

Q4 2023

Quarterly Report



Fund Stats

Fund Unit Value:
December 29, 2023
\$23.4448

Inception Date:
June 15, 2010

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 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 fund invests primarily in large-capitalization companies.

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

Performance

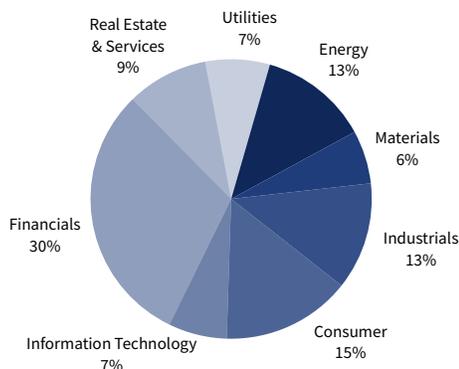
As at December 31, 2023

Total Return for the Period (%) ¹	QTR	1yr	3yr ⁴	5yr ⁴	Since Inception ³
Seymour Canadian Equity Fund ²	8.5%	14.6%	8.5%	10.4%	9.0%
S&P/TSX Composite Total Return Index	8.1%	11.8%	9.6%	11.3%	7.4%

- The indicated rates of return are the total returns for the period indicated, including changes in security value and their 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.
- NAV performance is shown net of fees and expenses.
- Annualized since inception date of June 15, 2010.
- Returns over one year are annualized.

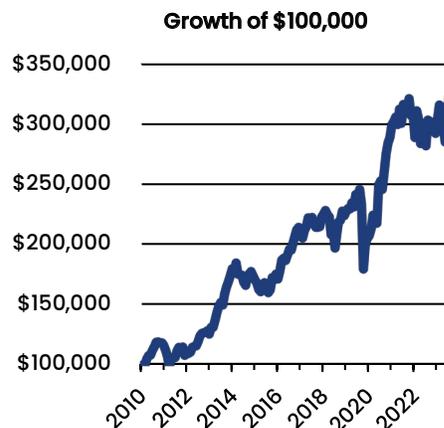
Industry Sector

Breakdown



Growth Since

Inception



Q4 2023

Commentary



Equity markets rallied in the last two months of the year as cooling inflation and a slowing economy increased speculation about eventual interest rate cuts.

The Seymour Canadian Equity Fund climbed 8.5% in Q4, versus the benchmark S&P/TSX Composite Index's 8.1% total return.

The Financials sector and REITs, which have lagged the broader market during the current interest rate cycle, performed strongly in the quarter, aided by a 92 bps decline in the 10-year GoC bond yield. The Canadian Banks performed strongly, as did the Fund's Diversified Financials holdings. We continue to see attractive value in the segment, particularly in the Fund's asset manager and private equity holdings, which include Brookfield Corporation (+25.1% in Q4), Brookfield Business Corp. (+32.6% in Q4), and Onex Corporation (+15.9% in Q4). We believe these companies are well-positioned to compound shareholder value, supported by exceptional asset management platforms and carried interest realizations.

Real estate equities rebounded from their October lows, led by commercial real estate broker and asset manager Colliers International (+29.6% in Q4) and single-family rental owner-operator Tricon Residential Inc. (+15.7% in Q4).

We continue to view their valuations as compelling, with shares of these companies trading at a discount to their intrinsic value. Although growth has moderated in a slowing economic environment, we expect solid organic growth over the medium term, augmented by accretive acquisitions.

The Fund's Consumer & Industrial holdings enjoyed strong performance, with the exception of CAE Inc. (-9.8% in Q4), which came under selling pressure due to concerns of the health of the aviation market and the company's margin profile in the short term. **We believe CAE, a global leader in simulation technology and civil aviation and defense training, is well positioned to capitalize on ongoing pilot shortages and is well positioned for long-term earnings growth.**

We recently had the opportunity to meet with Management and came away optimistic that the company is capitalizing on attractive long-term growth opportunities. We added to our position on weakness.

Energy prices softened in the quarter, which weighed on Tourmaline Oil Corp. (-12.8% in Q4), the Fund's sole oil & gas producer holding. Tourmaline, the largest natural gas producer in Canada with an attractive Montney position and a long inventory life, is well positioned to drive organic growth over the long term while maintaining a strong balance sheet and delivering attractive base shareholder returns that are sustainable through commodity cycles.

Recent market activity highlights how the macro outlook, including interest rate expectations, can impact equity valuations in the short term, whereas over the longer term, equities tend to rise with corporate earnings growth. As we look forward, economic activity continues to soften as the impact of higher interest rates works its way through the economy, and earnings estimates are being revised downward. **We will continue to look for opportunities to use short-term volatility to add to core holdings.**

Equity markets are forward looking, and as we move through the economic slowdown, markets will begin to anticipate an economic recovery, offering upside potential for patient, long-term investors from a combination of an earnings recovery and potential valuation upside.

