
Steadyhand

Management Report of Fund Performance

Steadyhand Savings Fund

December 31, 2022



Steadyhand Savings Fund

Annual Management Report of Fund Performance (December 31, 2022)

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

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

Management Discussion of Fund Performance

Investment Objective and Strategies

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

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

Risks

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

Results of Operations

Over the year, the Fund's net assets increased to \$72.2 million as of December 31, 2022, from \$44.4 million at the end of 2021. This increase was attributable to net sales of \$27.8 million.

The Fund produced a return of 1.8% in 2022. Over the same period, the FTSE Canada 91-Day T-Bill Index also gained 1.8%. The Fund's return is net of fees, whereas the return of the index does not include any costs or fees.

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, 56% of the Fund was invested in corporate paper (including bank paper, FRNs and bonds) with the remaining 44% invested in government notes.

The Bank of Canada raised its key short-term lending rate seven times in 2022, from 0.25% to 4.25%. The increases were made to slow economic growth and curb inflation, which reached its highest level in 40 years, topping 8% in July. Overall prices have since come down slightly, but are still 6-7% higher than

at this time last year. The central bank's rate hikes had a notable impact on the Fund's return, as it invests its assets entirely in short-dated securities, which saw their yields rise in tandem with the interest rate increases.

Our portfolio adviser, Connor, Clark & Lunn, believes that while monetary policymakers remain committed to fighting inflation, indications in North America suggest that interest rate hikes might start drawing to a close in 2023. The Bank of Canada surprised financial markets in October with a smaller-than-expected interest rate increase of 50 basis points (0.50%), and subsequently delivered another 50-basis point increase in December. In its December announcement, the Bank of Canada noted that it is "considering whether the policy interest rate needs to rise further," suggesting it may pause its hiking cycle. The U.S. Federal raised its target interest rate by 75 basis points in November, and another 50 basis points in December, which represented a downward shift in the Fed's pace of tightening. Upward revisions to the projected terminal rate and somewhat aggressive language at the Fed's December press conference, however, indicated that interest rate cuts are unlikely in 2023.

With the Bank of Canada's policy rate now at 4.25%, money market securities have much more attractive yields than they did at this time last year. The Fund's yield (4.5%, pre-fee, at the end of December) is likewise more compelling. Because the interest rate hikes were spread throughout the year, the Fund's yield rose gradually, and stronger returns came later in the period. Further, it takes time to incorporate higher-yielding securities into the portfolio, as existing investments need to mature before the proceeds can be reinvested at higher rates.

As noted, 56% 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, as well as commercial paper (CP) issued by companies including Enbridge, Hydro One, and Honda Canada.

The remaining 44% 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 2022 was 4.5%, which was up significantly from its yield of 0.3% at the end of 2021.

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

Recent Developments

Interest rates rose at their fastest pace in recent memory in 2022. As mentioned in the previous section, The Bank of Canada raised its key short-term lending rate seven times, bringing it from 0.25% to 4.25%. After several years of record low interest rates and meagre returns on money market investments, savers finally saw an uptick in the yields and returns offered on these securities.

Money market investments returned 1.8% in the year, as measured by the FTSE Canada 91 Day T-Bill Index. If current short-term interest rate levels hold or increase, investors can continue to expect a better return on their money market investments. Soaring inflation in 2022, however, meant that the real return

(i.e., the return after accounting for inflation) on these investments was negative. This will continue to be the case unless inflation subsides to levels below the Bank of Canada's prevailing policy rate.

Our portfolio adviser (CC&L) believes that inflation, as well as the anticipated monetary policy reaction to inflation, should remain important drivers of financial markets in 2023. Canada's consumer price index (CPI) has decelerated from its high earlier in 2022, but has remained above central bank targets.

CC&L expects policymakers will need more evidence that inflation has softened, and that inflation will then remain anchored near their target levels, before they ease their policies (and cut rates), as the greater concern is a re-acceleration in inflation rather than an economic downturn. As a result, our adviser expects policymakers to maintain their restrictive policies (which should lead to further deterioration in economic activity and weakening labour markets). This points to an environment where savers should continue to receive better yields on their cash-like investments than they have in recent years.

CC&L's base case economic scenario is that a recession occurs in 2023, although the timing remains unclear. Some of the more positive aspects of this economic cycle, including stronger consumer balance sheets and resilient employment, point to a mild recession. CC&L believes, however, that sentiment surrounding corporate earnings remains too bullish, and has not begun to reflect the coming economic slowdown. The key risk to this outlook would be if inflation remains elevated for longer than expected, which could result in a return to monetary policy that is more aggressive than we anticipate. If this is the case, and central banks elect to increase rates further, it would be favourable for yields on money market investments.

The Fund's mix of corporate notes and government T-Bills, 56% and 44% of its assets at year-end, respectively, did not change materially in 2022. As for the individual investments held, a number of new securities were added to the Fund as notes matured over the course of the year.

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, 2022, the Fund paid gross fees of \$89,426 to the Manager and distributed \$30,489 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, 2022 Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 254,144 Series A units, or 5.4% 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 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net Assets, beginning of period ^{1,3}	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase from operations:					
Total revenue	0.20	0.02	0.10	0.20	0.19
Total expenses (excluding distributions)	(0.02)	(0.01)	(0.02)	(0.02)	(0.03)
Realized gains for the period	-	-	-	-	-
Unrealized gains for the period	-	-	-	-	-
Total increase from operations ¹	0.18	0.01	0.08	0.18	0.16
Distributions :					
From investment income (excluding dividends)	(0.18)	-	(0.08)	(0.18)	(0.15)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.18)	(0.01)	(0.08)	(0.18)	(0.15)
Net Assets, end of period	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

Series A - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net asset value (000's) ⁴	\$46,893	\$43,844	\$46,488	\$33,260	\$37,050
Number of units outstanding ⁴	4,689,326	4,384,455	4,648,810	3,235,969	3,705,019
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%	0.20%	0.20%	0.21%
Portfolio turnover rate ⁶	-	-	76.45	-	67.13
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 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net Assets, beginning of period ^{1,3}	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Increase from operations:					
Total revenue	0.24	0.03	0.19	0.19	0.17
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains for the period	-	-	-	-	-
Unrealized gains for the period	-	-	-	-	-
Total increase from operations ¹	0.24	0.03	0.19	0.19	0.17
Distributions :					
From investment income (excluding dividends)	(0.19)	(0.03)	(0.09)	(0.19)	(0.17)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.19)	(0.03)	(0.09)	(0.19)	(0.17)
Net Assets, end of period	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

Series O - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net asset value (000's) ⁴	\$25,348	\$591	\$590	\$54,947	\$27,382
Number of units outstanding ⁴	2,534,841	59,123	58,973	5,494,685	2,738,234
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	0.01%	0.52%	0.01%	0.01%	-
Portfolio turnover rate ⁶	-	-	76.45	-	67.13
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.

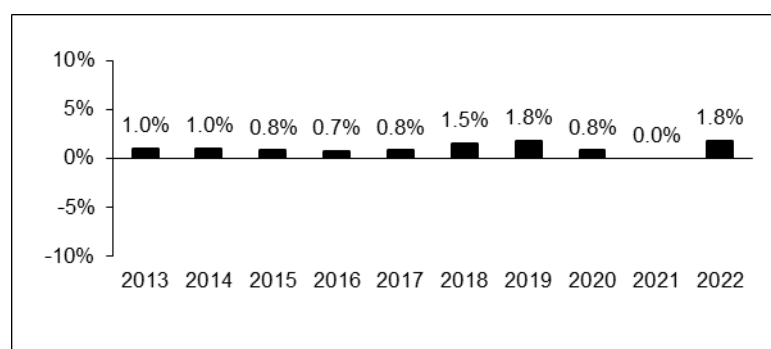
Past Performance

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.

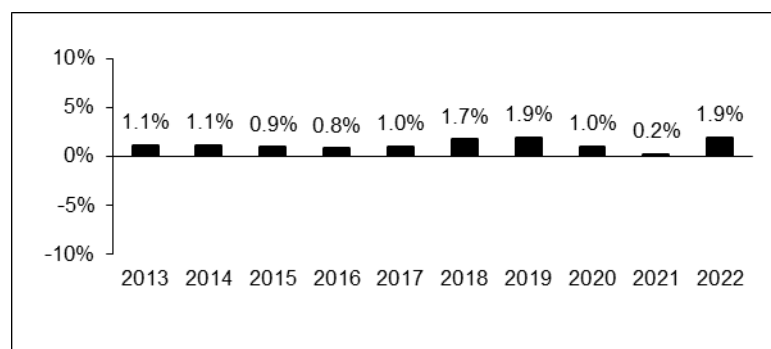
Year-by-Year Returns

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, 2022, and since the inception of the Fund, compared with the FTSE Canada 91-Day T-Bill Index.

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

* Series O units have a different inception date (February 17, 2012) and 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, 2022

Portfolio Allocation

	% of Net Assets
Government Treasury Bills	35.7%
Bankers Acceptances	32.6%
Corporate Notes	17.7%
Provincial Promissory Notes	7.9%
	<hr/> 93.9%
Corporate Bonds	4.2%
Total Investments	<hr/> 98.1%
Cash, Short-term Notes & Other Assets	1.9%
Total	<hr/> 100.0% <hr/>

Top 25 Holdings**% of Net Assets**

Province of Ontario TBill 3.901% 29 Mar 2023	6.6%
Province of New Brunswick TBill 4.358% 02 Mar 2023	5.5%
Bank of Montreal B/A 4.281% 30 Jan 2023	5.5%
Province of Newfoundland and Labrador P/N 4.279% 02 Mar 2023	5.2%
Royal Bank of Canada BA 4.519% 07 Mar 2023	5.0%
Province of British Columbia PN 4.350% 28 Jun 2023	4.8%
Toronto-Dominion Bank B/A 4.501% 28 Feb 2023	4.7%
Province of Ontario TBill 4.379% 12 Apr 2023	4.3%
Enbridge Gas Distribution Inc. C/P 4.445% 05 Jan 2023	4.1%
Honda Canada Finance Inc. C/P 4.500% 02 Feb 2023	4.1%
Province of Quebec TBill 4.389% 17 Mar 2023	4.0%
Toronto-Dominion Bank B/A 4.531% 13 Mar 2023	3.8%
Canadian Imperial Bank of Commerce B/A 4.529% 10 Mar 2023	3.2%
Province of British Columbia PN 2.130% 03 Apr 2023	3.0%
Bank of Nova Scotia B/A 4.352% 01 Feb 2023	2.9%
Canadian Imperial Bank of Commerce B/A 4.381% 16 Jan 2023	2.8%
Hydro One Inc. C/P 4.101% 05 Jan 2023	2.7%
TransCanada Pipelines Limited C/P 4.602% 25 Jan 2023	2.7%
Royal Bank of Canada BA 4.360% 16 Feb 2023	2.4%
Province of Prince Edward Island TBill 4.162% 14 Feb 2023	2.2%
Bank of Montreal B/A 4.070% 04 Jan 2023	2.2%
Province of Quebec TBill 2.420% 14 Apr 2023	2.0%
Province of Prince Edward Island TBill 4.420% 21 Mar 2023	1.7%
Province of Prince Edward Island TBill 4.211% 17 Jan 2023	1.4%
Toyota Credit Canada Inc. CP 2.700% 25 Jan 2023	1.4%

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, 2022



Steadyhand Income Fund

Annual Management Report of Fund Performance (December 31, 2022)

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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 \$300.6 million as of December 31, 2022, from \$304.7 million at the end of 2021. This decrease of \$4.1 million was attributable to net subscriptions of \$33.8 million, a decrease in net assets from operations of \$29.4 million less \$8.5 million in distributions to unitholders.

The Fund declined 9.9% in 2022. Over the same period, the FTSE Canada Universe Bond Index fell 11.7% while the S&P/TSX Capped Composite Index declined 5.8%. The bond component of the Fund (75% of the portfolio) fell 11.1%, while our stock holdings (25%) fared better, dropping 4.2%.

Interest rates rose at the sharpest pace in a generation, leading to significant declines in bond prices (when rates rise, prices fall). The Bank of Canada raised its key short-term lending rate seven times in 2022, from 0.25% to 4.25%. Longer-term bond yields also moved materially higher, but to a lesser extent as the economic outlook worsened over the year; the 10-year Government of Canada bond yield rose from 1.4% to 3.3%. Our fixed income investments lost ground, although they held up better than the

broader market as a result of our interest rate positioning and security selection, which favoured defensive companies such as banks and utilities.

Our fixed income investments also benefitted from our portfolio adviser's (Connor, Clark & Lunn) macro decisions as well as a higher-than-normal weighting in cash throughout the year.

All of the bond market's decline came in the first half of the year. It was down 12.2% during the first six months, its worst ever start to a year (the Fund was down 11.5%). Yields moved significantly higher in reaction to surging inflation. The Bank of Canada raised its key policy rate twice in the second quarter (by 0.5% each time), to 1.5%. The U.S. Federal Reserve also implemented its biggest hike in nearly 30 years. The moves were made to tackle swelling inflation, which became the overriding focus of central banks. Bond yields rose across the maturity spectrum and the Fund had a challenging period in this environment. There was no place to hide.

During the second half, bond yields remained volatile and ultimately moved modestly higher, although to a much lesser extent. Canadian corporate credit spreads tightened (the difference in yield between government and corporate bonds), with support from technical factors, while provincial spreads traded sideways until December (when they tightened modestly). The overall market was positive in the second half (+0.6%). The Fund rose 1.8% over the period, aided by favourable positioning in our bond holdings and strong performance from our dividend-paying equities.

CC&L believes that while monetary policymakers remain committed to fighting inflation, indications in North America suggest that interest rate hikes might start drawing to a close in 2023. The U.S. Federal raised its target interest rate by 75 basis points (0.75%) in November, and another 50 basis points in December, which represented a downward shift in the Fed's pace of tightening. Upward revisions to the projected terminal rate and somewhat aggressive language at the Fed's December press conference, however, indicated that interest rate cuts are unlikely in 2023. The Bank of Canada surprised financial markets in October with a smaller-than-expected interest rate increase of 50 basis points, and subsequently delivered another 50-basis point increase in December. In its latest announcement, the Bank of Canada noted that it is "considering whether the policy interest rate needs to rise further," suggesting it may pause its hiking cycle.

These latest moves and comments from the central banks moderated the rise in bond yields. In the final quarter of the year, the benchmark 10-year government yield moved from 3.2% to 3.3%.

While the impact of higher interest rates and bond yields has been detrimental to the Fund in the short run, the portfolio is now generating a higher income stream and has a more attractive yield (4.1%), which is beneficial going forward.

At the beginning of the year, bonds comprised 73% of the portfolio. Our portfolio adviser slightly increased their weighting later in the year as yields become more attractive. At the end of the reporting period, they comprised 75% of the portfolio, which is right on our long-term target.

Turning to the Fund's stock holdings, this portion of the portfolio (25% at year-end) held up well in a down market. Our strategy was conservative, with investments focused on companies with resilient earnings and sustainable dividend growth. The Fund maintains holdings in companies that can execute well in a high-inflation and lower-growth environment. Top performers included Element Fleet Management, Saputo, and Loblaw Companies. CC&L remains cautious, but is keeping an eye open for opportunities to

add to quality, deeply discounted companies. We recently added to our position in auto parts maker Magna International, for example.

As noted, stocks made up 25% of the Fund at year-end, which is right on their target weight. CC&L has a guarded short-term outlook and views 2023 as a year of transition, with an economic recovery commencing later in the year.

While the asset mix of the portfolio was not significantly altered during the reporting period, there were some changes to the Fund's bond holdings. More specifically, the weighting in federal bonds was increased (from 13% of the portfolio's fixed income investments at the beginning of the year to 28% at the end of December), and the weighting in corporate bonds was decreased (from 47% to 38% of its fixed income holdings). Provincial bonds were also decreased from 40% to 34%.

