

At Bristol Gate, we believe companies with robust free cash flows, disciplined capital allocation, and a track record of high dividend growth are uniquely positioned to deliver superior risk-adjusted returns. These businesses tend to exhibit resilient operating performance across economic cycles and align management incentives with shareholder interests through sustainable dividend policies. History shows that dividend growth rates are powerful predictors of total return and the fastest dividend growers often outperform the broader dividend universe.

Since the launch of ChatGPT in late 2022, the market has experienced a seismic shift as investor capital has concentrated heavily in AI leaders. This has created narrow market breadth making it difficult for us to keep up with the market, leading to our underperformance. At Bristol Gate we devote significant resources to data science and machine learning in our investment approach as we believe in the transformative power of AI. However, our focus is on identifying high dividend growth companies that are confidently allocating capital to their own proven businesses while investors have concentrated their exposure in the possible winners of nascent breakthroughs in technology. Whether AI emerges as the greatest technological revolution or goes through a meaningful metamorphosis, we will always continue to search for great companies with the best potential to reward investors through income and capital growth whether related to AI or not.

Our decision to maintain a diversified portfolio rather than over-concentrating in this single theme has acted as a headwind in the last two years. While this diversification provided stability during the volatility of Q1 2025 and benefited from the improving market breadth seen in Q4, it failed to capture the upside of the market we expected in the middle quarters of the year. Ultimately, we are disappointed with our security selection in 2025 but believe there is room for high dividend growth in everyone's portfolio.

We view challenging periods like this as opportunities to critically evaluate our decisions and further refine our investment process.

