Quarterly Report

Steadyhand

Q4
2024

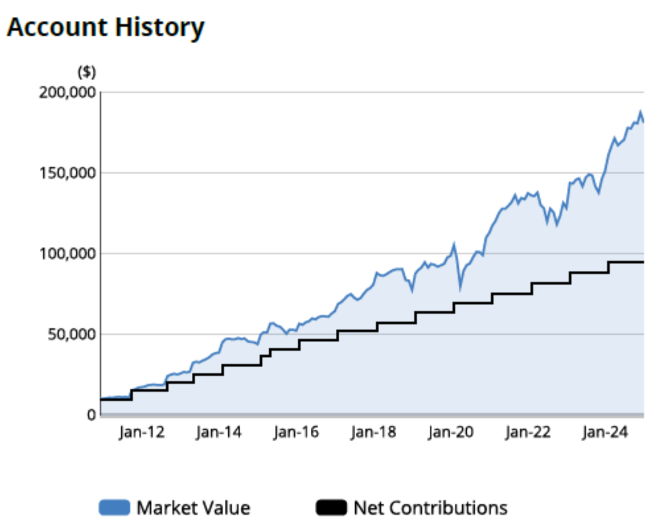
"Last year's performance is a reliable indicator of last year's performance."

— Steadyhand investment truth

Bradley's Brief

2024 was a great time to be an investor while at the same time being one of the most confusing and noisy years I can remember. If you're like me, you may be looking for a retreat from the holiday mayhem, AI mania, Ottawa and Washington upheaval, and Taylor Swift hangover.

I have a suggestion. Open the client statement you received along with this report and go to the picture in the bottom right corner of page 3. You know it. It's a simple chart with two lines. The black one indicates the net amount you've invested in your Steadyhand accounts and the blue one (with the shaded area underneath it) is the market value. The difference between the two is what your money has earned.



It's a picture worth at least a thousand words, including these calming takeaways.

The 8th wonder of the world – That's what Albert Einstein called the power of compound interest. If you've been with us a while, the picture illustrates his point. Sticking to a plan and giving it time to play out is indeed powerful. As the adage goes, 'investing is about time in the market, not market timing.'

Nonlinear – The blue line trends toward the top right corner of the chart but there are lots of zigs and zags along the way. I've heard Lori Norman, one of our Investor Specialists, describe it to clients as "nonlinear". That's for sure. It's not a smooth path and you shouldn't expect it to be.

Foggy memories – The chart serves to cloud your memory of what previously happened in your portfolio. In a good way. The reasons for the dips, that seemed so important and defining at the time, are now just vague memories, or completely forgotten. Was it that banking crisis thing in the U.S., the shooting down of a Chinese balloon, or was it something said at the economists' confab in Jackson Hole. Whatever it was, it appears to have been inconsequential.

Benefits of steady – Rudyard Kipling had it right when he said, "If you can keep your head when all about you are losing theirs …" (from *If: A Father's Advice to His Son*). In a gunfight or hockey game, great instincts and quick reactions are invaluable (and perhaps lifesaving), but in investing, rewards come from doing exactly the opposite, keeping your head and staying steady.

I hope you can go forth in 2025 with a renewed sense of calm. And if you feel it slipping away, pull up your latest statement on steadyhand.com, or call 1-888-888-3147 for a calming voice.

Key Takeaways

Stocks

- Stock markets had a strong year, following a robust 2023. The global market (Morningstar Developed Markets Index) gained 28.2% while Canadian stocks (Morningstar Canada Index) rose 22.2%. Emerging markets lagged developed markets, on balance, yet also turned in double-digit returns.
- The U.S. market rose more than 20% for the second consecutive year, marking its best two-year run in over two decades. Gains were uneven, however, with megacap technology stocks once again driving the S&P 500's performance.
- The Canadian dollar was down against most major currencies. Notably, it fell 8% against the U.S. dollar, which boosted the returns of American stocks in $Cdn terms.

Market Returns

	3M	1Y
Canada	4.4%	22.2%
World	5.9%	28.2%

Bonds

- The Canadian bond market rose 3.9%. High yield bonds were the top performers and the corporate and government sectors were both positive contributors.
- Bond yields rose over the first half of the year but pulled back in the second half. All said, the benchmark 10-year Government of Canada yield was little changed over the period, finishing the year at 3.2%, up from 3.1% in January.
- The Bank of Canada cut its key short-term lending rate five times in 2024, from 5.0% to 3.25%., while the U.S. Federal Reserve reduced its rate by 1.0%.

	3M	1Y
Bonds	-0.2%	3.9%

Our Funds

- All our funds had a positive year. Our balanced clients' portfolios were up around 10%. Over the past 10 years, our balanced clients have gained roughly 5% per year.
- Our stock weighting in the Founders Fund is just below 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 EQB Inc. (Canada), Lattice Semiconductor (U.S.), and Tokyo Metro (Japan); and the sale of Generac Holdings (U.S.), VF Corp. (U.S.), and Kobe Bussan (Japan).

Fund Returns

	3M	1Y
Savings	0.9%	4.4%
Income	-0.2%	6.4%
Founders	-0.2%	10.2%
Builders	-0.1%	14.1%
Equity	1.0%	17.8%
Global	-2.3%	10.9%
Small-Cap	-3.0%	10.8%
Global Small-Cap	5.0%	16.3%

Our Advice to Clients

We recommend you be at or near your long-term target for stocks. In the Founders Fund, our equity weighting is 59%. We feel valuations are generally reasonable, outside of the technology sector, that is. Our focus is on profitable, well-financed companies that are in a good position to improve their market leadership. Our outlook for bonds is positive given prevailing yields. To complement the longer-term bonds in the Income Fund, we also recommend holding a position in the Savings Fund, which is yielding 3.3% (pre-fee). Currently, 7% 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.

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.
- Tom Bradley (Chair) manages the fund along with Chief Investment Officer 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.

The fund was down 0.2% in the quarter. Since inception (Feb 2012), it has a cumulative return of 114%, which equates to an annualized return of 6.1%.

Portfolio Specifics

- Throughout 2024, the Founders Fund was driven by rising stock prices. It was up 10.2%, with all the underlying funds contributing.
- The fund's asset mix remains unchanged from previous quarters and is close to its long-term target. Stocks account for 59% of total assets, slightly below the 60% level, and the bond weighting is close to a full allocation at 34%. The fund would have done slightly better over the last year if we'd let markets take the equity weighting higher, but we've been regularly rebalancing to stay aligned with the stated goal of 'capital growth and income'. Founders is designed to be an all-weather fund.
- Despite a bumpy few months in the bond market, we remain positive on the fixed income holdings in the Income Fund (one of the underlying funds in the portfolio). Bonds provide an above-inflation yield and will be good diversifiers during the next period 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 tracks a steady course and when needed, is a ready source of liquidity.
- We don't make big or sudden moves to Founders' 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. Through the underlying six funds, Founders owns a mix of bonds and stocks across a wide range of industries, geographies, and currencies.
- The largest transactions in the underlying funds during the quarter included new holdings in EQB Inc. (Canada) and Lattice Semiconductor (U.S.); and the sale of Generac Holdings (U.S.), and Kobe Bussan (Japan).

