

Heward
Canadian Dividend Growth Fund
AS OF SEPTEMBER 30, 2021



FUND FACTS

Inception Date : June 30, 2009
Fund Size (million \$) : \$99.4

Portfolio Manager : Heward Investment Management Inc.

Fund Class	Fund Number	NAV (\$)
Class A	MAJ551	\$0.00
Class F	MAJ552	\$20.56
Class O	MAJ550	\$20.77
Class D	MAJ553	N/A

Distributions	
Q3 Income Distribution (Class O)	\$0.14
YTD Income Distribution (Class O)	\$0.41
Annual Capital Gains Distribution	N/A

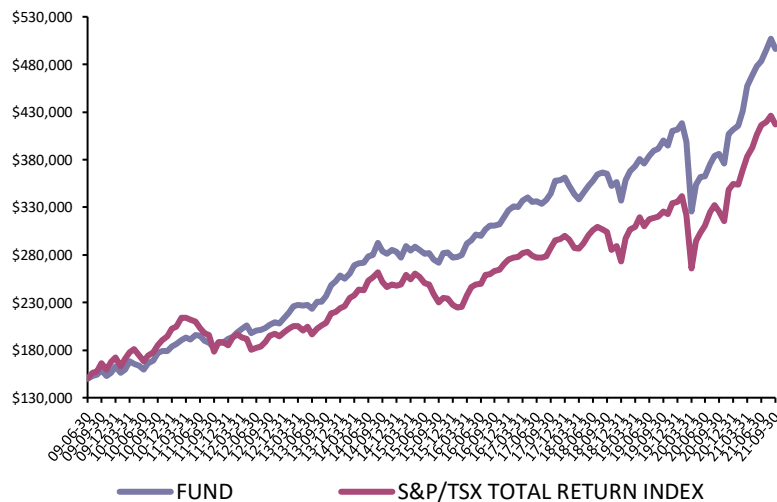
PERFORMANCE - Compounded Annual Returns (%)

	1 mth.	3 mths.	6 mths.	YTD	1 year	2 years	3 years	5 years	10 years	Since Inception
Heward Canadian Dividend Growth Fund	-2.16%	+2.60%	+8.53%	+20.56%	+28.60%	+11.38%	+10.74%	+9.82%	+10.51%	+10.25%
S&P/TSX Total Return Index	-2.22%	+0.17%	+8.73%	+17.48%	+28.02%	+13.13%	+11.07%	+9.64%	+8.84%	+8.70%

OBJECTIVES AND STRATEGY

The Heward Canadian Dividend Growth Fund invests in high-quality Canadian equities that have a history of consistently growing their dividends. The fund screens for companies that engage in businesses we understand, sell products based on needs, and demonstrate long-term earnings visibility and predictability. Special attention is paid to proven and seasoned management teams that successfully increase free cash flows and operate lean companies with low levels of financial leverage. Stocks that meet these criteria should have ample cash flows to return to shareholders in the form of dividends and in doing so demonstrate their financial soundness.

Growth of \$150,000 Invested on June 30, 2009



WHAT DOES THE FUND INVEST IN?

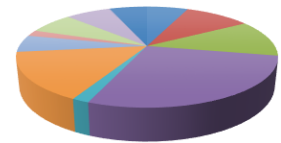
Current Asset Mix

CASH	5.8%
EQUITY	94.2%



Sector Allocation

CONSUMER DISCRETIONARY	6.27%
CONSUMER STAPLES	9.99%
ENERGY	11.82%
FINANCIALS	27.88%
HEALTH CARE	1.74%
INDUSTRIALS	15.39%
INFORMATION TECHNOLOGY	5.48%
REAL ESTATE	1.96%
COMMUNICATION SERVICES	6.81%
UTILITIES	6.85%
CASH	5.79%



TOP TEN HOLDINGS

STOCK NAME	% OF PORTFOLIO
BANK OF NOVA SCOTIA COMMON	4.25%
POWER CORP OF CDA SUB VTG	3.97%
INTACT FINANCIAL COMMON	3.89%
TORONTO DOMINION BK COMMON	3.81%
RESTAURANT BRANDS COMMON	3.76%
OPEN TEXT CORP COMMON	3.69%
TELUS CORP COMMON	3.60%
IA FINANCIAL CORP COMMON	3.56%
TFI INTERNATIONAL COMMON	3.40%
ALGONQUIN PWR&UTIL COMMON	3.17%

WHO SHOULD INVEST IN THIS FUND?

