Goodwood Capital Fund – Monthly Commentary as of June 30, 2021

Year-to-date, the Goodwood Capital Fund's (the "Fund", or the "Capital Fund") net asset value ("NAV") per Class "F" unit increased +4.86%. Over this same period, the S&P/TSX Composite Total Return Index ("TSX") increased +17.28% and the S&P/TSX SmallCap Total Return Index ("SmallCap Index") increased +19.78%.

The primary reasons for the short-term underperformance of the Fund is attributable to sector weakness in certain small-mid cap securities and the Fund's zero exposure to commodity-based businesses (discussed more in detail below). While we are not satisfied with the quarterly performance of the Fund, we're also not concerned as our investment thesis, which is based on a 2-3 year outlook, remains firmly intact. We should also reiterate that the Capital Fund does not look at the broad market indices (i.e. TSX & SmallCap Index) as benchmarks, the composition of the Fund's portfolio differs from the indices and therefore, there is no reason for investors to expect that the Fund's performance will mirror the results of the indices. The Capital Fund's objectives are two-fold: i) to generate superior returns over the long-term; and; ii) to provide investors with exposure to a portfolio of businesses that they otherwise would not be exposed to via the indices. We believe if investors want index-like returns, they could simply buy the index.

During the second quarter of 2021, we witnessed several of the Fund's holdings come under pressure despite the continued strength in the underlying fundamentals of the businesses. When the share price of a business we own in the Fund comes under pressure, we ask ourselves one simple question; has something occurred that makes our original underwritten investment thesis no longer valid? If the answer is a clear no, then in our opinion, this short-term weakness is not company-specific and could be due to any number of reasons outside of the company's control. As an investor, we cannot control short-term performance of our investments. The only thing we can control is the portfolio construction process and due diligence we perform when investing in a business we believe can compound intrinsic value at an exceptional rate. If our assessment of our investments, their managers, their opportunities, and risks are correct, then we believe the Capital Fund will outperform the broad market indices over time.

As for not owing commodity-based businesses in the Fund, our reasons are as follows: i) for the most part, we believe commodity businesses are really a macro play. The micro is irrelevant if you get the macro call wrong; ii) we want to own a business that can control their own destiny; commodity businesses are not such businesses. They tend to be at the mercy of their respective commodity cycles; iii) given the deep cyclicality of commodity businesses, they are often best traded not owned; iv) given the significant inherent risk in commodity businesses, we believe an investor's more suitable option for exposure to these businesses is via a well-diversified index vs. concentrated holdings; and, iv) most importantly, we just do not believe we gain any competitive advantage in investing commodity businesses.

We believe our strengths are in our ability to look forward, identify businesses with significant hidden optionality, a path to value creation that are run by exceptional management teams. We believe Newtopia

Inc. ("Newtopia", or "NEWU") is such an investment. NEWU is a technology-enabled healthcare disruptor focused on Fortune 500 employers. NEWU has developed a unique Digital Health platform that helps participants prevent, reverse, and slow the onset of chronic diseases, in turn delivering strong return-on-investment ("ROI") (2x) for employers. Newtopia leverages a mix of technology and human touch and scale to deliver a health program, much different than traditional broad-based instructor-led programs.

Our investment thesis for NEWU is as follows:

- Enormous addressable Market ripe for a disruptive business model - the healthcare industry needs Newtopia's offering as a critical preventative option vs. an ex-post treatment/cure;
- NEWU has a clear and proven value proposition - significant and indisputable ROI for an employer;
- Attractive revenue model with significant operating leverage; and
- Significant revenue growth potential

Despite there being no fundamental deterioration in the business, NEWU's stock price has been under pressure YTD. We believe this is a function of a low liquidity stock with impatient investors exiting the name and the Market's incorrect assessment of the COVID-19 impact and the cancellation of the Haven JV on Newtopia as discussed below:

- Impact of COVID-19 – admittedly, COVID-19 has had a negative impact on Newtopia; however, unlike the Market's perception, we believe that this negative impact is short term/transitory in nature, not permanent. The two key impacts from COVID-19 are i) Newtopia's rate of new Employer wins has slowed as the Company was not able to push through its sales process. Newtopia's sales process under normal circumstances is elongated, in a COVID world, it became nearly impossible. However, based on discussions with Management team and stakeholders, it is our belief that Employers continue to be very interested and engaged with Newtopia. ii) Newtopia's onboarding of customers was significantly delayed due to the inability to perform its baseline biometric assessment. The biometric assessment is the critical test to establish the baseline, and it needs to be done in person at a dedicated facility. Obviously, COVID-19 has made this very difficult, despite the Employer trying everything they can to get their employees onboard the program. For example, the Management team has stated explicitly that while their onboarding of CVS employees has been slow, both CVS and Newtopia are working diligently to find alternative ways to onboard CVS employees. Therefore, we believe that the impacts of COVID-19 are transitory and have only deferred the revenue stream, not cancelled it.

