

**Kingwest U.S. Equity Portfolio**

**Annual Management Report of Fund Performance**

*For the year ended December 31, 2024*

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements at no cost by calling 1-416-927-7740, by writing to us at 86 Avenue Rd. Toronto Ont., M5R 2H2, or by visiting our website at [www.kingwest.com](http://www.kingwest.com) or SEDAR at [www.sedarplus.com](http://www.sedarplus.com).

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

### **Caution regarding forward-looking statements**

This Annual Management Report of Fund Performance includes certain statements that are "forward looking information" or "forward looking statements" (collectively, "forward looking information") within the meaning of applicable securities legislation.

All statements, other than statements of historical fact, included in this report that address activities, events or developments that the portfolio advisor, Kingwest & Company, expects or anticipates will or may occur in the future, including such things as anticipated financial performance, beliefs, plans, goals, objectives, assumptions, information and statements about possible future events, conditions, results of operations, are forward looking information.

The words "may", "could", "would", "should", "believe", "plan", "anticipate", "expect", "intend", "forecast", "objective", "will" and similar expressions are intended to identify forward looking information. Undue reliance should not be placed on forward looking information. Forward looking information is subject to various risks described in the Simplified Prospectus, uncertainties, and assumptions about the Fund, capital markets and economic factors, which could cause actual results to vary and, in some instances, to differ materially from those anticipated by the portfolio advisor and expressed in this report.

Material risk factors include, but are not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events. The foregoing list of risk factors is not exhaustive.

All opinions contained in forward-looking information are subject to change without notice and are provided in good faith and are based on the estimates and opinions of the portfolio advisor at the time the information is presented. The portfolio advisor has no specific intention of updating any forward-looking information whether as a result of new information, future events or otherwise, except as required by securities legislation. Certain information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but cannot be guaranteed to be current, accurate or complete and is subject to change without notice.

## Management Discussion of Fund Performance Investment Objectives and Strategies

The investment objective of the Kingwest U.S. Equity Portfolio (the "Fund") is to provide capital appreciation through investments in equity securities listed on recognized U.S. stock exchanges. The Fund focuses on companies that will increase in value for reasons not related to the general movement in stock prices but related to some development in the company's affairs not reflected in its share price.

### Risk

This Fund is suitable for investors seeking long-term above-average growth who can tolerate average volatility. Although the Manager does take measures to mitigate and manage risk, this Fund should be considered a medium-risk fund due to its focus on equities. General risks of investing in the Fund remain as discussed in the Prospectus. The major risks for the Fund are stock market risk, specific issuer risk, liquidity risk, and currency risk. The Manager attempts to reduce exposure to these risks by diversifying among 25-30 companies.

### Currency Risk

The Fund is valued in Canadian dollars; however, it invests primarily in U.S. securities denominated in U.S. Dollars. In order to reduce the impact of short-term currency fluctuations, we may employ currency hedging. Specifically, we may hedge all or a portion of our foreign currency exposure depending on our view of a currency's relative value and its associated risks. As at December 31, 2024, the Fund's most significant foreign currency exposure was to the U.S. dollar, which as a gross percentage of total net assets was approximately 100%. 22.5% of the Fund's exposure to the U.S. dollar was hedged at the end of 2024.

## Results of Operations

### Investment Performance

For the year ended December 31, 2024, Kingwest U.S. Portfolio, Series F, increased by 36.6% versus an increase of 36.4% for its benchmark, the S&P 500 Index (total returns in C\$).

We manage the Fund independently of the indexes we use as long-term performance comparisons. Differences including security holdings and geographic/sector allocations may impact comparability and could result in periods when our performance differs materially from the index.

During the period, the Fund's outperformance relative to the index can mainly be attributed to the Fund's allocation to Communication Services and Financial sectors. Security Selection, rather than Asset Allocation, within these sectors was a major contributor to the Fund's outperformance.

