

Leith Wheeler International Equity Plus Fund

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

December 31, 2017



This annual management report of fund performance contains financial highlights, but does not contain complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-888-292-1122, by writing to us at 1500 – 400 Burrard Street, Vancouver, BC V6C 3A6 or by visiting our website at www.leithwheeler.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Investment Objective and Strategies

To provide superior long-term investment returns by investing in equity securities trading on the major markets around the world. The Fund will focus on holdings in the EAFE (Europe, Australasia & Far East) markets but may also have some exposure to North American and Emerging Markets. The Fund primarily invests in a broad range of international companies and is not restricted by capitalization or industry sector, although portfolio diversification is a consideration in the selection of securities for the Fund. Under normal circumstances, the Fund will keep its portfolio fully invested, to the greatest extent possible, in equity and equity related securities.

Our strategy employs a value approach to the management of equities. It emphasizes long-term investment and it focuses on the selection of individual securities using a bottom-up, research driven approach. Sector exposure is a residual of this stock selection process. Fund holdings must meet our standards of investment quality, including a history of above average financial performance, a secure financial position, reputable management and a growth opportunity in terms of sales, earnings, and share price.

Risk

The overall risks of investing in the Fund are as described in the Simplified Prospectus. There were no material changes to the Fund during the year that affected the overall level of risk.

Results of Operations

The Fund's net assets increased by 13.8% in 2017 to \$25.6 million from \$22.5 million at the end of 2016. Of this change, \$4.3 million was attributable to investment gains and (\$1.2) million to net outflows.

The MSCI EAFE – Net (C\$) had a strong year, up 16.8%. The index was led by the Information Technology (+30.5%), Materials (+25.6%), and Industrials (+21.9%) sectors. The only negatively performing sector was Telecommunication Services (-1.6%)

The International Equity Plus Fund outperformed the MSCI EAFE – Net (C\$) during 2017, with Series A of the fund increasing 19.7%, Series B of the Fund increasing 17.8% after fees and expenses, and Series F of the Fund increasing 18.5% after fees and expenses.

Global equity markets enjoyed a strong first quarter of 2017 with all regions seeing good gains. Emerging markets were the clear leaders followed by the Eurozone while Japan was the laggard. Deflationary pressures continued to abate with business and consumer confidence continuing to improve. Against this backdrop, the more cyclical stocks led by Technology outperformed. Style performance was more balanced on the international stage in the quarter though and some of the defensive sectors such as Tobacco and Personal Goods also performed well. Oil and Gas was the only negative sector during the quarter as the oil price gave back some of the gains it accrued in 2016.

The key sector contributors to performance in the first quarter were Financials and Health Care. Banks enjoyed continued strong performance from the second half of 2016 as the negative headwinds that had been impacting them continued to fade. Health care stocks including AstraZeneca and Roche performed well, supported by encouraging data from drug trials. The best performer was Galaxy Entertainment, the Macau gaming and leisure company. Good results were supported by continued improving trends for gross gaming revenues in the region as a whole as visitor numbers continued to rise alongside increasing supply from the operators. SK Hynix, the South Korean memory semiconductor company, posted strong results as pricing remained firm in the memory market. The laggards in the portfolio were focused on the Oil sector, as oil price weakness provoked some profit taking after a strong run in 2016. We remain constructive on the sector.

During the second quarter, international equities performed well with European equities standing out. Confidence levels in Europe are improving with the election of President Macron in France. This follows the Dutch election where the extremist party failed to make a significant impact. Key economic data continues to point to a strengthening recovery in Europe. The key sector contributors to performance were Financials and Health Care. Banks continued their stronger performance on an improving economic outlook and normalization of monetary policy. Commerzbank was a notable outperformer given its valuation and sensitivity to interest rates. Following on from the first quarter, Galaxy and SK Hynix continued their upward trend. For Galaxy, Macau gaming trends remained positive while continuing supportive fundamentals in semiconductors supported SK Hynix. The laggards in the portfolio were again concentrated in the oil sector, as oil price weakness held the sector back. Telecom company Telefonica also lagged on the concerns on competition within the domestic market.

Management Discussion of Fund Performance (cont.)

Results of Operations (cont.)

