

“ The stock market is designed to transfer money from the active to the patient.
— Warren Buffet ”

Third Quarter 2025 Commentary

Good Opportunities Fund

Dear Valued Unitholder,

The third quarter of 2025 saw the Fund decrease by 0.5%. We continue to hold smaller capitalization businesses from around the world in addition to a selection of North American larger businesses both of which we believe have attractive forward returns.

On page two of The GoodQuarter, we have included a recent feature on GFI, wherein our Chief Investment Officer Effie was interviewed by Brenda Bouw of the Globe and Mail, and discussed a few of our portfolio holdings as well as a recent business sale. Artificial Intelligence (“AI”) was discussed and continues to play a prominent role in our investment team discussions. As many of you know, we have a detailed investing checklist that ensures we ask ourselves the most pertinent questions before making any new investments. In the last two years, this checklist has been continuously updated to ensure we consider the ramifications of AI on each of the businesses we own. In addition, we continue to use AI in our office at an accelerated pace to become more efficient and better understand the future landscape of this groundbreaking technology.

As always, if you have any questions about the Good Opportunities Fund, please reach out. Thank you for your ongoing support.

The GFI Team



Why this money manager likes Amex and Moody's and recently sold CGI

BRENDA BOUW SEPTEMBER 12 2025

Money manager Effie Wolle has one key criterion when selecting stocks: ensuring the company isn't at risk of becoming obsolete.

The list has evolved over the years as technology, particularly artificial intelligence (AI), continues to reshape a wide range of industries.

"You can't invest today without considering what AI is going to be doing to your portfolio," says Mr. Wolle, president and chief investment officer at Toronto-based GFI Investment Counsel, which oversees \$2.25-billion in assets.

But it also doesn't mean taking speculative bets on emerging technologies or sectors. Instead, Mr. Wolle says his team looks for companies it believes will continue to grow in more established and well-understood industries while investing in new technology responsibly.

The firm's all-equities portfolio, which usually includes about 18 to 20 North American based stocks, has returned 2.5 per cent so far this year and 8.6 per cent over the past 12 months. Its annualized three-year return is 17.9 per cent, while its 10-year annualized return is 14.4 per cent. The performance is based on total returns, net of fees, as of Aug. 29.

The Globe spoke with Mr. Wolle recently about what he's been buying and selling:

Name three stocks you've been buying and continue to own

American Express Co. is a stock we bought in May, 2024, for US\$243 a share. It's a luxury credit card for the more affluent consumer. It's a bit of a status symbol, and customers willingly pay higher fees to use an

Amex card.

It has an earnings yield [the amount of its earnings per share relative to its current share price] of about 5 per cent, which shareholders get back through either dividends, share buybacks or future growth.

When you combine its earnings yield with its business growth, we think investors can get a low double-digit return over time. It's going to be bumpy sometimes – it's a stock after all – and from time to time, there will be consumer spending slowdowns, but we think it's an excellent longer-term holding.

FirstService Corp., the Toronto-based residential property services company, is a stock we bought in June, 2017, for \$84 a share. It's a one-stop shop for condo boards and homeowners' associations.

Regardless of what new technologies emerge in the coming years, someone will still need to manage these residential services, which include everything from assisting with budgets and purchasing insurance to collecting fees.

One thing FirstService has done well is reinvest its profits, including the acquisition of other residential property services in areas such as fire protection, painting, and restoration. [Some of its franchise networks include Paul Davis Restoration, CertaPro Painters, California Closets, Pillar to Post Home Inspectors, Floor Coverings International, First Onsite and College Pro Painters].

A risk for the company is overpaying for these types of assets, but a huge majority of their acquisitions have worked out really well so far in our view.

Moody's Corp., one of the two dominant credit ratings agencies

alongside S&P Global Ratings, is a stock we bought in April, 2020, for US\$235 a share. Credit ratings are a win-win for corporations and governments issuing debt. When you get a positive rating from Moody's, for example, it can reduce your cost of debt, which, in turn, lowers your overall financing costs.

Moody's is arguably the most trusted credit rating company in the business. The 2008 global financial crisis was a significant test for Moody's and Standard & Poor's. They were under intense scrutiny and rated some securities higher than they should have, but they navigated that period, which demonstrates the strength of the brands (and hopefully, they learned from that experience).

What's good about Moody's is that it sets its own price. It's not a commodity business. We believe Moody's will keep expanding as companies and governments continue to issue debt.

Name a stock you sold recently and why

CGI Group Inc. is a stock we sold in July after owning it for about 14 years. We originally bought it for \$18 a share in September, 2011.

It's an excellent Canadian business that did well for us and our clients, returning an average of about 15 per cent a year. It was also able to grow its earnings by about 10 per cent annually because it controlled its costs well and successfully completed several acquisitions.

That said, we think it'll be harder for the company to continue to achieve the same results going forward. We decided to sell it and seek out better returns elsewhere.