Quarterly Report

Steadyhand

Q2
2026

“This is the most speculative time in my 43-year career.”

— Tom Bradley

Bradley's Brief

Our longstanding clients know that I'm not a believer in trying to time the market. I've said repeatedly since we started that what's important is *time in the market*, not *market timing*. Our clients have overwhelmingly followed this advice and benefited greatly. The power of compounding has worked wonders on their investment nest egg.

To put a finer point on it, we believe in setting up a long-term asset mix (as part of an investment plan) and sticking to it. That's how I've managed the Founders Fund since it was launched in 2012, although I do make exceptions. I will adjust fund allocations when markets get to extremes in terms of valuation and investor sentiment (bullish or bearish).

I break my rule knowing that price-to-earnings multiples are an excellent indicator of longer-term returns (I focus on five years) but a poor predictor of the market. Investors' attitude towards risk is only slightly better at portending market moves but is nonetheless, a reliable risk management tool in the way Warren Buffett uses it. When everyone is bullish, it's time to be cautious, and vice versa.

We're now at one of those times when the Founders Fund is moving further away from its usual allocation of 40% fixed income and 60% stocks. My target is 50/50 (see Founders Fund on page 5). This shift is not based on any one factor or statistic but rather an abundance of extremes. Here's a few.

Markets are highly dependent on the success of one theme, artificial intelligence. What's happening in AI is exciting and game changing (and scary), but expectations are sky high and it's not clear who the winners will be.

Investments that can't be valued using profits and dividends have become a large part of the landscape. I'm referring to gold, cryptocurrencies and securities issued by AI companies. These can be successful investments, but their speculative nature makes them a poor foundation for the market overall.

More and more individual investors are gambling, not investing. They're day trading stocks, options and now, prediction markets. As in a casino, they have no sustainable advantage. The house always wins.

Price moves are being amplified by leverage. There's a record amount of debt underpinning both individual and institutional portfolios, and as real estate investors have discovered, leverage works both ways.

And reinforcing that this is the most speculative time in my 43-year career, our Global manager, Aristotle, pointed out that high beta (volatility) stocks in the S&P 500 index were up 25% in the second quarter, while steadier, low beta stocks had a zero return. That's an unsustainable gulf.

Our funds have risen nicely in recent years. They aren't winning the market game, but it's not a game I want our fund managers to play. I want them to pursue strategies that will work over longer time periods, specifically your time in the market.

Key Takeaways

Stocks

- Canadian stocks extended their strong run, gaining 7.0% during the quarter, the eighth consecutive quarterly gain and the longest such streak since 1996. They were up 10.9% year-to-date.
- Global stocks continued to climb, gaining 15.5% during the quarter in Canadian dollar terms, driven largely by a rally in AI-related companies. Riskier stocks (high beta, or more volatile stocks) outperformed steadier stocks (low beta) by a remarkable 25.4%, a difference we believe is unlikely to last (see Bradley's Brief, page 2).
- Performance was uneven beneath the surface. Financials, health care and industrials led in Canada; technology names were more mixed globally despite the AI enthusiasm.

Market Returns

	3M	1Y
Canada	7.0%	32.4%
World	15.5%	26.6%

Bonds

- The Canadian bond market rose 1.9% in the quarter and is up 2.2% year-to-date.
- Bond yields swung sharply. The benchmark 10-year Government of Canada yield started the quarter near 3.5%, rose to a two-year high of 3.7% in mid-May on inflation and Middle East-related geopolitical risk, then eased back to 3.4% by late June.
- The Bank of Canada held its policy rate steady at 2.25% for a fifth consecutive meeting.

	3M	1Y
Bonds	1.9%	3.2%

Our Funds

- It was a strong quarter across the Steadyhand lineup. The Global Small-Cap Equity Fund led the way, up 19.3%, followed by the Global Equity Fund (11.1%), Builders Fund (10.2%), Equity Fund (7.5%) and Small-Cap Equity Fund (6.1%).
- The Founders Fund gained 6.0% in the quarter and is up 5.4% year-to-date.
- Key purchases included MOODY'S CORPORATION, TECHTRONIC INDUSTRIES CO. LTD., TENAZ ENERGY CORP., and CUSHMAN & WAKEFIELD PLC. The funds exited S&P GLOBAL INC., WORKIVA INC., and SUPERIOR PLUS CORP., increased their position in ITOCHU CORPORATION, and trimmed their holding in TJX COMPANIES.
- The stock weighting in Founders is being reduced further, from its usual target of 60%, as extremes in valuation, investor sentiment and the market's dependence on a single theme (AI) have led us to become more cautious.

Fund Returns

	3M	1Y
Savings	0.5%	2.3%
Income	3.6%	8.5%
Founders	6.0%	9.8%
Builders	10.2%	13.9%
Equity	7.5%	0.4%
Global Equity	11.1%	19.0%
Small-Cap Equity	6.1%	30.0%
Global Small-Cap Equity	19.3%	19.8%

Our Advice to Clients

We recommend clients be no higher than their long-term target for stocks. In the Founders Fund, our equity weighting is now being brought down toward a 50% target (from the usual 60%), reflecting a further round of de-risking. Our focus continues to be on profitable, market-leading companies.

Founders Fund

Fund Overview

- The Founders Fund is a balanced fund with a target asset mix of 60% stocks and 40% fixed income. To gain these exposures, it invests in Steadyhand's other funds.
- Tom Bradley, Steadyhand's Co-Founder, manages the fund in conjunction with members of Purpose Investments' multi-asset team. They have considerable scope to adjust the portfolio although without extremes in valuation and investor sentiment, the bias is to stay near the target mix.

The fund was up 6.0% in the quarter. Since inception (Feb 2012) it has an annualized return of 6.5%.

Portfolio Specifics

- The Founders Fund was up 6.0% in the second quarter and 5.4% year-to-date. Annual returns have averaged 9.2% (before fee reductions) over the last 3 years and 6.5% since the fund was launched in 2012.
- All the underlying funds contributed in the quarter, with equities leading the way. The Global Small-Cap Equity Fund was up 19.3% and the Global Equity Fund up 11.1%.
- We encourage you to read this quarter's Bradley's Brief (page 2) as it focuses on Founders' positioning. In a nutshell, these are extreme times in terms of valuation, investor behavior and the market's dependence on a singular theme – artificial intelligence. These extremes have led us to batten down the hatches.
- In Founders' terms, this means a further reduction of the equity content, a full position in high quality bonds, and a growing cash reserve.
- The largest transactions in the underlying funds during the quarter included the purchase of MOODY'S CORPORATION, TECHTRONIC INDUSTRIES CO. LTD., TENAZ ENERGY CORP., and CUSHMAN & WAKEFIELD PLC, as well as the sale of S&P GLOBAL INC., WORKIVA INC., and SUPERIOR PLUS CORP. The funds also significantly increased their position in ITOCHU CORPORATION and trimmed their holding in TJX COMPANIES.

