



# Spyglass Growth Fund

## Annual Report December 31, 2018

Beginning on January 1, 2021, as permitted by regulations adopted by the U.S. Securities and Exchange Commission, paper copies of the Fund's annual and semi-annual shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary, such as a broker-dealer or bank. Instead, the reports will be made available on the Fund's website, [www.spyglassfunds.com](http://www.spyglassfunds.com), and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund electronically anytime by contacting your financial intermediary (such as a broker-dealer or a bank) or, if you are a direct investor, by calling 1-888-878-5680, sending an e-mail request to [info@spyglassfunds.com](mailto:info@spyglassfunds.com), or by enrolling at [www.spyglassfunds.com](http://www.spyglassfunds.com).

You may elect to receive all future reports in paper free of charge. If you invest through a financial intermediary, you can contact your financial intermediary to request that you continue to receive paper copies of your shareholder reports. If you invest directly with the Fund you can call 1-888-878-5680 or send an e-mail request to [info@spyglassfunds.com](mailto:info@spyglassfunds.com) to let the Fund know you wish to continue receiving paper copies of your shareholder reports. Your election to receive reports in paper will apply to all funds held in your account if you invest through your financial intermediary or all funds held with the fund complex if you invest directly with the Fund.

# Spyglass Growth Fund

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## Letter to Shareholders Spyglass Growth Fund

Dear Shareholders,

For the fiscal year ended December 31, 2018, the Spyglass Growth Fund (the “Fund”) generated a return of 10.36%. This performance compared to -4.75% for its benchmark, the Russell Midcap<sup>®</sup> Growth Index, and compared to -4.38% for the S&P 500 as a proxy for the broader equity market’s performance. We believe that our fundamentally driven stock selection based on our independent valuation process provided results that exceeded the benchmark for 2018.

The Fund’s top five performers during 2018 were: Twilio, Everbridge, Chipotle Mexican Grill, Advanced Micro Devices, and Exact Sciences. Each of these securities remained in the Fund’s portfolio at year end. Twilio has created a leading platform for companies to communicate with their customers and with each other, which is defining a new industry known as “communications-as-a-service.” Demand for Twilio’s offerings increased in each of the quarters of 2018 on a consecutive basis. Everbridge is building a series of highly scalable services that allow governments and companies to deliver and receive important information in real time. As terror threats and natural disasters continue to present ongoing challenges, Everbridge gives its customers a way to notify and communicate with affected groups. Chipotle Mexican Grill is still mounting a comeback after its brand was tarnished as a result of back-to-back food safety incidents in late 2015 and early 2016. With a new CEO, Chipotle appears to be winning back customers. Advanced Micro Devices has enjoyed increasing sales as demand for its chips in desktops and laptops has grown, and the company’s recent foray into selling datacenter solutions has gained new accounts at an accelerating pace. Exact Sciences has developed a test that allows patients to determine if they are at elevated risk for early stage colon cancer.

In 2018, the Fund’s five biggest detractors were: Affiliated Managers Group, Alliance Data Systems, Globalstar, Quanta Services, and IMAX. Affiliated Managers Group has assembled a portfolio of investment boutiques that primarily specialize in active management. As investors have increasingly turn to lower-priced, passive strategies, Affiliated Managers Group has struggled to grow its business. Alliance Data Systems faced a difficult environment in 2018 as recession fears impacted its credit card business. Globalstar failed to find a suitor for its satellite business and concerns about its ability to generate enough cash to fund its operations caused investors to move away from the stock. Quanta Services, like many industrial companies in 2018, struggled as investors focused on the impact of a potential recession. IMAX had a difficult year of comparisons due in large part to the success of Star Wars Episode VIII in 2017. With the exception of Globalstar, these securities remained in the Fund’s portfolio at year end.

Despite persistent, negative news dominating the airwaves during the closing months of 2018, at Spyglass we remain quite optimistic about the long-term opportunities we see for our companies. We believe that the global economy, and especially the American economy, is entering a dynamic period of growth and important evolution. When we look out into the future, we see the transportation market being transformed to an all-electric and fully autonomous future. We see vast productivity gains as people and goods can move more quickly and safely which will be a boon to economic activity. We can

## Spyglass Growth Fund

imagine artificial intelligence wringing enormous inefficiencies out of corporate cost-structures by eliminating redundancies and helping companies and people anticipate needs before they arise. We see genomics, and the applied science around this revolution, ushering in an era of remarkable diagnostics and targeted therapeutics which could bring an end to many diseases. The Fund invests in companies that we believe are likely to benefit from these technologies.

As the 24-hour news cycle drives commentators to focus on the next piece of bad news, or the next potential problem, we choose to stay focused on the amazing future we see. We will be vigilant about the prices we pay, and we will keep investing your capital, alongside ours, into dynamic companies, operating in rapidly growing industries that are being led by results-oriented, entrepreneurial management teams.

We see many reasons to be optimistic. Thank you for investing with us.

Sincerely,

Spyglass Capital Management LLC

The opinions expressed are subject to change, are not guaranteed and should not be considered investment advice.

Fund holdings and/or sector allocations are subject to change at any time and are not recommendations to buy or sell any security. Please see Schedule of Investments for a complete list of holdings.

**Mutual fund investing involves risk. Principal loss is possible. The Fund is non-diversified, meaning it may focus its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. Medium-and small-capitalization companies tend to have limited liquidity and greater price volatility than large-capitalization companies.**

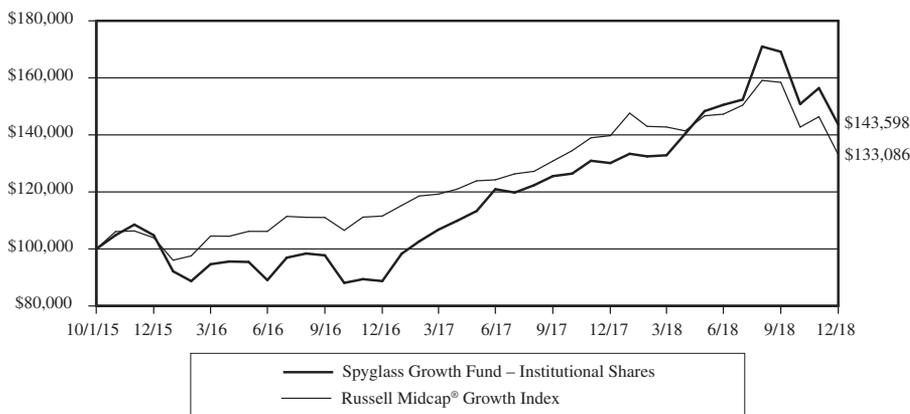
The Russell Midcap<sup>®</sup> Growth Index measures the performance of those Russell Midcap companies with higher price/book ratios and higher forecasted growth values. The S&P 500<sup>®</sup> is widely regarded as the best single gauge of large-cap U.S. equities. The index measures the performance of the large-cap segment of the market. Considered to be a proxy of the U.S. equity market, the index is composed of 500 constituent companies. An investment cannot be made directly in an index.

