

Steadyhand

Q2
2025

“The stock market is a device for transferring money from the impatient to the patient.”

— Warren Buffett



Bradley's Brief



While the world is being turned upside down and our relationship with our southern neighbour, and democracy in general, is in question, we've added more uncertainty to the mix—a change of ownership at Steadyhand.

In June, we closed our deal to sell the firm to Purpose Unlimited. This important step will be good for our clients and team, and will help fuel our ambition to be a bigger positive force in the investment industry. As more responsibility falls on Canadians to manage their retirement savings (i.e. fewer defined benefit pension plans), we want investors to benefit from our investing process and client experience.

As you do, they can gain from a business model that revolves around prompt, friendly service, reasonable fees, accessible investment advice, a curated list of diversified funds, radical transparency, and of course, a steady hand when it's most needed.

In Purpose, we found a partner who believes in our mission. In the words of Som Seif, our CEO: *"From the outset, Purpose's interest in Steadyhand came from a place of genuine admiration. Steadyhand's client-first philosophy, long-term investment discipline, and clear, human approach to communication have always stood out in our industry. That's not something we want to change—it's something we want to protect, support, and build on."*

Som goes on to say, *"What unites us is bigger than any one brand or platform. It's a shared belief that finance should serve people—not the other way around. That advice should be honest. That investing should be simple. That outcomes—not products—are what truly matter."*

In these turbulent times, staying steady has never been more important for achieving good outcomes. In times of extreme pessimism, we often find ourselves pumping people up (just as we cool them

down when expectations are too high). Now is one of those times.

In a recent post, Joe Wiggins, research director at St. James's Place in the U.K., quoted Daniel Kahneman, a pioneer in behavioural finance. Kahneman said, *"Nothing in life is as important as you think it is while you are thinking about it"*, which Mr. Wiggins went on to say, *"beautifully encapsulates our tendency to significantly exaggerate the importance of whatever is on our minds at any given moment."*

We believe today's negativity is overdone, at least as it relates to your portfolio. The issues in the spotlight are real, but the mix of factors effecting capital markets is more balanced than you're led to believe.

There are many companies outside of the hot sectors of artificial intelligence, crypto, and gold that are being overlooked and are unburdened by high expectations. There are well-run, well-financed companies that are users of AI, not providers, and are trading at reasonable valuations. Indeed, the valuation gap between the hot and the not is unusually wide.

As always, we encourage you to reach out if you have questions about your portfolio or our new ownership structure. Our Investor Specialists remain highly accessible, friendly, and ready to help where and when they can.



Key Takeaways

Stocks

- Stock markets had a strong second quarter. After a sharp selloff in April—triggered by President Trump’s tariff announcements—markets rebounded as many of the proposed measures were scaled back and investor sentiment improved. Technology and industrial stocks were leaders, and gold continued to shine. Among global markets, Japan, the U.S., and Germany were top performers.
- The Canadian market was also a standout, rising 8.5%. Key contributors included the financial services, technology, consumer discretionary, and materials sectors.
- The loonie rose 5% against the U.S. dollar and 2% against the Yen, which dampened the returns of American and Japanese stocks in \$Cdn terms. It fell modestly against the Euro and Pound, boosting the returns of European and U.K. stocks.

Bonds

- The Canadian bond market fell 0.7% in the quarter (income less capital depreciation).
- Bond yields rose, with longer-term yields experiencing the biggest moves. The benchmark 10-year Government of Canada yield climbed from 3.0% to 3.3%.
- The Bank of Canada held its key short-term lending rate at 2.75%.

Our Funds

- Our funds had a positive quarter, with the small-cap funds leading the way. Our balanced clients’ portfolios were up around 3%. Over the past 10 years, our balanced clients have gained roughly 5% per year.
- Our stock weighting in the Founders Fund is now slightly above its target of 60% based on our views on corporate fundamentals, valuations, and investor sentiment.
- In the context of our balanced portfolios, recent transactions include the purchase of UBER TECHNOLOGIES (U.S.) and PEYTO EXPLORATION AND DEVELOPMENT (Canada); and the sale of PAYPAL HOLDINGS (U.S.) and RATIONAL AG (Germany).

Our Advice to Clients

We recommend you be at your long-term target for stocks. In the Founders Fund, our equity weighting is 61%. We were below our target early in the quarter and took advantage of price weakness following President Trump’s tariff announcements to add to stocks. Our focus is on profitable, market leading companies. Our outlook for bonds is positive given the economic uncertainty. To complement the longer-term bonds in the Income Fund, we recommend holding a position in the Savings Fund, which is yielding 2.8% (pre-fee). Currently, 5% of the Founders Fund is in cash (including the Savings Fund).

For our latest thoughts on asset mix and the advice we’re giving clients, you can always visit the [Current Outlook](#) page on our website, or give us a call at 1.888.888.3147.

Market Returns

	3M	1Y
Canada	8.5%	26.6%
World	5.7%	15.7%

	3M	1Y
Bonds	-0.7%	5.7%

Fund Returns

	3M	1Y
Savings	0.6%	3.4%
Income	1.4%	9.0%
Founders	3.1%	10.2%
Builders	5.1%	11.9%
Equity	3.4%	16.5%
Global	3.6%	6.7%
Small-Cap	7.8%	7.6%
Global Small-Cap	10.1%	18.1%



Founders Fund

Fund Overview

- The Founders Fund is a balanced fund with a target asset mix of 60% stocks and 40% fixed income. It gains this exposure from investing in Steadyhand's other funds.
- Steadyhand's Co-founder, Tom Bradley, manages the fund along with CIO Salman Ahmed. They have considerable scope to adjust the portfolio although without extremes in valuation and investor sentiment, their bias is to stay near the target mix.

Portfolio Specifics

- The Founders Fund has fared well through this topsy turvy year. It was up 3.1% in the second quarter and 4.5% year-to-date.
- It's rare that all components of the fund contribute, but that's been the case in 2025. Returns ranged from 3.0% for the Income Fund to 7.8% for the Equity Fund. This reflects the fact that stock markets broadened out this year, with more industries and geographic regions chipping in. It wasn't just a handful of tech stocks leading the way (although many of them did well).
- As the second quarter started, we had the equity exposure in the fund dialed down. Stocks accounted for 57% of total assets, with bonds (35%) and a cash reserve (8%) making up the rest. We altered this cautious stance, however, when markets sold off around President Trump's 'Liberation Day'. We added to stocks by shifting money from the Savings Fund to the Equity and Global Equity Funds. This move, which took the fund back to its strategic asset mix (SAM), was triggered by extremely negative investor sentiment (a contrarian indicator) and more reasonable valuations due to the market's overreaction to short-term uncertainty. As a result of these moves, and a strong recovery, Founders finished the quarter at 61% in stocks.
- In the meantime, we remain positive about the fixed income holdings in the Income Fund, the largest of Founders' underlying funds. Bonds provide an above-inflation yield and are proving to be good diversifiers in periods of stock market weakness. We have a meaningful position in the Savings Fund for similar reasons – income and downside protection. It doesn't have the same return potential as our income and equity funds, but enhances Founders' diversification and is a ready source of liquidity.
- The largest transactions in the underlying funds during the quarter included new holdings in UBER TECHNOLOGIES (U.S.) and PEYTO EXPLORATION AND DEVELOPMENT (Canada); and the sale of PAYPAL HOLDINGS (U.S.) and RATIONAL AG (Germany).