Positioning

- It is our expectation that the stock weighting in the fund will be reduced slightly more, with 50% being our target. At this level, Founders will continue to participate in rising markets but have plenty of ammunition to take advantage of when prices are going the other way.
- To reinforce the point, the asset mix shifts in Founders are not only about defense. They're also setting up our next round of offense, when we can readily allocate cash to our equity managers when they're seeing more opportunities and begging for more money.
- We always remind our clients that Founders returns are overwhelmingly driven by the 6 underlying funds. Their strategies are laid out in the pages that follow.

Fund Mix	
Income	49%
Equity	17%
Global	17%
Savings	10%
Global Small-Cap	4%
Small-Cap	4%

Fund size: $790,784,278

Founders Fund

Attributes

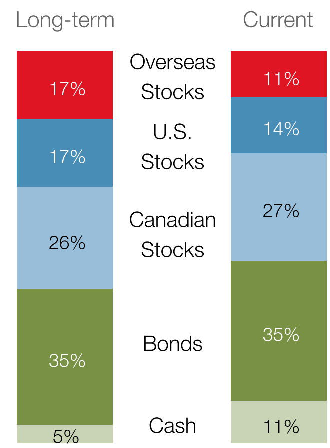
Top Stock Holdings (% of Fund)

Royal Bank Of Canada	2.2%
Samsung Electronics Company Ltd.	1.4%
Canadian Pacific Kansas City	1.1%
Microsoft Corporation	1.1%
Intact Financial Corporation	1.0%
Ritchie Bros. Auctioneers Incorporated	1.0%
Loblaw Companies Limited	0.9%
Toromont Industries Limited	0.9%
Toronto-Dominion Bank	0.9%
Waste Connections Inc.	0.9%

Sector Allocation (Stocks)

Financials	22.0%
Industrials	20.6%
Information Technology	12.2%
Consumer Discretionary	11.5%
Consumer Staples	8.0%
Energy	6.9%
Materials	6.6%
Health Care	5.2%
Communication Services	2.6%
Real Estate	2.5%
Utilities	1.9%

Asset Mix



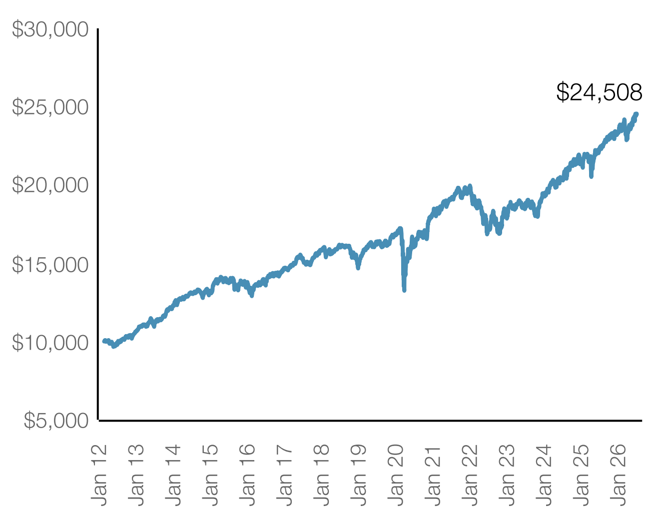
Performance

Compound Annualized Returns (as at June 30, 2026)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Founders Fund (After-fee)	**6.0%**	**5.4%**	**9.8%**	**9.2%**	**5.2%**	**5.9%**	**N/A**	**6.5%**
Canadian Bond Index	1.9%	2.2%	3.2%	4.2%	0.6%	1.6%	N/A	2.4%
Global Stock Index ($Cdn)	15.5%	13.8%	26.6%	21.8%	14.0%	13.8%	N/A	14.2%
Canadian Stock Index	7.0%	10.9%	32.4%	23.5%	14.5%	12.3%	N/A	10.0%

[1]Feb 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's a fund-of-funds that invests in Steadyhand's four stand-alone equity funds.
- Tom Bradley, Steadyhand's Co-Founder, manages the fund in conjunction with members of Purpose Investments' multi-asset team.

The fund was up 10.2% in the quarter. Since inception (Feb 2019) it has an annualized return of 8.2%.

Portfolio Specifics

- Builders is designed to hold a mix of companies headquartered in three roughly equal geographies – Canada, U.S. and international. To achieve this mix, capital is allocated to the underlying funds (using a fixed percentage) – Equity Fund (35%), Global Equity Fund (35%), Small-Cap Equity Fund (15%), and Global Small-Cap Equity Fund (15%). The actual mix will vary slightly depending on strategies deployed in the underlying equity funds and the need for a small cash reserve.
- The fund was up 10.2% in the second quarter and 8.2% year-to-date. The fund has achieved an average annual return of 8.2% (before fees reductions) since its launch in 2019.
- The fund's bias to foreign companies reflects a broader opportunity set outside of Canada, particularly in important industries like healthcare, technology, and consumer products & services.
- The stock market has been dominated by the emergence of artificial intelligence which has made it difficult for well-balanced equity funds to keep up. Builders has a large allocation to technology (14% of the fund), including holdings in SAMSUNG ELECTRONICS, MICROSOFT, ALPHABET, KEYENCE and CONSTELLATION SOFTWARE, but it isn't enough when AI-related companies are running. Not surprisingly, during periods when the AI theme is under pressure, the fund performs well relative to markets and its peers.
- A consistent theme is significant investment in industrial goods & services (23.5%), a sector where Builders owns a mix of profitable, growing businesses, all of which are core contributors to the economy and will benefit from the use of AI. Holdings include CANADIAN NATIONAL RAILWAY, OSHKOSH CORP. (specialty vehicles and access equipment), RB GLOBAL (industrial auctioneer), and WASTE CONNECTIONS (waste and landfills).

Fund Mix	
Equity	35%
Global	35%
Global Small-Cap	16%
Small-Cap	15%

Fund size: $292,947,431

Positioning

- For further detail on the holdings, returns and strategies of the underlying funds, refer to pages 10-17.

