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**Steadyhand**

# Semi-Annual Management Report of Fund Performance

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**Steadyhand Savings Fund**

June 30, 2024



# Steadyhand Savings Fund

## Semi-annual Management Report of Fund Performance (June 30, 2024)

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual or audited annual financial statements of the investment fund. You can get a copy of the unaudited semi-annual or 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 3<sup>rd</sup> Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at [www.steadyhand.com](http://www.steadyhand.com) or SEDAR at [www.sedar.com](http://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 \$121.3 million as of June 30, 2024, from \$106.9 million at the end of 2023. This increase was attributable to net sales of \$14.4 million.

The Fund produced a return of 2.3% for the six months ended June 30, 2024. Over the same period, the Morningstar Canadian Dollar Overnight Cash Index rose 2.5%.

The Fund slightly lagged the index over the reporting period. It's important to note that its return is net of fees, whereas the return of the index does not include any costs or fees.

It was a solid period for money market investors, relative to the returns produced over the last several years. Our portfolio adviser, Connor, Clark & Lunn (CC&L), noted that during the first quarter of 2024 global economic divergences grew. In the U.S., economic data continued to show above-trend growth. Following two consecutive months of reaccelerating inflation, the narrative shifted away from the possibility of a recession and toward more of a "soft-landing" outcome – or even a return to a period of economic strength. These developments were in contrast to Canada, where inflation releases decelerated and data pointed to slowing economic growth. Bond yields were volatile, but generally rose as financial markets pushed out the

timing and magnitude of interest rate cuts. The Bank of Canada held its key short-term lending rate steady at 5.0% in the quarter.

During the second quarter, CC&L highlighted that economic releases pointed to a generally resilient pace of activity in the U.S. economy, although there was clear evidence of slowing momentum. Some economic data was weaker with downside surprises relative to market expectations. Importantly, reassuring inflation releases helped alleviate concern of a more sustained reacceleration in inflation. Economic releases in Canada highlighted broad disinflationary pressures, sluggish economic growth and softening employment figures. Central bank activity indicated a bias toward monetary easing, and the Bank of Canada became the first G7 central bank to lower its target interest rate this cycle, cutting it by 0.25% (to 4.75%) in June.

Despite the cut, short-term interest rates remain at attractive levels for savers. Indeed, the Fund had a pre-fee yield of 4.7% at the end of June.

Investments in T-Bills comprised 58% of the Fund at the end of the reporting period. This portion of the portfolio was invested primarily in provincial T-Bills throughout the period, rather than federal government T-Bills, as the former provided a modest yield advantage for the Fund.

On the credit front, the Fund maintained a healthy weighting in bank paper as well as corporate paper. These investments make up roughly 40% of the portfolio (as of June 30) and helped increase the Fund's yield.

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.

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

### **Recent Developments**

The Bank of Canada and U.S. Federal Reserve left their target policy interest rates unchanged during the first quarter, as was widely expected. The Fed's projections (released in March) indicated that it still projected three interest rate cuts in 2024, even as inflation surprised to the upside for two consecutive months and appeared to be reaccelerating. In contrast, the Bank of Canada did not mention that an easing in its monetary policy is on the horizon, with Governor Macklem noting ongoing concern about persistent inflationary pressures.

During the second quarter, CC&L noted that the most significant development for the Canadian market was the Bank of Canada lowering its overnight interest rate by 25 basis points (0.25%), to 4.75%, for the first time since the early days of the pandemic. The Bank cited progress in core inflation measures, as well as meagre Canadian economic growth, as the main reasons for the rate move. It noted in its press release that "monetary policy no longer needs to be as restrictive." Governor Macklem remarked that more interest rate cuts can be expected as long as inflation eases further, but confirmed the Bank would take a gradual and data-dependent approach to its rate-cutting measures. The Fed held its target interest rate steady at 5.25%-5.50% in the quarter. The Fed's projections, however, pointed to only one interest rate cut in 2024, which was a reduction from the three cuts suggested in the Fed's March projections.

Credit markets were resilient in the period despite the continued deluge of issuance, as demand for credit remained strong in response to attractive yields and strong fundamentals.

Treasury Bills (T-Bills) comprised over half the Fund throughout the reporting period. These investments were primarily in provincial T-Bills (42% of the Fund at the end of June), although the portfolio's holdings in

sovereign T-Bills was increased throughout the period, and these securities made up 17% of the portfolio at the end of June (up from 11% at the end of last year).

The Fund's investments in corporate notes included securities issues by banks and utilities. These investments helped boost the Fund's yield without exposing it to undue risk.

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 fee was increased to 0.45% on July 1, 2023. 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 six months ended June 30, 2024, the Fund paid gross fees of \$171,196 to the Manager and distributed \$57,120 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 June 30, 2024 Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 444,737 Series A units, or 5.5% 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 semi-annual unaudited and annual audited financial statements.

<b>Series A – Net Assets Per Unit</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>
<b>Increase from operations:</b>					
Total revenue	0.26	0.49	0.20	0.02	0.10
Total expenses (excluding distributions)	(0.02)	(0.03)	(0.02)	(0.01)	(0.02)
Realized gains for the period	-	-	-	-	-
Unrealized gains for the period	-	-	-	-	-
<b>Total increase from operations <sup>1</sup></b>	<b>0.24</b>	<b>0.46</b>	<b>0.18</b>	<b>0.01</b>	<b>0.08</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	(0.23)	(0.45)	(0.18)	-	(0.08)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>(0.23)</b>	<b>(0.45)</b>	<b>(0.18)</b>	<b>(0.01)</b>	<b>(0.08)</b>
<b>Net Assets, end of period</b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>

<b>Series A - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$80,541	\$70,707	\$46,893	\$43,844	\$46,488
Number of units outstanding <sup>4</sup>	8,054,129	7,070,697	4,689,326	4,384,455	4,648,810
Management expense ratio <sup>5</sup>	0.45%	0.34%	0.20%	0.20%	0.20%
Management expense ratio before waivers or absorptions	0.45%	0.34%	0.20%	0.20%	0.20%
Portfolio turnover rate <sup>6</sup>	-	-	-	-	76.45
Trading expense ratio <sup>7</sup>	-	-	-	-	-
Net asset value per unit	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

<b>Series O – Net Assets Per Unit</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>
<b>Increase from operations:</b>					
Total revenue	0.25	0.48	0.24	0.03	0.19
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains for the period	-	-	-	-	-
Unrealized gains for the period	-	-	-	-	-
<b>Total increase from operations <sup>1</sup></b>	<b>0.25</b>	<b>0.48</b>	<b>0.24</b>	<b>0.03</b>	<b>0.19</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	(0.25)	(0.47)	(0.19)	(0.03)	(0.09)
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>(0.25)</b>	<b>(0.47)</b>	<b>(0.19)</b>	<b>(0.03)</b>	<b>(0.09)</b>
<b>Net Assets, end of period</b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>

<b>Series O - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$40,712	\$36,196	\$25,348	\$591	\$590
Number of units outstanding <sup>4</sup>	4,071,197	3,619,559	2,534,841	59,123	58,973
Management expense ratio <sup>5</sup>	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	-	0.01%	0.52%	0.01%
Portfolio turnover rate <sup>6</sup>	-	-	-	-	76.45
Trading expense ratio <sup>7</sup>	-	-	-	-	-
Net asset value per unit	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

<sup>1</sup>Net 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.

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

<sup>3</sup>This information is derived from the Fund's unaudited semi-annual or audited annual financial statements as at June 30 or December 31 for the periods stated.

<sup>4</sup>The information is provided as at June 30 or December 31 of the period shown.

<sup>5</sup>Management 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.

<sup>6</sup>The 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.

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

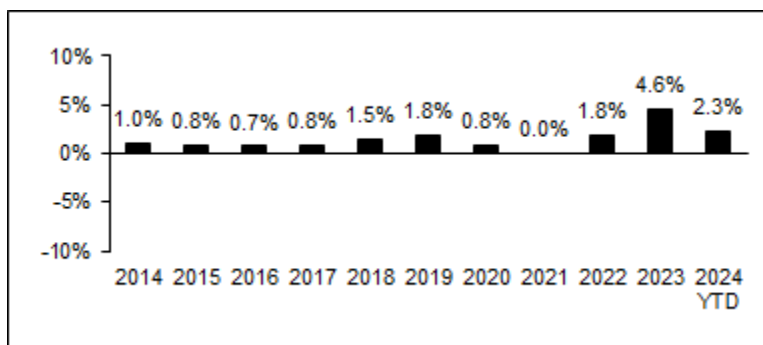
## Past Performance

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.

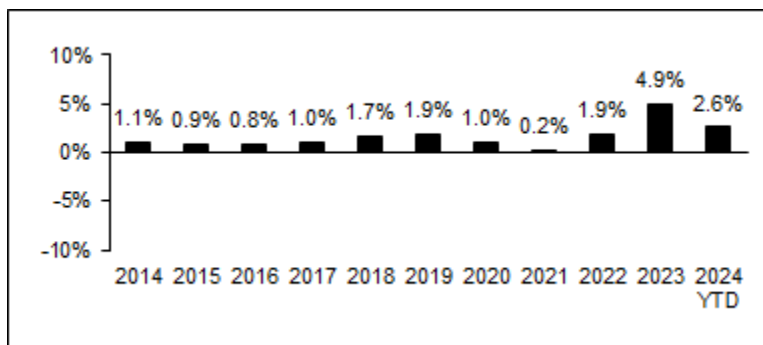
### Year-by-Year Returns

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.

**Summary of Investment Portfolio as at June 30, 2024****Portfolio Allocation**

	% of Net Assets
Government Treasury Bills	33.1%
Provincial Promissory Notes	24.8%
Bankers Acceptances	18.0%
Corporate Notes	9.4%
Bearer Deposit Notes	3.2%
	<hr/> 88.5%
Corporate Bonds	10.7%
Total Investments	<hr/> 99.2%
Cash, Short-term Notes & Other Assets	0.8%
<b>Total</b>	<hr/> <b>100.0%</b> <hr/>



**Top 25 Holdings**

	<b>% of Net Assets</b>
Government of Canada TBill 4.652% 26 Sep 2024	7.0%
Province of British Columbia P/N 4.817% 15 Nov 2024	4.5%
Province of Alberta TBill 4.894% 01 Oct 2024	4.3%
Province of Ontario TBill 4.603% 04 Dec 2024	4.1%
Toronto-Dominion Bank Bond 3.224% 25 Jul 2029	4.1%
Bank of Nova Scotia B/A 5.022% 31 Jul 2024	3.9%
Province of British Columbia P/N 4.891% 18 Jul 2024	3.9%
Government of Canada TBill 4.784% 21 Nov 2024	3.7%
Bank of Montreal B/A 4.921% 25 Sep 2024	3.6%
Province of Prince Edward Island P/N 4.680% 10 Sep 2024	3.6%
Province of Alberta P/N 4.891% 16 Sep 2024	3.6%
Government of Canada TBill 4.715% 30 Jan 2025	3.4%
National Bank of Canada BDN 4.710% 20 Dec 2024	3.2%
Bank of Montreal B/A 4.949% 26 Jul 2024	3.0%
National Bank of Canada B/A 4.737% 26 Jul 2024	2.9%
Province of Alberta P/N 4.810% 06 Nov 2024	2.7%
Province of Quebec TBill 4.893% 12 Jul 2024	2.5%
Royal Bank of Canada Bond 2.740% 25 Jul 2029	2.5%
Bank of Nova Scotia Bond 2.490% 23 Sep 2024	2.5%
Toronto-Dominion Bank B/A 4.713% 26 Sep 2024	2.4%
Safe Trust C/P 4.883% 27 Sep 2024	2.4%
Province of Quebec TBill 4.772% 24 Jan 2025	2.4%
Government of Canada TBill 4.714% 18 Jul 2024	2.4%
Canadian Imperial Bank of Commerce B/A 5.060% 27 Mar 2025	2.1%
Honda Canada Finance Inc. C/P 4.778% 01 Aug 2024	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.

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**Steadyhand**

# Semi-Annual Management Report of Fund Performance

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**Steadyhand Income Fund**

June 30, 2024



# Steadyhand Income Fund

## Semi-annual Management Report of Fund Performance (June 30, 2024)

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

## Management Discussion of Fund Performance

### Investment Objective and Strategies

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

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

### Risks

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

### Results of Operations

Over the year, the Fund's net assets increased to \$360.1 million as of June 30, 2024, from \$349.9 million at the end of 2023. This increase of \$10.2 million was attributable to net subscriptions of \$11.4 million, an increase in net assets from operations of \$3.3 million less \$4.5 million in distributions to unitholders.

The Fund (Series A) rose 0.5% over the first half of the year. Over the same period, the Morningstar Canada Core Bond Index declined 0.4%, while the Morningstar Canada Index rose 6.3%.

Economic releases in the period pointed to a generally resilient pace of activity in the U.S. economy, although there was clear evidence of slowing momentum. Some economic data was weaker with downside surprises relative to market expectations. Importantly, reassuring inflation releases helped alleviate concern of a more sustained reacceleration in inflation. Economic releases in Canada highlighted broad disinflationary pressures, sluggish economic growth and softening employment figures. Central bank activity indicated a bias toward monetary easing.

In the first quarter, the bond component of the portfolio (75%) declined as yields rose (bond prices fall when yields rise) and investors adjusted their expectations to reflect a slower pace of interest rate cuts by central banks. Nonetheless, the fund's fixed income investments held up better than the broader market. The portfolio's structure had a tilt toward shorter-term bonds which helped performance. The month of March marked the longest period in which the yield curve has been inverted (where short-term rates are higher than long-term rates). The equity portion of the Fund (25%) performed well in the first quarter, although the real estate sector was an area of weakness. Our focus is on companies with strong balance sheets, resilient earnings, and a history of dividend growth, such as the banks (RBC, BMO, CIBC), rail companies (CN, CPKC) and industrials (Thomson Reuters, WSP Global). Real estate investments are focused primarily on residential REITs (Canadian Apartment Properties, Boardwalk, Crombie).

In the second quarter, the bond component provided a positive return and benefited from opportunistic positioning across the credit curve. Our provincial, corporate, and high yield bonds all contributed to performance, with the latter seeing the strongest gains year-to-date. The Bank of Canada lowered its key lending rate by 0.25% (to 4.75%) in June, making it the first G7 country to cut rates this cycle. This led to less of an inversion in the yield curve (where short-term rates are higher than long-term rates). The Fund benefited from the move as a result of its shorter duration and yield curve positioning, which favoured a transition toward normalization. Corporate bonds held in well despite the continued flow of new issuance, as demand for credit remained strong given attractive yields and solid fundamentals. Our portfolio adviser, Connor, Clark & Lunn (CC&L) trimmed some bank and telecom bonds and added to power generators, as electricity usage is seeing strong structural demand. The equity portion of the Fund detracted from performance in the second quarter. The real estate sector was a particular area of weakness. We reduced our exposure to banks (Bank of Nova Scotia was sold), as a slowing economy suggests rising delinquencies. Conversely, we added to energy producers as more companies in the sector are using free cash flow to pay down debt, increase dividends, and buy back stock, which CC&L likes to see.

Overall, fixed income investments comprised 76% of the Fund at the end of June, which was slightly lower than their weighting at the beginning of the year (77%).

The Fund's stock component started the year at 23% of assets. The weighting grew modestly during the period and finished June at 24%.

The overall asset mix of the Fund did not change materially during the reporting period. There were some changes to the composition of the bond component, however. Sovereign bonds were increased, while the weighting in bank paper was reduced.

