

**LIONGUARD**

CAPITAL MANAGEMENT INC.

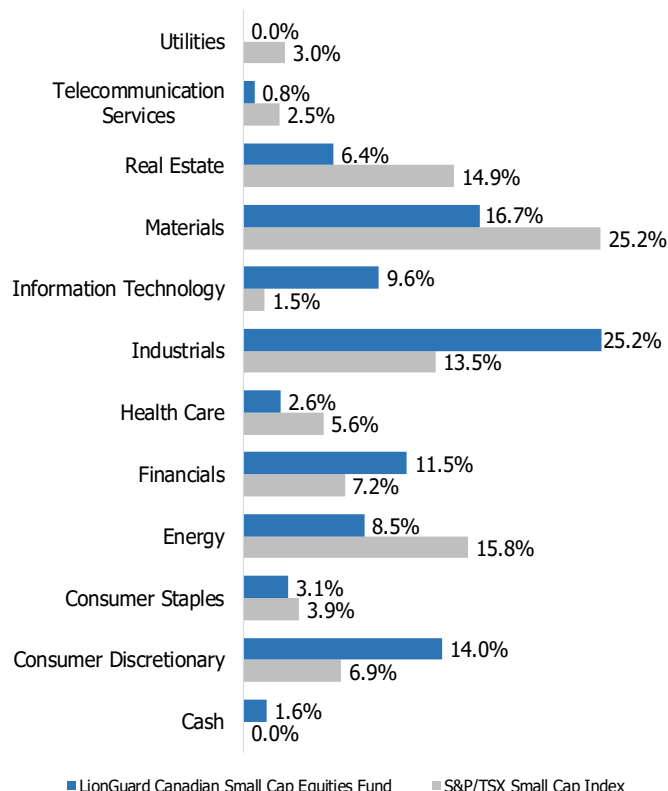
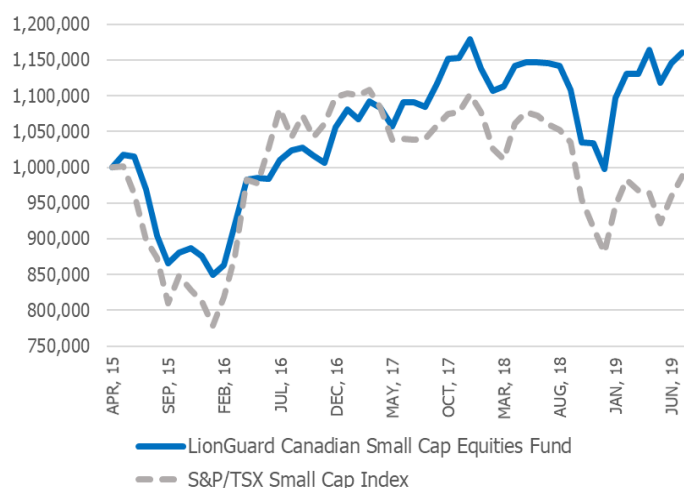
July 31, 2019 MONTHLY REPORT

**LIONGUARD CANADIAN SMALL CAP EQUITIES FUND****FUND DESCRIPTION**

The fund has the objective to achieve long-term growth of capital through disciplined investing in Canadian small capitalization equities. The fund is managed using fundamental bottom-up stock selection approach with strong emphasis on high quality companies with proven business models and solid management teams in place.

**FUND DETAILS**

Type	Canadian Small Capitalization Equities
Investment Approach	Fundamental Bottom-Up Stock Picking
Benchmark	S&P/TSX Small Cap Index
Research	In-House Research Reports & Financial Models
Investor Profile	Institutional Investors, Family Offices

**SECTOR ALLOCATION****GROWTH OF CAPITAL SINCE INCEPTION****FUND PERFORMANCE GROSS OF FEES**

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2019	9.93%	3.01%	-0.03%	3.02%	-3.94%	2.44%	1.31%						16.26%
2018	-3.46%	-2.83%	0.66%	2.57%	0.41%	-0.06%	-0.11%	-0.29%	-2.94%	-6.57%	-0.19%	-3.41%	-15.37%
2017	2.41%	-1.27%	2.30%	-0.81%	-2.39%	3.20%	-0.06%	-0.58%	2.96%	3.18%	0.06%	2.32%	11.70%
2016	-3.00%	1.66%	6.66%	6.75%	0.24%	-0.09%	2.65%	1.30%	0.36%	-1.03%	-1.07%	4.99%	20.60%
2015					1.74%	-0.28%	-4.49%	-6.62%	-4.24%	1.67%	0.67%	-1.26%	-12.44%

