

Leith Wheeler U.S. Small/Mid-Cap Equity 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

To provide superior long-term investment returns and income by investing primarily in a broad range of small and mid-capitalization U.S. companies. The Fund is not restricted by industry sector or size, although portfolio diversification is a consideration in the selection of securities in the Fund. Under normal circumstances, the Fund will keep its portfolio fully invested, to the greatest extent possible, in equity securities.

Our strategy employs a value approach to the management of equities. The Fund aims to maximize the long-term rate of return while preserving investment capital by avoiding investment strategies that expose portfolio assets to excessive risk; to outperform the Russell 2500 Index over a full market cycle; and to achieve an above-average ranking relative to similar mandates over a full market cycle.

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 2021, rising to \$19.4 million from \$15.8 million at the end of 2020. Of this change, \$4.3 million as attributable to positive investment performance and \$0.7 million to net outflows from unitholders.

The US small/mid-cap equity portfolio significantly outperformed the Russell 2500 Index over the year, which rose +17.3%. Series A units gained +29.1%, while series B units and Series F units returned +27.5% and +27.8%, respectively, after fees and expenses.

The performance of US small/mid-cap equities generally lagged their large-cap counterparts in 2021. This was primarily due to the underperformance of small/mid-cap growth stocks, though cyclical names outperformed as investors remain focused on the economic recovery.

Index returns were led by Energy (+79.8%), Real Estate (+31.1%), Financials (+30.3%), and Materials (+28.6%). Health Care (-7.0%) was the only sector that ended the year with losses.

Strong stock selection within the Industrials, Information Technology, and Consumer Discretionary sectors, coupled with our underweight position in the bottom performing Health Care sector led to the portfolio's strong outperformance.

Below is a summary of stocks which had a notable impact on performance in the year.

Carlisle Companies Inc. is a leader in the US commercial roof manufacturing business and was the largest contributor in the portfolio, with share price increasing 59.3% over the year. The company experienced a strong recovery in its core commercial roofing business with growth coming from both volumes and pricing. Carlisle's favourable oligopolistic industry conditions and market leadership position allows it to offset inflationary pressures through pricing. Carlisle remains an attractive opportunity in the portfolio.

Another top performer is our Information Technology holding Keysight Technologies Inc. (+55.1% in 2021), a global leader in testing equipment that enables the design and manufacturing of leading-edge electronics. Keysight reported strong quarterly results, showing strong growth across its end markets and geographies. The company is debt free and its free cash flow generation continues to be strong. We have taken some profit and trimmed our position in the fourth quarter on price appreciation.

Other notable contributors include Industrials holdings ASGN Inc. (+46.5%), Univar Solutions (+47.9%), Consumer Discretionary holdings Tri Pointe Homes Inc. (+60.3%), Hilton Grand Vacations (+57.4%), and Real Estate holding CBRE Group Inc. (+71.6%).

On the weaker side, Frontdoor Inc., the largest provider of home warranties in the US, was the largest detractor to relative performance in the portfolio over the year (-27.6%). The company reported quarterly results that were mixed for the latest quarter. Sales volumes and growth metrics slowed while margins and profitability improved. We continue to view Frontdoor as an attractive and under-appreciated investment opportunity. Frontdoor's comparative value proposition in its core home warranty business continues to widen and it is building out an on-demand home services business that could provide substantial long-term opportunity. We added to our position during the fourth quarter.

There were four holdings added to the Fund in 2021: Old Republic International Corporation, Henry Schein Inc., Gentex Corporations, and Booz Allen Hamilton Holdings Corp.

Henry Schein Inc. is a global distributor of dental and medical supplies primarily to office-based practitioners, connecting highly fragmented suppliers with customers. Henry Schein has successfully entered the specialty dental market through strategic acquisitions, which has contributed to strong growth with above-average profit margins. Having a strong management team, a culture focused on customer satisfaction, and a track record of accretive M&A and organic growth, Henry Schein provides investors with a steady earnings stream that is both economically resilient and globally diversified. It was added to the Fund in the third quarter.