Must be preceded or accompanied by a prospectus.

The Spyglass Growth Fund is distributed by Quasar Distributors, LLC.

**Spyglass Growth Fund**  
**Investment Highlights (Unaudited)**

**Comparison of the Change in Value of a Hypothetical \$100,000 Investment  
in the Spyglass Growth Fund – Institutional Shares and  
Russell Midcap® Growth Index**



<b>Annualized Total Return Periods Ended December 31, 2018:</b>	<b>One Year</b>	<b>Since Inception (10/1/2015)</b>
Spyglass Growth Fund – Institutional Shares <sup>(1)(2)</sup>	10.36%	11.78%
Russell Midcap® Growth Index	-4.75%	9.19%

Expense ratios\*: Gross 1.27%, Net 1.00% (Institutional Shares)

*Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-888-878-5680.*

This chart illustrates the performance of a hypothetical \$100,000 investment made in the Fund. Returns reflect the reinvestment of dividends and capital gain distributions. The performance data and expense ratios shown reflect a contractual fee waiver made by the Adviser, currently, through January 1, 2021. In the absence of fee waivers, returns would be reduced. The performance data and graph do not reflect the deduction of taxes that a shareholder may pay on dividends, capital gain distributions, or redemption of Fund shares. This chart does not imply any future performance.

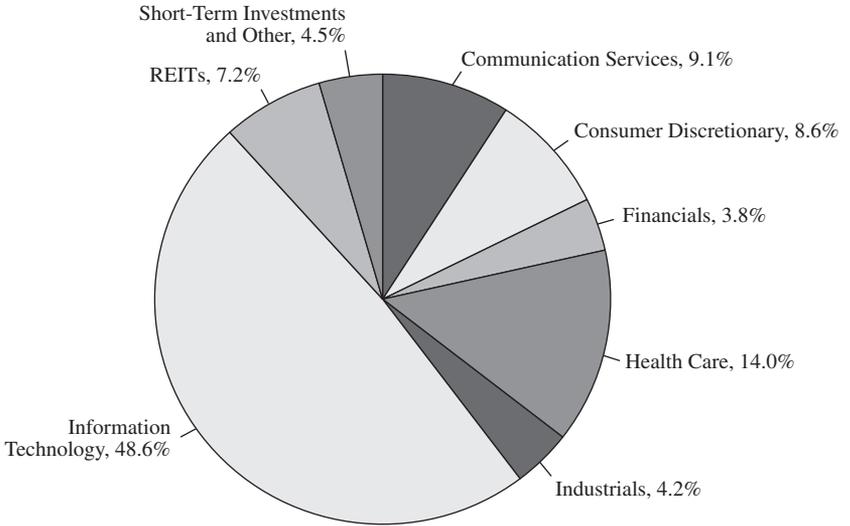
\* The expense ratios presented are from the most recent prospectus.

(1) Fund commenced operations on January 2, 2018.

(2) The performance data quoted for periods prior to January 2, 2018 is that of the Spyglass Partners Fund Limited Partnership (“the Partnership”). The Partnership commenced operations on October 1, 2015. The Partnership was not a registered mutual fund and was not subject to the same investments and tax restrictions as the Fund. If it had been, the Partnership’s performance might have been lower.

# Spyglass Growth Fund

## SECTOR ALLOCATION OF PORTFOLIO ASSETS at December 31, 2018 (Unaudited)



Percentages represent market value as a percentage of net assets.

Note: For presentation purposes, the Fund has grouped some of the industry categories. For purposes of categorizing securities for compliance with Section 8(b)(1) of the Investment Company Act of 1940, as amended, the Fund uses more specific industry classifications.

**Spyglass Growth Fund**

**SCHEDULE OF INVESTMENTS**  
at December 31, 2018

<b>COMMON STOCKS – 88.3%</b>	<b>Number of Shares</b>	<b>Value</b>
<b>COMMUNICATION SERVICES – 9.1%</b>		
<b>Entertainment – 4.5%</b>		
IMAX Corp. (a)(b)	100,574	\$ 1,891,797
<b>Interactive Media &amp; Services – 4.6%</b>		
Twitter, Inc. (a)	65,945	1,895,259
<b>TOTAL COMMUNICATION SERVICES</b>		<u>3,787,056</u>
<b>CONSUMER DISCRETIONARY – 8.6%</b>		
<b>Hotels, Restaurants &amp; Leisure – 5.1%</b>		
Chipotle Mexican Grill, Inc. (a)	4,858	2,097,636
<b>Specialty Retail – 3.5%</b>		
Ulta Beauty, Inc. (a)	5,971	1,461,940
<b>TOTAL CONSUMER DISCRETIONARY</b>		<u>3,559,576</u>
<b>FINANCIALS – 3.8%</b>		
<b>Capital Markets – 3.8%</b>		
Affiliated Managers Group, Inc.	16,222	1,580,672
<b>TOTAL FINANCIALS</b>		<u>1,580,672</u>
<b>HEALTH CARE – 14.0%</b>		
<b>Biotechnology – 5.9%</b>		
Ascendis Pharma A/S – ADR (a)(b)	13,530	847,654
Exact Sciences Corp. (a)	25,608	1,615,865
		<u>2,463,519</u>
<b>Health Care Equipment &amp; Supplies – 4.5%</b>		
DexCom, Inc. (a)	15,431	1,848,634
<b>Pharmaceuticals – 3.6%</b>		
Pacira Pharmaceuticals, Inc. (a)	34,807	1,497,397
<b>TOTAL HEALTH CARE</b>		<u>5,809,550</u>
<b>INDUSTRIALS – 4.2%</b>		
<b>Construction &amp; Engineering – 4.2%</b>		
Quanta Services, Inc. (a)	58,117	1,749,322
<b>TOTAL INDUSTRIALS</b>		<u>1,749,322</u>

