

Leith Wheeler Multi Credit Fund

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

December 31, 2021



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

The investment objective of the fund is to achieve interest income, with the potential for some long term capital growth, by investing primarily in corporate credit securities. The primary return objective is to deliver income and return in excess of the Canadian Dollar Offered Rate (CDOR) over a credit cycle. The Fund is intended to have a risk profile similar to that of the Bank of America Merrill Lynch BB-B U.S. High Yield Constrained Index (hedged back to Canadian Dollars), but with lower interest rate risk. The Multi Credit Fund has the ability to invest across the capital structure of a business with a core focus on global high yield bonds, U.S. senior loans and global investment grade 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 13.6% in 2021 to \$195.9 million from \$226.8 million at the end of 2020. Of this change, \$8.8 million was attributable to positive investment performance and \$39.7 million attributable to net outflows from unitholders.

For the year ended December 31st, 2021, the Multi Credit Fund Series A increased +4.2% before fees, Series B increased +3.1% after fees and expenses, and Series F increased +3.2% after fees and expenses.

At the beginning of the year, the Multi Credit Fund's asset composition was 2.1% investment grade corporate bonds, 55.3% high yield bonds, 32.7% senior secured loans, and 9.9% cash & other assets.

The high yield bond market provided modest positive returns in the first quarter of 2021. Bank loans also outperformed high yield bonds. This was due to a combination of bank loan's much lower sensitivity to interest rates, as well as renewed investor demand for floating rate instruments in a rising interest rate environment.

High yield credit spreads continued to steadily compress in the first quarter to levels below their long-term averages. Lower quality credit, particularly below B-rated, led the market. We reduced our exposure to bank loans during the first quarter in favour of high yield bonds, as we believed the outlook for returns was more attractive.

The high yield market continued to provide strong returns to investors in the second quarter, with positive returns from both high yield bonds and bank loans. The high yield bond market outperformed bank loans as interest rates declined, with lower-quality credit outperforming. High yield credit spreads ended the quarter slightly below the long-term average and remained well supported by improving fundamentals and by investors seeking additional yield. Our weighting in bank loans remained approximately one-third of the portfolio and was little changed in the second quarter.

High yield bonds and bank loans both generated a positive return of approximately 1% in the third quarter. Similarly, high yield credit spreads rose slightly in July and August and gradually moved back down to levels seen at the beginning of the quarter. Credit spreads remain below the long-term average and well supported by solid fundamentals and investors seeking additional yield. Higher quality BB-rated bonds outperformed CCC-rated bonds by a small margin.

In the fourth quarter, high yield bonds and bank loans had positive returns, with credit spreads broadly unchanged. Returns in the quarter were driven by higher quality issues, with your holdings in BB-rated and B-rated bonds outperforming the broader market. Credit spreads remain at levels that are below the long-term average, however expected default rates for both high yield bonds and bank loans are very low as a result of the continued improvement in credit fundamentals and very open access to liquidity through capital markets.

The Fund continues to be positioned with a bias towards owning fixed rate high yield bonds over bank loans. As at December 31, 2021, the composition of the fund was 0.5% investment grade corporate bonds, 66.6% high yield bonds, 28.3% senior secured loans, and 4.6% cash & other net assets.

Recent Developments

High yield markets fell in January 2022, with one market measure, the ICE BofAML BB-B High Yield Constrained Index, down -2.2% on the month.

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.

At December 31, 2021, the Leith Wheeler Corporate Advantage Fund, Leith Wheeler Income Advantage Fund and Leith Wheeler Balanced Fund owned 1,565,268 Series A, 556,574 Series A and 1,098,807 Series A units of the Fund, respectively, which are under common management. Combined, the holdings represent 15.7% 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 0.95% and 0.80%, respectively. During the year, the Fund paid the Manager \$19,003 for Series B and \$15,220 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 (inception May 29, 2017)	2021	2020	2019	2018	2017
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$9.61	\$10.09	\$9.49	\$10.00	\$10.00
Increase (decrease) from operations:					
Total revenue	0.45	0.60	0.56	0.57	0.26
Total expenses	-	-	-	-	-
Realized gains (losses) for the year	(0.11)	(0.12)	0.19	(0.82)	0.09
Unrealized gains (losses) for the year	0.05	(0.18)	0.24	(0.23)	(0.12)
Total increase (decrease) from operations ⁽¹⁾	0.39	0.30	0.99	(0.48)	0.22
Distributions:					
From income (excluding dividends)	(0.44)	(0.43)	(0.34)	(0.20)	(0.07)
From dividends	-	-	-	-	-
From capital gains	-	-	(0.06)	(0.04)	(0.02)
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.44)	(0.43)	(0.40)	(0.24)	(0.10)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.56	\$9.61	\$10.09	\$9.49	\$10.00

