

# GBW ALTERNATIVE ALL-WEATHER GROWTH FUND

Interim Management Report of Fund Performance

For the six months ended June 30, 2025

This management report of fund performance contains financial highlights but does not contain the complete financial statements of the GBW Alternative All-Weather Growth Fund (the "Fund").

You can get a copy of the Fund's financial statements at your request, and at no cost, by calling (416) 488-0547, by writing to us at 2323 Yonge Street, Suite 200, Toronto, Ontario M4P 2C9 or by visiting our website at [www.gbwealth.ca](http://www.gbwealth.ca) or SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).

Securityholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

### **Forward-Looking Statements ("FLS")**

This Management Report of Fund Performance includes certain statements that are "forward looking statements". All statements, other than statements of historical fact, included in this document that address activities, events or developments that the Fund expects or anticipates will or may occur in the future, including such things as anticipated financial performance, are forward looking statements. The words "may", "could", "would", "should", "believe", "plan", "anticipate", "expect", "intend", "forecast", "objective" and similar expressions are intended to identify forward looking statements.

These forward-looking statements are subject to various risks and uncertainties, including the risks described in the simplified prospectus of the Fund, which could cause actual financial performance and expectations to differ materially from the anticipated performance or other expectations expressed.

Readers are cautioned not to place undue reliance on these forward-looking statements. All opinions contained in forward looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

The Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation. Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only and is subject to change without notice.

# **GBW ALTERNATIVE ALL-WEATHER GROWTH FUND**

## **MANAGEMENT REPORT OF FUND PERFORMANCE**

### **Management Discussion of Fund Performance for the six months ended June 30, 2025**

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#### **Investment Objective and Strategies**

The investment objective of the GBW Alternative All-Weather Growth Fund is to generate capital appreciation while achieving a positive rate of return over a rolling five-year period by actively managing a diversified portfolio with direct and indirect exposure to equity securities, fixed-income securities, commodities, currencies, and derivative instruments.

#### **Risk**

The risks associated with investing in this Fund remain as discussed in the Fund's most recent simplified prospectus. The Fund is suitable for someone who is looking for low to medium risk, diversified portfolio of alternative investment strategies to hold as part of their balanced portfolio and has a medium to longer term investment horizon.

For the six months ended June 30, 2025, there were no changes affecting the overall level of risk associated with an investment in the Fund. Therefore, the overall level of Fund risk and investor risk tolerance remains as stated in the prospectus.

#### **Results of Operations**

For the six months ended June 30, 2025, Series F and Series I units of the fund returned -2.6% and -2.0%, respectively. The Fund is an absolute return fund that uses a Reference Index of 40% CBOE® S&P 500 95-110 Collar Index, 30% S&P 500 Index (hedged to CAD) and 30% FTSE TMX Canada Universe Bond Index, which returned 2.01% for the year. It is important to note that the Fund's return reflects the effect of fees and expenses for professional management, while the benchmark does not have such costs.

Individually, the FTSE TMX Canada Universe Bond Index, CBOE® S&P 500 95-110 Collar Index and S&P 500 Index (hedged to CAD) posted returns of 1.5%, -0.1% and 5.3%, respectively, with fixed income returns somewhat challenged and equity markets for the most part experiencing growth.

Net assets remained at \$11.513 million, with net sales of \$244 thousand offset by investment losses.

#### **Material Changes in Investments and Asset Mix**

In Q1, the Fund exited a long U.S. growth / short EAFE trade ahead of a strong rally in European markets. In Q2, April tariff announcements and heightened U.S. policy uncertainty led to reduced U.S. growth exposure and increased allocations to defensive sectors such as utilities, energy infrastructure, and European staples. These had a positive contribution to first-half results, while unprotected U.S. equities detracted from the returns.

Fixed income exposure remained modest, focused on special situations and credit, and had limited impact due to high yields and weak flight-to-safety dynamics. These adjustments aligned with the Fund's objective of capital appreciation with risk-managed global exposure.

#### **Leverage and Borrowing**

Gross leverage ranged from 9% to 223% of net assets during the period and was 119% as of June 30, 2025. The leverage was primarily generated from derivatives involving the purchase and sale of options on bonds and equity ETFs, designed to smooth returns across asset classes. Short sales ranged from 0% to 14%. Net leverage was 0% after deducting hedging positions in accordance with NI 81-102. Borrowings, less than 10% of net assets, were short-term for liquidity only, provided by BMO Nesbitt Burns at the federal funds effective rate + 40 bps (4.73% as of June 30, 2025).

#### **Recent Developments**

The fluid nature of tariffs being imposed by the United States is expected to further impact financial markets.

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#### **Related Party Transactions**

The Manager provides investment management services to the Funds. In consideration for the services provided, the Manager received a monthly management fee based on the daily average Net Asset Value Attributable to Holders of Redeemable Units of Series F. Management fees for Series I securities are negotiated and paid directly by the investor, not by the Fund.

The management fees of the Fund is as follows:

- (i) Series F Units: 1.00% per annum
- (ii) Series I Units: Negotiated between the investor and the Manager and paid directly by the investor. The management fee rate on the Series I Units will not exceed the management fee payable on Series F Units of the Fund.