Management Discussion of Fund Performance (cont.)

Results of Operations (cont.)

There were four holdings deleted from the Fund in 2021: Tetra Tech Inc., Air Lease, Hilton Grand Vacations, and Jefferies Financial Group Inc.

Jefferies Financial Group Inc. was exited in the fourth quarter after our thesis had played out. The company's investment banking earnings have been extraordinarily strong over the last couple of years driven by record capital markets revenue, leading to multiple expansion. Moreover, management has focused on its residual merchant banking businesses and continues to successfully monetize it. Over the years, Jefferies has gained market share and returned capital to shareholders in the form of share buybacks. We began trimming our position in the second quarter as its share price approximated full valuation, and we exited the remaining positions during the fourth quarter.

As always, bottom-up, fundamental analysis is key to our investment decision-making process, and we continue to seek out companies with sustainable advantages and reasonable business valuations.

Recent Developments

The US small/mid equity market lost -7.8% in January amid heightened market volatility.

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, 2021, the Leith Wheeler Balanced Fund owned 740,594 Series A units of the Fund, a fund under common management. This holding represents approximately 61.2% 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 1.25% and 0.95%, respectively. During the year, the Fund paid the Manager \$11,874 for Series B and \$12,556 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 October 27, 2016)	2021	2020	2019	2018	2017
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$14.50	\$13.84	\$11.27	\$11.77	\$10.73
Increase (decrease) from operations:					
Total revenue	0.23	0.28	0.14	0.67	0.12
Total expenses	-	-	-	-	-
Realized gains (losses) for the year	2.41	(0.32)	0.18	(0.07)	0.21
Unrealized gains (losses) for the year	1.53	1.70	2.31	(0.74)	0.82
Total increase (decrease) from operations ⁽¹⁾	4.17	1.66	2.62	(0.14)	1.15
Distributions:					
From income (excluding dividends)	-	(0.01)	(0.01)	(0.03)	-
From dividends	(0.22)	(0.20)	(0.20)	(0.38)	(0.11)
From capital gains	(2.44)	(0.16)	(0.08)	-	(0.17)
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(2.66)	(0.37)	(0.29)	(0.41)	(0.28)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$16.02	\$14.50	\$13.84	\$11.27	\$11.77

Series B (inception October 27, 2016)	2021	2020	2019	2018	2017
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$14.38	\$13.81	\$11.24	\$11.74	\$10.70
Increase (decrease) from operations:					
Total revenue	0.25	0.39	0.15	(0.67)	0.15
Total expenses	(0.22)	(0.17)	(0.26)	(0.49)	(0.32)
Realized gains (losses) for the year	2.60	(0.45)	0.19	0.07	0.25
Unrealized gains (losses) for the year	1.64	2.34	2.52	0.74	1.00
Total increase (decrease) from operations ⁽¹⁾	4.27	2.11	2.60	(0.35)	1.08
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.02)	(0.11)	(0.04)	(0.25)	-
From capital gains	(2.40)	(0.16)	(0.07)	-	(0.13)
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(2.42)	(0.27)	(0.11)	(0.25)	(0.13)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$15.88	\$14.38	\$13.81	\$11.24	\$11.74

Financial Highlights (cont.)

