Galibier Capital Management Ltd.

Quarterly Investment Review

Q1 2023

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"It ain't what you know that gets you in trouble. It's what you know for sure that just ain't so"

- Mark Twain

There is an old bond market saying that goes something like this… 'the Fed raises rates until something breaks.' So did something break this quarter? Certainly, the failure and compromising of some regional banks in the U.S. demonstrates that current regulation and regulators are not up to snuff. It also demonstrated that social media and politicization of economic matters is leading to unintended consequences. As to the question of did something break... we would say no, but hopefully market participants are chastened and resolved to demonstrate better behavior ahead.

These are complex times. Rates have soared in the last year as central banks try to limit inflation. Global supply chains have been improving but OPEC's recent actions to reduce oil production coupled with the ongoing conflict in Eastern Europe continue to impact energy and agricultural prices which are fundamental to cost curves of almost all goods and services. Capital markets seesaw daily between expectations of rate increases (to bring down inflation) and rate cuts (to stimulate demand and maintain employment).

At times like this, Galibier thrives. Our two-step process of first identifying an investable universe coupled with our rigorous focus on proactive valuation means that we can take advantage of volatile markets which sometimes offer us up very attractive prices. As Ben Graham famously remarked **"the market is there to serve you, not to instruct you."** Happily, we beat our bogies across the board in all three of our portfolios this quarter and for the last year.

Galibier continues to strengthen its team. In the last year, we have made 3 new hires. New members are settling in well and adding significant value both operationally and on the investment side. With the new additions, we are broadening out company coverage to the new team members and continuing to scout for more investment talent to support our rigorous investment process.

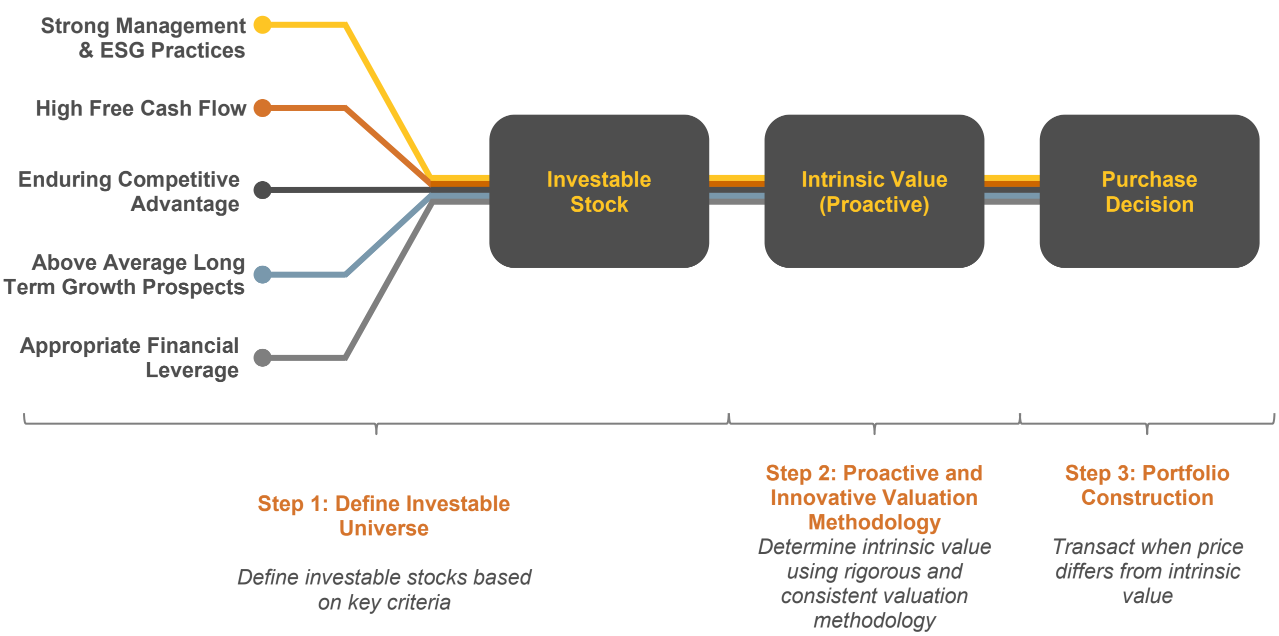
Onwards and upwards!

