

Barrantagh Small Cap Canadian Equity Fund

BARRANTAGH
Investment Management

EQUITY MANAGEMENT

- Value bias
- Quality focus (strong Balance Sheet / full cycle profitability)
- Disciplined bottom up research process
- Management interviews
- Low turnover
- High conviction portfolios
- Minimum 7 GICS sectors
- F Series annual management fee 1.0%

Small Cap Canadian Equities

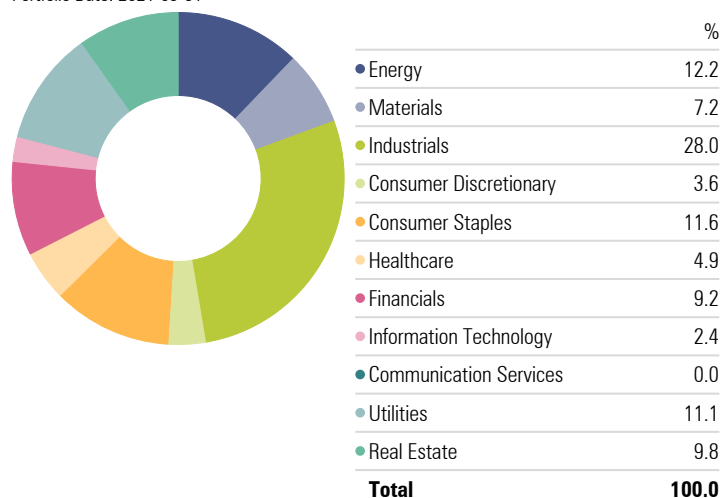
- 20 - 40 small cap Canadian stocks
- Target <\$2bn market cap, >1% dividend yield

Fund code: BMI105 Min Investment: \$1,000 initial, \$200 subsequent Fund Size: \$63.1M CUSIP: 993565548

Barrantagh Investment Management Inc. is a bottom-up, value driven investment manager with over 20 years history of offering investment services to both high net worth and institutional clients. Our investment philosophy is based on three key values. When we look for investment ideas we start with superior businesses with clear competitive advantages and the ability to sustain their profitability throughout the full cycle. Once identified, we look to interview management and ensure they are quality people with goals and targets that align with shareholders. This includes a proven track record of conservative and clear business strategy. The final tenet is our buy and sell discipline around attractive prices, based our independent valuation. We use our own cash flow analysis to establish both buy and sell targets in order to build our high conviction and focused portfolios.

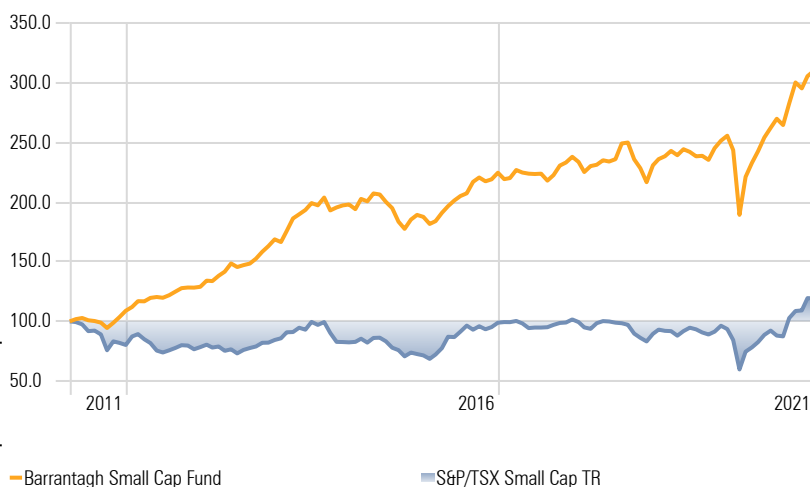
Current Portfolio - Equity Sectors (GICS)