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

Series F (inception October 27, 2016)	2021	2020	2019	2018	2017
Net assets attributable to holders of redeemable units - per unit, beginning of year ^{(1) (3)}	\$14.54	\$13.93	\$11.32	\$11.78	\$10.71
Increase (decrease) from operations:					
Total revenue	0.23	0.43	0.14	0.85	0.11
Total expenses	(0.18)	(0.19)	(0.03)	(0.07)	(0.03)
Realized gains (losses) for the year	2.38	(0.49)	0.19	(0.09)	0.18
Unrealized gains (losses) for the year	1.50	2.56	2.46	(0.93)	0.73
Total increase (decrease) from operations ⁽¹⁾	3.93	2.31	2.77	(0.24)	1.00
Distributions:					
From income (excluding dividends)	-	-	-	-	-
From dividends	(0.07)	(0.12)	(0.06)	(0.25)	(0.01)
From capital gains	(2.45)	(0.17)	(0.07)	-	(0.13)
Return of capital	-	-	-	-	-
Total Annual Distributions ⁽²⁾	(2.52)	(0.29)	(0.13)	(0.25)	(0.13)
Net assets attributable to holders of redeemable units - per unit, end of year ⁽¹⁾	\$16.04	\$14.54	\$13.93	\$11.32	\$11.78

(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 October 27, 2016, inception date of Series A, B and F units of the Fund.

Financial Highlights (cont.)

Ratios and Supplemental Data

Series A (inception October 27, 2016)	2021	2020	2019	2018	2017
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	16,740	13,228	9,767	4,329	3,518
Number of units outstanding (000s) ⁽¹⁾	1,045	912	706	384	299
Management expense ratio (%) ⁽²⁾	-	-	-	-	-
Management expense ratio before waivers or absorptions (%)	0.14	0.23	0.38	0.41	0.57
Trading expense ratio (%) ⁽³⁾	0.09	0.15	0.09	0.08	0.11
Portfolio turnover rate (%) ⁽⁴⁾	40.53	51.70	19.08	27.14	19.69
Net assets attributable to holders of redeemable units - per unit (\$)	16.02	14.50	13.84	11.27	11.77

Series B (inception October 27, 2016)	2021	2020	2019	2018	2017
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	1,096	1,502	693	462	360
Number of units outstanding (000s) ⁽¹⁾	69	104	50	41	31
Management expense ratio (%) ⁽²⁾	1.32	1.33	1.32	1.31	1.31
Management expense ratio before waivers or absorptions (%)	1.46	1.56	1.70	1.72	1.88
Trading expense ratio (%) ⁽³⁾	0.09	0.15	0.09	0.08	0.11
Portfolio turnover rate (%) ⁽⁴⁾	40.53	51.70	19.08	27.14	19.69
Net assets attributable to holders of redeemable units - per unit (\$)	15.88	14.38	13.81	11.24	11.74

Series F (inception October 27, 2016)	2021	2020	2019	2018	2017
Total net assets attributable to holders of redeemable units (\$000s) ⁽¹⁾	1,542	1,032	479	418	607
Number of units outstanding (000s) ⁽¹⁾	96	71	34	37	51
Management expense ratio (%) ⁽²⁾	1.03	1.00	1.00	1.01	1.00
Management expense ratio before waivers or absorptions (%)	1.17	1.23	1.38	1.42	1.57
Trading expense ratio (%) ⁽³⁾	0.09	0.15	0.09	0.08	0.11
Portfolio turnover rate (%) ⁽⁴⁾	40.53	51.70	19.08	27.14	19.69
Net assets attributable to holders of redeemable units - per unit (\$)	16.04	14.54	13.93	11.32	11.78

