

September 30, 2020

MANAGEMENT REPORT OF FUND PERFORMANCE

NCM SMALL COMPANIES CLASS



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This annual management report of fund performance contains financial highlights but does not contain the annual financial statements of the investment fund. You can get a copy of the Fund's financial statements at your request, and at no cost, by calling toll free (877) 531-9355, by writing us at 1850, 333-7th Avenue SW Calgary, Alberta T2P 2Z1 or by visiting our website at www.ncminvestments.com or SEDAR at www.sedar.com.

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

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

INVESTMENT OBJECTIVE AND STRATEGIES

The investment objective of NCM Small Companies Class (the "Fund") is to achieve long-term capital appreciation by investing in small and mid capitalization equities of issuers in Canada and the United States.

The Fund achieves this objective by employing a value approach as the primary method of securities selection. This means searching for companies with superior long-term earnings and/or cash flow per share growth that exhibit a strong position in the market in which they operate, quality management, and balance sheet strength. This analysis is supplemented by quantitative techniques that examine movements in general market trends as well as trends in earnings and the price of securities.

The Fund may invest in a combination of securities including common and preferred shares, income trust units, rights and warrants, convertible securities, and government and corporate bonds. The Fund may also invest in permitted derivatives and engage in limited short selling in order to achieve its objective.

RISK

The Fund is suitable for investors seeking long-term capital appreciation with a tolerance for medium to high risk. Investors whose primary concern is preservation of capital should not be invested in this Fund. General risks of an investment in the Fund are detailed in the simplified prospectus and include equity risk, small and mid-capitalization company risk, class and series risk, liquidity risk, and regulatory risk, among others.

The Fund's investment in commodity-related companies, such as those operating in the Energy and Materials sectors, form a portion of the portfolio. As a result, changes in commodity prices such as crude oil, natural gas and metals may have an impact on portfolio returns. Similarly, the Fund's investments in the Industrials and Consumer Discretionary sectors potentially increase the Fund's sensitivity to changes in GDP, commodity prices, foreign exchange rates, interest rates, stimulus removal, and/or credit conditions.

RESULTS OF OPERATIONS

The year ended September 30, 2020, was a volatile year for most equity markets. The S&P/TSX Composite Total Return Index increased approximately 3.2% in fourth quarter of 2019. This index also started 2020 positively, increasing about 5.5% from the start of the year until February 20, 2020 when the index reached an all-time high. However, the situation deteriorated significantly in the weeks that followed and the S&P/TSX Composite Total Return Index declined 20.9% for the first quarter of 2020 as a whole. March marked the recent low for many equity indices, and the S&P/TSX Composite Total Return Index increased by about 22.5% between March 31, 2020 and September 30, 2020.

The novel coronavirus (COVID-19) and the resulting economic impact of society's response to the pandemic were arguably the most significant macroeconomic events of the year ended September 30, 2020. Many equity markets initially reacted to news of the pandemic with a sharp sell off. However, most governments around the world responded to the pandemic with significant fiscal stimulus packages. Furthermore, most central banks around the world reduced short-term interest rates and many are using other monetary policy tools to maintain and improve liquidity in the financial

RESULTS OF OPERATIONS (continued)

system. Many equity markets began to rally as investors gained comfort with the scope of the pandemic and the response of governments and policy makers. The situation remains fluid and the outcome and timing of a return to more normal economic and societal conditions will depend on the actions of governments, corporations and individuals.

For the year ended September 30, 2020 the Fund's return was 0.5%, underperforming its benchmark, the BMO Small Cap Total Return Index, which was up 3.1%. As of September 30, 2020, companies in the Materials sector comprised approximately 33% of the benchmark, with the majority being companies producing or intending to produce gold. During the year ended September 30, 2020 gold prices increased over US\$400/ounce and the S&P/TSX Composite Gold Sub Industry Index returned approximately 53.9%. The Fund owned some gold producers and some companies that provide services to the industry. However, many gold companies in the benchmark had no production, owned a single asset and/or had operations in jurisdictions we consider to carry significant political risk. Consequently, these companies did not meet our investment criteria.