The Fund's pre-fee yield at the end of 2022 was 4.1%, as compared to 2.3% at the end of 2021. This higher figure is a reflection of the overall rise 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 declined 11.7%, its worst calendar year performance in over 40 years, as interest rates rose sharply. The Bank of Canada raised its key short-term lending rate seven times in 2022, from 0.25% to 4.25%.

Our portfolio adviser (CC&L) believes that inflation, as well as the anticipated monetary policy reaction to inflation, should remain important drivers of financial markets in 2023. Canada's consumer price index (CPI) has decelerated from its high earlier in 2022, but has remained above central bank targets. CC&L expects policymakers will need more evidence that inflation has softened, and that inflation will then remain anchored near their target levels, before they ease their policies, as the greater concern is a re-acceleration in inflation rather than an economic downturn. As a result, they expect policymakers to maintain their restrictive policies, which should lead to further deterioration in economic activity and weakening labour markets.

CC&L's base case economic scenario is that a recession occurs in 2023, although the timing remains unclear. Some of the more positive aspects of this economic cycle, including stronger consumer balance sheets and resilient employment, point to a mild recession. CC&L believes, however, that sentiment surrounding corporate earnings remains too bullish, and has not begun to reflect the coming economic slowdown.

The Fund remains positioned in anticipation of a slowdown. Its bond and stock holdings remain positioned defensively, with some exposures trimmed when targets were met. CC&L has also made tactical adjustments in response to sharp moves that appeared inconsistent with fundamentals. Following a significant inversion in the yield curve, the portfolio's yield curve positioning was restructured from a flattening bias to take advantage of relative opportunities across the curve. A shorter-than-normal duration position was traded tactically during the last quarter, and was neutralized at the end of the period after interest rates surged.

The Fund's exposure to corporate credit was reduced in the year and is lower than normal. Exposure to provincial credit was also reduced. Security selection has shifted toward high-quality domestic bank paper with what our adviser believes to be attractive valuations. The Fund maintains positions in the defensive telecommunications industry, while exposure to infrastructure (particularly in airports) was reduced in response to CC&L's expectation that air traffic will slow.

As for the outlook for stocks, CC&L feels a deteriorating economic backdrop will lead to further downward earnings revisions, which could negatively impact equity markets in the coming quarters. Despite this negative short-term view, CC&L feels 2023 should be a year of transition. They expect the recession to be relatively mild and the economic recovery to commence later in 2023. China has the world's second-largest economy, and its move away from a zero-COVID policy should support economic growth in the second half of 2023. Additionally, the strong employment picture and higher-than-average excess savings rates in Canada and the U.S. should prevent a more severe recession. The key risk to this outlook would be if inflation remains elevated for longer than expected, which could result in a return to monetary policy that is more aggressive than we anticipate.

Equity investments are focused on companies that can deliver resilient earnings growth in a high-inflation and lower-growth environment. On the margin, we have also begun adding to cheaper, more-cyclical companies that should outperform during the recovery (such as Magna, as previously noted).

There were some changes to the structure of the portfolio in 2022, as described in the previous section. Of note, the Fund's exposure to credit (corporate and provincial bonds) was decreased, while the weighting in federal bonds was increased.

The Fund paid distributions totaling \$0.28/unit in 2022.

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 \$835,284 of its net assets as management fees and distributed \$267,581 in management fee reductions for the year ended December 31, 2022. 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, 2022, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 218,262 Series A units, or 2.8% 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 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net Assets, beginning of period ^{1,3}	\$11.44	\$11.26	\$10.94	\$10.44	\$10.86
Increase (decrease) from operations:					
Total revenue	0.31	0.29	0.31	0.31	0.32
Total expenses (excluding distributions)	(0.11)	(0.12)	(0.15)	(0.15)	(0.14)
Realized gains (losses) for the period	(0.53)	0.11	0.20	0.35	(0.07)
Unrealized gains (losses) for the period	(0.78)	0.20	0.39	0.47	(0.22)
Total increase (decrease) from operations ¹	(1.11)	0.48	0.75	0.98	(0.11)
Distributions :					
From investment income (excluding dividends)	(0.25)	(0.21)	(0.23)	(0.20)	(0.24)
From dividends	(0.03)	(0.02)	(0.05)	(0.03)	(0.04)
From capital gains	-	(0.04)	(0.18)	(0.21)	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.28)	(0.27)	(0.46)	(0.44)	(0.28)
Net Assets, end of period	\$10.03	\$11.44	\$11.26	\$10.94	\$10.44

Series A - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net asset value (000's) ⁴	\$76,917	\$89,845	\$87,454	\$85,884	\$81,126
Number of units outstanding ⁴	7,665,518	7,855,873	7,769,803	7,848,309	7,771,250
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%	1.05%	1.04%	1.04%
Portfolio turnover rate ⁶	247.25%	167.02%	151.66%	179.14%	216.55%
Trading expense ratio ⁷	0.02%	0.01%	0.02%	0.02%	0.02%
Net asset value per unit	\$10.03	\$11.44	\$11.26	\$10.94	\$10.44

Series O – Net Assets Per Unit	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net Assets, beginning of period ^{1,3}	\$12.48	\$12.20	\$11.75	\$11.11	\$11.45
Increase (decrease) from operations:					
Total revenue	0.34	0.31	0.35	0.34	0.34
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	(0.58)	0.11	0.23	0.38	(0.07)
Unrealized gains (losses) for the period	(0.83)	0.24	0.31	0.40	(0.30)
Total increase (decrease) from operations	(1.07)	0.66	0.89	1.12	(0.03)
Distributions :					
From investment income (excluding dividends)	(0.27)	(0.26)	(0.25)	(0.22)	(0.27)
From dividends	(0.04)	(0.04)	(0.06)	(0.04)	(0.04)
From capital gains	-	(0.04)	(0.20)	(0.23)	-
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.31)	(0.34)	(0.51)	(0.49)	(0.31)
Net Assets, end of period	\$11.06	\$12.48	\$12.20	\$11.75	\$11.11

Series O - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net asset value (000's) ⁴	\$223,728	\$214,833	\$172,538	\$178,272	\$162,505
Number of units outstanding ⁴	20,220,329	17,212,470	14,137,498	15,170,139	14,633,038
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	0.01%	0.01%	-	0.01%	-
Portfolio turnover rate ⁶	247.25%	167.02%	151.66%	179.14%	216.55%
Trading expense ratio ⁷	0.02%	0.01%	0.02%	0.02%	0.02%
Net asset value per unit	\$11.06	\$12.48	\$12.20	\$11.75	\$11.11

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.

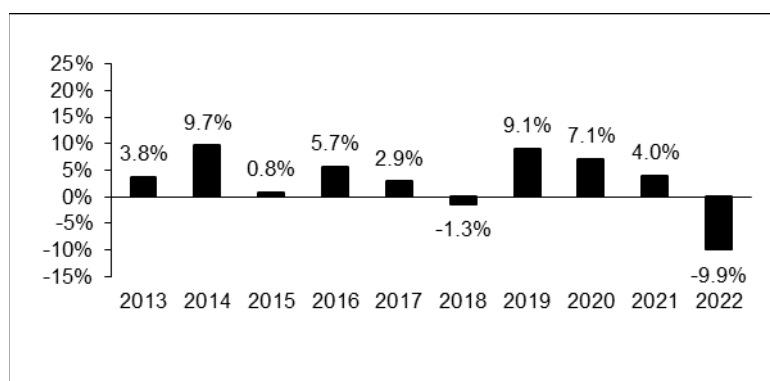
Past Performance

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.

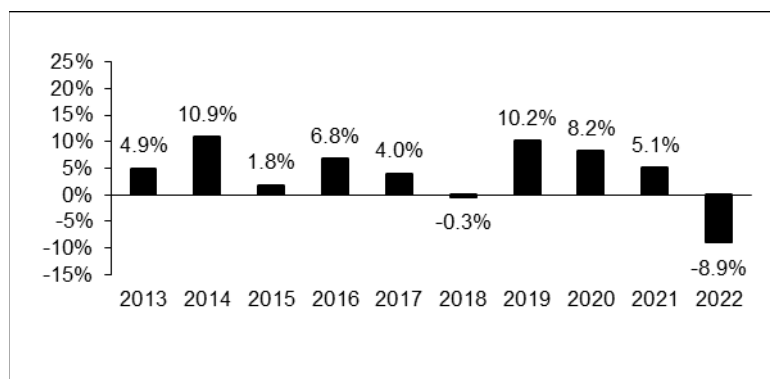
Year-by-Year Returns

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, 2022, and since the inception of the Fund, compared with the FTSE Canada Universe Bond Index and the S&P/TSX Capped Composite Index.

	<i>1 YR</i>	<i>3 YR</i>	<i>5 YR</i>	<i>10 YR</i>	<i>Since Inception*</i>
Steadyhand Income Fund - A	-9.9%	0.1%	1.6%	3.0%	4.4%
Steadyhand Income Fund - O	-8.9%	1.2%	2.6%	4.1%	N/A
FTSE Canada Universe Bond Index	-11.7%	-2.2%	0.3%	1.6%	3.2%
S&P/TSX Capped Composite Index	-5.8%	7.5%	6.8%	7.7%	5.6%

* Series O units have a different inception date (February 17, 2012) and 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, 2022

Portfolio Allocation

	% of Net Assets
Bonds	
Corporate Bonds	22.8%
Provincial Bonds	21.0%
Federal Bonds	19.0%
Municipal Bonds	2.8%
	<hr/> 65.6%
Equities	
Financial Services	8.3%
Real Estate	3.4%
Industrial Goods & Services	3.3%
Utilities & Pipelines	2.8%
Oil & Gas	2.4%
Communication & Media	1.8%
Retailing	1.0%
Consumer Cyclical	0.8%
Consumer Staples	0.5%
Basic Materials	0.5%
Consumer Products	0.1%
	<hr/> 24.9%
Pooled Investment Funds	5.0%
Cash, Short-Term Notes & Other Assets	4.5%
Total	<hr/> <hr/> 100.0%

Top 25 Holdings

	% of Net Assets
Government of Canada Bond 3.000% 01 Nov 2024	8.1%
CC&L High Yield Bond Fund, Series I	5.0%
Government of Canada Bond 1.750% 01 Dec 2053	4.2%
Province of Ontario Bond 2.150% 02 Jun 2031	2.8%
Royal Bank of Canada	1.9%
Province of Ontario Bond 2.900% 02 Jun 2028	1.8%
Province of Ontario Bond 2.050% 02 Jun 2030	1.8%
Government of Canada Bond 4.000% 01 Jun 2041	1.8%
Province of British Columbia Bond 2.200% 18 Jun 2030	1.8%
Toronto-Dominion Bank	1.6%
Government of Canada Bond 5.000% 01 Jun 2037	1.6%
Government of Canada Bond 2.000% 01 Dec 2051	1.6%
Province of British Columbia Bond 1.550% 18 Jun 2031	1.3%
Bank of Montreal	1.2%
Thomson Reuters Corp.	1.2%
Canadian National Railway Co.	1.1%
Canadian Apartment Properties REIT	1.1%
Bank of Montreal C/P 3.650% 01 Apr 2027	1.1%
Province of Quebec Bond 1.500% 01 Sep 2031	1.0%
Province of Quebec Bond 2.750% 01 Sep 2028	0.9%
Intact Financial Corp.	0.9%
Shaw Communications Inc.	0.8%
Summit Industrial Income REIT	0.8%
George Weston Ltd.	0.8%
Province of Ontario Bond 1.550% 02 Nov 2029	0.7%

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

Steadyhand

Management Report of Fund Performance

Steadyhand Founders Fund

December 31, 2022



Steadyhand Founders Fund

Annual Management Report of Fund Performance (December 31, 2022)

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 \$586.0 million as at December 31, 2022, a decrease of \$49.6 million from \$635.6 million as of December 31, 2021. This decrease was attributable to net subscriptions of \$22.7 million less decreases in net assets from operations of \$61.2 million and \$11.1 million in distributions to unitholders.

The Fund declined 9.9% in 2022. Both the stock and bond components of the portfolio lost ground in what was a challenging year for both asset classes. Over the same period, the FTSE Canada Universe Bond Index declined 11.7% while the Morningstar Developed Markets Index fell 12.4% in Canadian dollar terms and the S&P/TSX Capped Composite Index lost 5.8%. 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.

At the end of the reporting period (December 31), the Founders Fund held five underlying Steadyhand funds and cash in the following composition:

- Steadyhand Income Fund (Series O): 38%
- Steadyhand Global Equity Fund (Series O): 22%
- Steadyhand Equity Fund (Series O): 22%
- Steadyhand Small-Cap Equity Fund (Series O): 7%
- Steadyhand Global Small-Cap Equity Fund (Series O): 7%
- Steadyhand Savings Fund (Series O): 4%

The Fund was positioned conservatively to start the year, but that wasn't enough to offset the broad-based declines in bond and stock markets. For example, Founders held a large cash reserve (in lieu of bonds), which helped soften the blow of rising interest rates, but was not enough to offset one of the worst years ever for bonds.

The Fund's return was driven by negative performance in each of the underlying funds, with the exception of the Savings Fund, which gained 1.8%. The Income Fund was down 9.9%, Global Equity Fund down 13.2%, Equity Fund down 11.8%, Global Small-Cap Equity Fund down 18.2%, and Small-Cap Equity Fund down 5.7%. The latter fund (Small-Cap Equity) was our best performing equity fund in 2022. The Fund's cash weighting, which started the year at 15% and was brought down to 6% at year-end, helped performance as this position was in lieu of a full weighting in bonds, which had a negative year, as noted.

The Fund's return was in line with the returns produced by the asset classes it invests in. The portfolio only has modest exposure to energy stocks (3%), which was the top performing sector in 2022 (our exposure to oil & gas stocks is limited, as these businesses are capital intensive, highly cyclical, and tend to produce erratic profits). This positioning held back performance. We also have less exposure to technology stocks than the broader market, which were some of worst performing equities in aggregate, and this helped performance.

On a look-through basis, 37% of the Fund is invested in foreign stocks, 28% in Canadian stocks, 29% in bonds, and 6% in cash (as of year-end).

There were some significant currency moves in 2022. The loonie declined 7% against the U.S. dollar, which boosted the returns of American stocks in Canadian dollar terms. Our dollar rose against the Yen (+7%) and British Pound (+5%), which exacerbated the declines of stocks in these regions, and it ended flat against the Euro (despite some large intra-year moves). As a whole, currency moves had only a modest impact on performance.

We'll turn our focus below to each of the individual funds that make up the Founders Fund, based on their weighting in the portfolio.

Steadyhand Income Fund

The Income Fund declined 9.9% in 2022. Over the same period, the FTSE Canada Universe Bond Index provided a return of -11.7% while the S&P/TSX Capped Composite Index fell 5.8%. Interest rates rose at the sharpest pace in a generation, leading to significant declines in bond prices (when rates rise, prices fall). The Bank of Canada raised its key short-term lending rate seven times in 2022, from 0.25% to 4.25%. Longer-term bond yields also moved materially higher, but to a lesser extent as the economic outlook worsened over the year; the 10-year Government of Canada bond yield rose from 1.4% to 3.3%.

Our fixed income investments lost ground, although they held up better than the broader market as a result of our interest rate positioning and security selection, which favoured defensive companies such as banks and utilities.

