

For the 12-month period ended December 31, 2021 (the "Period")

Manager: Bristol Gate Capital Partners Inc. (the "Manager" and "Portfolio Manager")

This Annual Management Report of Fund Performance (the "MRFP") contains financial highlights but does not contain the interim or annual financial statements of the ETF. You can get a copy of the interim or annual financial statements at your request at no cost, by calling 416-921-7076, by writing to us at Bristol Gate Capital Partners Inc., 45 St. Clair Avenue West, Suite 601, Toronto, ON, M4V 1K9 or by visiting our website at www.bristolgate.com or SEDAR at www.sedar.com.

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

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The ETF seeks to generate long-term growth of income and capital by investing primarily in a concentrated portfolio of publicly-traded equity securities of U.S. companies that pay a dividend.

In order to achieve its investment objective, the ETF invests in dividend-paying equity securities selected primarily from the S&P500® Index. The ETF may also invest up to 10% of its NAV, at the time of purchase, in dividend-paying equity securities that are part of the MSCI ACWI Index, a recognized global equity index. The ETF invests in a concentrated portfolio of securities. The number of portfolio holdings usually ranges between 20 and 30 different securities. The securities held in the portfolio are actively managed by the Portfolio Manager. Approximately every three months, subject to market conditions and Manager discretion with respect to specific timing, the portfolio is rebalanced so that all of the securities in the portfolio are approximately equally weighted at that time. The Manager has implemented thresholds around equal weighted rebalancing in order to reduce trading volumes.

The ETF typically invests in securities of companies in six or more industry sectors. The Portfolio Manager uses its proprietary quantitative methodology (the "Methodology") to identify investment opportunities that exhibit the largest expected dividend growth over the next year. Fundamental analysis is performed to confirm the results of the quantitative

methodology and to make the final selection of the portfolio holdings.

Risk

The risks of investing in the ETF remain as discussed in the Prospectus. There were no significant changes to the ETF that materially affected the ETF's overall level of risk during the reporting period.

Results of Operations

The ETF's net assets increased from \$150.3 million at the end of 2020, to \$220.7 million as of December 31, 2021. The increase was due to a combination of net subscriptions and investment appreciation.

The trailing 12-month median dividend growth of the portfolio companies was 12.0% at year-end compared to the S&P 500® constituent median 6.2% and actual cash dividend growth of 2.7%. Over the next 12 months, our model is predicting median dividend growth of 15.0% for our portfolio companies. This compares to the median of the S&P 500® constituents of 4.4% as forecast by consensus.

The ETF finished the year off strong returning 28.0% for the year compared to 28.2% for the S&P 500® Index, in Canadian dollars. See the Financial Highlights section and the Past Performance section for key financial information and returns of the USD units.

The ETF's underweight positions in the Communication Services and Consumer Staples sectors, and overweight position in Information Technology, were primary contributors to performance. Security selection in the Health Care, Materials and Consumer Discretionary sectors was also a top contributor. The investment factors that contributed most to performance were quality-related (profitability, volatility and earnings variability).

Top individual contributors to performance included Applied Materials Inc., which benefited from a strong capital investment cycle in the semiconductor industry and closed its valuation discount relative to its peers. Intuit Inc. benefited from solid results in its core tax and accounting software markets, better-than-expected results from the integration of its Credit Karma, LLC business, and the potential of its



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Mailchimp acquisition. Broadcom Inc. outperformed as its semiconductor business benefited from spending on cloud computing, data centers and 5G, and as the company continued to execute on its software acquisitions.

Security selection within the Communication Services sector was the primary detractor from performance. Investment factors that detracted from performance included value, size and yield.

Top individual detractors included Communication Services company Activision Blizzard Inc. after a lawsuit alleged an environment of harassment and inequality. The subsequent coverage detailing the company's cultural challenges, and related delays affecting two key game releases, also weighed on the stock. Visa Inc. and Mastercard Inc. struggled with the continued impact of COVID-19 on high-margin cross-border and business travel, as well as concerns about competitive pressures in the dynamic payments market.

