Q3 2023
Quarterly Report

Fund Stats

Fund Unit Value:
September 30, 2023
$18.8466

Inception Date:
December 31, 2013

RRSP Eligible:
Yes

Our Story

Founded in 2010, Seymour Investment Management is an employee-owned, client-focused boutique investment firm with a different kind of focus. Choosing from a carefully selected group of exceptional Canadian companies for our funds, we provide fee-based discretionary investment management services to 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.

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

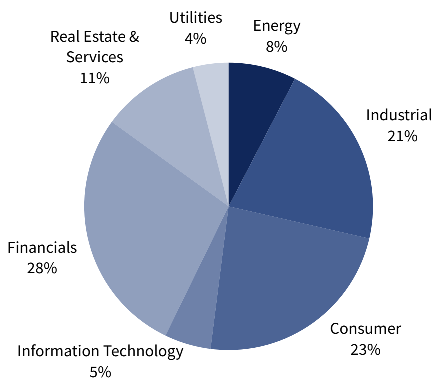
Performance

As at September 30, 2023

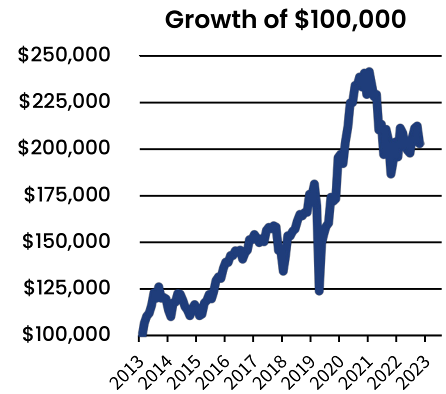
Total Return for the Period (%)[1]	QTR	1yr	3yr[4]	5yr[4]	Since Inception[3]
Seymour Mid-Cap Equity Fund[2]	-1.6%	8.7%	5.7%	5.1%	7.5%
S&P/TSX Completion Total Return Index	-0.7%	12.9%	9.3%	5.9%	5.3%

1. The indicated rates of return are the total returns for the period indicated, including changes in security value and there investment 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



Seymour INVESTMENT MANAGEMENT
Suite 900 - 1285
West Pender Street
Vancouver, BC, V6E 4B1
info@seymourinvest.ca
seymourinvest.ca
604.659.1722

Q3 2023
Commentary

Bond yields hit a new cycle high in September, prompting a broad-based sell-off in equities.

The Seymour Mid-Cap Equity Fund declined 1.6% in the quarter, which compares to -0.7% for the S&P/TSX Completion Total Return Index. The performance of the Fund's holdings was mixed in the quarter.

Interest rate-sensitive stocks came under renewed pressure in the quarter, including self-storage real estate owner-operator StorageVault Canada Inc. (-22.7% in Q3). The company has historically generated exceptionally strong same-property net income growth, fueled in part by acquisitions and subsequent synergy realization and margin improvement. The company's growth has recently slowed, as economic conditions soften and management has temporarily paused acquisitions. We added to our position on weakness and see a long pathway for StorageVault to continue to compound capital through organic growth and acquisitions.

Shares of fashion designer and retailer Aritzia Inc. (-35.8% in Q3) declined after the company's financial results showed slowing sales and margin weakness, reflecting consumer weakness and execution challenges.

Aritizia's execution during the pandemic was very strong, with sales doubling over a two-year period. While positive, the level of growth put strain on the company's resources requiring catchup investments in people, infrastructure, and product. Our meetings with management give us confidence that these setbacks are temporary and that Aritzia still has a very long runway of attractive store growth opportunities in the US, through E-Commerce, and potentially internationally longer term. We have opportunistically added to our position.

Several holdings enjoyed notable gains in the quarter, including automotive dealership group AutoCanada Inc. (+26.3% in Q3); fuel distributor and retailer Parkland Corporation (+20.4% in Q3); and Badger Infrastructure Solutions Ltd. (+29.0% in Q3). All of these companies delivered earnings beats in the quarter, reflecting revenue growth and operational improvements.

Despite the strong share price performance, all of these holdings continue to trade at material discounts to intrinsic value,

and we expect valuations to eventually re-rate with continued earnings growth and as market sentiment improves.

Badger, the largest provider of hydrovac excavation services in North America, has been on a multi-year transformation from a successful decentralized network of locations to a more disciplined national provider of services to enable the next stage of growth. Investments in sales & systems, which have been a drag on profitability, are now beginning to drive revenue growth and operating leverage. We see significant runway for Badger's services across the United States, which is underpenetrated compared to Canada.

As we look forward, economic activity continues to soften as the impact of higher interest rates works its way through the economy. Although this creates a headwind for corporate earnings and market sentiment in the short-term,

we remind investors of the importance of staying disciplined during periods of economic uncertainty.

Down markets require patience and a long-term focus. Interest rate hikes and market corrections tend to be followed by periods of excess equity returns as the combination of an earnings recovery and a valuation re-rate can produce very attractive equity returns. Notably, many of the Fund's holdings are already trading at compelling valuations, offering attractive upside potential for patient, long-term investors.