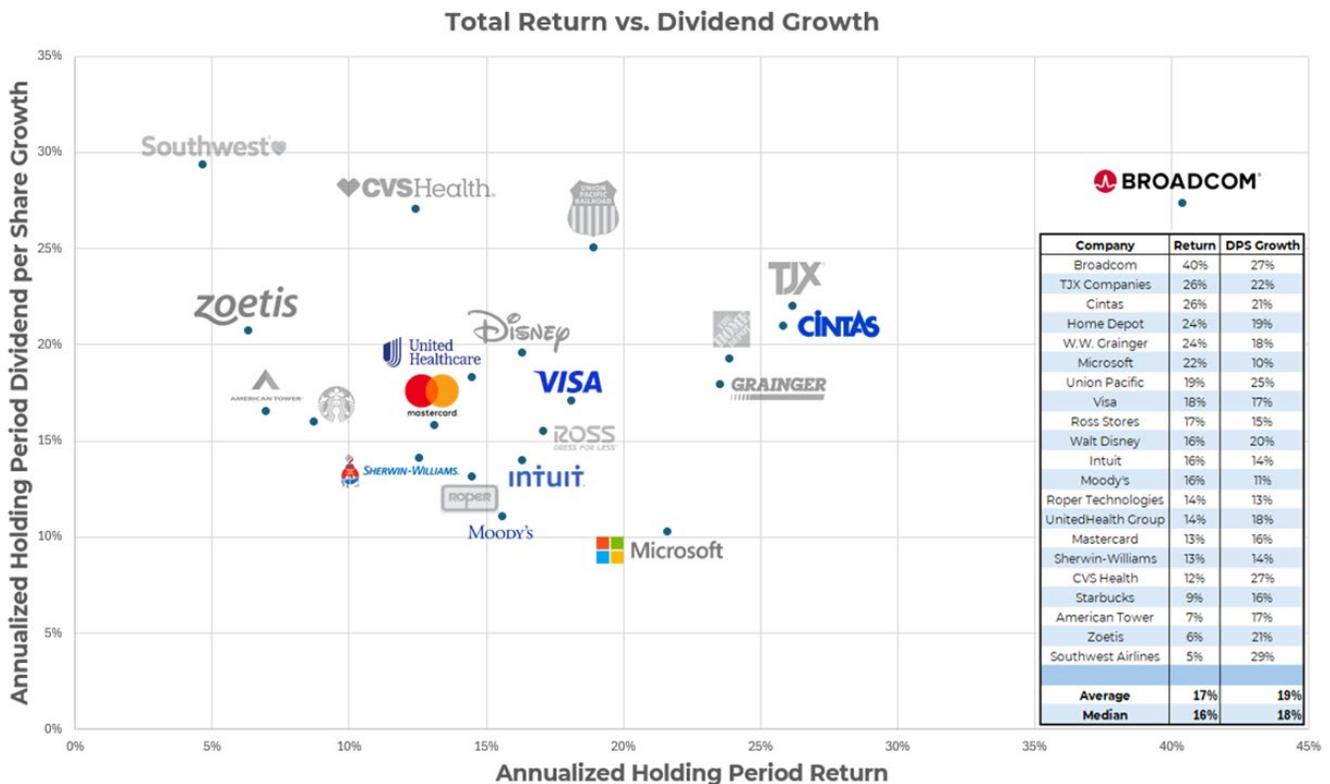
Our Technological Edge

Bristol Gate was founded with a belief that technology can help mitigate human bias and maximize investor results. Since inception, we have been pioneers in this space:

- **2009:** Hired our first statistician
- **2011:** Expanded our capabilities by hiring two data scientists (on the same day)
- **2017:** Fully embraced AI as our primary predictive tool
- **Today:** Our team includes four full-time data scientists, led by Chief Data Scientist Poorya Ferdowsi.

Our Data Science team’s contributions continue to impact the way we view our opportunities in the high dividend growth universe. This year we introduced the “Distant Future Model” to predict dividend growth beyond the 12-month horizon of our “Near Future” prediction model. Our research confirms that companies capable of sustaining high dividend growth for multiple years are superior long-term investments.

Our track record supports this: when we accurately identify companies that can raise their dividends year after year, there is a high correlation of income growth and capital returns. As shown in the chart below, the tight alignment between returns and dividend-per-share growth for positions held five years and longer serves as a clear "proof of concept" for our strategy.



Source: Bristol Gate Capital Partners, FactSet. See full performance history below. Data for current holdings is shown as of Dec. 31, 2025.

For these purposes, Holding Period reflects the adjusted close of the initial buy and final sell dates of these positions and does not reflect the actual return contribution to the portfolio. There is a risk of loss inherent in any investment; past performance is not indicative of future results - please see **Important Disclosures** at end of document.

We are now integrating this new powerful “Distant Future Model” into our process. Evidence shows significant increase in our return opportunity when combining the output of our current “Near Future

Model” with the new Distant Future Model. We intend to continue to add names to the chart above, exhibiting our ability to capture great companies during their high dividend growth phase.

Furthermore, we are leveraging each model’s vast datasets to generate proprietary buy and sell signals. While the model focuses on dividend growth, we believe its outputs can help us better time our entries and exits. These signals, unique to Bristol Gate, assist us in two critical areas:

1. Identifying the optimal moment to invest in a potential high-growth company.
2. Recognizing when a company’s price return may be at risk due to a projected slowdown in a company’s fundamentals leading to a decline in the dividend growth.

As an evidence-based firm, we remain committed to these repeatable, data-driven improvements to ensure the best possible outcomes for investors.

Outlook

In the Q3 letter we wrote “We believe our strategy presents a positive entry point, and for clients focused on preserving wealth or wanting to lower high growth exposures, focusing on dividend growth strategies represents an interesting inflection point”

During Q4, investors began to focus their investment choices beyond the concentrated group of stocks that has driven the market over the last several years. With the S&P US Dividend Growers, S&P 500 Dividend Aristocrats and S&P 500 Equal Weight outperforming the broad index over the last two months, continued broadening will aid our strategy. Passive index investing will not be able capture the broadening out theme relative to focused style/factor or active strategies that are diversified beyond the concentrated market capitalization weighting of the S&P 500 index.

Dividend indices are attractively priced after lagging the broad index in performance. From an entry standpoint, dividend stocks are now the most discounted in terms of price to earnings since the dot com era. Following the dot com bust, dividend stocks in general outperformed the broad index for ten years thereafter (2000-2009).