Positioning

- After playing defense early in the year, Founders took advantage of a market overreaction to go on offense. After that brief opportunity, we are back to using fund flows and market volatility to keep the fund close to its SAM. Our fund managers see lots of upside in the stocks we hold, but bonds also offer excellent return potential.
- For more details on the underlying funds, please review pages 8-18.

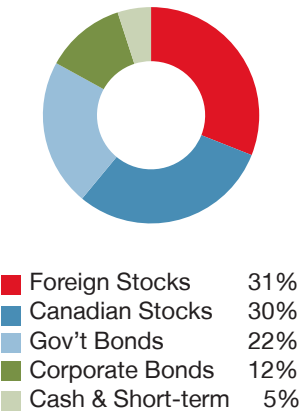
The fund was up 3.1% in the quarter. Since inception (Feb 2012), it has a cumulative return of 124%, which equates to an annualized return of 6.2%.

Fund Mix

Income	46%
Global	20%
Equity	20%
Small-Cap	5%
Global Small-Cap	5%
Savings	4%



Asset Mix



Fund size \$724,866,881



Founders Fund

Attributes

Top Stock Holdings (% of Fund)

Microsoft	1.9%
Royal Bank	1.6%
Constellation Software	1.4%
Thomson Reuters	1.4%
Dollarama	1.3%
TMX Group	1.2%
Intact Financial	1.2%
Metro	1.2%
Visa	1.1%
CN Rail	1.0%

Sector Allocation (Stocks)

Industrial Goods & Svc	25.0%
Financial Services	24.1%
Technology	13.5%
Retailing	9.2%
Consumer Cyclical	5.9%
Healthcare	5.7%
Basic Materials	5.5%
Consumer Products	3.8%
Real Estate	2.9%
Oil & Gas	2.4%
Utilities & Pipelines	1.9%
Comm. & Media	0.1%

Asset Mix

Long-term		Current
17%	Overseas Stocks	12%
17%	U.S. Stocks	19%
26%	Canadian Stocks	30%
35%	Bonds	34%
5%	Cash	5%

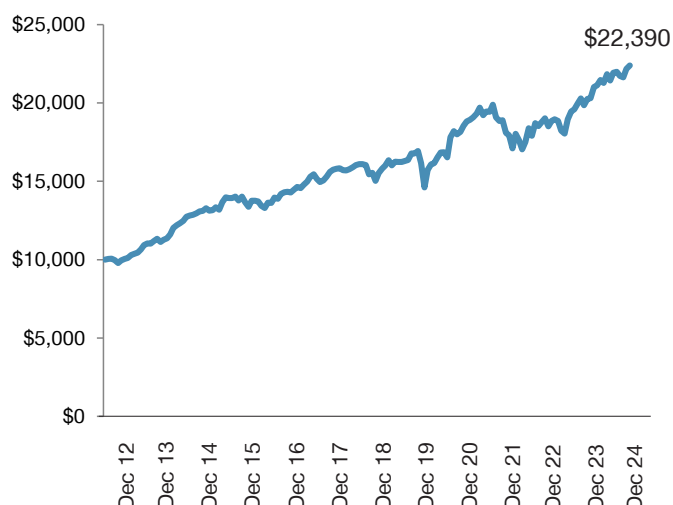
Performance

Compound Annualized Returns (as of June 30, 2025)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Founders Fund (after-fee)	3.1%	4.5%	10.2%	9.4%	6.7%	5.0%	N/A	6.2%
Canadian Bond Index	-0.7%	1.3%	5.7%	4.0%	-0.6%	1.8%	N/A	2.3%
Global Stock Index (\$Cdn)	5.7%	3.8%	15.7%	20.0%	14.1%	11.2%	N/A	13.3%
Canadian Stock Index	8.5%	10.1%	26.6%	16.2%	14.6%	9.0%	N/A	8.5%

¹Feb 17, 2012

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Builders Fund

Fund Overview

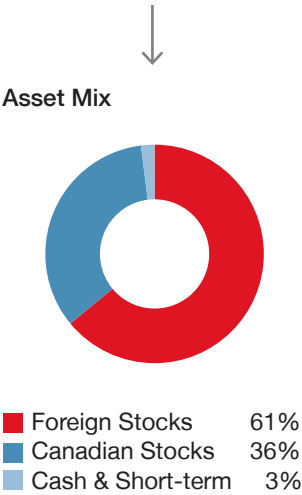
- The Builders Fund is an all-stock portfolio designed for growth-oriented investors. It is a fund-of-funds that invests mainly in Steadyhand’s four stand-alone equity funds — Equity Fund, Global Equity Fund, Small-Cap Equity Fund, and Global Small-Cap Equity Fund.
- The mix of underlying funds is managed by Salman Ahmed, with Tom Bradley as co-manager.

The fund was up 5.1% in the quarter. Since inception (Feb 2019), it has a cumulative return of 57%, which equates to an annualized return of 7.3%.

Portfolio Specifics

- The fund posted a strong result in the quarter, gaining 5.1%, and is up 5.8% year-to-date, despite the volatility in stock markets. Our holdings in the technology, consumer staples, and financial services sectors were strong contributors in Q2.
- Investments are allocated roughly two-thirds towards foreign businesses and one-third towards companies based in Canada. The bias to foreign companies reflects a broader opportunity set outside of Canada, particularly in important industries like healthcare, technology, and consumer products & services.
- The largest area of investment, industrial goods & services (30% of the portfolio), includes a diverse mix of companies such as OSHKOSH CORP. (specialty vehicles and access equipment), RB GLOBAL (industrial auctioneer), RPM INTERNATIONAL (specialty coatings and sealants), BADGER INFRASTRUCTURE SOLUTIONS (hydrovac services), and CN RAIL. Performance of the group was solid in the quarter, on balance.
- Financial services companies make up 21% of the fund. Large holdings include VISA and TMX GROUP. We also own a group of leading insurance companies, including INTACT FINANCIAL, MUNICH RE GROUP, and AIA GROUP. CME GROUP (derivatives marketplace), S&P GLOBAL (financial data and analytics), and ROYAL BANK (banking) provide additional diversification. Many of these holdings were strong performers in the quarter.
- The technology sector is another important area of investment, comprising 15%. Our focus is on established industry leaders such as MICROSOFT. Other investments include ALPHABET (the parent of Google), QUALCOMM (chips for smartphones), CONSTELLATION SOFTWARE (software), and SERVICE TITAN (CRM software for tradespersons). Performance was strong for the group.
- The portfolio has only modest exposure to commodity stocks (7%), due to their inherent cyclical nature. Holdings include TOREX GOLD RESOURCES (gold producer), CAPSTONE COPPER (copper miner), TOTAL ENERGIES (oil & gas), INTERFOR (lumber), and CAMECO (uranium). Returns were solid overall, with Cameco a standout and Interfor a laggard.