Portfolio Date: 2021-03-31



Investment Growth (CDN \$) *

Time Period: 2011-04-01 to 2021-03-31

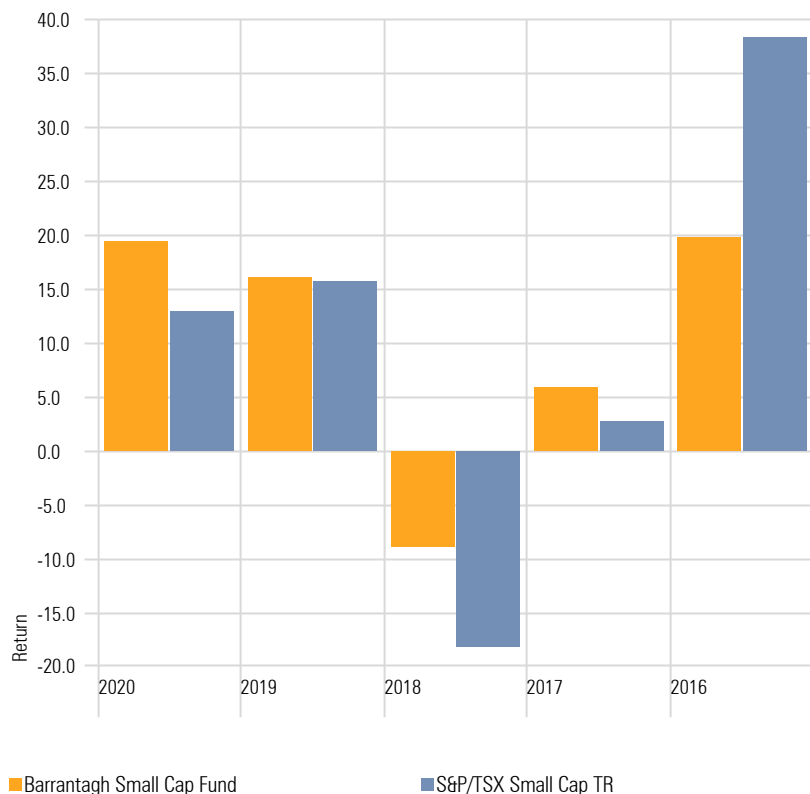


Trailing Returns *

As of Date: 2021-03-31

	YTD	1 Year	3 Years	5 Years	10 Years
Barrantagh Small Cap Fund	3.24	63.84	10.44	10.19	11.99
S&P/TSX Small Cap TR	9.74	100.15	8.36	9.01	1.78

Investment Performance Chart *



* Barrantagh Small Cap Canadian Equity Composite performance is used to reflect periods prior to Fund Inception. Investment returns shown are provided for informational purposes only and are calculated net of management fees, trading and operating expenses. Returns are annualized for periods greater than 1 year and calculated on a total return basis which includes changes in net asset value, income and capital gains (losses). Returns do not include the impact of any sales, redemption, optional charges, or any income taxes payable by the unitholder. Past performance is no guarantee of future performance and future performance will fluctuate with future market outcomes.

Barrantagh Small Cap Canadian Equity Fund



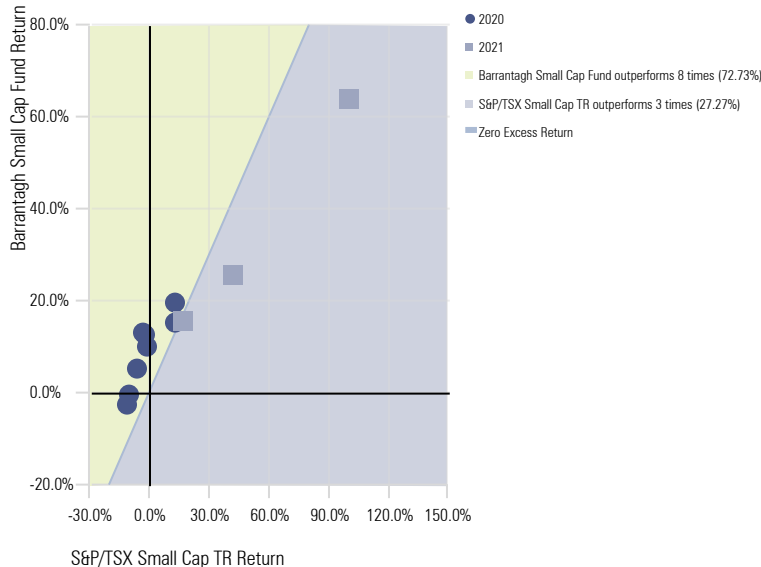
Top 10 Holdings

Portfolio Date: 2021-03-31

	Portfolio Weighting %
Trisura Group Ltd Registered Shs	5.66
Andlauer Healthcare Group Inc Ordinary Shares (Sub Voting)	4.70
Morneau Shepell Inc	4.54
Jamieson Wellness Inc	4.02
Intertape Polymer Group Inc	3.92
Superior Plus Corp	3.71
Boyd Group Services Inc Ordinary Shares	3.70
Cargojet Inc	3.70
Primo Water Corp	3.55
Premium Brands Holdings Corp Trust Units Stock Settlement	3.53

Over/Under Benchmark Performance

Time Period: 2019-06-01 to 2021-03-31 Rolling Window: 1 Year 1 Month shift Calculation Benchmark: S&P/TSX Small Cap TR



First Quarter Commentary

In the quarter, the Fund underperformed its benchmark, the S&P/TSX Small Cap Index.

