Lincluden Balanced Fund

Annual Management Report of Fund Performance
For the year ended December 31, 2022

Dear Investor,

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Fund. You may receive a copy of the annual financial statements, at your request, and at no cost, by calling 905-273-4240 (1-844-373-4240), by writing to us at Lincluden Investment Management Limited, 201 City Centre Drive, Suite 201, Mississauga, Ontario, L5B 2T4, email info@lincluden.net or by visiting our website at www.lincluden.com or SEDAR at www.sedar.com.

You may request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure by contacting us using one of the methods offered above.

Lincluden Investment Management Limited
Manager of the Lincluden Balanced Fund

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The objective of the Lincluden Balanced Fund (the "Fund") is to create long-term wealth for the Fund's investors using value-based, risk managed disciplines. Success at achieving the Fund's objective requires disciplined asset allocation and security selection approaches.

The development of tactical asset mix policy is an approach that has balanced inputs. It reflects a marrying of top down with bottom up inputs. We consider the valuation of equity markets relative to a risk-free rate; which for purposes of the valuation represents long term Government of Canada bond yields. We give consideration to inflation and corporate profitability and the valuation of the bond market itself in this process.

Equally important in final asset allocation policy, and particularly so in the allocation of equities between Canadian equities and foreign equities, is the opportunity set of attractively priced equities that we are identifying on a global basis.

Our portfolio managers screen a broad universe of Canadian, U.S. and international stocks in our ongoing search for undervalued securities. Investment decisions are based on a thorough financial assessment of corporations and their management teams to identify securities that are trading at a substantial discount to our appraisal of their fair value.

Our fixed income portfolios are structured to achieve the most efficient combination of duration, credit, yield curve and foreign exposure from a long-term, risk-reward perspective.

In searching for the best value opportunities in fixed income markets, we consider both domestic and foreign securities. When we find better value opportunities in foreign markets, our preference is to eliminate foreign exchange risk through the use of hedging.

Risk

Risk ratings have been determined separately for each class of units of the Fund and are disclosed in the Fund Facts and the Fund's Simplified Prospectus. The investment risk level of the Fund is reviewed on an annual basis, or whenever there is a material change to the Fund. More methodology information can be found in the Fund's Simplified Prospectus. As a result of employing the revised methodology and conducting the regular annual review, no changes were made to the risk ratings for all classes of units, for which the risk rating was maintained as "Low to Medium". There have been no changes to the investment objectives or strategies of the Fund.

Results of Operations

With regard to bonds, interest rates increased dramatically during the year as inflationary pressures continued to impact the bond market. Inflation remains stubbornly high, although recent data indicates that the level may have peaked and a downward trend has been established. Global central banks reacted in aggressive fashion in order to combat the persistent trend. On a year-to-date basis, the Bank of Canada raised interest rates by 400 bp. The U.S. Federal Reserve was slightly more aggressive, increasing its overnight rate by 425 bp during the year. The pace of rate hikes in the U.S., however, moderated at the December meeting. Markets perceived this as an indication that the Fed may be close to reaching its terminal rate and that future rate hikes would be minimal. Federal Reserve Chair Powell along with other Fed governors, however, provided projections that would indicate that interest rates would continue to rise over the near term and would remain at elevated levels longer than the market may have anticipated. With global central banks embarking on aggressive monetary policy tightening campaigns during 2022, investors are becoming more nervous that the global economy will be pushed into a recession in 2023. Central banks have acknowledged that this could be a consequence of their actions, however, their objective is to bring inflation down while negotiating a soft landing in the economy.

With regard to equities, the significant tightening of monetary policies enacted by central banks played a substantial role that resulted in equity markets trading lower. Throughout the year, there was a rotation out of certain overvalued segments of the market and into more defensive and undervalued sectors benefiting the Fund.

For the year ended 2022 the Fund protected capital well posting a small negative return which came in ahead of the benchmark. The bond portfolio had a strong performance relative to its benchmark. The Canadian and Global equities had a strong relative year with performance ahead of their respective benchmarks.

The Canadian equity portfolio performed well with a positive return compared to a decline in the index. Holdings in the Energy sector were significant contributors to both relative and absolute performance. Higher commodity prices and a more positive outlook that they will stay elevated caused the energy holdings to appreciate. The portfolio benefited from the significant increase in the weight of Saputo which returned 20% for the year. This along with holdings in Boyd Group, Stella Jones and Restaurant Brands more than offset declines in Home Capital Group, Bank of Nova Scotia and Topicus.