Steadyhand Global Equity Fund

The Global Equity Fund declined 13.2%, while the Morningstar Developed Markets Index fell 12.4%. Our technology holdings had a challenging year, specifically Adobe, Paypal, Qualcomm, and Nemetschek. Industrial and consumer cyclical holdings also struggled, including Nidec (electric motors), Rational (commercial ovens), and Lennar (homebuilder). Qualcomm, Dolby Laboratories, and Microsoft are examples of technology holdings whose fundamentals and market position remain strong and growing, yet their stock prices have languished. Likewise, investments in the consumer staples space including Procter & Gamble and Heineken were down on the year despite showing good pricing power and steady revenue growth. There were some bright spots of note. Japanese holding Pan Pacific International Holdings gained over 40% on the back of increased demand at its discount retail stores. TotalEnergies (oil & gas), Amgen (healthcare), and Munich Re (insurance) also turned in double-digit returns.

Steadyhand Equity Fund

The Equity Fund declined 11.8% in 2022, while the S&P/TSX Composite Index fell 5.8% and the Morningstar Developed Markets Index dropped 12.4% in Canadian dollar terms. The Fund underperformed the Canadian index due in part to its lighter exposure the energy sector (the best performing industry in 2022) and its non-benchmark oriented composition. It performed better than the global market as a result of its Canadian exposure. Our Canadian holdings gained in aggregate, despite the market declining — an impressive accomplishment considering we held no oil & gas companies, the best performing sector in the country (up over 50%). Most U.S. and European holdings, however, struggled against the backdrop of rising inflation, higher interest rates, and the war in Ukraine. Two of our foreign holdings were hit particularly hard, Sika and Keyence, both falling over 30%. After a long period of gains, Swiss cement manufacturer Sika reversed course in 2022 as investors are expecting the demand for construction services and cement to fall in a likely recession. Keyence experienced a similar story. The company has been a fruitful long-term holding, but the market reacted harshly to a potential slowdown in manufacturing and the demand for its robotics products. Our commodity-related and consumer holdings did well. Franco-Nevada (gold), Nutrien (fertilizer), and Metro (grocery stores) were among the best performers.

Steadyhand Small-Cap Equity Fund

The Small-Cap Equity Fund declined 5.7% in 2022. Over the same period, the S&P/TSX SmallCap Index fell 9.3%. The fact that the Fund outpaced the small-cap market was notable given the portfolio has only modest exposure to energy stocks (8%). The sector rose roughly 30% and comprises a much larger portion of the index (20%). Our portfolio adviser, Galibier Capital, prefers to invest in more stable companies that have greater visibility in their earnings. The biggest detractors to performance included Park Lawn (funeral, cremation and cemetery provider), NFI Group (bus and motor coach manufacturer), Spin Master (maker of toys and games), and Sleep Country Canada (mattress and sleep accessories retailer). The common theme is that these were some of the fund's top performers in 2021 and they gave back some of their prior gains. Galibier continues to like the outlook for these businesses and purchased additional shares on price weakness. The one exception is NFI, which has struggled through the

pandemic and has been acutely impacted by supply chain issues. The year's top performers represented a diverse array of businesses: MEG Energy (oil producer), Ag Growth International (fertilizer and grain storage and handling), Aritzia (women's fashion retailer), Hammond Power Solutions (dry-type transformers), and Fluor (engineering and construction). These companies grew their revenues and executed well in a tougher economic environment.

Steadyhand Global Small-Cap Equity Fund

The Global Small-Cap Equity Fund declined 18.2% in 2022, while the S&P Global SmallCap Index fell 12.6% in Canadian dollar terms. The Fund had a challenging year. Our European and U.K. investments were the main detractors to performance. Stocks in the region struggled, weighed down by higher energy and labour costs, and consumer belt tightening. Specifically, Kion Group (German forklift manufacturer), Viaplay (Nordic entertainment provider), and Future (British specialty content publisher) turned in poor results and saw sharp declines. Finnish companies Huhtamaki (food packaging and containers) and Valmet (automation systems for the pulp and paper industry) also disappointed on the earnings front. Our Japanese holdings were another area of weakness. The Yen depreciated considerably against the loonie (-7%), which exacerbated declines in Canadian dollar terms. On a positive note, many of our consumer staples and financial services holdings turned in solid results. Performance Food Group (food products distributor) and Viscofan (casings for meat products) reported good revenue growth and strong guidance. Insurance provider Renaissance Re exceeded expectations, and PJT Partners (investment banking advisory services) continued to shine against its peers. Italian FinTech company FincoBank and Australian insurance broker Steadfast Group also had a positive year.

The Founders Fund started the year with 60% of its assets in stocks, which is right on our long-term target. We increased this weighting over the first half of the year, bringing it to 64%, and it finished the year at 65%.

The Founders Fund's weighting in bonds ranged from 25% at the beginning of the year to 30% at the end of December, which was still under its long-term target (35%). We feel current bond yields are not overly attractive (despite their uptick this year) 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.

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

Recent Developments

Stock markets had a weak year worldwide. Investors grappled with higher interest rates, inflation levels not seen in decades, and the widespread impacts of the war in Ukraine. Technology stocks saw a sharp reversal and played a large role in driving the U.S. market down 18% (in local currency terms), its worst showing since 2008. Commodity stocks were the lone bright spot in 2022, and helped prop up the Canadian market. Still, the S&P/TSX Composite Index fell 6% as most other sectors were in the red. Technology, healthcare, and real estate stocks were hit especially hard.

The Canadian bond market declined 11.7%, its worst calendar year performance in over 40 years, as interest rates rose sharply. The Bank of Canada raised its key short-term lending rate seven times in 2022, from 0.25% to 4.25%.

It was a challenging year for investors. The heightened volatility prompted activity in the Founders Fund, and we walk through each of the underlying fund holdings below.

Income Fund

The Fund's portfolio adviser (CC&L) believes that inflation, as well as the anticipated monetary policy reaction to inflation, should remain important drivers of financial markets in 2023. Canada's consumer price index (CPI) has decelerated from its high earlier in 2022, but has remained above central bank targets. CC&L expects policymakers will need more evidence that inflation has softened, and that inflation will then remain anchored near their target levels, before they ease their policies, as the greater concern is a re-acceleration in inflation rather than an economic downturn. As a result, they expect policymakers to maintain their restrictive policies, which should lead to further deterioration in economic activity and weakening labour markets.

CC&L's base case economic scenario is that a recession occurs in 2023, although the timing remains unclear. Some of the more positive aspects of this economic cycle, including stronger consumer balance sheets and resilient employment, point to a mild recession. CC&L believes, however, that sentiment surrounding corporate earnings remains too bullish, and has not begun to reflect the coming economic slowdown.

The Income Fund remains positioned in anticipation of a slowdown. Its bond and stock holdings remain positioned defensively, with some exposures trimmed when targets were met. CC&L has also made tactical adjustments in response to sharp moves that appeared inconsistent with fundamentals. Following a significant inversion in the yield curve, the portfolio's yield curve positioning was restructured from a flattening bias to take advantage of relative opportunities across the curve. A shorter-than-normal duration position was traded tactically during the last quarter, and was neutralized at the end of the period after interest rates surged.

Steadyhand Global Equity Fund

Generally speaking, technology, consumer discretionary, media & entertainment, transportation, and real estate stocks were among the weakest performers on the global stage. Energy stocks were the lone bright spot in 2022, although insurance, utilities, and food products held up better than the broad market.

Eight new holdings were added to the Global Fund. Most of these occurred in the first half of the year when volatility was at its most extreme (Brookfield Asset Management, Michelin, FMC, Dolby Laboratories, Munich Re). Recent purchases include Royal DSM and Norwegian Cruise Line Holdings. DSM is a Dutch producer of food additives for nutrition and flavour, while Norwegian Cruise Line has a 10% market share in the cruise line industry and caters mainly to premium clients.

The latter half of the year was a busy time for some of our holdings. Brookfield, Danaher, Medtronic and Lennar all announced spin-offs. Sony purchased Zee, one of India's largest broadcasters. Uranium producer Cameco announced a partnership to purchase Westinghouse's nuclear plant servicing business. And regulators sued to block Microsoft from buying video game producer Activision Blizzard, and home security leader Assa Abloy from acquiring Spectrum Brands' hardware division.

Industrial goods and services companies comprise the largest part of the Fund (25%). Holdings are diverse and include Rational (German manufacturer of commercial ovens), Rentokil (British pest control

company), Kubota (Japanese maker of farm and construction equipment), Honeywell (U.S. maker of control panels, and electrical & wiring solutions), and RPM International (U.S. maker of specialty coatings, sealants, and building materials).

Steadyhand Equity Fund

Portfolio turnover in the Equity Fund was modest in 2022. Four new stocks were purchased, Zoetis, CNH Industrial, HDFC Bank, and CSL Limited. Zoetis is the world's largest producer of medicine and vaccinations for pets and livestock. Our portfolio adviser (Fiera) likes the business because pet ownership has increased steadily over the past several years, and the company is innovative in bringing new products to market. CNH Industrial makes agriculture and construction equipment. The company has been a steady grower, has a strong order book, and is well positioned to benefit from a shift towards precision agriculture (farming that uses more technological innovations). HDFC Bank is India's largest private sector bank and is among the largest in the world by market cap. HDFC has a good record of underwriting and an excellent growth outlook. Lastly, CSL is an Australian bio-pharmaceutical company with a focus on rare and serious diseases, and influenza vaccines.

Four stocks were sold: Verisign, Koninklijke Philips, Experian, and Zoetis. Fiera moved on from Verisign (internet infrastructure) and Philips (health technology) early in the year to pursue better opportunities. In the second half of 2022, Experian (data analytics and consumer credit reporting) was sold to fund the purchase of HDFC, and Zoetis was sold for a tax loss and replaced with CSL.

The Equity Fund held 24 stocks at the end of 2022, which is the same number it owned at the end of 2021. 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 also make up the largest portion of the Equity Fund, comprising 31% of its investments. This is a broad sector that includes a diverse range of businesses, ranging from a railway operator (CN Rail) to a specialty packaging company (CCL Industries) to an agricultural and construction equipment maker (CNH Industrial). Financial services companies also make up a significant portion (26%). These investments span well beyond traditional banking, however. They include CME Group (Chicago Mercantile Exchange), S&P Global (financial information and analytics), and Visa (credit cards and payments), along with TD Bank (Canada's premier retail bank), and HDFC Bank (India's largest private sector bank).

A notable feature of the Equity Fund is that it currently has no direct investments in the energy sector. Despite the industry's strong recent performance, our portfolio adviser feels there are better opportunities in other industries. Energy stocks make up 18% of the Canadian market, meaning the Fund will likely lag in an environment where oil & gas stocks are running strong.

Steadyhand Small-Cap Equity Fund

The Canadian small-cap market (S&P/TSX SmallCap Index) fell close to 10% this year while U.S. small-caps lost almost 15% in Canadian dollar terms (Russell 2000 Index). Most sectors of the market lost ground. The notable exception were energy stocks, which gained around 30% as a group. A myriad of factors weighed on stocks, including significantly higher interest rates, weak investor sentiment, trickle

down effects of the war in Ukraine, and the highest inflation in decades. This last factor drove up commodity prices, which was a big reason why the energy sector performed so well.

The Small-Cap Fund does not have a lot of exposure to energy stocks due to their inherent cyclicality (our two investments are MEG Energy and Parkland). If this sector, and commodity stocks overall, continue to see big gains, the Fund will be challenged to keep pace with the resource-heavy index. Our portfolio adviser, Galibier Capital, believes there are more attractive long-term investment opportunities in industries that have more stable fundamentals.

Turnover in the portfolio was slightly higher than last year, as the amplified volatility led to some buying opportunities. Five stocks were added to the Fund: Athabasca Oil, Hudbay Minerals, Enghouse Systems, Aritzia, and Generac Holdings. Athabasca Oil was purchased early in the year. It subsequently saw its stock price rise significantly, as we sold our position later in the year. Hudbay mines copper, an important component in EV batteries and electric motors, and has a strong outlook. Enghouse develops software solutions for remote work, including call centers. It's a profitable, well-run business that saw a steep drop in price, marking a nice opportunity to add it the portfolio. Aritzia was added to the portfolio early in the summer. The Vancouver-based fashion house has seen its profile increase with a successful expansion in the U.S. The purchase had an immediate impact on performance as the stock subsequently rose on strong earnings. Lastly, Generac (maker of generators and backup power solutions for households and businesses) was purchased late in the year. The company was over earning during the pandemic as sales of its generators skyrocketed and the market gave them a P/E above 40 times expected earnings as investors extrapolated this growth in perpetuity. The market finally realized Generac was overvalued and the stock fell 80%. Galibier believes this represented a great price point for a company that will return to secular growth in 2024 and beyond.

Four investments were sold in 2022: Athabasca Oil (addressed above), Points, Winpak, and Fluor. Points received a takeover offer from Plusgrade and we sold our shares. Winpak was sold after a rebound in the stock. While there is nothing inherently wrong with the company, Galibier feels there are better opportunities in faster-growing businesses, such as new holdings Aritzia and Enghouse. And Fluor was sold based on strong performance. Also of note, Waterloo Brewing received a takeover offer late in the year but Galibier is content to wait and see if any competing offers come in.

Industrial goods & services companies also make up the largest part of the Small-Cap Fund (47%). These are a diverse collection of businesses which include construction and manufacturing firms, heavy equipment & machinery makers and distributors, air cargo providers, and generator and home accessibility specialists, among others. The biggest holdings in the sector are Boyd Group Services, SNC-Lavalin, Generac Holdings, and Savaria.

Steadyhand Global Small-Cap Equity Fund

Trading activity was higher than normal in the Global Small-Cap Equity Fund, as the ongoing volatility led to some compelling investment opportunities in our portfolio adviser's view (TimesSquare Capital), and prompted a re-evaluation of several investments.

New additions to the portfolio in 2022 included Viscofan, Tate & Lyle (food & beverage ingredients), Internet Initiative Japan (internet service provider), and Casella Waste Systems (waste management). These are businesses that provide goods & services that we all need and use on a recurring basis, which is a common theme in the portfolio. Other notable additions include WNS (data analysis), Visteon

(automotive screens & in-vehicle experiences), and Exponent (engineering & scientific consulting), with the common thread being an eye towards the future. Swedish aerospace and radar specialist Saab was purchased based on a strong outlook, while building materials retailer Grafton Group and infrastructure & construction firm Downer Group were purchased and subsequently sold later in the year. And lastly, Patria Investments (alternative asset management) and Zenkoku Hosho (housing loans) are new investments in the financial services sector.

Several stocks were sold. TimesSquare re-evaluated its thesis and moved on from a handful of businesses that disappointed from an operating perspective. These included Orpea (nursing homes and home care services), Prosegur Compania de Seguridad (security services), Food & Life Companies (sushi restaurant chain), Nippon Shinyaku (pharmaceuticals), and Viaplay (streaming service). On the bright side, Zynga (mobile and online games) and HomeServe (home repairs and improvements) received takeover offers, after which we sold our positions. ITT (specialty aerospace components) and Kadokawa (media conglomerate) were also sold, in addition to Grafton Group and Downer.

The Global Small-Cap Fund does not have any direct investments in the oil & gas or mining sectors, as these companies tend to produce inconsistent earnings. Energy stocks saw a strong rebound in 2022. If this run continues, the Fund could struggle to keep pace. That said, our adviser believes there are much more compelling opportunities available in businesses with better long-term outlooks.

The Founders 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 37% of the portfolio (with overseas stocks comprising 19% and U.S. stocks 18%). Canadian equities made up 28% 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.

The Fund's cash weighting started 2022 at 15%, which is higher than normal. As a reminder, this was in lieu of a full bond weighting. The weighting was steadily brought down, deployed into both stocks and bonds as capital markets declined, and finished the year at 6%.

