

Leith Wheeler Emerging Markets Equity Fund

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE
December 31, 2019



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 investors with long term capital appreciation and consistent income from dividends by investing primarily in common stocks of large and mid-cap companies based in emerging market countries as listed on the Morgan Stanley Capital International Emerging Markets Index (the “MSCI Emerging Markets Index”). The Fund may also invest in companies located in Singapore, Hong Kong, and any country listed on the Morgan Stanley Capital International Frontier Markets Index. The Emerging Markets Equity Fund is sub-advised by Barrow, Hanley, Mewhinney & Strauss, LLC of Dallas, Texas.

The Fund will pursue a value-oriented strategy by constructing a portfolio of individual stocks, selected on a bottom-up basis, generally reflecting the following characteristics: price/earnings (on normalized earnings), price to book, enterprise value to free cash flow and enterprise value to sales ratios below the market, and dividend yield above the market. The Fund will principally be invested with full foreign currency exposure (i.e. un-hedged).

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 were increased by 40.5% in 2019, rising to \$76.0 million from \$54.1 million at the end of 2018. Of this change, \$7.5 million was attributable to investment gain and \$14.4 million attributable to net inflows.

The Leith Wheeler Emerging Markets Equity Fund had strong returns in 2019 with Series A units advancing by 11.0%. Series B and Series F units increased by 9.2% and 9.6%, respectively, both after fees and expenses.

Although the MSCI Emerging Markets (“EM”) Index was up only 12.8% for the year, in Canadian dollars, and quite a distance behind developed market peers, the return was still the third best year in the last decade. Domestic benchmarks outperformed emerging market peers for the year, although emerging markets rallied sharply in the fourth quarter and were well ahead of their developed peers. The Technology sector continued its long-standing dominance, rising nearly 42% in the past year alone. The more defensive sectors of the market struggled as Health Care, Consumer Staples, and Utilities were among the poorer performing areas of the market.

After a stellar run from the early 2000s to late 2010, investors have largely shunned the emerging market asset class in favour of developed equities, in particular US equities. Investors have fretted over and punished emerging market stocks more recently given the trade war between the US and China, slowing Chinese growth, and a strong US dollar. With such rampant pessimism and fear in the asset class, it does seem that these risks are largely priced into stocks, and we would postulate that now would be a good time to allocate to emerging markets with improvements in the risks noted above acting as a strong tailwind to the asset class going forward.

Valuations of emerging market stocks are at multi-year lows relative to developed market stocks and, in fact, we have not seen these valuation levels since the early 2000s, just prior to the point when emerging market stocks had their strongest run of performance. Not only are emerging market stocks trading at multi-year lows relative to their developed market peers, emerging market value stocks are trading at a discount to emerging market growth stocks – at levels last seen in the early 2000s, while yielding their highest levels relative to growth stocks over this same period.

The strong performance of the Leith Wheeler Emerging Markets Equity Fund over the last two quarters of 2019 has helped us close the performance gap with the MSCI EM Index, with our strategy underperforming by 1.8% for the full year. This was no small feat given the MSCI EM Value Index underperformed the MSCI EM Growth Index by 6.5% over the same period. The Fund outperformed the MSCI EM Value Index by 4.4% for the full year.

Our stock selection in Consumer Discretionary was the primary detractor from performance in the year, while our stock selection in Materials was a significant contributor. While we held names within Consumer Discretionary sector that were positive contributors to performance, a few stocks contributed disproportionately to overall market returns. Alibaba was one such stock which is not featured in our portfolio as it trades on very high valuation multiples. Our lack of ownership in this name offset our stronger performing Consumer Discretionary stocks.

As we enter into a new decade of investing, we do so with a strong conviction in our people and our process, and a track record of sticking to our value discipline.

Management Discussion of Fund Performance (cont.)

Recent Developments

In the first quarter of 2020, global equity markets have been declining dramatically as fears have grown about the economic impact of the COVID-19 virus, and an instability in world oil prices prompted by a price war between Russia and Saudi Arabia. Central banks have been active in cutting rates, but it will take time to work through the full impact of these shocks. We cannot forecast the ultimate hit to GDP growth or the shape of the recovery, but it is clear that markets are communicating a high level of alarm. In the meantime, we are keeping our discipline. As value investors, we continue to see opportunities to add to high quality businesses at prices that are becoming increasingly attractive, and are doing so across all equity portfolios.

