

VERITAS CANADIAN EQUITY FUND
Management Report of Fund Performance

The annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the Investment Fund.

For the year ended December 31, 2020



VERITAS
ASSET
MANAGEMENT

VERITAS CANADIAN EQUITY FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the year ended December 31, 2020

Forward-Looking Statements (“FLS”)

The annual Management Report of Fund Performance may contain forward-looking statements “FLS”. FLS means disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action and includes any future-oriented financial information (“FOFI”) with respect to prospective results of operations, financial position or cash flows that is presented either as a forecast or a projection. FOFI is FLS about prospective results of operations, financial position or cash flows, based on assumptions about future economic conditions and courses of action.

FLS can be identified using forward-looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “target”, “project”, “estimate”, “intend”, “continue” or “believe”, or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking information and statements. Material risk factors that could affect actual results are identified under the heading “What are the Risks of Investing in the Fund?” in the Fund’s Simplified Prospectus. Investors are also cautioned that FLS is based on several factors and assumptions, including a Fund’s current plans, estimates, opinions and analysis made considering its experience, current conditions and expectations of future developments, as well as other relevant factors. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

VERITAS CANADIAN EQUITY FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the year ended December 31, 2020

This Management Report of Fund Performance represents the portfolio management team's view of the significant factors and developments affecting the investment fund's performance and outlook for the years ended December 31, 2020 and 2019, the investment fund's annual year end. Every effort has been made to ensure the information contained in this Management Report of Fund Performance is accurate and complete, however, the investment fund cannot guarantee the accuracy or the completeness of this material. For more information, please refer to the Veritas Canadian Equity Funds' Simplified Prospectus ("Prospectus"). In this report, "Manager", refers to Veritas Asset Management Inc., the Manager of the Fund. The "Fund" refers to the Veritas Canadian Equity Fund. In addition, "net asset value" or "NAV" refers to the value of the Fund as calculated for transaction purposes, on which the Fund performance is based. All dollar figures are reported in Canadian dollars and are expressed in millions, unless otherwise indicated.

Investment Objective and Strategies

The investment objective of the Fund is to provide Unitholders with long term capital appreciation earning enhanced risk adjusted returns relative to the S&P/TSX Composite Total Return Index by investing in a portfolio comprised primarily of the securities of Canadian companies.

To achieve the investment objective, the Fund will invest primarily in the securities of publicly traded Canadian companies but may also invest in other securities. The Fund will invest in a concentrated portfolio of securities selected by the Portfolio Advisor based in part on the recommendations of Veritas Investment Research Corporation drawing on fundamental analysis that uses forensic accounting-based principles. In constructing the investment portfolio of the Fund, the Manager will seek to minimize volatility and may use options to reduce downside risk. The Fund will not invest in the securities of non-North American issuers. The Fund may invest up to 10% of its investment portfolio in the securities of U.S. issuers.

Risk

The risks associated with investing in the Fund remain as discussed in the Prospectus. The Fund is suitable for investors looking for a medium level of risk that is based on a research-driven, concentrated portfolio of Canadian Companies with a medium to longer term investment horizon.

For the years ended December 31, 2020 and 2019, the Fund met its risk objectives and maintained its risk level within the operating parameters set out in the Prospectus. The overall level of Fund risk and investor risk tolerance remain as stated in the Prospectus.

Results of Operations

For the year ended December 31, 2020, Class A units returned -5.99% (2019: 18.21%) and Class F units returned -4.91% (2019: 20.31%). The Fund's benchmark is the S&P/TSX Composite Total Return "S&P/TSX TR" Index which returned 5.60% (2019: 22.88%) for the year. It is important to note that the Fund's return is net of fees and expenses for professional management, while the benchmark does not have such costs.

For the year ended December 31, 2020, our Assets Under Management (AUM) declined to \$14.5 million from \$18.2 million on December 31, 2019, as a result of negative investment returns and net redemptions.

The Fund's underperformance was primarily due to two differences versus the index: the absence of Shopify Inc., which contributed an estimated 4.7% of the 5.60% total return on the S&P/TSX TR composite; and underweight exposure to Materials, which contributed 3.4% to the index return.

The net assets of the Fund Class F units increased by 35.19% from \$8.6 million on December 31, 2019 to \$11.7 million on December 31, 2020. The change was composed primarily of net sales of \$3.8 million.

