BEST IDEAS EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

FACTOR-BASED

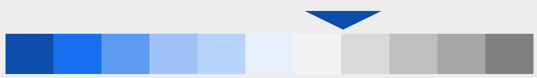
STRATEGY

In seeking to pursue its investment objective, the portfolio is designed to provide exposure to high quality companies (10 Canadian, 10 US and 10 International stocks) across all our universes that consistently generate shareholder wealth, while trading at attractive price. This strategy is based on our proprietary multi-factor quantitative models.

OBJECTIVES

1. Target long term capital appreciation among the best opportunities available.
2. Consistently deliver performance over a custom blended benchmark.
3. Maximize tax efficiency by having a low portfolio turnover ratio.

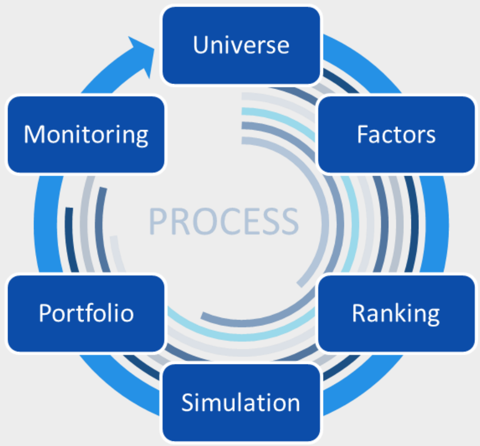
RISK RATING



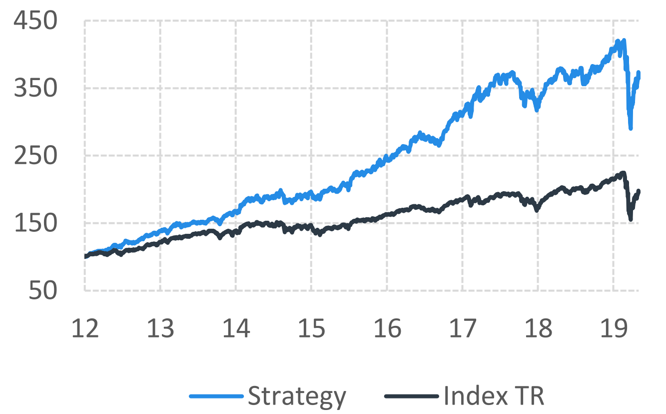
REASONS TO INVEST

- ❖ Historically outperformed benchmark.
- ❖ Risk-adjusted return performance.
- ❖ Consistent investment process.

INVESTMENT PROCESS



AS OF APRIL 30TH, 2020



Index TR = 1/3 S&P/TSX + 1/3 S&P 500 + 1/3 MSCI ACWI Ex US

PERFORMANCE [see disclaimer]

Annualized (%)	1M	3M	1Y	5Y	INC.
Strategy	9.4	-8.3	-3.2	15.0	17.5
Index TR	10.2	-9.7	-3.3	5.8	4.7
Difference	-0.8	1.5	0.2	9.3	12.8

Yearly (%)	16	17	18	19	20
Strategy	25.7	26.8	7.9	21.5	-9.9
Index TR	11.8	13.2	-4.3	22.0	-8.7
Difference	13.9	13.6	12.1	-0.4	-1.2

Monthly (%)	Dec	Jan	Feb	Mar	Apr
Strategy	2.4	-1.8	-5.0	-11.7	9.4
Index TR	1.0	1.1	-6.6	-12.3	10.2
Difference	1.5	-2.9	1.5	0.6	-0.8

TOP HOLDINGS

Ticker	Sector	Weight (%)
SEDG	Info Tech	8.5
GIB.A:CN	Info Tech	4.7
HSY	Staples	4.6
SIMO	Info Tech	4.6
RHHBY	Health Care	4.5
QBR.B:CN	Telecom	4.4
MKTX	Financials	3.9
MRK	Health Care	3.9
RY:CN	Financials	3.8
OTEX:CN	Info Tech	3.8

BEST IDEAS EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

FACTOR-BASED

RISK STATISTICS

Since Inception	Strategy	Index TR
Ann. Return (%)	17.5	4.7
Standard Dev. (%)	11.2	12.0
Max Drawdown (%)	-31.3	-45.9
Portfolio Turnover	62.6	6.0
Sharpe Ratio	1.4	0.3
Sortino Ratio	1.9	0.4
Index Correlation	0.7	1.0
R-Squared	0.5	1.0
Beta	0.6	1.0
Alpha (%)	12.8	0.0

SECTOR ALLOCATION

Weight (%)	Strategy	Index TR	Deviations
Info Tech	35.4	14.1	21.4
Health Care	18.0	9.0	9.0
Telecom	7.6	6.5	1.2
Discretionary	9.4	8.7	0.6
Staples	7.8	7.3	0.5
Utilities	3.0	5.3	-2.3
Materials	2.3	6.7	-4.4
Energy	2.5	8.0	-5.6
Financials	13.4	22.9	-9.5
Industrials	0.0	10.2	-10.2

CHARACTERISTICS

Median	Strategy	Index TR
Market Cap ($B)	111.2	11.3
Price / Earnings	13.5	15.0
Price / Book	4.2	2.1
Price / Sales	2.7	1.8
Price / Cash Flow	12.3	10.0
Return on Equity	21.2	11.3
Dividend Yield	3.0	1.9
5Y EPS Growth	8.8	8.1
Debt / Equity	0.7	0.8
5Y Beta	0.82	1.00

PORTFOLIO FACTS

Number of Securities	30
Currency	CAD
Benchmark	Custom Index TR
Inception Date	January 1st, 2000
Strategy Fees	Contact Us
Rebalancing Frequency	Quarterly

PORTFOLIO MANAGER

William Tremblay CFA, MBA, FRM, CIM
Senior Vice President, Portfolio Manager

With more than 10 years of experience in the financial services industry, William brings extensive background and innovation in the field of quantitative finance to the firm. He holds both a BBA and MBA from HEC Montreal.

CONTACT

Phone	(514) 700-1989
Email	info@factorbased.com
Website	www.factorbased.com

DISCLAIMER

The term Model Portfolio Strategy (Strategy) is a non-registered trademark of Factor-Based (FB) Inc. S&P/TSX Total Return and S&P 500 Total Return are trademarks of S&P Global Inc. and MSCI ACWI Ex US Total Return is a trademark of MSCI Inc. This Strategy is not sponsored, endorsed, sold or promoted by any of its aforementioned trademark owners or their respective affiliates make no representation, warranty or condition regarding the advisability of buying, selling or holding shares in this Strategy.

This report is prepared solely for information purposes in connection with this Strategy. Historical returns shown are simulated. They are gross of management fees and do not consider brokerage commissions. They are calculated on a total return basis and annualized for all periods greater than one year. Past performance is not necessarily an indicator of future performance. The performance shown as indicated above and may not reflect the actual performance of clients following the Strategy.

FB makes every effort to ensure that the contents have been compiled or derived from sources believed reliable. However, FB makes no representation or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions which may be contained herein and accepts no liability whatsoever for any loss arising from any use of or reliance on this report or its contents. Additional information may be available to FB or its affiliates, which is not reflected herein.

This report is not to be construed as an offer to sell, or solicitation for, or an offer to buy, any securities. FB, its affiliates and/ or their respective officers, directors or employees may from time to time acquire, hold or sell securities mentioned herein as principal or agent. This communication does not constitute any offer or solicitation to residents of the U.S. or to anyone in a jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such a solicitation.