

BARRANTAGH

Investment Management

Update – Mar. 31, 2025

- Firm Update
- Small Cap Canadian Equities
- Canadian Equities Income
- Economic Update



Architect Program

Firm Introduction

FIRM PROFILE

- 100% employee-owned investment managers since 1995
- 17 employees, firm ownership expanded to 7 employee-shareholders
- AUM: \$1.5 Bn (private wealth, institutional, sub-advisory)
- Fundamental quality value style

STRATEGIES OFFERED

- Balanced Mandates – active asset mix mgmt.
- Fixed Income – Credit barbell + active duration mgmt.
- Equity Strategies – Focus Portfolios (20 – 40 stocks in a strategy):
 - Small Cap – quality/yield focus
 - Mid Cap – S&P TSX Completion Index
 - All Cap Cdn Equities
 - Income – yield focus
 - Global Equities – Global leaders + Special situations

FIRM UPDATE

STAFFING:

- 17 employees, no changes over the last 3 years

ESG Integration Update:

- Completed UN PRI signatory process (2019) & formalized BIM Responsible Investing Policy

UMA/Sub-Advisory Update

- New mandate with Morgan Stanley upcoming program launch

Evestment

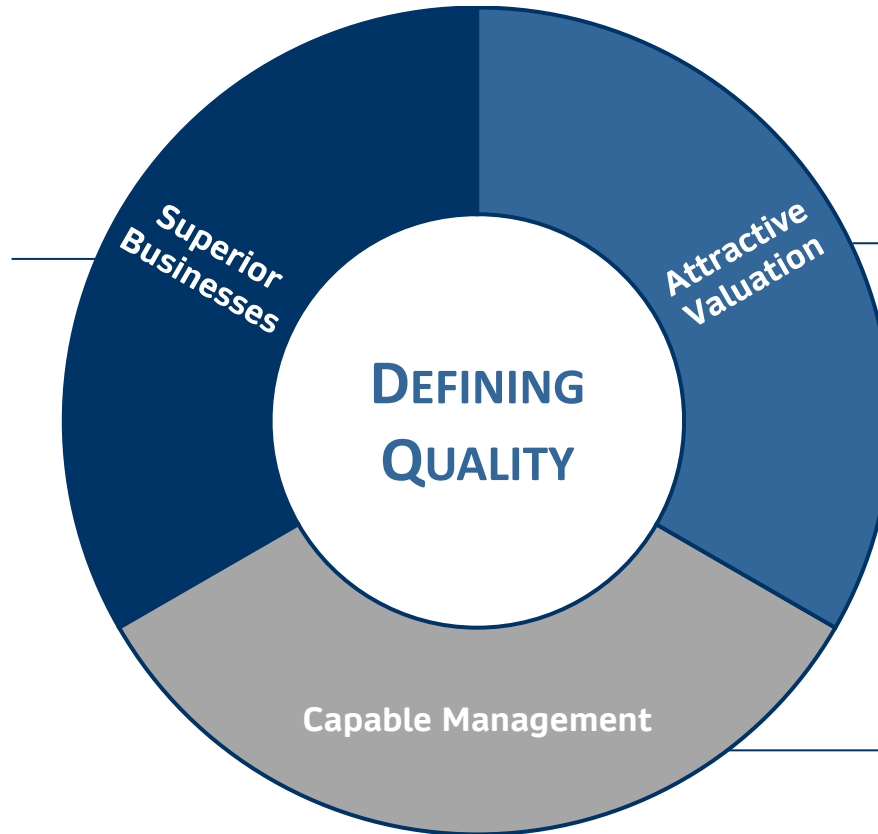
- Boutique Firms – Canada – Top 3 Brand awareness

Investment Philosophy

Defining Quality Value

IDEA GENERATION

- Competitive advantages
- Industry leaders
- Pricing Power
- High return on capital
- Low capital intensity
- **ESG** Profile



INDEPENDENT VALUATION

- Cashflow analysis
- Independent valuation
- Forecast use of leverage
- Quality reduces risk
- Buy/Sell Targets

MANAGEMENT INTERVIEWS

- Aligned with shareholders
- Clear business strategy
- Record of value creation
- Low cost operators
- Conservative use of leverage



MANDATE REVIEW

Small Cap Canadian Equities

Recent Market Environment

Investing in Quality

1. Current market environment – uncertainty = Risk-Off

1. Large cap leadership
2. Narrow markets – Gold
3. Large cap valuations ex tech are reasonable, Small Caps are cheap
4. Cyclical-led markets are not unprecedented

2. Quality Value investing limits exposure to highly economically sensitive cyclical companies

1. ie Gold => unpredictable and volatile gold prices influenced by a variety of levers (inflation, central banks, retail momentum trade, fear trade) make bottom-up valuation challenging & can be at odds with long-term investing & a 3-5 year holding period
2. Consumer deep cyclicals – discretionary spending – ie car parts, manufacturers
3. Industrial deep cyclicals – ie aerospace

3. 2023 & 2024 were challenging years vs. the market

1. 2023 – cyclical led market, growth technology stocks ran
2. 2024 – all that glittered was gold – gold rally added 6% to the index return!

4. Why do we bias away from deep cyclicals?

1. Allows for greater confidence in long-term DCF models & longer holding periods to allow company strategies to play out – less guess-work & valuation matters
2. Delivers very low risk portfolios (std. dev., beta, risk-adjusted returns) with supporting dividend yield

Small Cap Canadian Equity

Performance at March 31, 2025

| For Periods Ending Mar. 31, 2025 | Q1/25 | 1 Yr | 2 Yrs | 3 Yrs | 4 Yrs | 5 Yrs | 6 Yrs | 7 Yrs | 8 Yrs | 9 Yrs | 10 Yrs | 15 Yrs |
|-------------------------------------|--------------|--------------|-------------|--------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|--------------|
| BIM Canadian Small Cap | -7.6% | -2.8% | 1.0% | -1.4% | 2.0% | 12.7% | 6.7% | 6.2% | 5.6% | 7.0% | 5.8% | 10.9% |
| S&P/TSX Small Cap Index | 0.9% | 11.1% | 9.6% | 1.7% | 5.7% | 20.1% | 8.4% | 6.8% | 5.1% | 7.5% | 6.1% | 4.7% |

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
|------------------------------------|--------------|--------------|--------------|--------------------------|--------------|--------------|---------------|-------------|--------------------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------------------|---------------|
| BIM Canadian Small Cap | 11.5% | -2.7% | -5.7% | 18.8%¹ | 21.3% | 19.0% | -8.9% | 5.9% | 19.8%¹ | -5.3% | 17.3% | 30.9% | 18.5% | 15.6% | 35.0% | 43.8%¹ | -22.9% |
| S&P/TSX Small Cap Index | 18.8% | 4.8% | -9.3% | 20.3% | 12.9% | 15.8% | -18.2% | 2.7% | 38.5% | -13.4% | -2.4% | 7.6% | -2.2% | 16.4% | 35.1% | 62.3% | -45.5% |

¹ Periods where index performance was driven by commodity rallies (Mining & Oil Exploration & Production)

Green indicates periods that Barrantagh Small Cap outperformed

Returns are gross of fees. Composites include actual accounts managed by Barrantagh. Past performance is no guarantee of future returns.

Small Cap Canadian Equity

Perspective on Recent Performance: Commodity Volatility

Stock Selection Positive in Non-Commodity Sectors

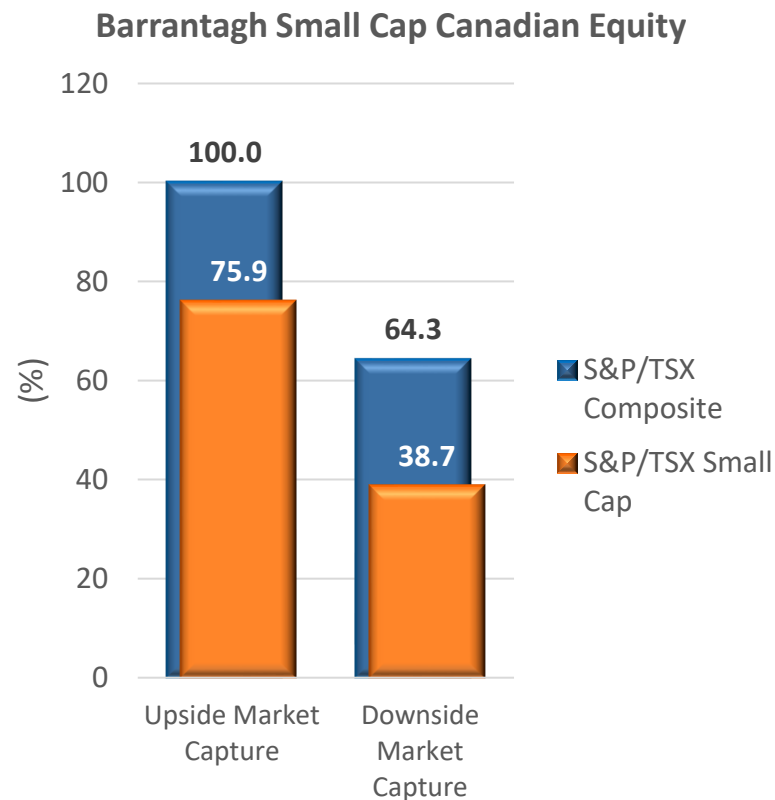
| | TOTAL PERIOD Jan. 2024 – Mar. 2025 |
|-----------------------------------|---------------------------------------|
| BIM Small Cap | 3.4% |
| TSX SC | <u>19.9%</u> |
| Alpha (%) | -16.5% |
| Alpha (bps) | -1650 |
| Materials | -1509 |
| Energy | <u>-340</u> |
| Commodities | -1849 |
| All Other Industries ¹ | +199 |

¹ All Other Industries = GICS Industries Ex - Energy & Materials

Small Cap Canadian Equity

Conservative Exposure to Commodities Delivers Much Lower Portfolio Risk vs. Market

| Mar. 31, 2025 | Barrantagh Small Cap Cdn. Equites ¹ | TSX Small Cap | Median |
|--------------------------|--|---------------|-------------|
| Annualized Return | 10.5% | 3.7% | 7.4% |
| Standard Deviation | 13.5% | 20.2% | 17.3% |
| <i>Sharpe Ratio</i> | <i>0.7</i> | <i>0.1</i> | <i>0.35</i> |