Thermo Fisher Scientific Inc. was added to the ETF in the first quarter, following a period of substantial underperformance by the stock. The Manager believes the company is well positioned to benefit from innovation in the biomedical technology market. Applied Materials Inc., one of the world's largest semiconductor equipment manufacturers, was also purchased in January. Capital intensity within the semiconductor industry's customer base is rising as leading technology nodes become more complex and require more processes. Applied Materials Inc. represented a compelling opportunity within the industry based on its discounted valuation and leading market share. Advance Auto Parts Inc. was added to the portfolio in the third quarter due to the opportunity the company had to close the performance gap relative some peers.

The ETF's holding in Danaher Corp. was sold as the Manager was able to acquire similar exposure to the life science and diagnostic tools market with Thermo Fisher Scientific Inc., which had better forecasted dividend growth and a more reasonable valuation. Tyson Foods Inc. was eliminated as the Manager's investment thesis did not work out as expected. The company's chicken segment struggled to reach appropriate profit levels, and challenges were compounded by COVID-19 as consumers shifted away from eating at

restaurants to eating at home. Additionally, several of the company's plants experienced higher absenteeism and shutdowns related to the pandemic. CME Group Inc. was sold after the Manager's outlook for the company diminished as a result of the impact of low interest rates on trading-driven businesses.

All holdings were brought back to equal weights in early January and April. The Manager introduced a threshold based rebalancing process departing from strict equal weighting during the third quarter.

Recent Developments

Real yields on many government and corporate bonds are negative and general market risks remain elevated (valuations, Federal Reserve tightening, inflation, etc.). The Manager believes their high dividend growth strategy is increasingly attractive to investors with income requirements, particularly those who can withstand some of the daily volatility of public stock prices and stay focused on compounding income over long periods of time.

Related-Party Transactions

Manager, Trustee and Portfolio Manager

Bristol Gate Capital Partners Inc. ("Bristol Gate") is registered as a portfolio manager and exempt market dealer in the provinces of Ontario, Quebec, Alberta, British Columbia and Manitoba and is also registered as an investment fund manager in the Provinces of Ontario and Quebec.

Bristol Gate is also registered with the U.S. Securities and Exchange Commission as an investment advisor under the Investment Advisors Act of 1940. Bristol Gate is the Manager, Trustee and Portfolio Manager of the ETF. Bristol Gate is responsible for the ETF's day-to-day operations and provides investment advice and portfolio management services to the ETF. Bristol Gate is only paid a management fee by the ETF as compensation for its services. The management fee is calculated and accrued daily and is based on a percentage of the net asset value of the ETF.

The ETF paid management fees to the Manager, inclusive of HST, of \$1,441,467 for the Period.



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The Manager has chosen to absorb certain operating expenses for which the ETF is responsible.

The Manager has appointed the Independent Review Committee (IRC) established under the Canadian Securities Administrators' National Instrument 81-107 Independent Review Committee for Investment Funds. The mandate of the IRC is to review and provide recommendations or approval, as required, regarding certain conflict of interest matters referred to it by the Manager on behalf of its managed ETFs. The IRC consists of three members, all of whom are independent of the Manager. Members of the IRC receive fees for services rendered. These fees and expenses, plus associated legal and insurance costs, are allocated among the ETFs managed by the Manager. During the period, the ETF did not rely on a positive recommendation, or approval, of the IRC with respect to any related party transactions.

Management Fees

The ETF pays a management fee, plus applicable taxes, to the Manager based on the annual rate of 0.70%, before GST/HST, of the net asset value of the ETF. This management fee is calculated and accrued daily and payable on the last Valuation Date of each month or on such date as the Manager may determine.

