VAN BERKOM INVESTMENT MANAGEMENT PROGRAM

ANNUAL REPORT 2020

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MESSAGES

GRADUATING COHORT

At the onset of our tenure in the Van Berkom Investment Management Program ("VBIMP"), we had very little understanding of how important this program would be to our lives. Not only did it open many doors for each of us, but we made lifelong friendships, learned valuable lessons, and further developed a genuine passion for the stock market.

While each graduating cohort is unique, our tenure was notably different than previous ones; the program went through its first market crash, a new director, a global pandemic, a smaller cohort size, and a virtual delivery of the program. These events were challenging; nevertheless, we retain nothing but good memories. This peculiar year solidified our bonds with each other and helped us grow as both investors and individuals. We developed skills that can only be taught by enduring great hardship, and this year was, if nothing else, tremendously difficult.

We want to acknowledge and thank the Program Director, Amr Addas, who was able to both grow the program and create a fun environment to learn despite the COVID-19 pandemic. We can confidently say that Amr has become a lifelong friend to all of us. A special thanks to the Research Associates, who will be taking over the program. They had only experienced the program in person for two months, but regardless, have shown an unwavering commitment to its success. We were also tremendously lucky to learn from our Investment Committee, whose tough questions and comprehensive feedback challenged and pushed us to a deeper level of critical thinking and portfolio assessment. Finally, all of this would not have been possible without J. Sebastian van Berkom, whose generous gift helped create the VBIMP. Mr. van Berkom, we hope our returns during our tenure upheld the standards you had in mind when you created the program.

Thank you again, and we cannot wait to make an impact in the investment field and give back to the program.

FOUNDER

It is again my pleasure to present the third Annual Report of the Van Berkom Investment Management Program (VBIMP) at the John Molson School of Business at Concordia University. This program was established by me with a $1 million contribution to help outstanding students of John Molson obtain hands-on investing experience in North American small-cap stocks.

Although my contribution was made in late November 2014, the investment of the money by students that became eligible for the program did not commence until late 2016 given the internal and external organizations that needed to be organized by Concordia and myself to appoint the first director of the program, an Investment Committee, and mentors to help the students to invest in North American small-cap stocks. These two years of organization were essential to building the infrastructure necessary for the long-term success of the program.

The VBIMP could not have been successful without the outstanding commitment of the senior administration of Concordia, the dean of the John Molson School of Business, Anne-Marie Croteau, PhD, CDir, the program director, Mr. Amr Addas, the chair of the Investment Committee (IC) Mr. Donald Walcott, the other members of the IC, the Fund Managers (FMs), the Research Associates (RAs), the mentors to the students and other leaders of the Montreal investment community.

Given the outbreak of the COVID-19 virus in 2020, we have not yet been able to celebrate the graduates of the VBIMP, and we have also not been able to celebrate the appointment of the fellows to the Stephen A. Jarislowsky Fellowship Program under the VBIMP at Concordia. As soon as we are able to hold such celebrations, when allowed by the authorities, this occasion will be scheduled. The graduates this year are: Alexander Tiscione, Aniss Gamassi, Augustine Jesmer and Emile Kandela. Congratulations to the graduates for their hard work and success with the results in 2020 and thanks again to Stephen A. Jarislowsky for offering his name to this fellowship program as one of Canada's most successful money managers.

I would like to explain again how the investment program at John Molson works. The VBIMP provides a small number of outstanding students at the undergraduate and masters level at the school the opportunity to invest real money in North American small-cap stocks using a bottom-up stock-picking approach, and researching and potentially investing in quality stocks that are mispriced by the market. The RAs and the FMs must follow a strict Investment Policy Statement ("IPS") to help guide them towards finding the kind of long-term stocks that one day could become large-cap stocks. The benchmark for the relative performance of the portfolio is: 50% S&P/TSX Small-Cap Total Return Index; and 50% Russell 2000 Total Return Index.

Looking at the value of the VBIMP portfolio as at December 31, 2020, the market value was $1,513,411.03, of which $384,405.43 was invested in cash and equivalents, or 25.4% of the portfolio. It is expected that the cash and equivalents level will be reduced further as investment opportunities are found. Investment performance of the equity component of the portfolio in 2020 was +32.9% versus the benchmark of +16.7% for a value-add performance of +16.2%. Since inception on November 11, 2016, the portfolio returned +21.3% (annualized) versus +8.7% (annualized), or a value-add performance of 12.6% (annualized). Bravo to all the RAs and FMs that participated in the program and making this such a success over the years.

In 2020 there were unfortunately two sad developments. The first was the outbreak of the COVID-19 pandemic that has affected us globally in so many ways. The second was close to our hearts at the VBIMP with the passing of Ann-Maureen

Hennessy, who taught in the Finance Department at John Molson. She had a long investment management career of more than 35 years at the *Caisse de dépôt et placement du Québec*, Bimcor, Imasco and All-Canadian Funds where her investment career began. Ann-Maureen also served on various boards of directors throughout her career. I got to know Ann-Maureen early in my own career since she had also developed a love for small-cap stocks, and thus she became a natural choice as a candidate to join the IC of the VBIMP. As result of her passing in 2020, the IC of the VBIMP decided to name Ann-Maureen Member Emeritus of the IC. We will all miss her for her great Irish humour, her mentoring skills and as a member of the IC.

In closing, let me wish the current cohorts in the program continued success in researching new stock ideas for the portfolio while continuing to follow and monitoring existing holdings to ensure that the program continues to achieve outstanding portfolio returns. Finally, I would like to extend my heartfelt thanks again to Concordia for making this program a reality, the dean, the director of the program, the IC members, and the mentors who all have given their time, experience, and advice at every quarterly meeting of the IC.

Sincerely,

J. Sebastian van Berkom LL.D Founder, Director & Partner

Chairman and Chief Executive Officer
Van Berkom and Associates Inc. (Canada)
Van Berkom Golden Dragon Limited (Hong Kong)

DEAN

It is my pleasure to present the 2020 Van Berkom Investment Management Program's Annual Report. This represents the hard work of an extremely talented group of students and the unwavering dedication of knowledgeable and generous finance professionals.

At the John Molson School of Business, experiential business learning is a priority for us. This program is a tremendous example of how we provide our undergraduate students with practical, hands-on investment management training.

I would like to congratulate Amr Addas, the program's director, on another very successful year. Despite the onset of the COVID-19 pandemic, Mr. Addas led the program and its students through a very uncertain and transformational time for both business and education. Under his leadership, the lessons our students gleaned from the pandemic have been invaluable, and will serve them well in the future when faced with periods of uncertainty. Despite these challenges, Mr. Addas assembled another stellar team of students who delivered an outstanding performance based on return on invested capital.

On behalf of John Molson, I would like to thank J. Sebastian van Berkom, a great alumnus and friend of the school, for his generosity that led to the establishment of this program. Sebastian is also actively involved in the program, and for this, we are incredibly grateful. I would like to acknowledge the generous commitment of time and energy of the Investment Committee. Their insight and guidance help ensure that our students enjoy an unparalleled learning experience.

I would like to congratulate the Class of 2020 Fund Managers and the Research Associates and wish them the very best in their future endeavours.

Anne-Marie Croteau, PhD, CDir
Dean

PROGRAM DIRECTOR

It is my pleasure to present the 2020 annual report for the Van Berkom Investment Management Program (VBIMP) at the John Molson School of Business at Concordia University. VBIMP is a unique program launched in 2014 to fulfill the vision of Mr. J. Sebastian van Berkom of sharing his investment expertise in small cap equities with a select group of John Molson students. Thanks to Mr. van Berkom's generous donation of $1 million, VBIMP allows the students to complement their academic training with the real-life, cutting-edge experience of managing a portfolio of US and Canadian small cap stocks. During their two-year tenure, the students undergo a rigorous training process. In their first year, as Research Associates (RAs), the students are trained in valuation methodologies, learn report writing techniques, and refine their presentation skills as they pitch at least one stock each to the investment committee made up of senior industry professionals. In their second year, should they successfully fulfill the requirements of promotion to Fund Managers (FMs), the students begin to manage the portfolio, making buy and sell decisions, and gaining invaluable asset allocation and portfolio management expertise.

To say that 2020 was a challenging year would be an understatement. Ten weeks into their mandate as FMs, Alex, Aniss, Augustine, and Emile had to not only contend with transitioning to managing the portfolio remotely and training the new cohort in a similar fashion, but they also faced the market meltdown that ensued following the initial Covid-induced lockdown. Similarly, Andrea, Balal, Benjamin, Kevin, Gabriel, Michel, and Paul had only ten weeks to get to know each other as RAs, the fund managers, and myself before we had to transition to working remotely.

As director of VBIMP, I consider team dynamics and coherence to be of the utmost importance. Synergy is one of the important components of the success of this program. I was therefore extremely pleased to note how successfully the FMs and RAs managed this transition to online work so smoothly. We retained our close-knit cooperation and regular communication using the technological tools made available to us by the university. Moreover, the students developed a close working relationship and even managed to meet several times in person for recreational activities before lockdown measures required us to curtail such activities.

There is no better evidence of how successfully we managed the transition during this challenging year than our phenomenal performance numbers. The four FMs handled the market panic like veterans. They kept their nerve, didn't panic, and made sure we conducted a thorough overview of the resilience of our portfolio holdings. We took the opportunity of the market correction to add weight to some stocks we already held and to establish new positions in stocks on our short list that had become attractive as a result of the downturn. By the end of the year, the fund achieved a 32.9% return on invested capital (ROIC) for 2020, almost double the benchmark's gains for the year. In addition to their successful stewardship of the portfolio, the FMs went above and beyond in passing on their knowledge and VBIMP culture to the RAs, therefore handing me a group of 7 well-prepared, well-rounded, and eager-to-start new FMs by the end of the year.

We also faced the challenge of having to conduct our recruitment process fully virtually. On that front, I am also very satisfied with the outcome. We recruited 7 new promising RAs that helped take 2021's VBIMP cohort to a record 14 members. As the new year got underway, everyone was looking forward to taking on their new roles and to building on the legacy of excellence left behind by their predecessors.

Despite the challenges of 2020, VBIMP was able to secure new agreements with three leading employers in capital markets to provide ongoing internships for VBIMP students. Those agreements are a testament to the quality of our students and the rigorous training they undergo in VBIMP. It shows employers' confidence in our program and is a reflection of VBIMP's excellent reputation in the investment industry.

The success of this program would not be possible without the tremendous level of support provided to it and to me personally by Dean Anne-Marie Croteau. She recognizes the importance of VBIMP in attracting top students to John Molson and has made sure we have the resources and infrastructure necessary to maintain the highest standards. Mr. van Berkom's personal involvement and generosity with his time on the investment committee and during the recruitment process are also critical factors in the program's success. Former chair of the Department of Finance Rahul Ravi has consistently been a champion for VBIMP and has provided me with all the support needed to smoothly manage the program. Interim department chair Imants Paeglis has been equally supportive since he took over from Rahul. I want to also thank the remaining members of the investment committee, Don Walcot (chair of the Investment Committee), Gabriel Bouchard Philips, Owen Gibbons, Stephen Hui, Philippe Hynes, and Mike Shannon for their dedication and invaluable insights to the students. Finally, I wish to thank the mentors who continue to play an important role in supporting our students as they navigate their way through a highly competitive industry.

I wish to also thank the following people for whose support and cooperation I am very grateful: John Boyronikos, Joseph Capano, Ka Pong Law, Katie Malazdrewicz, Monika Melzer, Bob Menard, Norma Paradis, Sandra Romanini, Sarah Sookman, Tania Testa, and Susanne Thorup.

Finally, it is with deep sadness that we mourn the passing of a former member of the investment committee, Ann-Maureen Hennessy, who passed away in 2020. Ann-Maureen was a tireless supporter of the program. She went out of her way to work one-on-one with VBIMP students and to generously share her knowledge and expertise to help them succeed. In that regard, the investment committee unanimously agreed to memorialize Ann-Maureen's dedication and contributions to VBIMP by appointing her as Member Emeritus of the VBIMP Investment Committee.

Amr Addas
B.Sc. Eng, MBA

ABOUT THE VAN BERKOM INVESTMENT MANAGEMENT PROGRAM

The VBIMP was established in 2016 through a generous donation by J. Sebastian van Berkom. The program provides a small group of select John Molson School of Business undergraduate and graduate students with an experience that will open the door to a career in the global capital markets. Each year, six to ten students are admitted to actively manage a portfolio of small capitalized stocks with the aim of achieving returns that exceed a small-cap North American benchmark. New program recruits will complete their first year in the VBIMP as Research Associates. Upon entering their second year, Research Associates will assume the responsibility of managing the fund and earn the title of Fund Managers. The two-year program provides a real-life financial experience of actively managing a CAD $1.5 million small-cap stock portfolio.

The investment opportunities undergo a rigorous due diligence process, including a thorough analysis of company financials, business model and environment, industry trends, and management team. Potential investment candidates must meet specific restrictions with respect to size and profitability and must be approved by the Investment Committee following a stock pitch presentation. The students must also give quarterly presentations to the Investment Committee, which is comprised of highly accredited industry professionals. The VBIMP is Canadian-based and consolidates in Canadian dollars (CAD).

FUND STRATEGY

OUTGOING REFLECTION ON STRATEGY

The past year was one to be remembered. When we set our 2020 strategy in early January, none of us expected to be hit by one of the worst crises of the 21st century: a global pandemic. But again, the stock market never fails to surprise. Our initial strategy built upon the foundation that Mr. van Berkom and the previous cohort instilled in us: invest solely in companies with a durable competitive advantage, run by an honest and capable management team, generating robust and predictable cash flow, producing ROIC consistently in excess of the cost of capital, and prioritizing a strong balance sheet. In addition to the aforementioned traits and the frothy nature of the market at the beginning of 2020, we were particularly focused on downside protection. Many of the companies that exhibited the qualities mentioned previously appreciated multifold. We took the prudent route of trimming these positions significantly, given their expensive valuation and low margin of safety. This decision taught us two valuable lessons that we are bound to remember for the remainder of our lives. Rather than outlining our specific strategy this year, we want to focus on these two lessons.

The first lesson was made evident when the market spiralled out of control in March. We rushed to formulate a proper framework to navigate intelligently and deliberately the new reality of COVID-19. We meticulously went through each company's financial statements to ensure that each one of them could sustain a prolonged interruption of their operations. This process led us to liquidate positions that were already hurting us. For example, Recipe Unlimited was a low-conviction position that should have been exited earlier given its burdensome debt load and lack of a sustainable competitive advantage. We had decided to hold off on the sale of the position, but COVID-19 forced our hand on a decision that should have been made months earlier; we liquidated the position at a significant loss. This debacle taught us that holding on to companies that do not exhibit the previously mentioned traits can cause more losses in the long run.

The second lesson came after the March selloff. After completing due diligence on each of our holdings, we identified those that would come out stronger post-COVID-19 and those that the virus would weaken. Unfortunately, we let ourselves be swayed by the emotions of the market and backed down from doubling down on positions that would emerge as the winners of this debacle. We trimmed down some of the winners too soon, not fully understanding the new opportunities COVID-19 had created for these businesses. This lapse in judgment made us miss a once-in-a-generation opportunity to realize outsized gains on a few names.

Mistakes cannot be reversed, but they can be a source of learning. We used our mistakes to teach the upcoming Fund Managers the few lessons we have learned in the hope they can apply them when necessary. Despite a few instances where we wish we had made different decisions, we believe that our performance is a testament to the rigorous framework that has been built by both Mr. van Berkom and previous cohorts of Fund Managers.

INCOMING FUND MANAGER STRATEGY

Every year in history is marked by events that have a profound effect on the future. It is an understatement to say that 2020 was a striking year not just in world history but in the history of financial markets. On March 11th, the World Health Organization (WHO) declared the novel coronavirus (COVID-19) outbreak a global pandemic. Exactly three weeks earlier, the S&P 500 index went into freefall, declining more than 30% from the start of the year, reaching its low on March 23rd, followed by a sharp rebound of 67.9% by year-end, the fastest recovery the index has ever seen. In the midst of a global pandemic, the S&P 500 finished the year up 16.3%, with many market players questioning the basis for the run-up in public equity valuations and what the “new normal” entails. 2020 had many other historical events to offer, such as the U.S. election and the proliferation of SPACs. In the face of economic and political uncertainty, we maintain discipline and do not let such market events distract us from acting judiciously on market opportunities to generate risk-adjusted returns.