- Impact of Haven JV – The Haven JV was a well-publicized innovative healthcare initiative between Amazon, JP Morgan and Berkshire Hathaway. Despite its tier 1 counterparties, it was announced the Haven JV was being "disbanded" three years after its original formation. The Market reacted to this news as if Newtopia had a lost a key "customer". However, Haven was not a customer of Newtopia, but rather the potential customers are Amazon, Berkshire and JP Morgan themselves.

Goodwood Inc.

Furthermore, within Haven, Newtopia was able to complete a 1-year study of nearly 4,000 participants, similar to the Aetna trial. While the Market punished Newtopia for this event, we believe the cancellation of the Haven JV creates a significant competitive moat for Newtopia. Without Haven, we feel it is almost impossible for emerging companies to run controlled tests that have participation from the likes of Amazon, Berkshire or JP Morgan. So now with real live data from Aetna and Haven, Newtopia has a significant first-mover advantage that's going to be very difficult for competitors to replicate.

With stock being under pressure, we ask ourselves, was our original investment thesis wrong? We do not think so. To further validate our thesis, NEWU just recently publicly announced the results of a 12-month JPMorgan Chase trial that tested the impact of Newtopia's habit-changing platform on clinical risk factors of JP Morgan's employees who are at risk of developing chronic diseases. The test had 7,753 subjects enrolled and the results were resoundingly positive. From these results, the value proposition of NEWU is irrefutable in our opinion. With now two very significant randomized tests in hand, we believe NEWU will successfully capture new customers over the coming years.

Based on discussions with the management team and reasonable assumptions on customer penetrations rates and new customer wins, we are reasonably confident Newtopia will be able to generate revenues of $10-$12mm/$23-$25mm for 2021/2022 respectively. With a fully diluted market capitalization of ~$40mm, $3mm net cash, and projected mid-point revenues of $11mm/$24mm for 2021/2022, Newtopia trades at an EV/Revenue multiple of 3.36x/1.54x for 2021/2022 respectively. We believe this is incredibly cheap for a company that can deliver internally funded 50%+ organic revenue growth over that period, attacking an enormous white space with an undisputable service offering and Blue-Chip customers. To put NEWU's valuation in perspective, North American telemedicine and digital peers currently trade north of 10x 2022 EV/Revenue. The valuation discount is simply unjustifiable!

Like NEWU, the Fund has several more investments that we believe can deliver exceptional returns. As we look forward 2-3 years, we are very confident in the businesses we currently own in the Fund and excited about the long-term return potential. While it is impossible to forecast short-term stock price movement, we believe our investments are well equipped to substantially improve their earnings power over the next few years regardless of any interim ups and downs. If this is the case, we believe the Fund will be well-rewarded in due time. Finally, we do not invest to actively manage short-term volatility; we invest to generate the highest level of returns for an acceptable level of risk.

As always, thank you for your support and please reach out if you have any questions.

Best,

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The Goodwood Capital Fund is offered by Prospectus, which contains important information about the fund, including management fees, other charges and expenses and should be read carefully before investing. Mutual funds are not guaranteed, their values change frequently, and past performance is not indicative of future performance and may not be repeated.

Standard performance data has been calculated for the Goodwood Capital Fund. Class F units have been distributed since July 8, 2016 and therefore annual compound returns for that class for 5 and 10 year periods are not available. The 3 year, 1 year and since inception returns as of June 30, 2021 are: +18.14%, +75.79% and +13.40%. The indicated rates of return are the historical total returns over the periods noted, including changes in unit value and reinvestment of all distributions. These indicated rates of return are net of all management fees, expenses and performance incentive fees (where applicable). Performance returns above are calculated for Class F Units for the Goodwood Capital Fund. Please refer to the Prospectus for details and other important information. In addition, performance data represents past performance and is not indicative of future performance. Performance data from certain market indices (S&P/TSX Small Cap TRI, S&P/TSX Composite TRI) are provided in this commentary for information purposes only. A comparison of the Fund's performance to such market indices is of limited use because the composition of the Fund's portfolio may contain other securities not found in the market index. As a result, no market indices are directly comparable to the results of the Fund.

CONFLICTS OF INTEREST DISCLOSURE: Principals of Goodwood may, from time to time, accept officer positions and/or directorships and/or provide services to or have other relationships with companies unrelated to Goodwood, including issuers in which clients are invested. In this circumstance, that company would be considered under relevant securities law to be a “connected issuer” to Goodwood. **Currently, Goodwood MVR Investors, Inc., MV Realty, PBC, LLC (“MVR”) and Altiv Capital Partners Inc. are considered connected issuers to Goodwood.** Goodwood has entered into a four year consulting agreement with Medexus Pharmaceuticals Inc. (“Medexus Pharmaceuticals”) dated October 16, 2018 and a 3 year Consulting Agreement with MVR dated August 1, 2020 pursuant to which Goodwood receives cash compensation for providing strategic advisory services. Goodwood may also provide services to other issuers in which clients are not invested. A list of issuers for which a director, officer and/or key personnel of Goodwood act as a director and/or officer or with which Goodwood has another relationship can be found on the Goodwood website at www.goodwoodfunds.com. This list may change from time to time, therefore we recommend that investors refer to the website frequently and before making additional purchases of units of the Goodwood Funds.