The management fee for the ETF compensates the Manager for providing portfolio advisory and investment management services to the ETF and for providing or arranging for other managerial and administrative services to the ETF including: arranging for payment of operating expenses; providing office space, facilities and personnel; preparing financial and tax information; preparing and providing financial statements, MRFPs and other required reports to unitholders; ensuring compliance with regulatory and exchange listing requirements; determining distributions; communicating with unitholders and calling meetings of unitholders; administering the purchase, exchange and redemptions of ETF units; and contracting with third party providers of services to the ETF.



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FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF's financial performance for each of the fiscal periods presented below. For the period ended December 31, 2018 (the ETF was established in 2018), the "period" is from February 15 to December 31, 2018.

Net Assets Per Unit - CAD Units (in Canadian Dollars) 1

	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Net assets, beginning of period	\$29.47	\$27.18	\$21.30	\$20.00
Increase (decrease) from operations:				
Total revenue	\$0.37	\$0.41	\$0.45	\$0.34
Total expenses [excluding distributions]	(\$0.33)	(\$0.30)	(\$0.29)	(\$0.20)
Realized gains (losses) for the period	\$1.42	(\$1.34)	\$0.83	\$0.42
Unrealized gains (losses) for the period	\$6.81	\$3.77	\$3.81	(\$0.03)
Total increase (decrease) from operations	\$8.27	\$2.54	\$4.80	\$0.53
Annual distributions:				
From Income (Excluding Dividends)	\$0.00	\$0.00	\$0.00	\$0.00
From Dividends	\$0.04	\$0.09	\$0.05	\$0.06
From Capital Gains	\$0.00	\$0.00	\$0.29	\$0.29
Return of Capital	\$0.00	\$0.00	\$0.00	\$0.00
Total annual distributions ²	\$0.04	\$0.09	\$0.34	\$0.35
Net assets, end of period ³	\$37.73	\$29.47	\$27.18	\$21.30

- 1. This information is derived from the ETF's audited annual financial statements. The net assets per security presented in the financial statements may differ from the net asset value calculated for ETF pricing purposes. An explanation of any differences can be found in the notes to the financial statements.
- 2. The ETF made distributions on a notional basis. A notional distribution is when the units from a reinvested distribution are immediately consolidated with the units held prior to the distribution and the number of units held after the distribution is identical to the number of units held before the distribution.
- 3. Net assets 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. This table is not intended to be a reconciliation of beginning to ending net assets per unit.



For the 12-month period ended December 31, 2021 (the "Period")

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Net Assets Per Unit - USD Units (in Canadian Dollars) 1

	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Net assets, beginning of period	\$29.47	\$27.18	\$21.30	\$20.00
Increase (decrease) from operations:				
Total revenue	\$0.37	\$0.40	\$0.44	\$0.34
Total expenses [excluding distributions]	(\$0.34)	(\$0.30)	(\$0.29)	(\$0.22)
Realized gains (losses) for the period	\$1.38	(\$1.33)	\$0.74	\$0.35
Unrealized gains (losses) for the period	\$6.97	\$3.60	\$3.58	(\$0.36)
Total increase (decrease) from operations	\$8.38	\$2.37	\$4.47	\$0.11
Annual distributions:				
From Income (Excluding Dividends)	\$0.00	\$0.00	\$0.00	\$0.00
From Dividends	\$0.04	\$0.09	\$0.05	\$0.06
From Capital Gains	\$0.00	\$0.00	\$0.29	\$0.29
Return of Capital	\$0.00	\$0.00	\$0.00	\$0.00
Total annual distributions ²	\$0.04	\$0.09	\$0.34	\$0.35
Net assets, end of period ³	\$37.73	\$29.47	\$27.18	\$21.30

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Ratios and Supplemental Data - CAD Units (in Canadian Dollars)