The continued underperformance of the small cap sector has been frustrating and it is difficult to predict a catalyst for this trend to reverse. We took advantage of the volatility and lack of liquidity in the spring by selectively deploying our cash holdings. We see opportunities to purchase shares in high quality companies at valuations we believe are attractive. As always, we continue to be bottom-up investors as we focus on superior stock selection to contribute to outperformance in both bull and bear markets. We have placed even more emphasis on companies that have strong balance sheets and on companies that benefit from recurring revenue and secular growth trends. Our focus remains on building a portfolio of high-quality cash flow generative companies with attractive long-term growth opportunities and valuations.

The net assets have decreased by 15% with net assets decreasing from \$88,547,491 to \$75,427,933, \$526,827 of this change is attributable to negative investment performance and \$12,592,731 was due to negative net contributions to the Fund.

RECENT DEVELOPMENTS

On May 15, 2020, NCM Energy Plus Class of NCM Opportunities Corp. transferred its net assets, at fair market value, of the Fund to NCM Small Companies Class of NCM Opportunities Corp. in exchange for 74,874 NCM Small Companies Class Series A shares, 18,411 NCM Small Companies Class Series F shares, and 48,337 NCM Small Companies Class Series I shares with a value of \$5,109,414. The assets transferred were as follows:

<i>(in Canadian dollars)</i>	May 15, 2020
Cash	1,118,230
Other liabilities – net of assets	(3,856)
Investments, at fair value	3,995,040
Value of assets received and mutual fund shares issued	5,109,414

Effective May 19, 2020, investors residing in each of Northwest Territories, Nunavut and Yukon can purchase shares in the Fund.

On November 6, 2020, NCM Entrepreneurs Class of NCM Opportunities Corp. transferred its net assets, at fair market value, of the Fund to NCM Small Companies Class of NCM Opportunities Corp. in exchange for 376,885 NCM Small Companies Class Series A shares, 191,382 NCM Small Companies Class Series F shares, and 36,521 NCM Small Companies Class Series I shares with a value of \$27,748,026. The assets transferred were as follows:

<i>(in Canadian dollars)</i>	November 6, 2020
Cash	4,473,700
Other liabilities – net of assets	(77,102)
Investments, at fair value	23,321,428
Value of assets received and mutual fund shares issued	27,718,026

In January 2020, the World Health Organization declared the coronavirus a global health emergency and on March 11, 2020, it was declared a global pandemic. The situation is dynamic with various cities and countries around the world

RECENT DEVELOPMENTS (continued)

responding in different ways to address the outbreak. At this time, governments and businesses around the world are introducing significant new measures to contain and control the spread of the virus.

There had been a significant drop in commodity prices and equity markets have reacted with the biggest decline experienced in more than a decade. In response, both the US Federal Reserve and the Bank of Canada quickly reduced their key interest rates.

The full impact of these circumstances on businesses will not be fully understood until time has passed. While the full impact is not yet known, we will continue to monitor the impact the coronavirus has on the Funds' investments and reflect the consequences as appropriate in our accounting and reporting.

RELATED PARTY TRANSACTIONS

Management fees of \$1,117,100 were paid to NCM Asset Management Ltd. ("NCM"), the Fund's Manager and Portfolio Manager. Management fees are 2% for Series A, and 1% for Series F, of the series net asset value of the Fund and are calculated and paid monthly. In addition, administrative fees of \$133,262 were paid to NCM. Administration fees are charged by NCM at or below cost. They relate to accounting, trading, record keeping, compliance and other administrative costs.

FINANCIAL HIGHLIGHTS

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

Net asset value (NAV) per share ⁽¹⁾

Series A	2020	2019	2018	2017	2016
Net Asset Value, beginning of year	41.25	43.18	42.43	38.90	36.73
Increase (decrease) from operations:					
Total revenue	0.67	0.89	0.85	0.75	0.80

Series A	2020	2019	2018	2017	2016
Total expenses	(1.01)	(1.09)	(1.01)	(1.09)	(0.69)
Realized gains (losses) for the year	(0.85)	(0.83)	3.58	4.54	2.33
Unrealized gains (losses) for the year	0.49	(0.97)	(2.77)	(0.37)	(0.30)
Total increase (decrease) from operations	(0.70)	(2.00)	0.65	3.83	2.14
Distributions:					
From income	Nil	Nil	Nil	Nil	Nil
From dividends	Nil	Nil	Nil	Nil	Nil
From capital gains	Nil	(0.25)	Nil	(0.35)	Nil
Total distributions ⁽²⁾	Nil	(0.25)	Nil	(0.35)	Nil
Net Asset Value, end of year ⁽³⁾	41.00	41.25	43.18	42.43	38.90