The foreign equity portfolio posted a strong relative return during the period. The exposure to Energy, Industrials and Consumer Discretionary sectors were significant contributors to the performance. Strong global energy prices lifted the funds holdings of EOG Resources, Total Energies, and Shell PLC. Within the Industrials Thales and Boskalis Westminster added to performance with Boskalis receiving a premium takeover offer during the first quarter of the year. Some of the Consumer Discretionary holdings including TJX and Dollar Tree posted strong results driven by consumers seeking value offerings in the face of rising inflation. Shares in defensive Health Care and Consumer Staple holdings Johnson and Johnson and Kroger held in well in the face of a declining market and added to the returns. Amongst the broad market selloff several of our holdings saw declines in their share prices including Communications Services companies Disney, and Alphabet. Information Technology names Microsoft, Cisco and SAP also saw declines, however, our relatively low weighting in the sector and preference for high quality stocks protected the portfolio from the worst of the losses.

Recent Developments

The bond portfolio significantly outperformed its benchmark. The duration of the portfolio was shorter than the benchmark and was the major contributor to the strong relative outperformance as bond yields increased dramatically during the year. The yield on the ten year Government of Canada bond increased by 187 b.p., ending the year at 3.30%, The overweight position in corporate bonds was a slight detractor from performance as corporate bond spreads widened over the course of the year. Yield curve positioning was also a slight detractor from performance as the yield curve flattened during the year and the portfolio was positioned for a slight steepening of the yield curve. However, the strong impact of the short duration position more than compensated for these minor detractors from performance.

Asset mix was targeted slightly below the long-term 60% policy weight for equities and at the 40% target in fixed income which includes primarily bonds. A small allocation remained towards cash and equivalents.

Several Canadian and Global stocks were purchased taking advantage of pricing opportunities as they presented themselves. This included adding BCE, Boyd Group, Tricon Residential, Brookfield Asset Management, Canadian Tire and WSP Global in Canada and US Bancorp, Costco and Haleon in the Global portfolio. In addition, several positions were sold as they reached their target prices. This included Ensign, Home Capital Group, Pason Systems, Topicus, Activision Blizzard, Boskalis Westminster and Wells Fargo.

In the Canadian equity portfolio, new positions were established in BCE, Boyd Group, Tricon Residential, Brookfield Asset Management, Canadian Tire and WSP Global. To help fund the new positions, Ensign, Home Capital Group, Pason Systems and Topicus were eliminated from the portfolio after increasing above their target prices.

BCE is Canada's largest and highest yielding telecom company and shareholders will continue to benefit from higher profits as roaming revenue returns and Canada's population increases. Boyd Group operates the second largest network of auto body repair shops in North America. Boyd's network of 850 stores provides it with a strong competitive advantage and helps its auto insurance clients provide superior customer satisfaction which improves Boyd's productivity and leads to higher levels of profitability and benefits shareholders. Brookfield is a diversified asset management company that invests in property, power, infrastructure and private equity around the world. The company and its shareholders should benefit from continued growth in its assets under management as demand for alternative investments continues to increase. Canadian Tire was added to the portfolio after a material decline in its share price as investors were concerned about high inventory levels and the high probability of a recession in 2023. Looking longer term, Shareholders will benefit from the company's competitive advantage from its successful Triangle rewards program and the ownership of many of the brands sold in its store base. Tricon Residential is focused on affordable housing across the United States, with an extensive portfolio of single family and garden style apartment rentals. This industry has seen increased demand as people favour the suburbs over denser urban markets. The recent decline in the share price and improved return potential allowed a position to be initiated in the portfolio. WSP Global is a global leader in professional services and will benefit from increased demand related to the energy transition, corporations increased focus on ESG and a need to improve the infrastructure in many geographies.

In the Foreign equity portfolio, new positions were established in US Bancorp, Costco and Haleon. The positions in Activision Blizzard, Boskalis Westminster and Wells Fargo were sold. Both Activision and Boskalis were the recipients of takeover offers which caused their share prices to rise significantly. The proceeds from these sales were redeployed into existing stable holdings with more attractive valuations and dividends.

