

**TSX** **ALFA**

## QUICK FACTS

**Type:**  
Private equity replication

**Structure**  
Alternative ETF

**Date started:**  
May 10, 2019

**Management Fee:**  
0.00%

**Performance Fee:**  
15% of outperformance over high watermark

**Investment Manager:**  
Accelerate Financial Technologies Inc.

**Distribution Frequency:**  
None

**Exchange:**  
TSX

**Currency:**  
CAD

**Risk-Rating:**  
Medium-High

*As of December 31, 2020*

**ALFA NAV:**  
\$16.23

## About the Fund

The Accelerate Private Equity Alpha Fund (TSX: ALFA) is designed to provide investors with private equity-like investment returns through a diversified long-short portfolio of equity and derivative securities.

## Investment Objectives

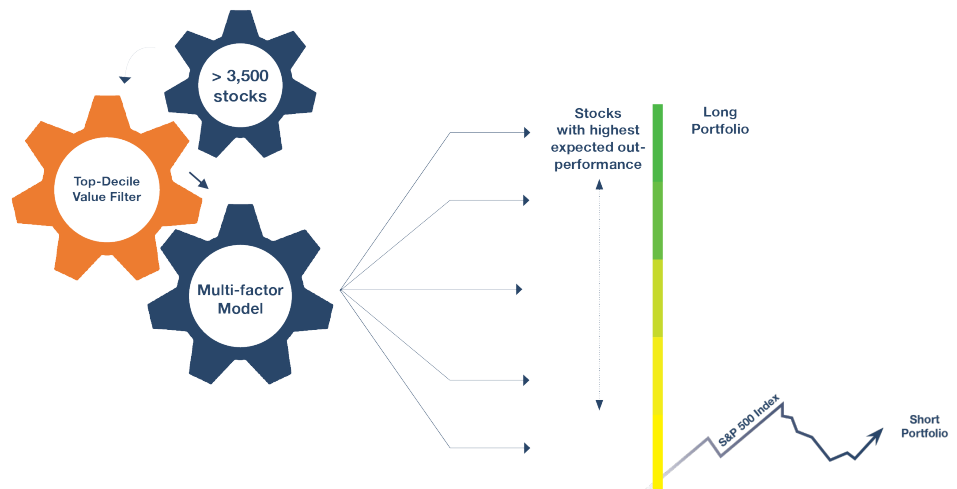
- Replicate private equity returns
- Target 12% - 18% annualized returns
- Hold leveraged long positions
- Hedge leveraged portion of portfolio
- Provide uncorrelated returns

## Investment Process

ALFA utilizes a two-step systematic, propriety multi-factor model to sort and rank all liquid North American stocks based on typical private equity leveraged buyout characteristics. First, ALFA filters all liquid North American stocks based on valuation, liquidity and size, and chooses a basket of top-decile value stocks.

Then, ALFA ranks these top-decile, small and mid-cap value stocks based on four principal factors:

- Debt Paydown
- Return on Capital
- Gross Profit/ Assets
- Change in Total Assets



The Fund goes long a leveraged portfolio of the highest expected return stocks selected from the multi-factor model while hedging the leveraged portion of the long portfolio by going short a broad U.S. equities index. The portfolio is rebalanced on a monthly basis.



TSX

ALFA

## Fund Characteristics

As of December 31, 2020	Long	Short
Number of Securities	44	1
Average Market Cap (millions)	\$1,594	\$65,992
Beta	1.1	1.0
EBITDA/ EV	17.2%	5.9%
Gross Profits/ Assets	10.8%	6.7%
Change in Debt	-23.2%	5.8%
Return on Capital	15.9%	16.4%
Change in Assets	-3.3%	5.0%

### Top 20 Long

	Weight
Lakeland Industries Inc	3.7%
MSG Networks Inc	3.4%
Avid Technology Inc	3.3%
NETGEAR Inc	3.3%
BlueLinx Holdings Inc	3.3%
AMC Networks Inc	3.3%
Smith & Wesson Brands Inc	3.2%
Tribune Publishing Co	3.2%
Apogee Enterprises Inc	3.1%
MarineMax Inc	3.1%
First Solar Inc	3.1%
Centerra Gold Inc	3.1%
Mueller Industries Inc	3.1%
Deluxe Corp	3.1%
ODP Corp/The	3.0%
NeoPhotonics Corp	3.0%
Arrow Electronics Inc	3.0%
Emergent BioSolutions Inc	3.0%
SIGA Technologies Inc	2.9%
GrafTech International Ltd	2.9%

