
Steadyhand

Management Report of Fund Performance

Steadyhand Savings Fund

December 31, 2019



Steadyhand Savings Fund

Annual Management Report of Fund Performance (December 31, 2019)

This annual management report of fund performance contains financial highlights, but does not contain the complete audited annual financial statements of the investment fund. You can get a copy of the audited annual financial statements at your request, and at no cost, by calling 1-888-888-3147, by writing to us at Steadyhand Investment Management Ltd., 1747 West 3rd Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at www.steadyhand.com or SEDAR at www.sedar.com.

Unitholders 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 fundamental investment objective of the Steadyhand Savings Fund (the "Fund") is to provide a stable level of current income and capital preservation through investing in a portfolio of Treasury Bills and short-term debt instruments issued by Canadian corporations and the federal and provincial governments.

Given the Fund's emphasis on capital preservation, it is managed conservatively. The portfolio's average term to maturity will not exceed 90 days, and the portfolio adviser only invests in debt instruments with high credit ratings.

Risks

The primary risks associated with an investment in the Fund are interest rate risk and credit risk. The other risks are outlined in the simplified prospectus. There were no changes to the Fund over the reporting period that affected its overall level of risk.

Results of Operations

Over the year, the Fund's net assets increased to \$88.2 million as of December 31, 2019, from \$64.4 million at the end of 2018. This increase was attributable to net sales of \$23.8 million.

The Fund produced a return of 1.8% in 2019. Over the same period, the FTSE Canada 91-Day T-Bill Index gained 1.6%. The Fund's return is net of fees, whereas the return of the index does not include any costs or fees.

The Fund outperformed the index over the year. Helping performance was the portfolio adviser's (Connor, Clark & Lunn) preference for holding corporate paper over government T-Bills. In addition, the Fund's investments in floating rate notes (FRNs) and short-dated bonds helped boost the Fund's return. At year-end, 70% of the Fund was invested in corporate paper (including bank paper, FRNs and bonds) with the remaining 30% invested in government notes.

Interest rates dropped in most developed markets in the first half of the year and global yields approached their all-time lows set in 2016. The declines were particularly steep in Europe, where nearly

US\$13 trillion worth of German, French and other Nordic countries' bonds have been trading with negative yields. An upside surprise to core inflation measures enabled the Bank of Canada to remain patient and keep interest rates steady.

In the third quarter, sovereign bond yields continued to decline, led by notable drops in European, UK, Australian and US yields. The US 10-year Treasury yield fell to a low of 1.47%, before recovering somewhat. While most central banks took measures to ease policy, the Bank of Canada remained an exception, leaving interest rates unchanged. The Bank acknowledged elevated risks to the global economy from the trade war but did not suggest lower interest rates would be required. Although markets had begun to price in easier policy, the Bank statement created second thoughts. The Canadian yield curve remained deeply inverted in the quarter.

Finally, in the fourth quarter, an economic backdrop of renewed stability and diminished headline risks triggered rising bond yields, particularly in the longer-term segment of the yield curve. Yields rose globally, although more so in developed market economies. The rise in short-term yields was somewhat muted as monetary policymakers had been fairly stimulative (pushing rates lower) during the uncertain environment earlier in the year. In total, over 35 central banks engaged in monetary easing. By year-end, central banks had become more circumspect about the need to cut interest rates. The Bank of Canada left its key short-term lending rate unchanged in the quarter, at 1.75%, making it one of the highest in the developed world.

As noted, 70% of the Fund was invested in corporate paper at the end of the year. These investments included bankers' acceptances (BA) issued by the big six Canadian banks, commercial paper (CP) issued by companies including Enbridge, Suncor, TC Energy and Honda Canada, and bank deposit notes (BDN) issued by Manulife Bank of Canada.

The remaining 30% of the Fund was invested in government notes. These investments were focused on provincial securities rather than sovereign notes. The yield pick-up of provincial T-Bills (over sovereigns) was attractive throughout the year and was a source of added value for the portfolio.

Given the short-term nature of the Fund's investments, there were several changes to the portfolio's specific assets as a number of securities matured over the reporting period.

The Fund's pre-fee yield at the end of 2019 was 1.9%, which was down slightly from its yield of 2.0% at the end of 2018.

There were no unusual trends in revenues or expenses over the reporting period.

Recent Developments

An escalation in trade conflicts heightened uncertainty about economic prospects in the first half of the year, and global growth indeed slowed. In response, central banks around the world began lowering interest rates or easing monetary policy. Many observers believed the Bank of Canada's next would be a decrease in its key lending rate rather than an increase. This did not play out, however, and our central bank left its key policy rate unchanged, at 1.75%.

In its September statement, the central bank highlighted that economic growth in Canada was strong in the second quarter, driven by robust export growth and stronger energy production. The Bank, however, expected economic activity to slow in the second half of the year. World trade slowed as a result of

ongoing disputes between the U.S. and China, and business investment had weakened. The Bank noted that this heightened trade uncertainty, along with high levels of household debt, posed risks to our economy which the Bank would pay particular attention to.

In its December statement, the central bank highlighted that consumer spending and housing investment were sources of strength in Canada, along with steady wage growth. An economic backdrop of renewed stability and diminished headline risks triggered rising bond yields over the fourth quarter, particularly in the longer-term segment of the yield curve. Yields rose globally, although more so in developed market economies. The rise in short-term yields was somewhat muted as monetary policymakers had been fairly stimulative (pushing rates lower) during the uncertain environment earlier in the year. In total, over 35 central banks engaged in monetary easing, as previously noted. By year-end, central banks had become more circumspect about the need to cut interest rates. Once again, the Bank of Canada left its policy rate unchanged (1.75%). The Bank expects global economic growth to edge higher over the next couple of years, with trade conflicts being the biggest source of risk.

Also in the fourth quarter, the US Federal Reserve ("The Fed") cut interest rates for the third time in 2019, lowering the federal funds rate to the 1.5%-1.75% range. The Fed also signaled a more neutral stance going forward, and projected there would likely be no further changes to its policy rate until 2021. Additionally, it announced a Treasury bill purchase program to address funding shortfalls and to increase reserves. The Bank of Canada had debated cutting interest rates in October, but later indicated any plans for rate cuts are now on hold.

If the Bank of Canada's next move is a rate increase, it would be beneficial for the Fund, as it would enable the adviser to incorporate higher-yielding money market securities into the portfolio. Conversely, a cut in rates would be a negative for the Fund.

The Fund's mix of corporate notes (70% of assets) and government T-Bills (30%) did not change materially in 2019. As notes matured over the course of the year, a number of new securities were added to the Fund.

In response to the extremely low interest rate environment, we temporarily reduced the fee on the Savings Fund in 2009 to help maintain a positive yield for investors. The 'One Simple Fee' of the Fund, which is a fixed fee that includes the fee for Steadyhand's services as manager and all of the Fund's operating expenses, was temporarily reduced from 0.65% to 0.20%, and currently remains at this level. The amount of this waiver is determined by us, in our discretion, and the full fees may be restored by us at any time.

There were no changes over the reporting period to the manager, portfolio advisor, accounting policies or investment review committee of the Fund.

Related Party Transactions

Management Fees

Steadyhand Investment Management Ltd. is the Manager of the Fund. The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The Fund relies on the positive recommendation or approval of the independent review committee to proceed with the transactions. The annualized net management fee for the units of the Fund is 0.65%. The 'One Simple Fee' was temporarily reduced from 0.65% to 0.20%. The amount of this waiver is determined by us, in our discretion, and the full fees may be restored by us at any time. This fee is calculated daily and paid monthly based on the net asset value of units of the Fund. For the period ended December 31, 2019, the Fund paid gross fees of \$63,859 to the Manager and distributed \$20,524 in management fee reductions. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund which include:

- fees payable to provincial securities commissions in connection with the operation of the funds;
- audit and legal fees;
- costs for preparation, production and distribution of financial and other reports, including semi-annual and annual reports, statements,
- communications to unitholders and other regularly required documents;
- costs for the preparation, production and distribution of this simplified prospectus document and other regulatory documents, including Fund Facts;
- expenditures related to technology required to operate the funds;
- custody, investor servicing, record keeping, accounting, trustee fees and bank charges;
- costs of compliance with applicable securities legislation in connection with the operation of the funds; and
- applicable taxes including GST/HST.

The Fund does not directly or indirectly pay fees, sales commissions or trailing commissions, nor does it provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

As at December 31, 2019 Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 287,760 Series A units, or 8.7% of the total Series A Fund units. The Steadyhand Founders Fund holds 100% of the total Fund Series O units and pays no management fees.

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 since the date of inception. This information is derived from the Fund's annual audited financial statements.

Series A – Net Assets Per Unit	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net Assets, beginning of period ^{1,3}	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase from operations:					
Total revenue	0.20	0.19	0.14	0.11	0.11
Total expenses (excluding distributions)	(0.02)	(0.03)	(0.01)	(0.03)	(0.03)
Realized gains for the period	-	-	-	-	-
Unrealized gains for the period	-	-	-	-	-
Total increase from operations ¹	0.18	0.16	0.13	0.08	0.08
Distributions :					
From investment income (excluding dividends)	(0.18)	(0.15)	(0.08)	(0.07)	(0.08)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.18)	(0.15)	(0.08)	(0.07)	(0.08)
Net Assets, end of period	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

Series A - Ratios and Supplemental Data	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net asset value (000's) ⁴	\$33,260	\$37,050	\$30,120	\$19,189	\$19,591
Number of units outstanding ⁴	3,235,969	3,705,019	3,012,013	1,918,884	1,959,106
Management expense ratio ⁵	0.20%	0.20%	0.20%	0.20%	0.20%
Management expense ratio before waivers or absorptions	0.20%	0.21%	0.21%	0.21%	0.21%
Portfolio turnover rate ⁶	-	67.13	85.73	-	-
Trading expense ratio ⁷	-	-	-	-	-
Net asset value per unit	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

Series O – Net Assets Per Unit	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net Assets, beginning of period ^{1,3}	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase from operations:					
Total revenue	0.19	0.17	0.18	0.08	0.09
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains for the period	-	-	-	-	-
Unrealized gains for the period	-	-	-	-	-
Total increase from operations ¹	0.19	0.17	0.18	0.08	0.09
Distributions :					
From investment income (excluding dividends)	(0.19)	(0.17)	(0.10)	(0.08)	(0.09)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.19)	(0.17)	(0.10)	(0.08)	(0.09)
Net Assets, end of period	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

Series O - Ratios and Supplemental Data	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net asset value (000's) ⁴	\$54,947	\$27,382	\$64,405	\$46,980	\$29,729
Number of units outstanding ⁴	5,494,685	2,738,234	6,440,467	4,698,041	2,972,917
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	0.01%	-	-	0.01%	0.01%
Portfolio turnover rate ⁶	-	67.13	85.73	-	-
Trading expense ratio ⁷	-	-	-	-	-
Net asset value per unit	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

¹Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

²Distributions were paid in cash/reinvested in additional units of the Fund, or both.

³This information is derived from the Fund's audited annual financial statements as at December 31 for the periods stated.

⁴The information is provided as at December 31 of the period shown.

⁵Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

⁶The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

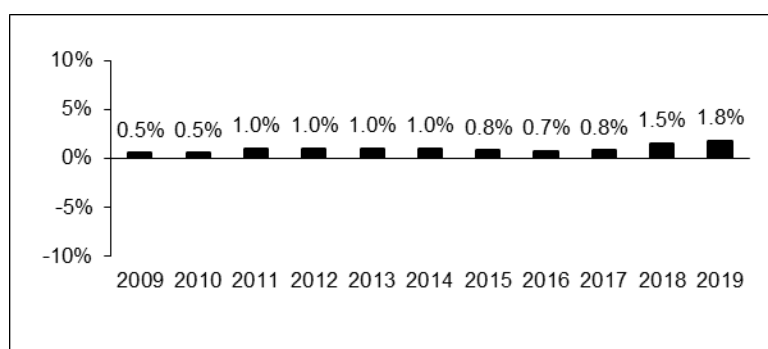
Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund will perform in the future.

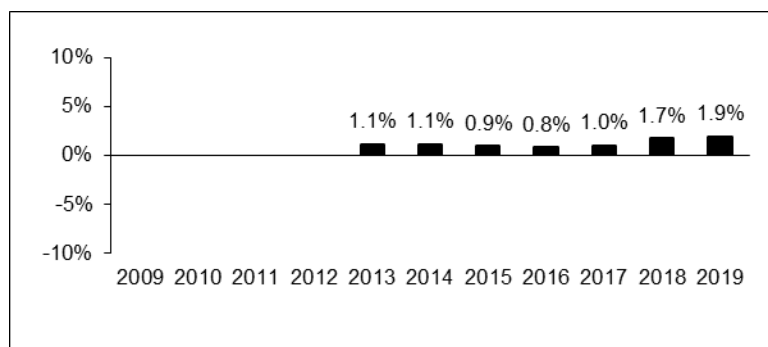
Year-by-Year Returns

The bar charts below show the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The chart shows, in percentage terms, 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.

Series A



Series O



Series O units of the Fund were first offered for sale in February 2012.

The following table shows the Fund's annual compound total return for the past one-year, three-year, five-year, and ten-year periods ended on December 31, 2019, and since the inception of the Fund, compared with the FTSE Canada 91-Day T-Bill Index.

	1 YR	3 YR	5 YR	10 YR	Since Inception*
Steadyhand Savings Fund – A	1.8%	1.4%	1.1%	1.0%	N/A
Steadyhand Savings Fund – O	1.9%	1.5%	1.3%	N/A	1.2%
FTSE Canada 91-Day T-Bill Index	1.6%	1.2%	0.9%	0.9%	1.0%

* Series O units have a different inception date (February 17, 2012) are not available for purchase.

The FTSE Canada 91-Day T-Bill Index measures the performance attributable to 91-day treasury bills.

A discussion of the relative performance of the Fund as compared to the indices can be found in the Results of Operations section.

Summary of Investment Portfolio as at December 31, 2019

Portfolio Allocation

	% of Net Assets
Bankers Acceptances	43.8%
Corporate Notes	13.8%
Provincial Promissory Notes	13.5%
Provincial Treasury Bills	11.5%
Bearer Deposit Notes	2.7%
	<hr/> 85.3%
Corporate Bonds	9.7%
Provincial Bonds	5.7%
	<hr/> 15.4%
Total Investments	<hr/> 100.7%
Cash, Short-term Notes & Other Assets	(0.7)%
Total	<hr/> 100.0% <hr/>

Top 25 Holdings	% of Net Assets
Province of Alberta P/N 1.769% 02 Jan 2020	9.1%
Province of Ontario T-Bill 1.771% 04 Mar 2020	7.5%
National Bank of Canada B/A 1.841% 02 Mar 2020	5.7%
Province of New Brunswick Bond 4.500% 02 June 2020	5.7%
Canadian Imperial Bank of Commerce B/A 1.843% 22 Jan 2020	5.5%
Bank of Montreal B/A 1.974% 04 Feb 2020	4.9%
Royal Bank of Canada B/A 1.842% 21 Jan 2020	4.8%
Honda Canada Finance Inc. C/P 1.8979% 26 Mar 2020	4.0%
HSBC Bank Canada B/A 1.900% 03 Feb 2020	3.5%
Bank of Nova Scotia B/A 1.951% 28 Jan 2020	3.5%
Toronto-Dominion Bank FRN C/P 2.563% 24 Jun 2020	3.4%
TransCanada Pipelines Limited C/P 1.928% 17 Jan 2020	3.4%
Suncor Energy Inc. C/P 1.928% 21 Jan 2020	3.4%
Canadian Imperial Bank of Commerce B/A 1.820% 30 Mar 2020	3.3%
Enbridge Pipelines Inc. C/P 2.054% 15 Jan 2020	3.1%
Royal Bank of Canada BA 1.870% 31 Jul 2020	2.9%
Toronto-Dominion Bank B/A 1.868% 16 Jan 2020	2.9%
BMW Canada Inc. FRN C/P 2.071% 06 Feb 2020	2.8%
Province of British Columbia P/N 1.769% 03 Feb 2020	2.7%
Bank of Montreal B/A 1.878% 10 Jan 2020	2.6%
Toyota Credit Canada FRN C/P 2.279% 13 Oct 2020	2.3%
Province of Newfoundland and Labrador T-Bill 1.767% 06 Feb 2020	2.1%
Bank of Nova Scotia B/A 1.929% 28 Feb 2020	2.1%
Province of Newfoundland and Labrador T-Bill 1.808% 22 Jan 2020	1.9%
Province of Prince Edward Island P/N 1.882% 18 Mar 2020	1.7%

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates are available (60 days after each quarter end) upon request.

