TSX:TLF

BROMPTON FUNDS

Brompton Tech Leaders Income ETF
Annual Report 2019

Equal-weight portfolio of large-capitalization technology companies.

VALUE INTEGRITY PERFORMANCE

- THE FOUNDATION FOR EXCELLENCE -

MANAGEMENT REPORT OF FUND PERFORMANCE

March 18, 2020

This annual management report of fund performance for Brompton Tech Leaders Income ETF (the "Fund") contains financial highlights but does not contain the audited annual financial statements of the Fund. The audited annual financial statements follow this report. You may obtain a copy of the audited annual or unaudited interim financial statements, at no cost, by calling 1-866-642-6001 or by sending a request to Investor Relations, Brompton Funds, Bay Wellington Tower, Brookfield Place, 181 Bay Street, Suite 2930, Box 793, Toronto, Ontario, M5J 2T3, or by visiting our website at www.bromptongroup.com or SEDAR at www.sedar.com. Unitholders may also contact Brompton Funds by using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, Independent Review Committee's report, or quarterly portfolio disclosure.

THE FUND

Brompton Tech Leaders Income ETF is an exchange-traded investment fund managed by Brompton Funds Limited (the "Manager"). The Canadian dollar denominated units ("CAD units") of the Fund trade on the Toronto Stock Exchange ("TSX") under the symbol TLF and the U.S. dollar denominated units ("USD units") of the Fund trade on the TSX under the symbol TLF.U. The CAD units and USD units of the Fund are RRSP, DPSP, RRIF, RESP and TFSA eligible.

INVESTMENT OBJECTIVES AND STRATEGIES

The Fund's investment objectives are to provide unitholders with (i) stable monthly cash distributions; (ii) the opportunity for capital appreciation; and (iii) reduce overall volatility of portfolio returns than would otherwise be experienced by owning securities of technology companies directly. The Fund seeks to achieve the investment objectives by investing in an approximately equally weighted portfolio comprised of large-capitalization North American listed technology companies and by writing covered call options on up to 33% of the portfolio. To be considered for inclusion in the portfolio, at the time of investment and at the time of each periodic reconstruction and/or rebalancing, each technology company must have a market capitalization of at least US$10 billion. Each such qualifying technology company will be evaluated based on the following metrics (among others): (i) growth; (ii) value; (iii) profitability; (iv) liquidity; and (v) balance sheet strength. The Fund may also invest up to 25% of total assets in other technology-related companies or non-North American listed technology companies. The portfolio is rebalanced and reconstituted at least annually but may be reconstituted and/or rebalanced more frequently at the Manager's discretion.

RECENT DEVELOPMENTS

Market Volatility

This annual management report of fund performance was prepared based on the market value of the Fund's portfolio as of December 31, 2019. Between January 1, 2020 to March 18, 2020 (date of the report), stock markets worldwide experienced significant price volatility, because of various concerns, including COVID-19 and a decline in price of oil. The Fund's Net Asset Value reflecting the value of the Fund's portfolio based on the most recent valuation date can be found on the Fund's webpage at www.bromptongroup.com.

RISKS

Risks associated with an investment in the units of the Fund are discussed in the Fund's prospectus, which is available on the Fund's website at www.bromptongroup.com or on SEDAR at www.sedar.com. There were no changes during the year ended December 31, 2019 that materially affected the risks associated with an investment in the units of the Fund as they were discussed in the Fund's prospectus.

RESULTS OF OPERATIONS

Distributions

Cash distributions for the year ended December 31, 2019 amounted to $0.65 per CAD unit, reflecting monthly payments of $0.054 per CAD unit, unchanged from 2018. Since inception, the Fund has paid total cash distributions of $5.6 per CAD unit. For the period from August 12, 2019 to December 31, 2019, the Fund also paid US$0.25 per USD unit, reflecting monthly payments of US$0.054 per USD unit. The Fund has a dividend reinvestment plan which allows unitholders of CAD units to automatically reinvest monthly distributions, commission free, in additional CAD units of the Fund. In 2019, 6,171 CAD units were acquired in the market pursuant to this plan.

Changes in Net Assets from Operations (see Financial Highlights)

The Fund generated total revenue of $0.14 per CAD unit during 2019 compared to $0.13 per CAD unit in 2018. Expenses in 2019 were $0.15 per CAD unit compared to $0.17 per CAD unit in 2018. The Fund generated total revenue of US$0.06 per USD unit and expenses of US$0.07 per USD unit since inception in August 2019.

Net Asset Value

The Net Asset Value per CAD unit of the Fund was $14.05 at December 31, 2019 compared to $10.77 at December 31, 2018, a 30.4% increase as a result of positive performance from investments. The Net Asset Value per USD unit of the Fund was US$14.33, up from inception price on August 12, 2019 at US$13 per unit. This is a US$1.33 per unit or 10.2% increase. The aggregate Net Asset Value of the Fund was $40.3 million at December 31, 2019, up $8.9 million from $31.4 million at December 31, 2018 due to an $11.5 million increase from operations and $4.3 million of unit subscriptions, partially offset by $5.0 million for redemptions and $1.9 million in distributions.

Investment Portfolio

At December 31, 2019, the Fund's investments included 20 technology companies (18 at December 31, 2018) across 13 sectors. The portfolio's investment weighting (excluding cash and short-term investments) and detailed listing of the Fund's security holdings is provided in the financial statements. The Fund's portfolio recorded a net realized and a change in unrealized gain of $11.5 million in 2019. The largest gains were made in the data processing and outsourced services sector, systems software and technology hardware. The leading performers were Apple Inc. (net realized and unrealized gain of $1.43 million), Mastercard Incorporated (net realized and unrealized gain of $1.40 million) and CDW Corporation (net realized and unrealized gain of $1.14 million).

Part of the Fund's investment strategy is to write covered call options on the portfolio securities in order to earn option premiums and lower the overall volatility of returns associated with owning a portfolio of equity securities. During 2019, the Fund wrote covered call options on the underlying securities in the portfolio and generated premiums of $10.6 million. The realized loss on option writing was $0.6 million, which represented the premium received, less the amount paid to close out the options at expiry. The average notional value of the option contracts was approximately 17.8% of the Fund's portfolio. There were 12 outstanding option contracts at December 31, 2019, with a notional value representing 10.9% of the portfolio.

The Fund's portfolio is comprised of US dollar denominated securities. At December 31, 2019, the Fund's exposure to the US dollar was substantially hedged through its foreign currency forward contract of US$28.6 million notional value. The Fund had a net gain of $0.07 million for its CAD units from foreign currency forward contracts in 2019.

Portfolio Sectors

Net Gains (Losses) by Sector (millions)	% of Portfolio as of 31-Dec-19	Realized $	Change in Unrealized $	Total $
Application software	9.0	-	0.6	0.6
Communications equipment	-	1.0	(0.4)	0.6
Data processing and outsourced services	17.7	1.2	1.2	2.4
Electronic components	5.7	0.1	0.4	0.5
Electronic equipment and instruments	5.9	0.3	0.8	1.1
Interactive media and entertainment	5.6	0.5	(0.3)	0.2
Internet and direct marketing retail	2.6	0.6	(0.4)	0.2
IT consulting and other services	5.9	0.4	0.2	0.6
Research and consulting services	5.9	-	-	-
Semiconductor equipment	5.7	-	0.3	0.3
Semiconductors	10.8	0.2	(0.1)	0.1
Specialized REITs	-	0.3	0.1	0.4
Systems software	12.2	1.1	0.2	1.3
Technology distributors	5.9	0.2	1.0	1.2
Technology hardware	7.1	0.1	1.1	1.2
Options	-	(0.6)	-	(0.6)
Foreign currency forward contracts	-	0.1	1.3	1.4
Total	**100.0**	**5.5**	**6.0**	**11.5**

Liquidity

To provide liquidity for unitholders, CAD units of the Fund are listed on the TSX under the symbol TLF for CAD units and TLF.U for USD units. As an ETF, the Fund has a designated broker who has an active bid/ask offer approximating Net Asset Value per unit to provide significant daily trading liquidity for the Fund's units. During the year ended December 31, 2019, total CAD subscriptions were 200,000 at an average price of $11.77 per unit and total USD subscriptions were 112,500 at an average price of US$13.14 per unit. Investors also may redeem their units in accordance with the Fund's redemption provisions. In 2019, 400,000 CAD units were redeemed at an average price of $12.59 per unit.

RELATED PARTY TRANSACTIONS

Related party transactions consist of services provided by the Manager pursuant to a management agreement. See the Management Fees section below.

MANAGEMENT FEES

The Manager provides investment management and administrative services to the Fund, for which it is paid a management fee equal to 0.75% per annum of the Net Asset Value of the Fund, plus applicable taxes. For the year ended December 31, 2019, management fees were $0.3 million. The Manager has agreed to waive a portion of the management fees and/or reimburse the Fund to ensure that the management expense ratio is limited to approximately 0.95% (inclusive of GST/HST). For the year ended December 31, 2019, the Manager waived $0.1 million of management fees.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help readers understand the Fund's financial performance for the fiscal periods indicated. This information is derived from the Fund's audited annual financial statements. *The information in the following tables is presented in accordance with National Instrument ("NI") 81-106 and, as a result, does not act as a continuity of opening and closing Net Assets per unit.* The increase (decrease) in Net Assets from operations is based on average units outstanding during the period, and all other numbers are based on actual units outstanding at the relevant point in time.