In addition to management fees, the Fund is responsible for the payment of all expenses relating to its operations. Operating expenses incurred by the Fund may include applicable taxes (including GST or HST/QST), accounting, legal, audit, custodial, administrative costs, investor servicing costs and costs of regulatory reporting.

The Fund is responsible for the payment of operating expenses that can be specifically attributed to it. Common operating expenses of the Funds are allocated among the Series based on the average number of unitholders or the average daily Net Asset Value of each Series, depending on the type of operating expenses being allocated.

At its sole discretion, the Manager may waive management fees or absorbs expenses of a Fund or the Funds. The expenses absorbed are shown on the "Statements of Comprehensive Income." Such waivers and absorptions can be terminated at any time without notice.

#### **Past Performance**

The Fund commenced operations as a reporting issuer on May 6, 2025. In conjunction with the filing of the Fund's simplified prospectus, the Manager received exemptive regulatory relief to include the Fund's performance as private issuer prior to May 6, 2025 in the calculation of its returns.

The performance information shown assumes that all distributions made by the Fund in the year shown were reinvested in additional units of the Fund. The performance information does not take into account sales, redemptions, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

#### **Year by Year Returns**

This information is not available because units of the Fund have not been distributed under a prospectus for a full calendar year.

#### **Annual Compound Returns**

This information is not available because units of the Fund have not been distributed under a prospectus for a full calendar year.

# GBW ALTERNATIVE ALL-WEATHER GROWTH FUND

## MANAGEMENT REPORT OF FUND PERFORMANCE

### Management Discussion of Fund Performance for the six months ended June 30, 2025

#### Financial Highlights – Series F

The Fund became a reporting issuer on May 6, 2025. The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the period shown.

<b>The Fund's Net Asset Value (NAV) per Series F Unit (1)</b>	<b>June 30, 2025</b>
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	<b>11.40</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	
Total Revenue	0.04
Total Expenses	(0.08)
Realized Gains (Losses)	(0.15)
Unrealized Gains (Losses)	(0.09)
<b>Total increase (decrease) in net assets attributable to holders of redeemable units (2)</b>	<b>(0.28)</b>
<b>Distributions</b>	
From Income	–
From Dividends	–
From Capital Gains	–
Return of capital	–
<b>Total Annual Distributions (2) (3)</b>	<b>–</b>
<b>Net assets attributable to holders of redeemable units, end of period (2)</b>	<b>11.11</b>

<b>Ratios and Supplemental Data</b>	
Total Net Asset Value (4)	3,214,772
Number of Units Outstanding (4)	289,304
Management Expense Ratio Before Absortions (5)	1.08%
Management Expense Ratio After Absortions (5)	1.08%
Trading Expense Ratio (6)	0.85%
Fund Expense Ratio (8)	1.93%
Portfolio Turnover Rate (7)	761.78%
<b>Net Asset Value Per Unit (4)</b>	<b>11.11</b>

# GBW ALTERNATIVE ALL-WEATHER GROWTH FUND

## MANAGEMENT REPORT OF FUND PERFORMANCE

### Management Discussion of Fund Performance for the six months ended June 30, 2025

#### Financial Highlights – Series I

The Fund became a reporting issuer on May 6, 2025. The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the period shown.

The Fund's Net Asset Value (NAV) per Series I Unit (1)	June 30, 2025
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	<b>11.06</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	
Total Revenue	0.04
Total Expenses	(0.04)
Realized Gains (Losses)	(0.15)
Unrealized Gains (Losses)	(0.07)
<b>Total increase (decrease) in net assets attributable to holders of redeemable units (2)</b>	<b>(0.22)</b>
<b>Distributions</b>	
From Income	–
From Dividends	–
From Capital Gains	–
Return of capital	–
<b>Total Annual Distributions (2) (3)</b>	<b>–</b>
<b>Net assets attributable to holders of redeemable units, end of period (2)</b>	<b>10.84</b>

<b>Ratios and Supplemental Data</b>	
Total Net Asset Value (4)	8,298,161
Number of Units Outstanding (4)	765,721
Management Expense Ratio Before Absortions (5)	0.40%
Management Expense Ratio After Absortions (5)	0.40%
Trading Expense Ratio (6)	0.85%
Fund Expense Ratio (8)	1.25%
Portfolio Turnover Rate (7)	761.78%
<b>Net Asset Value Per Unit (4)</b>	<b>10.84</b>

#### Notes:

(1) This information is derived from the Fund's financial statements for the period ended June 30, 2025, and is not a reconciliation of beginning and ending net assets per unit.

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period.

(3) Distributions were automatically reinvested in additional units of the Fund.

(4) This information is provided as at June 30, 2025.

(5) Management expense ratio is based on total expenses (excluding distributions, commissions, interest on borrowed funds and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average NAV during the period. Management expense ratio before absorptions is the same ratio before any expenses absorbed.

(6) The trading expense ratio represents total commissions and other portfolio transaction costs including interest expense on borrowed funds, expressed as an annualized percentage of daily average NAV during the period.