Steadyhand

Management Report of Fund Performance

Steadyhand Income Fund

December 31, 2019



Steadyhand Income Fund

Annual Management Report of Fund Performance (December 31, 2019)

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Unitholders 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 fundamental investment objective of the Steadyhand Income Fund (the "Fund") is to provide a reasonably stable level of income, modest capital growth, and some long-term preservation of capital.

The Fund invests primarily in bonds, but also holds a significant portion of its assets in Real Estate Investment Trusts ("REITs"), income trusts and other income-producing securities for added yield and diversification. The bond portion of the Fund is primarily invested in medium to high quality corporate and government bonds of Canadian and foreign issuers. The Fund may also invest in derivatives for hedging purposes to protect against losses or for non-hedging purposes as a substitute for direct investment or to generate income.

Risks

The primary risks associated with an investment in the Fund are credit risk, interest rate risk, price risk and high turnover risk. The portfolio may experience high turnover related to the ongoing reinvesting of short-term money market securities. The other risks are outlined in the simplified prospectus. There were no significant changes to the Fund over the reporting period that affected its overall level of risk.

Results of Operations

Over the year, the Fund's net assets increased to \$264.2 million as of December 31, 2019, from \$243.6 million at the end of 2018. This increase of \$20.6 million was attributable to net sales of \$8.1 million, an increase in net assets from operations of \$23.1 million less \$10.6 million in distributions to unitholders.

The Fund rose 9.1% in 2019. Over the same period, the FTSE Canada Universe Bond Index provided a return of 6.9% while the S&P/TSX Capped Composite Index gained 22.9%. Interest rates declined during the year, with the 10-year Government of Canada yield falling from 2.0% to 1.7% (it dropped as low as 1.1% in August). Corporate bond yields also declined. This fall in yields was a positive for investors — as a reminder, when yields fall, bond prices typically rise, and vice versa. Short-term rates didn't budge much during the year. The Bank of Canada was one of the few global central banks to not ease short-term interest rates in the year, and Canada now has one of the highest policy rates in the developed world, at 1.75%.

Slower global growth and ongoing tariff announcements were two of the factors behind the decline in rates through the first nine months of the year. In the fourth quarter, however, the downside risks dissipated as the U.S. and China reached Phase One of a trade deal and there was more clarity surrounding Brexit following the UK election in which the Conservative Party won a majority government.

Central banks around the world eased their monetary policies during the year (Canada being the exception), which provided support for stocks. Many markets posted double-digit gains, and Canada's index posted its best return in a decade.

Against this backdrop, the Fund had a strong year, with both its bond and stock investments providing solid returns. Riskier assets, such as high yield and corporate bonds, outperformed safer securities (government bonds), as investors favoured higher interest payments over safety. This modestly held back the portfolio's return, as it's positioned more defensively.

The portfolio adviser, Connor, Clark & Lunn (CC&L), believes the risks of a Canadian recession have receded, in part because central banks outside of Canada have lowered interest rates to encourage spending by businesses and consumers. This stimulative policy should support lower yields for longer in CC&L's view. As a result, the Fund's bond holdings have a modestly longer maturity to benefit from the associated yield pick up.

From a security selection standpoint, CC&L has maintained a defensive tilt in the portfolio given the limited yield advantage of owning corporate bonds over "governments". The corporate bonds the Fund does hold are concentrated in high-quality companies like banks, utilities and telecoms.

At the beginning of the year, bonds comprised 77% of the portfolio. Their weighting rose to 78% by mid-year, but was decreased in the second half of the year. At December 31, they made up 74% of the Fund's assets.

The Fund's position in high yield bonds remained close to 2% during the course of the year. This is a lower than normal weighting in these securities. Connor, Clark & Lunn feels that ongoing economic uncertainty, a worsening liquidity environment and continued corporate debt buildup does not bode well for the sector.

Turning to the Fund's stock holdings, this portion of the portfolio had a good year in spite of having minimal exposure to gold and technology stocks, two of the hotter sectors of the market. The Fund's focus is on companies that are growing their dividend (as opposed to high dividend payers), as well as stocks that will benefit from continued growth in business and infrastructure spending. Sectors of focus include financial services, REITs, consumer products, pipelines and utilities. These stocks, which tend to produce more stable earnings, performed well in the year but didn't quite keep up with the market, which was driven by industries that tend to not pay dividends.

Stocks made up 26% of the Fund at year-end, which is up from their weighting of 23% at the beginning of the year.

While the asset mix of the portfolio was not significantly altered during the reporting period, there were some changes to the Fund's bond holdings. More specifically, the weighting in provincial bonds was increased and the weighting in sovereign bonds was decreased.

The Fund's pre-fee yield at the end of 2019 was 2.7%, as compared to 3.2% at the end of 2018.

There were no unusual trends in redemptions, sales, revenues or expenses over the reporting period.

Recent Developments

The Canadian bond market (FTSE Canada Universe Bond Index) had a positive year, providing a total return (interest and capital appreciation) of 6.9%. This was an excellent result in such a low interest rate environment.

Monetary policy remained very accommodative throughout the year in the form of lower interest rates and quantitative easing measures. The U.S. Federal Reserve ("Fed") cut interest rates three times in 2019 and its key lending rate now sits in the 1.5%-1.75% range. Meanwhile, the Bank of Canada left its policy rate unchanged in 2019 at 1.75%.

In October, the Fed signaled a more neutral stance going forward and projected there would likely be no further changes to its policy rate until 2021. Additionally, it announced a Treasury bill purchase program to address funding shortfalls and to increase reserves. The Bank of Canada had debated cutting rates in October, but later indicated any plans for interest rate cuts are now on hold. The Canadian yield curve, which had initially inverted in July, normalized (no longer inverted) on the last day of the year.

The portfolio adviser's outlook for the global economy turned less negative in the fourth quarter, although CC&L does not expect a strong rebound in activity as the cycle extends. While the worst possible outcome from global trade tensions appears to have been averted, some uncertainty remains with respect to the lack of trade deal details and the potential for reheating tensions in a U.S. election year.

Nonetheless, the significant accommodation provided by central banks and the expected expansion of fiscal policies should provide fairly potent support for financial markets. Given some recent elevated inflation readings and stable activity data, the Bank of Canada appears unlikely to engage in a full easing cycle. That said, policy fine-tuning via modest rate cuts is likely in CC&L's view, particularly in the event of stalling momentum.

The adviser expects the Fund's interest rate strategies to benefit from a reversal of the recent extremes in fixed income markets, although high debt levels will likely constrain any material rise in interest rates. The Fund's duration was reduced at the end of the year and will be traded tactically as interest rates increasingly respond to changes in economic momentum. The portfolio's yield curve strategy is positioned to benefit from continued yield curve normalization (re-steepening) in the wake of the extremely inverted levels last year.

In terms of sector allocation, the adviser has a preference for both provincial and corporate bonds over federal securities, and increased the Fund's corporate credit exposure during the fourth quarter. This position should benefit from improved sentiment, and CC&L will look to further add to the portfolio's weighting in higher-quality corporate credit. Security selection continues to favour domestic banks and utility companies. Within provincial bonds, we remain focused primarily on liquidity, with emphasis on positions in Ontario and Quebec.

Turning to the outlook for stocks, CC&L feels central bank policies will remain important in dictating equity market direction in 2020. While the Fed has halted its rate-cutting cycle, it has indicated it will remain

supportive of financial markets — essentially adopting a neutral policy. Inflation remains muted, although the U.S. labour market continues to be very strong, which could lead to a pick-up in inflation later in the year.

History tells investors to not fight the Fed in either direction. When the Fed is in a rate-cutting or balance-sheet-expansion phase, typically equity markets do well — 2019 being a great example of this. In periods of rising interest rates or balance sheet reduction, equity markets tend to generate negative returns (2015 and 2018 are good examples). Any indication from the Fed or other major central banks that it is leaning toward a less “financial-market-friendly” monetary policy would be negative for equity markets. In the medium term, CC&L expects central banks to let inflation creep up before they start to tighten policy. If inflation were to rise unexpectedly high, this would be a risk to the current pro-cyclical equity rally. Geopolitical developments in the Middle East at the start of 2020 elevated this risk in the short term.

Given the adviser’s belief that the market will remain focused on end-of-cycle risks, CC&L expects high-quality companies with more stable earnings profiles and strong balance sheets to continue to outperform their lower-quality, more volatile counterparts. CC&L acknowledges, however, that as a result of their outperformance in 2019, valuations in companies with more stable characteristics are not as attractive as they were at the beginning of 2019, and the returns of these companies are likely to be more modest in 2020. Because of expectations that (1) global PMIs will continue to rise in the first half of 2020; (2) there is more clarity on global trade; and (3) cyclical stock valuations look attractive given their underperformance in 2019, the adviser purchased high-quality cyclical companies in the fourth quarter. They also, to a lesser degree, sold some of the more stable, defensive companies (such as Metro and Rogers Communications).

There were some changes to the structure of the portfolio in 2019, as described in the previous section. Of note, the Fund’s exposure to provincial bonds was increased and the weighting in sovereign bonds was decreased, and the weighting in stocks was slightly increased.

The Fund paid distributions totaling \$0.44/unit in 2019.

There were no material changes over the reporting period to the portfolio advisor, accounting policies or investment review committee of the Fund.

Related Party Transactions

Management Fees

Steadyhand Investment Management Ltd. is the Manager of the Fund. The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The Fund relies on the positive recommendation or approval of the independent review committee to proceed with the transactions. The annualized net management fee for the units of the Fund is 1.04%. The Fund paid the Manager \$890,373 of its net assets as management fees and distributed \$265,539 in management fee reductions for the year ended December 31, 2019. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund which include:

- fees payable to provincial securities commissions in connection with the operation of the funds;
- audit and legal fees;

- costs for preparation, production and distribution of financial and other reports, including semi-annual and annual reports, statements,
- communications to unitholders and other regularly required documents;
- costs for the preparation, production and distribution of this simplified prospectus document and other regulatory documents, including Fund Facts;
- expenditures related to technology required to operate the funds;
- custody, investor servicing, record keeping, accounting, trustee fees and bank charges;
- costs of compliance with applicable securities legislation in connection with the operation of the funds; and
- applicable taxes including GST/HST.

The Manager paid all operating expenses except brokerage charges and withholding taxes.

The Fund does not directly or indirectly pay fees, sales commissions or trailing commissions, nor does it provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

As at December 31, 2019, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 206,239 Series A units, or 2.6% of the total Fund Series A units. The Steadyhand Founders Fund holds 100% of the total Fund Series O units and pays no management fees.

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 since the date of inception. This information is derived from the Fund's audited annual financial statements.

Series A – Net Assets Per Unit	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net Assets, beginning of period ^{1,3}	\$10.44	\$10.86	\$10.79	\$10.69	\$11.12
Increase (decrease) from operations:					
Total revenue	0.31	0.32	0.31	0.34	0.37
Total expenses (excluding distributions)	(0.15)	(0.14)	(0.14)	(0.14)	(0.15)
Realized gains (losses) for the period	0.35	(0.07)	(0.02)	0.18	0.27
Unrealized gains (losses) for the period	0.47	(0.22)	0.19	0.24	(0.38)
Total increase (decrease) from operations ¹	0.98	(0.11)	0.34	0.62	0.11
Distributions :					
From investment income (excluding dividends)	(0.20)	(0.24)	(0.22)	(0.25)	(0.28)
From dividends	(0.03)	(0.04)	(0.02)	(0.03)	(0.02)
From capital gains	(0.21)	-	-	(0.23)	(0.22)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.44)	(0.28)	(0.24)	(0.50)	(0.52)
Net Assets, end of period	10.94	\$10.44	\$10.86	\$10.79	\$10.69

Series A - Ratios and Supplemental Data	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net asset value (000's) ⁴	\$85,884	\$81,126	\$91,949	\$94,927	\$90,920
Number of units outstanding ⁴	7,848,309	7,771,250	8,467,035	8,797,623	8,507,316
Management expense ratio ⁵	1.04%	1.04%	1.04%	1.04%	1.04%
Management expense ratio before waivers or absorptions	1.04%	1.04%	1.05%	1.04%	1.04%
Portfolio turnover rate ⁶	179.14%	216.55%	242.00%	231.76%	137.05%
Trading expense ratio ⁷	0.02%	0.02%	0.02%	0.03%	0.02%
Net asset value per unit	\$10.94	\$10.44	\$10.86	\$10.79	\$11.12

Series O – Net Assets Per Unit	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net Assets, beginning of period ^{1,3}	\$11.11	\$11.45	\$11.27	\$11.06	\$11.41
Increase (decrease) from operations:					
Total revenue	0.34	0.34	0.33	0.36	0.39
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	0.38	(0.07)	(0.02)	0.18	0.26
Unrealized gains (losses) for the period	0.40	(0.30)	0.15	0.20	(0.47)
Total increase (decrease) from operations	1.12	(0.03)	0.46	0.74	0.18
Distributions :					
From investment income (excluding dividends)	(0.22)	(0.27)	(0.24)	(0.27)	(0.30)
From dividends	(0.04)	(0.04)	(0.04)	(0.03)	(0.03)
From capital gains	(0.23)	-	-	(0.24)	(0.23)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.49)	(0.31)	(0.28)	(0.54)	(0.56)
Net Assets, end of period	\$11.75	\$11.11	\$11.45	\$11.27	\$11.06

Series O - Ratios and Supplemental Data	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net asset value (000's) ⁴	\$178,272	\$162,505	\$153,869	\$92,407	\$80,656
Number of units outstanding ⁴	15,170,139	14,633,038	13,444,221	8,200,609	7,292,039
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	0.01%	-	-	0.01%	-
Portfolio turnover rate ⁶	179.14%	216.55%	242.00%	231.76%	177.41%
Trading expense ratio ⁷	0.02%	0.02%	0.02%	0.03%	0.02%
Net asset value per unit	\$11.75	\$11.11	\$11.45	\$11.27	\$11.06

¹Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

²Distributions were paid in cash/reinvested in additional units of the Fund, or both.

³This information is derived from the Fund's audited annual financial statements as at December 31 for the period.

⁴The information is provided as at December 31 of the period shown.

⁵Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

⁶The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

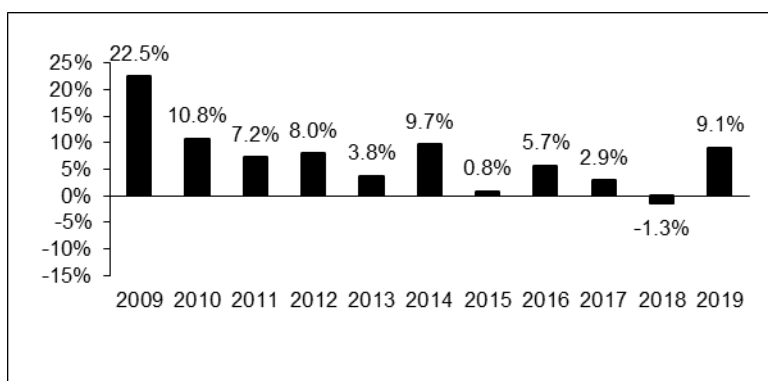
Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund will perform in the future.