Net Assets per Unit

CAD Units[1]

For the year ended December 31	2019 $	2018 $	2017 $	2016 $	2015 $
Net Assets per unit, beginning of year[2]	**10.77**	10.92	8.66	8.63	10.65
Increase (decrease) from operations:[3]					
Total revenue	**0.14**	0.13	0.10	0.12	0.17
Total expenses	**(0.15)**	(0.17)	(0.20)	(0.19)	(0.19)
Realized gains (losses)	**1.88**	1.76	1.85	1.43	(0.18)
Unrealized gains (losses)	**2.07**	(1.04)	1.17	(0.68)	(1.18)
Total increase (decrease) in Net Assets from operations	**3.94**	0.68	2.92	0.68	(1.38)
Distributions to unitholders:[2]					
Return of capital	**0.65**	0.65	0.65	0.65	0.65
Total distributions to unitholders	**0.65**	0.65	0.65	0.65	0.65
Net Assets per unit, end of year[2]	**14.05**	10.77	10.92	8.66	8.63

1 Financial information is prepared in accordance with International Financial Reporting Standards.
2 Net Assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time.
3 The increase (decrease) in Net Assets from operations per unit is based on the weighted average number of units outstanding over the fiscal period.

USD Units (USD)[1]

For the period ended December 31[2]	2019 $
Net Assets per unit, beginning of period[3]	**13.00**
Increase (decrease) from operations:[4]	
Total revenue	**0.06**
Total expenses	**(0.07)**
Realized gains (losses)	**0.77**
Unrealized gains (losses)	**0.61**
Total increase (decrease) in Net Assets from operations	**1.37**
Distributions to unitholders:[3]	
Return of capital	**0.25**
Total distributions to unitholders	**0.25**
Net Assets per unit, end of period[3]	**14.33**

1 Financial information is prepared in accordance with International Financial Reporting Standards.
2 Period from August 12, 2019 (commencement of USD units) to December 31, 2019.
3 Net Assets per unit and distributions per unit are based on the actual number of units outstanding at the relevant time.
4 The increase (decrease) in Net Assets from operations per unit is based on the weighted average number of units outstanding over the fiscal period.

Ratios and Supplemental Data (Based on Net Asset Value)

CAD Units

As at December 31	2019	2018	2017	2016	2015
Net Asset Value ($) (000s)	**38,219**	31,449	37,672	35,431	46,151
Number of units outstanding (000s)	**2,721**	2,921	3,450	4,089	5,350
Management expense ratio (“MER”)[1]	**0.97%**	1.15%	1.65%	1.71%	1.68%
MER before expense absorption	**1.22%**	1.37%	1.65%	1.71%	1.68%
Trading expense ratio[2]	**0.07%**	0.05%	0.07%	0.10%	0.12%
Portfolio turnover rate[3]	**56.77%**	29.57%	39.55%	73.93%	41.79%
Net Asset Value per unit ($)	**14.05**	10.77	10.92	8.66	8.63
Closing market price – units ($)	**13.96**	10.71	10.90	8.45	8.49

USD Units (USD)

As at December 31	2019
Net Asset Value ($) (000s)	**1,612**
Number of units outstanding (000s)	**113**
Management expense ratio (“MER”)[1]	**0.94%**
MER before expense absorption	**1.20%**
Trading expense ratio[2]	**0.07%**
Portfolio turnover rate[3]	**56.77%**
Net Asset Value per unit ($)	**14.33**
Closing market price – units ($)	**13.00**

1 MER is based on the requirements of NI 81-106 and includes the total expenses (excluding commissions and other portfolio transaction costs) of the Fund for the stated period, including interest expense and issuance costs, and is expressed as an annualized percentage of the average Net Asset Value of the period. Please see the Expense Ratio section following this table for further discussion of the calculation.
2 The trading expense ratio represents total commissions expressed as an annualized percentage of daily average Net Asset Value of the Fund during the period.
3 The Fund’s portfolio turnover rate indicates how actively the Fund 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 the 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 the Fund. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period, excluding cash and short-term investments maturing in less than one year, by the average market value of such investments during the period.

Expense Ratio

The MER for the CAD units was 0.97% for the year ended December 31, 2019 compared to 1.15% in 2018. The MER for the CAD units was 0.02% higher than the capped MER of 0.95% due to governance of expenses paid by the Fund. For the period ended December 31, 2019, the MER for the USD units was 0.94%. The MER has been capped at approximately 0.95% (inclusive of HST/GST) since the Fund converted to an exchange-traded fund in April 2018.

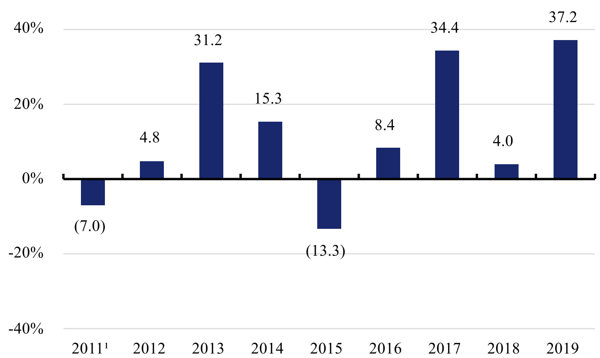
PAST PERFORMANCE

The following chart and table show the past performance of the Fund. Past performance does not necessarily indicate how the Fund will perform in the future. The information shown is based on Net Asset Value per CAD unit and assumes that distributions made by the Fund on its units in the periods shown were reinvested (at Net Asset Value per CAD unit) in additional units of the Fund. The historical performance of the Fund's USD units is not presented as the USD units commenced operations on August 12, 2019 and, accordingly, have been in existence for less than one year.

The bar chart shows the Fund's return in each period since inception to December 31, 2019. The chart shows, in percentage terms, how an investment held on the first day of the fiscal period would have changed by the last day of the fiscal period.

Year-by-Year Returns - CAD Units

Returns (%)



1 Period from May 20, 2011 (commencement of operations) to December 31, 2011.

Annual Compound Returns

The following table shows the Fund's compound return for each period indicated compared with the S&P 500 Information Technology Index ("Technology Index") and the S&P/TSX Composite Index ("Composite Index"). The Technology Index, a sub-index of the S&P 500 Index, tracks the performance of major North American technology companies on a market-weight basis. The Composite Index tracks the performance, on a market-weight basis, of a broad index of large-capitalization issuers listed on the TSX. Since the indices contain a substantially larger number of companies, it is not expected that the Fund's performance will mirror that of the indices. The indices are calculated without the deduction of management fees, fund expenses and trading commissions, whereas the performance of the Fund is calculated after deducting such fees and expenses.

	1-Year %	3-Year %	5-Year %	Since Inception %[1]
Brompton Tech Leaders Income ETF - CAD units	37.2	24.3	12.5	12.0
S&P 500 Information Technology Index	50.3	27.7	20.2	18.6
S&P/TSX Composite Index	22.8	6.9	6.3	5.8

1 Period from May 20, 2011 (commencement of operations) to December 31, 2019.

The historical performance of the Fund's USD units is not presented as the USD units commenced operations on August 12, 2019 and, accordingly, have been in existence for less than one year.

During 2019, the Fund delivered strong overall performance due to solid stock selection combined with strong sector performance led by Apple Inc. (net realized and unrealized gain of $1.43 million), Mastercard Incorporated (net realized and unrealized gain of $1.40 million), CDW Corporation (net realized and unrealized gain of $1.14 million), Microsoft Corporation (net realized and unrealized gain of $1.14 million) and Keysight Technologies Inc. (net realized and unrealized gain of $1.12 million). During the most recent period, the Fund also outperformed the Composite Index but underperformed the Technology Index. The Fund's diversified portfolio approach ensures that investors are not over-exposed to a few large holdings in the event that those large holdings decline materially in value. The Technology Index derives about 40% of its return from 2 stocks which represents a significant level of concentration risk which cannot be replicated in an active investment fund. The Fund wrote call options which offset some portfolio gains but reduced the volatility in the portfolio. Please see the Portfolio Manager's Report for further details.

SUMMARY OF INVESTMENT PORTFOLIO

As at December 31, 2019

Total Net Asset Value	**$**	**40,312,264**

Portfolio Composition	**% of Portfolio**	**% of Net Asset Value**
Data processing and outsourced services	17.6	17.4
Systems software	12.2	12.1
Semiconductors	10.7	10.6
Application software	9.0	8.9
Technology hardware	7.0	7.0
IT consulting and other services	5.9	5.8
Research and consulting services	5.9	5.8
Technology distributors	5.9	5.8
Electronic equipment and instruments	5.8	5.8
Semiconductor equipment	5.7	5.6
Electronic components	5.6	5.6
Interactive media and entertainment	5.6	5.5
Internet and direct marketing retail	2.6	2.6
Cash and short-term investments	0.5	0.5
Total investment portfolio	100.0	99.0
Other net assets		1.0
Total Net Asset Value		**100.0**

Holdings	**% of Portfolio**	**% of Net Asset Value**
Apple Inc.	7.0	7.0
Microsoft Corporation	6.8	6.8
Adobe Inc.	6.4	6.3
Accenture PLC.	5.9	5.8
Mastercard Incorporated	5.9	5.8
Visa Inc.	5.9	5.8
IHS Markit Ltd.	5.9	5.8
CDW Corporation	5.9	5.8
Fiserv Inc.	5.8	5.8
Keysight Technologies Inc.	5.8	5.8
Texas Instruments Inc.	5.8	5.8
Amphenol Corporation	5.7	5.6
Alphabet Inc.	5.6	5.5
ServiceNow Inc.	5.3	5.3
ASML Holding NV	3.0	3.0
Salesforce.com Inc.	2.7	2.6
KLA Corp.	2.6	2.6
Amazon.com Inc.	2.6	2.6

Holdings (cont'd)	% of Portfolio	% of Net Asset Value
Marvell Technology Group Ltd.	2.5	2.4
STMicroelectronics NV	2.4	2.4
Cash and short-term investments	0.5	0.5
Total	**100.0**	**99.0**

The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available on the Fund's website at www.bromptongroup.com within 60 days of each quarter end.