Series F	2020	2019	2018	2017	2016
Net Asset Value, beginning of year	48.14	49.84	48.50	44.03	41.14
Increase (decrease) from operations:					
Total revenue	0.78	1.03	0.98	0.86	0.88
Total expenses	(0.73)	(0.75)	(0.70)	(0.74)	(0.39)
Realized gains (losses) for the year	(1.04)	(0.98)	4.03	5.04	2.45
Unrealized gains (losses) for the year	(0.02)	(1.19)	(3.04)	(0.20)	0.02
Total increase (decrease) from operations	(1.01)	(1.89)	1.27	4.96	2.96
Distributions:					
From income	Nil	Nil	Nil	Nil	Nil
From dividends	Nil	Nil	Nil	Nil	Nil
From capital gains	Nil	(0.29)	Nil	(0.41)	Nil
Total distributions ⁽²⁾	Nil	(0.29)	Nil	(0.41)	Nil
Net Asset Value, end of year ⁽³⁾	48.37	48.14	49.84	48.50	44.03

Series I	2020	2019	2018	2017	2016
Net Asset Value, beginning of year	51.61	52.82	50.92	45.78	42.34
Increase (decrease) from operations:					
Total revenue	0.84	1.10	1.04	0.90	0.93
Total expenses	(0.31)	(0.23)	(0.25)	(0.26)	0.11
Realized gains (losses) for the year	(0.89)	(0.99)	4.35	5.29	2.65
Unrealized gains (losses) for the year	3.22	(0.93)	(3.27)	(0.35)	(0.24)
Total increase (decrease) from operations	2.86	(1.05)	1.87	5.58	3.45
Distributions:					
From income	Nil	Nil	Nil	Nil	Nil
From dividends	Nil	Nil	Nil	Nil	Nil

FINANCIAL HIGHLIGHTS (continued)

Net asset value (NAV) per share ⁽¹⁾ (continued)

Series I	2020	2019	2018	2017	2016
Distributions (continued):					
From capital gains	Nil	(0.31)	Nil	(0.43)	Nil
Total distributions ⁽²⁾	Nil	(0.31)	Nil	(0.43)	Nil
Net Asset Value, end of year ⁽³⁾	52.42	51.61	52.82	50.92	45.78

- (1) This information is provided as at September 30, 2020, 2019 and 2018 and October 31 for the balance preceding years presented. The information is in accordance with International Financial Reporting Standards.
- (2) Distributions, if any, are reinvested in additional shares or paid in cash when requested.
- (3) Net asset value and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial year. Due to the different methods of calculating individual components of the table, the sum of the individual components will not necessarily equal the ending net asset value.

Ratios and Supplemental Data ⁽¹⁾

Series A	2020	2019	2018	2017	2016
Net Assets (000's of \$)	45,560	55,306	67,781	78,137	91,150
Number of shares outstanding (000's)	1,111	1,341	1,570	1,842	2,343
Management expense ratio (MER) ⁽²⁾	2.62%	2.56%	2.54%	2.53%	1.69%
MER before waivers or absorptions ⁽²⁾	2.62%	2.56%	2.54%	2.53%	1.69%
Portfolio turnover rate ⁽³⁾	31.42%	27.04%	19.27%	35.32%	49.32%
Trading expense ratio ⁽⁴⁾	0.09%	0.15%	0.11%	0.17%	0.21%
Net asset value per share	41.00	41.25	43.18	42.43	38.90

Series F	2020	2019	2018	2017	2016
Net Assets (000's of \$)	14,792	20,782	24,516	27,801	24,856
Number of shares outstanding (000's)	306	432	492	573	564
Management expense ratio (MER) ⁽²⁾	1.56%	1.49%	1.47%	1.45%	0.59%
MER before waivers or absorptions ⁽²⁾	1.56%	1.49%	1.47%	1.45%	0.59%
Portfolio turnover rate ⁽³⁾	31.42%	27.04%	19.27%	35.32%	49.32%
Trading expense ratio ⁽⁴⁾	0.09%	0.15%	0.11%	0.17%	0.21%
Net asset value per share	48.37	48.14	49.84	48.50	44.03