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

**Spyglass Growth Fund**

**SCHEDULE OF INVESTMENTS (Continued)**  
**at December 31, 2018**

<b>COMMON STOCKS – 88.3% (Continued)</b>	<b>Number of Shares</b>	<b>Value</b>
<b>INFORMATION TECHNOLOGY – 48.6%</b>		
<b>Communications Equipment – 7.9%</b>		
Arista Networks, Inc. (a)	7,745	\$ 1,631,872
Palo Alto Networks, Inc. (a)	8,883	1,673,113
		<u>3,304,985</u>
<b>IT Services – 10.8%</b>		
Alliance Data Systems Corp.	11,833	1,775,897
GoDaddy, Inc. (a)	29,159	1,913,413
Twilio, Inc. (a)	9,100	812,630
		<u>4,501,940</u>
<b>Semiconductors &amp; Semiconductor Equipment – 2.2%</b>		
Advanced Micro Devices, Inc. (a)	48,748	<u>899,888</u>
<b>Software – 27.7%</b>		
DocuSign, Inc. (a)	47,717	1,912,497
Envestnet, Inc. (a)	26,096	1,283,662
Everbridge, Inc. (a)	31,475	1,786,521
Nutanix, Inc. (a)	40,360	1,678,572
Proofpoint, Inc. (a)	25,171	2,109,582
Splunk, Inc. (a)	10,928	1,145,801
Tableau Software, Inc. (a)	13,143	1,577,160
		<u>11,493,795</u>
<b>TOTAL INFORMATION TECHNOLOGY</b>		<u>20,200,608</u>
<b>TOTAL COMMON STOCKS</b>		
(Cost \$35,741,728)		<u>36,686,784</u>

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

**Spyglass Growth Fund**

**SCHEDULE OF INVESTMENTS (Continued)  
at December 31, 2018**

<b>REITS – 3.8%</b>	<b>Number of Shares</b>	<b>Value</b>
<b>Equity REITs – 3.8%</b>		
Equinix, Inc.	4,413	\$ <u>1,555,847</u>
<b>TOTAL REITS</b> (Cost \$1,760,033)		<u>1,555,847</u>
 <b>REAL ESTATE – 3.4%</b>		
<b>Real Estate Management &amp; Development – 3.4%</b>		
Redfin Corp. (a)	99,188	<u>1,428,307</u>
<b>TOTAL REAL ESTATE</b> (Cost \$1,406,540)		<u>1,428,307</u>
<b>TOTAL INVESTMENTS</b> (Cost \$38,908,301) – 95.5%		<u>39,670,938</u>
<b>Cash – 5.7%</b>		2,357,180
Liabilities in Excess of Other Assets – (1.2)%		<u>(498,479)</u>
<b>TOTAL NET ASSETS – 100.0%</b>		<u><u>\$41,529,639</u></u>

Percentages are stated as a percent of net assets.

ADR – American Depositary Receipt

(a) Non-income producing security.

(b) U.S. traded security of a foreign issuer or corporation.

The Global Industry Classification Standard (GICS®) was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poor's Financial Services LLC ("S&P"). GICS is a service mark of MSCI and S&P and has been licensed for use by U.S. Bank Global Fund Services.

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

## Spyglass Growth Fund

### STATEMENT OF ASSETS AND LIABILITIES at December 31, 2018

**Assets:**

Investments, at value (cost of \$38,908,301)	\$39,670,938
Cash	2,357,180
Receivables:	
Fund shares sold	1,396,245
Dividends and interest	2,213
Prepaid expenses	20,935
Total assets	43,447,511

**Liabilities:**

Payables:	
Securities purchased	1,862,321
Advisory fee	14,669
Administration and fund accounting fees	10,625
Reports to shareholders	3,107
Compliance expense	1,073
Custody fees	1,459
Trustee fees	1,558
Transfer agent fees and expenses	6,476
Other accrued expenses	16,584
Total liabilities	1,917,872

<b>Net assets</b>	<b>\$41,529,639</b>
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**Net assets consist of:**

Paid in capital	\$40,628,687
Total distributable earnings	900,952
<b>Net assets</b>	<b>\$41,529,639</b>

**Institutional Shares:**

Net assets applicable to outstanding Institutional Shares	\$41,529,639
Shares issued (Unlimited number of beneficial interest authorized, \$0.01 par value)	3,946,700
<b>Net asset value, offering price and redemption price per share</b>	<b>\$ 10.52</b>

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

## Spyglass Growth Fund

### STATEMENT OF OPERATIONS For the Period Ended December 31, 2018\*

**Investment income:**

Dividends	\$ 42,703
Total investment income	42,703

**Expenses:**

Investment advisory fees (Note 4)	254,677
Administration and fund accounting fees (Note 4)	61,569
Transfer agent fees and expenses	38,641
Federal and state registration fees	25,754
Audit fees	13,002
Compliance expense	12,770
Legal fees	11,968
Reports to shareholders	5,979
Trustees' fees and expenses	9,475
Custody fees	9,037
Interest expense (Note 9)	112
Other	8,976
Total expenses before reimbursement from advisor	451,960
Expense reimbursement from advisor (Note 4)	(197,172)
Net expenses	254,788
<b>Net investment loss</b>	<b>(212,085)</b>

**Realized and unrealized gain (loss):**

Net realized gain (loss) on transactions from:	
Investments	2,052,113
Net change in unrealized gain (loss) on:	
Investments	(1,298,120)
<b>Net realized and unrealized gain</b>	<b>753,993</b>
<b>Net increase in net assets resulting from operations</b>	<b>\$ 541,908</b>

\* The Spyglass Growth Fund commenced operations on January 2, 2018.

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

## Spyglass Growth Fund

### STATEMENT OF CHANGES IN NET ASSETS

	<u>Period Ended December 31, 2018*</u>
<b>Operations:</b>	
Net investment loss	\$ (212,085)
Net realized gain on investments	2,052,113
Net change in unrealized gain (loss) on investments	<u>(1,298,120)</u>
<b>Net increase in net assets resulting from operations</b>	<u>541,908</u>
<b>Distributions:</b>	
Distributable earnings	<u>(1,701,713)</u>
Total distributions	<u>(1,701,713)</u>
<b>Capital Share Transactions:</b>	
Proceeds from transfer-in-kind	16,225,831
Proceeds from shares sold	28,181,425
Proceeds from shares issued to holders in reinvestment of dividends	1,389,575
Cost of shares redeemed	<u>(3,107,387)</u>
<b>Net increase in net assets from capital share transactions</b>	<u>42,689,444</u>
<b>Total increase in net assets</b>	<u>41,529,639</u>
<b>Net Assets:</b>	
Beginning of period	<u>—</u>
End of period	<u><u>\$41,529,639</u></u>
<b>Change in Shares Outstanding:</b>	
Shares issued in connection with transfer-in-kind	1,622,583
Shares sold	2,460,689
Shares issued to holders in reinvestment of dividends	130,722
Shares redeemed	<u>(267,294)</u>
Net increase in shares outstanding	<u><u>3,946,700</u></u>

\* The Spyglass Growth Fund commenced operations on January 2, 2018.

