



Dear Fellow Investor:

This past year's market rally has been chalked up to many things – helicopter money, rock-bottom interest rates, FOMO, etc. – but one of its ugly truths was laid bare in January: global markets have become overly dependent on a quasi gold rush of new retail money.

GameStop, AMC and Blackberry are merely the latest symptoms. For some time now, investors have been paying more attention to themes and storylines than to balance sheets and income statements. And in the short term, it must be said, it is hard to distinguish between this herding and a successful investment strategy.

The universe of public assets in any sector tends to be relatively fixed – IPOs and secondaries remain a small percentage of market cap every year – so when new money flows in, asset prices are bid up. The new money also supports trading, with the increased liquidity, all else equal, making assets more valuable. It should be no surprise that Robinhood makes nearly all of its money from selling its users' liquidity to institutional investors.

The risk is that the latest wave of retail money is banking on quick gains and a short turnaround. If this year's asset prices are not matched by actual value creation – income, cash flow or otherwise – and relatively soon, sentiment could reverse and new retail money could dry up. The resulting correction may not be so orderly.

During the extreme volatility, both our funds continued to outperform the market in January with less volatility, as we stick to the things that have always mattered: transparent reporting, excellent management, strong corporate governance, and growing cash flows.

Your fellow investors,

Anthony Scilipoti
Sam La Bell



FUND DETAILS*

Type	Fee based
Fund Code	VAM 201
Total Assets (All classes)	\$14.5 million
Category	Canadian Equity
Inception Date	May 1, 2018
Management Fee	0.95%
Number of Holdings	24
Minimum Investment	\$1,000 initial / \$500 subsequent
Firm AUM	\$33.6 million
Employee AUM ¹	\$2.9 million
Volatility Risk Profile	Medium
Distribution Frequency	Annually if any

PORTFOLIO OBJECTIVE

The investment objective of the Veritas Canadian Equity Fund is to provide Unitholders with long term capital growth 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.

WHY INVEST WITH US

- Driven by award winning research
- High-conviction concentrated portfolio
- Low market correlation
- Index and sector-agnostic
- Low turnover portfolio
- Strict risk management optimization process

THE PORTFOLIO PRIMARILY INVESTS IN

The Fund will invest primarily in the securities of companies included on the V-List Model Portfolio as prepared by Veritas Investment Research Corporation (VIR).

The V-List was launched by VIR in 2004. The V-List is a concentrated model portfolio of between 12 and 25 companies that comprise VIR's best investment ideas. The fund is systematically optimized to minimize volatility and maximize performance relative to passive investing.

Companies are selected based on their potential for long term capital appreciation, using bottom-up fundamental analysis and a strict review of accounting and disclosure practices to identify companies with defensible competitive advantages and the ability to generate meaningful cash flows.

ABOUT VERITAS ASSET MANAGEMENT

Veritas Asset Management (VAM) is an independent employee owned research driven investment manager. VAM was founded on the belief that superior research leads to better investment decisions. VAM sources its investment ideas from Veritas Investment Research Corp. (VIR), an award-winning independent equity research organization whose fundamental analysis is based on forensic-accounting principles.

Once ideas are selected, the next step in building a VAM portfolio is risk management. After studying the fundamentals, the portfolio managers at VAM overlay a factor-based risk management strategy. This approach allows VAM to select a portfolio of names and individual weights that, when combined, are designed to minimize risk. VAM is sector agnostic and takes concentrated positions based on each company's relative risk/reward characteristics.

Together, VAM and VIR offer a unique investment solution that diversifies and adds value to investor portfolios.

PERFORMANCE⁶

	YTD	1 MONTH	1 YEAR	SINCE INCEPTION
FUND	1.2%	1.2%	-5.7%	11.5%
INDEX	-0.3%	-0.3%	3.5%	21.1%

RISK MEASURES ²	1 YEAR	SINCE INCEPTION
Beta ³	0.70	0.69
Fund Volatility ⁴	20.4%	13.9%
Index Volatility	26.0%	17.6%