2019 TAX INFORMATION

The following information is applicable to holders who, for the purpose of the Income Tax Act (Canada), are resident in Canada and hold units as capital property outside of an RRSP, DPSP, RRIF, RESP or TFSA. Unitholders should receive a T3 slip from their investment dealer providing this information.

T3 supplementary slips for holdings of the Fund will indicate Other Income (Investment Income and Non-Investment Income) in Box 26, Foreign Non-Business Income in Box 25, Capital Gains in Box 21 and Eligible Dividend Income in Box 49. Dividend income is subject to the standard gross-up and federal dividend tax credit rules.

The return of capital component is a non-taxable amount that serves to reduce the adjusted cost base of Fund units and is reported on the T3 supplementary slips in Box 42.

The following table outlines the breakdown in the Fund's distributions declared in 2019 on a per unit basis.

CAD Units

Record Date	Payment Date	Return of Capital $	Total Distributions $
31-Jan-19	14-Feb-19	0.05400	0.05400
28-Feb-19	14-Mar-19	0.05400	0.05400
29-Mar-19	12-Apr-19	0.05400	0.05400
30-Apr-19	14-May-19	0.05400	0.05400
31-May-19	14-Jun-19	0.05400	0.05400
28-Jun-19	15-Jul-19	0.05400	0.05400
31-Jul-19	15-Aug-19	0.05400	0.05400
30-Aug-19	16-Sep-19	0.05400	0.05400
30-Sep-19	15-Oct-19	0.05400	0.05400
31-Oct-19	14-Nov-19	0.05400	0.05400
29-Nov-19	13-Dec-19	0.05400	0.05400
31-Dec-19	15-Jan-20	0.05400	0.05400
		0.64800	**0.64800**

USD Units (USD)

Record Date	Payment Date	Return of Capital $	Total Distributions $
30-Aug-19	16-Sep-19	0.03484	0.03484
30-Sep-19	15-Oct-19	0.05400	0.05400
31-Oct-19	14-Nov-19	0.05400	0.05400
29-Nov-19	13-Dec-19	0.05400	0.05400
31-Dec-19	15-Jan-20	0.05400	0.05400
		0.25084	**0.25084**

This information is of a general nature and does not constitute legal or tax advice to any particular investor. Accordingly, investors are advised to consult their own tax advisors with respect to their individual circumstances.

PORTFOLIO MANAGER

Brompton Funds Limited

Brompton Funds Limited is a portfolio manager in addition to being an investment fund manager. It is the portfolio manager of six Brompton split share corporations and six exchange-traded funds. The Brompton team oversees investments for several large-capitalization Canadian and global equity mandates, including an active covered call writing strategy for approximately $1.6 billion in assets, with the goal of enhancing fund cash flow and risk-adjusted returns for investors.

BROMPTON FUNDS

PORTFOLIO MANAGER'S REPORT

January 2020

U.S. Markets Review

Global markets finished the year with stellar performance. Almost all stock markets and asset classes enjoyed double digit returns for 2019. The MSCI World Index gained 28.4% with the Information Technology sector as the best performing sector, gaining 48.1% during the year. In the U.S., the S&P 500 was up 31.5% and broke above its previous all-time high in December. All 11 sectors finished the year with double digit gains, with Information Technology increasing 50.3%, followed by Communication Services at 32.7% and Financials at 32.1%. Energy and Health Care lagged the group relatively speaking, as sentiment remains weak for oil and gas stocks and Health Care equities continue to face regulatory scrutiny.

According to the latest forecast by the International Monetary Fund, the global economy is expected to grow 3.4% in 2020, a modest pickup from 2019's projected growth rate of 3.0%. Growth expectations were driven by a few topical issues. At the top of the list is progress on the U.S.- China trade war. During the month of December, expectation of a phase one trade deal between the U.S. and China partially alleviated long standing trade tensions between the two nations. As part of the trade deal, tariffs that were set to take effect on December 15th on about US$160 billion of consumer goods were averted; in exchange, China was expected to increase its purchases of American farm goods. The trade deal demonstrated compelling evidence of progress made by both sides and renewed market participants' confidence in global growth. Second, employment numbers and jobless claims are being closely monitored by investors for any signs of weakness. Employment and consumption continue to be robust and jobless claims remain at decade lows as service sectors across the globe kept labour markets buoyant and wage growth healthy. Lastly, Brexit-related fears subsided towards the end of 2019 after the U.K. held its third general election in four years in December, which resulted in Boris Johnson's Conservative party securing a parliamentary majority. We expect progress to be made on Brexit negotiations before the January 31 deadline and we anticipate 2020 to be a year of transition for the U.K.

Market performance and sentiment were also driven by central bank policies in 2019. In the U.S., the Federal Reserve (the "Fed") cut the policy rate three times during the year, reducing the target range by 75 basis points to the current range of 1.50% to 1.75%. Slowing growth in China and Europe, trade policy developments and geopolitical risks were cited as areas of concern, which drove the Fed's decision to cut interest rates. During the most recent policy meeting in December, Fed Chair Jerome Powell signaled that they would likely keep rates steady through 2020 amid a solid economy. We believe that the bar for Fed action is extremely high in a U.S. presidential election year.

Looking forward, we expect positive investor sentiment to continue to drive strong equity performance in 2020. On the U.S.-China trade front, we expect the U.S. and China to discuss the potential of a phase-two trade deal after the signing of the phase-one deal in January. In terms of central bank policy, we expect 2020 to be a quieter year for monetary policy as the Fed will be maintaining a dovish stance. Effects of the three consecutive rate cuts implemented by the Federal Reserve should begin to flow through to the economy in 2020. Lastly, in terms of volatility, we anticipate the 2020 U.S. federal election to be accompanied by slightly higher volatility during the year. Geopolitical tension between the U.S. and the Middle East could also be a source of volatility that we'll be paying close attention to.

Technology Sector Review & Outlook

The technology sector remains an attractive structural growth story. Net technology investment (as a % of GDP) is well below prior peaks but trending closer to historic averages. We see opportunity for continued growth in technology spending given its potential to boost productivity, particularly as the labour market tightens. The digital transformation opportunity, which is underpinned by enabling technologies such as cloud, hyper connectivity (e.g. 5G), digital media, e-commerce, payments and intelligent automation, provides many avenues for growth both in the near and long term. Disruptive emerging technologies, such as artificial intelligence, are expected to reshape business models and drive economic value add in the global economy. Technology has become more defensive in nature given network effects of the cloud model, magnitude of research and development and capex required, ownership of and ability to process vast amounts of data, as well as short product cycles (given rapid innovation), which reduces sensitivity to economic cycles. Stocks in our portfolio are uniquely positioned to benefit from this growth with defensive characteristics given their respective market position in the products and services they offer as well as degree of innovation that enhances competitive moats.

Worldwide IT spending is expected to grow 3.7% in 2020, up from a modest 0.4% growth in 2019 according to Gartner. The rebound in spending is expected to be driven by a recovery in enterprise software spending (10.9% growth to $507 billion in 2020), which slowed in 2019 given delayed purchasing decisions as a result of global trade tensions. IT spending growth is also being driven by the rest of the world outside the U.S. catching up on cloud spending. The U.S. is leading cloud adoption and accounts for over half of global spending on cloud. IT services is expected to grow 5.5% to $1,088 billion in 2020 given the demand for consulting and outsourcing as companies embark on their respective digital transformation strategies. The device market saw the sharpest spending decline among all segments in 2019, down 5.3% to $675 billion. However, the device market is expected to see modest growth of 1.2% in 2020. The PC market experienced growth for the first time since 2011 with 261 million units shipped driven by the Windows 10 upgrade cycles and strength in US, EMEA and Japan partially offset by Intel CPU shortages.

According to the Worldwide Semiconductor Trade Statistics, the semiconductor market is expected to recover in 2020, with growth up 5.9% to $433 billion versus a decline of 12.8% in 2019 given trade tensions. Phase one of the US- China trade deal provides needed relief for the semiconductor industry by reducing uncertainty, easing some harmful tariffs, and not adding more. While it would take some time for excess inventories to be reduced especially in end markets such as industrial and automotive, the supply-demand conditions in the memory markets are becoming more favorable driven by cloud and data center. While chipmakers and chip-equipment suppliers have expressed cautious optimism in the near-term, over the longer-term 5G and next-generation autonomous vehicles are expected to drive the next level of growth.

