



Caldwell Investment Management Ltd.

Independent Investment Managers

Annual Management Report of Fund Performance

For the Year Ended December 31, 2020

Caldwell North American Fund (formerly Caldwell Balanced Fund)

Note: The Fund's auditor does not audit the Management Report of Fund Performance ("MRFP") but checks the figures to ensure they are consistent with the audited financial statements.

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements at your request, free of charge, by calling 1-800-256-2441, by writing to us at Caldwell Investment Management Ltd., 150 King Street West, Suite 1702, P.O. Box 47, Toronto, ON M5H 1J9 or by visiting our website at www.caldwellinvestment.com or SEDAR at www.sedar.com.

Securityholders may also contact us by 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

The fundamental investment objective of the Fund is to generate long-term capital appreciation by investing primarily in the equity securities of Canadian and international companies.

The investment objective of the Fund may only be changed with the approval of unitholders at a meeting called for that purpose. The investment objective was recently changed subsequent to the approval of unitholders at a meeting on November 16, 2020.

Results of Operations

The Caldwell North American Fund (“CNA”) gained 6.5% in 2020. The year was filled with extraordinary uncertainty as the way the entire world operated was forced to change almost instantaneously with the onset of the COVID-19 pandemic. The fast and fierce drop in markets seemed rational given the significant disruption to the world order, and uncertainty/fear of what the future might look like. For many investors, concern over the value of their portfolios took a backseat to concerns over their health and safety and that of their loved ones.

What may not seem as rational is the market's behavior subsequent to this initial sell off. Despite spikes in unemployment and severe declines in economic activity, markets gradually climbed their way higher throughout the year, driven by unprecedented levels of stimulus by central banks and governments. By year end, both the U.S. and Canadian markets were higher than when they started the year.

There were many themes to 2020. One of the main ones was that COVID-19 accelerated many trends that were already in place. To that end, Technology was the best performing sector in both Canada and the U.S. Performance of Consumer stocks saw a wide range of outcomes depending on whether the companies were hurt by or benefited from the dramatic shift in consumer spending patterns. Those that helped make 'shelter-in-place' orders more tolerable for individuals saw strong performance while those tied to experiences outside of the home suffered. REITs, often thought of as safe-haven investments, also saw significant declines as remote working took hold and shopping/restaurants/services saw significant declines in traffic. Demand for energy dropped with lower economic activity at the same time governments globally increased commitments to clean energy. As such, Energy was the worst performing sector in both countries. The Financials sector also performed poorly on fears of credit losses (i.e. the risk that loans would go unpaid).

Another notable theme in 2020 was the apparent shift in investor sentiment. Heading into the year, sentiment was cautious on economically sensitive companies given a multi-year bull market and fears of a looming recession. Once it became apparent that the 2nd quarter would mark a bottom in corporate earnings, and investors saw what a worst-case-scenario looked like, money started flowing into these economically sensitive companies. This shift accelerated in early November with the news of an effective vaccine.

From a sector attribution standpoint, the Fund did well to overweight Technology but its holdings within the sector underperformed given the skew towards value over growth. The Fund also did well to overweight Health care. Security Selection within Financials was strong driven by Element



Fleet (“EFN”), and KKR (“KKR”) which outperformed large bank stocks given the low interest rate environment.

Looking at individual stock performance, key contributors to the Fund’s performance in 2020 were Ansys (“ANSS”), Tricon (“TCN”), and Element Fleet Financial (“EFN”). ANSS is the global leader in engineering simulation software. The importance of its software was validated by the signing of two of their largest deals in company history in 2020, despite the pandemic. Tricon is also seeing strong demand for their single family housing rentals, as work-from-home allows people to move from crowded cities, and move from high tax, colder states into the U.S. Sunbelt. Element Fleet Management’s business performed better than market expectations, held up by strong usage of essential service vehicles among its fleet, new customer wins and lower than expected credit losses.

Detractors from performance were energy names Suncor (“SU”) and Shawcor (“SCL”) which were negatively impacted by extremely weak commodity pricing, government mandated production limits, and headwinds from ESG-driven fund flows moving away from the sector. Raytheon (“RTN”) was also an underperformer given its exposure to commercial aircraft sales, which suffered from a historic decline in passenger flight activity.

