INTEGRA® CAPITAL LIMITED

Annual Management Report of Fund Performance

Integra Canadian Value Growth Fund

As at December 31, 2018

This annual report of fund performance contains financial highlights but does not contain the complete annual financial statements for the investment fund. You may request a copy of the annual financial statements at no cost, by calling 1-800-363-2480, by writing to us at Integra Capital Limited ("Integra"), 2020 Winston Park Drive, Suite 200, Oakville ON L6H 6X7 or by visiting our website at www.integra.com or the SEDAR website at www.sedar.com.

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

Integra Canadian Value Growth Fund

Management discussion of fund performance

Investment objective and strategies

The Integra Canadian Value Growth Fund seeks to provide long-term capital growth by investing primarily in equity securities of Canadian businesses. The Fund may hold up to an aggregate of 10% in cash or cash equivalents.

The Fund is sub-advised by two investment teams: a "core enhanced" manager and a quantitative core manager. The structure of the Fund is designed to provide a tracking error to the S&P/TSX Index of 1.5-3%.

The Fund will not invest in foreign securities. Each manager is authorized to keep a percentage of the assets it manages in cash or cash equivalents as an ongoing strategy.

Risk

Most of the Fund's assets will be invested in common shares. As a result, the Fund is exposed to stock market risk and specific issuer risk. Equity risk can be described as the potential for a decline in stock prices. The share price of a company will be impacted by various factors including profit growth, dividend policy, balance sheet leverage, quality of management, market share, product development, and technology investment.

The Integra Canadian Value Growth Fund may enter into securities lending transactions. Securities lending transactions will be used in conjunction with the Fund's other investment strategies in an appropriate manner to achieve the Fund's investment objectives. Accordingly, it may be subject to securities lending risks.

As is most often the case, the Canadian equity market is heavily influenced by trends and events outside our borders. Canada's economy relies heavily on exports of natural resources and thus is impacted by the level of activity experienced by our trade partners, particularly the United States.

Canada as a major exporter of commodities was expected to be a primary beneficiary of a continuation of the synchronized global expansion. During the early stages of 2018, the domestic economy was operating at near capacity with inflation running at close to 2%. The job market was healthy considering unemployment was running at about 6%, near a 40-year low. While the consumer was somewhat reticent to make big ticket purchases due to rising interest rates, high household debt levels and tighter mortgage financing measures, the manufacturing sector demonstrated robust behavior.

Beyond Canada's borders, approaching the summer, most regions were enjoying quality economic expansion with the United States performing particularly well. Early in the year the U.S. government followed through on President Trump's promised tax cuts despite the strength in the world's largest economy to further boost growth. Canada, with the United States as its largest trade partner, was expected to benefit.

Unfortunately as the summer months arrived, President Trump renewed his vow to renegotiate the North American Free Trade Agreement (NAFTA) and what would be the final outcome was a potential negative. Beyond Canada and Mexico, the U.S. administration also began to threaten China, the world's second largest economy, with trade restrictions. The rhetoric and uncertainty all served to put into question the global economy's ability to maintain its robust expansion. Additionally, higher oil prices were having a slightly negative effect on global growth, with the impact varying depending on countries being exporters or importers of the commodity.

Notwithstanding the uncertainty largely due to factors beyond Canada's borders, the Bank of Canada raised its key short-term interest rate three times during 2018, with the policy rate rising from 1.00% to 1.75% over the course of the year.

The economic recovery subsequent to the credit crisis of a decade ago, is now long in the tooth. However, due to the excessive leverage loaded up by governments, financial institutions and consumers until 2008, it was expected to be a more prolonged recovery and at a slower pace, than most rebounds following a recession.

While many market observers have worried about the debt levels of Canadian households, there are indications the situation has stabilized if not demonstrating some improvement. In a sign that the great Canadian consumer debt frenzy is finally calming down, new data released by the Bank of Canada reports household debt grew by 3.5% over the past year.

While that may seem like a solid pace of growth, it is in fact the slowest debt growth Canadian consumers have generated in over three decades.

New mortgage rules shaved an estimated 21% off the maximum mortgage borrowers can assume. Mortgage growth slowed to a 3.2% pace in October, the weakest in almost two decades. The slowdown in credit suggests there will not be much upward pressure on Canadian house prices going forward, and it also implies policymakers' moves to calm years of runaway housing market growth in some major urban centres have had an effect.

As at December 31, 2018, one unitholder held approximately 36.6% of the outstanding units of the Fund. The purchase or redemption of a substantial number of securities of a Fund may require the manager to change the composition of the Fund's portfolio significantly or may force the Fund's sub-advisors to buy

Integra Canadian Value Growth Fund

or sell investments at unfavourable prices, which can affect the Fund's return.

