



# ETF FACTS

## Bristol Gate Capital Partners Inc. Bristol Gate Concentrated US Equity ETF

CAD Units

BGU

February 27, 2024

This document contains key information you should know about Bristol Gate Concentrated US Equity ETF. You can find more details about this exchange-traded fund (ETF) in its prospectus. Ask your representative for a copy, contact Bristol Gate Capital Partners Inc. at 1-416-921-7076 or visit [www.bristolgate.com](http://www.bristolgate.com).

**Before you invest, consider how the ETF would work with your other investments and your tolerance for risk.**

### Quick Facts

|                                  |                   |                   |                                    |
|----------------------------------|-------------------|-------------------|------------------------------------|
| Date ETF started                 | February 15, 2018 | Fund manager      | Bristol Gate Capital Partners Inc. |
|                                  |                   | Portfolio manager | Bristol Gate Capital Partners Inc. |
| Total value on December 31, 2023 | \$240,883,059     |                   |                                    |
| Management expense ratio (MER)   | 0.83%             |                   |                                    |

### Trading Information (12 months ending December 31, 2023)

|               |                              |                        |                             |
|---------------|------------------------------|------------------------|-----------------------------|
| Ticker Symbol | BGU                          | Average daily volume:  | 3,487 units                 |
| Exchange      | Toronto Stock Exchange (TSX) | Number of days traded: | 249 out of 250 trading days |
| Currency      | Canadian dollars             |                        |                             |

### Pricing Information (12 months ending December 31, 2023)

|                        |                   |
|------------------------|-------------------|
| Market price           | \$32.73 - \$40.05 |
| Net asset value (NAV)  | \$32.77 - \$40.15 |
| Average bid-ask spread | 0.12%             |

### What does the ETF invest in?

The investment objective of Bristol Gate Concentrated US Equity ETF is to seek to generate long-term growth of income and capital by investing primarily in a concentrated portfolio of publicly-traded equity securities of U.S. companies that pay a dividend.

The charts below give you a snapshot of the ETF's investments on December 31, 2023. The ETF's investments will change.

#### Top 10 investments (December 31, 2023)

| Issuer Name                                    |               |
|------------------------------------------------|---------------|
| Cintas Corp.                                   | 5.38%         |
| Broadcom Inc.                                  | 5.36%         |
| Applied Materials Inc.                         | 5.03%         |
| Roper Technologies Inc.                        | 4.85%         |
| Moody's Corp.                                  | 4.81%         |
| Sherwin-Williams Co.                           | 4.80%         |
| Intuit Inc.                                    | 4.79%         |
| Zoetis Inc. Class A                            | 4.65%         |
| Thermo Fisher Scientific Inc.                  | 4.61%         |
| Mastercard Inc. Class A                        | 4.61%         |
| <b>Total percentage of top 10 investments:</b> | <b>48.89%</b> |
| <b>Total number of investments:</b>            | <b>22</b>     |

#### Investment mix (December 31, 2023)

| Sector Name                   |        |
|-------------------------------|--------|
| Information Technology        | 29.15% |
| Industrials                   | 18.66% |
| Financials                    | 18.07% |
| Health Care                   | 13.06% |
| Materials                     | 8.49%  |
| Consumer Discretionary        | 8.01%  |
| Real Estate                   | 4.34%  |
| Other assets less liabilities | 0.22%  |

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### How risky is it?

The value of the ETF can go down as well as up. You could lose money.

One way to gauge risk is to look at how much an ETF's returns change over time. This is called "volatility".

In general, ETFs with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. ETFs with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

### Risk rating

Bristol Gate Capital Partners Inc. has rated the volatility of this ETF as **medium**.

This rating is based on how much the ETF's returns have changed from year to year. It doesn't tell you how volatile the ETF will be in the future. The rating can change over time. An ETF with a low risk rating can still lose money.

|     |               |               |                |      |
|-----|---------------|---------------|----------------|------|
| Low | Low to Medium | <b>Medium</b> | Medium to High | High |
|-----|---------------|---------------|----------------|------|

For more information about the risk rating and specific risks that can affect the ETF's returns, see the "Risk Factors" section of the ETF's prospectus.

### No guarantees

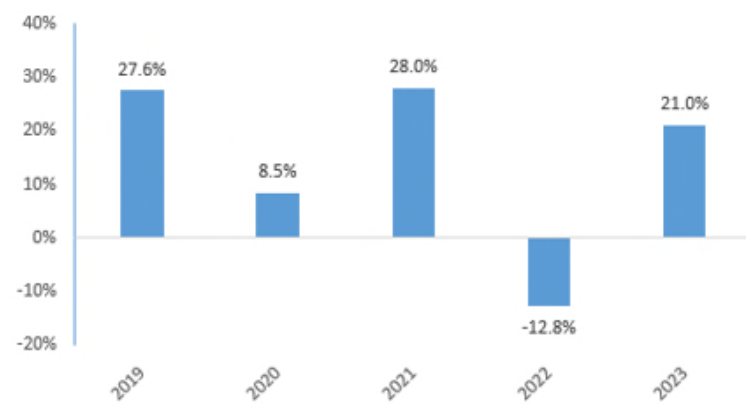
ETFs do not have any guarantees. You may not get back the amount of money you invest.

