



BRIDGEHOUSE

INDEPENDENT PLATFORM

Brandes GQG Lazard Morningstar Sionna

2021 Annual Management Report
of Fund Performance
Sionna Opportunities Fund

SIONNA OPPORTUNITIES FUND

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Fund. The annual financial statements are in a separate booklet. You may obtain a copy of the annual financial statements at your request, and at no cost, by calling toll-free 1.888.861.9998, by writing to us at Bridgehouse Asset Managers, 36 Toronto Street, Suite 850, Toronto, ON, M5C 2C5, or by visiting our website: www.bridgehousecanada.com or the SEDAR website: www.sedar.com.

You may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure relating to the Fund.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

Our objective for this Fund is to achieve long-term capital appreciation by investing primarily in the equity securities of Canadian issuers. The Fund may also invest in foreign equity securities. The Fund may invest up to approximately 49% of the Fund's total assets in foreign equity securities across the full market capitalization spectrum but will tend to focus more on medium to larger companies.

Sionna Investment Managers Inc. ("Sionna") is the portfolio sub-advisor. Sionna applies a "relative-value" Graham & Dodd, bottom-up approach to stock selection. Sionna generally buys stocks of Canadian companies that are financially strong.

Risk

As an investor in this Fund, you should be prepared for short-term performance fluctuations, and be a patient, long-term holder.

There were no significant changes to the level or type of risk you would expect from the Fund over the course of the year. It continues to have a medium risk level. Refer to the Fund's simplified prospectus for a complete list of all risks.

Results of Operations from January 1, 2021 to December 31, 2021

Markets & Effect

The Canadian stock market, as measured by the S&P/TSX Composite Index, increased by 25.1% over the course of 2021, making this the best year for Canadian equities since 2009. The cyclical and economically sensitive areas of the market performed well in 2021. The energy sector was a standout contributor to the S&P/TSX Composite Index's return over the year as crude oil and natural gas markets continued to experience recovery in demand coupled with tight supply, leading to high commodity prices. Among the financials, the banking sub-sector continued to see strong performance on the back of increasing dividends, buybacks and better-than-expected credit performance.

The Canadian government largely delivered on vaccine distribution and despite a slow start to the vaccine roll-out, Canada quickly became one of the most efficient vaccine distributors in the developed world. With just under 78% of the population fully vaccinated, Canada boasts one of the highest vaccination rates globally. While the Omicron variant has proved to be highly transmissible, early data has shown that hospitalizations have remained low despite the rising case counts and that vaccines continue to be effective against developing severe symptoms.

Canada's GDP has recovered from the depths of 2020. Now, the market's focus is shifting toward what growth will look like in a normalized environment post-COVID, as the Canadian and global economies continue to work through supply chain headwinds, a tight labour market and higher levels of inflation.

The big question in markets throughout 2021 has been, "will inflation be transitory or permanent?". While the jury is still out on the duration of relatively high inflation, there is only so much policymakers can do to quell this bout of inflation. As of October 2021, Canadian CPI was 4.7% year-over-year, the cost of gasoline to Canadian households increased by 41.7% and wage inflation is likely to continue to rise with unemployment sitting at a healthy 5.9%. Energy price increases, wage inflation and supply chain issues can't be tamed with monetary policy. These are structural issues brought on by increasing demand with declining or stable supply, and with no new supply coming into the market, these issues are exacerbated.

We have been in a relatively benign inflationary environment over the last decade, which has left the more economically sensitive sectors behind. This has happened while interest rates have grinded lower, giving rise to more stable, high-tech and high-growth businesses. Even prior to the COVID-19 pandemic, one could have argued that Canadian and global growth was lackluster. With the return of growth and modest inflation in the economy, the case for being exposed to the more cyclical areas of the market is strong.

Performance

The Fund's Series A units trailed its benchmark, gaining 22.5% versus a gain of 26.2% for the Sionna Opportunities Benchmark (the "Blended Benchmark"). (Please see the Benchmark Indices section for a full description).

The Fund returns are after the deduction of fees and expenses while the benchmark returns do not include any costs of investing. See the "Past Performance" section for the returns of the other series, which may vary because of differences in management fees and expenses or timing of series introduction.