Fund Mix	
Global Equity	35%
Equity	35%
Global Small-Cap	15%
Small-Cap	15%



Positioning

- Refer to pages 10-17 for details on the underlying funds.

Fund size	\$255,575,272
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Builders Fund

Attributes

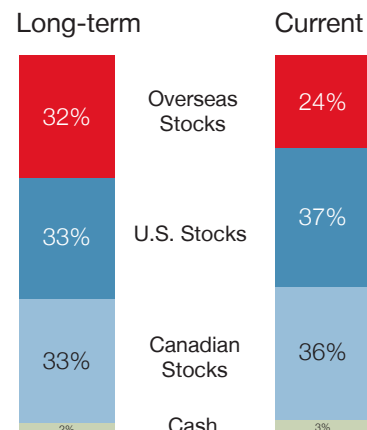
Top Stock Holdings (% of Fund)

Microsoft	3.3%
Dollarama	2.0%
Metro	2.0%
Thomson Reuters	1.9%
Visa	1.8%
TMX Group	1.8%
Intact Financial	1.7%
Constellation Software	1.6%
Loblaw Companies	1.5%
Oshkosh Corp.	1.5%

Sector Allocation (Stocks)

Industrial Goods & Svc	29.6%
Financial Services	21.0%
Technology	15.0%
Retailing	9.3%
Healthcare	6.9%
Consumer Cyclical	6.4%
Basic Materials	5.5%
Consumer Products	4.3%
Oil & Gas	1.5%
Real Estate	0.5%

Asset Mix



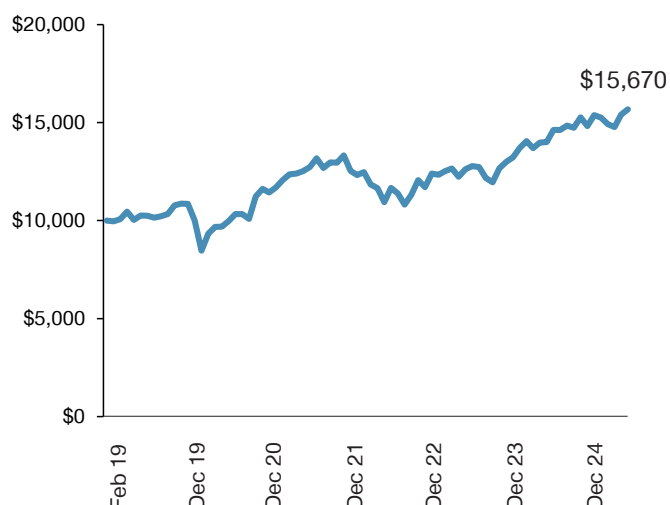
Performance

Compound Annualized Returns (as of June 30, 2025)

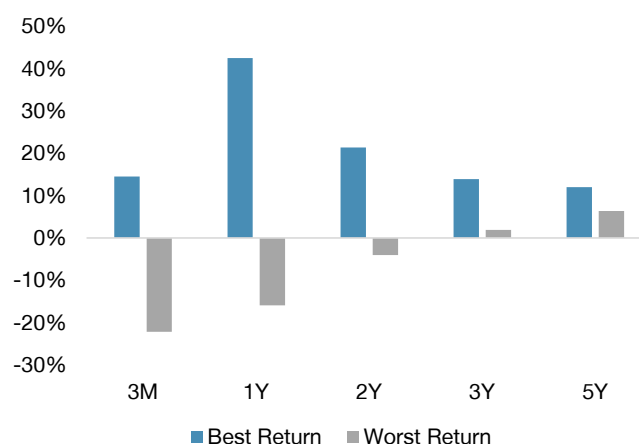
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Builders Fund (after-fee)	5.1%	5.8%	11.9%	12.8%	10.1%	N/A	N/A	7.3%
Global Stock Index (\$Cdn)	5.7%	3.8%	15.7%	20.0%	14.1%	N/A	N/A	12.8%
Canadian Stock Index	8.5%	10.1%	26.6%	16.2%	14.6%	N/A	N/A	11.7%

¹Feb 15, 2019

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Income Fund

Market Context

- The Canadian bond market fell 0.7% in the quarter (income less capital depreciation).
- Bond yields rose, with longer-term yields experiencing the biggest moves. The benchmark 10-year Government of Canada yield climbed from 3.0% to 3.3%.
- Canadian stocks rose 8.5%. Consumer cyclicals, financial services, and technology stocks contributed to strong returns. Energy and healthcare stocks declined.

The fund was up 1.4% in the quarter. Since inception (Feb 2007), it has a cumulative return of 131%, which equates to an annualized return of 4.7%.

Portfolio Specifics

- The fixed income component accounts for 74% of the portfolio. Bonds had a slightly negative return in the quarter in-line with the broader market. Returns were dampened by an increase in longer-term yields which more than offset the interest income (as a reminder, bond prices fall when yields rise). The rise in yields was a result of the Canadian economy slowing more gradually than expected, and worries about inflation. There is still a risk of a recession due to the impact of tariff uncertainty on both businesses and consumers but our manager, Connor, Clark & Lunn, believes the probability has declined.
- The portfolio has less exposure to long-term bonds, as they are priced at a premium to global peers (e.g., a 10-year Government of Canada bond yields almost 1% less than a similar U.S. Treasury bond). Also, the Bank of Canada has less room to reduce rates due to lower short-term yields here versus the U.S.
- Corporate bonds are an important part of the portfolio, though our weighting remains lower than normal. The additional yield for investing in corporate bonds (compared to government bonds) is at the lower end of historical norms. The limited premium doesn't reconcile with the broader uncertainty businesses face.
- Bank bonds continue to remain an important part of the portfolio. We've recently added bonds from the REIT and auto sectors. Both sectors have been in a negative news cycle and the risks are now well recognized. There are good businesses that are well financed and will honour their obligations to lenders.
- The fund's equities (26% of the portfolio) were positive contributors. Bright spots included metals and consumer companies like WHEATON PRECIOUS METALS, AGNICO EAGLE MINES, and GEORGE WESTON. Our overall focus remains on dividend growing companies with track records of consistent free cash flow generation.
- The fund paid a distribution of \$0.07/unit at the end of June.

Notable Stock Transactions

Buy/Add

Atkinsrealis Group*
Brookfield Asset Mgmt.*
Magna International*
CN Rail
CPKC

*New holding

Trim/Sell

Bank of Montreal¹
Bank of Nova Scotia¹
Cargojet¹
Parkland Corp.¹

¹Position eliminated

Positioning

- With economic activity slowing and inflation still a concern, our focus is on high-quality bonds and stocks with a history of resilient earnings growth.
- Stocks make up 26% of the fund and remain an important source of diversification.

