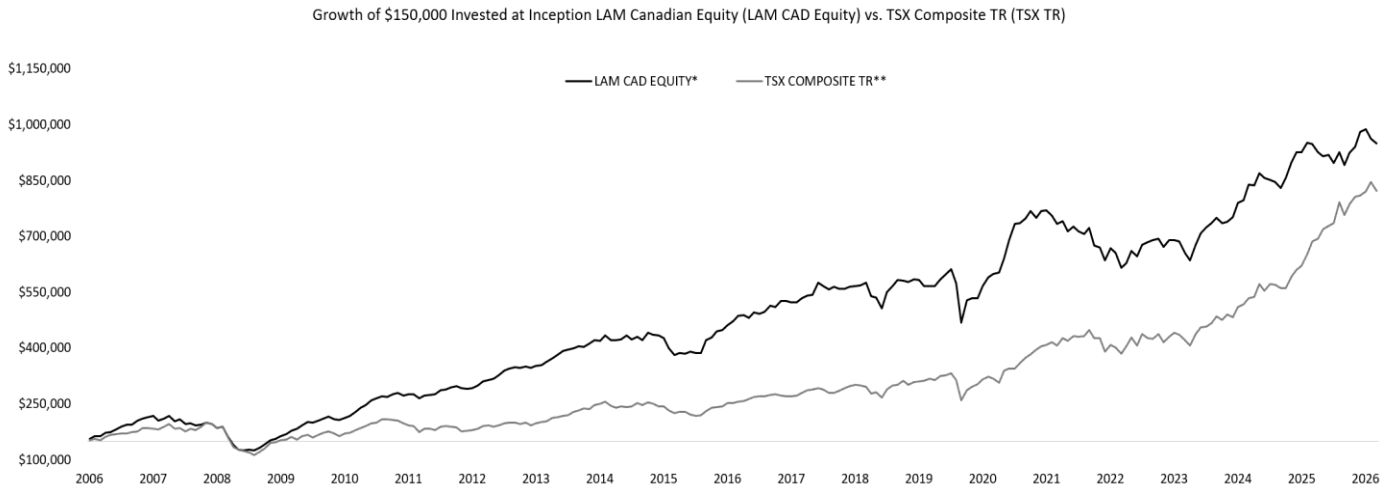
Investment Strategy and Process

Lester Asset Management Inc. ("LAM") launched an actively managed All-Cap Canadian Equity strategy for its segregated accounts July 1st, 2006 ("Inception Date") and created a pooled version through the LAM Canadian Equity Fund (the "Fund") in January 2012. The strategy's aim is to be different from the S&P/TSX Composite Index and achieve higher returns than the market with lower risk as measured by low market correlation, low cyclical exposure, and better industry diversification. The portfolio is invested in 30 to 40 small, mid and large cap Canadian listed companies selected using a research process based on fundamental bottom-up analysis, strict quantitative and qualitative criteria, and a sound understanding of each company and the industry in which each operates, complemented by a macro-economic outlook. The investment style is value-driven and opportunistic, seeking to buy shares at a discount to a company's true worth, with the goal of maximizing shareholder value through dividend growth, share buybacks, spin-offs or an outright sale.

Compound Gross Returns

	1 Month	3 Months	1 Year	3 Years (Annualized)	5 Years (Annualized)	10 Years (Annualized)	Since Inception (Annualized)
LAM CAD Equity[i]	-1.4%	-3.2%	0.2%	13.1%	5.3%	6.9%	9.5%
TSX Composite TR[ii]	-2.6%	1.6%	20.0%	25.1%	15.2%	12.4%	8.8%

Gross Returns versus TSX Composite TR (TSX TR) Since Inception



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 YTD	Annualized	Cumulative
LAM CAD	-40.0%	60.2%	29.7%	5.8%	18.8%	19.8%	10.6%	-9.8%	26.8%	16.0%	-12.1%	17.9%	15.6%	5.4%	-11.2%	9.8%	20.9%	7.2%	3.3%	9.5%	532.5%
TSX TR	-33.0%	35.1%	17.6%	-8.7%	7.2%	13.0%	10.5%	-8.3%	21.1%	9.1%	-8.9%	22.9%	5.6%	25.1%	-5.8%	11.8%	21.7%	31.7%	13.0%	8.8%	448.7%
Value Add	-7.0%	25.2%	12.1%	14.5%	11.6%	6.8%	0.1%	-1.4%	5.7%	6.9%	-3.2%	-5.0%	10.0%	-19.6%	-5.3%	-2.1%	-0.7%	-24.5%	-9.7%	0.8%	83.8%

Portfolio Managers



Stephen Takacsy – CEO, Chief Investment Officer and Lead Manager Canadian Equity
Stephen joined the firm in 2006 as Chief Investment Officer and developed its Canadian Equity and Fixed Income strategies. He became Chief Executive Officer in 2017. Stephen's diverse career in finance spans over 30 years, including roles in corporate lending, investment banking, and managing the cash proceeds from the sale of a publicly traded company where he was Chief Financial Officer. His extensive experience in corporate finance, mergers & acquisitions, valuation analysis and investments has added value to client returns.