In the third quarter, international equities had another strong showing with European equities once again the notable standout. Commodities recovered following a weak second quarter and Energy and Financials were also amongst the leading sectors. The defensive areas of Staples, Utilities, and Health Care underperformed. The key sector contributors to performance were Financials and Energy. European banks DNB, Commerzbank and BNP led the way. Momentum in Macau gaming trends was sustained leading to another strong quarter from Galaxy. Baidu was a notable performer as it disposed of a heavily earnings-dilutive division. Yamaha posted better than expected earnings supported by a renewed upturn in profitability in the motorcycles segment. The laggards were stock-specific in nature: Gemalto had a warning due to ongoing issues in two of their divisions which are facing material short-term headwinds, while PostNL posted weaker results on a worse-than-anticipated mail volume declines.

Over the fourth quarter, the key sector contributions to performance were Financials and Energy. The position in Financials was retained throughout the year, given valuations were discounting the most pessimistic of outcomes and markets had failed to recognize the better prospects for these companies. Banks generally performed well with notable performances from Singaporean-domiciled DBS, alongside Commerzbank. With the strength of Emerging Markets in particular, the standout performer was Bank Negara Indonesia. Similarly, the Chinese pharmaceutical company, Fosun Pharmaceutical, had a very strong quarter. Momentum in Macau gaming trends remained a feature into the year-end and Galaxy Entertainment continued to rise, adding to a strong performance for the year as a whole. Laggards included Sanofi, as pressure in the key diabetes franchise continued alongside the lackluster launch for a new vaccine. Nokia also fell in response to continued sluggishness in orders in the networks business, as demand remained soft. This has been a feature during the year, although we expect network expansion to pick up in the future.

There were five names added to the Fund in 2017: Baidu, DNB, Gemalto, Fosun Pharmaceutical and Alps Electric. Baidu is the leading Chinese language internet search provider and operates major online video and e-commerce platforms. It offers a structural growth opportunity aligned to the fact that it has a very strong market position. DNB is one of the largest banks in the Nordic region and Norway's dominant financial institution. DNB has been operating in what has until recently been a robust economy, but one that has been impacted by the energy-related industry slowdown. In addition, the Norwegian regulator has enhanced capital requirements, which has restrained dividend and asset growth. Both of these headwinds are now dissipating. Gemalto is a leading financial technology company focused on transaction processing software and data encryption. Its software is embedded in bank cards, credit cards and SIM cards to authenticate user identity and network access. Fosun Pharmaceutical is a Chinese health care company with an existing, cash-generating sales base which should allow it to take advantage of long-term demographic tailwinds within the Asia-Pacific region, as well as an extensive and varied pipeline to drive sales and earnings growth over the forecast period. Alps Electric is a leader in electronic components used for smartphones, gaming and automotive applications, and is also a leader in automotive infotainment, navigation systems and Advanced Driver Assistance Systems (ADAS). Continued growth in handset and gaming applications for modules, actuators and haptic motors will be augmented by premium growth in infotainment and ADAS.

There were five holdings eliminated from the Fund in the year: China Mobile, Toyota Motor, Carnival, SK Hynix, and Yamaha Motor. China Mobile offered limited upside to the share price. The underlying investment case was stable, but offered little guarantee that the company would use the rapid roll-out of 4G and fiber broadband to drive real earnings growth, or return excess cash to shareholders. Toyota is the world's largest automobile manufacturer and world leader in hybrid technology through its flagship Prius model. However, there is overcapacity beginning to build at a time of increasing interest rates and it can be argued that we are approaching the top of an auto cycle. The downturn for a company like Toyota could be longer and harder than we have historically seen due to the ever increasing reliability of the global auto fleet and the emergence of electric vehicles. Carnival is the market leader in the cruising segment. The original investment thesis was based on pricing recovery post-the Concordia disaster of 2012, helped by slower capacity growth. Some self-inflicted issues caused a delay but the thesis now looks to have played out. SK Hynix has seen a good cyclical upturn in the DRAM and NAND memory chip market. Although the favourable climate may continue for a few more months, the industry remains a cyclical one so we have taken profits. At Yamaha Motors, 58% of group revenues come from Motorcycles, and 75% of these sales are into emerging markets, specifically Indonesia where the economic conditions, government policy and stiff competition from Honda are continuing to put pressure on profitability. The shares have performed well and have begun to look expensive for the opportunities available to the company over the longer term.