	TOP TEN HOLDINGS ⁵	TICKER	% WEIGHT
1	Enbridge Inc.	ENB	7.04
2	TFI International Inc.	TFII	7.01
3	Manulife Financial Corp.	MFC	6.84
4	TELUS Corp.	T	5.99
5	Granite REIT	GRT.UN	5.93
6	TransAlta Corp.	TA	5.76
7	SPDR Gold Shares	GLD	5.60
8	Ceridian HCM Hold. Inc.	CDAY	5.32
9	Capital Power Corp.	CPX	5.30
10	CGI Inc.	GIB.A	5.08
	Top 10 weight		59.85



BARBARIANS AT THE GATE

Whether it was protesters storming the U.S. Capitol building or Reddit posters attempting to close hedge funds, January was a tumultuous month. The markets were no less volatile. The S&P/TSX index was up as much as 3.5% mid-month only to close in negative territory, down 0.32%. The Veritas Canadian Equity Fund performed well, earning a positive return of 1.2% on Class F units primarily on stock selection.

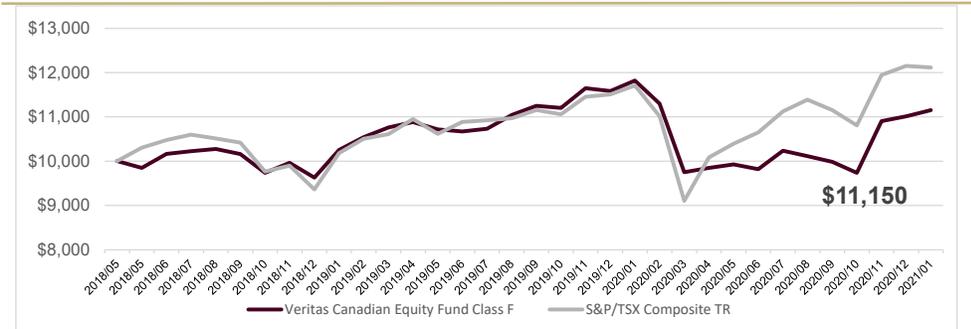
The Fund's position in **TFI International Inc. (TFII)** was the top contributor to performance for January. During the month, **TFII** announced a deal to acquire the less-than-truckload ("LTL") carrier operations of UPS. The US\$800 million transaction will almost double **TFII's** total revenues, moving it from a smaller player to the 5th largest U.S. LTL carrier. While the acquisition price was attractive on a pre-synergy basis, **TFII** has a proven track record of increasing margins, profitability, and cash flow at its targets, and we see considerable opportunities to generate synergies from the acquired assets.

The Fund's position in **TransAlta Corp. (TA)** was the second-best contributor to Fund performance in January. The company has seen a tailwind from its renewable power assets and majority ownership of TransAlta Renewables. At current Alberta forward power prices, we see further upside ahead as **TA** generates more cash per share than many of its regulated and non-regulated competitors. During the trailing-twelve months ended Q3-2020, **TA** reported company-defined free cash flow of \$427 million or \$1.55 per share, implying that on its current share price could have paid a 14% dividend.

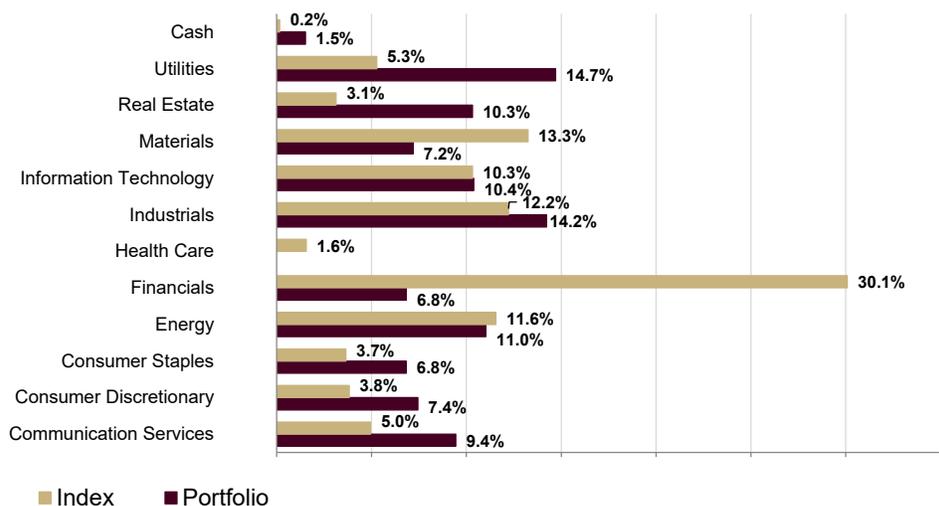
Our goal is to buy the best companies in sectors where we identify positive investment catalysts while avoiding poorly positioned companies and industry headwinds in sectors where we identify investment risks. We evaluate companies based on balance sheet strength; free cash flow sustainability; transparent financial reporting and governance; as well as the ability to endure periods of economic weakness.