VERITAS CANADIAN EQUITY FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the year ended December 31, 2020

The NAV of the Fund Class F units decreased by 4.96% from \$11.29 on December 31, 2019 to \$10.73 on December 31, 2020, underperforming the benchmark by 10.56 percentage points. The benchmark returned 5.60% during the year.

The net assets of the Fund Class A units increased by 14.87% from \$890.8 thousand on December 31, 2019 to \$1.0 million on December 31, 2020. This change was composed primarily of net sales of \$208.9 thousand.

The NAV of the Fund Class A units decreased by 5.93% from \$11.46 on December 31, 2019 to \$10.78 on December 31, 2020, underperforming the benchmark by 11.53 percentage points. The benchmark returned 5.60% over the same time horizon.

The net assets of the Fund Class I units decreased by 79.11% from \$8.7 million on December 31, 2019 to \$1.8 million on December 31, 2020. This change was the result of the class being fully redeemed by one large institutional account at the end of the first quarter followed by new subscriptions in the second half of the year.

The investment performance of the Fund includes income and expenses, which may vary year over year. The Fund's income and expenses changed throughout the year, mainly because of fluctuations in average net assets, portfolio activity, and changes in the Fund's investments.

Recent Developments

Entering 2021, the market appears to be anticipating a pandemic-induced recovery as vaccination efforts allow economies around the world to reopen. In the resulting scenario, the expectation is that cyclical and smaller-capitalization stocks will do well.

While we are positioned to take advantage of these trends, we continue to see a higher-than-normal degree of risk in Canadian equities. There has been a significant increase in forward earnings multiples for S&P/TSX TR stocks since the beginning of 2020. Any normalization of interest rates or government fiscal policies, as well as earnings shortfalls, are likely to increase the downside risks attached to current elevated valuations. We expect earnings to remain volatile throughout 2021.

We remain focused on diversifying our holdings to reduce market risk exposure in 2021, with the expectation that careful stock selection and risk reduction strategies will continue to deliver benefits this year.

The current members of the Fund's Investment Review Committee are: Fraser Howell (chair), Gordon Graves and Vince Zambrano.

Related Party Transactions

The Manager will receive a monthly management fee calculated as a percentage of the NAV of each applicable class of Units that comprise the Fund on the last business day of the month. The management fee may vary from class to class and will be deducted as an expense of the applicable class of the Fund. The management fee is subject to applicable taxes, such as GST. The management fee for each of the applicable class of Units is as follows:

- Class A: 1/12 of 1.95% (1.95% per annum) of the net asset value of Class A units of the Fund on the last business day of the month.
- Class F: 1/12 of 0.95% (0.95% per annum) of the net asset value of Class F units of the Fund on the last business day of the month.
- Class I: Negotiated by the investor and paid directly by the investor. The management fee rate will not exceed the management fee payable on Class F units of the Fund.

VERITAS CANADIAN EQUITY FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the year ended December 31, 2020

Expense Reimbursement

Fund expenses were capped at 1% until September 17, 2019, at which point the cap was removed. The expense cap of 1% was reinstated on April 9, 2020. Expense reimbursement by the Manager during the year ended December 31, 2020 amounted to \$102,500 (2019: \$nil), out of which \$82.00 was receivable as of December 31, 2020 (2019: nil).

Ownership

As of December 31, 2020, parties related to the Manager owned 75,398.8214 (2019: 75,197.0132) Class F units of the Fund.

The following tables show selected key financial information about the Class A, Class F and I units of the Fund, respectively, and are intended to help explain the Fund's financial performance for the year ended December 31, 2020. The information shown assumes that all distributions made by the Fund in the period shown were reinvested in additional securities of the Fund and does not consider sales, redemptions, distributions or other optional charges that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund will perform in the future.

