
Steadyhand

Management Report of Fund Performance

Steadyhand Savings Fund

December 31, 2020



Steadyhand Savings Fund

Annual Management Report of Fund Performance (December 31, 2020)

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 decreased to \$47.1 million as of December 31, 2020, from \$88.2 million at the end of 2019. This decrease was attributable to net redemptions of \$41.1 million.

The Fund produced a return of 0.8% in 2020. Over the same period, the FTSE Canada 91-Day T-Bill Index gained 0.9%. The Fund's return is net of fees, whereas the return of the index does not include any costs or fees.

The Fund marginally underperformed the index over the year. Contributing to 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 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.

The Bank of Canada lowered its key lending rate three times in 2020 for a cumulative easing of 1.5%. The rate now sits at 0.25%. This had a notable impact on the Fund's return. The interest rates offered on

money market securities dropped in line with the central bank's rate cuts, making the returns of these securities less attractive.

As COVID-19 began to spread around the globe in the first quarter, governments imposed widespread lockdowns, which impacted the production and flow of goods and services, interrupted supply chains, restricted the movement of people, and led consumers to tighten their wallets. Central banks subsequently took extreme measures to alleviate the strains for individuals and businesses resulting from the curb in economic activity. These measures included substantial interest rate cuts (the Bank of Canada's cumulative 1.5% easing all came in the first quarter), large scale asset purchases, and unprecedented fiscal stimulus and quantitative easing programs.

Economic releases early in the second quarter confirmed that the widespread shocks from the pandemic and shutdowns were severe and, in many cases, record breaking. As the quarter progressed, however, economies reopened, confidence improved and many indicators confirmed sequential growth, as opposed to continued deterioration. Short-term interest rates were kept at ultra-low levels in the quarter.

Through the second half of the year, the Bank of Canada kept its key lending rate at 0.25%. Economies around the world bounced back in the third quarter as containment measures continued to be lifted. Consumer spending rebounded nicely and employment numbers were encouraging. In the final quarter of the year, the rebound in the Canadian and global economies unfolded largely as the central bank had anticipated. The government's key lending rate was left unchanged.

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 Honda Canada, Enbridge, and Suncor, 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 2020 was 0.2%, which was down from its yield of 1.9% at the end of 2019.

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

Recent Developments

Money market investments returned 0.9% in 2020, as measured by the FTSE Canada 91 Day T-Bill Index. It was not a fruitful year for savers, as short-term interest rates around the globe were lowered to historically low levels to help stimulate economies in the face of the pandemic.

The economic backdrop was especially fragile early in the year as COVID-19 reared its ugly head. Government-imposed lockdowns crippled many industries and consumers tightened their spending amid uncertain job prospects. Oil prices plunged in April and escalating geopolitical tensions caused bouts of instability and then, finally, a spike in the number of virus cases in several U.S. states near mid-year put

pressure on risk sentiment. Policymakers remained attuned to the risks, however, and the U.S. Federal Reserve announced additional measures to its purchase programs that would include assistance to companies that had experienced recent downgrades. The Fed also reaffirmed its commitment to low interest rates for the foreseeable future. During this period, the Bank of Canada announced a large-scale asset purchase program and lowered its key lending rate from 1.75% to 0.25%.

In the second half of the year, several important developments bolstered investor sentiment. First, Joe Biden's presidential election victory gave investors a measure of clarity regarding the future path of government policy. Shortly after that, it was announced that three COVID-19 vaccine trials produced better-than-expected efficacy rates. This marked an important milestone in the ultimate normalization of economic activity. The fate of an economic stimulus bill in the U.S. also remained deeply uncertain for much of the period, although Congress overwhelmingly passed a US\$900 billion stimulus package late in the year. All in all, markets were faced with two opposing forces: optimism about the eventual end of the pandemic; and bouts of concern over more pronounced economic softness in the short term due to new restrictions and lockdown measures in response to spiking virus cases.

After the initial flurry of easing measures, it was relatively quiet on the monetary policy front. The U.S. Federal Reserve left its policy interest rate unchanged through the rest of the year and noted that the current pace of quantitative easing would remain until it made substantial progress towards its dual mandate (maximum employment and stable inflation). A noteworthy adjustment to the Fed's ultra-accommodative policy stance occurred, however, when Treasury Secretary Mnuchin requested that the Fed return any unused funds that had been originally earmarked to support lending during the crisis.

The Bank of Canada committed to not raise interest rates until 2023 at the earliest. The central bank also expanded its corporate bond purchase program and adjusted its quantitative easing program by shifting its purchases toward longer-maturity bonds. The Bank took incremental steps to pull back on its support in absolute terms, however, by ending less-used programs and scaling down its minimum weekly purchases of Government of Canada bonds.

In aggregate, short-term yields remained anchored in the fourth quarter, with U.S. and Canada two-year yields each dipping 1 basis point (0.01%) to 0.12% and 0.20%, respectively. The 10-year U.S. Treasury yield rose 23 basis points to 0.90%, while the 10-year Government of Canada yield rose 12 basis points to 0.72%. These changes resulted in a sizeable yield curve steepening in both Canada and the U.S.

In this environment of extremely low short-term interest rates, the Fund's return will continue to be modest. Until the Bank of Canada raises its key policy rate, money market investors should expect meagre returns.

The Fund's mix of corporate notes (70% of assets) and government T-Bills (30%) did not change materially in 2020. 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, 2020, the Fund paid gross fees of \$88,254 to the Manager and distributed \$26,954 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, 2020 Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 329,086 Series A units, or 7.1% 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 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net Assets, beginning of period ^{1,3}	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase from operations:					
Total revenue	0.10	0.20	0.19	0.14	0.11
Total expenses (excluding distributions)	(0.02)	(0.02)	(0.03)	(0.01)	(0.03)
Realized gains for the period	-	-	-	-	-
Unrealized gains for the period	-	-	-	-	-
Total increase from operations ¹	0.08	0.18	0.16	0.13	0.08
Distributions :					
From investment income (excluding dividends)	(0.08)	(0.18)	(0.15)	(0.08)	(0.07)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.08)	(0.18)	(0.15)	(0.08)	(0.07)
Net Assets, end of period	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

Series A - Ratios and Supplemental Data	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net asset value (000's) ⁴	\$46,488	\$33,260	\$37,050	\$30,120	\$19,189
Number of units outstanding ⁴	4,648,810	3,235,969	3,705,019	3,012,013	1,918,884
Management expense ratio ⁵	0.20%	0.20%	0.20%	0.20%	0.20%
Management expense ratio before waivers or absorptions	0.20%	0.20%	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 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net Assets, beginning of period ^{1,3}	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase from operations:					
Total revenue	0.19	0.19	0.17	0.18	0.08
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains for the period	-	-	-	-	-
Unrealized gains for the period	-	-	-	-	-
Total increase from operations ¹	0.19	0.19	0.17	0.18	0.08
Distributions :					
From investment income (excluding dividends)	(0.09)	(0.19)	(0.17)	(0.10)	(0.08)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.09)	(0.19)	(0.17)	(0.10)	(0.08)
Net Assets, end of period	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

Series O - Ratios and Supplemental Data	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net asset value (000's) ⁴	\$590	\$54,947	\$27,382	\$64,405	\$46,980
Number of units outstanding ⁴	58,973	5,494,685	2,738,234	6,440,467	4,698,041
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	0.01%	0.01%	-	-	0.01%
Portfolio turnover rate ⁶	76.45	-	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.

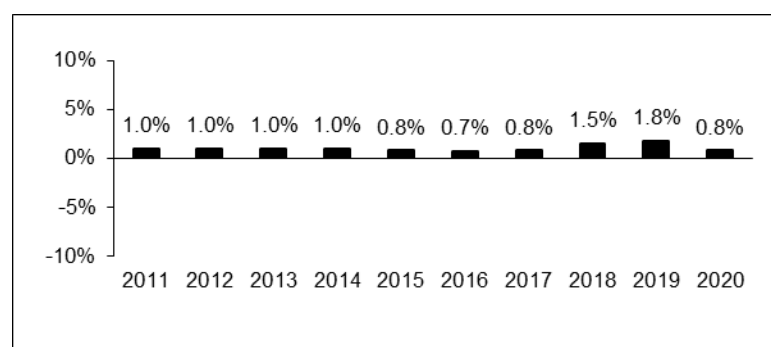
Past Performance

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.

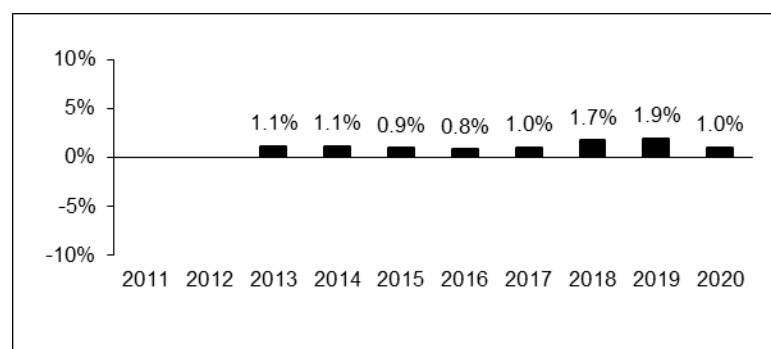
Year-by-Year Returns

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, 2020, 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	0.8%	1.4%	1.1%	1.0%	N/A
Steadyhand Savings Fund – O	1.0%	1.5%	1.3%	N/A	1.2%
FTSE Canada 91-Day T-Bill Index	0.9%	1.3%	1.0%	1.0%	0.9%

* 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, 2020

Portfolio Allocation

	% of Net Assets
Bankers Acceptances	52.0%
Corporate Notes	9.4%
Provincial Promissory Notes	13.4%
Provincial Treasury Bills	16.7%
Bearer Deposit Notes	4.3%
	<hr/> 95.8%
Corporate Bonds	4.2%
Total Investments	<hr/> 100.0%
Cash, Short-term Notes & Other Assets	<hr/> -%
Total	<hr/> 100.0% <hr/>

Top 22 Holdings**% of Net Assets**

Bank of Nova Scotia B/A 0.222% 18 Jan 2021	9.4%
Toronto-Dominion Bank B/A 0.231% 19 Jan 2021	9.0%
Province of New Brunswick TBill 0.178% 18 Feb 2021	6.6%
Province of Alberta TBill 0.187% 26 Jan 2021	6.6%
Province of Prince Edward Island PN 0.152% 29 Mar 2021	5.8%
Bank of Montreal B/A 0.249% 08 Jan 2021	5.7%
Province of Alberta PN 0.169% 18 Jan 2021	5.4%
Royal Bank of Canada B/A 0.237% 29 Jan 2021	4.9%
Suncor Energy Inc. C/P 0.611% 18 Jan 2021	4.5%
Canadian Imperial Bank of Commerce B/A 0.232% 08 Feb 2021	4.4%
HSBC Bank Canada B/A 0.240% 30 Mar 2021	4.3%
Royal Bank of Canada BA 0.489% 08 Feb 2021	4.2%
Manulife Bank of Canada BDN 0.539% 15 Jan 2021	4.2%
National Bank of Canada B/A 0.252% 11 Jan 2021	3.7%
Canadian Imperial Bank of Commerce B/A 0.232% 27 Jan 2021	3.6%
Province of Newfoundland and Labrador TBill 0.167% 07 Jan 2021	3.5%
Honda Canada Finance Inc. C/P 0.482% 28 Jan 2021	2.9%
National Bank of Canada B/A 0.241% 26 Jan 2021	2.6%
National Bank of Canada B/A 0.241% 08 Jan 2021	2.4%
Province of Newfoundland and Labrador P/N 0.226% 04 Feb 2021	2.3%
Enbridge Pipelines Inc. C/P 0.356% 11 Jan 2021	2.1%
Bank of Montreal B/A 0.252% 19 Feb 2021	2.1%

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, 2020



Steadyhand Income Fund

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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 decreased to \$260.0 million as of December 31, 2020, from \$264.2 million at the end of 2019. This decrease of \$4.2 million was attributable to net redemptions of \$11.8 million, an increase in net assets from operations of \$18.2 million less \$10.6 million in distributions to unitholders.

The Fund rose 7.1% in 2020. Over the same period, the FTSE Canada Universe Bond Index provided a return of 8.7% while the S&P/TSX Capped Composite Index gained 5.6%. Interest rates declined during the year, with the 10-year Government of Canada bond yield falling from 1.7% to 0.7% (it reached an all-time low of 0.43% in August). This fall in yields was a positive for investors — as a reminder, when yields fall, bond prices typically rise, and vice versa. Longer-term bonds and corporate bonds were among the top performing fixed income securities during the year. The Bank of Canada lowered its key lending rate three times in 2020 for a cumulative easing of 1.5%. The rate now sits at 0.25%.

Economic releases early in the second quarter confirmed that the widespread shocks from the pandemic and shutdowns were severe and, in many cases, record breaking. As the quarter progressed, however, economies reopened, confidence improved and many indicators confirmed sequential growth, as opposed to continued deterioration. Additionally, the enormous response from policymakers successfully eased financial conditions, which helped stabilize markets and enabled risk assets to post solid gains.

In the second half of the year, despite ongoing concern about rising COVID-19 cases, additional lockdowns and geopolitical uncertainty, investors found some solace in the outcome of the U.S. presidential election and, subsequently, in some extremely positive vaccine news. The ensuing rally in risk assets (e.g., stocks and corporate bonds) also pushed longer-maturity government bond yields higher over the fourth quarter. This signaled that economic growth prospects were improving materially. Although daily interest rate fluctuations were quite volatile at times in response to occasionally wavering optimism, the rising trend for longer-term yields remained in place.

All said, the Fund had a solid year. Its bond holdings (which comprised 73% to 77% of the portfolio) drove performance, gaining roughly 10% in aggregate. The dividend-paying equity component of the portfolio (23% to 27%) turned in only a modest return, as key sectors of investment including banks, real estate, telecoms, and consumer staples trailed the hotter areas of the market where we have little exposure.

Corporate bonds in particular were strong performers as investors sought higher yields in lieu of the greater safety that comes with government securities. The portfolio benefited from this, as it had a healthy allocation to 'corporates' throughout the year (roughly one-third of the Fund). Investments were focused on high-quality issuers with stable earnings such as utilities, telecoms and banks.

The portfolio's provincial government holdings (also roughly one-third of the Fund) also fared well in this environment as investors favoured the yield advantage these securities offered over Government of Canada bonds.

The portfolio adviser (Connor, Clark & Lunn) feels that policymakers have laid the groundwork for a long period of accommodation (i.e., low interest rates and other supportive monetary policies) which should lift financial markets over the medium term. Hence, the portfolio's continued preference for corporate and provincial bonds.

At the beginning of the year, bonds comprised 74% of the portfolio. Their weighting rose to 77% in the first quarter as stock markets melted down, but the adviser subsequently rebalanced the mix, adding to equities, and at mid-year bonds made up 73% of the Fund. This is also where they stood at year-end.

Turning to the Fund's stock holdings, this portion of the portfolio held back performance, as mentioned. Sectors of focus include financial services, REITs, consumer products, pipelines and utilities. These stocks didn't keep up with the high-flying technology sector or precious metals stocks, which were also in high demand. We have little exposure to these sectors, as tech stocks don't tend to pay dividends and are trading at high valuations, generally speaking; and mining companies have erratic and unstable earnings with dividends that can be vulnerable to cuts. We feel our focus on more defensive, steady cash-generating companies remains a prudent strategy.