Holdings in diversified financial services made a positive contribution to overall performance, while holdings in software detracted from performance for the period.

Asset Mix

At December 31, 2021, equities made up 96.3% of the Fund, and approximately 3.7% was in cash and other net assets.

The Fund's exposure to various industries shifted due to stock-specific buying and selling activity, as well as to changes in the prices of holdings. The most significant industry exposure change was an increase in holdings in oil, gas & consumable fuels to 15.9% from 6.0% at December 31, 2020.

The Manager confirms that the Fund did not borrow money during the period.

Flows & Fees

The Fund's Net Asset Value increased to \$68.8 million at December 31, 2021, from \$62.9 million at December 31, 2020. Of this change, an increase of \$13.9 million was due to positive investment performance (net of investment income), and a decrease of \$8.0 million was due to net outflows.

For Series A units, the annualized management expense ratio ("MER") at December 31, 2021 is 2.39%, unchanged from December 31, 2020.

Recent Developments

There are no known changes at this time to the strategic positioning of the Fund, the manager, or portfolio sub-advisor.

The invasion of Ukraine by Russia on February 24, 2022 has resulted in western economic sanctions being imposed on Russia, notably barring Russian banks from the SWIFT financial messaging system, a key piece of banking infrastructure. In response to sanctions, Russian markets have been closed to all foreign investors. This has caused material volatility in Russian financial markets and impacted liquidity, market access and reliability of security prices. In addition, export embargoes may lead to increased volatility in commodity prices and global supply chain disruptions. It is uncertain how long the conflict, economic sanctions and market instability will continue and whether

they will escalate further. The Fund manager and portfolio sub-advisor(s) continue to actively monitor the situation for any impacts on the Fund's existing as well as potential new holdings.

Effective on or before April 22, 2022, Bridgehouse will no longer pay trailing commissions to dealers that do not make a suitability determination, such as order-execution-only ("OEO") dealers, in accordance with the Canadian Securities Administrators' decision to end the payment of trailing commissions to OEO dealers that comes into effect on June 1, 2022. Accounts held at OEO dealers will only be permitted to purchase or hold securities of Series F of the Fund, which does not pay a trailing commission.

On March 16, 2022, Bridgehouse announced that effective at the close of business on or about April 22, 2022, all Series A units of the Fund held in accounts at OEO dealers will be switched into Series F at no cost to the unitholder and without a disposition for tax purposes.

Effective June 1, 2022, Bridgehouse will no longer offer purchases into the deferred sales charge ("DSC") series, including the low load series, of the Fund in accordance with the Canadian Securities Administrators' decision to ban all DSCs in Canada. Existing DSC redemption schedules for sales made prior to June 1, 2022 will be permitted to run their course.

The outbreak of the novel coronavirus, first detected in December 2019, rapidly became a pandemic and resulted in disruptions to the economies of many nations, individual companies and the markets in general. This created closed borders, quarantines, supply chain disruptions and general anxiety, which negatively impacted global markets in an unforeseeable manner. The impact of the novel coronavirus and other such future infectious diseases in certain regions or countries may be greater or less due to the nature or level of their public health responses or due to other factors. Health crises caused by the coronavirus outbreak or future infectious diseases may exacerbate other pre-existing political, social and economic risks in certain countries. The impact of such health crises may be quick, severe and of unknowable duration. This pandemic and other epidemics and pandemics that may arise in the future could result in continued volatility in the financial markets and lead to increased levels of Fund redemptions, which could have a negative impact on the Funds and could adversely affect a Fund's performance.

Related Party Transactions

Manager and Portfolio Advisor

The Fund is managed and advised by Brandes Investment Partners & Co., operating as Bridgehouse Asset Managers (“Bridgehouse”) which provides (or arranges for) investment management, distribution, marketing and promotion of the Fund. Bridgehouse receives a monthly management fee based on the daily average net assets of each series of the Fund. In addition, Bridgehouse is entitled to be reimbursed by the Fund for certain operating expenses.

Sionna Investment Managers Inc. (“Sionna”) continues as the Fund’s portfolio sub-advisor. Bridgehouse pays Sionna an investment management fee to provide the Fund with investment management services.