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 \$7,852,775 of its net assets as management fees and distributed \$2,474,265 in management fee reductions for the year ending December 31, 2022. 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, 2022, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 374,694 units, or 0.9% 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 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net Assets, beginning of period ^{1,3}	\$15.09	\$14.21	\$13.26	\$12.19	\$13.43
Increase (decrease) from operations:					
Total revenue	0.43	0.65	0.31	0.44	0.82
Total expenses (excluding distributions)	(0.12)	(0.14)	(0.12)	(0.12)	(0.13)
Realized gains for the period	0.01	0.13	0.09	0.19	-
Unrealized gains (losses) for the period	(1.74)	0.72	0.86	0.94	(1.33)
Total increase (decrease) from operations ¹	(1.42)	1.36	1.14	1.45	(0.64)
Distributions :					
From investment income (excluding dividends)	(0.14)	(0.14)	(0.14)	(0.14)	(0.14)
From dividends	-	-	-	-	-
From capital gains	(0.06)	(0.28)	(0.02)	(0.22)	(0.45)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.20)	(0.42)	(0.16)	(0.36)	(0.59)
Net Assets, end of period	\$13.39	\$15.09	\$14.21	\$13.26	\$12.19

Series A - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net asset value (000's) ⁴	\$58,599	\$635,579	\$537,471	\$496,034	\$430,049
Number of units outstanding ⁴	43,771,763	42,123,982	37,827,583	37,410,726	35,264,752
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	5.20%	6.46%	18.87%	17.61%	14.98%
Trading expense ratio ⁷	0.03%	0.08%	0.05%	0.02%	0.07%
Net asset value per unit	\$13.39	\$15.09	\$14.21	\$13.26	\$12.19

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.

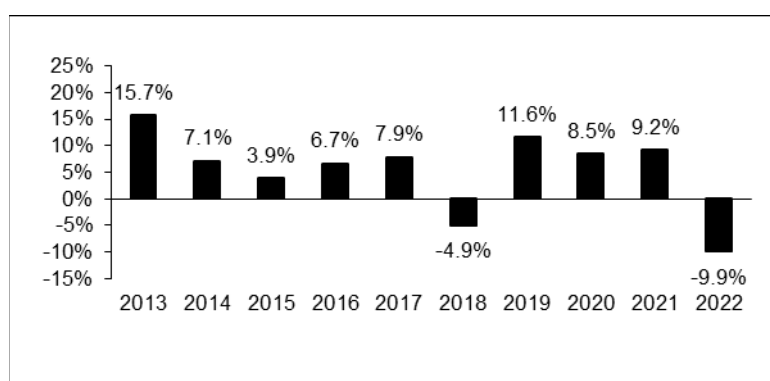
⁷The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

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, 2022, 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	10 YR	Since Inception
Steadyhand Founders Fund	-9.9%	2.2%	2.5%	5.3%	5.5%
FTSE Canada Universe Bond Index	-11.7%	-2.2%	0.3%	1.6%	1.8%
S&P/TSX Capped Composite Index	-5.8%	7.5%	6.8%	7.7%	7.3%
Morningstar Developed Markets Index	-12.4%	6.0%	7.3%	12.1%	11.7%

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, 2022

Portfolio Allocation	
	% of Net Assets
Pooled Investment funds	99.5%
Cash, Short-Term Notes & Other Assets	0.5%
Total	100.0%

Top 7 Holdings	
	% of Net Assets
Steadyhand Income Fund, Series O	38.2%
Steadyhand Global Equity Fund, Series O	22.1%
Steadyhand Equity Fund, Series O	21.7%
Steadyhand Global Small-Cap Equity Fund, Series O	6.7%
Steadyhand Small-Cap Equity Fund, Series O	6.6%
Steadyhand Savings Fund, Series O	4.3%
Cash & cash equivalents	0.6%

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, 2022



Steadyhand Builders Fund

Annual Management Report of Fund Performance (December 31, 2022)

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 declined 12.1% in 2022. Over the same period, the global stock market (Morningstar Developed Markets Index) fell 12.4% in Canadian dollar terms while the Canadian stock market (S&P/TSX Composite Index) dropped 5.8%.

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

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

Stock markets around the world experienced significant declines, with the U.S. market turning in its worst year since 2008 (down 18% in U.S. dollars). The portfolio performed slightly better than the broad global market but trailed Canada.

The Builders Fund's return was driven by negative performance in each of the underlying funds. The Global Equity Fund down 13.2%, Equity Fund down 11.8%, Global Small-Cap Equity Fund down 18.2%, and Small-Cap Equity Fund down 5.7%. The latter fund (Small-Cap Equity) was our best performing equity fund in 2022. The portfolio only has modest exposure to energy stocks (2% of assets), which was the top performing sector in 2022 (our exposure to oil & gas stocks is limited, as these businesses are capital intensive, highly cyclical, and tend to produce erratic profits). This positioning held back performance. We also have more measured exposure to technology stocks (11% of the Fund vs. 20% of the global market), which were some of the worst performing equities in aggregate, and this helped performance.

On a look-through basis, 67% of the Fund is invested in foreign stocks, 34% in Canadian stocks, and 3% in cash. The Steadyhand Global Equity Fund and Steadyhand Global Small-Cap Equity Fund have the most latitude to invest outside our borders. The Steadyhand Equity Fund and Steadyhand Small-Cap Equity Fund are both Canadian-centric in nature, but the advisers have the flexibility to invest a portion of the funds' assets in foreign companies.

There were some significant currency moves in 2022. The loonie declined 7% against the U.S. dollar, which boosted the returns of American stocks in Canadian dollar terms. Our dollar rose against the Yen (+7%) and British Pound (+5%), which exacerbated the declines of stocks in these regions, and it ended flat against the Euro (despite some large intra-year moves). As a whole, currency moves had only a modest impact on performance.

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

Steadyhand Global Equity Fund

The Global Equity Fund declined 13.2%, while the Morningstar Developed Markets Index fell 12.4%. Our technology holdings had a challenging year, specifically Adobe, Paypal, Qualcomm, and Nemetschek. Industrial and consumer cyclical holdings also struggled, including Nidec (electric motors), Rational (commercial ovens), and Lennar (homebuilder). Qualcomm, Dolby Laboratories, and Microsoft are examples of technology holdings whose fundamentals and market position remain strong and growing, yet their stock prices have languished. Likewise, investments in the consumer staples space including Procter & Gamble and Heineken were down on the year despite showing good pricing power and steady revenue growth. There were some bright spots of note. Japanese holding Pan Pacific International Holdings gained over 40% on the back of increased demand at its discount retail stores. TotalEnergies (oil & gas), Amgen (healthcare), and Munich Re (insurance) also turned in double-digit returns.

Steadyhand Equity Fund

The Equity Fund declined 11.8% in 2022, while the S&P/TSX Composite Index fell 5.8% and the Morningstar Developed Markets Index dropped 12.4% in Canadian dollar terms. The Fund underperformed the Canadian index due in part to its lighter exposure the energy sector (the best performing industry in 2022) and its non-benchmark oriented composition. It performed better than the global market as a result of its Canadian exposure. Our Canadian holdings gained in aggregate, despite the market declining — an impressive accomplishment considering we held no oil & gas companies, the best performing sector in the country (up over 50%). Most U.S. and European holdings, however, struggled against the backdrop of rising inflation, higher interest rates, and the war in Ukraine. Two of our foreign holdings were hit particularly hard, Sika and Keyence, both falling over 30%. After a long period of gains, Swiss cement manufacturer Sika reversed course in 2022 as investors are expecting the demand for construction services and cement to

fall in a likely recession. Keyence experienced a similar story. The company has been a fruitful long-term holding, but the market reacted harshly to a potential slowdown in manufacturing and the demand for its robotics products. Our commodity-related and consumer holdings did well. Franco-Nevada (gold), Nutrien (fertilizer), and Metro (grocery stores) were among the best performers.

Steadyhand Small-Cap Equity Fund

The Small-Cap Equity Fund declined 5.7% in 2022. Over the same period, the S&P/TSX SmallCap Index fell 9.3%. The fact that the Fund outpaced the small-cap market was notable given the portfolio has only modest exposure to energy stocks (8%). The sector rose roughly 30% and comprises a much larger portion of the index (20%). Our portfolio adviser, Galibier Capital, prefers to invest in more stable companies that have greater visibility in their earnings. The biggest detractors to performance included Park Lawn (funeral, cremation and cemetery provider), NFI Group (bus and motor coach manufacturer), Spin Master (maker of toys and games), and Sleep Country Canada (mattress and sleep accessories retailer). The common theme is that these were some of the fund's top performers in 2021 and they gave back some of their prior gains. Galibier continues to like the outlook for these businesses and purchased additional shares on price weakness. The one exception is NFI, which has struggled through the pandemic and has been acutely impacted by supply chain issues. The year's top performers represented a diverse array of businesses: MEG Energy (oil producer), Ag Growth International (fertilizer and grain storage and handling), Aritzia (women's fashion retailer), Hammond Power Solutions (dry-type transformers), and Fluor (engineering and construction). These companies grew their revenues and executed well in a tougher economic environment.

Steadyhand Global Small-Cap Equity Fund

The Global Small-Cap Equity Fund declined 18.2% in 2022, while the S&P Global SmallCap Index fell 12.6% in Canadian dollar terms. The Fund had a challenging year. Our European and U.K. investments were the main detractors to performance. Stocks in the region struggled, weighed down by higher energy and labour costs, and consumer belt tightening. Specifically, Kion Group (German forklift manufacturer), Viaplay (Nordic entertainment provider), and Future (British specialty content publisher) turned in poor results and saw sharp declines. Finnish companies Huhtamaki (food packaging and containers) and Valmet (automation systems for the pulp and paper industry) also disappointed on the earnings front. Our Japanese holdings were another area of weakness. The Yen depreciated considerably against the loonie (-7%), which exacerbated declines in Canadian dollar terms. On a positive note, many of our consumer staples and financial services holdings turned in solid results. Performance Food Group (food products distributor) and Viscofan (casings for meat products) reported good revenue growth and strong guidance. Insurance provider Renaissance Re exceeded expectations, and PJT Partners (investment banking advisory services) continued to shine against its peers. Italian FinTech company FincoBank and Australian insurance broker Steadfast Group also had a positive year.

The mix of the four underlying funds was held at their target weights (reference above) throughout 2022. The resulting geographic breakdown did not change materially. Foreign stocks made up 60-66% of the portfolio while Canadian stocks comprised 31-36%. The cash position ranged from 3-5%.

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

Recent Developments

Stock markets had a weak year worldwide. Investors grappled with higher interest rates, inflation levels not seen in decades, and the widespread impacts of the war in Ukraine. Technology stocks saw a sharp reversal and played a large role in driving the U.S. market down 18% (in local currency terms), its worst showing since 2008. Commodity stocks were the lone bright spot in 2022, and helped prop up the Canadian market. Still, the S&P/TSX Composite Index fell 6% as most other sectors were in the red. Technology, healthcare, and real estate stocks were hit especially hard.

It was a challenging year for investors. The heightened volatility prompted activity in the Builders Fund, and we walk through each of the underlying fund holdings below.

Steadyhand Global Equity Fund

Generally speaking, technology, consumer discretionary, media & entertainment, transportation, and real estate stocks were among the weakest performers on the global stage. Energy stocks were the lone bright spot in 2022, although insurance, utilities, and food products held up better than the broad market.

Eight new holdings were added to the Global Fund. Most of these occurred in the first half of the year when volatility was at its most extreme (Brookfield Asset Management, Michelin, FMC, Dolby Laboratories, Munich Re). Recent purchases include Royal DSM and Norwegian Cruise Line Holdings. DSM is a Dutch producer of food additives for nutrition and flavour, while Norwegian Cruise Line has a 10% market share in the cruise line industry and caters mainly to premium clients.

The latter half of the year was a busy time for some of our holdings. Brookfield, Danaher, Medtronic and Lennar all announced spin-offs. Sony purchased Zee, one of India's largest broadcasters. Uranium producer Cameco announced a partnership to purchase Westinghouse's nuclear plant servicing business. And regulators sued to block Microsoft from buying video game producer Activision Blizzard, and home security leader Assa Abloy from acquiring Spectrum Brands' hardware division.

Industrial goods and services companies comprise the largest part of the Fund (25%). Holdings are diverse and include Rational (German manufacturer of commercial ovens), Rentokil (British pest control company), Kubota (Japanese maker of farm and construction equipment), Honeywell (U.S. maker of control panels, and electrical & wiring solutions), and RPM International (U.S. maker of specialty coatings, sealants, and building materials).

Steadyhand Equity Fund

Portfolio turnover in the Equity Fund was modest in 2022. Four new stocks were purchased, Zoetis, CNH Industrial, HDFC Bank, and CSL Limited. Zoetis is the world's largest producer of medicine and vaccinations for pets and livestock. Our portfolio adviser (Fiera) likes the business because pet ownership has increased steadily over the past several years, and the company is innovative in bringing new products to market. CNH Industrial makes agriculture and construction equipment. The company has been a steady grower, has a strong order book, and is well positioned to benefit from a shift towards precision agriculture (farming that uses more technological innovations). HDFC Bank is India's largest private sector bank and is among the largest in the world by market cap. HDFC has a good record of underwriting and an excellent growth outlook. Lastly, CSL is an Australian bio-pharmaceutical company with a focus on rare and serious diseases, and influenza vaccines.

Four stocks were sold: Verisign, Koninklijke Philips, Experian, and Zoetis. Fiera moved on from Verisign (internet infrastructure) and Philips (health technology) early in the year to pursue better opportunities. In the second half of 2022, Experian (data analytics and consumer credit reporting) was sold to fund the purchase of HDFC, and Zoetis was sold for a tax loss and replaced with CSL.

The Equity Fund held 24 stocks at the end of 2022, which is the same number it owned at the end of 2021. 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 also make up the largest portion of the Equity Fund, comprising 31% of its investments. This is a broad sector that includes a diverse range of businesses, ranging from a railway operator (CN Rail) to a specialty packaging company (CCL Industries) to an agricultural and construction equipment maker (CNH Industrial). Financial services companies also make up a significant portion (26%). These investments span well beyond traditional banking, however. They include CME Group (Chicago Mercantile Exchange), S&P Global (financial information and analytics), and Visa (credit cards and payments), along with TD Bank (Canada's premier retail bank), and HDFC Bank (India's largest private sector bank).

A notable feature of the Equity Fund is that it currently has no direct investments in the energy sector. Despite the industry's strong recent performance, our portfolio adviser feels there are better opportunities in other industries. Energy stocks make up 18% of the Canadian market, meaning the Fund will likely lag in an environment where oil & gas stocks are running strong.

Steadyhand Small-Cap Equity Fund

The Canadian small-cap market (S&P/TSX SmallCap Index) fell close to 10% this year while U.S. small-caps lost almost 15% in Canadian dollar terms (Russell 2000 Index). Most sectors of the market lost ground. The notable exception were energy stocks, which gained around 30% as a group. A myriad of factors weighed on stocks, including significantly higher interest rates, weak investor sentiment, trickle down effects of the war in Ukraine, and the highest inflation in decades. This last factor drove up commodity prices, which was a big reason why the energy sector performed so well.

The Small-Cap Fund does not have a lot of exposure to energy stocks due to their inherent cyclicality (our two investments are MEG Energy and Parkland). If this sector, and commodity stocks overall, continue to see big gains, the Fund will be challenged to keep pace with the resource-heavy index. Our portfolio adviser, Galiber Capital, believes there are more attractive long-term investment opportunities in industries that have more stable fundamentals.