Haleon is a consumer healthcare company and producer of familiar brands such as Advil, Tums, and Sensodyne toothpaste which was spun out of GSK during the year. The position was increased post spin out as the shares presented good value after being caught up in the Zantac litigation facing GSK. Costco is the largest wholesale club operator in the U.S., operating approximately 815 membership warehouse stores. More than 75% of Costco's revenues come from the US, while about 15% stem from Canada. Costco has a long history of excellent financial performance with consistent outperformance in both growth and profitability compared to its peers. US Bancorp (USB) is a diversified financial services company and the fifth largest bank in the U.S. Headquartered in Minneapolis, USB has about 2,200 branches and operates mainly in the mid-west and on the west coast. A focus is on acquisitions to help businesses simplify their money movement. US Bancorp replaced Wells Fargo in the portfolio

<u>Related Party Transactions</u>

Lincluden Investment Management Limited ("Lincluden") is the Trustee, Portfolio Advisor and Manager of the Fund and receives a fee for the services the firm provides as Portfolio Advisor. Lincluden pays commissions to investment dealers who transact in buy and sell activity in the Fund's investments at a rate that is reflective of the general service provided to Lincluden by the dealer. Lincluden provides, or arranges for the provision of, all general management and administrative services required by the Fund in its day to day operations.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Lincluden Balanced Fund and are intended to help you understand the Fund's financial performance for the past 5 financial years. This information is derived from the Fund's audited annual financial statements.

Net Assets per Unit– Series A					
	2022	2021	2020	2019	2018
Net Assets, beginning of year[1, 2]	$17.98	$15.81	$14.93	$14.04	$16.04
Increase (decrease) from operations:					
Total revenue	$0.48	$0.42	$0.42	$0.49	$0.50
Total expenses	$(0.39)	$(0.38)	$(0.33)	$(0.34)	$(0.39)
Realized gains (losses) for the period	$0.87	$1.20	$0.52	$0.75	$0.92
Unrealized gains (losses) for the period	$(1.65)	$1.18	$0.26	$0.72	$(1.72)
Total increase (decrease) from operations[1]	$(0.69)	$2.42	$0.87	$1.62	$(0.69)
Distributions:					
From income (excluding dividends)	$0.06	$0.03	$0.05	$0.11	$0.08
From dividends	$0.03	$0.02	$0.05	$0.05	$0.05
From capital gains	$0.87	$0.05	-	$0.52	$1.12
Return of capital	-	-	-	-	-
Total annual distributions[3, 4]	$0.96	$0.10	$0.10	$0.68	$1.25
Net Assets, end of period[1, 2, 5]	$16.34	$17.98	$15.81	$14.93	$14.04

Net Assets per Unit– Series F (Series F units established December 8, 2017)					
	2022	2021	2020	2019	2018
Net Assets, beginning of year[1, 2]	$17.54	$16.17	$15.62	$14.68	$16.81
Increase (decrease) from operations:					
Total revenue	$0.47	$0.43	$0.44	$0.51	$0.53
Total expenses	$(0.09)	$(0.09)	$(0.09)	$(0.09)	$(0.12)
Realized gains (losses) for the period	$0.85	$1.22	$0.56	$0.79	$0.97
Unrealized gains (losses) for the period	$(1.62)	$1.07	$0.26	$0.73	$(1.88)
Total increase (decrease) from operations[1]	$(0.39)	$2.63	$1.17	$1.94	$(0.50)
Distributions:					
From income (excluding dividends)	$0.25	$0.20	$0.20	$0.25	$0.26
From dividends	$0.13	$0.13	$0.17	$0.18	$0.16
From capital gains	$0.76	$0.92	$0.35	$0.54	$1.20
Return of capital	-	-	-	-	-
Total annual distributions[3, 4]	$1.14	$1.25	$0.72	$0.97	$1.62
Net Assets, end of period[1, 2, 5]	$16.02	$17.54	$16.17	$15.62	$14.68