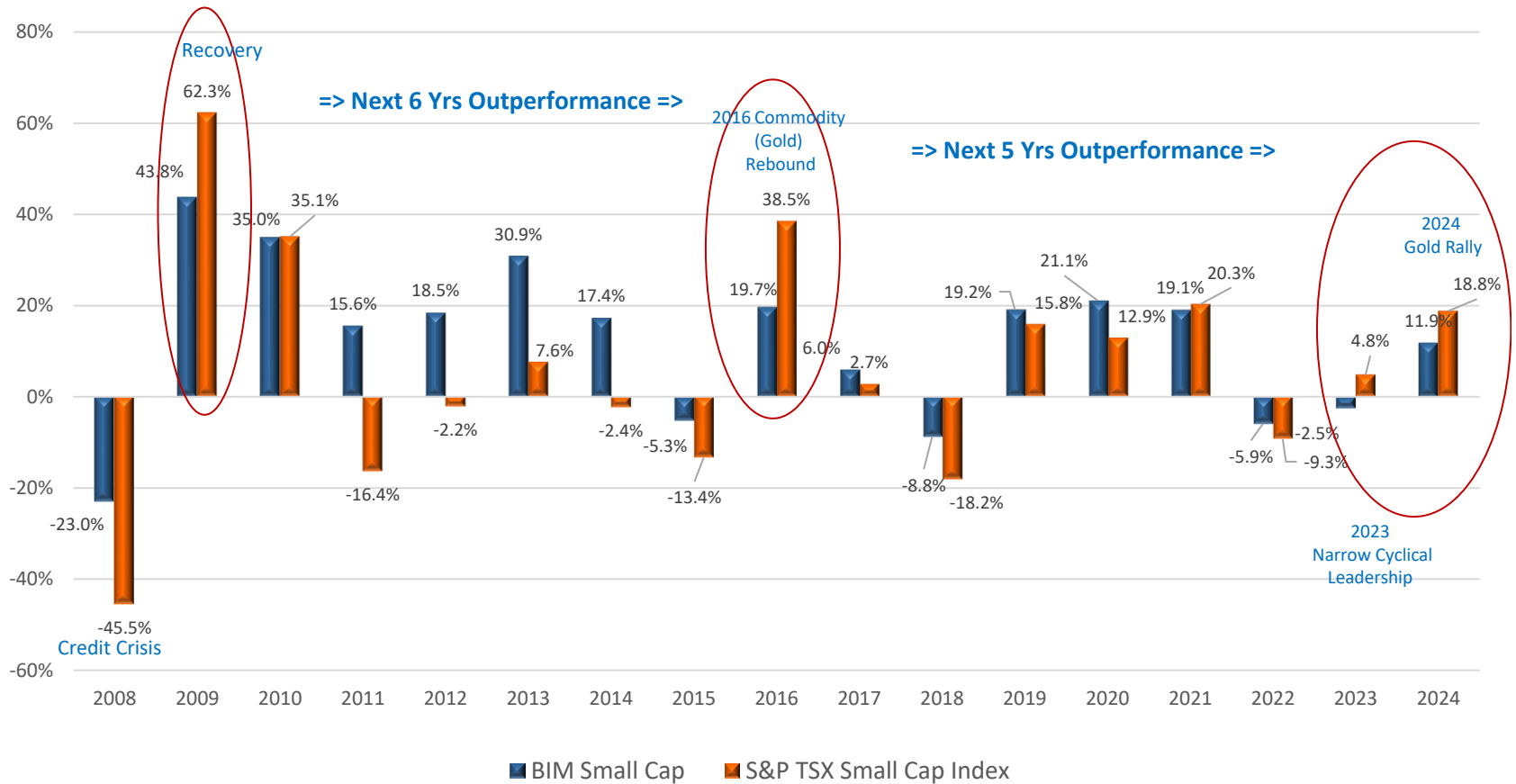
¹ Since Inception Jan. 1, 2008

² vs. Evestment Small Cap Universe

Performance Update

Investing over Market Cycles | Calendar Year Returns

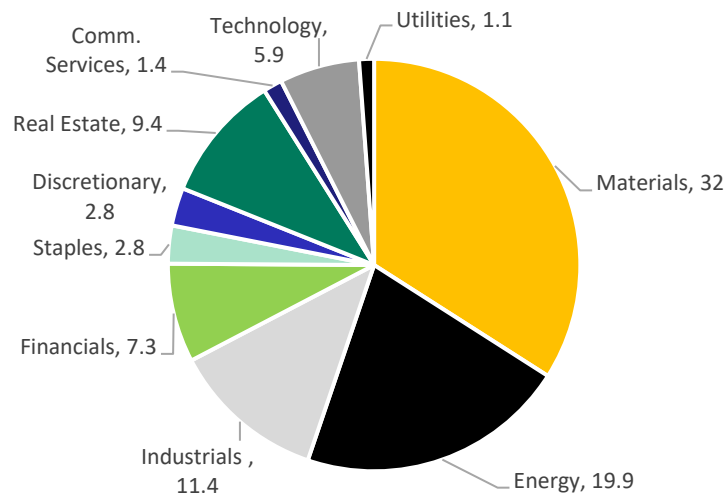
Calendar Year Performance vs. Benchmark



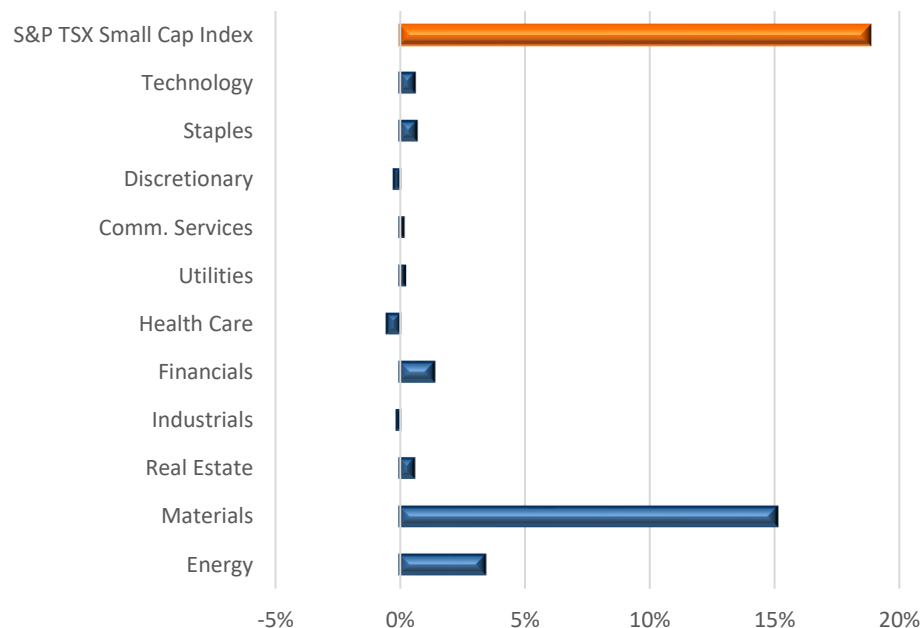
2024 Small Cap Investing

2024: Commodities Contribute 93% of the TSX Small Cap Index Return – 2024 + Q1 2025