Several factors give us confidence that market breadth will improve:

- Inflation is moderating and there is potential for a more accommodative Fed
- We believe AI productivity benefits will begin to show up in corporate results across sectors
- The One Big Beautiful Bill Act (OBBBA) is set to generate a positive fiscal impulse for both consumers (significant tax refunds) and businesses (bonus depreciation)

Please see important disclosures at end of document

- Analog semiconductor companies have collectively been reporting improving results recently. Because they are integrated into such a wide variety of finished goods, analog demand usually signals a shift in real-world manufacturing and consumer spending months before it shows up in official GDP data

Our portfolio companies exhibit strong fundamentals, and many are trading at attractive valuations which the market has ignored for most of the year. These are businesses with competitive advantages, healthy balance sheets, and a commitment to rewarding shareholders through a rapidly growing dividend, underlined by the fact our portfolio companies grew their dividends by 14.3% over the last twelve months, compared to 5.6% for the S&P 500 Index. Given their financial power, we see even more reason to focus on high dividend growth stocks.

All 22 names in the portfolio reported Q3 earnings as of December 18th, 2025, with 100% of the portfolio beating consensus. The average year-over-year earnings growth was 35.9%. while median year over year growth was 11.8%. On the revenue side, 86% of the portfolio beat, with an average of 13.3% year-over-year sales growth and a median of 9.8%. Both percentage of beat and average on EPS and revenue growth were ahead of the S&P 500 for the quarter.

Market breadth tailwinds and our conviction in the improvements being made by our Data Science team in the Distant Future Model and beyond give us the confidence that it's an ideal time to buy the strategy and represents a way for investors to reduce risk relative to their exposure to the current concentrated market.

Contributors

From a sector perspective, Health Care, Information Technology and Financials were the leading contributors in the quarter.

On an absolute basis, leading contributors included Eli Lilly, Applied Materials and Thermo Fisher Scientific.

Eli Lilly (LLY) continues to benefit from the strength of its incretin portfolio. During the quarter, LLY reported Q3 results that were ahead of analyst expectations, driven by its GLP-1 franchise (Mounjaro and Zepbound). LLY now commands 58% of the US incretin market, and exited Q3 with 71% of new prescriptions, indicating further market share gains ahead. The strength led management to raise their annual guidance for the year for the third time this year. We believe LLY will carry this strength into 2026 when its oral GLP-1 drug (orforglipron) is expect to hit the market in the Spring. We believe

the oral alternative will significantly expand the market globally due to the ease of use (no needle), less complex supply chain (much easier to manufacture and no cold storage chain needed) and lower cost.

Applied Materials (AMAT) rose despite delivering mixed results in mid November. AI driven demand optimism, specifically around advanced logic and high bandwidth memory chips led to multiple expansion as there's expected improvement in the wafer equipment market in 2026. Management issued a cautiously optimistic Q1 2026 outlook and forecast a significant uplift in the second half of calendar 2026 as spending shifts back toward AMAT's strengths.

Thermo Fisher Scientific's (TMO) foundation for the Q4 rally, hitting a new 52-week high in late December, started with a strong Q3 earnings release near the end of October that were ahead of consensus expectations. TMO reported pharma clients are feeling more confident navigating the dynamic US policy environment and are planning U.S. capacity expansions with strong pipelines that TMO will benefit from via equipment sales and their CDMO network in coming years. The company expects growth to build in 2026 as headwinds abate, exiting the year at a run rate inline with its long-term organic revenue growth target of 3-6%.

For the year, Information Technology, Industrials and Health Care led the way from a sector perspective. General Electric, Applied Materials and Broadcom were the main contributors to performance.

Detractors

Materials and Consumer Discretionary were the only negative absolute sectors in Q4.

Zoetis, Carrier Global and Cintas were the main detractors from a stock perspective.

Zoetis (ZTS) released earnings earlier in November and while earnings per share was ahead of consensus, sales trailed modestly. The company also lowered its annual guidance, leading to a significant stock decline after the release. Throughout the year, ZTS struggled with fewer US veterinarian visits, new competition in key markets and ongoing negative social media coverage related to the company's osteoarthritis pain drugs. In December, the board of directors declared a dividend increase of 6% from the quarterly rate paid in 2025. We exited the position prior to year end because of deteriorating dividend growth. We held ZTS for over 6 years and until 2025, the company had an annualized dividend growth rate of 22% during our holding period.