The Fund's pre-fee yield at the end of June was 4.2%, which was an increase from its yield of 4.0% at the end of 2023.

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

### **Recent Developments**

Our portfolio adviser (CC&L) highlighted that the most significant development for the Canadian fixed income market during the period was the Bank of Canada lowering its key interest rate by 25 basis points (0.25%), to 4.75%, for the first time since the early days of the pandemic. The Bank cited progress in core inflation measures, as well as meagre economic growth, as the main reasons for the rate cut. The central bank's press release also noted that "monetary policy no longer needs to be as restrictive." Governor Tiff Macklem remarked that more interest rate cuts can be expected as long as inflation eases further, but confirmed the Bank would take a gradual and data-dependent approach to its rate-cutting measures. The Fund's bond holdings stand to benefit from any further declines in rates (when yields fall, prices rise).

The U.S. Federal Reserve held its target interest rate steady at 5.25%-5.50%. The Fed's projections, however, pointed to only one interest rate cut in 2024, which was a reduction from the three cuts shown in the Fed's March projections.

CC&L expects the Fed to lower its target interest rate later in 2024 in response to slowing economic data. The path forward will depend on the degree to which loosening financial conditions feeds through to the economy and helps to stabilize activity. Alternatively, if easing financial conditions do not provide sufficient support, further softening in the labour market could lead to a more durable economic slowdown. CC&L expects a recession to take hold in Canada in 2024. While they currently expect such a recession to be mild, its magnitude will largely depend on the U.S. economic backdrop.

Our advisor believes ongoing macroeconomic uncertainty and potentially wide-ranging outcomes warrant portfolio risk exposures to remain relatively low. The portfolio's duration ended the period flat relative to the benchmark. That said, CC&L has a bias toward adding a longer duration position should yields backup more meaningfully, as they believe the market is under-appreciating the likelihood of a more durable slowdown in the U.S. The portfolio continues to hold a yield curve steepening bias that should benefit from a move toward normalization in the yield curve. This position remains versatile, and we expect it to add value in various scenarios.

In terms of sector allocation, the Fund has a modestly lower-than-normal weight in corporate bonds, while having a slight tilt in favour of provincial credit. The net result is a modestly lower overall position in credit. This reflects a less-constructive view on credit, as a potential recession in Canada approaches, while also considering the relative valuations of both corporate and provincial bonds. In terms of security selection, we continue to focus on industry-specific themes. Exposure to telecommunications companies was trimmed during the second quarter, as CC&L believes regulatory uncertainty presents a risk to larger companies within the industry. The portfolio's exposure to energy companies increased, as many of these companies have deleveraged, which has significantly reduced their financial risk (even if crude oil prices decline).

Turning to the Fund's equity holdings, while the macroeconomic outlook is somewhat opaque, CC&L does have conviction about the types of stocks that typically do well in this type of market environment. CC&L continues to own and look for opportunities to add quality growth companies. Specifically, we want to hold companies with the ability to generate strong free cash flow over a market cycle, particularly when economic growth is slowing. We also want companies that can deliver earnings growth better than the market. During the second quarter, we added to several defensive industrial companies, as they exhibit the characteristics we seek. Incremental earnings growth can be driven by secular opportunities (e.g., protectionism policies and onshoring tend to benefit engineering & construction companies), and by recession-proof businesses like Boyd Group, RB Global and Element Fleet. If the risk of a global recession increases, CC&L will likely shift into more defensive sectors, including utilities and communication services.

The Fund paid distributions totaling \$0.14/unit over the first half of the year (\$0.07/unit at the end of March and \$0.07/unit at the end of June).

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 \$385,645 of its net assets as management fees and distributed \$128,669 in management fee reductions for the six months ended June 30, 2024. 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 June 30, 2024, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 230,389 Series A units, or 3.2% 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 unaudited semi-annual and audited annual financial statements.

<b>Series A – Net Assets Per Unit</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$10.29</b>	<b>\$10.03</b>	<b>\$11.44</b>	<b>\$11.26</b>	<b>\$10.94</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.19	0.38	0.31	0.29	0.31
Total expenses (excluding distributions)	(0.04)	(0.12)	(0.11)	(0.12)	(0.15)
Realized gains (losses) for the period	0.05	(0.01)	(0.53)	0.11	0.20
Unrealized gains (losses) for the period	(0.14)	0.37	(0.78)	0.20	0.39
<b>Total increase (decrease) from operations <sup>1</sup></b>	<b>0.06</b>	<b>0.62</b>	<b>(1.11)</b>	<b>0.48</b>	<b>0.75</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	(0.14)	(0.31)	(0.25)	(0.21)	(0.23)
From dividends	-	(0.03)	(0.03)	(0.02)	(0.05)
From capital gains	-	-	-	(0.04)	(0.18)
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>(0.14)</b>	<b>(0.34)</b>	<b>(0.28)</b>	<b>(0.27)</b>	<b>(0.46)</b>
<b>Net Assets, end of period</b>	<b>\$10.20</b>	<b>\$10.29</b>	<b>\$10.03</b>	<b>\$11.44</b>	<b>\$11.26</b>
<b>Series A - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$73,123	\$75,548	\$76,917	\$89,845	\$87,454
Number of units outstanding <sup>4</sup>	7,166,432	7,339,598	7,665,518	7,855,873	7,769,803
Management expense ratio <sup>5</sup>	1.04%	1.04%	1.04%	1.04%	1.04%
Management expense ratio before waivers or absorptions	1.04%	1.05%	1.05%	1.04%	1.05%
Portfolio turnover rate <sup>6</sup>	99.23%	233.57%	247.25%	167.02%	151.66%
Trading expense ratio <sup>7</sup>	0.03%	0.02%	0.02%	0.01%	0.02%
Net asset value per unit	\$10.20	\$10.29	\$10.03	\$11.44	\$11.26

<b>Series O – Net Assets Per Unit</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$11.48</b>	<b>\$11.06</b>	<b>\$12.48</b>	<b>\$12.20</b>	<b>\$11.75</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.22	0.41	0.34	0.31	0.35
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	0.06	(0.01)	(0.58)	0.11	0.23
Unrealized gains (losses) for the period	(0.16)	0.38	(0.83)	0.24	0.31
<b>Total increase (decrease) from operations</b>	<b>0.12</b>	<b>0.78</b>	<b>(1.07)</b>	<b>0.66</b>	<b>0.89</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	(0.14)	(0.33)	(0.27)	(0.26)	(0.25)
From dividends	-	(0.04)	(0.04)	(0.04)	(0.06)
From capital gains	-	-	-	(0.04)	(0.20)
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>(0.14)</b>	<b>(0.37)</b>	<b>(0.31)</b>	<b>(0.34)</b>	<b>(0.51)</b>
<b>Net Assets, end of period</b>	<b>\$11.45</b>	<b>\$11.48</b>	<b>\$11.06</b>	<b>\$12.48</b>	<b>\$12.20</b>

<b>Series O - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$286,985	\$274,392	\$223,728	\$214,833	\$172,538
Number of units outstanding <sup>4</sup>	25,060,612	23,911,749	20,220,329	17,212,470	14,137,498
Management expense ratio <sup>5</sup>	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	0.01%	0.01%	0.01%	-
Portfolio turnover rate <sup>6</sup>	99.23%	233.57%	247.25%	167.02%	151.66%
Trading expense ratio <sup>7</sup>	0.03%	0.02%	0.02%	0.01%	0.02%
Net asset value per unit	\$11.45	\$11.48	\$11.06	\$12.48	\$12.20

<sup>1</sup>Net 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.

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

<sup>3</sup>This information is derived from the Fund's unaudited semi-annual or audited annual financial statements as at June 30 or December 31 for the period.

<sup>4</sup>The information is provided as at June 30 or December 31 of the period shown.

<sup>5</sup>Management 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.

<sup>6</sup>The 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.

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



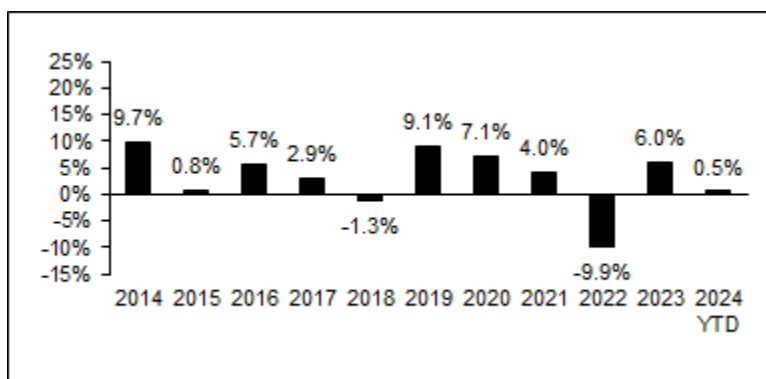
## Past Performance

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.

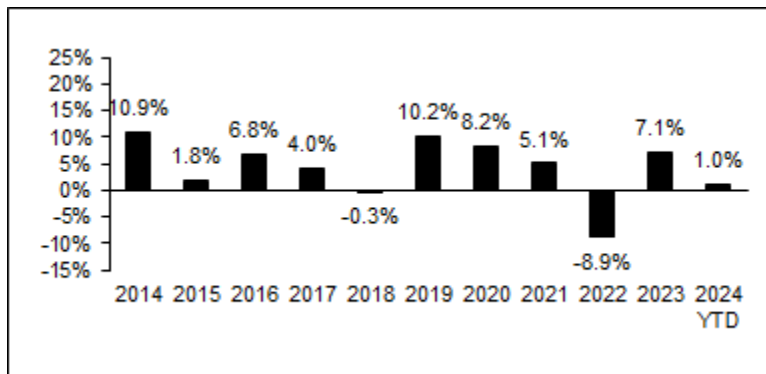
### Year-by-Year Returns

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.

## Summary of Investment Portfolio as at June 30, 2024

### Portfolio Allocation

	% of Net Assets
<b>Bonds</b>	
Provincial Bonds	27.4%
Corporate Bonds	26.3%
Federal Bonds	8.6%
Municipal Bonds	3.8%
Foreign Bonds	0.9%
	67.0%
<b>Equities</b>	
Financial Services	6.7%
Industrial Goods and Services	4.3%
Real Estate	4.0%
Oil & Gas	3.4%
Utilities & Pipelines	1.7%
Basic Materials	1.2%
Technology	0.9%
Retailing	0.9%
Consumer Cyclical	0.5%
Communications and Media	0.4%
	24.0%
Pooled Investment Funds	5.0%
Cash, Short-Term Notes & Other Assets	4.0%
<b>Total</b>	100.0%

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**Top 25 Holdings**

	% of Net Assets
CC&L High Yield Bond Fund, Series I	5.0%
Government of Canada Bond 2.750% 01 Dec 2055	3.2%
Province of Ontario Bond 2.700% 02 Jun 2029	2.7%
Government of Canada Bond 3.500% 01 Dec 2045	2.6%
Royal Bank of Canada	2.0%
RBC Yield Curve Note Series 32 CP 5.127% 25 Jul 2024	1.9%
Province of Ontario Bond 3.650% 02 Jun 2033	1.5%
Province of British Columbia Bond 2.200% 18 Jun 2030	1.5%
Government of Canada Bond 2.000% 01 Dec 2051	1.4%
Province of Quebec Bond 1.500% 01 Sep 2031	1.4%
Province of Quebec Bond 4.400% 01 Dec 2055	1.2%
Hydro-Quebec Bond 3.400% 01 Sep 2029	1.2%
Province of Alberta Bond 3.900% 01 Dec 2033	1.1%
Province of British Columbia Bond 1.550% 18 Jun 2031	1.1%
Canadian Apartment Properties REIT	1.1%
Canadian Imperial Bank of Commerce	1.0%
Bank of Montreal Bond 3.650% 01 Apr 2027	1.0%
Manulife Financial Corp.	0.9%
Constellation Software Inc.	0.9%
Province of Alberta Bond 1.650% 01 Jun 2031	0.9%
Province of Ontario Bond 4.150% 02 Jun 2034	0.9%
Government of Canada Bond 1.750% 01 Dec 2053	0.8%
Province of Ontario Bond 2.150% 02 Jun 2031	0.8%
Canadian National Railway Co.	0.8%
Pembina Pipeline Corp.	0.8%

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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.

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**Steadyhand**

# Semi-Annual Management Report of Fund Performance

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**Steadyhand Founders Fund**

June 30, 2024



# Steadyhand Founders Fund

## Semi-annual Management Report of Fund Performance (June 30, 2024)

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual or audited annual financial statements of the investment fund. You can get a copy of the unaudited semi-annual or 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 3<sup>rd</sup> Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at [www.steadyhand.com](http://www.steadyhand.com) or SEDAR at [www.sedar.com](http://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 \$657.2 million as at June 30, 2024, an increase of \$22.3 million from \$634.9 million as of December 31, 2023. This increase was attributable to an increase in net assets from operations of \$29.3 million, less net redemptions of \$1.6 million and \$5.4 million in distributions to unitholders.

The Fund rose 4.4% over the first half of the year. Over the same period, the Canadian bond market (Morningstar Canada Core Bond Index) declined 0.4%, the global stock market (Morningstar Developed Markets Index) rose 15.0% in Canadian dollar terms, and the Canadian stock market (Morningstar Canada Index) rose 6.3%. 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 (34% global stocks, 26% Canadian stocks) and 40% fixed income (35% Canadian bonds, 5% cash).

When compared to its long-term target asset mix, the Fund slightly underperformed over the reporting period. Our lighter exposure to technology stocks was a primary reason for this. These stocks, particularly mega-cap American companies with exposure to artificial intelligence (AI), continued to drive global stock market returns over the period. Generally speaking, our fund managers (portfolio advisers) prefer to invest in businesses that trade at more reasonable valuations.

Stock markets had a strong first half, with the first quarter being especially robust. Technology stocks propelled the U.S. market to new heights. In fact, almost 60% of the S&P 500's 15% gain this year was driven by just five tech-related stocks. The information technology sector as a whole rose by a third. Other sectors that posted strong gains included energy, financial services, and healthcare, while real estate was a notable laggard. European and Asian stocks lagged their American counterparts and large-cap outperformed small-cap.

The Canadian dollar depreciated against most major currencies, falling 4% against the U.S. dollar, 3% against the British Pound and 1% against the Euro. It gained 10% against the Japanese Yen, however, which continued its years-long slide. The weakness in our dollar against foreign currencies boosted the returns of these stocks for Canadian investors (Japanese equities were the exception and saw their returns dampened in Canadian dollar terms).

Economic releases in the period pointed to a generally resilient pace of activity in the U.S. economy, although there was clear evidence of slowing momentum. Some economic data was weaker with downside surprises relative to market expectations. Importantly, reassuring inflation releases helped alleviate concern of a more sustained reacceleration in inflation. Economic releases in Canada highlighted broad disinflationary pressures, sluggish economic growth and softening employment figures. Central bank activity indicated a bias toward monetary easing.

the Bank of Canada lowered its key interest rate in June by 25 basis points (0.25%), to 4.75%, for the first time since the early days of the pandemic. This led to less of an inversion in the yield curve (where short-term rates are higher than long-term rates). The Fund benefited from the move as a result of its bond holdings' shorter duration and yield curve positioning, which favoured a transition toward normalization.