S&P TSX Small Cap Industry Weights



2024 + Q1 2025 Small Cap Index Contribution¹ by Industry

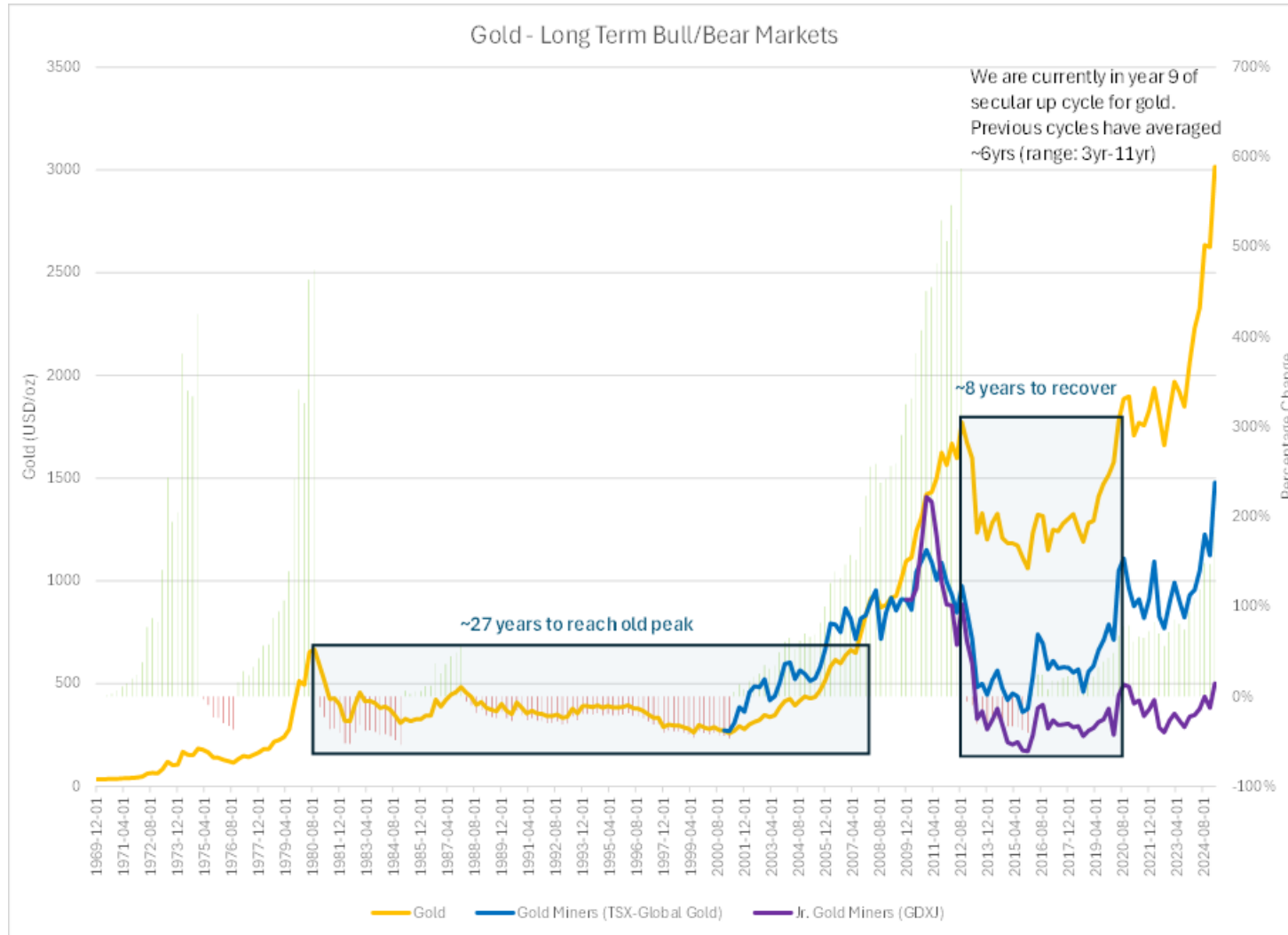


Contribution¹ = Return x Weight

Source: Bloomberg, Barrantagh Research

Long-Term View on Gold Prices

Up-Cycle is Longer than Past



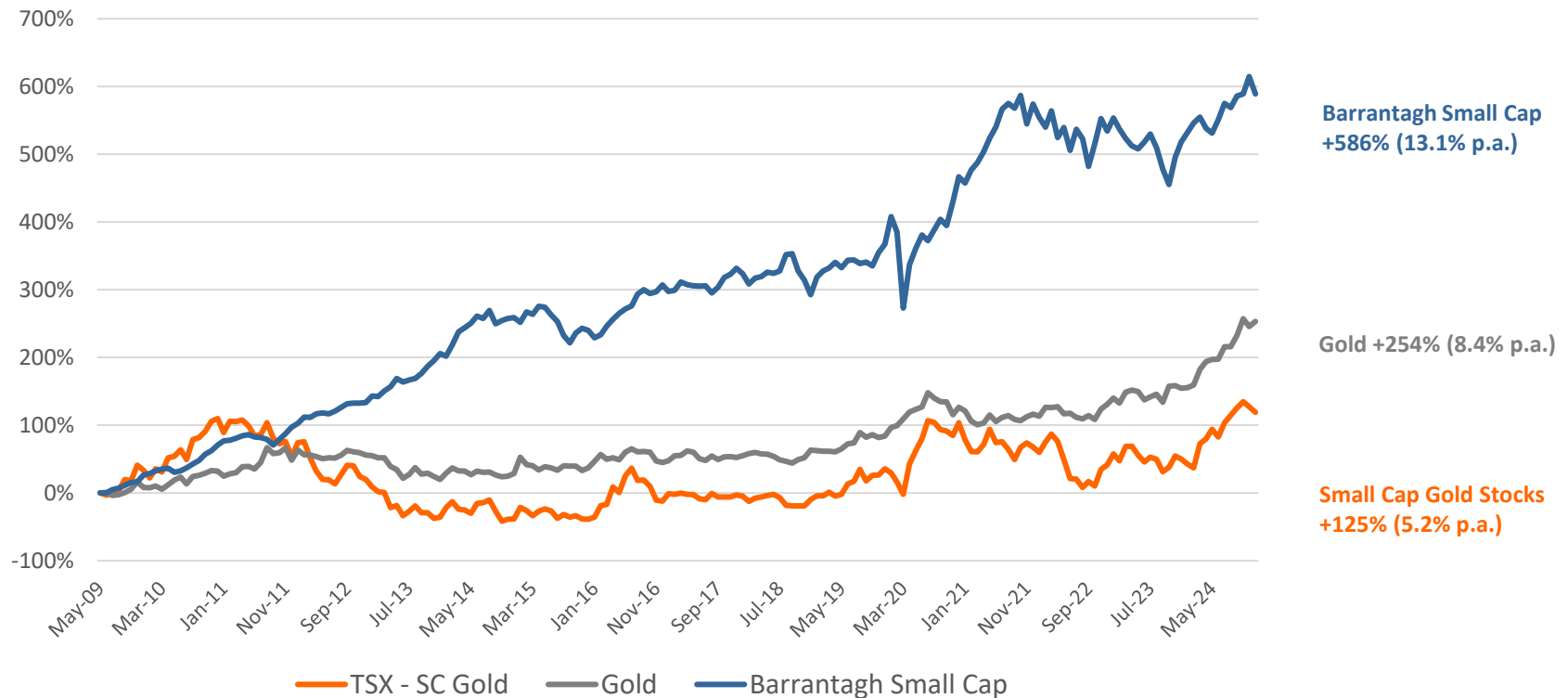
Gold

- Inflation
- Central banks buying
- Geo-political unrest, wars
- Tariff/Trade war uncertainty
- Retail momentum demand

Small Cap Canadian Equity Mandate

Junior Gold Miners: Underperforming/Volatile & Poor Commodity Tracking

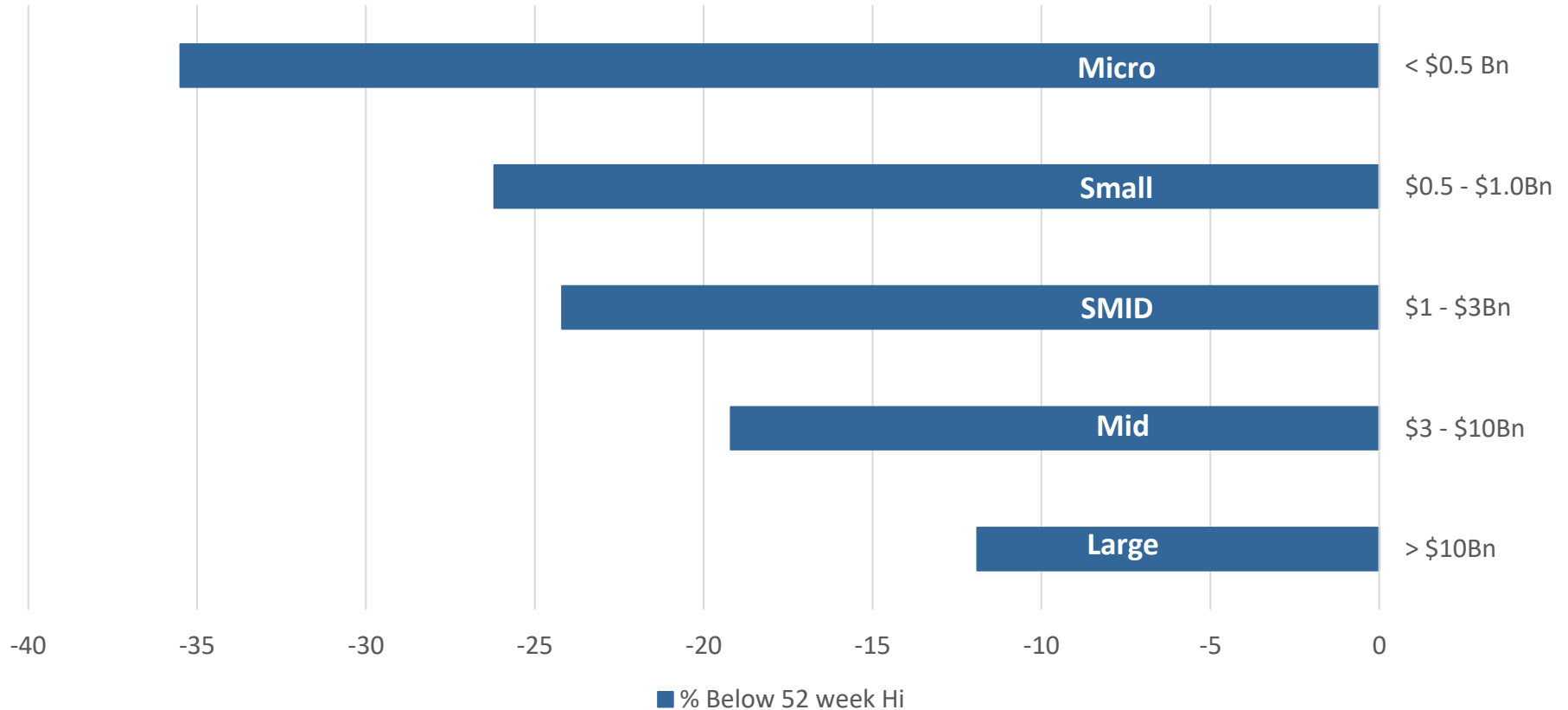
Cumulative Returns ~ 16 Years to Dec. 31, 2024