The Fund's Net Asset Value (NAV) per Class A Unit (1) (2)	2020	2019	2018
Net asset value, beginning of year	\$11.46	\$9.78	\$10.00
Increase (decrease) from operations:			
Total revenue	0.28	0.31	0.05
Total expenses	(0.33)	(0.42)	(0.05)
Realized gains (losses) for the year	(1.19)	0.54	(0.10)
Unrealized gains (losses) for the year	0.43	1.15	(0.11)
Total increase (decrease) from operations (3)	\$(0.81)	\$1.58	\$(0.21)
Distributions:			
From income (excluding dividends)	-	-	-
From dividends	-	-	(0.01)
From capital gains	-	(0.09)	-
Return of capital	-	-	-
Total distributions (3) (4)	\$ -	\$(0.09)	\$(0.01)
Net asset value, end of year (3)	\$10.78	\$11.46	\$9.78
Ratios and Supplemental Data			
Total net asset value (5)	\$1,023,242	\$890,788	\$29,141
Number of units outstanding (5)	94,933	77,697	2,981
Management expense ratio (6)	3.25%	3.73%	0.65%
Management expense ratio before waivers or absorptions	4.00%	3.75%	1.58%
Trading expense ratio (7)	0.10%	0.07%	0.04%
Portfolio turnover rate (8)	251.95%	162.40%	36.35%
Net asset value per unit	\$10.78	\$11.46	\$9.78

VERITAS CANADIAN EQUITY FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the year ended December 31, 2020

The Fund's Net Asset Value (NAV) per Class F Unit (1) (2)	2020	2019	2018
Net asset value, beginning of year	\$11.29	\$9.60	\$10.00
Increase (decrease) from operations:			
Total revenue	0.28	0.29	0.17
Total expenses	(0.21)	(0.26)	(0.13)
Realized gains (losses) for the year	(1.13)	0.47	(0.13)
Unrealized gains (losses) for the year	0.38	0.96	(0.40)
Total increase (decrease) from operations (3)	\$(0.68)	\$1.46	\$(0.49)
Distributions:			
From income (excluding dividends)	-	-	-
From dividends	-	-	(0.03)
From capital gains	-	(0.26)	-
Return of capital	-	-	-
Total distributions (3) (4)	\$ -	\$(0.26)	\$(0.03)
Net asset value, end of year (3)	\$10.73	\$11.29	\$9.60
Ratios and Supplemental Data			
Total net asset value (5)	\$11,690,068	\$8,647,428	\$1,981,492
Number of units outstanding (5)	1,089,175	766,042	206,396
Management expense ratio (6)	2.12%	2.32%	1.26%
Management expense ratio before waivers or absorptions	2.89%	3.43%	5.73%
Trading expense ratio (7)	0.10%	0.07%	0.04%
Portfolio turnover rate (8)	251.95%	162.40%	36.35%
Net asset value per unit	\$10.73	\$11.29	\$9.60

The Fund's Net Asset Value (NAV) per Class I Unit (1) (2)	2020	2019
Net asset value, beginning of year	10.52	\$10.00
Increase (decrease) from operations:		
Total revenue	0.18	0.21
Total expenses	(0.07)	(0.09)
Realized gains for the year	(1.91)	0.34
Unrealized gains for the year	(1.44)	0.35
Total increase from operations (3)	\$(3.24)	\$0.81
Distributions:		
From income (excluding dividends)	-	-
From dividends	(0.10)	(0.12)
From capital gains	-	(0.23)
Return of capital	-	-
Total distributions (3) (4)	\$(0.10)	\$(0.35)
Net asset value, end of year (3)	\$10.31	\$10.52
Ratios and Supplemental Data		
Total net asset value (5)	\$1,817,977	\$8,703,749
Number of units outstanding (5)	176,262	827,096
Management expense ratio (6)	0.68%	0.85%
Management expense ratio before waivers or absorptions	0.77%	1.03%
Trading expense ratio (7)	0.10%	0.07%
Portfolio turnover rate (8)	251.95%	162.40%
Net asset value per unit	\$10.31	\$10.52