Fund Mix

Income	45%
Equity	20%
Global	19%
Small-Cap	5%
Global Small-Cap	5%
Savings	6%

Asset Mix

Foreign Stocks	32%
Canadian Stocks	27%
Gov't Bonds	20%
Corporate Bonds	14%
Cash & Short-term	7%

Positioning

- Founders' mix reflects our 5-year view of where returns will come from. Our approach is not to predict what will happen next (which can't be done reliably), but rather to be in position to take advantage of whatever comes our way.
- Our fund managers are being cautious, given the heightened speculation. This doesn't mean they're avoiding stocks but rather looking for opportunities in unloved areas, keeping an eye on profits, being mindful of valuations, and staying well diversified.
- For more details on the underlying funds, please review pages 8-18.

Fund size $705,203,486

Founders Fund

Attributes

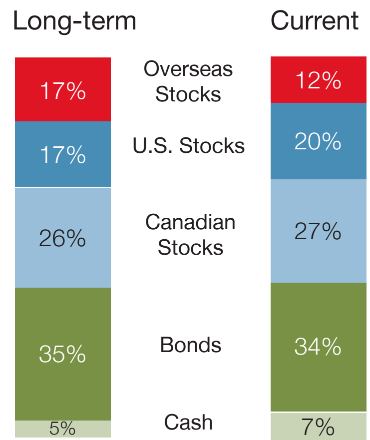
Top Stock Holdings (% of Fund)

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

Sector Allocation (Stocks)

Industrial Goods & Svc	25.9%
Financial Services	22.3%
Technology	14.1%
Retailing	8.1%
Healthcare	6.8%
Consumer Cyclical	6.3%
Consumer Products	4.3%
Basic Materials	4.1%
Oil & Gas	2.8%
Real Estate	2.8%
Utilities & Pipelines	2.4%
Comm. & Media	0.1%

Asset Mix



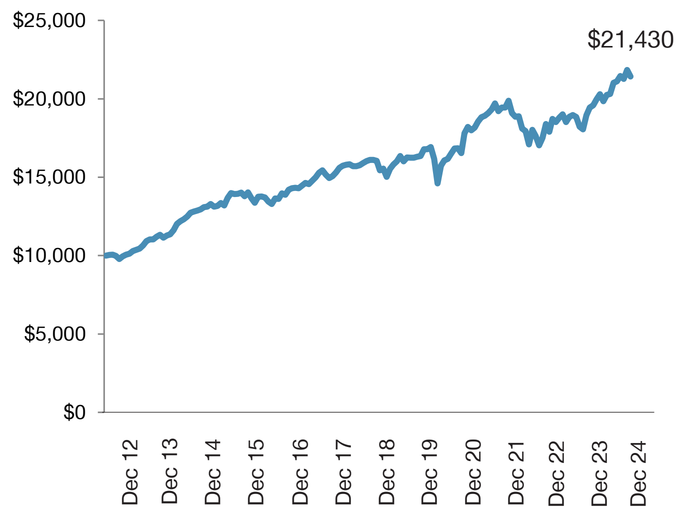
Performance

Compound Annualized Returns (as of December 31, 2024)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Founders Fund (after-fee)	**-0.2%**	**10.2%**	**10.2%**	**2.5%**	**5.0%**	**5.0%**	**N/A**	**6.1%**
Canadian Bond Index	-0.2%	3.9%	3.9%	-0.7%	0.7%	1.9%	N/A	2.3%
Global Stock Index ($Cdn)	5.9%	28.2%	28.2%	10.4%	12.8%	12.0%	N/A	13.5%
Canadian Stock Index	4.4%	22.2%	22.2%	8.4%	10.6%	8.0%	N/A	8.0%

[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 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 Chief Investment Officer Salman Ahmed, with Chair and co-founder Tom Bradley as co-manager.

The fund was down 0.1% in the quarter. Since inception (Feb 2019), it has a cumulative return of 48%, which equates to an annualized return of 6.9%.

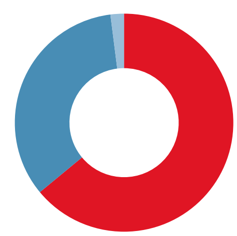
Portfolio Specifics

- The fund rose 14.1% in 2024. It was a good year in absolute terms but the portfolio didn't keep pace with the markets. Many of our holdings had excellent returns but we have less exposure to megacap technology companies (the runaway leaders in the year), which held back performance.
- 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 railways CN Rail and Canadian Pacific Kansas City, RPM International (specialty coatings and sealants), SAAB (aerospace, defense, and radar specialist) and Badger Infrastructure Solutions (hydrovac services). Performance of the group was mixed in the year.
- Financial services companies make up 18% of the fund. Large holdings include Visa and S&P Global. We also own a group of leading insurance companies, including Munich Re Group, AIA Group, and Intact Financial. CME Group (derivatives marketplace), TMX Group (market exchanges), and DBS Group Holdings (banking) provide additional diversification. Many of these holdings were strong performers in 2024.
- The technology sector is another important area of investment, comprising 15%. Our focus is on established industry leaders such as Microsoft. Other investments include Qualcomm (chips for smartphones), Samsung Electronics (diversified technology), Constellation Software (software), and Astera Labs (connectivity solutions for data centers). Performance of the group was mixed.
- The portfolio has only modest exposure to commodity stocks (6%), due to their inherent cyclicality. Holdings include Torex Gold Resources (gold producer), Capstone Copper (copper miner), TotalEnergies (oil & gas), Interfor (lumber), and Cameco (uranium). Returns were mixed, with lumber and oil being weak spots.

Fund Mix

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

Asset Mix



Foreign Stocks	64%
Canadian Stocks	34%
Cash & Short-term	2%

Fund size	$239,567,229

Positioning

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

Builders Fund

Attributes

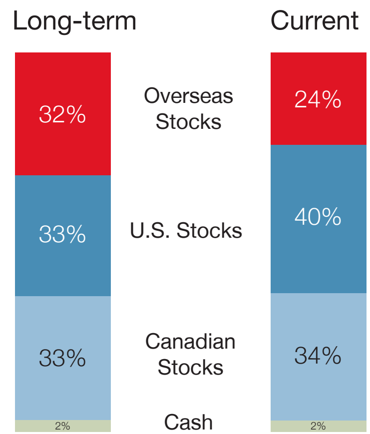
Top Stock Holdings (% of Fund)

Microsoft	3.4%
Visa	2.0%
Danaher	1.8%
Metro	1.7%
Thomson Reuters	1.7%
TJX Companies	1.5%
Dollarama	1.5%
TMX Group	1.5%
Costco Wholesale	1.5%
S&P Global	1.5%

Sector Allocation (Stocks)