Canadian Market Review

Stocks Ex-Commodities by Market Cap: Risk-Off Trade is Already Embedded

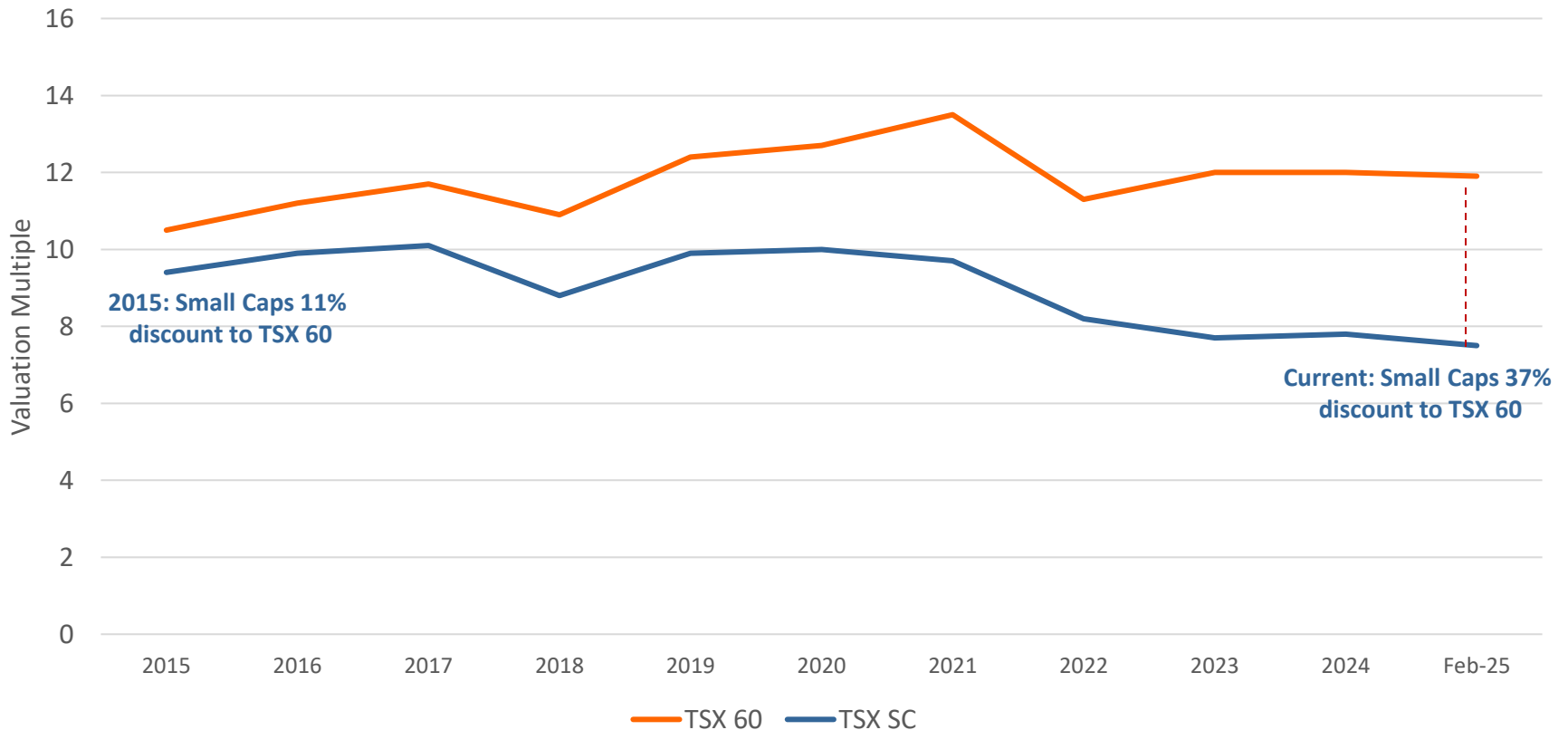
% Below 52 Week High Stock Price



Canadian Market Review

Small Cap Markets: Broad Valuation Advantage vs Large Caps (Annual Since 2015)

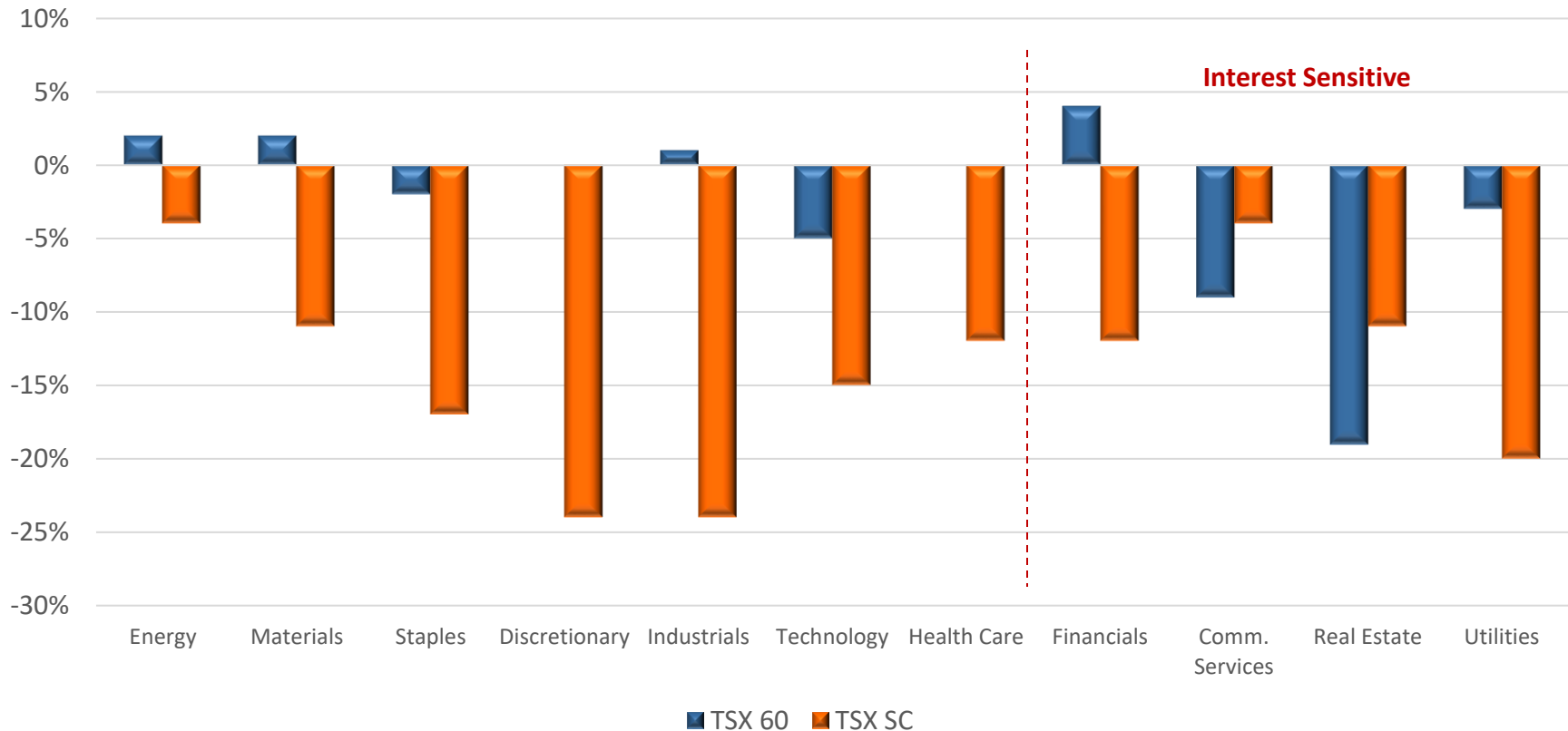
Valuation: Discount Has Widened Since 2015



Canadian Market Review

Small Cap Markets: Broad Valuation Advantage vs Large Caps (at Feb. 28th, 2025)

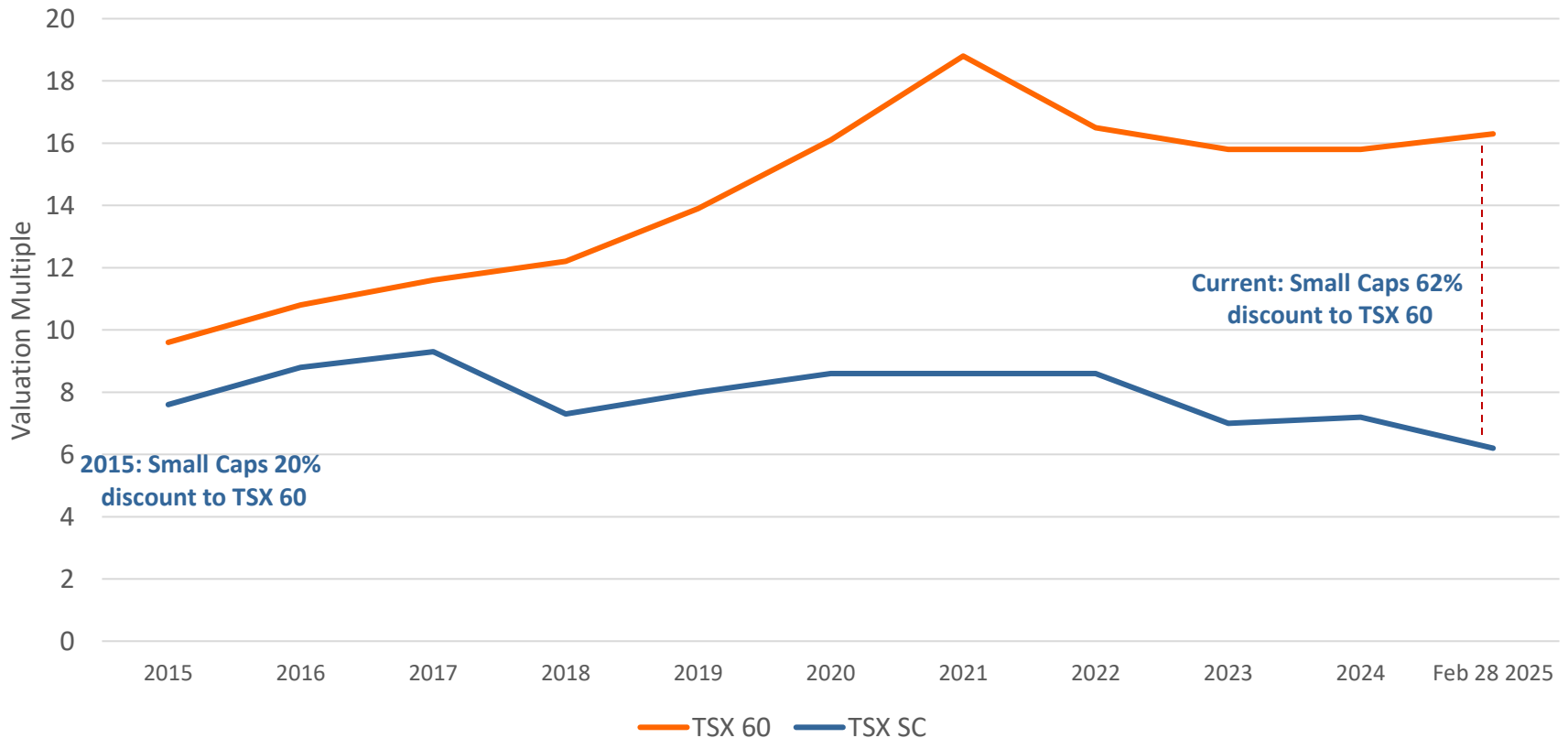
Valuation: Discount to 5 Year Average



Canadian Market Review

Small Cap Markets: Industrial Sector Valuation Gap is Very Wide (Annual Since 2015)