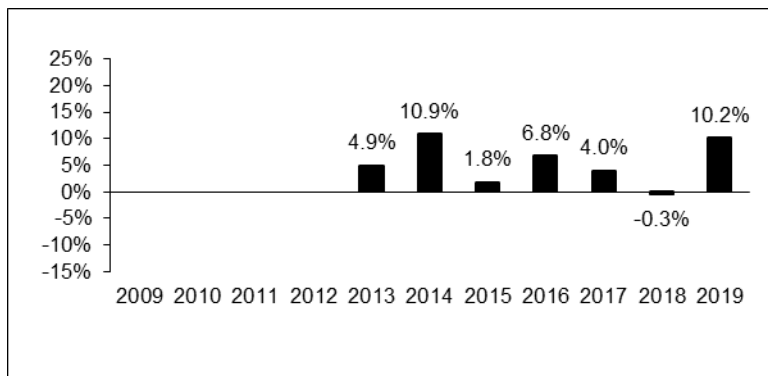
Year-by-Year Returns

The bar charts below show the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The chart shows, in percentage terms, 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.

Series A



Series O



Series O units of the Fund were first offered for sale in February 2012.

Annual Compound Returns

The following table shows the Fund's annual compound total return for the past one-year, three-year, five-year, and ten-year periods ended on December 31, 2019, and since the inception of the Fund, compared with the FTSE Canada Universe Bond Index and the S&P/TSX Capped Composite Index.

	<i>1 YR</i>	<i>3 YR</i>	<i>5 YR</i>	<i>10 YR</i>	<i>Since Inception*</i>
Steadyhand Income Fund - A	9.1%	3.5%	3.4%	5.6%	N/A
Steadyhand Income Fund - O	10.2%	4.6%	4.4%	N/A	5.8%
FTSE Canada Universe Bond Index	6.9%	3.6%	3.2%	4.3%	3.4%
S&P/TSX Capped Composite Index	22.9%	6.9%	6.3%	6.9%	7.3%

* Series O units have a different inception date (February 17, 2012) are not available for purchase.

The FTSE Canada Universe Bond Index measures the performance of the broad Canadian investment-grade bond market. The S&P/TSX Capped Composite Index is a market capitalization index that measures the price movement and dividend income in the common shares of the largest companies listed on the Toronto Stock Exchange, with any individual investment capped at 10%.

A discussion of the relative performance of the Fund as compared to the indices can be found in the Results of Operations section.

Summary of Investment Portfolio as at December 31, 2019

Portfolio Allocation

Bonds	% of Net Assets
Provincial Bonds	35.4%
Corporate Bonds	26.1%
Federal Bonds	8.7%
Municipal Bonds	0.2%
	<hr/> 70.4%
Equities	
Financial Services	7.6%
Real Estate	5.8%
Oil & Gas	3.8%
Communication & Media	1.9%
Utilities & Pipelines	2.3%
Industrial Goods & Services	1.7%
Retailing	0.9%
Consumer Products	0.8%
Consumer Cyclical	0.6%
Healthcare	0.3%
	<hr/> 25.7%
Pooled Investment Funds	2.0%
Cash, Short-Term Notes & Other Assets	1.9%
Total	<hr/> <hr/> 100.0%

Top 25 Holdings

	% of Net Assets
Province of Quebec Bond 3.500% 01 Dec 2022	5.9%
Province of Quebec Bond 3.500% 01 Dec 2048	5.9%
Canada House Trust No.1 Bond 2.550% 15 Dec 2023	4.0%
Province of Ontario Bond 3.500% 02 Jun 2024	3.3%
Province of Ontario Bond 4.700% 02 Jun 2037	2.8%
Province of Ontario Bond 2.850% 02 Jun 2023	2.2%
Royal Bank of Canada	2.1%
CC&L High Yield Bond Fund, Series I	2.0%
Province of Ontario Bond 2.600% 02 Jun 2025	1.9%
Bank of Montreal C/P 1.610% 28 Oct 2021	1.8%
Province of Ontario Bond 2.600% 02 Jun 2048	1.7%
Province of Ontario Bond 2.800% 02 Jun 2026	1.7%
Royal Bank of Canada C/P 3.296% 26 Sept 2023	1.7%
Toronto-Dominion Bank	1.7%
Royal Bank of Canada C/P 1.729% 16 Jan 2020	1.5%
Government of Canada Bond 0.525% 01 Dec 2050	1.5%
Canadian Apartment Properties REIT	1.4%
Allied Properties REIT	1.3%
Bank of Montreal C/P 2.890% 20 Jun 2023	1.2%
Province of Quebec Bond 3.500% 01 Dec 2045	1.1%
First Capital REIT	1.1%
Canadian National Railway Co.	1.1%
Province of Ontario Bond 2.600% 02 Jun 2027	1.1%
Bank of Nova Scotia	1.1%
Bank of Montreal C/P 2.850% 06 Mar 2024	1.0%

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates are available (60 days after each quarter end) upon request.

Steadyhand

Management Report of Fund Performance

Steadyhand Founders Fund

December 31, 2019



Steadyhand Founders Fund

Annual Management Report of Fund Performance (December 31, 2019)

This annual management report of fund performance contains financial highlights but does not contain the complete audited annual financial statements of the investment fund. You can get a copy of the audited annual financial statements at your request, and at no cost, by calling 1-888-888-3147, by writing to us at Steadyhand Investment Management Ltd., 1747 West 3rd Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at www.steadyhand.com or SEDAR at www.sedar.com.

Unitholders 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 fundamental investment objective of the Steadyhand Founders Fund (the "Fund") is to provide a reasonably stable level of income, modest capital growth, and some long-term preservation of capital.

The Fund invests in Steadyhand's income and equity funds. The underlying fund mix will be a reflection of Tom Bradley's views on market valuations and asset mix. The portfolio has a long-term targeted mix of 60% equities and 40% fixed income, but the equity portion may range from 40% to 75% and fixed income from 25% to 60%. The manager will make tactical shifts in the Fund's asset mix when he feels that stock or bond valuations are at an extreme. The underlying funds may also invest in derivatives for hedging purposes to protect against losses or for non-hedging purposes as a substitute for direct investment or to generate income.

Risks

The primary risks associated with an investment in the Fund are credit risk, interest rate risk, and price risk. The other risks are outlined in the simplified prospectus. There were no significant changes to the Fund over the reporting period that affected its overall level of risk.

Results of Operations

The Fund's net assets stood at \$496.0 million as at December 31, 2019, an increase of \$66 million from \$430.0 million as of December 31, 2018. This increase was attributable to net sales of \$27.9 million and an increase in net assets from operations of \$52.9 million less \$14.8 million in distributions to unitholders.

The Fund rose 11.6% in 2019. Over the same period, the FTSE Canada Universe Bond Index provided a return of 6.9% while the S&P/TSX Capped Composite Index rose 22.9% and the Morningstar Developed Markets Index gained 20.9% in Canadian dollar terms. The Fund is a balanced mix of our fixed income and equity funds (it's a 'fund-of-funds') and has a long-term asset mix target of 60% equities and 40% fixed income.

The Fund's healthy return was driven by double-digit returns in all our equity funds and a strong year for the Income Fund. That said, our cautious stance on the fixed income side weighed on returns in 2019.

We deliberately diversified our holdings between cash and bonds (i.e. holding less Income Fund and more Savings Fund) and as a result, didn't fully participate in the strong bond market. We regret missing this move but will continue to take a balanced approach. Bond yields are lower now and carry an even higher degree of price risk (when interest rates increase, bond prices decline) over the next few years.

On the equity side, stock markets around the world turned in strong returns. The Steadyhand Small-Cap Equity Fund (which made up 9% of the Founders Fund at the end of the year) was a top performer and an important contributor to the Founders Fund's return. Performance was strong across the small-cap portfolio, with several industrial and consumer stocks posting high double-digit gains. Standouts in the year were Cargojet (overnight air cargo services), Stericycle (medical waste disposal), Oshkosh (specialty trucks), Points International (consumer loyalty programs), and Dream Global REIT (commercial real estate).

The Steadyhand Equity Fund (18% of the Founders Fund) also had a strong year, although the portfolio trailed the market due in part to its lighter exposure to the hotter sectors, including technology and gold. Top performers in the year included CAE (flight simulators), Ritchie Bros. Auctioneers (auctioneer of industrial machinery), Franco-Nevada (gold), Sika (specialty chemicals), Experian (credit reporting), Keyence (automation sensors) and Visa (payment services). One area that wasn't as positive was the Equity Fund's energy investments. Pason Systems was a weak performer, falling more than 25% in 2019. The portfolio adviser, Fiera Capital, sold the stock late in the year. Fiera still likes the company but feels the oil & gas service industry will continue to see low drilling volumes and tough days ahead. The Equity Fund's other energy holding, Suncor Energy, fared better, gaining more than 10%.

Holding back the Founders Fund's performance was the Steadyhand Global Equity Fund (22% of the Founders Fund). While it had a solid year in absolute terms, the Global Fund trailed the broader market. Its focus on *value* companies (those with lower prices relative to earnings) rather than fast-growing businesses held back its return. The portfolio adviser, Velanne Asset Management, feels the former group offers better opportunities going forward. Indeed, the performance gap between *value* and *growth* stocks has never been wider and is likely to revert eventually. Stocks that struggled in the year included Asian retailers (Seven & I Holdings, Hynudai Home Shopping Network) and energy companies (Northern Drilling, Encana, JXTG Holdings). A few of the Global Fund's oil & gas companies posted strong gains, however, notably Anadarko Petroleum (which was acquired by Occidental), CGG, and Cenovus Energy. The energy component of the portfolio has the potential to see significant price gains if oil prices firm up or sentiment becomes a little rosier.

The Founders Fund started the year with 60% of its assets in stocks, which is right on our long-term target. It remained fully invested in stocks throughout the year. We did a modest amount of selling in the last part of 2019 to keep the allocation near target. At December 31, 26% of the Fund was allocated to Canadian-based companies and 34% to foreign.

The Founders Fund's fixed income exposure comes from its investment in the Steadyhand Income Fund. The Income Fund's bond investments performed well in 2019. Riskier assets, such as high yield and corporate bonds, outperformed safer securities (government bonds), as investors favoured higher interest payments over safety. This modestly held back the portfolio's return, as it's positioned more defensively.

The portfolio held a sizeable weighting in cash throughout the year (ranging from 16% to 11%), primarily through its holding in the Steadyhand Savings Fund. This held back the Founders Fund's performance,

as cash-related investments (e.g. T-bills and short-term notes) trailed stocks and bonds by a significant margin.

The Founders Fund's weighting in bonds was held fairly steady over the year, ranging from 26-29% of its assets, but it remained well under its long-term target (35%). In lieu of a full bond allocation, the cash reserve was higher than normal throughout the year. Between the Steadyhand Savings Fund and cash held in the equity funds, it finished the year at 13% of total assets. Cash and short-term securities offer low yields, but provide protection against rising interest rates and are a ready source of liquidity in the event of heightened market volatility.

There were no unusual trends in redemptions, sales, revenues or expenses over the reporting period.

Recent Developments

2019 was a stark contrast to 2018 in terms of stock returns, with most markets posting double-digit gains. The American market (S&P 500 Index) was a standout, gaining over 30% in U.S. dollars, while Canada had its best year in a decade. Stocks in Europe and Asia also had solid years. The strong returns came in spite of many of the same issues dominating the headlines, including American-led trade wars, a rise in populism, and slowing global growth. Interest rates in most of the developed world, however, trended lower. The U.S. Federal Reserve ("Fed") cut its key policy rate three times and the stimulus served to improve the mood of investors. Canada bucked the trend as the Bank of Canada left its key lending rate unchanged in the year (at 1.75%), citing consumer spending and housing investment as areas of strength, as well as steady wage growth.

The Canadian bond market (FTSE Canada Universe Bond Index) had a positive year, providing a total return (interest and capital appreciation) of 6.9%. This was an excellent result in such a low interest rate environment. Monetary policy remained very accommodative throughout the year around the world in the form of lower interest rates and quantitative easing measures.

The Canadian dollar was one of the best-performing currencies in 2019, gaining 7% on the Euro, 5% on the U.S. dollar and 4% on the Japanese Yen. This dampened the returns of foreign stocks for Canadian investors.

The Fund's bond weighting was held fairly steady throughout the year. In total, bonds made up 27% of the Founders Fund at year-end, as compared to 29% at the end of 2018. Their weighting continues to be below the Fund's long-term target of 35%. This is a reflection of our view that today's low interest rates are unattractive, as is the medium-term outlook for bonds in general. That said, bonds remain an important source of diversification in a balanced portfolio.

Turning to stocks, the Fund's weighting in this asset class was held close to its 60% target during the year.

Industrial goods & services stocks make up the largest portion of the equity component of the portfolio. The Founders Fund gains its exposure to these securities through the Steadyhand Income Fund, Steadyhand Equity Fund, Steadyhand Global Equity Fund, Steadyhand Small-Cap Equity Fund, and Steadyhand Global Small-Cap Equity Fund. These holdings are well diversified, with exposure to packaging companies (e.g. CCL Industries, Winpak), specialty chemicals and building materials (Sika,

Croda International, RPM International), transportation-related companies (e.g. CN Rail, NFI Group, Cargojet), and equipment manufacturers (e.g. Konecranes, Oshkosh Corp.), among others.

Other key areas of investment include financial services, healthcare and consumer-related stocks. Examples of some of these holdings include TD Bank, AIA Group, Zimmer Biomet, Novartis, Premium Brands Holdings, and Seven & I Holdings.

Foreign stocks remain an integral part of the Fund, making up 34% of the portfolio. The positioning of this part of the portfolio was split roughly equally between U.S. and Overseas stocks at year-end.

We remind investors that Steadyhand's equity managers have the flexibility to search widely for opportunities and aren't constrained by where companies are headquartered. In the Founders Fund, the Canada-based companies are mostly global in nature and play to Canada's strengths — banking, transportation, energy, and industrial services (the Fund's weighting in Canadian stocks remained steady in 2019, finishing the year at 26%). The companies based in the U.S., Europe, and Asia are more focused on industries not available in Canada — healthcare, consumer products and technology.

The Fund's cash weighting started 2019 at 11%, which is higher than normal. As a reminder, this was in lieu of a full bond weighting. We increased the cash weighting slightly and by year-end, it was 13% (the bond weighting was brought down to achieve this).

With over half of the Fund's equity investments listed on foreign exchanges, the impact of currency fluctuations remains a risk of the Fund. Key currencies of exposure include the U.S. dollar, Euro, British Pound, and Japanese Yen.

There were no changes over the reporting period to the manager, portfolio adviser, accounting policies or investment review committee of the Fund.

Related Party Transactions

Management Fees

Steadyhand Investment Management Ltd. is the manager of the Fund. The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The Fund relies on the positive recommendation or approval of the independent review committee to proceed with the transactions. The annualized net management fee for the units of the Fund is 1.34%. The Fund paid the Manager \$6,392,206 of its net assets as management fees and distributed \$1,853,275 in management fee reductions for the year ending December 31, 2019. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund which include:

- fees payable to provincial securities commissions in connection with the operation of the funds;
- audit and legal fees;
- costs for preparation, production and distribution of financial and other reports, including semi-annual and annual reports, statements,
- communications to unitholders and other regularly required documents;
- costs for the preparation, production and distribution of this simplified prospectus document and other regulatory documents, including Fund Facts;
- expenditures related to technology required to operate the funds;
- custody, investor servicing, record keeping, accounting, trustee fees and bank charges;

- costs of compliance with applicable securities legislation in connection with the operation of the funds; and
- applicable taxes including GST/HST.

The Manager paid all operating expenses except brokerage charges and withholding taxes.

The Fund does not directly or indirectly pay fees, sales commissions or trailing commissions, nor does it provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

As at December 31, 2019, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 250,768 units, or 0.7% of the total fund units. The Fund and Steadyhand Builders Fund hold 100% of the O series units of the Steadyhand Savings, Income, Equity, Global Equity, Small-Cap Equity Fund and Global Small-Cap Equity Funds and do not pay any management fees to the underlying funds.