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

## Spyglass Growth Fund

### FINANCIAL HIGHLIGHTS

For a capital share outstanding throughout the period

#### Institutional Shares

	<b>January 2, 2018*</b> <b>through</b> <b>December 31, 2018</b>
<b>Net Asset Value – Beginning of Period</b>	<u>\$10.00</u>
<b>Income from Investment Operations:</b>	
Net investment loss <sup>1</sup>	(0.10)
Net realized and unrealized gain on investments	<u>1.14</u>
Total from investment operations	<u>1.04</u>
<b>Less Distributions:</b>	
Dividends from net realized gains	<u>(0.52)</u>
Total distributions	<u>(0.52)</u>
<b>Net Asset Value – End of Period</b>	<u><u>\$10.52</u></u>
<b>Total Return</b>	10.36% <sup>^</sup>
<b>Ratios and Supplemental Data:</b>	
Net assets, end of period (thousands)	\$41,530
Ratio of operating expenses to average net assets:	
Before reimbursements	1.78% <sup>+</sup>
After reimbursements	1.00% <sup>+</sup>
Ratio of net investment loss to average net assets:	
Before reimbursements	(1.61)% <sup>+</sup>
After reimbursements	(0.83)% <sup>+</sup>
Portfolio turnover rate	66% <sup>^</sup>

\* Commencement of operations for Institutional Shares was January 2, 2018.

<sup>+</sup> Annualized

<sup>^</sup> Not Annualized

<sup>1</sup> The net investment income per share was calculated using the average shares outstanding method.

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

NOTES TO FINANCIAL STATEMENTS  
at December 31, 2018

**NOTE 1 – ORGANIZATION**

The Spyglass Growth Fund (the “Fund”) is a series of Manager Directed Portfolios (the “Trust”). The Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), and was organized as a Delaware statutory trust on April 4, 2006. The Fund is an open-end investment management company and is a non-diversified series of the Trust. The Fund acquired the assets of Spyglass Partners Fund, LP, a Delaware investment limited partnership (the “Predecessor Private Fund”), in a tax-free conversion completed at the close of business on December 29, 2017. The Fund did not have any operations prior to December 29, 2017 other than those relating to organizational matters and registration of its shares under applicable securities law. The Fund commenced operations on January 2, 2018, and currently only offers Institutional Shares. The Predecessor Private Fund had an investment objective and investment policies that were, in all material respects, equivalent to those of the Fund. However, the Predecessor Private Fund was not registered as an investment company under the 1940 Act, and was not subject to certain investment limitations, diversification requirements, liquidity requirements and other restrictions imposed by the 1940 Act and Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). Upon completion of the conversion, the net assets of the Fund were \$16,225,831. The number of shares of the Fund issued in connection with the conversion was 1,622,583, and the amount of net unrealized gains on the portfolio securities transferred to the Fund was \$2,060,757. Spyglass Capital Management LLC (the “Advisor”) serves as the investment advisor to the Fund. As an investment company, the Fund follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standard Codification Topic 946 Financial Services – Investment Companies. The investment objective of the Fund is to seek long term capital appreciation.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of significant accounting policies consistently followed by the Fund. These policies are in conformity with U.S. generally accepted accounting principles (“GAAP”).

- A. *Security Valuation:* All investments in securities are recorded at their estimated fair value, as described in Note 3.
- B. *Federal Income Taxes:* It is the Fund’s policy to comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income or excise tax provisions are required.

The Fund recognizes the tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained assuming examination by tax authorities. Management has analyzed the Fund’s tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions to be taken or expected to be taken in the Fund’s

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**at December 31, 2018**

2018 tax returns. The Fund identifies its major tax jurisdictions as U.S. Federal and the state of Delaware.

- C. *Securities Transactions, Income and Distributions:* Securities transactions are accounted for on the trade date. Realized gains and losses on securities sold are determined on the basis of identified cost. Interest income is recorded on an accrual basis. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates.

The Fund distributes substantially all of its net investment income, if any, and net realized capital gains, if any, annually. Distributions from net realized gains for book purposes may include short-term capital gains. All short-term capital gains are included in ordinary income for tax purposes. The amount of dividends and distributions to shareholders from net investment income and net realized capital gains is determined in accordance with federal income tax regulations, which may differ from GAAP. To the extent these book/tax differences are permanent, such amounts are reclassified within the capital accounts based on their federal tax treatment.

The Fund is charged for those expenses that are directly attributable to it, such as investment advisory, custody and transfer agent fees. Expenses that are not attributable to a Fund are typically allocated among the funds in the Trust proportionately based on allocation methods approved by the Board of Trustees (the "Board"). Common expenses of the Trust are typically allocated among the funds in the Trust based on a fund's respective net assets, or by other equitable means.

- D. *Use of Estimates:* The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets during the reporting period. Actual results could differ from those estimates.
- E. *Reclassification of Capital Accounts:* GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share.
- F. *Events Subsequent to the Fiscal Period End:* In preparing the financial statements as of December 31, 2018, management considered the impact of subsequent events for potential recognition or disclosure in the financial statements and had concluded that no additional disclosures are necessary.
- G. *Recent Accounting Pronouncements and Rule Issuances:* In August 2018, FASB issued ASU 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement

**NOTES TO FINANCIAL STATEMENTS (Continued)  
at December 31, 2018**

(“ASU 2018-13”). The primary focus of ASU 2018-13 is to improve the effectiveness of the disclosure requirements for fair value measurements. The changes affect all companies that are required to include fair value measurement disclosures. In general, the amendments in ASU 2018-13 are effective for all entities for fiscal years and interim periods within those fiscal years, beginning after December 15, 2019. An entity is permitted to early adopt the removed or modified disclosures upon the issuance of ASU 2018-13 and may delay adoption of the additional disclosures, which are required for public companies only, until their effective date. Management has evaluated the impact of this change in guidance, and due to the permissibility of early adoption, modified the Fund’s fair value disclosures for the current reporting period.

In August 2018, the Securities and Exchange Commission issued Final Rule Release No. 33-10532, Disclosure Update and Simplification, which in part amends certain financial statement disclosure requirements of Regulation S-X that have become redundant, duplicative, overlapping, outdated, or superseded, in light of other Commission disclosure requirements, U.S. Generally Accepted Accounting Principles, or changes in the information environment. The amendments are intended to facilitate the disclosure of information to investors and simplify compliance without significantly altering the total mix of information provided to investors. The amendments to Rule 6-04.17 of Regulation S-X (balance sheet) were amended to require presentation of the total, rather than the components of net assets, of distributable earnings on the balance sheet. Consistent with U.S. GAAP, funds will be required to disclose total distributable earnings. The amendments to Rule 6-09 of Regulation S-X (statement of changes in net assets) omit the requirement to separately state the sources of distributions paid as well as omit the requirement to parenthetically state the book basis amount of undistributed net investment income. Instead, consistent with U.S. GAAP, funds will be required to disclose the total amount of distributions paid, except that any tax return of capital must be separately disclosed. The requirements of the Final Rule Release are effective November 5, 2018 and the Funds’ Statement of Assets and Liabilities and the Statement of Changes in Net Assets for the current reporting period have been modified accordingly.