Industrial Goods & Svc	29.7%
Financial Services	18.8%
Technology	15.4%
Healthcare	8.5%
Retailing	8.3%
Consumer Cyclical	6.9%
Consumer Products	5.6%
Basic Materials	4.4%
Oil & Gas	1.9%
Real Estate	0.5%

Asset Mix



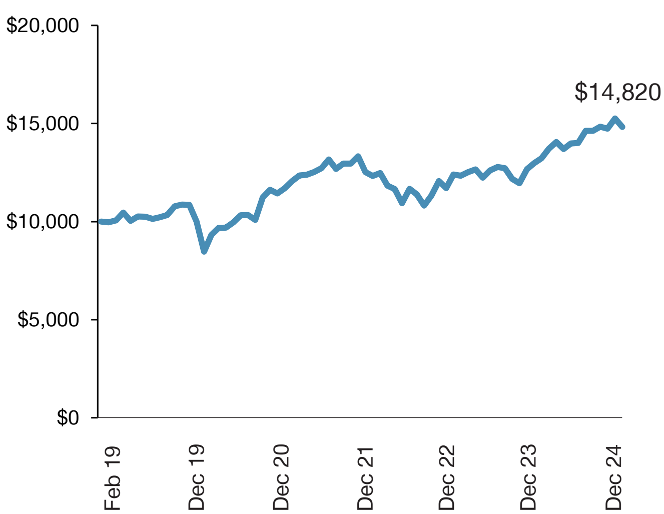
Performance

Compound Annualized Returns (as of December 31, 2024)

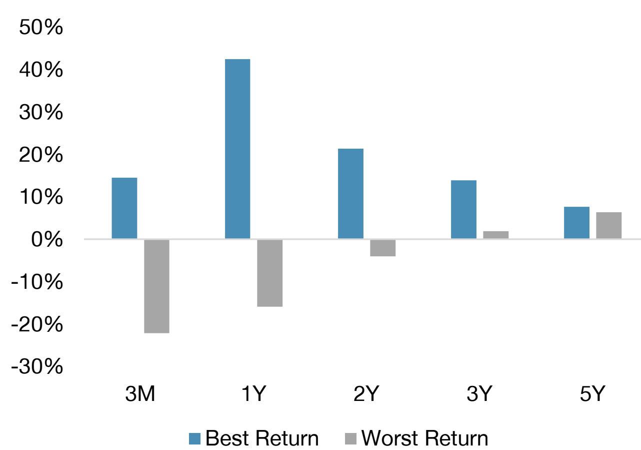
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Builders Fund (after-fee)	**-0.1%**	**14.1%**	**14.1%**	**3.6%**	**6.4%**	**N/A**	**N/A**	**6.9%**
Global Stock Index ($Cdn)	5.9%	28.2%	28.2%	10.4%	12.8%	N/A	N/A	13.2%
Canadian Stock Index	4.4%	22.2%	22.2%	8.4%	10.6%	N/A	N/A	10.9%

[1]Feb 15, 2019

Growth of $10,000 Since Inception



Best and Worst Annualized Returns



Income Fund

Market Context

- The Canadian bond market rose 3.9% in 2024 (income and capital appreciation).
- Bond yields rose over the first half of the year but pulled back in the second half. All said, the benchmark 10-year Government of Canada yield was little changed over the period, finishing the year at 3.2%, up from 3.1% in January.
- Canadian stocks rose 22.2%. Technology, financial services, and consumer staples were areas of strength, while the telecom and real estate sectors declined.

The fund was down 0.2% in the quarter. Since inception (Feb 2007), it has a cumulative return of 124%, which equates to an annualized return of 4.6%.

Portfolio Specifics

- The fund rose 6.4% in 2024. The bond component of the portfolio (76%) performed well and outpaced the broader market. Our fixed income strategy profited from opportunistic positioning across the yield curve, where we favoured bonds that benefited from a steepening curve (whereby short-term rates declined more significantly relative to longer-term yields).
- Our corporate bond holdings were an area of strength. A solid U.S. economy and lower inflation led to strong business confidence and resilient consumer spending, which was supportive of this asset class. Moreover, investor demand remains strong and credit markets were supported by a slower pace of issuance. Our high yield investments (5% of the fund) were a standout. Overall, corporate bond valuations are looking expensive, however, and we have a lower-than-normal weighting in the sector as a result. We currently favour banks, REITs, and utilities.
- Our manager, Connor, Clark & Lunn, believes the pace of interest rate cuts is set to slow, although fundamentals suggest Canadian yields have farther to fall relative to their U.S. counterparts. CC&L will continue to manage duration opportunistically in this environment. We also have a small position in real return bonds (which pay a return adjusted for inflation), which offer protection in the event of a resurgence in inflation.
- The fund's equities (24% of the portfolio) were the strongest performers in the year. Our financial services and consumer holdings saw strong gains. We remain focused on owning dividend paying companies that can deliver above-average earnings growth. As we look toward 2025, CC&L expects U.S. economic growth to remain robust, which should support the Canadian economy as well. Recently, we added a few cyclical companies (commodities and financials) that typically outperform in the later stages of the economic cycle.
- The fund paid distributions totaling $0.38/unit in 2024.

Notable Stock Transactions

Buy/Add

Bank of Nova Scotia*
Gildan Activewear*
TransAlta*
Secure Energy Services*
Wheaton Precious Metals*

*New holding

Trim/Sell

Saputo[1]
Rogers Communications[1]
Fortis[1]
Magna International[1]
Methanex[1]

[1]Position eliminated

Positioning

- Despite the increased clarity following the U.S. election results, the economy could face a range of potential scenarios. Our focus, as such, remains on high-quality companies.
- Stocks make up 24% of the fund and remain an important source of diversification.

Fund size	$75,361,410
Pre-fee Yield	3.8%
Avg Term to Matur.	9.6 yrs
Duration (Bonds)	7.0 yrs

Income Fund

Attributes

Top Holdings (% of Fund)

CC&L High Yield Bond Fd	5.1%
Canada 2.75% (Dec/55)	4.5%
Quebec 4.45% (Sep/34)	2.8%
Canada T-Bill (Jan/25)	2.6%
Ontario 3.65% (Jun/33)	1.9%
Canada 2.00% (Dec/51)	1.8%
Royal Bank	1.7%
Ontario 3.80% (Dec/34)	1.4%
CIBC	1.3%
Ontario 2.15% (Jun/31)	1.3%

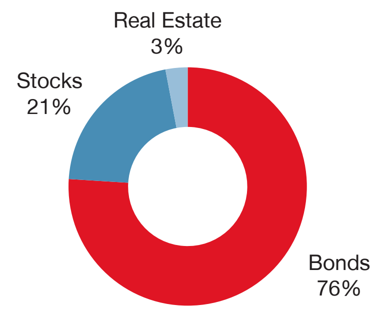
Issuer Allocation (Bonds)

Federal Government	18%
Provincial Government	39%
Corporate	43%

Rating Summary (Bonds)

