

Leith Wheeler Canadian Equity Fund

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

December 31, 2022



Quiet Money.®

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 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 primarily in a diversified portfolio of common shares and other equity related securities of Canadian issuers. The Fund 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 Canadian equity and equity related securities.

Our approach to stock picking is based on fundamental research with a strong “value” bias. Our test for value is viewing any investment we make as if we were “buying the whole business”. Therefore, the critical question becomes “what would be the price of the whole business that would make the purchase a profitable one?” Our experience has been that the price of a company in the stock market does not always reflect its real value. This discrepancy between price and value creates excellent investment opportunities.

As value investors, we tend to include companies in the portfolio when they are “out of favour” by the market and have declined in price. Companies can become undervalued when there is a lack of investor awareness; when an entire industry is out of favour with investors; or when a company experiences a short-term difficulty which, following careful analysis, we believe can be overcome. By purchasing these companies after a price decline, we find we are able to control risk in the portfolio as these investments often have less downside risk while offering a decent potential return.

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 2.2% in 2022 to \$3,710 million from \$3,794.8 million at the end of 2021. Of this change, \$35.8 million was attributable to negative investment performance and \$49.0 million to net outflows from unitholders.

For the year ended December 31, 2022, the Canadian Equity Fund Series A decreased -1.2% before fees, and Series B decreased -2.7% after fees and expenses. The S&P/TSX Composite Index (TSX) declined -5.8% over the same period.

In the third quarter, the Canadian Equity Fund outperformed the Index. Strong stock selection in Energy boosted performance, as rising natural gas prices helped Tourmaline Oil (+10.5%) report another strong quarter. Stock selection and an overweight to Consumer Staples also helped relative results. Performance was partially offset by weakness in Industrials and Information Technology.

The Fund earned a positive return in the fourth quarter, but performance lagged the Index. Consumer Discretionary companies Sleep Country (-5.1%) and Canadian Tire (-2.8%) detracted from relative returns as both companies reported earnings that were below expectations. Performance was also impacted by relative underperformance in Financials and an underweight in Energy. On the other hand, Communication Services holdings outperformed, led by strength in Rogers Communications (+20.1%) following the announcement in December that a Competition Tribunal rejected the Competition Bureau’s attempts to block the Rogers-Shaw deal. An overweight in Information Technology also contributed to positive returns.

Recent Developments

The S&P/TSX Composite Index returned +7.4% in January 2023.

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 1.40%. During the year, the Fund paid the Manager \$633,815 (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	2022	2021	2020	2019	2018
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$58.87	\$46.80	\$45.21	\$38.45	\$44.90
Increase (decrease) from operations:					
Total revenue	1.89	1.44	1.40	1.17	1.05
Total expenses	-	-	-	-	-
Realized gains (losses) for the year	2.62	4.16	0.68	0.58	0.81
Unrealized gains (losses) for the year	(5.06)	8.16	1.67	6.20	(6.96)
Total increase (decrease) from operations ⁽¹⁾	(0.55)	13.76	3.75	7.95	(5.10)
Distributions:					
From income (excluding dividends)	(0.05)	-	(0.01)	(0.01)	-
From dividends	(1.89)	(1.46)	(1.32)	(1.17)	(1.04)
From capital gains	(0.60)	(0.13)	-	-	(0.36)
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(2.53)	(1.59)	(1.33)	(1.18)	(1.40)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$55.63	\$58.87	\$46.80	\$45.21	\$38.45

Series B	2022	2021	2020	2019	2018
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$66.04	\$52.47	\$50.17	\$42.60	\$49.59
Increase (decrease) from operations:					
Total revenue	4.98	1.63	(1.20)	1.30	1.08
Total expenses	(0.95)	(0.89)	(0.57)	(0.69)	(0.66)
Realized gains (losses) for the year	6.89	4.70	(0.58)	0.65	0.83
Unrealized gains (losses) for the year	(13.31)	9.24	(1.43)	6.94	(7.16)
Total increase (decrease) from operations ⁽¹⁾	(2.39)	14.68	(3.78)	8.20	(5.91)
Distributions:					
From income (excluding dividends)	-	-	-	(0.01)	-
From dividends	(0.26)	(0.72)	(0.32)	(0.51)	(0.28)
From capital gains	(0.65)	(0.14)	-	-	(0.40)
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.91)	(0.86)	(0.32)	(0.52)	(0.68)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$63.39	\$66.04	\$52.47	\$50.17	\$42.60

(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	2022	2021	2020	2019	2018
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	3,681,136	3,733,099	3,256,668	3,129,925	2,590,288
Number of units outstanding (000s) ⁽¹⁾	66,171	63,410	69,588	69,227	67,375
Management expense ratio (%) ⁽²⁾	-	-	-	-	-
Management expense ratio before waivers or absorptions (%)	-	-	-	-	-
Trading expense ratio (%) ⁽³⁾	0.02	0.02	0.04	0.03	0.04
Portfolio turnover rate (%) ⁽⁴⁾	16.59	13.40	23.06	17.60	20.33
Net assets attributable to holders of redeemable units - per unit (\$)	55.63	58.87	46.80	45.21	38.45