Results of operations

For the quarter, six-month and one-year periods ended December 31st, 2018, the Fund suffered losses of -10.9%, -11.7% and -9.6% respectively. In comparison, the Fund's benchmark (100% S&P/TSX Composite) returned -10.1%, -10.6% and -8.9% for the same periods. All of the returns are presented in Canadian dollar terms and gross of investment management fees.

The domestic stock market was one of the more volatile asset classes during 2018. After experiencing a loss of 4.5% during the first quarter, the Canadian stock market was one of the top performers during the following three months. The sharp reversal occurred as a result of the sharp rise in energy prices and thus, oil and gas stocks.

Early in the second half of 2018, optimism began to fade. Protracted negotiations between the United States, Mexico and Canada to develop a new trade agreement between the three countries dragged on amongst a fair amount of rhetoric. At the same time, tensions rose between the U.S. and China regarding their trade arrangements and tariffs were soon being introduced. Meanwhile there were signals emerging that some major economies were beginning to slow. Germany and Japan both reported disappointing data during the third quarter.

On top of the trade issues, central banks led by the U.S. Federal Reserve were tightening up monetary policies which were substantially responsible for rising asset values over the past ten years. Following suit, the Bank of Canada was steadily raising its key policy rate into October.

A rapid change of sentiment occurred in the final three months of the year as investors' appetite for risk changed dramatically. The sudden collapse in the appetite for risk assets was due to the data releases hinting at a slowing growth and the potential for failure in achieving sound monetary and trade policies that in reality would perhaps be too aggressive. Accordingly, investments flowed out of equities and into fixed income.

As the global expansion deteriorated, Canada being a commodity export-driven economy suffered more than most other nations. Compounding that challenge was the Fund's underperformance over the course of 2018.

The major detriment to relative performance was stock selection. For instance, the Fund was underweight the Energy sector, which proved beneficial. However, the particular oil & gas holdings in the portfolio detracted from relative performance. Names such as Canadian Natural Resources performed worse than its peers.

Similarly particular holdings in the Financial Services and Information Technology groups hurt performance relative to the benchmark. Manulife Financial for example struggled to gain traction through the course of the year while Shopify, a cloud-based commerce platform, was a strong IT performer that was unfortunately lacking in the Fund.

Added value was generated with an overweight to the Information Technology sector. It was far and away the best performer amongst the domestic sub-indices during 2018. Holdings such as CGI Inc., a IT services provider with long-term client contracts and thus recurring revenues, was a strong holding.

Other individual names in the Fund that performed well included Nutrien, Brookfield Asset Management and Kirkland Lake Gold.

Fund expenses vary period over period mainly as the result of changes in average Net Asset Values and investment activity. Total expenses incurred by the Fund were substantially lower in 2018 largely due to reductions in custodial, operating and transaction costs.

There were net contributions in the Fund totaling $1.3 million during 2018.

Recent developments

IFRS 9, *"Financial Instruments"* Transition

Effective January 1, 2018, the Fund adopted the IFRS 9 Financial Instruments reporting standard. The new standard introduced a model for classification and measurement of financial assets and liabilities including those carried at amortized cost; fair value, with changes in fair value recognized in FVTPL; or fair value through other comprehensive income ("FVOCI") based on the entity's business model for managing financial assets and the contractual cash flow characteristics of these financial assets. Assessment and decision on the business model approach used is an accounting judgement. Upon transition to IFRS 9, the Fund's financial assets and financial liabilities previously classified as FVTPL or held-for-trading under IAS 39, "Financial Instruments Recognition and Measurement", generally based on the fair value option, are now classified as FVTPL and there were no changes in the measurement attributes. Any assets previously classified as loans and receivables under IAS 39 are now classified and measured at amortized cost under IFRS 9. The classification and measurement of liabilities under the new standard remains generally unchanged. The adoption of IFRS 9 has been applied retrospectively and did not result in any changes in net assets.

While the domestic jobs market is robust, there is some risk in the consumer sector with the housing market has cooled. Additionally, the energy market continues to be volatile due to a combination of pricing pressures and transport issues. At the beginning of 2019, Alberta premier Rachel Notley ordered oil producers to cut production by 8.7% due to a lack of additional pipeline capacity within Canada. As more infrastructure is developed, Canadian prices should stabilize. In the interim, the price of Alberta oil has been trading at a significant discount compared to international producers.