As managers of a pure bottom-up small-cap fund, we intend to fulfill our mandate by investing in top-quality North American companies with sustainable competitive advantages run by remarkable management teams. Our goal is to generate solid free cash flows and high returns on invested capital. Furthermore, our long-term investment perspective of up to five years stacks the odds of superior returns in our favour. We have reflected on this strategy and outlined five driving principles behind our investment behaviour. They are meticulously examined within the track record of the companies we explore.

First, we emphasize fundamentals before valuation, bestowing special care to each one in the research process. A company's financial statement always indicate how much financial success a company has achieved. For a company's stock price, this is not always the case, which presents us with an opportunity to capitalize on possible mispricing. We expect sustainable growth in revenues and future earnings, ideally with earnings outpacing revenues. These earnings must translate into healthy free cash flows, which the company can use to reinvest into the business rather than inefficiently taking on debt or issuing shares. The latter capital sources, when improperly deployed, reduce ROIC and ROE. These two metrics are fundamental indicators we use to determine the degree to which a company efficiently allocates capital to generate returns. Accordingly, great companies have clean balance sheets: low debt, elevated (but not extreme) cash levels, and ample liquidity. Fundamentals tell us if a company is excellent. Valuation tells us whether we should buy it.

Second, we look for strong, incentivized management with a track record for execution. Management must demonstrate prudent deployment of capital, maximizing the value of every dollar as delineated by ROIC and ROE. Management will communicate long-term views on the evolution of and secular trends in their industries and prepare for them ahead of competitors. The C-suite, especially the CEO, will have skin in the game through insider share ownership. Each member's compensation structure will reflect that the company is trying to grow its bottom line, not its stock price alone. In essence, they are owner-operators with fantastic capital allocation skills.

Third, we firmly believe that great companies must possess a moat: a differentiated offering that forms a sustainable competitive advantage. We emphasize that these competitive advantages must be durable. A company with a moat can sustain high returns for a longer time period than one without a moat. Moats keep competitors out and profits in. If a company has robust fundamentals and a strong management team but lacks a moat, it will not enter our portfolio.

Fourth, we favour companies on the smaller end of our investible universe, specifically around the sweet spot at the lower end of the market capitalization where we believe business models tend to be "proven". These companies have much lower visibility with low to no sell-side coverage and are, at times, misunderstood. The management teams are often owners and adequately incentivized, holding a significant share of their wealth in the company's stock. When these companies succeed, sell-side analysts start to cover them, attracting institutional investors who increase the volume of shares purchased and, as a result, the stock price. The key is to invest in these great companies before the traction is created.

Fifth, we take a hard stance on valuation, ensuring that our discounted cash flow (DCF) forecasts properly reflect our conviction in each company's ability to grow moving forward. We form a long-term outlook, focusing on the future free cash flows captured in our DCF models rather than those implicitly buried in market multiples. We acknowledge that our discounted cash flow valuation models are only as accurate as the quality of their inputs, which reflect our beliefs about the future formed from our exhaustive research. Due to the sensitivity of the DCF method of valuation and optimism bias, we take caution and correct our cognitive bias by using more conservative assumptions to decrease the probability of overestimating company value, thereby creating a margin of safety to maximize capital preservation. The corollary is that, as value investors, we put greater emphasis on the downside risk than the potential upside.

To close off our thoughts, we think of value investing as a three-cylinder engine. We look for companies with high revenue growth, margin expansion opportunity, and potential for multiple re-rating. The machine performs at its best when all three cylinders are running. We do not buy companies merely because they will grow quickly but do not trade at a discount. Similarly, we do not buy companies simply because they trade at a discount with an unclear path to growth. We look for both. By applying the principles described above, we believe that we can continue to generate meaningfully high, risk-adjusted returns.

PORTFOLIO RAMP-UP

The VBIMP initiated its first positions on November 11, 2016 and is continuing to ramp up its portfolio to be fully invested (**Table 1**). The rate at which investments are made has been limited by two main factors: the gradual rate of stock approvals by the Investment Committee at its quarterly meetings, and the gradual rate at which our deployable capital was made available (the unavailable portion of our $1.0m capital is referred to as restricted cash). In order to proceed with an investment, all stocks must be pitched to and approved by the Investment Committee. There were some instances when stocks had significantly run up by the time the Investment Committee approved them. Thus, our window of opportunity to enter at an attractive price was missed. Either the five-year upside potential became limited, or the stock became overvalued based on a Discounted Cash Flow Approach (both requirements of our Investment Policy).

In 2020, the VBIMP experienced its second fund manager cohort turnover, with a new portfolio vision enacted by the 2020 fund managers. The cohort made it a priority to maximize the deployment of the capital provided by Mr. van Berkom without compromising the inherent investment philosophy of the fund. That said, 2020 was a record year for the market, with the stock market at an all-time high and valuations more expensive than ever. Although the fund managers strove to be fully invested, many companies flew past the fund's 5-year target prices in the back half of 2020. In accordance with the IPS set forth in 2016, which sets provisions for the managers of the portfolio to trim or sell positions that have exceeded their 5-year target price, the fund managers diligently trimmed various positions that had a significant run but were fairly- or over-valued. However, much of the cash outflow from our exited positions in Q3 and Q4 (NFI Group, Hackett Group, Richelieu Hardware, Omnicell, Enghouse Systems, and Tetra Tech) was reinvested into new stock positions (XPEL, Hamilton Thorne, Maximus, and Qualys) and existing stock positions. Deployed capital increased to 74.6% in 2020 as compared to 64.4% in 2019.

Once the portfolio is fully ramped up, we aim to maintain a cash position limited to 5%. U.S./Canadian equities and must not exceed a 65%/35% or 35%/65% split per the IPS. As of December 31, 2020, the portfolio held 25.4% of its funds in cash, down from 36.5% in 2019.

TABLE 1: PORTFOLIO RAMP-UP

2020 CUMULATIVE QUARTERLY RETURNS

	Q1	Q2	Q3	Q4	INCEPTION TO DATE
PORTFOLIO VALUE	965,789.94	1,158,032.98	1,268,054.71	1,513,411.03	+513,411.03
DEPLOYED CAPITAL (%)	67.5%	75.8%	72.4%	74.6%	74.6%
STOCKS OWNED	20	22	22	20	20

[1] *As at December 31, 2020*

[2] *VBIMP Benchmark consists of 50% S&P TSX Small Cap and 50% Russell 2000*

[3] *Returns based on invested capital during portfolio ramp-up period*

Note: Deployed capital is based on total portfolio value.

PORTFOLIO ASSET DETAILS

2020 ASSET DETAILS

As of December 31, 2020, 74.6% of the total portfolio value was invested, while 25.4% remained in cash (**Table 2**). Diversified across eight Revenue-based Industry Classification System (RBICS) sectors, we observe that Consumer Cyclicals, Technology, and Industrials held the highest exposures, at 20.5%, 14.7%, and 14.3%, respectively (**Table 2** and **Figure 2**). The increase in portfolio composition towards Consumer Cyclicals, up from 5.6% of the portfolio from last year, is explained by the addition of Aritzia, Funko, and XPEL into the portfolio over the course of the year. The decrease in Technology investments from 19.8% of the portfolio last year is explained by the exit in Enghouse Systems, offset by a position initiated in Qualys. Industrials increased from 10.8% of the portfolio, driven by investments in Magellan Aerospace and Wabash National Corporation, which was offset by the divestment of Richelieu Hardware and NFI Group. Business Services, which made up 11.1% of the portfolio last year, decreased to 2.9%, mainly from the divestment of Hackett Group and the trimming of Comfort Systems, both occurring in Q3. Throughout 2020, the portfolio slightly increased its exposure to the U.S. market, bringing weights in U.S. and Canadian equities to 34.0% and 40.6%, respectively, when including cash (**Figure 1**).

TABLE 2: PORTFOLIO ASSET DETAILS AS OF DECEMBER 31, 2020

	2019		2020							
	Q4		Q1		Q2		Q3		Q4	
	MARKET VALUE	WEIGHT	MARKET VALUE	WEIGHT	MARKET VALUE	WEIGHT	MARKET VALUE	WEIGHT	MARKET VALUE	WEIGHT
TECHNOLOGY	**238,028.37**	**19.8%**	**160,672.08**	**16.6%**	**166,950.33**	**14.4%**	**193,685.42**	**15.3%**	**222,543.11**	**14.7%**
Canada	169,064.30	14.1%	98,672.55	10.2%	91,671.39	7.9%	106,990.57	8.4%	118,213.34	7.8%
TECSYS Inc.	64,110.00	5.3%	23,847.37	2.5%	31,992.00	2.8%	37,523.95	3.0%	66,410.06	4.4%
Enghouse Systems Limited	36,616.80	3.0%	10,055.43	1.0%	16,747.50	1.4%	16,809.87	1.3%		
Calian Group Ltd.	68,337.50	5.7%	64,769.75	6.7%	42,931.89	3.7%	52,656.75	4.2%	51,803.28	3.4%
U.S.	68,964.07	5.7%	61,999.53	6.4%	75,278.94	6.5%	86,694.85	6.8%	104,329.77	6.9%
InterDigital, Inc.	68,964.07	5.7%	61,999.53	6.4%	75,278.94	6.5%	74,388.67	5.9%	75,450.97	5.0%
Qualys, Inc.							12,306.18	1.0%	28,878.80	1.9%
INDUSTRIALS	**130,294.57**	**10.8%**	**138,705.47**	**14.4%**	**176,605.84**	**15.3%**	**188,126.19**	**14.8%**	**216,163.71**	**14.3%**
Canada	98,598.76	8.2%	94,613.08	9.8%	112,159.08	9.7%	115,700.60	9.1%	110,402.01	7.3%
Savaria Corporation			26,575.00	2.8%	31,150.00	2.7%	44,458.24	3.5%	43,495.68	2.9%
Richelieu Hardware Ltd	71,948.76	6.0%	29,476.98	3.1%	38,294.88	3.3%	46,622.16	3.7%		
NFI Group Inc.	26,650.00	2.2%	15,060.00	1.6%	16,650.00	1.4%				
Magellan Aerospace Corporation			23,501.10	2.4%	26,064.20	2.3%	24,620.20	1.9%	66,906.33	4.4%
U.S.	31,695.81	2.6%	44,092.39	4.6%	64,446.76	5.6%	72,425.59	5.7%	105,761.70	7.0%
MYR Group Inc.	31,695.81	2.6%	27,958.15	2.9%	32,596.07	2.8%	37,247.39	2.9%	57,425.55	3.8%
Wabash National Corporation			16,134.24	1.7%	31,850.70	2.8%	35,178.21	2.8%	48,336.15	3.2%
CONSUMER CYCLICALS	**67,791.02**	**5.6%**	**86,162.26**	**8.9%**	**181,040.93**	**15.6%**	**209,814.57**	**16.5%**	**310,665.57**	**20.5%**
Canada	16,390.31	1.4%	37,734.48	3.9%	91,302.02	7.9%	107,067.97	8.4%	150,041.71	9.9%
Aritzia, Inc.			17,234.00	1.8%	46,916.68	4.1%	51,993.69	4.1%	76,931.57	5.1%
Sleep Country Canada Holdings Inc	16,390.31	1.4%	20,500.48	2.1%	44,385.34	3.8%	55,074.28	4.3%	73,110.14	4.8%
U.S.	51,400.71	4.3%	48,427.78	5.0%	89,738.91	7.7%	102,746.60	8.1%	160,623.86	10.6%
LCI Industries	51,400.71	4.3%	35,195.32	3.6%	57,943.02	5.0%	18,456.99	1.5%	21,477.60	1.4%
Funko, Inc. Class A			13,232.46	1.4%	31,795.89	2.7%	31,129.32	2.5%	53,227.08	3.5%
XPEL, Inc.							53,160.29	4.2%	85,919.17	5.7%
BUSINESS SERVICES	**132,920.96**	**11.1%**	**110,327.35**	**11.4%**	**126,585.82**	**10.9%**	**58,333.61**	**4.6%**	**43,943.19**	**2.9%**
U.S.	132,920.96	11.1%	110,327.35	11.4%	126,585.82	10.9%	58,333.61	4.6%	43,943.19	2.9%
Comfort Systems USA, Inc.	77,248.37	6.4%	62,168.01	6.4%	66,324.29	5.7%	45,066.94	3.6%	43,943.19	2.9%
Hackett Group, Inc.	55,672.59	4.6%	48,159.33	5.0%	49,054.34	4.2%				
Tetra Tech, Inc.					11,207.19	1.0%	13,266.67	1.0%		
FINANCE	**68,929.45**	**5.7%**	**63,177.33**	**6.5%**	**85,973.67**	**7.4%**	**99,755.02**	**7.9%**	**97,543.99**	**6.4%**
Canada	68,929.45	5.7%	63,177.33	6.5%	85,973.67	7.4%	99,755.02	7.9%	97,543.99	6.4%
Altus Group Limited	32,493.76	2.7%	31,353.50	3.2%	35,160.98	3.0%	47,860.45	3.8%	42,604.38	2.8%
RE/MAX Holdings, Inc.	36,435.69	3.0%	31,823.83	3.3%	50,812.69	4.4%	51,894.57	4.1%	54,939.61	3.6%
CONSUMER SERVICES	**41,882.00**	**3.5%**								
Canada	41,882.00	3.5%								
Recipe Unlimited Corporation	41,882.00	3.5%								
CONSUMER NON-CYCLICALS	**93,977.47**	**7.8%**	**93,164.66**	**9.6%**	**119,225.52**	**10.3%**	**146,398.71**	**11.5%**	**163,123.45**	**10.8%**
Canada	62,475.00	5.2%	49,087.50	5.1%	55,156.50	4.8%	71,757.00	5.7%	81,756.00	5.4%
Waterloo Brewing Ltd.	62,475.00	5.2%	49,087.50	5.1%	55,156.50	4.8%	71,757.00	5.7%	81,756.00	5.4%
U.S.	31,502.47	2.6%	44,077.16	4.6%	64,069.02	5.5%	74,641.71	5.9%	81,367.45	5.4%
Five Below, Inc.	31,502.47	2.6%	44,077.16	4.6%	64,069.02	5.5%	74,641.71	5.9%	81,367.45	5.4%
HEALTHCARE					**21,737.68**	**1.9%**	**22,538.32**	**1.8%**	**75,022.59**	**5.0%**
Canada									56,840.00	3.8%
Hamilton Thorne Ltd.									56,840.00	3.8%
U.S.					21,737.68	1.9%	22,538.32	1.8%	18,182.59	1.2%
Omnicell, Inc.					21,737.68	1.9%	22,538.32	1.8%		
MAXIMUS, Inc.									18,182.59	1.2%
CASH	**428,138.11**	**35.6%**	**313,580.79**	**32.5%**	**279,913.17**	**24.2%**	**349,402.87**	**27.6%**	**384,405.43**	**25.4%**
TOTAL MARKET VALUE	**1,201,961.95**	**100.0%**	**965,789.94**	**100.0%**	**1,158,032.98**	**100.0%**	**1,268,054.71**	**100.0%**	**1,513,411.03**	**100.0%**
RESTRICTED CASH										
TOTAL PORTFOLIO	**1,201,961.95**	**100.0%**	**965,789.94**	**100.0%**	**1,158,032.98**	**100.0%**	**1,268,054.71**	**100.0%**	**1,513,411.03**	**100.0%**

