



## Growth Mandate

CFG Model Portfolio

Reporting as of January 31, 2018

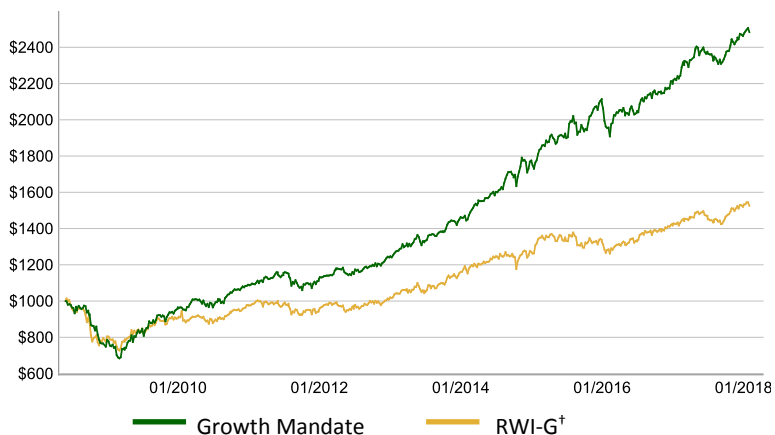
### Portfolio Description

The **Growth Mandate** is a two-pool portfolio based on a growth-biased 30/70 balance between more stable, yield-bearing assets (such as Fixed Income, Preferred Shares, Real Estate Investment Trusts [REITs], and Covered Call Strategies), via the Income Share Class, and higher-risk, growth-oriented asset classes (primarily Common Shares of publicly listed companies), via the Equity Share Class.

### Investment Objective

The objective of the **Growth Mandate** is to achieve better risk-adjusted returns than a passive, low-cost, diversified portfolio benchmark (The Real World Growth Index). The **Growth Mandate** aims to achieve this objective by holding in client accounts two Share Classes in target proportions of 30% Income Share Class and 70% Equity Share Class. Croft Financial Group will rebalance back to this target at least annually. In addition, rebalancing takes place within each Share Class on a more frequent basis to manage market risk, take advantage of market opportunity, and manage cash positions. For further information, including a more detailed description of the investment objectives and strategy for each of the component Share Classes, please review our Relationship Disclosure Document and/or Share Class Fact Sheets, both available at [www.croftgroup.com](http://www.croftgroup.com).

### Growth of \$1000



### Key Statistics

|                  | 1 M    | 3 M    | 6 M    | 1 Y    | 3 Y*   | 5 Y*   | SI*     |
|------------------|--------|--------|--------|--------|--------|--------|---------|
| Returns          | 0.84%  | 1.62%  | 6.50%  | 11.46% | 11.75% | 14.30% | 9.86%   |
|                  | 0.29%  | 0.95%  | 6.25%  | 7.58%  | 4.97%  | 7.92%  | 4.46%   |
| Sharpe Ratio     | 2.08   | 1.38   | 2.42   | 1.79   | 1.43   | 1.75   | 0.94    |
|                  | 0.27   | 0.38   | 1.87   | 1.07   | 0.58   | 0.90   | 0.39    |
| Maximum Drawdown | -0.92% | -1.11% | -1.73% | -3.97% | -9.70% | -9.70% | -31.57% |
|                  | -1.25% | -1.25% | -1.93% | -4.75% | -8.41% | -8.41% | -28.25% |

■ Growth Mandate ■ RWI-G<sup>†</sup>

\*Annualized returns  
Inception date May 31, 2008

### Portfolio

| Symbol                 | Security           | Weight                    |
|------------------------|--------------------|---------------------------|
| TCG534                 | Income Share Class | 30%                       |
| TCG531                 | Equity Share Class | 70%                       |
| Distribution           |                    | Monthly                   |
| Benchmark <sup>†</sup> |                    | Real World Index – Growth |

### Top 10 Holdings (effective)

| Security                      | Weight |
|-------------------------------|--------|
| CCL INDUSTRIES INC - CLASS B  | 3.16%  |
| BROADCOM LTD                  | 3.08%  |
| NEW FLYER INDUSTRIES INC.     | 2.93%  |
| VISA INC. CLASS A             | 2.91%  |
| OPEN TEXT CORP                | 2.84%  |
| BOYD GROUP INCOME FUND        | 2.82%  |
| THERMO FISHER SCIENTIFIC      | 2.77%  |
| TORONTO-DOMINION BANK         | 2.72%  |
| ALIMENTATION COUCHE-TARD CL.B | 2.70%  |
| LOBLAW COMPANIES              | 2.67%  |

