

FUND COMMENTARY

Purpose Core Equity Income Fund

FUND DETAILS

ETF TICKER MGMT FEES	RDE 0.75%
SERIES F MGMT FEES	PFC2901 0.75%
SERIES A MGMT FEES	PFC2900 1.75%

Inception date: **NOV 16, 2015**DISTRIBUTION FREQUENCY
MonthlyFUND STRUCTURE
Corporate Class

Year-to-date, the Fund is up 9.9%, a solid return at the halfway mark.

FUND MANAGER

**Craig Basinger**

CHIEF MARKET STRATEGIST
T: 647 822-1406
craigb@purposeinvest.com

MARKET OVERVIEW

Markets have performed well during the first half of 2025, but this certainly masks a lot of volatility and uncertainty. The main recurring theme appears to be false crises. Whether it's trade, escalating war in the Middle East, terrible sentiment economic data, a spike in credit spreads, or deficit concerns over government bond issuance, all have rattled markets only to see the risks fade. We're not saying these risks are actually gone, but the market has consistently reacted and then recovered, so for

now, we're placing them all in the "false crises" category.

The trade war isn't over, there isn't peace in the Middle East, economic data isn't good, and deficits are still a problem, but the market says it doesn't care. Or it doesn't care at the moment. While 2025 has been a macro-driven year so far, with headlines motivating most of the market moves in both directions, we believe that taking a more calm or non-reactionary approach to headline announcements has proven ideal for one's portfolio.

FUND PERFORMANCE AND POSITIONING

The Purpose Core Equity Income Fund (PFC2901) rose 3.1% in June, outperforming its benchmark, the S&P/TSX Composite, which rose 2.9%. Performance this year has largely kept up with the TSX, despite the U.S. market underperformance. Year-to-date, the Fund is up 9.9%, a solid return at the halfway mark. Strong category performance continues as our active management style and strong security selection continue to pay dividends (pun intended).

The fund's positive performance in June primarily stemmed from strong contributions across the Financial, Energy, and Technology sectors. Conversely, our Staples were the primary detractors. Within Financials, the Canadian banks continued their strong performance, benefiting from a resilient economic backdrop and stable credit conditions. Lazard stood out as our best-performing financial holding, demonstrating strength amidst the broader sector's positive momentum.

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The Energy sector was another significant driver of returns. Cameco was a particular standout, reflecting

strong uranium market fundamentals and increasing global demand for nuclear energy. Following this impressive advance, we trimmed our position to lock in gains. Additionally, Whitecap Resources continued its strong run, performing very well in the wake of its recent acquisition of Veren, which has enhanced its production profile and operational efficiency.

In the Technology sector, our positions in Cisco Systems and Microsoft were leading contributors. Both companies demonstrated resilience and growth, driven by ongoing digital transformation trends and robust demand for their enterprise solutions, further solidifying their roles as cornerstones of our technology allocation.

Beyond these sector-level contributions, Finning International was our top individual contributor for the month, underscoring the strength in industrial and equipment services. Other significant individual contributors included Lundin Mining and Rogers Communications, which saw a notable resurgence, rising over 11% in June as it regained investor confidence.

During the month, we made several tactical adjustments and added a couple of new positions. In early June, we added to our positions in Suncor and Cenovus. The top-up of our energy allocation, with oil trading in the low \$60s, proved well timed, as it preceded the escalation of oil prices as tensions in the Middle East continued to rise, and peaked with

the U.S. bombing of Iran. Mid-month, we switched our pipeline exposure, buying Pembina Pipeline while selling all of our remaining shares in TC Energy. We also added to Restaurant Brands and Merck.

Towards the end of June, we sold our position in Lundin Mining, fully exiting the stock given our view that copper prices had been running ahead of the resumption of reciprocal tariffs. While we still like copper in the long term, the recent strength was more influenced by tariffs and physical metal moving to the U.S., and less to do with a sustained demand increase. We also sold OpenText and bought Accenture. This move was aimed at increasing the quality within our technology allocation and increasing our overall exposure to higher-growth, higher-quality names.

As active managers, we remain firm believers in our approach. We continue to be tactical with our revisit levels and trade around outsized share price moves. Looking ahead, we remain constructive and believe in the intrinsic value of our companies, but we are wary of elevated valuations across broader equity markets. While we wouldn't put ourselves in the bearish camp, the risk-to-reward ratio appears to be at least partially tilted for more risk than reward. This market has moved back from overreacting to bad news to overreacting to good news. As contrarians, this has us dialling back a bit, reducing cyclicity and beta within our portfolio. Positioning for uncertainty remains paramount for 2025.