FIGURE 1: PORTFOLIO WEIGHTING AS OF DECEMBER 31, 2020

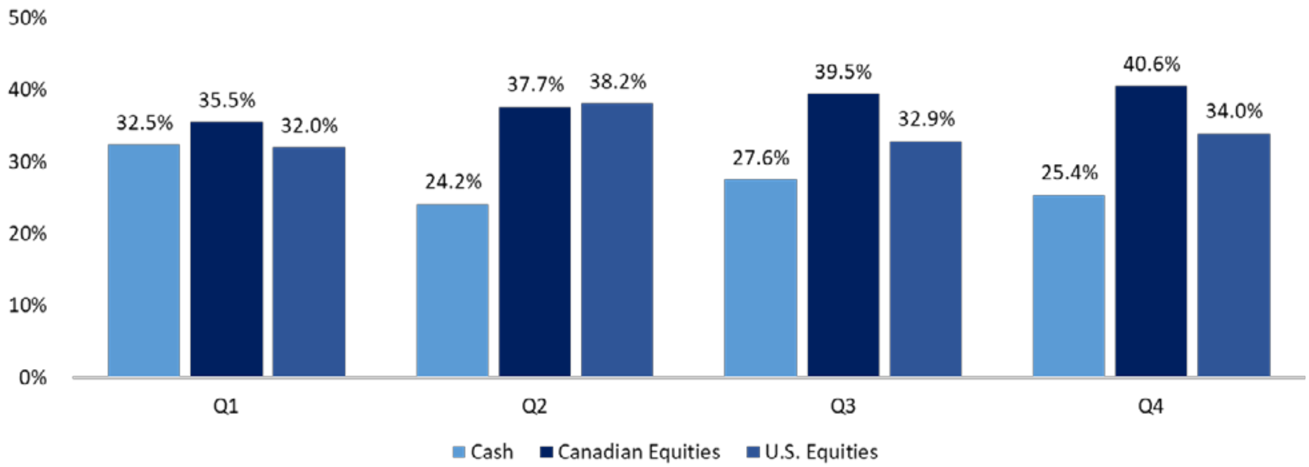
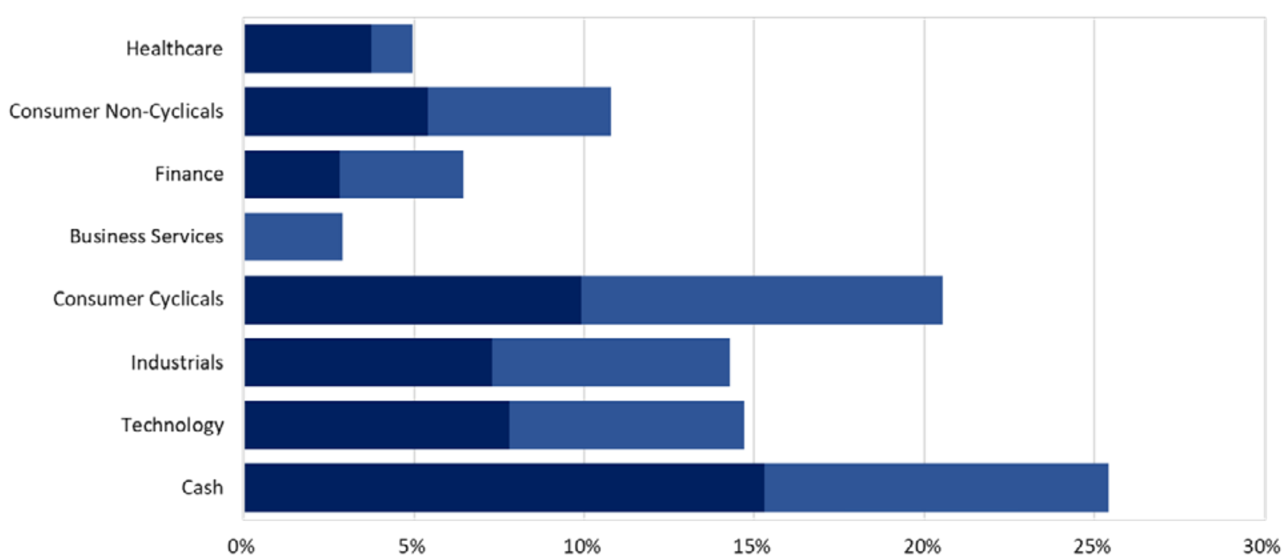


FIGURE 2: SECTOR ALLOCATION AS OF DECEMBER 31, 2020



	Cash	Technology	Industrials	Consumer Cyclicals	Business Services	Finance	Consumer Non-Cyclicals	Healthcare
CAD	15.3%	7.8%	7.3%	9.9%	0.0%	2.8%	5.4%	3.8%
USD	10.1%	6.9%	7.0%	10.6%	2.9%	3.6%	5.4%	1.2%

FINANCIAL HIGHLIGHTS

PERFORMANCE SUMMARY

The VBIMP fund initiated its first transaction on November 11, 2016, and, as of December 31, 2020, had returned 122.3% (21.3% annualized) on invested capital. It effectively outperformed its benchmark, which returned 41.3% (8.7% annualized) since inception, by 81.03%. The benchmark consists of the 50/50 S&P/TSX Small Cap Index and the Russell 2000 Dynamic Composite Index (**Figure 3** and **Table 4**). Including un-deployed cash, the portfolio has returned 73.4% (14.2% annualized) since inception and is still outperforming its benchmark by 32.1%. The excess return was driven largely by the outperformance of our Canadian equities in 2017, U.S. equities in 2018, Canadian equities in 2019, and both geographies in 2020. Evaluating the portfolio's risk-adjusted performance for the year ended December 31, 2020 yields a Sharpe ratio of 1.02.[1]

More specifically, XPEL, Tecsys, and Enghouse Systems, were our top three performers since entry, at 185.1%, 175.0%, and 114.7%, respectively (**Table 5**). Conversely, Recipe Unlimited Corporation, NFI Group, and Hackett Group have all declined since our entry by -58.9%, -43.7%, and -19.9%, respectively, and were divested from the portfolio in 2020.

In 2020, the Technology (Tecsys, Enghouse Systems, Calian Group, Qualys) and Consumer Non-Cyclical (Five Below, Waterloo Brewing) sectors contributed 11.0% and 10.3%, respectively, to the portfolio's

1 This is based on monthly portfolio returns (ROIC) using GIPS methodology from January 1, 2020 to December 31, 2020, and the risk-free rate of 1.453% using a one-month U.S. Treasury bill as of January 1, 2020.

annual 32.9% return on invested capital (**Table 3**). Consumer Services and Business Services weighed down performance by -2.8% and -0.3%, respectively (**Table 3**).

By December 31, 2020, the portfolio had grown by C$311,449, going from C$1,201,962 to C$1,513,411. This represents a 25.8% growth in total market value (AUM) during FY 2020. (**Table 4**).

FIGURE 3: INDEXED PORTFOLIO PERFORMANCE VERSUS VBIMP BENCHMARK

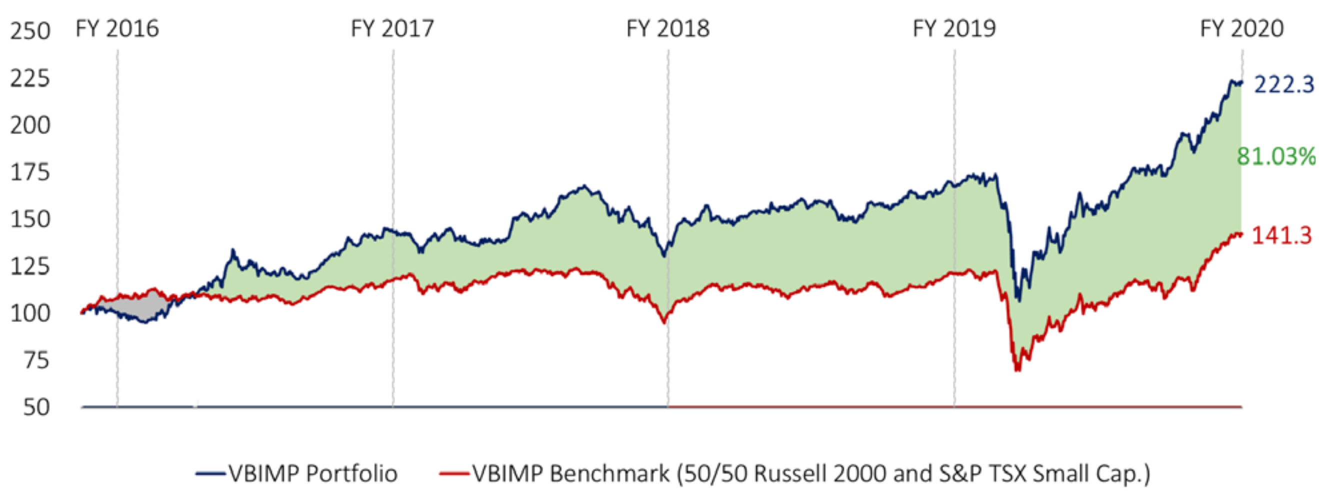


TABLE 3: VBIMP PERFORMANCE BY SECTOR (2020)

	Q1 2020			Q2 2019			Q3 2020			Q4 2020			FY 2020
RBICS SECTOR	RETURN	WEIGHT	POSITIONS	RETURN	WEIGHT	POSITIONS	RETURN	WEIGHT	POSITIONS	RETURN	WEIGHT	POSITIONS	RETURN
Technology	(0.8%)	24.6%	4	8.1%	19.0%	4	1.7%	21.1%	5	3.3%	19.7%	4	11.0%
Industrials	(6.2%)	21.3%	6	4.2%	20.1%	6	2.4%	20.5%	5	4.5%	19.1%	4	3.8%
Consumer Cyclicals	(9.6%)	13.2%	4	8.0%	20.6%	4	2.6%	22.8%	5	12.1%	27.5%	5	10.3%
Business Services	(2.1%)	16.9%	2	0.9%	14.4%	3	0.9%	6.3%	2	0.2%	3.9%	1	(0.3%)
Finance	(1.9%)	9.7%	2	2.6%	9.8%	2	1.6%	10.9%	2	(0.2%)	8.6%	2	1.7%
Consumer Services	(3.1%)	-	-	-	-	-	-	-	-	-	-	-	(2.8%)
Consumer Non-Cyclicals	(2.6%)	14.3%	2	3.8%	13.6%	2	3.0%	15.9%	2	4.8%	14.4%	2	8.0%
Healthcare	-	-	-	0.0%	2.5%	1	0.1%	2.5%	1	1.2%	6.6%	2	1.2%
TOTAL	**(26.3%)**	**100.0%**	**20**	**27.7%**	**100.0%**	**22**	**12.2%**	**100.0%**	**22**	**26.0%**	**100.0%**	**20**	**32.9%**

** Weights correspond to the end of the quarter are are based on the total portfolio value, which excludes cash*

TABLE 4: VBIMP PERFORMANCE SUMMARY (2020)

CUMMULATIVE QUARTERLY RETURNS

	WEIGHT	2019				2020				ANNUALIZED INCEPTION TO DATE RETURNS
	(%)[1]	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
VBIMP PORTFOLIO										
VBIMP Fund	100.0%	9.1%	14.7%	15.3%	22.1%	(26.3%)	(6.0%)	5.5%	32.9%	21.3%
VBIMP Benchmark		12.7%	13.7%	11.8%	20.8%	(34.4%)	(13.5%)	(8.4%)	16.7%	8.7%
Alpha		(3.5%)	1.0%	3.6%	1.3%	8.1%	7.5%	13.9%	16.2%	12.6%
CANADIAN EQUITIES										
VBIMP Canadian Equity	37.0%	13.3%	16.3%	20.5%	27.7%	(25.2%)	(3.1%)	12.5%	36.4%	21.8%
S&P TSX Small Cap		10.7%	10.4%	9.1%	15.8%	(38.1%)	(14.3%)	(8.6%)	12.9%	4.6%
Alpha		2.6%	5.8%	11.4%	11.8%	12.9%	11.1%	21.1%	23.6%	17.2%
U.S. EQUITIES										
VBIMP US Equity	37.6%	6.2%	16.8%	10.5%	19.7%	(33.5%)	(12.6%)	(3.1%)	32.4%	21.0%
Russell 2000		14.6%	17.0%	14.2%	25.5%	(30.6%)	(13.0%)	(8.7%)	20.0%	12.5%
Alpha		(8.4%)	(0.2%)	(3.6%)	(5.9%)	(2.9%)	0.4%	5.6%	12.4%	8.4%
CASH										
VBIMP Cash	25.4%									
PORTFOLIO VALUE		**1,119,435.29**	**1,151,035.88**	**1,158,102.49**	**1,201,961.95**	**965,789.94**	**1,158,032.98**	**1,268,054.71**	**1,513,411.03**	**+513,411.03**
DEPLOYED CAPITAL (%)		**56.5%**	**52.7%**	**62.7%**	**64.4%**	**67.5%**	**75.8%**	**72.4%**	**74.6%**	**74.6%**
STOCKS OWNED		**14**	**13**	**15**	**16**	**20**	**22**	**22**	**20**	**20**

1 As at December 31, 2020
[2] VBIMP Benchmark consists of 50% S&P TSX Small Cap and 50% Russell 2000
[3] Returns based on invested capital during portfolio ramp-up period

TABLE 5: VBIMP PORTFOLIO HOLDINGS AND RETURNS AS OF DECEMBER 31, 2020

	PORTFOLIO WEIGHT	AVERAGE COST	PRICE	AVERAGE EXIT PRICE	% RETURN*
Cash	25.4%				
XPEL, Inc.	5.7%	$18.06	$51.56		185.1%
TECSYS Inc.	4.4%	$12.59	$49.82		175.0%
Enghouse Systems Limited	0.0%	$26.06	$61.65	$54.78	114.7%
MYR Group Inc.	3.8%	$28.85	$60.10		108.3%
Five Below, Inc.	5.4%	$72.07	$174.98		98.5%
Calian Group Ltd.	3.4%	$33.00	$66.16		79.1%
Omnicell, Inc.	0.0%	$68.01	$120.02	$118.79	74.7%
Tetra Tech, Inc.	0.0%	$71.36	$115.78	$116.08	63.4%
Wabash National Corporation	3.2%	$10.93	$17.23		59.6%
Altus Group Limited	2.8%	$29.04	$49.14		59.3%
Sleep Country Canada Holdings Inc	4.8%	$18.66	$26.47		43.5%
Comfort Systems USA, Inc.	2.9%	$36.96	$52.66		42.5%
Aritzia, Inc.	5.1%	$18.31	$25.79		40.8%
Waterloo Brewing Ltd.	5.4%	$4.08	$5.40		37.3%
Savaria Corporation	2.9%	$11.71	$14.46		33.1%
Qualys, Inc.	1.9%	$97.81	$121.87		24.6%
RE/MAX Holdings, Inc.	3.6%	$30.09	$36.33		23.8%
MAXIMUS, Inc.	1.2%	$65.06	$73.19		12.9%
Richelieu Hardware Ltd	0.0%	$30.17	$33.04	$33.16	11.8%
LCI Industries	1.4%	$127.78	$129.68		4.0%
Hamilton Thorne Ltd.	3.8%	$1.42	$1.40		(1.3%)
Funko, Inc. Class A	3.5%	$10.77	$10.38		(3.6%)
InterDigital, Inc.	5.0%	$69.89	$60.68		(9.6%)
Magellan Aerospace Corporation	4.4%	$11.22	$8.77		(19.8%)
Hackett Group, Inc.	0.0%	$15.20	$14.39	$11.13	(19.9%)
NFI Group Inc.	0.0%	$31.08	$24.09	$15.37	(43.7%)
Recipe Unlimited Corporation	0.0%	$22.55	$16.75	$8.29	(58.9%)

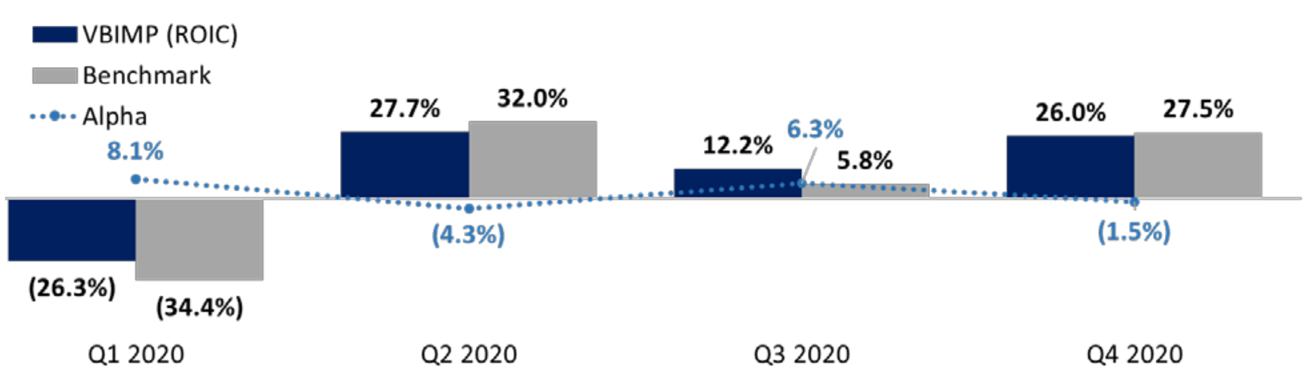
** Absolute returns are ITD and account for capital gains (losses), realized gains (losses), and accumulated dividends*
Values and returns in local currencies
Weights based on total portfolio value, which includes cash

QUARTERLY PERFORMANCE

Over the course of 2020, the VBIMP portfolio outperformed the composite benchmark in Q1 and Q3 by 8.1%, and 6.3%, respectively. It underperformed by -4.3% and -1.5% in Q2 & Q4, respectively (**Figure 4**). Overall, the portfolio returned 32.9% in 2020 based on invested capital with an excess return of 16.2% when compared to the 16.7% return of the composite benchmark.

