

Fund Facts

Fund Unit Value:
June 30, 2019
\$19.6014

Inception Date:
June 15, 2010

RRSP Eligible:
Yes

Seymour Investment Management was founded in 2010 with a vision of creating an employee-owned, client-focused investment boutique with a unique service offering. Seymour provides fee-based discretionary investment management services to both individual and institutional clients.

Only accredited investors or investors who satisfy the minimum amount investment as defined by applicable securities legislation may invest in the Seymour Pooled Funds. These materials are for information only and do not constitute an offer to sell or a solicitation to buy units of this Fund.

Seymour Canadian Equity Fund

The investment objective of the Canadian Equity Fund is to achieve attractive risk-adjusted investment returns over the long term by investing in a diversified portfolio of 20 - 30 Canadian equities. The Canadian Equity Pool invests primarily in large-capitalization companies and may include selected small- and mid-capitalization companies.

The fee structure for the Canadian Equity Fund is based on an annual management fee of 1% of the net asset value.

PERFORMANCE

AS AT JUNE 30, 2019

Total Return for the Period (%) ¹	QTR	1 YR	3 YR ⁴	5 YR ⁴	Since Inception ³
Seymour Canadian Equity Fund²	3.4%	0.9%	9.9%	4.8%	9.5%
S&P/TSX Composite TR Index	2.6%	3.9%	8.4%	4.7%	6.7%

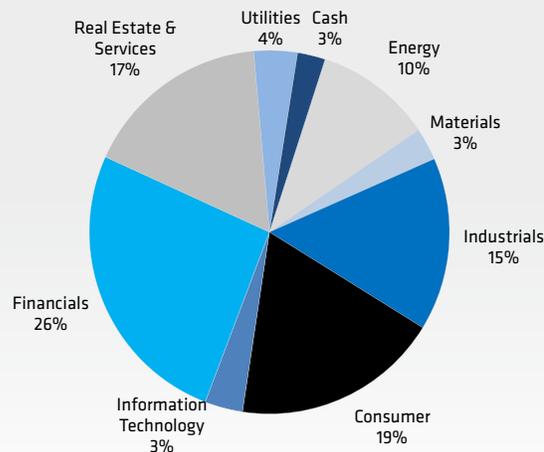
1 The indicated rates of return are the total returns for the period indicated, including changes in security value and the reinvestment of all distributions and do not take into account income taxes payable that would have reduced returns. The funds are not guaranteed; their values change frequently and past performance may not be repeated.

2 NAV performance is shown net of fees and expenses

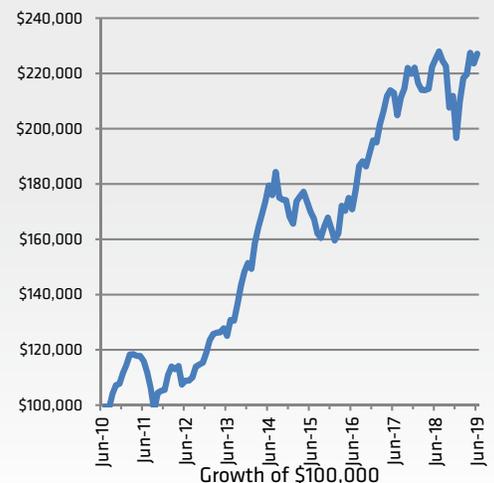
3 Annualized since inception date of June 15, 2010

4 Returns over one year are annualized

INDUSTRY SECTOR BREAKDOWN



GROWTH SINCE INCEPTION³



Q2 Commentary: Seymour Canadian Equity Fund

CARL HOYT, CFA

Carl Hoyt began his investment career in sell-side equity research in 1985. In 1998, Carl co-founded Cypress Capital Management where he remained until 2008. At Cypress, Carl acted as Chief Investment Officer and was instrumental in the firm's growth to over \$4 billion in assets under management. Carl founded Seymour in 2010 with a vision of building an employee-owned investment boutique with a strong investment culture and excellent client service.

KELLY WOODALL, CFA

Kelly began her career in investment management in 1997. From 2000 – 2006, Kelly was a sell-side equity research analyst, providing research coverage of a variety of industry sectors and companies. Since 2007, Kelly has been a portfolio manager on various Canadian Equity, Small-Capitalization, and Balanced mandates.