Carrier Global (CARR) fell after lowering their 2025 guidance during the Q3 results. Residential sales volumes continue to be weak in the Americas region as higher interest rates and distributor destocking weighed on the segment. In early December the board of directors announced a 6.7% increase which was below our expectations.

Cintas (CTAS) traded down during the quarter, likely due to macro concerns and labour market softness, however the company delivered a strong beat and raise with their quarterly results reported in late December. CTAS continues to do an excellent job growing, not just by gaining share against its key competitors, but growing the overall market by converting “non programmers” into uniform rental or outsourced first aid, safety and fire clients.

Similar to Q4, Consumer Discretionary and Materials were absolute detractors from performance during the year. Over the last 12-months, UnitedHealth Group, Zoetis and Carrier Global were the largest detractors.

Transactions

Late in the quarter we bought Interactive Brokers (IBKR) and sold Zoetis (ZTS).

Interactive Brokers is a leading automated global electronic broker that provides sophisticated investors with low-cost direct access to trade various asset classes across over 160 markets worldwide. The company represents a high-quality franchise defined by a fortress like balance sheet, a sticky client base with high switching costs, and an automated infrastructure that generates superior margins. We believe this low-cost advantage will continue to support market share gains, generate attractive account growth and produce sustainable mid-teens dividend growth.

Zoetis was sold because of deteriorating dividend growth. We held Zoetis for over 6 years and, until 2025, the company had an annualized dividend growth rate of 22% during our holding period. However, our model had recently predicted a slowdown in dividend growth and the company subsequently announced a dividend increase of only 6% for the coming year. Setbacks surrounding its key osteoarthritis drug, Librela, and intensified competition in its dermatology and parasiticide markets over the last year seemingly made maintaining its historical dividend growth rate more challenging.

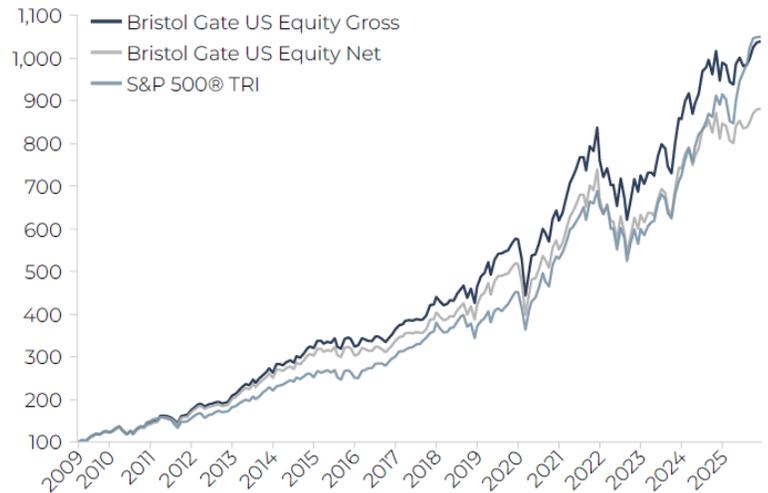
In addition to the above noted trade, as part of our rebalancing process, we trimmed Broadcom, Applied Materials, GE Aerospace, Microsoft, Thermo Fisher Scientific and Eli Lilly. We added to Accenture, Carrier Global, Zoetis, and Old Dominion Freight Line.

PORTFOLIO CHARACTERISTICS

	Portfolio		S&P 500® TRI
	Gross	Net	Gross
Number of Securities	22	22	503
Dividend Yield	0.9%	0.9%	1.4%
TTM Dividend Growth	14.3%	14.3%	5.6%
P/E	31.2	31.2	27.7
Forward P/E	25.9	25.9	22.0
Standard Deviation	14.7%	14.7%	14.2%
Sharpe Ratio	0.92	0.85	0.96
Sortino Ratio	1.57	1.42	1.61
Information Ratio	0.00	(0.19)	-
Up Capture	97.1%	94.6%	100%
Down Capture	93.5%	95.8%	100%
Tracking Error	5.23	5.23	-
Portfolio Alpha	0.46	(0.54)	-
Portfolio Beta	0.97	0.97	-
Active Share	86.1%	86.1%	-

GROWTH OF \$100,000 [USD]

As at December 31, 2025



The table shown above is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the Strategy or returns on investment in the Strategy.