VERITAS CANADIAN EQUITY FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

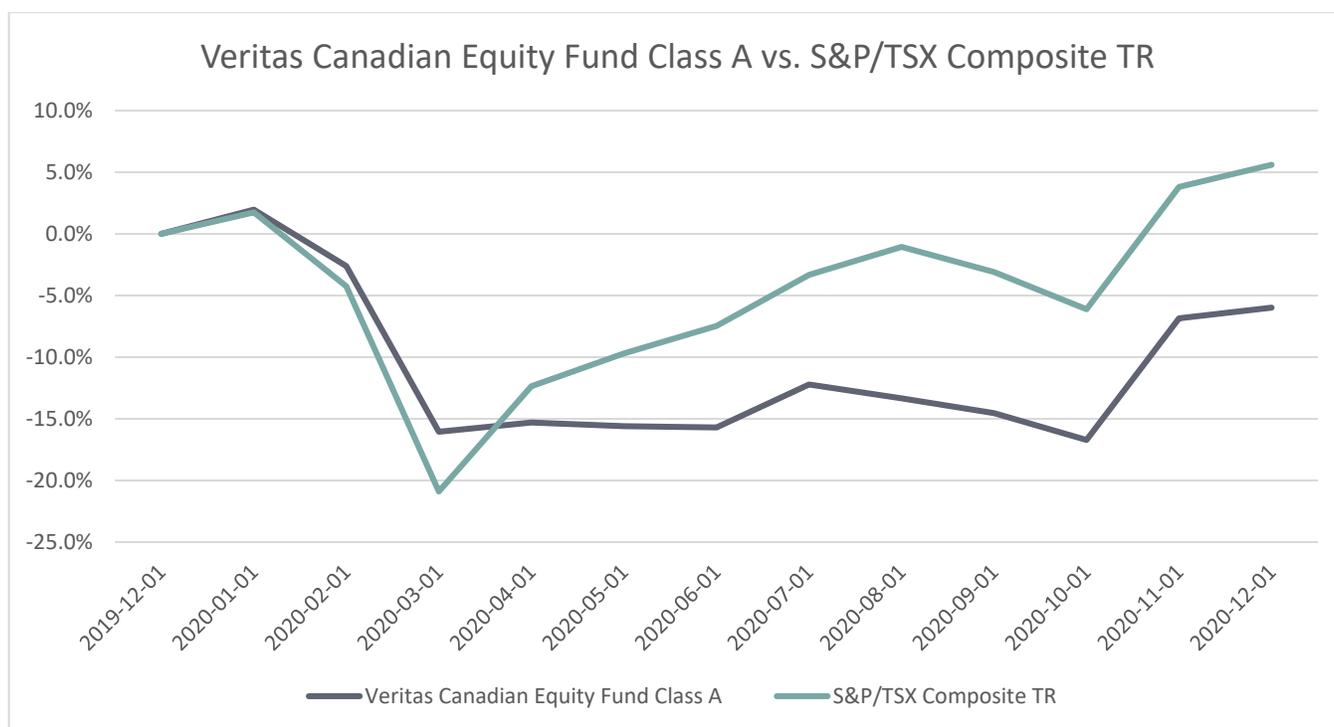
Management Discussion of Fund Performance for the year ended December 31, 2020

Notes:

- (1) This information is derived from the Fund's audited financial statements for December 31, 2020, 2019 and 2018, and is not a reconciliation of beginning and ending net assets per unit.
- (2) The Fund commenced operations on May 1, 2018; as a result, financial highlights are currently available only from the date of commencement.
- (3) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The decrease from operations is based on the weighted average number of units outstanding over the financial period.
- (4) Distributions were paid in cash or automatically reinvested in additional units of the Fund, or both.
- (5) This information is provided as at December 31, 2020, 2019 and December 31, 2018.
- (6) Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average NAV during the period.
- (7) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average NAV during the period. Included in the trading expense ratio are the forward fees.
- (8) The Fund's portfolio turnover rate indicates how actively the Fund's advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the units in its portfolio once in the course of the period. The higher a funds' portfolio turnover rate in the period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