Stocks made up 27% of the Fund at year-end, which is higher than their target weight of 25%, as the adviser remains optimistic on the longer-term outlook for equities.

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 federal bonds was decreased (from 12% of the portfolio's fixed income investments at the beginning of the year to 4% at the end of December), and the weighting in corporate bonds was increased (from 40% to 48% of its fixed income holdings).

The Fund's pre-fee yield at the end of 2020 was 2.0%, as compared to 2.7% at the end of 2019. This lower figure is a reflection of the overall decline in interest rates during the year.

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 8.7%, a fabulous result given the low interest rate environment.

The economic backdrop was especially fragile early in the year as COVID-19 reared its ugly head. Government-imposed lockdowns crippled many industries and consumers tightened their spending amid uncertain job prospects. Oil prices plunged in April and escalating geopolitical tensions caused bouts of instability and then, finally, a spike in the number of virus cases in several U.S. states near mid-year put pressure on risk sentiment. Policymakers remained attuned to the risks, however, and the U.S. Federal Reserve announced additional measures to its purchase programs that would include assistance to companies that had experienced recent downgrades. The Fed also reaffirmed its commitment to low interest rates for the foreseeable future.

During this period, the Bank of Canada announced it would initially buy corporate and provincial bonds, and then real return bonds, as part of its large-scale asset purchase program. While actual corporate and provincial purchases remained modest through the first half of the year, the central bank reiterated that asset purchases will continue until the economic recovery is well underway. Ten-year Government of Canada interest rates declined over 20 bps (0.20%) in the spring, ending the second quarter near historic lows.

In the second half of the year, several important developments bolstered investor sentiment in CC&L's view. First, Joe Biden's presidential election victory gave investors a measure of clarity regarding the future path of government policy. Shortly after that, it was announced that three COVID-19 vaccine trials produced better-than-expected efficacy rates. This marked an important milestone in the ultimate normalization of economic activity. The fate of an economic stimulus bill in the U.S. also remained deeply uncertain for much of the period, although Congress overwhelmingly passed a US\$900 billion stimulus package late in the year. All in all, markets were faced with two opposing forces: optimism about the eventual end of the pandemic; and bouts of concern over more pronounced economic softness in the short term due to new restrictions and lockdown measures in response to spiking virus cases.

The adviser believes there are a number of potentially positive catalysts heading into 2021: COVID-19 vaccine developments, a brightening longer-term macroeconomic outlook, a supportive policy backdrop, inventory rebuilding, pent-up consumer demand and a softening U.S. dollar that should help exporters and emerging market economies. These factors are all combining to lift investor sentiment. Much of this good news has been priced into the market, as evidenced by contrarian sentiment indicators for the U.S.

stock market that have become optimistic (or perhaps too optimistic in some cases). So despite all the positives, this gives CC&L pause with regard to increasing risk in the portfolio. That said, it remains optimistic on the longer-term outlook and is maintaining a higher-than-normal position in stocks. The adviser expects that any near-term pullback in equity markets should be relatively mild and would provide an opportunity to increase the portfolio's equity exposure.

The Fund is structured to benefit from a continued improvement in economic conditions, as the likelihood of a prolonged downturn diminishes. Portfolio duration, which remains longer than that of the benchmark to help lower volatility, will be traded tactically going forward. The portfolio's yield curve strategy, positioned for further steepening, was increased during the fourth quarter, and should continue to gain from modest upward pressure in longer-term interest rates. The portfolio's exposure to real return bonds should also benefit from firming inflation expectations.

A healthy position in corporate bonds was maintained during the year. The adviser will look to reduce this position, however, if credit spreads (the difference in yield between corporate and government bonds) continue to tighten. Security selection remains biased toward higher-quality companies, primarily within the telecom and utilities industries, although exposure to telecoms has been reduced. Exposure within banks shifted somewhat later in the year, moving down the capital structure in order to capture higher yields.

CC&L believes the global economic recovery remains underway and global growth will exceed expectations in 2021. While COVID-19 case numbers were high and concerning going into 2021, investors widely expect a return to a more "normal" environment stemming from ongoing global vaccination efforts. In the meantime, governments remain committed to using targeted tools to manage the virus, and there remains considerable political will to avoid a full lockdown scenario. The adviser expects governments around the world to remain committed to fiscal stimulus measures to prop up their economies, and monetary policy should remain very accommodative. For this reason, we believe the equity market will respond positively to an improving economic environment.

The key risks to this outlook include inflation and interest rates increasing significantly more than expected. While CC&L expects both to rise moderately in 2021, material increases could be negative for equities. Additionally, risks include any major disruptions to the distribution of approved vaccines, or signs that these vaccines are less effective in protecting people against new COVID-19 variants. According to Citigroup's measure of equity sentiment, investor sentiment is at euphoric levels. This is typically a contrarian signal for equity markets. The adviser is wary of this, and it is possible that unexpected negative news could lead to short-term pullbacks. CC&L believes, however, that we are at the beginning of a multi-year economic recovery, and plans to treat any short-term weakness as a buying opportunity.

At the beginning of every economic cycle, companies at the higher end of the risk spectrum tend to do well. These are companies with smaller market capitalizations, as well as value stocks and those from more cyclical sectors. This transition is well underway, and CC&L believes this trend will continue through 2021. In the fourth quarter, it managed the equity portion of the portfolio in accordance with this theme in an effort to capitalize on discounted valuations, as well as to own businesses that are leveraged to an improving economic environment. Heading into 2021, it will continue to favour companies with positive operating leverage to a recovering economy, as these companies are most likely to deliver stronger-than-expected earnings and positive returns.

There were some changes to the structure of the portfolio in 2020, as described in the previous section. Of note, the Fund's exposure to federal bonds was decreased, the weighting in corporate bonds modestly increased, and the weighting in stocks also increased.

The Fund paid distributions totaling \$0.45/unit in 2020.

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 \$877,194 of its net assets as management fees and distributed \$264,265 in management fee reductions for the year ended December 31, 2020. 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, 2020, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 208,414 Series A units, or 2.7% 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 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net Assets, beginning of period ^{1,3}	\$10.94	\$10.44	\$10.86	\$10.79	\$10.69
Increase (decrease) from operations:					
Total revenue	0.31	0.31	0.32	0.31	0.34
Total expenses (excluding distributions)	(0.15)	(0.15)	(0.14)	(0.14)	(0.14)
Realized gains (losses) for the period	0.20	0.35	(0.07)	(0.02)	0.18
Unrealized gains (losses) for the period	0.39	0.47	(0.22)	0.19	0.24
Total increase (decrease) from operations ¹	0.75	0.98	(0.11)	0.34	0.62
Distributions :					
From investment income (excluding dividends)	(0.23)	(0.20)	(0.24)	(0.22)	(0.25)
From dividends	(0.05)	(0.03)	(0.04)	(0.02)	(0.03)
From capital gains	(0.18)	(0.21)	-	-	(0.23)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.46)	(0.44)	(0.28)	(0.24)	(0.50)
Net Assets, end of period	\$11.26	\$10.94	\$10.44	\$10.86	\$10.79

Series A - Ratios and Supplemental Data	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net asset value (000's) ⁴	\$87,454	\$85,884	\$81,126	\$91,949	\$94,927
Number of units outstanding ⁴	7,769,803	7,848,309	7,771,250	8,467,035	8,797,623
Management expense ratio ⁵	1.04%	1.04%	1.04%	1.04%	1.04%
Management expense ratio before waivers or absorptions	1.05%	1.04%	1.04%	1.05%	1.04%
Portfolio turnover rate ⁶	151.66%	179.14%	216.55%	242.00%	231.76%
Trading expense ratio ⁷	0.02%	0.02%	0.02%	0.02%	0.03%
Net asset value per unit	\$11.26	\$10.94	\$10.44	\$10.86	\$10.79

Series O – Net Assets Per Unit	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net Assets, beginning of period ^{1,3}	\$11.75	\$11.11	\$11.45	\$11.27	\$11.06
Increase (decrease) from operations:					
Total revenue	0.35	0.34	0.34	0.33	0.36
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	0.23	0.38	(0.07)	(0.02)	0.18
Unrealized gains (losses) for the period	0.31	0.40	(0.30)	0.15	0.20
Total increase (decrease) from operations	0.89	1.12	(0.03)	0.46	0.74
Distributions :					
From investment income (excluding dividends)	(0.25)	(0.22)	(0.27)	(0.24)	(0.27)
From dividends	(0.06)	(0.04)	(0.04)	(0.04)	(0.03)
From capital gains	(0.20)	(0.23)	-	-	(0.24)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.51)	(0.49)	(0.31)	(0.28)	(0.54)
Net Assets, end of period	\$12.20	\$11.75	\$11.11	\$11.45	\$11.27

Series O - Ratios and Supplemental Data	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net asset value (000's) ⁴	\$172,538	\$178,272	\$162,505	\$153,869	\$92,407
Number of units outstanding ⁴	14,137,498	15,170,139	14,633,038	13,444,221	8,200,609
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	0.01%	-	-	0.01%
Portfolio turnover rate ⁶	151.66%	179.14%	216.55%	242.00%	231.76%
Trading expense ratio ⁷	0.02%	0.02%	0.02%	0.02%	0.03%
Net asset value per unit	\$12.20	\$11.75	\$11.11	\$11.45	\$11.27

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.

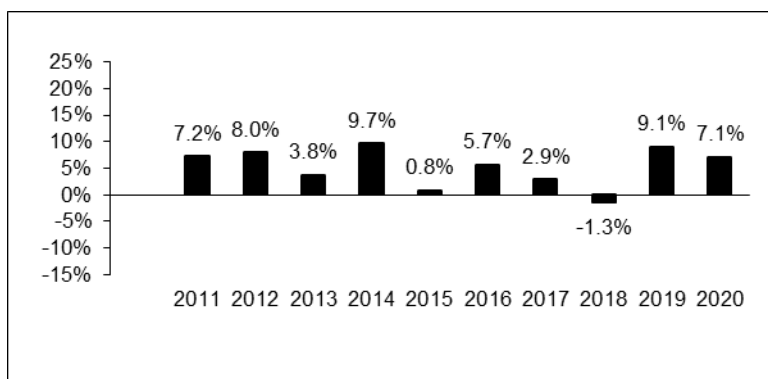
Past Performance

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.

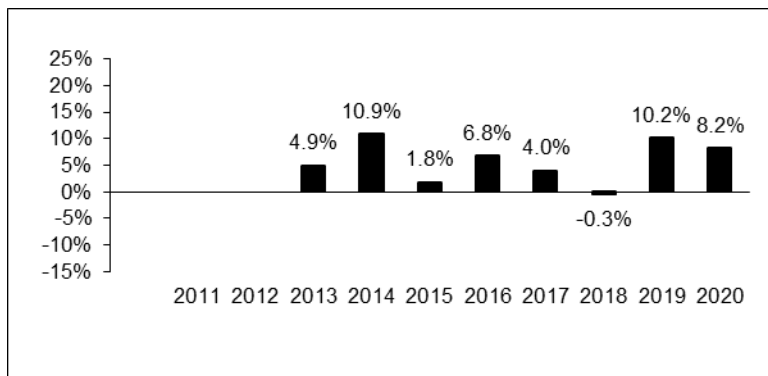
Year-by-Year Returns

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, 2020, 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	7.1%	4.9%	4.6%	5.2%	N/A
Steadyhand Income Fund - O	8.2%	6.0%	5.7%	N/A	6.0%
FTSE Canada Universe Bond Index	8.7%	5.6%	4.2%	4.5%	4.0%
S&P/TSX Capped Composite Index	5.6%	5.7%	9.3%	5.8%	7.1%

* 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, 2020

Portfolio Allocation

Bonds	% of Net Assets
Provincial Bonds	34.0%
Corporate Bonds	31.2%
Federal Bonds	2.2%
Municipal Bonds	0.3%
	<hr/> 67.7%
Equities	
Financial Services	9.1%
Real Estate	5.3%
Industrial Goods & Services	2.8%
Utilities & Pipelines	2.5%
Communication & Media	2.2%
Oil & Gas	1.7%
Consumer Products	1.0%
Retailing	0.8%
Information Technology	0.6%
Consumer Cyclical	0.6%
	<hr/> 26.6%
Pooled Investment Funds	3.5%
Cash, Short-Term Notes & Other Assets	2.2%
Total	<hr/> <hr/> 100.0%

Top 25 Holdings

	% of Net Assets
Province of Ontario Bond 2.600% 02 Feb 2025	4.6%
CC&L High Yield Bond Fund, Series I	3.5%
Province of Quebec Bond 1.900% 01 Sep 2030	3.3%
Province of Quebec Bond 2.750% 01 Sep 2025	3.2%
Province of Ontario Bond 4.700% 02 Jun 2037	2.3%
Royal Bank of Canada	2.0%
Province of Quebec Bond 3.750% 01 Sep 2024	1.9%
Bank of Montreal C/P 2.850% 06 Mar 2024	1.8%
Canadian Apartment Properties REIT	1.7%
Government of Canada Bond 0.529% 01 Dec 2050	1.7%
Province of Ontario Bond 2.050% 02 Jun 2030	1.7%
Toronto-Dominion Bank	1.7%
Province of Ontario Bond 5.850% 08 Mar 2033	1.5%
Canadian National Railway Co.	1.3%
Province of Saskatchewan Bond 3.100% 02 Jun 2050	1.2%
Rogers Communications Inc. C/P 3.650% 31 Mar 2027	1.2%
Bell Canada C/P 3.350% 12 Mar 2025	1.1%
Bank of Montreal	1.1%
Bank of Nova Scotia	1.1%
Minto Apartment REIT	1.1%
Province of British Columbia Bond 2.950% 18 Jun 2050	1.1%
Province of Ontario Bond 3.500% 02 Jun 2024	1.1%
Province of Quebec Bond 2.500% 01 Sep 2026	1.0%
Element Fleet Management Corp.	0.9%
Bank of Montreal C/P 2.280% 29 Jul 2024	0.9%

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, 2020



Steadyhand Founders Fund

Annual Management Report of Fund Performance (December 31, 2020)

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 \$537.5 million as at December 31, 2020, an increase of \$41.5 million from \$496.0 million as of December 31, 2019. This increase was attributable to net subscriptions of \$6.3 million and an increase in net assets from operations of \$42.9 million less \$7.7 million in distributions to unitholders.

The Fund rose 8.5% in 2020. Over the same period, the FTSE Canada Universe Bond Index provided a return of 8.7% while the S&P/TSX Capped Composite Index rose 5.6% and the Morningstar Developed Markets Index gained 13.7% 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 return was driven by a double-digit return (14.4%) from the Steadyhand Equity Fund, positive results from the Steadyhand Small-Cap Equity Fund and Steadyhand Global Small-Cap Equity Fund (4.9% and 7.6%, respectively), and a solid return from the Steadyhand Income Fund (7.1%). The Steadyhand Global Equity Fund had a negative return in 2020 (-1.1%) and held back the Founders Fund's return. Also weighing on performance was our cash position, which ranged from 9-14% of the Fund during the year. This position was in lieu of a full weighting in bonds, meaning we didn't fully participate in the strong bond market. In hindsight, this hurt performance, but bond yields are near historically low levels 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. Stocks had a dreadful first quarter as COVID-19 reared its ugly head, but rebounded handsomely in the ensuing nine months to finish 2020 in positive territory. The U.S. market (S&P 500 Index) was once again a leader, rising 18% (in U.S. dollars) with emerging markets close behind. Europe and Japan also saw nice gains. The Canadian market (S&P/TSX Composite Index) wasn't as strong, rising 5.6%. Precious metals and tech stocks were the strongest performers while energy lagged.