Forward-Looking Statements

This document may contain forward-looking statements relating to anticipated future events, results, performance, decisions, circumstances, opportunities, risks or other matters. Forward-looking statements are statements that are predictive in nature, depend upon or refer to future events or conditions, or that include words such as “may”, “will”, “should”, “could”, “expect”, “anticipate”, “intend”, “plan”, “believe”, or “estimate” or other similar expressions. These statements require us to make assumptions and are subject to inherent risks and uncertainties. Our predictions and other forward-looking statements may not prove to be accurate, or a number of factors could cause actual events, results, performance, etc. to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. These factors could include, among others, market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Fund may invest, and the risks detailed from time to time in the Fund’s simplified prospectus. Forward-looking statements are not guarantees of future performance. For these reasons, it is important that readers do not place undue reliance on our forward-looking statements and should be aware that the Fund may not update any forward-looking statements whether as a result of new information, future events or otherwise.

Benchmark Indices

Sionna Opportunities Benchmark: This blended benchmark is weighted 50% S&P/TSX Composite Index and 50% S&P 500 Index.

S&P/TSX Composite Index: This index tracks the performance of some of the largest and most widely held Canadian stocks listed on the Toronto Stock Exchange.

S&P 500 Index: This index consists of 500 large-capitalization stocks and is designed to be a representative sample of the U.S. stock market.

FINANCIAL HIGHLIGHTS

FOR PERIODS ENDED DECEMBER 31, 2017 TO 2021

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 periods ended December 31 or, if shorter, the period since the inception of the Fund. In the year a fund or series is established, 'period' represents inception to December 31 of that year. In all other cases, 'period' represents year ended December 31.

The Fund's Net Assets per Unit (\$) (note 1)

		Increase (decrease) from operations						Distributions				Net assets, end of period (\$)	
		Net assets, beginning of period (\$)	Total revenue (\$)	Total expenses (\$)	Realized gains (losses) for the period (\$)	Unrealized gains (losses) for the period (\$)	Total increase (decrease) from operations (\$) (note 2)	From net investment income excluding dividends (\$)	From dividends (\$)	From capital gains (\$)	Return of capital (\$)		Total annual distribution (\$) (note 3)
Series A	2021	13.47	0.39	(0.36)	2.25	0.80	3.08	-	(0.01)	(1.55)	-	(1.56)	14.88
	2020	13.89	0.25	(0.30)	0.12	(0.51)	(0.44)	-	-	-	-	-	13.47
	2019	11.73	0.24	(0.31)	0.42	1.62	1.97	-	-	-	-	-	13.89
	2018	12.69	0.23	(0.33)	0.89	(1.28)	(0.49)	-	-	(0.49)	-	(0.49)	11.73
	2017	11.32	0.20	(0.31)	0.81	0.91	1.61	-	-	(0.14)	-	(0.14)	12.69
Series F	2021	14.12	0.41	(0.21)	2.46	0.76	3.42	-	(0.19)	(2.56)	-	(2.75)	14.65
	2020	14.40	0.27	(0.17)	0.13	(0.80)	(0.57)	-	-	-	-	-	14.12
	2019	12.03	0.26	(0.17)	0.43	1.68	2.20	-	-	-	-	-	14.40
	2018	12.96	0.24	(0.19)	0.94	(1.43)	(0.44)	-	-	(0.59)	-	(0.59)	12.03
	2017	11.66	0.23	(0.19)	0.85	1.34	2.23	-	-	(0.40)	-	(0.40)	12.96
Series I	2021	15.80	0.54	-	1.15	1.77	3.46	-	(0.04)	(0.06)	-	(0.10)	19.71
	2020	15.91	0.28	-	0.15	(0.54)	(0.11)	-	-	-	-	-	15.80
	2019	13.13	0.28	-	0.55	1.03	1.86	-	-	-	-	-	15.91
	2018	13.29	0.18	-	0.47	(0.24)	0.41	-	-	-	-	-	13.13
	2017	12.12	0.21	-	0.88	0.88	1.97	-	-	(0.81)	-	(0.81)	13.29

- The financial information presented in the Net Assets per Unit table is derived from the Fund's audited financial statements.
- Net Assets and distributions are per Unit of a series are based on the actual number of units outstanding for that series at the relevant time. The Increase (Decrease) from Operations per Unit of a series is based on the weighted average number of units outstanding for that series during the financial period.
- Distributions per Unit of a series are based on the number of units outstanding for the series on the record dates for the distributions. Distributions were paid in cash/reinvested in additional units of the Fund or both.