The Heward Canadian Dividend Growth Fund caters to risk-averse investors that value income. They seek a growing stream of dividends through exposure to high-quality equities with a history of cash flow growth and competent management teams.

HOW THE FUND PERFORMED

As the global economy navigates towards the post-covid recovery, Canada is particularly well-positioned. This in part, explains the strength of the Canadian dollar, and how, on a year-to-date basis, the TSX has outperformed its global peers. Despite the challenge presented, our fund has outperformed its benchmark by over 300 basis points year-to-date and did so with a lower risk profile. For the quarter just completed, the fund returned 2.60%, easily beating the benchmark 0.17%. Our quarterly performance was driven by an overweight industrial sector along with the individual holdings in the sector. Despite the challenging environment, seven of our companies increased dividends during the quarter, reinforcing the superior fundamentals and business models of our companies. The funds strategy of focusing on dividend growing stocks with solid fundamentals and reasonable valuations, continues to pay off.

Since the start of the year, driven by the reopening trade and fears of inflation, the market has seen massive flows out of growth and into value/cyclical stocks, and then reverse. Through this period, we have remained active, taking profits on outperforming companies while adding exposure to our higher conviction companies where we see strong earning visibility and predictability. Top performing companies contributing in the quarter were TFI International, Tricon, Thomson Reuters, Loblaws, and Canadian National Rail. Canadian Tire (CTC) was a laggard this quarter after having a strong first half. Markets focused on the impact from global supply chain pressures and the possibility of lost sales. However, recent conversations with CTC management assured us that their inventory will not be impacted. Regarding the post-Covid performance outlook, CTC may lose some sales related to near home entertainment but will regain those related to parties and sports. In addition, CTC has largely boosted eCommerce capacity and refined its cost structure, both of which are long term benefits. It remains that the value of many companies who consistently grow their dividend are not being properly reflected by the market. This presents continued upside potential of the strategy.

QUICK FACTS AND FUND CHARACTERISTICS

- CHARACTERISTICS:**
- Low average beta 0.75
 - 30-40 stocks
 - Minimal cyclical exposure
 - 100% Canadian Equity

FUND TYPE: Canadian Dividend Growth Fund

REGISTERED ACCOUNT ELIGIBILITY: RRSP, RESP, RRIF, IPP, TFSA

MINIMUM INVESTMENT: \$150,000 (or investors who meet criterias "accredited investor")

DISTRIBUTION FREQUENCY: Income: Quarterly/Capital Gains: Annually

PROVINCES OF DISTRIBUTION: QC, ON, AB, NB, BC

FUND MANAGER: Majestic Asset Management LLC

FUND ADMINISTRATOR: SGGG Fund Services Inc

CUSTODIAN: National Bank Independent Network

TRUSTEE: TSX Trust Company

AUDITORS: KPMG Canada

LEAD MANAGER



Renato Anzovino, CFA
Vice President, Portfolio Manager

Renato Anzovino has 20 years of experience in portfolio management. Prior to joining Heward in 2003, Mr. Anzovino was a Vice President at a prominent investment management firm. His previous experience extends to the Royal Trust and the Royal Bank Financial Group, where he was a portfolio manager for their private client division. Renato is an active member of the Montreal Society of Financial Analysts. Mr. Anzovino is also the lead Portfolio Manager of the Heward Equity Fund.

Co-managers: Willem Hanskamp & Maurice Conti

ABOUT THE FIRM

HEAD OFFICE: Montreal, Quebec

FOUNDED: In 1981 and remains independently owned by the principals of the firm, thus ensuring its continued independence

STAFF: 17

PORTFOLIO MANAGERS: Stable and experienced investment management team of 6 with almost 200 years of combined experience

INVESTMENT STYLE: Growth at a Reasonable Price (GARP) with value basis.

INVESTMENT PROCESS: Top-down / Bottom-up

INVESTMENT OBJECTIVE: To provide long term capital growth and preservation of capital

ASSETS UNDER MANAGEMENT: Approximately \$714 million

FOR MORE INFORMATION

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Management fees and administrative expenses all may be associated with pooled fund investments. Please read the offering memorandum before investing. The indicated rates are the historical compound total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, distribution or optional charges or income taxes payable by any security holder that would have reduced items. Pooled Funds are not guaranteed, their value changes frequently and past performance may not be repeated. The S&P/TSX Total Return Index Benchmark has been used since the inception of the Fund June 30, 2009. It reflects the Fund's Investment policy of 100% Canadian equities.



HEWARD
INVESTMENT MANAGEMENT INC.