

Why Invest in Small Cap Canadian Equities?

The Canadian small cap equities market presents unique opportunities to outperform other asset classes due to inefficiencies created by factors such as a greater number of companies, less research coverage, and lower institutional ownership. Canadian small cap equities are also relatively inexpensive and provide a great risk adjusted returns compared with U.S. peers when measured by price-to-book and price-to-sales ratios. Our strategy invests in equity securities and trust units of small Canadian organizations in order to achieve rapid growth of capital across the various sectors and industries.

Philosophy

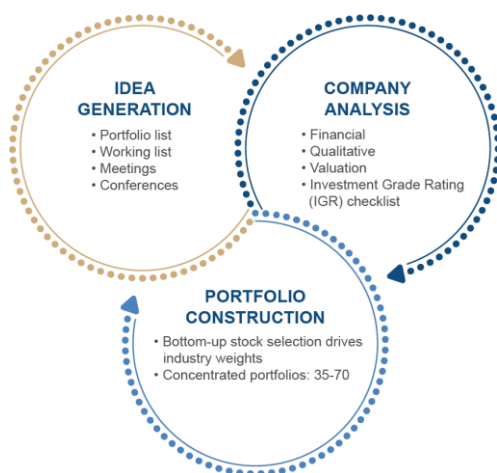
We believe that superior investment returns are achieved by taking a long-term, bottom-up, value-oriented approach to investing based on detailed fundamental research and analysis. Our proven philosophy revolves around two long-standing core concepts:

Understanding Quality

- Focus on key business drivers (competitive advantage, pricing, cost structure, growth etc.) and the predictability of those drivers
- Assessing business performance in the last downturn and subsequent changes to business model
- Analyzing true free cash flow conversion of the business
- Assessing capital allocation history and balance sheet strength
- Track record on governance and shareholder alignment.

Disciplined on Valuation

- Wait until expectations are low and risk/return more attractive
- Assess value relative to:
 - The company's historic valuation
 - The broader market and its global peers
 - The quality of the company
- Understand changes in the market and/or business and their structural impact on valuation



Investment Grade Rating (IGR) Checklist Summary

	1	3	5	RATING
Business Fundamentals				
Growth (past 10 years)				
Financial Strength				
Profitability				
Corporate Governance				
Share Liquidity				
Overall Investment Grade				

FGP ranks the quality of a company from 1 to 5

1 - Highest Quality

5 - Acceptable Quality

Portfolio Management Team

Team Member	Roles and Responsibilities	Year Joined FGP	Year Joined Industry
Tom Duncanson, CFA	Lead Portfolio Manager (small cap) Research – Materials	2004	2004
Bryan Pilsworth, CFA, MBA	Portfolio Manager (large cap)	2007	2002
Brandon Tu, CFA, CPA, CA, MAcc	Portfolio Manager (equity income) Research – Banks, REITs	2008	2001
John Berry, CFA, MBA, P. Eng	Research – Canadian Equities	1998	1998
Zubaida Mirza, CFA, MBA	Research – Energy, Utilities, Telecom	2008	1996
Ben Lambert, BBA	Junior Research Analyst	2024	2023
Graeme Lang, BA	Trader	2017	2001

Long-Term Growth:

The FGP Small Cap Canadian Equity strategy has provided superior risk-adjusted returns compared to the index over the past 20+ years. Through our rigorous and disciplined research process we have been able to detect, and unlock, value over the long-term in this less efficient market.

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Inception Date	Benchmark	Currency
February 28, 2002	S&P/TSX Small Cap Index (TR)	CAD

PERFORMANCE (%)