Series B (inception May 29, 2017)	2021	2020	2019	2018	2017
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$9.73	\$10.09	\$9.45	\$9.98	\$10.00
Increase (decrease) from operations:					
Total revenue	0.45	(2.57)	0.59	0.48	0.24
Total expenses	(0.09)	(0.06)	(0.15)	(0.14)	(0.07)
Realized gains (losses) for the year	(0.11)	0.53	0.19	(0.70)	0.08
Unrealized gains (losses) for the year	0.05	0.76	0.25	(0.19)	(0.11)
Total increase (decrease) from operations ⁽¹⁾	0.30	(1.34)	0.88	(0.55)	0.14
Distributions:					
From income (excluding dividends)	(0.39)	(0.21)	(0.21)	(0.12)	(0.06)
From dividends	-	-	-	-	-
From capital gains	-	-	(0.06)	(0.04)	(0.02)
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.39)	(0.21)	(0.27)	(0.16)	(0.09)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.64	\$9.73	\$10.09	\$9.45	\$9.98

Financial Highlights (cont.)

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

Series F (inception May 29, 2017)	2021	2020	2019	2018	2017
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$9.66	\$10.09	\$9.47	\$9.99	\$10.00
Increase (decrease) from operations:					
Total revenue	0.47	(2.90)	0.50	0.58	0.11
Total expenses	(0.09)	(0.07)	(0.01)	(0.01)	-
Realized gains (losses) for the year	(0.11)	0.60	0.16	(0.83)	0.04
Unrealized gains (losses) for the year	0.06	0.85	0.22	(0.24)	(0.05)
Total increase (decrease) from operations ⁽¹⁾	0.33	(1.52)	0.87	(0.50)	0.09
Distributions:					
From income (excluding dividends)	(0.41)	(0.30)	(0.24)	(0.13)	(0.06)
From dividends	-	-	-	-	-
From capital gains	-	-	(0.06)	(0.04)	(0.02)
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(0.41)	(0.30)	(0.30)	(0.17)	(0.08)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$9.56	\$9.66	\$10.09	\$9.47	\$9.99

(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 29, 2017, inception date of Series A, B and F units of the Fund.

Financial Highlights (cont.)

Ratios and Supplemental Data

Series A (inception May 29, 2017)	2021	2020	2019	2018	2017
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	192,216	222,348	164,005	122,882	45,132
Number of units outstanding (000s) ⁽¹⁾	20,109	23,134	16,257	12,951	4,515
Management expense ratio (%) ⁽²⁾	-	-	-	-	-
Management expense ratio before waivers or absorptions (%)	0.02	0.02	0.02	0.03	0.17
Trading expense ratio (%) ⁽³⁾	-	-	-	0.01	0.01
Portfolio turnover rate (%) ⁽⁴⁾	148.40	165.29	186.70	226.82	79.78
Net assets attributable to holders of redeemable units - per unit (\$)	9.56	9.61	10.09	9.49	10.00

Series B (inception May 29, 2017)	2021	2020	2019	2018	2017
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	1,920	2,059	6,992	6,971	2,877
Number of units outstanding (000s) ⁽¹⁾	199	212	693	737	288
Management expense ratio (%) ⁽²⁾	1.03	1.02	1.03	1.00	1.00
Management expense ratio before waivers or absorptions (%)	1.05	1.04	1.05	1.03	1.16
Trading expense ratio (%) ⁽³⁾	-	-	-	0.01	0.01
Portfolio turnover rate (%) ⁽⁴⁾	148.40	165.29	186.70	226.82	79.78
Net assets attributable to holders of redeemable units - per unit (\$)	9.64	9.73	10.09	9.45	9.98

Series F (inception May 29, 2017)	2021	2020	2019	2018	2017
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	1,811	2,392	4,912	3,710	452
Number of units outstanding (000s) ⁽¹⁾	189	248	487	392	45
Management expense ratio (%) ⁽²⁾	0.88	0.85	0.85	0.84	0.84
Management expense ratio before waivers or absorptions (%)	0.90	0.87	0.87	0.87	1.01
Trading expense ratio (%) ⁽³⁾	-	-	-	0.01	0.01
Portfolio turnover rate (%) ⁽⁴⁾	148.40	165.29	186.70	226.82	79.78
Net assets attributable to holders of redeemable units - per unit (\$)	9.56	9.66	10.09	9.47	9.99