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 since the date of inception. This information is derived from the Fund's audited annual financial statements.

Series A – Net Assets Per Unit	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net Assets, beginning of period ^{1,3}	\$12.19	\$13.43	\$12.79	\$12.29	\$12.17
Increase (decrease) from operations:					
Total revenue	0.44	0.82	0.43	0.49	0.60
Total expenses (excluding distributions)	(0.12)	(0.13)	(0.13)	(0.12)	(0.13)
Realized gains for the period	0.19	-	0.18	0.11	-
Unrealized gains (losses) for the period	0.94	(1.33)	0.58	0.42	(0.03)
Total increase (decrease) from operations ¹	1.45	(0.64)	1.06	0.90	0.44
Distributions :					
From investment income (excluding dividends)	(0.14)	(0.14)	(0.14)	(0.15)	(0.15)
From dividends	-	-	-	(0.01)	-
From capital gains	(0.22)	(0.45)	-	(0.16)	(0.21)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.36)	(0.59)	(0.14)	(0.32)	(0.36)
Net Assets, end of period	\$13.26	\$12.19	\$13.43	\$12.79	\$12.29

Series A - Ratios and Supplemental Data	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net asset value (000's) ⁴	\$496,034	\$430,049	\$399,612	\$303,661	\$244,046
Number of units outstanding ⁴	37,410,726	35,264,752	29,753,328	23,751,071	19,863,499
Management expense ratio ⁵	1.34%	1.34%	1.34%	1.34%	1.34%
Management expense ratio before waivers or absorptions	1.34%	1.34%	1.34%	1.34%	1.34%
Portfolio turnover rate ⁶	17.61%	14.98%	7.30%	17.18%	5.93%
Trading expense ratio ⁷	0.02%	0.07%	0.04%	0.12%	0.07%
Net asset value per unit	\$13.26	\$12.19	\$13.43	\$12.79	\$12.29

¹Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

²Distributions were paid in cash/reinvested in additional units of the Fund, or both.

³This information is derived from the Fund's audited annual financial statements as at December 31.

⁴The information is provided as at December 31 of the period shown.

⁵Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

⁶The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

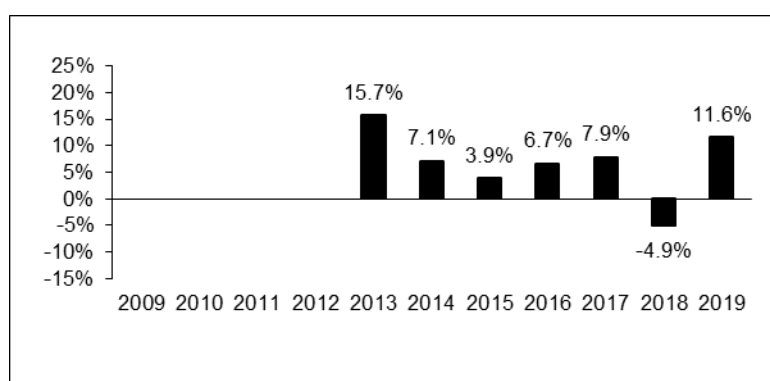
⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund will perform in the future.

Year-by-Year Returns

The bar chart below shows the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The chart shows, in percentage terms, 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.



The Fund first offered units for sale in February 2012.

Annual Compound Returns

The following table shows the Fund's annual compound total return for the past one-year, three-year, and five-year periods ended on December 31, 2019, and since the inception of the Fund, compared with the FTSE Canada Universe Bond Index, S&P/TSX Capped Composite Index and the Morningstar Developed Markets Index.

	1 YR	3 YR	5 YR	Since Inception
Steadyhand Founders Fund	11.6%	4.7%	4.9%	6.8%
FTSE Canada Universe Bond Index	6.9%	3.6%	3.2%	3.4%
S&P/TSX Capped Composite Index	22.9%	6.9%	6.3%	7.3%
Morningstar Developed Markets Index	20.9%	11.0%	11.2%	13.9%

The FTSE Canada Universe Bond Index measures the performance of the broad Canadian investment-grade bond market. The S&P/TSX Capped Composite Index is a market capitalization index that measures the price movement and dividend income in the common shares of the largest companies listed on the Toronto Stock Exchange, with any individual investment capped at 10%. The Morningstar Developed Markets Index is a market capitalization index that measures the price movement and dividend income in the common shares of the world's largest companies.

A discussion of the relative performance of the Fund as compared to the indices can be found in the Results of Operations section.

Summary of Investment Portfolio as of December 31, 2019

Portfolio Allocation	
	% of Net Assets
Pooled Investment funds	99.6%
Cash, Short-Term Notes & Other Assets	0.4%
Total	100.0%

Top 6 Holdings	
	% of Net Assets
Steadyhand Equity Fund, Series O	35.9%
Steadyhand Global Equity Fund, Series O	22.3%
Steadyhand Global Small-Cap Equity Fund, Series O	18.1%
Steadyhand Income Fund	11.2%
Steadyhand Savings Fund, Series O	8.7%
Steadyhand Small Cap Equity Fund, Series O	3.4%
Cash & cash equivalents	0.7%

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates are available (60 days after each quarter end) upon request.

Steadyhand

Management Report of Fund Performance

Steadyhand Equity Fund

December 31, 2019



Steadyhand Equity Fund

Annual Management Report of Fund Performance (December 31, 2019)

This annual management report of fund performance contains financial highlights but does not contain the complete audited annual financial statements of the investment fund. You can get a copy of the audited annual financial statements at your request, and at no cost, by calling 1-888-888-3147, by writing to us at Steadyhand Investment Management Ltd., 1747 West 3rd Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at www.steadyhand.com or SEDAR at www.sedar.com.

Unitholders 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 fundamental investment objective of the Steadyhand Equity Fund (the "Fund") is to provide long-term capital growth by investing primarily in a concentrated, yet well-diversified portfolio of North American equities. The Fund also invests a small portion of its assets in overseas equities for added diversification.

The portfolio advisor looks for companies that have a history of profitability, a sustainable competitive advantage and are run by management teams that are committed to increasing shareholder value. As part of their investment process and discipline, the portfolio advisor invests in a maximum of 25 stocks.

Risks

The primary risks associated with an investment in the Fund are market risks, including interest rate risk, foreign currency risk, price risk, and concentration risk. The other risks are outlined in the simplified prospectus. There were no material changes to the Fund over the reporting period that affected its overall level of risk.

Results of Operations

Over the year, the Fund's net assets increased to \$211.4 million as of December 31, 2019, from \$205.6 million at the end of 2018. This increase of \$5.8 million was mostly attributable to net redemptions of \$25.2 million, plus an increase in net assets from operations of \$35.6 million over the reporting period and less distributions to unitholders of approximately \$4.6 million.

The Fund gained 16.9% in 2019. Over the same period, the S&P/TSX Composite Index rose 22.9% (its highest annual return in a decade), while the Morningstar Developed Markets Index gained 20.9% in Canadian dollar terms. The Fund underperformed the two indexes due in part to its lighter exposure to some of the hotter sectors of the market, including precious metals (gold) and technology.

Nonetheless, it was a solid year for many holdings. Corporate earnings were strong, which fueled handsome gains in stocks across a broad array of industries. Top performers in the year included CAE (flight simulators), Franco-Nevada (gold), Sika (specialty chemicals), Experian (credit reporting), Keyence (automation sensors) and Visa (payment services). Ritchie Bros. Auctioneers (auctioneer of industrial machinery) was also a standout. In the third quarter, Ritchie recorded its highest ever gross transactions of \$1.5 billion. It also posted strong growth in its online channel and increased its dividend.

Results were strong irrespective of geography, with the Fund's Canadian, American and overseas companies all contributing to the healthy return.

Resurgent commodity prices helped the Canadian economy, as well as our dollar, which was one of the top-performing currencies in 2019. The loonie gained 7% on the Euro, 5% on the U.S. dollar and 4% on the Japanese Yen. This dampened the returns of the Fund's foreign stocks in Canadian dollar terms.

Foreign stocks continued to make up a significant part of the Fund over the reporting period, comprising roughly half of its assets. These stocks provide exposure to global businesses not available in Canada, notably in the healthcare, technology and consumer sectors. The Fund's largest foreign holdings in terms of their weight in the portfolio are Visa (U.S.), CME Group (U.S.), Keyence (Japan), Sika (Switzerland) and Experian (U.K.).

One area that held back the portfolio was its energy investments. Pason Systems was a weak performer, falling more than 25% in 2019. The portfolio adviser, Fiera Capital, sold the stock late in the year. Fiera still likes the company but feels the oil & gas service industry will continue to see low drilling volumes and tough days ahead. The Fund's other energy holding, Suncor Energy, fared better, gaining more than 10%.

Turnover in the portfolio was higher than normal over the course of the year, particularly in the Fund's foreign holdings. Seven new stocks were purchased: Koninklijke Philips, S&P Global, Microsoft, Telus, CME Group, Danaher, and Croda. Conversely, seven stocks were sold: Starbucks, Marathon Petroleum, Novozymes, Evertz Technologies, CBOE Holdings, FEMSA, and Pason Systems.

The Fund's overall sector composition did not change materially in the year, although there were a few adjustments of note. Healthcare companies increased from 4% to 11% of the Fund's equities (with the addition of Philips and Danaher) and financial services stocks increased from 21% to 25%. Oil & gas stocks, on the other hand, decreased from 12% to 5%, retailing stocks dropped from 11% to 7%, and consumer products stocks decreased from 4% to 0%.

The portfolio's geographic profile changed modestly over the reporting period. The weighting of Canadian stocks decreased from 52% of the portfolio's equities at the beginning of the year to 50% at December 31st. The weighting of overseas stocks increased from 23% to 28%, while U.S. stocks increased from 21% to 22%. The Fund's lone Mexican holding, FEMSA, was sold.

The Fund's cash position at the end of 2019 was 1%, whereas it was 6% at the end of 2018.

There were no unusual trends in redemptions, sales, revenues or expenses over the reporting period.

Recent Developments

2019 was a stark contrast to 2018 in terms of stock returns, with most markets posting double-digit gains. The American market (S&P 500 Index) was a standout, gaining over 30% in U.S. dollars, while Canada, as mentioned, had its best year in a decade. Stocks in Europe and Asia also had solid years. The strong returns came in spite of many of the same issues dominating the headlines, including: American-led trade wars, a rise in populism, and slowing global growth. Interest rates in most of the developed world, however, trended lower. The U.S. Federal Reserve cut its key policy rate three times and the stimulus served to improve the mood of investors. Canada bucked the trend as the Bank of Canada left its key lending rate unchanged in the year, citing consumer spending and housing investment as areas of strength, as well as steady wage growth.

Currency movements had a negative impact on foreign stock returns for Canadian investors. As noted in the previous section, our dollar appreciated against most major currencies. The Fund holds six American stocks, four European, two British and one Japanese company. The returns of these holdings in Canadian dollar terms were all dampened as a result of a stronger loonie.

The portfolio adviser is wary of the high stock valuations associated with many fast-growing American technology companies, but is seeing interesting opportunities in other areas of the market, including healthcare and specialty chemicals. Two multinational healthcare stocks were purchased in 2019, Philips and Danaher. Philips is known for making light bulbs, TV's and electronics, but has transformed itself into a leader in healthcare, focusing on diagnostic imaging (MRI machines), patient monitoring and consumer health (you may own one of their electric toothbrushes). Danaher operates in the fields of life sciences, diagnostics and environmental solutions (where it's a global leader in water treatment). U.K.-based Croda was also added to the portfolio. Croda makes specialty chemicals for the health & beauty, plastics, and engine lubricants industries, with a focus on delivering innovative ingredients sustainably. The Fund also has a large position in Sika, a Swiss specialty chemical maker with a focus on the construction industry.

Two U.S. financial companies were also added to the Fund, CME Group and S&P Global. CME is the world's leading derivatives marketplace and owns exchanges in Chicago and New York, while S&P Global is a financial information and analytics company. Other additions included Telus and Microsoft.

To fund the above purchases, seven stocks were sold (see previous section). Many of the sales were based on strong performance, although Pason Systems and Evertz Technologies were disappointing investments.

The Fund has a higher weighting in Overseas stocks than it has had in the past, which is a reflection of the value that the portfolio adviser is finding in Europe and the U.K.

The Fund held 24 stocks at the end of 2019, which is the same number it owned at the end of 2018. At any given time, the adviser will hold a maximum of 25 stocks. We like this discipline, as it ensures that if a new investment is being considered, it must have a more compelling risk/return profile than one of the Fund's existing holdings. The adviser must thus have a firm grasp of each stock owned and a strong case for any purchase or sale decisions.

Industrial goods & services stocks make up the largest portion of the Fund, comprising 27% of its investments. This is a broad sector that includes a diverse range of businesses such as CCL Industries (a specialty packaging company), CAE (a manufacturer of flight simulators), and CN Rail. Financial services companies also make up a significant portion of the Fund (25%). These investments span well beyond traditional banking, however. They include CME Group and S&P Global (discussed above), Experian (a leader in consumer and business credit reporting), and Visa (the world's leading global payments company), in addition to TD Bank (Canada's premier retail bank).

The Fund's exposure to the energy sector was decreased in the year with the sale of Pason Systems, and the sector now makes up only 5% of the Fund with the sole holding being Suncor Energy. Energy companies make up a much larger part of the Canadian market (17%), but Fiera is not finding many compelling opportunities in the sector. The Fund also has minimal exposure to the mining sector, where its only holding is Franco-Nevada, as commodity-related stocks tend to have much less predictable revenue streams and high levels of debt. Fiera prefers to invest in businesses that generate more stable

cash flows and are well financed. As resource stocks comprise a much larger component of the Canadian market (nearly 30%), the Fund will likely lag behind when commodity stocks are running high.

With nearly half of the Fund's investments listed on foreign exchanges, the impact of currency fluctuations remains a risk of the Fund. More specifically, it has exposure to the U.S. dollar, Euro, British Pound, Swiss Franc, and Danish Krone.

There were no other changes over the reporting period to the manager, portfolio advisor, accounting policies or investment review committee of the Fund.

Related Party Transactions

Management Fees

Steadyhand Investment Management Ltd. is the Manager of the Fund. The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The Fund relies on the positive recommendation or approval of the independent review committee to proceed with the transactions. The annualized net management fee for the units of the Fund is 1.42%. For the year ending December 31, 2019, the Fund paid gross fees of \$1,459,364 to the Manager and distributed \$447,901 in management fee reductions. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund which include:

- fees payable to provincial securities commissions in connection with the operation of the funds;
- audit and legal fees;
- costs for preparation, production and distribution of financial and other reports, including semi-annual and annual reports, statements,
- communications to unitholders and other regularly required documents;
- costs for the preparation, production and distribution of this simplified prospectus document and other regulatory documents, including Fund Facts;
- expenditures related to technology required to operate the funds;
- custody, investor servicing, record keeping, accounting, trustee fees and bank charges;
- costs of compliance with applicable securities legislation in connection with the operation of the funds; and
- applicable taxes including GST/HST.

The Manager paid all operating expenses except brokerage charges and withholding taxes.

The Fund does not directly or indirectly pay fees, sales commissions or trailing commissions, nor does it provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

As at December 31, 2019, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 157,355 Series A units, or 3.1% of the total Fund Series A units. The Steadyhand Founders Fund and Steadyhand Builders Fund hold 100% of the total Fund Series O units and pay no management fees.

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 since the date of inception. This information is derived from the Fund's audited annual financial statements.