Recent Developments

Interest rates remain the determining factor in the pricing of all asset classes. While the printing of money should in theory lead to higher inflation - and has, in some cases, with commodity and transportation prices up meaningfully from their lows - the path and timing of inflation remains uncertain as powerful anti-inflation forces (demographics and technology) must be overcome. As well, the medium term effects of COVID-19 and unprecedented government stimulus are still uncertain. As such, we expect markets to remain volatile. However, history has taught us that crisis creates new opportunities and for those investors with multi-year investment horizons, we will continue to manage portfolios based on our investment principles of protecting and growing our investors' capital through discounted valuations, strong balance sheets, good management teams and attractive business environments.

Independent Review Committee

Under the provisions of National Instrument 81-107 – *Independent Review Committee for Investment Funds* (“NI 81-107”), which came into force on November 1, 2006, it is required that all publicly offered investment funds, such as the Fund, establish an independent review committee (“IRC”) to whom the manager is to refer all potential conflict of interest matters in order to obtain a recommendation or approval, as applicable. NI 81-107 further mandates that the IRC be composed of at least three independent members and requires that they conduct assessments and regularly report to the Manager and unitholders in respect of its duties.

The current members of the Manager’s IRC are Jerry Beniuk, Ann Harris and Supriya Kapoor.



Forward-looking Statements

Certain statements included in this report may constitute forward-looking statements, including those identified by the expressions “believe”, “anticipate”, “expect” or similar expressions to the extent they relate to the Fund, its Manager or its portfolio manager. Such forward-looking statements are not historical facts but reflect the Fund’s, the Manager’s or the portfolio manager’s current expectations regarding future results or events. Such forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Readers are cautioned to consider these and other factors carefully when making decisions with respect to the Fund and not place undue reliance on forward-looking statements. Unless required by applicable law, the Fund does not undertake any obligation to update publicly or to revise any of such forward-looking statements, whether as a result of new information, future events or otherwise.

Forward-looking statements included or incorporated by reference in this report include statements with respect to:

- Interest rates
- Change in accounting policy

Related Party Transactions

Manager and Portfolio Adviser

The Manager is a wholly owned subsidiary of Caldwell Financial Ltd. The Manager is also the portfolio adviser of the Fund. The Manager is responsible for the Fund’s day-to-day operations, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. For its administrative services, trustee fees, asset allocation, security selection, ongoing monitoring and related services, the Manager is paid an annual fee up to 2% based on the net asset value of Series A units of the Fund, up to 1% based on the net asset value of Series F units of the Fund, and up to 0.75% based on the net asset value of Series M units of the Fund.

Trustee

The trustee of the Fund is Caldwell Investment Management Ltd.

Principal Distributor

Caldwell Securities Ltd. is related to the Manager in that both are wholly-owned subsidiaries of Caldwell Financial Ltd. Caldwell Securities Ltd. markets units of the Fund directly to the public and receives sales commissions and trailer fees based on the total value of their clients’ holdings in the Fund on the same basis as other dealers that distribute units to the public.



Brokerage

The purchase and sale of portfolio securities is arranged by the Manager through registered brokers or dealers. The Manager has a regulatory obligation to make reasonable efforts to achieve best execution of those portfolio trades when acting for the Fund. Best execution refers to the most advantageous execution terms reasonably available under the circumstances.

The Manager may choose to execute a portion of the Fund's portfolio transactions with Caldwell Securities Ltd., an affiliate of the Manager. The Manager applies its best execution policy in respect of both affiliated and non-affiliated dealers. Specifically, any trade allocation to an affiliated dealer is based on an assessment of the same best execution criteria.

Because Caldwell Securities Ltd. is an affiliate of the Manager and the interrelationship of their businesses, a conflict of interest exists that has the potential of influencing the Manager's choice of Caldwell Securities Ltd. to execute Fund portfolio transactions. The Manager addresses this conflict of interest by applying its best execution policy and by following best execution standing instructions issued by the Fund's IRC.

In 2020, the Fund has paid \$19,890 in commissions to Caldwell Securities Ltd. and has paid \$3,328 in 2019.



Financial Highlights

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. This information is derived from the Fund's audited annual financial statements.