Risks remain in Canada given household debt levels. However, low unemployment should continue to provide some stability for consumer spending until the next downturn.

The federal government has a healthy balance sheet and thus the wherewithal to provide some stability to the economy if necessary. While the Bank of Canada's rate hike in October was expected, the general consensus has changed regarding future increases. Expectations are that 2019 will witness the Bank largely remaining on the sidelines. The potential for continued weakness in energy prices coupled with households managing large item expenditures due to a combination of higher interest rates and tighter borrowing standards provide some cause for concern. At the same time, outside of Canada there are global trade policy and geopolitical issues that are fairly significant to be resolved in the coming months.

Some stocks that the Fund has taken larger positions in recently include Quebecor and Rogers Communications, two dominant communications companies that offer an extensive range of services to corporations and consumers. Quebecor is the largest cable/internet service provider in Quebec. Rogers is focused on driving growth and margins particularly through the higher end wireless customer base. Both companies should continue to demonstrate significant growth in a networked world.

Caution regarding forward-looking statements

This report may contain forward-looking statements about the Fund, including its strategies and expected performance. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to potential future events or market and economic conditions.

In addition, any statement that may be made concerning future performance, strategies or prospects and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to risks, uncertainties and assumptions about the Fund and capital market and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results may differ materially from those expressed or implied in any forward-looking statements made by the Fund. A wide range of factors may contribute to these variances, including general economic, geopolitical and market influences in Canada or globally, interest rates and currencies, capital markets, technology innovations, regulations and catastrophic events.

Investors are encouraged to consider these and other factors including their own investment objectives carefully before making any investment decisions and are urged to avoid placing undue reliance on forward-looking statements.

Additionally, investors should be aware that the Fund has no specific intention to update any forward-looking statements whether as a result of new information and future events, prior to the release of the next Management Report on Fund Performance.

Related party transactions

Manager and Transfer Agent

The Fund is managed by Integra. Integra provides or arranges for the provision of all general management and administrative services rendered by the Fund in its day-to-day operations, including providing or arranging the provision of investment advice and record-keeping services for the Fund.

As a result of providing investment advisory and management services, the Fund's Manager receives management fees from the Fund's unitholders, based on the net asset value of the Fund. These management fees are paid either by a redemption of units or the unitholder, if an institution, may be invoiced and payment will be delivered to the Manager.

Integra Canadian Value Growth Fund

Financial highlights

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

	Years ended December 31				
	2018	2017	2016	2015	2014
Net Asset Value, beginning of year[1]	$18.84	$18.23	$16.00	$17.04	$15.51
Increase (decrease) from operations:					
Total revenue	0.53	0.53	0.52	0.46	0.44
Total expenses	(0.03)	(0.03)	(0.06)	(0.05)	(0.07)
Realized gains (losses)	0.28	0.65	1.15	0.89	2.01
Unrealized gains (losses)	(2.56)	0.33	1.81	(1.72)	(0.25)
Total increase (decrease) from operations[2]	($1.78)	$1.48	$3.42	($0.42)	$2.13
Distributions:					
From income (excluding dividends)	—	—	—	—	—
From dividends	(0.50)	(0.50)	(0.49)	(0.42)	(0.40)
From capital gains	(0.24)	(0.36)	(0.57)	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions[3]	($0.74)	($0.86)	($1.06)	($0.42)	($0.40)
Net Assets, end of period[1]	$16.32	$18.84	$18.23	$16.00	$17.04
Ratios and Supplemental Data (Based on Pricing NAV)					
Net assets (000's)	$114,417	$130,439	$123,092	$89,386	$125,891
Number of units outstanding	7,012,955	6,924,752	6,178,264	5,586,562	7,388,293
Expense ratio (%)	0.08%	0.09%	0.17%	0.20%	0.26%
Expense ratio before waivers or absorptions (%)	0.08%	0.09%	0.17%	0.20%	0.26%
Portfolio turnover rate (%)[4]	54.98%	55.02%	104.55%	64.85%	112.83%
Trading expense ratio (%)[5]	0.06%	0.08%	0.17%	0.12%	0.16%

Ratios and Supplemental Data

Supplementary information to the Financial Highlights calculations are based on the following:

(1) The information is derived from the Fund's financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the period.

(3) Distributions were paid in cash/reinvested in additional units of the Fund, or both.

(4) The Fund's portfolio turnover rate is a measure of trading activity in a Fund's portfolio. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of a Fund.

(5) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the Fund's average net asset value during the period.