Ratios and Supplemental Data

		Net asset value (\$000) (note 4)	Number of units outstanding (000) (note 4)	Management expense ratio (MER) (%) (note 5)	MER before waivers or absorption (%) (note 5)	Portfolio turnover rate (%) (note 6)	Trading expense ratio (%) (note 7)	Net asset value per unit (\$)
Series A	2021	31,034	2,085	2.39	2.44	67.25	0.10	14.88
	2020	29,586	2,197	2.39	2.44	47.16	0.07	13.47
	2019	33,731	2,429	2.39	2.49	16.72	0.03	13.89
	2018	18,890	1,610	2.57	2.62	38.77	0.07	11.73
	2017	19,164	1,510	2.64	2.72	36.69	0.09	12.69
Series F	2021	23,115	1,578	1.29	1.29	-	-	14.65
	2020	33,219	2,353	1.29	1.30	-	-	14.12
	2019	38,617	2,682	1.29	1.30	-	-	14.40
	2018	23,756	1,975	1.45	1.46	-	-	12.03
	2017	18,939	1,462	1.50	1.60	-	-	12.96
Series I	2021	14,670	744	0.00	0.00	-	-	19.71
	2020	94	6	0.00	0.00	-	-	15.80
	2019	95	6	0.00	0.00	-	-	15.91
	2018	-	-	0.00	0.00	-	-	13.13
	2017	209	16	0.00	0.00	-	-	13.29

- The financial information presented in the Ratios and Supplemental Data table is derived from the Fund's Net Asset Value and is provided as at December 31 of the years shown.
- The management expense ratio ("MER") is calculated as the total management fees and operating expenses paid by each series of the Fund, including GST/HST and interest and excluding commissions and other portfolio transaction costs, and is expressed as a percentage of the average daily Net Asset Value of each series of the Fund on an annualized basis. Any management fee distributions paid by a series of the fund that effectively reduced management fees payable by some unitholders are not deducted from expenses to determine the overall MER of that series. The Manager, at its sole discretion, waives management fees or absorbs expenses. Such waivers and absorptions can be terminated at any time. The MERs of the Fund are shown both with and without the waiver and absorptions.
- Portfolio turnover rate is calculated at the Fund level based on the lesser of purchases or proceeds of sales of securities for the period, excluding cash, short term notes and bonds having maturity dates at acquisition of one year or less, divided by the average value of the portfolio securities for the period. 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 capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.
- The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average Net Asset Value of the Fund. The trading expense ratio is calculated at the Fund level and applies to all series of the Fund.

MANAGEMENT FEES

Bridgehouse Asset Managers, the Manager, provides or arranges for investment management, distribution, marketing and promotion of the Fund. In consideration for the services provided, Bridgehouse Asset Managers receives a monthly management fee based on the daily average Net Asset Value of Series A and Series F. Management fees for Series I are negotiated and paid directly by the unitholders of Series I, not by the Fund.

For the year ended December 31, 2021, the Fund paid Bridgehouse Asset Managers management fees of \$984,266. Bridgehouse uses these management fees to pay for commission payments to registered brokers and dealers and general investment management expenses. The breakdown (commission payments / investment management, administration and other) as a proportion of the management fee for each Series are:

- Series A (45% / 55%)
- Series F (0% / 100%)
- Series I (0% / 100%)

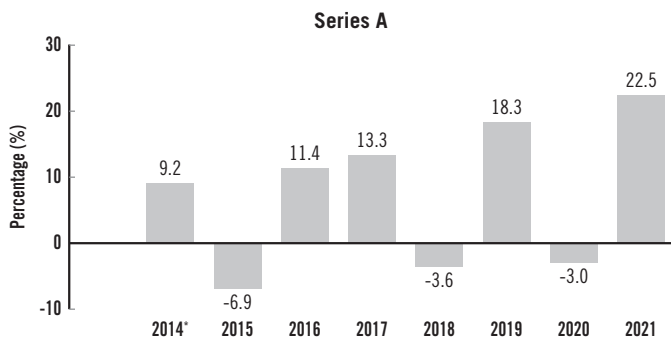
Commission payments represent cash commissions paid by Bridgehouse Asset Managers to registered brokers and dealers during the period and includes upfront deferred sales charge and trailing commissions. This amount may, in certain circumstances, exceed 100% of the fees earned by the Bridgehouse Asset Managers during the period. For new Funds or Series the amount presented may not be indicative of longer term operating periods.