The Steadyhand Equity Fund (which made up 19% of the Founders Fund at the end of the year) was a top performer, as mentioned above. The Equity Fund had a mix of defensive companies that fared well in a locked down world and higher growth businesses that were well positioned to benefit from changes in the way we all worked, communicated and shopped in a historic year. On the defensive side, Ritchie Brothers Auctioneers (auctioneer of industrial equipment), Franco-Nevada (a gold royalty company) and Sika (makes specialty chemicals) were top performers. Microsoft (software and cloud applications), Keyence (makes automation sensors and barcode readers) and Visa (payment processing) were standouts on the growth side. The Equity Fund's portfolio adviser, Fiera Capital, favours businesses with little or no debt that have strong pricing power. These attributes were important in 2020 as companies that were highly levered or didn't have some form of competitive advantage were among the hardest hit.

The Steadyhand Global Small-Cap Equity Fund (6% of the Founders Fund) was the next best performer. The Global Small-Cap Fund's top performing stocks included a diverse mix of businesses such as Japanese restaurant chain Sushiro Global (up 80%), mobile game producer Zynga (+60%), medical testing company Charles River Laboratories (+55%), Swedish streaming platform Nordic Entertainment (+50%), and hearing aid retailer Amplifon (+33%). That said, this fund didn't keep up with the market. While it held up better in the downturn, it didn't participate to the same extent in the rebound. Specifically, its aerospace and manufacturing-related holdings struggled as global travel and many factories ground to a halt. These companies (including Woodward and Bodycote) were swapped out for new and existing holdings that had also done poorly in February-March, but showed long-term promise. Many of the holdings, like those mentioned above, have produced strong returns but didn't keep up with tech and precious metal stocks.

Similarly, the Steadyhand Small-Cap Equity Fund (8% of the Founders Fund) produced a positive return but lagged the small-cap market. Many holdings saw large declines early in the year as the spread of COVID-19 led to a shutdown of economies around the world. In the second half, however, the Small-Cap Fund saw a sharp rebound, with companies that have exposure to e-commerce and the work from home phenomenon benefiting in particular (e.g. Cargojet, Intertape Polymer, Spin Master). This fund lagged the index, however, due in part to its lower exposure to gold companies (which had a strong year). As well, a few holdings suffered appreciable declines including Pason Systems and Ag Growth International. Pason,

an energy services company, is navigating through a challenging operating environment given the pandemic-led global drop in demand for oil. Ag Growth, a leader in fertilizer, seed, and grain storage and handling, suffered from delayed orders with the uncertainty around trade agreements and tariffs, as well as regulated closures of its facilities in select markets. The stock dropped more than 30% in the year.

Finally, the Steadyhand Global Equity Fund (23% of the Founders Fund) lost modest ground in 2020 in what was a difficult year for the portfolio. Going into the year, much of the Global Fund was invested in areas historically considered defensive – healthcare, financial services, consumer products and industrials. In the pandemic, however, these stocks proved less resilient. The fund was hit hard as investors questioned the survival of companies in a world where lockdowns forced plants to close and consumers' wallets were constrained. The fund had a particularly challenging first half of the year. Energy investments were the most impacted, as the price of oil dropped more than 60% in the first quarter. The fund's portfolio adviser, Velanne Asset Management, responded by increasing the quality of energy holdings. It eliminated Ovintiv, trimmed Northern Ocean and added to Shell and Schlumberger. The Global Fund rose in Q3, but continued to lag the broader market, which was led by technology and precious metals companies. This former group (tech) accounted for much of the U.S. market's rise in 2020. The fund has only modest holdings in the sector, which was one of the reasons for its underperformance. Velanne's contrarian nature kept it away from the hot areas of the market. Instead, it has found more compelling ideas in areas that have large recovery potential but have been out-of-favour. These include industrials, media & entertainment, insurance, aerospace, aquaculture, and energy. The Global Fund's performance rebounded sharply in the fourth quarter, far outpacing the market and its peers, on positive vaccine news. This late-year rebound wasn't enough to make up for the losses suffered earlier, but it gives us a sense of the portfolio's potential in a post-COVID world.

Turning to the fixed income side, the Steadyhand Income Fund (32% of the Founders Fund) had a solid year. Its bond holdings (which comprised 73% to 77% of the portfolio) drove performance, gaining roughly 10% in aggregate. The dividend-paying equity component of the portfolio (23% to 27%) turned in only a modest return, as key sectors of investment including banks, real estate, telecoms, and consumer staples trailed the hotter areas of the market where we have little exposure. Corporate bonds in particular were strong performers as investors sought higher yields in lieu of the greater safety that comes with government securities. The portfolio benefited from this, as it had a healthy allocation to 'corporates' throughout the year (roughly one-third of the Income Fund). Investments were focused on high-quality issuers with stable earnings such as utilities, telecoms and banks. The portfolio's provincial government holdings (also roughly one-third of the Income Fund) also fared well in this environment as investors favoured the yield advantage these securities offered over Government of Canada bonds.

The Founders Fund started the year with 60% of its assets in stocks, which is right on our long-term target. In February, we reduced the equity content as a percentage of the Fund, taking it from the low 60's to the mid-50's. This more cautious stance was prompted by feedback from our fund managers ("it's tough to find cheap stocks") and our own valuation work. As well, investor sentiment was becoming increasingly bullish. After the markets took a hit in March, however, we moved the other way, using cash (mostly from the Savings Fund) to invest in the equity funds. This buying, along with a partial recovery in the market, increased the equity weighting to 64%. Throughout the remainder of the year, the Fund was fully invested in stocks (62-66% of assets) and benefited from the market recovery. Starting in the summer, however, rising stock prices (and valuations) prompted us to start rebalancing again to keep the equity exposure in the low 60's. At December 31, the stock weighting was 63%, with 36% allocated to foreign companies and 27% to Canadian-based stocks.

The Founders Fund's weighting in bonds ranged from 23-27% of its assets, which was well under its long-term target (35%). We feel current bond yields are unattractive and have a lower-than-normal weighting in the asset class as a result. That said, bonds still play an important diversification role in balanced portfolios. At the end of the year, bonds comprised 23% of the Founders Fund.

The portfolio held a sizeable weighting in cash throughout the year, as previously mentioned (ranging from 9-14%). 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. 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

2020 was a year that will forever be etched in our memory. Stocks declined sharply in the first quarter as the coronavirus spread rapidly around the world and governments effectively shut down many industries in an attempt to try to slow the spread. The American market (S&P 500 Index) had its worst first quarter ever, falling 20%. European, Asian and emerging market stocks also saw significant declines. Stocks rebounded with vigour in the second quarter as economies reopened and investor confidence improved. The uptick continued in the latter half of the year and most major markets finished 2020 in positive territory (many posting double-digit gains), marking an extraordinary turnaround.

Currency movements had a mixed impact on foreign stock returns. Our dollar appreciated against the U.S. dollar, dampening the returns of American stocks for Canadian investors, but depreciated against most other major currencies, boosting returns.

The Canadian bond market (FTSE Canada Universe Bond Index) had a positive year, providing a total return (interest and capital appreciation) of 8.7%, a fabulous result given the low interest rate environment.

The economic backdrop was especially fragile early in the year as COVID-19 reared its ugly head. Government-imposed lockdowns crippled many industries and consumers tightened their spending amid uncertain job prospects. Policymakers remained attuned to the risks, however, and the U.S. Federal Reserve and Bank of Canada affirmed their commitment to low interest rates for the foreseeable future.

In the second half of the year, several important developments bolstered investor sentiment. Our fixed income adviser (Connor, Clark & Lunn) highlights two of them: first, Joe Biden's presidential election victory gave investors a measure of clarity regarding the future path of government policy; and shortly after that, it was announced that three COVID-19 vaccine trials produced better-than-expected efficacy rates. This marked an important milestone in the ultimate normalization of economic activity. The fate of an economic stimulus bill in the U.S. also remained deeply uncertain for much of the period, although Congress overwhelmingly passed a US\$900 billion stimulus package late in the year. All in all, markets were faced with two opposing forces: optimism about the eventual end of the pandemic; and bouts of concern over more pronounced economic softness in the short term due to new restrictions and lockdown measures in response to spiking virus cases.

Against this backdrop, the Founders Fund's bond weighting ranged from 23-27% of its assets. Their weighting continues to be below the Fund's long-term target of 35%, as previously noted. To reiterate, 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 diverged more than usual from our 60% target, as explained in detail in the previous section.

Industrial goods & services stocks make up the largest portion of the equity component of the portfolio (25%). 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 transportation-related companies (e.g. CN Rail, NFI Group, Cargojet), manufacturing and commercial services companies (e.g. Konecranes, Wabtec, Elis, and Stericycle), packaging companies (e.g. CCL Industries, Winpak), and specialty chemicals and building materials (Sika, RPM International), among others.

Financial services companies also continue to be a key area of investment (20%). These businesses span well beyond traditional banking, however. They include CME Group (Chicago Mercantile Exchange), S&P Global (financial information and analytics), Alleghany (insurance), Cerved Group (credit ratings), Artisan Partners (asset management), Visa (the world's leading global payments company), Steadfast (insurance brokerage), and TD Bank (Canada's premier retail bank).

Other industries of interest include healthcare and consumer-related stocks. Examples of some of these holdings include Danaher, Zimmer Biomet, Orpea, Novartis, Johnson & Johnson, Premium Brands Holdings, Metro, and Dairy Farm International.

The Fund has a structural bias to foreign-based companies which provide better exposure to important industries like healthcare, technology, and consumer products and services. Foreign stocks make up 36% of the portfolio (with overseas stocks comprising 20% and U.S. stocks 16%). Canadian equities made up 27% of the Fund at year-end.

While the Founders Fund's asset mix is important, returns are primarily driven by the performance of the underlying funds. It bears repeating that through its fund holdings, Founders owns a diverse mix of stocks across industries and geographies. We also have diversity across the pandemic spectrum – i.e. stocks that benefit from lockdown versus ones that need the economy to reopen – although we currently have a bias towards the unheralded recovery stocks that have low expectations and more reasonable valuations.

The Fund's cash weighting started 2020 at 13%, which is higher than normal. As a reminder, this was in lieu of a full bond weighting. The weighted bounced around a little during the year and finished at 14%.

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 \$6,528,874 of its net assets as management fees and distributed \$1,935,683 in management fee reductions for the year ending December 31, 2020. 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, 2020, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 253,500 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 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net Assets, beginning of period ^{1,3}	\$13.26	\$12.19	\$13.43	\$12.79	\$12.29
Increase (decrease) from operations:					
Total revenue	0.31	0.44	0.82	0.43	0.49
Total expenses (excluding distributions)	(0.12)	(0.12)	(0.13)	(0.13)	(0.12)
Realized gains for the period	0.09	0.19	-	0.18	0.11
Unrealized gains (losses) for the period	0.86	0.94	(1.33)	0.58	0.42
Total increase (decrease) from operations ¹	1.14	1.45	(0.64)	1.06	0.90
Distributions :					
From investment income (excluding dividends)	(0.14)	(0.14)	(0.14)	(0.14)	(0.15)
From dividends	-	-	-	-	(0.01)
From capital gains	(0.02)	(0.22)	(0.45)	-	(0.16)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.16)	(0.36)	(0.59)	(0.14)	(0.32)
Net Assets, end of period	\$14.21	\$13.26	\$12.19	\$13.43	\$12.79

Series A - Ratios and Supplemental Data	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net asset value (000's) ⁴	\$537,471	\$496,034	\$430,049	\$399,612	\$303,661
Number of units outstanding ⁴	37,827,583	37,410,726	35,264,752	29,753,328	23,751,071
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	18.87%	17.61%	14.98%	7.30%	17.18%
Trading expense ratio ⁷	0.05%	0.02%	0.07%	0.04%	0.12%
Net asset value per unit	\$14.21	\$13.26	\$12.19	\$13.43	\$12.79

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.

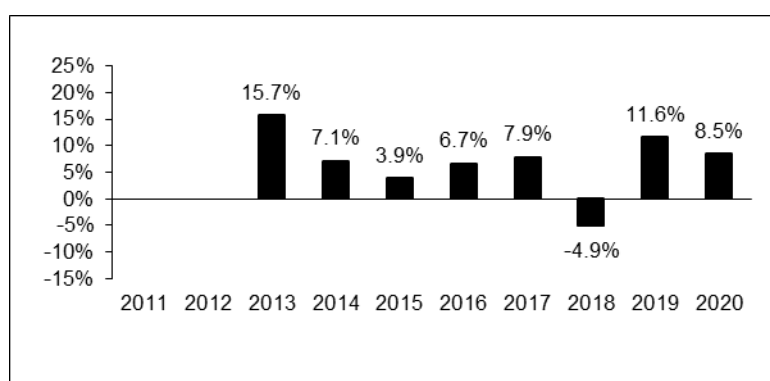
⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

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, 2020, 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	8.5%	4.8%	5.8%	7.0%
FTSE Canada Universe Bond Index	8.7%	5.6%	4.2%	4.0%
S&P/TSX Capped Composite Index	5.6%	5.7%	9.3%	7.1%
Morningstar Developed Markets Index	13.7%	10.8%	10.1%	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, 2020

Portfolio Allocation	
	% of Net Assets
Pooled Investment funds	88.1%
Cash, Short-Term Notes & Other Assets	11.9%
Total	100.0%

Top 6 Holdings	
	% of Net Assets
Steadyhand Income Fund, Series O	32.1%
Steadyhand Global Equity Fund, Series O	23.6%
Steadyhand Equity Fund, Series O	18.6%
Cash & cash equivalents	12.1%
Steadyhand Small-Cap Equity Fund, Series O	7.6%
Steadyhand Global Small-Cap Equity Fund, Series O	6.0%
Steadyhand Savings Fund, Series O	0.1%

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, 2020



Steadyhand Equity Fund

Annual Management Report of Fund Performance (December 31, 2020)

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 \$234.1 million as of December 31, 2020, from \$211.4 million at the end of 2019. This increase of \$22.7 million was mostly attributable to net redemptions of \$9.7 million, plus an increase in net assets from operations of \$35.2 million over the reporting period and less distributions to unitholders of approximately \$2.8 million.

The Fund gained 14.4% in 2020. Over the same period, the S&P/TSX Composite Index rose 5.6%, while the Morningstar Developed Markets Index gained 13.7% in Canadian dollar terms. The Fund outperformed the two indexes due in part to its lighter exposure to some of the weaker sectors of the market (energy in particular), strong performance from many of its technology and industrial holdings, and its non-benchmark oriented composition.

The Fund had a mix of defensive companies that fared well in a locked down world and higher growth businesses that were well positioned to benefit from changes in the way we all worked, communicated and shopped in a historic year.