12 MONTH	3 MONTH	6 MONTH	12 MONTH	3 MONTH	6 MONTH	12 MONTH	3 MONTH	6 MONTH	12 MONTH
12.5%	1.2%	2.1%	1.8%	0.5%	1.0%	1.5%	0.8%	1.3%	1.0%
11.2%	0.9%	1.8%	1.5%	0.3%	0.8%	1.2%	0.6%	1.1%	0.8%
10.8%	0.7%	1.6%	1.4%	0.2%	0.7%	1.1%	0.5%	1.0%	0.7%
10.5%	0.6%	1.5%	1.3%	0.1%	0.6%	1.0%	0.4%	0.9%	0.6%
9.8%	0.4%	1.3%	1.1%	-0.1%	0.4%	0.8%	0.2%	0.7%	0.4%
9.5%	0.3%	1.2%	1.0%	-0.2%	0.3%	0.7%	0.1%	0.6%	0.3%
9.2%	0.2%	1.1%	0.9%	-0.3%	0.2%	0.6%	0.0%	0.5%	0.2%
8.9%	0.1%	1.0%	0.8%	-0.4%	0.1%	0.5%	-0.1%	0.4%	0.1%
8.6%	0.0%	0.9%	0.7%	-0.5%	0.0%	0.4%	-0.2%	0.3%	0.0%
8.3%	-0.1%	0.8%	0.6%	-0.6%	-0.1%	0.3%	-0.3%	0.2%	-0.1%
8.0%	-0.2%	0.7%	0.5%	-0.7%	-0.2%	0.2%	-0.4%	0.1%	-0.2%
7.7%	-0.3%	0.6%	0.4%	-0.8%	-0.3%	0.1%	-0.5%	0.0%	-0.3%
7.4%	-0.4%	0.5%	0.3%	-0.9%	-0.4%	0.0%	-0.6%	-0.1%	-0.4%
7.1%	-0.5%	0.4%	0.2%	-1.0%	-0.5%	-0.1%	-0.7%	-0.2%	-0.5%
6.8%	-0.6%	0.3%	0.1%	-1.1%	-0.6%	-0.2%	-0.8%	-0.3%	-0.6%
6.5%	-0.7%	0.2%	0.0%	-1.2%	-0.7%	-0.3%	-0.9%	-0.4%	-0.7%
6.2%	-0.8%	0.1%	-0.1%	-1.3%	-0.8%	-0.4%	-1.0%	-0.5%	-0.8%
5.9%	-0.9%	0.0%	-0.2%	-1.4%	-0.9%	-0.5%	-1.1%	-0.6%	-0.9%
5.6%	-1.0%	-0.1%	-0.3%	-1.5%	-1.0%	-0.6%	-1.2%	-0.7%	-1.0%
5.3%	-1.1%	-0.2%	-0.4%	-1.6%	-1.1%	-0.7%	-1.3%	-0.8%	-1.1%
5.0%	-1.2%	-0.3%	-0.5%	-1.7%	-1.2%	-0.8%	-1.4%	-0.9%	-1.2%
4.7%	-1.3%	-0.4%	-0.6%	-1.8%	-1.3%	-0.9%	-1.5%	-1.0%	-1.3%
4.4%	-1.4%	-0.5%	-0.7%	-1.9%	-1.4%	-1.0%	-1.6%	-1.1%	-1.4%
4.1%	-1.5%	-0.6%	-0.8%	-2.0%	-1.5%	-1.1%	-1.7%	-1.2%	-1.5%
3.8%	-1.6%	-0.7%	-0.9%	-2.1%	-1.6%	-1.2%	-1.8%	-1.3%	-1.6%
3.5%	-1.7%	-0.8%	-1.0%	-2.2%	-1.7%	-1.3%	-1.9%	-1.4%	-1.7%
3.2%	-1.8%	-0.9%	-1.1%	-2.3%	-1.8%	-1.4%	-2.0%	-1.5%	-1.8%
2.9%	-1.9%	-1.0%	-1.2%	-2.4%	-1.9%	-1.5%	-2.1%	-1.6%	-1.9%
2.6%	-2.0%	-1.1%	-1.3%	-2.5%	-2.0%	-1.6%	-2.2%	-1.7%	-2.0%
2.3%	-2.1%	-1.2%	-1.4%	-2.6%	-2.1%	-1.7%	-2.3%	-1.8%	-2.1%
2.0%	-2.2%	-1.3%	-1.5%	-2.7%	-2.2%	-1.8%	-2.4%	-1.9%	-2.2%
1.7%	-2.3%	-1.4%	-1.6%	-2.8%	-2.3%	-1.9%	-2.5%	-2.0%	-2.3%
