

Leith Wheeler Core Bond Fund

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2023



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This interim management report of fund performance contains financial highlights, but does not contain either interim or annual financial statements of the investment fund. You can get a copy of the interim or 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 proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Investment Objective and Strategies

To provide a stable and attractive total return through investment in Canadian fixed income securities. The Fund will invest in Government and high-grade corporate bonds, with a varying mix between short term, medium term and longer term maturities depending on the assessment of interest rate trends and prospective returns.

Safety and liquidity are the focus of our approach to fixed income investing. Economic conditions are constantly monitored by Leith Wheeler to forecast interest rate changes. The added value for the Fixed Income Fund will come from Leith Wheeler identifying opportunities to shift investments between various maturities and between Federal, Provincial and Corporate bonds.

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 decreased by 5.1% in the first half of 2023 to \$268 million from \$282.4 million at the end of 2022. Of this change, \$8.8 million was attributable to positive investment performance and \$23.2 million to net outflows from unitholders.

For the six months ended June 30, 2023, Series A of the Core Bond Fund returned 3.1% before fees and expenses compared to the FTSE Canada Universe Bond Total Return Index, which returned 2.5%. After fees and expenses, Series B returned 2.7%.

The Core Bond Fund seeks to provide a stable and attractive total return through its investment in fixed income securities. As of June 30, 2023, the Fund held 27.7% in Federal issues, 21.4% in Provincial issues, 3.9% in Municipal issues, 44.2% in investment grade corporate issues, 2.2% in Maples and 0.6% in cash and equivalents.

The fund continues to invest in high-quality investment-grade securities. As of June 30, 2023, the fund held 30.2% in AAA securities, 24.1% in AA, 30.9% in A and 14.8% in BBB.

Our outlook for fixed income remains constructive at current yields. With universe bond yields hovering just under 4.5%, and inflation expectations contained at just under 2.0%, real returns on fixed income look appealing and better than they have for many years.

The economy has proved resilient to the tightening of financial conditions; however, in our view, the impact of higher rates and more restrictive financial conditions will eventually lead to a contraction in economic growth along with a softening in labour market conditions. This more challenging macroeconomic environment typically leads to volatility in credit markets.

The strength of the economy has been somewhat surprising given the material amount of tightening in financial conditions, but it is important to note that there is typically a lag of around 12-18 months between monetary tightening and the slowing of economic growth and inflation. Therefore, the interest rate hikes of last spring, when the Bank of Canada first embarked on its tightening cycle, are only now being felt. Our expectation is for a shallow recession over the next year once the full effect of tighter financial conditions has transmitted to the economy.

Recent Developments

In July 2023, the Bank of Canada raised its key interest rate to 5.0%.

Management Discussion of Fund Performance (cont.)

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.

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 for the Series B units of the Fund is 0.75%. During the year, the Fund paid the Manager \$10,779 (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 six months and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements.

Series A	June 30, 2023	2022	2021	2020	2019	2018
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$9.43	\$10.91	\$11.45	\$10.98	\$10.52	\$10.68
Increase (decrease) from operations:						
Total revenue	0.17	0.30	0.29	0.31	0.31	0.32
Total expenses	-	-	-	-	-	-
Realized gains (losses) for the year	(0.07)	(0.58)	(0.11)	0.39	0.20	(0.12)
Unrealized gains (losses) for the year	0.21	(0.70)	(0.40)	0.29	0.26	(0.03)
Total increase (decrease) from operations ⁽¹⁾	0.31	(0.98)	(0.22)	0.99	0.77	0.17
Distributions:						
From income (excluding dividends)	(0.32)	(0.28)	(0.29)	(0.33)	(0.31)	(0.31)
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	(0.16)	-	-
Return of capital	-	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.32)	(0.28)	(0.29)	(0.49)	(0.31)	(0.31)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.41	\$9.43	\$10.91	\$11.45	\$10.98	\$10.52

Series B	June 30, 2023	2022	2021	2020	2019	2018
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$9.83	\$11.19	\$11.73	\$11.17	\$10.71	\$10.79
Increase (decrease) from operations:						
Total revenue	0.21	0.60	0.37	0.32	0.32	0.26
Total expenses	(0.04)	(0.08)	(0.09)	(0.08)	(0.09)	(0.09)
Realized gains (losses) for the year	(0.08)	(1.17)	(0.14)	0.41	0.20	(0.09)
Unrealized gains (losses) for the year	0.25	(1.39)	(0.51)	0.32	0.26	(0.03)
Total increase (decrease) from operations ⁽¹⁾	0.34	(2.04)	(0.37)	0.97	0.69	0.05
Distributions:						
From income (excluding dividends)	(0.07)	(0.05)	(0.20)	(0.16)	(0.23)	(0.16)
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	(0.16)	-	-
Return of capital	-	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.07)	(0.05)	(0.20)	(0.32)	(0.23)	(0.16)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$10.02	\$9.83	\$11.19	\$11.73	\$11.17	\$10.71

(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.

Financial Highlights (cont.)

