



Enhanced Balanced Mandate

CFG Model Portfolio

Reporting as of August 30, 2019

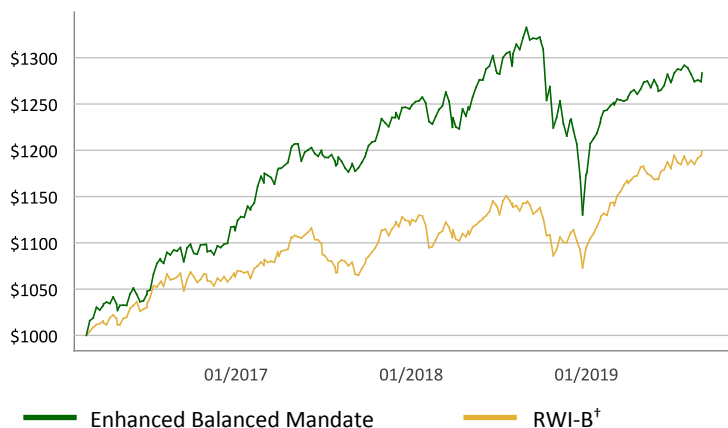
Portfolio Description

The **Enhanced Balanced Mandate** is a three-pool portfolio seeking capital appreciation and cash flow striking a balance between more stable, yield-bearing assets (such as Fixed Income, Preferred Shares, REITs, Covered Call and Credit Spread Strategies), via the Income Share Class and Option Writing 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 **Enhanced Balanced Mandate** is to achieve better risk-adjusted returns than a passive, low-cost, diversified portfolio benchmark (The Real World Balanced Index). The **Enhanced Balanced Mandate** aims to achieve this objective by holding in client accounts three Share Classes in target proportions of 50% Income Share Class, 37.5% Equity Share Class and 12.5% Option Writing 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.

Growth of \$1000



Key Statistics

	1 M	3 M	6 M	1 Y	3 Y*	5 Y*	SI*
Returns	-0.43%	1.57%	2.77%	-3.43%	5.58%	7.37%	
	1.19%	2.58%	5.12%	4.70%	4.09%	5.29%	
Sharpe Ratio	-1.52	0.98	0.83	-0.53	0.48	0.76	
	4.38	1.79	1.94	0.36	0.44	0.70	
Maximum Drawdown	-1.17%	-1.37%	-1.37%	-14.97%	-15.19%	-15.19%	
	-0.35%	-0.83%	-1.20%	-6.30%	-6.78%	-6.78%	

■ Enhanced Balanced Mandate ■ RWI-B⁺

*Annualized returns
Inception date February 29, 2016

Portfolio

Symbol	Security	Weight
TCG534	Income Share Class	50%
TCG531	Equity Share Class	37.5%
TCG539	Option Writing Share	12.5%
Distribution		Monthly
Benchmark [†]		Real World Index – Balanced

Top 10 Holdings (effective)

Security	Weight
PREMIUM INCOME CORP -PFD-	3.35%
HYDONE 1.62 04/30/20	3.13%
RCICN 5.38 11/04/19	2.80%
HSBC 2.938 01/14/20	2.80%
SJRCN 5.65 10/01/19	2.80%
SAPCN 2.654 11/26/19	2.79%
ATDBCN 3.319 11/01/19	2.79%
FINANCIAL 15 SPLIT CORP PFD	2.13%
PREMIUM BRANDS HLDGS CORP	1.95%
MS 2.65 01/27/20	1.86%

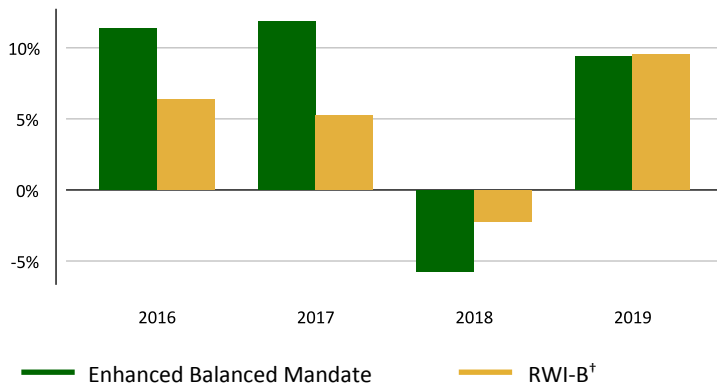
Annual Returns

Period	Enhanced Balanced	RWI-B ⁺
2019	9.40%	9.53%
2018	-5.75%	-2.24%
2017	11.82%	5.28%
2016	11.33%	6.33%

Standard Deviation

Period	Enhanced Balanced	RWI-B ⁺
Since Inception	6.36%	4.43%
3 years	6.60%	4.55%
5 years		

Annual Returns



Disclaimer and Notes

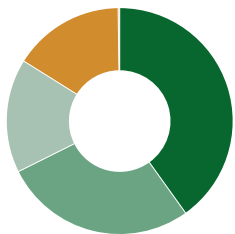
¹ Asset Allocation – CAD actual, marked to market as of close on the date quoted

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

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

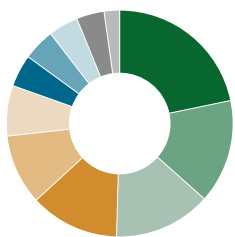
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Asset Allocation¹



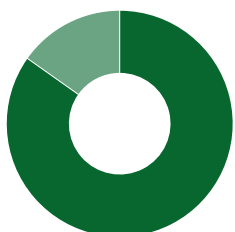
Equity	40.1%
Bonds & Debentures	27.6%
Preferred	16.3%
Cash	15.9%
Private Equity	0.2%
Option	-0.1%

Sector Allocation²



Consumer Discretionary	21.7%
Financials	14.8%
Industrials	13.9%
Health Care	12.7%
Real Estate	10.0%
Consumer Staples	7.2%
Information Technology	4.6%
Communication Services	4.5%
Utilities	4.3%
Energy	4.0%
Materials	2.2%

Geographic Allocation³



Canada	84.8%
United States	15.2%