2020 Returns

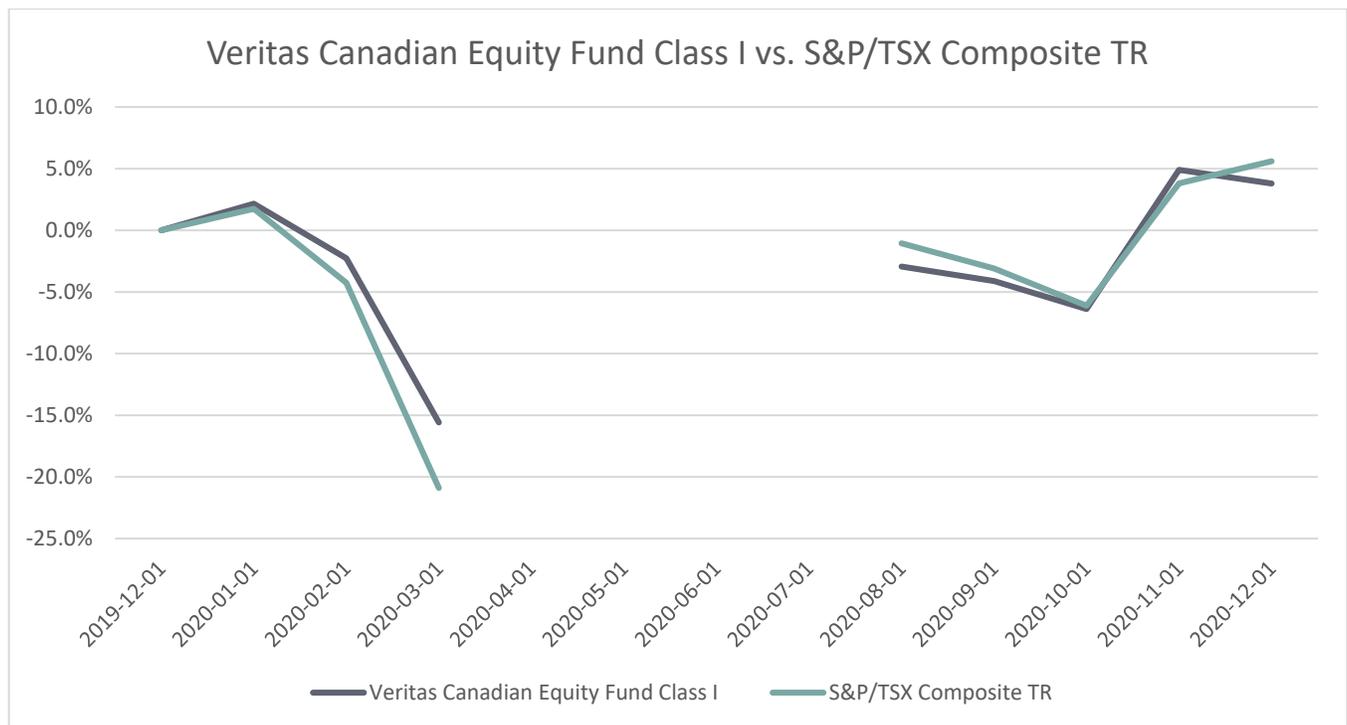
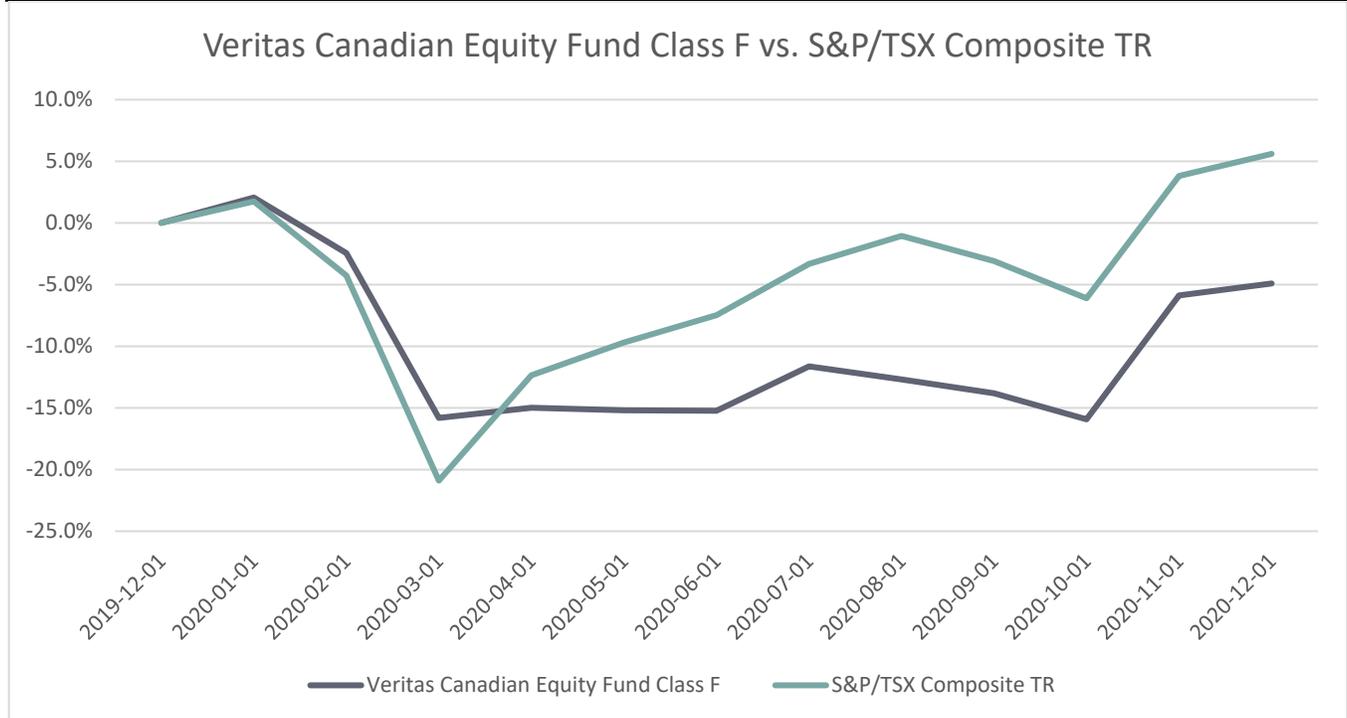
The following line charts show the Fund's performance by class for 2020 versus the benchmark.