FUND PERFORMANCE

ALL PERFORMANCE DATA AS AT JUN 30, 2025

PURPOSE CORE EQUITY INCOME FUND	1 MONTH	3 MONTHS	6 MONTHS	YTD	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
Series A	2.98%	6.91%	9.31%	9.31%	16.90%	11.08%	12.10%	7.87%
Series F	3.07%	7.21%	9.91%	9.91%	18.21%	12.31%	13.35%	9.05%

Source: Morningstar

RISK STATISTICS

AS AT JUN 30, 2025

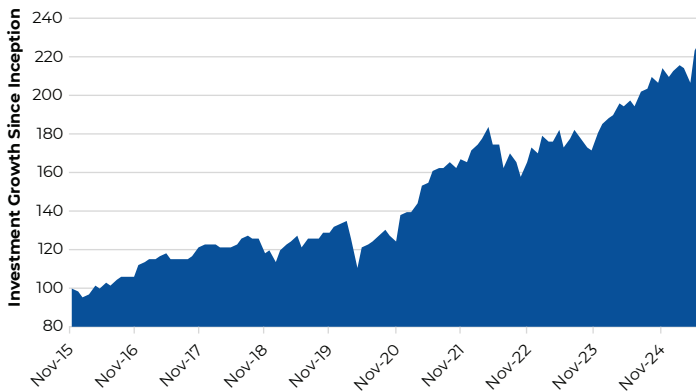
	SARPE	MAX DRAWDOWN	STANDARD DEVIATION	DOWNSIDE DEVIATION	BETA	SORTINO
Purpose Core Equity Income F	0.63	-18.25%	11.50%	8.49%	0.83	0.85
S&P/TSX Composite TR	0.69	-22.25%	12.97%	10.83%	1.00	0.83

*The inception date of the Purpose Core Income Equity Fund was November 16th, 2015

Source: Purpose Investments & Bloomberg

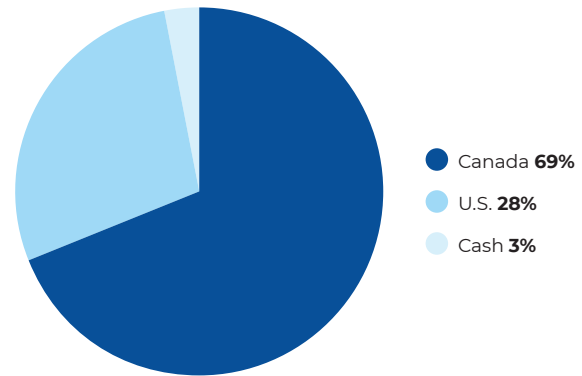
INVESTMENT GROWTH

AS AT JUN 30, 2025



COUNTRY ALLOCATION

AS AT JUN 30, 2025



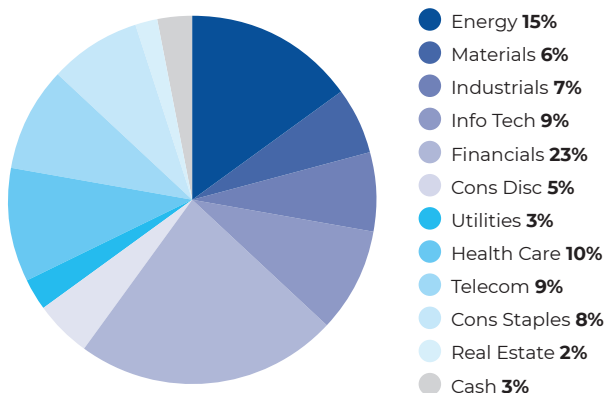
TOP 10 HOLDINGS

AS AT JUN 30, 2025

NAME	WEIGHT
Bank of Montreal	5.2%
Royal Bank of Canada	5.1%
Bank of Nova Scotia/The	4.3%
Finning International Inc	3.8%
Sun Life Financial Inc	3.6%
Microsoft Corp	3.4%
TELUS Corp	3.4%
Whitecap Resources Inc	3.2%
Cisco Systems Inc	3.1%
Emera Inc	3.1%

INVESTMENT GROWTH

AS AT JUN 30, 2025



FUND OBJECTIVES

- A steady stream of income from dividend-paying companies
- Long-term capital growth
- Exposure to Canadian and U.S. equity markets

KEY ADVANTAGES

- Dividend-focused investment strategy companies emphasizing dividend health & sustainability and free cash flow generation
- Flexibility to tactically overweight assets in specific sectors and invest up to 35% in U.S. stocks to provide greater return potential and increased diversification

RISK RATING



INVESTMENT PROCESS



¹Contribution to fund return for the period is calculated as the 1 month total return for the ETF Class of the Fund multiplied by the sector/ security's average weight of the Fund's net asset value.

² MSCI EAFE sector indices. All data sourced from Bloomberg and Purpose Investments, unless otherwise noted.

Commissions, trailing commissions, management fees and expenses all may be associated with investment fund investments. The prospectus contains important detailed information about the investment fund. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in share/unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. As with any investment, there are risks to investing in investment funds. There is no assurance that any fund will achieve its investment objective, and its net asset value, yield, and investment return will fluctuate from time to time with market conditions. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. The opinions expressed are provided by the portfolio manager responsible for the management of the Fund's investment portfolio, as specified in the Fund's prospectus. Unless otherwise stated, the source for data cited in any commentary is the portfolio manager. Nothing in any commentary should be considered a recommendation to buy or sell a particular security. The Fund may sell these securities at any time, or purchase securities that have previously been sold. The securities may increase or decrease in value after the date hereof, and the Fund may accordingly gain or lose money on the investment in the securities. The statements by the portfolio managers in their commentaries are intended to illustrate their approach in managing the funds, and do not necessarily reflect the views of Purpose Investments Inc.