The Founders Fund holds a diverse group of stocks through its investments in our underlying equity funds (Steadyhand Equity Fund, Steadyhand Global Equity Fund, Steadyhand Small-Cap Equity Fund, and Steadyhand Global Small-Cap Equity Fund). The Equity Fund and Small-Cap Fund were the top performers year-to-date. The Global Equity Fund and Global Small-Cap Fund turned in positive results but trailed their respective markets.

As for its fixed income investments, the Founders Fund's bond holdings (through its investment in the Income Fund) provided a small positive return in the period (whereas the Canadian bond market was negative) and benefited from opportunistic positioning across the credit curve. Our provincial, corporate, and high yield bonds all contributed to performance, with the latter seeing the strongest gains.

The Founders Fund's overall equity weighting ranged from 59-60% over the first half of the year. It started 2024 at 60% but we decreased it slightly in the second quarter to 59%. As a reminder, we don't make big or sudden moves to the Fund's asset mix, but rather gradual, deliberate changes based on bond and stock valuations, market sentiment (a contrarian indicator of value), and our fund managers' views of the economic and market fundamentals. At the end of June, foreign stocks made up 33% of the Fund, while Canadian stocks comprised 26% (at the end of 2023, the weightings were 33% foreign and 27% Canadian).

The Fund's overall weighting in bonds ranged from 32% to 33% of the portfolio but remained below the long-term target of 35%. We continue to be positive about the fixed income holdings, which come mostly through the Income Fund. Bonds provide the Founders Fund with above-inflation income and will be good diversifiers the next time we have a period of weak stock prices.

The cash reserve was higher than our long-term target throughout the period, ranging from 7% to 8%. The Fund's cash weighting is comprised of its investment in the Steadyhand Savings Fund and cash held in the equity funds. Cash and short-term securities offer a ready source of liquidity in periods of heightened market volatility.

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

## Recent Developments

The first half of 2024 was a solid period for investors. Stock markets were buoyant as corporate earnings were strong, inflation continued to subside, and unemployment remained low in the developed world. Investor sentiment was positive despite ongoing geopolitical tensions. Global stocks, as measured by the Morningstar Developed Markets Index (\$Cdn), climbed 15.0%, while Canadian equities trailed, gaining 6.3% (Morningstar Canada Index).

Our Income Fund's portfolio adviser (CC&L) highlighted that the most significant development for the Canadian fixed income market during the period was the Bank of Canada lowering its key interest rate by 25 basis points (0.25%), to 4.75%, for the first time since the early days of the pandemic. The Bank cited progress in core inflation measures, as well as meagre economic growth, as the main reasons for the rate cut. The central bank's press release also noted that "monetary policy no longer needs to be as restrictive." Governor Tiff Macklem remarked that more interest rate cuts can be expected as long as inflation eases further, but confirmed the Bank would take a gradual and data-dependent approach to its rate-cutting measures. The Fund's bond holdings stand to benefit from any further declines in rates (when yields fall, prices rise).

The U.S. Federal Reserve held its target interest rate steady at 5.25%-5.50%. The Fed's projections, however, pointed to only one interest rate cut in 2024, which was a reduction from the three cuts shown in the Fed's March projections.

CC&L expects the Fed to lower its target interest rate later in 2024 in response to slowing economic data. The path forward will depend on the degree to which loosening financial conditions feeds through to the economy and helps to stabilize activity. Alternatively, if easing financial conditions do not provide sufficient support, further softening in the labour market could lead to a more durable economic slowdown. CC&L expects a recession to take hold in Canada in 2024. While they currently expect such a recession to be mild, its magnitude will largely depend on the U.S. economic backdrop.

We walk through each of the underlying fund holdings below.

### Income Fund

Our advisor (CC&L) believes ongoing macroeconomic uncertainty and potentially wide-ranging outcomes warrant portfolio risk exposures to remain relatively low. The Income Fund's duration ended the period flat relative to the benchmark. That said, CC&L has a bias toward adding a longer duration position should yields backup more meaningfully, as they believe the market is under-appreciating the likelihood of a more durable slowdown in the U.S. The portfolio continues to hold a yield curve steepening bias that should benefit from a move toward normalization in the yield curve. This position remains versatile, and we expect it to add value in various scenarios.

In terms of sector allocation, the Income Fund has a modestly lower-than-normal weight in corporate bonds, while having a slight tilt in favour of provincial credit. The net result is a modestly lower overall position in credit. This reflects a less-constructive view on credit, as a potential recession in Canada approaches, while also considering the relative valuations of both corporate and provincial bonds. In terms of security selection, we continue to focus on industry-specific themes. Exposure to telecommunications companies was trimmed during the second quarter, as CC&L believes regulatory uncertainty presents a risk to larger companies within the industry. The portfolio's exposure to energy companies increased, as many of these companies have deleveraged, which has significantly reduced their financial risk (even if crude oil prices decline).



Turning to the Income Fund's equity holdings, while the macroeconomic outlook is somewhat opaque, CC&L does have conviction about the types of stocks that typically do well in this type of market environment. CC&L continues to own and look for opportunities to add quality growth companies. Specifically, we want to hold companies with the ability to generate strong free cash flow over a market cycle, particularly when economic growth is slowing. We also want companies that can deliver earnings growth better than the market. During the second quarter, we added to several defensive industrial companies, as they exhibit the characteristics we seek. Incremental earnings growth can be driven by secular opportunities (e.g., protectionism policies and onshoring tend to benefit engineering & construction companies), and by recession-proof businesses like Boyd Group, RB Global and Element Fleet. If the risk of a global recession increases, CC&L will likely shift into more defensive sectors, including utilities and communication services.

### Equity Fund

Nessim Mansoor took over as lead portfolio manager from Gord O'Reilly (both with Fiera Capital, our portfolio adviser), who retired at the end of 2023. Nessim added seven new stocks to the Equity Fund in the period. Of the new additions, five are consumer related. McDonald's is a name we all know. The company has incredible brand strength and has executed consistently over time, leading to strong financial results. Likewise, PepsiCo and Nestle are market leaders that dominate their category. Loblaw Companies, one of Canada's leading grocers (and a stock we have previously owned), and TJX Companies, the premier discount retailer of apparel and home fashions, were also added. Industrial firms Otis Worldwide (manufactures and maintains elevators, escalators, and moving walkways) and Waste Connections (solid waste collection) rounded out the purchases. To fund the new holdings, Franco-Nevada, CCL Industries, Telus, Aon, Sika, and Nutrien were sold.

Overall, the Fund is comprised of a concentrated group of businesses operating in a diverse array of industries, from information services to consumer-related businesses to railways.

### Global Equity Fund

The hype around AI persisted, as did the demand for cutting-edge semiconductors and computing infrastructure. Some of the largest companies in the world were the greatest beneficiaries, including Nvidia, Microsoft, Alphabet, Amazon, and Meta. Our portfolio adviser, Aristotle Capital, questions the sustainability of this demand and the durability of certain companies' competitive advantage, such as Nvidia. Aristotle also questions the valuation levels, particularly given peak demand and margins, and is wary of the current level of index concentration (during the first six months of 2024, 60% of the world index's return came from just 10 stocks). Because of these concerns, we do not own many of the mega-cap tech stocks that have been the market darlings over the past 18 months. Of the 'Magnificent 7' (Apple, Alphabet, Amazon, Nvidia, Microsoft, Meta, and Tesla) our only holding is Microsoft.

Two holdings making headlines in the period were Rentokil and Nemetschek. Rentokil, the world's leading pest control company, gained 15% after it surfaced that activist investor Nelson Peltz has taken a significant stake in the company. Aristotle welcomes any discussion around constructive change. Nemetschek, which makes software for architects and engineers, announced its largest ever acquisition, purchasing GoCanvas, a leading provider of software for enhancing productivity and safety in construction.

Though not making headlines, a few of our household names such as Coca-Cola and Heineken have been active. Coca-Cola has cut 50% of its offerings over the last five years to focus on its core offerings and continues to produce strong cash flow. Heineken's growth comes from emerging markets. Its global

brand gives it recognition in developing countries and it has expanded with brands like Tiger and Dos Equis.

Trading activity was minimal in the period. No new stocks were purchased, although we added to our existing position in DBS Group Holdings. Two stocks were sold, KDDI and Veralto. Japanese telecom KDDI made a questionable capital allocation decision in Aristotle's view by acquiring convenience store operator Lawson, and we moved on from the stock. Veralto, a small position that was a spinoff from Danaher, was sold after rising 30% following the divestiture. We also trimmed a few holdings based on strong performance, including Martin Marietta and Mitsubishi UFJ.

### Small-Cap Equity Fund

Industrial goods & services stocks continue to make up a significant portion of the Small-Cap Fund (47%). This is a broad industry classification which includes companies such as Badger Infrastructure Solutions (hydrovac and potholing services), Oshkosh Corp. (maker of heavy-duty trucks), ATS Corporation (factory automation systems), and Cargojet (air cargo services). These businesses share a common trait: they're leaders in their field and generate strong free cash flow.

Consumer-related companies (staples and cyclicals) also make up a notable portion of the Fund (15% combined). These include food makers and distributors like Premium Brands Holdings; and consumer goods companies that are more dependent on discretionary spending such as Spin Master (maker of toys and games), VF Corp. (home to popular clothing brands including Vans and The North Face), and Sleep Country Canada (mattress and bedding accessories specialist).

Our exposure to resource stocks remains much lower than their weight in the Canadian index, although strong performance from our holdings has resulted in their weight increasing from 20% of the Small-Cap Fund's equities at the end of last year to 25% currently. Our investments include MEG Energy (oil & gas producer), Torex Gold Resources (gold miner), Capstone Copper (copper miner), and Interfor (lumber). These investments provide exposure to a diverse group of first-class resource companies, without too much exposure to a single commodity.

Three new companies were added to the portfolio: Andlauer Healthcare Group, ATS Corporation, and Greenbrier Companies. Andlauer is a Canadian company providing specialized transportation and logistics support for healthcare companies. Many medications (including GLP-1 drugs) need to be transported at a specific temperature and Andlauer is a leader in this process. ATS designs and manufactures factory automation systems, and U.S.-based Greenbrier is a leader in manufacturing rail cars.

Four companies were sold: Northland Power, Aritzia, Park Lawn, and Vail Resorts. Northland has been a disappointment. The clean power provider is a good business that operates many attractive assets, but its management team has entered into some bad contracts and hasn't met our portfolio adviser's (Galibier Capital) expectations. Aritzia was sold after a nice rebound, while Park Lawn announced it was going private, as mentioned in the previous section. Finally, Vail was sold as Galibier concluded that increased weather variability and the ski resort operator's lack of focus on customer service would not bode well for long-term investors.

### Global Small-Cap Equity Fund

It was an active period for transactions in the Global Small-Cap Fund, with 11 new stocks purchased. We increased our investments in the technology sector, adding three new holdings: Onto Innovation, Macom Technology Solutions, and JFrog. Onto Innovation provides metrology (measurement) and defect inspection solutions for semiconductor manufacturers. MACOM makes semiconductor devices and components, and JFrog provides software tools for programmers focused on improving efficiency. Tech stocks comprise 14% of the Global Small-Cap Fund. Our focus is on profitable companies that offer high value-added products & services to other businesses.

We also purchased Warby Parker (New York City based direct-to-consumer eyewear maker), KDX Realty Investment Corp. (Japanese real estate company), Embraer (Brazil-based aircraft manufacturer), Loar Holdings (American supplier of crucial aftermarket aviation parts), Ventia Services Group (Australian infrastructure specialist), Tecan Group (Swiss leader in biotech lab instruments), Ringkjøbing Landbobank (Danish bank), and St. James's Place (U.K. money manager that we previously owned and is trading at a compelling valuation again).

Our portfolio adviser (TimesSquare) is starting to see pockets of weakness in some sectors, and wasn't happy with the decisions of certain management teams, which prompted some stock sales. Communication services firms Internet Initiative Japan and Integral Ad Science were sold based on weaker outlooks, while toy maker Spin Master and carbon fiber specialist Hexcel were removed following poor boardroom decisions in TimesSquare's view (Spin Master overpaid for a recent transaction, while Hexcel brought in a new CEO with a mixed record).

Other sales included Visteon, Interpump Group, Nakanishi, Exponent, MatsukiyoCocakara, and Lawson (which received a takeover bid). A few stocks that have seen good runs were trimmed, including EMCOR Group (construction services) and Rakuten Bank (Japan's largest online bank).

The Founders Fund has a structural bias to foreign-based companies which provide better exposure to important industries like technology, healthcare and consumer products and services. Foreign stocks made up 33% of the portfolio at the end of June, while Canadian equities made up 26%.

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 2024 at 7%. The weighting was increased slightly, to 8%, by the end of June.

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 areas 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 \$4,378,558 its net assets as management fees and distributed \$1,470,157 in management fee reductions for the six months ending June 30, 2024. 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 June 30, 2024, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 379,770 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 unaudited semi-annual and audited annual financial statements.

<i>Series A – Net Assets Per Unit</i>	<i>Jun. 30 2024</i>	<i>Dec. 31 2023</i>	<i>Dec. 31 2022</i>	<i>Dec. 31 2021</i>	<i>Dec. 31 2020</i>
<b>Net Assets, beginning of period</b> <sup>1,3</sup>	\$14.26	\$13.39	\$15.09	\$14.21	\$13.26
<b>Increase (decrease) from operations:</b>					
Total revenue	0.10	0.43	0.43	0.65	0.31
Total expenses (excluding distributions)	(0.07)	(0.12)	(0.12)	(0.14)	(0.12)
Realized gains for the period	0.10	0.12	0.01	0.13	0.09
Unrealized gains (losses) for the period	0.53	0.77	(1.74)	0.72	0.86
<b>Total increase (decrease) from operations</b> <sup>1</sup>	<b>0.66</b>	<b>1.20</b>	<b>(1.42)</b>	<b>1.36</b>	<b>1.14</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	(0.09)	(0.17)	(0.14)	(0.14)	(0.14)
From dividends	-	(0.01)	-	-	-
From capital gains	-	(0.09)	(0.06)	(0.28)	(0.02)
Return of capital	-	-	-	-	-
<b>Total distributions for the period</b> <sup>2</sup>	<b>(0.09)</b>	<b>(0.27)</b>	<b>(0.20)</b>	<b>(0.42)</b>	<b>(0.16)</b>
<b>Net Assets, end of period</b>	<b>\$14.80</b>	<b>\$14.26</b>	<b>\$13.39</b>	<b>\$15.09</b>	<b>\$14.21</b>

<i>Series A - Ratios and Supplemental Data</i>	<i>Jun. 30 2024</i>	<i>Dec. 31 2023</i>	<i>Dec. 31 2022</i>	<i>Dec. 31 2021</i>	<i>Dec. 31 2020</i>
Net asset value (000's) <sup>4</sup>	\$657,213	\$634,921	\$585,994	\$635,579	\$537,471
Number of units outstanding <sup>4</sup>	44,395,765	44,510,298	43,771,763	42,123,982	37,827,583
Management expense ratio <sup>5</sup>	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 <sup>6</sup>	3.68%	10.38%	5.20%	6.46%	18.87%
Trading expense ratio <sup>7</sup>	0.04%	0.03%	0.03%	0.08%	0.05%
Net asset value per unit	\$14.80	\$14.26	\$13.39	\$15.09	\$14.21

<sup>1</sup>Net 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.

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

<sup>3</sup>This information is derived from the Fund's unaudited semi-annual or audited annual financial statements as at June 30 or December 31.

<sup>4</sup>The information is provided as at June 30 or December 31 of the period shown.

