

# WGAMNews | October 2023

## An update on our investment platform

### PRIVATE EQUITY FOCUSED ON THE ASSET MANAGEMENT INDUSTRY

Structured as a private equity fund, we invest in high potential firms operating in the asset management industry, generating strong and uncorrelated returns

#### THE INVESTMENT OPPORTUNITY

The asset management industry presents an exceptional investment opportunity as it continues to grow at an attractive pace, is large and fragmented, and offers appealing industry dynamics including:

- ✓ Stable recurring revenues
- ✓ Favorable performance fees
- ✓ Potential scalability
- ✓ High margins

#### HIGH POTENTIAL PROPRIETARY DEALFLOW

With nine portfolio acquisitions to date across Canada and Europe, and many transactions in process, our proprietary pipeline offers highly appealing deployment opportunities, as we focus on identifying firms offering differentiated investment approaches.

#### STRONG PERFORMANCE

WGAM’s portfolio companies offer differentiated alternative strategies and are diversified across geographies, growth stage and firm type. In addition to investing in asset managers, we also focus on financial service providers and wealth management firms.

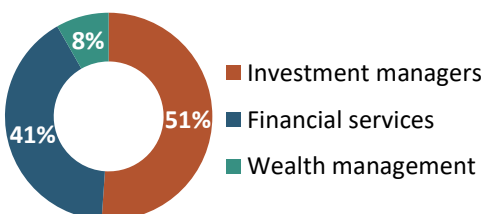
This multi-faceted diversification provides varied sources of revenues, resulting in very low correlation to public markets, and the ability to generate solid performance regardless of the economic environment.

The WGAM Strategic Partnership Fund has already demonstrated its strong potential by delivering robust returns throughout the recent volatile environment.

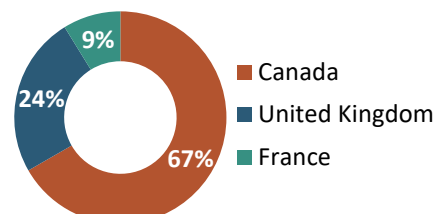
In the short time since its inception, the Fund is already delivering a double digit IRR<sup>1</sup>, as well as an impressive distribution yield.