Galibier Capital Management Ltd.

At Galibier we work hard to (1) derive a measure of intrinsic value for a universe of investable stocks and (2) transact when market prices offer opportunities. To paraphrase Warren Buffett "Price is what you pay. [Intrinsic] Value is what you get." Thus, while we welcome price to earnings multiple expansions, what really drives increases in the future value of companies is higher future earnings. Our investment process seeks to identify and value future earnings power and balance sheet structure using reasonable expectations about future economic conditions and high discount rates.

Galibier Investment Philosophy and Process – *The Galibier Way*

*Galibier follows a proactive and innovative **valuation** methodology*



We Believe

- Companies have an intrinsic value that can be calculated
- Market prices do not always reflect intrinsic value
- Growth is a component of value
- Concentration is essential for generating alpha
- At some price, almost all stocks offer a value proposition
- Risk is the permanent loss of capital, not benchmark underperformance
- Investment companies should be independent and investor led
- The success of investment companies should be measured by the success of its clients
- An essential element towards investment success is to have a contrarian mindset… i.e. to be sanguine when others are discouraged and to be cautious when others are exuberant.…

Galibier Canadian Equity Pool Summary of Results

Period ending: Mar31/2023	Since Sep27/12 (%)	10 Year (%)	5 Year (%)	3 Year (%)	1 Year (%)	Year-to-date (%)
Galibier Canadian Equity Pool	**10.5**	**10.3**	**8.4**	**22.6**	**-3.1**	**5.7**
S&P/TSX Composite (total return)	8.0	8.0	8.8	18.0	-5.2	4.6

Notes:

i. *Return figures are gross of fees.*
ii. *Return figures are annualized for periods greater than 1 year.*
iii. *The Funds' returns are not guaranteed, the values change frequently, and past performance may not be repeated.*
iv. *Inception date of the fund is September 27, 2012.*
v. *Returns are presented only for periods during which Galibier has been registered as a portfolio manager.*
vi. *The investment objectives of the Galibier Canadian Equity Pool have not changed since the Funds' inception.*
vii. *All returns of the Galibier Canadian Equity Pool prior to June 6, 2013 are related to Galibier's proprietary accounts, as Galibier's employees were the sole investors in the Funds during this period of time. Canadian securities administrators have expressed concerns regarding marketing returns for proprietary accounts as firms can employ different strategies and take greater risks when managing its own investments without a fiduciary duty to third party investors.*
viii. *Performance presentation consistent with recommendations from FCLTGlobal "Institutional Investment Mandates: Anchors for Long-term Performance" www.fcltglobal.org*

Source: Galibier Capital Management Ltd, Bloomberg.
See Notes and Disclaimer at the end of this document for information about the returns and benchmarks.

Galibier Canadian Equity Pool

In Q1 2023, the Galibier Canadian Equity Pool generated a return of +5.7%. Since inception on September 27, 2012, the Canadian Pool's annualized return was +10.5% per year. At the end of the quarter, the active share[3] of the portfolio was 75%.

Canadian Equity Pool Top Holdings (Mar31/2023)

		Weight (%)
1.	Spin Master Corp.	5.2
2.	Canadian Pacific Railway Ltd.	5.0
3.	Manulife Financial Corp.	5.0
4.	Agnico Eagle Mines Ltd.	4.9
5.	WSP Global Inc.	4.7
6.	CCL Industries Inc.	4.6
7.	CGI Inc.	4.4
8.	Rogers Communications Inc.	4.0
9.	Intact Financial Corp.	3.9
10.	Park Lawn Corp.	3.9
Total		**45.6**

Best performers during the quarter[2]

AG GROWTH INTERNATIONAL UP +41%

Shares of Ag Growth were strong in the quarter, reflecting the combination of solid operating results and management's continued commitment to reducing leverage. Ag Growth's new senior management team hosted the company's first ever investor day in February, highlighting the international opportunities available in high growth markets like Brazil and India. The new focus on driving organic growth rather than acquisitions should lead to growing free cash flow and debt reduction. We took advantage of the price increase in the shares to reduce our position in AFN.