Management Discussion of Fund Performance (cont.)

Recent Developments

Our outlook for 2018 remains constructive, as fiscal stimulus combined with easy global monetary conditions continues to provide a tailwind to growth and investment returns. However, we are mindful of recent outsized investment returns and rising valuations in many asset classes, prompting us to adopt a more conservative view in portfolio allocations heading into the New Year.

In this environment, we continue to focus on allocating assets to the best risk-adjusted investments. We will continue to apply our value investment principles to security selection and remain focused on identifying companies with attractive valuations, good business models, and solid management teams.

The International equity market was positive in the first two months of 2018. In January 2018, Edinburgh Partners agreed to be acquired by Franklin Resources, Inc. Edinburgh Partners provides sub-advisory management of the Leith Wheeler International Equity Plus Fund. We do not expect the transaction to impact Edinburgh's operations or our relationship with them, but will monitor the integration to ensure the partnership continues to meet or exceed our expectations.

Related Party Transactions

Leith Wheeler Investment Counsel Ltd. (the "Manager") is the manager and portfolio advisor of the Fund and is responsible for the Fund's day-to-day operations. The Fund pays the Manager a management fee as compensation for managing the investment portfolio of the Fund.

As at December 31, 2017, the Leith Wheeler Balanced Fund owns 1,427,038 units of the Leith Wheeler International Equity Plus Fund Series A, a fund under common management. This holding represents approximately 67.0% of this Fund.

Management Fees

The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The annualized management fee is 1.50% for the Series B units of the Fund and 0.95% for the Series F units of the Fund. During the year, the Fund paid the Manager \$59,792 for Series B units and \$277 for Series F units (exclusive of GST/HST) of its net assets as management fees. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund. The Manager paid all operating expenses except brokerage commissions, transaction charges and taxes. In respect of Series A units, the unitholder pays the Manager a negotiated management fee outside the Fund.

We do not directly or indirectly pay fees, sales commissions or trailing commissions, nor do we provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

Financial Highlights

The Fund’s Net Assets Attributable to Holders of Redeemable Units per Unit

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund’s financial performance for the past five years or for the periods since inception. This information is derived from the Fund’s audited annual financial statements.

Series A	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$10.50	\$10.59	\$9.44	\$9.36	\$7.65
Increase (decrease) from operations:					
Total revenue	0.28	0.26	0.24	0.20	0.19
Total expenses	-	-	-	-	-
Realized gains (losses) for the year	0.57	0.24	1.33	0.53	(1.27)
Unrealized gains (losses) for the year	1.19	(0.13)	0.16	(0.45)	2.97
Total increase (decrease) from operations ⁽¹⁾	2.04	0.37	1.73	0.28	1.89
Distributions:					
From income (excluding dividends)	-	-	-	(0.01)	-
From dividends	(0.28)	(0.23)	(0.20)	(0.19)	(0.17)
From capital gains	(0.27)	(0.13)	(0.34)	-	-
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.55)	(0.36)	(0.54)	(0.20)	(0.17)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$11.99	\$10.50	\$10.59	\$9.44	\$9.36

Series B	2017	2015	2014	2013	2012
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$10.41	\$9.33	\$9.24	\$7.58	\$7.63
Increase (decrease) from operations:					
Total revenue	0.31	0.27	0.32	0.22	0.27
Total expenses	(0.19)	(0.41)	(0.31)	(0.32)	(0.13)
Realized gains (losses) for the year	0.59	1.44	0.81	(1.42)	(0.54)
Unrealized gains (losses) for the year	1.24	0.17	(0.69)	3.33	0.39
Total increase (decrease) from operations ⁽¹⁾	1.94	1.47	0.13	1.81	(0.01)
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.15)	(0.09)	(0.04)	(0.07)	(0.12)
From capital gains	(0.26)	(0.33)	-	-	-
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.41)	(0.42)	(0.04)	(0.07)	(0.12)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$11.78	\$10.41	\$9.33	\$9.24	\$7.56

Financial Highlights (cont.)

The Fund's Net Assets Attributable to Holders of Redeemable Units per Unit (cont.)