Builders Fund

Attributes

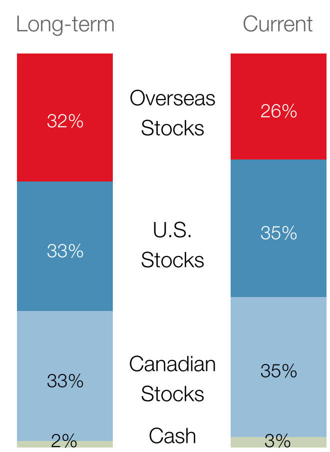
Top Stock Holdings (% of Fund)

Samsung Electronics Company Ltd.	3.0%
Microsoft Corporation	2.2%
Royal Bank Of Canada	2.1%
Oshkosh Corp	1.8%
Canadian National Railway Company	1.7%
Ritchie Bros. Auctioneers Incorporated	1.6%
Intact Financial Corporation	1.6%
Toromont Industries Limited	1.6%
Loblaw Companies Limited	1.5%
Metro Inc.	1.5%

Sector Allocation (Stocks)

Industrials	23.5%
Financials	17.3%
Information Technology	14.0%
Consumer Discretionary	13.2%
Consumer Staples	9.2%
Health Care	5.9%
Materials	5.7%
Energy	4.7%
Communication Services	2.7%
Technology	0.7%
Real Estate	0.2%
Cash	3.0%

Asset Mix



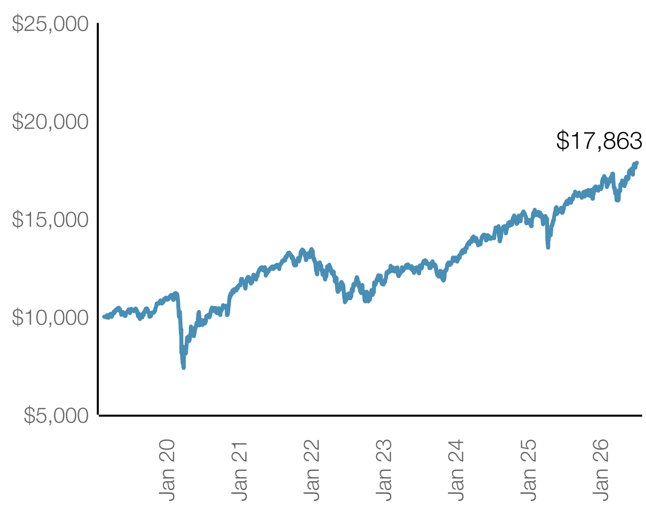
Performance

Compound Annualized Returns (as at June 30, 2026)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Builders Fund (After-fee)	**10.2%**	**8.2%**	**13.9%**	**12.3%**	**7.4%**	**N/A**	**N/A**	**8.2%**
Global Stock Index ($Cdn)	15.5%	13.8%	26.6%	21.8%	14.0%	N/A	N/A	14.6%
Canadian Stock Index	7.0%	10.9%	32.4%	23.5%	14.5%	N/A	N/A	14.3%

[1] Jan 23, 2019

Growth of $10,000 Since Inception



Best and Worst Annualized Returns

Income Fund

Market Context

- The Canadian bond market rose 1.9% in the quarter, with income and capital appreciation both contributing, bringing the YTD return to 2.2%.
- The 10-year Government of Canada benchmark yield started the quarter near 3.5%, rose to a two-year high of 3.7% in mid-May, then eased to 3.4% by late June.
- Canadian equities extended their run, rising 7.0% in the quarter (including dividends), the eighth consecutive quarterly gain and the longest such streak since 1996. Financials, health care and technology led, while materials and energy lagged. Year-to-date, the Canadian market is up 11.2%.

The fund was up 3.6% in the quarter. Since inception (Feb 2007) it has an annualized return of 4.8%.

Portfolio Specifics

- The fixed income component of the portfolio (74% of assets) gained 2.1% in the quarter, in line with the broader Canadian bond market. Interest income and a June rally offset a choppy stretch around the mid-May yield rate spike. Above-average credit quality (87% of bond holdings are rated investment grade), helped limit volatility.
- Bond yields swung sharply in the quarter, in line with changing inflation expectations. Gasoline-driven inflation, which rose to 3.2% in May from 2.8% in April, combined with Middle East-related geopolitical risk to push the 10-year Government of Canada yield to a two-year high of 3.7%, before it eased back to 3.4% by late June as core inflation measures moderated.
- The Bank of Canada held its policy rate at 2.25% for a fifth consecutive meeting, judging current settings to be broadly appropriate while flagging elevated uncertainty from trade and geopolitical risks. The portfolio's government-bond-heavy structure, 49% of assets, provided a buffer during the mid-quarter volatility.
- Corporate bonds, which make up 24% of the portfolio, benefited from tight but stable credit spreads despite record corporate bond issuance. Holdings remain concentrated in banks, utilities, pipelines and REITs, and includes such names as BELL, CAPITAL POWER, NOVA SCOTIA POWER and ALLIED PROPERTIES, all issuers the fund manager, Connor Clark & Lunn Investment Management, favours for their durable cash flows and strong balance sheets.
- Canadian bank shares rallied sharply and remain the fund's largest equity sector at 23%, with additional gains in gold and materials names such as AGNICO EAGLE and BARRICK GOLD. Telecom exposure was kept deliberately light following an earlier reduction, even as BELL, TELUS and ROGERS shares rallied.
- The fund paid a distribution of $0.07/unit at the end of June 2026.

Notable Stock Transactions

Buy/Add
Bank Of Montreal*
TFI International Inc.*
Enerflex Ltd.*
Royal Bank Of Canada
CPKC
Suncor Energy Inc.
*New holding

Trim/Sell
Nutrien Ltd[1]
Metro Inc.[1]
Element Fleet Management Corp[1]
Toronto-Dominion Bank
Agnico Eagle Mines Limited
Canadian Imperial Bank Of Commerce
1Position eliminated

Positioning

- The portfolio's focus remains on high-quality bonds and dividend-paying equities.
- Equities continue to provide diversification and income support within the fund.