PREMIUM BRANDS UP +22%

Shares of Premium Brands (PBH) performed well in the quarter. With its focus on branded products and being much less integrated than its competitors, PBH isn't facing the same cost pressures being experienced by more integrated protein processors. Management introduced new long-term targets alongside the most recent quarterly results, which suggest a continuation of strong organic growth for the company. With a long record of strong operational and capital allocation strategies, Premium Brands remains a core holding.

CAE UP +17%

CAE shares benefitted from strong operating results released during the quarter. As China emerges from lockdowns, demand for air travel is slowly returning which drives demand for pilot training on CAE's civil side of the business. The industry remains in pilot shortfall. This pilot shortage and evolving aviation technologies will drive sustained demand for pilot training where CAE is positioned as a global leader.

CCL Industries up +17%

A global and diversified customer base has continued to serve CCL Industries well, as it partners with its customers on their labeling needs. During the first quarter, shares of CCL rallied following more positive commentary around the acquisition environment. While management is known for being conservative, they highlighted that the opportunity for acquisitions has improved, with both valuations for target companies declining, and competitors such as private equity being less active. Management at CCL has a strong track record of adding value through acquisitions, and the balance sheet is currently underleveraged so investors would welcome the announcement of a significant acquisition.

Worst performers during the quarter[2]

NFI Group down -14%

NFI Group shares were weak in the quarter. The company continues to struggle with disruption related to supply chain inconsistencies. While demand for buses remains strong, driven by significant government funding programs in both Canada and the United States, the inability to secure supply of critical components has had a negative impact on revenue and profitability. Management is in the midst of negotiating a new credit agreement with lenders, which creates additional uncertainty in the short-term and has continued to weigh on the shares. We took advantage of a more favourable pricing environment earlier in the quarter to reduce our position in NFI at around $11.

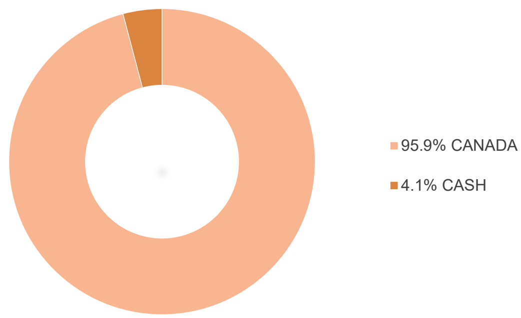
Cenovus Energy down -10%

Over the first quarter, the WTI crude oil price fell 5.7% to the mid $70's and shares of Cenovus weakened off as a result. Galibier took advantage of this move by adding to our position. As of this writing, OPEC has announced supply cuts again, and WTI has rebounded back above $80.