AAA	25%
AA	31%
A	12%
BBB	28%
BB (or lower)	4%

Asset Mix



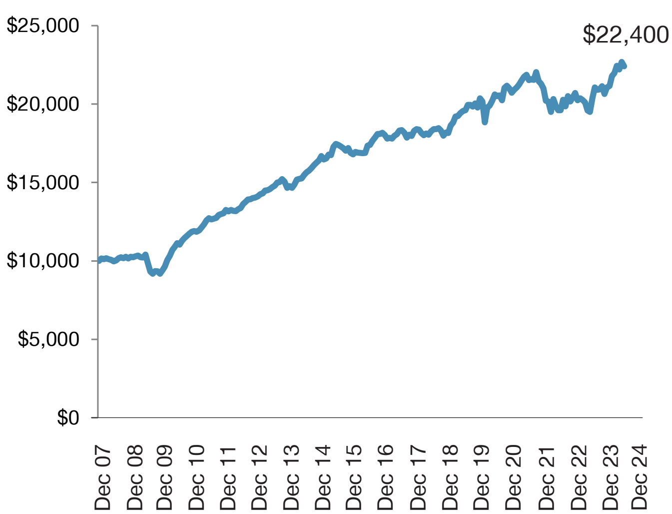
Performance

Compound Annualized Returns (as of December 31, 2024)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep*
Income Fund (after-fee)	**-0.2%**	**6.4%**	**6.4%**	**0.6%**	**2.5%**	**3.0%**	**4.6%**	**4.6%**
Canadian Bond Index	-0.2%	3.9%	3.9%	-0.7%	0.7%	1.9%	3.1%	3.4%
Canadian Stock Index	4.4%	22.2%	22.2%	8.4%	10.6%	8.0%	7.6%	6.2%

*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 22.2% in 2024. Most sectors posted positive returns, with technology and financial services stocks leading the way. Materials and consumer staples were also areas of strength.
- Global stocks, as measured by the Morningstar Developed Markets Index, gained 28.2% in Canadian dollars.

The fund was up 1.0% in the quarter. Since inception (Feb 2007), it has a cumulative return of 243%, which equates to an annualized return of 7.1%.

Portfolio Specifics

- The portfolio consists of 27 stocks, of which 15 are headquartered in Canada, 10 in the U.S., and 2 overseas.
- The fund rose 17.8% in 2024, a solid return in a strong year for stocks. We have a hard time keeping pace in hot markets that are driven by a sector or two, which was the case this year. The technology and financial sectors saw big gains, benefiting from the hype around AI and talk of deregulation in the U.S. once Trump takes office. Our tech holdings performed well, notably Constellation Software, as did many of our financial services investments (TMX Group, Intact Financial, Visa). However, our lower exposure to technology held back performance.
- Our retailing stocks were a notable area of strength over the year. Costco Wholesale, Dollarama, and Loblaw Companies were all up nearly 50%, while TJX Companies and Metro gained a third. Costco, Dollarama, and TJX cater to the value-conscious shopper and benefited from strong demand and solid earnings growth. Grocers Loblaw and Metro also executed well.
- RB Global was another standout, rising 45%. The world's largest auctioneer of commercial assets and vehicles has turned in excellent operating results and effectively expanded its global footprint and broadened its digital marketplace with last year's acquisition of online vehicle salvage specialist IAA.
- Nestlé, CN Rail, and TD Bank were the greatest detractors to performance. Nestlé fell over 20% on weak sales growth and poor execution. The world's largest food & beverage company alienated consumers with aggressive price increases and lost market share to competitors. Nestlé has revamped its leadership with a new CEO. CN Rail (-10%) saw its profits impacted by labour disputes and wildfires, and TD Bank (-6%) was punished by the U.S. Department of Justice, and investors, for its involvement in a drug money laundering case.
- Royal Bank was added to the fund in the fourth quarter. Our manager, Fiera Capital, likes the company's leading position in wealth management and capital markets.

Notable Transactions

Buy/Add

Royal Bank[1]
Toromont
Otis Worldwide

[1]New holding

Trim/Sell

TD Bank
Costco Wholesale
Thomson Reuters
S&P Global

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.

Fund size	$104,742,010
No. of stocks	27

Equity Fund

Attributes

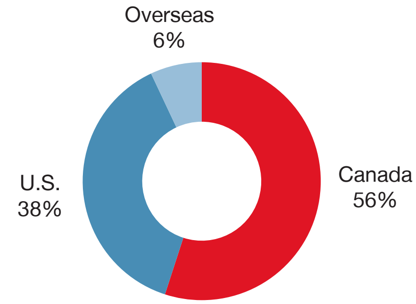
Top Stock Holdings

Visa	5.8%
Metro	5.0%
Thomson Reuters	4.9%
Microsoft	4.8%
TJX Companies	4.4%
Dollarama	4.4%
TMX Group	4.4%
Costco Wholesale	4.4%
S&P Global	4.3%
CN Rail	4.3%

Sector Allocation (Stocks)

Industrial Goods & Svc	26.9%
Financial Services	24.1%
Retailing	21.9%
Technology	16.3%
Consumer Products	4.4%
Healthcare	3.2%
Consumer Cyclical	3.2%

Geographic Profile (Stocks)



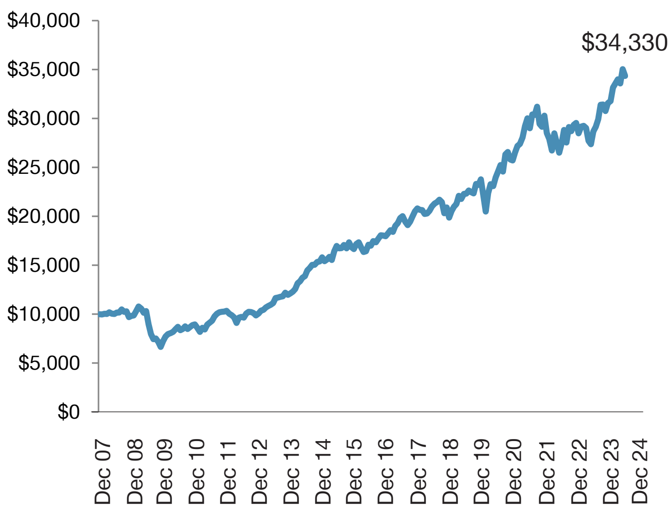
Performance

Compound Annualized Returns (as of December 31, 2024)

