Fund Facts

Fund Unit Value:
June 30, 2019
$15.5826

Inception Date:
December 31, 2013

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 Mid-Cap Equity Fund

The investment objective of the Seymour Mid-Cap 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 Mid-Cap Equity Fund will invest primarily in mid-capitalization companies and may include selected small- and large-capitalization companies.

The fee structure for the Mid-Cap 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	1YR	3 YR[4]	5 YR[4]	Since Inception[3]
Seymour Mid-Cap Equity Fund[2]	**5.4%**	**2.3%**	**10.5%**	**5.6%**	**9.1%**
S&P/TSX Completion Total Return Index	1.2%	0.8%	5.1%	1.8%	4.2%

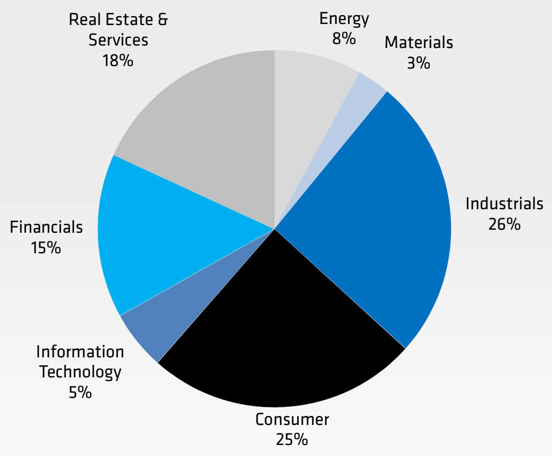
1 The indicated rates of return are the total returns for the period indicated, including changes in security value and the reinvestment of all distributions and do not take into account income taxes payable that would have reduced returns. The funds are not guaranteed; their values change frequently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

2 NAV performance is shown net of fees and expenses

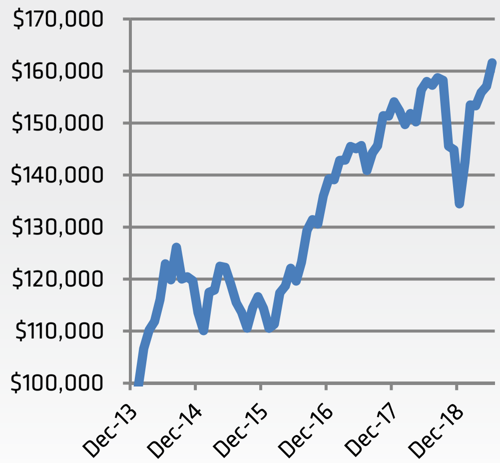
3 Annualized since inception date of December 31, 2013

4 Returns over one year are annualized

INDUSTRY SECTOR BREAKDOWN



GROWTH SINCE INCEPTION[3]



Growth of $100,000

Seymour Investment Management
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Q2 Commentary: Seymour Mid-Cap 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 AdvisorTM 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 Mid-Cap Equity Fund rose 5.4% for the quarter and 20.2% YTD, compared to the 1.2% and 17.2% return respectively for the S&P/TSX Completion 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 Real Matters Inc., a disruptive technology platform company that provides software solutions and services to mortgage lending and insurance companies for appraisals, title & closing, and insurance inspections, continued its strong rebound in Q2 (+27%), doubling from the share price lows last year. The US housing market continues to provide a healthy backdrop for Real Matters' business, and the recent drop in rates has led to an improvement in refinance activity, a headwind in the past for Real. We remain optimistic about the company's longer-term growth prospects, and believe Real Matters is well-positioned to execute on a sizeable growth opportunity through continued growth in clients and market share.

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.

During the quarter, we initiated a new position in Gibson Energy, a midstream energy company. Gibson's crown asset is their land and oil tank position in Hardisty, Alberta. Hardisty is a key crude oil hub, where much of Canada's production interchanges before it leave on pipelines. Gibson uniquely boasts connectivity to all of the major pipelines, allowing producers a choice in achieving the best road out of town to maximize pricing for their oil. Through successive meetings, we've been impressed with the turnaround that new CEO Steve Spaulding has been able to execute over the last two years, selling non-core assets, de-leveraging the balance sheet, and focusing on core assets like Hardisty. Even with the current uncertainty over future pipeline development in Canada, Gibson has the ability to grow at high single digits for the next several years. This combination of high quality management, growth, lower leverage and attractive valuation led us to add Gibson Energy to the portfolio.

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.