Since inception, the portfolio has outperformed its benchmark of 50/50 Russell 2000/S&P TSX Small Cap composite index ten out of sixteen full quarters. In 2020, quarterly outperformance averaged 7.2%, while underperformance averaged -2.9%. Since 2017, the portfolio's quarterly outperformance has averaged 6.5%, versus a -2.5% quarterly underperformance.

FIGURE 4: QUARTERLY RETURNS (2020)



Q1 2020

The first quarter of 2020 was one of the most volatile and dramatic quarters seen in history regarding both markets and society at large. COVID-19 had spread quickly across the globe, triggering drastic measures from national governments to lock down citizens, with businesses both large and small shutting their doors. Nearly 17 million people filed for unemployment in the U.S. alone within the first three weeks. Mass unemployment at this scale prompted unprecedented stimulus from both the government and the federal reserve to provide liquidity to businesses, families, and financial markets when they needed it most. At the time, we had no visibility into how the rest of the pandemic-related downturn would play out. Consequently, we focused only on what we could control at the time. This meant allocating capital to high-quality companies led by competent management that guided intelligently and had sufficient liquidity to survive this tumultuous period.

In the first two stable months of the quarter, we initiated new positions in companies like Magellan Aerospace, Aritzia, and Funko. We trimmed positions in various technology positions we felt were overvalued, having approached our 5-year target prices, such as Enghouse Systems and Tecsys Inc. When the market began to turn, we did not know how far it would fall or how long it would last. In response, we performed a liquidity analysis on all our invested and shortlisted names to make informed investment allocation decisions. The liquidity analysis showed us, on a ranking basis, which companies faced solvency and liquidity risks on metrics such as the net debt/EBITDA, current and quick ratios, debt-to-capital, and cash conversion cycle. In addition, we calculated the cash burn rate for each of our most vulnerable positions. This exercise gave us further insight into the financial health of the businesses we owned. To conduct a more holistic, qualitative analysis, we split our portfolio into high, medium, and low conviction buckets. Our high conviction names had sufficient liquidity, prepared management teams, and would benefit from an inevitable upcycle. On the contrary, our low conviction names had higher debt levels, more uncertain cash flows, and a higher likelihood of being affected by the pandemic over the long term. An excellent example of a low conviction business for us was Recipe Unlimited, which we divested from and discontinued coverage. A few companies in our high conviction bucket that we increased positions in include Savaria, Aritzia, and Five Below. By the end of the quarter, we had outperformed our benchmark on invested capital by +8.1% (**Figure 4**) and total AUM by +14.7%, as we still had 32.5% in cash (**Table 2** and **Figure 1**).

Q2 2020

The second quarter of 2020 commenced with a dramatic rebound off the late March market lows on the heels of unprecedented fiscal stimulus, Fed liquidity, and optimism around the general promise of reopening the economy. Some of the most beaten-down sectors in the first quarter were the ones that led the way on the rebound up. To put things in perspective, the S&P 500 (+20.5%) and the S&P MidCap 400 (+24.1%) posted their highest quarterly returns since 1998, while the S&P SmallCap 600 (+21.9%) recorded its largest-ever quarterly gain. This was following one of the worst quarters in market history. Our benchmarks in the second quarter, which are heavily weighted towards materials, real estate, financials, and health care, were led by many energy and gold companies as well as those that promote healthy living, remote learning, and technology disruption. In Q2, our combined benchmark recorded a substantial gain of +32.0%, recovering much, but not all, of the -34.4% decline in Q1. During this time, most of our activities in the quarter consisted of rebalancing the portfolio as we obtained greater visibility into which companies we believed would likely come out as winners and losers of the anticipated K-shaped recovery. Over the next three months, we deployed capital into companies we felt were positively exposed to the economic recovery. In doing so, we reduced our cash balance from 32.5% at the end of Q1 to 24.2% at the end of Q2 (**Table 2** and **Figure 1**). We revised our longer-term stances, suppressing the market noise over the last two quarters and maintaining positions in higher conviction names that would consistently outperform in a new, normal market environment. Our best quarterly performer was LCI Industries (+73.1%), which benefitted from the lack of air travel and traditional vacations, leading to strong recreational demand and new tailwinds in the RV market. Enghouse Systems followed closely as demand for its video conferencing services, Vidyo, saw dramatic increases propelling the stock to gain 67%. We added to Sleep Country Canada, which had a clean balance sheet and performed well as a COVID beneficiary on the home improvement trend. Comfort Systems, Hackett Group, and Omnicell showed relatively weak performance, up 11.9%, 7.8%, and 7.7%, respectively, relative to the market-wide recovery as they missed earnings expectations and faced short-term headwinds. By the end of the quarter, we had underperformed our benchmark on invested capital by -4.3% (**Figure 4**).

Q3 2020

The market in the third quarter of 2020 followed two distinct phases. From the beginning of July to mid-August, the market traded up in hopes of economic stimulus and a gradual reopening. From mid-August to the end of September, the reality of the economic situation and fears of a second coronavirus wave set in, along with a pullback in tech names. Subsequently, North American equity markets stalled. Global and North American virus cases accelerated, which would lead to pernicious consequences should they not be tamed. Much was unknown going into the US election, which had been highly contentious and dominated the headlines. Due to these developments, markets had been trading more cautiously, even quickly entering correction territory in the first few weeks of September due to many big tech players selling off.

During this time, many of our stocks proved to be COVID-resilient. Some saw their business take off like never before because of this new way of life. 95% of our invested stocks beat revenue estimates in Q3 and 72% beat estimates on the adjusted bottom line. We made timely trims of positions that had advanced further than we expected in the market upswing, such as LCI Industries and Comfort Systems USA. We also wholly sold our stake in NFI Group and Hackett Group. For NFI Group, the company, especially its manufacturing segment, was hammered hard by the pandemic and now faced a very high debt burden to service with impaired free cash flows, restricting the growth opportunities moving forward. For Hackett Group, the company did not perform as we had anticipated when secular tailwinds should have supported the company. We lost confidence in the business as many operating and efficiency metrics had weakened over time. This left us with only our highest conviction names as we continued to optimize the portfolio. XPEL quickly became one of the heaviest weights in the portfolio after advancing 67% in the quarter due to strong earnings and end-market demand in China and Continental Europe. The company had begun firing on all cylinders and reinitiated its M&A programs. It outperformed the S&P Automobiles and Components index by 52.4%. Waterloo Brewing was another big winner after posting sales growth of +44% YoY in the quarter. The stock constituted 5.7% of our portfolio (**Table 2**) and heavily contributed to our outperformance, given its 31% rise. We continued to monitor the global economic situation regularly but were pleasantly surprised by the companies we chose to invest in whose business models and management team shined during this especially volatile year. By the end of the quarter, we had outperformed our benchmark on invested capital by +6.3% (**Figure 4**).

Q4 2020

In the beginning of the fourth quarter to the end of October, the market ended mostly flat due to U.S. election fears. Investors trimmed positions to avoid volatility from election uncertainty. Additionally, virus cases, especially in the U.S., were again accelerating at an incredibly alarming rate, higher than we had seen since the beginning of the pandemic. This increased uncertainty regarding the re-opening of the economy, which had again been prolonged. The retail market continued to experience a reduction in foot traffic and a significant increase in e-commerce sales; many businesses revamped their digital platforms to adapt to consumer trends. Tech stocks rallied with a Q4 performance of 35.7% in the Russell 2000. The second half of the quarter was introduced by the victory of Democrats in the U.S. presidential elections. Small-cap stocks saw a tremendous increase in returns as many small businesses received fiscal stimulus. COVID-19 vaccination also began rolling out, which helped investor sentiment across markets for a global recovery. The Russell 2000 saw an impressive rally of 29.0% during Q4 due to a shift in value stocks alongside tech stocks continuing their run in hopes of a bounce back.

During Q4, many of our holdings outperformed, significantly beating estimates, while only five of our holdings experienced negative returns in the quarter. We made a total of 17 trades during the quarter to re-balance the portfolio and ensure that weights reflected the conviction we had in each stock, formed by evaluating the upside potential relative to downside risk. We increased concentration in our high-conviction ideas such as Magellan Aerospace and Qualys while initiating on Hamilton Thorne and Maximus. Valuations became more expensive over the quarter, limiting the possible upside indicated by our models, which led us to take profits on holdings that had a great run, such as Five Below, XPEL, Richelieu Hardware, and Waterloo Brewing. We also decided to exit our positions in holdings with weights close to 1% of the portfolio as we did not see them as being significantly large enough to move the needle. For a portfolio of 20 to 30 stocks, if a stock's weight only makes up ~1% of the portfolio, it is likely not a high conviction idea and may entail higher downside risk than we should be comfortable bearing. A good example from this quarter is the exit of our position in Tetra Tech, which had minimal upside remaining. We also exited from Enghouse Systems as the company completed only one acquisition in this quarter. Although management noted high valuations as the reason for the slowdown in M&A, we felt that they were being perhaps too conservative and missing out on M&A opportunities. The stock fell 15.1% in the quarter as investors anxiously awaited more M&A. Despite our profit-taking, new additions the portfolio, and re-balancing, we underperformed our benchmark on invested capital by -1.5% during the quarter (**Figure 4**). We ended the year with 25.4% cash in the portfolio (**Table 2** and **Figure 1**).

INVESTMENT DETAILS

Since the VBIMP Portfolio's inception, the program has placed 104 trades, investing in 31 different companies (17 headquartered in the U.S. and 14 in Canada) and exiting 11 investments.

In Q4 2016, the VBIMP team invested in 3 companies: TECSYS, Savaria, and Superior Group of Companies, deploying 5.8% of fund capital. By December 31, 2017, the team had deployed 41.6% of total fund capital, placing 13 trades and adding 7 new companies (total of 10 holdings). The program added Enghouse Systems, Richelieu Hardware, Comfort Systems, Altus Group, Recipe Unlimited, Calian, and The Hackett Group.

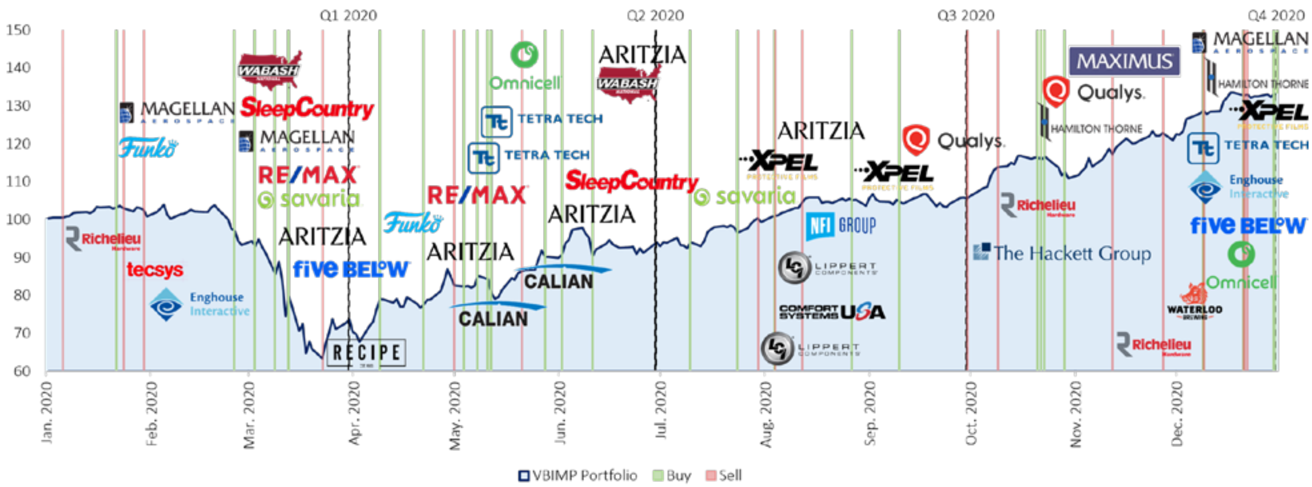
In 2018, the VBIMP team had deployed 62.0% of total fund value, placing 18 trades, adding 8 new companies, and exiting two investments (total of 16 holdings). The program added Tucows, Brick Brewing, LCI Industries, Omnicell, Five Below, InterDigital, Control4, and Stamps.com, and exited Savaria and Superior Group of Companies.

In 2019, the VBIMP team had deployed 64.4% of the total fund value, placing 15 trades, adding 4 new companies, and exiting four investments (total of 16 holdings). The program added NFI Group Inc., MYR Group Inc., Sleep Country Canada Holdings Inc., and RE/MAX Holdings Inc., and exited Omnicell Inc., Stamps.com Inc., Tucows Inc., and Control4 Corporation.

In 2020, the VBIMP team had deployed 74.6% of the total fund value, placing 54 trades, adding 10 new companies (7 newly initiated in the year), and exiting 7 investments (total of 20 holdings). The program added Magellan Aerospace, Funko, Wabash National Corporation, Aritzia, Tetra Tech, Omnicell, XPEL, Qualys Hamilton Thorne, and Maximus, and exited Recipe Unlimited, NFI Group, The Hackett Group, Richelieu

Hardware, Omnicell, Enghouse Systems, and Tetra Tech. **Figure 5** provides an illustrative summary of the VBIMP Portfolio buy and sell decisions in 2020.

FIGURE 5: TRADE SUMMARY (2020)



ARITZIA INC. (TSX:ATZ)

COMPANY OVERVIEW

Aritzia, Inc. designs, develops, and sells women's apparel in the 'Everyday Luxury' niche, providing exceptionally high-quality products at attainable prices through its vertically integrated 18 in-house brands. It sells its products exclusively through its 101 boutiques – 68 in Canada and 33 in the United States – and its e-commerce platform.

FIGURE 6: ARITZIA INC. TRADE SUMMARY

(1) MoiC refers to the multiple on invested capital. It is calculated as the average selling price over the average buying price, inclusive of trading fees. As at December 31, 2020, a MoiC of greater than 1 indicates profit, whereas a MoiC of less than 1 indicates a loss. If we maintained a position in the stock at the end of the calendar year on December 31, 2020, the average selling price assumes all remaining shares are liquidated as at the closing price on that date.

(2) IRR refers to the internal rate of return, or annualized return, of the investment since its inception. It takes into consideration the time interval of capital deployed and realized, time value of money, and effect of compounding.

INVESTMENT THESIS

- **Excellent Management:** The CEO, Brian Hill, has been at the helm for 34 years with a robust and distinct long-term vision for Aritzia. Similarly, Jenifer Wong, the COO since 2007, has overseen Aritzia's strategic initiatives, including the build-out of its e-commerce platform and U.S. expansion. Management's experience and vision, always looking 5 to 10 years ahead when making decisions, has led the company to realize the success it has had thus far.

- **Compelling Ability to Generate Durable Brand Affinity, Recognition, and Loyalty:** Aritzia is remarkably skilled at inspiring brand affinity within its customers. It drives brand awareness through its beautiful boutiques and luxury in-store experiences, where the company meticulously customizes every aspect of the customers' shopping experience. Its elegant boutique aesthetics, immersive music and artwork, and customer-focused sales team bolster customer loyalty. Aritzia also uses social media influencers and other digital marketing tools to connect with customers and drive brand affinity.

CATALYSTS

- **U.S. Expansion**: Aritzia has identified 100 prime locations in the U.S where it sees potential for expansion in the next decade. The company strategically opens its boutiques in downtown cores and high traffic locations in major cities across North America while enabling its e-commerce platform to pick up peripheral sales from surrounding suburbs and towns. So far, Aritzia has opened 33 stores in the U.S, leaving it a long runway for growth in this geographic market.

- **New Infrastructure and Product Depth to Deliver an Improved Customer Experience**: Aritzia has been investing in new initiatives to provide a more customized customer experience. For example, the company's new Concierge platform enables sales associates to see customers' past purchases, including preferred brands, sizes, and styles, to allow for more personalized recommendations. Aritzia is also expanding the breadth and depth of its product lines while simultaneously investing in new product categories. The company aims to double its product selection by 2025.

