

Leith Wheeler International Equity Plus 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 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 22.8% in 2019 to \$43.6 million from \$35.5 million at the end of 2018. Of this change, \$2.1 million was attributable to investment gain and \$6 million to net inflows.

The MSCI EAFE Index had a strong 2019, returning 16.2%. All sectors delivered positive returns with Information Technology, Health Care and Industrials leading the way. Energy was the lowest performing sector.

The International Equity Plus Fund was positive but underperformed the MSCI EAFE Index in 2019, with Series A of the fund increasing 6.9%, Series B of the fund increasing 5.3% after fees and expenses, and Series F of the Fund increasing 5.9% after fees and expenses.

The first quarter of 2019 saw equity markets rebound as concerns over the China-US trade dispute eased and the Federal Reserve Bank and the ECB returned to a more accommodative stance with interest rates. The perception of a lower global interest rate environment re-opened the Quantitative Easing playbook and sparked a renewed preference for stable growth, bond-type proxies within the equity markets. In this environment, financial-related sectors underperformed but energy remained well supported as production cuts from OPEC served to keep a tight rein on supply. With a return to a focus on "Growth" stocks, defensive areas such as Telecoms, including Vodafone, lagged the market. Conversely, Technology and Materials shares, where the portfolio is underweight, recovered strongly. Technology company Lenovo continued to perform well as results improved. Shares in Bayer were also weak on further litigation issues surrounding the use of glyphosate-based herbicide, Round-Up.

Equity markets continued to rally in the second quarter. The trade dispute between China and the US dominated as more entrenched positions were taken, particularly regarding technology transfer. The breakdown in the US-China trade talks saw equity holdings in Hong Kong, including Lenovo and Fosun Pharma, suffer. The other key detractor has been the Japanese company, Alps Alpine, which has been impacted by the slowdown in smartphone shipments. Financials continued to struggle and Energy stocks acted as a drag given concerns on the outlook for economic growth. On the positive side, Bayer recovered some ground on easing litigation concerns, while the outlook for the labour market continues to spur on recruitment companies including Adecco. Health Care stocks also held up well on consideration of good cashflows, supported dividends and an easing of fears regarding US health care reform.

The third quarter began with the similar trend of 'growth' stocks and 'bond-equivalent' stocks continuing their outperformance, however the trend reversed for a short-period with value beginning to outpace momentum stocks. Alongside these trends, Energy and Financial holdings began to slow over economic concerns and market volatility increased with trade tensions escalating between China and the United States.

The fund regressed during the third quarter but was followed by a strong fourth quarter. Global equity markets advanced significantly, with a 'Phase One' trade deal injecting positive sentiment back into equity markets. The largest positive contributors to the fund's performance for 2019 were pharmaceutical companies, banks and consumer staples retail.

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.

As at December 31, 2019, the Leith Wheeler Balanced Fund owned 2,894,255 Series A units of the Fund, a fund under common management. This holding represents approximately 71.2% 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 for the Series B and Series F units of the Fund are 1.50% and 0.95%, respectively. During the year, the Fund paid the Manager \$75,360 for Series B and \$3,057 for Series F (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	2019	2018	2017	2016	2015
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$10.44	\$11.99	\$10.50	\$10.59	\$9.44
Increase (decrease) from operations:					
Total revenue	0.39	0.43	0.28	0.26	0.24
Total expenses	-	-	-	-	-
Realized gains (losses) for the year	0.18	0.49	0.57	0.24	1.33
Unrealized gains (losses) for the year	0.16	(1.66)	1.19	(0.13)	0.16
Total increase (decrease) from operations ⁽¹⁾	0.73	(0.74)	2.04	0.37	1.73
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.37)	(0.36)	(0.28)	(0.23)	(0.20)
From capital gains	(0.07)	(0.40)	(0.27)	(0.13)	(0.34)
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.44)	(0.76)	(0.55)	(0.36)	(0.54)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$10.71	\$10.44	\$11.99	\$10.50	\$10.59