The communications segment came under increased regulatory scrutiny in 2019 and this is expected to persist in the near-term. There are three ongoing investigations in the US: the DOJ investigation into Apple; the FTC investigation into mainly Amazon and Facebook that is due to be completed by November 2020; and the Attorneys General of several states are investigating Google and Facebook regarding how they determine the price of their digital advertising. We note that the FTC has tended to judge companies based on three criteria (price, quality and choice), not purely on size or dominance. Unlike most oligopolies, larger tech companies do not necessarily lead to higher prices; also, they often increase the range of choice and quality. We note that back in 2013 the FTC closed an anti-trust investigation into Google, noting that there was insufficient proof that Google had stifled competition in the way it arranged its web search results. In this round the DOJ will have its turn at Google. It remains to be seen whether the current round of US anti-trust investigations will be more aggressive and result in product unbundling (similar to the DOJ's anti-bundling case against Microsoft in the 1990s) or a break-up of technology platforms (similar to the break-up of AT&T). Critics argue that inviting government control over technology platforms is a dramatic departure from the policy environment that enabled these platforms to blossom in the first place and could have unintended consequences.

Portfolio Review

The Fund was up 37.2% in 2019 versus the S&P 500 Information Technology Index, which was up 50.3%.

The Fund benefitted from being overweight the electronic equipment subsector throughout the year through its holdings of CDW (up +78%), Keysight Technologies (+65%) and Amphenol (+35%). During the year we reduced our overweight position in the communications equipment subsector by selling our positions in Motorola Solutions, Cisco, and Verizon as the risk reward was less attractive and we saw better investing opportunities elsewhere. Overall we believe demand for sensors, electronic components, related test equipment and network equipment would continue to see solid growth (2x to 3x faster than global GDP) driven by trends in automotive markets (autonomous driving), industrial (IoT), data centers (increasing scale) and 5G. As a result, we have positioned the Fund to invest in stocks that are well suited to capture the benefits from these trends.

Although we were slightly underweight IT services, the stocks we held outperformed the benchmark’s holdings with solid performance in Mastercard (+59%), Fiserv (+57%) and Accenture (+51%). Towards the end of the year we entered a position in IHS Markit, is a leading provider of critical information and analytics for the major industries, financial markets and government. In the digital economy we believe data analytics and solution providers are well positioned for long-term growth. The Fund also captured additional outperformance by being overweight technology-related sub sector such as interactive media and internet media given its holding in Alphabet (+29%) and Amazon (+23%) as well as telecom infrastructure with holdings in Crown Castle, which was sold during the year. We believe marquee names such as Alphabet and Amazon will continue to leverage their market position to consolidate power in cloud and digital, while growing its total addressable market.

Partially offsetting the Fund’s performance, were underweight positions in technology hardware and software sub sectors. In particular we were underweight Apple and Microsoft, up 89% and 58%, respectively, since they are very large weights in the benchmark (almost 40% of the benchmark on a combined basis). We continue to have a favourable view of the software sub sector which offers both growth and defensive characteristics as its subscription-based model helps drive recurring revenues resulting in high earnings and cash flow visibility. The Fund also benefited from holdings in Adobe and Oracle, the latter of which we exited during the year as we felt going forward the risk/return profile was not justified given the company’s continued reliance on a license-based revenue model with cloud growth decelerating. During the year we entered a position in ServiceNow, an enterprise IT cloud company that delivers SaaS-based applications to automate and standardize IT business processes. ServiceNow is one of the few SaaS companies with both revenue growth and solid free cash flow margin, and given the pullback in the stock during Q3, we felt risk/reward was attractive. During the year we also entered a position in salesforce.com. We see salesforce being able to leverage its large platform-as-a-service presence and range of cloud-based applications to drive organic growth, deepen its penetration and expand internationally.

Our average underweight position in semiconductors during the year also detracted from the fund’s performance. During the year we exited our position in Intel and entered positions in ASML Holdings, Marvell, Texas Instruments and STMicroelectronics. As a result of these changes the Fund was market weight in semiconductors at year end. Our new positions have well diversified product portfolios in the markets they serve and are well positioned to capture long-tail opportunities in emerging trends such as internet of things, 5G and automation. ASML has a market leading position (80%+ market share) in the largest semiconductor wafer fab equipment segment and the company is the sole provider of extreme ultraviolet lithography systems which permits next generation semiconductor manufacturing in the sub 7 nanometer scale. We believe our holdings are well positioned to benefit as the semiconductor cycle bottoms out.

Option Overlay Strategy

During 2019, our average level of overwrite was approximately 17.8% and the average strike level was approximately 105.5%. We gradually decreased the level of call writing activity in December as volatility levels normalized.

FORWARD-LOOKING STATEMENTS

Some of the statements contained herein including, without limitation, financial and business prospects and financial outlook may be forward-looking statements which reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. Words such as "may," "will," "should," "could," "anticipate," "believe," "expect," "intend," "plan," "potential," "continue" and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risk factors. Although the forward-looking statements contained herein are based on what management believes to be reasonable assumptions, we cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no obligation to update or revise them to reflect new events or circumstances, except as required by law.

MANAGEMENT RESPONSIBILITY STATEMENT

The financial statements of Brompton Tech Leaders Income ETF (the "Fund") have been prepared by Brompton Funds Limited (the ''Manager" of the Fund) and approved by the Board of Directors of the Manager. The Manager is responsible for the information and representations contained in these financial statements and the other sections of the annual report.

The Manager maintains appropriate procedures to ensure that relevant and reliable financial information is produced. Statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgements. The significant accounting policies applicable to the Fund are described in note 3 to the financial statements.

The Board of Directors of the Manager is responsible for ensuring that management fulfills its responsibilities for financial reporting and has reviewed and approved these financial statements. The Board carries out this responsibility through the Audit Committee, which is comprised of a majority of independent directors.

The Manager, with the approval of its Board of Directors, has appointed PricewaterhouseCoopers LLP as the auditor of the Fund. It has audited the financial statements of the Fund in accordance with Canadian generally accepted auditing standards to enable it to express to unitholders its opinion on the financial statements. The auditor has full and unrestricted access to the Audit Committee to discuss its findings.

(Signed) "Mark A. Caranci"

Mark A. Caranci
Chief Executive Officer
Brompton Funds Limited
March 18, 2020

(Signed) "Craig T. Kikuchi"

Craig T. Kikuchi
Chief Financial Officer
Brompton Funds Limited

INDEPENDENT AUDITOR'S REPORT

To the Unitholders and Trustee of Brompton Tech Leaders Income ETF (the Fund)

OUR OPINION

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2019 and 2018 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Fund's financial statements comprise:

- the statements of financial position as at December 31, 2019 and 2018;
- the statements of comprehensive income for the years then ended;
- the statements of cash flows for the years then ended;
- the statements of changes in net assets attributable to holders of redeemable units for the years then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

OTHER INFORMATION

Management is responsible for the other information of the Fund. The other information comprises the Management Report of Fund Performance and the information, other than the financial statements and our auditor's report thereon, included in the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (cont'd)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Derek Hatoum.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Professional Accountants,
Licensed Public Accountants
Toronto, Ontario
March 18, 2020

STATEMENTS OF FINANCIAL POSITION

As at December 31		**2019**		2018
Assets				
Current assets				
Investments	**$**	**39,711,649**	$	32,223,908
Cash		**206,200**		129,594
Amounts receivable for investments sold		**-**		550,741
Unrealized gain on foreign currency forward contracts (note 10)		**668,164**		-
Income receivable		**36,204**		33,592
Total assets		**40,622,217**		32,937,835
Liabilities				
Current liabilities				
Option contracts written, at fair value (note 11)		**100,040**		48,524
Unrealized loss on foreign currency forward contracts (note 10)		**-**		672,700
Accounts payable for redeemable units redeemed		**-**		538,318
Distributions payable to holders of redeemable units (note 6)		**154,869**		160,435
Accounts payable and accrued liabilities		**55,044**		69,103
Total liabilities (excluding Net Assets attributable to holders of redeemable units)		**309,953**		1,489,080
Net Assets attributable to holders of redeemable units	**$**	**40,312,264**	$	31,448,755
Net Assets attributable to holders of redeemable units				
CAD Units ($)		**38,219,339**		31,448,755
USD Units ($) (December 31, 2019 - US$1,611,740)		**2,092,925**		-
Redeemable units outstanding (note 4)				
CAD Units		**2,721,017**		2,921,017
USD Units		**112,500**		-
Net Assets attributable to holders of redeemable units per unit				
CAD Units ($)		**14.05**		10.77
USD Units ($) (December 31, 2019 - US$14.33)		**18.60**		-

Approved on behalf of Brompton Tech Leaders Income ETF by the Board of Directors of Brompton Funds Limited, the Manager.