1.4%	-2.4%	-1.5%	-1.7%	-2.9%	-2.4%	-2.0%	-2.6%	-2.1%	-2.4%
1.1%	-2.5%	-1.6%	-1.8%	-3.0%	-2.5%	-2.1%	-2.7%	-2.2%	-2.5%
0.8%	-2.6%	-1.7%	-1.9%	-3.1%	-2.6%	-2.2%	-2.8%	-2.3%	-2.6%
0.5%	-2.7%	-1.8%	-2.0%	-3.2%	-2.7%	-2.3%	-2.9%	-2.4%	-2.7%
0.2%	-2.8%	-1.9%	-2.1%	-3.3%	-2.8%	-2.4%	-3.0%	-2.5%	-2.8%
-0.1%	-2.9%	-2.0%	-2.2%	-3.4%	-2.9%	-2.5%	-3.1%	-2.6%	-2.9%
-0.4%	-3.0%	-2.1%	-2.3%	-3.5%	-3.0%	-2.6%	-3.2%	-2.7%	-3.0%
-0.7%	-3.1%	-2.2%	-2.4%	-3.6%	-3.1%	-2.7%	-3.3%	-2.8%	-3.1%
-1.0%	-3.2%	-2.3%	-2.5%	-3.7%	-3.2%	-2.8%	-3.4%	-2.9%	-3.2%
-1.3%	-3.3%	-2.4%	-2.6%	-3.8%	-3.3%	-2.9%	-3.5%	-3.0%	-3.3%
-1.6%	-3.4%	-2.5%	-2.7%	-3.9%	-3.4%	-3.0%	-3.6%	-3.1%	-3.4%
-1.9%	-3.5%	-2.6%	-2.8%	-4.0%	-3.5%	-3.1%	-3.7%	-3.2%	-3.5%
-2.2%	-3.6%	-2.7%	-2.9%	-4.1%	-3.6%	-3.2%	-3.8%	-3.3%	-3.6%
-2.5%	-3.7%	-2.8%	-3.0%	-4.2%	-3.7%	-3.3%	-3.9%	-3.4%	-3.7%
-2.8%	-3.8%	-2.9%	-3.1%	-4.3%	-3.8%	-3.4%	-4.0%	-3.5%	-3.8%
-3.1%	-3.9%	-3.0%	-3.2%	-4.4%	-3.9%	-3.5%	-4.1%	-3.6%	-3.9%
-3.4%	-4.0%	-3.1%	-3.3%	-4.5%	-4.0%	-3.6%	-4.2%	-3.7%	-4.0%
-3.7%	-4.1%	-3.2%	-3.4%	-4.6%	-4.1%	-3.7%	-4.3%	-3.8%	-4.1%
-4.0%	-4.2%	-3.3%	-3.5%	-4.7%	-4.2%	-3.8%	-4.4%	-3.9%	-4.2%
-4.3%	-4.3%	-3.4%	-3.6%	-4.8%	-4.3%	-3.9%	-4.5%	-4.0%	-4.3%
-4.6%	-4.4%	-3.5%	-3.7%	-4.9%	-4.4%	-4.0%	-4.6%	-4.1%	-4.4%
-4.9%	-4.5%	-3.6%	-3.8%	-5.0%	-4.5%	-4.1%	-4.7%	-4.2%	-4.5%
-5.2%	-4.6%	-3.7%	-3.9%	-5.1%	-4.6%	-4.2%	-4.8%	-4.3%	-4.6%
-5.5%	-4.7%	-3.8%	-4.0%	-5.2%	-4.7%	-4.3%	-4.9%	-4.4%	-4.7%
-5.8%	-4.8%	-3.9%	-4.1%	-5.3%	-4.8%	-4.4%	-5.0%	-4.5%	-4.8%
-6.1%	-4.9%	-4.0%	-4.2%	-5.4%	-4.9%	-4.5%	-5.1%	-4.6%	-4.9%
-6.4%	-5.0%	-4.1%	-4.3%	-5.5%	-5.0%	-4.6%	-5.2%	-4.7%	-5.0%
-6.7%	-5.1%	-4.2%	-4.4%	-5.6%	-5.1%	-4.7%	-5.3%	-4.8%	-5.1%
-7.0%	-5.2%	-4.3%	-4.5%	-5.7%	-5.2%	-4.8%	-5.4%	-4.9%	-5.2%
-7.3%	-5.3%	-4.4%	-4.6%	-5.8%	-5.3%	-4.9%	-5.5%	-5.0%	-5.3%
-7.6%	-5.4%	-4.5%	-4.7%	-5.9%	-5.4%	-5.0%	-5.6%	-5.1%	-5.4%