<sup>5</sup>Management 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.

<sup>6</sup>The 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.

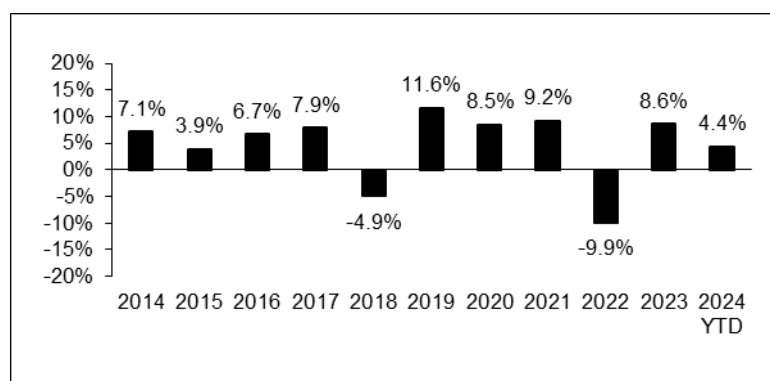
<sup>7</sup>The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

## 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.

## Summary of Investment Portfolio as of June 30, 2024

### Portfolio Allocation

	% of Net Assets
Pooled Investment funds	99.7%
Cash, Short-Term Notes & Other Assets	0.3%
<b>Total</b>	<b>100.0%</b>

**Top 7 Holdings**

	<b>% of Net Assets</b>
Steadyhand Income Fund, Series O	43.7%
Steadyhand Equity Fund, Series O	20.0%
Steadyhand Global Equity Fund, Series O	19.9%
Steadyhand Savings Fund, Series O	6.2%
Steadyhand Small-Cap Equity Fund, Series O	5.0%
Steadyhand Global Small-Cap Equity Fund, Series O	4.9%
Cash & cash equivalents	0.4%

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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.

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**Steadyhand**

# Semi-Annual Management Report of Fund Performance

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**Steadyhand Builders Fund**

June 30, 2024





# Steadyhand Builders Fund

## Semi-annual Management Report of Fund Performance (June 30, 2024)

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual or audited annual financial statements of the investment fund. You can get a copy of the unaudited semi-annual or 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 3<sup>rd</sup> Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at [www.steadyhand.com](http://www.steadyhand.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

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

## Management Discussion of Fund Performance

### Investment Objective and Strategies

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

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

### Risks

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

### Results of Operations

The Fund's net assets stood at \$214.9 million as at June 30, 2024, an increase of \$25.7 million from \$189.2 million as of December 31, 2023. This change was attributable to increases in net assets from operations of \$15.5 million plus net subscriptions of \$10.7 million less \$0.5 million in distributions to Unitholders.

The Fund gained 7.9% over the first half of the year. Over the same period, the global stock market (Morningstar Developed Markets Index) rose 15.0% in Canadian dollar terms while the Canadian stock market (Morningstar Canada Index) gained 6.3%. The Fund trailed its blended benchmark (67% foreign stocks, 33% Canadian stocks). Our lighter exposure to technology stocks was a key reason for this. These stocks, particularly mega-cap companies with exposure to artificial intelligence (AI), continued to drive global markets over the period. Our fund managers (portfolio advisers) are wary of the valuations of many of these stocks and favour businesses that trade at more reasonable valuations.

At the end of the reporting period (June 30), the Builders Fund held four underlying Steadyhand funds in the following composition:

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

On a look-through basis, 65% of the Fund is invested in foreign stocks, 33% in Canadian stocks, and 2% in cash. The Steadyhand Global Equity Fund and Steadyhand Global Small-Cap Equity Fund have the most latitude to invest outside our borders. The Steadyhand Equity Fund and Steadyhand Small-Cap Equity Fund are both Canadian-centric in nature, but the managers have the flexibility to invest a portion of the funds' assets in foreign companies.

Stock markets had a strong first half, with the first quarter being especially robust. Technology stocks propelled the U.S. market to new heights. In fact, almost 60% of the S&P 500's 15% gain this year was driven by just five tech-related stocks. The information technology sector as a whole rose by a third. Other sectors that posted strong gains included energy, financial services, and healthcare, while real estate was a notable laggard. European and Asian stocks lagged their American counterparts and large-cap outperformed small-cap.

The Canadian dollar depreciated against most major currencies, falling 4% against the U.S. dollar, 3% against the British Pound and 1% against the Euro. It gained 10% against the Japanese Yen, however, which continued its years-long slide. The weakness in our dollar against foreign currencies boosted the returns of these stocks for Canadian investors (Japanese equities were the exception and saw their returns dampened in Canadian dollar terms).

The Builders Fund holds a diverse group of stocks through its investments in our underlying equity funds (Steadyhand Equity Fund, Steadyhand Global Equity Fund, Steadyhand Small-Cap Equity Fund, and Steadyhand Global Small-Cap Equity Fund). The Equity Fund and Small-Cap Fund were the top performers year-to-date. The Global Equity Fund and Global Small-Cap Fund turned in positive results but trailed their respective markets.

The largest area of investment, industrial goods & services (30% of the portfolio), includes a diverse mix of companies such as railways CN Rail and Canadian Pacific Kansas City, Oshkosh (specialty vehicles and access equipment), Casella Waste Systems (waste management) and Savaria (home elevators and mobility products). Performance of the group was mixed over the first half, with the railways lagging and businesses including RB Global, General Dynamics, and Casella turning in strong gains.

Financial services companies make up 17% of the Fund. Large holdings include Visa, TD Bank, and S&P Global. We also own a group of leading insurance companies, including RenaissanceRe, AIA Group, and Steadfast. CME Group (derivatives marketplace), FirstCash Holdings (pawn stores), FincoBank (Italian online bank) and TMX Group (market exchanges) provide additional diversification. Performance of the group was mixed, with S&P Global, RenaissanceRe, and Munich Re producing strong results, but TD Bank and AIA disappointing.

The technology sector is another important area of investment, comprising 16%. Our focus is on established industry leaders such as Microsoft, which is our largest holding. Other investments include Samsung Electronics (diversified technology), Qualcomm (chips for smartphones), Constellation Software (software)

and Onto Innovation (defect inspection solutions for semiconductor manufacturers). Our holdings performed well, but didn't keep pace with the mega-cap AI-related stocks that continued to drive the sector.

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

## **Recent Developments**

The first half of 2024 was a solid period for investors. Stock markets were buoyant as corporate earnings were strong, inflation continued to subside, and unemployment remained low in the developed world. Investor sentiment was positive despite ongoing geopolitical tensions. Global stocks, as measured by the Morningstar Developed Markets Index (\$Cdn), climbed 15.0%, while Canadian equities trailed, gaining 6.3% (Morningstar Canada Index).

The market environment prompted some activity in the Builders Fund. We walk through each of the underlying fund holdings below.

### Equity Fund

Nessim Mansoor took over as lead portfolio manager from Gord O'Reilly (both with Fiera Capital, our portfolio adviser), who retired at the end of 2023. Nessim added seven new stocks to the Equity Fund in the period. Of the new additions, five are consumer related. McDonald's is a name we all know. The company has incredible brand strength and has executed consistently over time, leading to strong financial results. Likewise, PepsiCo and Nestle are market leaders that dominate their category. Loblaw Companies, one of Canada's leading grocers (and a stock we have previously owned), and TJX Companies, the premier discount retailer of apparel and home fashions, were also added. Industrial firms Otis Worldwide (manufactures and maintains elevators, escalators, and moving walkways) and Waste Connections (solid waste collection) rounded out the purchases. To fund the new holdings, Franco-Nevada, CCL Industries, Telus, Aon, Sika, and Nutrien were sold.

Overall, the Fund is comprised of a concentrated group of businesses operating in a diverse array of industries, from information services to consumer-related businesses to railways.

### Global Equity Fund

The hype around AI persisted, as did the demand for cutting-edge semiconductors and computing infrastructure. Some of the largest companies in the world were the greatest beneficiaries, including Nvidia, Microsoft, Alphabet, Amazon, and Meta. Our portfolio adviser, Aristotle Capital, questions the sustainability of this demand and the durability of certain companies' competitive advantage, such as Nvidia. Aristotle also questions the valuation levels, particularly given peak demand and margins, and is wary of the current level of index concentration (during the first six months of 2024, 60% of the world index's return came from just 10 stocks). Because of these concerns, we do not own many of the mega-cap tech stocks that have been the market darlings over the past 18 months. Of the 'Magnificent 7' (Apple, Alphabet, Amazon, Nvidia, Microsoft, Meta, and Tesla) our only holding is Microsoft.

Two holdings making headlines in the period were Rentokil and Nemetschek. Rentokil, the world's leading pest control company, gained 15% after it surfaced that activist investor Nelson Peltz has taken a significant stake in the company. Aristotle welcomes any discussion around constructive change. Nemetschek, which makes software for architects and engineers, announced its largest ever acquisition, purchasing GoCanvas, a leading provider of software for enhancing productivity and safety in construction.

Though not making headlines, a few of our household names such as Coca-Cola and Heineken have been active. Coca-Cola has cut 50% of its offerings over the last five years to focus on its core offerings and continues to produce strong cash flow. Heineken's growth comes from emerging markets. Its global brand gives it recognition in developing countries and it has expanded with brands like Tiger and Dos Equis.

Trading activity was minimal in the period. No new stocks were purchased, although we added to our existing position in DBS Group Holdings. Two stocks were sold, KDDI and Veralto. Japanese telecom KDDI made a questionable capital allocation decision in Aristotle's view by acquiring convenience store operator Lawson, and we moved on from the stock. Veralto, a small position that was a spinoff from Danaher, was sold after rising 30% following the divestiture. We also trimmed a few holdings based on strong performance, including Martin Marietta and Mitsubishi UFJ.

### Small-Cap Equity Fund

Industrial goods & services stocks continue to make up a significant portion of the Small-Cap Fund (47%). This is a broad industry classification which includes companies such as Badger Infrastructure Solutions (hydrovac and potholing services), Oshkosh Corp. (maker of heavy-duty trucks), ATS Corporation (factory automation systems), and Cargojet (air cargo services). These businesses share a common trait: they're leaders in their field and generate strong free cash flow.

Consumer-related companies (staples and cyclicals) also make up a notable portion of the Fund (15% combined). These include food makers and distributors like Premium Brands Holdings; and consumer goods companies that are more dependent on discretionary spending such as Spin Master (maker of toys and games), VF Corp. (home to popular clothing brands including Vans and The North Face), and Sleep Country Canada (mattress and bedding accessories specialist).

Our exposure to resource stocks remains much lower than their weight in the Canadian index, although strong performance from our holdings has resulted in their weight increasing from 20% of the Small-Cap Fund's equities at the end of last year to 25% currently. Our investments include MEG Energy (oil & gas producer), Torex Gold Resources (gold miner), Capstone Copper (copper miner), and Interfor (lumber). These investments provide exposure to a diverse group of first-class resource companies, without too much exposure to a single commodity.

Three new companies were added to the portfolio: Andlauer Healthcare Group, ATS Corporation, and Greenbrier Companies. Andlauer is a Canadian company providing specialized transportation and logistics support for healthcare companies. Many medications (including GLP-1 drugs) need to be transported at a specific temperature and Andlauer is a leader in this process. ATS designs and manufactures factory automation systems, and U.S.-based Greenbrier is a leader in manufacturing rail cars.

Four companies were sold: Northland Power, Aritzia, Park Lawn, and Vail Resorts. Northland has been a disappointment. The clean power provider is a good business that operates many attractive assets, but its management team has entered into some bad contracts and hasn't met our portfolio adviser's (Galibier Capital) expectations. Aritzia was sold after a nice rebound, while Park Lawn announced it was going private, as mentioned in the previous section. Finally, Vail was sold as Galibier concluded that increased weather variability and the ski resort operator's lack of focus on customer service would not bode well for long-term investors.

### Global Small-Cap Equity Fund

It was an active period for transactions in the Global Small-Cap Fund, with 11 new stocks purchased. We increased our investments in the technology sector, adding three new holdings: Onto Innovation, Macom Technology Solutions, and JFrog. Onto Innovation provides metrology (measurement) and defect inspection solutions for semiconductor manufacturers. MACOM makes semiconductor devices and components, and JFrog provides software tools for programmers focused on improving efficiency. Tech stocks comprise 14% of the Global Small-Cap Fund. Our focus is on profitable companies that offer high value-added products & services to other businesses.

We also purchased Warby Parker (New York City based direct-to-consumer eyewear maker), KDX Realty Investment Corp. (Japanese real estate company), Embraer (Brazil-based aircraft manufacturer), Loar Holdings (American supplier of crucial aftermarket aviation parts), Ventia Services Group (Australian infrastructure specialist), Tecan Group (Swiss leader in biotech lab instruments), Ringkjøbing Landbobank (Danish bank), and St. James's Place (U.K. money manager that we previously owned and is trading at a compelling valuation again).

Our portfolio adviser (TimesSquare) is starting to see pockets of weakness in some sectors, and wasn't happy with the decisions of certain management teams, which prompted some stock sales. Communication services firms Internet Initiative Japan and Integral Ad Science were sold based on weaker outlooks, while toy maker Spin Master and carbon fiber specialist Hexcel were removed following poor boardroom decisions in TimesSquare's view (Spin Master overpaid for a recent transaction, while Hexcel brought in a new CEO with a mixed record).

Other sales included Visteon, Interpump Group, Nakanishi, Exponent, MatsukiyoCocakara, and Lawson (which received a takeover bid). A few stocks that have seen good runs were trimmed, including EMCOR Group (construction services) and Rakuten Bank (Japan's largest online bank).

The allocation of the underlying equity funds that make up the Builders Fund did not change during the reporting period. The Steadyhand Equity Fund (Series O) comprised 35%, Steadyhand Global Equity Fund (Series O) 35%, Steadyhand Small-Cap Equity Fund (Series O) 15%, and Steadyhand Global Small-Cap Equity Fund (Series O) 15%.

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

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

## Related Party Transactions

### *Management Fees*

Steadyhand Investment Management Ltd. is the Manager of the Fund. The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The Fund relies on the positive recommendation or approval of the independent review committee to proceed with the transactions. The annualized net management fee for the units of the Fund is 1.63%. The Fund paid the Manager \$1,669,920 of its net assets as management fees for the six months ended June 30, 2024 and distributed \$501,972 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 June 30, 2024, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 251,640 Series A units, or 1.5% 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 unaudited semi-annual and audited annual financial statements.