	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Total net asset value (000's)	99,992	75,161	50,277	10,651
Number of units outstanding ¹	2,650,000	2,550,000	1,850,000	500,000
Management expense ratio ²	0.85%	0.85%	0.85%	0.81%
Management expense ratio before waivers or absorptions ²	0.88%	0.92%	1.28%	2.13%
Portfolio turnover rate ³	26.39%	35.50%	52.65%	49.83%
Trading expense ratio ⁴	0.00%	0.01%	0.01%	0.01%
Net asset value per unit	\$37.73	\$29.47	\$27.18	\$21.30
Closing market price – BGU	\$37.88	\$29.32	\$27.11	\$21.19

- 1. This information is as of December 31 for the year indicated.
- 2. The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. The Manager may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption of certain operating expenses by the Manager, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by the Manager. Administration expenses for the first six months from the ETF launch date were waived by the fund administrator.
- 3. The ETF's portfolio turnover rate indicates how actively the ETF's Portfolio Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all the securities in its portfolio once in the course of the year. The higher the ETF's portfolio turnover rate in a year, the greater the trading costs payable by the ETF 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 the ETF.
- 4. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.



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Ratios and Supplemental Data - USD Units (in Canadian Dollars)

	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019	Dec 31, 2018
Total net asset value (000's)	120,745	75,161	65,224	6,391
Number of units outstanding ¹	3,200,000	2,550,000	2,400,000	300,000
Management expense ratio ²	0.85%	0.85%	0.84%	0.92%
Management expense ratio before waivers or absorptions ²	0.88%	0.92%	1.16%	2.19%
Portfolio turnover rate ³	26.39%	35.50%	52.65%	49.83%
Trading expense ratio ⁴	0.00%	0.01%	0.01%	0.01%
Net asset value per unit	\$37.73	\$29.47	\$27.18	\$21.30
Net asset value per unit (in US Dollars)	\$29.87	\$23.14	\$20.96	\$15.60
Closing market price – BGU.U (in US Dollars)	\$29.85	\$23.00	\$20.85	\$15.28

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- 3. The ETF's portfolio turnover rate indicates how actively the ETF's Portfolio Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all the securities in its portfolio once in the course of the year. The higher the ETF's portfolio turnover rate in a year, the greater the trading costs payable by the ETF 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 the ETF.
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PAST PERFORMANCE

The performance information assumes that all distributions made by the ETF in the periods shown were reinvested in additional units of the ETF. The past performance does not take into account sales, redemption, distribution or other optional charges or income taxes payable by the unitholders that, if applicable, would have reduced returns or performance. How the ETF performed in the past does not indicate how it will perform in the future.

Year-by-Year Returns 1

The charts show you the ETF Unit's annual historical returns since inception.



*Return from inception date of February 15, 2018 to December 31, 2018

 Annual return is the percentage change in the value of an investment from January 1 to December 31, unless otherwise noted. The chart shows, in percentage terms, how much an investment made on the first day of the financial year would have grown or decreased by the last day of each financial year.

BGU - USD Units (in USD)



^{*}Return from inception date of February 15, 2018 to December 31, 2018

 Annual return is the percentage change in the value of an investment from January 1 to December 31, unless otherwise noted. The chart shows, in percentage terms, how much an investment made on the first day of the financial year would have grown or decreased by the last day of each financial year.

Annual Compound Returns

The table shows the annual compound returns of the ETF Units for each of the periods indicated ended on December 31, 2021, compared with the following benchmark:

S&P 500® Total Return Index

BGU – CAD Units	Since Inception	Past 5 Years		Past 1 Year
ETF	17.8%	-	21.0%	28.0%
Benchmark (in CAD)	17.9%	-	23.0%	28.2%

BGU – USD Units	Since Inception	Past 5 Years		Past 1 Year
ETF	17.6%	-	24.2%	29.1%
Benchmark (in USD)	17.5%	-	26.1%	28.7%

Benchmark Description

The S&P 500® Total Return Index measures the performance of the broad US equity market, including dividend reinvestment.

A discussion of the performance of the ETF as compared to its benchmark is found in the Results of Operations section of this report.