Co-Manager: Olivier Tardif-Loiselle, CFA

Quarterly Commentary

For the 3rd quarter of 2026, the **LAM Canadian Equity Fund** declined by **-3.2%** on a gross basis versus the TSX Composite Total Return which rose +1.6% on a very narrow group of stocks concentrated in Energy, Gold, and Technology. Our underperformance was mainly due to our low weighting in the Energy sector and lack of exposure to the gold sector due to their volatile and cyclical nature. While we lag the TSX year-to-date, we are very pleased with the start of the 4th quarter as the Fund is up **+4%** so far in October versus +2% for the TSX. Our top contributors during the quarter unsurprisingly included technology-related stocks such as **TECSYS**, **Kinaxis**, and **Thomson Reuters**, which rallied on strong results and increased guidance, while **Jamieson Wellness** rose on news that it would be acquired by Kirin Holdings of Japan**.** Our main detractors included **MDA Space**, **Element Fleet**, and **Enbridge**. As mentioned in our 2nd quarter letter, fears that AI will replace established software businesses continues to wane as these companies report resilient results and the successful integration of AI into their products and services. We therefore continue to avoid stocks where prices have been driven up to unsustainable levels by momentum investing strategies and remain focused on high quality, profitable, and sustainable growing businesses trading at attractive levels.

Strategy Characteristics

Inception Date	July 1st, 2006
Assets Under Management	$125 million
Style	All –Cap, value-driven, GARP, opportunistic
Process	Fundamental bottom-up analysis
Holdings	30 to 40 diversified holdings

Sector

Industrials	21.8%
Financials	17.7%
Technology	14.3%
Discretionary	13.5%
Communications	7.1%
Materials	5.7%
Energy	5.3%
Staples	4.1%
Healthcare	3.7%
Utilities	3.4%
Real estate	2.6%
Cash & Equivalents	0.8%

Market Cap

Cash & Money Market	1%
Micro-Cap (<$100M)	1%
Small Cap ($100M-$1B)	13%
Mid-Cap ($1B-$5B)	20%
Large Cap (>$5B)	65%

Top 10 Fund Holdings

Bank of Montreal	Large Cap	5.2%
Royal Bank of Canada	Large Cap	5.2%
Apotex Health	Mid-Cap	3.7%
Definity Financial	Mid-Cap	3.7%
Equitable Bank	Mid-Cap	3.7%
Loblaw	Large Cap	3.4%
Altagas	Large Cap	3.4%
CCL Industries	Large Cap	3.3%
Dollarama	Large Cap	3.3%
Savaria	Mid-Cap	3.3%

Risk Metrics

Beta	0.7
Turnover	35%
Sharpe Ratio[iii]	0.3
Upside Capture[iii]	55%
Downside Capture[iii]	63%
Maximum Position Size	5%
Maximum Sector Weight	25%

Pooled Fund Terms

Inception Date	January 3rd, 2012
Assets Under Management	$62 million
Minimum Investment	$150,000 (or less for accredited investors)
Eligible Accounts	Non-Registered and Registered (RRSP, RESP, TFSA...)
Distribution	AB, BC, MB, ON, QC, by way of Offering Memorandum
Management Expense Ratio (MER)	Management Fee as listed below + maximum 0.1% operating expenses, trading and custodial fees

FUND UNIT SERIES[iv]	FUNDSERV CODE	NAV	MANAGEMENT FEE
F	LAF100	$26.75	1.5%
I	LAF101	$20.79	1.0%
O	LAF102	$16.63	TBD

About Us

Lester Asset Management is a Montreal-based independent portfolio management firm serving private clients and institutions, with a fiduciary duty to always act in the best interests of its clients. The Firm also managed institutional funds for the *Quebec Emerging Managers Program*. The Firm is committed to preserving and growing the financial wealth of its clients through responsible and ethical investing while also providing a high level of personalized service to meet its clients' evolving needs. The Firm is focused on the active value-added management of its core strategies: Canadian Equity, Canadian Fixed Income, and Global Equity, aiming to outperform the main indices and add value by achieving higher returns than the market with lower risk. In 2021, the Firm received a Global Manager Research (GMR) *Top Performer* award for its 1-year return in the Canadian Fixed Income category, and in 2022 it received two more GMR *Top Performer* awards for its 5-year and 10-year returns in the Canadian Fixed Income Plus category. The Firm is also a signatory of the United Nations' Principles of Responsible Investing and is a member of the Taskforce on Nature-related Financial Disclosure (TNFD) Forum and the Nature Action 100 engagement team.

Contact Us

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[i] Returns for LAM's Canadian Equity strategy are gross of management fees and based on dollar-weighted gross returns for the Canadian Equity composite of segregated portfolios managed by LAM using the same strategy from July 2006 until the launch of the Fund in January 2012, and on gross returns of the LAM Canadian Equity Fund thereafter.
[ii] The S&P/TSX Composite Total Return Index is the benchmark that has been used since the inception of LAM's Canadian Equity strategy in July 2006 and the Fund in January 2012 and reflects the policy of investing only in Canadian Equity securities.
[iii] Since inception of the strategy. (risk free rate used: 1.50%)
[iv] Returns on the different unit series of the Fund will vary due to applicable management fees. Please read the Offering Memorandum before investing in the Fund. Pooled fund returns are not guaranteed as unit values change frequently, and past performance may not be repeated.