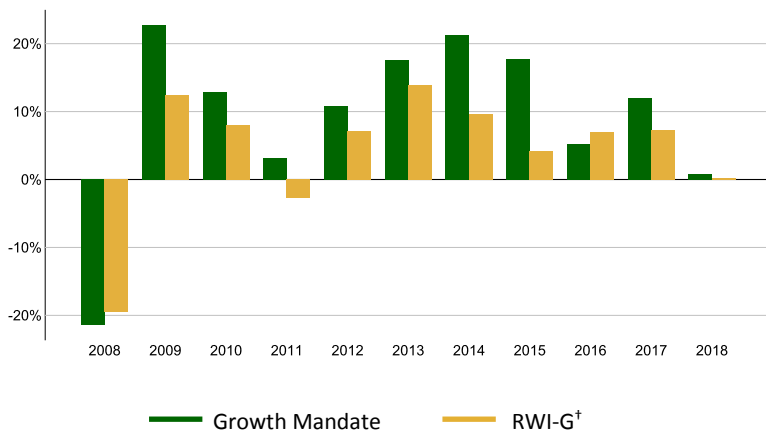
### Annual Returns

| Period | Growth Mandate | RWI-G <sup>†</sup> |
|--------|----------------|--------------------|
| 2018   | 0.84%          | 0.29%              |
| 2017   | 11.98%         | 7.30%              |
| 2016   | 5.20%          | 6.92%              |
| 2015   | 17.75%         | 4.27%              |
| 2014   | 21.34%         | 9.58%              |
| 2013   | 17.59%         | 13.91%             |
| 2012   | 10.83%         | 7.09%              |
| 2011   | 3.12%          | -2.69%             |
| 2010   | 12.88%         | 7.98%              |
| 2009   | 22.70%         | 12.44%             |

### Standard Deviation

| Period          | Growth Mandate | RWI-G <sup>†</sup> |
|-----------------|----------------|--------------------|
| Since Inception | 9.42%          | 9.29%              |
| 3 years         | 7.15%          | 6.41%              |
| 5 years         | 7.32%          | 7.43%              |

### Annual Returns



### Disclaimer and Notes

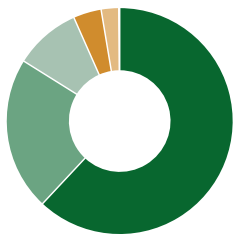
<sup>1</sup> Asset Allocation – CAD actual, marked to market as of close on the date quoted

<sup>2</sup> Sector Allocation – CAD notional, including option exposures with cash adjusted to total 100%

<sup>3</sup>Geographic Allocation – CAD notional, including option exposures with cash adjusted to total 100%

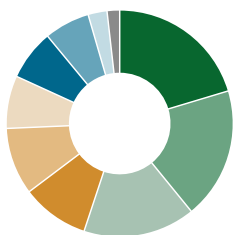
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### Asset Allocation<sup>1</sup>



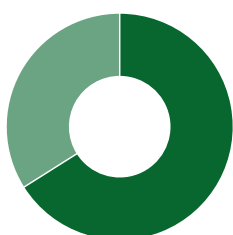
|                    |       |
|--------------------|-------|
| Equity             | 62.3% |
| Cash               | 22.0% |
| Preferred          | 9.5%  |
| Bonds & Debentures | 4.0%  |
| Real Estate        | 2.5%  |
| Private Equity     | 0.1%  |
| Option             | -0.5% |

### Sector Allocation<sup>2</sup>



|                        |       |
|------------------------|-------|
| Information Technology | 20.4% |
| Financials             | 18.8% |
| Industrials            | 16.0% |
| Health Care            | 9.6%  |
| Materials              | 9.6%  |
| Consumer Staples       | 7.5%  |
| Consumer Discretionary | 7.2%  |
| Energy                 | 6.5%  |
| Real Estate            | 2.7%  |
| Utilities              | 1.8%  |

### Geographic Allocation<sup>3</sup>



|               |       |
|---------------|-------|
| Canada        | 66.0% |
| United States | 34.0% |