Fund size:	$457,708,767
Pre-fee Yield:	3.7%
Avg Term to Matur.:	9.2 yrs
Duration (Bonds):	6.7

Income Fund

Attributes

Top Holdings (% of Fund)

Canada 3.25% (Sep 28)	4.4%
Canadian Treasury Bill 08/26/2026 (Aug 26)	3.5%
Canada 3.50% (Dec 57)	3.3%
Canada 2.75% (Dec 55)	2.3%
Canadian Treasury Bill 09/23/2026 (Sep 26)	1.9%
Quebec 4.45% (Sep 34)	1.6%
Canada 2.00% (Dec 51)	1.4%
Quebec 4.00% (Sep 35)	1.4%
Ontario 3.80% (Dec 34)	1.2%
Ontario 1.35% (Dec 30)	1.2%

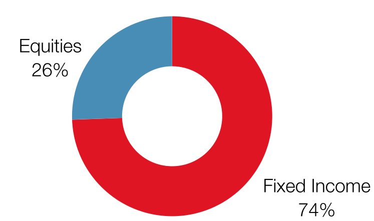
Issuer Allocation (Bonds)

Provincial Bonds	39.0%
Corporate Bonds	30.2%
Federal Bonds	24.0%
High Yield Bonds	6.8%

Rating Summary (Bonds)

AAA	28.7%
AA	32.6%
A	5.3%
BBB	29.7%
BB	2.9%
B	0.6%
CCC	0.0%
NR	0.2%

Asset Mix



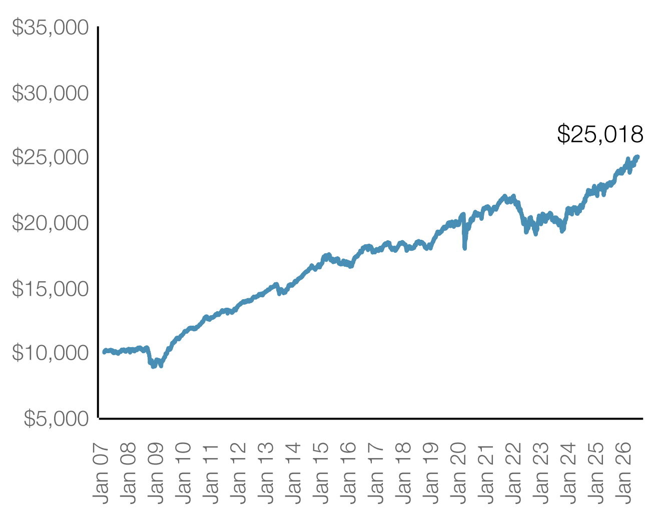
Performance

Compound Annualized Returns (as at June 30, 2026)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Income Fund (After-fee)	**3.6%**	**4.5%**	**8.5%**	**7.1%**	**3.1%**	**3.4%**	**4.4%**	**4.8%**
Canadian Bond Index	1.9%	2.2%	3.2%	4.2%	0.6%	1.6%	2.8%	3.4%
Canadian Stock Index	7.0%	10.9%	32.4%	23.5%	14.5%	12.3%	9.1%	7.8%

[1]Feb 13, 2007

Growth of $10,000 Since Inception



Best and Worst Annualized Returns

Equity Fund

Market Context

- The Canadian stock market rose 7.0% in the second quarter. Financials, health care and industrials were areas of strength, while materials and communication services lagged.
- Global stocks rose 15.5% in Canadian dollars.

The fund was up 7.5% in the quarter. Since inception (Feb 2007) it has an annualized return of 7.0%.

Portfolio Specifics

- The portfolio consists of 30 stocks, of which 17 are headquartered in Canada, 9 in the U.S., and 4 overseas.
- The fund was up 7.5% in the quarter. Since inception (January 2007), it has an annualized return of 7.0%. The fund had a strong absolute return during the quarter although it underperformed the benchmark primarily due to security selection in Financials and Information Technology.
- Top contributors in the quarter included KEYENCE which reacted favourably to better-than-expected earnings. TOROMONT also performed well as a result of continued strength from its power generation enclosure operations.
- CGI was a top detractor primarily due to industry-wide negative sentiment from AI disruption concerns. METRO also gave up ground because of distribution centre labour disruptions.
- During the quarter, positions were initiated in LVMH, JACK HENRY & ASSOCIATES, and MOODY'S. The position in S&P Global was eliminated.

Positioning

- Fiera Capital, the fund manager, focuses on owning high-quality businesses trading at attractive valuations, with a significant focus on capital preservation. That includes businesses that have demonstrated an ability to build value for its investors, an approach that has outperformed over time, and with lower risk.

Notable Stock Transactions

Buy/Add
Moody's Corporation*
LVMH*
Royal Bank Of Canada
CN Rail
*New holding

Trim/Sell
S&P Global Inc.[1]
Thomson Reuters Corp.[1]
Toromont Industries Limited
Loblaw Companies Limited
1Position eliminated

Fund size:	$315,394,567
No. of stocks:	30

Equity Fund

Attributes

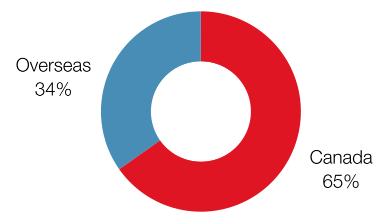
Top Holdings (% of Fund)

Royal Bank Of Canada	6.2%
Canadian National Railway Company	4.9%
Ritchie Bros. Auctioneers Incorporated	4.8%
Intact Financial Corporation	4.7%
Toromont Industries Limited	4.5%
Loblaw Companies Limited	4.4%
Metro Inc.	4.3%
Waste Connections Inc.	4.2%
Keyence Corporation	4.2%
Restaurant Brands International Inc.	4.1%

Sector Allocation (Stocks)

Industrials	26.6%
Financials	21.7%
Consumer Discretionary	18.5%
Information Technology	15.0%
Consumer Staples	14.2%
Communication Services	4.1%

Geographic Profile (Stocks)



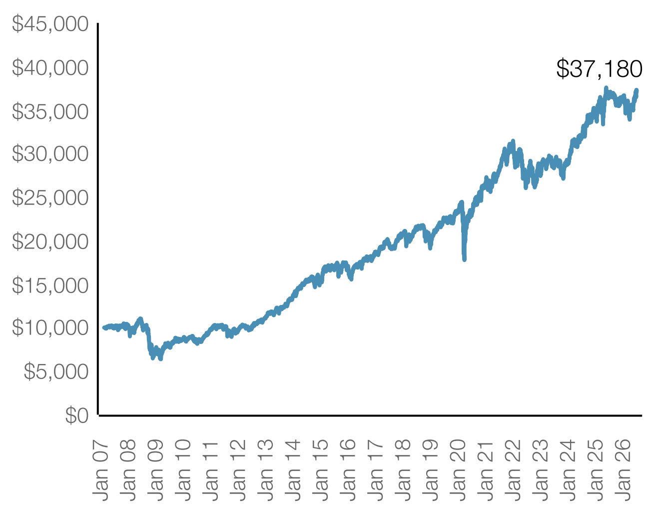
Performance

Compound Annualized Returns (as at June 30, 2026)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Equity Fund (After-fee)	**7.5%**	**2.4%**	**0.4%**	**8.4%**	**5.8%**	**7.9%**	**9.1%**	**7.0%**
Canadian Stock Index	7.0%	10.9%	32.4%	23.5%	14.5%	12.3%	9.1%	7.8%
Global Stock Index ($Cdn)	15.5%	13.8%	26.6%	21.8%	14.0%	13.8%	13.6%	9.3%

[1]Feb 13, 2007

Growth of $10,000 Since Inception



Best and Worst Annualized Returns

Global Equity Fund

Market Context

- Global stocks rose 15.5% in Canadian dollar terms in the second quarter.
- North America was a standout, with chipmakers and memory stocks benefiting from the AI rally. From a theme perspective, high beta (volatility) stocks outperformed low beta stocks by a staggering 25.4%.