The Fund's Net Asset Value (NAV), per Series A Unit, as at December 31:

	2020	2019	2018	2017	2016
Net Assets, beginning of year	11.23	10.03	10.95	10.71	10.05
Increase (decrease) from operations:					
Total Revenue	0.19	0.21	0.17	0.19	0.17
Total Expenses	(0.33)	(0.32)	(0.32)	(0.30)	(0.26)
Realized gains (losses) for the period	(0.15)	0.35	0.53	0.66	0.55
Unrealized gains (losses) for the period	0.94	0.96	(1.21)	(0.31)	0.18
Total increase (decrease) from operations ⁽¹⁾	0.65	1.20	(0.83)	0.24	0.64
Distributions:					
From Income (excluding dividends)	0.00	0.00	0.00	0.00	0.00
From Dividends	0.00	0.00	0.00	0.00	0.00
From Capital Gains	0.00	0.00	0.00	0.00	0.00
Return of Capital	0.00	0.00	0.00	0.00	0.00
Total Annual Distributions ⁽²⁾	0.00	0.00	0.00	0.00	0.00
Net Assets at December 31 of year shown	11.96	11.23	10.03	10.95	10.71

⁽¹⁾ Net asset value 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 were paid in cash or reinvested in additional units of the Fund.



The Fund's Net Asset Value (NAV), per Series F Unit, as at December 31:

	2020	2019	2018	2017	2016
Net Assets, beginning of year	11.99	10.59	11.43	11.05	10.26
Increase (decrease) from operations:					
Total Revenue	0.23	0.22	0.18	0.20	0.18
Total Expenses	(0.22)	(0.21)	(0.21)	(0.19)	(0.12)
Realized gains (losses) for the period	(0.09)	0.59	0.52	0.63	0.63
Unrealized gains (losses) for the period	1.14	1.36	(1.32)	(0.32)	0.98
Total increase (decrease) from operations ⁽¹⁾	1.06	1.96	(0.82)	0.32	1.67
Distributions:					
From Income (excluding dividends)	0.00	0.00	0.00	0.00	0.00
From Dividends	0.00	0.00	0.00	0.00	0.00
From Capital Gains	0.00	0.00	0.00	0.00	0.00
Return of Capital	0.00	0.00	0.00	0.00	0.00
Total Annual Distributions ⁽²⁾	0.00	0.00	0.00	0.00	0.00
Net Assets at December 31 of year shown	12.92	11.99	10.59	11.43	11.05

⁽¹⁾ Net asset value 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 were paid in cash or reinvested in additional units of the Fund.



The Fund's Net Asset Value (NAV), per Series M Unit, as at December 31:

	2020**	2019	2018	2017	2016*
Net Assets, beginning of year	11.43	10.07	10.84	10.45	10.00
Increase (decrease) from operations:					
Total Revenue	0.17	0.21	0.17	0.19	0.07
Total Expenses	(0.15)	(0.16)	(0.16)	(0.16)	(0.05)
Realized gains (losses) for the period	(0.12)	0.32	0.33	0.57	0.25
Unrealized gains (losses) for the period	0.13	0.90	(1.56)	0.00	0.41
Total increase (decrease) from operations ⁽¹⁾	0.03	1.27	(1.23)	0.60	0.68
Distributions:					
From Income (excluding dividends)	0.00	0.00	0.00	0.00	0.00
From Dividends	0.00	0.00	0.00	0.00	0.00
From Capital Gains	0.00	0.00	0.00	0.00	0.00
Return of Capital	0.00	0.00	0.00	0.00	0.00
Total Annual Distributions ⁽²⁾	0.00	0.00	0.00	0.00	0.00
Net Assets at December 31 of year shown	0.00	11.43	10.07	10.84	10.45

⁽¹⁾ Net asset value 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 were paid in cash or reinvested in additional units of the Fund.

* The Fund's Series M commenced on September 15, 2016.

** The Fund's Series M ceased operations on December 16, 2020.



Ratios and Supplemental Data - Series A

	2020	2019	2018	2017	2016
Net asset value (000's) ⁽¹⁾	40,591	40,502	38,746	50,886	54,009
Number of units outstanding ⁽¹⁾	3,392,542	3,606,662	3,862,522	4,644,411	5,043,980
Management expense ratio ⁽²⁾	2.87%	2.78%	2.83%	2.67%	2.49%
Management expense ratio before waivers or absorptions	2.87%	2.78%	2.83%	2.67%	2.72%
Portfolio turnover rate ⁽³⁾	183.61%	110.83%	406.66%	200.53%	123.59%
Trading Expense ratio ⁽⁴⁾	0.18%	0.07%	0.23%	0.13%	0.13%