Series I	2020	2019	2018	2017	2016
Net Assets (000's of \$)	15,076	12,459	14,595	15,494	14,241
Number of shares outstanding (000's)	288	241	276	304	311
Management expense ratio (MER) ⁽²⁾	0.45%	0.39%	0.37%	0.36%	(0.49%)
MER before waivers or absorptions ⁽²⁾	0.45%	0.39%	0.37%	0.36%	(0.49%)

Series I	2020	2019	2018	2017	2016
Portfolio turnover rate ⁽³⁾	31.42%	27.04%	19.27%	35.32%	49.32%
Trading expense ratio ⁽⁴⁾	0.09%	0.15%	0.11%	0.17%	0.21%
Net asset value per share	52.42	51.61	52.82	50.92	45.78

- (1) This information is provided as at September 30, 2020, 2019 and 2018 and October 31 for the balance preceding years presented. The information is in accordance with International Financial Reporting Standards.
- (2) Management expense ratio (MER) is based on total expenses for the stated year and is expressed as an annualized percentage of daily average net asset value of the year. It includes performance bonus, if any.
- (3) The Fund's portfolio turnover rate indicates how actively the Fund's Portfolio Manager 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 a 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 performance of the Fund.
- (4) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the year.

MANAGEMENT FEES

The Fund pays an annual management fee of 2% for Series A, and 1% for Series F, multiplied by the series net asset value of the Fund, to NCM, the Fund's Manager and Portfolio Manager. Management fees are calculated and paid monthly. No management fee is charged to Series I; instead, the investors pay a management fee directly to the Manager, in an amount determined through negotiation with the Manager. For the year ended September 30, 2020, management fees amounted to \$1,117,100. NCM paid servicing commissions of \$394,867 (i.e. 35.35%), as well as, selling commissions of \$2,319 (i.e. 0.21%) from these management fees to investment dealers. NCM also received fees for portfolio management and administrative services with respect to this Fund, as well as, all the other funds in the NCM group. NCM is entitled to a performance bonus of 20% of the excess performance of the Fund compared to its benchmark index multiplied by the weighted average net asset value of the Fund. The performance bonus is more fully described in the simplified prospectus. For the year ended September 30, 2020, a performance bonus of \$nil was reported.

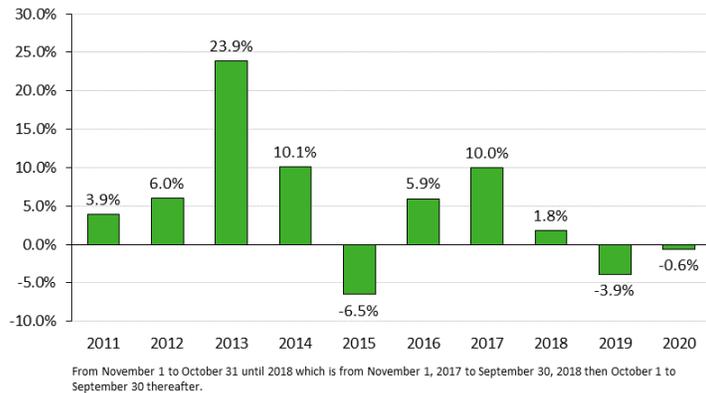
PAST PERFORMANCE

The charts below illustrate the performance of the Fund for its last 10 fiscal years as a public mutual fund. The Series I inception date is February 8, 2013. These charts reflect the performance you would have received if you invested in the Fund on the first day of the year through the last day of the year.

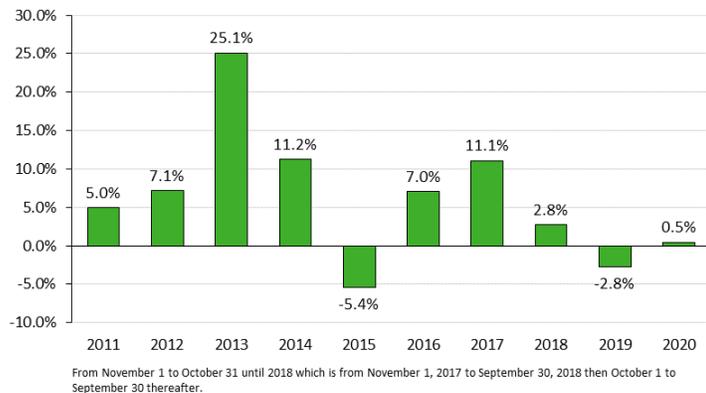
They assume that all distributions made by the Fund in the years shown are reinvested in additional securities of the Fund. They do not take into account sales, redemption, distribution or other optional charges which would have reduced returns or performance. Each year the Fund's performance has changed and past performance does not guarantee future performance.