The fund was up 11.1% in the quarter. Since inception (Feb 2007) it has an annualized return of 4.1%.

Portfolio Specifics

- The fund owns 48 stocks, of which 19 are domiciled in the U.S., 12 in Europe, 8 in Japan, 4 in Asia-Pacific, 2 in the U.K., 2 in Canada, and 1 in Mexico. Companies range in size from megacap (MICROSOFT) to mid-cap (MONOTARO).
- The fund generated a return of 11.1% during the quarter and 4.1% since inception.
- The portfolio's Quality-Value style lagged in the high beta rally. Despite having nearly 20% of the portfolio invested in Information Technology, it was difficult to keep up with the tech-heavy indexes. On the positive side, the security selection within Information Technology was the primary contributor. SAMSUNG ELECTRONICS, the memory, foundry and diversified electronics conglomerate, was a leading contributor during the quarter. Shares advanced as investors responded positively to the company's improving outlook, driven by strong AI-related demand and rising memory prices. Samsung's scale, technology leadership and broad exposure to AI-related memory demand are important long-term competitive advantages.
- MUNICH REINSURANCE, the world's largest reinsurance company, was a detractor during the quarter. The shares declined despite continued strong earnings, as investors focused on signs that the reinsurance pricing cycle is beginning to soften. Fund manager, Aristotle, continues to view the company as a high-quality global reinsurer with disciplined underwriting and strong capital generation.
- During the quarter, Aristotle exited positions in DANAHER, DOLBY LABORATORIES and TOKYO CENTURY, and used proceeds to buy positions in WAL-MART DE MEXICO and TECHTRONIC INDUSTRIES.

Notable Stock Transactions

Buy/Add
Techtronic Industries Co Ltd*
Wal-Mart De Mexico Sab De Cv*
Itochu Corporation
*New holding

Trim/Sell
Tokyo Century Corp[1]
Danaher Corporation[1]
Dolby Laboratories Inc.[1]
Alphabet Inc.
FirstCash Holdings Inc
DBS Group Holdings Ltd
Microsoft Corporation
1Position eliminated

Positioning

- The fund has meaningful exposure to AI beneficiaries, however, the manager is being prudent. They are invested in select AI-exposed businesses and are using any dislocation to upgrade the portfolio toward what they believe to be durable, quality businesses. In periods like this, discipline can feel uncomfortable, but history suggests that prices and fundamentals eventually reconnect.

Fund size:	$285,263,883
No. of stocks:	48

Global Equity Fund

Attributes

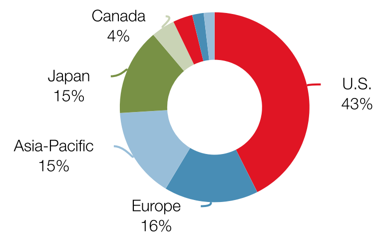
Top Stock Holdings

Samsung Electronics Company Ltd.	8.7%
Alphabet Inc.	3.6%
FirstCash Holdings Inc	3.6%
DBS Group Holdings Ltd	3.3%
TotalEnergies SE	2.9%
Munich Re	2.6%
Otsuka Holdings Company Limited	2.6%
Microsoft Corporation	2.6%
Martin Marietta Materials Inc.	2.5%
Erste Group Bank AG	2.5%

Sector Allocation (Stocks)

Financials	19.5%
Information Technology	17.6%
Consumer Discretionary	12.9%
Industrials	12.5%
Health Care	12.0%
Consumer Staples	6.3%
Energy	5.9%
Materials	5.9%
Communication Services	3.6%
Technology	2.0%
Cash	1.8%

Geographic Profile (Stocks)



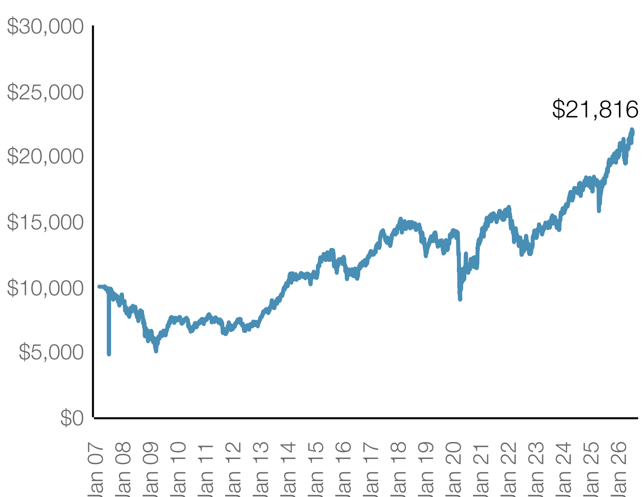
Performance

Compound Annualized Returns (as at June 30, 2026)

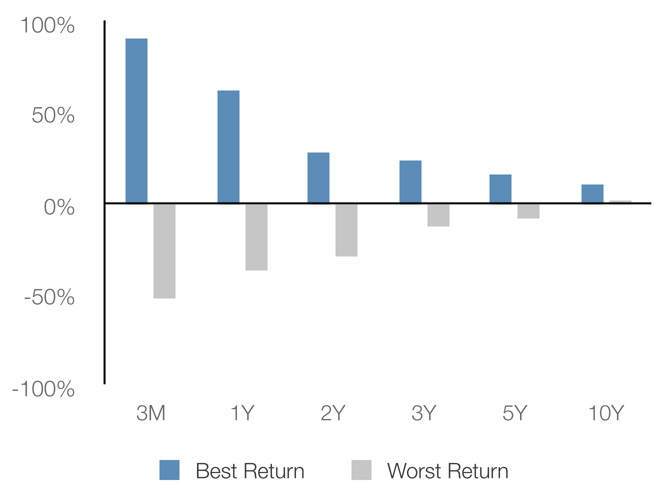
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Global Equity Fund (After-fee)	**11.1%**	**8.9%**	**19.0%**	**13.4%**	**7.5%**	**7.1%**	**7.5%**	**4.1%**
Global Stock Index ($Cdn)	15.5%	13.8%	26.6%	21.8%	14.0%	13.8%	13.6%	9.3%

[1]Feb 13, 2007

Growth of $10,000 Since Inception



Best and Worst Annualized Returns



Small-Cap Equity Fund

Market Context

- The Canadian small-cap market rose 2.8% in the quarter. The U.S. small-cap market had a stronger quarter and was up 15.8% in Canadian dollar terms.
- In Canada, the Industrials and Information Technology sectors were the best performing, while the Energy and Consumer Discretionary sectors lagged.
- In the U.S. small-cap market, the Information Technology and Industrials sectors were the best performing, while the Energy and Utilities sectors lagged.