Fund size	\$71,557,070
Pre-fee Yield	3.7%
Avg Term to Matur.	9.0 yrs
Duration (Bonds)	6.8 yrs



Income Fund

Attributes

Top Holdings (% of Fund)

Canada 2.75% (Mar/30)	8.0%
CC&L High Yield Bond Fd	4.9%
Quebec 4.45% (Sep/34)	2.5%
Canada 2.00% (Dec/51)	1.8%
Royal Bank	1.8%
Canada 2.75% (Dec/55)	1.7%
Ontario 3.80% (Dec/34)	1.7%
Ontario 2.70% (Jun/29)	1.5%
Canada T-Bill (Sep/25)	1.5%
Canada T-Bill (Sep/25)	1.4%

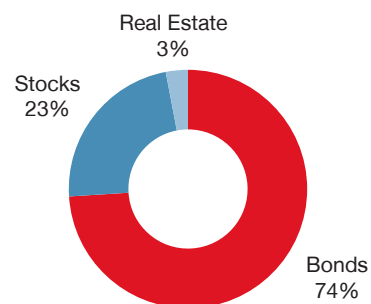
Issuer Allocation (Bonds)

Federal Government	26%
Provincial Government	40%
Corporate	34%

Rating Summary (Bonds)

AAA	29%
AA	35%
A	5%
BBB	28%
BB (or lower)	3%

Asset Mix



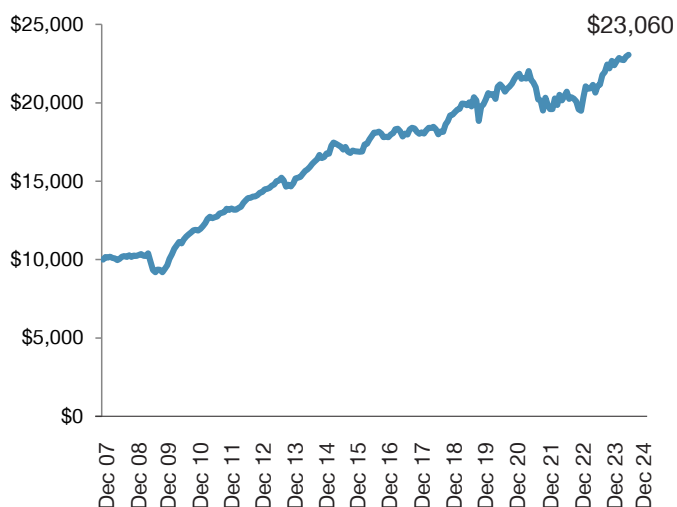
Performance

Compound Annualized Returns (as of June 30, 2025)

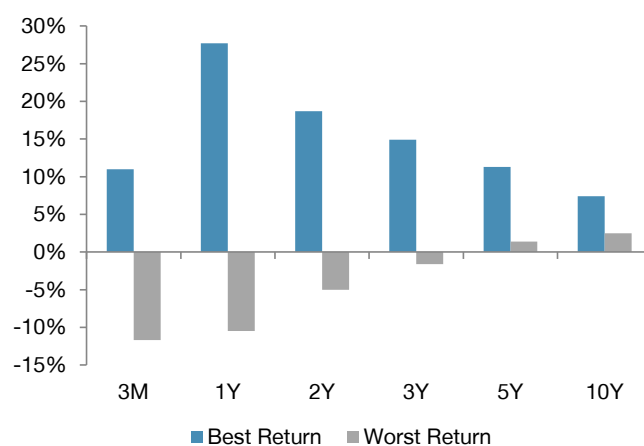
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep*
Income Fund (after-fee)	1.4%	3.0%	9.0%	5.7%	2.7%	3.1%	4.5%	4.7%
Canadian Bond Index	-0.7%	1.3%	5.7%	4.0%	-0.6%	1.8%	2.9%	3.4%
Canadian Stock Index	8.5%	10.1%	26.6%	16.2%	14.6%	9.0%	8.5%	6.6%

*Feb 13, 2007

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Equity Fund

Market Context

- The Canadian stock market (Morningstar Canada Index) rose 8.5% in the second quarter. The financial services, technology, consumer discretionary, and materials sectors were key contributors.
- Global stocks, as measured by the Morningstar Developed Markets Index, rose 5.7% in Canadian dollars.

Portfolio Specifics

- The portfolio consists of 26 stocks, of which 14 are headquartered in Canada, 10 in the U.S., and 2 overseas.
- The fund had a positive quarter, rising 3.4%, and is up 7.8% this year. Top performers in Q2 included DOLLARAMA and LOBLAW COMPANIES, two Canadian retail leaders known for their value-driven offerings (Loblaw owns the *President's Choice*, *No Name*, and *No Frills* brands). Both businesses continue to perform well, attracting consumers with their consistent execution and everyday affordability.
- MICROSOFT was another standout, rising 33% in the quarter. The tech giant continues to post strong growth in its cloud division and is seeing robust demand for its AI-related services.
- On the downside, OTIS WORLDWIDE and McDONALD'S were the two biggest detractors. Otis, the global leader in elevator manufacturing and servicing, is seeing slower growth in China. McDonald's, on the other hand, gave back some of its gains from earlier in the year as it focuses on re-engaging customers. Our manager, Fiera Capital, continues to like the long-term outlooks for both companies.
- There were no changes to the stocks in the portfolio during the quarter, although a few positions were trimmed. Fiera is closely monitoring PEPSICO, which is facing challenges from the growing impact of obesity drugs on the snack industry and weaker spending among lower-income consumers. As a result, the position was reduced. DANAHER, a life sciences innovator, and CME GROUP, the world's leading derivatives marketplace, were also trimmed due to weaker outlooks.
- Outside the tech sector, two holdings benefiting from AI investments are THOMSON REUTERS and INTACT FINANCIAL. Thomson Reuters, a provider of information and solutions to the legal, tax and accounting sectors, is integrating AI into its productivity tools through its innovative culture. Intact, Canada's largest property and casualty insurer, is leveraging AI to enhance its risk pricing and client experience. Both companies are seeing these investments reflected in their financial results.

Positioning

- The fund is comprised of a concentrated group of best-in-class businesses operating in a range of industries with solid long-term demand profiles. Focus is on market leaders that generate steady profits and have proven leaders at the helm.

The fund was up 3.4% in the quarter. Since inception (Feb 2007), it has a cumulative return of 270%, which equates to an annualized return of 7.4%.