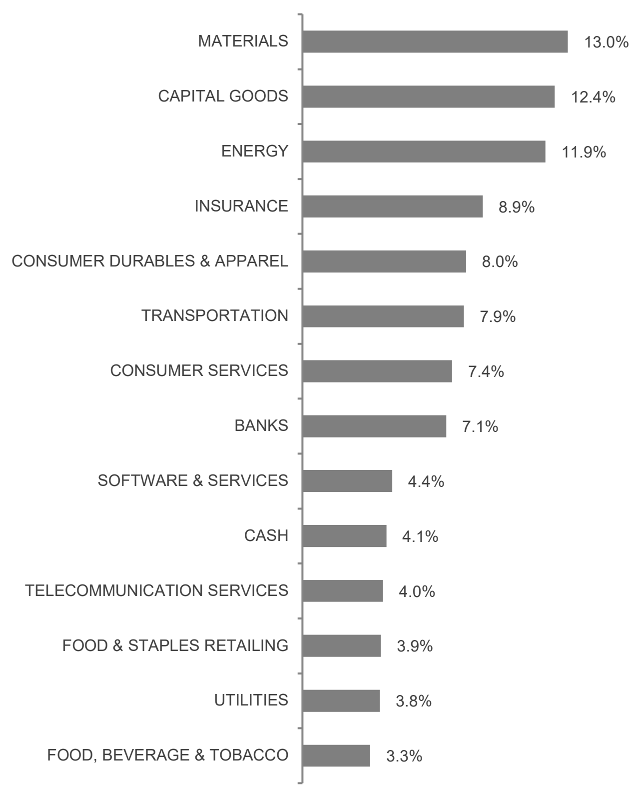
Northland Power down -8%

Shares of Northland Power underperformed in the first quarter because of investor concerns on the profitability profile of its Hai Long project in Taiwan. Offshore wind projects are several years long, and require site selection, permitting, contracts and construction, amongst many other pieces. As a result of the cost inflation that has occurred since the start of the project, margins will be lower than original expectations. There is still significant demand for renewable power sources and Northland continues to diversify and expand its pipeline of development opportunities.

Canadian Equity Pool Geographic Split (Mar31/2023)



Canadian Equity Pool Industry Split (Mar31/2023)



Buys & Sells

During the quarter, we added one new name to the portfolio: Aritzia Inc.

In addition, we added to numerous positions including Canadian Natural Resources, Agnico Eagle, Cenovus Energy, WSP Global and Rogers Communications among others.

We reduced our position in Ag Growth International, Canadian Pacific Railway, Parkland and NFI Group.

As a result of these transactions, the cash position increased to 4.1% compared to 4.0% at the end of the prior quarter.

New Buys:

ARITZIA INC.

Aritzia is a vertically integrated retailer of women's fashion. Aritzia performs exceptionally well in its niche of sub-luxury with quality, timeless fashion at affordable prices. With 114 stores across North America, Aritzia has a lot of room to expand and will grow its square footage above 10% a year with attractive new store economics including a one-year payback. Given the lack of disclosures from the company on square footage and geographical profitability, we feel the market is under appreciating its long-term growth prospects and believe Aritzia can grow earnings per share at a 20% compound annual growth rate over our five-year investment horizon. We feel as if Aritzia is at a similar point on its growth curve as Lululemon was when it went public 15 years ago.

Canadian Equity Pool Dynamics (Mar31/2023)

Measure	Canadian Pool	S&P/TSX Comp
Fwd 12M P/E	16.3x	13.1x
Dividend Yield	2.4%	3.2%
Number of Names	26	234
Active Share[3]	75%	-

Source: *Galibier Capital Management Ltd, Bloomberg*

Galibier Global Equity Pool Summary of Results					
Period ending: Mar31/2023	Since May12/17 (%)	5 year (%)	3 year (%)	1 year (%)	Year-to-date (%)
Galibier Global Equity Pool	**7.7**	**7.7**	**12.7**	**3.3**	**8.1**
MSCI World (CAD, total return)	8.4	9.1	14.5	0.7	7.6

Notes:
- i. *Return figures are gross of fees.*
- ii. *Return figures are annualized for periods greater than 1 year.*
- iii. *The Funds' returns are not guaranteed, the values change frequently and past performance may not be repeated.*
- iv. *Inception date of the fund is May 12, 2017.*
- v. *The investment objectives of the Galibier Global Equity Pool have not changed since the Funds' inception.*
- vi. *Returns are presented only for periods during which Galibier has been registered as a portfolio manager.*
- vii. *Performance presentation consistent with recommendations from FCLTGlobal "Institutional Investment Mandates: Anchors for Long-term Performance" www.fcltglobal.org*

Source: Galibier Capital Management Ltd, Bloomberg.
See Notes and Disclaimer at the end of this document for information about the returns and benchmarks.