The fund was up 6.1% in the quarter. Since inception (Feb 2007) it has an annualized return of 8.1%.

Portfolio Specifics

- The fund consists of 20 companies, ranging from very small (e.g., K-BRO LINEN INC) to medium-sized businesses (e.g., HENRY SCHEIN INC). While the majority of holdings are Canadian, there are 3 U.S. companies which make up a combined 15% weight in the fund.
- The portfolio had a mixed quarter with a return of 6.1%, outpacing the Canadian small-cap market by 3.3%, but trailing the stronger U.S. market.
- Top contributors included MDA SPACE LTD, BADGER INFRASTRUCTURE SOLUTIONS LTD, and CAPSTONE COPPER CORP. MDA benefited from the strategic acquisition of BLUE CANYON TECHNOLOGIES, expanding its access to the U.S. defense market and enhancing its sales backlog and long-term opportunity set. Badger reported strong earnings results with solid revenue and margin growth, while Capstone Copper benefited from rising commodity prices and saw its valuation catch-up to its mining peers.
- On the downside, EQUINOX GOLD CORP, PEYTO EXPLORATION & DEVELOPMENT CORP, and STELLA-JONES INC detracted from quarterly returns. Equinox lagged due to skepticism around the ORLA MINING transaction and a weaker gold price environment. Peyto's weak quarter was largely due to a change in sentiment towards the energy sector. Stella-Jones also underperformed in the quarter following weak Q1 results that were below expectations
- The manager, Guardian Capital's Galibier team, trimmed its positions in MDA Space Ltd and Jamieson Wellness Inc based on valuation. The manager also exited its position in Superior Plus Corp based on valuation in the quarter.
- The fund manager, added to GREENBRIER COMPANIES INC and initiated a new holding in TENAZ ENERGY CORP.

Notable Stock Transactions

Buy/Add

Tenaz Energy Corp*

*New holding

Trim/Sell

Superior Plus Corp.[1]

Jamieson Wellness Inc.

MDA Space Limited

1Position eliminated

Positioning

- The portfolio continues to focus on companies that meet Galibier's five key investment criteria - strong balance sheets; durable competitive advantages; consistent and predictable cash flows; disciplined and aligned management teams; and attractive risk-adjusted valuations. Key areas of investment include capital goods within the Industrials sector, which is in contrast to the small-cap market's heavy focus on resource-oriented companies, particularly the mining and energy sectors.

Fund size:	$121,836,788
No. of stocks:	20

Small-Cap Equity Fund

Attributes

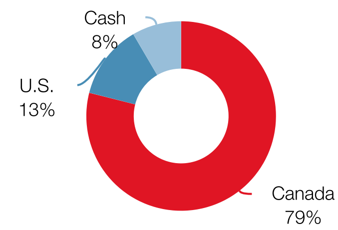
Top Stock Holdings

Cenovus Energy Inc.	6.9%
Badger Infrastructure	6.9%
Peyto Exploration	6.9%
Oshkosh Corp	6.7%
Savaria Corporation	6.6%
Capstone Copper Corp	6.4%
Torex Gold Resources Inc.	6.2%
Jamieson Wellness Inc.	5.1%
Diversified Royalty Corporation	5.1%
K-Bro Linen Income Fund	5.0%

Sector Allocation (Stocks)

Industrials	34.5%
Materials	21.2%
Energy	16.6%
Consumer Staples	8.8%
Consumer Discretionary	5.1%
Health Care	4.0%
Information Technology	1.3%
Cash	8.4%

Geographic Profile (Stocks)



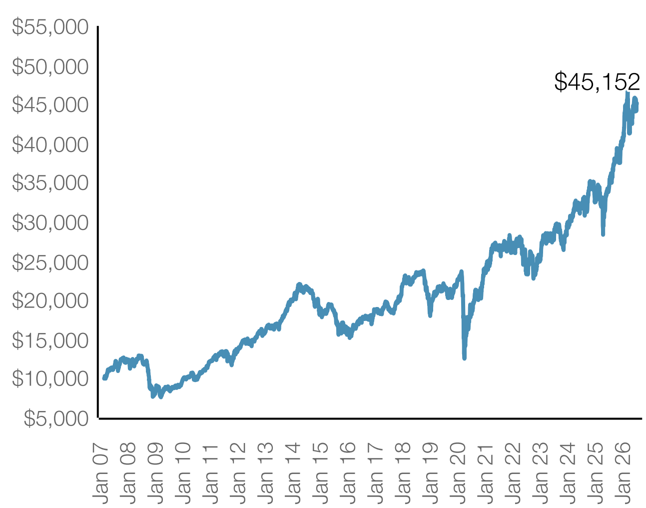
Performance

Compound Annualized Returns (as at June 30, 2026)

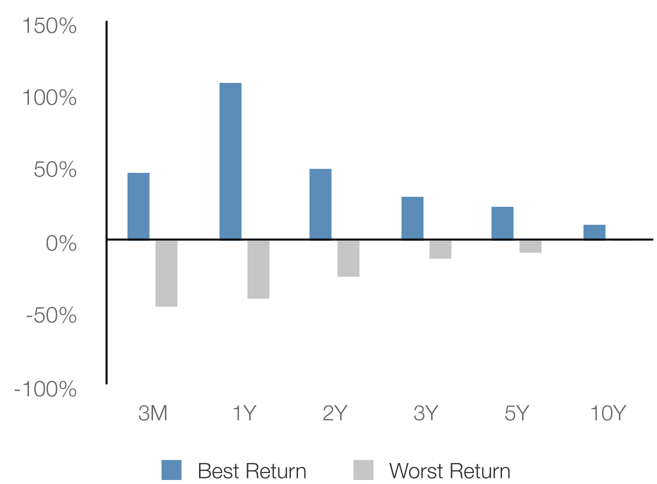
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Small-Cap Equity Fund (After-fee)	**6.1%**	**12.1%**	**30.0%**	**15.8%**	**10.8%**	**9.9%**	**8.6%**	**8.1%**
Canadian Small-Cap Stock Index	2.8%	12.7%	51.4%	30.9%	16.6%	11.3%	6.1%	4.7%
U.S. Small-Cap Stock Index ($Cdn)	15.8%	17.7%	31.4%	17.8%	9.3%	11.2%	12.5%	9.3%

[1]Feb 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 rose 13.8% in Canadian dollar terms in the quarter.
- Information Technology led the way, with semiconductor and hardware related stocks rallying sharply, followed by Industrials and Materials, while Energy lagged amid weaker oil and gas prices.