**COMPARATIVE PERFORMANCE**

GROSS RETURNS	LionGuard Canadian Small Cap Equities Fund	S&P/TSX Small Cap Index	Value Added
1 month	1.31%	2.98%	-1.67%
3 months	-0.31%	2.42%	-2.73%
YTD	16.26%	12.21%	4.06%
1-year (Annualized)	1.34%	-6.79%	8.13%
2-year (Annualized)	3.15%	-2.49%	5.63%
3-year (Annualized)	4.72%	-3.02%	7.74%
4-year (Annualized)	4.61%	2.39%	2.22%
S.I. (Annualized)	3.57%	-0.29%	3.86%

**FUND CHARACTERISTICS**

	LionGuard Canadian Small Cap Equities Fund
Number of Holdings	48
Average Market Cap	\$1.2B
Dividend Yield	2.0%
Active Share	81.6%
P/E (NTM)	18.8x
P/B	2.3x
ROE (Median)	10.6%

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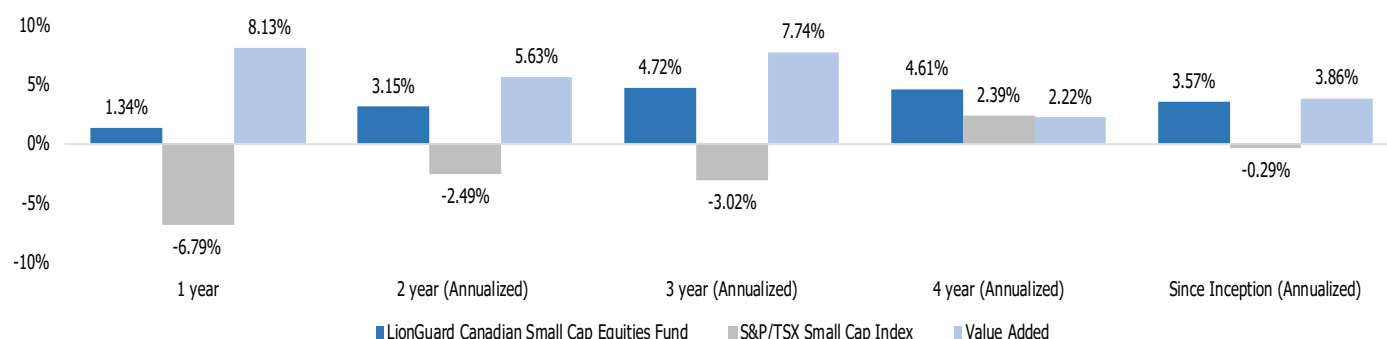
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**LIONGUARD CANADIAN SMALL CAP EQUITIES FUND****LATEST QUARTERLY COMMENTARY**

LionGuard Canadian Small Cap Equities Fund ("Fund") materially outperformed the S&P/TSX Small Cap Index ("Benchmark") during the second quarter of 2019. During this period, Fund returned 1.37% as compared to Benchmark at -0.96%.

The sector with the highest value added was Energy; with a large part of the benefits coming from stock selection. Sectors, where the Fund lagged the Benchmark, were Consumer Discretionary and Consumer Services; with the costs coming from a mix of allocation and stock selection. Our largest positive contributors were Altus Group (AIF), BSM Technologies (GPS) and Morneau Shepell (MSI). At the same time, being overweight in Tucows (TC), Martinrea (MRE) and Interfor (IFP), and not owning Village Farms has cost us relative to the Benchmark.

**ANNUALIZED COMPARATIVE PERFORMANCE****TOP 10 HOLDINGS**

Altus Group	4.30%
Martinrea International	4.17%
Morneau Shepell	3.94%
SSR Mining	3.56%
Points International	3.42%
Boyd Group Income Fund	3.24%
Airboss America	3.21%
Badger Daylighting	3.20%
Equitable Group	3.11%
Exco Tech	3.00%
Total Top 10 Holdings	35.15%

**INVESTMENT STRATEGY**

1. Fundamental Research & Analysis
2. Calculation of Intrinsic Value
3. Risk Management Analysis
4. Portfolio Construction Considerations
5. Monitor, Re-Balance & Exit

**RISK MANAGEMENT**

1. Focus on Capital Preservation
2. Minimize Risk of Changes in Fundamental Characteristics
3. Manage Single Risk Factor Exposures
4. Manage Single Name Exposures
5. Ongoing Monitor & Analysis

**ABOUT LIONGUARD CAPITAL MANAGEMENT**

LionGuard Capital Management Inc. ("LionGuard") is a Montréal-based investment management company incorporated under the laws of Canada and registered in the Province of Quebec with the Autorité des Marchés Financiers (AMF), as Portfolio Manager, Investment Fund Manager and Exempt Market Dealer. LionGuard manages assets for institutional investors, endowments, foundations, family offices, fund of funds, investment advisors and select high net worth individuals.

**INVESTMENT TEAM**

Andrey Omelchak, CFA, CIM, FRM, MSc, CIO & Portfolio Manager  
 Jay Tan, CFA, Investment Officer  
 Colin Lebeau-Mathieu, CFA, Senior Investment Analyst  
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