PAST PERFORMANCE

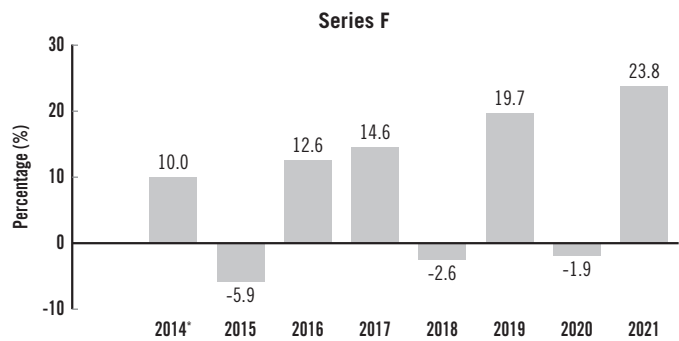
This section shows the historical performance for each series of the Fund for the periods ended December 31. Historical performance is based on the change in Net Asset Value per unit, assuming reinvestment of all distributions. Management fees and operating expenses have been taken into account before calculating performance, except in the case of Series I units where the management fee is calculated outside of the Fund. Historical performance does not take into account the potential impact on returns of purchases, redemptions, distribution fees or other optional charges or income taxes payable by an investor. Keep in mind that past performance does not necessarily indicate how the Fund will perform in the future.

Year-by-Year Returns (%)

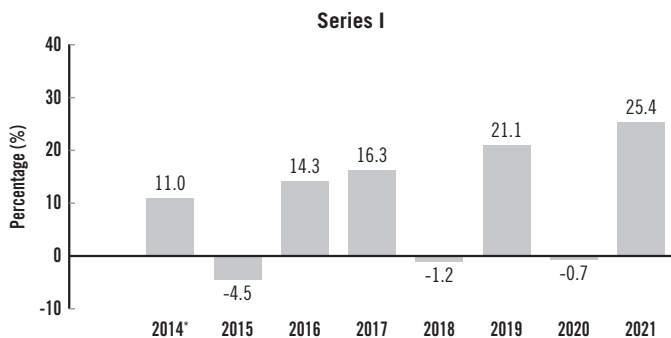
The bar chart shows the Fund's annual performance for each of the years shown. The bar chart shows how the performance of each series of the Fund has changed from year to year. It illustrates in percentage terms how much an investment in each series of the Fund made on January 1 of each year, or on the inception dates, would have grown or decreased by the last day of each financial year.



*2014 Series A returns are from May 13, 2014



*2014 Series F returns are from May 13, 2014



*2014 Series I returns are from May 13, 2014

Annual Compound Returns (%)

The table shows the historical annual compound total return for each series of the Fund as compared to the benchmarks listed below. The returns are for periods ended December 31, 2021. For a discussion of the relative performance of the Fund as compared to the index, please refer to the “Results of Operations” section in the “Management Discussion of Fund Performance”.

	1 year	3 years	5 years	Since Inception
Series A	22.47	12.01	8.93	7.49
Series F	23.82	13.26	10.16	8.70
Series I	25.43	14.70	11.64	10.21
Sionna Opportunities Benchmark ¹	26.18	19.97	13.30	12.46

¹“Since inception” corresponds to inception date for Series A, F and I of May 13, 2014

SUMMARY OF INVESTMENT PORTFOLIO AS AT DECEMBER 31, 2021

Top 25 Positions

The portfolio does not contain any short positions. The investment portfolio may change due to ongoing portfolio transactions of the investment fund. An updated listing is available on a quarterly basis.