Series F (inception May 25, 2016)	2017	2016	2015	2014	2013
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$10.29	\$9.58	n/a	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.29	0.81	n/a	n/a	n/a
Total expenses	(0.03)	(0.20)	n/a	n/a	n/a
Realized gains (losses) for the year	0.58	0.76	n/a	n/a	n/a
Unrealized gains (losses) for the year	1.23	(0.40)	n/a	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	2.07	0.97	n/a	n/a	n/a
Distributions:					
From income (excluding dividends)	-	-	n/a	n/a	n/a
From dividends	(0.22)	(0.16)	n/a	n/a	n/a
From capital gains	(0.26)	(0.10)	n/a	n/a	n/a
Return of capital	-	-	n/a	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.49)	(0.26)	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$11.69	\$10.29	n/a	n/a	n/a

(1) Net assets attributable to holders of redeemable units and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(2) Distributions are reinvested in additional units of the Fund or paid in cash.

(3) From May 25, 2016, inception date of Series F units of the Fund. Series F initial net asset value per unit offering commenced at the closing net asset value per unit of Series B on May 25, 2016 of \$9.58.

Financial Highlights (cont.)

Ratios and Supplemental Data

Series A	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	20,659	19,181	15,598	13,579	12,385
Number of units outstanding (000s) ⁽¹⁾	1,722	1,827	1,472	1,438	1,323
Management expense ratio (%) ⁽²⁾	-	-	-	-	-
Management expense ratio before waivers or absorptions (%)	0.13	0.14	0.12	0.12	0.17
Trading expense ratio (%) ⁽³⁾	0.08	0.04	0.04	0.01	0.07
Portfolio turnover rate (%) ⁽⁴⁾	17.85	119.28	142.99	79.40	42.21
Net assets attributable to holders of redeemable units - per unit (\$)	11.99	10.50	10.59	9.44	9.36

Series B	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	4,865	3,310	3,321	2,114	2,153
Number of units outstanding (000s) ⁽¹⁾	413	320	319	227	233
Management expense ratio (%) ⁽²⁾	1.59	1.59	1.60	1.59	1.59
Management expense ratio before waivers or absorptions (%)	1.71	1.73	1.72	1.71	1.77
Trading expense ratio (%) ⁽³⁾	0.08	0.04	0.04	0.01	0.07
Portfolio turnover rate (%) ⁽⁴⁾	17.85	119.28	142.99	79.40	42.21
Net assets attributable to holders of redeemable units - per unit (\$)	11.78	10.36	10.41	9.33	9.24

Series F (inception May 25, 2016)	2017	2016	2015	2014	2013
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	41	11	n/a	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	4	1	n/a	n/a	n/a
Management expense ratio (%) ⁽²⁾	1.00	1.00	n/a	n/a	n/a
Management expense ratio before waivers or absorptions (%)	1.13	1.14	n/a	n/a	n/a
Trading expense ratio (%) ⁽³⁾	0.08	0.04	n/a	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	17.85	119.28	n/a	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	11.69	10.29	n/a	n/a	n/a

(1) This information is provided as at December 31 of the year shown; unless noted otherwise.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of the daily average net asset value during the period.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Past Performance