Ratios and Supplemental Data - Series F

	2020	2019	2018	2017	2016
Net asset value (000's) ⁽¹⁾	4,746	1,304	2,510	2,891	2,328
Number of units outstanding ⁽¹⁾	367,397	108,802	237,061	252,869	210,663
Management expense ratio ⁽²⁾	1.73%	1.69%	1.71%	1.54%	1.07%
Management expense ratio before waivers or absorptions	1.73%	1.69%	1.71%	1.54%	1.27%
Portfolio turnover rate ⁽³⁾	183.61%	110.83%	406.66%	200.53%	123.59%
Trading Expense ratio ⁽⁴⁾	0.18%	0.07%	0.23%	0.13%	0.13%

Ratios and Supplemental Data - Series M

	2020	2019	2018	2017	2016
Net asset value (000's) ⁽¹⁾	0	122	93	91	107
Number of units outstanding ⁽¹⁾	0	10,650	9,237	8,369	10,311
Management expense ratio ⁽²⁾	1.28%	1.37%	1.43%	1.42%	1.42%
Management expense ratio before waivers or absorptions	1.28%	1.37%	1.43%	1.42%	1.48%
Portfolio turnover rate ⁽³⁾	183.61%	110.83%	406.66%	200.53%	123.59%
Trading Expense ratio ⁽⁴⁾	0.18%	0.07%	0.23%	0.13%	0.13%

⁽¹⁾ This information is provided as at December 31 of the year shown.

⁽²⁾ Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

⁽³⁾ 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.

⁽⁴⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.



Management Fees

As compensation for managing the Fund, the Manager can receive an annual fee up to 2% of the average net asset value of the Fund. Such fees are calculated daily and payable monthly. The Manager in turn is responsible for paying investment adviser fees, trustee fees, sales commissions, trailer fees and has chosen to absorb certain expenses for which the Fund is responsible.

Distribution	40%
Management and Portfolio Adviser Services	60%
Waivers and Absorption of Fund Expenses	0%

Past Performance

The following charts show how the Fund has performed in the past, and can help you understand the risks of investing in the Fund. These returns include the reinvestment of all distributions and would be lower if they did not. They don't include deduction of sales, switch, redemption, or other optional charges (which distributors may charge) or income taxes payable, and would be lower if they did. The Fund's past performance is no guarantee of how it will perform in the future.

Annual Compound Returns

The table shows the Fund's historical annual compound total return for each period since inception of the Fund, compared with the Fund benchmark which is: 50% S&P/TSX Total Return plus 50% S&P 500 Total Return (CAD).

Annualized Compound Returns	1 Year	3 Years	5 Years	10 Years
Fund- Series A	6.55%	2.99%	3.54%	5.19%
Fund - Series F	7.76%	4.16%	4.72%	n/a
Fund – Series M	n/a	n/a	n/a	n/a
Benchmark	10.76%	8.65%	8.53%	8.55%
Previous Benchmark	8.07%	7.01%	7.70%	7.02%