-7.9%	-5.5%	-4.6%	-4.8%	-6.0%	-5.5%	-5.1%	-5.7%	-5.2%	-5.5%
-8.2%	-5.6%	-4.7%	-4.9%	-6.1%	-5.6%	-5.2%	-5.8%	-5.3%	-5.6%
-8.5%	-5.7%	-4.8%	-5.0%	-6.2%	-5.7%	-5.3%	-5.9%	-5.4%	-5.7%
-8.8%	-5.8%	-4.9%	-5.1%	-6.3%	-5.8%	-5.4%	-6.0%	-5.5%	-5.8%
-9.1%	-5.9%	-5.0%	-5.2%	-6.4%	-5.9%	-5.5%	-6.1%	-5.6%	-5.9%
-9.4%	-6.0%	-5.1%	-5.3%	-6.5%	-6.0%	-5.6%	-6.2%	-5.7%	-6.0%
-9.7%	-6.1%	-5.2%	-5.4%	-6.6%	-6.1%	-5.7%	-6.3%	-5.8%	-6.1%
-10.0%	-6.2%	-5.3%	-5.5%	-6.7%	-6.2%	-5.8%	-6.4%	-5.9%	-6.2%
-10.3%	-6.3%	-5.4%	-5.6%	-6.8%	-6.3%	-5.9%	-6.5%	-6.0%	-6.3%
-10.6%	-6.4%	-5.5%	-5.7%	-6.9%	-6.4%	-6.0%	-6.6%	-6.1%	-6.4%
-10.9%	-6.5%	-5.6%	-5.8%	-7.0%	-6.5%	-6.1%	-6.7%	-6.2%	-6.5%
-11.2%	-6.6%	-5.7%	-5.9%	-7.1%	-6.6%	-6.2%	-6.8%	-6.3%	-6.6%
-11.5%	-6.7%	-5.8%	-6.0%	-7.2%	-6.7%	-6.3%	-6.9%	-6.4%	-6.7%
-11.8%	-6.8%	-5.9%	-6.1%	-7.3%	-6.8%	-6.4%	-7.0%	-6.5%	-6.8%
-12.1%	-6.9%	-6.0%	-6.2%	-7.4%	-6.9%	-6.5%	-7.1%	-6.6%	-6.9%
-12.4%	-7.0%	-6.1%	-6.3%	-7.5%	-7.0%	-6.6%	-7.2%	-6.7%	-7.0%
-12.7%	-7.1%	-6.2%	-6.4%	-7.6%	-7.1%	-6.7%	-7.3%	-6.8%	-7.1%
-13.0%	-7.2%	-6.3%	-6.5%	-7.7%	-7.2%	-6.8%	-7.4%	-6.9%	-7.2%
-13.3%	-7.3%	-6.4%	-6.6%	-7.8%	-7.3%	-6.9%	-7.5%	-7.0%	-7.3%
-13.6%	-7.4%	-6.5%	-6.7%	-7.9%	-7.4%	-7.0%	-7.6%	-7.1%	-7.4%
-13.9%	-7.5%	-6.6%	-6.8%	-8.0%	-7.5%	-7.1%	-7.7%	-7.2%	-7.5%
-14.2%	-7.6%	-6.7%	-6.9%	-8.1%	-7.6%	-7.2%	-7.8%	-7.3%	-7.6%
-14.5%	-7.7%	-6.8%	-7.0%	-8.2%	-7.7%	-7.3%	-7.9%	-7.4%	-7.7%
-14.8%	-7.8%	-6.9%	-7.1%	-8.3%	-7.8%	-7.4%	-8.0%	-7.5%	-7.8%
-15.1%	-7.9%	-7.0%	-7.2%	-8.4%	-7.9%	-7.5%	-8.1%	-7.6%	-7.9%
-15.4%	-8.0%	-7.1%	-7.3%	-8.5%	-8.0%	-7.6%	-8.2%	-7.7%	-8.0%
-15.7%	-8.1%	-7.2%	-7.4%	-8.6%	-8.1%	-7.7%	-8.3%	-7.8%	-8.1%
-16.0%	-8.2%	-7.3%	-7.5%	-8.7%	-8.2%	-7.8%	-8.4%	-7.9%	-8.2%
-16.3%	-8.3%	-7.4%	-7.6%	-8.8%	-8.3%	-7.9%	-8.5%	-8.0%	-8.3%
-16.6%	-8.4%	-7.5%	-7.7%	-8.9%	-8.4%	-8.0%	-8.6%	-8.1%	-8.4%
-16.9%	-8.5%	-7.6%	-7.8%	-9.0%	-8.5%	-8.1%	-8.7%	-8.2%	-8.5%