Series A – Net Assets Per Unit	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net Assets, beginning of period ^{1,3}	\$16.72	\$17.73	\$16.04	\$14.72	\$13.78
Increase (decrease) from operations:					
Total revenue	0.38	0.37	0.32	0.38	0.32
Total expenses (excluding distributions)	(0.18)	(0.18)	(0.17)	(0.16)	(0.16)
Realized gains for the period	1.22	0.39	0.55	0.33	0.44
Unrealized gains (losses) for the period	1.61	(1.13)	1.16	1.10	0.57
Total increase (decrease) from operations ¹	3.03	(0.62)	1.86	1.65	1.17
Distributions :					
From investment income (excluding dividends)	(0.10)	(0.01)	-	(0.01)	(0.01)
Dividends	(0.16)	(0.10)	(0.10)	(0.21)	(0.09)
From capital gains	(0.02)	(0.21)	-	-	(0.10)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.28)	(0.32)	(0.10)	(0.22)	(0.20)
Net Assets, end of period	\$19.27	\$16.72	\$17.73	\$16.04	\$14.72

Series A - Ratios and Supplemental Data	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net asset value (000's) ⁴	\$99,181	\$103,720	\$102,077	\$86,633	\$69,182
Number of units outstanding ⁴	5,147,441	6,205,195	5,757,245	5,399,382	4,699,218
Management expense ratio ⁵	1.42%	1.42%	1.42%	1.42%	1.42%
Management expense ratio before waivers or absorptions	1.42%	1.42%	1.42%	1.42%	1.42%
Portfolio turnover rate ⁶	29.37%	20.88%	13.95%	13.87%	17.13%
Trading expense ratio ⁷	0.05%	0.03%	0.01%	0.01%	0.03%
Net asset value per unit	\$19.27	\$16.72	\$17.73	\$16.04	\$14.72

Series O – Net Assets Per Unit	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net Assets, beginning of period ^{1,3}	\$17.24	\$18.22	\$16.41	\$14.99	\$13.97
Increase (decrease) from operations:					
Total revenue	0.40	0.38	0.33	0.40	0.33
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains for the period	1.26	0.34	0.56	0.32	0.37
Unrealized gains (losses) for the period	1.55	(1.16)	1.20	1.22	0.56
Total increase (decrease) from operations ¹	3.21	(0.44)	2.09	1.94	1.26
Distributions :					
From investment income (excluding dividends)	(0.19)	(0.03)	-	(0.02)	(0.02)
From dividends	(0.29)	(0.27)	(0.27)	(0.36)	(0.23)
From capital gains	(0.02)	(0.22)	-	-	(0.11)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.50)	(0.52)	(0.27)	(0.38)	(0.36)
Net Assets, end of period	\$19.95	\$17.24	\$18.22	\$16.41	\$14.99

Series O - Ratios and Supplemental Data	Dec 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net asset value (000's) ⁴	\$112,258	\$101,837	\$70,225	\$69,206	\$60,386
Number of units outstanding ⁴	5,625,804	5,905,735	3,853,312	4,216,725	4,029,329
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	0.01%	0.01%	-	-
Portfolio turnover rate ⁶	29.37%	20.88%	13.95%	13.87%	17.13%
Trading expense ratio ⁷	0.05%	0.03%	0.01%	0.01%	0.03%
Net asset value per unit	\$19.95	\$17.24	\$18.22	\$16.41	\$14.99

¹Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

²Distributions were paid in cash/reinvested in additional units of the Fund, or both.

³This information is derived from the Fund's audited annual financial statements as at December 31 for the period stated.

⁴The information is provided as at December 31 of the period shown.

⁵Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

⁶The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

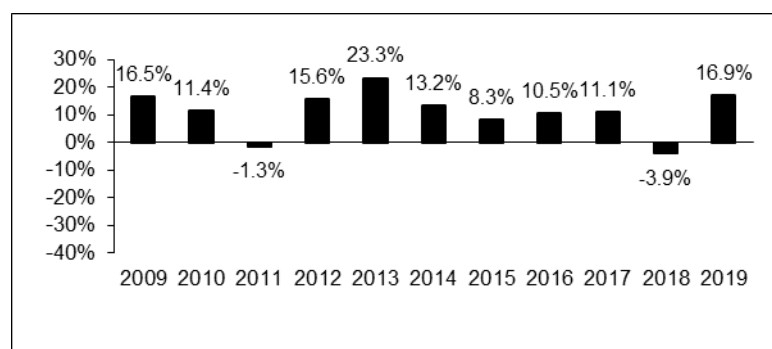
Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund will perform in the future.

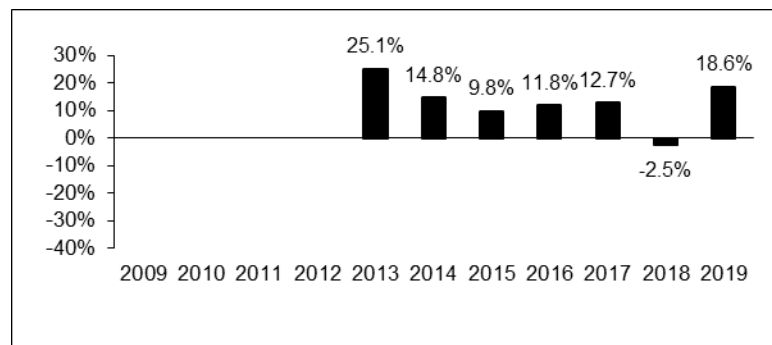
Year-by-Year Returns

The bar charts below show the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The charts show, in percentage terms, 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.

Series A



Series O



Series O units of the Fund were first offered for sale in February 2012.

Annual Compound Returns

The following table shows the Fund's annual compound total return for the past one-year, three-year, five-year, and ten-year periods ended on December 31, 2019, and since the inception of the Fund, compared with the S&P/TSX Capped Composite Total Return Index and the Morningstar Developed Markets Index.

	1 YR	3 YR	5 YR	10 YR	Since Inception*
Steadyhand Equity Fund – A	16.9%	7.7%	8.4%	10.2%	N/A
Steadyhand Equity Fund – O	18.6%	9.2%	9.9%	N/A	12.7%
S&P/TSX Capped Composite Index	22.9%	6.9%	6.3%	6.9%	7.3%
Morningstar Developed Markets Index	20.9%	11.0%	11.2%	12.0%	13.9%

* Series O units have a different inception date (February 17, 2012) are not available for purchase.

The S&P/TSX Capped Composite Total Return Index is a market capitalization index that measures the price movement and dividend income in the common shares of the largest companies listed on the Toronto Stock Exchange, with any individual investment capped at 10%. The Morningstar Developed Markets Index is a market capitalization index that measures the price movement and dividend income in the common shares of the world's largest companies.

A discussion of the relative performance of the Fund as compared to the indices can be found in the Results of Operations section.

Summary of Investment Portfolio as of December 31, 2019

Portfolio Allocation

Equities	% of Net Assets
Industrial Goods & Services	27.0%
Financial Services	24.4%
Healthcare	11.2%
Basic Materials	10.5%
Technology	7.4%
Retailing	6.5%
Oil & Gas	5.3%
Communications & Media	3.4%
Consumer Cyclical	2.9%
	<hr/> 98.6%
Cash, Short-term Notes & Other Assets	1.4%
Total	<hr/> 100.0% <hr/>

Top 25 Holdings	
	% of Net Assets
Franco-Nevada Corp.	6.5%
Visa Inc. Cl. A	6.3%
The Toronto-Dominion Bank	6.1%
CME Group	5.3%
Suncor Energy Inc.	5.3%
CCL Industries Inc.	5.1%
Keyence Corp.	5.0%
Canadian National Railway Co.	4.9%
Sika AG	4.8%
Experian PLC	4.5%
Koninklijke Philips NV	4.3%
Novartis ADR	4.2%
Ritchie Bros Auctioneers Inc.	4.1%
Nutrien Ltd.	4.0%
Dollarama Inc.	3.8%
TELUS Corp.	3.4%
CAE Inc.	3.2%
Croda International PLC	3.0%
Magna International Inc.	2.9%
Danaher Corp.	2.7%
CVS Health Corp.	2.7%
Microsoft Corp.	2.4%
S&P Global Inc.	2.1%
Christian Hansen Holding A/S	2.0%
Canada Treasury Bill 1.656% 03/05/2020	1.2%

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates are available (60 days after each quarter end) upon request.

Steadyhand

Management Report of Fund Performance

Steadyhand Global Equity Fund

December 31, 2019



Steadyhand Global Equity Fund

Annual Management Report of Fund Performance (December 31, 2019)

This annual management report of fund performance contains financial highlights but does not contain the complete audited annual financial statements of the investment fund. You can get a copy of the audited annual financial statements at your request, and at no cost, by calling 1-888-888-3147, by writing to us at Steadyhand Investment Management Ltd., 1747 West 3rd Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at www.steadyhand.com or SEDAR at www.sedar.com.

Unitholders 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 fundamental investment objective of the Steadyhand Global Equity Fund (the "Fund") is to provide long-term capital growth by investing in a concentrated, yet well-diversified portfolio of equities around the globe, with a focus on the developed world.

The portfolio adviser looks for companies that have a proven ability to generate strong and stable cash flows, can be expected to gain market share over the long term, and trade at reasonable valuations. Stocks are not included in the Fund by reference to their weight in an index or by their market capitalization. The manager simply looks for the best risk-adjusted opportunities.

Risks

The primary risks associated with an investment in the Fund are foreign market risk, concentration risk and currency risk. The other risks are outlined in the simplified prospectus. There were no changes to the Fund over the reporting period that affected its overall level of risk.

Results of Operations

Over the reporting period, the Fund's net assets increased by \$21.1 million to \$202.1 million as of December 31, 2019, from \$181.0 million at the end of 2018. This increase was attributable to net sales of \$4.6 million, a \$23.0 million increase in net assets from operations less \$6.5 million in unitholder distributions.

The Fund gained 11.2% in 2019, while the Morningstar Developed Markets Index rose 20.9%. Stocks had one of their best years of the decade, with most markets posting double-digit gains. The American market (S&P 500 Index) was a standout, rising over 30% (in U.S. dollars) on big gains in tech stocks. European and Asian equities also had strong years.

Currency movements had a notable impact on foreign stock returns. The Canadian dollar was one of the best-performing currencies in 2019, gaining 7% on the Euro, 5% on the U.S. dollar, and 4% on the Japanese Yen. This dampened the returns of foreign stocks for Canadian investors.

While the Fund had a solid year in absolute terms, the portfolio trailed the broader market. The Fund's focus on *value* companies (those with lower prices relative to fundamentals such as earnings and book value) rather than fast-growing businesses held back its return. Some of the unloved areas of the market where the portfolio adviser, Velanne Asset Management, is finding good value include oil & gas services

and healthcare. Investors have favoured faster-growing stocks, specifically in the technology sector. Velanne feels, however, that value stocks offer better opportunities going forward. Indeed, the performance gap between *value* and *growth* has never been wider and is likely to revert eventually.

Notable areas of strength included the Fund's U.S. financial services and entertainment holdings (Legg Mason, Artisan Partners Asset Management, Alleghany, Walt Disney, Discovery) and its Norwegian salmon investments (Mowi, Bakkafrøst, Grieg Seafood, Norway Royal Salmon). The Fund's British holdings also rebounded in spite of the challenging political environment.

Stocks that struggled in the year included Asian retailers (Seven & I Holdings, Hynudai Home Shopping Network) and energy companies (Northern Drilling, Encana, JXTG Holdings). A few of the Fund's oil & gas companies posted strong gains, however, notably Anadarko Petroleum (which was acquired by Occidental), CGG, and Cenovus Energy. The energy component of the portfolio has the potential to see significant price gains if oil prices firm up or sentiment becomes a little rosier.

Two holdings were hit particularly hard. Burford Capital (provider of specialized financing to the legal market) was attacked by short sellers after a negative report came out on the stock, and Northern Drilling (owner and operator of offshore drilling rigs) was dragged down amidst negative sentiment in the offshore drilling market. Both companies remain solid businesses and stand to benefit from even the smallest bit of positive news.

At year-end, the Fund held 55 stocks, of which 22 are based in the U.S., 21 in Europe (including the U.K.), 9 in Asia, and 3 in Canada. This represents an increase of three stocks from the end of 2018. U.S. stocks made up 47% of the Fund's equities, while Europe (including the U.K.) accounted for 35%, Asia 14% and Canada 4%.

The Fund's overall sector composition did not change materially in the year. There were a few modest adjustments: healthcare companies increased from 19% to 21% of the Fund's equities; industrial goods & services stocks increased from 9% to 11%; communications & media stocks decreased from 12% to 7%; and oil & gas stocks decreased from 15% to 13%.

From a geographic standpoint, there were not many changes. American stocks remain the greatest area of exposure, comprising 47% of the Fund (unchanged from last year). The weighting of U.K. stocks decreased from 16% of the portfolio's equities at the beginning of the year to 12% at December 31, while Japanese stocks increased from 8% to 11%. The weightings of stocks in other regions remained largely unchanged.

The Fund's cash position decreased from 10% at the beginning of the year to 3% at the end of December.

There were no unusual trends in redemptions, sales, revenues or expenses over the reporting period.

Recent Developments

2019 was a strong year for global stocks. This was confusing to some investors, as U.S.-led trade wars threatened to take a bite out of global growth and economic risks appeared to be rising. Yet, unemployment rates and inflation remained low, and central banks around the world injected stimulus into the financial system by lowering interest rates and/or employing other forms of quantitative easing. All said, investors chose to focus on the positives rather than the negatives.

Currency movements had a negative impact on foreign stock returns for Canadian investors. As noted in the previous section, our dollar appreciated against most major currencies. The Fund holds nearly half its

assets in American stocks and one-quarter in European stocks. The dollar was especially strong against both these currencies, which dampened returns as a result.

Key areas of investment include healthcare, financial services, oil & gas services, consumer products, and media & entertainment companies.

Healthcare companies comprise the largest part of the Fund, making up one-fifth of investments. Holdings include drug makers (Bayer, Allergan, Takeda), device manufacturers (Zimmer Biomet, Medtronic), facility operators (Spire Healthcare, Mediclinic, Attendo), and conglomerates (Johnson & Johnson). Healthcare stocks in general have been held back due to political concerns surrounding drug pricing. The portfolio adviser feels there is good value in these businesses, which generate significant cash flows, pay healthy dividends and are well financed. Further, an aging population promises that the industry's products and services will only see growing demand.

Financial services companies also comprise a significant part of the Fund, at 17%. Velanne's focus is not on banks, however, which can be hard to value due to their complexity. The portfolio adviser prefers asset managers (holdings include Legg Mason, Artisan Partners and BrightSpere Investment Group) and insurance companies (AIA, NN Group). The Fund also owns holding companies Berkshire Hathaway and Alleghany. All these businesses generate strong cash flows and are undervalued in Velanne's view, particularly in relation to some of the more overheated sectors of the market.

The Fund benefited from a strong environment for mergers and acquisitions. Disney's acquisition of 21st Century Fox closed in March. As a shareholder of 21st Century Fox, we received shares in the newly formed Fox Corporation as well as shares in Disney and a cash sum. We used some of the cash to buy more shares in Fox as well as additional shares in Disney (we already owned the stock). Tribune Media, another media holding, was acquired by Nexstar Media Group, and Shire (an Irish biotech) was taken over by Takeda Pharmaceutical, the largest drug company in Asia. Lastly, Anadarko Petroleum was acquired by Occidental for a nice premium.

The Fund purchased eight new stocks in 2019: Fox Corporation, Attendo, Burford Capital, Stericycle, Tadano, Wabtec, Stella-Jones, and Johnson & Johnson. Anadarko Petroleum and Tribune Media were removed (see acquisitions above) and Tadano was sold after only a brief holding period (Velanne came to the determination that a turnaround in its European operations would take longer than expected).

In total, the Fund held 55 stocks at the end of 2019, three more than at the end of the previous year. Zimmer Biomet and Bayer are the two largest holdings (both are healthcare companies), at 4.1% and 3.6%, respectively.

Notably, the Fund does not own any mining companies (as earnings are inherently volatile) and has limited exposure to technology stocks (as valuations are too high in Velanne's view). The one tech stock we own is NCR, which makes point-of-sale terminals, barcode scanners and self-service kiosks for retailers.