On the defensive side, Ritchie Brothers Auctioneers (auctioneer of industrial equipment), Franco-Nevada (a gold royalty company) and Sika (makes specialty chemicals) were top performers. Microsoft (software

and cloud applications), Keyence (makes automation sensors and barcode readers) and Visa (payment processing) were standouts on the growth side.

Other notable holdings included: Danaher, an innovative healthcare conglomerate which had a great year as its businesses were involved in every COVID-19 vaccine candidate that's part of America's "Warp Speed" program; and Brookfield Renewable Partners, which operates renewable power assets including hydro, solar and wind.

The portfolio adviser, Fiera Capital, favours businesses with little or no debt that have strong pricing power. These attributes were important in 2020 as companies that were highly levered or didn't have some form of competitive advantage were among the hardest hit.

The loonie appreciated against the U.S. dollar in 2020 (+2%) but fell against the Euro (-6%), Japanese Yen (-3%) and British Pound (-2%). Our dollar's weakness against other currencies boosted the returns of foreign stocks for Canadian investors.

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 Keyence (Japan), Visa (U.S.), Sika (Switzerland), and Danaher (U.S.).

Oil & gas stocks had a challenging year as the demand for oil waned with the slowdown in economic growth. The Fund only held one stock in the sector in 2020, Suncor Energy, and it was sold in the third quarter. With little certainty around when things might return to normal and longer-term challenges around climate change, Fiera elected to move on from the stock. Suncor was the Fund's worst performing holding over the reporting period.

Turnover in the portfolio was higher than normal over the first half of the year, with the broad pullback leading to new opportunities. Four stocks were purchased in the first quarter, while four were sold (discussed in greater detail in the Recent Developments section). Turnover was lower in the second half, with two new names purchased and two sold.

The Fund's overall sector composition did not change materially in the year, although there were a few adjustments of note. Technology companies increased from 8% to 14% of the Fund's equities and utilities stocks increased from 0% to 6%. Oil & gas stocks, on the other hand, decreased from 5% to 0%, retailing stocks dropped from 7% to 4%, and financial services decreased from 25% to 22%.

The portfolio's geographic profile changed modestly over the reporting period. The weighting of Canadian stocks increased from 50% of the portfolio's equities at the beginning of the year to 52% at December 31st. The weighting of U.S. stocks increased from 22% to 24%, while overseas stocks decreased from 28% to 24%.

The Fund's cash position did not change materially. It started and finished the year at roughly 1%.

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

Recent Developments

2020 was a year that will forever be etched in our memory. Stocks declined sharply in the first quarter as the coronavirus spread rapidly around the world and governments effectively shut down many industries in an attempt to try to slow the spread. The American market (S&P 500 Index) had its worst first quarter

ever, falling 20%. European, Asian and emerging market stocks also saw significant declines. Stocks rebounded with vigour in the second quarter as economies reopened and investor confidence improved. The uptick continued in the latter half of the year and most major markets finished 2020 in positive territory (many posting double-digit gains), marking an extraordinary turnaround.

Currency movements had a mixed impact on foreign stock returns. As noted in the previous section, our dollar appreciated against the U.S. dollar, dampening the returns of American stocks for Canadian investors (the Fund holds six American stocks), but depreciated against most other major currencies. The Fund holds three European, one British and one Japanese company, the returns which were boosted in Canadian dollar terms as a result of a weaker loonie.

As mentioned in the previous section, four stocks were purchased in the first quarter. The portfolio adviser saw the sharp market pullback as an opportunity to buy quality companies that were suddenly on sale. Alimentation Couche-Tard and Toromont were purchased at an attractive discount. Couche-Tard operates 15,000 convenience stores across North America, Europe and Asia. Its short-term profits were impacted by the coronavirus, but the company has solid long-term prospects and experienced operators at the helm. Likewise, Toromont (the leading Caterpillar dealer in eastern Canada) saw a hit to near-term profits, but stands to benefit from a likely increase in infrastructure spending as a stimulus measure to combat the downturn. Brookfield Renewable Partners, a global leader in renewable power, was also bought, along with Verisign, a provider of key internet infrastructure. Couche-Tard, Toromont and Brookfield all saw handsome price gains by year-end, while Verisign also advanced but to a lesser degree.

A few holdings that held up relatively well were sold to make room for the above purchases, including Dollarama and Christian Hansen. Later in the year, Suncor Energy and Magna International were sold to boost the quality of the portfolio, and make room for two new additions, Metro and Thomson Reuters. Metro operates grocery stores, primarily in Quebec and Ontario. Food retailing tends to be a defensive industry with limited competition in Canada and Fiera likes the company's positioning and strength in digital channels (online shopping and delivery). Thomson Reuters was also added to the portfolio. This Canadian company is a global leader in data and software for legal, accounting, tax and financial professionals.

The Fund held 24 stocks at the end of 2020, which is the same number it owned at the end of 2019. 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 28% of its investments. This is a broad sector that includes a diverse range of businesses, ranging from a specialty packaging company (CCL Industries) to railway operator (CN Rail) to heavy equipment dealer (Toromont) to maker of flight simulators (CAE). Financial services companies also make up a significant portion of the Fund (22%). These investments span well beyond traditional banking, however. They include CME Group (Chicago Mercantile Exchange), S&P Global (financial information and analytics), Experian (a leader in consumer and business credit reporting), TD Bank (Canada's premier retail bank) and Visa (the world's leading global payments company, which is also considered a technology company by some because of its e-commerce and digital payments systems).

The Fund's technology companies had a standout year. Keyence, its largest holding at year-end, gained 50%, while Microsoft rose more than 40%. Verisign, a new addition this year, didn't rise as much but is well positioned in a world where secure, stable access to the internet is a must. A key consideration that Fiera considers when assessing technology companies is their ability to generate strong free cash flows and current profits. This precludes investments in some of the popular and heavily hyped tech-related companies that have gone public recently but have yet to turn a profit. It's these stocks that look especially "frothy" in the adviser's view.

With the sale of Suncor Energy in the third quarter, the Fund now has no direct investments in the energy sector. The portfolio adviser sees headwinds for the sector as a whole and feels there are currently better opportunities in other industries. Energy stocks make up 12% of the Canadian market, meaning the Fund will likely lag behind in an environment where oil & gas stocks are running high

The portfolio does have some exposure to more economically-sensitive stocks as Fiera sees diversification value in owning "cyclical" companies poised to benefit when an economic recovery takes hold. These stocks, which include CAE, Toromont and Nutrien rebounded nicely in the fourth quarter amid growing optimism that the coronavirus' days are numbered along with its grip on the economy.

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, Japanese Yen, and Swiss Franc.

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, 2020, the Fund paid gross fees of \$1,346,045 to the Manager and distributed \$430,954 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, 2020, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 143,384 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 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net Assets, beginning of period ^{1,3}	\$19.27	\$16.72	\$17.73	\$16.04	\$14.72
Increase (decrease) from operations:					
Total revenue	0.31	0.38	0.37	0.32	0.38
Total expenses (excluding distributions)	(0.19)	(0.18)	(0.18)	(0.17)	(0.16)
Realized gains for the period	0.69	1.22	0.39	0.55	0.33
Unrealized gains (losses) for the period	1.93	1.61	(1.13)	1.16	1.10
Total increase (decrease) from operations ¹	2.74	3.03	(0.62)	1.86	1.65
Distributions :					
From investment income (excluding dividends)	-	(0.10)	(0.01)	-	(0.01)
Dividends	(0.11)	(0.16)	(0.10)	(0.10)	(0.21)
From capital gains	-	(0.02)	(0.21)	-	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.11)	(0.28)	(0.32)	(0.10)	(0.22)
Net Assets, end of period	\$21.93	\$19.27	\$16.72	\$17.73	\$16.04

Series A - Ratios and Supplemental Data	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net asset value (000's) ⁴	\$100,297	\$99,181	\$103,720	\$102,077	\$86,633
Number of units outstanding ⁴	4,572,919	5,147,441	6,205,195	5,757,245	5,399,382
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	27.52%	29.37%	20.88%	13.95%	13.87%
Trading expense ratio ⁷	0.03%	0.05%	0.03%	0.01%	0.01%
Net asset value per unit	\$21.93	\$19.27	\$16.72	\$17.73	\$16.04

Series O – Net Assets Per Unit	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net Assets, beginning of period ^{1,3}	\$19.95	\$17.24	\$18.22	\$16.41	\$14.99
Increase (decrease) from operations:					
Total revenue	0.32	0.40	0.38	0.33	0.40
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains for the period	0.72	1.26	0.34	0.56	0.32
Unrealized gains (losses) for the period	2.67	1.55	(1.16)	1.20	1.22
Total increase (decrease) from operations ¹	3.71	3.21	(0.44)	2.09	1.94
Distributions :					
From investment income (excluding dividends)	(0.01)	(0.19)	(0.03)	-	(0.02)
From dividends	(0.32)	(0.29)	(0.27)	(0.27)	(0.36)
From capital gains	-	(0.02)	(0.22)	-	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.33)	(0.50)	(0.52)	(0.27)	(0.38)
Net Assets, end of period	\$22.83	\$19.95	\$17.24	\$18.22	\$16.41

Series O - Ratios and Supplemental Data	Dec 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net asset value (000's) ⁴	\$133,796	\$112,258	\$101,837	\$70,225	\$69,206
Number of units outstanding ⁴	5,861,781	5,625,804	5,905,735	3,853,312	4,216,725
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	-	0.01%	0.01%	-
Portfolio turnover rate ⁶	27.52%	29.37%	20.88%	13.95%	13.87%
Trading expense ratio ⁷	0.03%	0.05%	0.03%	0.01%	0.01%
Net asset value per unit	\$22.83	\$19.95	\$17.24	\$18.22	\$16.41

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.

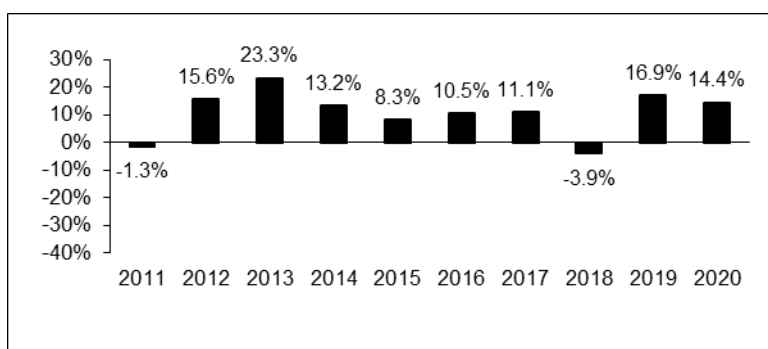
Past Performance

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.

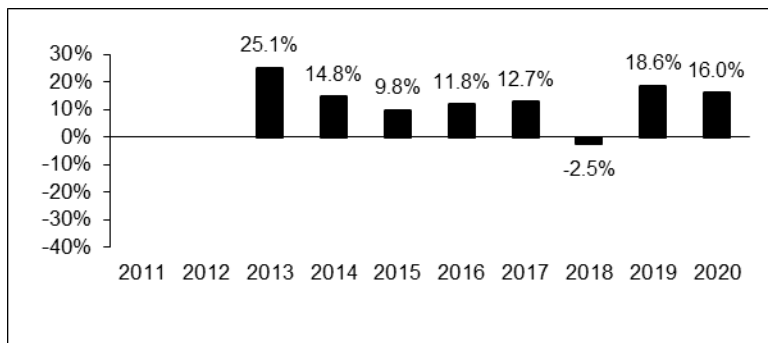
Year-by-Year Returns

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, 2020, 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	14.4%	8.7%	9.6%	10.5%	N/A
Steadyhand Equity Fund – O	16.0%	10.3%	11.1%	N/A	13.0%
S&P/TSX Capped Composite Index	5.6%	6.7%	9.3%	5.8%	7.1%
Morningstar Developed Markets Index	13.7%	10.8%	10.1%	12.6%	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, 2020

Portfolio Allocation

Equities	% of Net Assets
Industrial Goods & Services	27.9%
Financial Services	21.4%
Technology	13.4%
Healthcare	12.1%
Basic Materials	10.6%
Utilities	5.7%
Communications & Media	4.1%
Retailing	4.0%
	99.2%
Cash, Short-term Notes & Other Assets	0.8%
Total	100.0%

Top 25 Holdings	
	% of Net Assets
Keyence Corp.	6.7%
Franco-Nevada Corp.	6.4%
Visa Inc. Cl. A	5.9%
Brookfield Renewable Partners LP	5.7%
Canadian National Railway Co.	5.1%
Sika AG	5.1%
Ritchie Bros Auctioneers Inc.	5.1%
Danaher Corp.	4.9%
The Toronto-Dominion Bank	4.8%
CCL Industries Inc.	4.7%
Experian PLC	4.3%
Nutrien Ltd.	4.2%
Microsoft Corp.	4.1%
TELUS Corp.	4.1%
Koninklijke Philips NV	4.0%
CME Group	3.3%
Novartis ADR	3.2%
S&P Global Inc.	3.1%
CAE Inc.	3.1%
VeriSign Inc.	2.6%
Thomson Reuters Corp.	2.5%
Toromont Industries Ltd.	2.5%
Alimentation Couche-Tard Inc.	2.2%
Metro Inc.	1.8%
Canada Treasury Bill 0.081% 05/06/2021	0.2%

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, 2020



Steadyhand Global Equity Fund

Annual Management Report of Fund Performance (December 31, 2020)

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 \$18.6 million to \$220.7 million as of December 31, 2020, from \$202.1 million at the end of 2019. This increase was attributable to net subscriptions of \$13.7 million, a \$8.9 million increase in net assets from operations less \$4.0 million in unitholder distributions.

The Fund declined 1.1% in 2020, while the Morningstar Developed Markets Index rose 13.7%. Stocks had a dreadful first quarter as COVID-19 reared its ugly head, but rebounded handsomely in the ensuing nine months to finish 2020 in positive territory. The U.S. market (S&P 500 Index) was once again a leader, rising 18% (in U.S. dollars) with emerging markets close behind. Europe and Japan also saw nice gains. Canadian stocks weren't as strong, with the S&P/TSX Composite Index gaining 5.6%.

Currency movements had a modest impact on foreign stock returns. The loonie appreciated against the U.S. dollar in 2020 (+2%) but fell against the Euro (-6%), Japanese Yen (-3%) and British Pound (-2%). Our dollar's overall weakness against other currencies boosted the returns of foreign stocks for Canadian investors.

The Fund lost modest ground in 2020 in what was a difficult year for the portfolio. Going into the year, much of the Fund was invested in areas historically considered defensive – healthcare, financial services,

consumer products and industrials. In the pandemic, however, these stocks proved less resilient. The Fund was hit hard as investors questioned the survival of companies in a world where lockdowns forced plants to close and consumers' wallets were constrained.

The portfolio had a particularly challenging first half, when it was down 20.3%. Many holdings experienced significant declines. Energy investments were the most impacted, as the price of oil dropped more than 60% in the first quarter. Demand for the commodity fell as countries enacted quarantines and other measures to prevent the spread of the coronavirus. This was paired with an increase in supply from Saudi Arabia to put pressure on oil producers in the U.S. and Russia. Our portfolio adviser, Velanne Asset Management, responded by increasing the quality of energy holdings. It eliminated Orintiv, trimmed Northern Ocean and added to Shell and Schlumberger.