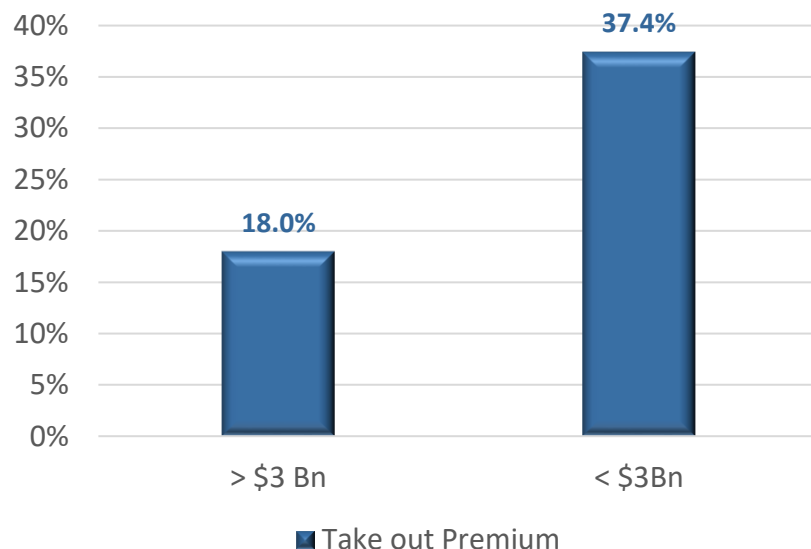
Industrials: Discount Has Widened Since 2015



Small Cap Investing

Lower Rates: Support Increases M&A Activity Potential and Premium

M&A in Canada Since 2019



- 11 Deals completed > \$3Bn Total Value
- 67 Deals completed < \$3 Bn Total Value

Source: Bloomberg, Barrantagh Research

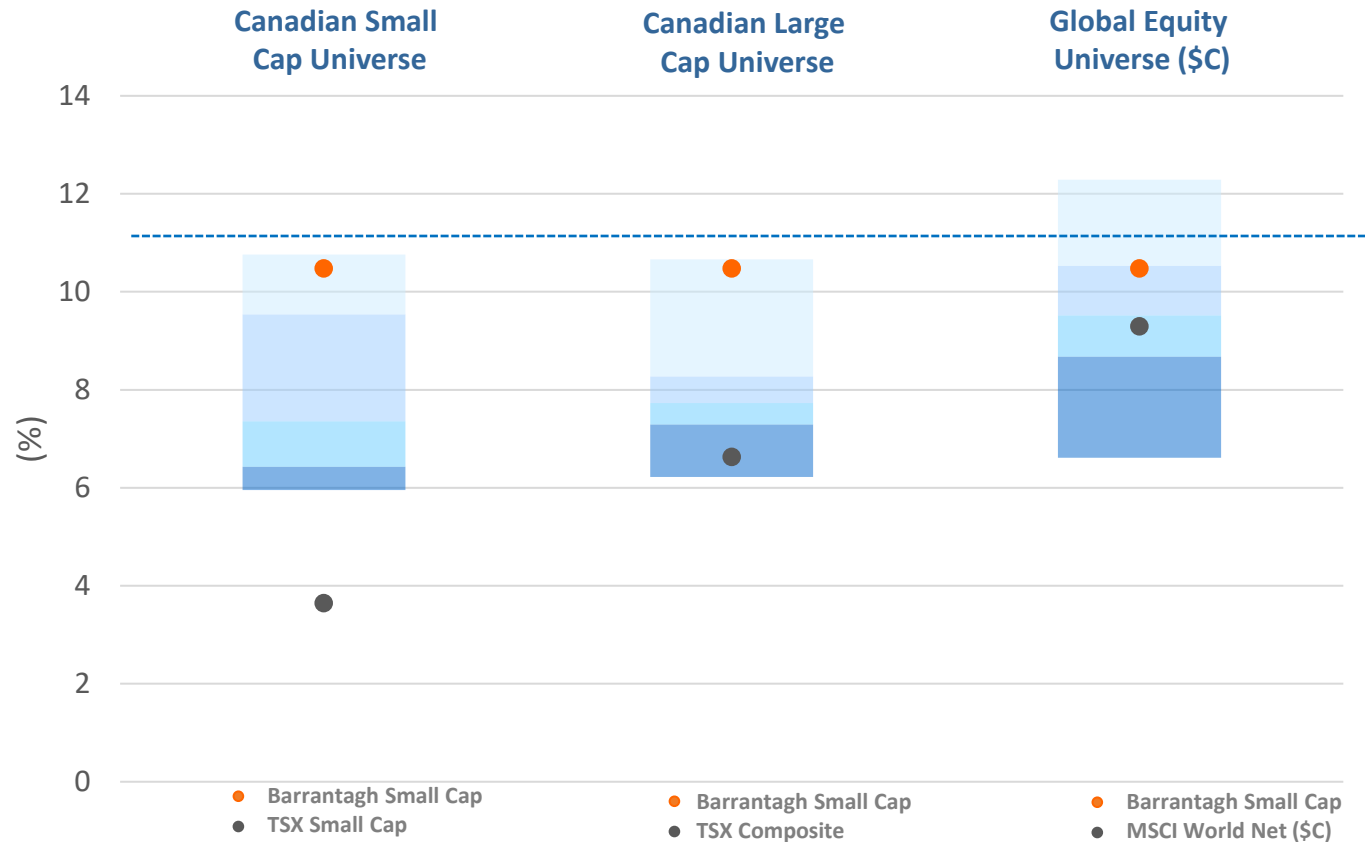
Barrantagh Positions Targeted

| | Announce Date | Premium ¹ |
|--------------------|---------------|----------------------|
| Softchoice | 12/2024 | 14% |
| Sleep Country | 7/2024 | 28% |
| Neighbourly Pharma | 10/2023 | 55% |
| Summit Industrial | 04/2022 | 31% |
| Lifeworks | Q2/2022 | 88% |
| Intertape Polymer | Q1/2022 | 67% |
| People Corp. | Q4/2020 | 75% |
| Enercare | Q3/2018 | 64% |
| Spartan Energy | Q2/2018 | 5% |
| Pure Industrial | Q1/2018 | 21% |

¹Premium to 1 Month Average Price

RETURNS: Small Cap Canadian Equities

Strong Performance vs. Large Cap Cdn & Global Equities (for Periods Ending Mar. 31, 2025)



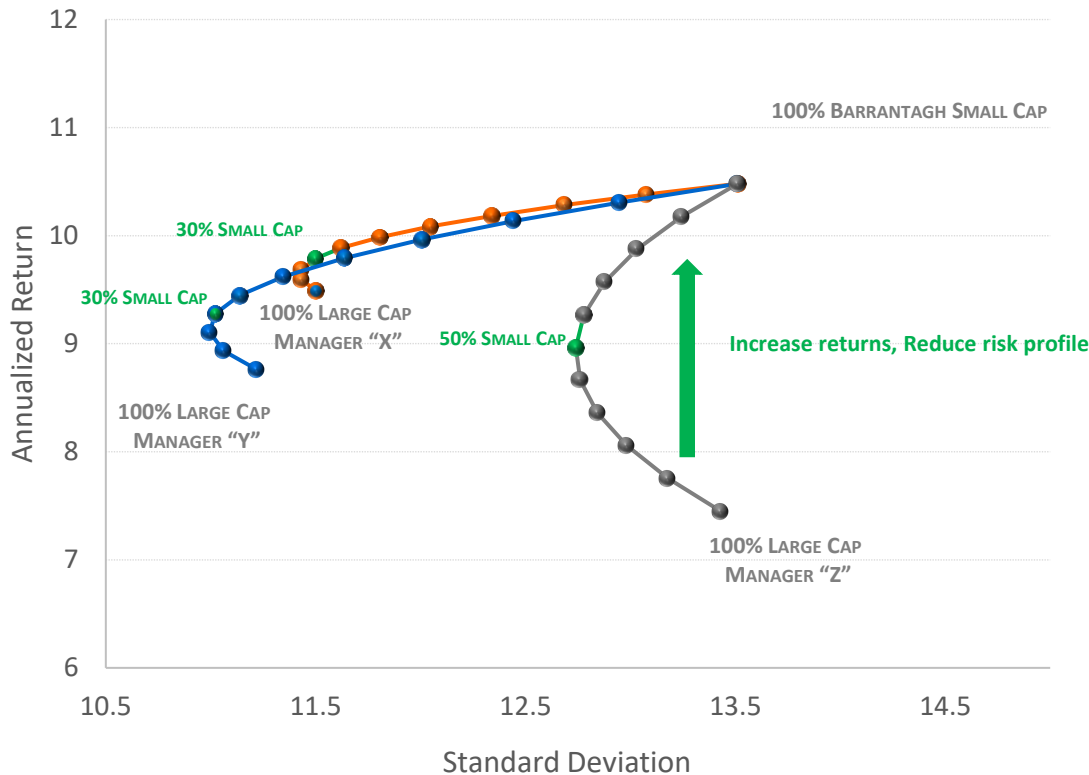
Strategy Inception Date: Jan. 1, 2008

DIVERSIFICATION: Small Cap Canadian Equities

Improve Returns & Lower Risk by Combining with Large Cap Managers

Canadian Equity Allocation

Since Jan/2008 Risk Return
For Periods Ending Mar. 31, 2025



Most large-cap Cdn. Equity managers are **highly correlated (>0.9)** – with each other and the index

Barrantagh small cap offers **very low correlation with large cap (0.6)** and indices

- Allocation can *reduce overall portfolio risk + increase return*

Total Portfolio Risk a function of:

1. Weights (ω) of underlying components
2. Risk (σ) of underlying components
3. Correlation (ρ) of components

Portfolio Standard Deviation(σ_p)

$$= \sqrt{\omega_A^2 \sigma_A^2 + \omega_B^2 \sigma_B^2 + 2\omega_A \sigma_A \omega_B \sigma_B \cdot \rho_{AB}}$$