Series B	2019	2018	2017	2016	2015
Net assets attributable to holders of redeemable units - per unit, beginning of year ⁽¹⁾	\$10.25	\$11.78	\$10.36	\$10.41	\$9.33
Increase (decrease) from operations:					
Total revenue	0.37	0.31	0.31	0.37	0.27
Total expenses	(0.17)	(0.44)	(0.19)	(0.42)	(0.41)
Realized gains (losses) for the year	0.17	0.35	0.59	0.33	1.44
Unrealized gains (losses) for the year	0.16	(1.20)	1.24	(0.18)	0.17
Total increase (decrease) from operations ⁽¹⁾	0.52	(0.98)	1.94	0.10	1.47
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.24)	(0.17)	(0.15)	(0.08)	(0.09)
From capital gains	(0.07)	(0.39)	(0.26)	(0.08)	(0.33)
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.31)	(0.56)	(0.41)	(0.16)	(0.42)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$10.48	\$10.25	\$11.78	\$10.36	\$10.41

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

Series F (inception May 25, 2016)	2019	2018	2017	2016	2015
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$10.12	\$11.69	\$10.29	\$9.58	n/a
Increase (decrease) from operations:					
Total revenue	0.31	0.66	0.29	0.81	n/a
Total expenses	(0.02)	(0.15)	(0.03)	(0.20)	n/a
Realized gains (losses) for the year	0.15	0.76	0.58	0.76	n/a
Unrealized gains (losses) for the year	0.13	(2.55)	1.23	(0.40)	n/a
Total increase (decrease) from operations ⁽¹⁾	0.57	(1.28)	2.07	0.97	n/a
Distributions:					
From income (excluding dividends)	-	-	-	-	n/a
From dividends	(0.28)	(0.30)	(0.22)	(0.16)	n/a
From capital gains	(0.07)	(0.39)	(0.26)	(0.10)	n/a
Return of capital	-	-	-	-	n/a
Total Annual Distributions ⁽²⁾	(0.35)	(0.69)	(0.49)	(0.26)	n/a
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$10.35	\$10.12	\$11.69	\$10.29	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	2019	2018	2017	2016	2015
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	38,146	30,268	20,659	19,181	15,598
Number of units outstanding (000s) ⁽¹⁾	3,561	2,898	1,722	1,827	1,472
Management expense ratio (%) ⁽²⁾	-	-	-	-	-
Management expense ratio before waivers or absorptions (%)	0.11	0.12	0.13	0.14	0.12
Trading expense ratio (%) ⁽³⁾	0.08	0.08	0.08	0.04	0.04
Portfolio turnover rate (%) ⁽⁴⁾	33.03	21.66	17.85	119.28	142.99
Net assets attributable to holders of redeemable units - per unit (\$)	10.71	10.44	11.99	10.50	10.59

Series B	2019	2018	2017	2016	2015
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	5,082	4,934	4,865	3,310	3,321
Number of units outstanding (000s) ⁽¹⁾	485	481	413	320	319
Management expense ratio (%) ⁽²⁾	1.59	1.59	1.59	1.59	1.60
Management expense ratio before waivers or absorptions (%)	1.70	1.71	1.71	1.73	1.72
Trading expense ratio (%) ⁽³⁾	0.08	0.08	0.08	0.04	0.04
Portfolio turnover rate (%) ⁽⁴⁾	33.03	21.66	17.85	119.28	142.99
Net assets attributable to holders of redeemable units - per unit (\$)	10.48	10.25	11.78	10.36	10.41

Series F (inception May 25, 2016)	2019	2018	2017	2016	2015
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	327	321	41	11	n/a
Number of units outstanding (000s) ⁽¹⁾	32	32	4	1	n/a
Management expense ratio (%) ⁽²⁾	1.03	1.00	1.00	1.00	n/a
Management expense ratio before waivers or absorptions (%)	1.14	1.12	1.13	1.14	n/a
Trading expense ratio (%) ⁽³⁾	0.08	0.08	0.08	0.04	n/a
Portfolio turnover rate (%) ⁽⁴⁾	33.03	21.66	17.85	119.28	n/a
Net assets attributable to holders of redeemable units - per unit (\$)	10.35	10.12	11.69	10.29	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