Series B	2022	2021	2020	2019	2018
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	28,861	61,651	58,192	102,467	96,281
Number of units outstanding (000s) ⁽¹⁾	455	934	1,109	2,042	2,260
Management expense ratio (%) ⁽²⁾	1.49	1.49	1.48	1.49	1.49
Management expense ratio before waivers or absorptions (%)	1.49	1.49	1.48	1.49	1.49
Trading expense ratio (%) ⁽³⁾	0.02	0.02	0.04	0.03	0.04
Portfolio turnover rate (%) ⁽⁴⁾	16.59	13.40	23.06	17.60	20.33
Net assets attributable to holders of redeemable units - per unit (\$)	63.39	66.04	52.47	50.17	42.60

(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

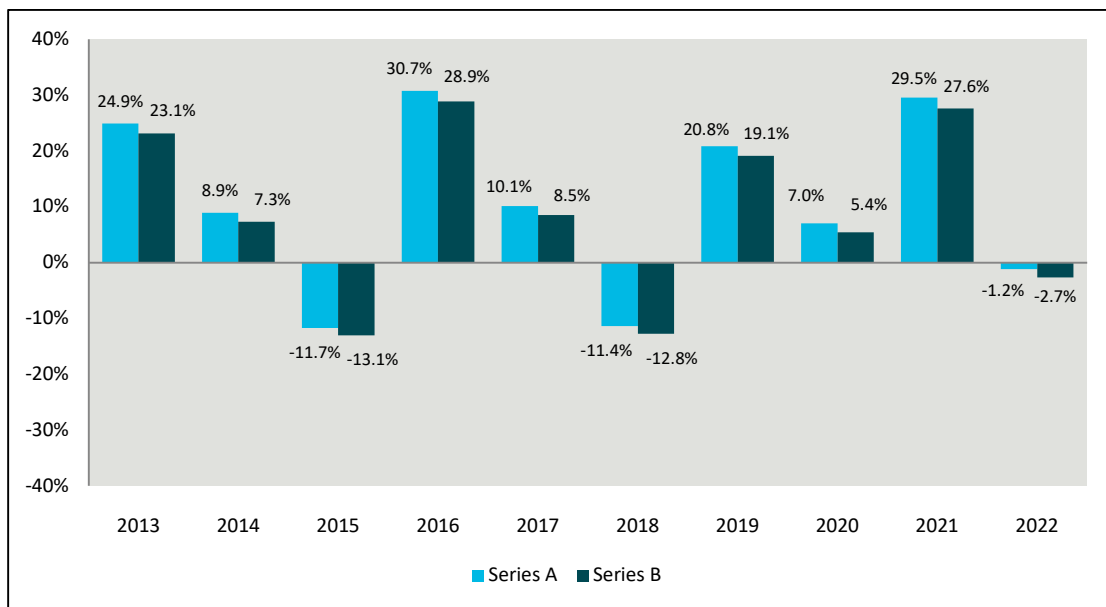
General

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.



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) with the S&P/ TSX Composite Index, in each case for the year ended December 31, 2022. The S&P/TSX Composite Index is the headline index and the principal broad market measure for the Canadian equity markets. 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	-1.2%	11.0%	7.9%	9.7%
Benchmark	-5.8%	7.5%	6.9%	7.7%
Fund – Series B	-2.7%	9.4%	6.3%	8.1%
Benchmark	-5.8%	7.5%	6.9%	7.7%

Summary of Investment Portfolio

As at December 31, 2022

Top 25 Positions

Issuer	% of Net Asset Value
Royal Bank of Canada	7.2%
Toromont Industries Ltd	6.1%
Toronto-Dominion Bank	6.0%
Canadian National Railway Co	5.7%
Constellation Software Inc	4.6%
Saputo Inc	4.0%
Brookfield Infrastructure Partners LP	3.9%
Bank of Montreal	3.7%
Canadian Natural Resources Ltd	3.6%
Tourmaline Oil Corp	3.6%
CGI Inc	3.4%
Rogers Communications Inc	3.3%
Waste Connections Inc	3.1%
Pembina Pipeline Corp	3.0%
Open Text Corp	2.8%
Brookfield Corp	2.7%
iA Financial Corp Inc	2.6%
Manulife Financial Corp	2.6%
Metro Inc	2.4%
Finning International Inc	2.3%
Bank of Nova Scotia	2.2%
Hydro One Ltd	2.2%
Stella-Jones Inc	2.1%
Canadian Imperial Bank of Commerce	1.8%
Canadian Tire Corp Ltd	1.8%

Portfolio Allocation

Portfolio Breakdown	% of Net Asset Value
Financials	32.3%
Industrials	19.1%
Information Technology	12.0%
Energy	10.6%
Consumer Staple	6.4%
Utilities	6.1%
Materials	5.2%
Communication Services	3.5%
Consumer Discretionary	2.6%
Real Estate	1.7%
Cash & Other Net Assets	0.5%

The Fund held no short positions as at December 31, 2022.

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.