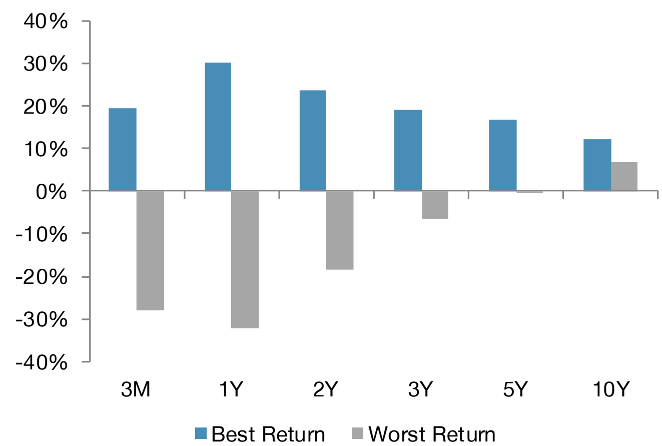
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Equity Fund (after-fee)	**1.0%**	**17.8%**	**17.8%**	**3.2%**	**8.1%**	**8.3%**	**9.5%**	**7.1%**
Canadian Stock Index	4.4%	22.2%	22.2%	8.4%	10.6%	8.0%	7.6%	6.2%
Global Stock Index ($Cdn)	5.9%	28.2%	28.2%	10.4%	12.8%	12.0%	12.3%	8.4%

[1]Feb 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 28.2% in Canadian dollar terms in 2024.
- The U.S. market was a top performer (+36.4% in CAD) owing to the stellar returns of megacap technology stocks. Japan and China also saw strong gains while European markets were mixed, with Germany a leader and France losing ground.

The fund was down 2.3% in the quarter. Since inception (Feb 2007), it has a cumulative return of 76%, which equates to an annualized return of 3.2%.

Portfolio Specifics

- The fund owns 48 stocks, of which 21 are domiciled in the U.S., 12 in Europe, 8 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 gained 10.9% in 2024. Technology stocks, and more specifically those involved in artificial intelligence, drove much of the U.S. market's return this year, accounting for roughly half of its gain. Our modest exposure to the group held back performance. Our manager, Aristotle Capital, recognizes that they miscalculated the initial magnitude and duration of the AI infrastructure build-out. Their focus, however, is on what the next few years will look like rather than looking back in time.
- Many of our holdings in Europe and Asia were strong contributors in 2024. MonotaRO (Japanese e-commerce leader in industrial supply products) gained 75%, Otsuka Holdings (Japanese pharmaceutical) and Erste Group (Austrian financial services provider) were up 60%, and MunichRe (German insurer) gained 30%. Canadian alternative investment manager Brookfield Corporation also gained more than 50%. These investments are testament that there are attractive opportunities outside AI.
- Our American investments were an area of weakness. Microchip Technology was a key detractor, falling 35%. The maker of microchips for consumer devices had a slump in sales. It's an attractive business, however, with a new CEO intent on returning it to growth. Software maker Adobe lost 25% despite reporting strong operating results, as investors were hoping for a better outlook. Dolby Laboratories, FMC, Amgen, and Oshkosh also traded lower. Aristotle believes these are all excellent businesses that have fallen out of favour with investors, which was emblematic of our U.S. holdings in 2024. Two exceptions were PayPal and Norwegian Cruise Line, which gained roughly 40% and 30%, respectively.
- Turnover was low in 2024, sticking with Aristotle's buy-and-hold approach. One stock was purchased, Tokyo Century Corp., while KDDI and Veralto were sold.

Notable Transactions

Buy/Add

None

Trim/Sell

None

Positioning

- Investments are spread across industries, both fast-growing and steady-eddy, in companies that have a strong market position. Aristotle looks for quality businesses with competitive advantages, pricing power, and proven executives.

Fund size	$50,586,519
No. of stocks	48

Global Equity Fund

Attributes

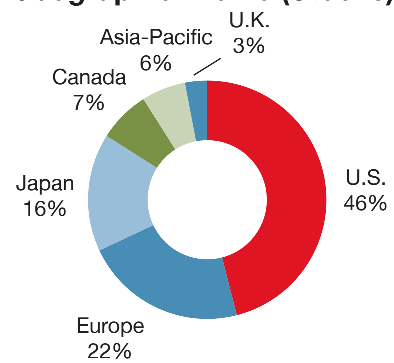
Top Stock Holdings

Microsoft	5.0%
Lennar	4.1%
Cameco	3.8%
Martin Marietta	3.3%
MunichRe	3.2%
MonotaRO	3.2%
DBS Group Holdings	2.9%
Sony Group	2.8%
Brookfield Corporation	2.7%
Otsuka Holdings	2.6%

Sector Allocation (Stocks)

Industrial Goods & Svc	24.6%
Technology	18.5%
Financial Services	18.3%
Healthcare	13.9%
Consumer Cyclical	12.2%
Consumer Products	4.8%
Basic Materials	3.8%
Oil & Gas	2.4%
Retailing	1.5%

Geographic Profile (Stocks)



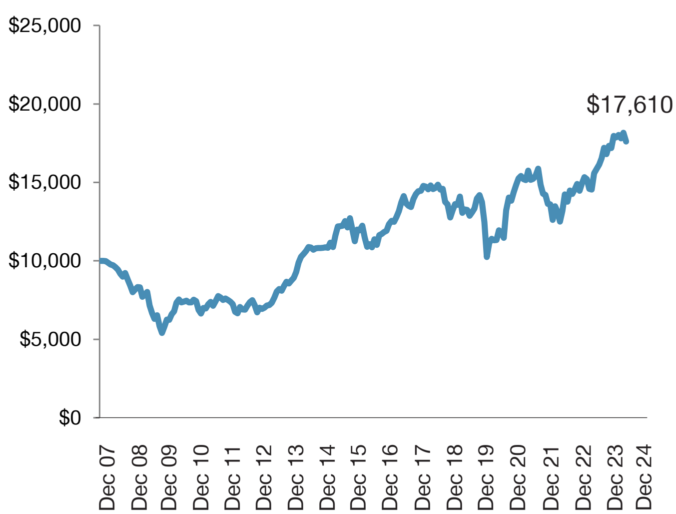
Performance

Compound Annualized Returns (as of December 31, 2024)

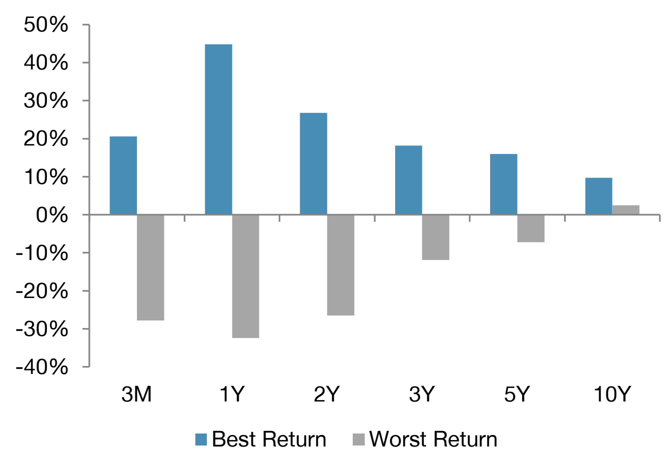
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Global Equity Fund (after-fee)	**-2.3%**	**10.9%**	**10.9%**	**3.5%**	**4.4%**	**4.9%**	**5.9%**	**3.2%**
Global Stock Index ($Cdn)	5.9%	28.2%	28.2%	10.4%	12.8%	12.0%	12.3%	8.4%

[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 (Morningstar Canada Small Cap Index) rose 25.1% in 2024. U.S. small-caps gained 20.4% in Canadian dollar terms.
- Financial services, resources, and healthcare stocks had a strong year. The utilities sector was the only industry to turn in a negative return.