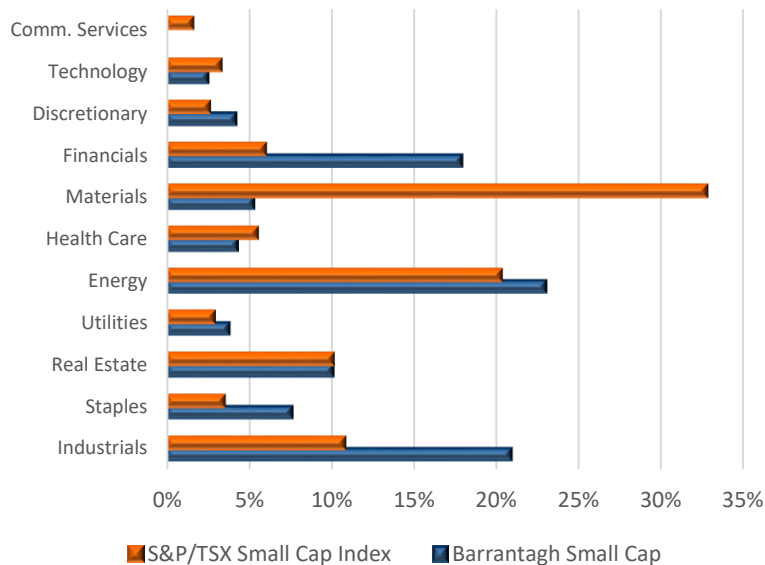
Profile: Small Cap Canadian Equities

Portfolio at March 31, 2025

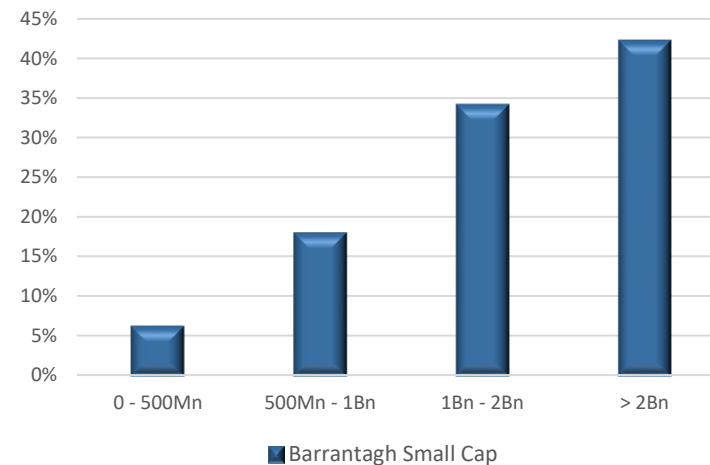
CHARACTERISTICS

| | |
|--------------------|----------|
| Number of Holdings | 27 |
| Avg. Market Cap | \$2.3 Bn |
| # Industry Sectors | 10 |
| Dividend Yield | 2.6% |

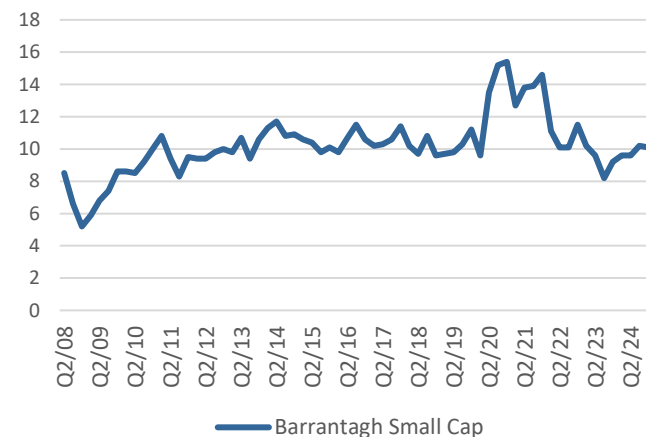
Barrantagh Small Cap Industry Weight vs. Index



Market Cap Exposure



Historic P/CF



Canadian Small Cap Equity Portfolio

Portfolio at March 31, 2025 | Q1 Transactions

| | Portfolio Weight | | Portfolio Weight | | Portfolio Weight |
|-------------------------------|------------------|-------------------------------|------------------|----------------------|------------------|
| Consumer Discretionary | | Industrials | | Utilities | |
| Pet Value (+) | 3.9% | AG Growth | 2.0% | Boralex | 3.7% |
| | 3.9% | Boyd Group (-) | 3.4% | | 3.7% |
| Consumer Staples | | Brookfield Business (-) | 4.1% | Materials | |
| Jamieson Wellness | 3.8% | Cargojet (+) | 3.2% | Chemtrade Logistics | 3.7% |
| North West Co. (NEW) | 3.3% | Calian Group (+) | 3.7% | Major Drilling (NEW) | 1.0% |
| | 7.1% | Savaria | 3.3% | | 4.7% |
| Energy | | | 19.7% | | |
| Headwater Exploration | 4.3% | Real Estate | | Cash & Equivalent | 6.5% |
| Gibson Energy | 3.6% | First Capital REIT | 4.2% | Total | 100.0% |
| Logan Energy | 1.9% | Mainstreet Equity | 2.5% | | |
| Nuvista Ener | 4.4% | Storagevault Canada | 2.8% | Sold | |
| Topaz Energy (NEW) | 3.0% | | 9.5% | Softchoice | |
| Trican Well Service | 4.2% | Health Care | | | |
| | 21.4% | Andlauer Healthcare | 4.1% | | |
| Financials | | | 4.1% | | |
| Definity Financial | 5.2% | Information Technology | | | |
| EQB Group | 4.5% | Dye & Durham | 2.4% | | |
| Propel Holdings (-) | 3.2% | | 2.4% | | |
| Trisura Group | 4.1% | | | TRIM = (-) | |
| | 17.0% | | | ADD = (+) | |

Canadian Small Cap Equity Portfolio

Tariff Exposure Analysis

| DIRECT EXPOSURE | | | | | | | | | |
|-----------------|-------------------|------------------|---|-----------------|--|--|------------------------|-------------------|---------------------------|
| Weight | Ticker | Name | Description | Percent Revenue | Exposure | Mitigating Factors | Portfolio Revenue Risk | Potential Tariff? | Portfolio Cashflow Impact |
| 3.3% | SIS | Savaria | Provider of accessibility solutions (elevators, stair lifts, ceiling lifts, etc.) | 30% | Accessibility equipment manufactured in Canada sold into the U.S. | Existing U.S. manufacturing footprint can be expanded, niche leader for many products with pricing power | 1.0% | 25.0% | 0.2% |
| 2.0% | AFN | Ag Growth | Manufacturer of grain handling and storage solutions | 15% | Grain handling equipment and on- farm storage ("bins") manufactured in Canada and sold in the U.S. | 2/3 of this is "portables" (i.e. augers) where AFN leading market share and next major competitors also produce in Canada (Brandt, Meridian); for bins any reciprocal tariffs will benefit their Canadian operations | 0.3% | 25.0% | 0.1% |
| 3.8% | CHE-U | Chemtrade | Specialty chemicals producer | 30% | Specialty chemicals produced in Canada and sold in the U.S. | Captive local markets for many of CHE products; no significant domestically produced alternatives for imports | 1.1% | 25.0% | 0.3% |
| 13.7% | NVA, HWX LGN, TPZ | Energy producers | Canadian producers of oil & gas | 73% | Proposed 10% tariff on Canadian oil and gas imports into the U.S. | Weaker CAD, tighter differentials (heavy oil), and condensate production materially offset the 10% proposed tariff | 9.9% | 10.0% | 1.0% |
| 22.8% | | | | | | | | | 1.6% |

| REMAINING PORTFOLIO | | | | |
|---------------------|---------------------------------------|----------------------------|--|---|
| Weight | Ticker | Category | Description | Exposure |
| 14.9% | JWEL, BBUC NWC, BLX | Local production /sourcing | These are businesses with U.S. customers/subsidiaries but any goods produced locally | Vitamin/mineral/supplement producer, diversified industrial services, staples retailing in North and Caribbean, renewable energy producer |
| 20.4% | PET, CGY CJT, REITs | Domestic exposure | These are almost entirely Canadian based businesses, with Canadian operations | Pet food retailer, domestic defense contractor, domestic air freight, Canadian real estate owners |
| 35.8% | BYD, AND MDI, TCW GEI, DND Financials | Services | These are almost exclusively service-based businesses with no goods crossing border | Collision repair, healthcare transportation and logistics, hard rock drilling, pressure pumping, oil storage and transportation, real estate software, financial services |
| 71.1% | | | | |

Summary

Current Small Cap Opportunity

Catalysts:

1. Small Cap valuations are low vs. large cap – company fundamentals remain good (earnings, balance sheets)
2. A pullback in Gold prices will have a significant positive impact on relative performance
 1. Global uncertainty, wars led central banks to increase gold reserves
 2. Retail momentum buying ensued
 3. Peace agreements can serve to lessen the demand for gold & unwind the momentum trade
3. Risk-Off trading on tariff-risks began in Nov. following the U.S. Election
 1. Smaller cap companies have already pulled back considerably further than large caps
 2. Any moderation in the extent and/or duration of how the tariff threat plays out will close the small-large cap valuation gap
4. Rate moderation will benefit small caps (greater use of floating rate debt, M&A activity, dividend payers)
5. Lower global GDP growth + stagflation risk – this benefits small caps that are more capable of growing at much higher than GDP rates

Canadian Small Cap Equity Portfolio

Select Holdings – Brand Recognition

JAMIESON WELLNESS (JWEL)



CARGOJET (CJT)



Amazon optional
ownership stake ~15%



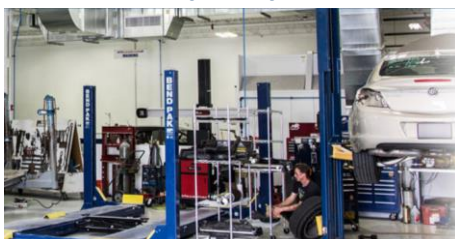
BORALEX (BLX)



PET VALUE(PET)



BOYD GROUP (BYD)



STORAGEVAULT (SVI)





CANADIAN EQUITIES INCOME

Canadian Equity Income Mandate

Performance at March 31, 2025

| For Periods Ending Mar. 31, 2025 | Q1 | 1 Yr | 2 Yrs | 3 Yrs | 4 Yrs | 5 Yrs | 6 Yrs | 7 Yrs | 8 Yrs | 9 Yrs | 10 Yrs |
|-------------------------------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|--------------|-------------|--------------|-------------|
| BIM Canadian Equity Income* | -1.9% | 6.1% | 8.7% | 4.9% | 8.8% | 13.9% | 8.2% | 8.0% | 6.7% | 7.7% | 6.2% |
| S&P/TSX Composite | 1.5% | 15.8% | 14.9% | 7.8% | 10.7% | 16.8% | 10.9% | 10.5% | 9.4% | 10.4% | 8.5% |

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|
| BIM Canadian Equity Income* | 14.6% | 6.4% | 0.9% | 26.3% | -4.8% | 24.4% | -9.6% | 5.0% | 16.4% | -7.8% | 15.1% | 20.7% | 11.5% | 12.7% |
| S&P/TSX Composite | 21.7% | 11.8% | -5.8% | 25.1% | 5.6% | 22.9% | -8.9% | 9.1% | 21.1% | -8.3% | 10.6% | 13.0% | 7.2% | -8.7% |

- Canadian Equity Income annualized returns for periods longer than eight years are an ex-cash carve out of our long-term balanced income composite.

