MM Fund

Spartan Fund Management

October 2026

Spartan Overview

Established in 2006, Spartan Fund Management is an investment fund manager that specializes in providing a broad selection of alternative investment solutions that meet a variety of investment needs. We believe that niche, non-conventional investment strategies tend to outperform more traditional strategies and/or add needed diversification. We also believe that alternative investment strategies provide better risk-return opportunities for investors than do conventional strategies. Spartan accesses alternative investment strategies either through internal investment teams or by way of feeder funds that invest in existing funds that are

Fund Overview, Objectives and Strategy

The MM Fund invests utilizing a "core and more" approach. The core portfolio consists of sustainable high yielding or dividend paying Canadian equity securities and, to a lesser extent, real estate investment trusts, convertibles, debt securities, preferred shares and U.S. equity securities.

The "more" consists of equity and debt, plus potentially warrants, small and micro capitalization stocks, that will likely have more volatility but a higher potential for capital gains. We will focus on inexpensive secular growth securities or beaten down stocks that have turnaround potential, because of new management, or because of an improvement in their macro-economic factors. We may also look to shorter-term event driven trading opportunities around, for instance, earnings, politics, war, famine, scandal, seasonality, apathy, etc.
Investments will mostly be made in Canadian equity securities and, to a lesser extent, debt securities and U.S. equity securities. The holdings in the core portfolio will typically be held for longer periods.

Monthly Performance[1]

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	TSX
2026	+8.26%	+4.17%	-8.08%	+8.94%	+1.28%	-3.20%	-4.43%	+5.95%	-4.35%	-5.05%			+1.81%	+14.37%
2025	+0.10%	-3.72%	-0.98%	-1.01%	+5.58%	+5.79%	+3.44%	+7.49%	+8.27%	+7.85%	0.00%	+5.85%	+45.03%	+31.68%
2024	+4.92%	+2.96%	+9.00%	+0.15%	+1.33%	-3.66%	+5.50%	-2.01%	+2.20%	+1.86%	+3.89%	-1.81%	+26.39%	+21.65%
2023	+8.37%	-1.63%	+0.54%	+0.14%	-4.57%	+1.09%	+8.38%	-0.71%	-2.92%	+1.32%	+5.11%	+1.80%	+17.27%	+11.75%
2022	-1.14%	+2.95%	+2.21%	-4.78%	+0.92%	-9.33%	+6.18%	-2.52%	-6.53%	+8.34%	+0.98%	-3.18%	-7.13%	-5.84%
2021	+7.45%	+6.55%	+0.57%	+1.94%	-0.44%	-1.26%	-1.95%	+1.25%	-1.02%	+3.58%	-3.25%	+1.29%	+15.09%	+25.09%
2020	+0.30%	-7.54%	-23.34%	+19.79%	+11.07%	+4.95%	+8.08%	+3.50%	-2.21%	+2.85%	+10.98%	+11.25%	+37.90%	+5.60%
2019	+8.01%	+7.55%	+4.14%	+0.83%	-4.33%	+1.10%	+0.95%	-4.72%	+1.49%	+1.76%	+3.43%	+1.91%	+23.54%	+22.88%
2018	+0.20%	-2.07%	-1.86%	+1.99%	+1.54%	-0.22%	+0.29%	-1.24%	-1.29%	-9.57%	-4.79%	-6.07%	-21.32%	-8.89%
2017	-0.72%	+1.54%	+0.68%	+5.44%	+4.30%	+1.41%	-1.65%	-0.67%	+1.45%	+2.38%	+2.80%	+0.61%	+18.79%	+9.10%
2016	-6.98%	+5.47%	+4.15%	+0.68%	+3.53%	+0.50%	+0.97%	+5.78%	+3.49%	+3.17%	+1.08%	+1.73%	+25.52%	+21.08%
2015							-2.26%	-7.08%	-4.17%	+7.06%	+3.69%	+1.56%	-1.87%	-9.93%

Statistics[1]

	MM Fund	TSX
Cumulative Return (since inception)	358.78%	239.19%
Annualized Compound Return	14.44%	11.38%
Last 12 Months Return	7.77%	20.35%
Sharpe Ratio	0.82	0.90
Avg. Monthly Gain	3.86%	2.83%
Avg. Monthly Loss	-3.83%	-2.80%
Max. Drawdown	31.03%	22.25%
Annualized Std. Deviation	17.63%	12.65%
% of Winning Months	66.18%	66.91%
Correlation	0.77	

Fund Information

RSP Eligible?	Yes
Minimum Investment	$500
Invest/Redeem Frequency	Weekly
Short Term Trading Fee	2% if < 30 days
Redemption Notice	1 day
'A' Class Fees (SPA520)	2.00% pa
'F' Class Fees (SPA521)	1.00% pa
Incentive Fee	10%
Hurdle	TSX Total Return Index