<i>Series A – Net Assets Per Unit</i>	<i>Jun. 30 2024</i>	<i>Dec. 31 2023</i>	<i>Dec. 31 2022</i>	<i>Dec. 31 2021</i>	<i>Dec. 31 2020</i>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$11.78</b>	<b>\$10.75</b>	<b>\$12.50</b>	<b>\$11.36</b>	<b>\$10.65</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	-	0.39	0.44	0.88	0.19
Total expenses (excluding distributions)	(0.07)	(0.13)	(0.13)	(0.14)	(0.12)
Realized gains (losses) for the period	0.04	0.02	-	0.05	(0.01)
Unrealized gains (losses) for the period	0.98	0.93	(1.65)	0.90	1.08
<b>Total increase (decrease) from operations <sup>1</sup></b>	<b>\$0.95</b>	<b>\$1.21</b>	<b>(\$1.34)</b>	<b>\$1.69</b>	<b>\$1.14</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	-	-	-	-	-
From dividends	-	(0.04)	(0.02)	(0.02)	(0.03)
From capital gains	-	(0.11)	(0.21)	(0.50)	-
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>-</b>	<b>(0.15)</b>	<b>(0.23)</b>	<b>(0.52)</b>	<b>(0.03)</b>
<b>Net Assets, end of period</b>	<b>\$12.70</b>	<b>\$11.78</b>	<b>\$10.75</b>	<b>\$12.50</b>	<b>\$11.36</b>

<i>Series A - Ratios and Supplemental Data</i>	<i>Jun. 30 2024</i>	<i>Dec. 31 2023</i>	<i>Dec. 31 2022</i>	<i>Dec. 31 2021</i>	<i>Dec. 31 2020</i>
Net asset value (000's) <sup>4</sup>	\$214,940	\$189,196	\$155,873	\$149,035	\$98,603
Number of units outstanding <sup>4</sup>	16,923,276	16,067,260	14,494,938	11,921,894	8,678,942
Management expense ratio <sup>5</sup>	1.63%	1.63%	1.63%	1.63%	1.63%
Management expense ratio before waivers or absorptions	1.63%	1.63%	1.63%	1.63%	1.63%
Portfolio turnover rate <sup>6</sup>	2.85%	2.61%	0.63%	2.43%	2.97%
Trading expense ratio <sup>7</sup>	0.06%	0.05%	0.07%	0.14%	0.08%
Net asset value per unit	\$12.70	\$11.78	\$10.75	\$12.50	\$11.36

<sup>1</sup>Net 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.

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

<sup>3</sup>This information is derived from the Fund's unaudited semi-annual or audited annual financial statements as at June 30 or December 31.

<sup>4</sup>The information is provided as at June 30 or December 31.

<sup>5</sup>Management 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.

<sup>6</sup>The 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.

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

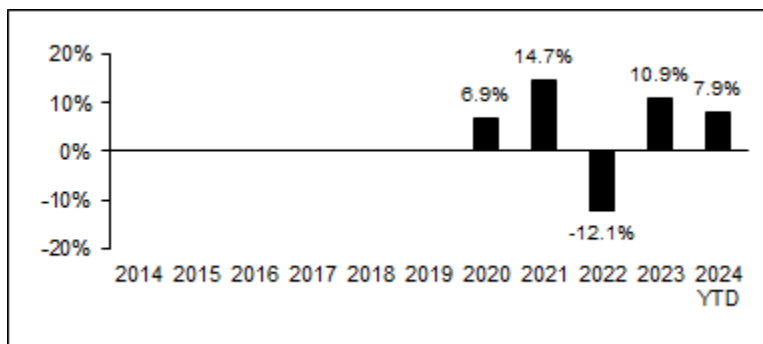
## Past Performance

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





## Summary of Investment Portfolio as at June 30, 2024

### Portfolio Allocation

	% of Net Assets
Pooled Investment Funds	99.0%
Cash & Other Assets	1.0%
<b>Total</b>	<u>100.0%</u>

### Top 5 Holdings

	% of Net Assets
Steadyhand Global Equity Fund, Series O	34.7%
Steadyhand Equity Fund, Series O	34.7%
Steadyhand Small-Cap Equity Fund, Series O	14.9%
Steadyhand Global Small-Cap Equity Fund, Series O	14.7%
Cash & cash equivalents	0.8%

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

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**Steadyhand**

# Semi-Annual Management Report of Fund Performance

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**Steadyhand Equity Fund**

June 30, 2024



# Steadyhand Equity Fund

## Semi-annual Management Report of Fund Performance (June 30, 2024)

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual or audited annual financial statements of the investment fund. You can get a copy of the unaudited semi-annual or 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 3<sup>rd</sup> Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at [www.steadyhand.com](http://www.steadyhand.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

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

## Management Discussion of Fund Performance

### Investment Objective and Strategies

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

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

### Risks

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

### Results of Operations

Over the year, the Fund's net assets increased to \$306.4 million as of June 30, 2024, from \$290.0 million at the end of 2023. This increase of \$16.4 million was attributable to an increase in net assets from operations of \$27.6 million over the reporting period less net redemptions of \$10.9 million and less distributions to unitholders of approximately \$0.3 million.

The Fund (Series A) rose 9.0% over the first half of the year. Over the same period, the Morningstar Canada Index gained 6.3%, while the Morningstar Developed Markets Index was up 15.0% in Canadian dollar terms.

The Canadian dollar depreciated against most major currencies, falling 4% against the U.S. dollar, 3% against the British Pound and 1% against the Euro. It gained 10% against the Japanese Yen, however, which continued its years-long slide. The weakness in our dollar against foreign currencies boosted the returns of these stocks for Canadian investors (Japanese equities were the exception and saw their returns dampened in Canadian dollar terms).

The Fund outperformed the Canadian index, but trailed the global market, due to its non-benchmark oriented composition and lighter exposure to AI-related stocks in particular. While technology stocks continued to be a key driver of returns in the U.S. market, the portfolio benefited from broader contributions by stocks in the industrial, consumer, and financial sectors. Top performers in the first quarter included new

additions Loblaw Companies, Waste Connections and Otis Worldwide, as well as longstanding holdings Microsoft and RB Global.

Among the leading contributors to performance in the second quarter were consumer companies Costco Wholesale and Dollarama. Costco's unwavering commitment to their value proposition of providing diversified bulk products at discounted prices has allowed them to continue to maintain and grow market share and benefit from consumers' search for inflation relief. The company has turned in strong earnings growth this year buoyed by growing membership revenue as well as e-commerce initiatives which are gaining more traction. Dollarama is a Canadian-based provider of general merchandise through their network of discount retail stores located throughout the country. The company has a culture of efficiency led by an experienced management team with the founding family still retaining a minority ownership stake. Their stores continue to be a trusted destination for consumers and their basic needs and the company has shown resiliency in managing inflationary and supply chain pressures while continuing to open new stores and focus on optimizing their product offering. Dollarama has reported growing profits stemming primarily from household goods and consumables. Furthermore, they have opened over 60 stores over the last 12 months and recently announced they are increasing their stake in Latin American retailer Dollarcity.

Notable detractors to performance over the first half were TD Bank and CN Rail. TD announced it was being investigated by the U.S. Department of Justice for its involvement in a drug money laundering case. Our portfolio adviser, Fiera Capital, has spent considerable time analyzing the situation. While the bank's compliance failures are frustrating, Fiera has seen positive signs from TD in dealing with the challenges. It also finds the current price attractive for what continues to be one of Canada's leading banks. CN Rail, which is one of the largest railway operators in North America, was down on muted results and concerns of softening demand from consumers. The rail company's auto container volumes were a little softer and talk of a strike is hanging over the stock. Fiera continues to like the company as it operates in an industry with unique characteristics such that there is limited and rational competition with high barriers to entry. Rail networks have a competitive advantage in long haul transportation, which would be almost impossible to replicate today.

There were some changes to the Fund's holdings resulting from our new lead manager, Nessim Mansoor, taking over for Gord O'Reilly (both with Fiera Capital, the Fund's portfolio advisor), who retired at the end of 2023. Nessim introduced seven new stocks in the period, and the transition is now largely complete. The structure of the portfolio hasn't been materially altered, with our focus still on market leaders that often 'own' a category. The Fund does, however, have more exposure to consumer and technology businesses, and less in the resources and telecom sectors.

Foreign stocks continued to make up a significant part of the Fund over the reporting period (45% at the end of June). 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.), Microsoft (U.S.), S&P Global (U.S.), and Costco Wholesale (U.S).

There were a few adjustments to the Fund's sector exposure. Of note, retailing stocks increased from 11% to 20% of the Fund's equities, and consumer products stocks increased from 0% to 5%. Conversely, financial services stocks decreased from 31% to 25%, and industrial goods & services stocks from 30% to 27%. Basic materials stocks also decreased from 6% to 0%, and communications & media stocks from 3% to 0%.

The portfolio's geographic profile changed slightly over the reporting period. The weighting of Canadian stocks decreased from 58% to 55%, while U.S. stocks increased from 29% to 39%, and Overseas stocks decreased from 13% to 6%.

The Fund's cash position was 1% at the end of June, which was a slight decrease from its weighting of 2% at the end 2023.

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

## Recent Developments

During the first quarter, the Canadian stock market was positive for three consecutive months, but the composition of the rally was much different from the market of last year. Technology stocks abated slightly as commodity stocks led the way especially late in the quarter reflecting rising prices and ongoing geopolitical uncertainty. The strongest-performing sectors were technology and energy.

In the second quarter, the rally abated as concerns around declining productivity in Canada continued. Despite the Bank of Canada implementing what is expected to be the first of a series of rate cuts this year, the Canadian stock market had its first negative quarter since late 2023 as most non-resource sectors had negative returns for the period. All said, Canadian stocks (as measured by the Morningstar Canada Index) were up 6.3% over the first half of 2024, while global equities gained 15.0% (Morningstar Developed Markets Index).

As mentioned in the previous section, Nessim Mansoor took over as lead portfolio manager for Gord O'Reilly (both with Fiera Capital), who retired at the end of 2023. Nessim added seven new stocks to the Fund in the period. Of the new additions, five are consumer related. McDonald's is a name we all know. The company has incredible brand strength and has executed consistently over time, leading to strong financial results. Likewise, PepsiCo and Nestle are market leaders that dominate their category. Loblaw Companies, one of Canada's leading grocers (and a stock we have previously owned), and TJX Companies, the premier discount retailer of apparel and home fashions, were also added. Industrial firms Otis Worldwide (manufactures and maintains elevators, escalators, and moving walkways) and Waste Connections (solid waste collection) rounded out the purchases. To fund the new holdings, Franco-Nevada, CCL Industries, Telus, Aon, Sika, and Nutrien were sold.

Overall, the Fund is comprised of a concentrated group of businesses operating in a diverse array of industries, from information services to consumer-related businesses to railways.

At the end of the reporting period, the Fund held 26 stocks, which is one more than it held at the end of 2023.

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, Japanese Yen and Swiss Franc.

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

## **Related Party Transactions**

### ***Management Fees***

Steadyhand Investment Management Ltd. is the Manager of the Fund. The Manager provides the Fund with investment management services, including fund accounting and unitholder record keeping. In return, the Manager receives a management fee based on the net assets of the Fund, calculated on a daily basis. The Fund relies on the positive recommendation or approval of the independent review committee to proceed with the transactions. The annualized net management fee for the units of the Fund is 1.42%. For the six months ending June 30, 2024, the Fund paid gross fees of \$725,393 to the Manager and distributed \$265,801 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 June 30, 2024, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 121,094 Series A units, or 3.0% 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 unaudited semi-annual and audited annual financial statements.

<b>Series A – Net Assets Per Unit</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$22.73</b>	<b>\$21.57</b>	<b>\$25.23</b>	<b>\$21.93</b>	<b>\$19.27</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.18	0.44	0.40	0.31	0.31
Total expenses (excluding distributions)	(0.12)	(0.20)	(0.21)	(0.22)	(0.19)
Realized gains for the period	1.42	0.26	0.78	1.16	0.69
Unrealized gains (losses) for the period	0.65	0.89	(3.84)	2.68	1.93
<b>Total increase (decrease) from operations <sup>1</sup></b>	<b>2.13</b>	<b>1.39</b>	<b>(2.87)</b>	<b>3.93</b>	<b>2.74</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	-	(0.03)	-	-	-
Dividends	-	(0.08)	(0.04)	-	(0.11)
From capital gains	-	-	(0.65)	(0.54)	-
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>-</b>	<b>(0.11)</b>	<b>(0.69)</b>	<b>(0.54)</b>	<b>(0.11)</b>
<b>Net Assets, end of period</b>	<b>\$24.78</b>	<b>\$22.73</b>	<b>\$21.57</b>	<b>\$25.23</b>	<b>\$21.93</b>

<b>Series A - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$100,543	\$98,061	\$96,831	\$114,282	\$100,297
Number of units outstanding <sup>4</sup>	4,057,823	4,314,029	4,488,282	4,529,828	4,572,919
Management expense ratio <sup>5</sup>	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 <sup>6</sup>	22.94%	24.37%	19.04%	15.46%	27.52%
Trading expense ratio <sup>7</sup>	0.0%	0.02%	0.02%	0.01%	0.03%
Net asset value per unit	\$24.78	\$22.73	\$21.57	\$25.23	\$21.93

<b>Series O – Net Assets Per Unit</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$23.69</b>	<b>\$22.49</b>	<b>\$26.34</b>	<b>\$22.83</b>	<b>\$19.95</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.19	0.47	0.42	0.32	0.32
Total expenses (excluding distributions)	(0.01)	-	-	-	-
Realized gains for the period	1.47	0.26	0.80	1.22	0.72
Unrealized gains (losses) for the period	0.69	0.95	(3.76)	2.89	2.67
<b>Total increase (decrease) from operations <sup>1</sup></b>	<b>2.34</b>	<b>1.68</b>	<b>(2.54)</b>	<b>4.43</b>	<b>3.71</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	-	(0.13)	(0.05)	(0.01)	(0.01)
From dividends	-	(0.33)	(0.35)	(0.27)	(0.32)
From capital gains	-	-	(0.68)	(0.57)	-
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>-</b>	<b>(0.46)</b>	<b>(1.08)</b>	<b>(0.85)</b>	<b>(0.33)</b>
<b>Net Assets, end of period</b>	<b>\$26.01</b>	<b>\$23.69</b>	<b>\$22.49</b>	<b>\$26.34</b>	<b>\$22.83</b>

<b>Series O - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec 31 2021</b>	<b>Dec 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$205,892	\$191,986	\$180,964	\$176,040	\$133,796
Number of units outstanding <sup>4</sup>	7,917,064	8,104,786	8,045,690	6,683,425	5,861,781
Management expense ratio <sup>5</sup>	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	-	-	-	-
Portfolio turnover rate <sup>6</sup>	22.94%	24.37%	19.04%	15.46%	27.52%
Trading expense ratio <sup>7</sup>	0.03%	0.02%	0.02%	0.01%	0.03%
Net asset value per unit	\$26.01	\$23.69	\$22.49	\$26.34	\$22.83

<sup>1</sup>Net 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.

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

<sup>3</sup>This information is derived from the Fund's unaudited semi-annual or audited annual financial statements as at June 30 or December 31 for the period stated.

<sup>4</sup>The information is provided as at June 30 or December 31 of the period shown.

<sup>5</sup>Management 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.

<sup>6</sup>The 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.

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



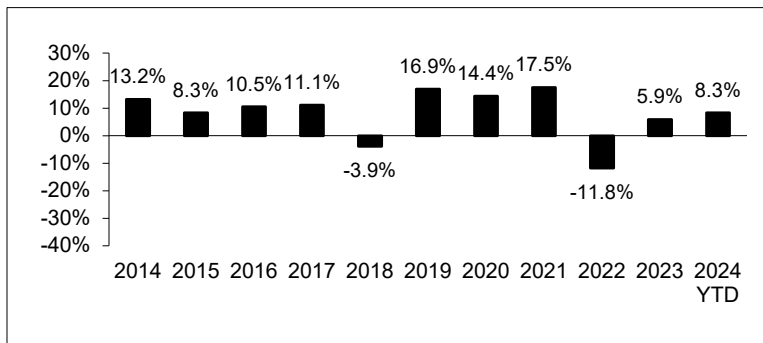
## Past Performance

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.