INVESTMENT RISKS

- **Management Voting Power**: Aritzia's CEO, Brian Hill, controls ~75% of the company's voting power through stock ownership. Although it can be worrisome for one member of management to exert this degree of unusually high voting power, we remain mindful that the company is where it is today due to the actions undertaken by Mr. Hill. Furthermore, high ownership keeps Mr. Hill's incentives strongly aligned with growing the business. Should he ever exit his position in Aritzia, his voting power would be redistributed over the subordinate voting shares.

- **Trends in Fashion**: Falling behind rapidly changing fashion trends is always a risk for a company operating in the fashion industry. However, Aritzia is well positioned to mitigate this risk as it has a diverse portfolio of brands, each having teams making strategic decisions. Furthermore, Aritzia's strategy to purchase inventory in small quantities for initial launches and repurchase only those best-selling allows the company to be agile and quickly shift its product to match customer demand.

VBIMP COMMENTARY

We initiated a position in Aritzia on March 9th, 2020. As the pandemic-driven stock market crash had commenced, we carried out a liquidity analysis for every holding – especially paying attention to retailers whose stores would be closed for the unforeseeable future. At the time, Aritzia had enough cash on the balance sheet to cover twice its current lease liabilities, a $100M unused revolver, and long-term debt due in May 2022. We firmly believed Aritzia was in a solid position to endure the effects of store closures and adapt using its e-commerce platform.

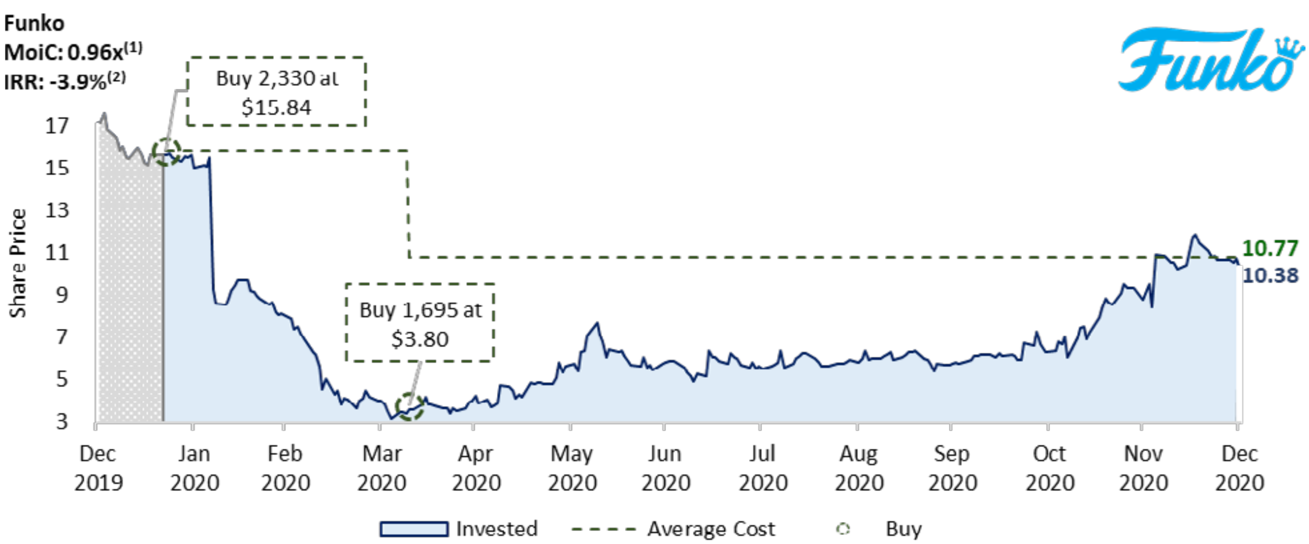
Around this time, Aritzia's inventory decreased 16.2% compared to the same time period last year as management took swift actions to calibrate existing inventory by initially purchasing a lower quantity for the Spring and Summer collections. Management continued to have a robust long-term outlook for the business. They made contingency plans for every possible event, including lockdowns lasting 3, 6, and 12 months. We added to our position on April 22nd, 2020, as our confidence in Aritzia's resiliency grew stronger while its stock price remained undervalued. Despite the closures and uncertain landscape, Aritzia remained on track to open 6-7 new boutiques – a goal they successfully met after taking advantage of favourable lease terms – all without external funding. We added to our position again on May 28th, June 11th, and August 4th, 2020, slowly averaging down our cost base. By the end of August, stores were running at 70% of last year's productivity levels, a steady increase from 55% the prior quarter. We remain optimistic about the future of Aritzia and continue to believe firmly in management's ability to meet its long-term goals.

FUNKO, INC. (NASDAQ:FNKO)

COMPANY OVERVIEW

Funko produces pop culture consumer products through licensing deals with various major content providers. The company primarily sells figurines under its flagship brands, such as Pop!, Loungefly, and Snapsies, to specialty retailers, mass-market retailers, e-commerce sites, and distributors. It is built on the principle that everyone is a fan of something.

FIGURE 7: FUNKO INC. TRADE SUMMARY



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(2) IRR refers to the internal rate of return, or annualized return, of the investment since its inception. It takes into consideration the time interval of capital deployed and realized, time value of money, and effect of compounding.

INVESTMENT THESIS

- **Pop Trend Monetizers**: Funko's management team has positioned the company as a leader in pop culture monetization. The company's business model enables rapid commercialization of new products, taking from 70 to 110 days to capitalize on pop culture trends. Licensors see Funko as their go-to toymaker given its quick-to-market strategy and deep knowledge of consumer tastes. Management has increased its slates of properties in the past three years and should continue to do so in the foreseeable future.

- **Untapped International Market**: Funko's growth has primarily come from its domestic market; the company has yet to fully deploy internationally. Recently, its geographical mix has been shifting towards international markets, namely Europe, Latin America, and Asia. While Asia remains a smaller portion of international revenue, we believe it to be the most significant opportunity for Funko, given that countries like Japan, South Korea, and China have a culture deeply rooted in comics, anime, video games, and over-sized head figurines.

- **Product Diversification**: Funko has been channelling its efforts in diversifying its revenue streams. It started to invest heavily in new IP that should impact the company's sales mix in 2021. These diversification efforts include new games, movie production, plushies, and other toys that are not directly related to Pop! Figures. These diversification efforts should create additional stability to Funko's top line in the long run.

CATALYSTS

- **Sleeper Hits**: While the 2020 Marvel and Movie slates seem weak, there are always sleeper hits every year. The recent release of *The Mandalorian* TV show has demonstrated that Funko can capitalize quickly on sleeper hits that are not expected by the market. We anticipate other sleeper hits to happen throughout 2020, both in the movie and gaming industry.

- **Pokémon**: Pokémon is one of the most beloved franchises in the world. Given Funko's focus on growing its international markets, the combination of Pokémon figurines, which had limited impact on 2019's revenues due to their limited releases, should accelerate international growth in 2020.

INVESTMENT RISKS

- **Pop! Brand Reliance**: Figures represent 79% of sales. Management's ability to monetize licenses that have been out for decades helps reduce this risk. These are called "Evergreen" products, a series of brands not tied to new or current releases, like Harry Potter, Star Wars, and Marvel Comics. These brands have a fiercely loyal customer base and will provide lasting demand for the company's products.

- **Intellectual Property Issues in China and International Markets**: Funko currently holds 39 U.S trademarks and 124 international trademarks for the products it markets. Its simple product designs make it a target for counterfeit products. Funko's collectibles status mitigates this risk.

- **Retail Channel Visibility**: In 2019, management decided to phase out retail data reporting, citing inadequate sampling (only a third of retailers provided data). The lack of visibility in retail channel data creates two issues. First, it is worrisome to know Funko cannot properly assess the demand for their products through sell-through data from retailers. Secondly, it creates additional risks for investors who are unable to determine the evolution of the demand for its products.

VBIMP COMMENTARY

The beginning of 2020 proved to be challenging for Funko. Q4 2019 sales reported in February 2020 fell 8% QoQ due to a weak holiday season for Funko's retail partners, underperformance in tentpole properties, and the difficulty to outperform Q4 2018 with Fortnite being a significant driver. To exacerbate the situation, the introduction of the coronavirus pandemic obscured Funko's short-term outlook, creating headwinds for the company's supply chain and future growth prospects. As a consequence of this new uncertainty, the stock plummeted to just above $3.

In response, management announced plans to lay off 25% of the workforce, with the majority of the workforce reduction to occur by the end of the second quarter of 2020, to reduce costs and preserve liquidity in response to the uncertainty of the COVID-19 pandemic. Furthermore, the company used COVID-19 to push various initiatives outlined in our investment thesis (product diversification, reduced dependence on hit content, and D2C).

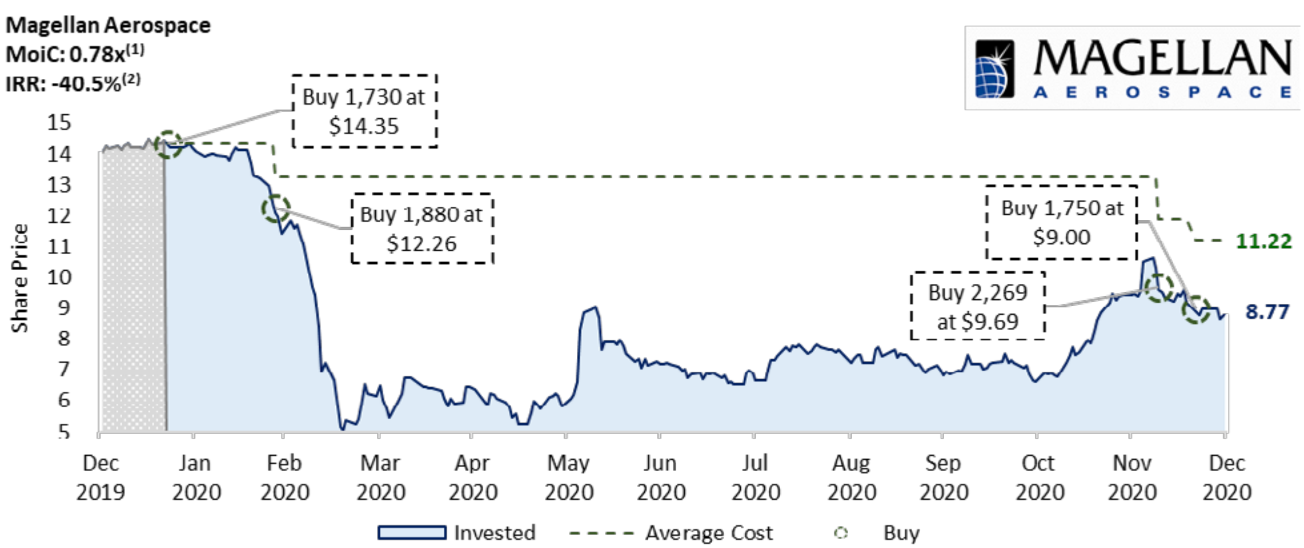
We believed a strong disconnect existed between Funko's long-term outlook and the current stock price. The market was punishing Funko in the short-term when the company took all the proper steps to respond to the crisis, notably restructuring to emerge a more efficient company. As such, we increased our position in Funko by buying shares at $3.72 on April 9th. We averaged down our cost basis from $15.76 on January 22nd to $10.69.

MAGELLAN AEROSPACE CORPORATION (TSX:MAL)

COMPANY OVERVIEW

Magellan Aerospace is a diversified manufacturer of aerospace components and other related services in the commercial and military aircraft markets. The company supplies major commercial and military aircraft platforms, such as the B737, B787, A320, A340, A350 and military programs such as the F-35, F-18, and F-22.

FIGURE 8: MAGELLAN AEROSPACE CORPORATION TRADE SUMMARY



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INVESTMENT THESIS

- **Steady-Growing Business Supporting Most Major Aircraft Platforms**: Magellan supports virtually all primary aircraft platforms for both Boeing and Airbus. Both OEMs have record backlogs of aircraft orders providing strong revenue visibility for years to come. Magellan will fully participate in the growing production rates of narrow-body aircraft (B737 and A320 especially) and F-35 Joint Strike Fighter programs. The company has revenue visibility through the next several years, which is supported by its participation in military programs that have well-defined production plans over a multi-year time frame and for which Magellan has secured long-term contracts.

- **Excellent Operators and Streamlining Operations through MOS**: MOS is the Magellan Operating System program. This coordinated operational improvement program contributed to gross margin expansion from a low of 8.9% in 2006 to a high of 18.1% in 2017. Over that same period, Magellan has also dramatically improved its inventory turnover by more than twofold.

- **Upside from Further M&A**: Over the last 20 years, Magellan has acquired 11 companies. The company's track record of effective M&A will help it continue to build relationships with OEMs and diversify operations. Magellan has a good track record of acquisitions which have helped drive years of top- and bottom-line growth. The underleveraged balance sheet (0.4x net debt/LTM EBITDA) with access to capital will allow Magellan to use M&A to improve its share of the aircraft bill of materials.

CATALYSTS

- **Being 737 Max Return to Service**: Ongoing uncertainties concerning the Boeing 737 MAX have created some downward pressure on commercial aircraft players. We believed the reinstatement of its flying status would help relieve some of the overhang on these businesses. Furthermore, OEMs are switching production away from larger planes to new, more fuel-efficient aircrafts, which takes time and investment.

- **F-35 JSF Program**: A longer-term catalyst is the significant ramp-up of the F-35 program. The program is currently at the low-rate initial production (LRIP) level, with a plan to deliver 140 aircrafts in 2020, from 53 in 2016. With the current order expectations of 3,100 aircrafts, the steady-state production target by 2021 is expected to be 160 per year, a 75% increase from today's levels.

INVESTMENT RISKS

- **Customer Concentration**: Airbus and Boeing are Magellan's two largest customers. Together, they accounted for ~40% of total revenue in 2018. Losing either of these customers could have a material impact on Magellan's business. We believe Magellan mitigates this risk by being a value-added partner to the OEMs, taking on more risk during each platform's development and production phases. Magellan is also taking on more responsibility and developing its product portfolio with each of the OEMs, which increases their customers' switching costs.

- **Canadian Participation in the JSF Program**: Canada is a Level-3 participant in the F-35 program. While Canada has not made any formal commitment to purchase these aircrafts, withdrawing as a Level-3 participant would disallow Magellan from supplying components for the aircraft. A scenario we view as unlikely, removing Canada's participation from the JSF program could severely damage the Canadian-based industrial suppliers to the program and deal a heavy blow to Canada's storied aviation history.

- **Low Liquidity and Float**: The current chairman of the board of directors, Norman Murray Edwards, owns ~74% of Magellan's shares outstanding. This leaves very little share float available to invest in, resulting in low trading liquidity. We are aware of the potential implications, such as lousy perception of corporate governance, no share buybacks, and no stock-based compensation for management. This may also keep away institutional investors who have restrictions on owning more than a certain percentage of float. A reduction in ownership by Mr. Edwards will likely reduce the overhang and help lift the share price.

VBIMP COMMENTARY

We initiated our first position in Magellan on January 22nd based on a very attractive valuation and 5-year upside. The company was well-positioned to participate in the long-term expansion cycle of the aircraft market with reduced risk of excessive exposure to any one platform. The significant production ramp of critical platforms and the return to service of the Boeing 737 Max are both positive catalysts that will materially contribute to top and bottom-line growth, driving a rerating for Magellan's valuation. On February 26th, the stock became cheap, and we added to our position to average down our cost base. While our catalysts were taking longer to materialize than anticipated, the long-term growth story was still intact.

As we progressed through the year, Magellan was severely impacted by the coronavirus pandemic. The company was confronted with the cancellation of the A380, suspension in production of the 737 MAX, lower than planned ramp on A320 and A350, and reduction in A330 wide-body demand. Given the grandeur of the uncertainty on the business, we decided to wait prudently on the sidelines until we received greater visibility into the future.

