

Richmond Equity Management Ltd. is a boutique Calgary based investment management firm with a focus on generating absolute returns with below average volatility and delivering exceptional client service. We provide conservative equity management with a focus on companies generating long term earnings and dividend growth. The size of our client base and assets under management will be limited to ensure superior client service while maximizing our investment choices and total return potential.

Investment Style

- Growth at a reasonable price.
- Concentrated, diversified portfolio of US dividend-paying companies expected to increase their dividends over time.
- Bottom up analysis with no sector weight requirements, not managed to mimic or approximate any index.
- A focus on companies with consistent free cash flows, high returns on capital, conservative balance sheets and the ability to buyback shares after investing in their businesses.
- Positions are approximately equal weighted.

The Fund is offered under prospectus exemptions in Alberta, B.C. and Ontario; the Fund is RRSP, RRIF, LIRA and TFSA eligible.

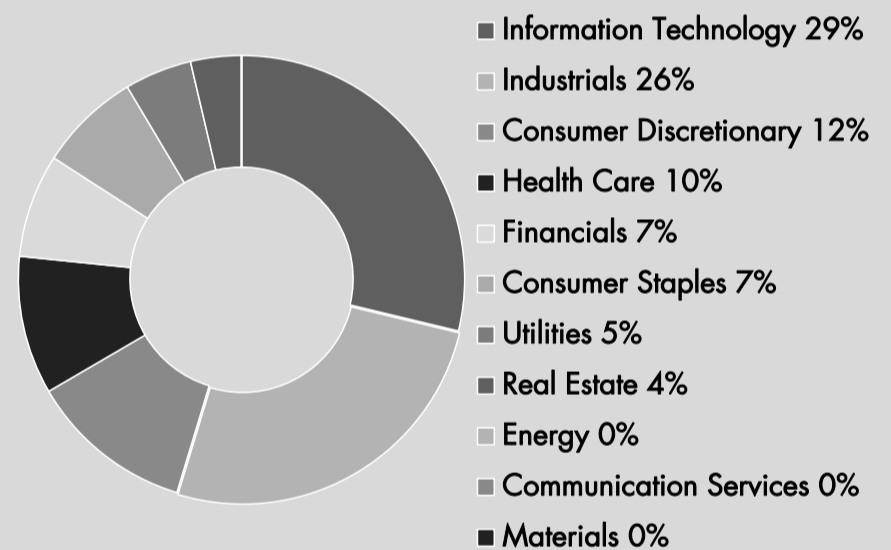
Fund Objectives

- **Income:** Generate an above market yield and growing distributions by focusing on US dividend paying companies.
- **Capital Preservation:** Achieved through investing in a broadly diversified portfolio of companies with superior fundamentals that consistently generate free cash flow and have moderate levels of debt.
- **Results:** Generate a growing level of income and attractive long-term total returns.

Top Ten Yields

	Portfolio Weight	Current Yield
Altria Group, Inc.	1.2%	8.6%
Simon Property Group, Inc.	1.1%	7.6%
Philip Morris International Inc.	1.3%	6.7%
Brookfield Infrastructure Partners L.P.	2.5%	4.7%
Pfizer Inc.	2.3%	4.6%
Walgreens Boots Alliance, Inc.	2.4%	4.3%
The Western Union Company	2.5%	4.2%
HP Inc.	2.8%	4.0%
JPMorgan Chase & Co.	2.4%	3.8%
3M Company	2.3%	3.8%

Sector Allocation as at June 30th, 2020



Characteristics

	Richmond US Equity Fund	S&P 500
Average Market Capitalization (\$USD B)	\$182.5	\$388.5
Dividend Yield (Gross)	2.7%	1.9%
Price/Earnings	19.2x	26.7x
Return on Invested Capital	24.6%	13.2%
Interest Coverage Ratio*	17.5x	7.5x
Average 10 Year Dividend Increase Count	9.2	6.4
Average 10 Year Share Repurchase Count	8.0	6.0

*Median used to reduce the effect of outliers

Source: Richmond Equity Management, Capital IQ, Clarifl

Fund Facts

Net Asset Value (CAD): \$10.72
 Net Asset Value (USD): \$7.87
 Net Portfolio Yield: 1.7%
 Fund Assets: \$9.1 million (CAD)
 Equity Positions: 42
 Minimum Investment: \$250,000 (CAD)
 Currency: Units available in CAD & USD
 Mgmt Fee: 1% per annum

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