Ratios and Supplemental Data

Series A	June 30, 2023	2022	2021	2020	2019	2018
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	267,274	278,513	180,490	174,427	192,997	172,793
Number of units outstanding (000s) ⁽¹⁾	28,403	29,522	16,545	15,236	17,581	16,418
Management expense ratio (%) ⁽²⁾	-	-	-	-	-	-
Management expense ratio before waivers or absorptions (%)	-	-	-	-	-	-
Trading expense ratio (%) ⁽³⁾	-	-	0.01	-	-	-
Portfolio turnover rate (%) ⁽⁴⁾	173.12	173.07	126.46	135.10	134.62	148.39
Net assets attributable to holders of redeemable units - per unit (\$)	9.41	9.43	10.91	11.45	10.98	10.52

Series B	June 30, 2023	2022	2021	2020	2019	2018
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	722	3,837	10,436	12,309	22,857	22,971
Number of units outstanding (000s) ⁽¹⁾	72	390	933	1,049	2,047	2,145
Management expense ratio (%) ⁽²⁾	0.79	0.79	0.79	0.79	0.79	0.79
Management expense ratio before waivers or absorptions (%)	0.79	0.79	0.79	0.79	0.79	0.79
Trading expense ratio (%) ⁽³⁾	-	-	0.01	-	-	-
Portfolio turnover rate (%) ⁽⁴⁾	173.12	173.07	126.46	135.10	134.62	148.39
Net assets attributable to holders of redeemable units - per unit (\$)	10.02	9.83	11.19	11.73	11.17	10.71

(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

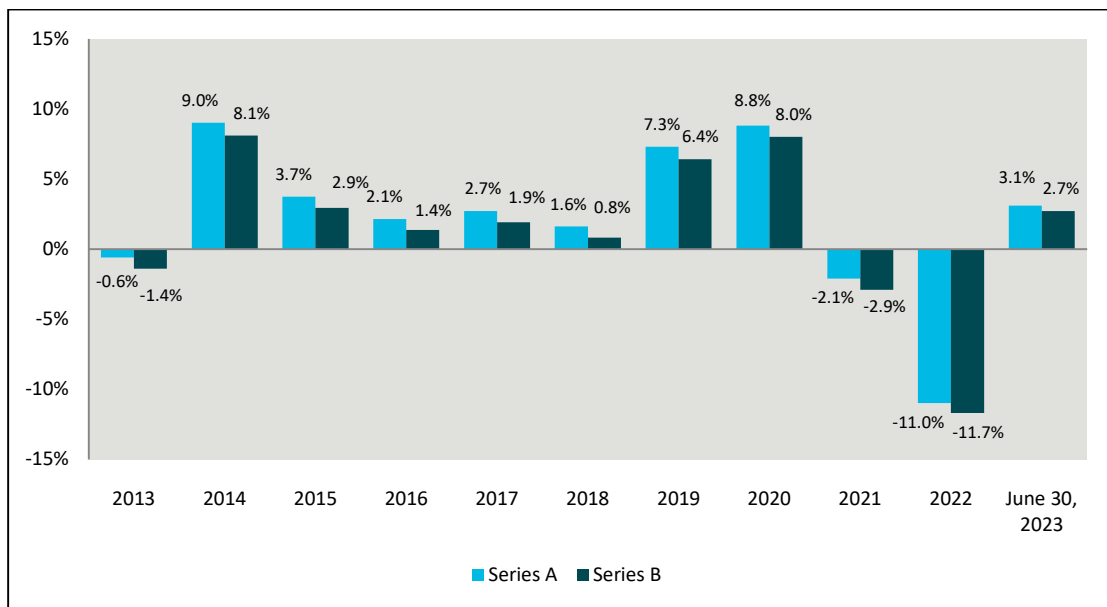
General

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.



Summary of Investment Portfolio

As at June 30, 2023

Top 25 Positions

Issuer	% of Net Asset Value
CPPIB Capital Inc 3.95% June 02, 2032	5.4%
Canada Housing Trust No 1 3.65% June 15, 2033	5.3%
Canadian Government Bond 3.5% March 01, 2028	4.4%
Canada Housing Trust No 1 2.65% December 15, 2028	3.1%
Canadian Government Bond 4% June 01, 2041	2.4%
Province of Ontario 4.6% June 02, 2039	2.3%
Fair Hydro Trust 3.36% May 15, 2033	1.5%
Canadian Government Bond 1.75% December 01, 2053	1.5%
Province of Ontario 2.9% December 02, 2046	1.4%
Hydro-Quebec 2.1% February 15, 2060	1.4%
Province of Alberta 3.05% December 01, 2048	1.3%
Royal Bank of Canada 3.37% September 29, 2025	1.2%
Province of Ontario 1.9% December 02, 2051	1.2%
Sun Life Financial Inc 3.05% September 19, 2028	1.2%
Province of Ontario 2.9% June 02, 2049	1.1%
Canadian Imperial Bank of Commerce 2.75% March 07, 2025	1.1%
Province of Manitoba 5.7% March 05, 2037	1.0%
Toronto-Dominion Bank 1.13% December 09, 2025	1.0%
Province of Manitoba 4.1% March 05, 2041	1.0%
Province of Newfoundland and Labrador 2.05% June 02, 2031	1.0%
Province of Saskatchewan 2.8% December 02, 2052	1.0%
Canadian Government Bond 3.75% February 01, 2025	0.9%
Canadian Government Bond 1.25% June 01, 2030	0.9%
Choice Properties Real Estate Investment Trust 4.29% February 08, 2024	0.9%
Bank of America Corp 2.93% April 25, 2025	0.9%

Portfolio Allocation

Portfolio Breakdown	% of Net Asset Value
Corporate Bonds	44.2%
Federal Bonds	27.7%
Provincial Bonds	21.4%
Municipal Bonds	3.9%
Maple Bonds	2.2%
Cash & Other Net Assets	0.6%

The Fund held no short positions as at June 30, 2023.

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.