(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

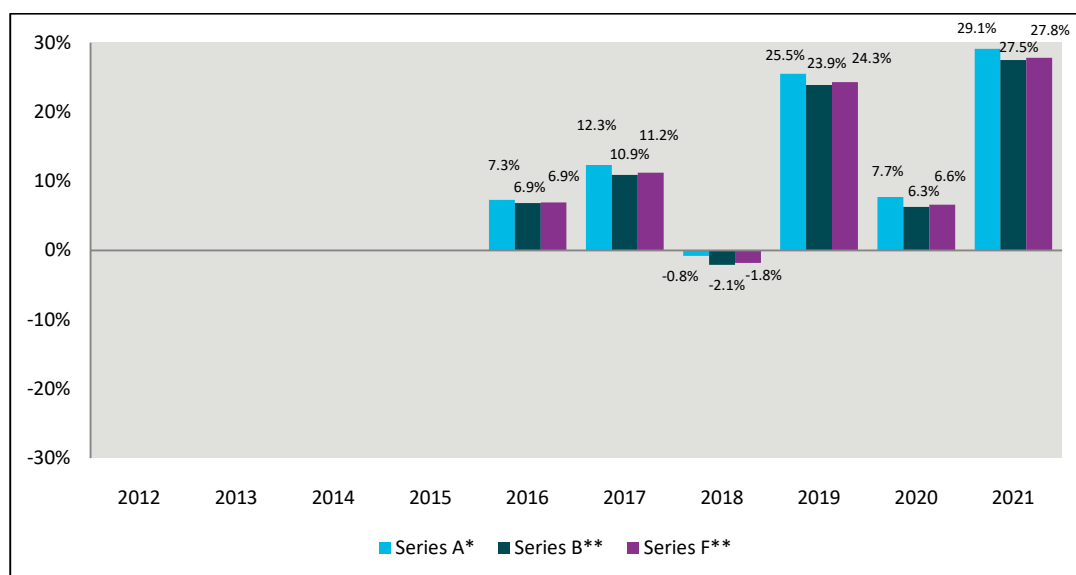
General

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 units were created on October 27, 2016. Return from October 27, 2016 to December 31, 2016, not annualized.

** Series B and Series F units were created on October 27, 2016. Performance start date for Series B and Series F is October 31, 2016 which is the date by which the fund was offered under a prospectus. Returns from October 31, 2016 to December 31, 2016, 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 Russell 2500 Index, in each case for the year ended December 31, 2021. The Russell 2500 Index is a broad index of 2,500 stocks that covers the small and mid-cap market capitalizations (up to the \$10 billion in market capitalization) of U.S. based listed equities. 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 *	29.1%	20.4%	14.2%	n/a
Benchmark	17.3%	18.9%	12.4%	n/a
Fund – Series B **	27.5%	18.9%	12.7%	n/a
Benchmark	17.3%	18.9%	12.4%	n/a
Fund – Series F **	27.8%	19.2%	13.1%	n/a
Benchmark	17.3%	18.9%	12.4%	n/a

* Series A units were created on October 27, 2016.

** Series B and Series F units were created on October 27, 2016. Performance start date for Series B and Series F is October 31, 2016 which is the date by which the fund was offered under a prospectus.

Summary of Investment Portfolio

As at December 31, 2021

Top 25 Positions

Issuer	% of Net Asset Value
Cash & Other Net Assets	6.9%
Carlisle Cos Inc	5.6%
Brookfield Infrastructure Partners LP	5.1%
Henry Schein Inc	5.1%
ASGN Inc	5.0%
Keysight Technologies Inc	4.9%
Univar Solutions Inc	4.8%
CarMax Inc	4.1%
Globe Life Inc	4.1%
Wyndham Hotels & Resorts Inc	3.8%
Middleby Corp	3.7%
frontdoor Inc	3.7%
Tri Pointe Homes Inc	3.6%
Universal Health Services Inc	3.6%
Lamar Advertising Co	3.4%
CBRE Group Inc	3.4%
STORE Capital Corp	3.2%
Mohawk Industries Inc	3.2%
Old Republic International Corp	3.1%
Starwood Property Trust Inc	3.0%
MKS Instruments Inc	3.0%
Snap-on Inc	2.8%
Prosperity Bancshares Inc	2.5%
Cogent Communications Holdings Inc	2.4%
Winpak Ltd	2.2%

Portfolio Allocation

Portfolio Breakdown	% of Net Asset Value
Industrials	23.8%
Consumer Discretionary	20.4%
Financials	12.7%
Real Estate	10.0%
Health Care	8.6%
Information Technology	7.9%
Cash & Other Net Assets	6.9%
Utilities	5.1%
Communication Services	2.4%
Materials	2.2%

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.