Net Assets per Unit – Series O					
	2022	2021	2020	2019	2018
Net Assets, beginning of year[1, 2]	$17.57	$16.37	$15.90	$15.09	$16.93
Increase (decrease) from operations:					
Total revenue	$0.48	$0.43	$0.45	$0.52	$0.53
Total expenses	$(0.05)	$(0.04)	$(0.04)	$(0.05)	$(0.07)
Realized gains (losses) for the period	$0.85	$1.27	$0.56	$0.82	$0.97
Unrealized gains (losses) for the period	$(1.63)	$1.04	$0.34	$0.71	$(1.82)
Total increase (decrease) from operations[1]	$(0.35)	$2.70	$1.31	$2.00	$(0.39)
Distributions:					
From income (excluding dividends)	$0.28	$0.24	$0.23	$0.28	$0.29

From dividends	$0.15	$0.15	$0.19	$0.21	$0.18
From capital gains	$0.83	$1.13	$0.43	$0.72	$0.91
Return of capital	-	-	-	-	-
Total annual distributions[3, 4]	$1.26	$1.52	$0.85	$1.21	$1.38
Net Assets, end of period[1, 2, 5]	$15.98	$17.57	$16.37	$15.89	$15.09

[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 number of units outstanding over the financial period.

[2] Information is in accordance with IFRS.

[3]Distributions were reinvested in additional units of the Fund.

[4]The Fund's prospectus provides that, "Each calendar year, the Fund distributes net income and net realized capital gains to Unitholders of the Fund to the extent necessary to ensure the Fund does not pay ordinary income tax. Distributions of income may be made periodically throughout the year on a schedule to be determined by the Manager. Distributions of capital gains are normally made in December of each year. At a minimum, the Fund will effect a distribution on the last business day of the year. Distributions from the Fund will be automatically reinvested in Units of the Fund." Currently net income is distributed on a quarterly basis and net capital gains during the month of December.

[5]The financial highlights are not intended to act as a continuity of the opening and closing net assets per unit.

Ratios and Supplemental Data – Series A	2022	2021	2020	2019	2018
Total net asset value ($) (000s)	$531	$579	$546	$791	$830
Number of units outstanding	32,531	32,207	34,534	52,978	59,101
Management expense ratio (%)[1]	2.08%	2.08%	2.10%	2.08%	2.08%
Management expense ratio before absorptions (%)[1]	2.08%	2.08%	2.10%	2.08%	2.08%
Portfolio turnover rate (%)[2]	30.31%	33.93%	42.49%	37.92%	44.17%
Trading expense ratio (%)[3]	0.03%	0.04%	0.05%	0.05%	0.04%
Net asset value per unit	$16.34	$17.98	$15.81	$14.93	$14.04

Ratios and Supplemental Data – Series F (Series F units established Dec 8, 2017)	2022	2021	2020	2019	2018
Total net asset value ($) (000s)	$48,502	$53,622	$48,009	$50,028	$51,199
Number of units outstanding	3,028,488	3,056,372	2,968,867	3,202,605	3,487,069
Management expense ratio (%)[1]	0.39%	0.38%	0.40%	0.39%	0.39%
Management expense ratio before absorptions (%)[1]	0.39%	0.38%	0.40%	0.39%	0.39%
Portfolio turnover rate (%)[2]	30.31%	33.93%	42.49%	37.92%	44.17%
Trading expense ratio (%)[3]	0.03%	0.04%	0.05%	0.05%	0.04%
Net asset value per unit	$16.02	$17.54	$16.17	$15.62	$14.68

Ratios and Supplemental Data – Series O	2022	2021	2020	2019	2018
Total net asset value ($) (000s)	$28,031	$30,461	$26,435	$26,884	$24,099
Number of units outstanding	1,754,611	1,733,534	1,614,461	1,691,357	1,596,683
Management expense ratio (%)[1]	0.11%	0.10%	0.12%	0.10%	0.10%
Management expense ratio before absorptions (%)[1]	0.11%	0.10%	0.12%	0.10%	0.10%
Portfolio turnover rate (%)[2]	30.31%	33.93%	42.49%	37.92%	44.17%
Trading expense ratio (%)[3]	0.03%	0.04%	0.05%	0.05%	0.04%
Net asset value per unit	$15.98	$17.57	$16.37	$15.89	$15.09

[1] 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. It assumes the maximum management fee allowed for in the Fund's Simplified Prospectus.
[2] The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor 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 gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.
[3] 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 & Dealer Compensation

Series A

Lincluden is entitled to an annual management fee from the series A units of the Fund of 1.75%. A lower fee of 1.25% may apply to larger account balances in the form of a management fee rebate. The management fee for the series A units of the Fund is based on the average daily net asset value of the series A units of the Fund and is payable monthly, in arrears.