The fund was down 3.0% in the quarter. Since inception (Feb 2007), it has a cumulative return of 230%, which equates to an annualized return of 6.9%.

Portfolio Specifics

- The fund consists of 20 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 14% of the fund's stocks.
- The fund rose 10.8% in 2024. This would be a good return in most periods but the small-cap markets rose over 20% this year, making the return less attractive from a relative perspective. Resource companies account for over 40% of the Canadian small-cap market and were among the strongest performers. Our manager, Galibier Capital, has found few resource companies with durable competitive advantages and our lower exposure to the sector was a key reason for our underperformance. That said, Galibier's approach has produced strong results over the longer term.
- Among the commodity-focused stocks we own, Torex Gold Resources and Capstone Copper benefited from strong metal prices. Torex saw its stock price nearly double in the year and was our top performer. Other strong contributors included Savaria, Greenbrier Companies, Sleep Country Canada, and Park Lawn. Home accessibility specialist Savaria and railcar manufacturer Greenbrier turned in excellent operating results. Sleep Country and Park Lawn were the subjects of takeovers.
- There were some disappointing results in a year when most stocks were up, with three investments falling more than 20%: Interfor, Enghouse Systems, and Boyd Group Services. Lumber producer Interfor struggled with uncertain demand for new housing and the potential for more protectionism in the U.S. Technology holding Enghouse, which consolidates call center software, suffered as some observers perceive it to be at risk with the increased adoption of AI. Collision repair specialist Boyd suffered from lower volumes due in part to good weather. Galibier believes the market is being too negative on the prospects for these solid businesses and we continue to like their outlooks.
- Five new stocks were purchased in 2024 and seven sold. The latest additions include Stella-Jones, a leader in treated lumber used in railway ties and utility poles (we've owned the stock in the past); and EQB Inc., one of Canada's fastest growing financial institutions and the parent of Equitable Bank.

Notable Transactions

Buy/Add

EQB Inc.*
Stella-Jones*
Spin Master

*New holding

Trim/Sell

Sleep Country Canada[1]
Generac Holdings[1]
VF Corporation[1]
Greenbrier Companies

[1]Position eliminated

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.

Fund size	$44,253,605
No. of stocks	20

Small-Cap Equity Fund

Attributes

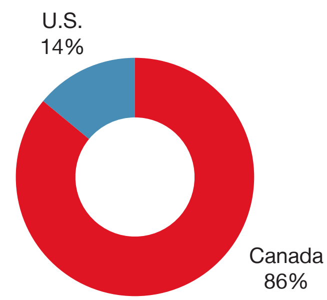
Top Stock Holdings

MEG Energy	7.9%
Torex Gold Resources	6.1%
ATS Corporation	5.7%
Finning International	5.6%
Oshkosh Corporation	5.5%
Capstone Copper	5.5%
Stella-Jones	5.4%
EQB	5.1%
Premium Brands Holdings	5.0%
Cargojet	5.0%

Sector Allocation (Stocks)

Industrial Goods & Svc	47.7%
Basic Materials	21.3%
Oil & Gas	8.0%
Consumer Products	5.1%
Financial Services	5.1%
Healthcare	4.7%
Consumer Cyclical	4.1%
Technology	4.0%

Geographic Profile (Stocks)



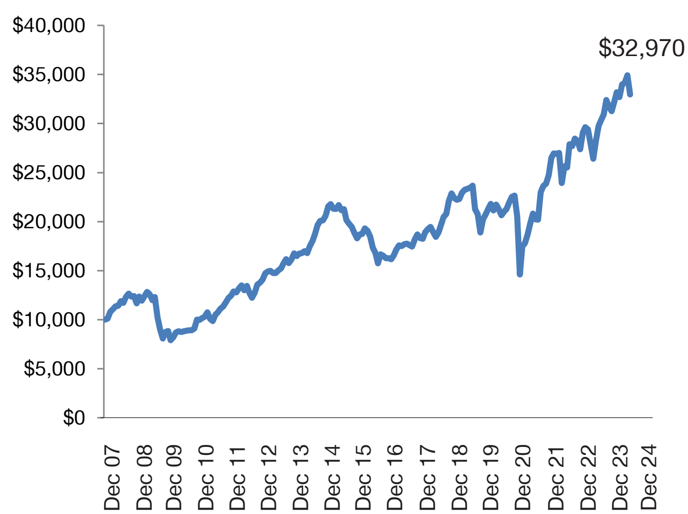
Performance

Compound Annualized Returns (as of December 31, 2024)

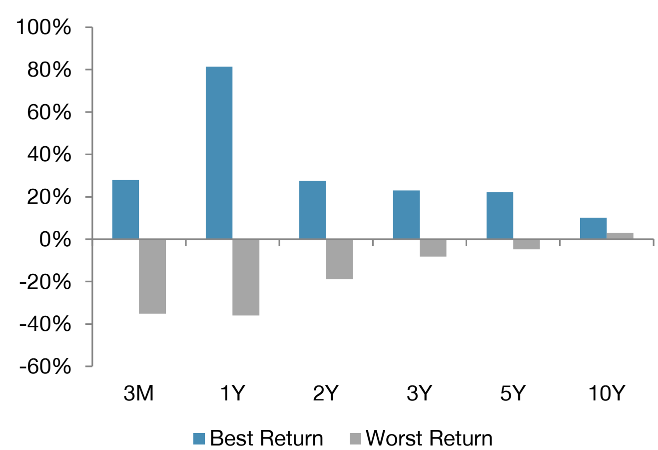
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Small-Cap Equity Fund (after-fee)*	**-3.0%**	**10.8%**	**10.8%**	**6.8%**	**7.9%**	**5.8%**	**8.3%**	**6.9%**
Canadian Small-Cap Stock Index	2.7%	25.1%	25.1%	6.4%	8.8%	5.4%	3.9%	2.0%
U.S. Small-Cap Stock Index ($Cdn)	6.7%	20.4%	20.4%	7.0%	9.9%	9.8%	12.6%	8.0%

[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 (Morningstar Developed Markets Small Cap Index) rose 18.2% in Canadian dollar terms in 2024.
- All sectors produced positive returns, with financial services and utilities turning in the strongest gains.

The fund was up 5.0% in the quarter. Since inception (Feb 2019), it has a cumulative return of 47%, which equates to an annualized return of 6.8%.