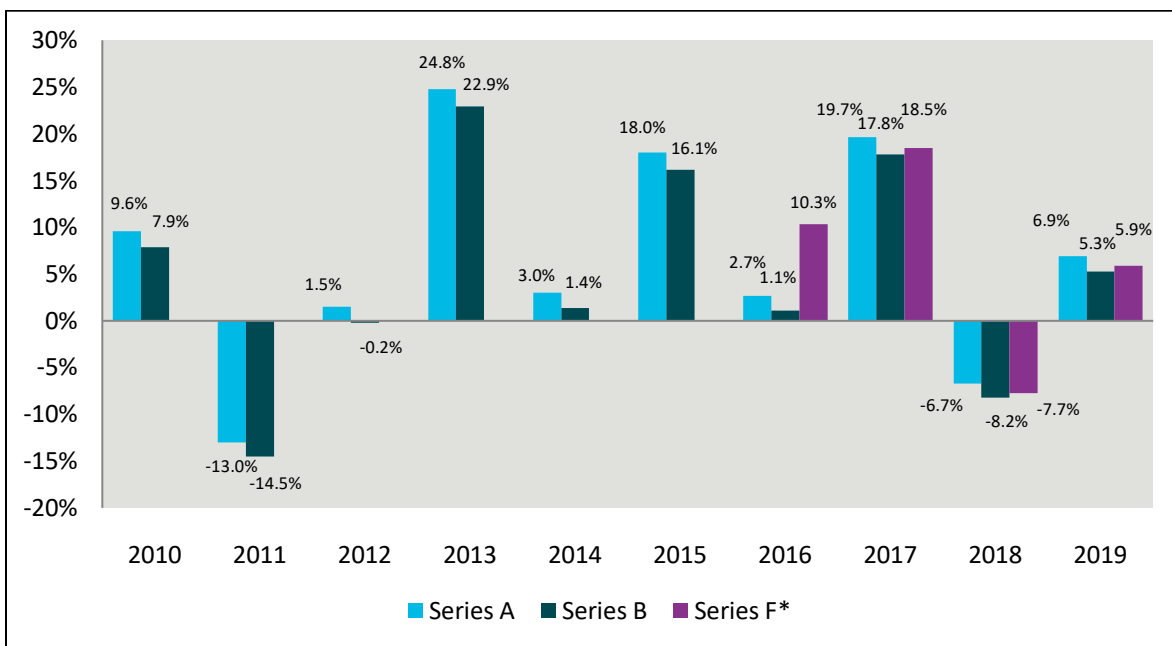
General

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, 2019. 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	6.9%	6.1%	7.7%	6.1%
Benchmark	16.2%	8.4%	8.1%	7.8%
Fund – Series B	5.3%	4.4%	6.0%	4.4%
Benchmark	16.2%	8.4%	8.1%	7.8%
Fund – Series F *	5.9%	5.0%	n/a	n/a
Benchmark	16.2%	8.4%	n/a	n/a

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

Summary of Investment Portfolio

As at December 31, 2019

Top 25 Positions

Issuer	% of Net Asset Value
Cash & Other Net Assets	5.8%
Tesco PLC	3.5%
Roche Holding AG	3.5%
AstraZeneca PLC	3.3%
Sanofi	3.2%
Vodafone Group PLC	3.0%
Novartis AG	3.0%
Total SA	2.9%
Sony Corp	2.8%
BP PLC	2.7%
China Mobile Ltd	2.6%
CK Hutchison Holdings Ltd	2.6%
Astellas Pharma Inc	2.5%
Sumitomo Mitsui Financial Group Inc	2.5%
Panasonic Corp	2.5%
Eni SpA	2.5%
Orange SA	2.5%
East Japan Railway Co	2.4%
Royal Dutch Shell PLC	2.4%
ING Groep NV	2.4%
Singapore Telecommunications Ltd	2.4%
Sumitomo Electric Industries Ltd	2.3%
Sumitomo Mitsui Trust Holdings Inc	2.3%
BNP Paribas SA	2.3%
Fresenius Medical Care AG & Co KGaA	2.2%

Portfolio Allocation

Portfolio Breakdown	% of Net Asset Value
Europe - Ex. U.K.	37.8%
Japan	19.9%
U.K.	16.4%
Pacific - Ex. Japan	14.9%
Cash & Other Net Assets	5.8%
Emerging Markets	5.2%

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.