**NOTE 3 – SECURITIES VALUATION**

The Fund has adopted authoritative fair value accounting standards which establish an authoritative definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value, a discussion of changes in valuation techniques and related inputs during the period, and expanded disclosure of valuation levels for major security types. These inputs are summarized in the three broad levels listed below:

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**at December 31, 2018**

Level 1 – Unadjusted, quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the date of measurement.

Level 2 – Other significant observable inputs (including, but not limited to, quoted prices in active markets for similar instruments, quoted prices in markets that are not active for identical or similar instruments, and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets, such as interest rates, prepayment speeds, credit risk curves, default rates, and similar data).

Level 3 – Significant unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

Following is a description of the valuation techniques applied to the Fund’s major categories of assets and liabilities measured at fair value on a recurring basis.

*Equity Securities:* Equity securities, including common stocks, preferred stocks, foreign-issued common stocks, exchange-traded funds, closed-end mutual funds and real estate investment trusts (REITs), that are primarily traded on a national securities exchange shall be valued at the last sale price on the exchange on which they are primarily traded on the day of valuation or, if there has been no sale on such day, at the mean between the bid and asked prices. Securities primarily traded in the NASDAQ Global Market System for which market quotations are readily available shall be valued using the NASDAQ Official Closing Price (“NOCP”). If the NOCP is not available, such securities shall be valued at the last sale price on the day of valuation, or if there has been no sale on such day, at the mean between the bid and asked prices. Over-the-counter securities that are not traded on a listed exchange are valued at the last sale price in the over-the-counter market. Over-the-counter securities which are not traded in the NASDAQ Global Market System shall be valued at the mean between the bid and asked prices. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy.

*Registered Investment Companies:* Investments in registered investment companies (e.g., mutual funds) are generally priced at the ending NAV provided by the applicable registered investment company’s service agent and will be classified in Level 1 of the fair value hierarchy.

*Short-Term Debt Securities:* Debt securities, including short-term debt instruments having a maturity of less than 60 days, are valued at the evaluated mean price supplied by an approved pricing service. Pricing services may use various valuation methodologies including matrix pricing and other analytical pricing models as well as market transactions and dealer quotations. In the absence of prices from a pricing service, the securities will be priced in accordance with the procedures adopted by the Board.

## Spyglass Growth Fund

### NOTES TO FINANCIAL STATEMENTS (Continued) at December 31, 2018

Short-term securities are generally classified in Level 1 or Level 2 of the fair market hierarchy depending on the inputs used and market activity levels for specific securities.

The Board has delegated day-to-day valuation issues to a Valuation Committee of the Trust which, as of December 31, 2018, was comprised of officers of the Trust as well as an interested trustee of the Trust. The function of the Valuation Committee is to value securities where current and reliable market quotations are not readily available, or the closing price does not represent fair value, by following procedures approved by the Board. These procedures consider many factors, including the type of security, size of holding, trading volume and news events. All actions taken by the Valuation Committee are subsequently reviewed and ratified by the Board.

Depending on the relative significance of the valuation inputs, fair valued securities may be classified in either level 2 or level 3 of the fair value hierarchy.

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of the fair valuation hierarchy of the Fund's securities as of December 31, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Common Stocks</b>				
Communication Services	\$ 3,787,056	\$ —	\$ —	\$ 3,787,056
Consumer Discretionary	3,559,576	—	—	3,559,576
Financials	1,580,672	—	—	1,580,672
Health Care	5,809,550	—	—	5,809,550
Industrials	1,749,322	—	—	1,749,322
Information Technology	20,200,608	—	—	20,200,608
<b>Total Common Stocks</b>	<u>36,686,784</u>	<u>—</u>	<u>—</u>	<u>36,686,784</u>
<b>REITs</b>	2,984,154	—	—	2,984,154
<b>Total Investments in Securities</b>	<u>\$39,670,938</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$39,670,938</u>

#### **NOTE 4 – INVESTMENT ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES**

For the fiscal period ended December 31, 2018, the Advisor provided the Fund with investment management services under an Investment Advisory Agreement. The Advisor furnishes all investment advice, office space, and facilities, and provides most of the personnel needed by the Fund. As compensation for its services, the Advisor is entitled to a monthly fee at an annual rate of 1.00% for the Spyglass Growth Fund based upon the average daily net assets of the Fund. For the fiscal period ended December 31, 2018, the Fund incurred \$254,677 in advisory fees.

## Spyglass Growth Fund

### NOTES TO FINANCIAL STATEMENTS (Continued) at December 31, 2018

The Fund is responsible for its own operating expenses. The Advisor has contractually agreed to waive its management fees and/or absorb expenses of the Fund to ensure that the total annual operating expenses [excluding front-end or contingent deferred loads, Rule 12b-1 plan fees, shareholder servicing plan fees, taxes, leverage, interest, brokerage commissions and other transactional expenses, expenses in connection with a merger or reorganization, dividends or interest on short positions, acquired fund fees and expenses or extraordinary expenses (collectively, “Excludable Expenses”)] do not exceed the following amounts of the average daily net assets for the Institutional Shares:

<b>Spyglass Growth Fund</b>	
Institutional Shares	1.00%

For the fiscal period ended December 31, 2018, the Advisor reduced its fees and absorbed Fund expenses in the amount of \$197,172 for the Fund. The waivers and reimbursements will remain in effect through January 1, 2021 unless terminated sooner by, or with the consent of, the Board.

The Advisor may request recoupment of previously waived fees and paid expenses in any subsequent month in the three-year period from the date of the management fee reduction and expense payment if the aggregate amount actually paid by the Fund toward the operating expenses for such fiscal year (taking into account the reimbursement) will not cause the Fund to exceed the lesser of: (1) the expense limitation in place at the time of the management fee reduction and expense payment; or (2) the expense limitation in place at the time of the reimbursement. Any such reimbursement is also contingent upon Board of Trustees review and approval at the time the reimbursement is made. Such reimbursement may not be paid prior to the Fund’s payment of current ordinary operating expenses. Cumulative expenses subject to recapture pursuant to the aforementioned conditions expire as follows:

12/31/2021  
\$197,172

During the fiscal period ended December 31, 2018, the Fund received securities, in-kind, from Spyglass Partners Fund LP, an affiliate of the Advisor in the amount of \$16,225,831. The transactions complied with Rule 17a-7 under the 40 Act and the 17a-7 procedures adopted by the Trust.