To assist with distribution, administration and other client services, Lincluden pays dealers a trailer fee out of the management fees received. The trailer fee is a percentage of the total NAV per unit of all Class A units held by each dealer's clients. For the year ended December 31, 2022, approximately 54% of the management fees paid to Lincluden for Series A units were used to fund commissions to dealers.

Series F

Lincluden is entitled to an annual management fee from the series F units of the Fund of 0.25%. The management fee for the series F units of the Fund is based on the average daily net asset value of the series F units of the Fund and is payable monthly, in arrears.

Series F units are available only to investors who participate in a qualifying fee-based program with pre-qualified representatives. Minimum investments may apply.

Series O

The Fund pays no management fees to Lincluden. For management services provided by Lincluden, in its role of portfolio advisor to the Fund, the Fund's Series O investors will pay a management fee directly to Lincluden.

The maximum annual management fee before GST/HST (expressed as a percentage of assets under management by Lincluden) payable to Lincluden is 1.75%. A lower fee may apply to larger account balances.

The management fee payable is calculated and accrued on the last valuation date of each month, based on the value of the investor's units on that date, and is payable on the last valuation date in each month. Payment of the investment management fee is generally effected by redemption of units held by the investor in the Fund in the amount of the applicable management fee.

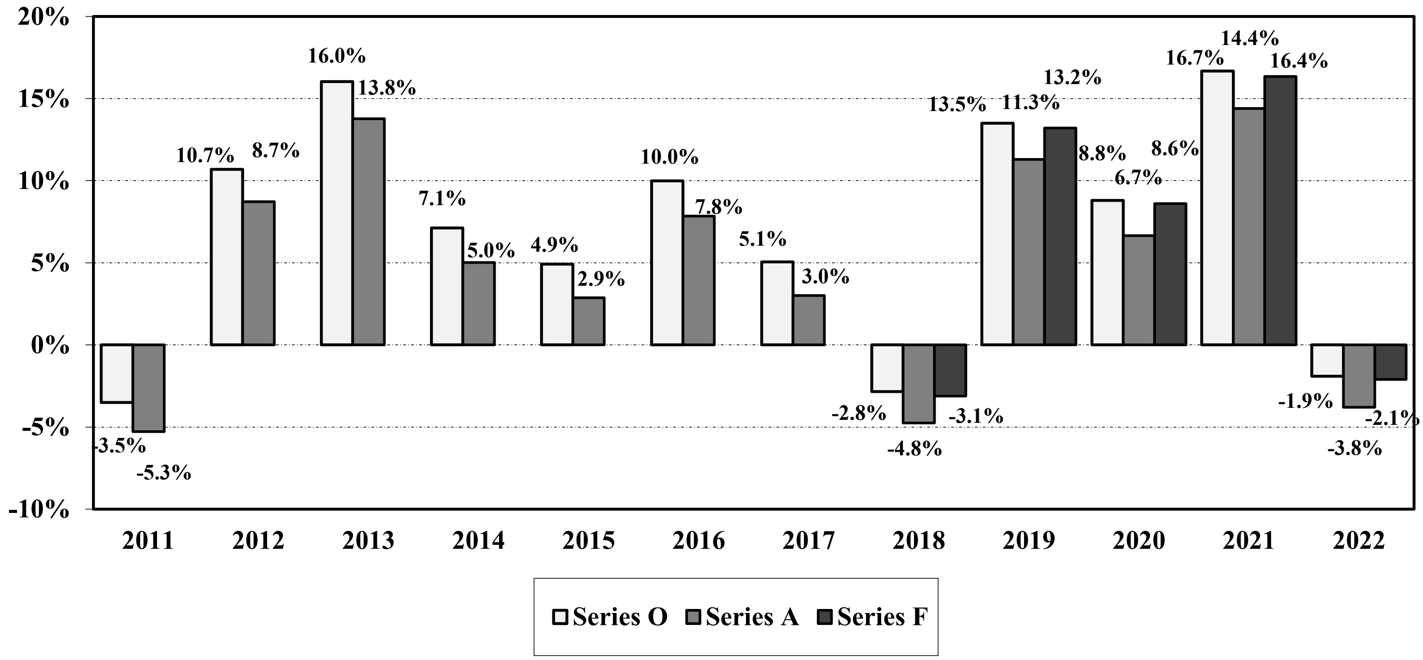
PAST PERFORMANCE

The performance information shown below assumes that all distributions made by the Fund were reinvested in additional units of the Fund. It does not take into account sales, redemption, distributions, optional charges or income taxes payable that, if applicable, would have reduced returns or performance.