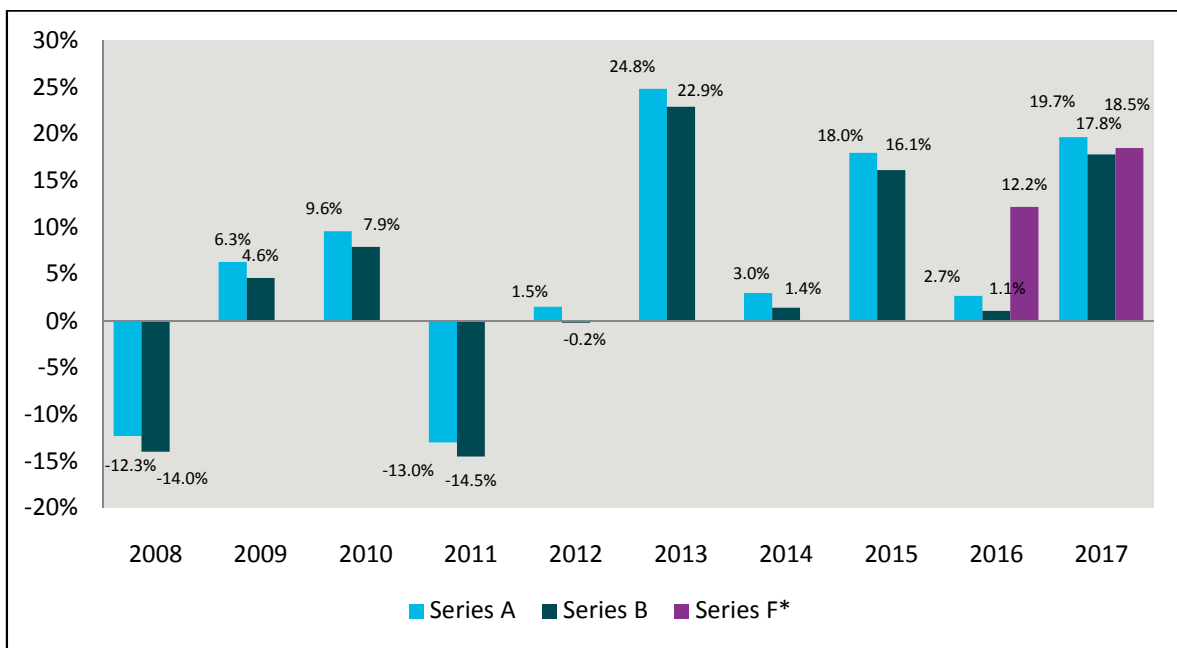
General

The Fund’s performance assumes all distributions made by the Fund in the years shown were reinvested in units of the Fund and is based on net asset value per unit. If you hold the Fund outside a Registered Plan, you will be taxed on these distributions.

The performance information does not take into account sales charges, other charges or taxes that, if applicable, would have reduced returns or performance; but includes management fees and other expenses borne directly by the Fund. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns

The following bar chart shows the Fund’s historical return, which changes each year and illustrates how the Fund’s performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each year.



* Series F units were created on May 25, 2016. Return from May 25, 2016 to December 31, 2016, not annualized.

Past Performance (cont.)**Annual Compound Returns**

The following table compares the historical annual compound return of the Fund (before fees for Series A and after fees for Series B and F) with the MSCI EAFE Index (measured in Canadian dollars), in each case for the year ended December 31, 2017. The MSCI EAFE Index includes 1,000 companies representing the stock markets of Europe, Australia, New Zealand, and the Far East. A discussion of the performance of the Fund as compared to the benchmark is found in the Results of Operations section of this document.

For the Years ended December 31	1 Year	3 Years	5 Years	10 Years
Fund – Series A	19.7%	13.2%	13.3%	5.3%
Benchmark	16.8%	10.6%	13.0%	4.4%
Fund – Series B	17.8%	11.4%	11.5%	3.6%
Benchmark	16.8%	10.6%	13.0%	4.4%
Fund – Series F *	18.5%	n/a	n/a	n/a
Benchmark	16.8%	n/a	n/a	n/a

* Series F units were created on May 25, 2016.

Summary of Investment Portfolio

As at December 31, 2017

Top 25 Positions

Issuer	% of Net Asset Value
Cash & Other Net Assets	4.0%
Royal Dutch Shell PLC	3.2%
Galaxy Entertainment Group	3.2%
Astrazeneca PLC	3.1%
Novartis AG	3.1%
Panasonic Corp	2.9%
Mitsubishi Corp	2.8%
BP PLC	2.8%
Tesco PLC	2.8%
Sanofi	2.8%
Sumitomo Mitsui Financial Group Inc	2.8%
Roche Holding AG	2.8%
Commerzbank AG	2.7%
Fosun Pharmaceutical	2.7%
Omron Corp	2.6%
Baidu Inc	2.5%
Bank Negara Indonesia Perser	2.4%
Sumitomo Mitsui Trust Holding	2.4%
Total SA	2.3%
PostNL NV	2.3%
Nomura Holdings Inc	2.3%
BNP Paribas	2.2%
Adecco Group AG	2.2%
CK Hutchison Holdings Ltd	2.1%
East Japan Railway Co	2.1%

Portfolio Allocation

Portfolio Breakdown	% of Net Asset Value
Europe - Ex. U.K.	31.0%
Japan	28.5%
U.K.	15.8%
Pacific - Ex. Japan	11.0%
Emerging Markets	9.7%
Cash & Other Net Assets	4.0%

The Fund held no short positions as at December 31, 2017.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.leithwheeler.com.