Canadian Equity Income

Perspective on Recent Performance: Commodity Volatility

Underweight Exposure to Low-Yield Sectors Key 2025 Detractor

| | Q1 2025 |
|-----------------------------------|-------------|
| BIM Cdn Income | -1.9% |
| TSX | <u>1.5%</u> |
| Alpha (%) | -3.4% |
| Alpha (bps) | -340 |
| Materials | -260 |
| Industrials | <u>-110</u> |
| | -370 |
| All Other Industries ¹ | +30 |

¹ All Other Industries = GICS Industries Ex – Industrials & Materials

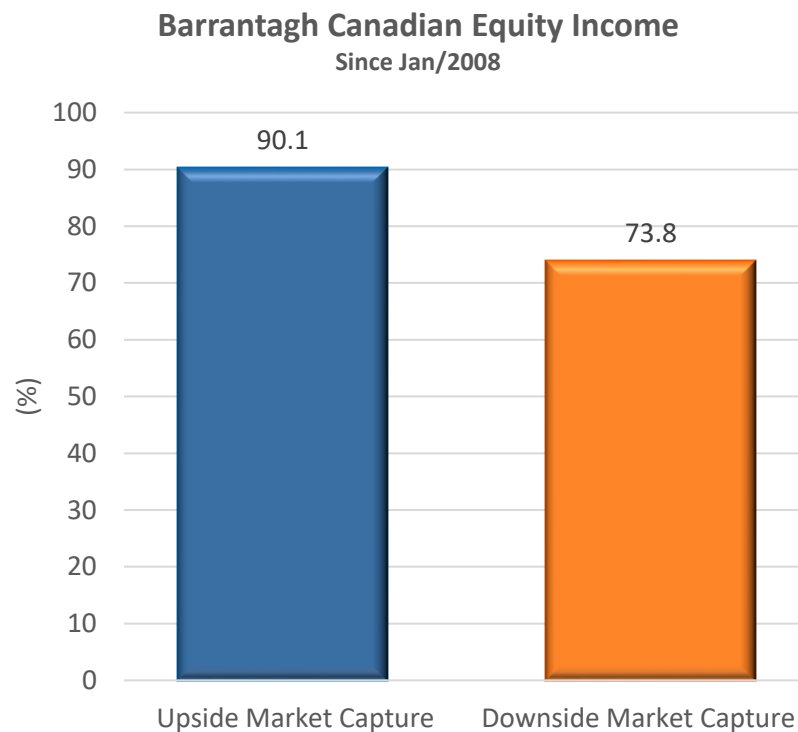
Canadian Equities Income

Risk Statistics vs. Canadian Equity (for Periods Ending Mar. 31, 2025)

| | Barrantagh Cdn. Equites Income ¹ | TSX Composite | Median ² |
|------------------------------|---|------------------|---------------------|
| Annualized Return | 8.0% | 6.6% | 8.3% |
| Standard Deviation | 12.3% | 13.7% | 12.8% |
| <i>Sharpe Ratio</i> | <i>0.5</i> | <i>0.4</i> | <i>0.6</i> |
| Beta | 0.77 | 1.0 | 0.77 |
| <i>Treynor Ratio</i> | <i>8.6</i> | <i>5.2</i> | <i>8.6</i> |

¹ Since Jan./2008

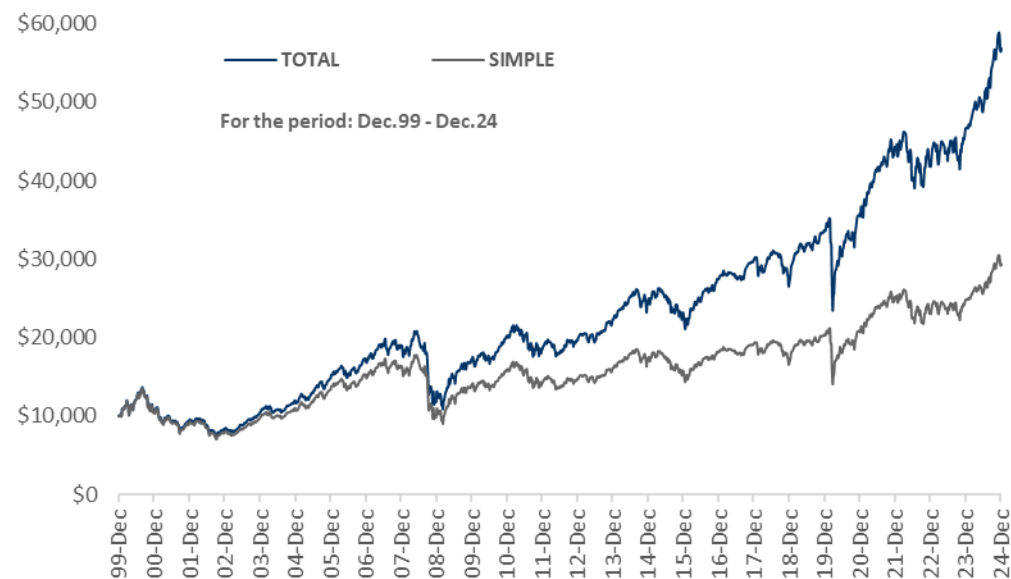
² Versus Evestment Canadian Dividend Focus Universe



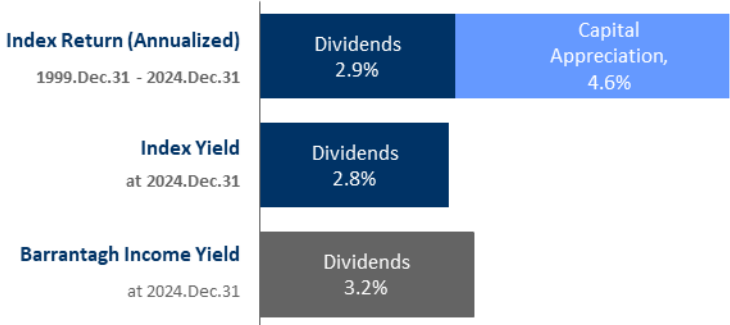
The Role Of Dividends In Total Return

Dividends Make A Significant Contribution To Total Return Over Time

Growth Of \$10K invested in TSX Index



TSX Total Return Decomposition + Yield



- 39% of the TSX Composite's total return is attributable to dividends which offer greater predictability than capital appreciation

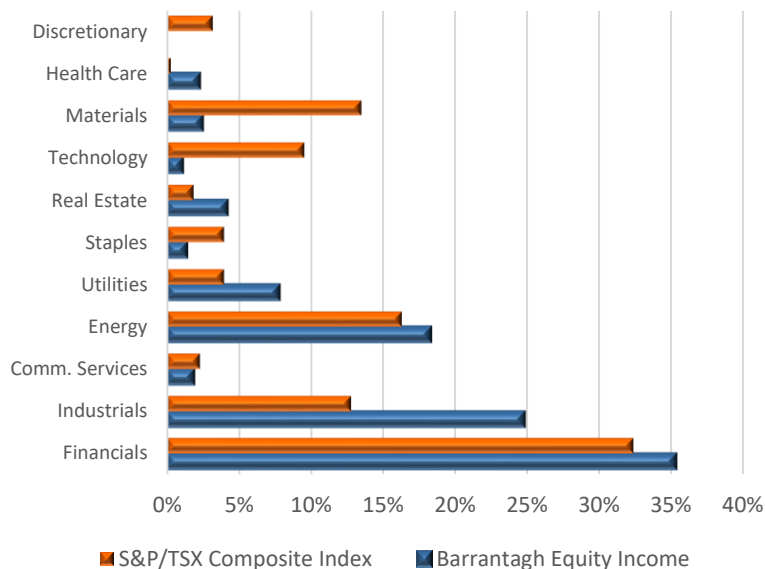
Profile: Canadian Equities Income

Portfolio at March 31, 2025

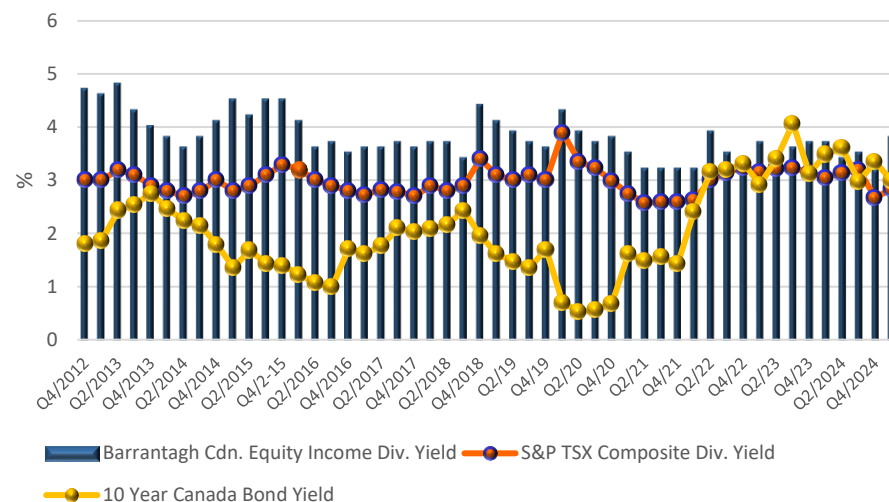
CHARACTERISTICS

| | |
|--------------------|--------|
| Number of Holdings | 34 |
| Avg. Market Cap | 57.6Bn |
| # Industry Sectors | 11 |
| Dividend Yield | 3.8% |
| P/CF | 6.7X |