Portfolio Specifics

- The portfolio is currently invested in 49 companies. 26 are based in the U.S., 8 in Europe, 7 in Japan, 4 in the U.K., 3 in Australia, and 1 in South America.
- The fund rose 16.3% in 2024. Our industrial holdings, which comprise the largest component of the portfolio (38%), were an area of strength. American companies EMCOR Group (mechanical and electrical construction services), Clean Harbors (environmental and industrial services) and ESAB Corporation (welding and cutting equipment) were among our best performers, with EMCOR doubling in value.
- Our financial services and consumer investments also performed well, with Rakuten Bank, Japan's largest online bank, a standout. The stock doubled in the year on strong profit growth. Japanese companies in general continue to be an area of interest. Shareholder activism reached a record this year and corporate earnings hit an all-time high. The country accounts for 14% of the portfolio. Other notable holdings include Azbil (building automation sensors and products), Integral (private equity), and new addition Tokyo Metro (subway operator).
- Our technology investments had a mixed year. Astera Labs (connectivity solutions for data centers), another new addition this year, was a leader (the stock nearly tripled in the fourth quarter alone). MACOM Technology Solutions (semiconductor designer) also had a strong run late in the year. Synaptics (technology for touch, display, and biometrics) and JFrog (software for managing and releasing updates) were disappointments, however.
- Arcos Dorados and Tecan Group also detracted from performance. Arcos Dorados (McDonald's franchisee in Latin America) reported lower margins which disappointed investors, and Tecan Group's financial performance fell short of expectations. Our manager, TimesSquare Capital, sold Tecan to pursue better opportunities.
- The portfolio has gone through more changes than usual over the last 18 months as volatility has been high and new co-manager Mark Grzymski makes his mark. 21 stocks were sold in the year and 19 purchased. Inspire Medical Systems (sleep apnea treatment), Lattice Semiconductor (designs devices for low-power computing), and ServiceTitan (CRM software) are some of the latest additions.

Notable Transactions

Buy/Add

Inspire Medical Systems*
Tokyo Metro*
Lattice Semiconductor*
ACV Auctions*
ServiceTitan*

*New holding

Trim/Sell

Ascendis Pharma A/S[1]
TOTVS S.A.[1]
Tecan Group AG[1]
Amplifon SpA[1]
Rotork[1]
Kobe Bussan[1]

[1]Position eliminated

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.

Fund size	$11,076,191
No. of stocks	49

Global Small-Cap Equity Fund

Attributes

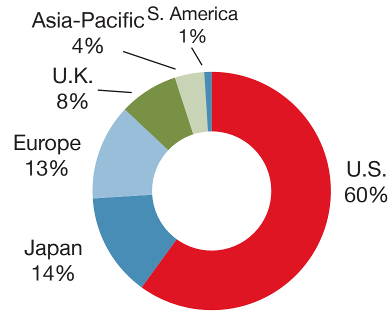
Top Stock Holdings

Regal Rexnord	3.7%
Performance Food Group	3.6%
First Advantage	3.3%
Integral Corporation	3.2%
Azbil Corporation	3.1%
KDX Realty Investment	3.0%
Casella Waste Systems	2.9%
Clean Harbors	2.8%
Synaptics	2.8%
JFrog	2.7%

Sector Allocation (Stocks)

Industrial Goods & Svc	38.1%
Technology	19.9%
Financial Services	17.0%
Consumer Products	7.5%
Healthcare	7.4%
Consumer Cyclical	7.0%
Real Estate	3.1%

Geographic Profile (Stocks)



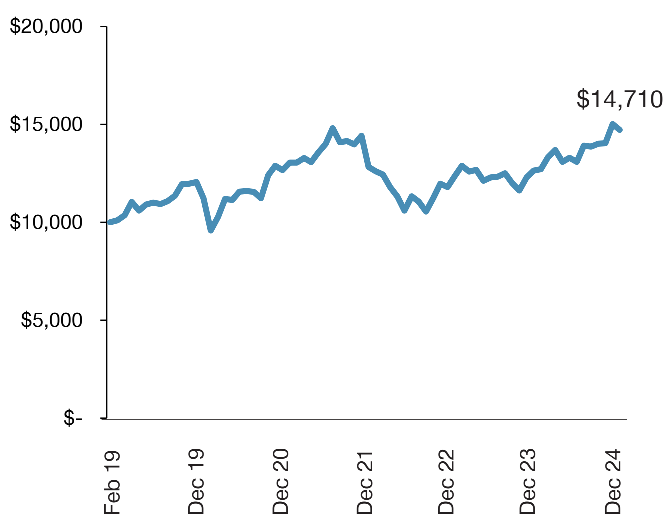
Performance

Compound Annualized Returns (as of December 31, 2024)

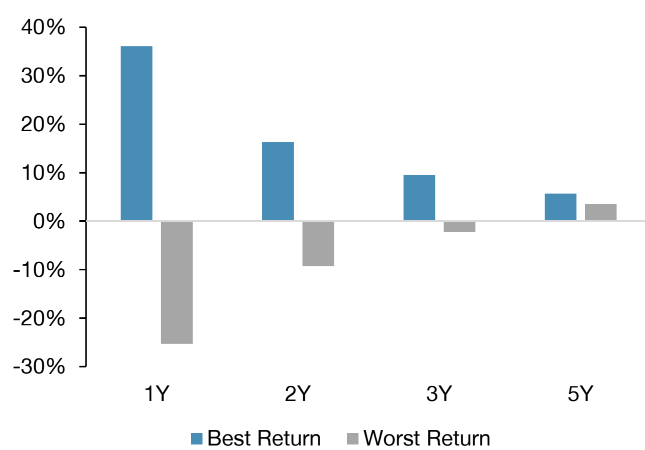
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep[1]
Global Small-Cap Equity Fund (after-fee)	**5.0%**	**16.3%**	**16.3%**	**0.7%**	**4.2%**	**N/A**	**N/A**	**6.8%**
Global Small Cap Stock Index ($Cdn)	4.7%	18.2%	18.2%	5.4%	8.3%	N/A	N/A	8.3%

[1]Feb 15, 2019

Growth of $10,000 Since Inception



Best and Worst Annualized Returns



Savings Fund

Market Context

- The Bank of Canada cut its key short-term lending rate five times in 2024, from 5.0% to 3.25%. The U.S. Federal Reserve reduced its target interest rate by a total of 1.0% across three meetings. The Fed's target range is now 4.25% to 4.5%.
- While our central bank has been quicker to lower rates, it signaled a more cautious approach at its final meeting this year, when Governor Tiff Macklem noted that rates are no longer in "clearly restrictive territory". The Bank also believes, however, that the possibility of new tariffs on Canadian exports to the U.S. has clouded the economic outlook and increased uncertainty.
- As short-term interest rates have come down in Canada, investors should expect a lower return on money market investments. That said, yields are still attractive.

The fund was up 0.9% in the quarter. Since inception (Feb 2007), it has a cumulative return of 32%, which equates to an annualized return of 1.6%.

Positioning

- T-Bills comprise 73% of the portfolio, while corporate paper makes up 27%.
- We increased our weighting in provincial T-Bills in 2024, which offer attractive yields.
- The pre-fee yield of the portfolio at the end of December was 3.3%.