The return on mutual funds is not guaranteed. How the Fund performed in the past does not necessarily indicate how it will perform in the future.

Year-by-Year Returns

The following bar chart shows the Fund's annual performance for each of the periods shown, and illustrates how the Fund's performance has changed from year to year. The chart shows, in percentage terms, how much an investment in the Fund held on the last day of the prior period would have grown or decreased by the last day of each period.



Annual Compound Returns

The following table compares the historical annual compound total return of each series of the Fund with a broad-based index, the S&P/TSX Composite Total Return Index. This index is the capitalization-weighted index measuring the performance of selected securities listed on the Toronto Stock Exchange, including the reinvestment of dividends.

The returns of each series may vary because of differences in management fees and expenses. The broad-based index returns do not include any costs of investing.

Lincluden Balanced Fund	10 years	5 years	3 Years	1 Year
Series A	5.4%	4.5%	5.5%	(3.8)%
Series F	N/A	6.3%	7.3%	(2.1)%
Series O	7.5%	6.6%	7.6%	(1.9)%
Broad-Based Index	6.9%	5.1%	4.4%	(8.0)%

SUMMARY OF INVESTMENT PORTFOLIO as at December 31, 2022

Sector Mix	% of Fund's Net Asset Value		
Fixed Income	38.60%		
Canadian		38.60%	
Federal			10.30%
Provincial			13.70%
Municipal			0.70%
Corporate			13.90%
Equities	58.90%		
Canadian		29.20%	
Communications Services			2.60%
Consumer Discretionary			4.10%
Consumer Staples			2.60%
Energy			3.80%
Financial Services			8.40%
Health Care			1.00%
Industrials			2.80%
Information Technology			2.60%
Materials			1.30%
United States		18.60%	
Communications Services			2.50%
Consumer Discretionary			2.00%
Consumer Staples			3.20%
Energy			0.60%
Financial Services			4.10%
Health Care			3.30%
Information Technology			2.90%
International		11.10%	
Finland			0.50%
France			3.50%
Germany			1.60%
Italy			0.50%
Netherlands			1.00%
United Kingdom			4.00%
Short-Term Investments	0.30%		
Other Assets	2.20%		
Total	100.00%		

Top 25 Positions	% of Fund's Net Asset Value
Government of Canada, 0.500%, 2030/12/01	7.0%
Province of Ontario, 2.600%, 2027/06/02	2.1%
Royal Bank of Canada	2.0%
Toronto-Dominion Bank (The)	2.0%
Province of Quebec, 2.750%, 2025/09/01	2.0%
Government of Canada, 1.250%, 2030/06/01	1.9%
Province of Quebec, 2.300%, 2029/09/01	1.8%
Province of Ontario, 2.050%, 2030/06/02	1.8%
U.S. Bancorp	1.8%
Province of Ontario, 2.400%, 2026/06/02	1.5%
Canadian National Railway Co.	1.5%
Province of Alberta, 2.350%, 2025/06/01	1.5%
Rogers Communications Inc., Class 'B'	1.5%
Pfizer Inc.	1.3%
Government of Canada, 0.250%, 2026/03/01	1.2%
Province of Ontario, 2.700%, 2029/06/02	1.2%
Centene Corp.	1.2%
TC Energy Corp.	1.2%
Bank of Nova Scotia	1.1%
Saputo Inc.	1.1%
Oracle Corp.	1.1%
BCE Inc.	1.1%
WSP Global Inc.	1.0%
Walmart Inc.	1.0%
Cenovus Energy Inc.	1.0%

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates on the Fund's holdings may be obtained free of charge by calling us at 905-273-4240 (1-844-373-4240), or by writing us at Lincluden Investment Management Limited, 201 City Centre Drive, Suite 201, Mississauga, Ontario, L5B 2T4, or by visiting our website at www.lincluden.com or SEDAR at www.sedar.com.