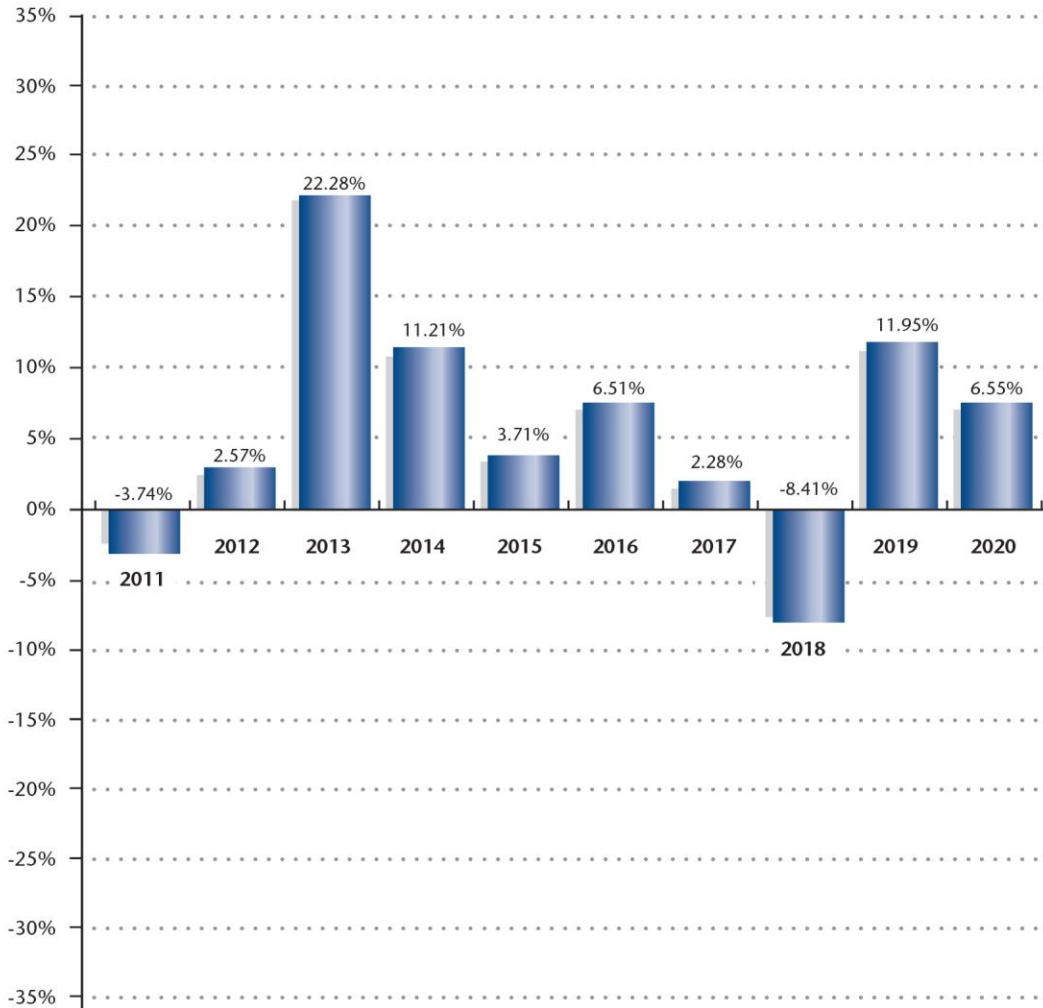
Prior to the change of investment objective, the Fund benchmark was: 45% S&P/TSX Total Return, 20% S&P 500 Total Return (CAD), 35% S&P Canada Sovereign Bond Total Return.



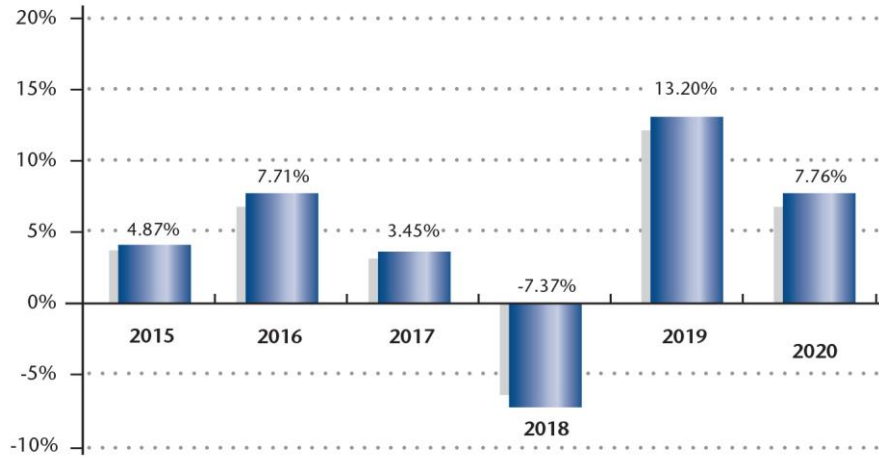
Year-by-Year Returns

The bar charts show how the Fund's annual past performance has varied from year to year for each of the years shown. It shows in percentage terms how an investment made on January 1 would have increased or decreased by December 31 for that year.