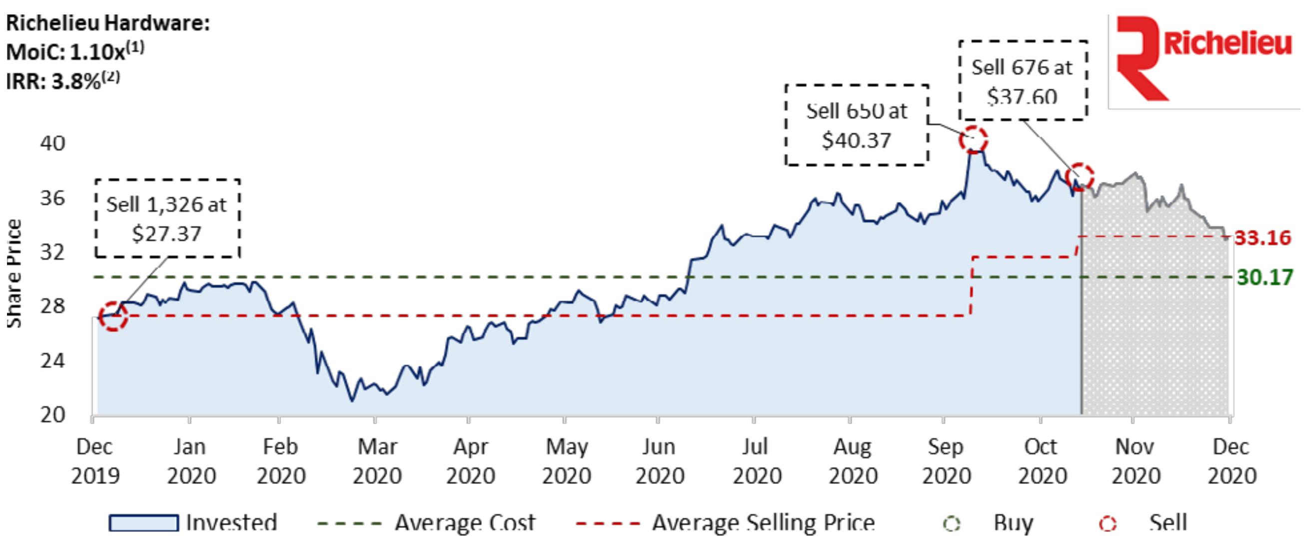
On December 9th, we averaged down our cost base in Magellan again. Commercial and business travel was down dramatically, but passenger traffic volumes were expected to rebound in 2021. Due to travel bans, there would be pent-up demand for travelling once COVID-19 vaccines proved effective and borders reopened. Despite the headwinds, Magellan weathered the storm exceptionally well, ending Q3 with breakeven profits from restructuring and cost-cutting measures. Moreover, the company improved its liquidity position since pre-pandemic levels. After updating our model assumptions to account for the decrease in build rates and a comeback of the airline industry, Magellan traded at attractive levels. On December 21st, we averaged down one last time after a new strain of the coronavirus was announced, putting pressure on the stock price. Despite the news, we believed Magellan was well-positioned for an eventual recovery of the aerospace industry given its strong balance sheet and exposure to government contracts.

RICHELIEU HARDWARE LTD. (TSX:RCH)

COMPANY OVERVIEW

Richelieu Hardware Ltd. is a leading North American importer, distributor, and manufacturer of specialty hardware. Its products are targeted to an extensive customer base of kitchen and bathroom cabinet, storage and closet, home furnishing and office furniture manufacturers, residential and commercial woodworkers, and hardware retailers, including renovation superstores. The company's product selection consists of over 130,000 different items targeting a 90,000+ customer base served by 84 centers across North America (41 distribution centers in Canada, 41 distribution centers in the U.S., and two manufacturing plants in Canada).

FIGURE 9: RICHELIEU HARDWARE LTD. TRADE SUMMARY



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INVESTMENT THESIS

Our investment thesis for Richelieu Hardware Ltd. was formed by a combination of a successful growth strategy track record and significant leading competitive position within the Canadian and U.S. specialty hardware markets.

- **M&A Growth Engine**: The market position now occupied by Richelieu Hardware is mainly due to the company's aggressive acquisition program undertaken since 1987. The company has been capitalizing on the fragmented nature of the specialty hardware industry, taking incremental market share. The industry is mainly composed of many regional distributors offering a limited range of products, with few well-established competitors providing a more comprehensive array of products. By acquiring regional distributors, Richelieu Hardware expands the breadth of its product assortment, diversifies its distribution activities geographically and in its markets, reaches a broader customer base, gains access to new sources of supply from leading manufacturers, and consolidates its supplier purchasing power. The company has completed over 70 strategic acquisitions at a total cost of over $305M. In the 2020 fiscal year, Richelieu Hardware grew revenues by 8.4% relative to the previous fiscal year, with acquisitions making up over 90% of that growth (7.6%).

- **Outstanding Management with a Proven Track Record**: The CEO, Richard Lord, has been leading the company for over 30 years, from $35M in sales to over $1,100M, while overseeing over 70 acquisitions and successfully entering the United States. Mr. Lord is supported by CFO Antoine Auclair, who has an excellent track record in his previous role as Vice President and Controller at CAE.

With a strong management team and aligned employees whom 50% are shareholders, Richelieu Hardware has continuously executed on its growth strategies.

- **Wide Range of Exclusive Products in a Niche Market Segment**: Richelieu Hardware differentiates itself from the competition through its vast exclusive product offering with over 130,000 SKUs and 90,000 customers. The products range from low-end standard products to high-end LEED and Eco-certified parts. The company benefits from such a MOAT as 60% of its SKUs are exclusive with a wide pricing range. While competitors can find comparable products individually, attempting to copy Richelieu Hardware's product offering would be very difficult due to the nature of the niche customers the company services. With customers averaging less than $10,000 in annual purchases, it would be unprofitable for a new market entrant to stock the SKUs and spend the capital resources required to win over the smaller scale of customers.

CATALYSTS

- **Strong Home Improvement Trend**: The COVID-19 pandemic sparked a massive home improvement trend that led to a notable spike in sales for specialty hardware products. As consumers were forced to stay at home due to lockdown restrictions, they started renovating their properties, which significantly benefited Richelieu Hardware. This was particularly apparent in Q3 of 2020 when Richelieu Hardware posted 40.7% organic growth from their renovation superstores market segment, totalling a 7% organic growth in sales compared to Q3 of 2019. Richelieu Hardware continued to benefit from this trend as the Canadian and U.S. markets experienced prolonged lockdowns.

- **Continued Expansion in the U.S. through Acquisitions and Opening of New Distribution Centers**: Richelieu Hardware's focus continues to be towards penetrating the U.S. market via its M&A strategy. As the U.S. market holds certain untapped regions, for instance, the southern and western states, Richelieu Hardware will continue to make accretive acquisitions and increase its market share in the United States.

INVESTMENT RISKS

- **Key Man Risk**: CEO Richard Lord has been at the helm for almost three decades and is now 67 years old. He has been the driving force behind Richelieu Hardware's prosperous growth over the last 30 years. Given his tenure and stellar performance over the years, Richelieu Hardware has never had to go through a succession. This could present a significant risk to the company if Richard were to abruptly leave the company. However, we believe Autoine Auclair, the current CFO, could seamlessly take over the role of CEO as he has been working very closely with Richard Lord over the last ten years.

VBIMP COMMENTARY

We pitched Richelieu Hardware to our Investment Committee in Q2 2017. Throughout 2020, we closely monitored the company's business and stock performance. Once the pandemic hit global markets and the stock price fell to a yearly low of $21 per share, we were hesitant to increase our exposure in the company as demand from hardware retailers would dry up due to the adverse effects of the pandemic. Add the cyclical nature of the industry into the equation, and the downside risk exceeded the potential upside, even at this new low price. With limited visibility during highly uncertain times, we decided to remain patient and shift our focus towards higher conviction ideas.

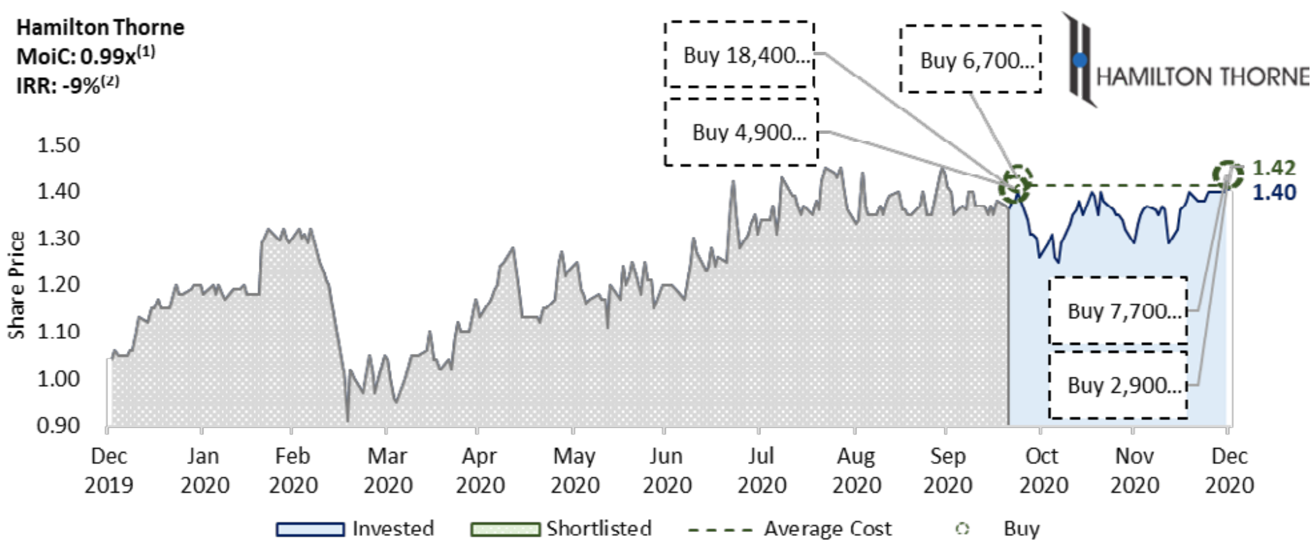
Following the April low, Richelieu Hardware saw an impressive stock price uplift over the year from the home improvement trend as individuals started renovating their homes during the lockdowns. Our catalyst had materialized and the M&A landscape was becoming expensive as the market continued to rally, limiting accretive inorganic growth opportunities for Richelieu Hardware. Nevertheless, we remained patient as our valuation indicated additional upside. As Richelieu Hardware approached our 5-year price target near the end of the year at roughly $40 per share, we trimmed our position on October 9th, subsequently exiting our remaining position on November 11th. With very limited upside remaining and significantly higher downside risk given the stock price run-up, we believed it was appropriate to take our profits and move our focus towards new opportunities.

HAMILTON THORNE LTD. (CVE:HTL)

COMPANY OVERVIEW

Hamilton Thorne provides laboratory equipment, consumables, services, and software products for the in-vitro fertilization ("IVF") market, part of the global assisted reproductive technology ("ART") industry. The company was founded in 1997 and operates in 75 countries with large sales and manufacturing operations in the US, Germany, and the UK. It primarily serves fertility clinics, labs, and hospitals.

FIGURE 10: HAMILTON THORNE LTD. TRADE SUMMARY



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INVESTMENT THESIS

- **Structurally Growing Industry with Favourable Dynamics**: Fertility rates are below population replacement levels in most Western countries. 119 out of 224 countries and regions worldwide have a total fertility rate below the population replacement rate of 2.1 births per woman. The ESHRE estimates that the global need for IVF is 4-5x greater than current treatment available. As such, the ART industry is poised to grow double digits for the foreseeable future. The highly fragmented nature of the industry allows Hamilton Thorne to grow through tuck-in acquisitions. The company also benefits from high barriers to entry due to a highly regulated market and years of R&D investments.

- **Highly Recurring Business Model**: In 2019, Hamilton Thorne's recurring revenues accounted for 55% of total sales. This is attributable to the company's focus on growing the consumable & software business, which accounts for the majority of a clinic's expenses. Consumables, software, and services account for 70% of the industry. By focusing on the recurring part of the business, Hamilton Thorne should reduce earnings volatility, drive customer engagement, and provide additional cross-selling opportunities for its equipment business.

- **One-Stop-Shop Model**: Hamilton Thornes's product offering is integrated across its customers' value chain, which has allowed the company to rapidly deepen customer relationships and, in turn, improve revenue per customer. Hamilton Thorne's positioning in all spheres of the IVF cycle enables the company to cross-sell multiple SKUs and create a recurring revenue stream. This compares favourably to its main competitor, Vitrolife, which primarily sells consumables.

CATALYSTS

- **M&A Pipeline**: Historically, Hamilton Thorne has completed an acquisition each year. The most recent 2019 acquisition of Planer added a profitable portfolio of premium incubation, cryo-preservation, and lab monitoring products and services in addition to a direct sales and support platform for Hamilton Thorne's entire product portfolio in the UK. Hamilton Thorne plans to complete one acquisition every 12-18 months in an effort to consolidate the industry and dominate in its geographical regions of operation. The mid-year equity offering (6.4M shares @$1.10; the stock was at $1.29 at the time), contact with the CEO, David Wolfe, and current M&A timeline give us confidence that an accretive, bolt-on acquisition should be imminently announced.

- **NASDAQ Uplisting**: Currently, Hamilton Thorne's stock is only listed in Canada. The company has stated its intent to uplist on the NASDAQ. This will improve the visibility of the business and attract long-term investors. Additionally, the increased analyst coverage and greater liquidity for Hamilton Thorne will bode well for the stock price.

INVESTMENT RISKS

- **Dilution**: Acquisitions may result in dilution from issuing new equity to fund a portion or total amount of the target company's purchase price, as has been the case in past acquisitions. Equity issuances hurt the stock's long-term per share economics given the increased share count reduces ownership and the claim on earnings. However, Hamilton Thorne is profitable, has healthy liquidity, and has increased its acquisition line of credit from $3 million to $5 million of availability near the end of 2020.

- **M&A Integration Risks**: Given the company's plan to acquire one company every 12-18 months, issues may arise in integrating future acquisitions. Although a short-term problem, this was the case in the 2019 acquisition of Planer in that although the acquisition was accretive to revenue and EBITDA, it created a drag on EPS. We believe this risk is mitigated due to Mr. Wolfe's prudent approach to acquisitions, focusing on slow and steady inorganic growth and only purchasing fairly valued businesses. For example, Mr. Wolfe has routinely refused offers from target companies because they were unwilling to reduce their selling price by 1 or 2x their EBITDA, reducing the risk of overpaying. Furthermore, Hamilton Thorne has an in-house M&A team.

- **Regulatory Risks**: Given the complexity of the IVF procedure, the industry is highly regulated. Regulatory approval must be obtained for all products, and the process can be long and tedious. If a product is rejected, the appeal process can be long and impair the company's innovation. Hamilton Thorne's experience with regulatory bodies should minimize this risk and significantly reduce the risk of product rejection.

VBIMP COMMENTARY

Hamilton Thorne is a fantastic business positioned as a leader in the highly fragmented ART industry with substantial long-term tailwinds. The fragmented nature of the market enables Hamilton Thorne to accelerate its growth through tuck-in acquisitions. CEO David Wolf's reputation in the ART industry also gives the company bargaining power in acquiring businesses on the cheaper side of the spectrum. Its one-stop-shop value proposition helps win and retain customers, resulting in highly recurring revenues, cross-selling, and up-selling opportunities. Moreover, the company's highly differentiated and technologically superior laser products help create a MOAT around the business with high barriers to entry.