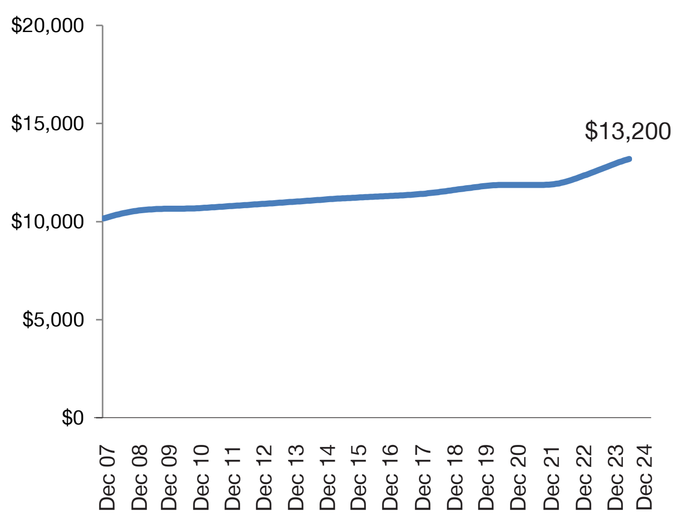
Performance

Compound Annualized Returns (as of December 31, 2024)

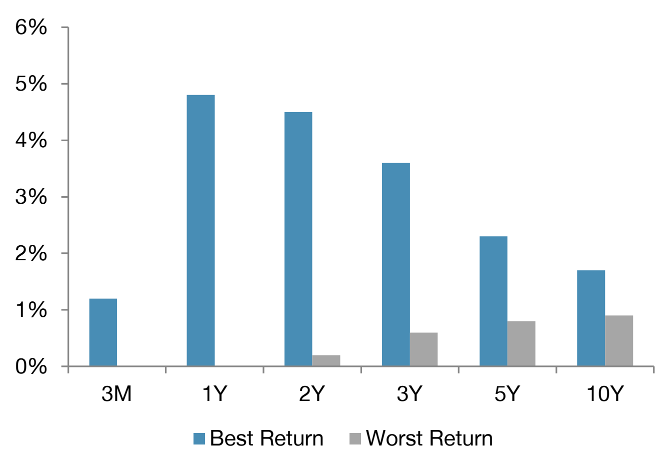
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep*
Savings Fund (after-fee)	**0.9%**	**4.4%**	**4.4%**	**3.6%**	**2.3%**	**1.7%**	**1.4%**	**1.6%**
Canadian Cash Index	1.0%	4.7%	4.7%	3.7%	2.4%	1.6%	1.4%	1.6%

*Feb 13, 2007

Growth of $10,000 Since Inception



Best and Worst Annualized Returns



How to stay grounded in an era of speculation, risk-taking and dreaming

Special to the Globe and Mail, by Tom Bradley, December 21, 2024

Vancouver City Council voted recently to explore accepting payments through bitcoin. Earlier in the fall, Premier Doug Ford of Ontario dreamt (out loud) of building a tunnel under Highway 401. And the Leafs started the season with the second-best odds of winning the Stanley Cup.

These items sum up where we are on the fantasy-versus-reality spectrum. Certainly, for investors, the year of Taylor and Trump has seen a steady rise in speculation, risk-taking and, yes, dreaming. It's like the euphoria of 1999 and 2021, but the mix is different. There's no Pets.com, cannabis, NFTs or EVs, but there are plenty of other indicators.

Crypto is a big part of the speculator fervour. In hopes that president-elect Donald Trump will deregulate cryptocurrencies (or should I say, regulate them even less), bitcoin surpassed US$100,000 and lesser coins such as Dogecoin have skyrocketed.

It feels as if all the upside from the Trump election (deregulation, local benefits from higher tariffs) has been absorbed into stock prices, and little of the potential downside (trade retaliation, inflation).

Business icons in the president-elect's inner circle, like Elon Musk, are riding high. Tesla is up 75 per cent since election night with the only news being about Mr. Musk's pay package. Meanwhile, Trump Media and Technology Group has kept the meme stock craze alive. It's valued at more than US$7-billion despite reporting revenue of US$1-million in the September quarter.

You might wonder why Truth Social and crypto-everything are indicators of speculation and risk. It relates to the absence of something to value. Investor excitement can drive up prices in the short term, but an asset must offer some utility and ultimately produce a profit for gains to be sustainable.

There are other areas that arguably look frothy. Artificial intelligence is one. AI does have utility and will have a profound effect on how businesses operate, but is also prone to hyperbole (this time around, companies are putting AI in their names instead of .com). The question is, will the excitement and huge capital and environmental costs be accompanied by a commensurate amount of sales and profit? Will AI produce incremental revenue, or just be a feature needed to justify the price of existing products and services?

Valuations of mainstream stocks and bonds are being carried along with AI and crypto. With a few exceptions, price-to-earnings multiples are above their historical ranges, and the risk premiums on high-yield bonds (the extra yield above government bonds) are at all-time lows.

Not surprisingly, people are optimistic. Investor sentiment, which is a contrarian indicator, is moving into bullish territory.

To sum it all up, this isn't normal. Quite the opposite. So what is a steady, long-term investor to do?

First, dust off a few investing basics and stick them on your fridge. Tenets such as "price matters." If you pay too much, a good asset will be a bad investment.

The daily price doesn't determine value. Value comes from revenue growth and profits.

And the mood of investors can change on a dime. It can go from bullish (greedy) to bearish (fearful) in a matter of days. (Going from bearish to bullish takes longer.)

The stickies hopefully will remind you that investment fundamentals still matter.

Second, don't be frustrated by the craziness, but rather, use it to your advantage. If you need to set aside money to do or buy something, or if you're retired and need to top up your spending reserve, it's a great time to do so. If you don't, use the strength to rebalance your portfolio back to its target asset mix.

Third, if you're speculating or chasing the next great thing, size the bet appropriately. Professional managers are methodical about how big their stock and bond positions are, and you should be, too. The pursuit of a theme such as AI or crypto should be done in the context of a diversified portfolio.

And finally, don't speculate with money you'll need in the next 3-5 years. If it absolutely needs to be there, it's not appropriate for riskier, long-term investment.

Steadyhand

Important TFSA, RRSP, and FHSA numbers for 2025

The maximum contribution limit for Tax-Free Savings Accounts this year remains at $7,000; the max you can add to your RRSP is the lesser of 18% of your 2024 earned income or $32,490; and for those saving for a first home, you can contribute $8,000 to a First Home Savings Account. Learn more.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The performance data provided for the Steadyhand Savings Fund assumes reinvestment of distributions only and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. The indicated rates of return for the funds other than the Savings Fund are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual fund securities are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There can be no assurances that the funds will be able to maintain their net asset value per security at a constant amount or that the full amount of your investment in the funds will be returned to you. Past performance may not be repeated.

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)

Steadyhand Investment Management Ltd. is the manager of the Steadyhand funds. Steadyhand Investment Funds Inc. (SIFI) is the principal distributor of the funds.

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