Please refer to the Past performance section for the performance of other series, which differs from Series F due largely to varying expenses and/or taxes incurred by each series, as explained in the Prospectus.

On a sector basis, the Fund's Communication Services and Financial holdings were the largest contributors to overall performance. The Fund's holdings in Information Technology and Consumer Discretionary were the major sector detractors to investment results in 2024.

### Meaningful contributors to investment results included:

- KKR & Co
- Meta Platforms Inc
- Fiserv Inc
- Trane Technologies PLC
- T-Mobile US Inc
- JPMorgan Chase & Co
- Blackstone Inc
- Citigroup Inc

As a group, these companies contributed approximately 26.2% to overall performance in the last 12 months.

### Significant detractors to investment results included:

- Skyworks Solutions Inc
- Sonos Inc
- Comcast Corp

As a group, these companies contributed approximately a negative 0.7% to overall performance in the last 12 months.

While we provide these results to fulfil the disclosure requirements of this report, we measure investment success over periods of 5 years or more and believe it takes considerable skill to consistently add value over the long term.

## Portfolio Transactions

### Businesses Purchased

During the period, businesses added to the Fund include:

- Apollo Global Management - Alternative asset management company
- Lazard - Financial advisory and asset management service provider

## Businesses Sold

We generally sell a stake in a business for one of three reasons. First, if our outlook for the business changes. Second, if the potential forward appreciation is lower. Third, an alternative business of higher quality or more attractive forward return is available.

During the period, businesses sold include:

- ADT Inc.
- Morgan Stanley
- Trane Technologies

## Portfolio Composition

### Sector Exposure

Overall sector exposure shifted primarily as a result of investment decisions and changes in stock prices. The most significant change was an increase of 7.6% in the Fund's Financials holdings, primarily due to market appreciation of the securities within the Financials Sector and the addition of Apollo Global Management and Lazard Inc. The Fund's Industrials holdings decreased by approximately 5.2%, primarily due to the sale of Trane Technologies. The Fund's cash position was 7.9% at the end of 2024, compared to 9.0% at the end of 2023.

Portfolio transactions are a result of our "bottom-up" stock selection process. We don't construct the Fund with an index or benchmark in mind. As a result, the Fund's composition is typically very different from its benchmark index. Our approach to portfolio construction focuses on the quality of the constituent businesses and minimizing the possibility of permanent loss of capital. Although we keep macro-level market issues in mind, they aren't a primary driver in our investment process.

## Recent Developments

Continuing conflict in Ukraine, war in the Middle East and the U.S. election were major geopolitical issues in 2024.

For the year, the S&P 500 Total Return Index increased 36.4% (C\$; Source: Bloomberg).

During 2024, the Information Technology and Financials sectors within the S&P 500 Index accounted for more than 54% of the index's total return. The largest individual security contributor was Nvidia Corp, which accounted for about 17% of the index return.

Our House Style focuses on quality businesses with internal developments that will drive their business forward independent of the broader market. We only acquire and hold these companies while their stock prices trade below our appraisal value. Given our owner's approach mindset, the Fund's portfolio looks

very different from its benchmark index, the S&P 500 Index.

During the year, we purchased 2 new businesses and sold our position in 3 businesses.

## Related Parties Transactions

### Manager

Brokerage fees in the form of commissions incurred to Kingwest in connection with arm's length purchase and sale of securities of the Portfolio during the year amounted to \$53,226 (\$13,432 in 2023). These fees are measured at the exchange amount and are in the normal course of business.

As at December 31, 2024, the principals of the Manager and parties related to the principals own 118 redeemable units of Kingwest U.S. Equity Portfolio Series F (0 units in December 31, 2023); 98,395 redeemable units of Kingwest U.S. Equity Portfolio Series O (91,141 units in December 31, 2023); and 181 units of Kingwest U.S. Equity Portfolio Series O in CAD (0 units in December 31, 2023).