### Top Short

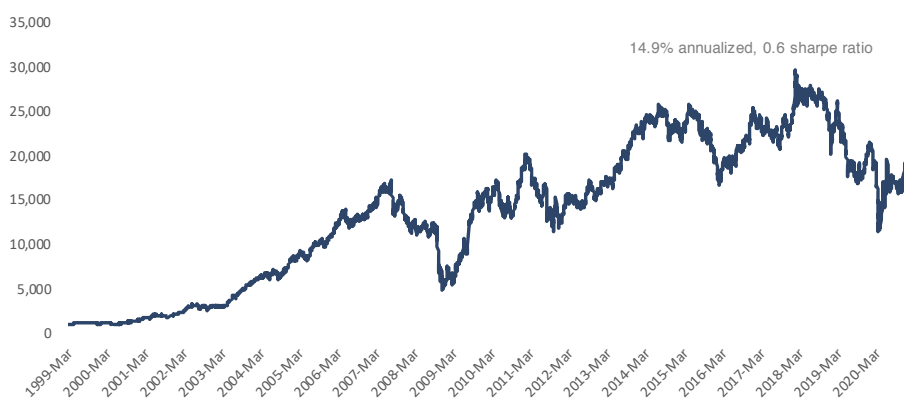
	Weight
S&P 500 Index Futures	-29.5%

For a full list of securities, please go to [www.AccelerateShares.com](http://www.AccelerateShares.com)

## Performance as of December 31, 2020

	1 month	3 months	YTD	1 Year	3 Years	Since Inception
Fund NAV	6.6%	19.7%	-7.6%	-7.6%	n/a	-11.8%

### Accelerate Private Equity Alpha Reference Portfolio Performance

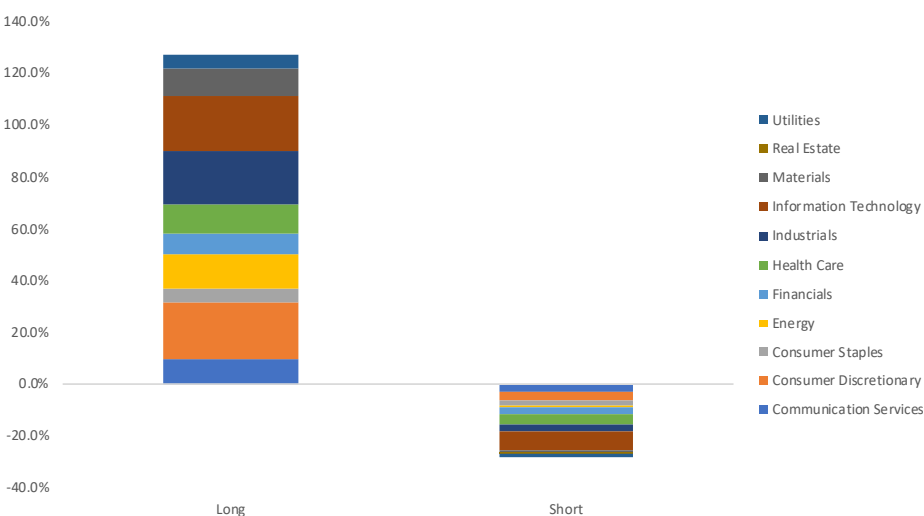


Growth of 1,000

DISCLAIMER: Results of the Accelerate Private Equity Alpha reference portfolio are hypothetical and do not reflect investment results attained by any investor. Past performance is not indicative of future results. Performance is net of all estimated trading fees and performance fees. Investing involves varying degrees of risk and there can be no assurance that the future performance of any investment strategy will be profitable. This does not constitute investment advice.

### Sector Weightings

As of December 31, 2020



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