The cyclical rotation that began in November with the U.S. presidential election and promising vaccine news accelerated into 2021 driving global equity markets higher. Energy and financials were among the strongest performing sectors while technology and other pandemic “winners” lagged or sold off. Fiscal stimulus remains largely in place to aid healing economies, and unprecedented government transfers through the crisis have left consumers in outstanding financial condition to act on pent-up demand. These dynamics are driving inflation expectations higher and central banks continue to be highly accommodative, signalling their willingness to let things “run hot” and avoid tapping the breaks too early. This environment has proved highly positive for risk assets, while inflicting deep pain to rates and the bond market.

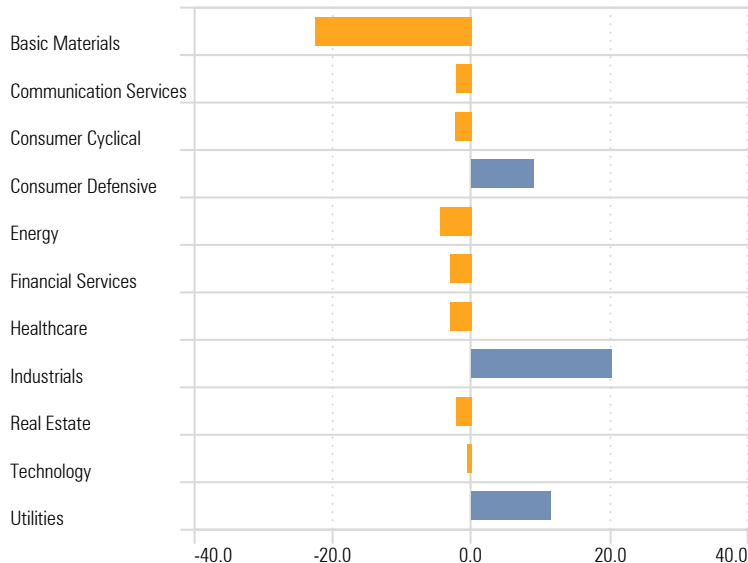
As we have now passed the one-year anniversary of the initial COVID-19 market plunge, Q1/21 provides a great example of end-point sensitivity and the potential folly of focusing on short-term numbers. Trailing 12-month returns for Canadian Equity benchmarks range from +40% to +100%. In general, those names and sectors that got hurt the worst during fear-gripped March 2020 have rallied the strongest over the last year. In a euphoric rally like this, the Fund will almost certainly trail the commodity-heavy TSX-SC benchmark, but this only tells half of the story. Downside protection during severe market selloffs is a key lever to drive longer-term outperformance. Stepping back to encompass both the sell-off and rally, the Fund sits well above both the benchmark and broader S&P/TSX Composite.

The Fund was active during the first quarter. Several new positions were initiated to gain exposure to greater reopening earnings recovery. We saw attractively priced opportunities in names exposed to banking, commodities, manufacturing, trucking, and restaurants. To make room for these additions a few positions were sold or trimmed that had seen outsized benefit and share price performance during the lockdowns and looked less attractive from a valuation perspective going forward.

It was exactly one year ago where we highlighted (1) the best future investment returns materialize after large drawdowns; and (2) though small-cap stocks often lag in the sell-off, they rebound stronger in the recovery as risk appetite improves. This played out as predicted and with a speed and magnitude that would have surprised even the most unwavering optimist. The Fund performed admirably, weathering the depths of the sell-off and then rallying strongly. Our small-cap exposure combined with our Quality-Value ethos provided some level of downside protection with solid torque to the risk-on recovery. This has played out similarly in previous market inflections (2008-2009; 2015-2016 come to mind) and has been a good recipe for driving superior long-term risk-adjusted returns. The world now looks quite different today with expectations for a robust global economic recovery well understood but many equity markets making new all-time highs. We'll stay focused on what we can control – finding quality cash-generative businesses trading at reasonable valuations and set up to compound returns for equity holders.

Sector Diversification (% Over/Under vs. Benchmark)

Time Period: 2021-01-01 to 2021-03-31



Barrantagh Small Cap Fund - Risk

Time Period: 2019-06-01 to 2021-03-31

Calculation Benchmark: S&P/TSX Small Cap TR

Return	15.18
Std Dev	23.77
Downside Deviation	12.02
Alpha	2.14
Beta	0.63
R2	87.28
Sharpe Ratio (arith)	0.59
Tracking Error	15.60