PERFORMANCE⁷

Growth of \$10,000 (since inception date)



SECTOR ALLOCATIONS⁸





DISCLOSURES

The information contained herein is for general information purposes and does not constitute a solicitation for the purchase or sale of securities. The full details of the Fund, its investment strategies and the risks are detailed in the Fund's current simplified prospectus, annual information form, and fund facts document, copies of which may be obtained from Sedar, your dealer, Veritas Asset Management Inc. ("VAM") or at Veritasfunds.com. Please read the prospectus before investing. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. All performance data assume reinvestment of all distributions or dividends and do not take into account other charges or income taxes payable by any unitholder that would have reduced returns. The performance of the Fund is not guaranteed, unit values change frequently and past performance may not be repeated. Performance is presented in Canadian dollars, unless otherwise stated, and is net of fees of Class F units of the Fund. VAM is an affiliate of Veritas Investment Research Corporation ("VIR"), which produces and issues independent equity research regarding public issuers to investors and other capital markets participants. VAM is a client of VIR and receives research reports from VIR at the same time as VIR's other clients. VIR and VAM have implemented policies and procedures to minimize the potential for and to address conflicts of interest, which are available upon request.

1. Employee AUM includes all parties related to the Manager in all series or classes of all Veritas Asset Management Inc. Funds, as at January 29, 2021.
2. Source: Refinitiv, Veritas Asset Management Inc. estimates, for period ending January 29, 2021. Class F Inception Date: May 1, 2018. Benchmark is the S&P/TSX Composite Index. The S&P/TSX Composite Index is a capitalization-weighted index that represents some of the largest float-adjusted stocks trading on the Toronto Stock Exchange. Veritas Canadian Equity Fund draws its ideas from constituents in the index, but differs in its weighting of securities.
3. Beta (observed beta) $\beta_{i,f}$ based on historical relationship between fund return (F) and index (I) performance. $\beta_{i,f} = \text{Cov}(R_i, R_f) / \text{Var}(R_i)$ where R_i is the monthly index return, R_f is monthly fund return.
4. Volatility is expressed in terms of historical annual volatility. Historical monthly volatility is measured by the standard deviation of monthly returns. Historical Annual Volatility is measured by annualizing monthly data.
5. Source: Refinitiv & Veritas Asset Management Inc. estimates. Portfolio weights refer to end of day weights for period ending January 29, 2021.
6. Source: Refinitiv. Class F Inception Date: May 1, 2018. Portfolio weights refer to end of day weights for period ending January 29, 2021. Past performance is not indicative of future performance. The S&P/TSX Composite Index is a capitalization weighted index that represents some of the largest float adjusted stocks trading on the Toronto Stock Exchange. Veritas Canadian Equity Fund draws its ideas from constituents in the index, but differs in its weighting of securities.
7. Source: Refinitiv. Class F Inception Date: May 1, 2018. Performance as of January 29, 2021. Past performance is not indicative of future performance. The S&P/TSX Composite Index is a capitalization-weighted index that represents some of the largest float-adjusted stocks trading on the Toronto Stock Exchange. Veritas Canadian Equity Fund draws its ideas from constituents in the index, but differs in its weighting of securities.
8. Source: Refinitiv & Veritas Asset Management Inc. estimates. Portfolio weights refer to end of day weights for period ending January 29, 2021. The S&P/TSX Composite Index is a capitalization-weighted index that represents some of the largest float-adjusted stocks trading on the Toronto Stock Exchange. Veritas Canadian Equity Fund draws its ideas from constituents in the index, but differs in its weighting of securities.

* Portfolio Manager changed to Antonio Scilipoti as of October 1, 2020.

* All dollar figures are represented in CAD unless otherwise noted.