Barrantagh Equity Income Industry Weight vs. Index



Quarterly Dividend Yield History



Canadian Equity Income Portfolio

Portfolio at March 31, 2025 | Q1 Transactions

| | Portfolio Weight | | Portfolio Weight | | Portfolio Weight |
|-------------------------------|------------------|----------------------|------------------|---------------------------------|------------------|
| Consumer Staples | | Industrials | | Utilities | |
| Jamieson Wellness | 1.4% | AG Growth | 1.5% | Brookfield Infrastructure (-) | 2.0% |
| | 1.4% | Boyd Group (+) | 1.9% | Brookfield Renewable Partners | 2.3% |
| Energy | | CP Kansas City | 3.2% | Altagas (-) | 3.4% |
| Gibson Energy | 1.9% | Finning | 2.0% | | 7.7% |
| Parkland Fuel | 1.8% | Calian Group | 2.0% | Health Care | |
| Canadian Natural Resources | 4.4% | Atkinsrealis Group | 2.6% | Chartwell Retirement Residences | 2.2% |
| Pemnina Pipeline (NEW) | 1.5% | Element Fleet (+) | 2.8% | | 2.2% |
| Tourmaline Oil | 5.0% | RB Global (-) | 3.0% | | |
| TC Energy | 3.1% | Stantec | 2.6% | Cash & Equivalents | 3.0% |
| | 17.7% | Savaria | 2.4% | Total | 100.0% |
| | | | 24.0% | | |
| Communication Services | | Financials | | Sold | |
| Rogers Communications | 1.9% | Bank of Nova Scotia | 4.6% | Definity Financial | |
| | 1.9% | Bank of Montreal | 2.7% | | |
| Information Technology | | Brookfield Corp. | 2.4% | | |
| Dye & Durham | 1.1% | Manulife (NEW) | 2.6% | | |
| | 1.1% | Intact Financial | 3.8% | | |
| Real Estate | | Royal Bank of Canada | 7.7% | | |
| Granite REIT | 2.3% | Sun Life Financial | 4.2% | TRIM = (-) | |
| Colliers International | 1.8% | TD Bank | 6.4% | ADD = (+) | |
| | 4.1% | | 34.4% | | |
| Materials | | | | | |
| Chemtrade Logistics | 2.5% | | | | |
| | 2.5% | | | | |



ECONOMIC OUTLOOK

Market Turns Up Long Before Economic Data Bottoms

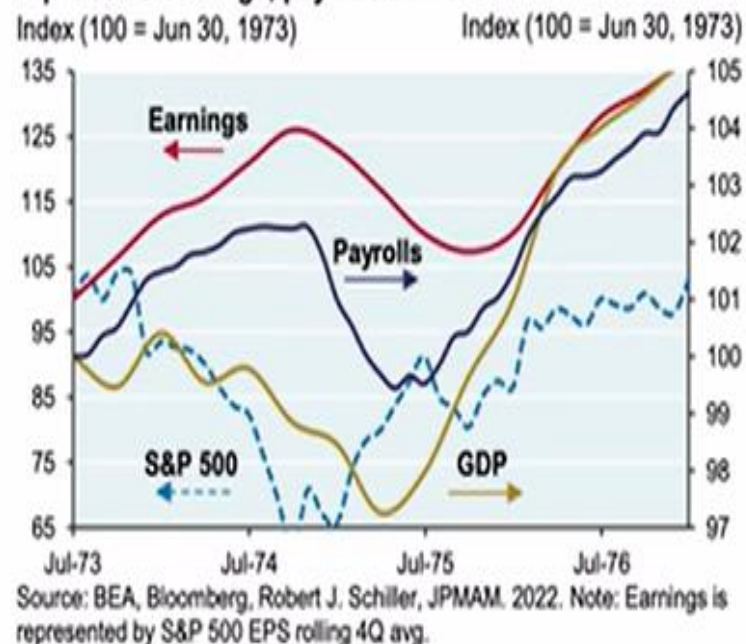
Global Financial Crisis

Equities vs earnings, payrolls and GDP



Stagflation of the 1970's

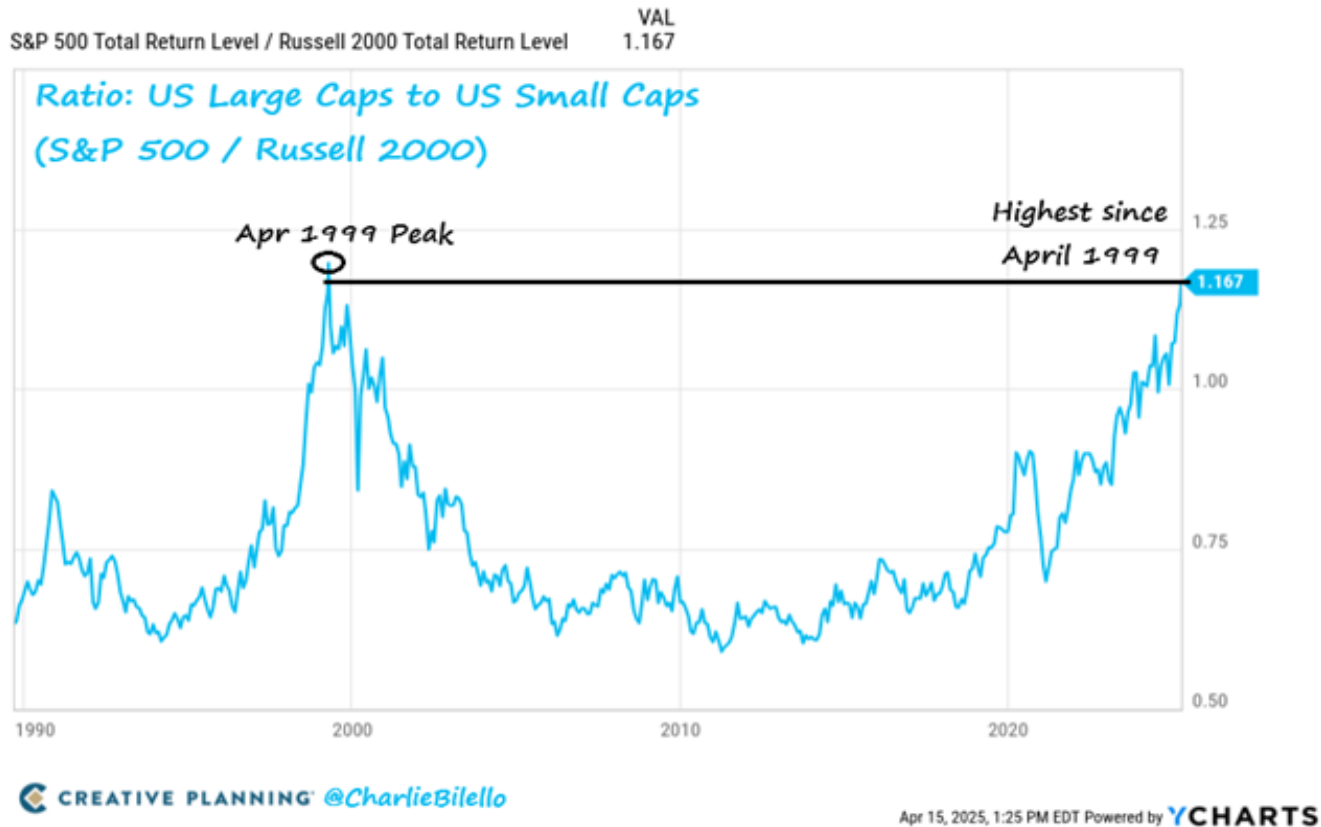
Equities vs earnings, payrolls and GDP



Source: J.P. Morgan

Small Cap to Large Cap Valuation Gap

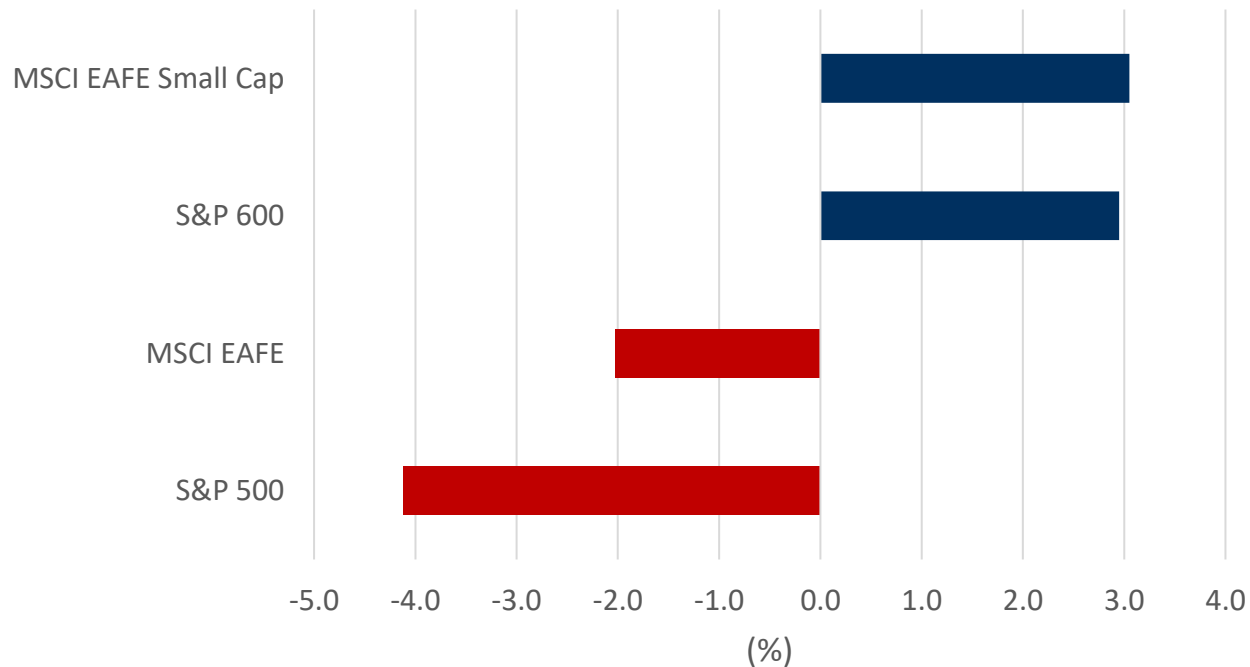
Three Standard Deviations Above Historical Mean



Canadian Small Caps

Past Period of Narrow Large Cap Leadership

The 2000's: Large Caps Lag
Annualized Total Returns 2000 - 2009



Working with You

- Why Small Cap Canadian Equities
 1. Adds **low-risk alpha** & yield to client portfolios
 2. Diversification - **reduce** overall client portfolio **risk** (low correlation)
- Why All Cap Canadian Equity Income
 1. Offers yield to client portfolios across market-cap spectrum
 2. One-stop-shop mandate for smaller account sizes
- Barrantagh Small Cap Canadian Equity Fund
 - **F Class** Fund Code: BMI105, 1% Management Fee, Minimum: \$1,000
 - **A Class** Fund Code: BMI110, 2% Management Fee, Minimum: \$1,000
- SMA Min. Investment Small Cap: \$50,000, Large Cap Income: \$50,000
- Advisor Portal (barrantagh.com) Password: BMO1

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