An ongoing risk for investors in the Fund is the impact of currency fluctuations. Most of the Fund's holdings are denominated in foreign currencies. The greatest exposure lies in the U.S. dollar, Euro, British Pound, Japanese Yen, and Norwegian Krone. If the Canadian dollar strengthens against these currencies, the Fund's return will be dampened (as was the case in 2019). Conversely, a depreciation of the loonie would boost returns.

There were no changes over the reporting period to the accounting policies or investment review committee of the Fund.

Related Party Transactions

Management Fees

Steadyhand Investment Management Ltd. is the Manager of the Fund. The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The Fund relies on the positive recommendation or approval of the independent review committee to proceed with the transactions. The annualized net management fee for the units of the Fund is 1.78%. For the year ended December 31, 2019, the Fund paid the Manager \$1,318,935 of its net assets as management fees and distributed \$436,985 in management fee reductions. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund which include:

- fees payable to provincial securities commissions in connection with the operation of the funds;
- audit and legal fees;
- costs for preparation, production and distribution of financial and other reports, including semi-annual and annual reports, statements,
- communications to unitholders and other regularly required documents;
- costs for the preparation, production and distribution of this simplified prospectus document and other regulatory documents, including Fund Facts;
- expenditures related to technology required to operate the funds;
- custody, investor servicing, record keeping, accounting, trustee fees and
- bank charges;
- costs of compliance with applicable securities legislation in connection with the operation of the funds; and
- applicable taxes including GST/HST.

The Manager paid all operating expenses except brokerage charges and withholding taxes.

The Fund does not directly or indirectly pay fees, sales commissions or trailing commissions, nor does it provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

As at December 31, 2019, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 290,804 Series A units, or 3.6% of the total Fund Series A units. The Steadyhand Founders Fund and Steadyhand Builders Fund hold 100% of the total Fund Series O units and pay no management fees.

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 since the date of inception. This information is derived from the Fund's audited annual financial statements.

Series A – Net Assets Per Unit	Dec 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net Assets, beginning of period ^{1,3}	\$7.84	\$10.52	\$9.69	\$9.92	\$9.54
Increase (decrease) from operations:					
Total revenue	0.21	0.31	0.25	0.24	0.22
Total expenses (excluding distributions)	(0.20)	(0.25)	(0.24)	(0.22)	(0.24)
Realized gains for the period	0.11	1.49	0.66	0.45	0.99
Unrealized gains (losses) for the period	0.84	(2.74)	0.87	(0.14)	0.25
Total increase (decrease) from operations ¹	0.96	(1.19)	1.54	0.33	1.22
Distributions :					
From investment income (excluding dividends)	(0.07)	(0.11)	(0.10)	(0.13)	(0.07)
From dividends	-	-	-	-	-
From capital gains	(0.11)	(1.33)	(0.55)	(0.36)	(0.74)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.18)	(1.44)	(0.65)	(0.48)	(0.81)
Net Assets, end of period	\$8.53	\$7.84	\$10.52	\$9.69	\$9.92

Series A - Ratios and Supplemental Data	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net asset value (000's) ⁴	\$68,833	\$81,102	\$86,129	\$66,037	\$63,229
Number of units outstanding ⁴	8,074,139	10,349,575	8,186,768	6,813,667	6,373,694
Management expense ratio ⁵	1.78%	1.78%	1.78%	1.78%	1.78%
Management expense ratio before waivers or absorptions	1.78%	1.78%	1.78%	1.78%	1.78%
Portfolio turnover rate ⁶	13.55%	134.79%	17.18%	21.14%	33.26%
Trading expense ratio ⁷	0.01%	0.22%	0.06%	0.08%	0.11%
Net asset value per unit	\$8.53	\$7.84	\$10.52	\$9.69	\$9.92

Series O – Net Assets Per Unit	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net Assets, beginning of period ^{1,3}	\$8.13	\$10.90	\$9.97	\$10.15	\$9.70
Increase (decrease) from operations:					
Total revenue	0.22	0.32	0.26	0.25	0.22
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains for the period	0.11	1.51	0.69	0.45	1.00
Unrealized gains (losses) for the period	0.72	(3.06)	0.77	(0.04)	0.16
Total increase (decrease) from operations ¹	1.05	(1.23)	1.72	0.66	1.38
Distributions :					
From investment income (excluding dividends)	(0.19)	(0.25)	(0.23)	(0.25)	(0.20)
From dividends	-	-	-	-	-
From capital gains	(0.12)	(1.40)	(0.58)	(0.37)	(0.77)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.31)	(1.65)	(0.81)	(0.62)	(0.97)
Net Assets, end of period	\$8.88	\$8.13	\$10.90	\$9.97	\$10.15

Series O - Ratios and Supplemental Data	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net asset value (000's) ⁴	\$133,296	\$99,923	\$72,825	\$70,941	\$55,816
Number of units outstanding ⁴	15,004,429	12,291,525	6,682,867	7,113,781	5,501,023
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	0.01%	0.01%	-	-
Portfolio turnover rate ⁶	13.55%	134.79%	17.18%	21.14%	33.26%
Trading expense ratio ⁷	0.01%	0.22%	0.06%	0.08%	0.11%
Net asset value per unit	\$8.88	\$8.13	\$10.90	\$9.97	\$10.15

¹Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

²Distributions were paid in cash/reinvested in additional units of the Fund, or both.

³This information is derived from the Fund's audited annual financial statements as at December 31 for the period stated.

⁴The information is provided as at December 31 of the period shown.

⁵Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

⁶The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

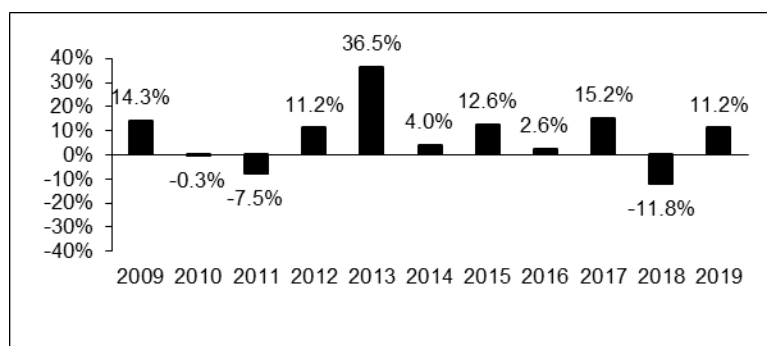
Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund will perform in the future.

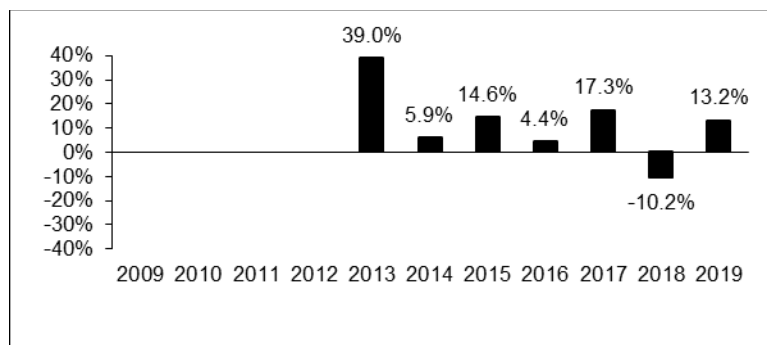
Year-by-Year Returns

The bar charts below show the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The chart shows, in percentage terms, 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.

Series A



Series O



Series O units of the Fund were first offered for sale in February 2012.

Annual Compound Returns

The following table shows the Fund's annual compound total return for the past one-year, three-year, five-year, and ten-year periods ended on December 31, 2019, and since the inception of the Fund, compared with the Morningstar Developed Markets Index (\$Cdn).

	1 YR	3 YR	5 YR	10 YR	Since Inception*
Steadyhand Global Equity Fund – A	11.2%	4.2%	5.5%	6.6%	N/A
Steadyhand Global Equity Fund – O	13.2%	6.0%	7.4%	N/A	10.6%
Morningstar Developed Markets Index	20.9%	11.0%	11.2%	12.0%	13.9%

* Series O units have a different inception date (February 17, 2012) are not available for purchase.

The Morningstar Developed Markets Index is a market capitalization index that measures the price movement and dividend income in the common shares of the world's largest companies.

A discussion of the relative performance of the Fund as compared to the indices can be found in the Results of Operations section.

Summary of Investment Portfolio as at December 31, 2019

Portfolio Allocation

Global Equities	% of Net Assets
Healthcare	19.8%
Financial Services	16.2%
Consumer Products	13.3%
Oil & Gas	13.0%
Industrial Goods & Services	10.7%
Communications & Media	7.0%
Consumer Cyclical	5.4%
Real Estate	3.5%
Technology	2.7%
Retailing	2.1%
Utilities	1.9%
Basic Materials	1.3%
	<hr/> 96.9%
Cash, Short-term Notes & Other Assets	3.1%
Total	<hr/> 100.0% <hr/>

Top 25 Holdings

	% of Net Assets
Zimmer Biomet Holdings Inc.	4.1%
Bayer AG	3.6%
Discovery Communication Inc.	3.5%
Heiwa Real Estate REIT Inc.	3.5%
Mowi ASA	3.3%
Medtronic PLC	3.3%
Walt Disney Co.	3.1%
Alleghany Corp	3.0%
Cash & cash equivalents	2.8%
Chugoku Marine Paints	2.7%
21 st Century Fox Inc. Class A	2.7%
NCR Corp.	2.7%
Konecranes OYJ	2.5%
Allergan PLC	2.5%
William Hill PLC	2.4%
British American Tobacco PLC	2.3%
Spire Healthcare Group PLC	2.3%
Berkshire Hathaway Inc. Class A	2.2%
Legg Mason Inc.	2.1%
Schlumberger NV	2.0%
Frank's International NV	1.9%
NN Group NV	1.9%
Vistra Energy Corp.	1.9%
AIA Group Ltd.	1.8%
Mediclinic International PLC	1.8%

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates are available (60 days after each quarter end) upon request.

Steadyhand

Management Report of Fund Performance

Steadyhand Small-Cap Equity Fund

December 31, 2019



Steadyhand Small-Cap Equity Fund

Annual Management Report of Fund Performance (December 31, 2019)

This annual management report of fund performance contains financial highlights but does not contain the complete audited annual financial statements of the investment fund. You can get a copy of the audited annual financial statements at your request, and at no cost, by calling 1-888-888-3147, by writing to us at Steadyhand Investment Management Ltd., 1747 West 3rd Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at www.steadyhand.com or SEDAR at www.sedar.com.

Unitholders 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 fundamental investment objective of the Steadyhand Small-Cap Equity Fund (the "Fund") is to provide long-term capital growth by investing primarily in a concentrated portfolio of small and medium sized companies in Canada and the U.S., with an emphasis on Canadian equities.

The portfolio adviser looks for companies that have products or services that are easy to understand, proven track records of growing revenues, and experienced management teams.

Risks

The primary risks associated with an investment in the Fund are market risk, concentration risk and small capitalization risk. The other risks are outlined in the simplified prospectus. There were no material changes to the Fund over the reporting period that affected its overall level of risk.

Results of Operations

For the year ended December 31, 2019, the Fund's net assets increased to \$104.0 million, from \$92.9 million at the end of 2018. This increase of \$11.1 million was attributable to net redemptions of \$3.5-million, coupled with an increase in net assets from operations of \$18.7 million less \$4.1 million paid in distributions to unitholders.

The Fund gained 19.2% in 2019. Over the same period, the S&P/TSX SmallCap Index rose 15.8%. The Fund had a strong year and outperformed the Canadian small-cap market.

Performance was strong across the portfolio, with several industrial and consumer stocks posting high double-digit gains. Standouts in the year were Cargojet (overnight air cargo services), Stericycle (medical waste disposal), Oshkosh (specialty trucks), Points International (consumer loyalty programs), and Dream Global REIT (commercial real estate).

Cargojet continued to soar in 2019. The Mississauga-based cargo airline recently signed a long-term agreement with Amazon. The deal allows Amazon to acquire up to 15% of Cargojet over time. By locking

up such an important strategic customer, the company will further benefit from incremental business with the world's largest retailer.

Dream Global REIT was also a significant contributor to performance. The company, which owns and operates office and industrial properties in western Europe, agreed to be acquired by Blackstone Group, an American private equity firm. We sold the stock on the news, realizing a gain of 125% over our 3-year holding period.

There were some big price moves in the summer as trade wars and a slowing global economy took centre stage. Alcanna, NFI Group and Ag Growth International saw their stock prices pull back. Alcanna (a liquor and cannabis retailer) has been a victim of poor sentiment towards cannabis stocks, even though the company derives the vast majority of its revenues from liquor retailing. NFI (North America's leading bus and coach manufacturer) revised downward its 2019 delivery forecasts because of production delays. And Ag Growth (a fertilizer and seed retailer) sold off as flooding-related crop damage in the Midwest cast a cloud over the sector. The portfolio adviser, Galibier Capital Management, isn't fazed by these declines as they've all been driven by factors that are short-term in nature.

Two other investments in particular disappointed in 2019, Uni-Select and Pason Systems. Uni-Select was sold as the company's management and execution continued to disappoint. We first purchased Pason (a leading global provider of specialized data management systems for drilling rigs) in the third quarter and its shares went on to decline more than 20%. We subsequently bought additional shares, as Galibier feels the company is worth significantly more than its share price indicates.

During 2019, eight new stocks were added to the Fund, while five were sold. At year-end, the Fund held 26 stocks. Twenty-two were Canadian and four were American.

The Fund has a unique composition, with key areas of investment being capital goods, transportation, food & beverage, and engineering services. This is in contrast to the small-cap market and its heavy focus on resource companies.

In the current environment, most mining companies do not meet the adviser's investment criteria, and as such, the portfolio does not have any direct investments in the sector. This is a notable differentiator of the Fund, as mining companies comprise a sizeable component of the index.

The Fund held six U.S. stocks during the course of the year: WABCO holdings, Stericycle, Oshkosh Corp., The Middleby Corporation, Henry Schein, and Fluor (WABCO and Stericycle were sold). The Canadian dollar appreciated 5% against the U.S. dollar during 2019, which dampened the returns of these holdings in Canadian dollar terms.

There were some changes to the sector allocation of the portfolio. Most notably, industrial goods & services stocks decreased from 58% of the portfolio's equities at the beginning of the reporting period to 47% at year-end. This is a broad sector that includes companies such as Cargojet, Intertape Polymer Group, Stantec, NFI Group, Oshkosh Corp., and The Middleby Corporation. The decrease in exposure was a result of the sale of a handful of companies (WABCO, Exchange Income, Stericycle). Conversely, oil & gas stocks increased from 5% to 10% (Pason Systems was purchased), while healthcare stocks and basic materials each make up 4% of the portfolio (from 0%). With the sale of Dream Global REIT, the Fund no longer has any direct exposure to real estate companies.

The Fund's geographic profile changed modestly over the reporting period. Canadian stocks make up 86% of the Fund's equities (up from 80% at the end of last year) and U.S. stocks comprise 14% (down from 20%). At the end of the year, the Fund's cash position was 2%, as compared to 1% at the end of last year.

There were no unusual trends in redemptions, sales, revenues or expenses over the reporting period.

Recent Developments

The Canadian small-cap market (S&P/TSX SmallCap Index) rose 15.8% this year, a nice rebound from a weak 2018. U.S. small-caps gained 19.5% in Canadian dollar terms (Russell 2000 Index). Gold stocks, a notable component of the Canadian index, were an area of strength. Technology and industrial companies also performed well. Central banks around the world injected additional stimulus into the financial system in the form of lower interest rates and quantitative easing, which encouraged investors to embrace risk in spite of troubling trade wars and political uncertainty.

While volatility was lower than it was in 2018, there were some sharp price movements in small-cap stocks, presenting some buying opportunities. Indeed, the adviser was active in 2019, purchasing Sleep Country Canada, Henry Schein, Finning International, Interfor, Pason Systems, Maple Leaf Foods, SNC-Lavalin, and Fluor.