Notable Transactions

Buy/Add

None

Trim/Sell

PepsiCo
Danaher
CME Group

Fund size	\$99,699,274
No. of stocks	26



Equity Fund

Attributes

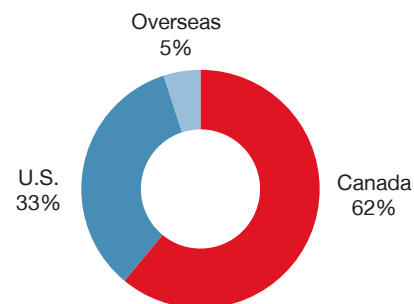
Top Stock Holdings

Dollarama	5.9%
Metro	5.8%
Thomson Reuters	5.4%
Visa	5.3%
TMX Group	5.3%
Microsoft	5.3%
Intact Financial	4.8%
Constellation Software	4.7%
Loblaw Companies	4.4%
Costco Wholesale	4.4%

Sector Allocation (Stocks)

Industrial Goods & Svc	27.1%
Financial Services	24.9%
Retailing	24.4%
Technology	16.4%
Consumer Products	3.2%
Consumer Cyclical	3.0%
Healthcare	1.0%

Geographic Profile (Stocks)



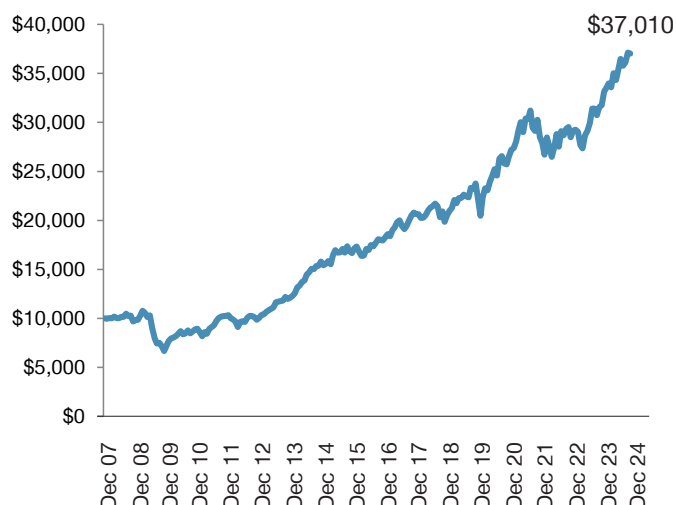
Performance

Compound Annualized Returns (as of June 30, 2025)

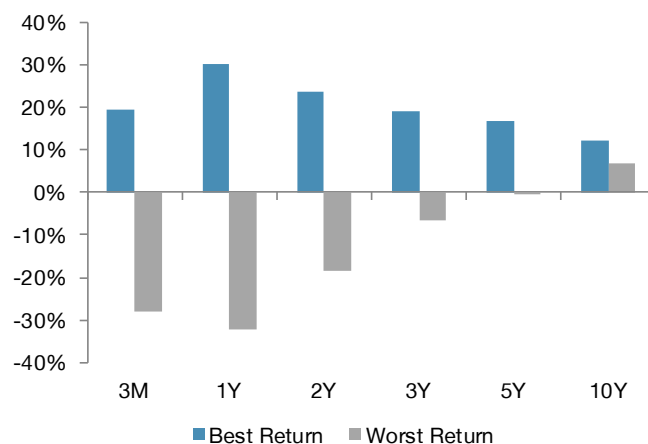
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Equity Fund (after-fee)	3.4%	7.8%	16.5%	11.5%	9.9%	8.3%	10.6%	7.4%
Canadian Stock Index	8.5%	10.1%	26.6%	16.2%	14.6%	9.0%	8.5%	6.6%
Global Stock Index (\$Cdn)	5.7%	3.8%	15.7%	20.0%	14.1%	11.2%	13.2%	8.4%

¹Feb 13, 2007

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Global Equity Fund

Market Context

- Global stocks, as measured by the Morningstar Developed Markets Index, were up 5.7% in Canadian dollar terms in the first quarter.
- Technology and industrial stocks were leaders, and gold continued to shine. Japan, the U.S., and Germany were top performing global markets.

Portfolio Specifics

- The fund currently holds 48 stocks, of which 22 are domiciled in the U.S., 10 in Europe, 9 in Japan, 3 in Asia-Pacific, 2 in the U.K., and 2 in Canada. Companies range in size from mega-cap MICROSOFT to small-cap FIRSTCASH HOLDINGS.
- The portfolio had a positive quarter, gaining 3.6%, and is up 4.1% in 2025. The top performers this year span a diverse range of industries, including tech companies MICROCHIP TECHNOLOGY and NEMETSCHEK, financial service providers ERSTE GROUP and FIRSTCASH HOLDINGS, and uranium producer CAMECO.
- Our consumer cyclical holdings have been the primary detractors. LVHM has faced headwinds as consumers scale back on luxury spending. NORWEGIAN CRUISE LINE HOLDINGS and LENNAR, a leading homebuilder, have also been impacted by reduced demand for big-ticket purchases. Despite these challenges, these companies remain industry leaders and have a strong record of navigating economic cycles.
- Artificial intelligence remains a central theme in the market. The fund's focus remains on companies that are leveraging AI to enhance their operations, rather than those building the underlying infrastructure. Our investments include MICROSOFT, ADOBE, ALPHABET, and new addition UBER TECHNOLOGIES.
- Trade wars and geopolitical tensions have contributed to increased market volatility. Our manager, Aristotle Capital, took advantage of the market pullback earlier in the quarter to initiate positions in Uber Technologies and CAPITAL ONE FINANCIAL. Uber, the leader in ride-hailing and food delivery, has turned in strong results under CEO Dara Khosrowshahi and has promising growth prospects in advertising and subscription services. Capital One, known for its credit card and banking services, completed its acquisition of Discover Financial during the quarter. This strategic combination merges Capital One's card issuing business with Discover's payment processing network, providing attractive economics for the company.
- To fund the new investments, RATIONAL AG and PAYPAL HOLDINGS were sold. Microsoft was also trimmed.

Positioning

- Investments are spread across industries, both fast-growing and steady-eddy, focusing on companies with strong market positions.. Aristotle looks for quality businesses with competitive advantages, pricing power, and experienced leadership.

The fund was up 3.6% in the quarter. Since inception (Feb 2007), it has a cumulative return of 83%, which equates to an annualized return of 3.4%.

Notable Transactions

Buy/Add

Uber Technologies Inc.*
Capital One Financial Corp.*

¹New holding

Trim/Sell

Rational AG¹
PayPal Holdings Inc.¹
Microsoft

¹Position eliminated

Fund size	\$50,796,242
No. of stocks	48



Global Equity Fund

Attributes

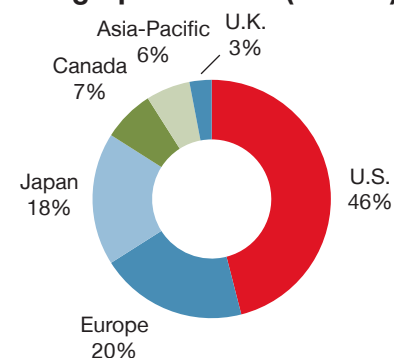
Top Stock Holdings

Microsoft	4.2%
Cameco	4.2%
Munich Re	3.6%
Lennar	3.1%
Martin Marietta	3.1%
Nemetschek	3.1%
Sony Group	3.0%
MonotaRO	2.9%
DBS Group Holdings	2.8%
Brookfield Corp.	2.7%

Sector Allocation (Stocks)

Industrial Goods & Svc	21.9%
Financial Services	21.8%
Technology	19.0%
Healthcare	13.0%
Consumer Cyclical	11.2%
Consumer Products	4.7%
Basic Materials	4.3%
Oil & Gas	2.4%
Retailing	1.7%