For the years ended December 31



Caldwell North American Fund - Series A

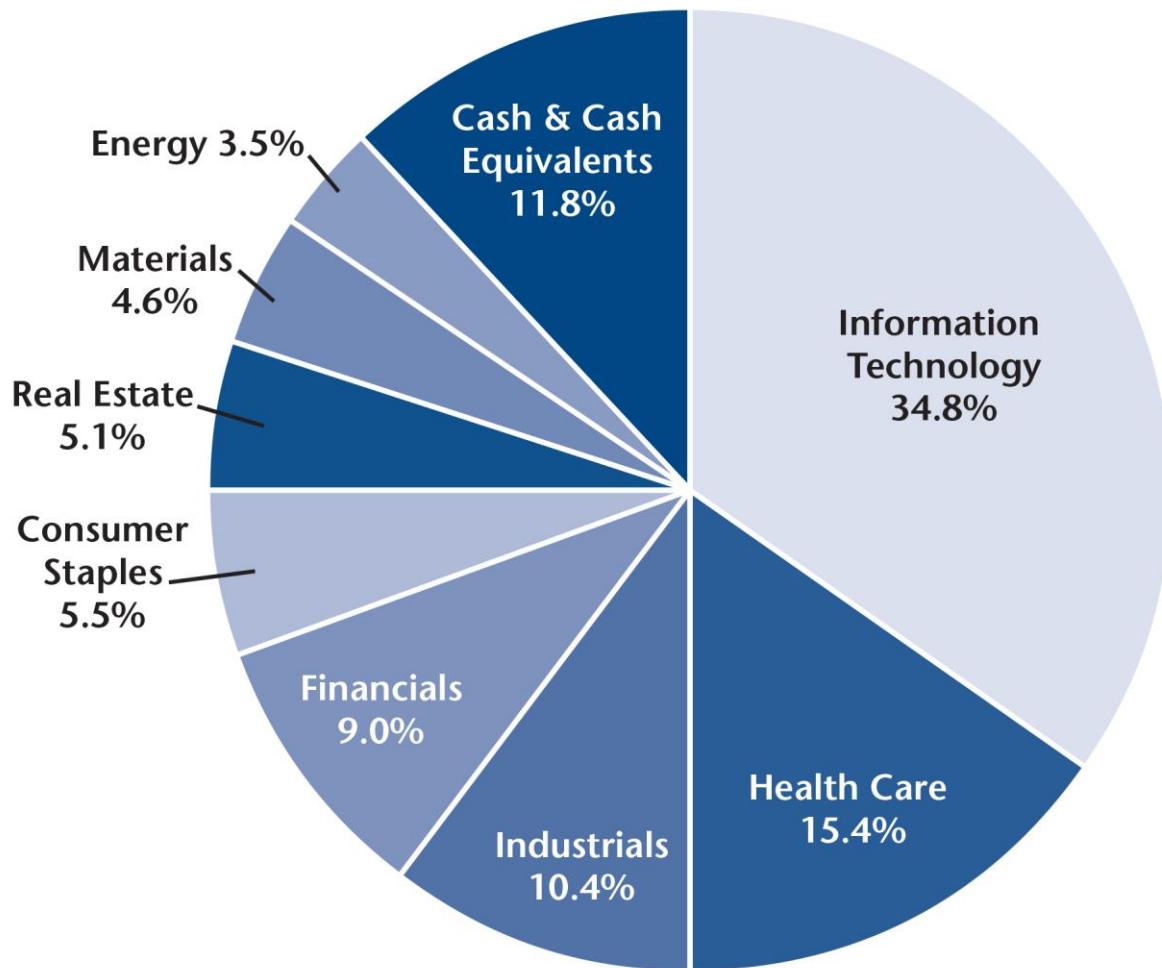


Caldwell North American Fund - Series F



Summary of Investment Portfolio

Portfolio Breakdown as at December 31, 2020



Caldwell North American Fund



Summary of Investment Portfolio
Top 25 Holdings
As at December 31, 2020

SECURITY	Percentage of Net Assets
Cash & Cash Equivalents	11.78%
Visa Inc.	5.11%
Tricon Capital Group Inc.	5.06%
CGI Inc.	4.99%
Amdocs Ltd	4.99%
UnitedHealth Group Inc.	4.89%
Berry Global Group Inc.	4.55%
Broadridge Financial Solutions Inc.	4.31%
Keysight Technologies Inc.	4.11%
L3Harris Technologies Inc.	4.04%
Boston Scientific Corp.	4.01%
ANSYS Inc.	3.95%
Element Fleet Management Corp.	3.93%
Stantec Inc.	3.64%
Johnson & Johnson	3.62%
IPG Photonics Corp.	3.37%
Quest Diagnostics Inc.	2.92%
Premium Brands Holdings Corp.	2.80%
Bird Construction Inc.	2.73%
Tyson Foods Inc.	2.72%
S&P Global Inc.	2.66%
KKR & Co Inc.	2.36%
Parkland Corp.	2.36%
Motorola Solutions Inc.	1.99%
Cisco Systems Inc.	1.98%
Top 25 Holdings	98.87%

The summary of investment portfolio may change. A quarterly update is available at www.caldwellinvestment.com.