### A HIGHLY DIVERSIFIED PORTFOLIO<sup>2</sup>

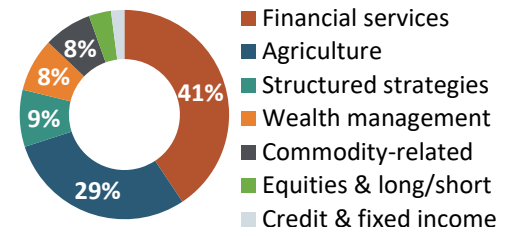
BY SECTOR



BY GEOGRAPHY



BY ASSET CLASS



<sup>1</sup> Gross IRR as at June 30, 2023

<sup>2</sup>As at June 30, 2023

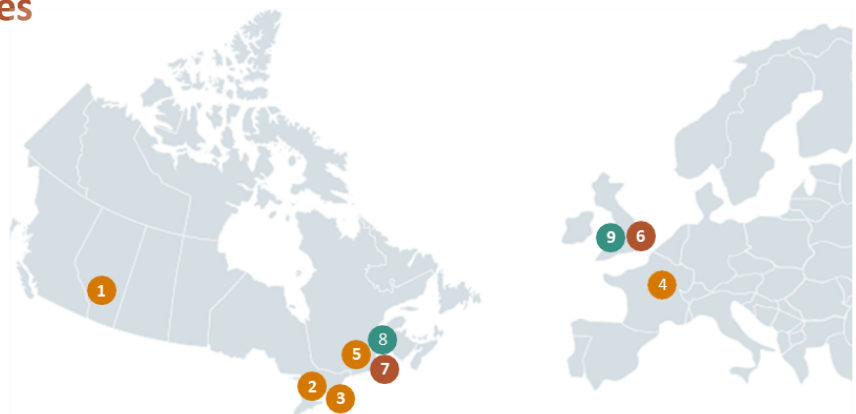
## PORTFOLIO PARTNER NEWS

- **WGAM has increased its equity ownership in Validus** as the firm continues to see strong growth, having successfully expanded into new geographies and broadened its service offering and its target clientele.
- **Bonnefield has launched the new Integrated Agriculture Fund**, which provides a broader financial offering to leading agribusinesses and essential assets, targeting a 14 to 16% gross IRR.
- **Auspice continues to see strong inflows and is nearing \$1B in AUM**, following the launch of the Auspice Broad Commodity ETF (CCOM) and the successful conversion of the Auspice Diversified and Auspice One funds to liquid alternative mutual funds.
- **Innocap’s merger with HedgeMark** (BNY Mellon) and its subsequent integration are progressing ahead of financial targets, with many new clients won and a strong pipeline.
- **Kilgour Williams’ Business Credit Fund has generated a 15.3% annualized return since inception\*** and is now available for investment by registered accounts, as well as to US and offshore investors through a parallel fund.
- **Samara has finalized its acquisition of CEOS Family Office** providing its clients with a full range of wealth management services, and gaining numerous new clients.
- **LFIS is launching LFIS Canada**, broadening its wealth of quantitative expertise for Canadian investors and offering a local presence.
- **LionGuard’s Opportunities Fund is maintaining its solid track record**, with 9.6% net performance YTD\*.
- **Quadra’s partnerships with Carmignac, Flexam and Butler** are generating significant interest with Canadian institutional and family office investors.

\*As at August 31, 2023

## OUR GLOBALLY DIVERSIFIED PORTFOLIO OF PARTNERS

The WGAM ecosystem offers leading innovative solutions for a variety of investment objectives



### INVESTMENT MANAGERS

SYSTEMATIC ALTERNATIVE STRATEGIES  
**Auspice Capital Advisors**  
 Commodities-focused investment manager offering liquid alternative strategies  
 Calgary, Canada  
[auspicecapital.com](http://auspicecapital.com)  
**AUSPICE** 1

AGRICULTURAL ASSET MANAGEMENT  
**Bonnefield Financial**  
 Canada’s leading farmland investment manager  
 Toronto, Canada  
[bonnefield.com](http://bonnefield.com)  
**Bonnefield** 2

PRIVATE CREDIT INVESTING  
**Kilgour Williams Capital**  
 Credit specialists focused on fintech-enabled private credit investing  
 Toronto, Canada  
[kilgourwilliams.com](http://kilgourwilliams.com)  
**KILGOUR WILLIAMS** 3

QUANTITATIVE INVESTMENT  
**LFIS Capital**  
 Leading quantitative alternative investment strategies and structured products experts  
 Paris, France  
[lffis.com](http://lffis.com)  
**LFIS** 4

ALTERNATIVE EQUITIES  
**LionGuard Capital Management**  
 Experts in small- & mid cap North American equities  
 Montreal, Canada  
[lionguardcapital.com](http://lionguardcapital.com)  
**LIONGUARD** 5

### WEALTH MANAGEMENT

ALTERNATIVE INVESTMENT STRATEGIES  
**Quadra Capital Partners**  
 Alternative investment firm linking investors to the best of Europe  
 London, U.K.  
[quadra-capital.com](http://quadra-capital.com)  
**QUADRA CAPITAL** 6

MULTI-FAMILY OFFICE  
**Samara**  
 Multi-family office offering a full range of wealth management solutions  
 Montreal, Canada  
[samara.ca](http://samara.ca)  
**samara** 7

### FINANCIAL SERVICES

ALTERNATIVE INVESTMENT PLATFORM  
**Innocap Investment Management**  
 Global leader of customized managed account solutions to the asset management industry  
 Montreal, Canada  
[innocap.com](http://innocap.com)  
**innocap** 8

