



PRESS RELEASE

Tonus Capital obtains additional allocation of \$50M from QEMP

Montreal, Quebec, January 31, 2025

Almost four years after its initial selection by the QEMP, Tonus Capital Inc. (“Tonus”) obtains an additional allocation of \$50M for its US Small-Cap Equities strategy.

This allocation is part of the QEMP's commitment to grant impactful mandates to emerging managers in order to accelerate their growth. The QEMP benefits from the collaboration of 12 Quebec institutional investors and offers, through Innocap, a rigorous institutional framework for manager support, governance, due diligence, risk management and ongoing monitoring of the investment firms involved in the program.

Tonus specializes in managing North American small and mid-cap equities. Its team conducts research on the basis on fundamental analysis with a value approach. Relying on independence and in-depth knowledge of its investments, Tonus performs its own analysis and financial modelling to identify quality companies trading below their intrinsic value. The objective of the US Small-Cap Equities strategy is to maximize returns over a long-term horizon by investing responsibly and controlling risk to preserve capital in down markets.

Tonus is a Montreal-based management firm founded in 2007. With over 20 years of industry experience, founder Philippe Hynes leads the strategy with Aaron Warnongbri. These two partners, who have been working together for 12 years, are supported by three additional resources within the organization. Over the last few years, the firm has earned several awards recognizing the solid performance of its strategies relative to its peers. Philippe Hynes also received recognition in *Les Maîtres de la bourse au Québec* (Stock Market Leaders in Québec), a book published in 2024.

“Tonus Capital is thrilled to have obtained this strategic mandate from the QEMP. Leveraging our experience and our ability to generate attractive returns over the last few years, we are now ready to accelerate the growth of our assets under management. This partnership with the QEMP will enable us to boost our operational investments while raising our profile with local, national and international investors. Québec has seen the emergence of several successful small-cap fund management firms, and Tonus Capital is determined to play a key role in growing this promising area of expertise.”

– Philippe Hynes, President and CEO, Tonus Capital

“Our goal with this new allocation is to propel Tonus in its continued development towards achieving its growth objectives. Philippe exemplifies success with an investment approach that combines rigour and discipline. We are pleased to support a strategy that deserves and aspires to greater recognition from institutional investors.”

– Isabel Trépanier, Principal, Program Management, QEMP and Investi



About the QEMP

Created in 2016, the QEMP's mandate is to promote the growth of financial entrepreneurship in Quebec by offering institutional investors diversified investment strategies managed by independent Quebec-based emerging managers. This project was developed in connection with the work of Finance Montreal's Entrepreneurship Work Group, in collaboration with established portfolio management firms. The QEMP seeks emerging managers offering traditional strategies (fixed income, equities, sustainable or ESG strategies, etc.) and alternative strategies (hedge funds, sustainable or ESG strategies, real asset funds, etc.). In order to invest in the growth of leading managers of the future, the QEMP encourages allocators, cities and municipalities, pension funds, foundations and universities to join the program. For more information about the QEMP, visit www.qemp.ca or consult our [LinkedIn](#) page.

About Innocap

Innocap is the combination of two of the most respected firms in the dedicated managed account industry: Innocap + HedgeMark. Since 1996, Innocap has offered institutional investors a superior model for structuring, monitoring and accessing their alternative investments thanks to its dedicated managed account platform. Innocap is the world's premier dedicated managed account platform, with USD 85 billion in assets as at December 31, 2024, >350 funds and >USD 100 billion in assets held by clients using its technology. Innocap benefits from solid and committed long-term institutional shareholders. Innocap's team is made up of over 450 innovative and talented individuals backed by robust financial technology operating from seven offices worldwide. For more information about Innocap, visit www.innocap.com or consult our [LinkedIn](#) page.

About Tonus

Tonus is an asset management company offering North American small/mid-cap equity strategies. The management approach is based on fundamental research, using proprietary financial analysis and modelling. The strategies also employ a value approach, focusing on buying quality companies that are temporarily trading at a discount to their intrinsic value. Tonus was founded in 2007 by Philippe Hynes and now has six employees. The firm offers two investment strategies designed to deliver significant capital appreciation over a long-term horizon while providing stability during market downturns. The Tonus Partners Fund is a concentrated North American equities strategy with a track record of returns dating back to 2007, while the US Small-Cap Equities strategy was launched in 2019. To learn more about Tonus and its mission, visit www.tonuscapital.com or check out our [LinkedIn](#) page.

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