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services, LLC (“Fund Services” or the “Administrator”) acts as the Fund’s Administrator under an Administration Agreement. The Administrator prepares various federal and state regulatory filings, reports and returns for the Fund; prepares reports and materials to be supplied to the Trustees; monitors the activities of the Fund’s custodian, transfer agent and accountants; coordinates the preparation and payment of the Fund’s expenses and reviews the Fund’s expense accruals. Fund Services also serves as the fund accountant and transfer agent to the Fund. Vigilant Compliance, LLC serves as the Chief Compliance

## Spyglass Growth Fund

### NOTES TO FINANCIAL STATEMENTS (Continued) at December 31, 2018

Officer to the Fund. U.S. Bank N.A., an affiliate of Fund Services, serves as the Fund's custodian. For the fiscal period ended December 31, 2018, the Fund incurred the following expenses for administration, fund accounting, transfer agency and custody fees:

Administration & fund accounting	\$61,569
Custody	\$ 9,037
Transfer agency <sup>(a)</sup>	\$24,815

<sup>(a)</sup> Does not include out-of-pocket expenses.

At December 31, 2018, the Fund had payables due to Fund Services for administration, fund accounting and transfer agency fees and to U.S. Bank N.A. for custody fees in the following amounts:

Administration & fund accounting	\$10,625
Custody	\$ 1,459
Transfer agency <sup>(a)</sup>	\$ 4,256

<sup>(a)</sup> Does not include out-of-pocket expenses.

Quasar Distributors, LLC (the "Distributor") acts as the Fund's principal underwriter in a continuous public offering of the Fund's shares. The Distributor is an affiliate of the Administrator. A Trustee of the Trust is deemed to be an interested person of the Trust due to his former position with the Distributor.

Certain officers of the Fund are employees of the Administrator and are not paid any fees by the Fund for serving in such capacities.

#### NOTE 5 – SECURITIES TRANSACTIONS

For the fiscal period ended December 31, 2018, the cost of purchases and the proceeds from sales of securities, excluding short-term securities, were as follows:

	<u>Purchases</u>	<u>Sales</u>
Spyglass Growth Fund	\$53,986,442	\$17,130,254

There were no purchases or sales of long-term U.S. Government securities.

#### NOTE 6 – INCOME TAXES AND DISTRIBUTIONS TO SHAREHOLDERS

As of December 31, 2018, the Fund's most recent fiscal period, the components of accumulated earnings/(losses) on a tax basis were as follows:

## Spyglass Growth Fund

### NOTES TO FINANCIAL STATEMENTS (Continued) at December 31, 2018

Cost of investments <sup>(a)</sup>	<u>\$39,003,646</u>
Gross unrealized appreciation	4,554,181
Gross unrealized depreciation	<u>(3,886,889)</u>
Net unrealized depreciation	<u>667,292</u>
Undistributed ordinary income	245,620
Undistributed long-term capital gain	<u>—</u>
Total distributable earnings	245,620
Other accumulated losses	<u>(11,960)</u>
Total accumulated earnings/(losses)	<u>\$ 900,952</u>

(a) The difference between the book basis and tax basis net unrealized depreciation and cost is attributable primarily to wash sales.

As of December 31, 2018, the Fund's most recent fiscal period, the Fund had no long-term or short-term tax basis capital losses to offset future capital gains.

The tax character of distributions paid during the 2018 fiscal period was as follows:

	<u>Fiscal Period Ended December 31, 2018</u>
Ordinary income	1,366,355
Long-term capital gains	335,358

At December 31, 2018, the Fund deferred, on a tax basis, post-October losses of \$11,960.

#### **NOTE 7 – PRINCIPAL RISKS**

Below are summaries of some, but not all, of the principal risks of investing in the Fund, each of which could adversely affect the Fund's NAV, market price, yield, and total return. Further information about investment risks is available in the Fund's prospectus and Statement of Additional Information.

*Equity Market Risk:* Equity securities are susceptible to general stock market fluctuations due to economic, market, political and issuer-specific considerations and to potential volatile increases and decreases in value as market confidence in and perceptions of their issuers change.

*Small-Cap and Mid-Cap Company Risk:* Small-Cap and Mid-Cap companies often have less predictable earnings, more limited product lines, markets, distribution channels or financial resources, and the management of such companies may be dependent upon one or few key people. The market movements of equity securities of these companies may be more abrupt and volatile than the market movements of equity securities of larger, more established companies, or the stock market in general. Because of these movements, and because small-cap and mid-cap companies tend to be bought and sold less often and in smaller amounts, they are generally less liquid than the equity securities of larger companies.

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**at December 31, 2018**

*Management Risk:* The ability of the Fund to meet its investment objective is directly related to the Advisor's management of the Fund. The value of your investment in the Fund may vary with the effectiveness of the Advisor's research, analysis and asset allocation among portfolio securities. If the investment strategies do not produce the expected results, the value of your investment could be diminished or even lost entirely.

*New Fund Risk:* There can be no assurance that the Fund will grow to or maintain an economically viable size, in which case the Board may determine to liquidate the Fund. Liquidation of the Fund can be initiated without shareholder approval by the Board if it determines that liquidation is in the best interest of shareholders. As a result, the timing of the Fund's liquidation may not be favorable.

*Non-Diversified Fund Risk:* Because the Fund is "non-diversified," it may invest a greater percentage of its assets in the securities of a single issuer. As a result, a decline in the value of an investment in a single issuer could cause the Fund's overall value to decline to a greater degree than if the Fund held a more diversified portfolio.

*REIT Risk:* A REIT's share price may decline because of adverse developments affecting the real estate industry, including changes in interest rates. The returns from REITs may trail returns from the overall market. The Fund's investments in REITs may be subject to special tax rules, or a particular REIT may fail to qualify for the favorable federal income tax treatment applicable to REITs, the effect of which may have adverse tax consequences for the Fund and shareholders.

*Cash and Cash Equivalent Risk:* At various times, the Fund may have cash balances that exceed federally insured limits. It is the opinion of management that the solvency of the financial institutions are not of a particular concern at the time.