The Fund rose in Q3, but continued to lag the broader market, which was led by technology and precious metals companies. This former group (tech) accounted for much of the U.S. market's rise in 2020. The Fund has only modest holdings in the sector, which was one of the reasons for its underperformance. Velanne's contrarian nature kept it away from the hot areas of the market. Instead, it has found more compelling ideas in areas that have large recovery potential but have been out-of-favour. These include industrials, media & entertainment, insurance, aerospace, aquaculture, and energy.

The Fund's performance rebounded sharply in the fourth quarter (+18.6%), far outpacing the market and its peers, on positive vaccine news. This late-year rebound wasn't enough to make up for the losses suffered earlier, but it gives us a sense of the portfolio's potential in a post-COVID world.

A number of purchases made following the significant market decline in March turned out to be timely, particularly in the aerospace sector. Howmet, Safran, Woodward and Flughafen Zuerich (which were all purchased in the first half of the year) experienced strong gains by year-end.

Other businesses were also more robust than investors expected. Asset managers Brightsphere and Artisan Partners were strong performers during the year, up 85% and 55%, respectively. Heiwa Real Estate and Walt Disney, two of the largest holdings in the Fund, rose more than 25%. And many stocks, including Zimmer, Konecranes and Berkshire Hathaway returned to pre-pandemic levels.

These gains were offset, however, by a handful of stocks that were hit particularly hard. These included energy services firms Frank's International, Halliburton, and CGG, and oil producers Cenovus Energy and Shell. Healthcare firms Bayer and Mediclinic also suffered sharp declines, as did Alleghany, Grieg Seafood and Fox Corp.

At year-end, the Fund held 44 stocks, of which 17 are based in the U.S., 15 in Europe, 6 in the U.K., 4 in Asia, and 2 in Canada. This represents a decrease of 11 stocks from the end of 2019. U.S. stocks made up 44% of the Fund's equities, while Europe accounted for 29%, the U.K. 13%, Japan 7%, Asia-Pacific 4%, and Canada 3%.

There were some changes to the Fund's overall sector composition in the year as a result of several stock sales and new purchases. Notably, industrial goods & services companies increased from 11% to 19% of the Fund's equities, and financial services companies increased from 17% to 22%. Conversely, the weight of healthcare companies decreased from 21% to 16%, consumer products stocks from 14% to 9%, and oil & gas stocks from 13% to 6%.

From a geographic standpoint, there were also a few changes to note. American stocks remain the greatest area of exposure, comprising 44% of the Fund, down from 47% at the end of 2019. The weighting of European stocks increased from 23% of the portfolio's equities at the beginning of the year

to 29% at December 31, while Japanese stocks decreased from 11% to 7%. The weightings of stocks in other regions remained largely unchanged.

The Fund's cash position increased from 3% at the beginning of the year to 5% at the end of December.

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

Recent Developments

2020 was a year that will forever be etched in our memory. Stocks declined sharply in the first quarter as the coronavirus spread rapidly around the world and governments effectively shut down many industries in an attempt to try to slow the spread. The American market (S&P 500 Index) had its worst first quarter ever, falling 20%. European, Asian and emerging market stocks also saw significant declines. Stocks rebounded with vigour in the second quarter as economies reopened and investor confidence improved. The uptick continued in the latter half of the year and most major markets finished 2020 in positive territory (many posting double-digit gains), marking an extraordinary turnaround.

Currency movements had a mixed impact on foreign stock returns. Our dollar appreciated against the U.S. dollar, dampening the returns of American stocks for Canadian investors (the Fund holds over 40% of its assets in U.S. stocks), but depreciated against most other major currencies – including the Euro, Japanese Yen, and British Pound – which boosted the returns of stocks in these respective countries in Canadian dollar terms.

The pandemic led to changes in the way many of us work, communicate, shop, and entertain ourselves. Indeed, a new reality took hold for much of the world. Our portfolio adviser (Vellanne) addressed this with several changes. Some holdings were eliminated in the evolving economic environment while others were sold to make way for new opportunities. In total, 20 stocks were eliminated in the year and nine positions were initiated. The biggest reduction came in the oil & gas industry where a recovery has become more distant. Stocks that were sold in the sector included Ovintiv, Halliburton, JXTG Holdings, and Halliburton.

Among the other stocks sold were SES Global, Eutelsat, Bankia, Imperial Brands, William Hill, Seven & I Holdings, LG Home Shopping, KCC, Altria, Legg Mason, Sealed Air, Takeda Pharmaceutical Company, Medtronic and Allergan.

The new purchases were focused in a few sectors: aerospace, where many high-quality manufacturing and service companies saw significant price declines (new additions included Safran, Woodward, Flughafen Zuerich and Howmet, as mentioned in the previous section); financial services (Cerved Group, Argo Group); and building materials (Stella-Jones, Istock). These sectors have been out-of-favour during the pandemic, but are essential to the fabric of the global economy. Once the world gets back on more normal footing, these companies will see stronger demand for their products and services.

Financial services companies comprise the largest part of the Fund (22%). Vellanne's focus is not on banks, however, which can be hard to value due to their complexity. The portfolio adviser prefers insurance companies (holdings include AIA, Alleghany, NN Group, Argo Group), asset managers (Artisan Partners, BrightSpire Investment Group), and information service businesses (Cerved Group). All these companies generate strong cash flows and are undervalued in Vellanne's view.

Industrial goods & services are also an important part of the portfolio (19%). Here, holdings include the aforementioned aerospace businesses, along with a diverse group of manufacturing and commercial services companies such as Konecranes, Wabtec, Elis and Stericycle. Again, a common thread among these holdings is that they provide goods and services essential to the normal functioning of the

economy, but have been passed over in favour of trendier stocks that have benefited from a locked down world.

Healthcare companies also continue to be an area of interest (16%). Holdings include facility operators (Spire Healthcare, Mediclinic, Attendo), device manufacturers (Zimmer Biomet), drug makers (Bayer), and conglomerates (Johnson & Johnson). While some of these stocks fared well in 2020, others treaded water or lost ground as surgeries were put on hold and investor interest was focused on companies involved in developing a COVID-19 vaccine. 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 and backlog of elective surgeries promises that the industry's products and services will only see growing demand.

In total, the Fund held 44 stocks at the end of 2020, 11 less than at the end of the previous year. Walt Disney and Heiwa Real Estate are the two largest holdings, at 4.6% and 4.5%, 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 – especially after the strong run many experienced in 2020. 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. Conversely, a depreciation of the loonie would boost returns.

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, 2020, the Fund paid the Manager \$971,488 of its net assets as management fees and distributed \$340,529 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, 2020, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 293,930 Series A units, or 4.2% 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 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net Assets, beginning of period ^{1,3}	\$8.53	\$7.84	\$10.52	\$9.69	\$9.92
Increase (decrease) from operations:					
Total revenue	0.13	0.21	0.31	0.25	0.24
Total expenses (excluding distributions)	(0.17)	(0.20)	(0.25)	(0.24)	(0.22)
Realized gains (losses) for the period	(0.48)	0.11	1.49	0.66	0.45
Unrealized gains (losses) for the period	0.32	0.84	(2.74)	0.87	(0.14)
Total increase (decrease) from operations ¹	(0.20)	0.96	(1.19)	1.54	0.33
Distributions :					
From investment income (excluding dividends)	(0.07)	(0.07)	(0.11)	(0.10)	(0.13)
From dividends	-	-	-	-	-
From capital gains	-	(0.11)	(1.33)	(0.55)	(0.36)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.07)	(0.18)	(1.44)	(0.65)	(0.48)
Net Assets, end of period	\$8.36	\$8.53	\$7.84	\$10.52	\$9.69

Series A - Ratios and Supplemental Data	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net asset value (000's) ⁴	\$58,918	\$68,833	\$81,102	\$86,129	\$66,037
Number of units outstanding ⁴	7,050,543	8,074,139	10,349,575	8,186,768	6,813,667
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	39.90%	13.55%	134.79%	17.18%	21.14%
Trading expense ratio ⁷	0.07%	0.01%	0.22%	0.06%	0.08%
Net asset value per unit	\$8.36	\$8.53	\$7.84	\$10.52	\$9.69

Series O – Net Assets Per Unit	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net Assets, beginning of period ^{1,3}	\$8.88	\$8.13	\$10.90	\$9.97	\$10.15
Increase (decrease) from operations:					
Total revenue	0.14	0.22	0.32	0.26	0.25
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	(0.49)	0.11	1.51	0.69	0.45
Unrealized gains (losses) for the period	0.93	0.72	(3.06)	0.77	(0.04)
Total increase (decrease) from operations ¹	0.58	1.05	(1.23)	1.72	0.66
Distributions :					
From investment income (excluding dividends)	(0.17)	(0.19)	(0.25)	(0.23)	(0.25)
From dividends	-	-	-	-	-
From capital gains	-	(0.12)	(1.40)	(0.58)	(0.37)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.17)	(0.31)	(1.65)	(0.81)	(0.62)
Net Assets, end of period	\$8.76	\$8.88	\$8.13	\$10.90	\$9.97

Series O - Ratios and Supplemental Data	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net asset value (000's) ⁴	\$161,825	\$133,296	\$99,923	\$72,825	\$70,941
Number of units outstanding ⁴	18,454,620	15,004,429	12,291,525	6,682,867	7,113,781
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	-	0.01%	0.01%	-
Portfolio turnover rate ⁶	39.90%	13.55%	134.79%	17.18%	21.14%
Trading expense ratio ⁷	0.07%	0.01%	0.22%	0.06%	0.08%
Net asset value per unit	\$8.76	\$8.88	\$8.13	\$10.90	\$9.97

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.

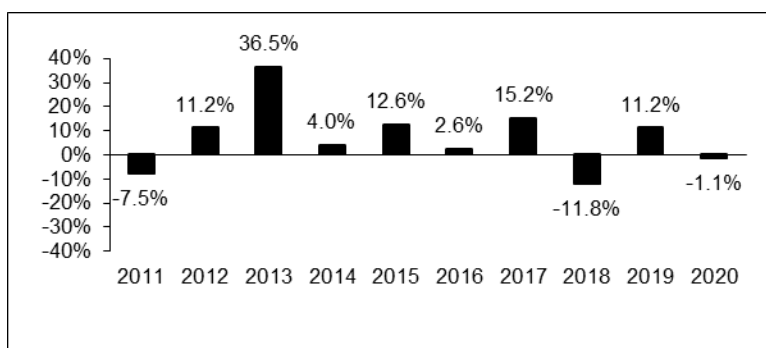
Past Performance

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.

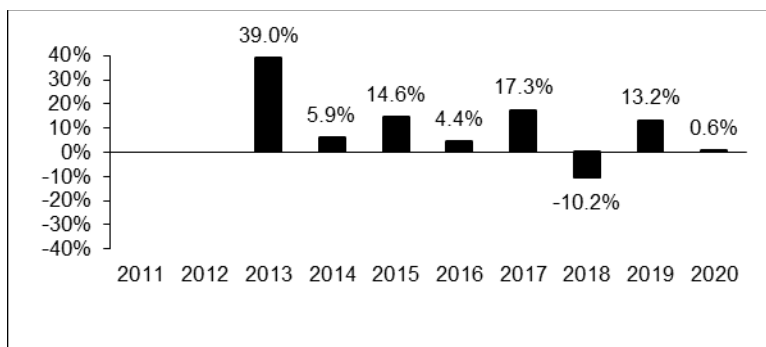
Year-by-Year Returns

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, 2020, and since the inception of the Fund, compared with the Morningstar Development Markets Index (\$Cdn).

	1 YR	3 YR	5 YR	10 YR	Since Inception*
Steadyhand Global Equity Fund – A	-1.1%	-1.0%	2.8%	6.5%	N/A
Steadyhand Global Equity Fund – O	0.6%	0.8%	4.6%	N/A	9.4%
Morningstar Developed Markets Index	13.7%	10.8%	10.1%	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, 2020

Portfolio Allocation

Global Equities	% of Net Assets
Financial Services	20.4%
Industrial Goods & Services	18.4%
Healthcare	14.9%
Consumer Products	8.5%
Communications & Media	7.9%
Oil & Gas	5.6%
Consumer Cyclical	4.6%
Real Estate	4.5%
Technology	3.1%
Utilities	3.0%
Basic Materials	2.1%
Retailing	1.8%
	<hr/> 94.8%
Cash, Short-term Notes & Other Assets	<hr/> 5.2%
Total	<hr/> 100.0% <hr/>

Top 25 Holdings

	% of Net Assets
Cash & cash equivalents	5.2%
Walt Disney Co.	4.6%
Heiwa Real Estate REIT Inc.	4.5%
Zimmer Biomet Holdings Inc.	4.4%
Bayer AG	3.5%
Cerved Group SpA	3.3%
Discovery Communication Inc.	3.2%
NCR Corp.	3.1%
Konecranes OYJ	3.1%
Howmet Aerospace Inc.	3.0%
Vistra Energy Corp.	3.0%
BrightSphere Investment Group PLC	3.0%
Spire Healthcare Group PLC	2.8%
Mowi ASA	2.8%
Informa PLC	2.6%
Alleghany Corp.	2.6%
NN Group NV	2.5%
Chugoku Marine Paints	2.4%
Elis SA.	2.4%
Flughafen Zurich AG	2.2%
Artisan Partners Asset Management Inc.	2.2%
AIA Group Ltd.	2.1%
21st Century Fox Inc. Class A	2.1%
Burford Capital Ltd.	2.1%
Stella-Jones Inc.	2.1%

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, 2020



Steadyhand Small-Cap Equity Fund

Annual Management Report of Fund Performance (December 31, 2020)

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, 2020, the Fund's net assets decreased to \$102.1 million, from \$104.0 million at the end of 2019. This decrease of \$1.9 million was attributable to net redemptions of \$7.5-million, coupled with an increase in net assets from operations of 6.9 million less \$1.3 million paid in distributions to unitholders.

The Fund gained 4.9% in 2020. Over the same period, the S&P/TSX SmallCap Index rose 12.9%. The Fund had a positive year but underperformed the Canadian small-cap market.

Many holdings saw large declines early in the year as the spread of COVID-19 led to a shutdown of economies around the world. In the second half, however, the Fund saw a sharp rebound, with companies that have exposure to e-commerce and the work from home phenomenon benefiting in particular (e.g. Cargojet, Intertape Polymer, Spin Master). The portfolio lagged the index, however, due in part to its lower exposure to gold companies (which had a strong year).

Cargojet in particular was a key beneficiary of the uptick in online shopping. The company, which specializes in overnight air cargo services, also saw its results boosted by charter services focused on

bringing PPE and medical supplies to various government agencies. The stock more than doubled in 2020 and was the Fund's top contributor to performance.

Northland Power also had a strong year, rising 70%. The company develops, builds, owns and operates power infrastructure assets in Canada and Europe that produce energy using wind, natural gas, biomass, and solar technology. Northland stands to benefit in a world where renewable energy is becoming an increasingly important source of power to governments, corporations and individuals who are concerned about their carbon footprint.

Rounding out the top performers was Waterloo Brewing (up over 50%). The company has been the beneficiary of the pandemic's requirement for people to stay at home. Ninety seven percent of its revenues are generated from alcohol consumption off-premise, meaning at home. While bars and restaurants have started to reopen at limited capacities, the Fund's portfolio adviser, Galibier Capital Management, expects that the shift to off-premise consumption will continue at least until the vaccine is widely distributed. The company recently announced another planned expansion of its canning facility in Kitchener, which is offset against contracts with existing and new customers. This expansion should generate dramatic growth in the next two years. Following the completion of this expansion project Galibier expects to see a significant increase in the free cash flow this business generates.