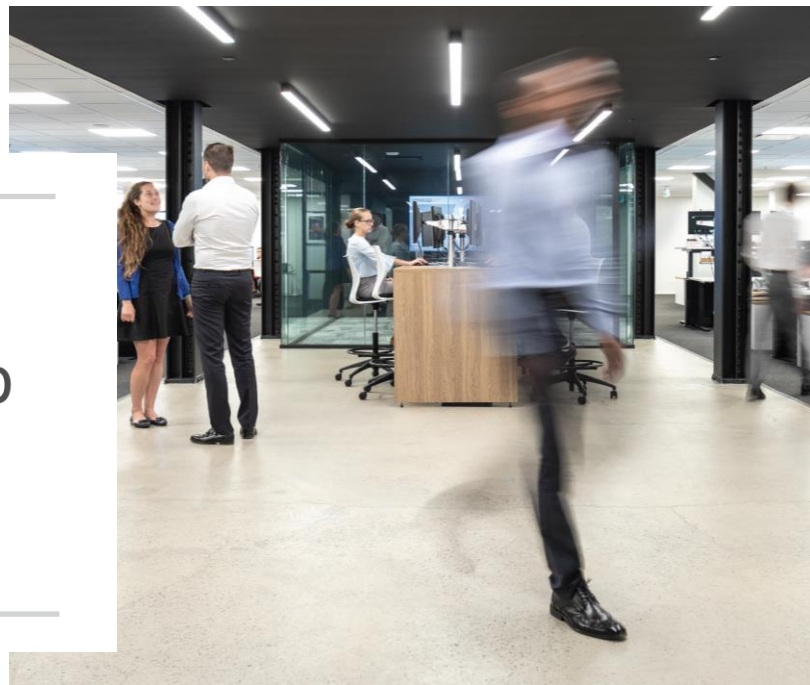
RISK MANAGEMENT SOLUTIONS  
**Validus Risk Management**  
 Provider of currency and interest rate risk management solutions to the investment industry  
 London, U.K.  
[validusrm.com](http://validusrm.com)  
**VALIDUS** 9

# INNOCAP

## Global Leader of Customized Managed Account Solutions to the Asset Management Industry

### KEY TAKE-AWAY

Dedicated managed account platform offering institutional allocators solutions for superior structuring, access and monitoring of their alternative investments



### AN INTERVIEW WITH FRANÇOIS RIVARD, CEO OF INNOCAP

#### Why are an increasing number of institutional investors using managed account when allocating to external managers?

*Interest from large and sophisticated institutional investors continues to grow in all parts of the world. Enhanced governance through the transparency and control provided by managed accounts have always allowed for faster and more informed decisions. Furthermore, the current market environment and high interest rates are encouraging investors to utilize managed accounts for cash efficiency purposes, notional funding and cross margining investment structures.*

#### What are Innocap’s competitive advantages?

*Innocap is the leading managed account platform in the industry, offering size and expertise to provide tailored services to the largest pension plans across the world. Our proprietary technology allows us to offer customizable solutions to our clients, and our merger with HedgeMark’s complementary business has allowed us to broaden our array of services even further.*

#### Innocap has been growing quickly, what do you foresee for the near future?

*We continue to see sustained growth in various markets. Europe, the Middle East and Asia’s large investors are keen on exploring the benefits of managed accounts and building sophisticated investment platforms. We are also staying abreast of new technologies and innovation, allowing us to continuously assist investors with their sustainable investing goals and initiatives.*



*François Rivard  
Chief Executive Officer  
Innocap*

Visit Innocap’s website: [www.innocap.com](http://www.innocap.com)

### INNOCAP IN NUMBERS (as at June 30, 2023)

GLOBAL PLATFORM AUM <b>US\$59 billion</b>	CLIENT ASSETS LEVERAGING INNOCAP’S TECHNOLOGY <b>US\$900 billion</b>	EMPLOYEES WORLDWIDE <b>385</b>
NUMBER OF FUNDS ONBOARDED OVER INNOCAP’S HISTORY <b>&gt; 600</b>	OFFICES WORLDWIDE <b>6</b>	ORIGINS DATING BACK TO <b>1996</b>

## BONNEFIELD FINANCIAL

Leading Canadian Agriculture and Farmland Asset Manager, and Canada’s Foremost Provider of Land-Lease Financing for Farmers



### KEY TAKE-AWAY

Bonnefield’s new **Integrated Agriculture Fund** leverages its expertise and unique market position, offering attractive risk adjusted returns by **investing in essential assets and leading agribusinesses**