Turnover in the portfolio was slightly higher than last year, as the amplified volatility led to some buying opportunities. Five stocks were added to the Fund: Athabasca Oil, Hudbay Minerals, Enghouse Systems, Aritzia, and Generac Holdings. Athabasca Oil was purchased early in the year. It subsequently saw its stock price rise significantly, as we sold our position later in the year. Hudbay mines copper, an important component in EV batteries and electric motors, and has a strong outlook. Enghouse develops software solutions for remote work, including call centers. It's a profitable, well-run business that saw a steep drop in price, marking a nice opportunity to add it the portfolio. Aritzia was added to the portfolio early in the summer. The Vancouver-based fashion house has seen its profile increase with a successful expansion in

the U.S. The purchase had an immediate impact on performance as the stock subsequently rose on strong earnings. Lastly, Generac (maker of generators and backup power solutions for households and businesses) was purchased late in the year. The company was over earning during the pandemic as sales of its generators skyrocketed and the market gave them a P/E above 40 times expected earnings as investors extrapolated this growth in perpetuity. The market finally realized Generac was overvalued and the stock fell 80%. Galibier believes this represented a great price point for a company that will return to secular growth in 2024 and beyond.

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Industrial goods & services companies also make up the largest part of the Small-Cap Fund (47%). These are a diverse collection of businesses which include construction and manufacturing firms, heavy equipment & machinery makers and distributors, air cargo providers, and generator and home accessibility specialists, among others. The biggest holdings in the sector are Boyd Group Services, SNC-Lavalin, Generac Holdings, and Savaria.

Steadyhand Global Small-Cap Equity Fund

Trading activity was higher than normal in the Global Small-Cap Equity Fund, as the ongoing volatility led to some compelling investment opportunities in our portfolio adviser's view (TimesSquare Capital), and prompted a re-evaluation of several investments.

New additions to the portfolio in 2022 included Viscofan, Tate & Lyle (food & beverage ingredients), Internet Initiative Japan (internet service provider), and Casella Waste Systems (waste management). These are businesses that provide goods & services that we all need and use on a recurring basis, which is a common theme in the portfolio. Other notable additions include WNS (data analysis), Visteon (automotive screens & in-vehicle experiences), and Exponent (engineering & scientific consulting), with the common thread being an eye towards the future. Swedish aerospace and radar specialist Saab was purchased based on a strong outlook, while building materials retailer Grafton Group and infrastructure & construction firm Downer Group were purchased and subsequently sold later in the year. And lastly, Patria Investments (alternative asset management) and Zenkoku Hosho (housing loans) are new investments in the financial services sector.

Several stocks were sold. TimesSquare re-evaluated its thesis and moved on from a handful of businesses that disappointed from an operating perspective. These included Orpea (nursing homes and home care services), Prosegur Compania de Seguridad (security services), Food & Life Companies (sushi restaurant chain), Nippon Shinyaku (pharmaceuticals), and Viaplay (streaming service). On the bright side, Zynga (mobile and online games) and HomeServe (home repairs and improvements) received takeover offers, after which we sold our positions. ITT (specialty aerospace components) and Kadokawa (media conglomerate) were also sold, in addition to Grafton Group and Downer.

The Global Small-Cap Fund does not have any direct investments in the oil & gas or mining sectors, as these companies tend to produce inconsistent earnings. Energy stocks saw a strong rebound in 2022. If

this run continues, the Fund could struggle to keep pace. That said, our adviser believes there are more compelling opportunities available in businesses with better long-term outlooks.

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 \$2,390,100 of its net assets as management fees for the year ended December 31, 2022 and distributed \$673,629 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, 2022, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 261,908 Series A units, or 1.8% 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 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019
Net Assets, beginning of period ^{1,3}	\$12.50	\$11.36	\$10.65	\$10.00
Increase (decrease) from operations:				
Total revenue	0.44	0.88	0.19	0.51
Total expenses (excluding distributions)	(0.13)	(0.14)	(0.12)	(0.11)
Realized gains (losses) for the period	-	0.05	(0.01)	-
Unrealized gains (losses) for the period	(1.65)	0.90	1.08	0.65
Total increase (decrease) from operations ¹	(1.34)	\$1.69	\$1.14	\$1.05
Distributions :				
From investment income (excluding dividends)	-	-	-	(0.05)
From dividends	(0.02)	(0.02)	(0.03)	(0.07)
From capital gains	(0.21)	(0.50)	-	(0.09)
Return of capital	-	-	-	-
Total distributions for the period ²	(0.23)	(0.52)	(0.03)	(0.21)
Net Assets, end of period	\$10.75	\$12.50	\$11.36	\$10.65

Series A - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019
Net asset value (000's) ⁴	\$155,873	\$149,035	\$98,603	\$64,837
Number of units outstanding ⁴	14,494,938	11,921,894	8,678,942	6,087,160
Management expense ratio ⁵	1.63%	1.63%	1.63%	1.63%
Management expense ratio before waivers or absorptions	1.63%	1.63%	1.63%	1.64%
Portfolio turnover rate ⁶	0.63%	2.43%	2.97%	0.03%
Trading expense ratio ⁷	0.07%	0.14%	0.08%	0.02%
Net asset value per unit	\$10.75	\$12.50	\$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.

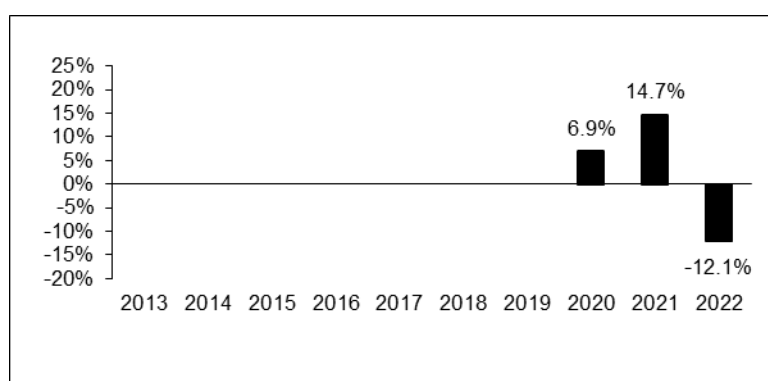
Past Performance

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, 2022, 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	-12.1%	2.5%	N/A	4.2%
Morningstar Developed Markets Index (\$Cdn)	-12.4%	6.0%	N/A	8.1%
S&P/TSX Composite Index	-5.8%	7.5%	N/A	8.9%

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, 2022

Portfolio Allocation

	% of Net Assets
Pooled Investment Funds	99.6%
Cash & Other Assets	0.4%
Total	100.0%

Top 5 Holdings

	% of Net Assets
Steadyhand Global Equity Fund, Series O	34.8%
Steadyhand Equity Fund, Series O	34.6%
Steadyhand Small-Cap Equity Fund, Series O	15.2%
Steadyhand Global Small-Cap Equity Fund, Series O	15.0%
Cash & cash equivalents	0.5%

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

Steadyhand

Management Report of Fund Performance

Steadyhand Equity Fund

December 31, 2022



Steadyhand Equity Fund

Annual Management Report of Fund Performance (December 31, 2022)

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 decreased to \$277.8 million as of December 31, 2022, from \$290.3 million at the end of 2021. This decrease of \$12.5 million was attributable to net sales of \$30.6 million less a decrease in net assets from operations of \$31.3 million over the reporting period and less distributions to unitholders of approximately \$11.8 million.

The Fund declined 11.8% in 2022. Over the same period, the S&P/TSX Composite Index fell 5.8%, while the Morningstar Developed Markets Index dropped 12.4% in Canadian dollar terms. The Fund underperformed the Canadian index due in part to its lighter exposure the energy sector (the best performing industry in 2022) and its non-benchmark oriented composition. It performed better than the global market as a result of its Canadian exposure.

Our Canadian holdings gained in aggregate, despite the market declining — an impressive accomplishment considering we held no oil & gas companies, the best performing sector in the country (up over 50%). Most U.S. and European holdings, however, struggled against the backdrop of rising inflation, higher interest rates, and the war in Ukraine.

Two of our foreign holdings were hit particularly hard, Sika and Keyence, both falling over 30%. After a long period of gains, Swiss cement manufacturer Sika reversed course in 2022 as investors are expecting the demand for construction services and cement to fall in a likely recession. Keyence experienced a similar story. The company has been a fruitful long-term holding, but the market reacted harshly to a potential slowdown in manufacturing and the demand for its robotics products.

Our commodity-related and consumer holdings did well. Franco-Nevada (gold), Nutrien (fertilizer), and Metro (grocery stores) were among the best performers.

While not owning any oil & gas producers hurt performance this year, the Fund's portfolio adviser, Fiera Capital, continues to believe there are better long-term opportunities elsewhere. They would, however, revisit certain stocks at the right price.

The loonie declined 7% against the U.S. dollar in 2022, which boosted the returns of American stocks (30% of the portfolio) in Canadian dollar terms. It gained against the Yen (+7%) and British Pound (+5%), dampening the returns of these stocks, and ended flat against the Euro.

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

Turnover in the portfolio was low in 2022. Four stocks were purchased, while four were sold (discussed in greater detail in the Recent Developments section).

The Fund's overall sector composition did not change materially in the year, although there were a few moves of note. Industrial goods & services companies increased from 29% to 31% of the Fund's equities and retailing stocks increased from 3% to 5%. Technology stocks, on the other hand, decreased from 13% to 8%.

The portfolio's geographic profile remained fairly stable over the reporting period. The weighting of Canadian stocks ranged from 51% of the portfolio's equities to 54% (their weighting at December 31st was 52%). The weighting of U.S. stocks ranged from 29% to 30%, while overseas stocks ranged from 16% to 20%.

The Fund's cash position finished the year where it started, at 3% of total assets.

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

Recent Developments

Stock markets had a weak year worldwide. Investors grappled with higher interest rates, inflation levels not seen in decades, and the widespread impacts of the war in Ukraine. Technology stocks saw a sharp reversal and played a large role in driving the U.S. market down 18% (in local currency terms), its worst showing since 2008. Commodity stocks were the lone bright spot in 2022, and helped prop up the Canadian market. Still, the S&P/TSX Composite Index fell 6% as most other sectors were in the red. Technology, healthcare, and real estate stocks were hit especially hard.

Currencies saw some dramatic moves in the year, with the U.S. dollar strengthening significantly and hitting a two-decade high against a basket of global currencies. As noted in the previous section, the

loonie declined 7% against the U.S. dollar, which boosted the returns of American stocks in Canadian dollar terms. Our dollar appreciated, however, against the Yen (+7%) and British Pound (+5%), dampening the returns of these stocks, and ended flat against the Euro. At the end of the year, the Fund held six U.S. stocks, two British, one European, one Japanese, one Australian, and one Indian equity.

Portfolio turnover was modest in 2022, as previously noted. Four new stocks were purchased, Zoetis, CNH Industrial, HDFC Bank, and CSL Limited. Zoetis is the world's largest producer of medicine and vaccinations for pets and livestock. Our portfolio adviser (Fiera) likes the business because pet ownership has increased steadily over the past several years, and the company is innovative in bringing new products to market. CNH Industrial makes agriculture and construction equipment. The company has been a steady grower, has a strong order book, and is well positioned to benefit from a shift towards precision agriculture (farming that uses more technological innovations). HDFC Bank is India's largest private sector bank and is among the largest in the world by market cap. HDFC has a good record of underwriting and an excellent growth outlook. Lastly, CSL is an Australian bio-pharmaceutical company with a focus on rare and serious diseases, and influenza vaccines.

Four stocks were sold: Verisign, Koninklijke Philips, Experian, and Zoetis. Fiera moved on from Verisign (internet infrastructure) and Philips (health technology) early in the year to pursue better opportunities. In the second half of 2022, Experian (data analytics and consumer credit reporting) was sold to fund the purchase of HDFC, and Zoetis was sold for a tax loss and replaced with CSL.

The Fund held 24 stocks at the end of 2022, which is the same number it owned at the end of 2021. 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 31% of its investments. This is a broad sector that includes a diverse range of businesses, ranging from a railway operator (CN Rail) to a specialty packaging company (CCL Industries) to an agricultural and construction equipment maker (CNH Industrial). Financial services companies also make up a significant portion (26%). These investments span well beyond traditional banking, however. They include CME Group (Chicago Mercantile Exchange), S&P Global (financial information and analytics), and Visa (credit cards and payments), along with TD Bank (Canada's premier retail bank), and HDFC Bank (India's largest private sector bank).

Our portfolio adviser continues to focus on companies with a global footprint, with a few exceptions (e.g., Telus, Metro, CN Rail). Businesses such as Microsoft, CNH Industrial, Sika, CSL Limited, Thomson Reuters, and Visa have a worldwide customer base and are not as susceptible to a shock or pullback in a particular region.

A notable feature of the Fund is that it currently has no direct investments in the energy sector, as previously noted. Despite the industry's strong recent performance, Fiera feels there are better opportunities in other industries. Energy stocks make up 18% of the Canadian market, meaning the Fund will likely lag in an environment where oil & gas stocks are running strong.

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, British Pound, Japanese Yen, Swiss Franc, and Australian dollar.

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, 2022, the Fund paid gross fees of \$1,443,690 to the Manager and distributed \$503,259 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, 2022, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 149,371 Series A units, or 3.3% 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 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net Assets, beginning of period ^{1,3}	\$25.23	\$21.93	\$19.27	\$16.72	\$17.73
Increase (decrease) from operations:					
Total revenue	0.40	0.31	0.31	0.38	0.37
Total expenses (excluding distributions)	(0.21)	(0.22)	(0.19)	(0.18)	(0.18)
Realized gains for the period	0.78	1.16	0.69	1.22	0.39
Unrealized gains (losses) for the period	(3.84)	2.68	1.93	1.61	(1.20)
Total increase (decrease) from operations ¹	(2.87)	3.93	2.74	3.03	(0.62)
Distributions :					
From investment income (excluding dividends)	-	-	-	(0.10)	(0.01)
Dividends	(0.04)	-	(0.11)	(0.16)	(0.10)
From capital gains	(0.65)	(0.54)	-	(0.02)	(0.21)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.69)	(0.54)	(0.11)	(0.28)	(0.32)
Net Assets, end of period	\$21.57	\$25.23	\$21.93	\$19.27	\$16.72

Series A - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net asset value (000's) ⁴	\$96,831	\$114,282	\$100,297	\$99,181	\$103,720
Number of units outstanding ⁴	4,488,282	4,529,828	4,572,919	5,147,441	6,205,195
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	19.04%	15.46%	27.52%	29.37%	20.88%
Trading expense ratio ⁷	0.02%	0.01%	0.03%	0.05%	0.03%
Net asset value per unit	\$21.57	\$25.23	\$21.93	\$19.27	\$16.72

Series O – Net Assets Per Unit	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net Assets, beginning of period ^{1,3}	\$26.34	\$22.83	\$19.95	\$17.24	\$18.22
Increase (decrease) from operations:					
Total revenue	0.42	0.32	0.32	0.40	0.38
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains for the period	0.80	1.22	0.72	1.26	0.34
Unrealized gains (losses) for the period	(3.76)	2.89	2.67	1.55	(1.16)
Total increase (decrease) from operations ¹	(2.54)	4.43	3.71	3.21	(0.44)
Distributions :					
From investment income (excluding dividends)	(0.05)	(0.01)	(0.01)	(0.19)	(0.03)
From dividends	(0.35)	(0.27)	(0.32)	(0.29)	(0.27)
From capital gains	(0.68)	(0.57)	-	(0.02)	(0.22)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(1.08)	(0.85)	(0.33)	(0.50)	(0.52)
Net Assets, end of period	\$22.49	\$26.34	\$22.83	\$19.95	\$17.24

Series O - Ratios and Supplemental Data	Dec. 31 2022	Dec 31 2021	Dec 31 2020	Dec. 31 2019	Dec. 31 2018
Net asset value (000's) ⁴	\$180,964	\$176,040	\$133,796	\$112,258	\$101,837
Number of units outstanding ⁴	8,045,690	6,683,425	5,861,781	5,625,804	5,905,735
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	-	-	-	0.01%
Portfolio turnover rate ⁶	19.04%	15.46%	27.52%	29.37%	20.88%
Trading expense ratio ⁷	0.02%	0.01%	0.03%	0.05%	0.03%
Net asset value per unit	\$22.49	\$26.34	\$22.83	\$19.95	\$17.24

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.