Security	Fund (%)
1. Walgreens Boots Alliance, Inc.	5.3
2. Johnson & Johnson	5.3
3. Alimentation Couche-Tard Inc.	5.2
4. Berkshire Hathaway Inc. Cl. B	5.1
5. Suncor Energy Inc.	5.1
6. Royal Bank of Canada	5.0
7. The Bank of Nova Scotia	4.9
8. ING Groep NV ADR	4.7
9. Fairfax Financial Holdings Limited	4.6
10. Brookfield Asset Management Inc. Cl. A	4.5
11. TC Energy Corporation	4.4
12. Open Text Corporation	4.3
13. Royal Dutch Shell PLC Sponsored ADR Cl. B	4.2
14. Alphabet Inc. Cl. C	4.1
15. Restaurant Brands International Inc.	4.1
16. Rogers Communications Inc. Cl. B	4.1
17. GlaxoSmithKline PLC ADR	3.6
18. Fresenius Medical Care AG & Co. KGaA ADR	3.3
19. Saputo Inc.	3.1
20. Quebecor Inc. Cl. B	2.9
21. Cash and Cash Equivalent	2.8
22. Brookfield Infrastructure Partners LP	2.7
23. ARC Resources Ltd.	2.2
24. Manulife Financial Corporation	2.0
25. Metro Inc.	1.6
% of Fund	99.1
Total Number of Companies	24
Total Net Asset Value (\$MM)	\$69

Asset Mix

Asset Class	Fund (%)
Canadian Equity	60.7
Global Equity	35.6
Cash & Cash Equivalent	2.8
Other Net Assets	0.9
% of Total	100.0

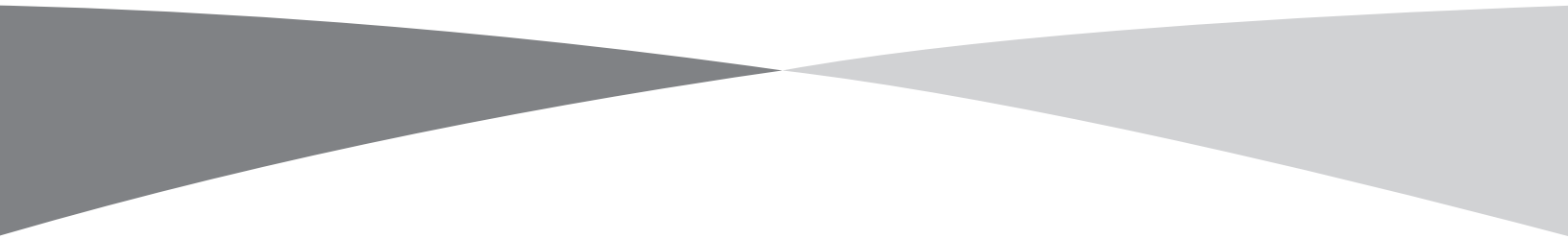
Industry Exposure

Industry	Fund (%)
Oil, Gas & Consumable Fuels	15.9
Diversified Financial Services	14.3
Food & Staples Retailing	12.1
Commercial Banks	9.9
Pharmaceuticals	8.9
Insurance	6.6
Software	4.3
Interactive Media & Services	4.1
Hotels, Restaurants & Leisure	4.1
Wireless Telecommunications Services	4.1
Health Care Providers & Services	3.3
Food Products	3.1
Media	2.9
Multi-Utilities	2.7
Cash & Cash Equivalent	2.8
Other Net Assets	0.9
% of Total	100.0
Total Number of Industries	14

Country Exposure

Country	Fund (%)
Canada	60.7
United States	19.8
Netherlands	8.9
United Kingdom	3.6
Germany	3.3
Cash & Cash Equivalent	2.8
Other Net Assets	0.9
% of Total	100.0
Total Number of Countries	5

Note: Rounding to one decimal place may result in individual figures totalling more or less than 100%



Brandes Investment Partners & Co. (BIPCo), operating as Bridgehouse Asset Managers® (Bridgehouse), is the manager of the Bridgehouse Funds. Bridgehouse has hired Brandes Investment Partners, L.P. (BIPLP), Sionna Investment Managers Inc., TD Asset Management Inc., Lazard Asset Management (Canada) Inc., Morningstar Associates Inc. and GQG Partners LLC as portfolio sub-advisors in respect of the Bridgehouse Funds. BIPCo and BIPLP are affiliates. Units of the Bridgehouse Funds are available through registered dealers only and are not available through Bridgehouse.

Brandes Investment Partners®



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