(Signed) "Christopher S.L. Hoffmann"

Christopher S.L. Hoffmann
Director

(Signed) "Mark A. Caranci"

Mark A. Caranci
Director

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31	2019	2018
Income		
Securities lending income (note 9)	**$ 1,516**	$ 1,691
Net gain (loss) on foreign exchange on cash	**(3,948)**	29,542
Net gain (loss) on investments and derivatives:		
Dividend income	**400,273**	409,174
Net realized gain (loss) on sale of investments (note 8)	**6,001,157**	7,317,065
Net change in unrealized gain (loss) on investments	**4,733,828**	(1,646,351)
Net realized gain (loss) on options (note 8)	**(577,388)**	6,590
Net change in unrealized gain (loss) on options (note 11)	**(51,033)**	(16,161)
Net realized gain (loss) on foreign currency forward contracts (note 10)	**70,890**	(1,792,966)
Net change in unrealized gain (loss) on foreign currency forward contracts (note 10)	**1,340,864**	(1,648,104)
Total net gain (loss) on investments and derivatives	**11,918,591**	2,629,247
Total income (loss), net	**11,916,159**	2,660,480
Expenses		
Management fees (note 7)	**307,890**	314,074
Service fees (note 7)	**-**	44,978
Audit fees	**25,275**	34,253
Trustee fees	**3,330**	3,278
Independent Review Committee Fees (note 7)	**4,179**	4,875
Custodial fees	**1,334**	3,060
Legal fees	**11,905**	2,814
Unitholder reporting costs	**27,317**	25,188
Other administrative expenses	**75,789**	91,139
Interest and bank charges	**57**	-
Transaction costs	**26,051**	19,074
Total expenses before recoveries from Manager and withholding taxes	**483,127**	542,733
Expenses recovered from Manager (note 7)	**(96,847)**	(84,848)
Total expenses before withholding taxes	**386,280**	457,885
Withholding taxes	**55,382**	63,747
Increase (decrease) in Net Assets attributable to holders of redeemable units	**$ 11,474,497**	$ 2,138,848

Increase (decrease) in Net Assets attributable to holders of redeemable units		
CAD Units ($)	**11,310,221**	2,138,848
USD Units ($)[1]	**164,276**	-
Increase (decrease) in Net Assets attributable to holders of redeemable units per unit[2]		
CAD Units ($)	**3.94**	0.68
USD Units ($) (December 31, 2019 - US$1.37)[1]	**1.83**	-

1 For the period from August 12, 2019 (commencement of USD units) to December 31, 2019.
2 Based on the weighted average number of redeemable units outstanding for the year (note 4).

STATEMENTS OF CASH FLOWS

For the years ended December 31		2019		2018
Cash flows from operating activities:				
Increase (decrease) in Net Assets attributable to holders of redeemable units from operations	**$**	**11,474,497**	$	2,138,848
Adjustments to reconcile net cash provided by (used in) operations:				
Net (gain) loss on foreign exchange on cash		**3,948**		(29,542)
Net realized (gain) loss on sale of investments (note 8)		**(6,001,157)**		(7,317,065)
Net change in unrealized (gain) loss on investments		**(4,733,828)**		1,646,351
Net realized (gain) loss on options (note 8)		**577,388**		(6,590)
Net change in unrealized (gain) loss on options (note 11)		**51,033**		16,161
Net change in unrealized (gain) loss on foreign currency forward contracts (note 10)		**(1,340,864)**		1,648,104
Decrease (increase) in income receivable		**(2,612)**		12,714
Increase (decrease) in accounts payable and accrued liabilities		**(14,059)**		(26,336)
Purchase of investments and options (note 8)[1]		**(16,056,815)**		(11,179,702)
Proceeds from sale of investments and options (note 8)[1]		**18,495,969**		16,008,474
Cash provided by (used in) operating activities		**2,453,500**		2,911,417
Cash flows from financing activities:				
Amounts paid for redemption of redeemable units (note 4)[1]		**(480,996)**		(57,404)
Amounts paid for repurchase of redeemable units		**-**		(924,296)
Distributions paid to unitholders of redeemable units (note 6)		**(1,891,950)**		(2,063,215)
Proceeds from reinvestment of distributions to holders of redeemable units (note 6)		**-**		13,183
Cash provided by (used in) financing activities		**(2,372,946)**		(3,031,732)
Net increase (decrease) in cash		**80,554**		(120,315)
Net gain (loss) on foreign exchange on cash		**(3,948)**		29,542
Cash, beginning of year		**129,594**		220,367
Cash, end of year	**$**	**206,200**	$	129,594
Supplemental information:[2]				
Dividends received, net of withholding taxes ($)		**342,279**		358,141
Interest paid ($)		**57**		-

1 Excludes in-kind transactions.
2 Included in cash flows from operating activities.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the year ended December 31	CAD Units	USD Units[1]	2019 Total
Net Assets attributable to holders of redeemable units, beginning of year	**$ 31,448,755**	**$ -**	**$ 31,448,755**
Operations:			
Increase (decrease) in Net Assets attributable to holders of redeemable units from operations	**11,310,221**	**164,276**	**11,474,497**
Distributions to holders of redeemable units (note 6):			
Return of capital	**(1,855,019)**	**(31,365)**	**(1,886,384)**
Total	**(1,855,019)**	**(31,365)**	**(1,886,384)**
Redeemable unit transactions:			
Proceeds from issuance of redeemable units (note 4)	**2,353,065**	**1,960,014**	**4,313,079**
Redemption of redeemable units (note 4)	**(5,037,683)**	**-**	**(5,037,683)**
Net increase (decrease) from redeemable unit transactions	**(2,684,618)**	**1,960,014**	**(724,604)**
Net increase (decrease) in Net Assets attributable to holders of redeemable units	**6,770,584**	**2,092,925**	**8,863,509**
Net Assets attributable to holders of redeemable units, end of year	**$ 38,219,339**	**$ 2,092,925**	**$ 40,312,264**

1 For the period from August 12, 2019 (commencement of USD units) to December 31, 2019.

For the year ended December 31	2018 CAD Units
Net Assets attributable to holders of redeemable units, beginning of year	$ 37,671,945
Operations:	
Increase (decrease) in Net Assets attributable to holders of redeemable units from operations	2,138,848
Distributions to holders of redeemable units (note 6):	
Return of capital	(2,037,374)
Total	(2,037,374)
Redeemable unit transactions:	
Redemption of redeemable units (note 4)	(5,413,551)
Repurchase of redeemable units (note 4)	(924,296)
Reinvestment of distributions to holders of redeemable units (note 6)	13,183
Net increase (decrease) from redeemable unit transactions	(6,324,664)
Net increase (decrease) in Net Assets attributable to holders of redeemable units	(6,223,190)
Net Assets attributable to holders of redeemable units, end of year	$ 31,448,755

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2019

	Number of Shares	Cost $	Carrying Value $	% of Portfolio
Communication Services				
Interactive Media and Entertainment				
Alphabet Inc.	1,285	1,850,034	2,231,001	
		1,850,034	**2,231,001**	**5.6**
Total Communication Services		**1,850,034**	**2,231,001**	**5.6**
Consumer Discretionary				
Internet and Direct Marketing Retail				
Amazon.com Inc.	436	492,765	1,046,188	
		492,765	**1,046,188**	**2.6**
Total Consumer Discretionary		**492,765**	**1,046,188**	**2.6**
Information Technology				
Application Software				
Adobe Inc.	5,931	1,483,072	2,540,098	
Salesforce.com Inc.	5,011	1,066,731	1,058,304	
		2,549,803	**3,598,402**	**9.0**
Data Processing and Outsourced Services				
Fiserv Inc.	15,526	1,231,798	2,331,250	
Mastercard Incorporated.	6,063	469,809	2,350,831	
Visa Inc.	9,616	1,394,146	2,346,280	
		3,095,753	**7,028,361**	**17.7**
Electronic Components				
Amphenol Corporation	16,046	1,330,818	2,255,138	
		1,330,818	**2,255,138**	**5.7**
Electronic Equipment and Instruments				
Keysight Technologies Inc.	17,484	1,538,292	2,330,096	
		1,538,292	**2,330,096**	**5.9**
IT Consulting and Other Services				
Accenture PLC	8,600	1,259,838	2,351,547	
		1,259,838	**2,351,547**	**5.9**
Semiconductor Equipment				
ASML Holding NV	3,164	1,033,572	1,215,902	
KLA Corp.	4,527	951,607	1,047,379	
		1,985,179	**2,263,281**	**5.7**
Semiconductors				
Marvell Technology Group Ltd.	28,480	945,448	982,261	
STMicroelectronics NV	27,918	921,785	975,566	
Texas Instruments Inc.	13,972	2,340,553	2,327,609	
		4,207,786	**4,285,436**	**10.8**
Systems Software				
Microsoft Corporation	13,252	1,156,487	2,713,762	
ServiceNow Inc.	5,789	2,011,684	2,122,286	
		3,168,171	**4,836,048**	**12.2**
Technology Distributors				
CDW Corporation	12,597	1,570,294	2,336,553	
		1,570,294	**2,336,553**	**5.9**
Technology Hardware				
Apple Inc.	7,372	1,202,517	2,811,085	
		1,202,517	**2,811,085**	**7.1**
Total Information Technology		**21,908,451**	**34,095,947**	**85.9**

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at December 31, 2019

	Number of Shares	Cost $	Carrying Value $	% of Portfolio
Industrials				
Research and Consulting Services				
IHS Markit Ltd.	23,900	2,376,739	2,338,513	
		2,376,739	**2,338,513**	**5.9**
Total Real Estate Companies		**2,376,739**	**2,338,513**	**5.9**
Embedded Broker Commission		(6,865)		
Total Investments		**26,621,124**	**39,711,649**	**100.0**

1. GENERAL INFORMATION

Brompton Tech Leaders Income ETF (the "Fund"), formerly Tech Leaders Income Fund, is an exchange-traded fund ("ETF") created under the laws of the Province of Ontario on April 27, 2011, pursuant to an amended and restated declaration of trust. The Fund converted from a closed-end investment fund into an ETF on April 3, 2018. Upon conversion, the Fund was renamed Tech Leaders Income ETF and subsequently changed to Brompton Tech Leaders Income ETF following an amendment to the declaration of trust on March 28, 2019. Tech Leaders Income Fund's units were re-designated as units of the ETF on a 1:1 basis, and the stock symbol changed from TLF.UN to TLF. The investment strategies of the Fund remain substantially similar before and after the conversion. The Fund invests in a portfolio comprised of equity securities of technology companies. On August 12, 2019, the Fund launched U.S. dollar denominated units ("USD units") which commenced trading on the Toronto Stock Exchange under the symbol TLF.U. The outstanding units of the Fund prior are denominated in Canadian dollars ("CAD units") and trade on the Toronto Stock Exchange under the stock symbol TLF.