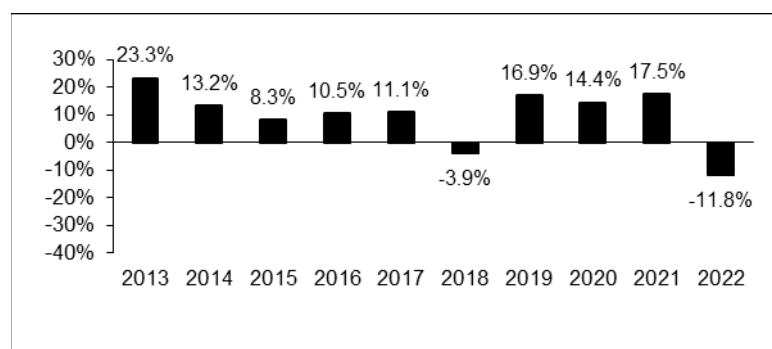
Past Performance

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.

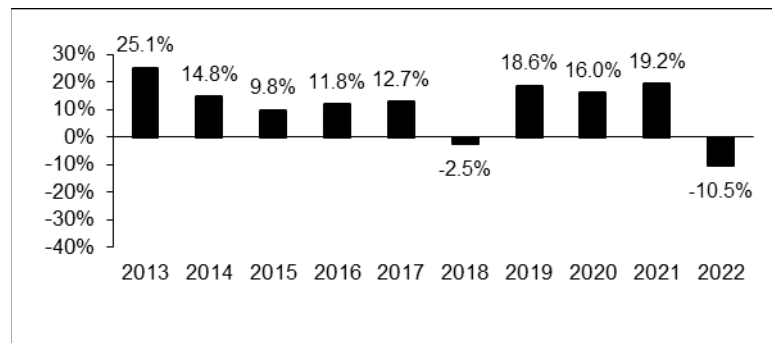
Year-by-Year Returns

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, 2022, 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	-11.8%	5.9%	5.9%	9.5%	6.6%
Steadyhand Equity Fund – O	-10.5%	7.4%	7.4%	11.0%	N/A
S&P/TSX Capped Composite Index	-5.8%	7.5%	6.8%	7.7%	5.6%
Morningstar Developed Markets Index	-12.4%	6.0%	7.3%	12.1%	7.8%

* 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, 2022

Portfolio Allocation

Equities	% of Net Assets
Industrial Goods & Services	30.3%
Financial Services	25.7%
Technology	7.8%
Basic Materials	9.7%
Healthcare	8.7%
Utilities	4.4%
Communications & Media	3.5%
Retailing	5.0%
Real Estate	2.1%
	<hr/> 97.2%
Cash, Short-term Notes & Other Assets	2.8%
Total	<hr/> 100.0% <hr/>

Top 25 Holdings	
	% of Net Assets
Franco-Nevada Corp.	7.0%
Visa Inc. Cl. A	5.9%
Danaher Corp.	5.7%
Canadian National Railway Co.	5.6%
The Toronto-Dominion Bank	5.3%
Metro Inc.	5.0%
Thomson Reuters Corp.	4.7%
Brookfield Renewable Partners LP	4.4%
Sika AG	4.4%
Keyence Corp.	4.2%
Aon PLC	3.9%
S&P Global Inc.	3.9%
CCL Industries Inc.	3.8%
Microsoft Corp.	3.6%
Toromont Industries Ltd.	3.6%
CME Group	3.6%
TELUS Corp.	3.5%
Ritchie Bros Auctioneers Inc.	3.3%
HDFC Bank Ltd	3.1%
CSL Ltd	3.0%
CNH Industrial NV	2.8%
Nutrien Ltd.	2.6%
Canadian Treasury Bill 4.175% 01/19/2023	2.2%
CAE Inc.	2.2%
CBRE Group 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 Global Equity Fund

December 31, 2022



Steadyhand Global Equity Fund

Annual Management Report of Fund Performance (December 31, 2022)

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 decreased by \$2.6 million to \$234.2 million as of December 31, 2022, from \$236.8 million at the end of 2021. This increase was attributable to net subscriptions of \$29 million, a \$27.5 million decrease in net assets from operations less \$4.1 million in unitholder distributions.

The Fund gained 13.1% in 2021, while the Morningstar Developed Markets Index rose 19.6%. Stocks had a solid year. The U.S. market (S&P 500 Index) was once again a leader, rising 28.2% (in Canadian dollars). Europe saw returns in the mid-teens, while Japan turned in a small gain. Emerging markets, on the other hand, lost modest ground.

Currency movements had a negative impact on foreign stock returns. The Canadian dollar was unchanged against the U.S. dollar but rose significantly against the Euro (8%) and Japanese Yen (12%). It also rose to a lesser extent against the British Pound. Our dollar's overall strength against other currencies dampened the returns of foreign stocks for Canadian investors.

In mid October, we announced Aristotle Capital Management as the new portfolio adviser of the Fund, taking over from Velanne Asset Management. The portfolio was fully transitioned by the end of the month.

Prior to the adviser change, the portfolio lagged the market, partly due to its lower exposure to resource stocks, which had a standout year. The Fund also held fewer technology companies, which were strong performers. Further, the Fund had less exposure to U.S. stocks, which were a key driver of the index's strong return.

In addition, a few stocks saw price declines of 15-20% before being sold, including Dairy Farm International, Grifols, and NCR. Dairy Farm is a Hong Kong-based retailer that suffered from weaker earnings attributable in part to COVID-driven shutdowns. Investors likewise soured on Grifols (manufacturer of pharmaceuticals and plasma-based products) due to slower earnings growth, while NCR (maker of point-of-sale terminals and ATMs) pulled back following a strong run.

On the positive side, two holdings were the subject of acquisition in the third quarter, Meggitt and Cerved Group. Meggitt, a British supplier of braking components for the aerospace industry, received a takeover offer from Parker Hannifin. The stock was up 60% in the quarter on the news. Cerved, an Italian provider of credit data, received a takeover offer in March, which was subsequently increased in August. We sold our shares following the increased bid.

BrightSphere Investment Group was also a bright spot for a similar reason, a sale of assets. The Boston-based asset manager completed the sale of three affiliates (including a forestry management company) in the latter half of the year, bringing in gross proceeds of over \$250 million. The stock rose significantly as BrightSphere has refocused its efforts on its core institutional investment management business.

Following the portfolio's transition in October (where every stock was sold with the exception of one, and 48 new stocks were purchased), a number of the new holdings had a strong finish to the year, notably Qualcomm, Microchip Technology, Lennar, and Procter & Gamble. Conversely, Pan Pacific International Holdings, Twitter, and PayPal Holdings weighed on performance.

At year-end, the Fund held 49 stocks, of which 21 are domiciled in the U.S., 11 in Europe, 9 in Japan, 3 in Asia Pacific, 3 in the U.K., and 2 in Canada. Companies range in size from mega-cap Microsoft to small-cap FirstCash Holdings.

There were some notable changes to the Fund's overall sector composition in the year as a result of the portfolio's transition following the change of adviser. Specifically, technology companies increased from 3% of the Fund's equities at the beginning of the year to 24% at December 31st, industrial goods & services stocks increased from 19% to 25%, and consumer cyclical companies increased from 5% to 12%. Conversely, the weight of financial services companies decreased from 22% to 11%, consumer products stocks from 9% to 5%, communications & media stocks from 8% to 3%, and oil & gas stocks from 6% to 2%.

From a geographic standpoint, there were also a few changes to note. American stocks remain the greatest area of exposure, comprising 50% of the Fund, up from 44% at the end of 2020. The weighting of European stocks decreased from 29% of the portfolio's equities at the beginning of the year to 21% at December 31, while U.K. stocks decreased from 13% to 5%. Japanese stocks increased from 7% to 14%, and Asia-Pacific stocks increased from 4% to 6%.

The Fund's cash position decreased from 5% at the beginning of the year to 2% at the end of December.

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

Recent Developments

2022 was a strong year for stocks, with healthy gains coming from most sectors. The U.S. market (S&P 500 Index) was once again a leader, rising 28.2% (in Canadian dollars), while the Canadian market (S&P/TSX Composite Index) wasn't far behind, gaining 25.1%. The energy sector was a top performer, with the price of oil rising more than 50%, while financial and real estate stocks also had a big recovery, and large technology companies had a strong year. Europe saw returns in the mid-teens, while Japan turned in a small gain. Emerging markets, on the other hand, lost modest ground.

Currency movements had a negative impact on foreign stock returns. As noted in the previous section, our dollar appreciated against the Euro, Japanese Yen, and British Pound (as well as most Asian currencies). The loonie was also up marginally against the U.S. dollar. All said, this served to dampen the returns of stocks in these regions for Canadian investors.

The biggest development in the Fund occurred in October, when we changed the portfolio adviser. Aristotle Capital Management took over portfolio adviser responsibilities, replacing Velanne Asset Management. Velanne had been managing the Fund since August 2018. The timing of the change was precipitated by Velanne's decision to wind down its business. A poor start to performance weighed on their growth. The environment for value stocks (Velanne's area of focus) has been especially difficult over the past few years. The challenges brought on by COVID-19 have also been arduous for the young firm, notably the inability to get out and meet potential clients.

Nonetheless, we are always prepared to change a portfolio adviser if circumstances require it. We continuously meet with and evaluate investment managers from which we develop a 'bench' for each fund. We were able to move quickly when we received the news from Velanne, narrowing down our list to a handful of firms and conducting extensive due diligence on each. From this process, we're confident that we've found a world-class money manager in Aristotle whose investment philosophy is closely aligned with ours.

Aristotle looks for high-quality companies in great and/or improving businesses, and assess their value utilizing a private equity approach (i.e., as if they were buying the entire business). They also seek to identify catalysts that fall outside the market's short-term focus, such as changes in leadership, divestitures/acquisitions, margin improvements and/or productivity gains.

While Aristotle places significant emphasis on a company's valuation, they do not invest solely in businesses traditionally defined as "value stocks" (i.e., those with low P/E multiples and low price-to-book value ratios). They are a style agnostic manager with investments in both fast-growing and more mature companies. This is a feature of the firm that sets it apart from Velanne, and an attribute we think will help lead to smoother, more attractive returns.

The portfolio transition was completed by the end of October and resulted in a near-complete turnover of stocks. Industrial goods & services companies now make up the largest component of the Fund's equities (25%). These investments are diverse in nature. They include Fanuc (leading supplier of automation for manufacturing), Kubota (maker of farm and construction equipment), and Rational (commercial ovens and steamers).

Technology companies also now comprise a significant weighting (24%), which is a notable shift in strategy from Velanne's approach. Chip makers have done extremely well, as increased demand paired with limited supply has led to rising stock prices. Our holdings include Microchip Technology, Samsung, and Qualcomm. Software producers account for the rest of our exposure, with investments including Microsoft, Adobe, Nemetschek, Dassault Systèmes, and PayPal Holdings.

Consumer companies have also seen their exposure increased and account for 17% of the portfolio, with “cyclicals” comprising the largest segment. Holdings include U.S. homebuilder Lennar, Japanese digital goods manufacturer Sony, and French luxury brand LVMH. The Fund also owns well-known beverage maker Coca-Cola, consumer goods company Procter & Gamble, and Dutch brewer Heineken as part of its consumer products holdings.

Financial services companies, on the other hand, now comprise a smaller component of the Fund (11% vs. 22% prior to the adviser change). Bank of America and DBS Group are the largest holdings in the sector. Likewise, exposure to oil & gas stocks has been reduced, with TotalEnergies (a French multinational producer and one of the “supermajors”) being our only holding.

In total, the Fund held 49 stocks at the end of 2022, five more than at the end of the previous year. Microsoft and Danaher are the two largest holdings, at 4.4% and 4.0%, respectively.

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, Japanese Yen, British Pound, South Korean Won. 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, 2022, the Fund paid the Manager \$929,770 of its net assets as management fees and distributed \$355,998 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, 2022, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 393,561 Series A units, or 6.0% 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 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net Assets, beginning of period ^{1,3}	\$ 8.83	\$8.36	\$8.53	\$7.84	\$10.52
Increase (decrease) from operations:					
Total revenue	0.13	0.12	0.13	0.21	0.31
Total expenses (excluding distributions)	(0.19)	(0.22)	(0.17)	(0.20)	(0.25)
Realized gains (losses) for the period	(0.07)	1.22	(0.48)	0.11	1.49
Unrealized gains (losses) for the period	(0.98)	0.04	0.32	0.84	(2.74)
Total increase (decrease) from operations ¹	(1.11)	1.16	(0.20)	0.96	(1.19)
Distributions :					
From investment income (excluding dividends)	(0.01)	-	(0.07)	(0.07)	(0.11)
From dividends	-	-	-	-	-
From capital gains	-	(0.61)	-	(0.11)	(1.33)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.01)	(0.61)	(0.07)	(0.18)	(1.44)
Net Assets, end of period	\$ 7.66	\$8.83	\$8.36	\$8.53	\$7.84

Series A - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net asset value (000's) ⁴	\$ 50,553	\$60,651	\$58,918	\$68,833	\$81,102
Number of units outstanding ⁴	6,602,323	6,865,089	7,050,543	8,074,139	10,349,575
Management expense ratio ⁵	1.78%	1.78%	1.78%	1.78%	1.78%
Management expense ratio before waivers or absorptions	1.78%	1.79%	1.78%	1.78%	1.78%
Portfolio turnover rate ⁶	17.33%	154.13%	39.90%	13.55%	134.79%
Trading expense ratio ⁷	0.04%	0.28%	0.07%	0.01%	0.22%
Net asset value per unit	\$ 7.66	\$8.83	\$8.36	\$8.53	\$7.84

Series O – Net Assets Per Unit	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net Assets, beginning of period ^{1,3}	\$ 9.31	\$8.76	\$8.88	\$8.13	\$10.90
Increase (decrease) from operations:					
Total revenue	0.14	0.13	0.14	0.22	0.32
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	(0.08)	1.28	(0.49)	0.11	1.51
Unrealized gains (losses) for the period	(0.98)	(0.07)	0.93	0.72	(3.06)
Total increase (decrease) from operations ¹	(0.92)	1.34	0.58	1.05	(1.23)
Distributions :					
From investment income (excluding dividends)	(0.15)	(0.12)	(0.17)	(0.19)	(0.25)
From dividends	(0.01)	(0.01)	-	-	-
From capital gains	-	(0.65)	-	(0.12)	(1.40)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(0.16)	(0.78)	(0.17)	(0.31)	(1.65)
Net Assets, end of period	\$ 8.06	\$9.31	\$8.76	\$8.88	\$8.13

Series O - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net asset value (000's) ⁴	\$ 183,679	\$176,165	\$161,825	\$133,296	\$99,923
Number of units outstanding ⁴	22,780,795	18,922,448	18,454,620	15,004,429	12,291,525
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	0.01%	-	-	0.01%
Portfolio turnover rate ⁶	17.33%	154.13%	39.90%	13.55%	134.79%
Trading expense ratio ⁷	0.04%	0.28%	0.07%	0.01%	0.22%
Net asset value per unit	\$ 8.06	\$9.31	\$8.76	\$8.88	\$8.13

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.