Galibier Global Equity Pool

In Q1 2023, the Galibier Global Equity Pool generated a return of +8.1%. Since inception on May 12, 2017, the Global Pool's annualized return was +7.7% per year. At the end of the quarter, the active share[3] of the portfolio was 90%.

Global Equity Pool Top Holdings (Mar31/2023)		
		Weight (%)
1.	Alphabet Inc.	6.6
2.	Berkshire Hathaway Inc.	5.8
3.	Apple Inc.	5.8
4.	Oshkosh Corp.	5.4
5.	Target Corp.	5.3
6.	Walt Disney Company	5.1
7.	Generac Holdings Inc.	5.1
8.	Diageo PLC	5.0
9.	Shimano Inc.	4.9
10.	LVMH Moet Hennessy Louis Vuitton SE	4.8
Total		**53.8**

Best performers during the quarter[2]

Apple up +27%

Perhaps no company better exemplifies the 'Galibier Way' than mega-cap company, Apple. The company has many enduring competitive advantages which is an important part of the Galibier investment philosophy and process. For example, Apple has one of the worlds strongest and most durable brands which is constantly buttressed by innovation, it generates billions in free cash flow, has an optimal capital structure, returns excess capital to shareholders in the form of dividends and large scale buy backs and has a superb record of governance.

LVMH Moet Hennessy up +27%

Investors cheered another year of strong revenue and margin growth at luxury goods conglomerate, Louis Vuitton. The company operates in six segments including its legendary fashion and leather goods segment, as well as watches and jewelry; wines and spirits; perfumes and cosmetics; selective retailing (including Sephora and airport duty-free retailer DFS); and other (including publishing). Higher-profile brands include Louis Vuitton, Bulgari, Fendi, Givenchy, Tag Heuer, Hennessy, Moet & Chandon, Glenmorangie, Sephora, and Benefit. Its distribution network of 5,000 stores globally, coupled with its formidable brand portfolio and pricing power, give it an almost unassailable competitive advantage.

Schneider Electric up +19%

Schneider's results and its guidance for 2023 continue to show very limited impact from a weaker macroeconomic back drop. Guidance of nearly 10% organic sales growth next year show that the underlying secular trends for electrification of the world is far outpacing any cyclicality in the market. Demand for Schneider's products and services are boosted by environmental, social and governance (ESG) goals as governments and businesses shift from fossil fuel to electricity. Schneider will benefit as buildings, industries and electrical grids are upgraded to cleaner energy. We are cognizant of Schneider's higher valuation over the past few years and have trimmed our weight selectively including in this quarter.

ALPHABET UP +17%

There were no real material changes in the quarter for Alphabet. Alphabet was an underperformer in 2022 and we purchased more shares in the fourth quarter as we felt it was oversold at 15x P/E after removing cash. After the move in the quarter, Alphabet is still only 18x P/E without cash on cyclically depressed earnings. We believe some of the outperformance this quarter was the market realizing that the uncertainty around the macroeconomic cyclicality of revenues tied to advertising is better than the uncertainty in other parts of the market. Regardless, we view Alphabet as a long-term secular grower and continue to see it as undervalued in our longer-term model.

Worst performers during the quarter[2]

AXS SHORT INNOVATION ETF DOWN -25%

We took advantage of weakness in the AXS Short Innovation ETF (SARK) to add to our position in the $38-$44 range over the quarter. The fund seeks to track -1x the daily performance of the ARK Innovation ETF. Our view is that the majority of companies owned by the ARK Innovation ETF, focused primarily in the technology sector, are overvalued and due for a correction. Highly valued stocks often sell-off when interest rates rise. SARK is positioned to take advantage of declining prices in the speculative and over-valued stocks held by the ARK ETF.