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 and Series F units of the Fund are 1.55% and 1.25%, respectively. During the year, the Fund paid the Manager \$1,951 for Series B and \$184 for Series F (exclusive of GST/HST) of its net assets as management fees. In addition, the Fund will reimburse the Manager for operating costs incurred in administering the Fund of up to 0.30%. The Manager paid all operating expenses in excess of 0.30% 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 (inception May 19, 2017)	2019	2018	2017	2016	2015
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$10.21	\$10.70	\$10.00	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.34	0.48	0.13	n/a	n/a
Total expenses	-	-	-	n/a	n/a
Realized gains (losses) for the year	0.10	0.15	(0.06)	n/a	n/a
Unrealized gains (losses) for the year	0.77	(0.74)	1.32	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	1.21	(0.11)	1.39	n/a	n/a
Distributions:					
From income (excluding dividends)	-	-	-	n/a	n/a
From dividends	(0.33)	(0.30)	(0.06)	n/a	n/a
From capital gains	(0.11)	-	-	n/a	n/a
Return of capital	-	-	-	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.44)	(0.30)	(0.06)	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$10.87	\$10.21	\$10.70	n/a	n/a

Series B (inception May 19, 2017)	2019	2018	2017	2016	2015
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$10.19	\$10.67	\$10.00	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.32	(31.42)	0.11	n/a	n/a
Total expenses	(0.19)	(8.31)	(0.10)	n/a	n/a
Realized gains (losses) for the year	0.10	(9.77)	(0.05)	n/a	n/a
Unrealized gains (losses) for the year	0.74	48.57	1.08	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	0.97	(0.93)	1.04	n/a	n/a
Distributions:					
From income (excluding dividends)	-	-	-	n/a	n/a
From dividends	(0.16)	(0.11)	(0.04)	n/a	n/a
From capital gains	(0.11)	-	-	n/a	n/a
Return of capital	-	-	-	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.27)	(0.11)	(0.04)	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$10.85	\$10.19	\$10.67	n/a	n/a

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

Series F (inception May 19, 2017)	2019	2018	2017	2016	2015
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$10.23	\$10.70	\$10.00	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.23	0.95	0.07	n/a	n/a
Total expenses	-	(0.07)	-	n/a	n/a
Realized gains (losses) for the year	0.07	0.30	(0.03)	n/a	n/a
Unrealized gains (losses) for the year	0.54	(1.48)	0.68	n/a	n/a
Total increase (decrease) from operations ⁽¹⁾	0.84	(0.30)	0.72	n/a	n/a
Distributions:					
From income (excluding dividends)	-	-	-	n/a	n/a
From dividends	(0.18)	(0.14)	(0.02)	n/a	n/a
From capital gains	(0.11)	-	-	n/a	n/a
Return of capital	-	-	-	n/a	n/a
Total Annual Distributions ⁽²⁾	(0.29)	(0.14)	(0.02)	n/a	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$10.91	\$10.23	\$10.70	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 19, 2017, inception date of Series A, B and F units of the Fund.

Financial Highlights (cont.)

Ratios and Supplemental Data

Series A (inception May 19, 2017)	2019	2018	2017	2016	2015
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	75,859	53,990	26,211	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	6,981	5,287	2,449	n/a	n/a
Management expense ratio (%) ⁽²⁾	-	-	-	-	-
Management expense ratio before waivers or absorptions (%)	0.05	0.11	0.05	n/a	n/a
Trading expense ratio (%) ⁽³⁾	0.22	0.30	0.25	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	56.30	49.32	6.81	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	10.87	10.21	10.70	n/a	n/a

Series B (inception May 19, 2017)	2019	2018	2017	2016	2015
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	145	112	22	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	13	11	2	n/a	n/a
Management expense ratio (%) ⁽²⁾	1.68	1.63	1.63	n/a	n/a
Management expense ratio before waivers or absorptions (%)	1.73	1.74	1.68	n/a	n/a
Trading expense ratio (%) ⁽³⁾	0.22	0.30	0.25	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	56.30	49.32	6.81	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	10.85	10.19	10.67	n/a	n/a

Series F (inception May 19, 2017)	2019	2018	2017	2016	2015
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	17	10	11	n/a	n/a
Number of units outstanding (000s) ⁽¹⁾	2	1	1	n/a	n/a
Management expense ratio (%) ⁽²⁾	1.31	1.31	1.31	n/a	n/a
Management expense ratio before waivers or absorptions (%)	1.36	1.42	1.37	n/a	n/a
Trading expense ratio (%) ⁽³⁾	0.22	0.30	0.25	n/a	n/a
Portfolio turnover rate (%) ⁽⁴⁾	56.30	49.32	6.81	n/a	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	10.91	10.23	10.70	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