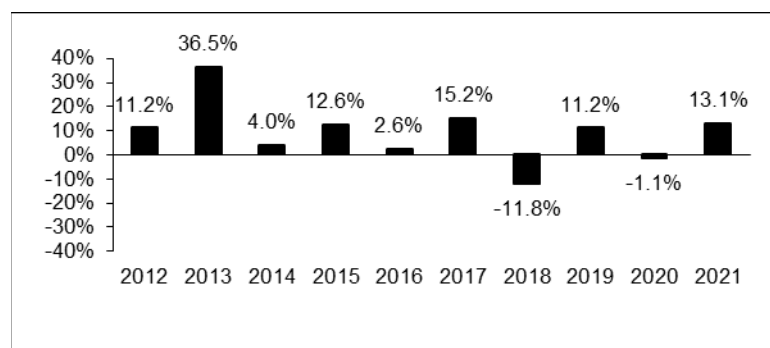
Past Performance

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.

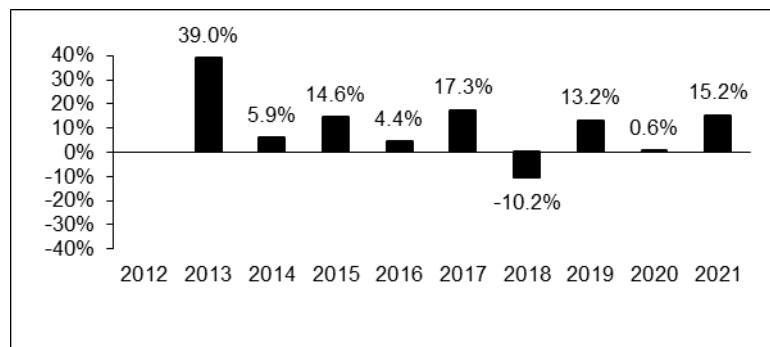
Year-by-Year Returns

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, 2022, and since the inception of the Fund, compared with the Morningstar Developed Markets Index (\$Cdn).

	1 YR	3 YR	5 YR	10 YR	Since Inception*
Steadyhand Global Equity Fund – A	13.1%	7.5%	4.8%	8.7%	N/A
Steadyhand Global Equity Fund – O	15.2%	9.5%	6.7%	N/A	10.0%
Morningstar Developed Markets Index	19.6%	18.0%	13.2%	15.1%	14.5%

* Series O units have a different inception date (February 17, 2012) and 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, 2022

Portfolio Allocation

Global Equities	% of Net Assets
Industrial Goods & Services	26.0%
Technology	17.7%
Consumer Cyclical	13.3%
Financial Services	13.8%
Healthcare	12.5%
Consumer Products	5.8%
Oil & Gas	3.2%
Basic Materials	2.1%
Communications & Media	2.0%
Retailing	1.4%
	<hr/> 97.8%
Cash, Short-term Notes & Other Assets	<hr/> 2.2%
Total	<hr/> <hr/> 100.0%

Top 25 Holdings

	% of Net Assets
Microsoft Corp.	3.7%
Lennar Corp.	3.5%
TotalEnergies SE	3.2%
Microchip Technology Inc.	3.1%
Danaher Corp.	2.9%
DBS Group Holdings Ltd.	2.7%
Martin Marietta Materials Inc.	2.7%
Muenchener Rueckversicherungs-Gesellschaft AG	2.6%
FMC Corp.	2.6%
Sony Group Corp.	2.6%
Samsung Electronics Co., Ltd.	2.5%
Amgen Inc.	2.5%
FirstCash Holdings Inc.	2.5%
AIA Group Ltd.	2.4%
Adobe Inc.	2.3%
Oshkosh Corp.	2.3%
Coca-Cola Co.	2.3%
Cash & cash equivalents	2.2%
LVMH Moet Hennessy Louis Vuitton SE	2.2%
RPM International Inc.	2.2%
Magna International Inc., NYSE	2.1%
Rentokil Initial PLC	2.1%
Cameco Corp.	2.1%
Alcon Inc.	2.0%
Cie Generale des Etablissements Michelin SCA	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 Small-Cap Equity Fund

December 31, 2022



Steadyhand Small-Cap Equity Fund

Annual Management Report of Fund Performance (December 31, 2022)

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, 2022, the Fund's net assets decreased to \$106.3 million, from \$113.7 million at the end of 2021. This decrease of \$7.4 million was attributable to net subscriptions of \$5.8 million, coupled with a decrease in net assets from operations of \$4.9 million and \$8.3 million paid in distributions to unitholders.

The Fund declined 5.7% in 2022. Over the same period, the S&P/TSX SmallCap Index fell 9.3%.

The fact that the Fund outpaced the small-cap market was notable given the portfolio has only modest exposure to energy stocks (8%). The sector rose roughly 30% and comprises a much larger portion of the index (20%). Our portfolio adviser, Galibier Capital, prefers to invest in more stable companies that have greater visibility in their earnings.

The biggest detractors to performance included Park Lawn (funeral, cremation and cemetery provider), NFI Group (bus and motor coach manufacturer), Spin Master (maker of toys and games), and Sleep Country Canada (mattress and sleep accessories retailer). The common theme is that these were some of the fund's top performers in 2021 and they gave back some of their prior gains. Galibier continues to like the outlook

for these businesses and purchased additional shares on price weakness. The one exception is NFI, which has struggled through the pandemic and has been acutely impacted by supply chain issues.

The year's top performers represented a diverse array of businesses: MEG Energy (oil producer), Ag Growth International (fertilizer and grain storage and handling), Aritzia (women's fashion retailer), Hammond Power Solutions (dry-type transformers), and Fluor (engineering and construction). These companies grew their revenues and executed well in a tougher economic environment.

Boyd Group Services was also a positive contributor to performance. After falling 30% in the first half of the year, the stock rallied by more than 50% in the second half. The company, which operates collision repair centers in North America has seen steady demand and has been successful in passing along higher supply and labour costs to insurers, which in turn are passing them to customers in the form of higher premiums.

The heightened volatility in 2022 led to some compelling opportunities in Galibier's view, and five stocks were purchased (discussed in further detail in the next section). Conversely, four investments were sold during the year.

The Fund has a unique composition, with key areas of investment being capital goods, food & beverages, 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 held four U.S. stocks during the course of the year: Fluor, Oshkosh Corp., Henry Schein, and Generac Holdings (Fluor was sold, while Generac was purchased). The Canadian dollar depreciated 7% against the U.S. dollar in 2022, which boosted the returns of these holdings in Canadian dollar terms.

There were some modest changes to the sector allocation of the portfolio in 2022. Most notably, consumer cyclical stocks decreased from 17% of the portfolio's equities at the beginning of the reporting period to 14% at year-end. Consumer products stocks also decreased, from 14% to 12%. Conversely, basic materials stocks increased from 5% to 7%. And both a technology and retailing stock were added to the Fund, bringing the sector weighting of each to 2% (from 0%). The weighting of other sectors was only modestly changed.

The Fund's geographic profile did not change much over the reporting period. Canadian stocks make up 86% of the Fund's equities (down from 88% at the end of last year) and U.S. stocks comprise 14% (up from 12%). At the end of the year, the Fund's cash position was 3%, as compared to 4% 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) fell close to 10% this year while U.S. small-caps lost almost 15% in Canadian dollar terms (Russell 2000 Index). Most sectors of the market lost ground. The notable exception were energy stocks, which gained around 30% as a group.

A myriad of factors weighed on stocks, including significantly higher interest rates, weak investor sentiment, trickle down effects of the war in Ukraine, and the highest inflation in decades. This last factor drove up commodity prices, which was a big reason why the energy sector performed so well.

The Fund does not have a lot of exposure to energy stocks due to their inherent cyclical nature (our two investments are MEG Energy and Parkland). If this sector, and commodity stocks overall, continue to see big gains, the Fund will be challenged to keep pace with the resource-heavy index. Our portfolio adviser, Galibier Capital, believes there are more attractive long-term investment opportunities in industries that have more stable fundamentals.

Turnover in the portfolio was slightly higher than last year, as the amplified volatility led to some buying opportunities. Five stocks were added to the Fund: Athabasca Oil, Hudbay Minerals, Enghouse Systems, Aritzia, and Generac Holdings. Athabasca Oil was purchased early in the year. It subsequently saw its stock price rise significantly, as we sold our position later in the year. Hudbay mines copper, an important component in EV batteries and electric motors, and has a strong outlook. Enghouse develops software solutions for remote work, including call centers. It's a profitable, well-run business that saw a steep drop in price, marking a nice opportunity to add it to the portfolio. Aritzia was added to the portfolio early in the summer. The Vancouver-based fashion house has seen its profile increase with a successful expansion in the U.S. The purchase had an immediate impact on performance as the stock subsequently rose on strong earnings. Lastly, Generac (maker of generators and backup power solutions for households and businesses) was purchased late in the year. The company was over earning during the pandemic as sales of its generators skyrocketed and the market gave them a P/E above 40 times expected earnings as investors extrapolated this growth in perpetuity. The market finally realized Generac was overvalued and the stock fell 80%. Galibier believes this represented a great price point for a company that will return to secular growth in 2024 and beyond.

Four investments were sold in 2022: Athabasca Oil (addressed above), Points, Winpak, and Fluor. Points received a takeover offer from Plusgrade and we sold our shares. Winpak was sold after a rebound in the stock. While there is nothing inherently wrong with the company, Galibier feels there are better opportunities in faster-growing businesses, such as new holdings Aritzia and Enghouse. And Fluor was sold based on strong performance. Also of note, Waterloo Brewing received a takeover offer late in the year but Galibier is content to wait and see if any competing offers come in.

Industrial goods & services companies continue to make up the largest part of the portfolio (47%). These are a diverse collection of businesses which include construction and manufacturing firms, heavy equipment & machinery makers and distributors, air cargo providers, and generator and home accessibility specialists, among others. The biggest holdings in the sector are Boyd Group Services, SNC-Lavalin, Generac Holdings, and Savaria.

The food & beverage sector remains an important area of investment. Holdings include food manufacturers Maple Leaf Foods and Premium Brands Holdings, and beverage company Waterloo Brewing. These companies generate strong revenues and sell products that have stable demand. Maple Leaf is also Canada's largest producer of Raised Without Antibiotics poultry, and is well positioned with its plant-based Lightlife brand, which is gaining momentum. These three stocks comprise 11% of the Fund.

U.S. companies comprised 12-14% 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 2022, the loonie fell 7% against the U.S. dollar, which in turn boosted the performance of the Fund's American holdings in Canadian dollar terms.

As is always the case in periods of macroeconomic stability or instability, Galibier keeps its focus on the microeconomics of the companies it owns and on the spread between intrinsic value and market price.

At year-end, the Fund held 26 stocks (one more than at the end of 2021), with most holdings comprising 3-6% of the portfolio. Spin Master was the largest position, at 5.4%. 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, 2022, the Fund paid gross fees of \$807,381 to the Manager and distributed \$296,599 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, 2022, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 120,429 Series A units, or 4.3% of the total Fund Series A units. The Steadyhand Founders and Steadyhand Builders Fund hold 100% of the total Fund Series O units and pay no management fees.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance since the date of inception. This information is derived from the Fund's audited annual financial statements.

Series A – Net Assets Per Unit	Dec 31 2022	Dec 31 2021	Dec 31 2020	Dec 31 2019	Dec 31 2018
Net Assets, beginning of period ^{1,3}	\$18.02	\$15.99	\$15.32	\$13.26	\$16.49
Increase (decrease) from operations:					
Total revenue	0.30	0.34	0.30	0.35	0.41
Total expenses (excluding distributions)	(0.41)	(0.43)	(0.32)	(0.33)	(0.39)
Realized gains (losses) for the period	1.07	1.27	(0.41)	0.38	0.71
Unrealized gains (losses) for the period	(1.89)	1.31	1.05	2.26	(3.12)
Total increase (decrease) from operations¹	(0.93)	2.49	0.62	2.66	(2.39)
Distributions :					
From investment income (excluding dividends)	-	-	-	-	-
From dividends	-	-	(0.08)	(0.11)	(0.09)
From capital gains	(1.13)	(0.29)	-	(0.37)	(0.73)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(1.13)	(0.29)	(0.08)	(0.48)	(0.82)
Net Assets, end of period	\$15.83	\$18.02	\$15.99	\$15.32	\$13.26

Series A - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net asset value (000's) ⁴	\$44,118	\$49,632	\$46,771	\$51,483	\$55,051
Number of units outstanding ⁴	2,786,456	2,755,028	2,924,832	3,360,823	4,152,921
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	28.02%	18.27%	32.20%	44.43%	39.56%
Trading expense ratio ⁷	0.08%	0.05%	0.11%	0.11%	0.12%
Net asset value per unit	\$15.83	\$18.02	\$15.99	\$15.32	\$13.26

Series O – Net Assets Per Unit	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net Assets, beginning of period ^{1,3}	\$19.04	\$16.90	\$16.07	\$13.85	\$17.19
Increase (decrease) from operations:					
Total revenue	0.32	0.36	0.32	0.53	0.44
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	1.13	1.35	(0.50)	0.64	0.69
Unrealized gains (losses) for the period	(2.17)	1.17	1.63	2.66	(3.62)
Total increase (decrease) from operations ¹	(0.72)	2.88	1.45	3.83	(2.49)
Distributions :					
From investment income (excluding dividends)	-	-	-	-	-
From dividends	(0.27)	(0.33)	(0.27)	(0.33)	(0.31)
From capital gains	(1.21)	(0.31)	-	(0.39)	(0.78)
Return of capital	-	-	-	-	-
Total distributions for the period ²	(1.48)	(0.64)	(0.27)	(0.72)	(1.09)
Net Assets, end of period	\$16.75	\$19.04	\$16.90	\$16.07	\$13.85

Series O - Ratios and Supplemental Data	Dec. 31 2022	Dec 31 2021	Dec. 31 2020	Dec. 31 2019	Dec. 31 2018
Net asset value (000's) ⁴	\$62,222	\$64,101	\$55,345	\$52,493	\$37,824
Number of units outstanding ⁴	3,713,650	3,366,799	3,275,173	3,265,552	2,731,433
Management expense ratio ⁵	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	0.01%	-	-	0.01%
Portfolio turnover rate ⁶	28.02%	18.27%	32.20%	44.43%	39.56%
Trading expense ratio ⁷	0.08%	0.05%	0.11%	0.11%	0.12%
Net asset value per unit	\$16.75	\$19.04	\$16.90	\$16.07	\$13.85

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.

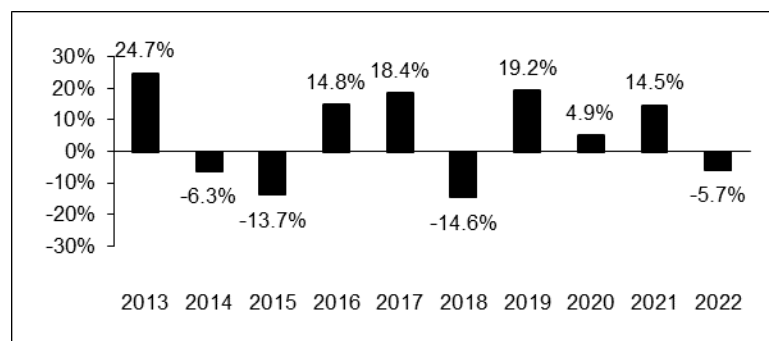
Past Performance

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.