TSX Trust Company is the Trustee and Brompton Funds Limited (the ''Manager'') is responsible for managing the affairs of the Fund. Brompton Funds Limited manages the Fund's portfolio and options program. CIBC Mellon Trust Company is the custodian of the Fund's assets and prepares the daily valuations of the Fund. The Fund is listed on the Toronto Stock Exchange and commenced operations on May 20, 2011. The address of the Fund's registered office is Bay Wellington Tower, Brookfield Place, Suite 2930, 181 Bay Street, Toronto, Ontario, M5J 2T3.

These financial statements were approved on behalf of Brompton Tech Leaders Income ETF by the Board of Directors of Brompton Funds Limited, the Manager, on March 10, 2020.

2. BASIS OF PRESENTATION

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied.

a) Financial Instruments

The Fund's portfolio of investments is managed, and performance is evaluated, on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income ("FVOCI"). The contractual cash flows of the Fund's debt securities that are solely principal and interest are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss ("FVTPL"). Derivative assets and liabilities are also measured at FVTPL.

The Fund's obligation for Net Assets attributable to holders of redeemable units is measured assuming the redemption of units at Net Asset Value on the valuation date. All other financial assets and liabilities are initially recognized at fair value and subsequently measured at amortized cost. Under this method, financial assets and liabilities reflect the amounts required to be received or paid, discounted when appropriate, at the financial instrument's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its published Net Asset Value. The carrying values of the Fund's financial assets and liabilities that are not carried at FVTPL approximate their fair values due to their short-term nature.

b) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Fund or the counterparty.

c) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded marketable securities) is based on quoted market prices at the close of trading on the measurement date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

The fair value of financial assets and liabilities that are not traded in an active market including foreign currency forward contracts is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each measurement date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same and others commonly used by market participants that make the maximum use of observable inputs. Refer to note 13 for further information about the Fund's fair value measurements.

d) Cash

Cash is comprised of demand deposits with financial institutions.

e) Transaction Costs

Transaction costs directly attributable to the acquisition or disposal of an investment are expensed in the period incurred and disclosed as "Transaction costs" in the Statements of Comprehensive Income.

f) Investment Transactions and Income and Expense Recognition

Investment transactions are accounted for on the trade date. The interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Fund accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds, which are amortized on a straight line basis.

Net realized gain (loss) on sale of investments and net change in unrealized gain (loss) on investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities, with the exception of zero coupon bonds. Dividend income and dividend expense on securities sold short are recognized on the ex-dividend date. Investment transactions are accounted for as of the trade date and any realized gains or losses from such transactions are calculated on an average cost basis. Interest income for distribution purposes is accrued as earned.

Option premiums paid or received by the Fund are, so long as the options are outstanding, reflected as an asset or liability, respectively, in the Statements of Financial Position and are valued at an amount equal to the current market value of an option that would have the effect of closing the position. Gains or losses realized upon expiration, repurchase or exercise of the options are included in net realized gains or losses on options.

g) Income Taxes

The Fund qualifies as a mutual fund trust under the Income Tax Act (Canada). All of the Fund's net income for tax purposes and sufficient net capital gains realized in any period are required to be distributed to unitholders such that no income tax is payable by the Fund. As a result, the Fund does not record income taxes. The Fund distributes to its unitholders sufficient net income and net capital gains so that it is not subject to income taxes and, in substance, is exempt from Canadian taxes on these sources of income. Accordingly, the Fund does not record any Canadian income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred income tax asset. The Fund currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

h) Foreign Currency Translation

The Fund's subscriptions and redemptions are primarily denominated in Canadian dollars, which is also its functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates that transactions occur. Foreign currency assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the measurement date. Foreign exchange gains and losses relating to cash are presented as "Net gain (loss) on foreign exchange on cash" and those relating to other financial assets and liabilities are presented within "Net realized gain (loss)" and "Net change in unrealized gain (loss)" in the Statements of Comprehensive Income.

i) Securities Lending

The Fund may enter into securities lending transactions. These transactions involve the temporary exchange of securities as collateral with a commitment to deliver the same securities on a future date. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on securities held as collateral. Income earned from these transactions is recognized on an accrual basis and included in the Statements of Comprehensive Income.

j) Classification of Redeemable Units by the Fund

Under International Accounting Standard ("IAS") 32, Financial Instruments: Presentation, the Fund classifies its redeemable units as liabilities. The Fund's redeemable units do not meet the criteria in IAS 32 for classification as equity as the Fund has more than one contractual obligation to its unitholders.

4. REDEEMABLE UNITS

Authorized

The Fund is authorized to issue an unlimited number of classes or series of redeemable, transferable units, each of which represents an equal, undivided interest in the Net Asset Value of the Fund. The Fund offers unlimited number of CAD units and USD units. The USD units of the Fund are identical to the CAD units of the Fund, except that (a) the USD units are denominated in U.S. dollars whereas the CAD units are denominated in Canadian dollars and (b) any exposure that the portion of the Fund's portfolio which is allocable to the USD units foreign currencies will not be hedged back to the Canadian dollar. Each unit entitles the holder to one vote and to participate equally with respect to any and all distributions made by the Fund. Unitholders may sell units on the TSX; in addition, unitholders may redeem (i) units of the Fund for cash at a redemption price per unit equal to 95% of the closing price for the applicable units on the TSX on the effective day of redemption, less any applicable Administration Fee determined by the Manager in its sole discretion, or (ii) a prescribed number of units for the constituent securities of the portfolio and cash, or for cash only.

The Fund received approval from the Toronto Stock Exchange for a normal course issuer bid program for the period from June 26, 2017 to June 25, 2018. Pursuant to this issuer bid program, the Fund was permitted to purchase up to 393,000 of its units for cancellation. The Fund could purchase units for cancellation at a price per unit not exceeding the most recently calculated Net Asset Value per unit immediately prior to the date of any such purchase of units. The Fund's issuer bid program was terminated as of the conversion date April 3, 2018.

Issued

		2019	2018
	CAD Units	**USD Units[1]**	CAD Units
Redeemable units, outstanding at January 1	**2,921,017**	-	3,449,565
Issuance of redeemable units	**200,000**	**112,500**	-
Redemption of redeemable units	**(400,000)**	-	(450,000)
Repurchase of redeemable units[2]	-	-	(79,700)
Redeemable units issued under the distribution reinvestment plan	-	-	1,152
Redeemable units, outstanding at December 31	**2,721,017**	**112,500**	2,921,017
Weighted average number of redeemable units outstanding	**2,867,318**	**89,965**	3,163,918

1 For the period from August 12, 2019 (commencement of USD units) to December 31, 2019
2 For the period January 1, 2018 to April 3, 2018

On August 12, 2019, the Fund issued 62,500 USD units for proceeds of $1,074,737 CAD ($812,500 USD).

During the year ended December 31, 2019, 200,000 (year ended December 31, 2018 – nil) CAD units were issued at an average price of $11.77 and 112,500 USD units were issued at an average price of US$13.14.

During the year ended December 31, 2019, 400,000 (year ended December 31, 2018 – 450,000) CAD units were redeemed at an average price of $12.59 (year ended December 31, 2018 - $12.03) per unit.

During the year ended December 31, 2019, no (year ended December 31, 2018 – 79,700) CAD units were purchased for cancellation pursuant to the normal course issuer bid program.

During the year ended December 31, 2019, no (year ended December 31, 2018 – 1,152) CAD units were issued pursuant to the distribution reinvestment plan.

On December 31, 2019, the Fund's closing market price was $13.96 per CAD unit (December 31, 2018 – $10.71) and US$13.00 per USD unit.

5. CAPITAL MANAGEMENT

The Fund's objectives in managing its capital are to provide unitholders with stable monthly distributions and the opportunity for capital appreciation. The Fund's capital is comprised of its Net Assets attributable to holders of redeemable units. The Fund manages its capital taking into consideration the risk characteristics of its holdings. In order to manage its capital structure, the Fund may adjust the amount of distributions paid to unitholders, return capital to unitholders, or purchase units for cancellation.

6. DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS

Distributions, as declared by the Manager, are made on a monthly basis to unitholders of record on the last business day of each month. The distributions are payable by the tenth business day of the following month. For the year ended December 31, 2019, the Fund declared total distributions of $0.6480 per CAD unit (year ended December 31, 2018 – $0.6480), which amounted to $1,855,019 (year ended December 31, 2018 – $2,037,374). Also for the period ended December 31, 2019, the Fund declared total distributions of US$0.2508 per USD unit, which amounted to $31,365. Prior to the Fund's ETF conversion date, April 3, 2018, under the Fund's distribution reinvestment plan, unitholders could elect to reinvest monthly distributions in additional units of the Fund, which could be issued from treasury or purchased in the open market. Following the Fund's conversion on April 3, 2018, the distribution reinvestment plan was amended such that the additional CAD units are purchased on the open market. For the year ended December 31, 2018, 1,152 CAD units were issued from treasury.