VERITAS CANADIAN EQUITY FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the year ended December 31, 2020



Veritas Canadian Equity Fund Class I was dormant from April 1, 2020 to August 10, 2020.

VERITAS CANADIAN EQUITY FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the year ended December 31, 2020

Benchmark(s) Information

The benchmark of the fund is the S&P/TSX Composite Total Return Index. The S&P/TSX TR, with 221 constituents, is the benchmark Canadian index, representing approximately 70% coverage of the Canadian equities market as measured by market capitalization.

Annual Compound Returns

The table below presents performance for the year ended December 31, 2020 and December 31, 2019. Returns for Class I for 2019 are since their March 25, 2019 inception date.

	From January 1, 2020	From January 1, 2019
Fund, Class A	(5.99%)	18.21%
Fund, Class F	(4.91%)	20.31%
Fund, Class I	(10.46%)*	8.77%
INDEX	5.60%	22.88%

* Fund was dormant between April 1, 2020 and August 10, 2020.

VERITAS CANADIAN EQUITY FUND

MANAGEMENT REPORT OF FUND PERFORMANCE

Management Discussion of Fund Performance for the year ended December 31, 2020

The following tables show selected key financial information about the Fund and is intended to assist in the understanding of the Fund's financial performance for the year ended December 31, 2020.

Portfolio Composition		Top 25 Holdings	
Sector Allocation	% of Net Asset Value	Issuer	% of Net Asset Value
		LONG POSITIONS	
Industrials	14.6%	Manulife Financial Corp.	7.1%
Utilities	13.6%	Granite Real Estate Investment Trust	6.2%
Real Estate	11.3%	SPDR Gold Shares	6.1%
Energy	10.0%	Enbridge Inc.	6.1%
Consumer Discretionary	9.6%	Linamar Corp.	5.6%
Communication Services	9.5%	Capital Power Corp.	5.1%
Information Technology	9.5%	TFI International Inc.	5.0%
Consumer Staples	8.1%	CGI Inc.	5.0%
Financials	7.1%	TransAlta Corp.	5.0%
Funds	6.1%	Air Canada	4.9%
Cash at broker	0.6%	Cogeco Communications Inc.	4.9%
Total Portfolio Allocation	100%	TELUS Corp.	4.7%
		SNC-Lavalin Group Inc.	4.7%
		Ceridian HCM Holding Inc.	4.5%
		RioCan Real Estate Investment Trust	4.1%
		Dollarama Inc.	4.0%
		Canadian Natural Resources Ltd	4.0%
		Hydro One Ltd	3.5%
		Maple Leaf Foods Inc.	3.2%
		Metro Inc.	2.6%
		George Weston Ltd	2.3%
		Killam Apartment Real Estate Investment Trus	1.0%
		Cash & Cash Equivalents	0.6%
		Total % of Net Asset Value	
		Represented by Holdings	100.0%
Total Net Asset Value	\$ 14,531,287		

The "Top 25 Holdings" of the Fund, as a percentage of Net Asset Value of the Fund, have been presented in accordance with National Instrument 81-106.

The data presented in the above tables is as of December 31, 2020.

The Investment Portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates of the Investment Portfolio are available within 60 days of each quarter end.