Geographic Profile (Stocks)



Performance

Compound Annualized Returns (as of June 30, 2025)

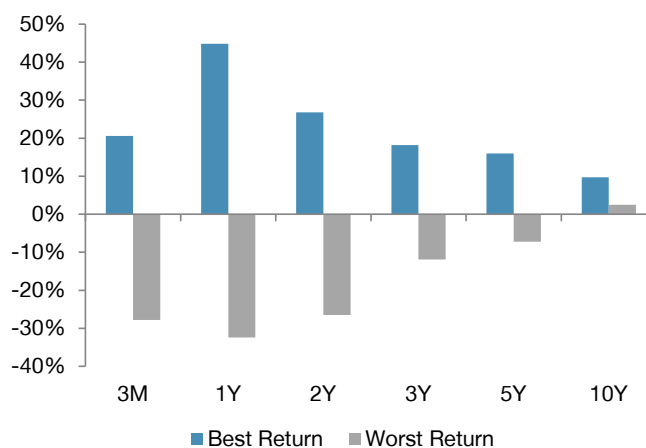
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Global Equity Fund (after-fee)	3.6%	4.1%	6.7%	13.3%	10.1%	4.2%	7.0%	3.4%
Global Stock Index (\$Cdn)	5.7%	3.8%	15.7%	20.0%	14.1%	11.2%	13.2%	8.4%

¹Feb 13, 2007

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Small-Cap Equity Fund

Market Context

- The Canadian small-cap market (Morningstar Canada Small Cap Index) rose 13.0% in the quarter. U.S. small-caps were up 1.7% in Canadian dollar terms.
- Gold, industrial, and financial services stocks were the top performers, while the healthcare sector lagged.

Portfolio Specifics

- The fund consists of 22 companies, ranging from very small (DIVERSIFIED ROYALTY) to medium-sized businesses (ATS CORPORATION). While the majority of holdings are Canadian, there are three U.S. companies which make up 11% of the fund's stocks.
- The portfolio delivered a strong return in the quarter (+7.8%) and is up 5.3% year-to-date. Leading contributors included TOREX GOLD RESOURCES, FINNING INTERNATIONAL and BADGER INFRASTRUCTURE SOLUTIONS—each up more than a third this year. Torex has benefited from heightened investor interest in gold, often seen as a hedge against economic uncertainty and inflation. Finning and Badger gained from increased government infrastructure spending, both actual and anticipated.
- This strength was partially offset by declines in SPIN MASTER, INTERFOR, and GREENBRIER COMPANIES, each of which are down over 20% this year, impacted by tariff-related pressures. Spin Master, a toy and entertainment company, recently appointed a new CEO focused on getting more out of the company's digital assets. Interfor, a leading lumber producer, is well-positioned to benefit from an increase in new home construction. Greenbrier, a rail equipment manufacturer, is a best-in-class company facing short-term headwinds. Our manager, Galibier Capital, feels these stocks trade at attractive valuations and sees meaningful rebound potential in all three.
- ANDLAUER HEALTHCARE GROUP and MEG ENERGY were also positive contributors, driven by takeover activity. Andlauer, a provider of specialized transportation solutions for the healthcare sector, agreed to be acquired by UPS at a 30% premium. Oil producer MEG, on the other hand, received a takeover offer which its board urged shareholders to reject, believing it undervalued the company's prospects. We trimmed our position based on strength in the stock, with proceeds used to purchase new holding PEYTO EXPLORATION AND DEVELOPMENT, an Alberta energy company with more of a focus on natural gas.
- One stock was sold during the quarter: Finning International. While the Caterpillar dealer has been a solid investment for us, the stock's valuation has become less attractive and Galibier feels there are better opportunities elsewhere. In addition, PREMIUM BRANDS INTERNATIONAL, CARGOJET, and ATS CORP. were trimmed.

Positioning

- The portfolio has a unique composition, with key areas of investment being capital goods, industrial services, transportation, and consumer companies. This is in contrast to the small-cap market's heavy focus on resource companies.

The fund was up 7.8% in the quarter. Since inception (Feb 2007), it has a cumulative return of 247%, which equates to an annualized return of 7.0%.

Notable Transactions

Buy/Add

Peyto Exploration and Development Corp.*
Torex Gold Resources
MDA Space

*New holding

Trim/Sell

Finning International¹
MEG Energy
Premium Brands Intl.
Cargojet
ATS Corp.

¹Position eliminated

Fund size	\$43,093,523
No. of stocks	22



Small-Cap Equity Fund

Attributes

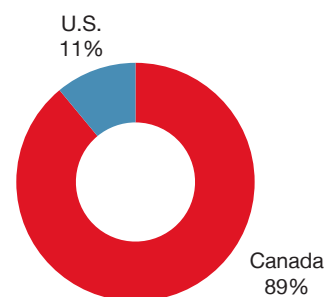
Top Stock Holdings

Torex Gold Resources	8.8%
Stella-Jones	5.8%
Badger Infrastructure	5.5%
MDA Space	5.3%
Andlauer Healthcare	5.2%
Capstone Copper	5.1%
EQB	5.1%
Oshkosh Corp.	5.0%
Savaria	4.5%
Boyd Group Services	4.4%

Sector Allocation (Stocks)

Industrial Goods & Svc	39.2%
Basic Materials	27.7%
Healthcare	9.3%
Oil & Gas	8.2%
Financial Services	5.4%
Consumer Products	3.9%
Technology	3.5%
Consumer Cyclical	2.8%

Geographic Profile (Stocks)



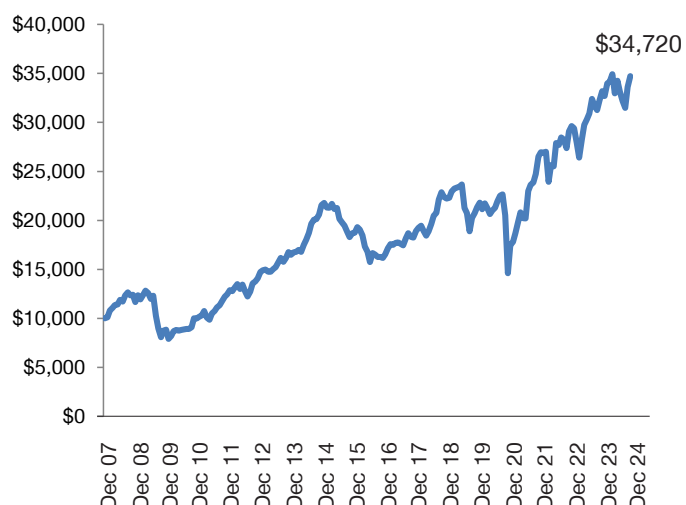
Performance

Compound Annualized Returns (as of June 30, 2025)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Small-Cap Equity Fund (after-fee)*	7.8%	5.3%	7.6%	13.5%	13.2%	6.5%	8.8%	7.0%
Canadian Small-Cap Stock Index	13.0%	14.3%	28.8%	17.7%	14.4%	6.9%	4.8%	2.7%
U.S. Small-Cap Stock Index (\$Cdn)	1.7%	-4.4%	9.3%	14.0%	11.6%	8.6%	12.7%	8.7%

¹Feb 13, 2007

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Global Small-Cap Equity Fund

Market Context

- The global small-cap market (Morningstar Developed Markets Small Cap Index) rose 4.0% in Canadian dollar terms in the quarter.
- The technology and industrial sectors turned in the biggest gains while healthcare and consumer staples lagged.