PERFORMANCE RESULTS [USD] - Inception: May 15, 2009

ANNUALIZED

Trailing Returns	1M	3M	YTD	1YR	3YR	5YR	10YR	15YR	Since Inception		
Bristol Gate US Equity Gross	0.2%	4.1%	9.7%	9.7%	14.8%	10.1%	11.8%	14.2%	15.1%		
Bristol Gate US Equity Net	0.1%	3.9%	8.7%	8.7%	13.7%	9.0%	10.7%	13.1%	13.9%		
S&P 500® Dividend Aristocrats TRI	-0.4%	1.7%	7.3%	7.3%	7.6%	8.0%	10.5%	11.8%	13.4%		
S&P 500® TRI	0.1%	2.7%	17.9%	17.9%	23.0%	14.4%	14.8%	14.1%	15.1%		
Calendar Returns	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Bristol Gate US Equity Gross	18.7%	5.3%	2.9%	20.3%	0.8%	35.6%	11.4%	30.2%	-18.0%	25.2%	10.2%
Bristol Gate US Equity Net	17.6%	4.3%	1.8%	19.2%	-0.2%	34.3%	10.3%	29.0%	-18.8%	23.9%	9.1%
S&P 500® Dividend Aristocrats TRI	15.8%	0.9%	11.8%	21.7%	-2.7%	28.0%	8.7%	26.0%	-6.2%	8.4%	7.1%
S&P 500® TRI	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%	-18.1%	26.3%	25.0%

Source: Bristol Gate Capital Partners. There is a risk of loss inherent in any investment; past performance is not indicative of future results. Please see important disclosures at end of document.

Firm Update

2025 saw meaningful growth at Bristol Gate, with six employees hired. In Q2, Clayton Kelly, Portfolio Specialist and Shalini Chirimunj, Operations Analyst joined. In Q3, Mike Windrim joined as a Sales Associate, Jamie Baker joined as a Regional Relationship Manager and Chris Morris, based in New York, joined to lead our US Business Development initiatives. More recently Jason Miller, Portfolio Manager joined the firm. Jason joins with over 15-years of investment management experience, recently serving as a Portfolio Manager Specialist at a large Canadian asset manager.

As we continue to build relationships, prepare for future growth, develop new products and focus on ongoing innovation, these hires represent a commitment to depth, growth and client servicing.

To all our clients, thank you for your ongoing support and trust. We are determined to do everything we can to provide you income growth and strong investment returns into the future.

Sincerely,

The Bristol Gate Team

Important disclosures

There is a risk of loss inherent in any investment; past performance is not indicative of future results. Prospective and existing investors in Bristol Gate's pooled funds or ETF funds should refer to the fund's offering documents which outline the risk factors associated with a decision to invest. Separately managed account clients should refer to disclosure documents provided which outline risks of investing. Pursuant to SEC regulations, a description of risks associated with Bristol Gate's strategies is also contained in Bristol Gate's Form ADV Part 2A located at www.bristolgate.com/regulatory-documents.

The information contained herein is obtained from multiple sources that are believed to be reliable. However, such information may not have been verified, and may be different from the information included in documents and materials created by a sponsor firm in whose investment program a client participates. Some sponsor firms may require that these Bristol Gate materials are preceded or accompanied by investment profiles or other documents or materials prepared by such sponsor firms, which will be provided upon a client's request. There may be discrepancies between Bristol Gate's performance returns and the returns included in a sponsor firm's profile document (for example, but not limited to, differences in account size/type, portfolio management strategies, the number of securities held, average account size, inclusion of institutional or mutual fund accounts, etc.) For additional information, documents and/or materials, please speak to your Financial Advisor.