-17.2%	-8.6%	-7.7%	-7.9%	-9.1%	-8.6%	-8.2%	-8.8%	-8.3%	-8.6%
-17.5%	-8.7%	-7.8%	-8.0%	-9.2%	-8.7%	-8.3%	-8.9%	-8.4%	-8.7%
-17.8%	-8.8%	-7.9%	-8.1%	-9.3%	-8.8%	-8.4%	-9.0%	-8.5%	-8.8%
-18.1%	-8.9%	-8.0%	-8.2%	-9.4%	-8.9%	-8.5%	-9.1%	-8.6%	-8.9%
-18.4%	-9.0%	-8.1%	-8.3%	-9.5%	-9.0%	-8.6%	-9.2%	-8.7%	-9.0%
-18.7%	-9.1%	-8.2%	-8.4%	-9.6%	-9.1%	-8.7%	-9.3%	-8.8%	-9.1%
-19.0%	-9.2%	-8.3%	-8.5%	-9.7%	-9.2%	-8.8%	-9.4%	-8.9%	-9.2%
-19.3%	-9.3%	-8.4%	-8.6%	-9.8%	-9.3%	-8.9%	-9.5%	-9.0%	-9.3%
-19.6%	-9.4%	-8.5%	-8.7%	-9.9%	-9.4%	-9.0%	-9.6%	-9.1%	-9.4%
-19.9%	-9.5%	-8.6%	-8.8%	-10.0%	-9.5%	-9.1%	-9.7%	-9.2%	-9.5%
-20.2%	-9.6%	-8.7%	-8.9%	-10.1%	-9.6%	-9.2%	-9.8%	-9.3%	-9.6%
-20.5%	-9.7%	-8.8%	-9.0%	-10.2%	-9.7%	-9.3%	-9.9%	-9.4%	-9.7%
-20.8%	-9.8%	-8.9%	-9.1%	-10.3%	-9.8%	-9.4%	-10.0%	-9.5%	-9.8%
-21.1%	-9.9%	-9.0%	-9.2%	-10.4%	-9.9%	-9.5%	-10.1%	-9.6%	-9.9%
-21.4%	-10.0%	-9.1%	-9.3%	-10.5%	-10.0%	-9.6%	-10.2%	-9.7%	-10.0%
-21.7%	-10.1%	-9.2%	-9.4%	-10.6%	-10.1%	-9.7%	-10.3%	-9.8%	-10.1%
-22.0%	-10.2%	-9.3%	-9.5%	-10.7%	-10.2%	-9.8%	-10.4%	-9.9%	-10.2%
-22.3%	-10.3%	-9.4%	-9.6%	-10.8%	-10.3%	-9.9%	-10.5%	-10.0%	-10.3%
-22.6%	-10.4%	-9.5%	-9.7%	-10.9%	-10.4%	-10.0%	-10.6%	-10.1%	-10.4%
-22.9%	-10.5%	-9.6%	-9.8%	-11.0%	-10.5%	-10.1%	-10.7%	-10.2%	-10.5%
-23.2%	-10.6%	-9.7%	-9.9%	-11.1%	-10.6%	-10.2%	-10.8%	-10.3%	-10.6%
-23.5%	-10.7%	-9.8%	-10.0%	-11.2%	-10.7%	-10.3%	-10.9%	-10.4%	-10.7%
-23.8%	-10.8%	-9.9%	-10.1%	-11.3%	-10.8%	-10.4%	-11.0%	-10.5%	-10.8%
-24.1%	-10.9%	-10.0%	-10.2%	-11.4%	-10.9%	-10.5%	-11.1%	-10.6%	-10.9%
-24.4%	-11.0%	-10.1%	-10.3%	-11.5%	-11.0%	-10.6%	-11.2%	-10.7%	-11.0%
-24.7%	-11.1%	-10.2%	-10.4%	-11.6%	-11.1%	-10.7%	-11.3%	-10.8%	-11.1%
-25.0%	-11.2%	-10.3%	-10.5%	-11.7%	-11.2%	-10.8%	-11.4%	-10.9%	-11.2%
-25.3%	-11.3%	-10.4%	-10.6%	-11.8%	-11.3%	-10.9%	-11.5%	-11.0%	-11.3%
-25.6%	-11.4%	-10.5%	-10.7%	-11.9%</					