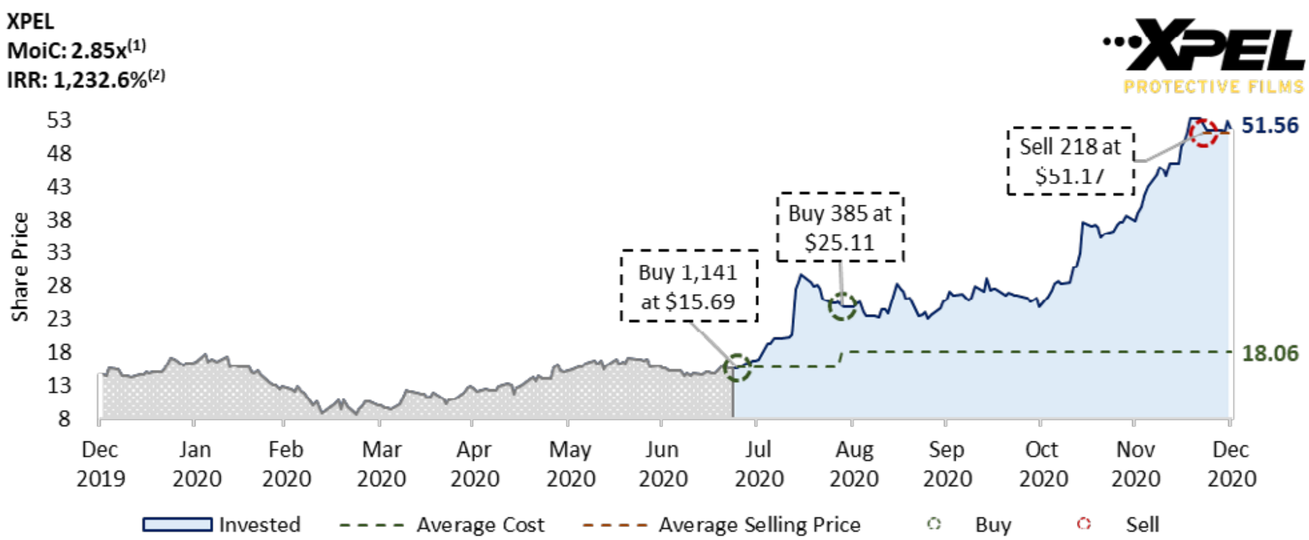
Despite bumpy results due to the coronavirus outbreak, Hamilton Thorne performed better organically than its competitors, namely Vitrolife. HTL's two largest markets, the US and Germany, returned to pre-pandemic levels, and the company has resolved the issues it encountered with the Planer acquisition. The company has been introducing the Gynemed cell media culture consumables in the US and has expanded its sales team in the UK. We initiated a position in the stock on October 21st and 22nd at $1.38, before fees, and further increased our position on December 30th and 31st at $1.41.

XPEL INC. (NASDAQ:XPEL)

COMPANY OVERVIEW

XPEL Inc., founded in 1997 and headquartered in San Antonio, TX, manufactures, sells, and installs aftermarket automotive products, including paint protection films, headlight protection films, window films and other related products. XPEL sells and distributes its products in 65 countries, mainly through independent installers, new car dealerships, international distribution partners, and company-owned installation centers in the United States, the United Kingdom, and Canada.

FIGURE 11: XPEL, INC. TRADE SUMMARY



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(2) IRR refers to the internal rate of return, or annualized return, of the investment since its inception. It takes into consideration the time interval of capital deployed and realized, time value of money, and effect of compounding.

INVESTMENT THESIS

- **The Paint Protection Film (PPF) Market is Still in its Infancy**: It is estimated that North America, the most mature market for PPF, has a penetration rate of PPF in new car sales in the single digits. In markets where road conditions are unfavourable, or the effects of extreme winter weather conditions on the exterior of cars are severe, the penetration rate reaches 30-40% of new car sales. Although each North American market cannot achieve a penetration rate of 30-40%, we believe that it can reach a penetration rate of approximately 15% in the future. A small number of car dealerships, around 10-15%, offer a full range of PPF products but cannot promote them optimally. PPF products help car dealers focus on higher-margin services such as installing PPF and window films, as dealers' margins on new vehicle sales have decreased.

- **XPEL Offers a Best-in-Class Product Offering**: XPEL is well-positioned to be the primary beneficiary of the global PPF tailwind. During our market research, we concluded that one of XPEL's competitive advantages is its brand. XPEL is the only pure player that focuses on investing in product innovation and customer experience. XPEL's two main competitors, Eastman, and 3M, are part of a conglomerate and do not offer a complete solution. Installers prefer XPEL products because of the company's film properties and Design Access Program ("DAP") software. XPEL's proprietary cutting software, DAP, is the world's largest and most comprehensive pattern repository, containing more than 80,000 patterns that improve efficiency, improve installation quality, and reduce film waste. Requiring a monthly subscription, customers using DAP must purchase XPEL films to maintain access to the software. This creates a razor and blades model where the purchase of XPEL films allows customers to access DAP software at a lower price.

- **International Expansion**: XPEL has an excellent opportunity to grow outside of the US and Canada. In recent years, XPEL has made significant investments to expand internationally, currently selling in 65 countries. During a Q&A session with management, the CFO stated that in 2019, XPEL sold 40,000 cars worth of PPF in China, indicating the enormous potential for its second-largest market. Continental Europe and the UK, making up 8.9% of XPEL's 2019 revenues, also represent attractive markets for XPEL due to the vibrant car culture and limited competition. The rest of the world accounted for only 7.3% of XPEL's 2019 revenues. In 2019, the US and Canada accounted for 8.1% of global passenger car sales, according to the OICA. This demonstrates the opportunity for XPEL to strengthen its international presence and establish itself in a broader market.

- **Cross-Sell and Up-Sell Opportunities**: While XPEL's main product is its paint protection film, which accounts for around 73.1% of product revenues, it has expanded into the automotive window film segment in 2016 and into the architectural window film segment in 2018. In 2019, XPEL launched FUSION Ceramic Coating, a line-up of products that complements its PPF offering. By bringing FUSION Ceramic Coating to the market, XPEL has created a new source of recurring revenue because the products protect painted vehicle surfaces from one to two years. In the window film market, XPEL Architecture Window Films are designed to help reduce heat, lower energy costs, and maintain comfort and protection. XPEL's window film segment represented 8.8% of XPEL's 2019 product revenues and grew 55.7% year-over-year. XPEL's other products segment, including the FUSION Ceramic Coating and other miscellaneous products, represented 2.7% of 2019 revenues and increased 27.8% year-over-year.

CATALYSTS

- **Team Penske**: XPEL recently announced a multi-year partnership with Team Penske as the "Official Protective Film Partner of Team Penske." XPEL will be the primary sponsor of No. 1 Dallara/Chevrolet for two IndyCar Series races in 2020. This partnership with Team Penske, one of the most successful teams in motorsport history, represents the first race sponsorship for XPEL. It will help XPEL reach more car enthusiasts, create brand awareness, and increase market penetration in its automotive products.

- **M&A Opportunities**: Management announced in its fourth-quarter call that the pursuit of M&A opportunities had temporarily halted as XPEL had shifted its focus to navigating through the challenging global environment. Once the COVID-19 pandemic stabilizes, XPEL could buy distressed installers or distributors at attractive prices. XPEL is well capitalized to take advantage of opportunities that could improve its business. In the past, XPEL has grown its installer base through a mix of marketing efforts and acquisitions. An expansion in the Chinese market could be very beneficial for XPEL since it only serves the market through a distributor, resulting in lower margin products.

INVESTMENT RISKS

- **Cyclical Nature**: XPEL has an inevitable cyclicality because it offers products and services to the automotive industry. Although the PPF and window film markets are not as cyclical as the automotive market, any dramatic decline in the new car sales could negatively impact the company's revenues. XPEL's management believes new car sales are much less cyclical than the overall automotive market. Moreover, most of the company's revenues are derived from high-end vehicles or the purchase of vehicles for commercial purposes. Purchasers of high-end vehicles are more likely to install full-coverage protection than low-end segment, where customers usually only protect a high-risk part of their cars. High-end car buyers are less affected by economic conditions and are less likely to delay a car purchase.

- **Sole Distributor in China**: China, which accounted for approximately 23.5% of XPEL's revenues in 2019, is the company's second-largest geographical region after the United States. XPEL relies on a single distributor in China. Any conflict between XPEL and this distributor would adversely affect XPEL's business. Furthermore, disruptions in US-China relations could also negatively impact XPEL's ability to grow.

- **Supplier Concentration**: Approximately 80% of XPEL's 2019 inventory purchases were sourced from a single supplier, Entrotech. The company has an agreement under which it has exclusive rights to commercialize, distribute and sell its automotive aftermarket products until March 21st, 2020. At this time, the contract will be automatically renewed for 2-years unless terminated. To partially mitigate this risk, XPEL sources its window films and its architecture films from various suppliers. The company's relationship with its primary supplier is mutually beneficial, and any disruption will be detrimental to both parties.

VBIMP COMMENTARY

XPEL is a fantastic business positioned as a leader in the PPF market with substantial long-term growth. XPEL's one-stop-shop value proposition helps it win and retain customers, resulting in highly recurring revenues, cross-selling, and up-selling opportunities. Since Ryan Pape, the CEO, took over the company in 2004, XPEL has been firing on all cylinders, delivering exceptional growth and return to shareholders.

Despite the coronavirus outbreak, XPEL performed exceptionally well, delivering a top-line growth of 22.3%. Starting 2021, the company has announced two acquisitions and has hinted that FY2021 will be a pivotal year. It expects to grow its existing product offering, extend into adjacent products, and expand internationally.

We initiated a position in the stock on July 24th at $15.61, before fees, and further increased our position on August 27th at $25.03 after seeing continued execution on management's part during the pandemic. On December 22nd, we trimmed the stock (~14% of our position) to take some profits at $51.25. Despite its grand success, XPEL is still in the early phase of its growth strategy. We do not believe any other competitor comes close to providing as compelling of an offering as XPEL does.

PROGRAM CREATION PROCESS

STEPHEN A. JARISLOWSKY FELLOWSHIP

The Stephen A. Jarislowsky Fellowship was established during the creation of the VBIMP. The fellowship program was announced and celebrated with a ceremony at the John Molson School of Business in May 2016 that included prominent guests such as Stephen A. Jarislowsky, the program donor, J. Sebastian van Berkom, as well as Concordia's former President Alan Shepard, and former interim dean Stéphane Brutus. Graduates from the VBIMP become fellows under the Stephen A. Jarislowsky Fellowship.

From left to right: Concordia's former President Alan Shepard; Stéphane Brutus, former interim dean, John Molson School of Business; J. Sebastian van Berkom, president and CEO, Van Berkom and Associates Inc.; Stephen A. Jarislowsky, founder and chairman of the board, Jarislowsky Fraser: Global Investment Management; Bram Freedman, former vice-president, Advancement and External Relations

MENTOR COCKTAIL MEETING

The VBIMP hosted a virtual mentor's event, with over half a dozen industry professionals who specialize in the coverage of equities in the U.S., Canada, and Asia. The event was organized to offer students the opportunity to meet and interact with their prospective mentors. Over their two years in the program, students have exclusive access to successful portfolio managers and equity research analysts based in Montreal and Toronto, whose expertise is scattered across a wide spectrum of industries. The mentors play a crucial role in the success of the program by guiding students through their development and helping them navigate different market cycles. The industry exposure students garner helps them hone their understanding of different sectors and widen their knowledge of capital markets.

The mentors who attended represented a diverse base of firms, including Lester Asset Management, Walter Financial, Canoe Financial, Montrusco Bolton, Gildan, CDPQ, Dynamic Funds, TD Securities, Global Alpha, GMP, CN, Formula Growth, Pembroke, and Giverny Capital.

From left to right: Martin Landry (Stifel GMP), Dominic Beauregard (CN Investment Division), Steve DiGregorio (Canoe Financial), Evelyn L'Archevêque (Montrusco Bolton), J. Sebastien van Berkom (Van Berkom and Associates Inc.), Melissa Papanayotou (Letko Brosseau), Martin Tzakov (Pembroke), Charles Haggar (Formula Growth Ltd), Sain Godil (Global Alpha Capital)

This first meeting left a highly positive impression on the students, who appreciated the wealth of information these long-time practitioners provided, along with their welcoming and amiable personalities. The mentors' feedback following the event seemed to indicate that they reciprocated the students' good opinions. They found the VBIMP students to be well prepared and to have a significant head start due to their involvement in the program. Being part of an organization that acts as a bridge between academia and practice is a somewhat rare opportunity, and the mentors felt it would significantly enhance the candidates' value once they join the job market.

After this launch event for the mentorship program, the mentors held one-on-one sessions with the students. The goal of these sessions is to nurture a relationship in a setting where there are no limitations imposed on topics discussed. Having industry veterans as a resource by their side allows students to develop a set of hard and soft skills that will be invaluable in today's market. Everything learned is aimed toward elevating the Research Associates' and Fund Managers' skills and helping them become more well-rounded analysts. In any context outside the program, it is nearly impossible for an individual (especially during their university years) to have such close contact with an industry insider. For that reason, the VBIMP is extremely proud of being able to offer a platform where, each year, a new group of students gets valuable access to its network of professionals.

MENTOR COCKTAIL MEETING

On September 23rd , 2020, Concordia University invited Mr. van Berkom to virtually speak to students motivated to learn more about small cap investing, investing in general, and the story of how the founder and CEO of van Berkom and Associates Inc. (VBA) went on to build his firm. Mr. van Berkom described his personal investing experience which began long before starting his career at the Bell Canada Pension Fund in 1971. Students learned that he became a Partner of LRM Investment Management, and in 1984 co-founded Montrusco Bolton Investments. Mr. van Berkom then proceeded by explaining his personal investment philosophy, which VBA was founded upon. Specifically, VBA looks for companies that have outstanding management teams, sustainable competitive advantages, strong operating cash flows, and high returns on capital. Since the team at VBA are fundamental bottom-up stock pickers, and stocks must be trading at a significant discount to intrinsic value for a position to be initiated.

Students were also provided with the possibility to ask questions to Mr. van Berkom, who in every instance responded with the same level of excitement that small cap investing brings in his daily life. The afternoon was followed by a virtual networking session where students could personally converse with Mr. van Berkom and amongst each other to not only dive deeper into more distinct areas of small cap investing, but to get to know one another more personally.

INVESTMENT COMMITTEE MEMBERS

Front row from left to right: Michael Shannon, J. Sebastian Van Berkom, Amr Addas, Donald Walcott. Back row from left to right: Philippe Hynes, Gabriel Bouchard Phillips, Stephen Hui. Absent: Owen Gibbons

J. SEBASTIAN VAN BERKOM

J. Sebastian van Berkom, B.Comm., LL.D. founded Van Berkom and Associates Inc. (VBA) in 1991 and is Chairman, President and Chief Executive Officer. He is also Chairman, President and Chief Executive Officer and Responsible Officer (RO) of Van Berkom Golden Dragon Limited (VBGD) in Hong Kong that was incorporated on February 22, 2012.

In his roles, J. Sebastian van Berkom ensures that the investment philosophy, process, and disciplines at VBA and VBGD are properly implemented, resourced, and incented. His investment career began in 1971 at the Bell Canada Pension Fund. In 1979, he became a Partner of LRM Investment Management, and in 1984 co-founded Montrusco Bolton Investments Inc. He has won the Small-Cap Manager of the Year Award in 1997 and was a Finalist at the Annual Ernst & Young Entrepreneur of the Year Awards in 1998. In 2003, he funded the Van Berkom Endowed Chair in Small-Cap Equities at the John Molson School of Business at Concordia University in Montreal. In 2005, he became a Founding Director of the Institute for Governance of Private and Public Organizations in Canada (IGOPP), and on August 29, 2010, he was appointed to the Audit and Investment Committees. In December 2013, he was appointed President of the Investment Committee.

In 2011, he funded the Van Berkom John Molson School of Business Small-Cap Case Competition at Concordia. On February 19, 2013, J. Sebastian van Berkom was appointed to the Investment Committee of the Montreal Children's Hospital Foundation. On November 28, 2014, J. Sebastian funded the Van Berkom Small-Cap Investment Management Program at John Molson with C$1 million to provide real funds to invest in North American small capitalization stocks using VBA's time proven investment philosophy.

Since September 16, 2015, the Stephen A. Jarislowsky Fellowship was established under the VBIMP at Concordia's John Molson School of Business. On June 6, 2017, J. Sebastian van Berkom received an Honorary Doctor of Laws Degree (honoris causa) from Concordia University.

GABRIEL BOUCHARD-PHILLIPS, CPA, CA, CFA

Gabriel Bouchard-Phillips was promoted to Partner and Senior Portfolio Manager, effective January 1, 2021. Previously, he was Partner, Portfolio Manager, Canadian Small-Cap Equities.

He joined VBA in May 2011 as Partner, Senior Analyst, Canadian Small-Cap Equities. He is the leader of the Canadian small-cap equity team, with responsibility for all the investment decisions related to this product and for the management of the Canadian Equity Team. He is also involved in the marketing, servicing and administration of the firm. He is also responsible for conducting fundamental research on a broad spectrum of the Canadian small-cap market. Prior to joining VBA, Gabriel was an Analyst, Canadian Equities at the Canada Mortgage and Housing Corporation ("CMHC") Investments and Pension Fund Division (2008-2011). Prior to CMHC, he was a Senior Associate at Deloitte's Assurance & Advisory Practice in Ottawa (2005-2008). Gabriel holds a Bachelor of Commerce (summa cum laude) from the Telfer School of Management at the University of Ottawa. He is a Chartered Accountant (2008) and CFA Charterholder (2009). Gabriel also currently serves on the Board of the Cercle de finance et placement du Québec having previously served as its President. Between 2014 and 2019, he was the recipient of the Brendan Wood International Top Gun award.