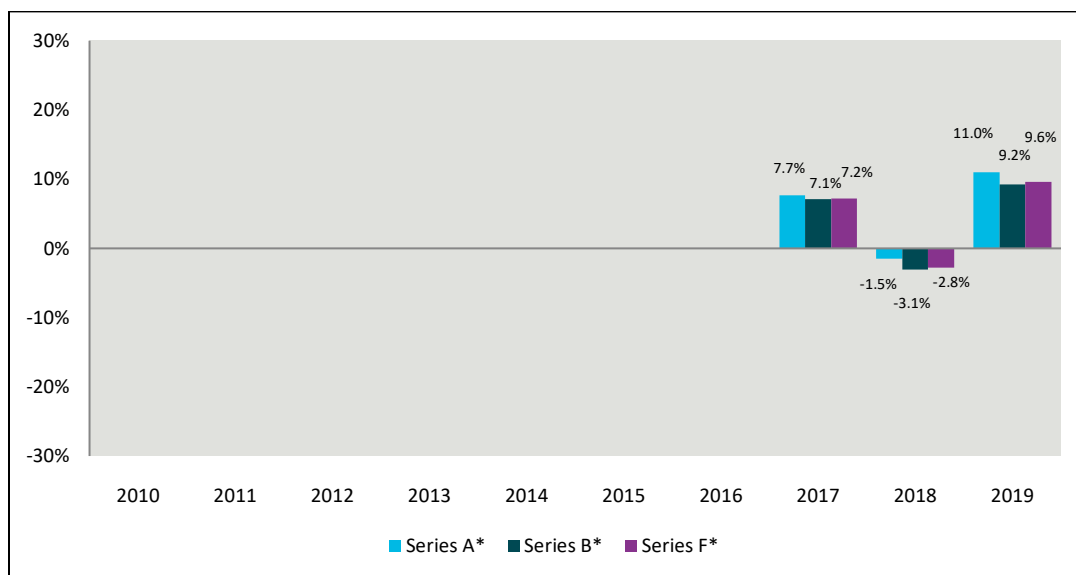
General

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 A, Series B and Series F units were created on May 19, 2017. Performance start date is August 28, 2017, which is the date of first unitholder contribution to the Series. Returns from August 28, 2017 to December 31, 2017, not annualized.

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 Emerging Markets Index, in each case for the year ended December 31, 2019. The MSCI Emerging Markets Index measures the total return attributable to large and mid-cap securities across 23 emerging markets countries and covers approximately 85% of the capitalization in each country. A discussion of the performance of the Fund as compared to this broad-based index 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 *	11.0%	n/a	n/a	n/a
Benchmark	12.8%	n/a	n/a	n/a
Fund – Series B *	9.2%	n/a	n/a	n/a
Benchmark	12.8%	n/a	n/a	n/a
Fund – Series F *	9.6%	n/a	n/a	n/a
Benchmark	12.8%	n/a	n/a	n/a

* Series A, B and F units were created May 19, 2017. Performance start date is August 28, 2017, which is the date of first unitholder contribution to the Series.

Summary of Investment Portfolio

As at December 31, 2019

Top 25 Positions

Issuer	% of Net Asset Value
Sibanye Gold Ltd	4.9%
China Oilfield Services Ltd	4.4%
Mediatek Inc	3.5%
Ecopetrol SA	2.6%
Moscow Exchange MICEX-RTS PJSC	2.5%
BRF SA	2.5%
Arcos Dorados Holdings Inc	2.4%
SJM Holdings Ltd	2.4%
Shandong Weigao Group Medical Polymer Co Ltd	2.3%
LS Industrial Systems Co Ltd	2.3%
Fibra Uno Administracion SA	2.3%
ASE Technology Holding Co Ltd	2.2%
Fosun International Ltd	2.1%
Infraestructura Energetica Nova	2.1%
OPAP SA	2.0%
KEPCO Plant Service & Engineering Co Ltd	2.0%
Genera SAB de CV	2.0%
Kunlun Energy Co Ltd	1.9%
Samsung Securities Co Ltd	1.8%
Absa Group Ltd	1.8%
Perusahaan Gas Negara Persero	1.8%
Baidu Inc	1.7%
PICC Property & Casualty Co Ltd	1.7%
Bank Polska Kasa Opieki SA	1.7%
Orion Corp/Republic of Korea	1.7%

Portfolio Allocation

Portfolio Breakdown	% of Net Asset Value
China	20.0%
South Korea	13.7%
South Africa	11.6%
Mexico	9.1%
Taiwan	9.0%
Hong Kong	8.7%
India	4.1%
Russia	4.1%
Colombia	3.3%
Brazil	2.5%
Uruguay	2.4%
Greece	2.0%
Indonesia	1.8%
Poland	1.7%
Czech Republic	1.5%
United Arab Emirates	1.4%
Thailand	1.4%
Turkey	1.3%
Cash & Other Net Assets	0.4%

The Fund held no short positions as at December 31, 2019.

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.