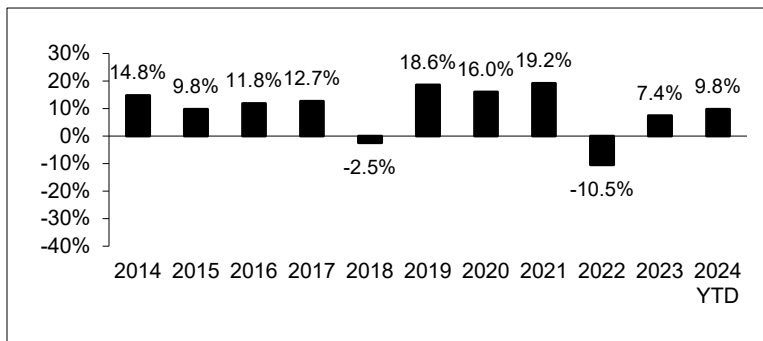
### Year-by-Year Returns

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.

## Summary of Investment Portfolio as of June 30, 2024

### Portfolio Allocation

Equities	% of Net Assets
Industrial Goods & Services	26.7%
Financial Services	24.7%
Retailing	20.1%
Technology	16.1%
Consumer Products	5.1%
Healthcare	4.1%
Consumer Cyclical	2.4%
	<hr/>
	99.2%
Cash, Short-term Notes & Other Assets	0.8%
<b>Total</b>	<hr/> <hr/> 100.0%

### Top 25 Holdings

	% of Net Assets
Visa Inc. Cl. A	6.1%
Thomson Reuters Corp.	5.5%
Microsoft Corp.	5.1%
S&P Global Inc.	5.1%
Canadian National Railway Co.	5.1%
Costco Wholesale Corp.	4.8%
Metro Inc.	4.4%
Dollarama Inc.	4.2%
Danaher Corp.	4.1%
TMX Group Ltd.	4.0%
Constellation Software Inc.	4.0%
Toronto-Dominion Bank	3.9%
Toromont Industries Ltd.	3.9%
Intact Financial Corp.	3.8%
Keyence Corp.	3.8%
Loblaw Co., Ltd.	3.4%
TJX Companies Inc.	3.3%
Waste Connections Inc.	3.3%
CGI Inc.	3.2%
Otis Worldwide Corp.	3.0%
RB Global Inc.	3.0%
Canadian Pacific Kansas City Ltd.	2.9%
PepsiCo Inc.	2.7%
McDonald's Corp.	2.4%
Nestlé SA	2.4%

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.

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**Steadyhand**

# Semi-Annual Management Report of Fund Performance

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**Steadyhand Global Equity Fund**

June 30, 2024



# Steadyhand Global Equity Fund

## Semi-annual Management Report of Fund Performance (June 30, 2024)

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual or audited annual financial statements of the investment fund. You can get a copy of the unaudited semi-annual or 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 3<sup>rd</sup> Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at [www.steadyhand.com](http://www.steadyhand.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

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

## Management Discussion of Fund Performance

### Investment Objective and Strategies

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

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

### Risks

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

### Results of Operations

Over the reporting period, the Fund's net assets increased by \$11.1 million to \$260.0 million as of June 30, 2024, from \$248.9 million at the end of 2023. This increase was attributable to a \$22.4 million increase in net assets from operations less net redemptions of \$11.1 million and \$0.2 million in unitholder distributions.

The Fund rose 8.3% over the first half of the year. Over the same period, the Morningstar Developed Markets Index gained 15.0%.

Stock markets had a strong first half, with the first quarter being especially robust. Mega-cap technology stocks propelled the U.S. market to new heights. In fact, almost 60% of the S&P 500's 15% gain this year was driven by just five tech-related stocks. The information technology sector as a whole rose by a third. Other sectors that posted strong gains included energy, financial services, and healthcare, while real estate was a notable laggard. European and Asian stocks lagged their American counterparts and large-cap outperformed small-cap.

The Canadian dollar depreciated against most major currencies, falling 4% against the U.S. dollar, 3% against the British Pound and 1% against the Euro. It gained 10% against the Japanese Yen, however,

which continued its years-long slide. The weakness in our dollar against foreign currencies boosted the returns of these stocks for Canadian investors (Japanese equities were the exception and saw their returns dampened in Canadian dollar terms).

The Fund fared well but did not keep up with the broader market, where a few tech stocks played an oversized role as mentioned. The portfolio's greater diversity (by geography and industry) is reflected in what drove returns. Martin Marietta (gravel and concrete), Microsoft (software), MunichRe (reinsurance) and Lennar (homebuilder) had a strong first quarter. Adobe (software), AIA (insurance) and Sony (media), on the other hand, disappointed.

Artificial intelligence continues to dominate the headlines and investors have gravitated to mega-cap stocks positioned to benefit from its growing adoption. We hold one of these companies, Microsoft, but our modest overall exposure has held back performance. Our other AI related investments include semiconductor and software holdings Qualcomm, Samsung Electronics, Microchip Technology, and Adobe. We also own companies that are less obvious beneficiaries, like Martin Marietta, which provides construction materials used for building large data centers.

In the second quarter, Qualcomm and Amgen were both rewarded on positive news and were two of our stronger performers. Qualcomm, which makes microchips for smartphones and wireless devices, announced that its *Snapdragon* chip will be used by Microsoft in its Surface tablets and laptops. The deal represents an important win for Qualcomm as AI applications start to move onto wireless devices. Biotech pioneer Amgen also saw a nice boost after reporting stronger than expected earnings and encouraging results from a weight loss drug in clinical trials.

Japanese holdings account for 11% of the Fund and many have benefited from the country's improving corporate governance. For example, financial services giant Mitsubishi UFJ has done well after divesting assets. In the past, Japanese executives have been reluctant to sell non-core businesses but are now engaging in shareholder-friendly behaviour. Retailer Pan Pacific International has also been a strong performer, boosted by a recovery in shopping demand from international travelers. That said, the returns of these stocks in Canadian dollar returns have been negatively impacted by the weaker Yen.

There were minimal changes to the composition of the portfolio over the first six months of the year. The largest increase in sector exposure was in technology, which rose from 21% of the portfolio's equities at the end of 2023 to 22% at the end of June (attributable to strong performance from our holdings). Communications & media stocks, on the other hand, decreased from 2% to 0% with the sale of KDDI. The other sectors were little changed. No new stocks were purchased, and two were sold during the period.

From a geographic standpoint, the U.S. and Europe remain key areas of focus. American stocks make up 49% of the portfolio while European stocks make up 24%. Japanese stocks comprise 11%, Asia-Pacific stocks 7%, Canadian stocks 6%, and U.K. stocks 3%. There were little changes to the geographic profile of the Fund, with most regional weightings remaining fairly constant throughout the period.

The Fund held 47 stocks at the end of June, which is two fewer than it held at the beginning of the year. Its cash position held steady at 2%.

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

## Recent Developments

The first half of 2024 was a solid period for investors. Stock markets were buoyant as corporate earnings were strong, inflation continued to subside, and unemployment remained low in the developed world. Investor sentiment was positive despite ongoing geopolitical tensions.

The hype around AI persisted, as did the demand for cutting-edge semiconductors and computing infrastructure. Some of the largest companies in the world were the greatest beneficiaries, including Nvidia, Microsoft, Alphabet, Amazon, and Meta. Our portfolio adviser, Aristotle Capital, questions the sustainability of this demand and the durability of certain companies' competitive advantage, such as Nvidia. Aristotle also questions the valuation levels, particularly given peak demand and margins, and is wary of the current level of index concentration (during the first six months of 2024, 60% of the world index's return came from just 10 stocks). Because of these concerns, we do not own many of the mega-cap tech stocks that have been the market darlings over the past 18 months. Of the 'Magnificent 7' (Apple, Alphabet, Amazon, Nvidia, Microsoft, Meta, and Tesla) our only holding is Microsoft.

Two holdings making headlines in the period were Rentokil and Nemetschek. Rentokil, the world's leading pest control company, gained 15% after it surfaced that activist investor Nelson Peltz has taken a significant stake in the company. Aristotle welcomes any discussion around constructive change. Nemetschek, which makes software for architects and engineers, announced its largest ever acquisition, purchasing GoCanvas, a leading provider of software for enhancing productivity and safety in construction.

Though not making headlines, a few of our household names such as Coca-Cola and Heineken have been active. Coca-Cola has cut 50% of its offerings over the last five years to focus on its core offerings and continues to produce strong cash flow. Heineken's growth comes from emerging markets. Its global brand gives it recognition in developing countries and it has expanded with brands like Tiger and Dos Equis.

Trading activity was minimal in the period. No new stocks were purchased, although we added to our existing position in DBS Group Holdings. Two stocks were sold, KDDI and Veralto. Japanese telecom KDDI made a questionable capital allocation decision in Aristotle's view by acquiring convenience store operator Lawson, and we moved on from the stock. Veralto, a small position that was a spinoff from Danaher, was sold after rising 30% following the divestiture. We also trimmed a few holdings based on strong performance, including Martin Marietta and Mitsubishi UFJ.

Industrial goods & services companies comprise the largest portion of the portfolio, comprising 25% of investments. The sector includes a broadly diversified mix of businesses, including Honeywell (residential, commercial and industrial control systems), Rational (commercial ovens), Rentokil (pest control services), Fanuc (automation for manufacturing), General Dynamics (aerospace and defence), Assa Abloy (door security solutions), and Oshkosh (specialty trucks and access equipment). These businesses provide goods and services that are essential around the world.

Technology companies are also a key area of investment, making up 22% of the portfolio. Aristotle's focus is on businesses that generate consistent profits and trade at reasonable valuations, such as Microsoft, Adobe, Samsung Electronics, Qualcomm, Dolby Laboratories, and Microchip Technology. We avoid speculative and early phase companies and those that trade at lofty valuations.

The Fund has limited investments in resource companies (our two holdings are Cameco and TotalEnergies), as these stocks can be highly volatile. There are times when such stocks drive the market, and during such periods the Fund may underperform given its modest exposure.

Overall, the Fund continues to have a focus on quality businesses with competitive advantages, pricing power, and proven executives. Investments are spread across industries, both fast-growing and steady-eddy, in companies that have a strong market position.

An ongoing risk for investors in the Fund is the impact of currency fluctuations. The majority of holdings are denominated in foreign currencies. The greatest exposures lie in the U.S. dollar, Euro, Japanese Yen, British Pound, and South Korean Won. 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 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 six months ended June 30, 2024, the Fund paid the Manager \$499,150 of its net assets as management fees and distributed \$198,815 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 June 30, 2024, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 325,354 Series A units, or 5.7% 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 unaudited semi-annual and audited annual financial statements.

<b>Series A – Net Assets Per Unit</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$ 8.82</b>	<b>\$ 7.66</b>	<b>\$ 8.83</b>	<b>\$8.36</b>	<b>\$8.53</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.11	0.15	0.13	0.12	0.13
Total expenses (excluding distributions)	(0.07)	(0.20)	(0.19)	(0.22)	(0.17)
Realized gains (losses) for the period	0.03	(0.03)	(0.07)	1.22	(0.48)
Unrealized gains (losses) for the period	0.71	1.30	(0.98)	0.04	0.32
<b>Total increase (decrease) from operations <sup>1</sup></b>	<b>0.78</b>	<b>1.22</b>	<b>(1.11)</b>	<b>1.16</b>	<b>(0.20)</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	-	-	(0.01)	-	(0.07)
From dividends	-	-	-	-	-
From capital gains	-	-	-	(0.61)	-
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>-</b>	<b>-</b>	<b>(0.01)</b>	<b>(0.61)</b>	<b>(0.07)</b>
<b>Net Assets, end of period</b>	<b>\$ 9.55</b>	<b>\$ 8.82</b>	<b>\$ 7.66</b>	<b>\$8.83</b>	<b>\$8.36</b>

<b>Series A - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$ 54,638	\$ 54,206	\$ 50,553	\$60,651	\$58,918
Number of units outstanding <sup>4</sup>	5,718,718	6,142,735	6,602,323	6,865,089	7,050,543
Management expense ratio <sup>5</sup>	1.78%	1.78%	1.78%	1.78%	1.78%
Management expense ratio before waivers or absorptions	1.78%	1.78%	1.78%	1.79%	1.78%
Portfolio turnover rate <sup>6</sup>	-%	4.58%	17.33%	154.13%	39.90%
Trading expense ratio <sup>7</sup>	-%	0.01%	0.04%	0.28%	0.07%
Net asset value per unit	\$ 9.55	\$ 8.82	\$ 7.66	\$8.83	\$8.36



<b>Series O – Net Assets Per Unit</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$ 9.30</b>	<b>\$ 8.06</b>	<b>\$ 9.31</b>	<b>\$8.76</b>	<b>\$8.88</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.12	0.15	0.14	0.13	0.14
Total expenses (excluding distributions)	(0.02)	-	-	-	-
Realized gains (losses) for the period	0.03	(0.04)	(0.08)	1.28	(0.49)
Unrealized gains (losses) for the period	0.74	1.30	(0.98)	(0.07)	0.93
<b>Total increase (decrease) from operations <sup>1</sup></b>	<b>0.87</b>	<b>1.41</b>	<b>(0.92)</b>	<b>1.34</b>	<b>0.58</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	-	(0.16)	(0.15)	(0.12)	(0.17)
From dividends	-	(0.01)	(0.01)	(0.01)	-
From capital gains	-	-	-	(0.65)	-
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>-</b>	<b>(0.17)</b>	<b>(0.16)</b>	<b>(0.78)</b>	<b>(0.17)</b>
<b>Net Assets, end of period</b>	<b>\$ 10.16</b>	<b>\$ 9.30</b>	<b>\$ 8.06</b>	<b>\$9.31</b>	<b>\$8.76</b>

<b>Series O - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$ 205,325	\$ 194,663	\$ 183,679	\$176,165	\$161,825
Number of units outstanding <sup>4</sup>	20,219,079	20,941,169	22,780,795	18,922,448	18,454,620
Management expense ratio <sup>5</sup>	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	-	-	0.01%	-
Portfolio turnover rate <sup>6</sup>	-%	4.58%	17.33%	154.13%	39.90%
Trading expense ratio <sup>7</sup>	-%	0.01%	0.04%	0.28%	0.07%
Net asset value per unit	\$ 10.16	\$ 9.30	\$ 8.06	\$9.31	\$8.76

<sup>1</sup>Net 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.

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

<sup>3</sup>This information is derived from the Fund's unaudited semi-annual or audited annual financial statements as at June 30 or December 31 for the period stated.

<sup>4</sup>The information is provided as at June 30 or December 31 of the period shown.

<sup>5</sup>Management 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.

<sup>6</sup>The 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.

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

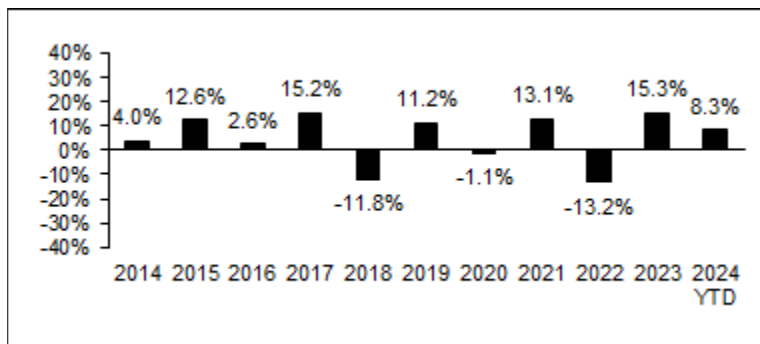
## Past Performance

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.