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SUMMARY OF INVESTMENT PORTFOLIO

Asset Allocation ### 67 Net Asset Value Equities 99.37% Cash 0.58% Other assets less liabilities 0.05% Total 100%

Sector Allocation

	% of Net Asset Value
Information Technology	34.72%
Consumer Discretionary	17.80%
Health Care	15.74%
Industrials	12.99%
Materials	5.22%
Financials	4.71%
Real Estate	4.61%
Communication Services	3.58%
Other assets less liabilities	0.63%
Total	100%

Geographic Allocation

	% of Net Asset Value
United States	99.37%
Other assets less liabilities	0.63%
Total	100%

Top Holdings

		% of Net Asset Value
1	Zoetis Inc. Class A	5.41%
2	Thermo Fisher Scientific Inc.	5.27%
3	Sherwin-Williams Co	5.22%
4	Broadcom Inc.	5.19%
5	UnitedHealth Group Inc.	5.05%
6	Microsoft Corp.	4.98%
7	Home Depot Inc.	4.92%
8	Intuit Inc.	4.91%
9	Cintas Corp.	4.76%
10	Moody's Corp.	4.71%
11	Advance Auto Parts Inc.	4.67%
12	American Tower Corp.	4.61%
13	Broadridge Financial Solutions Inc.	4.44%
14	Roper Technologies Inc.	4.42%
15	Dollar General Corp.	4.32%
16	Applied Materials Inc.	4.29%
17	Starbucks Corp.	3.89%
18	Allegion PLC	3.81%
19	Visa Inc. Class A	3.69%
20	Texas Instruments Inc.	3.65%
21	Mastercard Inc. Class A	3.58%
22	Activision Blizzard Inc.	3.58%
Tota	ıl	99.37%

The summary of investment portfolio may change due to the ETF's ongoing portfolio transactions and a quarterly update is available at www.bristolgate.com.

The sectors referenced in the above Sector Allocation table are based on the Global Industry Classification Standard. The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and S&P Global Market Intelligence ("S&P") and is licensed for use by Bristol Gate Capital Partners Inc. Neither MSCI, S&P, nor any other party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect



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to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

A NOTE ABOUT FORWARD-LOOKING STATEMENTS

This Management Report of Fund Performance may contain forward-looking statements including, but not limited to, statements about the ETF, its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events and conditions or include words such as "may", "could", "would", "should", "expect", "anticipate", "intend", "plan", "believe", "estimate" and similar forward-looking expressions or negative versions thereof.

These forward-looking statements are subject to various risks and uncertainties, including the risks described in the Prospectus of the ETF, uncertainties and assumptions about the ETF, capital markets and economic factors, which could cause actual financial performance and expectations to differ materially from the anticipated performance or other expectations expressed. Economic factors include, but are not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

Readers are cautioned not to place undue reliance on forward-looking statements and consider the above- mentioned factors and other factors carefully before making any investment decisions. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith. Forward-looking statements are

not guarantees of future performance, and actual results could differ materially from those expressed or implied in any forward-looking statements made by the ETF. The Manager has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation.

DISCLOSURES

The S&P 500® Total Return Index measures the performance of the broad US equity market, including dividend reinvestment, in Canadian dollars. This index is provided for information only and comparisons to the index has limitations. The benchmark is an appropriate standard against which the performance of the ETF can be measured over longer time periods as it represents the primary investment universe from which Bristol Gate selects securities. However, Bristol Gate's portfolio construction process differs materially from that of the benchmark and the securities selected for inclusion in the ETF are not influenced by the composition of the benchmark. For example, the ETF is a concentrated portfolio of approximately equally weighted dividend-paying equity securities, rebalanced quarterly whereas the benchmark is a broad stock index (including both dividend and non-dividend paying equities) that is market capitalization weighted. As such, ETF performance deviations relative to the benchmark may be significant, particularly over shorter time periods. The ETF has concentrated investments in a limited number of companies; as a result, a change in one security's value may have a more significant effect on the ETF's value.