The fund was up 19.3% in the quarter. Since inception (Feb 2019) it has an annualized return of 8.7%.

Portfolio Specifics

- The portfolio is currently invested in 48 companies: 28 in the U.S., 8 in Europe, 6 in Japan, 4 in the U.K., 1 in Australia, and 1 in South America.
- The portfolio rose 19.3% in the quarter. Holdings in the U.S. and Japan contributed strongly, while European stocks detracted. On a sector basis, Information Technology, Materials, and Consumer Discretionary contributed while Financials and Health Care lagged.
- The fund's IT stocks performed well driven by strong results across software and semiconductors. U.S. semiconductor companies MACOM TECHNOLOGY SOLUTIONS, ONTO INNOVATION, and LATTICE SEMICONDUCTOR rallied on stronger chip demand and earnings results, gaining 74%, 89%, and 68%, respectively. Meanwhile, JFROG, a U.S. developer of software supply chain and DevOps platform solutions, surged 96% after reporting better-than-expected results.
- Beyond technology, U.S. electrical-construction firm, MYR GROUP, U.S. leisure operator, Pursuit Attractions and Hospitality, and Japanese specialty chemicals producer, SUMITOMO BAKELITE, were also meaningful contributors and rallied 76%, 55%, and 53%, respectively.
- Weakness was concentrated in Financials, Machinery, and European holdings. U.S. alternative manager, HAMILTON LANE, fell 19% on fears of an adverse private credit cycle, which our manager, Times Square Capital Management, views as being overblown. They used price weakness to add to the position.
- The portfolio saw more turnover than usual over the past three months, as elevated market volatility and a widening valuation gap between U.S. and international stocks created opportunities. Five new positions were established: LEGENCE, a provider of energy infrastructure and commercial HVAC service; WEATHERFORD INTERNATIONAL, an oilfield services company; KARMAN HOLDINGS, an aerospace components maker; CUSHMAN & WAKEFIELD, a real-estate services firm; STEVANATO GROUP, a supplier of drug containment and delivery, and diagnostic solutions to the biopharmaceutical industry.
- Positions were eliminated in WORKIVA, INTAPP, CELLEBRITE, and RINNAI.

Notable Stock Transactions

Buy/Add
Stevanato Group Spa*
Cushman & Wakefield Ltd*
Weatherford International Plc*
Performance Food Group Company
Valvoline Inc
John Bean Technologies Corporation
*New holding

Trim/Sell
Workiva Inc[1]
Cellebrite DI Ltd[1]
Regal Rexnord Corp
JFrog Ltd
MACOM Technology Solutions Holdings Inc
1Position eliminated

Fund size:	$89,227,807
No. of stocks:	48

Positioning

- We are moving into a world where capital is increasingly directed by strategic necessity rather than pure economic returns, transforming energy, defense, and supply chains into critical instruments of national policy. Times Square believes this macro landscape will create opportunities for its fundamental, bottom-up approach to investing.

Global Small-Cap Equity Fund

Attributes

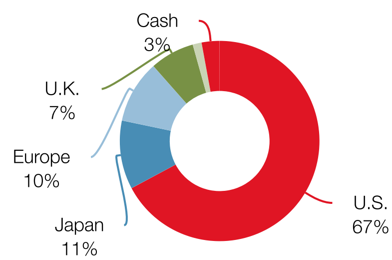
Top Stock Holdings

Pursuit Attractions And Hospitality Inc	4.0%
Performance Food Group	3.8%
Regal Rexnord Corp	3.6%
Guardian Pharmacy Services Inc	3.5%
Valvoline Inc	3.3%
JFrog Ltd	3.3%
Clean Harbors Inc	3.2%
MACOM Technology Solutions Holdings Inc	3.0%
John Bean Technologies Corporation	2.9%
Casella Waste Systems Inc	2.8%

Sector Allocation (Stocks)

Industrials	32.1%
Financials	19.2%
Information Technology	16.2%
Consumer Discretionary	10.4%
Health Care	7.4%
Consumer Staples	5.3%
Materials	3.4%
Real Estate	1.6%
Energy	1.5%
Cash	2.9%

Geographic Profile (Stocks)



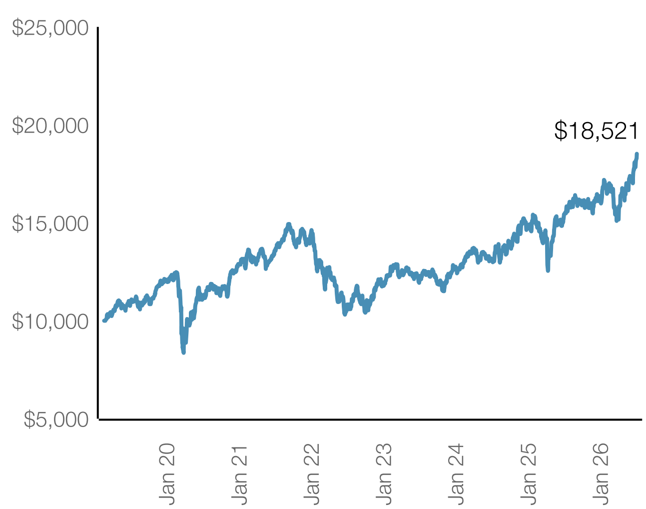
Performance

Compound Annualized Returns (as at June 30, 2026)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Global Small-Cap Equity Fund (After-fee)	**19.3%**	**15.9%**	**19.8%**	**14.6%**	**6.4%**	**N/A**	**N/A**	**8.7%**
Global Small Cap Stock Index ($Cdn)	13.8%	15.5%	29.0%	18.0%	9.2%	N/A	N/A	10.3%

[1]Jan 23, 2019

Growth of $10,000 Since Inception



Best and Worst Annualized Returns

Savings Fund

Market Context

- Measures of inflation diverged in the second quarter. Headline CPI rose to 3.2% in May from 2.4% in March, while core CPI eased to 2% from 2.2%, pointing to energy, not broad-based prices, as the driver.
- The Bank of Canada held its policy rate at 2.25% for a fifth consecutive meeting. A weak labour market argues for lower rates, but Middle East-related inflation risk keeps a hike on the table. Our base case is a stable rate environment through the rest of the year.

The fund was up 0.5% in the quarter. Since inception (Feb 2007) it has a cumulative return of 36.9% which equates to an annualized return of 1.6%.