Portfolio Specifics

- The portfolio is currently invested in 49 companies: 28 based in the U.S., 7 in Europe, 6 in Japan, 5 in the U.K., 2 in Australia, and 1 in South America.
- The fund had an excellent quarter, gaining 10.1%, and is up 5.0% year-to-date. Top performers in 2025 include SAAB (defence and radar systems), EMCOR GROUP (mechanical and electrical services), SOPRA STERIA (consulting and digital services), JFROG (software), PIRAEUS FINANCIAL HOLDINGS (financial services), and new addition BOOT BARN HOLDINGS (retailer of western apparel).
- Small-cap stocks have experienced significant volatility this year, driven by President Trump’s tariffs and unpredictable policymaking. One outcome of these nationalistic policies has been an increase in defence and infrastructure spending in Europe and North America—benefiting companies like Saab (which has doubled this year), Emcor, and Sopra Steria. The sharp moves in the market have also presented opportunities. Case in point: our manager, TimesSquare Capital, purchased Boot Barn Holdings after a substantial sell-off in April. The stock subsequently rebounded more than 50% after tariffs were reduced.
- Holdings that have struggled this year include WORKIVA (compliance software), ONTO INNOVATION (software for semiconductor manufacturers), INSPIRE MEDICAL SYSTEMS (sleep apnea treatments), and SYNAPTICS (touchpad and biometric technologies). Synaptics was sold due to a weaker outlook, but TimesSquare believes the other holdings have attractive rebound potential.
- There has been a notable amount of turnover this year. Several investments have seen large gains and were sold for valuation reasons, including Saab, KARMAN HOLDINGS, and TOKYO METRO. Others have disappointed, including SYNAPTICS, BRUNSWICK CORP., and TATE & LYLE, and were sold to fund other opportunities.
- Several new purchases were made in the consumer staples and discretionary sectors: GREENCORE GROUP is a leading producer of convenience foods in the U.K.; JBT MAREL makes food processing equipment; RINNAI makes tankless water heaters and kitchen appliances; VALVOLINE is an oil change and preventative maintenance service provider; and Boot Barn sells western apparel (as noted above).

Positioning

- The fund invests in businesses with a clear competitive edge that offer products and services the world needs. A record of consistent sales and profit growth is important, along with a management team that has experience and integrity.

The fund was up 10.1% in the quarter. Since inception (Feb 2019), it has a cumulative return of 55%, which equates to an annualized return of 7.1%.

Notable Transactions

Buy/Add

Boot Barn Holdings Inc.*
Hamilton Lane Inc.*
Greencore Group PLC*
JBT Marel Corporation*
Saia Inc.*
Valvoline Inc.*
Chemring Group PLC*

*New holding

Trim/Sell

Synaptics Inc.¹
Saab AB¹
Tate & Lyle PLC¹
Tokyo Metro Co. Ltd.¹
Brunswick Corp.¹
Karman Holdings Inc.¹

¹Position eliminated

Fund size	\$11,192,129
No. of stocks	49



Global Small-Cap Equity Fund

Attributes

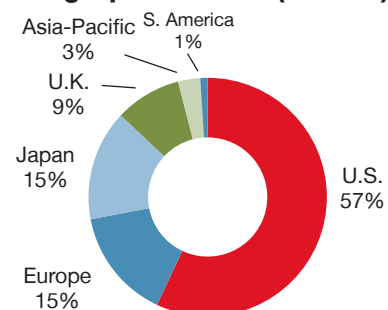
Top Stock Holdings

Azbil Corporation	3.6%
Performance Food Group	3.6%
Regal Rexnord	3.3%
KDX Realty Investment	3.3%
Piraeus Financial Hldgs.	2.8%
Casella Waste Systems	2.8%
JFrog	2.7%
Emcor Group	2.5%
Greencore Group	2.5%
ESAB Corp.	2.5%

Sector Allocation (Stocks)

Industrial Goods & Svc	41.8%
Financial Services	22.4%
Technology	14.3%
Consumer Products	6.3%
Consumer Cyclical	5.4%
Healthcare	5.2%
Real Estate	3.4%
Retailing	1.2%

Geographic Profile (Stocks)



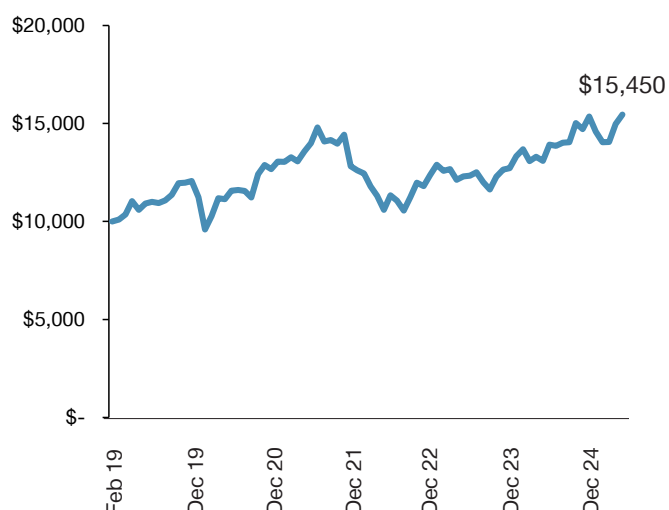
Performance

Compound Annualized Returns (as of June 30, 2025)

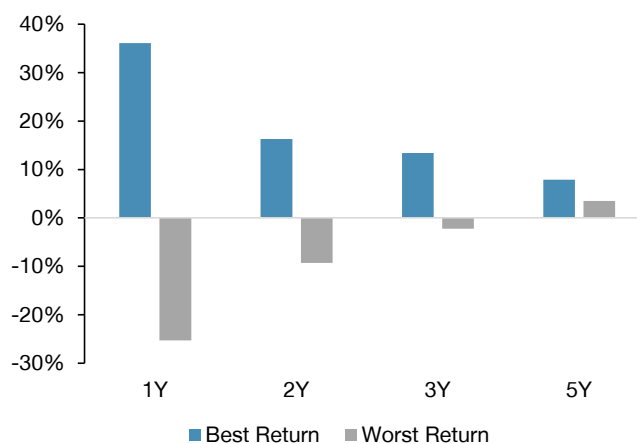
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Global Small-Cap Equity Fund (after-fee)	10.1%	5.0%	18.1%	13.4%	6.8%	N/A	N/A	7.1%
Global Small Cap Stock Index (\$Cdn)	4.0%	0.1%	12.5%	13.9%	10.7%	N/A	N/A	7.7%

¹Feb 15, 2019

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Savings Fund

Market Context

- The Bank of Canada held its key short-term lending at 2.75% during the quarter.
- In its June statement, the Bank highlighted ongoing uncertainty, noting that while the global economy has shown resilience in the face of America's unpredictable policies, part of this strength reflects a temporary surge in activity to get ahead of tariffs.
- Economic growth in Canada has been better than forecasted, driven by strong spending on machinery and equipment. However, inflation has edged higher, with many businesses indicating plans to pass on the costs of higher tariffs to consumers.
- The Bank intends to pay close attention to the extent to which higher tariffs reduce demand for Canadian exports and how inflation expectations evolve.