(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

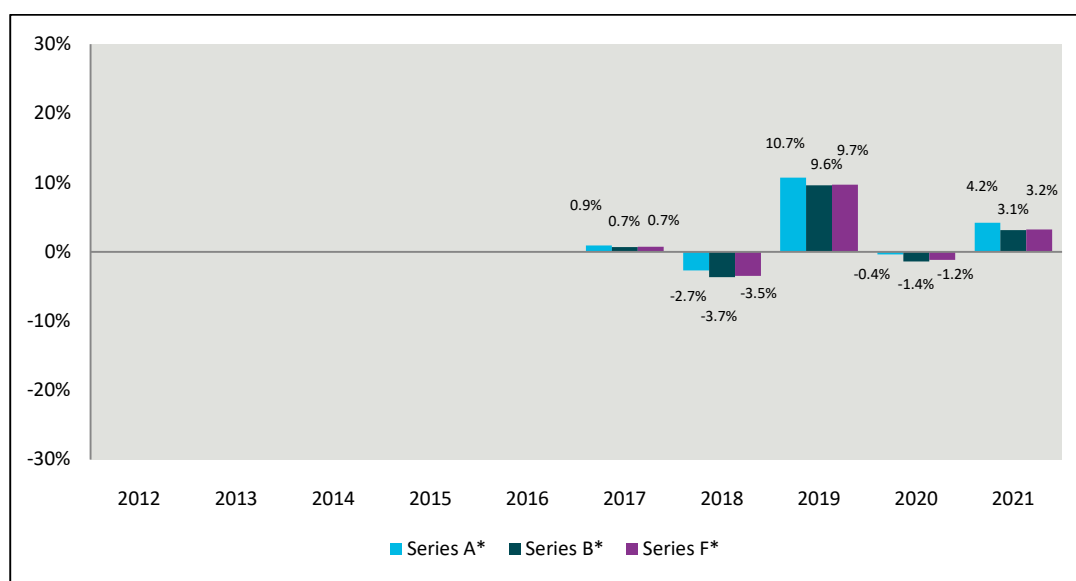
General

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 29, 2017. Performance start date is September 26, 2017, which is the date of first unitholder contribution to the Series. Returns from September 26, 2017 to December 31, 2017, 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 Canadian Dollar Offered Rate (CDOR) in each case for the year ended December 31, 2021. CDOR is the rate at which banks are willing to offer credit to companies against bankers' acceptances. A discussion of the performance of the Fund as compared to this 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 *	4.2%	4.7%	n/a	n/a
CDOR	0.5%	1.1%	n/a	n/a
Fund – Series B *	3.1%	3.7%	n/a	n/a
CDOR	0.5%	1.1%	n/a	n/a
Fund – Series F *	3.2%	3.8%	n/a	n/a
CDOR	0.5%	1.1%	n/a	n/a

* Series A, Series B and Series F units were created on May 29, 2017. Performance start date is September 26, 2017, which is the date of first unitholder contribution to the Series.

Summary of Investment Portfolio

As at December 31, 2021

Top 25 Positions

Issuer	% of Net Asset Value
Cash & Other Net Assets	4.6%
Lumen Technologies Inc 2.35% March 15, 2027	3.7%
Par Petroleum LLC / Par Petroleum Finance Corp 7.75% December 15, 2025	3.0%
First Quantum Minerals Ltd 6.88% March 01, 2026	2.9%
Russell Investments US Institutional Holdco Inc 4.5% May 30, 2025	2.8%
Par Petroleum LLC 6.88% January 12, 2026	2.8%
Meritor Inc 4.5% December 15, 2028	2.7%
MPH Acquisition Holdings LLC 3.75% September 01, 2028	2.6%
Oasis Midstream Partners LP / OMP Finance Corp 8% April 01, 2029	2.6%
Telesat Canada / Telesat LLC 4.88% June 01, 2027	2.4%
Vistra Operations Co LLC 4.38% May 01, 2029	2.4%
RESIDEO FUNDING INC 4% September 01, 2029	2.3%
Corus Entertainment Inc 5% May 11, 2028	2.3%
Teine Energy Ltd 6.88% April 15, 2029	2.3%
Patrick Industries Inc 4.75% May 01, 2029	2.2%
Directv Financing LLC 5.75% August 02, 2027	2.0%
TransDigm Inc 2.35% August 22, 2024	2.0%
Hilton Grand Vacations Borrower LLC 3.5% August 02, 2028	2.0%
CVR Energy Inc 5.75% February 15, 2028	2.0%
Brookfield Property REIT Inc / BPR Cumulus LLC / BPR Nimbus LLC / GGSI S 4.5% April 01, 2027	2.0%
APi Group DE Inc 4.12% July 15, 2029	1.90%
Coeur Mining Inc 5.12% February 15, 2029	1.80%
CCO Holdings LLC / CCO Holdings Capital Corp 4.5% August 15, 2030	1.80%
Parkland Corp 6% June 23, 2028	1.80%
Talen Energy Supply LLC 6.62% January 15, 2028	1.80%

Portfolio Allocation

Portfolio Breakdown	% of Net Asset Value
High Yield Bonds	66.6%
Senior Loans	28.3%
Cash & Other Net Assets	4.6%
Investment-Grade Bonds	0.5%

The Fund held no short positions as at December 31, 2021.

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.