# GBW ALTERNATIVE ALL-WEATHER GROWTH FUND

## MANAGEMENT REPORT OF FUND PERFORMANCE

### Management Discussion of Fund Performance for the six months ended June 30, 2025

(7) The Fund's portfolio turnover rate indicates how actively the Fund's advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the units in its portfolio once in the course of the period. The higher a funds' portfolio turnover rate in the period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

(8) The fund expense ratio represents total fund expenses expressed as an annualized percentage of daily average NAV during the period. It is the sum of the management expense ratio and the trading expense ratio, inclusive of performance fees and net of any fee waivers, rebates or absorptions.

### Summary of Investment Portfolio

The following table shows selected key financial information about the Fund and is intended to assist in the understanding of the Fund's financial performance for the six months ended June 30, 2025.

<i>As of June 30, 2025</i>	<i>% of Net Assets</i>	<i>As of June 30, 2025</i>	<i>% of Net Assets</i>
<b>TOP 25 HOLDINGS</b>		<b>ASSET ALLOCATIONS</b>	
<b>LONG POSITIONS</b>		<b>LONG ALLOCATIONS</b>	
Invesco QQQ Trust Series 1	14.75%	Canadian Options	0.07%
Technology Select Sector SPDR Fund	12.49%	Canadian Short-term Investments	3.45%
Communication Services Select Sector SPDR Fund	9.41%	International Equities	4.80%
iShares TIPS Bond ETF	8.89%	International Options	0.21%
SPDR Gold Shares	8.69%	U.S. Commodities	8.69%
Utilities Select Sector SPDR Fund	6.48%	U.S. Equities	77.65%
United States Treasury Bill 0% 11SEP25	5.87%	U.S. Fixed Income	1.92%
SPDR S&P 500 ETF Trust	4.97%	U.S. Options	6.87%
iShares MSCI EAFE ETF	4.80%	U.S. Short-term Investments	5.87%
Consumer Discretionary Select Sector SPDR Fund	3.75%		
SPDR S&P Capital Markets ETF	3.65%	<b>SHORT ALLOCATIONS</b>	
Invesco QQQ Trust Series 1 Call \$440 31JUL25	3.61%	Canadian Options	(0.06%)
Canadian Treasury Bill 0% 24SEP25	3.45%	International Options	(0.01%)
Consumer Staples Select Sector SPDR Fund	2.96%	U.S. Equities	(9.68%)
Materials Select Sector SPDR Fund	2.83%	U.S. Options	(2.48%)
Cash And Other Net Assets (Liabilities)	2.70%		
Industrial Select Sector SPDR Fund	2.69%	<b>OTHER ALLOCATIONS</b>	
Energy Select Sector SPDR Fund	2.07%	Cash And Other Net Assets (Liabilities)	2.70%
United States Treasury Note/Bond 4.25% 15MAR27	1.92%		100.00%
Financial Select Sector SPDR Fund	1.81%	<b>TOTAL NET ASSETS VALUE (000's)</b>	
SPXW 12 P5600 Put \$5600 31DEC25	1.30%		<b>11,513</b>
Health Care Select Sector SPDR Fund	0.89%		
Invesco QQQ Trust Series 1 Call \$514.78 19DEC25	0.73%		
Invesco QQQ Trust Series 1 Call \$520 31JUL25	0.65%		
Invesco QQQ Trust Series 1 Put \$464.78 19DEC25	0.25%		
<b>SHORT POSITIONS</b>			
Invesco S&P 500 Equal Weight ETF	(9.68%)		
Invesco QQQ Trust Series 1 Call \$490 31JUL25	(2.01%)		
Invesco QQQ Trust Series 1 Put \$470 30SEP25	(0.20%)		
Invesco QQQ Trust Series 1 Put \$454.78 19DEC25	(0.08%)		
iShares S&P/TSX Capped Energy Index ETF Put \$17 19SEP25	(0.06%)		
SPX 9 P4700 Put \$4700 19SEP25	(0.05%)		
iShares 20+ Year Treasury Bond ETF Put \$84 16JAN26	(0.04%)		
iShares 20+ Year Treasury Bond ETF Put \$85 31JUL25	(0.04%)		
SPDR Gold Shares Call \$330 30SEP25	(0.04%)		
iShares MSCI EAFE ETF Put \$86 18JUL25	(0.01%)		
SPDR Gold Shares Call \$324 25JUL25	(0.01%)		
Energy Select Sector SPDR Fund Call \$91 25JUL25	(0.01%)		
	99.38%		
<b>TOTAL NET ASSETS VALUE (000's)</b>	<b>11,513</b>		
		<i>As of June 30, 2025</i>	<i>% of Net Assets</i>
		<b>SECTOR ALLOCATIONS</b>	
		<b>LONG ALLOCATIONS</b>	
		Funds	98.28%
		Government	11.24%
		Cash And Other Net Assets (Liabilities)	2.70%
		<b>SHORT ALLOCATIONS</b>	
		Funds	(12.22%)
			100.00%
		<b>TOTAL NET ASSETS VALUE (000's)</b>	
			<b>11,513</b>

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