US Equity Strategy returns in this report refer to the Bristol Gate US Equity Strategy Composite (the "US Composite"). The US Composite consists of equities of publicly traded, dividend paying US companies. The US Composite is valued in US Dollars and for comparison purposes is measured against the S&P 500 Total Return Index. The US Composite's Investment Advisor, Bristol Gate Capital Partners Inc., defines itself as a portfolio manager, exempt market dealer and investment fund manager (as per its registration in Ontario, its principal regulator in Canada) and is also a Registered Investment Adviser with the U.S. Securities and Exchange Commission (the "SEC"). The Investment Advisor's objective is to select companies with positive dividend growth, and which collectively will generate over the long term a growing income and capital appreciation for investors. The inception date of the US Composite is May 15, 2009. The US Dollar is the currency used to measure performance, which is presented on a gross and net basis and includes the reinvestment of investment income. The US Composite's gross return is gross of withholding tax prior to January 1, 2017 and is net of withholding tax thereafter. Net returns are calculated by reducing the gross returns by the maximum management fee charged by Bristol Gate of 1%, applied monthly. Actual investment advisory fees incurred by clients may vary. There is the opportunity for the use of leverage up to 30% of the net asset value of the underlying investments using a margin account at the prime broker. Thus far no material leverage has been utilized. An investor's actual returns may be reduced by management fees, performance fees, and other operating expenses that may be incurred because of the management of the US Composite. A performance fee may also be charged on some

accounts and funds managed by the firm. Bristol Gate claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To obtain a GIPS Composite Report, please email us at info@bristolgate.com.

The S&P 500® Total Return Index measures the performance of the broad US equity market, including dividend re-investment, in US dollars. This index is provided for information only and comparisons to the index has limitations. The benchmark is an appropriate standard against which the performance of the strategy can be measured over longer time periods as it represents the primary investment universe from which Bristol Gate selects securities. However, Bristol Gate's portfolio construction process differs materially from that of the benchmark and the securities selected for inclusion in the strategy are not influenced by the composition of the benchmark. For example, the strategy is a concentrated portfolio of approximately equally weighted dividend-paying equity securities, rebalanced quarterly whereas the benchmark is a broad stock index (including both dividend and non-dividend paying equities) that is market capitalization weighted. As such, strategy performance deviations relative to the benchmark may be significant, particularly over shorter time periods. The strategy has concentrated investments in a limited number of companies; as a result, a change in one security's value may have a more significant effect on the strategy's value.

In addition to the US Equity strategy's benchmark described above, the following additional Index data may be presented for information purposes only and comparisons to these Indices has limitations:

S&P 500® Total Return Dividend Aristocrats Index measures the performance of a subset of S&P 500® Index companies that have increased their dividends every year for the last 25 consecutive years. This Index focuses on historical dividend growth, whereas Bristol Gate's US Equity strategy's securities are selected based on future dividend growth.

SPDR® S&P 500® ETF Trust (SPY US) sourced from Bloomberg has been used as a proxy for the S&P 500® Total Return Index for the purpose of providing some of the non-return-based portfolio statistics and sector weightings in this report. SPY US is an ETF that seeks to provide investment results that, before expenses, correspond generally to the price and yield performance of the S&P 500® Index.

This Report is for information purposes and should not be construed under any circumstances as a public offering of securities in any jurisdiction in which an offer or solicitation is not authorized. Prospective investors in Bristol Gate's pooled funds or ETF funds should rely solely on the fund's offering documents, which outline the risk factors associated with a decision to invest. No representations or warranties of any kind are intended or should be inferred with respect to the economic return or the tax implications of any investment in a Bristol Gate fund.

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This report may contain forward-looking statements including, but not limited to, statements about the Bristol Gate strategies, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events and conditions or include words such as “may”, “could”, “would”, “should”, “expect”, “anticipate”, “intend”, “plan”, “believe”, “estimate” and similar forward-looking expressions or negative versions thereof.

These forward-looking statements are subject to various risks, uncertainties and assumptions about the investment strategies, capital markets and economic factors, which could cause actual financial performance and expectations to differ materially from the anticipated performance or other expectations expressed. Economic factors include, but are not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

Readers are cautioned not to place undue reliance on forward-looking statements and consider the above-mentioned factors and other factors carefully before making any investment decisions. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith. Forward-looking statements are not guarantees of future performance, and

actual results could differ materially from those expressed or implied in any forward-looking statements. Bristol Gate Capital Partners Inc. 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.