KYLE HARRISON, CFA

Kyle Harrison began his career in 1992 in institutional sales. In 1996, Kyle joined CIBC World Markets and attained the position of Managing Director with responsibility for institutional equity sales in Western Canada and the U.S. In 2013, Kyle obtained the Family Enterprise Advisor™ certification.

ANTHONY WERRY, CFA

Anthony Werry began his career in 1987 at Pemberton Securities in Vancouver, before moving to Toronto to work as an analyst with RBC Dominion Securities. In 1993 he returned to Vancouver with Royal Bank Investment Management as a portfolio manager. In 1999, Anthony became one of the founders of Cypress Capital Management, where he remained as a managing partner until 2014.

DENNIS CHAN, CFA

Dennis Chan began his career in 2005 in equity research with Phillips, Hager & North, covering a variety of industry sectors and companies. Since 2010, Dennis has been a portfolio manager, directly managing \$4B of Canadian Equity assets including Small-Cap, Dividend Income and SRI mandates.

Global equities performed well in the quarter, continuing the strong rebound from last year's decline. While trade disputes are seemingly negotiated on social media, recent commentary by central banks suggesting they would be accommodative in a slower environment helped smooth concerns over risks to the macroeconomic outlook. The Seymour Canadian Equity fund rose 3.4% for the quarter and 15.5% YTD, compared to the 2.6% and 16.2% return respectively for the S&P/TSX Composite Total Return Index.

Shares of Altus Group, a leading independent provider of real estate consulting services, real estate software applications and data solutions performed well in the quarter (+24%). Altus' Argus Enterprise reporting, planning, and budgeting software is the industry standard in the commercial real estate (CRE) market and the company recently announced new software for the cloud, which improves functionality & revenue potential through upsell of new modules. Altus' Property Tax advisory business has seen a slowdown the past few quarters due to recent regulatory changes which delayed revenue. We expect stronger results from that division going forward as those delays fade.

Shares of CCL Industries, a leader in pressure sensitive labels and plastic films, performed strongly (+19%) and rebounded from a poor performance last year. CCL has a strong history and demonstrated expertise of executing value additive acquisitions, but ran into difficulties with their most recent acquisition, Innovia. Innovia was attractive strategically, moving CCL into higher value technologies including polymer banknotes, a growth market. Innovia experienced unexpected margin pressure due to higher raw material costs and limited ability to renegotiate contracts with customers in the short term. CCL's strong operational excellence was evidenced again as Innovia margins rebounded much faster than anticipated.

Tricon Capital, a residential real estate asset manager, has had disappointing share price performance this quarter (-12%) and over

the last few years. Tricon has a strong track record of opportunistic investing across the residential value chain including land, community and condominium development and more recently in building a portfolio of 18K units of US single family rental homes. We see Tricon's recent acquisition of a large US Multi-family portfolio, "Starlight", as attractive as it has similar geographic overlap with Tricon's existing rental portfolio allowing for operating synergies with greater scale. Tricon's US rental portfolio is now of scale to potentially attract Institutional investors, which would allow Tricon to free up shareholder capital & generate future asset management fees. We continue to believe Tricon's shares do not fairly reflect the value that's been created, trading at a ~30% discount to net asset value.

We initiated a position in Toromont Industries Ltd., the Eastern Canadian dealer for Caterpillar (CAT) equipment. A dealership business is generally a good business, with the majority of profits coming from a stable stream of parts and service on previously sold equipment. Toromont has a great partner in CAT, who continually invests in product development, allowing Toromont to meet the changing needs of customers and grow long-term market share. Toromont is well-managed with a strong corporate culture and a sharp focus on return on invested capital, while giving employees significant autonomy to run their own segments. Toromont recently acquired Hewitt Group, the Quebec CAT dealer, which gave the company a contiguous footprint spanning Manitoba to Atlantic Canada. While we expect cultural and process improvements at Hewitt will take several years, we see an attractive opportunity for Toromont to drive higher market share and earnings even in a slower economic environment.

While markets have largely recovered to the highs reached last year, companies have had another 12 months to grow their earnings, resulting in more reasonable valuations today. We continue to focus on well managed companies with strong cash flow & growth characteristics, which can prosper in a wide range of market environments.