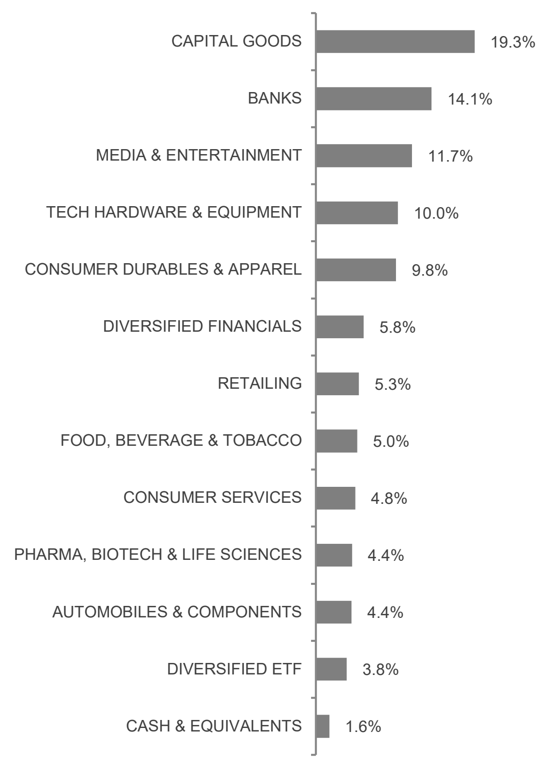
TRUIST DOWN -22%

Super-regional bank, Truist (TFC), was formed as a result of the merger of BB&T and SunTrust in 2019 and is among the top ten banks in the U.S. in terms of assets. Like many banks, TFC sold off due to investor fears about a banking crisis as a result of the failure of Silicon Valley Bank and a handful of other smaller regional banks. In general, these banks were underregulated and pursued flawed lending strategies which were backed by an undiversified deposit base. Super-regionals (such as Truist) are much more heavily regulated and have much more diversified deposit bases. We see very limited risk in its business model and view the sell-off in the share price as a significant opportunity. We added to our position at $33 which is a 6.5x P/E multiple on expected 2023 earnings and a dividend yield of 6.2%.

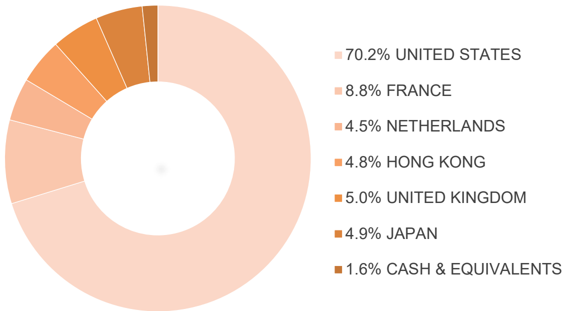
OSHKOSH DOWN -5%

The light industrial company, Oshkosh (OSK), sold off over the quarter on the disappointing news that it lost the renewal of a production contract of the Joint Light Tactical Vehicle to its competitor AM General (maker of the Humvee). Management points that the loss was due to price and that OSK is not interested in competing on price. The company still has market leading positions in other defense initiatives, fire and emergency vehicles, cement mixers, garbage collection trucks and its access products (lifting platforms which are branded JLGI). The balance sheet of OSK remains strong (net-net working capital net of customer advances at $7.45 per share) leading to cash adjusted P/E of 12.5x expected 2023 earnings per share.

Global Equity Pool Industry Split (Mar31/2023)



Global Equity Pool Geographic Split (Mar31/2023)



Global Equity Pool Dynamics (Mar31/2023)

Measure	Global Pool	MSCI World
Fwd 12M P/E	17.5x	16.7x
Dividend Yield	2.3%	2.2%
Number of Names	20	1,509
Active Share[3]	90%	-

Source: *Galibier Capital Management Ltd, Bloomberg, MSCI Inc.*

Buys & Sells

During the quarter, we added one new name to the portfolio: Diageo PLC.

In addition, we added to Truist Financial and the AXS Short Innovation ETF.