When a vaccine with a high efficacy rate was developed and approved late in the year, economically-sensitive businesses saw a significant uptick. Stocks including Interfor (lumber producer), Finning (Caterpillar dealer), Points International (loyalty solutions for airlines and hotels), and Fluor (engineering and construction services) had a stellar fourth quarter as investors gravitated towards companies poised to see a boost from a return to a more normal economic environment.

The greatest detractors to performance in 2020 were Pason Systems and Ag Growth International. Pason, an energy services company, is navigating through a challenging operating environment given the pandemic-led global drop in demand for oil. Galibier has become wary of the outlook for the energy sector as a whole and sold the stock late in the year. Ag Growth, a leader in fertilizer, seed, and grain storage and handling, suffered from delayed orders with the uncertainty around trade agreements and tariffs, as well as regulated closures of its facilities in select markets. The stock dropped more than 30% in the year. Galibier expects that the food industry's experience during the pandemic, which put strain on the food supply chain, could prompt additional spending on food infrastructure to increase redundancy, which would be a benefit to Ag Growth in the future. Galibier purchased additional shares of the stock.

During 2020, five new stocks were added to the Fund (discussed in greater detail in the Recent Developments section), while five were sold.

The Fund has a unique composition, with key areas of investment being capital goods, transportation, food & beverage, consumer and engineering services. This is in contrast to the small-cap market and its heavy focus on resource companies. Most mining companies do not meet the adviser's investment criteria, which is a notable differentiator of the Fund, as mining companies comprise a sizeable component of the index. The Fund's lone investment in the sector is Torex Gold Resources.

The Fund held four U.S. stocks during the course of the year: Fluor, Oshkosh Corp., Henry Schein, and The Middleby Corporation (Middleby was sold in the third quarter. The Canadian dollar appreciated 2% against the U.S. dollar during 2020, which dampened the returns of these holdings in Canadian dollar terms.

There were some modest changes to the sector allocation of the portfolio in 2020. Most notably, oil & gas stocks decreased from 10% of the portfolio's equities at the beginning of the reporting period to 5% at year-end. The decrease in exposure was a result of the sale of Pason Systems and Cardinal Energy. Retailing stocks also decreased from 2% to 0%, as Alcanna was sold. Conversely, basic materials stocks increased from 4% to 7% (Torex Gold Resources was purchased). The weighting of other sectors was only modestly changed.

The Fund's geographic profile changed modestly over the reporting period. Canadian stocks make up 89% of the Fund's equities (up from 86% at the end of last year) and U.S. stocks comprise 11% (down from 14%). At the end of the year, the Fund's cash position was 3%, as compared to 2% 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 12.9% this year, an excellent return considering the market was down 38.1% in the first quarter. U.S. small-caps gained 17.6% in Canadian dollar terms (Russell 2000 Index). Gold stocks, a notable component of the Canadian index, were an area of strength as the price of the metal rose roughly 25%. Other commodities, including silver and lumber, also performed well. Energy stocks, on the other hand, fared poorly.

Volatility was significant in 2020, especially in small-cap stocks during the first half of the year, which presented some buying opportunities. The adviser purchased Boyd Group Services, Badger Daylighting, SNC-Lavalin, and Torex Gold Resources in the second quarter. Savaria was also added to the portfolio late in the year. On the sell side, Alcanna, Stantec, Middleby, Pason Systems and Cardinal Energy were sold. With the sales of Pason and Cardinal, the Fund now doesn't own any oil producers (Galibier has a dim outlook for the industry, as noted in the previous section). Parkland, a marketer and supplier of fuel and petroleum products, is the Fund's only oil & gas-related holding.

Galibier has focused on maintaining a balance between growth and defensive companies over the last few years but has been looking closer at the latter of late, as illustrated by the new additions in 2020. Badger Daylighting provides hydrovac services, Boyd Group Services offers collision and auto glass repairs, and Savaria makes accessibility products such as wheelchair lifts and home elevators. These are all services that will continue to be in demand regardless of prevailing economic conditions. Torex Gold Resources, an intermediate gold producer, is also a defensive holding as gold tends to serve as an effective hedge against political and economic uncertainty.

Companies with exposure to the work from home phenomenon performed well in 2020, generally speaking, as people spent more on items related to enhancing life at home. Three holdings help illustrate this in different ways. Sleep Country Canada's results have been strong of late as people are seemingly placing a high value on a good night's sleep. Spin Master, which makes toys and games, has benefited from an increase in toy spending as more parents try to juggle working from home and keeping their kids entertained. And Intertape Polymer, which makes tapes and adhesives for packages, had a better-than-expected fourth quarter as demand for its products has been robust. These companies should continue to benefit from strong demand in a world where people are spending more time at home and have adjusted the way they shop.

The food & beverage sector remains an important area of investment. Holdings are concentrated in food manufacturers including Premium Brands Holdings and Maple Leaf Foods. These companies generate strong revenues and sell products that have stable demand. Maple Leaf is also well positioned with its plant-based Lightlife brand, which is gaining momentum. Waterloo Brewing, discussed in detail in the previous section, is also a top holding. These three stocks comprise 15% of the Fund.

U.S. companies comprised 10-15% of the portfolio during the year. 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 2020, the loonie gained 2% 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 25 stocks (one less than at the end of 2019), with most holdings comprising 3-6% of the portfolio. Northland Power 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, 2020, the Fund paid gross fees of \$754,736 to the Manager and distributed \$252,988 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, 2020, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 107,077 Series A units, or 3.7% 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.

<i>Series A – Net Assets Per Unit</i>	<i>Dec 31 2020</i>	<i>Dec 31 2019</i>	<i>Dec 31 2018</i>	<i>Dec 31 2017</i>	<i>Dec 31 2016</i>
Net Assets, beginning of period ^{1,3}	\$15.32	\$13.26	\$16.49	\$14.45	\$12.71
Increase (decrease) from operations:					
Total revenue	0.30	0.35	0.41	0.33	0.37
Total expenses (excluding distributions)	(0.32)	(0.33)	(0.39)	(0.34)	(0.30)
Realized gains (losses) for the period	(0.41)	0.38	0.71	1.20	0.86
Unrealized gains (losses) for the period	1.05	2.26	(3.12)	1.59	1.03
Total increase (decrease) from operations¹	0.62	2.66	(2.39)	2.78	1.96
Distributions :					
From investment income (excluding dividends)	-	-	-	-	-
From dividends	(0.08)	(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	(0.08)	(0.48)	(0.82)	(0.26)	(0.14)
Net Assets, end of period	\$15.99	\$15.32	\$13.26	\$16.49	\$14.45

<i>Series A - Ratios and Supplemental Data</i>	<i>Dec. 31 2020</i>	<i>Dec. 31 2019</i>	<i>Dec. 31 2018</i>	<i>Dec. 31 2017</i>	<i>Dec. 31 2016</i>
Net asset value (000's) ⁴	\$46,771	\$51,483	\$55,051	\$60,506	\$47,787
Number of units outstanding ⁴	2,924,832	3,360,823	4,152,921	3,668,617	3,306,366
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	32.20%	44.43%	39.56%	40.56%	91.35%
Trading expense ratio ⁷	0.11%	0.11%	0.12%	0.15%	0.40%
Net asset value per unit	\$15.99	\$15.32	\$13.26	\$16.49	\$14.45

Series O – Net Assets Per Unit	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net Assets, beginning of period ^{1,3}	\$16.07	\$13.85	\$17.19	\$14.96	\$13.09
Increase (decrease) from operations:					
Total revenue	0.32	0.53	0.44	0.35	0.38
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	(0.50)	0.64	0.69	1.30	0.85
Unrealized gains (losses) for the period	1.63	2.66	(3.62)	1.69	1.16
Total increase (decrease) from operations ¹	1.45	3.83	(2.49)	3.34	2.39
Distributions :					
From investment income (excluding dividends)	-	-	-	-	-
From dividends	(0.27)	(0.33)	(0.31)	(0.22)	(0.33)
From capital gains	-	(0.39)	(0.78)	(0.61)	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.27)	(0.72)	(1.09)	(0.83)	(0.33)
Net Assets, end of period	\$16.90	\$16.07	\$13.85	\$17.19	\$14.96

Series O - Ratios and Supplemental Data	Dec 31 2020	Dec. 31 2019	Dec. 31 2018	Dec. 31 2017	Dec. 31 2016
Net asset value (000's) ⁴	\$55,345	\$52,493	\$37,824	\$37,005	\$23,907
Number of units outstanding ⁴	3,275,173	3,265,552	2,731,433	2,152,846	1,597,733
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	-	0.01%	0.01%	0.01%
Portfolio turnover rate ⁶	32.20%	44.43%	39.56%	40.56%	91.35%
Trading expense ratio ⁷	0.11%	0.11%	0.12%	0.15%	0.40%
Net asset value per unit	\$16.90	\$16.07	\$13.85	\$17.19	\$14.96

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.

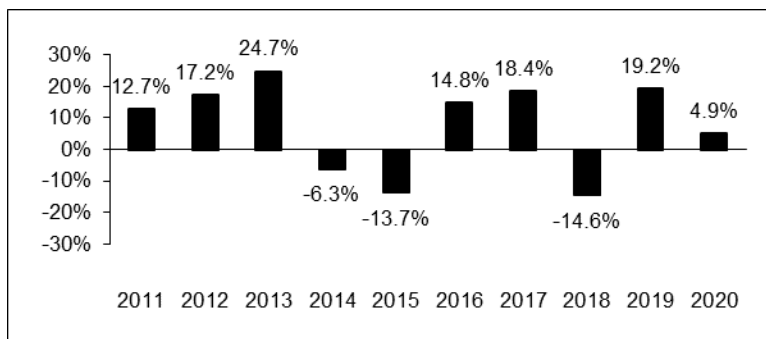
Past Performance

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.

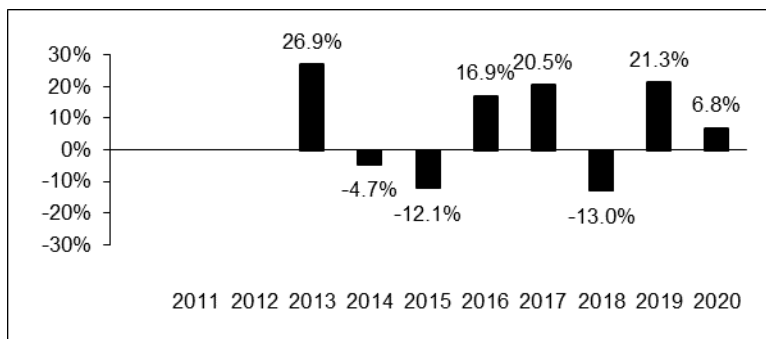
Year-by-Year Returns

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, 2020, 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	4.9%	2.2%	7.7%	6.8%	N/A
Steadyhand Small-Cap Equity Fund – O	6.8%	4.1%	9.7%	N/A	7.5%
S&P/TSX SmallCap Index	12.9%	2.3%	8.8%	1.3%	2.5%

* 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, 2020

Portfolio Allocation	
	% of Net Assets
Equities	
Industrial Goods & Services	47.8%
Consumer Cyclical	14.5%
Consumer Products	14.4%
Basic Materials	6.3%
Utilities	5.9%
Oil & Gas	4.5%
Healthcare	3.3%
	<hr/> 96.7%
Cash, Short-term Notes & Other Assets	<hr/> 3.3%
Total	<hr/> 100.0% <hr/>

Top 25 Holdings	
	% of Net Assets
Northland Power Inc.	5.9%
Maple Leaf Foods Inc.	5.2%
Waterloo Brewing Ltd.	5.0%
NFI Group Inc.	4.6%
AG Growth International Inc.	4.6%
Badger Daylighting Ltd.	4.5%
Spin Master Corp.	4.5%
Parkland Fuel Corp.	4.5%
SNC-Lavalin Group Inc.	4.5%
Oshkosh Corp.	4.3%
Premium Brands Holdings Corp.	4.2%
Park Lawn Corp.	4.1%
Sleep Country Canada Holdings Inc.	3.9%
Finning International Inc.	3.9%
Cargojet Inc.	3.9%
Torex Gold Resources Inc.	3.8%
Wipak Ltd.	3.5%
Savaria Corp.	3.5%
Cash and cash equivalents	3.4%
Henry Schein Inc.	3.3%
Fluor Corp.	3.3%
Intertape Polymer Group Inc.	3.2%
Diversified Royalty Corp.	3.1%
Interfor Corp.	2.6%
Points International 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 Global Small-Cap Equity
Fund**

December 31, 2020



Steadyhand Global Small-Cap Equity Fund

Annual Management Report of Fund Performance (December 31, 2020)

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 \$32.5 million at December 31, 2019 to \$55.3 at December 31, 2020. This increase of \$22.8 million was attributable to net subscriptions of \$15.2 million, a \$7.9 million increase in net assets from operations less \$0.3 million in distributions.

The Fund gained 7.6% in 2020, while the S&P Global SmallCap Index rose 13.7%. Stocks had a terrible first quarter as COVID-19 spread around the globe and many governments imposed lockdown restrictions on businesses and restricted the movement of people. Supply chains were disrupted and many companies experienced a blow to their operations. Small-cap stocks in particular were hit hard, as tends to be the case during periods of economic/market disruption.

As economies began to open back up in the ensuing months, however, stocks rebounded sharply, led by American technology companies. Those businesses most impacted by social distancing measures, such as hotels, airlines, restaurants, retailers, and consumer-facing companies lagged behind in the initial

recovery but gained steam towards the end of the year when news of two highly effective vaccines was announced, and investors began to look forward to a more normal economic environment. On balance, technology and precious metal companies were the top performers in 2020 in the small-cap space, while industrials, financial services, energy and consumer discretionary stocks lagged.

The Fund's best performing stocks included a diverse mix of businesses including Japanese restaurant chain Sushiro Global (up 80%), mobile game producer Zynga (+60%), medical testing company Charles River Laboratories (+55%), Swedish streaming platform Nordic Entertainment (+50%), and hearing aid retailer Amplifon (+33%).

That said, the Fund didn't keep up with the market. While it held up better in the downturn, it didn't participate to the same extent in the rebound. Specifically, its aerospace and manufacturing-related holdings struggled as global travel and many factories ground to a halt. These companies (including Woodward and Bodycote) were swapped out for new and existing holdings that had also done poorly in February-March, but showed long-term promise. Many of the holdings, like those mentioned above, have produced strong returns but didn't keep up with tech and precious metal stocks.

The hardest hit holdings in 2020 included Prosegur (a Spanish security company), Rubis (a French energy storage company), En-Japan (recruiting services), Woodward (provides parts and services to the aerospace industry), Challenger Limited (an Australian investment management company), and Cushman & Wakefield (commercial real estate services). With the exception of Cushman & Wakefield and Woodward, which were sold, the adviser feels these companies still have solid long-term prospects in a more normalized economic environment, and good price recovery potential.