Positioning

- Government securities comprised approximately 13.5% of the portfolio, up from 11% in Q1, with floating-rate products at about 15% and the remainder in bankers' deposit notes and commercial paper. This mix maintains yield while managing duration and liquidity amid the uncertain rate backdrop.
- The portfolio remains conservatively positioned, with a focus on capital preservation, liquidity, and high credit quality. More than 90% of assets are rated R-1 High.

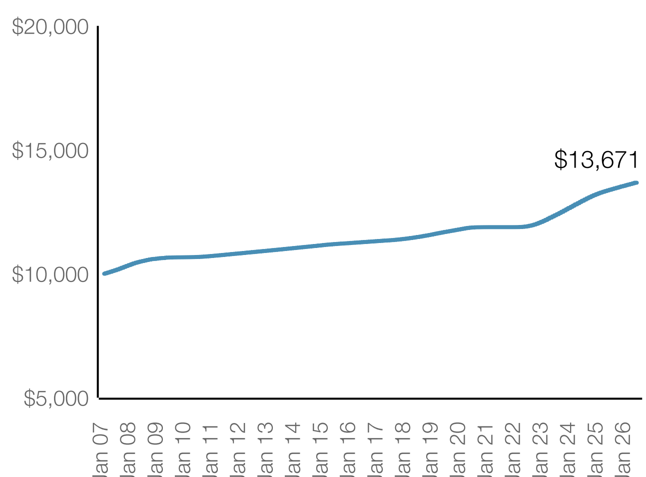
Performance

Compound Annualized Returns (as at June 30, 2026)

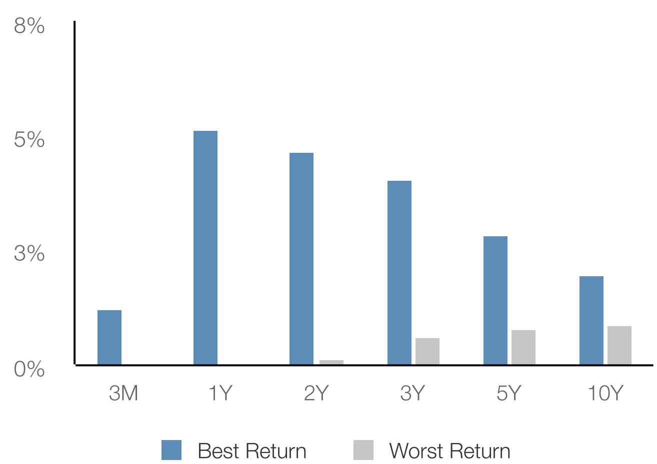
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Savings Fund (After-fee)	**0.5%**	**1.1%**	**2.3%**	**3.5%**	**2.9%**	**2.0%**	**1.6%**	**1.6%**
Canadian Cash Index	0.6%	1.1%	2.4%	3.7%	3.0%	1.9%	1.6%	1.7%

[1]Feb 13, 2007

Growth of $10,000 Since Inception



Best and Worst Annualized Returns



The market's having a wild party, and only grizzled veterans can see the warning signs

Special to the Globe and Mail, by Tom Bradley

Ever since the great financial crisis in 2008, I thought that risk management departments at big financial institutions should have a grizzled old investor sitting on a stool in the corner. Someone taking it all in: the computer screens, the PhDs, and the supreme confidence.

I call it Grey Hair Risk Management. Blending in someone who isn't deep in the weeds and may not understand all the complexities of the models, but who has seen many market cycles and knows anomalies when they see them.

If such a person was in the room right now, I have a hunch they'd have lots of questions. Here are a few:

How are our models assessing the discrepancy between the bond market and the stock and credit markets?

Rising bond yields indicate there's trouble ahead. They reflect the potential for higher inflation and may be portending a time when governments struggle to finance their chronic deficits.

Conversely, high valuations on stocks, and narrow credit spreads between corporate and government bonds, suggest that it's smooth sailing ahead.

Asset prices generally run counter to interest rates. What do outcomes look like if rates go even higher?

Does our system understand that everything is now one big artificial intelligence bet?

Chips and data storage are the focus, but AI's impact reaches deep into the stock market. I saw a chart this week that showed 40 per cent of the S&P 500 has direct exposure to AI, but that's just the technology component. The number is much higher when taking into account power generation, construction, building materials and industrial services.

Upping the ante is the wealth effect (how wealthy people feel), which is increasingly linked to how AI plays out. Widely-held index portfolios are heavily exposed to this singular theme.

There will be many exciting opportunities that come out of the AI build-out, but our risk assessments should assume that most will be cyclical, not transformational.

Speaking of cyclical, the data centre build-out is turning into the greatest capital spending cycle of all time, even though AI business models are still evolving. Revenues are hard to predict and assumptions around computing costs are changing by the minute.

In this context, how much thought have we given to the other side of the mountain?

Typically, the clean-up after a capex boom is messy because too much capacity gets built, bad loans are made and non-industry players get in on the action.

Capex cycles are different from other cycles. They end violently and without warning. Our worst-case scenarios should assume that spending falls off the table, not just flattens out or gently declines.

Have corporate earnings been affected yet by higher energy prices and increasing cost pressures on consumers?

Investors are celebrating every positive earnings surprise, and there have been many. But that was last quarter. Will the current economic reality serve up the same robust numbers in the coming months, and even if it does, will companies be able to meet the new level of expectations?

High price-to-earnings ratios and near-peak earnings are a bad combination. Are we modeling for a possible double whammy when profits and P/Es fall?

Are our risk models factoring in the wild party that's going on in the markets right now?

It's not normal. AI optimism is palpable, with discount brokers and the media leading the cheering section. U.S. investors own more of their net worth in stocks and are using more margin (money borrowed to invest) as a percentage of gross assets than ever before. Some are trading options like water and betting in the prediction markets.

And the AI giants are falling all over each other to get their shares to market in hopes of capturing the fervor. SpaceX, with its spacey projections and mercurial leader, Elon Musk, will be the first to test the market. If successful, it will force major changes to the market indexes, as will subsequent mega issues.

Our veteran is seeing lots of anomalies: the bond market warning, elevated valuations, rampant risk-taking and a euphoric one-theme market. Not all will turn out to be negative, but in aggregate they point toward caution. As Warren Buffett, the ultimate veteran investor, says, "Be fearful when others are greedy and greedy when others are fearful."

Will our old colleague prove to be wise or out of touch? The latter is a distinct possibility, but one seasoned veteran and a stool seems like cheap insurance compared with the billions of dollars being spent on computer models that until now have proven to be as fallible as the humans they replace.

Steadyhand

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)

Purpose Investments is the manager of the Steadyhand funds. Steadyhand Investment Funds Inc. (SIFI) is the principal distributor of the funds.

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