Service Providers

Advisor	Spartan Fund Management Inc.
Custodian	Laurentian Bank Securities
Auditor	Deloitte LLP
Administrator	SGGG Fund Services
Legal Counsel	Borden Ladner Gervais

NAV/Unit

- Class A	408.1406
- Class F	458.7760

*[1] Performance numbers are net of management and performance fees for the period commencing July 15, 2015 for the Class F units, but do not take into account early redemption fees if investments are held less than 1 year. Returns and statistics for other classes are available on request. '**Monthly**' returns are simple returns and are not annualized. '**Annualized Std. Deviation**' is the standard deviation, which measures the amount of variability of returns that has historically occurred relative to the average return. '**Max. Drawdown**' is the maximum percentage decline, from the highest point to the lowest point. '**Sharpe Ratio**' is the Annualized Compound Return divided by the Annualized Std. Deviation, both measured since inception. **Correlation** measures the degree to which two securities move in relation to each other.*

Monthly Commentary

Trump and his Republicans got routed in the mid-terms after breaking two important promises: no more blood and treasure spent on endless wars (he has both Ukraine and Iran dragging on), and lower inflation. They suffered the worst mid-term results since Watergate. Trump started the war by killing the Ayatollah and top Iranian officials. The goal was regime change, but Iran wasn't the one that got it. Its new leadership is even more aggressively militant. The Democrats gained 41 seats in the U.S. House of Representatives for a total of 253, the largest House majority since 2008. They also flipped an impressive seven seats in the Senate to gain a comfortable majority. Trump will spend the next two years as the lamest of ducks, unable to enact any legislation, and the target of endless investigations.

Despite negative consumer sentiment around inflation, the U.S. economy continues to grind ahead. The U.S. economy added 165,000 jobs in October, a whopping 100,000 more than expected, and the unemployment rate fell to 4.1% from 4.2%. Tariffs and political pressure have sparked a reshoring boom, as the U.S. has added 101,000 jobs in the manufacturing sector since December. The Institute for Supply Management's Manufacturing Purchasing Managers' Index (PMI) rose to 55.5% in October, suggesting robust manufacturing expansion, and has been in expansion territory for ten straight months.

The Nasdaq fell -5.3% in October, the worst monthly performance in 19 months, on signs the AI buildout was peaking. Although markets jumped over +2.2% on the Democratic tsunami, these gains were reversed the following day, when the Nasdaq crashed -5.3% and fell to 7-month lows, as investors realized the other loser in the elections was AI, since Democrats ran on an anti-AI platform. Federal and state approvals will slow the U.S. AI rollout, pushing data centres to other jurisdictions that want the business, like Canada.

Offsetting this, the flight of capital from the Mag 7 has pushed down U.S. bond yields -42 basis points since early October. That helps the economy, which has been hurt by rising bond yields. Thankfully, this Fund only has 2.5% invested in companies directly exposed to AI.

The good news for investors is that one of the most reliable market anomalies now plays out. After the last 21 mid-term elections, going back to 1942, the S&P 500 has always been higher a year later: 21 out of 21 times. The year after a mid-term is the strongest in the four-year cycle.

We've added a new core name that is relatively stable and high-yielding, and two of our core names raised dividends alongside quarterly earnings. Earnings across our holdings have generally been good, with some trading up strongly on great results.

Our energy investments continue to generally move up, benefitting from high energy prices because of the Iran War. However, our gold and metals investments hurt us in October as gold prices plunged below $3,900, on higher oil prices because of feared Trump military escalation.

Still, we remain bullish on gold as central banks, with almost unlimited financial resources, continue to accumulate gold. Central banks purchased 321 metric tons of gold in the third quarter, the highest quarterly total since 2024. China alone accelerated its purchases in October, buying 25.8 tons, its largest purchase since 2024.

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Please review the most recent offering memorandum for a detailed description of the Fund's strategy, objectives and risk factors. The above is provided for informational purposes only and is qualified in its entirety by way of the most recent offering documents, which is only available to qualified investors. Prospective investors should consult with a professional financial advisor before investing. Past performance cannot predict future results. Share value and yields will fluctuate. There can be no assurances that any of the Fund's objectives will be met. See Terms and Conditions of our website (www.spartanfunds.ca) for important information and qualifications regarding the use of benchmarking and indices. The index above was chosen as it is a widely used benchmark of the Canadian equity market. While the Fund uses this index for long-term performance comparisons, it is not managed relative to the composition of the index. There are differences which include security holdings, geographic and sector allocation which impact comparability. As a result, the Fund may experience periods when its performance differs materially from the index. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Unless otherwise indicated, rates of return for periods greater than one year are historical annual compound total returns including changes in unit or share value and reinvestment of all distributions, and do not take into account any sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

The Fund is a related and connected issuer of Spartan Fund Management Inc. Spartan may act as dealer in connection with the distribution of securities of the Fund and will also receive management and performance fees from the Fund.