Financial services stocks make up a large part of the portfolio (21%) and were among the laggards. Stocks like RenaissanceRe have been shunned by investors despite their potential. The company is a leading reinsurer for catastrophe insurance and investors are worried about its exposure to environmental risk (a record number of hurricanes hit the U.S. in 2020). Our portfolio adviser, TimesSquare Capital, has a different perspective. It knows that RenaissanceRe can reprice its policies to more than account for the increased risk. Additionally, demand for catastrophe and business interruption insurance is rising because of climate change and COVID-19. Finally, the company is trading at the lowest valuation in its history despite having a strong track record.

Technology and internet-related stocks have been the market darlings throughout the pandemic, as mentioned. However, many of these companies are in the red financially and are considered overhyped by TimesSquare (and other observers). While the Fund has exposure to the sector (investments include Zynga, Gartner, and Huya), our focus is on profitable companies — an important qualifier in our investment process. While staying away from some of the hottest stocks weighed on our performance, we feel it's prudent, as the risks associated with many of these fast-growing yet unprofitable companies has escalated with the run-up in their stock prices.

The Fund's overall sector composition did not change materially in the year, although there were a few adjustments of note. Industrial goods & services companies increased from 18% to 23% of the Fund's equities and consumer cyclical stocks increased from 10% to 13%. Technology stocks, on the other hand, decreased from 19% to 16%, healthcare stocks dropped from 17% to 13%, and real estate decreased from 7% to 3%.

At the end of the reporting period, the Fund held 38 companies around the globe (versus 41 at the end of 2019). Fifteen are based in the U.S., 11 in Europe, 5 in Japan, 3 in the U.K., 3 in Australia, and 1 in Asia.

The Fund's cash position at the end of the year was 10%, which was an increase from its 6% position at the end of 2019.

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

Recent Developments

It was an extremely volatile year for small-cap stocks. The fastest bear market in history took place in the first quarter, bringing with it some precipitous declines in energy, industrial, financial, consumer discretionary and real estate stocks. The downturn was short lived, however, as governments injected massive amounts of stimulus into the system, e-commerce and work from home-related companies began to flourish, and overall investor sentiment perked up markedly. By the end of the year, the global small-cap market had more than recouped its early losses and, somewhat remarkably, posted a double-digit return. As noted in the previous section, technology companies were the big winners of 2020.

Tech stocks are an important part of the Fund (making up 16% of its equity holdings) but the portfolio adviser has steered clear of overhyped companies in what we've dubbed the 'non-profit sector'. Rather, TimesSquare focuses on profitable businesses. As mentioned in the previous section, holdings include Gartner (consulting) and Huya (Chinese video game streaming), along with Tyler Technologies (information management) and Electrocomponents (distributor of electronic products).

The market dislocation and new economic reality led to some compelling opportunities in the year, as well as a re-assessment of a number of existing holdings. Seven new companies were purchased, while 10 were removed from the portfolio.

The purchases were diverse and included businesses positioned to continue to benefit from people spending more time on home entertainment and mobile devices (including Zynga, a California-based mobile game developer; and Huya, the leading game live streaming platform in China), a drug maker (Nippon Shinyaku), two industrial companies (Clean Harbors, a provider of environmental, energy and waste disposal services; and Rexnord, a maker of bearings and gear drives), and an intellectual property management company (IPH Limited).

The stocks that were removed from the portfolio were primarily businesses that face heightened near-to mid-term uncertainty because of the industry they operate in. Horiba (makes instruments that measure and analyze automobile exhaust), Woodward (makes parts for the aerospace industry), and Bodycote (heat treatment services for heavy manufacturers) are examples of industrial companies that were sold, while ABC-Mart and ZOZO are retailers that were removed, and Cushman & Wakefield is in the commercial real estate space, which faces headwinds as many companies are re-evaluating their needs for office space. Apollo Global Management and J2 Global were also sold, but for valuation reasons.

Industrial goods and services stocks comprise the largest part of the portfolio (23%). This is a diverse mix of investments that includes Interpump Group (manufacturer of high pressure water pumps), Kion Group (makes warehouse automation equipment), En-Japan (recruitment services), Clean Harbors (provides waste disposal, recycling, and field services), and Rexnord (makes power transmission gear drives). These companies are well run and stand to benefit when the global economy regains its footing. Notably,

Kion Group has been a strong performer through the pandemic as its warehouse and urban logistics solutions have seen strong demand.

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, Danish Krone and Australian dollar. If the Canadian dollar strengthens against these currencies, the Fund's returns will be dampened. Conversely, a depreciation of the loonie would boost returns, as was the case over the first half of 2020.

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 \$125,980 of its net assets as management fees for the year ended December 31, 2020 and distributed \$49,007 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, 2020, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 130,548 Series A units, or 19.5% 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 2020	Dec. 31 2019
Net Assets, beginning of period ^{1,3,}	\$11.75	\$10.00
Increase (decrease) from operations:		
Total revenue	0.11	0.14
Total expenses (excluding distributions)	(0.34)	(0.43)
Realized gains for the period	0.12	0.30
Unrealized gains for the period	1.39	2.04
Total increase from operations ¹	1.28	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	\$12.64	\$11.75

Series A - Ratios and Supplemental Data	Dec. 31 2020	Dec. 31 2019
Net asset value (000's) ⁴	\$8,456	\$6,142
Number of units outstanding ⁴	668,886	522,712
Management expense ratio ⁵	1.78%	1.78%
Management expense ratio before waivers or absorptions	1.80%	1.82%
Portfolio turnover rate ⁶	33.27%	32.20%
Trading expense ratio ⁷	0.07%	0.20%
Net asset value per unit	\$12.64	\$11.75

Series O – Net Assets Per Unit	Dec. 31 2020	Dec. 31 2019
Net Assets, beginning of period ^{1,3}	\$11.87	\$10.00
Increase (decrease) from operations:		
Total revenue	0.11	0.14
Total expenses (excluding distributions)	-	-
Realized gains for the period	0.10	0.27
Unrealized gains for the period	1.99	1.60
Total increase from operations ¹	2.20	2.01
Distributions :		
From investment income (excluding dividends)	(0.08)	(0.09)
From dividends	-	-
From capital gains	-	(0.20)
Return of capital	-	-
Total distributions for the period ²	(0.08)	(0.29)
Net Assets, end of period	\$12.92	\$11.87

Series O - Ratios and Supplemental Data	Dec. 31 2020	Dec. 31 2019
Net asset value (000's) ⁴	\$46,846	\$26,339
Number of units outstanding ⁴	3,626,387	2,218,852
Management expense ratio ⁵	-	-
Management expense ratio before waivers or absorptions	0.01%	0.01%
Portfolio turnover rate ⁶	33.27%	32.20%
Trading expense ratio ⁷	0.07%	0.20%
Net asset value per unit	\$12.92	\$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.

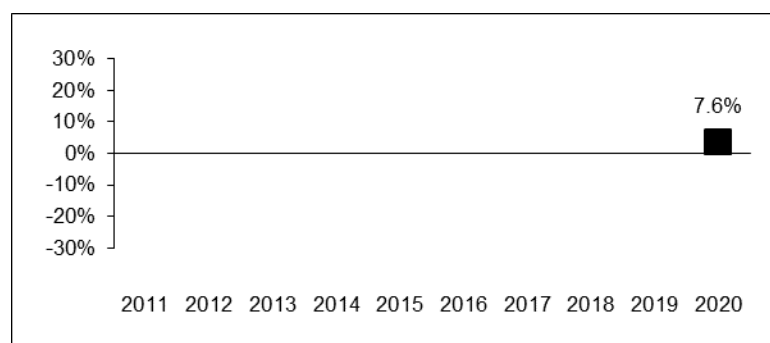
Past Performance

The 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.

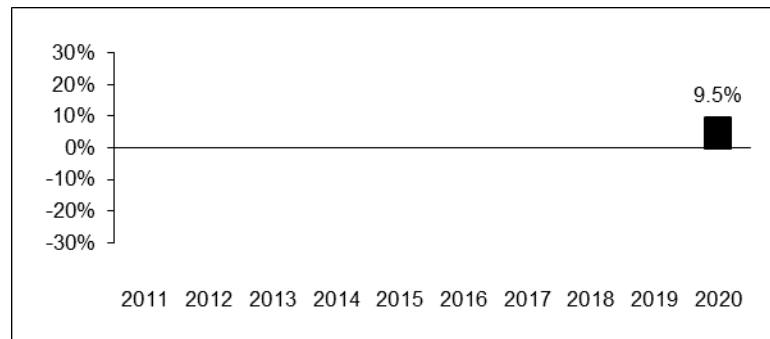
Year-by-Year Returns

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



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, 2020, 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 Global Small-Cap Equity Fund – A	7.6%	N/A	N/A	N/A	14.5%
Steadyhand Global Small-Cap Equity Fund – O	9.5%	N/A	N/A	N/A	16.5%
S&P/TSX Global SmallCap Index (\$Cdn)	13.7%	N/A	N/A	N/A	12.0%

* Series O units are not available for purchase.

The S&P/TSX Global SmallCap Index (\$Cdn) measures the performance of global small capitalization stocks.

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, 2020

Portfolio Allocation

Global Equities	% of Net Assets
Industrial Goods & Services	19.8%
Financial Services	19.1%
Technology	15.3%
Healthcare	15.1%
Consumer Cyclical	11.9%
Consumer Products	4.2%
Real Estate	2.8%
Oil & Gas	2.2%
	<hr/> 90.4%
Cash, Short-term Notes & Other Assets	<hr/> 9.6%
Total	<hr/> 100.0% <hr/>

Top 25 Holdings

	% of Net Assets
Cash & cash equivalents	9.6%
Teleperformance	4.5%
RenaissanceRe Holdings Ltd.	4.3%
St James's Place PLC	4.2%
Zynga Inc.	3.9%
FinecoBank Banca Fineco SpA	3.8%
Sushiro Global Holdings Ltd.	3.6%
Charles River Laboratories International Inc.	3.6%
Encompass Health Corp.	3.1%
Electrocomponents PLC	3.0%
National Vision Holdings Inc.	2.9%
Nordic Entertainment Group AB	2.8%
Kennedy-Wilson Holdings Inc.	2.8%
RPM International Inc.	2.7%
Gartner Inc.	2.7%
Kobe Bussan Co., Ltd.	2.6%
Amplifon SpA	2.4%
Steadfast Group Ltd.	2.4%
Chemed Corp.	2.3%
Clean Harbors Inc.	2.3%
Rubis SCA	2.2%
Rexnord Corp.	2.1%
Orpea	2.0%
en-japan Inc.	1.8%
Challenger Ltd.	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 Builders Fund

December 31, 2020



Steadyhand Builders Fund

Annual Management Report of Fund Performance (December 31, 2020)

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 \$64.8 million as of December 31, 2019 to \$98.6 million at December 31, 2020. This increase of \$33.8 million was attributable to net subscriptions of \$25.5 million, and a \$8.8 million increase in net assets from operations less \$0.5 million in distributions to unitholders.

The Fund rose 6.9% in 2020. Over the same period, the global stock market (Morningstar Developed Markets Index) gained 13.7% in Canadian dollar terms while the Canadian stock market (S&P/TSX Composite Index) rose 5.6%.

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): 36%
- Steadyhand Equity Fund (Series O): 34%
- Steadyhand Small-Cap Equity Fund (Series O): 15%
- Steadyhand Global Small-Cap Equity Fund (Series O): 15%

Despite its positive return, the Fund lagged. Simply put, three of the four underlying funds didn't keep up with markets, which were led by technology and precious metal stocks. Technology stocks have become market darlings during the pandemic. Some are deserving of the status as their businesses improved in a world forced to go virtual. But many high-profile companies continue to lose money and are years away from being profitable. We own technology companies across our funds, but steer clear of the speculative areas. All our portfolio advisers have raised alarm bells over the prices of technology stocks in general. As for precious metals stocks, they rarely make the cut for our funds as they are capital intensive and profits are dependent on the price of a commodity (e.g. gold), which is out of the miners' control.

Our funds have missed some of the speculative lift, but we're confident our managers have planted the seeds for future performance. The stock charts of some holdings might not reflect it, but the businesses we own continue to be led by experienced executives, have little debt, and continue to turn a profit. Our portfolio advisers have also made changes to better position the funds for a post-vaccine(s) world.

On a look-through basis, 62% of the Fund is invested in foreign stocks, 33% in Canadian stocks, and 5% 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.

We'll turn our focus below to each of the individual funds that make up the Builders Fund.

Steadyhand Equity Fund

The Builders Fund's biggest contributor to performance was its holding in the Equity Fund. This fund gained 14.4% in 2020. The Equity Fund had a mix of defensive companies that fared well in a locked down world and higher growth businesses that were well positioned to benefit from changes in the way we all worked, communicated and shopped in a historic year. On the defensive side, Ritchie Brothers Auctioneers (auctioneer of industrial equipment), Franco-Nevada (a gold royalty company) and Sika (makes specialty chemicals) were top performers. Microsoft (software and cloud applications), Keyence (makes automation sensors and barcode readers) and Visa (payment processing) were standouts on the growth side. The Equity Fund's portfolio adviser, Fiera Capital, favours businesses with little or no debt that have strong pricing power. These attributes were important in 2020 as companies that were highly levered or didn't have some form of competitive advantage were among the hardest hit.

Steadyhand Global Small-Cap Equity Fund

The Steadyhand Global Small-Cap Equity Fund was the next best performer (up 7.6%). The Global Small-Cap Fund's top performing stocks included a diverse mix of businesses such as Japanese restaurant chain Sushiro Global (up 80%), mobile game producer Zynga (+60%), medical testing company Charles River Laboratories (+55%), Swedish streaming platform Nordic Entertainment (+50%), and hearing aid retailer Amplifon (+33%). That said, this fund didn't keep up with the market. While it held up better in the downturn, it didn't participate to the same extent in the rebound. Specifically, its aerospace and manufacturing-related holdings struggled as global travel and many factories ground to a halt. These companies (including Woodward and Bodycote) were swapped out for new and existing holdings that had also done poorly in February-March, but showed long-term promise. Many of the holdings, like those mentioned above, have produced strong returns but didn't keep up with tech and precious metal stocks.

Steadyhand Small-Cap Equity Fund

Similarly, the Steadyhand Small-Cap Equity Fund produced a positive return (up 4.9%) but lagged the small-cap market. Many holdings saw large declines early in the year as the spread of COVID-19 led to a shutdown of economies around the world. In the second half, however, the Small-Cap Fund saw a sharp rebound, with companies that have exposure to e-commerce and the work from home phenomenon benefiting in particular (e.g. Cargojet, Intertape Polymer, Spin Master). This fund lagged the index, however, due in part to its lower exposure to gold companies (which had a strong year). As well, a few holdings suffered appreciable declines including Pason Systems (which was sold) and Ag Growth International. Pason, an energy services company, is navigating through a challenging operating environment given the pandemic-led global drop in demand for oil. Ag Growth, a leader in fertilizer, seed, and grain storage and handling, suffered from delayed orders with the uncertainty around trade agreements and tariffs, as well as regulated closures of its facilities in select markets. The stock dropped more than 30% in the year.