### How has the ETF performed?

This section tells you how CAD units of the ETF have performed over the past 5 years. Returns are calculated using the ETF's net asset value ("NAV") and are after expenses have been deducted. These expenses reduce the ETF's returns.

#### Year-by-year returns

This chart shows how CAD units of the ETF performed (in CAD terms) in the past 5 calendar years. CAD units of the ETF did not drop in value in 4 of the past 5 years. The range of returns and change from year to year can help you assess how risky the ETF has been in the past. It does not tell you how the ETF will perform in the future.



#### Best and worst 3-month returns

This table shows the best and worst returns for CAD units of the ETF in a 3-month period over the past 5 calendar years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

|              | Return  | 3-months ending | If you invested \$1,000 at the beginning of the period |
|--------------|---------|-----------------|--------------------------------------------------------|
| Best return  | 16.38%  | June 30, 2020   | Your investment would rise to \$1,163.75               |
| Worst return | -15.93% | March 31, 2020  | Your investment would drop to \$840.73                 |

#### Average return

As of December 31, 2023, a person who invested \$1,000 in CAD units of the ETF since inception would have \$1,990.77. This works out to an annual compound return of 12.43%.

## Trading ETFs

ETFs hold a basket of investments, like mutual funds, but trade on exchanges like stocks. Here are a few things to keep in mind when trading ETFs:

### Pricing

ETFs have two sets of prices: market price and NAV.

#### Market Price

ETFs are bought and sold on exchanges at the market price. The market price can change throughout the trading day. Factors like supply, demand, and changes in the value of an ETF's investments can affect the market price.

You can get price quotes any time during the trading day. Quotes have two parts: bid and ask.

The bid is the highest price a buyer is willing to pay if you want to sell your ETF units. The ask is the lowest price a seller is willing to accept if you want to buy ETF units. The difference between the two is called the "bid-ask spread".

In general, a smaller bid-ask spread means the ETF is more liquid. That means you are more likely to get the price you expect.

#### Net asset value (NAV)

Like mutual funds, ETFs have a NAV. It is calculated after the close of each trading day and reflects the value of an ETF's investments at that point in time.

NAV is used to calculate financial information for reporting purposes – like the returns shown in this document.

### Orders

There are two main options for placing trades: market orders and limit orders. A market order lets you buy or sell units at the current market price. A limit order lets you set the price at which you are willing to buy or sell units.

### Timing

In general, market prices of ETFs can be more volatile around the start and end of the trading day. Consider using a limit order or placing a trade at another time during the trading day.

## Who is the ETF for?

Investors who:

- are seeking long-term growth of income and capital
- want exposure to equity securities of U.S. companies that are selected from the S&P500® Index
- can tolerate a medium level of investment risk

## A word about tax

In general, you'll have to pay income tax on any money you make on an ETF. How much you pay depends on the tax laws where you live and whether or not you hold the ETF in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold your ETF in a non-registered account, distributions from the ETF are included in your taxable income, whether you get them in cash or have them reinvested.

## How much does it cost?

This section shows the fees and expenses you could pay to buy, own and sell CAD units of the ETF. Fees and expenses – including trailing commissions – can vary among ETFs. Higher commissions can influence representatives to recommend one investment over another. Ask about other ETFs and investments that may be suitable for you at a lower cost.

1. **Brokerage Commissions** – You may have to pay a commission every time you buy and sell units of the ETF. Commissions may vary by brokerage firm. Some brokerage firms may offer commission-free ETFs or require a minimum purchase amount.
2. **ETF Expenses** – You don't pay these expenses directly. They affect you because they reduce the ETF's returns. As of December 31, 2023, the ETF's CAD units' expenses were 0.83% of its value. This equals \$8.30 for every \$1,000 invested.

|                                                                                                                                                                                                                                                                            | Annual rate (as a % of the ETF's CAD units' value) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| <b>Management expense ratio (MER)</b><br>This is the total of the ETF's CAD units' management fee, administration fee and operating expenses. Bristol Gate Capital Partners Inc. waived some of the ETF's expenses. If it had not done so, the MER would have been higher. | 0.83%                                              |
| <b>Trading expense ratio (TER)</b><br>These are the ETF's CAD units' trading costs.                                                                                                                                                                                        | 0.00%                                              |
| <b>ETF expenses</b>                                                                                                                                                                                                                                                        | 0.83%                                              |

- 3. Trailing Commission** – The trailing commission is an ongoing commission. It is paid for as long as you own the ETF. It is for the services and/or advice that your representative and/or their firm provide to you. This ETF doesn't have a trailing commission.

### Other Fees

| Fee                                           | What you pay                                                                                                                                                                                                                                                                               |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Issue, exchange and redemption charges</b> | Bristol Gate Capital Partners Inc. may charge unitholders of the ETF, at its discretion, a charge of up to 0.25% of the issue, exchange or redemption price, as the case may be, to offset certain transaction costs associated with an issue, exchange or redemption of units of the ETF. |

### What if I change my mind?

Under securities law in some provinces and territories, you have the right to cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the prospectus, ETF Facts or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

### For more information

Contact Bristol Gate Capital Partners Inc. or your representative for a copy of the ETF's prospectus and other disclosure documents. These documents and the ETF Facts make up the ETF's legal documents.

#### **Bristol Gate Capital Partners Inc.**

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