### BONNEFIELD INTEGRATED AGRICULTURE FUND (BIAF)

- Through its **leading market position**, Bonnefield has identified a **unique opportunity** to provide alternative financing to underserved Canadian agribusinesses, enabling them to achieve their long-term goals
- **Led by Sam Doyle**, who benefits from extensive experience in sourcing, evaluating, executing & managing investment opportunities at a food and agribusiness PE firm with over USD\$1 billion in AUM
- **Investments in essential assets and agribusinesses** operating in the core of the Canadian agricultural value chain, from production to value-add processing
- Focus on Canada, in markets where Bonnefield has an **established national and regional presence** and deep sector knowledge
- **Leveraging Bonnefield’s network** of +110 farmer relationships who control +350,000 acres of farmland **to source proprietary investment opportunities**

Visit Bonnefield’s website: [www.bonnefield.com](http://www.bonnefield.com)

### BONNEFIELD IN NUMBERS

ASSETS UNDER MANAGEMENT <b>\$1.3 billion</b>	YEAR FOUNDED <b>2009</b>	INVESTMENT FUNDS CURRENTLY ACTIVE <b>5</b>	CANADIAN FARMED PROPERTIES <b>100%</b>
APPROX NUMBER OF ACRES <b>130,000</b>	NUMBER OF PROPERTIES <b>193</b>	CANADIAN TENANTS <b>118</b>	UNPRI SIGNATORY <b>Since 2014</b>

### TARGETING ATTRACTIVE RISK-ADJUSTED RETURNS

- Target gross IRR : 14% – 16%
- Target current income: 4% - 6%
- Attractive opportunities driven by limited financing options and lack of competition in the market
- BIAF will also offer co-investment opportunities on larger investments

### PORTFOLIO & PIPELINE

#### Fund Investment 1

- \$25M participating preferred equity investment to support growth of leading Canadian produce packer/shipper with operations in Canada and U.S.

#### Selected Pipeline Opportunities

- Investment in fruit propagation and horticulture nursery through sub-debt with warrants
- Preferred equity investment in greenhouse vegetable grower/ marketer
- Sale-leaseback of new cold storage facility

## ABOUT US

**Our long-term investment approach leverages our team’s complementary expertise, enabling our portfolio partners to achieve their strategic ambitions and to maximize value creation for our investors and portfolio partners.**

### MAXIMIZING VALUE CREATION

#### BUSINESS STRATEGY

Our leadership and expertise are uniquely positioned to guide managers through strategic planning, acquisitions and integrations.

#### CAPITAL

An equity investment can provide the capital to penetrate new markets & geographies and attract the talent required by top firms. We also have the ability to seed new investment strategies.

#### DISTRIBUTION AND MARKETING

We guide our firms at every step of the sales cycle, from business development planning and market positioning to facilitating client and consultant relationships.








#### HUMAN CAPITAL

Talent attraction, management and retention are key to performance regardless of firm maturity. Our team helps firms design the compensation plans that will foster long-term alignment.

#### OPERATIONAL EXCELLENCE

Walter GAM believes that best-in-class leads to world-class. Our resources support back and middle office teams in optimizing systems, reporting, controls and compliance.

Visit our website: [www.walter-gam.com](http://www.walter-gam.com)

	<p><b>SYLVAIN BROUSSEAU</b> CEO and Founding Partner ✓ Deal sourcing &amp; execution ✓ Strategic direction ✓ Human capital</p>		<p><b>PATRICK LORANGE, CFA, CPA</b> Partner ✓ Deal sourcing, execution, structuring ✓ Investment oversight ✓ Financial management</p>
	<p><b>MARTIN DUFRESNE, M.Sc., CFA</b> President and Managing Partner ✓ Institutional business development ✓ Portfolio management ✓ Talent identification &amp; attraction</p>		<p><b>AVI SOKOLOVA, MBA</b> Director of Operations ✓ Legal &amp; compliance coordination ✓ Operational best practices ✓ Project leader</p>
	<p><b>JULIE LALONDE, ASC, C.DIR., CFA</b> Managing Partner ✓ Retail &amp; institutional expertise ✓ Marketing and communications ✓ Product development</p>		<p><b>GUILLAUME TOUZE</b> Partner, European Development ✓ European deal sourcing ✓ European distribution ✓ Strategic advisor</p>
	<p><b>CHARLES LEMAY</b> Partner ✓ US &amp; emerging manager fundraising ✓ Family office expertise ✓ Operations</p>		

### CONTACT INFORMATION

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