An industry in which Galibier is finding compelling value is engineering and construction services. Stantec has been a longstanding holding and SNC-Lavalin and Fluor were purchased in the fourth quarter. SNC has been in the news for all the wrong reasons, but Galibier feels the stock's steep decline coupled with the company's revised focus — it's exiting the construction business and refocusing on engineering services — present a good opportunity for investors. Indeed, the stock is up more than 70% (at year-end) since we purchased it in October. Fluor, a Texas-based global engineering firm, has also suffered from poor execution and write-downs. The firm has valuable expertise in the construction sector, however, and the selloff in the stock looks overdone. We've owned the company in the past and earned a solid return on it.

Another area of interest is the food & beverage sector. Premium Brands Holdings (specialty food manufacturer) is the fund's 2nd largest holding and rebounded nicely in 2019. Waterloo Brewing also bounced back from a tough 2018, and Maple Leaf Foods is a new addition. The company is a big player in pork and poultry, and a leader in animals raised without antibiotics. As well, its plant-based Lightlife brand is gaining momentum. The stock has fared poorly because of lackluster profit growth (which should improve with cost cutting measures), presenting a good opportunity to buy.

On the sell side, five holdings were eliminated in 2019: Exchange Income, WABCO Holdings, Dream Global REIT, Uni-Select, and Stericycle. As well, a few positions were trimmed in the year based on strong performance, including Cargojet, Oshkosh, and Middleby.

U.S. companies comprise about 15% of the portfolio. With the exposure to U.S. stocks, currency fluctuations between the Canadian and U.S. dollar remain a risk of the Fund. If the loonie appreciates against the U.S. dollar, it's detrimental for returns, and vice versa. In 2019, the loonie gained 5% against the U.S. dollar, which in turn dampened the performance of the Fund's American holdings in Canadian dollar terms.

At year-end, the Fund held 26 stocks (three more than at the end of 2018), with most holdings comprising 3-6% of the portfolio. Ag Growth International was the largest position, at 5.9%. A notable feature of the Fund continues to be that there are no “filler” stocks and each holding has an important impact on performance.

There were no changes over the reporting period to the manager, accounting policies or investment review committee of the Fund.

Related Party Transactions

Management Fees

Steadyhand Investment Management Ltd. is the manager of the Fund. The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The Fund relies on the positive recommendation or approval of the independent review committee to proceed with the transactions. The annualized net management fee for the units of the Fund is 1.78%. For the year ended December 31, 2019, the Fund paid gross fees of \$961,182 to the Manager and distributed \$304,051 in management fee reductions. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund which include:

- fees payable to provincial securities commissions in connection with the operation of the funds;
- audit and legal fees;
- costs for preparation, production and distribution of financial and other reports, including semi-annual and annual reports, statements,
- communications to unitholders and other regularly required documents;
- costs for the preparation, production and distribution of this simplified prospectus document and other regulatory documents, including Fund Facts;
- expenditures related to technology required to operate the funds;
- custody, investor servicing, record keeping, accounting, trustee fees and bank charges;
- costs of compliance with applicable securities legislation in connection with the operation of the funds; and
- applicable taxes including GST/HST.

The Manager paid all operating expenses except brokerage charges and withholding taxes.

The Fund does not directly or indirectly pay fees, sales commissions or trailing commissions, nor does it provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

As at December 31, 2019, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 94,864 Series A units, or 2.8% of the total Fund Series A units. The Steadyhand Founders and Steadyhand Builders Fund hold 100% of the total Fund Series O units and pay no management fees.

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 since the date of inception. This information is derived from the Fund's audited annual financial statements.

Series A – Net Assets Per Unit	Dec 31 2019	Dec 31 2018	Dec 31 2017	Dec 31 2016	Dec 31 2015
Net Assets, beginning of period ^{1,3}	\$13.26	\$16.49	\$14.45	\$12.71	\$14.72
Increase (decrease) from operations:					
Total revenue	0.35	0.41	0.33	0.37	0.31
Total expenses (excluding distributions)	(0.33)	(0.39)	(0.34)	(0.30)	(0.31)
Realized gains (losses) for the period	0.38	0.71	1.20	0.86	(1.29)
Unrealized gains (losses) for the period	2.26	(3.12)	1.59	1.03	(0.67)
Total increase (decrease) from operations¹	2.66	(2.39)	2.78	1.96	(1.96)
Distributions :					
From investment income (excluding dividends)	-	-	-	-	-
From dividends	(0.11)	(0.09)	(0.04)	(0.14)	-
From capital gains	(0.37)	(0.73)	(0.22)	-	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.48)	(0.82)	(0.26)	(0.14)	-
Net Assets, end of period	\$15.32	\$13.26	\$16.49	\$14.45	\$12.71

Series A - Ratios and Supplemental Data	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net asset value (000's) ⁴	\$51,483	\$55,051	\$60,506	\$47,787	\$40,729
Number of units outstanding ⁴	3,360,823	4,152,921	3,668,617	3,306,366	3,204,714
Management expense ratio ⁵	1.78%	1.78%	1.78%	1.78%	1.78%
Management expense ratio before waivers or absorptions	1.78%	1.78%	1.78%	1.78%	1.78%
Portfolio turnover rate ⁶	44.43%	39.56%	40.56%	91.35%	19.780
Trading expense ratio ⁷	0.11%	0.12%	0.15%	0.40%	0.24%
Net asset value per unit	\$15.32	\$13.26	\$16.49	\$14.45	\$12.70

Series O – Net Assets Per Unit	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net Assets, beginning of period ^{1,3}	\$13.85	\$17.19	\$14.96	\$13.09	\$14.91
Increase (decrease) from operations:					
Total revenue	0.53	0.44	0.35	0.38	0.33
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	0.64	0.69	1.30	0.85	(1.39)
Unrealized gains (losses) for the period	2.66	(3.62)	1.69	1.16	(0.68)
Total increase (decrease) from operations ¹	3.83	(2.49)	3.34	2.39	(1.74)
Distributions :					
From investment income (excluding dividends)	-	-	-	-	-
From dividends	(0.33)	(0.31)	(0.22)	(0.33)	(0.03)
From capital gains	(0.39)	(0.78)	(0.61)	-	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.72)	(1.09)	(0.83)	(0.33)	(0.03)
Net Assets, end of period	\$16.07	\$13.85	\$17.19	\$14.96	\$13.08

Series O - Ratios and Supplemental Data	Dec 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016	Dec. 31 2015
Net asset value (000's) ⁴	\$52,493	\$37,824	\$37,005	\$23,907	\$17,110
Number of units outstanding ⁴	3,265,552	2,731,433	2,152,846	1,597,733	1,307,947
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	0.01%	0.01%	0.01%	0.01%
Portfolio turnover rate ⁶	44.43%	39.56%	40.56%	91.35%	19.80%
Trading expense ratio ⁷	0.11%	0.12%	0.15%	0.40%	0.24%
Net asset value per unit	\$16.07	\$13.85	\$17.19	\$14.96	\$13.08

¹Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

²Distributions were paid in cash/reinvested in additional units of the Fund, or both.

³This information is derived from the Fund's audited annual financial statements as at December 31 for the year stated.

⁴The information is provided as at December 31 of the period shown.

⁵Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

⁶The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

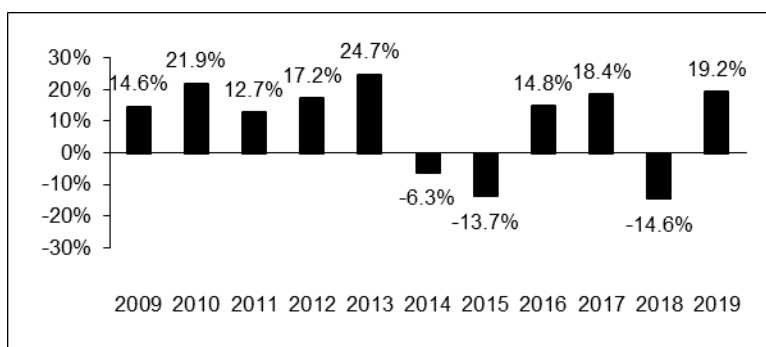
Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund will perform in the future.

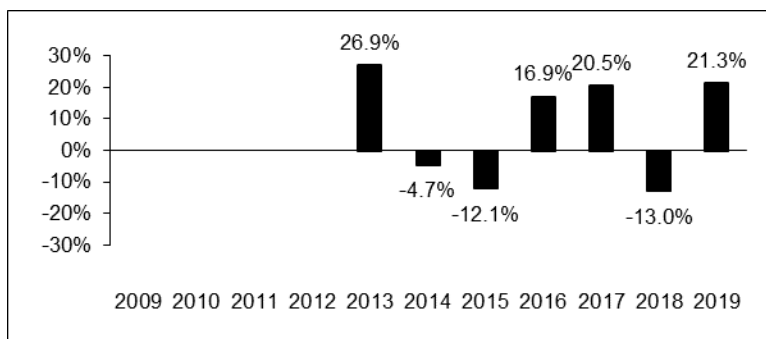
Year-by-Year Returns

The bar charts below show the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The chart shows, in percentage terms, 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.

Series A



Series O



Series O units of the Fund were first offered for sale in February 2012.

Annual Compound Returns

The following table shows the Fund's annual compound total return for the past one-year, three-year, five-year, and ten-year periods ended on December 31, 2019, and since the inception of the Fund, compared with the S&P/TSX SmallCap Index.

	1 YR	3 YR	5 YR	10 YR	Since-Inception*
Steadyhand Small-Cap Equity Fund – A	19.2%	6.4%	3.6%	8.4%	N/A
Steadyhand Small-Cap Equity Fund – O	20.3%	8.3%	5.5%	N/A	7.6%
S&P/TSX SmallCap Index	15.8%	-0.9%	3.2%	3.1%	1.2%

* Series O units have a different inception date (February 17, 2012) are not available for purchase.

The S&P/TSX SmallCap Index measures the performance of small capitalization stocks in Canada.

A discussion of the relative performance of the Fund as compared to the indices can be found in the Results of Operations section.

Summary of Investment Portfolio as of December 31, 2019

Portfolio Allocation	
	% of Net Assets
Equities	
Industrial Goods & Services	46.2%
Consumer Cyclical	15.5%
Consumer Products	13.2%
Oil & Gas	10.2%
Healthcare	4.3%
Basic Materials	4.1%
Utilities	3.6%
Retailing	2.2%
	<hr/> 99.3%
Cash, Short-term Notes & Other Assets	<hr/> 0.7%
Total	<hr/> 100.0% <hr/>

Top 25 Holdings	
	% of Net Assets
AG Growth International Inc.	5.9%
Premium Brands Holdings Corp.	5.4%
Fluor Corp.	5.0%
NFI Group Inc.	4.9%
Spin Master Corp.	4.8%
Pason Systems Inc.	4.4%
Parkland Fuel Corp.	4.3%
Henry Schein Inc.	4.3%
Finning International Inc.	4.3%
Intertape Polymer Group Inc.	4.2%
Winpak Ltd.	4.2%
Maple Leaf Foods Inc.	4.2%
Interfor Corp.	4.1%
Cargojet Inc.	4.1%
Stantec Inc.	4.1%
Diversified Royalty Corp.	4.0%
Sleep Country Canada Holdings Inc.	3.9%
Park Lawn Corp.	3.9%
Waterloo Brewing Ltd.	3.6%
Northland Power Inc.	3.6%
Points International Ltd.	2.9%
The Middleby Corp.	2.5%
Alcanna Inc.	2.2%
Oshkosh Corp.	1.6%
SNC-Lavalin Group Inc.	1.5%

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates are available (60 days after each quarter end) upon request.

Steadyhand

Management Report of Fund Performance

**Steadyhand Global Small-Cap Equity
Fund**

December 31, 2019



Steadyhand Global Small-Cap Equity Fund

Annual Management Report of Fund Performance (December 31, 2019)

This annual management report of fund performance contains financial highlights but does not contain the complete audited annual financial statements of the investment fund. You can get a copy of the audited annual financial statements at your request, and at no cost, by calling 1-888-888-3147, by writing to us at Steadyhand Investment Management Ltd., 1747 West 3rd Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at www.steadyhand.com or SEDAR at www.sedar.com.

Unitholders 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 fundamental investment objective of the Steadyhand Global Small-Cap Equity Fund (the "Fund") is to provide long-term capital growth by investing in a concentrated, yet well-diversified portfolio of small and medium sized companies around the globe.

The portfolio adviser focuses on identifying quality growth businesses, defined as those that have: (1) strong management with clear goals and a track record of success; (2) a distinct competitive edge achieved through high barriers to entry, proprietary products or services, distribution or manufacturing advantages, valuable patents, or brand name recognition; and (3) a record of consistent revenue and earnings growth.

Risks

The primary risks associated with an investment in the Fund are foreign market risk, concentration risk, small capitalization risk and currency risk. The other risks are outlined in the simplified prospectus. There were no changes to the Fund over the reporting period that affected its overall level of risk.

Results of Operations

The Fund's net assets grew from inception January 23, 2019 to \$32.5 million as of December 31, 2019. This increase was attributable to net sales of \$28.9 million, a \$4.3 million increase in net assets from operations less \$0.7 million in distributions.

The Fund was opened to investors on February 15, 2019. Securities regulations prohibit us from reporting performance until units of the Fund have been offered under a simplified prospectus for 12 consecutive months. Our discussion instead will focus on the characteristics and investment merit of select holdings.

At the end of the reporting period, the Fund held 41 companies around the globe. Seventeen are headquartered in the U.S., 15 in Europe (including the U.K.), 7 in Japan, and 2 in Australia.

RPM International is one of the Fund's largest holdings. The company manufactures high-performance coatings, sealants, specialty chemicals and building materials for the construction and home improvement

industries. Its brands include Rust-Oleum, Varathane, Tremco and Stonhard. While the business of coatings, cladding and adhesives isn't exactly sexy, RPM is the best in the world at what they do. And because it has a portfolio of leading products, the company has great pricing power. RPM has delivered consistent growth under all economic conditions and has increased its dividend for 45 consecutive years

Financial services stocks comprise the largest portion of the Fund, at 22% of its equity holdings. The portfolio adviser, TimesSquare Capital Management, has found compelling investments in the insurance industry. Its highly regulated nature and customer preferences for established players makes it difficult for new entrants. The Fund holds Australia-based Challenger and Steadfast Group. Steadfast is the largest broker in Australia and New Zealand, while Challenger sells annuity products in Australia and Japan. The Fund also holds Danish insurer Topdanmark, and Bermuda/U.S.-based reinsurer RenaissanceRe.

Technology is also a significant area of investment. Holdings include Gartner (a world leader in technology research), WEX (payment processor for commercial vehicle fleets), J2 Global (provider of messaging and communications services), and ITT (manufacturer of highly engineered components in electronics, aviation and transport markets).

The Fund's cash position was 6% at the end of 2019.

There were no unusual trends in redemptions, sales, revenues or expenses over the reporting period.

Recent Developments

It was a strong first year for global small-cap stocks. The S&P Global SmallCap Index (\$Cdn) gained 24.3% in 2019. Technology, industrial and real estate stocks were notable areas of strength, while energy companies lagged.

The Fund was launched in mid February and therefore there are not many notable developments to report.

American companies comprise the largest portion of the Fund (47%). While these holdings are diverse, the current focus is on technology, healthcare, industrial and real estate stocks. Some of the larger positions include Gartner, WEX, and RPM International (see above), as well as Charles River Laboratories (a provider of products and services to help expedite the discovery, development and manufacture of novel drugs and therapeutics), Cushman & Wakefield (a Chicago-based real estate services company), and Kennedy-Wilson (a real estate investment company).

The portfolio adviser is also finding some compelling investments in Japan, specifically in the retailing and consumer sectors. Holdings include ABC-Mart (a popular athletic shoe retailer), Zozo (an internet fashion company), Sushiro Global Holdings (a restaurant chain), and Kobe Bussan (a food production and distribution company).