YEAR BY YEAR RETURNS

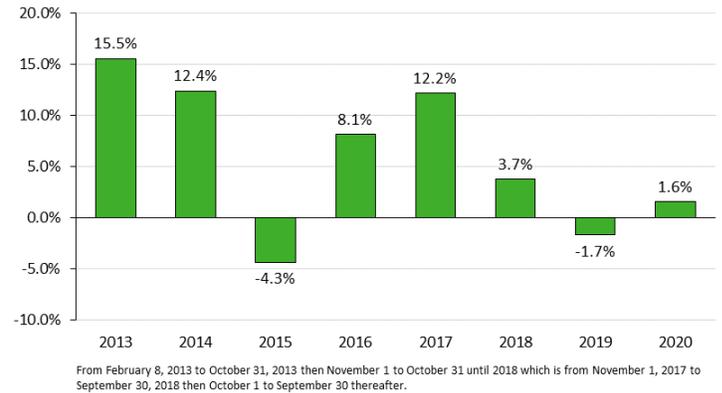
Series A



Series F



Series I



ANNUAL COMPOUND RETURNS

The following table shows the percent compounded returns to September 30, 2020 for each series of the Fund for the years indicated. It also shows the returns for the BMO Small Capitalization Equity Only Weighted Total Return Index, which is the Fund's benchmark index.

	Series A	Series F	Series I	Index
One year	-0.6%	0.5%	1.6%	3.1%
Three Year*	0.0%	1.1%	2.2%	-1.5%
Five Year*	3.7%	4.8%	5.9%	5.5%
Ten Year*	5.4%	6.5%		2.1%
Since Inception* – Series A (February 15, 2002)	9.3%			5.6%**
Since Inception* – Series F (January 31, 2005)		7.3%		3.7%
Since Inception* – Series I (February 08, 2013)			6.0%	1.8%**

* annualized

**estimated as official index values are only calculated at month-end

SUMMARY OF INVESTMENT PORTFOLIO

The following investments were held by the Fund as at September 30, 2020.

Securities	Percent of net assets
Major Drilling Group International Inc.	7.6%
FirstService Corp.	5.9%
Kirkland Lake Gold Ltd.	5.6%
Altus Group Ltd.	5.3%
Intertape Polymer Group Inc.	5.2%
Descartes Systems Group Inc. (The)	4.5%
BRP Inc.	4.4%
Superior Plus Corp.	4.0%
Parkland Corp.	4.0%
Canada Goose Holdings Inc.	4.0%
Badger Daylighting Ltd.	3.9%
Element Fleet Management Corp.	3.9%
Aritzia Inc.	3.8%
Boyd Group Services Inc.	3.8%
Real Matters Inc.	3.6%
BMO Junior Gold Index ETF	3.6%
Lundin Mining Corp.	3.4%
GDI Integrated Facility Services Inc.	3.3%
Parex Resources Inc.	3.1%
North American Construction Group Ltd.	3.0%
Hamilton Thorne Ltd.	2.4%
Docebo Inc.	2.0%
K92 Mining Inc.	1.5%
Chemtrade Logistics Income Fund	1.4%
Dye & Durham Ltd.	0.8%
Total Securities	94.0%
Other	
Cash	6.2%
Other assets – net of liabilities	-0.2%
Total net asset value	100.0%

Industry Sectors	
Energy	10.1%
Materials	28.3%
Industrials	11.0%
Consumer Discretionary	12.2%
Health Care	2.4%
Financials	3.9%
Information Technology	7.3%
Real Estate	14.8%
Utilities	4.0%
Other	6.0%
Total	100.0%

The investments held by the Fund change due to ongoing portfolio transactions. A revised summary is posted on our website at www.ncminvestments.com no later than 60 days after each quarter end.

OTHER MATERIAL INFORMATION

NCM Small Companies Class is a class of NCM Opportunities Corp. The simplified prospectus and all other Fund related materials can be obtained by calling us toll-free at (877) 531-9355, by writing to us at 1850, 333-7th Avenue SW Calgary, Alberta T2P 2Z1 or from our website at www.ncminvestments.com.



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