On January 23, 2020, the Fund declared $0.054 per CAD unit and US$0.054 per USD unit in monthly distributions for record dates January 31, 2020, February 28, 2020, and March 31, 2020, respectively.

7. RELATED PARTY TRANSACTIONS

a) Management Fees

Pursuant to a management agreement, the Manager provides investment and administrative services, including key personnel, to the Fund. In consideration of these services, the Fund pays a management fee equal to 0.75% per annum of the Net Asset Value of the Fund, plus applicable taxes. These fees are calculated and payable monthly. The Fund paid a service fee equal to 0.50% per annum of the Net Asset Value. The service fee was in turn paid by the Manager to the investment dealers in proportion to the number of units held by clients of each dealer at the end of each calendar quarter. Following the conversion on April 3, 2018 from a closed-end investment fund into an ETF, the service fee was terminated.

Following the conversion from a closed-end investment fund into an ETF, the Manager intends to waive a portion of the management fees and/or to reimburse the Fund to ensure that the sum of management fees and certain normal-course operating expenses is limited to approximately 0.95% of Net Asset Value (inclusive of GST/HST).

For the year ended December 31, 2019, the management fee amounted to $307,890 (year ended December 31, 2018 – $314,074), of which $289 was payable as of December 31, 2019 (December 31, 2018 – $3,045). For the year ended December 31, 2019, the Manager absorbed $96,847 (year ended December 31, 2018 - $84,848) of costs. As at December 31, 2019, there was nil receivable from the Manager (December 31, 2018 – nil). There was no service fee for the year ended December 31, 2019 (year ended December 31, 2018 – $44,978) and there was no service fee payable as of December 31, 2019 and 2018. The Fund is responsible for the payment of all expenses relating to its operations and the carrying on of its business.

b) Independent Review Committee Fees

The total remuneration paid to members of the Independent Review Committee during the year ended December 31, 2019 was $4,179 (year ended December 31, 2018 - $4,875) and consisted only of fees. As at December 31, 2019 and 2018, there were, respectively, nil and $12 Independent Review Committee fees payable.

8. INVESTMENT TRANSACTIONS

Investment transactions for the years ended December 31 were as follows:

	2019 **$**	2018 $
Proceeds from sale of investments and options[1]	**23,474,256**	21,377,045
Less cost of investments and options sold:		
Investments and options at cost, beginning of year	**23,813,587**	26,687,275
Investments purchased and options written during the year[1]	**20,803,917**	11,179,702
Investments and options at cost, end of year	**(26,567,017)**	(23,813,587)
Cost of investments sold and options written during the year	**18,050,487**	14,053,390
Net realized gain (loss) on sale of investments and options	**5,423,769**	7,323,655

1 Includes in-kind transactions.

During the years ended December 31, 2019 and 2018, there were no soft dollar amounts paid.

9. SECURITIES LENDING

The Fund has entered into a securities lending program with its custodian, CIBC Mellon Trust Company (and certain of its affiliates). The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the assets of the Fund. The Fund will receive collateral of at least 102% of the value of the securities on loan. Collateral will generally be comprised of cash and obligations of, or guaranteed by, the Government of Canada or a province thereof, or the United States Government or its agencies, or a permitted supranational agency as defined in National Instrument 81-102. The market values of the securities on loan and the related collateral as at December 31, 2019 were $1.5 million (December 31, 2018 – nil) and $1.6 million (December 31, 2018 – nil), respectively.

Securities lending income reported in the Statements of Comprehensive Income is net of a securities lending charge which the Fund's custodian, CIBC Mellon Trust Company (and certain of its affiliates), is entitled to receive.

For the years ended December 31, securities lending income was as follows:

	2019 **$**	2018 $
Gross securities lending income	**2,218**	2,416
Securities lending charges	**(649)**	725
Net securities lending income	**1,569**	1,691
Withholding taxes on securities lending income	**(53)**	-
Net securities lending income received by the Fund	**1,516**	1,691

During the year ended December 31, 2019, securities lending charges represented 29.26% (year ended December 31, 2018 – 30.0%) of the gross securities lending income.

10. FOREIGN CURRENCY FORWARD CONTRACTS

The Fund uses foreign currency forward contracts to hedge foreign exchange risks associated with its US dollar investment portfolio for its CAD units. During the year ended December 31, 2019, the Fund realized a gain in the amount of $70,890 (year ended December 31, 2018 – loss of $1,792,966) on the close-out of certain contracts.

The Fund had entered into the following foreign currency forward contracts with a Canadian chartered bank with a DBRS rating of AA:

As at December 31, 2019:

Canadian Dollars Purchased (Sold)	**US Dollars Purchased (Sold)**	**Maturity Date**	**Forward Rate (USD/CAD)**	**Fair Value (CAD) $**
37,801,694	**(28,598,000)**	**15-Jan-20**	**0.75653**	**668,164**

As at December 31, 2018:

Canadian Dollars Purchased (Sold)	US Dollars Purchased (Sold)	Maturity Date	Forward Rate (USD/CAD)	Fair Value (CAD) $
33,446,000	(25,000,000)	15-Jan-19	0.74747	(672,700)

11. OPTIONS CONTRACTS

The Fund writes covered call and cash covered put options to generate income. The Fund had the following call option contracts outstanding:

As at December 31, 2019:

Underlying Interest	**No. of Contracts[1]**	**Expiration Date**	**Strike Price per Contract (USD) $**	**Premium Received (CAD) $**	**Fair Value (CAD) $**
Accenture PLC	10	17-Jan-20	205.00	4,362	(8,441)
Adobe Inc.	10	17-Jan-20	320.00	6,090	(15,972)
Adobe Inc.	10	17-Jan-20	340.00	2,200	(2,097)
Amphenol Corp.	40	17-Jan-20	110.00	4,181	(4,155)
Apple Inc.	14	17-Jan-20	280.00	5,082	(26,862)
ASML Holding NV	6	17-Jan-20	280.00	2,777	(13,518)
CDW Corporation	30	17-Jan-20	150.00	3,671	(1,850)
Fiserv Inc.	30	17-Jan-20	120.00	5,705	(1,558)
KLA Corp.	10	17-Jan-20	185.00	2,618	(1,915)
MasterCard Incorporated	14	17-Jan-20	300.00	6,144	(6,499)
Microsoft Corporation	30	17-Jan-20	155.00	7,261	(14,706)
ServiceNow Inc.	20	17-Jan-20	300.00	4,016	(2,467)
				54,107	**(100,040)**

1 Each contract was written for 100 shares of the underlying security.

As at December 31, 2018:

Underlying Interest	No. of Contracts[1]	Expiration Date	Strike Price per Contract (USD) $	Premium Received (CAD) $	Fair Value (CAD) $
Accenture PLC	10	18-Jan-19	150.00	939	(887)
Accenture PLC	10	18-Jan-19	170.00	1,982	(1)
Adobe Inc.	10	18-Jan-19	245.00	2,369	(2,560)
Alphabet Inc	2	18-Jan-19	1,100.00	2,146	(1,884)
Amazon.com, Inc.	2	18-Jan-19	1,650.00	2,622	(3,160)
Amphenol Corporation	30	18-Jan-19	90.00	3,097	(172)
Apple Inc.	14	18-Jan-19	167.50	3,012	(3,030)
CDW Corporation	30	18-Jan-19	85.00	2,818	(5,017)
Cisco Systems Inc.	78	18-Jan-19	45.00	4,901	(4,792)
Fiserv Inc.	40	18-Jan-19	80.00	2,876	(714)
Intel Corporation	60	18-Jan-19	50.00	2,876	(2,581)
Keysight Technologies Inc.	65	18-Jan-19	65.00	5,232	(6,212)
Mastercard Incorporated	15	18-Jan-19	200.00	4,272	(3,686)
Microsoft Corporation	25	18-Jan-19	108.00	3,278	(2,747)
Motorola Solutions Inc.	20	18-Jan-19	120.00	2,316	(3,099)
Oracle Corporation	56	18-Jan-19	47.50	3,136	(2,064)
Verizon Communications Inc.	50	18-Jan-19	57.50	2,663	(3,447)
Visa Inc.	20	18-Jan-19	140.00	3,087	(2,471)
				53,622	48,524

1 Each contract was written for 100 shares of the underlying security.

12. FINANCIAL RISK MANAGEMENT

The Fund's investment activities expose it to a variety of financial risks. The Schedule of Investment Portfolio presents the securities held by the Fund as at December 31, 2019, and groups the securities by market segment. The following summary represents the securities by market segments held by the Fund as at December 31, 2018. Significant risks that are relevant to the Fund are discussed below.

As at	December 31, 2018
Investment Sector	% of Portfolio
Communications services	11.9
Hardware and IT equipment	27.5
Semiconductors and semiconductor equipment	5.8
Software and IT services	38.7
Technology-related	16.1
Total	100.0

The Manager attempts to minimize the potential adverse effects of these risks on the Fund's performance by employing a professional, experienced portfolio manager. These risks are managed by diversifying the investment portfolio within the constraints of the investment objectives. To assist in managing risks, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and restrictions, internal guidelines, and securities regulations.