Sushiro Global is a stock that investors who have visited Japan may be familiar with. The restaurant chain is a pioneer in using technology to make and serve sushi — using conveyor belts, robots, ordering tablets and self-serve registers — and is expanding globally. Sushiro offers high-quality food at good prices and should do well in a slower economy. Kobe Bussan, a discount supermarket chain, is the newest addition to the Fund. The company owns its own farms and is able to offer grocery staples cheaper than its

competitors. TimesSquare expects revenues to grow as Japanese consumers look for affordable produce and meat in deflationary times.

It was a good year for global small-cap stocks and a handful of companies were sold based on strong returns in a short period of time, including Disco Corporation, CoStar Group, Open House Co., and Cable One.

The portfolio adviser focuses on investing in businesses with a clear competitive edge, a record of consistent earnings growth, and management that has clear goals and a record of success. This approach will result in low weights in commodity-related business and utilities. Indeed, the Fund doesn't currently hold any oil & gas producers. Its lone energy holding is Rubis, a France-based company that specializes in the storage and distribution of petroleum and other liquid products.

An ongoing risk for investors in the Fund is the impact of currency fluctuations. All of the Fund's holdings are denominated in foreign currencies. The greatest exposures currently lie in the U.S. dollar, Euro, Japanese Yen, British Pound, Swedish Krona and Australian dollar. If the Canadian dollar strengthens against these currencies, the Fund's returns will be dampened (as was the case in 2019). Conversely, a depreciation of the loonie would boost returns.

There were no material changes over the reporting period to the portfolio adviser, accounting policies or investment review committee of the Fund.

Related Party Transactions

Management Fees

Steadyhand Investment Management Ltd. is the Manager of the Fund. The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The Fund relies on the positive recommendation or approval of the independent review committee to proceed with the transactions. The annualized net management fee for the units of the Fund is 1.78%. The Fund paid the Manager \$60,374 of its net assets as management fees for the period from inception January 23, 2019 to December 31, 2019 and distributed \$23,658 in management fee reductions. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund which include:

- fees payable to provincial securities commissions in connection with the operation of the funds;
- audit and legal fees;
- costs for preparation, production and distribution of financial and other reports, including semi-annual and annual reports, statements,
- communications to unitholders and other regularly required documents;
- costs for the preparation, production and distribution of this simplified prospectus document and other regulatory documents, including Fund Facts;
- expenditures related to technology required to operate the funds;
- custody, investor servicing, record keeping, accounting, trustee fees and
- bank charges;
- costs of compliance with applicable securities legislation in connection with the operation of the funds; and
- applicable taxes including GST/HST.

The Manager paid all operating expenses except brokerage charges and withholding taxes.

The Fund does not directly or indirectly pay fees, sales commissions or trailing commissions, nor does it provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

As at December 31, 2019, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 108,801 Series A units, or 20.8% of the total Fund Series A units. The Steadyhand Founders Fund and Steadyhand Builders Fund hold 100% of the total Fund Series O units and pay no management fees.

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 since the date of inception. This information is derived from the Fund's audited annual financial statements.

<i>Series A – Net Assets Per Unit</i>	<i>Dec. 31 2019</i>
Net Assets, beginning of period ^{1,3,}	\$10.00
Increase (decrease) from operations:	
Total revenue	0.14
Total expenses (excluding distributions)	(0.43)
Realized gains for the period	0.30
Unrealized gains for the period	2.04
Total increase from operations ¹	2.05
Distributions :	
From investment income (excluding dividends)	(0.03)
From dividends	-
From capital gains	(0.20)
Return of capital	-
Total distributions for the period ²	(0.23)
Net Assets, end of period	\$11.75

<i>Series A - Ratios and Supplemental Data</i>	<i>Dec. 31 2019</i>
Net asset value (000's) ⁴	\$6,142
Number of units outstanding ⁴	522,712
Management expense ratio ⁵	1.78%
Management expense ratio before waivers or absorptions	1.82%
Portfolio turnover rate ⁶	32.20%
Trading expense ratio ⁷	0.20%
Net asset value per unit	\$11.75

Series O – Net Assets Per Unit	Dec. 31 2019
Net Assets, beginning of period ^{1,3}	\$10.00
Increase (decrease) from operations:	
Total revenue	0.14
Total expenses (excluding distributions)	-
Realized gains for the period	0.27
Unrealized gains for the period	1.60
Total increase from operations ¹	2.01
Distributions :	
From investment income (excluding dividends)	(0.09)
From dividends	-
From capital gains	(0.20)
Return of capital	-
Total distributions for the period ²	(0.29)
Net Assets, end of period	\$11.87

Series O - Ratios and Supplemental Data	Dec. 31 2019
Net asset value (000's) ⁴	\$26,339
Number of units outstanding ⁴	2,218,852
Management expense ratio ⁵	-
Management expense ratio before waivers or absorptions	0.01%
Portfolio turnover rate ⁶	32.20%
Trading expense ratio ⁷	0.20%
Net asset value per unit	\$11.87

¹Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

²Distributions were paid in cash/reinvested in additional units of the Fund, or both.

³This information is derived from the Fund's audited annual financial statements as at December 31.

⁴The information is provided as at December 31.

⁵Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

⁶The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

Past Performance

The Fund filed its first simplified prospectus on February 15, 2019. We are not permitted to disclose performance information for the Fund until units of the Fund have been offered under a simplified prospectus for 12 consecutive months.

Summary of Investment Portfolio as at December 31, 2019

Portfolio Allocation

Global Equities	% of Net Assets
Financial Services	20.9%
Technology	18.0%
Industrial Goods & Services	17.1%
Healthcare	12.0%
Consumer Cyclical	9.2%
Real Estate	6.5%
Retailing	4.3%
Consumer Products	3.8%
Oil & Gas	2.2%
	<hr/> 94.0%
Cash, Short-term Notes & Other Assets	<hr/> 6.0%
Total	<hr/> 100.0% <hr/>

Top 25 Holdings

	% of Net Assets
Cash & cash equivalents	5.7%
Teleperformance	4.5%
RPM International Inc.	4.4%
Topdanmark A/S	3.6%
St James's Place PLC	3.6%
Cushman & Wakefield PLC	3.5%
Gartner Inc.	3.4%
Nordic Entertainment Group AB	3.4%
RenaissanceRe Holdings Ltd.	3.1%
Kennedy-Wilson Holdings Inc.	3.1%
Wex Inc.	3.0%
j2 Global Inc.	2.8%
Orpea	2.7%
Charles River Laboratories International Inc.	2.7%
Apollo Global Management LLC	2.6%
FinecoBank Banca Fineco SpA	2.5%
Encompass Health Corp.	2.5%
Altran Technologies SA	2.5%
Chemed Corp.	2.5%
Performance Food Group Co.	2.3%
ZOZO Inc.	2.2%
ABC-Mart Inc.	2.2%
Rubis SCA	2.2%
ITT Inc.	2.0%
Challenger Ltd.	2.0%

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates are available (60 days after each quarter end) upon request.

Steadyhand

Management Report of Fund Performance

Steadyhand Builders Fund

December 31, 2019



Steadyhand Builders Fund

Annual Management Report of Fund Performance (December 31, 2019)

This annual management report of fund performance contains financial highlights but does not contain the complete audited annual financial statements of the investment fund. You can get a copy of the audited annual financial statements at your request, and at no cost, by calling 1-888-888-3147, by writing to us at Steadyhand Investment Management Ltd., 1747 West 3rd Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at www.steadyhand.com or SEDAR at www.sedar.com.

Unitholders 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 fundamental investment objective of the Steadyhand Builders Fund (the "Fund") is to provide long-term capital growth by investing in a diversified collection of companies of all sizes around the globe.

The Builders Fund is a fund-of-funds. It invests primarily in Steadyhand's four stand-alone equity funds — Steadyhand Equity Fund, Steadyhand Global Equity Fund, Steadyhand Small-Cap Equity Fund, and Steadyhand Global Small-Cap Equity Fund — in order to achieve its objective. It may also invest in Steadyhand Income Fund and Steadyhand Savings Fund to a lesser degree.

Risks

The primary risks associated with an investment in the Fund are foreign market risk, price risk and currency risk. The other risks are outlined in the simplified prospectus. There were no changes to the Fund over the reporting period that affected its overall level of risk.

Results of Operations

The Fund's net assets grew from inception January 23, 2019 to \$64.8 million as of December 31, 2019. This increase was attributable to net sales of \$62.2 million, and a \$4.0 million increase in net assets from operations less \$1.4 million in distributions to unitholders.

The Fund was opened to investors on February 15, 2019. Securities regulations prohibit us from reporting performance until units of the Fund have been offered under a simplified prospectus for 12 consecutive months. Our discussion instead will focus on the Fund's composition.

At the end of the reporting period (December 31), the Builders Fund held four underlying Steadyhand funds in the following composition:

- Steadyhand Global Equity Fund (Series O): 35%
- Steadyhand Equity Fund (Series O): 35%
- Steadyhand Small-Cap Equity Fund (Series O): 15%
- Steadyhand Global Small-Cap Equity Fund (Series O): 15%

On a look-through basis, 66% of the Fund is invested in foreign stocks, 31% in Canadian stocks, and 3% in cash. The Steadyhand Global Equity Fund and Steadyhand Global Small-Cap Equity Fund have the most latitude to invest outside our borders. The Steadyhand Equity Fund and Steadyhand Small-Cap Equity Fund are both Canadian-centric in nature, but the managers have the flexibility to invest a portion of the funds' assets in foreign companies.

30% of the Fund is invested in Steadyhand's two small-cap funds. These funds can experience more pronounced fluctuations over shorter periods but provide the opportunity for enhanced returns over the long term.

There were no unusual trends in redemptions, sales, revenues or expenses over the reporting period.

Recent Developments

2019 was a stark contrast to 2018 in terms of stock returns, with most markets posting double-digit gains. The American market (S&P 500 Index) was a standout, gaining over 30% in U.S. dollars, while Canada had its best year in a decade. Stocks in Europe and Asia also had solid years. The strong returns came in spite of many of the same issues dominating the headlines, including American-led trade wars, a rise in populism, and slowing global growth. Interest rates in most of the developed world, however, trended lower. The U.S. Federal Reserve ("Fed") cut its key policy rate three times and the stimulus served to improve the mood of investors. Canada bucked the trend as the Bank of Canada left its key lending rate unchanged in the year (at 1.75%), citing consumer spending and housing investment as areas of strength, as well as steady wage growth.

The Fund is well diversified across industries and looks different than most Canadian portfolios. The largest sector weight, industrial goods & services (23% of the portfolio), includes a diverse assortment of companies. Holdings include CAE (pilot training), Konecranes (manufactures lifting equipment), Teleperformance (outsourced customer service), Sika (specialty chemicals) and Ag Growth International (grain and seed storage).

Other important sectors are also diverse in their makeup. In financial services (18% of the portfolio), the Fund owns TD Bank, Topdanmark (insurance), Legg Mason (asset management), and Experian (credit ratings), among others. It's a far cry from owning five Canadian banks and insurers. In healthcare (14%), holdings include Novartis (pharmaceuticals), Zimmer Biomet (medical devices), Orpea (nursing care) and Henry Schein (dental equipment).

Technology investments make up a smaller component of the Fund (6%). Further, most of the exposure to the sector comes via the Steadyhand Global Small-Cap Equity Fund. These companies fall outside the realm of high-profile household names such as Apple, Google and Facebook. Rather, the portfolio adviser, TimesSquare Capital Management, focuses on smaller businesses that are leaders in engineering components or providing research services, software solutions, and other value-added services for a variety of industries, including those that are inventing the products and services of tomorrow. Examples of these stocks include Altran Technologies, Gartner, J2 Global, and ITT.

Investors should expect the Fund to stay fully invested in Steadyhand's underlying funds a vast majority of the time. The Fund is designed to build wealth over a long time frame. There will be some cash in the portfolio, most of which will be from the reserves held in the underlying funds. Their cash levels will

fluctuate due to the managers waiting for the right price to buy stocks or because of a recent sale. In some cases, cash can build up when there is a dearth of new investment opportunities.

An ongoing risk for investors in the Fund is the impact of currency fluctuations. Most of the Fund's holdings are denominated in foreign currencies. The greatest exposure lies in the U.S. dollar, Euro, British Pound and Japanese Yen. If the Canadian dollar strengthens against these currencies, the Fund's return will be dampened (as was the case in 2019). Conversely, a depreciation of the loonie would boost returns.

There were no material changes over the reporting period to the portfolio advisor, accounting policies or investment review committee of the Fund.

Related Party Transactions

Management Fees

Steadyhand Investment Management Ltd. is the Manager of the Fund. The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The Fund relies on the positive recommendation or approval of the independent review committee to proceed with the transactions. The annualized net management fee for the units of the Fund is 1.63%. The Fund paid the Manager \$604,861 of its net assets as management fees for the period from inception January 23, 2019 to December 31, 2019 and distributed \$167,406 in management fee reductions. The Fund does not reimburse the Manager for operating costs incurred in administering the Fund which include:

- fees payable to provincial securities commissions in connection with the operation of the funds;
- audit and legal fees;
- costs for preparation, production and distribution of financial and other reports, including semi-annual and annual reports, statements,
- communications to unitholders and other regularly required documents;
- costs for the preparation, production and distribution of this simplified prospectus document and other regulatory documents, including Fund Facts;
- expenditures related to technology required to operate the funds;
- custody, investor servicing, record keeping, accounting, trustee fees and
- bank charges;
- costs of compliance with applicable securities legislation in connection with the operation of the funds; and
- applicable taxes including GST/HST.

The Manager paid all operating expenses except brokerage charges and withholding taxes.

The Fund does not directly or indirectly pay fees, sales commissions or trailing commissions, nor does it provide any non-monetary benefits to registered dealers for distributions of units of the Fund. If a broker charges you a commission or fee, that is a matter between you and the dealer.

As at December 31, 2019, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 196,985 Series A units, or 3.2% of the total Fund Series A units.

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 since the date of inception. This information is derived from the Fund's audited annual financial statements.

Series A – Net Assets Per Unit	Dec. 31 2019
Net Assets, beginning of period ^{1,3}	\$10.00
Increase (decrease) from operations:	
Total revenue	0.51
Total expenses (excluding distributions)	(0.11)
Realized gains (losses) for the period	-
Unrealized gains for the period	0.65
Total increase from operations ¹	\$1.05
Distributions :	
From investment income (excluding dividends)	(0.05)
From dividends	(0.07)
From capital gains	(0.09)
Return of capital	-
Total distributions for the period ²	(0.21)
Net Assets, end of period	\$10.65

Series A - Ratios and Supplemental Data	Dec. 31 2019
Net asset value (000's) ⁴	\$64,837
Number of units outstanding ⁴	6,087,160
Management expense ratio ⁵	1.63%
Management expense ratio before waivers or absorptions	1.64%
Portfolio turnover rate ⁶	0.03%
Trading expense ratio ⁷	0.02%
Net asset value per unit	\$10.65

¹Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

²Distributions were paid in cash/reinvested in additional units of the Fund, or both.

³This information is derived from the Fund's audited annual financial statements as at December 31.

⁴The information is provided as at December 31.

⁵Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

⁶The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

Past Performance

The Fund filed its first simplified prospectus on February 15, 2019. We are not permitted to disclose performance information for the Fund until units of the Fund have been offered under a simplified prospectus for 12 consecutive months.

Summary of Investment Portfolio as at December 31, 2019

Portfolio Allocation

	% of Net Assets
Pooled Investment Funds	98.6%
Cash & Other Assets	1.4%
Total	100.0%

Top 5 Holdings

	% of Net Assets
Steadyhand Global Equity Fund, Series O	34.6%
Steadyhand Equity Fund, Series O	34.5%
Steadyhand Small-Cap Equity Fund, Series O	14.8%
Steadyhand Global Small-Cap Equity Fund, Series O	14.8%
Cash & cash equivalents	1.0%

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund. Quarterly updates are available (60 days after each quarter end) upon request.