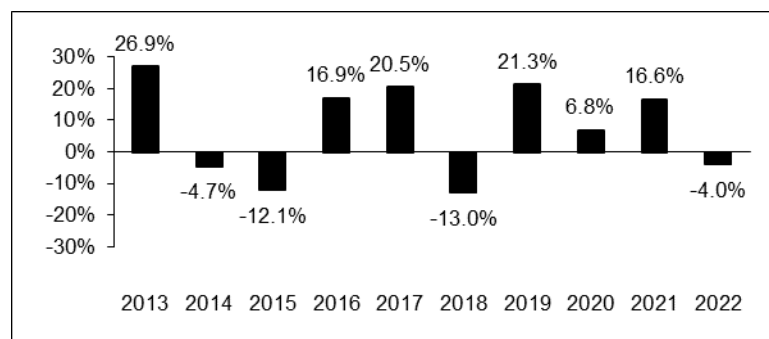
Year-by-Year Returns

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, 2022, 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	-5.7%	4.2%	2.9%	4.7%	6.1%
Steadyhand Small-Cap Equity Fund – O	-4.0%	6.1%	4.7%	6.6%	N/A
S&P/TSX SmallCap Index	-9.3%	7.2%	3.1%	4.2%	2.5%

* Series O units have a different inception date (February 17, 2012) and 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, 2022

Portfolio Allocation

	% of Net Assets
Equities	
Industrial Goods & Services	45.6%
Consumer Cyclical	13.7%
Consumer Products	11.3%
Oil & Gas	7.7%
Basic Materials	6.6%
Utilities	4.6%
Healthcare	4.2%
Retailing	2.2%
Technology	1.5%
	<u>97.4%</u>
Cash, Short-term Notes & Other Assets	<u>2.6%</u>
Total	<u>100.0%</u>

Top 25 Holdings	
	% of Net Assets
Spin Master Corp.	5.4%
Boyd Group Services Inc.	5.0%
SNC-Lavalin Group Inc.	5.0%
Oshkosh Corp.	4.9%
Generac Holdings Inc.	4.8%
Northland Power Inc.	4.6%
MEG Energy Corp.	4.5%
Maple Leaf Foods Inc.	4.3%
Savaria Corp.	4.3%
Sleep Country Canada Holdings Inc.	4.3%
Henry Schein Inc.	4.2%
Premium Brands Holdings Corp.	4.2%
AG Growth International Inc.	4.1%
Finning International Inc.	4.1%
Park Lawn Corp.	4.0%
Torex Gold Resources Inc.	3.7%
Diversified Royalty Corp.	3.7%
Parkland Corp.	3.2%
Hudbay Minerals Inc.	2.8%
Waterloo Brewing Ltd.	2.8%
Cargojet Inc.	2.6%
Cash & cash equivalents	2.6%
Badger Infrastructure Solutions Ltd.	2.6%
Hammond Power Solutions Inc.	2.5%
Aritzia Inc.	2.2%

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 Small-Cap Equity
Fund**

December 31, 2022



Steadyhand Global Small-Cap Equity Fund

Annual Management Report of Fund Performance (December 31, 2022)

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 decreased from \$75.4 million at December 31, 2021 to \$72.6 at December 31, 2022. This decrease of \$2.8 million was attributable to net subscriptions of \$11.4 million, a \$13 million decrease in net assets from operations less \$1.2 million in distributions.

The Fund declined 18.2% in 2022, while the S&P Global SmallCap Index fell 12.6% in Canadian dollar terms. The communication services, technology, and consumer discretionary sectors were notable areas of weakness, while energy stocks had a strong year.

The Fund had a challenging year. Our European and U.K. investments were the main detractors to performance. Stocks in the region struggled, weighed down by higher energy and labour costs, and consumer belt tightening. Specifically, Kion Group (German forklift manufacturer), Viaplay (Nordic entertainment provider), and Future (British specialty content publisher) turned in poor results and saw

sharp declines. Finnish companies Huhtamaki (food packaging and containers) and Valmet (automation systems for the pulp and paper industry) also disappointed on the earnings front.

Our Japanese holdings were another area of weakness. The Yen depreciated considerably against the loonie (-7%), which exacerbated declines in Canadian dollar terms. On the subject of currencies, there were some other notable moves in 2022. Our dollar declined 7% against the U.S. dollar, which boosted the returns of American stocks in Canadian dollar terms. It rose against the British Pound (+5%), which exacerbated the declines of stocks in the U.K., and it ended flat against the Euro (despite some large intra-year moves). As a whole, currency moves had only a modest impact on the Fund's performance.

On a positive note, many of our consumer staples and financial services holdings turned in solid results. Performance Food Group (food products distributor) and Viscofan (casings for meat products) reported good revenue growth and strong guidance. Insurance provider Renaissance Re exceeded expectations, and PJT Partners (investment banking advisory services) continued to shine against its peers. Italian FinTech company FinecoBank and Australian insurance broker Steadfast Group also had a positive year.

As well, Clean Harbors (environmental services) reported strong revenue growth in the second half of the year and raised its earnings guidance, Regal Rexnord (maker of electric motors) saw an improvement in its profit margins, and National Vision Holdings (optical retailer) saw an uptick in traffic to its stores.

Industrial goods & services companies comprise the largest portion of the portfolio (35%). The sector overall had a tough year. Our portfolio adviser, TimesSquare Capital Management, focuses on businesses that offer a product or service that has strong demand and can't be easily replicated. Saab (aerospace and defence), Clean Harbors, and EMCOR Group (mechanical and electrical construction services) are examples.

It was another active year for new purchases, with 12 stocks added to the Fund. Eleven stocks were also sold and are discussed in further detail in the Recent Developments section.

The Fund's overall sector composition did not change materially in the year, although there were a few changes of note. Industrial goods & services companies increased from 32% to 35% of the Fund's equities, financial services stocks increased from 20% to 26%, and consumer products from 5% to 12%. Consumer cyclical stocks, on the other hand, decreased from 17% to 9%, and healthcare stocks dropped from 12% to 8%.

At the end of the reporting period, the Fund held 45 companies around the globe (versus 44 at the end of 2021). Eighteen are based in the U.S., 12 in Europe, 7 in the U.K., 3 in Japan, 2 in Australia, 2 in Brazil, and 1 in India.

The Fund's cash position at the end of the year was 5%, which was an increase from its 3% position at the end of 2021.

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

Recent Developments

Stock markets had a weak year worldwide, with small-cap companies declining more than their larger peers. Investors grappled with higher interest rates, inflation levels not seen in decades, and the

widespread impacts of the war in Ukraine. Technology stocks saw a sharp reversal, as did media & entertainment, real estate, and consumer discretionary companies. Healthcare stocks also had a rough year, whereas their larger cap cousins held up better. The energy sector was a bright spot in 2022, gaining roughly 50%, and utilities and consumer staples held up better than the broad market.

Currencies saw some dramatic moves in the year, with the U.S. dollar strengthening significantly and hitting a two-decade high against a basket of global currencies. As noted in the previous section, the loonie declined 7% against the U.S. dollar, which boosted the returns of American stocks in Canadian dollar terms. Our dollar appreciated, however, against the Yen (+7%) and British Pound (+5%), dampening the returns of these stocks, and ended flat against the Euro.

Trading activity was higher than normal, as the ongoing volatility led to some compelling investment opportunities in TimesSquare's view, and prompted a re-evaluation of several investments.

New additions to the portfolio in 2022 included Viscofan, Tate & Lyle (food & beverage ingredients), Internet Initiative Japan (internet service provider), and Casella Waste Systems (waste management). These are businesses that provide goods & services that we all need and use on a recurring basis, which is a common theme in the portfolio. Other notable additions include WNS (data analysis), Visteon (automotive screens & in-vehicle experiences), and Exponent (engineering & scientific consulting), with the common thread being an eye towards the future. Swedish aerospace and radar specialist Saab was purchased based on a strong outlook, while building materials retailer Grafton Group and infrastructure & construction firm Downer Group were purchased and subsequently sold later in the year. And lastly, Patria Investments (alternative asset management) and Zenkoku Hosho (housing loans) are new investments in the financial services sector.

Several stocks were sold. TimesSquare re-evaluated its thesis and moved on from a handful of businesses that disappointed from an operating perspective. These included Orpea (nursing homes and home care services), Prosegur Compania de Seguridad (security services), Food & Life Companies (sushi restaurant chain), Nippon Shinyaku (pharmaceuticals), and Viaplay (streaming service). On the bright side, Zynga (mobile and online games) and HomeServe (home repairs and improvements) received takeover offers, after which we sold our positions. ITT (specialty aerospace components) and Kadokawa (media conglomerate) were also sold, in addition to Grafton Group and Downer.

The Fund does not have any direct investments in the oil & gas or mining sectors, as these companies tend to produce inconsistent earnings. Energy stocks saw a strong rebound in 2022. If this run continues, the Fund could struggle to keep pace. That said, our adviser believes there are much more compelling opportunities available in businesses with better long-term outlooks.

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, British Pound, Japanese Yen, and Australian dollar. The Fund also has investments denominated in Swedish Krona, Danish Krone, and Brazilian Real. If the Canadian dollar strengthens against these currencies, the Fund's returns will be dampened. Conversely, a depreciation of the loonie would boost returns.

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

Related Party Transactions

Management Fees

Steadyhand Investment Management Ltd. is the Manager of the Fund. The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The Fund relies on the positive recommendation or approval of the independent review committee to proceed with the transactions. The annualized net management fee for the units of the Fund is 1.78%. The Fund paid the Manager \$179,344 of its net assets as management fees for the year ended December 31, 2022 and distributed \$71,230 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, 2022, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 170,234 Series A units, or 17.4% 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 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019
Net Assets, beginning of period ^{1,3}	\$12.56	\$12.64	\$11.75	\$10.00
Increase (decrease) from operations:				
Total revenue	0.17	0.18	0.11	0.14
Total expenses (excluding distributions)	(0.34)	(0.49)	(0.34)	(0.43)
Realized gains (losses) for the period	(0.67)	1.46	0.12	0.30
Unrealized gains (losses) for the period	(1.34)	0.45	1.39	2.04
Total increase (decrease) from operations ¹	(2.18)	1.60	1.28	2.05
Distributions :				
From investment income (excluding dividends)	-	(0.23)	-	(0.03)
From dividends	-	-	-	-
From capital gains	-	(1.32)	-	(0.20)
Return of capital	-	-	-	-
Total distributions for the period ²	-	(1.55)	-	(0.23)
Net Assets, end of period	\$10.27	\$12.56	\$12.64	\$11.75

Series A - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019
Net asset value (000's) ⁴	\$10,047	\$11,618	\$8,456	\$6,142
Number of units outstanding ⁴	978,145	924,913	668,886	522,712
Management expense ratio ⁵	1.78%	1.78%	1.78%	1.78%
Management expense ratio before waivers or absorptions	1.80%	1.80%	1.80%	1.82%
Portfolio turnover rate ⁶	42.20%	62.62%	33.27%	32.20%
Trading expense ratio ⁷	0.17%	0.20%	0.07%	0.20%
Net asset value per unit	\$10.27	\$12.56	\$12.64	\$11.75

Series O – Net Assets Per Unit	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019
Net Assets, beginning of period ^{1,3}	\$12.83	\$12.92	\$11.87	\$10.00
Increase (decrease) from operations:				
Total revenue	0.18	0.18	0.11	0.14
Total expenses (excluding distributions)	-	-	-	-
Realized gains (losses) for the period	(0.70)	1.53	0.10	0.27
Unrealized gains (losses) for the period	(1.38)	0.14	1.99	1.60
Total increase (decrease) from operations ¹	(1.90)	1.85	2.20	2.01
Distributions :				
From investment income (excluding dividends)	(0.19)	(0.46)	(0.08)	(0.09)
From dividends	-	-	-	-
From capital gains	-	(1.37)	-	(0.20)
Return of capital	-	-	-	-
Total distributions for the period ²	(0.19)	(1.83)	(0.08)	(0.29)
Net Assets, end of period	\$10.49	\$12.83	\$12.92	\$11.87

Series O - Ratios and Supplemental Data	Dec. 31 2022	Dec. 31 2021	Dec. 31 2020	Dec. 31 2019
Net asset value (000's) ⁴	\$62,545	\$63,749	\$46,846	\$26,339
Number of units outstanding ⁴	5,961,263	4,966,868	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	42.20%	62.62%	33.27%	32.20%
Trading expense ratio ⁷	0.17%	0.20%	0.07%	0.20%
Net asset value per unit	\$10.49	\$12.83	\$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.

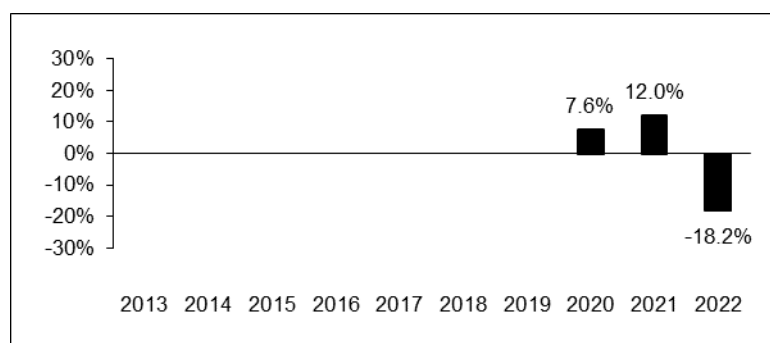
Past Performance

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.

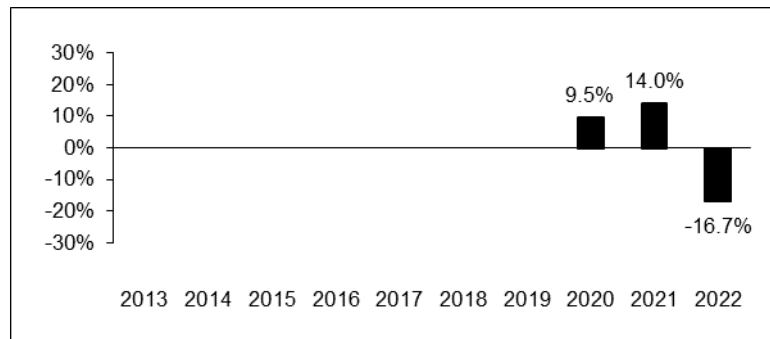
Year-by-Year Returns

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, 2022, 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	-18.2%	-0.5%	N/A	N/A	4.4%
Steadyhand Global Small-Cap Equity Fund – O	-16.7%	1.3%	N/A	N/A	6.2%
S&P/TSX Global SmallCap Index (\$Cdn)	-12.6%	4.2%	N/A	N/A	5.5%

* 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, 2022

Portfolio Allocation

Global Equities	% of Net Assets
Industrial Goods & Services	33.6%
Financial Services	24.5%
Consumer Products	11.7%
Consumer Cyclical	8.8%
Healthcare	7.2%
Technology	5.9%
Communications and Media	2.4%
Real Estate	1.4%
	<hr/> 95.5%
Cash, Short-term Notes & Other Assets	4.5%
Total	<hr/> 100.0%

Top 25 Holdings

	% of Net Assets
Cash & cash equivalents	4.8%
RenaissanceRe Holdings Ltd.	4.3%
Steadfast Group Ltd.	3.9%
Kobe Bussan Co., Ltd.	3.7%
Chemed Corp.	3.5%
Saab AB	3.4%
PJT Partners Inc.	3.4%
FinecoBank Banca Fineco SpA	3.3%
EMCOR Group Inc.	3.2%
IPH Ltd.	3.0%
Performance Food Group Co.	3.0%
Topdanmark A/S	2.9%
Viscofan SA	2.7%
Rotork PLC	2.6%
National Vision Holdings Inc.	2.5%
Huhtamaki OYJ	2.4%
Clean Harbors Inc.	2.4%
Tate & Lyle PLC	2.3%
Casella Waste Systems Inc.	2.3%
Spirent Communications PLC	2.3%
WNS Holdings Ltd.	2.2%
St James's Place PLC	2.1%
First Advantage Corp.	2.0%
Exponent Inc.	2.0%
Nordnet AB (publ)	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.