Steadyhand Global Equity Fund

The Builders Fund's greatest detractor to performance was the Steadyhand Global Equity Fund. This fund lost modest ground in 2020 (down 1.1%) in what was a difficult year for the portfolio. Going into the year, much of the Global Fund was invested in areas historically considered defensive – healthcare, financial services, consumer products and industrials. In the pandemic, however, these stocks proved less resilient. The fund was hit hard as investors questioned the survival of companies in a world where lockdowns forced plants to close and consumers' wallets were constrained. The fund had a particularly challenging first half of the year. Energy investments were the most impacted, as the price of oil dropped more than 60% in the first quarter. The fund's portfolio adviser, Velanne Asset Management, responded by increasing the quality of energy holdings. It eliminated Ovintiv, trimmed Northern Ocean and added to Shell and Schlumberger. The Global Fund rose in Q3, but continued to lag the broader market, which was led by technology and precious metals companies. This former group (tech) accounted for much of the U.S. market's rise in 2020. The fund has only modest holdings in the sector, which was one of the reasons for its underperformance. Velanne's contrarian nature kept it away from the hot areas of the market. Instead, it has found more compelling ideas in areas that have large recovery potential but have been out-of-favour. These include industrials, media & entertainment, insurance, aerospace, aquaculture, and energy. The Global Fund's performance rebounded sharply in the fourth quarter, far outpacing the market and its peers, on positive vaccine news. This late-year rebound wasn't enough to make up for the losses suffered earlier, but it gives us a sense of the portfolio's potential in a post-COVID world.

The mix of the four underlying funds was held very close to their target weights (Steadyhand Equity Fund 35%; Steadyhand Global Equity Fund 35%; Steadyhand Small-Cap Equity Fund 15%; Steadyhand Global Small-Cap Equity Fund 15%) throughout 2020. The resulting geographic breakdown did not change materially. Foreign stocks made up 63-66% of the portfolio while Canadian stocks comprised 28-33%. The cash position ranged from 3-7%.

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

Recent Developments

2020 was a year that will forever be etched in our memory. Stocks declined sharply in the first quarter as the coronavirus spread rapidly around the world and governments effectively shut down many industries

in an attempt to try to slow the spread. The American market (S&P 500 Index) had its worst first quarter ever, falling 20%. European, Asian and emerging market stocks also saw significant declines. Stocks rebounded with vigour in the second quarter as economies reopened and investor confidence improved. The uptick continued in the latter half of the year and most major markets finished 2020 in positive territory (many posting double-digit gains), marking an extraordinary turnaround.

Currency movements had a mixed impact on foreign stock returns. Our dollar appreciated against the U.S. dollar, dampening the returns of American stocks for Canadian investors, but depreciated against most other major currencies, boosting returns.

The economic disruption and volatility prompted significant activity in the Builders Fund. We walk through each of the underlying fund holdings below.

Steadyhand Equity Fund

The portfolio adviser (Fiera Capital) purchased four stocks in the first quarter, as it saw the sharp market pullback as an opportunity to buy quality companies that were suddenly on sale. Alimentation Couche-Tard and Toromont were purchased at an attractive discount. Couche-Tard operates 15,000 convenience stores across North America, Europe and Asia. Its short-term profits were impacted by the coronavirus, but the company has solid long-term prospects and experienced operators at the helm. Likewise, Toromont (the leading Caterpillar dealer in eastern Canada) saw a hit to near-term profits, but stands to benefit from a likely increase in infrastructure spending as a stimulus measure to combat the downturn. Brookfield Renewable Partners, a global leader in renewable power, was also bought, along with Verisign, a provider of key internet infrastructure. Couche-Tard, Toromont and Brookfield all saw handsome price gains by year-end, while Verisign also advanced but to a lesser degree.

A few holdings that held up relatively well were sold to make room for the above purchases, including Dollarama and Christian Hansen. Later in the year, Suncor Energy and Magna International were sold to boost the quality of the portfolio, and make room for two new additions, Metro and Thomson Reuters. Metro operates grocery stores, primarily in Quebec and Ontario. Food retailing tends to be a defensive industry with limited competition in Canada and Fiera likes the company's positioning and strength in digital channels (online shopping and delivery). Thomson Reuters was also added to the portfolio. This Canadian company is a global leader in data and software for legal, accounting, tax and financial professionals.

The Equity Fund's technology companies had a standout year. Keyence, its largest holding at year-end, gained 50%, while Microsoft rose more than 40%. Verisign, a new addition this year, didn't rise as much but is well positioned in a world where secure, stable access to the internet is a must. A key consideration that Fiera considers when assessing technology companies is their ability to generate strong free cash flows and current profits. This precludes investments in some of the popular and heavily hyped tech-related companies that have gone public recently but have yet to turn a profit. It's these stocks that look especially "frothy" in the adviser's view.

With the sale of Suncor Energy in the third quarter, the Equity Fund now has no direct investments in the energy sector. The portfolio adviser sees headwinds for the sector as a whole and feels there are currently better opportunities in other industries. Energy stocks make up 12% of the Canadian market, meaning the Fund will likely lag behind in an environment where oil & gas stocks are running high.

The portfolio does have some exposure to more economically-sensitive stocks as Fiera sees diversification value in owning “cyclical” companies poised to benefit when an economic recovery takes hold. These stocks, which include CAE, Toromont and Nutrien, rebounded nicely in the fourth quarter amid growing optimism that the coronavirus’ days are numbered along with its grip on the economy.

Steadyhand Global Equity Fund

The pandemic led to changes in the way many of us work, communicate, shop, and entertain ourselves. Indeed, a new reality took hold for much of the world. The Global Equity Fund’s portfolio adviser, Velanne Asset Management, addressed this with several changes. Some holdings were eliminated in the evolving economic environment while others were sold to make way for new opportunities. In total, 20 stocks were eliminated in the year and nine positions were initiated. The biggest reduction came in the oil & gas industry where a recovery has become more distant. Stocks that were sold in the sector included Ovintiv, Halliburton, JXTG Holdings, and Halliburton.

Among the other stocks sold were SES Global, Eutelsat, Bankia, Imperial Brands, William Hill, Seven & I Holdings, LG Home Shopping, KCC, Altria, Legg Mason, Sealed Air, Takeda Pharmaceutical Company, Medtronic and Allergan.

The new purchases were focused in a few sectors: aerospace, where many high-quality manufacturing and service companies saw significant price declines (new additions included Safran, Woodward, Flughafen Zuerich and Howmet, as mentioned in the previous section); financial services (Cerved Group, Argo Group); and building materials (Stella-Jones, Ibstock). These sectors have been out-of-favour during the pandemic, but are essential to the fabric of the global economy. Once the world gets back on more normal footing, these companies will see stronger demand for their products and services.

Financial services companies comprise the largest part of the Global Fund. Velanne’s focus is not on banks, however, which can be hard to value due to their complexity. The portfolio adviser prefers insurance companies (holdings include AIA, Alleghany, NN Group, Argo Group), asset managers (Artisan Partners, BrightSpere Investment Group), and information service businesses (Cerved Group). All these companies generate strong cash flows and are undervalued in Velanne’s view.

Industrial goods & services are also an important part of the portfolio. Here, holdings include the aforementioned aerospace businesses, along with a diverse group of manufacturing and commercial services companies such as Konecranes, Wabtec, Elis and Stericycle. Again, a common thread among these holdings is that they provide goods and services essential to the normal functioning of the economy, but have been passed over in favour of trendier stocks that have benefited from a locked down world.

Healthcare companies also continue to be an area of interest. Holdings include facility operators (Spire Healthcare, Mediclinic, Attendo), device manufacturers (Zimmer Biomet), drug makers (Bayer), and conglomerates (Johnson & Johnson). While some of these stocks fared well in 2020, others treaded water or lost ground as surgeries were put on hold and investor interest was focused on companies involved in developing a COVID-19 vaccine. 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 and backlog of elective surgeries promises that the industry’s products and services will only see growing demand.

Notably, the Global 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 – especially after the strong run many experienced in 2020. The one tech stock owned is NCR, which makes point-of-sale terminals, barcode scanners and self-service kiosks for retailers.

Steadyhand Small-Cap Equity Fund

Volatility was significant in 2020, especially in small-cap stocks during the first half of the year, which presented some buying opportunities. The Fund's portfolio adviser, Galibier Capital, purchased Boyd Group Services, Badger Daylighting, SNC-Lavalin, and Torex Gold Resources in the second quarter. Savaria was also added to the portfolio late in the year. On the sell side, Alcanna, Stantec, Middleby, Pason Systems and Cardinal Energy were sold. With the sales of Pason and Cardinal, the Small-Cap Fund now doesn't own any oil producers (Galibier has a dim outlook for the industry, as noted in the previous section). Parkland, a marketer and supplier of fuel and petroleum products, is the Fund's only oil & gas-related holding.

Galibier has focused on maintaining a balance between growth and defensive companies over the last few years but has been looking closer at the latter of late, as illustrated by the new additions in 2020. Badger Daylighting provides hydrovac services, Boyd Group Services offers collision and auto glass repairs, and Savaria makes accessibility products such as wheelchair lifts and home elevators. These are all services that will continue to be in demand regardless of prevailing economic conditions. Torex Gold Resources, an intermediate gold producer, is also a defensive holding as gold tends to serve as an effective hedge against political and economic uncertainty.

Companies with exposure to the work from home phenomenon performed well in 2020, generally speaking, as people spent more on items related to enhancing life at home. Three holdings help illustrate this in different ways. Sleep Country Canada's results have been strong of late as people are seemingly placing a high value on a good night's sleep. Spin Master, which makes toys and games, has benefited from an increase in toy spending as more parents try to juggle working from home and keeping their kids entertained. And Intertape Polymer, which makes tapes and adhesives for packages, had a better-than-expected fourth quarter as demand for its products has been robust. These companies should continue to benefit from strong demand in a world where people are spending more time at home and have adjusted the way they shop.

The food & beverage sector remains an important area of investment. Holdings are concentrated in food manufacturers including Premium Brands Holdings and Maple Leaf Foods. These companies generate strong revenues and sell products that have stable demand. Maple Leaf is also well positioned with its plant-based Lightlife brand, which is gaining momentum. Waterloo Brewing is also a top holding. These three stocks comprise 15% of the Small-Cap Fund.

Steadyhand Global Small-Cap Equity Fund

Tech stocks are an important part of the Global Small-Cap Fund but the portfolio adviser, TimesSquare Capital, has steered clear of overhyped companies in what we've dubbed the 'non-profit sector'. Rather, it focuses on profitable businesses. Holdings include Gartner (consulting), Huya (Chinese video game streaming), Tyler Technologies (information management), and Electrocomponents (distributor of electronic products).

The market dislocation and new economic reality led to some compelling opportunities in the year, as well as a re-assessment of a number of existing holdings. Seven new companies were purchased, while 10 were removed from the portfolio.

The purchases were diverse and included businesses positioned to continue to benefit from people spending more time on home entertainment and mobile devices (including Zynga, a California-based mobile game developer; and Huya, the leading game live streaming platform in China), a drug maker (Nippon Shinyaku), two industrial companies (Clean Harbors, a provider of environmental, energy and waste disposal services; and Rexnord, a maker of bearings and gear drives), and an intellectual property management company (IPH Limited).

The stocks that were removed from the portfolio were primarily businesses that face heightened near- to mid-term uncertainty because of the industry they operate in. Horiba (makes instruments that measure and analyze automobile exhaust), Woodward (makes parts for the aerospace industry), and Bodycote (heat treatment services for heavy manufacturers) are examples of industrial companies that were sold, while ABC-Mart and ZOZO are retailers that were removed, and Cushman & Wakefield is in the commercial real estate space, which faces headwinds as many companies are re-evaluating their needs for office space. Apollo Global Management and J2 Global were also sold, but for valuation reasons.

Industrial goods and services stocks comprise the largest part of the portfolio. This is a diverse mix of investments that includes Interpump Group (manufacturer of high pressure water pumps), Kion Group (makes warehouse automation equipment), En-Japan (recruitment services), Clean Harbors (provides waste disposal, recycling, and field services), and Rexnord (makes power transmission gear drives). These companies are well run and stand to benefit when the global economy regains its footing. Notably, Kion Group has been a strong performer through the pandemic as its warehouse and urban logistics solutions have seen strong demand.

An ongoing risk for investors in the Builders 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. 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 \$1,253,459 of its net assets as management fees for the year ended December 31, 2020 and distributed \$336,576 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, 2020, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 182,369 Series A units, or 2.1% 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 2020	Dec. 31 2019
Net Assets, beginning of period ^{1,3}	\$10.65	\$10.00
Increase (decrease) from operations:		
Total revenue	0.19	0.51
Total expenses (excluding distributions)	(0.12)	(0.11)
Realized gains (losses) for the period	(0.01)	-
Unrealized gains for the period	1.08	0.65
Total increase from operations ¹	\$1.14	\$1.05
Distributions :		
From investment income (excluding dividends)	-	(0.05)
From dividends	(0.03)	(0.07)
From capital gains	-	(0.09)
Return of capital	-	-
Total distributions for the period ²	(0.03)	(0.21)
Net Assets, end of period	\$11.36	\$10.65

Series A - Ratios and Supplemental Data	Dec. 31 2020	Dec. 31 2019
Net asset value (000's) ⁴	\$98,603	\$64,837
Number of units outstanding ⁴	8,678,942	6,087,160
Management expense ratio ⁵	1.63%	1.63%
Management expense ratio before waivers or absorptions	1.63%	1.64%
Portfolio turnover rate ⁶	2.97%	0.03%
Trading expense ratio ⁷	0.08%	0.02%
Net asset value per unit	\$11.36	\$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.

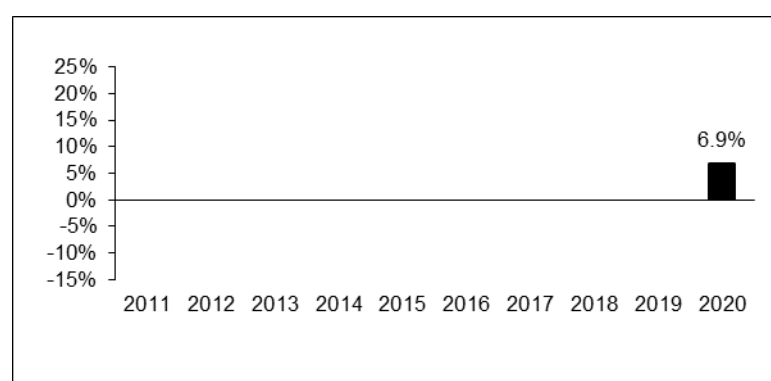
Past Performance

The 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



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, 2020, and since the inception of the Fund, compared with the Morningstar Developed Markets Index and the S&P/TSX Composite Index.

	1 YR	3 YR	5 YR	Since Inception
Steadyhand Builders Fund	6.9%	N/A	N/A	8.3%
Morningstar Developed Markets Index (\$Cdn)	13.9%	N/A	N/A	13.2%
S&P/TSX Composite Index	5.6%	N/A	N/A	8.7%

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. 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.

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, 2020

Portfolio Allocation

	% of Net Assets
Pooled Investment Funds	98.7%
Cash & Other Assets	1.3%
Total	100.0%

Top 5 Holdings

	% of Net Assets
Steadyhand Global Equity Fund, Series O	35.6%
Steadyhand Equity Fund, Series O	34.0%
Steadyhand Global Small-Cap Equity Fund, Series O	14.6%
Steadyhand Small-Cap Equity Fund, Series O	14.5%
Cash & cash equivalents	1.1%

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.