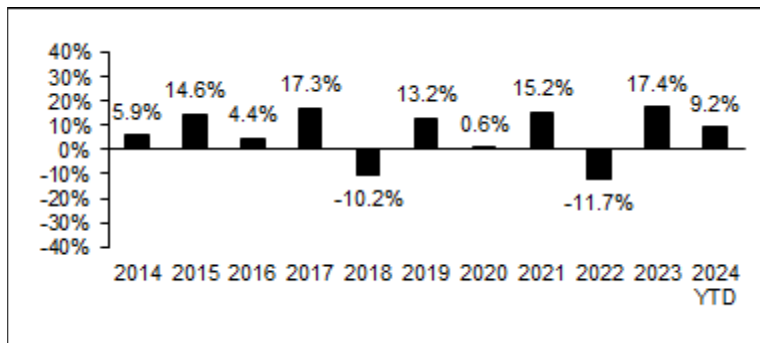
### Year-by-Year Returns

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.

**Summary of Investment Portfolio as at June 30, 2024****Portfolio Allocation**

<b>Global Equities</b>	<b>% of Net Assets</b>
Industrial Goods & Services	24.3%
Technology	21.3%
Financial Services	13.9%
Healthcare	13.6%
Consumer Cyclical	12.0%
Consumer Products	5.0%
Basic Materials	3.5%
Oil & Gas	2.8%
Retailing	1.4%
	<hr/>
	97.8%
	<hr/>
Cash, Short-term Notes & Other Assets	2.2%
	<hr/>
<b>Total</b>	<b>100.0%</b>

## Top 25 Holdings

	% of Net Assets
Microsoft Corp.	5.2%
Lennar Corp.	4.5%
Cameco Corp.	3.5%
Martin Marietta Materials Inc.	3.4%
Muenchener Rueckversicherungs-Gesellschaft AG	3.2%
Microchip Technology Inc.	3.0%
QUALCOMM Inc.	2.8%
TotalEnergies SE	2.8%
Adobe Inc.	2.7%
Amgen Inc.	2.7%
Samsung Electronics Co., Ltd.	2.6%
DBS Group Holdings Ltd	2.5%
FirstCash Holdings Inc.	2.4%
Nemetschek SE	2.4%
Cie Generale des Etablissements Michelin SCA	2.3%
Alcon Inc.	2.2%
Sony Group Corp.	2.2%
Cash & cash equivalents	2.2%
Danaher Corp.	2.1%
MonotaRO Co., Ltd.	2.1%
Oshkosh Corp.	2.1%
RPM International Inc.	2.1%
Otsuka Holdings Co., Ltd.	2.0%
Brookfield Corp.	2.0%
General Dynamics Corp.	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.

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**Steadyhand**

# Semi-Annual Management Report of Fund Performance

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**Steadyhand Small-Cap Equity Fund**

June 30, 2024



# Steadyhand Small-Cap Equity Fund

## Semi-annual Management Report of Fund Performance (June 30, 2024)

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual or audited annual financial statements of the investment fund. You can get a copy of the unaudited semi-annual or 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](http://www.steadyhand.com) or SEDAR at [www.sedar.com](http://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 six months ended June 30, 2024, the Fund's net assets increased to \$111.9 million, from \$108.7 million at the end of 2023. This increase of \$3.2 million was attributable to an increase in net assets from operations of \$9.7 million less net redemptions of \$6.3 million and \$0.2 million paid in distributions to unitholders.

The Fund (Series A) rose 8.4% over the first half of the year. Over the same period, the Morningstar Canada Small Cap Index rose 11.0%. The Fund underperformed the index due to its non-benchmark-oriented composition.

The portfolio had a strong first half following a stellar 2023. Performance was led by our resource holdings. Oil producer MEG Energy, copper miner Capstone Copper, and gold producer Torex Gold Resources all saw strong gains, with Capstone and Torex both up more than 45%. Our exposure to commodity-related stocks has historically been much lower than their weight in the Canadian market, and this continues to be the case. Nonetheless, these three companies are generating solid operating results and have been important contributors to performance.

Fashion house Aritzia also saw a notable gain. Aritzia rose by more than a third early in the year and our portfolio advisor, Galibier Capital, decided to sell the stock. Galibier likes the company but has been frustrated with some of management's decisions and felt it was a good time to move on.

Park Lawn was another strong performer. The funeral, cremation, and cemetery provider announced in June that it was going to become a private company at a 60% premium to where it was trading.

Stocks that were down in the first half included Enghouse Systems, VF Corp., Interfor, and Northland Power. We added to our positions in Enghouse, VF, and Interfor, viewing the price declines as a buying opportunity. We also bought additional shares in Generac Holdings, Henry Schein, and Finning International.

Over the reporting period, three companies were purchased and four were sold (see the Recent Developments section for further details).

There were a few changes to the sector allocation of the portfolio. The Fund's industrial goods & services holdings increased from 40% to 47% of its equities, basic materials stocks increased from 13% to 17%, and healthcare from 4% to 8%. Consumer cyclical stocks, on the other hand, decreased from 18% to 8%, retailing stocks decreased from 4% to 0%, and utilities & pipelines decreased from 4% to 0%. The other sectors were little changed.

The Fund's geographic profile was little changed. Canadian stocks made up 80% of the Fund's equities at the end of June, up slightly from their 79% weighting at the end of 2023, and U.S. stocks comprised 20%. The Fund's cash position decreased from 6% to 3%.

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

### **Recent Developments**

The Canadian small-cap market had a strong first half, rising 11.0% as measured by the Morningstar Canada Small Cap Index. U.S. small caps, as measured by the Morningstar U.S. Small Cap Index (\$Cdn), were up 5.5%. The domestic market saw strong performance from the energy, materials, and healthcare sectors. Real estate and consumer discretionary stocks, on the other hand, were weak.

Industrial goods & services stocks continue to make up a significant portion of the portfolio (47%). This is a broad industry classification which includes companies such as Badger Infrastructure Solutions (hydrovac and potholing services), Oshkosh Corp. (maker of heavy-duty trucks), ATS Corporation (factory automation systems), and Cargojet (air cargo services). These businesses share a common trait: they're leaders in their field and generate strong free cash flow.

Consumer-related companies (staples and cyclicals) also make up a notable portion of the Fund (15% combined). These include food makers and distributors like Premium Brands Holdings; and consumer goods companies that are more dependent on discretionary spending such as Spin Master (maker of toys and games), VF Corp. (home to popular clothing brands including Vans and The North Face), and Sleep Country Canada (mattress and bedding accessories specialist).

Our exposure to resource stocks remains much lower than their weight in the Canadian index, although strong performance from our holdings has resulted in their weight increasing from 20% of the Fund's equities at the end of last year to 25% currently. Our investments include MEG Energy (oil & gas producer), Torex Gold Resources (gold miner), Capstone Copper (copper miner), and Interfor (lumber).

These investments provide exposure to a diverse group of first-class resource companies, without too much exposure to a single commodity.

Three new companies were added to the Fund: Andlauer Healthcare Group, ATS Corporation, and Greenbrier Companies. Andlauer is a Canadian company providing specialized transportation and logistics support for healthcare companies. Many medications (including GLP-1 drugs) need to be transported at a specific temperature and Andlauer is a leader in this process. ATS designs and manufactures factory automation systems, and U.S.-based Greenbrier is a leader in manufacturing rail cars.

Four companies were sold: Northland Power, Aritzia, Park Lawn, and Vail Resorts. Northland has been a disappointment. The clean power provider is a good business that operates many attractive assets, but its management team has entered into some bad contracts and hasn't met Galibier's expectations. Aritzia was sold after a nice rebound, while Park Lawn announced it was going private, as mentioned in the previous section. Finally, Vail was sold as Galibier concluded that increased weather variability and the ski resort operator's lack of focus on customer service would not bode well for long-term investors.

The portfolio has a unique composition, with key areas of investment being industrial services, capital goods, and consumer companies. This is in contrast to the small-cap market's heavy focus on resource companies. As such, it will often be out-of-synch with the small-cap index.

With the exposure to U.S. stocks (20% of the Fund), currency fluctuations between the Canadian and U.S. dollar remain a risk of the Fund. If the loonie depreciates against the U.S. dollar, it is beneficial for returns, and vice versa.

At the end of June, the Fund held 21 stocks, which is one fewer than at the beginning of the year. Most holdings comprise 3-6% of the portfolio. Companies range in market capitalization from very small (e.g., Diversified Royalty) to medium-sized (e.g., Cargojet). MEG Energy is the largest position, at 8.1%. A notable feature of the Fund continues to be that there are no "filler" stocks, and each holding has an important impact on performance.

Our portfolio advisor (Galibier Capital) announced in the second quarter that it has agreed to be acquired by Guardian Capital, a larger Canadian investment firm that manages private client and institutional assets. The transaction will not impact Galibier's investment philosophy and its team will remain intact. Moreover, the terms of the transaction mean the most senior principals are incentivized to remain with the firm for at least five years. Galibier will get the benefit of a larger team and more resources to help with operational support and growth. Overall, we view the transaction positively.

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 six months ended June 30, 2024, the Fund paid gross fees of \$426,960 to the Manager and distributed \$163,450 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 June 30, 2024, Steadyhand Investment Management Ltd. and its affiliates, subsidiaries, officers and directors owned 118,687 Series A units, or 4.6% 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 unaudited semi-annual and audited annual financial statements.

<b>Series A – Net Assets Per Unit</b>	<b>Jun 30 2024</b>	<b>Dec 31 2023</b>	<b>Dec 31 2022</b>	<b>Dec 31 2021</b>	<b>Dec 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$16.85</b>	<b>\$15.83</b>	<b>\$18.02</b>	<b>\$15.99</b>	<b>\$15.32</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.17	0.33	0.30	0.34	0.30
Total expenses (excluding distributions)	(0.11)	(0.43)	(0.41)	(0.43)	(0.32)
Realized gains (losses) for the period	0.78	1.82	1.07	1.27	(0.41)
Unrealized gains (losses) for the period	0.65	1.06	(1.89)	1.31	1.05
<b>Total increase (decrease) from operations<sup>1</sup></b>	<b>1.49</b>	<b>2.78</b>	<b>(0.93)</b>	<b>2.49</b>	<b>0.62</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	-	-	-	-	-
From dividends	-	(0.01)	-	-	(0.08)
From capital gains	-	(1.60)	(1.13)	(0.29)	-
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>-</b>	<b>(1.61)</b>	<b>(1.13)</b>	<b>(0.29)</b>	<b>(0.08)</b>
<b>Net Assets, end of period</b>	<b>\$18.27</b>	<b>\$16.85</b>	<b>\$15.83</b>	<b>\$18.02</b>	<b>\$15.99</b>

<b>Series A - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$46,866	\$46,457	\$44,118	\$49,632	\$46,771
Number of units outstanding <sup>4</sup>	2,565,601	2,756,434	2,786,456	2,755,028	2,924,832
Management expense ratio <sup>5</sup>	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 <sup>6</sup>	31.61%	51.55%	28.02%	18.27%	32.20%
Trading expense ratio <sup>7</sup>	0.12%	0.14%	0.08%	0.05%	0.11%
Net asset value per unit	\$18.27	\$16.85	\$15.83	\$18.02	\$15.99

<b>Series O – Net Assets Per Unit</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$17.81</b>	<b>\$16.75</b>	<b>\$19.04</b>	<b>\$16.90</b>	<b>\$16.07</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.18	0.39	0.32	0.36	0.32
Total expenses (excluding distributions)	(0.01)	-	-	-	-
Realized gains (losses) for the period	0.83	1.91	1.13	1.35	(0.50)
Unrealized gains (losses) for the period	0.68	1.00	(2.17)	1.17	1.63
<b>Total increase (decrease) from operations <sup>1</sup></b>	<b>1.68</b>	<b>3.27</b>	<b>(0.72)</b>	<b>2.88</b>	<b>1.45</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	-	-	-	-	-
From dividends	-	(0.37)	(0.27)	(0.33)	(0.27)
From capital gains	-	(1.72)	(1.21)	(0.31)	-
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>-</b>	<b>(2.09)</b>	<b>(1.48)</b>	<b>(0.64)</b>	<b>(0.27)</b>
<b>Net Assets, end of period</b>	<b>\$19.47</b>	<b>\$17.81</b>	<b>\$16.75</b>	<b>\$19.04</b>	<b>\$16.90</b>

<b>Series O - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$65,043	\$62,249	\$62,222	\$64,101	\$55,345
Number of units outstanding <sup>4</sup>	3,340,395	3,496,073	3,713,650	3,366,799	3,275,173
Management expense ratio <sup>5</sup>	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	-	-	0.01%	-
Portfolio turnover rate <sup>6</sup>	31.61%	51.55%	28.02%	18.27%	32.20%
Trading expense ratio <sup>7</sup>	0.12%	0.14%	0.08%	0.05%	0.11%
Net asset value per unit	\$19.47	\$17.81	\$16.75	\$19.04	\$16.90

<sup>1</sup>Net 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.

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

<sup>3</sup>This information is derived from the Fund's unaudited semi-annual and audited annual financial statements as at June 30 or December 31 for the period stated.

<sup>4</sup>The information is provided as at June 30 or December 31 of the period shown.

<sup>5</sup>Management 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.

<sup>6</sup>The 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.

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

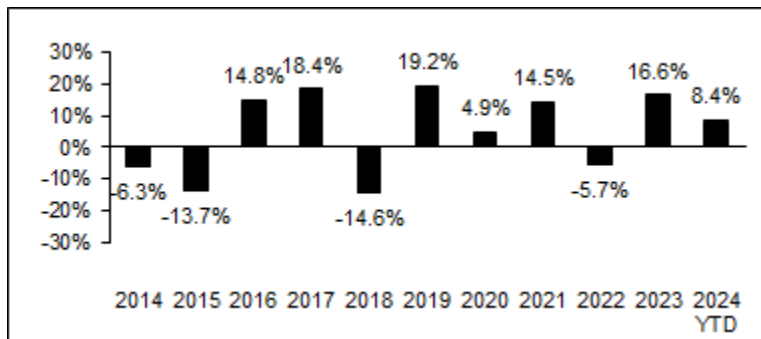
## Past Performance

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.

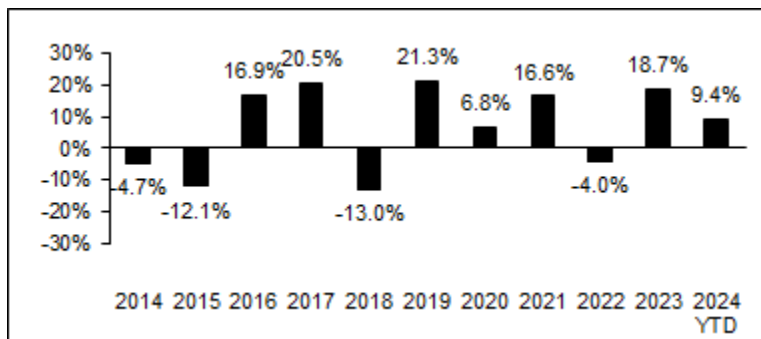
### Year-by-Year Returns

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.