Management Fees

The Fund pays no management fees to Integra. For management services provided to them by Integra, clients of Integra will pay an investment management fee directly to Integra, as set out in their agreement with Integra. The amount of the investment management fee is negotiable between the client and Integra.

Annual Management Report of Fund Performance as at December 31, 2018

Integra Canadian Value Growth Fund

Past performance

The performance reported below assumes that all distributions made by the Fund in the period shown were reinvested in additional units of the Fund. If an investor holds the Fund outside of a registered plan, he/she will be taxed on these distributions.

How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

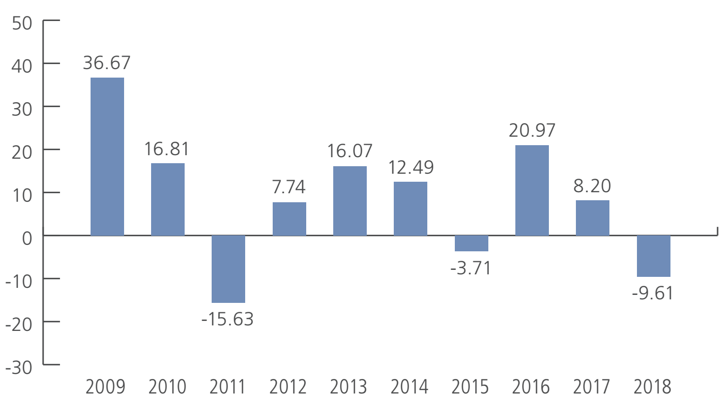
All rates of return are calculated based on Pricing NAV and are in Canadian dollars unless stated otherwise.

Fund Inception: March 12, 1999

Year-by-year returns (%)

The following bar chart shows the investment fund's annual performance for each of the years shown, and illustrates how the investment fund's performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.

Annual Returns (%) ending December 31



Annualized Returns (%)

This table shows the fund's historical annualized returns for the periods shown ending December 31, 2018, compared to the returns of its benchmark.

	1 yr	3 yrs	5 yrs	10 yrs
Integra Canadian Value Growth Fund	-9.61	5.76	5.08	8.00
Benchmark	-8.89	6.37	4.06	7.92

Benchmark

The Integra Canadian Value Growth Fund Benchmark reflects the market sectors in which the Fund invests.

100%	S&P/TSX Composite Index

The S&P/TSX Composite Index (Total Return) is a total return index that tracks the performance of some of the largest and most widely held stocks listed on the Toronto Stock Exchange.

Integra Canadian Value Growth Fund

Summary of Investment Portfolio
as at December 31, 2018

Asset Mix

	% of Fund's Net Asset Value
Canadian Equities	98.63
Other Assets, Net of Liabilities	1.37

Sector Mix

	% of Fund's Net Asset Value
Consumer Discretionary	5.68
Consumer Staples	2.18
Energy	15.71
Financials	36.72
Health Care	0.30
Industrials	9.75
Information Technology	5.65
Materials	11.11
Real Estate	2.15
Telecommunication Services	6.07
Utilities	2.58

Top 25 Holdings

(excluding cash equivalents)	% of Fund's Net Asset Value
1. Royal Bank of Canada	6.92
2. Toronto-Dominion Bank (The)	5.58
3. Bank of Nova Scotia	4.92
4. Suncor Energy Inc.	4.35
5. Canadian National Railway Co.	4.23
6. Enbridge Inc.	4.04
7. Manulife Financial Corp.	3.70
8. Brookfield Asset Management Inc., Class 'A'	3.60
9. Nutrien Ltd.	3.56
10. Bank of Montreal	3.54
11. Canadian Natural Resources Ltd.	3.12
12. Sun Life Financial Inc.	3.03
13. Teck Resources Ltd., Class 'B'	2.87
14. Canadian Tire Corp. Ltd., Class 'A'	2.20
15. BCE Inc.	1.91
16. Rogers Communications Inc., Class 'B'	1.77
17. CGI Group Inc., Class 'A'	1.77
18. TELUS Corp.	1.70
19. Power Corp. of Canada	1.33
20. CCL Industries Inc., Class 'B'	1.26
21. Restaurant Brands International Inc.	1.25
22. Open Text Corp.	1.23
23. Algonquin Power & Utilities Corp.	1.14
24. WSP Global Inc.	1.13
25. Onex Corp.	1.05

Total Fund Net Asset Value: $114,417,270

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. The most recent annual report, semi-annual report or quarterly report is available at no cost, by calling 1-800-363-2480, by writing to us at Integra Capital Limited, 2020 Winston Park Drive, Suite 200, Oakville, ON, L6H 6X7 or by visiting our website at www.integra.com

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