### Independent Review Committee (IRC)

Kingwest has appointed an IRC consisting of three independent members and established under the Canadian Securities Administrators' National Instrument 81-107. The IRC's mandate is to review and provide input on Kingwest's written policies and procedures that pertain to conflict of interest matters with respect to Kingwest-managed funds, including Kingwest affiliates. The Fund has not relied on the positive recommendation or approval of the IRC to proceed with any transaction.

## Financial Highlights

The following table shows selected key financial information about the Fund and is intended to help you understand the Fund's financial performance for the partial year ended December 31, 2024. This information is derived from the Fund's audited financial statements and audited annual financial statements which are prepared in accordance with IFRS.

<b>The Fund's net asset value per unit</b>	<b>2024</b>
<b>KWC306 - Series F</b>	<b>Dec 31</b>
<b>Net asset value, April 23, 2024 <sup>1</sup></b>	\$ 10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.14
Total expenses	(0.09)
Realized gains (losses) for the year	0.47
Unrealized gains (losses) for the year	2.60
<b>Total increase (decrease) from operations <sup>2</sup></b>	<b>3.12</b>
<b>Distributions:</b>	
From income (excluding dividends)	-
From dividends	(0.12)
From capital gains	(0.76)
Return of capital	-
<b>Total Annual Distributions <sup>3</sup></b>	<b>(0.88)</b>
<b>Net asset value, end of year</b>	<b>\$ 11.38</b>
 <b>Ratios and Supplemental Data:</b>	
Total net asset value <sup>4</sup>	\$ 41,269
Number of units outstanding	3,628
Management expense ratio <sup>5</sup>	1.00%
Management expense ratio before waivers or absorptions	1.00%
Trading expense ratio <sup>6</sup>	0.04%
Portfolio turnover rate <sup>7</sup>	6.61%
Net asset value per unit	\$ 11.38

Series F started on April 23<sup>rd</sup>, 2024.

### Notes

(1) This information is derived from the Fund's audited financial statements for the period ended December 31, 2024

(2) Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period (December 31<sup>st</sup>)

(3) Distributions were reinvested in additional units of the Fund and/or paid in cash.

(4) This information is for the period ended December 31, 2024

(5) Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net assets during the period.

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

(7) The Fund's portfolio turnover indicates how actively the Fund's Portfolio advisors trade its portfolio investments. The portfolio turnover rate is the percentage of the purchases and sales of the securities in the portfolio during the period. Higher portfolio turnover may result in higher trading costs payable by the Fund. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Management Fees

As compensation for the services provided, Kingwest, the Manager of the Fund, receives an internal management fee of 80 basis points on daily net asset value for the Series F.

Past Performance

Sales commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the Prospectus before investing. The indicated rates of return 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 investor that would have reduced returns.

Mutual fund performance is not guaranteed. The value changes frequently and past performance may not be repeated. The Fund’s performance numbers assume that all distributions are reinvested in additional units of the Fund.

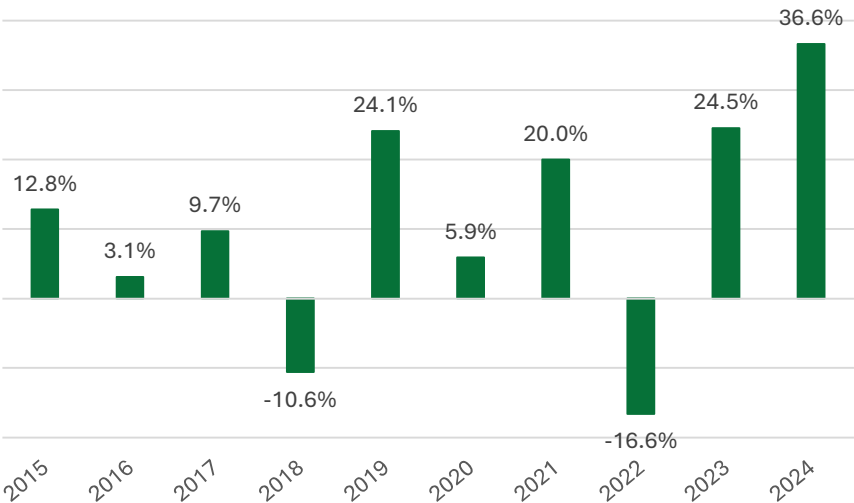
If you hold this Fund outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional units. The amount of the reinvested taxable distributions is added to the adjusted cost base of the units that you own. This would decrease your capital gains or increase your capital loss when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again.