**NOTE 8 – GUARANTEES AND INDEMNIFICATIONS**

In the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

**NOTE 9 – LINE OF CREDIT**

The Fund has an uncommitted line of credit in the amount of the lesser of (i) \$2,500,000, or (ii) 10% of gross market value of the Fund, or (iii) 33.33% of the market value of the Fund's net assets, intended to provide short-term financing, if necessary, subject to certain restrictions, in connection with shareholder redemptions. The credit facility is with the Funds' custodian bank, U.S. Bank N.A. Borrowings under this arrangement bear interest at the bank's prime rate and are unsecured. During the period from September 7, 2018, when the credit facility was obtained, through December 31, 2018, the Fund had an outstanding average daily balance and an average interest rate of

## Spyglass Growth Fund

### NOTES TO FINANCIAL STATEMENTS (Continued) at December 31, 2018

\$6,617 and 1.40%, respectively. The interest expensed by the Fund during the period from September 7, 2018 through December 31, 2018 is included in the Statement of Operations. The maximum amount outstanding for the Fund during the period from September 7, 2018 through December 31, 2018 was \$253,900. As of December 31, 2018, the Fund did not have any borrowings outstanding under the line of credit.

# Spyglass Growth Fund

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

### To the Board of Trustees of Manager Directed Portfolios and the Shareholders of Spyglass Growth Fund

#### Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Spyglass Growth Fund, a series of shares of beneficial interest in Manager Directed Portfolios (the “*Fund*”), including the schedule of investments, as of December 31, 2018, and the related statements of operations, changes in net assets, and the financial highlights for the period January 2, 2018 (commencement of operations) through December 31, 2018, and the related notes (collectively referred to as the “*financial statements*”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2018, and the results of its operations, the changes in its net assets, and its financial highlights for the period January 2, 2018 through December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“*PCAOB*”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities law and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risk of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2018 by correspondence with the custodian and brokers. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

*BBD, LLP*

**BBD, LLP**

*We have served as the auditor of one or more of the Funds in the Manager Directed Portfolios since 2007.*

**Philadelphia, Pennsylvania**  
**February 28, 2019**

## Spyglass Growth Fund

### EXPENSE EXAMPLE December 31, 2018 (Unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs; and (2) ongoing costs, including management fees; and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period indicated and held for the entire period from July 1, 2018 to December 31, 2018 for the Institutional Shares.

#### **Actual Expenses**

The information in the table under the heading “Actual” provides information about actual account values and actual expenses. You may use the information in these columns together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the row entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period. There are some account fees that are charged to certain types of accounts, such as Individual Retirement Accounts (generally, a \$15 fee is charged to the account annually) that would increase the amount of expenses paid on your account. The example below does not include portfolio trading commissions and related expenses and other extraordinary expenses as determined under generally accepted accounting principles.

#### **Hypothetical Example for Comparison Purposes**

The information in the table under the heading “Hypothetical (5% return before expenses)” provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. As noted above, there are some account fees that are charged to certain types of accounts that would increase the amount of expense paid on your account.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as sales charges (loads), redemption fees, or exchange fees. Therefore, the information under the heading “Hypothetical (5% return before expenses)” is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

## Spyglass Growth Fund

### EXPENSE EXAMPLE (Continued) December 31, 2018 (Unaudited)

	Beginning Account Value <u>7/1/2018</u>	Ending Account Value <u>12/31/2018</u>	Expenses Paid During Period <u>7/1/2018 – 12/31/2018</u>
<b>Actual</b>			
Institutional Shares	\$1,000.00	\$ 953.80	\$4.92 <sup>(1)</sup>
<b>Hypothetical (5% return before expenses)</b>			
Institutional Shares	\$1,000.00	\$1,020.16	\$5.09 <sup>(1)</sup>

<sup>(1)</sup> Expenses are equal to the Institutional Shares' annualized expense ratio of 1.00% multiplied by the average account value over the period, multiplied by 184/365 (to reflect the period).

## Spyglass Growth Fund

### NOTICE TO SHAREHOLDERS at December 31, 2018 (Unaudited)

#### **How to Obtain a Copy of the Fund's Proxy Voting Policies**

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, by calling 1-888-878-5680 or on the U.S. Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>.

#### **How to Obtain a Copy of the Fund's Proxy Voting Records for the most recent 12-Month Period Ended June 30**

Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available no later than August 31 without charge, upon request, by 1-888-878-5680. Furthermore, you can obtain the Fund's proxy voting records on the SEC's website at <http://www.sec.gov>.

#### **Quarterly Filings on Form N-Q**

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Q is available on the SEC's website at <http://www.sec.gov>. Information included in the Fund's Form N-Q is also available, upon request, by calling 1-888-878-5680.

#### **Householding**

In an effort to decrease costs, the Fund intends to reduce the number of duplicate prospectuses and annual and semi-annual reports you receive by sending only one copy of each to those addresses shared by two or more accounts and to shareholders the Transfer Agent reasonably believes are from the same family or household. Once implemented, if you would like to discontinue householding for your accounts, please call toll-free at 1-888-878-5680 to request individual copies of these documents. Once the Transfer Agent receives notice to stop householding, the Transfer Agent will begin sending individual copies thirty days after receiving your request. This policy does not apply to account statements.

#### **Other Tax Information (Unaudited)**

For the fiscal period ended December 31, 2018, certain dividends paid by the Fund may be subject to a maximum tax rate of 15%, as provided by the Jobs and Growth Tax Relief Reconciliation Act of 2003. The percentage of dividends declared from ordinary income designated as qualified dividend income was as follows:

Spyglass Growth Fund	1.87%
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For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal period ended December 31, 2018 was as follows:

Spyglass Growth Fund	1.77%
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## Spyglass Growth Fund

### TRUSTEES AND OFFICERS (Unaudited)

The business and affairs of the Trust are managed under the oversight of the Board, subject to the laws of the State of Delaware and the Trust’s Agreement and Declaration of Trust. The Board is currently comprised of three trustees who are not interested persons of the Trust within the meaning of the 1940 Act (the “Independent Trustees”) and one interested person of the Trust (the “Interested Trustee”). The Trustees are responsible for deciding matters of overall policy and overseeing the actions of the Trust’s service providers. The officers of the Trust conduct and supervise the Trust’s daily business operations.

<u>Name, Year of Birth and Address<sup>(1)</sup></u>	<u>Position(s) Held with the Trust and Length of Time Served<sup>(3)</sup></u>	<u>Principal Occupation(s) During the Past Five Years</u>	<u>Number of Funds in Fund Complex Overseen by Trustee</u>	<u>Other Directorships Held by Trustee During the Past Five Years</u>
<b>INTERESTED TRUSTEE</b>				
James R. Schoenike <sup>(2)</sup> (Born 1959)	Trustee and Chairman since July 2016	Distribution consultant since 2018; President and CEO, Board of Managers, Quasar Distributors, LLC (2013-2018).	8	None
<b>INDEPENDENT TRUSTEES</b>				
Gaylord B. Lyman (Born 1962)	Trustee and Audit Committee Chairman, since April 2015	Senior Portfolio Manager, Affinity Investment Advisors, LLC, since 2017; Managing Director of Kohala Capital Partners, LLC (2011 – 2016).	8	None
Scott Craven Jones (Born 1962)	Trustee since July 2016 and Lead Independent Trustee since May 2017	Managing Director, Carne Global Financial Services (US) LLC, since 2013.	8	Director, Guestlogix Inc. (a provider of ancillary-focused technology to the travel industry) (2015-2016); Trustee, XAI Octagon Floating Rate & Alternative Income Term Trust, since 2017.