## Summary of Investment Portfolio as of June 30, 2024

### Portfolio Allocation

	% of Net Assets
<b>Equities</b>	
Industrial Goods & Services	45.5%
Basic Materials	16.7%
Oil & Gas	8.1%
Consumer Cyclical	8.1%
Healthcare	8.0%
Consumer Products	6.0%
Technology	4.4%
	96.8%
Cash, Short-term Notes & Other Assets	3.2%
<b>Total</b>	<b>100.0%</b>

### Top 22 Holdings

	% of Net Assets
MEG Energy Corp.	8.1%
Capstone Copper Corp.	6.0%
Premium Brands Holdings Corp.	6.0%
Torex Gold Resources Inc.	6.0%
Finning International Inc.	6.0%
Boyd Group Services Inc.	5.5%
Greenbrier Cos Inc.	4.9%
Savaria Corp.	4.9%
Oshkosh Corp.	4.8%
Cargojet Inc.	4.7%
Interfor Corp.	4.7%
Enghouse Systems Ltd.	4.4%
ATS Corp.	4.4%
Badger Infrastructure Solutions Ltd.	4.3%
Henry Schein Inc.	4.0%
Andlauer Healthcare Group Inc.	4.0%
Sleep Country Canada Holdings Inc.	3.6%
Diversified Royalty Corp.	3.2%
Cash & cash equivalents	3.2%
Generac Holdings Inc.	2.7%
VF Corp.	2.4%
Spin Master Corp.	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.

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**Steadyhand**

# Semi-Annual Management Report of Fund Performance

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**Steadyhand Global Small-Cap Equity  
Fund**

June 30, 2024



# Steadyhand Global Small-Cap Equity Fund

## Semi-annual Management Report of Fund Performance (June 30, 2024)

This semi-annual management report of fund performance contains financial highlights but does not contain the complete unaudited semi-annual or audited annual financial statements of the investment fund. You can get a copy of the unaudited semi-annual or 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 3<sup>rd</sup> Avenue, Vancouver, BC, V6J 1K7 or by visiting our website at [www.steadyhand.com](http://www.steadyhand.com) or SEDAR at [www.sedar.com](http://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 increased from \$73.7 million at December 31, 2023 to \$75.8 million at June 30, 2024. This increase of \$2.1 million was attributable to a \$3.1 million increase in net assets from operations less net redemptions of \$1.0 million.

The Fund (Series A) rose 3.5% over the first half of the year. Over the same period, the Morningstar Developed Markets Small Cap Index (\$Cdn) gained 5.1%.

Global small-cap stocks had a strong first quarter, rising 7.3%, before giving back some gains in the second quarter, when the market fell 2.0%. Energy, financial services, technology, industrials, and utilities were the strongest performing sectors over the first half of the year, while consumer staples, healthcare, and materials lagged.

The Canadian dollar depreciated against most major currencies, falling 4% against the U.S. dollar, 3% against the British Pound and 1% against the Euro. It gained 10% against the Japanese Yen, however, which continued its years-long slide. The weakness in our dollar against foreign currencies boosted the returns of these stocks for Canadian investors (Japanese equities were the exception and saw their returns dampened in Canadian dollar terms).

The Fund had a strong first quarter (gaining 8.2%), reflecting the solid fundamentals of our holdings. Our investments in the industrial goods & services sector drove performance, on the back of excellent earnings. Standouts included mechanical and electrical construction services firm Emcor Group, defence and civil security specialist Saab, and warehouse equipment leader Kion Group. Financial services holdings RenaissanceRe and Rakuten Bank were also among the top contributors to performance.

The two biggest detractors in the first quarter were Integral Ad Science and Synaptics. Integral Ad Science is a digital advertising verification leader. The company reported a good quarter but lowered its revenue guidance and announced a price discounting program that turned off investors (the stock was down 35%). Synaptics, which develops human interface hardware and software (e.g. touchpad modules and fingerprint sensors), also reported good financial results but indicated that some of its products are seeing slowing demand. Our portfolio adviser, TimesSquare Capital, continues to like its longer-term prospects.

The second quarter was more challenging, with some of our stronger performers from earlier in the year pulling back in the spring (including Regal Rexord, JFrog, and ESAB) and a few holdings disappointed by announcing weaker earnings or guidance (Workiva, Integral Ad Science, and Internet Initiative Japan). Our top performers included Onto Innovation, Topdanmark, and Clean Harbors. Onto Innovation, which makes defect inspection software for semiconductor manufacturers, profited from continued interest and high demand in the microchip sector. Danish insurer Topdanmark agreed to an acquisition by its largest shareholder, and environmental services leader Clean Harbors is benefiting from increased government regulation of hazardous waste.

Eleven new stocks were purchased during the period, and 10 were sold (discussed in further detail in the Recent Developments section).

There were some adjustments to the composition of the portfolio. The largest change in sector exposure was in communications & media stocks, which decreased from 5% of the portfolio's equities at the end of 2023 to 0% at the end of June. Industrial goods & services stocks also decreased, from 40% to 36%. On the other hand, financial services stocks increased from 14% to 18%, and technology stocks from 10% to 14%. The other sectors saw only modest changes.

At the end of the reporting period, the Fund held 52 companies around the globe, which is two more than it held at the end of 2023. Twenty-two are headquartered in the U.S., 13 in Europe, 5 in Japan, 5 in the U.K., 3 in South America, 3 in Australia, and 1 in Canada.

The Fund's cash position at the end of June was 2%, which is lower than its 4% weighting at the end of 2023.

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



## Recent Developments

The first half of 2024 was a solid period for investors. Stock markets were buoyant as corporate earnings were strong, inflation continued to subside, and unemployment remained low in the developed world. Investor sentiment was positive despite ongoing geopolitical tensions.

Small-cap markets weren't as robust as large caps, however, as investor attention continued to be focused primarily on the biggest tech companies, particularly those that are incorporating artificial intelligence into their offerings.

It was an active period for transactions, with 11 new stocks added to the Fund. We increased our investments in the technology sector, adding three new holdings: Onto Innovation, Macom Technology Solutions, and JFrog. Onto Innovation provides metrology (measurement) and defect inspection solutions for semiconductor manufacturers. MACOM makes semiconductor devices and components, and JFrog provides software tools for programmers focused on improving efficiency. Tech stocks comprise 14% of the Fund. Our focus is on profitable companies that offer high value added products & services to other businesses.

We also purchased Warby Parker (New York City based direct-to-consumer eyewear maker), KDX Realty Investment Corp. (Japanese real estate company), Embraer (Brazil-based aircraft manufacturer), Loar Holdings (American supplier of crucial aftermarket aviation parts), Ventia Services Group (Australian infrastructure specialist), Tecan Group (Swiss leader in biotech lab instruments), Ringkjøbing Landbobank (Danish bank), and St. James's Place (U.K. money manager that we previously owned and is trading at a compelling valuation again).

Our portfolio adviser (TimesSquare) is starting to see pockets of weakness in some sectors, and wasn't happy with the decisions of certain management teams, which prompted some stock sales. Communication services firms Internet Initiative Japan and Integral Ad Science were sold based on weaker outlooks, while toy maker Spin Master and carbon fiber specialist Hexcel were removed following poor boardroom decisions in TimesSquare's view (Spin Master overpaid for a recent transaction, while Hexcel brought in a new CEO with a mixed record).

Other sales included Visteon, Interpump Group, Nakanishi, Exponent, MatsukiyoCocakara, and Lawson (which received a takeover bid). A few stocks that have seen good runs were trimmed, including EMCOR Group (construction services) and Rakuten Bank (Japan's largest online bank).

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

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 \$107,070 of its net assets as management fees for the six months ended June 30, 2024 and distributed \$44,245 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 June 30, 2024, Steadyhand Investment Management Ltd., and its affiliates, subsidiaries, officers and directors owned 167,461 Series A units, or 16.1% of the total Fund Series A units. The Steadyhand Founders Fund and Steadyhand Builders Fund hold 100% of the total Fund Series O units and pay no management fees.

## Financial Highlights

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

<b>Series A – Net Assets Per Unit</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3,</sup></b>	<b>\$11.00</b>	<b>\$10.27</b>	<b>\$12.56</b>	<b>\$12.64</b>	<b>\$11.75</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.09	0.17	0.17	0.18	0.11
Total expenses (excluding distributions)	(0.08)	(0.34)	(0.34)	(0.49)	(0.34)
Realized gains (losses) for the period	0.37	(0.16)	(0.67)	1.46	0.12
Unrealized gains (losses) for the period	0.05	1.11	(1.34)	0.45	1.39
<b>Total increase (decrease) from operations <sup>1</sup></b>	<b>0.43</b>	<b>0.78</b>	<b>(2.18)</b>	<b>1.60</b>	<b>1.28</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	-	(0.01)	-	(0.23)	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	(1.32)	-
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>-</b>	<b>(0.01)</b>	<b>-</b>	<b>(1.55)</b>	<b>-</b>
<b>Net Assets, end of period</b>	<b>\$11.38</b>	<b>\$11.00</b>	<b>\$10.27</b>	<b>\$12.56</b>	<b>\$12.64</b>

<b>Series A - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$11,864	\$11,573	\$10,047	\$11,618	\$8,456
Number of units outstanding <sup>4</sup>	1,042,182	1,052,271	978,145	924,913	668,886
Management expense ratio <sup>5</sup>	1.78%	1.78%	1.78%	1.78%	1.78%
Management expense ratio before waivers or absorptions	1.79%	1.80%	1.80%	1.80%	1.80%
Portfolio turnover rate <sup>6</sup>	39.58%	59.40%	42.20%	62.62%	33.27%
Trading expense ratio <sup>7</sup>	0.20%	0.15%	0.17%	0.20%	0.07%
Net asset value per unit	\$11.38	\$11.00	\$10.27	\$12.56	\$12.64

<b>Series O – Net Assets Per Unit</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
<b>Net Assets, beginning of period <sup>1,3</sup></b>	<b>\$11.24</b>	<b>\$10.49</b>	<b>\$12.83</b>	<b>\$12.92</b>	<b>\$11.87</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.09	0.19	0.18	0.18	0.11
Total expenses (excluding distributions)	(0.02)	-	-	-	-
Realized gains (losses) for the period	0.38	(0.17)	(0.70)	1.53	0.10
Unrealized gains (losses) for the period	0.06	0.96	(1.38)	0.14	1.99
<b>Total increase (decrease) from operations <sup>1</sup></b>	<b>0.51</b>	<b>0.98</b>	<b>(1.90)</b>	<b>1.85</b>	<b>2.20</b>
<b>Distributions :</b>					
From investment income (excluding dividends)	-	(0.20)	(0.19)	(0.46)	(0.08)
From dividends	-	-	-	-	-
From capital gains	-	-	-	(1.37)	-
Return of capital	-	-	-	-	-
<b>Total distributions for the period <sup>2</sup></b>	<b>-</b>	<b>(0.20)</b>	<b>(0.19)</b>	<b>(1.83)</b>	<b>(0.08)</b>
<b>Net Assets, end of period</b>	<b>\$11.74</b>	<b>\$11.24</b>	<b>\$10.49</b>	<b>\$12.83</b>	<b>\$12.92</b>

<b>Series O - Ratios and Supplemental Data</b>	<b>Jun. 30 2024</b>	<b>Dec. 31 2023</b>	<b>Dec. 31 2022</b>	<b>Dec. 31 2021</b>	<b>Dec. 31 2020</b>
Net asset value (000's) <sup>4</sup>	\$63,959	\$62,101	\$62,545	\$63,749	\$46,846
Number of units outstanding <sup>4</sup>	5,447,376	5,523,943	5,961,263	4,966,868	3,626,387
Management expense ratio <sup>5</sup>	-	-	-	-	-
Management expense ratio before waivers or absorptions	-	-	-	-	0.01%
Portfolio turnover rate <sup>6</sup>	39.58%	59.40%	42.20%	62.62%	33.27%
Trading expense ratio <sup>7</sup>	0.20%	0.15%	0.17%	0.20%	0.07%
Net asset value per unit	\$11.74	\$11.24	\$10.49	\$12.83	\$12.92

<sup>1</sup>Net 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.

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

<sup>3</sup>This information is derived from the Fund's unaudited semi-annual and audited annual financial statements as at June 30 and December 31.

<sup>4</sup>The information is provided as at June 30 and December 31.

<sup>5</sup>Management 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.

<sup>6</sup>The 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.

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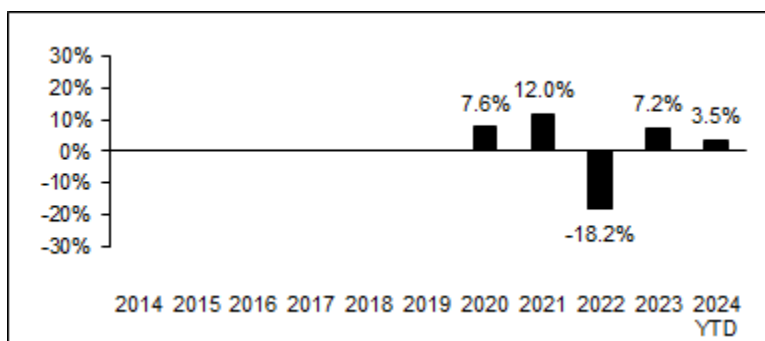
## Past Performance

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.

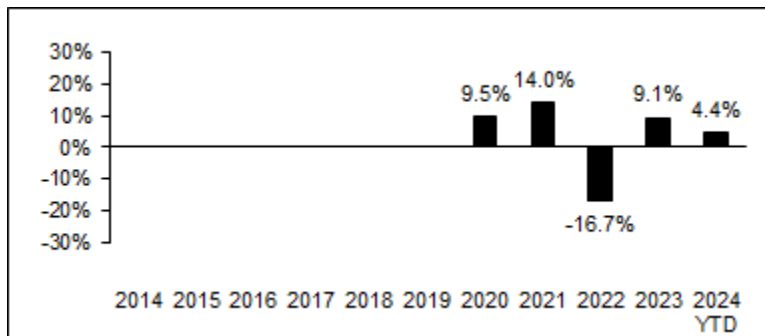
### Year-by-Year Returns

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



**Summary of Investment Portfolio as at June 30, 2024****Portfolio Allocation**

<b>Global Equities</b>	<b>% of Net Assets</b>
Industrial Goods & Services	34.9%
Financial Services	17.5%
Technology	14.2%
Healthcare	11.9%
Consumer Cyclical	8.8%
Consumer Products	8.6%
Real Estate	2.6%
	<hr/>
	98.5%
Cash, Short-term Notes & Other Assets	<hr/>
	1.5%
<b>Total</b>	<hr/> <hr/>
	100.0%

## Top 25 Holdings

	% of Net Assets
Clean Harbors Inc.	4.6%
Chemed Corp.	3.3%
Steadfast Group Ltd.	3.2%
Regal Rexnord Corp.	3.2%
Performance Food Group Co.	3.0%
Casella Waste Systems Inc.	2.9%
Rakuten Bank Ltd.	2.9%
Esab Corp.	2.6%
KDX Realty Investment Corp.	2.6%
First Advantage Corp.	2.4%
EMCOR Group Inc.	2.4%
Rohto Pharmaceutical Co., Ltd.	2.2%
Onto Innovation Inc.	2.1%
Tate & Lyle PLC	2.1%
Ascendis Pharma A/S	2.0%
Sopra Steria Group SACA	1.9%
MACOM Technology Solutions Holdings Inc.	1.9%
Kobe Bussan Co., Ltd.	1.9%
Auto Trader Group PLC	1.9%
RenaissanceRe Holdings Ltd.	1.9%
The AZEK Company Inc.	1.8%
Encompass Health Corp.	1.7%
Weir Group PLC	1.7%
Saab AB	1.6%
Cash & cash equivalents	1.6%

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.