We reduced our positions in numerous names including LVMH, Apple, Schneider Electric, Generac Holdings and Target among others. Five positions were eliminated from the portfolio: Vail Resorts, Medtronic, Intel, HeidelbergCement and Estée Lauder.

As a result of these transactions, the cash and equivalents position decreased to 1.6% from 3.2% at the end of the prior quarter.

New Buys:

Diageo PLC

Diageo, the owner of brands such as Johnnie Walker, Crown Royal and Smirnoff, is the largest spirts company in the world with a 10% market share. Over the past decade the company has done a tremendous job of reshaping its portfolio to become more diversified as well as shifting towards faster growing markets. We see Diageo increasing its market share resulting in revenue growth of mid-single digits and earnings per share growth at a double-digit rate. The recent underperformance for the company appears to be from concerns around North American sales growth as we emerge from a uniquely strong period of sales during the pandemic. Despite this, Diageo should continue to have some of the best volume growth of high-quality global staples companies, yet it trades at one of the lowest valuations of the group. We believe paying less than 20 times next year's earnings is a very good entry point for a high-quality compounder.

Notes:

1. *When evaluating the performance of any investment, it is important to compare it against an appropriate benchmark in order to make an informed assessment of the account's performance based on its investment strategy. Galibier utilizes broad market indexes such as the S&P/TSX Composite index and the MSCI World Index for this purpose as they are the most well-known indices and are most likely to resemble the investment strategy of the accounts. It is important to note that benchmarks do not include operating charges and transaction charges as well as other expenses related to the account's investments, which may affect its performance.*

   The S&PTSX Composite is an unmanaged index of common stocks. Its performance is considered representative of the performance of the Canadian market. The index returns do not take into account any fees and expenses. The returns of the S&P/TSX Composite are provided for reference purposes to show how the performance of the fund fared relative to the market as a whole. The composition of the holdings of the fund and the index vary, because the holdings of the fund are comprised of individuals equities selected on the basis of the fund's investment objectives and strategies.

   The MSCI World Index is an unmanaged index of common stocks. Its performance is considered representative of the performance of the Global market. The index returns do not take into account any fees and expenses. The returns of the MSCI World Index are provided for reference purposes to show how the performance of the fund fared relative to the market as a whole. The composition of the holdings of the fund and the index vary, because the holdings of the fund are comprised of individuals equities selected on the basis of the fund's investment objectives and strategies.

2. *Performance % represents the percentage return to the pool during the most recent quarter and includes the impact of market price changes, buys, sells, and dividends (if any).*

3. *Active share: a measure of the percentage of stock holdings in a portfolio that differ from the benchmark index. Data source: Bloomberg.*

Disclaimer

Galibier Capital Management Ltd. ("Galibier") is registered with the Ontario Securities Commission as a Portfolio Manager, Investment Fund Manager and Exempt Market Dealer, with the British Columbia Securities Commission as a Portfolio Manager, with the Nova Scotia Securities Commission as a Portfolio Manager, with the Autorité des Marchés Financiers in Quebec as a Portfolio Manager and Investment Fund Manager, with the Alberta Securities Commission as a Portfolio Manager, with the Financial Services Regulation Division Department of Service NL in Newfoundland & Labrador as a Portfolio Manager and Investment Fund Manager, and with the Financial and Consumer Affairs Authority of Saskatchewan as a Portfolio Manager. This summary does not constitute an offer to sell or buy any securities and does not constitute investment advice. All information and opinions as well as any figures indicated herein are subject to change without notice.

The Galibier Canadian Equity Pool, the Galibier Global Equity Pool and the Galibier Opportunities Fund (the "Funds") are available to accredited investors as that term is defined under Canadian securities legislation. An investment in the Funds will involve significant risks due, among other things, to the nature of the Funds' investments.

All return figures for the Funds are gross of fees. Indicated rates of return are historical returns, including changes in security value and reinvestment of all distributions and does not take into account any applicable income taxes payable by any security holder that would have reduced returns.

The Funds' returns are not guaranteed, the values change frequently and past performance may not be repeated.