OWEN GIBBONS

Owen Gibbons, MPhil, CIM is Partner, Lead Portfolio Manager, U.S. Small-Mid-Cap Equities and was promoted to this position in early 2017. In January 2014, Owen was promoted to Portfolio Manager, U.S. Small-Cap Equities. He is responsible for all investment decisions related to this product, as well as the management of the U.S. Small-Mid-Cap Equity Team including the marketing and servicing of this product. He is also responsible for conducting research on a broad spectrum of the U.S. small-mid-cap equity markets. Prior to joining VBA in 2009, Owen worked over a 10-year period as a buy-side and sell-side Investment Analyst for Morgan Stanley, Deutsche Asset Management and as Vice-President, Global Equities at Natcan Investment Management Inc.

STEPHEN HUI, CFA

Stephen Hui, CFA is a partner and portfolio manager at Pembroke Management Ltd., a boutique investment firm focused on investing in North American small and mid-cap growth stocks. He has been named as a Top Gun Investment Mind by Brendan Wood International on several occasions, most recently in 2017. Stephen joined Pembroke in 2000 after graduating from the University of British Columbia with a Bachelor of Commerce degree in 2000 as a Leslie Wong Fellow, and is a CFA charterholder.

PHILIPPE HYNES

Philippe Hynes joined Tonus Capital in 2009 and has been the President since 2011. Before joining Tonus Capital, Philippe Hynes was partner of Van Berkom & Associates Inc. (VBA), where he was a member of the U.S. small-caps team. His main duty was finding and analyzing U.S. companies with a market capitalization of less than US$3 billion in which to invest.

Philippe has also worked for Standard Life Investments as a research analyst in the oil and gas sector and for the Caisse Centrale Desjardins in the Treasury Department. He is also an adjunct faculty member at Concordia University's John Molson School of Business, where he teaches a class in practical equity analysis and portfolio management.

Philippe holds a master's degree from the École des hautes études commerciales (HEC, Montreal) and a Bachelor's Degree in Finance from Concordia University. He obtained his CFA designation in 2004 and is a member of the Montreal CFA Association.

MICHAEL SHANNON

Michael Shannon has over 30 years of financial and investment management experience. Prior to retiring, he was a sector generalist focusing on North American publicly traded equities for individual and institutional accounts. Mike conducted thousands of interviews with senior executives of public and private companies, focusing on the strategic and tactical merits of investing in their companies, including in-depth analysis of their company financial metrics. He has significant experience cultivating and managing client relationships which should translate directly in providing key feedback to the students of the program.

DONALD WALCOT

Donald Walcot is a graduate of McGill University, has a Master's degree in Business Administration from the University of Western Ontario, and is a CFA charterholder. From 1968 to 1987 he held several investment positions at Ontario Hydro, culminating in the position of Assistant Treasurer and Pension Fund Investments. In 1987, he joined Sun Life Investment Management Ltd as President and Chief Executive Officer. In 1992, he returned to Montreal as Chief Investment Officer of Bimcor, a position from which he retired in 2004. Donald Walcott was also a member and chair of numerous pension investment committees and boards, including McConnell Foundation, McGill University, Concordia University, York University, Ontario Workers Safety and Insurance Board, Invesco Trimark, and Imasco.

MEMBER EMERITUS

Ann-Maureen Hennessy sadly passed away in 2020. Ann-Maureen was a tireless supporter of the program. She went out of her way to work one-on-one with VBIMP students and to generously share her knowledge and expertise to help them succeed. In that regard, the investment committee unanimously agreed to memorialize Ann-Maureen's dedication and contributions to VBIMP by appointing her as Member Emeritus of the VBIMP Investment Committee.

Anne-Maureen received an MBA International Finance - HEC (Montreal). She taught in the Finance Department of the John Molson School of Business since 2012. Ann-Maureen had over 35 years experience as a manager of investment and private placements portfolios for a number of the larger Canadian pension funds (Caisse de Depot et Placement, Bimcor, Imasco). Her primary focus during this period was the management of small cap Canadian and U. S. Portfolios with a primary focus on the U. S. small cap market. In her role as manager of Private Placements she served on the Board of Directors of two oil and gas companies (Dome-Mesa Carve-Out and Guard Resources) over a five-year period. Ann-Maureen was also a Board Member at Desautel Capital Management (McGill University) from 2011 - 2013 and Chairman of the Board 2013 -2015.

MENTORS

In 2017, the VBIMP launched its student-mentor program. The VBIMP mentors are industry professionals who commit to meeting with students to discuss market issues, specific stocks, and career development, among other things. We would like to sincerely thank all mentors for their contributions, and we are pleased to announce the successful implementation of the student-mentor pairing program into the VBIMP.

B

Dominic Beauregard, CFA
Investment Officer
CN Investment Division

E

Amr Ezzat
Equity Research Analyst
Echelon Wealth Partners

F

Vincent Felteau
Senior Director
PSP Investments

G

Marco Giurleo
Senior Director
RBC
Sain Godil, MSc

Partner and Portfolio Manager
Global Alpha Capital Management Ltd.

H

Charles Haggar, CFA, CPA
Vice President and Portfolio Manager
Formula Growth Ltd.

Stephen Hui, CFA
Portfolio Manager
Pembroke Wealth Management

K

Ram Kumar
Investment Banking Associate
DNA Capital

L

Martin Landry
Managing Director
Stifel GMP

Evelyne L'Archevêque, CFA
Investment Officer
CN Investment Division

Zhuo Ling, CFA
Partner and Senior Analyst
Van Berkom and Associates Inc.

P

Vishal Patel, CFA
Portfolio Manager
Dynamic Funds

S

Jordan Steiner
Portfolio Manager
LionGuard Capital Management

Omar Shash
Investment Advisor
RBC Dominion Securities

T

Martin Tzakov, CFA
Portfolio Manager
Pembroke Management Ltd.

W

Andrew Wetherly
Investment Professional
Walter Financial Inc.

STUDENT BIOS

GRADUATING COHORT (2020)

AUGUSTINE JESMER

Augustine Jesmer completed his Bachelor of Commerce at John Molson with a major in Finance. During his first year in university, Augustine became involved in the Finance and Investment Students' Association (FISA), serving as Vice President Internal. FISA works hard to bring high-quality finance events to the John Molson School of Business students and forge valuable ties with financial professionals in Montreal and Toronto.

Augustine Jesmer

In the Fall of 2019, Augustine completed an internship at PSP Investments on the Global Equity Research team covering Utilities, Renewables, and Power. The team he worked with supported three portfolios with an approximately $8bn combined AUM in both long and short strategies. He returned for another internship with the same team at PSP in the Summer of 2020. Upon graduation, Augustine joined PSP Investments as an Analyst in the Fundamental Equity Strategies team.

Augustine was also involved in the Jeux du Commerce and the Financial Open at John Molson. He enjoys playing sports like Ultimate Frisbee, basketball, and soccer. Augustine also enjoys reading and spending time in nature.

ANISS GAMASSI


Aniss Gamassi

Aniss Gamassi finished his Bachelor of Commerce at John Molson, majoring in Finance with a minor in Accounting. During his studies, Aniss was actively involved in the Finance and Investment Student Association (FISA), an association that organizes various events and workshops for the finance student body. He also tutored and taught accounting and statistics classes in front of hundreds of students. He was on the Dean's List and the recipient of the Campaign for the New Millennium Student Contribution Scholarship.

Aniss completed internships at Ivanhoé Cambridge, Ernst & Young, DNA Capital, and Formula Growth throughout his university degree. Upon graduation, Aniss joined the Formula Growth team as an Investment Analyst.

In his spare time, Aniss enjoys reading fantasy novels and participating in thrill-seeking activities, holding both his scuba diving and skydiving certifications.

ALEXANDER TISCIONE


Alexander Tiscione

Alexander Tiscione graduated from the John Molson School of Business in 2015 with a Bachelor of Commerce, majoring in Finance. During that time, he worked as a financial advisor for TD Bank, helping his clients achieve financial peace of mind with investment and financing solutions.

After writing and passing CFA level I, Alexander decided to follow his passion for capital markets and completed his studies at John Molson's Goodman Institute of Investment Management. This unique MBA program integrates the CFA curriculum to obtain both MBA and CFA designations upon completion. He is now a CFA level III candidate, writing in May 2021.

Alexander had the opportunity to work as an intern analyst in the Relationship Investing team at the Caisse de dépôt et placement du Québec (CDPQ). He also spent time working in private equity on the growth equity team at Credit Mutuel, an international financial institution.

Upon graduating, Alexander joined Stifel GMP as an Associate in Equity Research, primarily covering the consumer discretionary and consumer staple sectors.

In his spare time, Alexander enjoys flight simulators, reading books, building and riding motorcycles, and playing baseball, football, and golf with his friends.

EMILE KANDELA

Emile Kandela

Emile Kandela completed his Bachelor of Commerce degree at John Molson with a double major in Finance and Accounting. He was the team captain representing Concordia University at the Rotman International Trading Competition and served as Director of the John Molson Trading League.

Emile completed an internship at Valsoft Corporation as an M&A analyst. He also worked as a lab specialist at the John Dobson – Formula Growth Investment Room, where he regularly gave tutorials on Bloomberg, FactSet, and Excel.

Upon graduating, Emile joined Morrison Park Advisors as an Investment Banking intern. His interests include cooking, reading, listening to music and financial podcasts, and playing and watching soccer.

INCOMING FUND MANAGERS (2021)

ANDREA KILIBARDA

Andrea Kilibarda is pursuing a Bachelor of Commerce with a major in Finance at the John Molson School of Business. In 2020, she served as the President of the Finance and Investment Students' Association (FISA), having previously occupied the role of Vice President of External Affairs. The association works hard to bridge the gap between students and employers, providing them with valuable connections to industry professionals through various facets.

Andrea Kilibarda

Andrea was also selected as one of seven students to participate in the University's Sustainable Investing Practicum (SIP), launched in May 2020 in collaboration with Manulife Investment Management. The practicum aims to provide students with the opportunity to manage a notional portfolio of best-in-class companies from an ESG perspective.

Andrea will be completing an internship with the Investment Banking Division at National Bank Financial in Summer 2021.

Upon graduation, she plans on pursuing the CFA designation and hopes to work in sustainable investing, either in equity research or portfolio management. In her free time, Andrea enjoys reading, listening to podcasts, hiking, and cooking.

BALAL RASOOL

Balal Rasool is a second-year undergraduate finance student pursuing a Bachelor of Commerce with a major in Finance at the John Molson School of Business. Balal has been interested in the world of finance and business since he was 16 years old. He has been investing personally and for family members since he was 18 years old.


Balal Rasool

Balal will be completing an internship at EdgePoint Wealth Management in Summer 2021. In the long run, he aspires to open a fund. Upon graduating, Balal plans on pursuing a career in asset management.

In his spare time, Balal loves to listen to podcasts, read books, and learn about finance, business, science, and technology.

BENJAMIN PHILIPPE

Benjamin is a third-year student pursuing a Bachelor of Commerce with a major in Finance at the John Molson School of Business.


Benjamin Philippe

During his first year in Summer 2019, Benjamin worked as an Analyst for Cushman & Wakefield's capital markets team in Paris. He then interned for Ivanhoé Cambridge in the Office Investments and Asset Management department in Montreal. In Winter 2021, Benjamin joined Fiera Capital as an intern in their small-cap team under the leadership of Marc Lecavalier. He will complete his last internship in Summer 2021 at Ontario Teachers' Pension Plan (OTPP) in the high conviction equities team in Toronto.

Benjamin represented John Molson at the Financial Open 2020 in the Corporate Finance team, where his team finished in 3rd place. He also competed in the Jeux du Commerce (JDC) 2021, where his team finished in 2^{nd} place. Benjamin is also the Vice President of the Tau Kappa Epsilon fraternity.

During his free time, he enjoys cooking, making cocktails, and travelling to remote locations because "he hates tourists."

GABRIEL TRAN

Gabriel Tran is currently a second-year student pursuing a Bachelor of Commerce at John Molson, majoring in Finance. He competed in various case competitions throughout his undergraduate degree such as: the National Investment Banking Competition (Final Round), CN Investment Division Equity Challenge (2018 Finalist), ENGCOMM competition, and Real Estate Games. In addition, he competed as a Finance Academic Delegate at JDC Central and the Financial Open competition.

Garbriel Tran

In Fall 2019, Gabriel completed an internship with the Canadian Equity team at Desjardins Global Asset Management (DGAM), located in Montreal, Quebec. He returned for a second and third internship with the Global Equity team at DGAM in Summer 2020 and Winter 2021, respectively.

Upon graduating, Gabriel plans on pursuing a CFA designation and a career in asset management. In his leisure time, he enjoys powerlifting, reading books, listening to podcasts, and playing various sports.

KEVIN TEO-FORTIN

Kevin Teo-Fortin is a third-year undergraduate Finance student at the John Molson School of Business. During his first year at John Molson, Kevin became an active member of the John Molson Trading League (JMTL), where he now serves as a senior member that will represent Concordia University at the Rotman International Trading Competition in 2021.

Kevin Teo-Fortin

Kevin is currently completing an internship at Bimcor Inc. as a Financial Analyst in the Private Markets team, analyzing private equity, infrastructure, and real estate investment opportunities. He also completed an internship in 2019 at Mackenzie Investments within their sales department.

In May 2020, Kevin joined the Concordia's inaugural Sustainable Investing Practicum (SIP) as a fund manager. In partnership with Manulife Investment Management, the student investment team is responsible for managing a global equity portfolio with respect to selected ESG criteria.

Upon graduation, Kevin would like to pursue a career in asset management. In his leisure time, he enjoys travelling, listening to live music concerts, and playing golf and American football with friends.

MICHEL LOUTCHKINE

Michel Loutchkine is pursuing a Bachelor of Commerce degree at John Molson with a major in Finance and a specialization in Statistics and Programming. He currently occupies the role of VP Academic for the Finance and Investment Students' Association (FISA), where he gives tutorials on financial modelling and VBA programming to students. He is also the case coordinator and writer for the university's annual John Molson

Michael Loutchkine

Stock Exchange (JMSX) competition. Finally, Michel is also the team captain representing Concordia University at the Rotman International Trading Competition (RITC) and is the Director of the John Molson Trading League.

Michel completed two internships on the trading desk at Scotiabank. The first internship was in the Derivative Products Group and FX Sales in Montreal, where he built structured product strategies and executed trades for corporate and institutional clients. The second internship was in Credit Derivatives, FICC Structuring in Toronto, where he worked on pricing and structuring derivative instruments for clients across the high-yield credit market. Michel will be joining the small-cap team at Fiera Capital under the leadership of Marc Lecavalier in Montreal as an intern analyst in Summer 2021.

In his spare time, Michel enjoys reading books, playing board-games such as chess and liar's dice, and his favorite sport is squash.

PAUL CHAURAND

Paul is a final year student pursuing a Bachelor of Commerce with an Honours in Finance and minor in Data Intelligence at the John Molson School of Business.

Paul Chaurand

In his second year, he became involved in the Data Intelligence Society of Concordia where he served as Vice-President of Finance. Paul participated in the John Molson Case Competition (JMCC) Program, where he represented John Molson in academic case competitions in General Finance, Corporate Finance, and International Business Strategy in three business case competitions on a provincial, national, and international scale. Paul also coached John Molson's Corporate Finance team for the Financial Open (Omnium Financier) Case Competition in 2021, the largest Finance and Accounting case competition in Canada, regrouping a total of 350 students from 10 universities of the REFAEC.

In 2018, Paul completed an 8-month co-op internship at MNP as an Analyst in the firm's financial advisory services, principally in corporate restructuring. In 2019, he completed an 8-month internship at the *Caisse de dépôt et placement du Québec* (CDPQ) in Private Equity, Direct International Investments. Paul will be completing an internship at Alfar Capital, a private equity firm based in Westmount, in Summer 2021.

Upon graduation, Paul intends to pursue a career in investment management. In his leisure time, Paul enjoys reading books, going for outdoor runs, listening to podcasts of all sorts, skiing, hiking, and spending time with family.

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