## Spyglass Growth Fund

### TRUSTEES AND OFFICERS (Continued) (Unaudited)

<u>Name, Year of Birth and Address<sup>(1)</sup></u>	<u>Position(s) Held with the Trust and Length of Time Served<sup>(3)</sup></u>	<u>Principal Occupation(s) During the Past Five Years</u>	<u>Number of Funds in Fund Complex Overseen by Trustee</u>	<u>Other Directorships Held by Trustee During the Past Five Years</u>
Lawrence T. Greenberg (Born 1963)	Trustee since July 2016	Senior Vice President and Chief Legal Officer, The Motley Fool Holdings, Inc., since 1996; Venture Partner and General Counsel, Motley Fool Ventures LP, since 2018; Adjunct Professor, Washington College of Law, American University, since 2006; General Counsel, Motley Fool Asset Management, LLC, (2008 – 2019).	8	None

<sup>(1)</sup> The address of each Trustee as it relates to the Trust's business is c/o U.S. Bancorp Fund Services LLC, 615 East Michigan Street, Milwaukee, WI 53202.

<sup>(2)</sup> Mr. Schoenike is an Interested Trustee by virtue of the fact that he was recently President of Quasar Distributors, LLC, the Fund's distributor (the "Distributor").

<sup>(3)</sup> Each Trustee serves during the continued lifetime of the Trust until he dies, resigns, is declared bankrupt or incompetent by a court of competent jurisdiction, or is removed.

## Spyglass Growth Fund

### TRUSTEES AND OFFICERS (Continued) (Unaudited)

As of the date of this report, no Independent Trustee nor any of his immediate family members (i.e., spouse or dependent children) serves as an officer or director or is an employee of the Advisor, Sub-Advisor or Distributor, or any of their respective affiliates, nor is such person an officer, director or employee of any company controlled by or under common control with such entities.

<u>Name (Year of Birth) and Address</u>	<u>Position(s) Held with Trust and Length of Time Served<sup>(3)</sup></u>	<u>Principal Occupation(s) During Past Five Years</u>
<b>OFFICERS</b>		
Douglas J. Neilson <sup>(1)</sup> (Born 1975)	President and Principal Executive Officer, since July 1, 2016	Vice President, Compliance and Administration, USBFS, since 2001
Matthew J. McVoy <sup>(1)</sup> (Born 1980)	Treasurer and Principal Financial Officer, since July 1, 2016	Assistant Vice President, Compliance and Administration, USBFS, since 2005
Nathan R. Bentley, CPA <sup>(1)</sup> (Born 1983)	Assistant Treasurer, since July 1, 2016	Officer, Compliance and Administration, USBFS, since 2012
Gerard Scarpati <sup>(2)</sup> (Born 1955)	Chief Compliance Officer and Anti-Money Laundering Compliance Officer, since July 1, 2016	Compliance Director, Vigilant, since 2010
Rachel A. Spearo <sup>(1)</sup> (Born 1979)	Secretary, since October 31, 2016	Vice President, Compliance and Administration, USBFS, since 2004

<sup>(1)</sup> The mailing address of this officer is: 615 East Michigan Street, Milwaukee, Wisconsin 53202.

<sup>(2)</sup> The mailing address of this officer is: 223 Wilmington West Chester Pike, Suite 216, Chadds Ford, Pennsylvania 19317.

<sup>(3)</sup> Each officer is elected annually and serves until his or her successor has been duly elected and qualified.

The Statement of Additional Information includes additional information about the Fund's Trustees and Officers and is available, without charge, upon request by calling 1-888-878-5680.

**NOTICE OF PRIVACY POLICY AND PRACTICES**

Protecting the privacy of Fund shareholders is important to us. The following is a description of the practices and policies through which we protect the privacy and security of your non-public personal information.

**What Information We Collect**

We collect and maintain information about you so that we can open and maintain your account in the Fund and provide various services to you. We collect non-public personal information about you from the following sources:

- information we receive about you on applications or other forms;
- information you give us orally; and
- information about your transactions with us or others.

The types of non-public personal information we collect and share can include:

- social security number;
- account balances;
- account transactions;
- transaction history;
- wire transfer instructions; and
- checking account information.

**What Information We Disclose**

We do not disclose any non-public personal information about shareholders or former shareholders of the Fund without the shareholder's authorization, except as permitted by law or in response to inquiries from governmental authorities. We may share information with affiliated parties and unaffiliated third parties with whom we have contracts for servicing the Fund. We will provide unaffiliated third parties with only the information necessary to carry out their assigned responsibility.

**How We Protect Your Information**

All shareholder records will be disposed of in accordance with applicable law. We maintain physical, electronic and procedural safeguards to protect your non-public personal information and require third parties to treat your non-public personal information with the same high degree of confidentiality.

In the event that you hold shares of the Fund through a financial intermediary, including, but not limited to, a broker-dealer, bank or trust company, the privacy policy of your financial intermediary would govern how your non-public personal information would be shared with unaffiliated third parties.

If you have any questions or concerns regarding this notice or our Privacy Policy, please contact us at 1-888-878-5680.

**Investment Advisor**

Spyglass Capital Management, LLC  
One Letterman Drive  
Building C, Suite 3600  
San Francisco, CA 94129

**Distributor**

Quasar Distributors, LLC  
777 East Wisconsin Avenue, 6th Floor  
Milwaukee, WI 53202

**Transfer Agent**

U.S. Bancorp Fund Services, LLC  
615 East Michigan Street  
Milwaukee, WI 53202  
1-888-878-5680

**Custodian**

U.S. Bank National Association  
Custody Operations  
1555 North River Center Drive, Suite 302  
Milwaukee, WI 53212

**Independent Registered Public Accounting Firm**

BBD, LLP  
1835 Market Street, 3rd Floor  
Philadelphia, PA 19103

**Legal Counsel**

Godfrey & Kahn S.C.  
833 East Michigan Street, Suite 1800  
Milwaukee, WI 53202

This report is intended for shareholders of the Fund and may not be used as sales literature unless preceded or accompanied by a current prospectus.

Past performance results shown in this report should not be considered a representation of future performance. Share price and returns will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Statements and other information herein are dated and are subject to change.