Please consult your tax advisor regarding your personal tax situation.

The past performance of the Fund is set out in the following charts.

Year-by-Year Returns

The following graphs illustrate the Fund’s performance for each of the periods highlighted, including changes from period to period. They indicate, on a percentage basis, how much an investment would have made or lost had you invested on the first day of each financial period and held that investment to the last day of each financial period, as applicable.



Benchmark

The Fund uses the S&P 500 TR (CAD) Index as its benchmark for long-term performance comparisons. While the Fund uses this index for long-term performance comparisons, it is not managed relative to the composition of the index. There are differences which include security holdings, geographic and sector allocation which impact comparability. As a result, the Fund may experience periods when its performance differs materially from the index. Please see the Results of operations section of this report for a discussion of recent performance results.

Annual Compound Returns

The following table compares the Fund’s annual compound returns for the Series F of the Fund against the US-dollar returns of the S&P 500 TR for the periods shown, all ended December 31, 2024.

	1 YR	3 YR	5 YR	10 YR	15 YR	20 YR	SI *
Kingwest U.S. Equity Portfolio Series F	36.6%	12.4%	12.5%	9.8%	12.1%	8.0%	6.6%
S&P 500 TR (CAD)	36.4%	13.8%	16.9%	15.6%	16.3%	11.3%	8.5%

\* Since inception date May 31, 2001



## Summary of Investment Portfolio

As at December 31, 2024

### Top 25 Investments

Cash & Cash Equivalents	8.5
KKR & Co., Inc.	6.6
Meta Platforms Inc.	6.3
Blackstone Inc.	6.3
Fiserv Inc.	6.1
T-Mobile US Inc.	6.0
JPMorgan Chase & Co.	5.6
Alphabet Inc., Class C	5.6
CIGNA Corp.	5.3
Citigroup Inc.	5.2
Allegion PLC	4.7
Lazard Inc.	4.4
Apollo Global Management Inc.	3.8
Las Vegas Sands Corp.	3.4
General Electric Co.	3.4
Ingersoll Rand Inc.	3.2
Madison Square Garden Sports Corp.	3.1
Skyworks Solutions Inc.	2.3
Comcast Corp., Class A	2.2
Howard Hughes Holdings Inc.	2.1
Mastercard Inc., Class A	2.0
GE Vernova LLC	1.7
Sonos Inc.	1.3
Madison Square Garden Entertainment Corp.	0.8
GE HealthCare Technologies Inc.	0.5
<b>Total</b>	<b>100.4</b>

### Investment Mix

Financials	40.0
Communication Services	24.0
Industrials	13.0
Cash & Cash Equivalents	8.5
Health Care	5.8
Consumer Discretionary	4.7
Information Technology	2.3
Real Estate	2.2
Derivatives	(0.7)
Other Assets (Liabilities)	0.2
Financials	40.0
<b>Total</b>	<b>100.0</b>

### Total net asset value

\$160.1 million

### Geographical Allocation

United States	95.7
Ireland	4.7
Cash	0.1
Derivatives	(0.7)
Other Assets (Liabilities)	0.2
<b>Total</b>	<b>100.0</b>

\* Percentage of Net Asset Value (%)

\* Including Non- Voting shares.

The Summary of investment portfolio may change due to ongoing portfolio transactions in the Fund. Quarterly updates are available at [www.kingwestfunds.com](http://www.kingwestfunds.com).

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