The fund was up 0.6% in the quarter. Since inception (Feb 2007), it has a cumulative return of 34%, which equates to an annualized return of 1.6%.

Positioning

- T-Bills comprise 70% of the portfolio, while corporate paper makes up 30%.
- We reduced our weighting in T-Bills during the quarter and added to corporate paper.
- The pre-fee yield of the portfolio at the end of June was 2.8%.

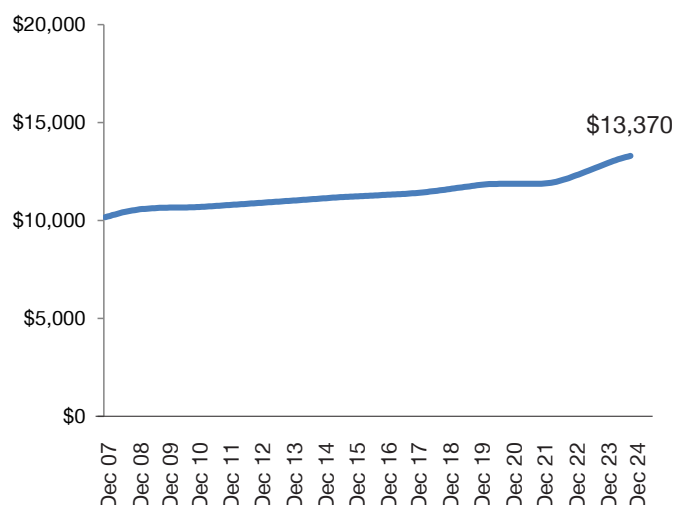
Performance

Compound Annualized Returns (as of June 30, 2025)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep*
Savings Fund (after-fee)	0.6%	1.4%	3.4%	4.0%	2.4%	1.8%	1.5%	1.6%
Canadian Cash Index	0.7%	1.4%	3.5%	4.1%	2.6%	1.8%	1.5%	1.6%

*Feb 13, 2007

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



In investing, you need to dig for the positives, but they are there

Special to the Globe and Mail, by Tom Bradley, July 5, 2025

Maybe it's the summer weather or I'm just getting sick of all the bad news and uncertainty, but it feels as if I need to give the positive forces equal time. What you read in the news almost always has a negative bias, but it's particularly dreary right now. And that includes investment news.

A former business partner used to tell me that when a stock is down, you must dig deep to find the positives, because the negatives are in plain view.

I didn't find my search for good news all that hard. My list is long in life and investing. In our day-to-day lives, we're experiencing the golden age of television, there couldn't be a better time to participate in and watch women's sports, people are drinking less and biking more, cellphones are lasting longer, society is significantly safer (think sunscreen and kids' helmets) and the young people coming into the work force are amazing.

As for investing, people will be pleasantly surprised when they open their second-quarter account statements. The stock market is doing just fine and so are most portfolios.

What is helping the market buck the geopolitical turmoil? Nobody knows for sure, but I'll float a few positive reasons, starting with some favourable long-term trends and finishing with shorter-term factors.

Important forces such as globalization, declining interest rates and deficit spending are waning, but others are alive and well (despite the politicians' best efforts to get in the way). There are mind-blowing advances in health care, transportation and power generation, management and storage. The middle class is expanding rapidly, particularly in India and China. New, much-needed sources of energy are attracting capital, and costs are coming down with volumes and experience.

Digitization of the economy is well along, but electrification is just getting started and is a one-way street. By that I mean taxi drivers and friends who buy electric vehicles are unlikely to switch back.

The benefits of (non-artificial-intelligence) technology keep spreading through organizations, reducing costs and improving the customer experience. Late adopters, such as government services and health care, are adopting tools and processes that private companies have been using for years.

The trend toward industry consolidation is unrelenting. Fewer rational players mean better control over pricing and more sustainable profits, which is a boon for investors (even if it's not for consumers).

As for consumers, the world's biggest customer, the U.S. consumer, is in good shape. Compared with Canada, debt levels are lower, the job market is stronger and housing affordability is far better.

More broadly, however, the U.S. move toward isolation, and the end of the supposed era of American exceptionalism, means there's more opportunity for everyone else. Actions by the leadership in Washington are serving to share the wealth with other regions. They've incentivized China to go full-bore on AI, semi-conductors and electrification. They've given Europe's defence industry a boost. MAGA is out, MEGA is in (make Europe great again).

And Canada? Well, we're still figuring it out, but there's no doubt we're able to hire and retain more world-leading engineers and academics who are feeling less welcome south of the border.

For investors who are driven by fundamentals such as profit margins and cash flow, there are plenty of forgotten stocks, sectors and even countries to choose from. It reminds me of the early 2000s, when valuation dispersion between the leading tech and consumer stocks and everything else was wide. The result was that many funds did well through the tech wreck years from 2001 to 2003.

Today, price-to-earnings multiples are reasonable everywhere except the U.S., and on anything that isn't related to AI, crypto, gold and private credit. Until recently, sentiment toward Britain and Europe was rock bottom, along with stock valuations.

And finally, there's AI. While we actively debate its safety and impact on society, the benefits will start spreading from the providers to the organizations that use it.

The negative stuff that dominates our discourse today will turn out to be not as bad as we now think. It usually works out that way. And the positive stuff we're overlooking will have an impact, perhaps a significant one. Businesses will continue to grow, innovate and adapt despite chaotic political leadership.

Steadyhand



Summer Reading

At Steadyhand, we believe in the power of a great read, whether it's to learn, escape, reflect, or recharge. That's why our team curates a Summer Reading List each year—thoughtfully selected titles that span genres and interests. From business and investing to poetry and cooking, there's sure to be a title with your name on it.

[Browse the list here.](#)

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Indexes referenced are as follows:

Canadian Cash: Morningstar Canadian Dollar Overnight Cash Index

Canadian Bonds: Morningstar Canada Core Bond Index

Canadian Stocks: Morningstar Canada Index

Canadian Small-Cap Stocks: Morningstar Canada Small Cap Index

U.S. Small-Cap Stocks: Morningstar U.S. Small Cap Index (\$Cdn)

Global Stocks: Morningstar Developed Markets Index (\$Cdn)

Global Small-Cap Stocks: Morningstar Developed Markets Small Cap Index (\$Cdn)

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