The investment portfolio is primarily comprised of US-dollar-denominated, exchange-listed equity securities.

a) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Portfolio Manager attempts to moderate this risk through the careful management of securities within the parameters of the investment strategy. Except for options written, the maximum risk of loss resulting from financial instruments is equivalent to their fair value. There were no cash covered put options outstanding as at December 31, 2019 and 2018. No additional risk is introduced by covered call options written.

The Fund is exposed to other price risk from its investment in equity securities. As at December 31, 2019, had the prices on the respective stock exchanges for these securities increased by 10%, with all other variables held constant, Net Assets would have increased by approximately $3.6 million or 8.8% (December 31, 2018 – approximately $2.9 million or 9.4%). Similarly, had the prices on the respective stock exchanges for these securities decreased by 10%, with all other variables held constant, Net Assets would have decreased by approximately $3.9 million or 9.6% (December 31, 2018 - approximately $3.2 million or 10.1%). In practice, the actual trading results may differ, and the difference could be material.

b) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund did not have significant credit risk exposure as at December 31, 2019. The carrying amount of income receivable represents the maximum credit risk exposure as it will be settled in the short term.

All transactions in securities are settled/paid for upon delivery. The risk of default is considered minimal as delivery of securities sold is only made once the Fund has received payment. The trade will fail if either party fails to meet its obligation.

The Fund has entered into a securities lending program with its custodian; see note 9. Credit risk associated with these transactions is considered minimal as all counterparties have a sufficient, approved credit rating and the value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned.

The Fund is also exposed to credit risk for the amount of unrealized gains under the foreign currency forward contracts (note 10) with a Canadian chartered bank with a DBRS rating of AA.

The Fund generally transacts in exchange-traded options therefore credit risk is considered minimal.

c) Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to settle or meet its obligations on time or at a reasonable price. The Fund is subject to the potential daily net redemptions of units. The Fund invests its Net Assets in securities that are traded on public exchanges and expects that the securities may be sold on a timely basis, although there may not be sufficient time to sell the securities at a reasonable price. In addition, the Fund expects that most redemptions will be in-kind, which allows the Fund to deliver securities to meet its redemption obligations. As at December 31, 2019 and 2018, all the Fund's financial liabilities had maturities of less than three months.

d) Currency Risk

Currency risk is the risk that financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's reporting currency, will fluctuate due to changes in exchange rates. The investment portfolio is comprised primarily of US-dollar-denominated debt and equity securities and cash and short-term investments. The Fund's exposure to US dollar currency for its CAD units was substantially hedged through its US-dollar-denominated foreign currency forward contracts. The tables below indicate the foreign currency investment holdings of CAD units in the Fund and the corresponding foreign currency hedges as at December 31, 2019 and 2018 in Canadian dollar terms. The tables also illustrate the potential impact to the Fund's Net Assets attributable to holders of redeemable units, all other variables held constant, as a result of a 5% change in the foreign currency related to the Canadian dollar. In practice, the actual trading results may differ, and the difference could be material.

As at December 31, 2019:

	Investments and Options $	Cash and Other Receivables $	Foreign Currency Forward Contracts (note 10) $	Total Currency Exposure $	Impact on Net Assets $	Impact on Net Assets (%)
US dollars	37,555,061	164,443	(37,133,531)	585,973	29,299	0.07
	37,555,061	**164,443**	**(37,133,531)**	**585,973**	**29,299**	**0.07**

As at December 31, 2018:

	Investments and Options $	Cash and Other Receivables $	Foreign Currency Forward Contracts (note 10) $	Total Currency Exposure $	Impact on Net Assets $	Impact on Net Assets (%)
US dollars	32,175,384	101,102	(34,118,700)	(1,842,214)	(92,111)	(0.29)
	32,175,384	101,102	(34,118,700)	(1,842,214)	(92,111)	(0.29)

The Fund's USD units are redeemable in US dollars, therefore they are not subject to the US dollar foreign currency exposure of the Fund.

13. FAIR VALUE MEASUREMENT

The Fund's assets and liabilities recorded at fair value have been categorized within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are:

Level 1: Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs, other than quoted prices, that are observable for the asset or liability, either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3: Inputs that are unobservable. There is little if any market activity. Inputs into the determination of fair value require significant management judgement or estimation.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Assets and liabilities at fair value as at December 31, 2019	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Equities	39,711,649	-	-	39,711,649
Foreign currency forward contracts gain	-	668,164	-	668,164
Option contracts	(100,040)	-	-	(100,040)
Total	**39,611,609**	**668,164**	**-**	**40,279,773**

Assets and liabilities at fair value as at December 31, 2018	Level 1 $	Level 2 $	Level 3 $	Total $
Equities	32,223,908	-	-	32,223,908
Foreign currency forward contracts loss	-	(672,700)	-	(672,700)
Option contracts	(48,524)	-	-	(48,524)
Total	32,175,384	(672,700)	-	31,502,684

There were no transfers of financial assets and liabilities between the levels during the years ended December 31, 2019 and 2018.

All fair value measurements above are recurring. The carrying values of cash, amounts receivable for investments sold, income receivable, accounts payable for redeemable units redeemed, distributions payable, and accounts payable and accrued liabilities approximate their fair values due to their short-term nature. Fair values are classified as level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as level 1 subsequently ceases to be actively traded, it is transferred out of level 1. In such cases, the instrument is reclassified into level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as level 3.

a) Equities

The Fund's equity positions are classified as level 1 when the security is actively traded and a reliable price is observable. The net realized and change in unrealized gain from equity securities during the year ended December 31, 2019 was $10,734,985 (year ended December 31, 2018 - gain of $5,670,714).

b) Options Contracts

The Fund's option contracts written are classified as level 1, as the options are based on unadjusted quoted prices in active markets. The net realized and change in unrealized loss from option contracts during the year ended December 31, 2019 was $628,421 (year ended December 31, 2018 – loss of $9,571).

c) Foreign Currency Forward Contracts

The Fund may enter into foreign currency forward contracts, which are agreements between two parties to buy and sell currencies at a set price on a future date. The fair value of such contracts will fluctuate with changes in currency exchange rates. The forward contracts' value is the value that could be realized if the forward contracts were closed out on the financial reporting date and the change in fair value recorded as an unrealized gain or loss. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract on the date it was opened and the value on the date it was closed. Foreign currency forward contracts are classified as level 2. The net realized and change in unrealized gain from foreign currency forward contracts during the year ended December 31, 2019 was $1,411,754 (year ended December 31, 2018 – loss of $3,441,070).

14. OFFSETTING OF FINANCIAL INSTRUMENTS

The Fund has a foreign exchange settlement and novation netting agreement in place for its foreign currency forward contracts that does not meet the criteria for offsetting in the Statements of Financial Position but still allows for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. The following tables present the Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by type of financial instruments, as at December 31, 2019 and 2018.

As at December 31, 2019

	Amounts eligible for offset			
Financial Assets and Liabilities	**Gross Amounts of Recognized Financial Assets/Liabilities $**	**Net Amounts of Financial Assets/Liabilities Presented in the Statement of Financial Position $**	**Financial Instruments Eligible for Offset $**	**Net Amount $**
Derivative Assets	668,164	668,164	-	668,164
Derivative Liabilities	-	-	-	-
Total	**668,164**	**668,164**	**-**	**668,164**

As at December 31, 2018

	Amounts eligible for offset			
Financial Assets and Liabilities	Gross Amounts of Recognized Financial Assets/Liabilities $	Net Amounts of Financial Assets/Liabilities Presented in the Statement of Financial Position $	Financial Instruments Eligible for Offset $	Net Amount $
Derivative Assets	-	-	-	-
Derivative Liabilities	(672,700)	(672,700)	-	(672,700)
Total	(672,700)	(672,700)	-	(672,700)

15. INCOME TAXES

As at December 31, 2019, the Fund had non-capital loss carry-forwards for income tax purposes of $336,376 (December 31, 2018 - $336,376). The non-capital loss carry-forwards will expire as follows:

	2019 **$**
2032	**336,376**
	336,376

The Fund had no capital loss carry-forwards as at December 31, 2019 and 2018.

CORPORATE INFORMATION

Independent Review Committee

Patricia Meredith, BMath, MBA, PhD, FCPA/FCA

Arthur R.A. Scace, QC, CM

Ken S.Woolner, BSc, PEng

Directors and Officers of the Manager

Mark A. Caranci, BComm, CPA, CA
Director, President and
Chief Executive Officer

Christopher S.L. Hoffmann, LLB, MS
Director

Craig T. Kikuchi, BA, CPA, CA, CFA
Director and Chief Financial Officer

Raymond R. Pether, BA, MBA
Director

Stephen Allen
Senior Vice President

Christopher Cullen, BASc, MBA, CFA
Senior Vice President

Laura Lau, BASc (Hons), CFA, DMS
Senior Vice President and
Chief Investment Officer

Michelle L. Tiraborelli, BSc, MBA
Senior Vice President

Michael D. Clare, BComm (Hons), CPA, CA, CFA
Vice President and Portfolio Manager

Ann P. Wong, BA, MAcc, CPA, CA, CPA (Delaware), CFA
Vice President and Controller

Kathryn A.H. Banner, BA, MA
Vice President and Corporate Secretary

Trustee

TSX Trust Company

Custodian

CIBC Mellon Trust Company

Auditor

PricewaterhouseCoopers LLP

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