or assumptions could lead to different measurements of fair value.

9. Income taxes:

The Chou Funds qualify as mutual fund trusts under the provisions of the Income Tax Act (Canada). General income tax rules apply to the Chou Funds; however, no income tax is payable by the Chou Funds on investment income and/or net realized capital gains which are distributed to unitholders. In addition, income taxes payable on undistributed net realized capital gains are refundable on a formula basis when redeemable units of the Funds are redeemed. Sufficient net income and realized capital gains of the Chou Funds, have been, or will be distributed to the unitholders such that no tax is payable by the Chou Funds and, accordingly, no provision for taxes has been made in the financial statements.

Capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains in future years.

The Funds have the following net realized capital losses available for utilization against net realized capital gains in future years:

	June 30, 2026	2025
	$	$
Chou Associates Fund		
Non-capital loss carryforward	170,949	-
Chou Asia Fund		
Capital loss carryforward	-	-
Chou Europe Fund		
Capital loss carryforward	4,267,418	4,222,206
Chou Bond Fund		
Capital loss carryforward	11,597,167	12,055,505
Chou RRSP Fund		
Capital loss carryforward	15,587,264	15,462,975

10. Audit fees:

For the 6 months ended June 30, 2026, fees paid or payable for the audit of the financial statements of the Funds were $118,492 (2025 – 134,505). Fees paid for other services were $23,618 (2025 – $15,861).

Illustration of an assumed investment of $10,000 in Canadian dollars (unaudited)

CHOU ASIA FUND SERIES A

Period ended	Total value of shares
Dec.31, 2003	$10,000
Dec.31, 2004	11,850
Dec.31, 2005	12,678
Dec.31, 2006	14,598
Dec.31, 2007	16,972
Dec.31, 2008	13,979
Dec.31, 2009	17,015
Dec.31, 2010	18,786
Dec.31, 2011	17,931
Dec.31, 2012	17,609
Dec.31, 2013	21,799
Dec.31, 2014	23,472
Dec.31, 2015	24,760
Dec.31, 2016	25,284
Dec.31, 2017	30,625
Dec.31, 2018	26,728
Dec.31, 2019	27,001
Dec.31, 2020	44,850
Dec.31, 2021	44,087
Dec.31, 2022	41,185
Dec.31, 2023	48,176
Dec.31, 2024	56,617
Dec.31, 2025	66,327
June 30, 2026	**$62,688**

CHOU EUROPE FUND SERIES A

Period ended	Total value of shares
Dec.31, 2003	$10,000
Dec.31, 2004	11,361
Dec.31, 2005	12,650
Dec.31, 2006	14,002
Dec.31, 2007	11,881
Dec.31, 2008	6,655
Dec.31, 2009	8,962
Dec.31, 2010	8,885
Dec.31, 2011	8,451
Dec.31, 2012	10,753
Dec.31, 2013	15,199
Dec.31, 2014	15,342
Dec.31, 2015	15,629
Dec.31, 2016	12,705
Dec.31, 2017	13,161
Dec.31, 2018	11,856
Dec.31, 2019	11,495
Dec.31, 2020	14,626
Dec.31, 2021	13,973
Dec.31, 2022	15,090
Dec.31, 2023	21,063
Dec.31, 2024	20,084
Dec.31, 2025	22,081
June 30, 2026	**$20,142**

CHOU BOND FUND SERIES F

Period ended	Total value of shares
Dec.31, 2005	$10,000
Dec.31, 2006	12,214
Dec.31, 2007	11,901
Dec.31, 2008	7,412
Dec.31, 2009	10,568
Dec.31, 2010	14,043
Dec.31, 2011	11,479
Dec.31, 2012	12,985
Dec.31, 2013	16,097
Dec.31, 2014	17,699
Dec.31, 2015	17,093
Dec.31, 2016	18,679
Dec.31, 2017	18,413
Dec.31, 2018	21,184
Dec.31, 2019	15,896
Dec.31, 2020	19,982
Dec.31, 2021	28,268
Dec.31, 2022	30,552
Dec.31, 2023	30,034
Dec.31, 2024	35,555
Dec.31, 2025	37,378
June 30, 2026	**$38,946**

Illustration of an assumed investment of $10,000 in Canadian dollars (unaudited)

CHOU RRSP FUND

Period ended	**Total value of shares**
Dec.31, 1986	$10,000
Dec.31, 1987	10,818
Dec.31, 1988	12,281
Dec.31, 1989	14,350
Dec.31, 1990	12,722
Dec.31, 1991	13,284
Dec.31, 1992	14,500
Dec.31, 1993	16,727
Dec.31, 1994	14,961
Dec.31, 1995	17,808
Dec.31, 1996	21,735
Dec.31, 1997	32,741
Dec.31, 1998	38,806
Dec.31, 1999	36,217
Dec.31, 2000	42,188
Dec.31, 2001	49,370
Dec.31, 2002	65,095
Dec.31, 2003	72,658
Dec.31, 2004	82,362
Dec.31, 2005	95,294
Dec.31, 2006	104,479
Dec.31, 2007	94,817
Dec.31, 2008	54,629
Dec.31, 2009	69,818
Dec.31, 2010	102,367
Dec.31, 2011	81,150
Dec.31, 2012	108,860
Dec.31, 2013	132,029
Dec.31, 2014	150,763
Dec.31, 2015	131,417
Dec.31, 2016	126,719
Dec.31, 2017	154,716
Dec.31, 2018	143,655
Dec.31, 2019	118,267
Dec.31, 2020	134,262
Dec.31, 2021	209,422
Dec.31, 2022	191,136
Dec.31, 2023	188,116
Dec.31, 2024	185,537
Dec.31, 2025	199,668
Jun.30, 2026	**$230,880**

NOTE: Rates of return are historical total returns, include changes in unit prices, and assume the reinvestment of all distributions. These annual compounded returns do not take into account any sales charges, redemption fees, other optional expenses or income taxes that you have to pay and that could reduce these returns. The returns are not guaranteed. The Fund’s past performance does not necessarily indicate future performance.

The table is presented only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual funds or returns on the mutual funds. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing.

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