

Performance Inception Date	September 2020	Objective	The strategy's main objective is to complement our clients' traditional/benchmark-driven portfolios using a dynamic investment process leading to superior returns and managed in a prudent manner to preserve capital in adverse markets.	Approach	We actively manage a high conviction portfolio composed of a maximum of 25 stocks derived from quantitative-driven models run against three broad North American indices (S&P/TSX Composite, S&P 500 and S&P 1000).
Assets Under Management	\$6,335,303				
Currency	Canadian Dollar		Through a full economic cycle, we aim to deliver a net return of 5% per annum above standard benchmarks.		The portfolio is complemented by risk management strategies (through dynamic cash allocation, VIX-related instruments, etc.) to reduce portfolio downside risk.

Top 10 Holdings*	Country	Sector	Target Weight	Div. Yield	Forward P/E	P/CashFlow	Beta (5Y)	ROE	Debt/Equity	Mkt Cap (\$M)	Sector Breakdown	Strategy*	Index
Blackberry Limited	CA	Technology	2.0%	0.0%	70.4	102.1	1.2	8.1%	0.3	10,397	Communication Services	3.2%	7.0%
Bird Construction Inc.	CA	Industrials	2.0%	1.3%	24.3	20.9	0.3	11.5%	0.6	3,511	Consumer Discretionary	3.3%	7.2%
Curaleaf Holdings Inc	CA	Health Care	2.0%	0.0%	N/A	22.5	1.8	N/A	1.0	3,821	Consumer Staples	2.9%	4.2%
Hammond Power Solutions I	CA	Industrials	2.0%	0.3%	36.2	97.6	1.4	18.8%	0.1	4,030	Energy	4.4%	7.5%
5N Plus Inc.	CA	Materials	2.0%	0.0%	44.1	55.2	0.9	31.9%	0.7	3,722	Financials (incl. Real Estate)	10.7%	21.6%
Montage Gold Corp	CA	Materials	2.0%	0.0%	N/A	N/A	2.1	N/A	5.3	6,452	Health Care	4.7%	6.0%
Lumentum Holdings	US	Technology	2.0%	0.0%	127.7	247.7	1.5	24.8%	1.1	66,239	Industrials	10.3%	9.5%
Micron Technology	US	Technology	2.0%	0.1%	18.4	74.7	2.2	71.1%	0.1	1,293,471	Technology	29.5%	27.7%
Sandisk Corp	US	Technology	2.0%	0.0%	32.7	135.0	4.9	44.1%	0.0	303,642	Materials	7.0%	6.6%
Seagate Technology Holding	US	Technology	2.0%	0.3%	63.7	106.3	2.0	1005.7%	3.5	217,173	Utilities	1.2%	2.7%
* Excluding ETFs	Top 10 names		20.0%	0.2%	41.7	86.2	1.8	121.6%	1.3	191,246	Cash & Equivalents	23.0%	0.0%
	Bottom names		57.0%	1.1%	33.1	49.4	1.1	14.9%	0.9	86,946			
	Cash		23.0%	0.0%	--	--	0	--	--	--			
Data Sources : Barchart, MSCI, FactSet	Total		100%	0.7%	35.3	59.0	1.3	42.6%	1.0	114,037			

Historical Performance (after transaction costs)

Period	Strategy	After fees	Benchmark	Difference	Period	Strategy	After fees	Benchmark	Difference	Management fee estimates (p.a.)
Last 3M	20.7%	20.0%	13.7%	6.3%	2026	40.8%	39.4%	13.2%	26.2%	1.4%
1 Year	67.4%	65.5%	29.3%	36.2%	2025	24.2%	23.2%	18.6%	4.7%	1.0%
2 Years	44.0%	42.5%	23.8%	18.7%	2024	38.9%	37.9%	31.4%	6.5%	1.0%
3 Years	33.7%	32.4%	23.6%	8.8%	2023	3.0%	2.0%	19.2%	-17.2%	1.0%
4 Years	28.8%	27.5%	22.3%	5.2%	2022	4.9%	3.4%	-10.0%	13.5%	1.5%
5 Years	22.5%	21.2%	16.1%	5.1%	2021	32.8%	31.8%	27.2%	4.6%	1.0%
10 Years	--	--	--	--	2020	36.8%	34.5%	14.1%	20.4%	2.3%
Since Inc.	26.8%	25.6%	18.1%	7.5%	2019	24.8%	23.8%	26.8%	-3.0%	1.0%

Note on performance : We started investing in the strategy in September 2020. The performance shown prior to this date represents the model returns generated for three of the four indices (S&P/TSX, S&P 500 and S&P 400). The S&P 600 driven model was added in early 2021.

Market/Strategy Comments

- After a first quarter dominated by the U.S.–Iran conflict, risk appetite returned decisively in the second quarter of 2026. Brent crude retreated from its April peak near USD 120, a U.S.–Iran memorandum reopened the Strait of Hormuz, and hyperscaler capital-spending guidance climbed toward USD 700 billion - reigniting the AI investment cycle and producing one of the strongest quarters for North American equities in years, even as central banks stayed hawkish.

- In the last quarter, the S&P 500 returned 15.2% (USD), its best quarter since 2020, Growth stocks (R1000G: 16.7%) outpaced Value stocks (R1000V: 13.9%) and small-caps rebounded strongly (R2000: 21.6%). In Canada, the S&P/TSX Composite added 7.0%, powered by Financials (+25.6%) and Industrials (+10.6%), while Materials (–11.5%) and Energy (–5.0%) lagged. The Dynamic benchmark (2/3 S&P 500, 1/3 S&P/TSX) ended the quarter with a total return of 13.7% (CAD).

- Our rules-based Dynamic strategy captured this momentum with risk-management discipline. Despite systematic profit-taking, it returned 20.7% in Q2 (7% above benchmark before management fees) lifting year-to-date performance to 40.8%, (27.6% above benchmark before management fees).

Strategy Characteristics

Holdings	20 - 25
Portfolio beta	0.5 - 2.0
Limit per holding	10%
Limit per sector	35%
ETF allocation	Max 50%
Cash allocation	Max 35%
Rebalancing	Monthly

Disclosure

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